

## City of Arnold, Missouri

City Council  
Council Chambers

November 7, 2019  
7:00 P. M.

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### Agenda

1. Pledge of Allegiance:
2. Opening Prayer: Good Shepherd Lutheran Church – Pastor Warren Worth
3. Roll Call:
4. Business from the Floor:
5. Consent Agenda:
  - A. Regular and Public Hearing Minutes **October 17, 2019**
  - B. Payroll Warrant **#1328 in the Amount of \$370,700.32**
  - C. General Warrant **#5749 in the Amount of \$532,617.52**
6. Ordinances:
  - A. **Bill No. 2759:** An Ordinance Providing for the Repeal of Chapter 220 (General Nuisances) of the Arnold Code of Ordinances and Enacting in Lieu thereof a New Chapter 220 (General Nuisances) on the Same Subject with Certain Modifications as Hereinafter set Forth, and Establishing Penalties for the Violation Thereof.
  - B. **Bill No. 2760:** An Ordinance Providing for the Repeal of Chapter 515 (Dangerous Buildings) of the Arnold Code of Ordinances and Enacting in Lieu Thereof a New Chapter 515 (Dangerous Buildings and Structures) on the Same Subject with Certain Modifications as Hereinafter Set Forth, and Establishing Penalties for the Violation Thereof.
7. Resolutions:
  - A. **Resolution No. 19-63:** A Resolution Authorizing the Purchase of a 2020 Dodge 5500 Dump Truck and Related Equipment Parts.
  - B. **Resolution No. 19-64:** A Resolution Authorizing an Intergovernmental Agreement Between the County of Jefferson, Missouri and Incorporated

Municipalities for the One-Half of One-Percent Sales Tax for Capital Improvements to Publicly Maintained Roads.

- C. **Resolution No. 19-65:** A Resolution Authorizing a Lease/Purchase Agreement with Commerce Bank/Clayton Holdings, LLC for the Acquisition of a New Falcon 3-Ton Asphalt Recycler and Hot Box Slip-In.
- D. **Resolution NO. 19-60:** A Resolution Extending the Lease at Corridor 55 for a Period of Eight (8) Months.

8. Motion:

- A. A Motion to Hold a Closed Session Immediately Following the City Council Meeting for the Purpose of Discussing Real Estate Pursuant to RSMo Section 610.021 (2).

9. Reports from Mayor, Council, and Committees:

10. Administrative Reports:

11. Adjournment:

**Next Regular City Council Meeting November 21, 2019 @ 7:00 p.m.  
Next Work Session November 14, 2019 at 7:00 p.m.**

Mayor Pro-Tem Jason Fulbright called the meeting to order at 7:02 p.m.

The Pledge of Allegiance was recited.

Mayor Pro-Tem Jason Fulbright offered the opening prayer.

Those present per roll call taken by City Clerk Tammi Casey: Mayor Counts (excused), Fulbright, Hood, Cooley, Seidenstricker, Sullivan, McArthur, Fleischmann (excused), Plunk, Richison, Bookless, Lehmann, Sweeney, Brown (excused), Wagner, Kroupa and Major Carroll.

MIRMA representative Jeff Aarp presented Major Carroll with a plaque in recognition of the grant awarded to the Police Department for the reimbursement cost of a dash camera, through MIRMA's Risk Management Award Program.

#### **BUSINESS FROM THE FLOOR**

Robin Brunner, 2581 Lill Lane – Spoke to council regarding her pet pig. City Ordinances currently defines domestic animals as “any swine” and in order to be able to keep domestic animals the property must be a minimum of one acre. Her property is a half-acre. She provided council with pictures of her animal and states that it is a “mini” pig and will get no bigger than a large dog. After discussion by council, staff was instructed to allow Ms. Brunner to keep her pet until the ordinance can be discussed further.

Corey Strutton, Springdale Arkansas – Informed council that he is an advocate against teen vaping and was recently in Jefferson City. He was in the audience tonight in support of the Clean Air Act.

Mark Parkins, St. Louis Missouri – Informed council that he was the property owner of Arnold City Center. He is hoping to rent space to Vape Maven, which is on the agenda tonight and is here to answer any questions the council may have.

#### **CONSENT AGENDA**

- A. REGULAR MINUTES OCTOBER 3, 2019 MEETING**
- B. PAYROLL WARRANT NO. 1327 IN THE AMOUNT OF \$304,915.16**
- C. GENERAL WARRANT NO. 5748 IN THE AMOUNT OF \$1,140,584.70**

**Gary Plunk made a motion and so moved to approve the consent agenda. Seconded by Butch Cooley. Roll call vote: Fulbright, yes; Hood, yes; Cooley, yes; Seidenstricker, yes; Sullivan, yes; McArthur, yes; Fleischmann (excused); Plunk, yes; 7 Yeas: Consent agenda approved.**

## **ORDINANCES**

**BILL NO. 2758 – AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ARNOLD, MISSOURI, AMENDING CHAPTER 405 OF THE ARNOLD CODE OF ORDINANCES BY REVISING PARKING SPACE REQUIREMENTS FOR COMMERCIAL USES** was read twice by City Clerk Tammi Casey. Roll call vote: Fulbright, yes; Hood, yes; Cooley, yes; Seidenstricker, yes; Sullivan, yes; McArthur, yes; Fleischmann (excused); Plunk, yes; 7 Yeas: **Ordinance passed.**

## **RESOLUTIONS**

**RESOLUTION NO. 19-56 – A RESOLUTION AUTHORIZING THE VACATION OF RIGHT OF WAY EASEMENT**

**Tim Seidenstricker made a motion and so moved to approve Resolution No. 19-56.** Seconded by Mark Hood. Roll call vote: Fulbright, yes; Hood, yes; Cooley, yes; Seidenstricker, yes; Sullivan, yes; McArthur, yes; Fleischmann (excused); Plunk, yes; 7 Yeas: **Resolution approved.**

**RESOLUTION NO. 19-57 – A RESOLUTION AUTHORIZING THE MAYOR TO ENTER INTO AN AGREEMENT WITH DON BROWN CHEVROLET FOR THE PURCHASE OF A 2020 CHEVROLET EQUINOX AWD**

**Gary Plunk made a motion and so moved to approve Resolution No. 19-57.** Seconded by Butch Cooley. Roll call vote: Fulbright, yes; Hood, yes; Cooley, yes; Seidenstricker, yes; Sullivan, yes; McArthur, yes; Fleischmann (excused); Plunk, yes; 7 Yeas: **Resolution approved.**

**RESOLUTION NO. 19-58 – A RESOLUTION APPROVING A CHANGE ORDER WITH SPENCER CONTRACTING FOR THE JEFFCO-TENBROOK INTERSECTION PROJECT**

**Vern Sullivan made a motion and so moved to approve Resolution No. 19-58.** Seconded by Tim Seidenstricker. Roll call vote: Fulbright, yes; Hood, yes; Cooley, yes; Seidenstricker, yes; Sullivan, yes; McArthur, yes; Fleischmann (excused); Plunk, yes; 7 Yeas: **Resolution approved.**

**RESOLUTION NO. 19-59 – A RESOLUTION RECOGNIZING THE 10<sup>TH</sup> ANNIVERSARY OF JEFFCO EXPRESS**

**Tim Seidenstricker made a motion and so moved to approve Resolution No. 19-59.** Seconded by Mark Hood. Roll call vote: Fulbright, yes; Hood, yes; Cooley, yes; Seidenstricker, yes; Sullivan, yes; McArthur, yes; Fleischmann (excused); Plunk, yes; 7 Yeas: **Resolution approved.**

**RESOLUTION NO. 19-60 – A RESOLUTION EXTENDING THE LEASE AT CORRIDOR 55 FOR A PERIOD OF ONE-YEAR**

Questions and comments were made by council regarding this Resolution and the options that were available regarding the lease at Corridor 55.

After much discussion **Tim Seidenstricker made a motion and so moved to table Resolution No. 19-60 until the November 7, 2019 council meeting.** Seconded by Brian McArthur. Roll call vote: Fulbright, yes; Hood, yes; Cooley, yes; Seidenstricker, yes; Sullivan, yes; McArthur, yes; Fleischmann (excused); Plunk, yes; 7 Yeas: **Motion carried.**

**RESOLUTION NO. 19-61 – A RESOLUTION APPOINTING CHAD MILLER TO THE TOURISM COMMISSION TO COMPLETE A THREE-YEAR TERM**

Butch Cooley made a motion and so moved to approve Resolution No. 19-61. Seconded by Brian McArthur. Roll call vote: Fulbright, yes; Hood, yes; Cooley, yes; Seidenstricker, yes; Sullivan, yes; McArthur, yes; Fleischmann (excused); Plunk, yes; 7 Yeas: **Resolution approved.**

**RESOLUTION NO. 19-62 – A RESOLUTION APPROVING THE PURCHASE OF UPGRADES FOR THE OUTDOOR WARNING SIREN SYSTEM**

Gary Plunk made a motion and so moved to approve Resolution No. 19-62. Seconded by Mark Hood. Roll call vote: Fulbright, yes; Hood, yes; Cooley, yes; Seidenstricker, yes; Sullivan, yes; McArthur, yes; Fleischmann (excused); Plunk, yes; 7 Yeas: **Resolution approved.**

**MOTIONS**

**A. 2019-35 CARX: A REQUEST FOR APPROVAL OF A CONDITIONAL USE PERMIT FOR AN AUTOMOTIVE REPAIR SHOP AT 1427 JEFFCO BLVD.**

David Bookless informed council this was discussed at the October 8, 2019 Planning Commission meeting and a Public Hearing was held that night as well. The Planning Commission is forwarding a recommendation of approval by a vote of 7-1. Mr. Bookless reminded council that if no action is taken tonight the CUP stands approved. No action was taken; therefore, the CUP stands approved.

**B. 2019-37 VAPOR MAVEN: A REQUEST FOR APPROVAL OF A CONDITIONAL USE PERMIT FOR A TOBACCO, NICOTINE, AND OTHER LEGAL SUBSTANCE ESTABLISHMENT AT 1783 JEFFCO BLVD.**

David Bookless informed council that this is an application for a conditional use permit for a Vape Store. The Planning Commission held a Public Hearing at its October 8, 2019 meeting. There is no recommendation from the Planning Commission as their vote resulted in a 4-4 tie, therefore, council must vote to approve this CUP. Bob Sweeney made the council aware that staff is recommending approval with conditions as outlined in their report. Questions and comments followed by council.

**Brian McArthur made a motion and so moved to approve the conditional use permit for 2019-37 Vapor Maven with the conditions as outlined. Seconded by Tim Seidenstricker. Roll call vote: Fulbright, yes; Hood, yes; Cooley, yes; Seidenstricker, yes; Sullivan, yes; McArthur, yes; Fleischmann (excused); Plunk, yes; 7 Yeas: Motion carried.**

**C. A MOTION TO HOLD A CLOSED SESSION IMMEDIATELY FOLLOWING THE CITY COUNCIL MEETING FOR THE PURPOSE OF DISCUSSING LITIGATION PURSUANT TO RSMo SECTION 610.021 (1)**

**Mark Hood made a motion and so moved to hold a closed session immediately following the city council meeting. Seconded by Butch Cooley. Roll call vote: Fulbright, yes; Hood, yes; Cooley, yes; Seidenstricker, yes; Sullivan, yes; McArthur, yes; Fleischmann (excused); Plunk, yes; 7 Yeas: Motion carried.**

**REPORTS FROM MAYOR, COUNCIL AND COMMITTEES**

Gary Plunk, Ward 4 – Stated the Veterans Commission met last night and put the final touches on the Veterans Day Parade, which will be held November 8<sup>th</sup>.

Tim Seidenstricker, Ward 2 –Reminded everyone that the Arnold Historical Society will be hosting a Trivia Night on October 19<sup>th</sup> and encouraged everyone to attend.

**ADMINISTRATIVE REPORTS**

NONE

Mayor Pro-Tem Jason Fulbright called a five-minute recess before going into closed session.

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Regular Meeting  
October 17, 2019

Closed Session ended at 8:12 p.m.

A motion to adjourn the meeting was made by Tim Seidenstricker. Seconded by Mark Hood.

Voice vote: All yeas.

Meeting adjourned at 8:12 p.m.

  
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City Clerk Tammi Casey, CMC/MRCC-C

Draft

**CITY OF ARNOLD, MISSOURI**

**ROLL CALL**

**MEETING:** REGULAR

**DATE:** 10/17/2019

**PAGE:** 1

**BILL NO - RESOLUTION - MOTION**

		ROLL CALL	CONSENT AGENDA	BILL NO 2758	RESOLUTION NO 19-56	RESOLUTION NO 19-57	RESOLUTION NO 19-58	
<b>COUNCIL MEMBERS:</b>								
<b>MAYOR PROTEM</b>	JASON FULBRIGHT	PRESENT	YES	YES	YES	YES	YES	
<b>COUNCIL:</b>	MARK HOOD	PRESENT	YES	YES	YES	YES	YES	
<b>COUNCIL:</b>	BUTCH COOLEY	PRESENT	YES	YES	YES	YES	YES	
<b>COUNCIL:</b>	TIM SEIDENSTRICKER	PRESENT	YES	YES	YES	YES	YES	
<b>COUNCIL:</b>	VERN SULLIVAN	PRESENT	YES	YES	YES	YES	YES	
<b>COUNCIL:</b>	BRIAN MCARTHUR	PRESENT	YES	YES	YES	YES	YES	
<b>COUNCIL:</b>	EJ FLEISCHMANN	EXCUSED	EXCUSED	EXCUSED	EXCUSED	EXCUSED	EXCUSED	
<b>COUNCIL:</b>	GARY PLUNK	PRESENT	YES	YES	YES	YES	YES	
<b>CITY ADMINISTRATOR</b>	BRYAN RICHISON	PRESENT	<b>PARKS DIR:</b>		DICKIE BROWN		EXCUSED	
<b>CITY CLERK</b>	TAMMI CASEY	PRESENT	<b>PUBLIC WORKS:</b>		JUDY WAGNER		PRESENT	
<b>COM DEV</b>	DAVID BOOKLESS	PRESENT	<b>TREASURER:</b>		DAN KROUPA		PRESENT	
<b>FINANCE DIR:</b>	BILL LEHMANN	PRESENT	<b>CHIEF OF POLICE</b>		MAJOR CARROLL		PRESENT	
<b>CITY COUNSELOR</b>	BOB SWEENEY	PRESENT						



**CITY OF ARNOLD, MISSOURI**

**ROLL CALL**

**MEETING:** REGULAR

**DATE:** 10/17/2019

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**BILL NO - RESOLUTION - MOTION**

**COUNCIL MEMBERS:**

		RESOLUTION NO 19-59	MOTION TO TABLE RESOLUTION NO 19-60	RESOLUTION NO 19-61	RESOLUTION NO 19-62	MOTION TO APPROVE CUP FOR VAPOR MAVEN	MOTION TO HOLD CLOSED SESSION
<b>MAYOR PROTEM</b>	JASON FULBRIGHT	YES	YES	YES	YES	YES	YES
<b>COUNCIL:</b>	MARK HOOD	YES	YES	YES	YES	YES	YES
<b>COUNCIL:</b>	BUTCH COOLEY	YES	YES	YES	YES	YES	YES
<b>COUNCIL:</b>	TIM SEIDENSTRICKER	YES	YES	YES	YES	YES	YES
<b>COUNCIL:</b>	VERN SULLIVAN	YES	YES	YES	YES	YES	YES
<b>COUNCIL:</b>	BRIAN MCARTHUR	YES	YES	YES	YES	YES	YES
<b>COUNCIL:</b>	EJ FLEISCHMANN	EXCUSED	EXCUSED	EXCUSED	EXCUSED	EXCUSED	EXCUSED
<b>COUNCIL:</b>	GARY PLUNK	YES	YES	YES	YES	YES	YES
<b>CITY ADMINISTRATOR</b>	BRYAN RICHISON		<b>PARKS DIR:</b>	DICKIE BROWN			
<b>CITY CLERK</b>	TAMMI CASEY		<b>PUBLIC WORKS:</b>	JUDY WAGNER			
<b>COM DEV</b>	DAVID BOOKLESS		<b>TREASURER:</b>	DAN KROUPA			
<b>FINANCE DIR:</b>	BILL LEHMANN		<b>CHIEF OF POLICE</b>	MAJOR CARROLL			
<b>CITY COUNSELOR</b>	BOB SWEENEY						

The Public Hearing was called to order by Mayor Pro-Tem Jason Fulbright at 7:00 p.m. City Clerk Tammi Casey made note of those in attendance: Mayor Pro-Tem Jason Fulbright, Hood, Cooley, Seidenstricker, Sullivan, McArthur, Fleischmann (excused), Plunk, Richison, Bookless, Lehmann, Sweeney, Brown (excused) Wagner, Kroupa and Major Carroll.

**A. COMMERCIAL USE PARKING (TEXT AMENDMENT)**

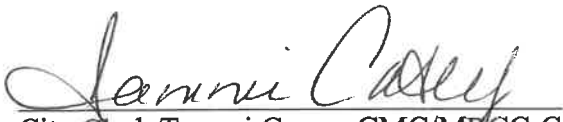
David Bookless spoke to council briefly regarding this City initiated request to amend Chapter 405 of the Zoning Code. This would modify the minimum parking requirements for various motor vehicle repair related uses such as gas stations, auto repair shops and car sale lots. After staff researched the issue, they determined the current code was excessive and recommend the code to be revised.

Planning Commission discussed this at their October 8, 2019 and are forwarding a recommendation of approval by a vote of 8-0.

**PUBLIC COMMENTS**  
NONE

**COUNCIL COMMENTS**  
NONE

Public Hearing ended at 7:02 p.m.

  
City Clerk Tammi Casey, CMC/MRCC-C



# CITY COUNCIL AGENDA ITEM STAFF REPORT

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<b>MEETING DATE:</b>	November 1, 2019
<b>TITLE:</b>	Chapter 220 General Nuisances - Text Amendment
<b>DEPARTMENT:</b>	Community Development
<b>PROJECT MANAGER:</b>	David B. Bookless, Community Development Director
<b>REQUESTED ACTION:</b>	Ordinance approval
<b>ATTACHMENTS:</b>	Draft Ordinance

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**EXECUTIVE SUMMARY:**

A City-initiated request to amend Title II, Public Health, Safety and Welfare, of the Code of Ordinances to strengthen Chapter 220 General Nuisances and to update the chapter for consistency with Missouri statutes (Ch. 71.285, RSMo).

**REVIEW & ANALYSIS:**

The City of Arnold's ordinance relating to general nuisances is primarily based upon state statute Chapter 71.285, which speaks to how cities may deal with weeds and trash on private property. In particular, the amendment includes language intended to clarify responsibilities of property owners, what constitutes noxious weeds, and enforcement mechanisms available to the City.

**RECOMMENDATION:**

Staff recommends approval of the draft ordinance attached hereto.

**AN ORDINANCE PROVIDING FOR THE REPEAL OF CHAPTER 220 (GENERAL NUISANCES) OF THE ARNOLD CODE ORDINANCES AND ENACTING IN LIEU THEREOF A NEW CHAPTER 220 (GENERAL NUISANCES) ON THE SAME SUBJECT WITH CERTAIN MODIFICATIONS AS HEREINAFTER SET FORTH, AND ESTABLISHING PENALTIES FOR THE VIOLATION THEREOF.**

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**WHEREAS**, due to numerous changes in Missouri law, the Arnold City Council desires to amend the City of Arnold Code of Ordinances as provided herein;

NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF ARNOLD, MISSOURI, AS FOLLOWS:

**SECTION 1:** Chapter 220 (General Nuisances) of the City of Arnold Code of Ordinances, inclusive, is hereby repealed and amended, so as to read in its entirety as follows:

**“Chapter 220 General Nuisances**

**Article I General Nuisances**

**Section 220.010 Definitions.**

The following words, terms, and phrases, when used in this Article, shall have the meanings ascribed to them in this Section, except where the context clearly indicates a different meaning:

**LESSEE**

Any person who leases all or a portion of premises on a day-to-day, week-to-week, month-to-month or yearly basis.

**LITTER**

A disorderly accumulation of objects or items carelessly discarded or allowed to collect.

**OWNER**

Any person or persons who have either solely or jointly a fee simple title, an equitable interest, or a life interest in any lot or tract of land or in a particular part thereof, whether such tract or lot of land is held in common by joint owners.

**PERSON HAVING CONTROL**

Any occupant, agent, servant, representative or employee of any owner or lessee of any property who exercises any control or authority of the premises on behalf of the owner or lessee.

**WASTE**

Refuse, garbage, trash or other useless or worthless materials or by-products.

**Section 220.020 Nuisances Prohibited.**

No person shall permit, cause, keep or create any nuisance as defined by the laws of this State, this Article or other ordinances of the City.

**Section 220.030 Nuisances Designated.**

A. The following acts or conditions are hereby declared to be nuisances:

1. Any act done or committed, or suffered to be done or committed by any person, or any substance or thing kept, maintained, placed or found in or upon any public or private place that is injurious, harmful or dangerous to the public health.
2. Any building or structure kept or maintained in a condition unhealthy or unsanitary to the public.
3. The deposit into any sewer or sewer inlet of any article, materials or substance that may obstruct, contaminate or damage the sewer.
4. To obstruct any watercourse, ravine or gutter so as to cause water to stagnate therein, or to permit foul or stagnate water to stand upon any premises or infringe upon an adjacent property.
5. Any garbage, ashes, foul, nauseous or unclean animal or vegetable matter, yard waste or other substance that is or may become putrid, offensive, obnoxious, dangerous or detrimental to the public health, safety or welfare thrown, deposited, allowed to escape into or allowed to accumulate upon any street, sidewalk, alley, public or private property.
6. The burning of materials producing smoke, gases or odors offensive or obnoxious to the inhabitants of this City on any public or private property.
7. Any urine, liquid waste from stables, swills, water from privy vaults, wastewater from sinks, wash or other foul or nauseous liquid waste allowed to accumulate on any public property or private property or discharged upon public or private property.
8. Any well or cistern where a chemical analysis shows the water of such well or cistern to be of any impure or unwholesome nature.
9. Any dead or diseased tree, tree limb or shrubbery that constitutes a hazard or threat to public safety or to property.
10. Ragweed, poisonous plants or shrubs, and all other noxious weeds growing or existing upon any property.
11. The abandonment, neglect or disregard of any premises so as to permit the premises to become unclean with an accumulation of litter or waste thereon, or to permit the premises to become unsightly, unsanitary, or obnoxious or a blight to the vicinity, or offensive to the senses of users of the public way abutting the premises and so to continue for a period longer than ten (10) days.

12. Any non-conforming property, lot use, building or structure as defined by the City zoning ordinance, which is allowed by reason of lack of sufficient or adequate maintenance of the property, lot, use, building or structure, to fall below the standards and level of maintenance of the surrounding properties, and/or being vacant, any of which depreciates the enjoyment and the use of the property in the immediate vicinity to such an extent that it is harmful to the community or neighborhood in which the property is situated or such condition exists.
13. Any accumulation of rocks, logs or other material that constitutes a hazard or threat to public safety or to property.
14. Failure to properly store and/or allowing solid waste containers to remain at the curb beyond that time authorized by the Code of Ordinances.
15. All dangerous and unsanitary conditions resulting from exposed sewage, sludge, effluent or human excreta, or the contamination of any stream or watercourse or the surface of any ground or any street or other area in the City by any such sewage, sludge, effluent or human excreta, or the maintenance of any sanitary or storm water sewer in a dangerous, defective or unsanitary condition.
16. Carcasses of dead animals on any property not buried or destroyed within twenty-four (24) hours after death.
17. All infestations of flies, fleas, roaches, lice, ticks, rats, mice, fly maggots, mosquito larvae and hookworm larvae on any property.
18. To commit any offense which is a nuisance according to the common law of the land, or made such by the statutes of the State of Missouri;
19. To conduct any building, business or other operation or activity between the hours of 10:00 p.m. and 6:00 a.m. that includes loud or unusual noise audible to residential areas within the City and which disturbs the peace and quiet of the residential areas. Such loud or unusual noise shall include but not be limited to the operation of power shovels, excavators, pneumatic hammers, power hoists, and other construction equipment, the collection of garbage accompanied by large vehicle noise, and/or the noise of objects striking objects.
20. To deposit or allow to be deposited any mud, rock, sand, cement or other construction debris, upon any public highway, street, alley, sidewalk, rights-of-way, or upon any private way, and whether accepted for maintenance or not.
21. All other acts, practices, conduct, businesses, occupations, callings, trades, uses of property, and all other things detrimental to the health of the inhabitants of the City.

**Section 220.040 Responsibility of Owners, Lessees, etc.**

Whenever a nuisance is determined to exist, the person creating the nuisance, the owner or owners of the property, lessees or other persons having control of such property may be deemed responsible.

**Section 220.050 Right of entry for the purpose of providing notice.**

The Chief of Police, the Community Development Director, or their assigns may enter the premises upon which any nuisance has been reported or found for the purpose of posting, serving or placing any notice provided for in this chapter.

**Section 220.060 Right of entry for inspection and abatement of nuisances.**

In order to insure or preserve the public health, the Chief of Police, the Community Development Director, or their assigns, may enter the premises to inspect a known or suspected nuisance and abate same. When required, any municipal judge shall have the authority to order a warrant for these purposes.

**Section 220.070 Same—Search and seizure warrant.**

- A. *Defined.* A search warrant under this section is a written order by any judge in the Municipal Court of the City of Arnold, Missouri for the search or inspection of any property, the seizure of any property, or both search and seizure of any property within the limits of the city.
  
- B. *Process.* If a complaint in writing is filed by the Chief of Police or Community Development Director's authorized representatives, any police officer, deputy or city attorney of the city, with the municipal judge stating that he or she has probable cause to believe there exists in the premises, more particularly described therein, a violation or violations of the provisions of this chapter and is within the territorial jurisdiction of the city, and if such complaint is verified by the oath or affirmation stating evidential facts from which such judge determines the existence of probable cause, then such judge shall issue a search warrant directed to the authorized person to search the premises, building or structure therein described for the purposes requested and seize any specified property or conduct any tests necessary to determine the presence of a violation or violations of the provisions of this chapter. Such search warrant shall be executed and returned within ten days after the date of its issuance. The person authorized to conduct the search and conduct tests under the warrant shall make a return promptly after concluding the search, and such return shall contain an itemization of all violations of this chapter discovered pursuant to such search and tests. Refusal to allow entry upon presentation of a search warrant shall be an ordinance violation. Forcible entry may be permitted when authorized by the search warrant.

**Section 220.080 Notice to Abate.**

- A. Whenever it comes to the attention of the City, or the City becomes aware of the existence of a nuisance, the City shall investigate the nuisance and have prepared a report concerning the same. If a nuisance is found to exist, a warning notice shall be left with any person occupying such property, whether such person is the owner or lessee thereof, by delivering such warning notice to such person, or if no one is present on the property or refuses to accept the notice, then by posting the warning notice on the front, side or rear entrance to the residence or building. Such warning

notice shall provide that the nuisance must be abated within fourteen (14) days of either receipt or posting thereof.

B. The warning notice provided in Subsection (A) shall contain:

1. The address or legal description of the property;
2. The number of the Chapter of the Code being violated;
3. The nature of the violation, and the date by which such violation shall be removed or abated, and if not abated by said date, that a summons will issue to appear in the Municipal Court;
4. A notice of the penalty for failure to timely remove or abate the nuisance, stating that if the nuisance reoccurs by the same occupier, owner or person having control, a summons will be issued without further notice.

C. If the nuisance occurs on unimproved property or where the residence or building is unoccupied, the notice may be posted as provided in Subsection (B), and if the property is unimproved, by placing the notice upon a tree or other object upon such property as may be available.

D. A notice in writing containing the same information as provided on the warning notice provided in Subsection (B) shall be sent to the owner or any person having control of the property at the last known address of the owner, or at the address of the person having control, by ordinary mail, postage prepaid.

**Section 220.090 Failure to Abate — Abatement by City — Cost Assessed to Person Responsible.**

If the occupant, owner, or person in control of property for which a warning notice has been given to remove or abate a nuisance, fails to remove or abate the nuisance in the time specified in the notice, whether on public or private property, the City may remove or contract to have removed the same and thereby abate the nuisance and, if necessary, may lawfully enter upon the property on which the nuisance remains unabated to remove or abate such nuisance at the cost or expense of the person or persons responsible for creating or maintaining the nuisance.

**Section 220.100 Payment of Costs — Special Tax Bill or Judgment.**

All costs and expenses incurred by the City in removing or abating any nuisance on any private property may be assessed against the property in the form of a special tax bill in the same manner and with the same effect as special tax bills issued for neighborhood improvement districts, which special tax bill shall become a lien on the property. Alternatively, the cost of removing or abating the nuisance, whether on public or private property, may be made a part of the judgment by the Municipal Judge, in addition to any other penalties and cost imposed, if the person charged either pleads guilty or is found guilty of causing, permitting, creating or maintaining a nuisance on public or private property.



**Section 220.110 Additional Remedies.**

Nothing provided in this Article is intended to prevent the City from seeking other remedies it may have with respect to the abatement of nuisances, including the institution of civil actions.

**Section 220.120 Summary Abatement.**

The City may prevent, abate or remove all nuisances on public or private property in a summary manner. Summary removal or abatement by the City is permitted when an existing nuisance creates an emergency that reasonably requires the necessity of immediate removal or abatement thereof for reasons of health, safety, morals or general welfare of the inhabitants of the City. The cost of summary abatement shall be assessed to the person responsible as set out above in Section 220.080.

**Section 220.130 through Section 220.220. (Reserved)**

**Article II Weeds and Other Noxious Matter**

**Section 220.230 Definitions.**

As used in this Article, the following terms shall have these prescribed meanings:

**LESSEE**

Any person who rents all or part of premises on a day-to-day, week-to-week, month-to-month or yearly basis.

**OWNER**

Any person who owns any lot, land, place, or area or in case of joint tenancy, tenancy by entireties, or tenancy in common, each owner thereof.

**WEEDS**

All weeds growing upon the streets, alleys, sidewalks, or private property including weeds which bear or may bear seeds of a downy or wingy nature, weeds and grasses which may attain such large growth as to become, when dry, a fire menace, weeds otherwise noxious or dangerous, poison oak and poison ivy in a condition of growth constituting a menace to public health, and accumulations of refuse, cuttings and other combustible trash. Such term shall include all noxious vegetable growths which exhale unpleasant and noxious odors including Russian, Canadian and common thistle, wild lettuce, wild mustard, wild parsley, ragweed, milkweed, ironweed and high and noxious vegetable growth that may conceal filthy deposits, to include any weed designated as noxious by rules promulgated by the Director of the Missouri Department of Agriculture; provided that such term shall not include trees, fruits, berries, flowers, shrubs or vegetables which have been planted and are cultivated regularly by some person in charge of the lot or premises where the same are growing.

**Section 220.240 Weeds, Grasses, and Unattended Vegetation to Be Cut, Declared Nuisance.**

A. All weeds, grass, and unattended vegetation that are eight (8) inches or more in height growing upon any lot, land, place or area within the City in violation of the provisions of this Code are hereby declared a public nuisance and shall be cut and removed.

- B. Notwithstanding other provisions of this Code to the contrary, in any instance where plant material of any kind, whether grown as a crop or otherwise, becomes a hazard to vehicular or pedestrian traffic, such plant material shall be promptly cut and removed to eliminate the hazard within a distance of twenty (20) feet from the roadway right-of-way, road easement, or driving surface, whichever distance is greater.

**Section 220.250 Notice to Owner to Cut Weeds, Grasses, and Unattended Vegetation.**

- A. The Health Officer of the City, or his assigns, is hereby authorized and empowered to notify the owner, lessee, or agent of the owner of the violation of Section 220.240 herein.
- B. Such notice shall be delivered either in person, by United States mail or by posting such notice on the premises.
- C. Said notice shall inform the owner, lessee, or agent of the owner that the property is in violation of the provisions of this Chapter and action to bring the property into compliance must be completed within eight (8) days from the date of the letter. The notice shall include verbiage indicating this is the only notification for the growing season (April first (1st) through October thirty-first (31st) of each year) and should the property be found non-compliant, the City will abate the violation without further notification. In the event that the owner fails to abate the nuisance within eight (8) days from the date of said notice, the Health Officer shall cause the nuisance to be removed.

**Section 220.260 Removal of Weeds, Grasses, and Unattended Vegetation by City.**

In the event that weeds, grasses, and unattended vegetation are not cut and removed in accordance with the provision of Section 220.250 of this Code, the Health Officer shall cause said weeds, grasses, and unattended vegetation to be cut, destroyed, and removed. It shall be the duty of the property owner or other person having control of the property to provide access to the property and shall allow the weeds, grasses, and unattended vegetation to be cut and removed in accordance with the provisions of this Section.

**Section 220.270 Responsibility to Cut or Maintain Vegetation.**

- A. It shall be the responsibility of each lot or parcel owner and lessee described herein to provide for regular weeding, pruning, and other maintenance of all plantings, including trees, shrubs, flowers, grass, weeds, deleterious unhealthful growths and noxious matter found growing, lying, or located on their property as necessary.
- B. Whenever private property abuts a public right-of-way or easement belonging to the City of Arnold, or any public entity, and there exists in such right-of-way or easement a parkway, tree lawn or grassy area between the private property line and the edge of the street pavement, then such parkway, tree lawn or grassy area shall be considered, for purposes of this Section requiring cutting or maintaining of vegetation, to be a part of the private property which abuts the right-of-way or easement, and it shall be the duty of those responsible under this Section for the maintenance of the private

property to equally maintain the parkway, tree lawn or grassy area within the abutting right-of-way or easement, and all of the provisions of this Section shall apply with equal force and effect to said parkway, tree lawn or grassy area.

**Section 220.275 Disposal After Cutting**

Vegetation, when cut down, must be removed from the property and disposed of in such manner as to not create a nuisance and as provided by law.

**Section 220.280 Computation of Cost of Cutting by City.**

It shall be the duty of the Health Officer to compute the cost to the City of cutting weeds, grasses, and unattended vegetation pursuant to Section 220.260, upon each particular lot or parcel of land. A bill will be prepared for the cost of the work, including applicable overhead charges.

**Section 220.290 Tax Bills Against Owner for Removal.**

- A. When the City has effected the removal of weeds, grasses, and unattended vegetation pursuant to Section 220.260 or has paid for its removal, the cost thereof shall be computed by the Health Officer in accordance with Section 220.280 and shall certify the same to the City Clerk/Collector. The City Clerk/Collector shall cause a special tax bill therefore against the property to be prepared and collected with other taxes assessed against the property. Tax bills if not paid when due shall bear interest at the rate of eight percent (8%) per annum.
- B. Tax bills issued pursuant to the provisions of this Section shall, from the date of its issuance, be a first (1st) lien on the property until paid and shall be prima facie evidence of the recitals therein.
- C. No mere clerical error or informality in the tax bill or the proceedings leading up to the issuance shall be a defense thereto.

**Section 220.300 Abatement of Nuisance by City not to Be a Defense.**

The fact that the City has abated or arranged for the abatement of deleterious unhealthful growths or noxious matter as required by this Code shall not be a defense to the prosecution of violation of this Code.

**Section 220.310 Exemption from Article.**

- A. Where the City Council declares the removal of weeds on certain parcels of land not be in the best interest of the City, the City Council may by a majority vote of the full Council exempt such parcels of land from the provisions of this Article. Such conditions as undue hardship, excessive erosion of soil, inaccessibility to the property, danger to the life and limb of persons attempting to cut and remove such weeds and other such conditions shall be reasonable cause for the Council to so exempt such parcels of land.
- B. Except as necessary for the abatement of a traffic hazard, all lots that are not occupied or used in any manner and that do not adjoin other property that is occupied or used in any manner shall be exempt from the provisions of this Code.

- C. Lots or parcels of real estate one (1) acre or more in area that are vacant shall be exempt from the provisions of this Code except that such lot or parcel of land shall keep all weeds, grasses, and unattended vegetation within twenty (20) feet of the property lines of said lot or parcel of real estate cut and removed.

**Section 220.320 through Section 220.430. (Reserved)**

**Article III Junk and Junk Dealers**

**Section 220.440 Definitions.**

For the purposes of this Article, the following words and phrases shall have the meanings respectively assigned to them by this Section:

**JUNK**

Any metal, glass, paper, rags, wood, machinery parts, cloth, or other waste or discarded material of any nature or substance whatsoever, or scrap, or salvage materials.

**PERSON**

Any person, firm, partnership, association, corporation, or other organization of any kind.

**PROPERTY**

Any real property within the City or any City property within or without the corporate limits which is not a street or highway.

**Section 220.450 Maintaining Junk Declared to Be an Unlawful Nuisance.**

It shall be unlawful for any person to create and maintain junk as defined herein. The creation and maintenance of junk is hereby declared to be a public nuisance, and if permitted to remain upon any street or property for a period exceeding forty-eight (48) hours, shall be declared as such.

**Section 220.460 Notice.**

Whenever the Health Officer of the City determines that any junk is a nuisance as defined herein, he/she shall cause written notice to be served by United States mail or by personal service if said owner or the person in custody of such junk can be located. The notice shall state that the junk is deemed to be a nuisance within the provisions of this Article and shall briefly state the facts deemed to constitute such junk as a nuisance within the terms of this Article and shall state that said nuisance shall be abated within seven (7) days from receipt of such notice.

**Section 220.470 Procedure When Owner or Custodian Cannot Be Located.**

When the owner or custodian of the nuisance described herein cannot be located by reasonable search, the notice shall be conspicuously attached to the property, briefly stating the facts deemed to constitute the property as a nuisance and stating that the nuisance shall be abated within seven (7) days of the date the notice was posted or if the nuisance is on public property, within two (2) days of the date notice was posted.

**Section 220.480 Duty of the Owner or Custodian.**

Any person receiving the notice provided for above shall comply with the provisions of the notice requiring abatement. Failure to comply with this provision is unlawful.

**Section 220.490 Disposition.**

If not removed within the time specified in the notice, the junk shall be transported by City employees to a designated area for proper disposal at the direction of the Health Officer at the expense of the owner or person in custody thereof. Said junk is presumed to have no sale value; therefore, it shall be disposed of immediately by the City should the owner fail to comply with the notice.

**Section 220.500 Entry onto Private Property.**

The Health Officer may enter upon private property for inspection or for the purpose of removing any junk in accordance with this Article.”

**SECTION 2:** Saving clause. That nothing in this Ordinance shall be construed to affect any suit or proceeding pending in any court, or any right acquired, or liability incurred, or any cause or causes of action acquired or existing under any act or ordinance hereby repealed, nor shall any just or legal right or remedy of any character be lost, impaired or affected by this ordinance.

**SECTION 3:** If any part of this Ordinance is found to be unconstitutional, invalid or unenforceable by a court of competent jurisdiction, such invalidity shall not affect the validity or effectiveness of the remaining provisions of this Ordinance or any part thereof and said Ordinance shall be read as if said invalid provision was struck therefrom and the context thereof changed accordingly with the remainder of the Ordinance to be and remain in full force and effect.

**SECTION 4:** All ordinances, resolutions or orders, or parts thereof, which conflict with the provisions of this Ordinance, are, to the extent of such conflict, hereby repealed.

**SECTION 5:** This ordinance shall be in full force and effect from and after its passage and approval.

**[SIGNATURES ON NEXT PAGE]**

READ TWO TIMES, PASSED AND APPROVED ON THIS \_\_\_\_\_ DAY OF \_\_\_\_\_, 2019.

\_\_\_\_\_  
Presiding Officer of the Council

\_\_\_\_\_  
Mayor Ron Counts

ATTEST:

\_\_\_\_\_  
City Clerk Tammi Casey

First Reading: \_\_\_\_\_

Second Reading: \_\_\_\_\_

APPROVED AS TO FORM:

\_\_\_\_\_  
City Attorney Robert Sweeney



# CITY COUNCIL AGENDA ITEM STAFF REPORT

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<b>MEETING DATE:</b>	November 1, 2019
<b>TITLE:</b>	Chapter 515 Dangerous Buildings - Text Amendment
<b>DEPARTMENT:</b>	Community Development
<b>PROJECT MANAGER:</b>	David B. Bookless, Community Development Director
<b>REQUESTED ACTION:</b>	Ordinance approval
<b>ATTACHMENTS:</b>	Draft Ordinance

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**EXECUTIVE SUMMARY:**

A City-initiated request to amend Title V, Buildings and Construction, of the Code of Ordinances to strengthen Chapter 515 Dangerous Buildings and to update the chapter for consistency with Missouri statutes (Ch. 67.4100 et. seq., RSMo).

**REVIEW & ANALYSIS:**

The City of Arnold's ordinance relating to dangerous buildings is primarily based upon state statute Chapter 67.400 et. seq. In particular, the amendment includes language intended to clarify the enforcement process relative to demolitions, hearings, and potential fines.

**RECOMMENDATION:**

Staff recommends approval of the draft ordinance attached hereto.

**AN ORDINANCE PROVIDING FOR THE REPEAL OF CHAPTER 515 (DANGEROUS BUILDINGS) OF THE ARNOLD CODE ORDINANCES AND ENACTING IN LIEU THEREOF A NEW CHAPTER 515 (DANGEROUS BUILDINGS AND STRUCTURES) ON THE SAME SUBJECT WITH CERTAIN MODIFICATIONS AS HEREINAFTER SET FORTH, AND ESTABLISHING PENALTIES FOR THE VIOLATION THEREOF.**

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**WHEREAS**, the Arnold City Council desires to clarify and strengthen city regulations by amending the City of Arnold Code of Ordinances as provided herein;

NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF ARNOLD, MISSOURI, AS FOLLOWS:

**SECTION 1:** Chapter 515 (Dangerous Buildings) of the City of Arnold Code of Ordinances, inclusive, is hereby repealed and amended, so as to read in its entirety as follows:

**“Chapter 515 Dangerous Buildings or Structures.**

**Section 515.010 Authority and Purpose.**

Pursuant to §67.400 et seq. of the Revised Missouri Statutes, the City is authorized to enact orders or ordinances to provide for vacation and the mandatory demolition of buildings and structures or mandatory repair and maintenance of buildings or structures within the corporate limits of the City which are detrimental to the health, safety or welfare of the residents and declared to be a public nuisance. This Chapter 515 has been adopted pursuant to that authority and in full compliance with all requirements of §67.410, RSMo, as amended.

**Section 515.020 Definition.**

A. The term "dangerous building or structure", as used in this Chapter, is hereby defined to mean and include:

1. Any building, shed, fence or other man-made structure which is dangerous to the public health because of its condition, and which may cause or aid in the spread of disease, or injury to the health of the occupants of it or neighboring structures.
2. Any building, shed, fence or other man-made structure which, because of faulty construction, lack of proper repair or any other cause, is especially liable to fire and constitutes or creates a fire hazard.
3. Any building, shed, fence or other man-made structure which, by reason of faulty construction or any other cause, is liable to cause injury or damage by collapsing or by a collapse or fall of any part of such structure.
4. Any building, shed, fence or other man-made structure which, because of its condition or because of lack of doors or windows, is available to and



frequented by malefactors or disorderly persons who are not lawful occupants of such structure.

5. Any structure found to be constructed contrary to the requirements of the Building Codes, as adopted by the City, or are found to be unsafe or unfit for human occupancy as provided in the International Property Maintenance Code currently adopted by the City.
6. Those whose interior walls or other vertical structural members list, lean or buckle to such an extent that a plumb line passing through the center of gravity of any such wall or vertical structural members falls outside of the middle third of its base.
7. Those which, exclusive of the foundation, show thirty-three percent (33%) or more of damage or deterioration of the supporting member or members, or fifty percent (50%) of damage or deterioration of the non-supporting enclosing or outside walls or covering.
8. Those which have improperly distributed loads upon the floors, roofs, or other horizontal structural members, or in which the same are overloaded, or which have insufficient strength or deflections to be reasonably safe for the purpose used or intended to be used.
9. Those which have been damaged by fire, wind or other causes so as to have become dangerous to life, safety, or the general health and welfare of the occupants or the people of the City.
10. Those which are uninhabited and are open at door, window, wall or roof.
11. Those under construction upon which no substantial work shall have been performed for ninety (90) days immediately next to the time that a notice shall issue under Section 515.060 for the completion or demolition thereof.
12. Those in the process of demolition upon which no substantial work shall have been performed for a period of fourteen (14) days immediately following the time a notice shall issue to complete the demolition thereof under Section 515.060.
13. Those containing therein substantial accumulations of trash, garbage or other materials susceptible to fire, or constituting or providing a harboring place for vermin or other obnoxious animals or insects or other unsanitary conditions, if in any way threatening the health of the occupants thereof or the health of persons in the vicinity thereof.
14. Those having inadequate facilities for egress in case of fire or panic.

15. Those which have parts thereof which are so attached or deteriorated that they may fall upon public ways or upon the property of others or may injure members of the public or the occupants thereof.
16. Those having cisterns, wells, shafts, basements, excavations, or other physical conditions that constitute an attractive nuisance.

**Section 515.030 Duties and Authority of Building Commissioner and Inspectors.**

A. The Building Commissioner shall:

1. Supervise all inspections required by this chapter and shall cause the building inspector to make inspections and perform all the duties required by this chapter.
2. Be authorized to engage the services of the fire, police, or any other public department or agency, or any expert approved by the community development director and city administrator, to help discharge the commissioner's duties and to otherwise promote the purposes of this article and the health, safety, or welfare of the occupants of a public nuisance site or of the general public.
3. Conduct any duty otherwise assigned to the building inspector.
4. Issue such determinations, notices, and orders, and take all other actions, necessary to affect the purposes of this article.

B. The Building Inspector shall:

1. Inspect any building, wall or structure about which complaints are filed by any person to the effect that a building, wall or structure is or may be existing in violation of this Chapter.
2. Inspect any building, wall or structure reported by the Police Department or Fire District as probably existing in violation of the terms of this Chapter.
3. Determine: (i) whether a building or structure is a public nuisance, (ii) what corrective measures, if any, are needed to abate the nuisance, and (iii) whether any occupants of a site should be vacated
4. Report receipt of such complaints and the results of investigation and inspection to the Building Commissioner.
5. Provide notice pursuant to Section 515.070 to the owner, lessee, mortgagee, agent and all other persons having an interest in said building

of any building found by the Building Inspector to be a dangerous building, within the standards set out in Section 515.020, that:

- a. The owner must remove or repair or demolish said building in accordance with the terms of the notice and this Chapter;
  - b. The said building may not be occupied until it shall be repaired in accordance with this Chapter;
  - c. The persons having an interest in said building may, at such persons' own risk, repair, remove or demolish said building or have such work or act done; provided that any person notified under this Subsection to repair, remove or demolish any building shall be given such reasonable time, not exceeding thirty (30) days, as may be necessary to do or have done the work or act required by the notice provided for herein.
6. Set out, in the notice provided for in Subsection (A)(5) hereof, a description of the building or structure deemed unsafe, a statement of the particulars which make the building or structure a dangerous building, and an order requiring the same to be put in such condition as to comply with the terms of this Chapter within such length of time, not exceeding thirty (30) days, as is reasonable.
  7. Report to the Building Commissioner any noncompliance with the notice provided for in Subsection (A)(5) and (6) hereof.
  8. Appear at all hearings conducted by the Building Commissioner or designated officer or officers and testify as to the condition of dangerous buildings.
  9. Place a notice on all dangerous buildings as set forth in the International Property Maintenance Code, as adopted.

**Section 515.040 Declared Nuisance.**

Any dangerous building, as defined in Section 515.020 of this Chapter, is declared to be a nuisance.

**Section 515.050 Unlawful to Maintain or Permit Existence.**

It shall be unlawful to maintain or permit the existence of any dangerous building in the City; and it shall be unlawful for the owner, occupant or person in custody of any dangerous building to permit the same to remain in a dangerous condition, or to occupy such building or permit it to be occupied while it is or remains in a dangerous condition.

**Section 515.060 Standards to Determine Order for Repair, Vacation or Demolition.**

A. The following standards shall be followed in substance by the Building Commissioner or designated officer or officers in ordering repair, vacation or demolition:

1. If the dangerous building or structure can reasonably be repaired or maintained so that it will no longer exist in violation of the terms of this Chapter, it shall be ordered so repaired or maintained.
2. If the dangerous building or structure is in such condition as to make it dangerous to the health, safety, or welfare of its occupants, it shall be ordered to be vacated pending abatement of the nuisance.
3. If the dangerous building or structure cannot be reasonably repaired or maintained so that it will no longer exist in violation of the terms of this Chapter, the building or structure shall be ordered demolished.
4. In any case where the conditions constituting the public nuisance are such that the costs to repair or maintain the building or structure so that it will no longer constitute a public nuisance equal or exceed fifty percent (50%) of the value of the building or structure, it shall be ordered demolished.
5. Any building or structure constituting a public nuisance because of the conditions described in Section 515.020(11) shall be completed in accordance with lawful plans and specifications, and if it shall not be so completed or demolished by the owner, then the City shall abate the nuisance by demolition.
6. Any building or structure found to be a public nuisance because of the conditions described in Section 515.020(12) shall be ordered demolished.

**Section 515.070 Notice to Vacate or Repair.**

- A. Service of notice of a declaration of nuisance shall be made, which notice shall specify that the property is to be vacated, if such be the case, reconditioned or removed, and may provide that such notice be served either by personal service or by certified mail, return receipt requested, but if service cannot be had by either of these modes of service, then service may be had by publication. The owner, occupant, lessee, mortgagee, agent, and all other persons having an interest in the building or structure as shown by the land records of the Recorder of Deeds of the County wherein the land is located shall be made parties.
- B. Service of the notice as set out in Subsection (A) of this Section must allow at least fifteen (15) days after the receipt of the notice, or the date of the last publication for the commencement of reconditioning or removal of the nuisance described therein.

**Section 515.080 Hearing — Order to Demolish and Remove or Repair.**

- A. Upon failure by the person served pursuant to Section 515.060 to commence work of reconditioning or demolition of a dangerous building within the time specified or upon failure to proceed continuously with the work without unnecessary delay, the Building Commissioner or designated officer or officers shall call and have a full and adequate hearing upon the matter, giving the affected parties at least fifteen (15) days' written notice of the hearing. The inspector who issued the notice shall not act as the hearing officer. Any party may be represented by counsel, and all parties shall have an opportunity to be heard. After the hearings, if the evidence supports a finding that the building or structure is a nuisance or detrimental to the health, safety or welfare of the residents of the City, the Building Commissioner or designated officer or officers shall issue an order making specific findings of fact, based upon competent and substantial evidence, which shows the building or structure to be a nuisance and detrimental to the health, safety or welfare of the residents of the City and ordering the building or structure to be demolished and removed or repaired. If the evidence does not support a finding that the building or structure is a nuisance or detrimental to the health, safety or welfare of the residents of the City, no order shall be issued.
- B. The written notice as provided in Subsection (A) of this Section may be served in the same manner as the written notice set out in Section 515.060(A).
- C. The hearings provided for in Subsection (A) of this Section shall be heard by the Building Commissioner or designated officer or officers.

**Section 515.090 Minimum Standards for Demolition.**

- A. It is the intent of this Section to promote the health, safety and general welfare of the residents of the community by requiring all improvements to be removed from the property where a demolition has been ordered pursuant to the provisions of this Code. Once the demolition is complete, all debris shall be removed, the property shall be graded to promote proper drainage and all disturbed areas of the property shall be revegetated to prevent soil erosion. Demolition and required revegetation shall be completed within the time allotted for the demolition. Grading and required revegetation of the property shall meet the standards of the storm water and erosion control ordinance of the City.
- B. In any instance where a property owner can show that the foundation is structurally sound and may be reused for the construction of a replacement structure, such foundation may be temporarily exempted from demolition provided it is properly fenced by the owner to prevent access to the foundation. The owner of the property shall then have six (6) months to submit plans and permit application to the Building Department for the construction of a building that reuses said foundation. In any event that proper plans are not submitted for the construction of a building that utilizes said foundation or if such construction is not completed within the time frame contained in the construction permit, then said foundation is hereby declared to be a nuisance and will be demolished by the City at the expense of the owner.

**Section 515.100 Publication of Notices.**

- A. Service of a notice by publication, pursuant to Section 515.060(A), shall be made only after an affidavit has been signed by the person requesting the publication, or some other person for the City, which shall verify that at the time of filing of such affidavit the person to whom the publication is addressed has absconded or absented himself/herself from his/her usual place or places of abode in this State, or that he/she has departed from the State, and cannot after due diligence be found within this State, or that he/she has concealed himself/herself, so that the ordinary process of law cannot be personally served upon him/her and the affidavit shall state the present known address or addresses of the persons to whom the publication is addressed, if known, or, in lieu thereof, that such address or addresses are unknown. If the address is stated, a copy of such publication shall be mailed by certified mail to the address indicated.
- B. The notice shall contain information notifying the person to whom it is addressed that a proceeding has been commenced and stating briefly the object and general nature thereof, and describing the property, if any, to be affected.
- C. The notice shall also contain the name and address of the City, the names of the parties or office involved and shall state that unless the persons to whom the publication is addressed respond, or otherwise appear and defend against the subject matter of the publication within fifteen (15) days after the date of the first (1st) publication, proceedings by default will be rendered against them.
- D. Such notice shall be published at least once each week for two (2) consecutive weeks in some newspaper as would qualify for public advertisement under Section 493.050, RSMo., as amended.

**Section 515.110 Collection of Costs of Removal or Repair by City.**

- A. If the Building Commissioner or designated officer or officers issues an order whereby a dangerous building or structure is demolished or repaired, the cost of performance shall be certified to the City Clerk who shall cause a special tax bill therefor against the property to be prepared and collected by the City Collector or other official collecting taxes. At the request of the taxpayer the tax bill may be paid in installments over a period of not more than one (1) year. The tax bill from date of its issuance shall be a lien on the property until paid.
- B. In addition to being a lien against the lot, tract, or parcel, the special tax bill shall be deemed a personal debt of the property owner and may be collected by suit brought in a court of competent jurisdiction.

**Section 515.120 Insurance Proceeds — How Handled.**

- A. If there are proceeds of any insurance policy based upon a covered claim payment made for damage or loss to a building or other structure caused by or arising out of any fire, explosion or other casualty loss, the following procedure is established for the payment of up to twenty-five percent (25%) of the insurance proceeds as set forth in this Subsection. This Subsection shall apply only to a covered claim payment that

is in excess of fifty percent (50%) of the face value of the policy covering a building or other structure:

1. The insurer shall withhold from the covered claim payment up to twenty-five percent (25%) of the covered claim payment and shall pay such monies to the City to deposit into an interest-bearing account. Any named mortgagee on the insurance policy shall maintain priority over any obligation under this Chapter.
  2. The City shall release the proceeds and any interest that has accrued on such proceeds received under Subdivision (1) of this Subsection to the insured or as the terms of the policy and endorsements thereto provide within thirty (30) days after receipt of such insurance monies, unless the City has instituted legal proceedings under the provisions of Subdivision (5) of Subsection (1) of Section 67.410, RSMo. If the City has proceeded under the provisions of Subdivision (5) of Subsection (1) of Section 67.410, RSMo., all monies in excess of that necessary to comply with the provisions of Subdivision (5) of Subsection (1) of Section 67.410, RSMo. for the removal, securing, repair and clean-up of the building or structure and the lot on which it is located, less salvage value, shall be paid to the insured.
- B. If there are no proceeds of any insurance policy as set forth in Subsection (A) of this Section, at the request of the taxpayer the tax bill may be paid in installments over a period of not more than ten (10) years. The tax bill from the date of its issuance shall be a lien on the property and a personal debt against the property owner(s) until paid.
- C. This Section shall apply to fire, explosion or other casualty loss claims arising on all buildings and structures.
- D. This Section does not make the City a party to any insurance contract, and the insurer is not liable to any party for any amount in excess of the proceeds otherwise payable under its insurance policy.
- E. The City may certify that in lieu of payment of all or part of the covered claim payment under Subsection (A) that it has obtained satisfactory proof that the insured has removed or will remove the debris and repair, rebuild or otherwise make the premises safe and secure. In this event, the City shall issue a certificate within thirty (30) days after receipt of proof to permit covered claim payment to the insured without the deduction pursuant to Subsection (A) of this Section. It shall be the obligation of the insured or other person making the claim to provide the insurance company with the written certificate provided for in this Subsection.

**Section 515.130 Appeals.**

Appeal by the interested parties described in this Chapter from the determination of the Building Commissioner or designated officer or officers to the Circuit Court may be taken as provided in Chapter 536, RSMo.

**Section 515.140 Emergencies.**

In cases where it reasonably appears there is an immediate danger to the health, safety or welfare of any person, the Building Commissioner or designated officer or officers may take emergency measures to vacate and repair or demolish a dangerous building or structure.

**Section 515.150 Historically Protected Buildings.**

- A. Before any structure or building that has been designated by the Historical Preservation Commission as a landmark or is located within a historic district or is listed on the National Register of Historic Places, the State Inventory of Historic Places, or local inventory of historic places is ordered demolished a certificate of appropriateness shall be obtained from the HPC. This includes any building or structure that is destroyed by any means, including flood, even if the reconstruction cost is more than fifty percent (50%) of the pre-damaged value of the building or structure.
- B. Variances may be issued for the reconstruction, rehabilitation, or restoration of structures listed on the National Register of Historic Places, the State Inventory of Historic Places, or local inventory of historic places upon determination provided the proposed activity will not preclude the structure's continued historic designation.

**Section 515.160 Special Fines and Penalties**

Pursuant to RSMo 67.410, the City may prescribe and enforce and collect fines and penalties for a breach of this Chapter and to punish the violation of such ordinance by a fine or imprisonment, or by both fine and imprisonment. Such fine may not exceed one thousand dollars, unless the owner of the property is not also a resident of the property, then such fine may not exceed two thousand dollars.”

**SECTION 2:** Saving clause. That nothing in this Ordinance shall be construed to affect any suit or proceeding pending in any court, or any right acquired, or liability incurred, or any cause or causes of action acquired or existing under any act or ordinance hereby repealed, nor shall any just or legal right or remedy of any character be lost, impaired or affected by this ordinance.

**SECTION 3:** If any part of this Ordinance is found to be unconstitutional, invalid or unenforceable by a court of competent jurisdiction, such invalidity shall not affect the validity or effectiveness of the remaining provisions of this Ordinance or any part thereof and said Ordinance shall be read as if said invalid provision was struck therefrom and the context thereof changed accordingly with the remainder of the Ordinance to be and remain in full force and effect.

**SECTION 4:** All ordinances, resolutions or orders, or parts thereof, which conflict with the provisions of this Ordinance, are, to the extent of such conflict, hereby repealed.

**SECTION 5:** This ordinance shall be in full force and effect from and after its passage and approval.

**[SIGNATURES ON NEXT PAGE]**



READ TWO TIMES, PASSED AND APPROVED ON THIS \_\_\_\_\_ DAY OF \_\_\_\_\_, 2019.

\_\_\_\_\_  
Presiding Officer of the Council

\_\_\_\_\_  
Mayor Ron Counts

ATTEST:

\_\_\_\_\_  
City Clerk Tammi Casey

First Reading: \_\_\_\_\_

Second Reading: \_\_\_\_\_

APPROVED AS TO FORM:

\_\_\_\_\_  
City Attorney Robert Sweeney

RESOLUTION NO: 19-63

**A RESOLUTION AUTHORIZING THE PURCHASE OF A 2020 DODGE 5500  
DUMP TRUCK AND RELATED EQUIPMENT PARTS.**

---

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF ARNOLD, MISSOURI:

The purchase of a 2020 Dodge 5500 Dodge Dump truck from Capitol Chrysler Jeep Dodge. This vehicle is being purchased pursuant to the State of Missouri Department of Transportation's contracted BID IFB605CO19001412 for Fifty-Four Thousand Two Hundred Eighty-Five Dollars. (\$54,285.00). The dump bed is being purchased pursuant to the state of Missouri Department of Transportation's contracted BID IFB605CO19001412 from Knapheide for Ten Thousand Two Hundred Sixty Dollars (\$10,260.00) for a total price of Sixty-Four Thousand Five Hundred Forty-Five Dollars (\$64,545.00).

The Public Works Director is authorized to sign any necessary documents to complete these purchases.

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Presiding Officer of the City Council

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Mayor Ron Counts

ATTEST:

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City Clerk Tammi Casey

Date: \_\_\_\_\_



105 West Capitol Avenue  
P.O. Box 270  
Jefferson City, Missouri 65102

**Missouri Department of Transportation**  
*Patrick K McKenna, Director*

573.751.2551  
Fax: 573.751.6555  
1.888.ASK MODOT (275.6636)

April 26, 2019

Capitol Automotive Inc  
3201 MO Blvd.  
P. O. Box 1220  
Jefferson City, MO 65109  
Attention: Jerry Dunn

Re: Bid Tabulation – Award Notice for IFB605CO19001412-Medium Duty Vehicles

To Whom It May Concern:

All bid pricing has been received and reviewed. Notice is hereby given that Capitol Automotive Inc has been awarded a contract for IFB605CO19001412-Medium Duty Vehicles. This is a multiple award bid and several vendors have been awarded a contract. These prices will be good through the 2019 model year.

The tabulation results are available in the Medium Duty Bid Tabulation on Missouri BUYS.

In connection with MoDOT Contract IFB605CO19001412-Medium Duty Vehicles, the Missouri Department of Transportation requests that Chrysler extend the pricing bid by its dealers for the purchase of 2019 Chrysler/Dodge/Jeep/Ram vehicles to the 2020 models until at which time MoDOT rebids or renews the Medium Duty Vehicle contract. It is anticipated that MoDOT will be renewing or rebidding pricing on this contract in December of this year and it will be awarded by 12/31/19. All terms, conditions, and provisions of Contract IFB605CO19001412-Medium Duty Vehicles, including all prices, shall remain the same throughout the above contract period and apply hereto.

If you have questions or need additional information, you can reach me at 573-522-4404.

Sincerely,

Tom Veasman  
Senior General Services Specialist



Printed on recycled



**Knapheide Truck Equipment**  
 6603 Business 50 West  
 Jefferson City MO 65109  
 Phone: 573-893-5200  
 Fax: 573-893-5344  
 www.jeffcity.knapheide.com

**QUOTATION**

Quote ID: GH00002303

Page 1 of 2

**Customer:** CITY OF ARNOLD

ARNOLD MO

**Contact:** TOM PASSIG / tpassig@arnoldmo.org

**Phone:**

**Fax:**

**Quote Number:** GH00002303

**Quote Date:** 8/14/2019

**Quote valid until:** 12/31/2019

**Prepared** ghamilton

**By:**

**Salesperson:** MIKE TALLEUR

**PO#:**

**Enduser:**

<b>Make:</b> RAM	<b>Model:</b> RAM 5500	<b>Year:</b> 2019	<b>Single/Dual:</b>
<b>Cab Type:</b>	<b>Wheelbase:</b>	<b>Cab-to-Axle:</b> 60.0	<b>VIN:</b>

QTY	PART NUMBER	DESCRIPTION	UNIT PRICE	AMOUNT
1	RUGB DU-9-4WU	Standard Side 3-4 Yard Eliminator LP Dump Bodies Standard Features and Specifications: Sides double walled: 10 ga. Inner wall and 12 ga. Grade 50 outer wall 10 ga. one piece, seamless, steel floor Fully boxed top rail 3" I-Beam crossmembers on 16" spacing 5" structural channel longitudinal EZ-LATCH™ tailgate / Patented Fully boxed perimeter tailgate w/two vertical braces LED Oval shaped auxiliary stop /turn/tail/reverse light in rear corner posts 6" vertical side braces All appearance corners have radius bends ¼ cab shield w/window 1 ¼" diameter top and 1" bottom hinge pins SR 4016 hoist includes subframe – class 40 SR 4020 hoist included subframe – class 40 Operating pressure of 3200 psi. Outside Length 9' 7" Outside Width 96" Side Height 17" Tailgate Height 23" Body Capacity 3.35 yd SR 4016 Hoist Capacity 10.1 T	\$8,286.00	\$8,286.00
1	RUGB 1898596	LED LIGHT KIT	\$0.00	\$0.00
1	RUGB 1901382	RAM WIRING HARNESS ADAPTOR	\$0.00	\$0.00
1	RUGB 1807920	Full Cab Shield, Standard Height	\$154.00	\$154.00
585	OUTS PAINT	PAINTING OF DUMP BODY BLACK OR WHITE EXTRA COST WOULD OCCUR IF PAINTED A METALLIC COLOR OR RED	\$0.00	\$0.00
1	ECCO 510	Alarm: Back-up 97dB 12VDC	\$0.00	\$0.00
2	BOOM SRI2030F1W.1209	1/2"X 20"X 30" MUD FLAP	\$0.00	\$0.00
1	BUYE 400BZ	BRACKET ANTI-SAIL GALV for 20" 5pr/cs)	\$0.00	\$0.00
1	CHAM EMDAKITCOMPLETE	DOUBLE ACTING ELECTRIC POWER UNIT TO OPERATE HOIST ONLY	\$675.00	\$675.00
1	BUYE 1809067	PLATE RECEIVER HITCH DODGE, 2" 07 MODEL CAB AND CHASSIS	\$595.00	\$595.00
1	BUYE RTA252	ADAPTOR 2 5in /2 0in RECEIVER	\$0.00	\$0.00



**Knapheide Truck Equipment**  
 6603 Business 50 West  
 Jefferson City MO 65109  
 Phone: 573-893-5200  
 Fax: 573-893-5344  
 www.jeffcity.knapheide.com

**QUOTATION**

Quote ID: GH00002303

Page 2 of 2

QTY	PART NUMBER	DESCRIPTION	UNIT PRICE	AMOUNT
1	TERM TG-6370-010	7 WAY PIGTAIL FOR WIRING C&C FORD CHEVY AND DODGE	\$0.00	\$0.00
1	ACME 46108	7 WAY FORD-GM OEM REPLACEMENT PLUG	\$0.00	\$0.00
4	ALT F0604150	4.4" AMBER/WHITE SURFACE MOUNT LIGHT 2-INSTALLED ON CABSHIELD 2-INSTALLED ON REAR CORNER POST OF DUMP BODY INCLUDES MISC WIRING AND ROCKER SWITCH IF NEEDED	\$87.50	\$350.00
2	JC LABOR	INSTALLATION OF OEM BACK UP CAMERA	\$100.00	\$200.00

**Quote Total: \$10,260.00**

**Discount: \$0.00**

**Total Due(Sales tax not included): \$10,260.00**

**The following options may be added:**

QUANTITY	DESCRIPTION	PRICE EACH	AMOUNT	ADD TO QUOTE
				Yes / No

**Notes:**

This Quote is subject to the following terms and conditions:

**Pricing Policy**

- Price Quotation is good on orders received through the expiration date.
- Pricing quoted applies to chassis make/model originally provided and quantity quoted. Any change may result in price change.
- Orders are subject to all applicable state, local and federal excise taxes. Applicable taxes will be applied on final billing to customer upon completion of order.

**Payment Policy**

- Payment Terms are due upon receipt of signed quote unless prior credit agreement has been established at the time of order.
- Payment terms for customers with an established credit account will be Net 30 from date of invoice.
- Knapheide has right to assess late charges at 1.5% per month on all invoices that are 60 days or more past due.

**Return Policy**

- All sales are final. Purchased parts or products are non returnable.

**Cancellation Policy**

- Payment is due in full upon cancellation of any orders for non-stocked parts or products (provided part/product has been ordered by Knapheide) and upon cancellation of installation orders, once product installation has begun.

Customer agrees and understands this Quote is an offer to sell subject to the terms and conditions above and any additional terms or modifications are hereby objected to, unless mutually agreed upon in writing by Customer and Knapheide. The undersigned represents and warrants that he/she is duly authorized to sign below on behalf of Customer and thereby accepts offer and Knapheide will begin processing the order.

Customer must fill out the information below before the order can be processed...

Signature & Print Accepted by:	
Date:	
P.O. number:	



## Capitol Chrysler Jeep Dodge

3201 Missouri Boulevard  
Jefferson City, MO 65109

573-893-5000

800-700-8267

573-893-8256 FAX

capitolcitycars.com

Quote Dated 8-12-19 For Budget Only Revised on 8-15-19

Agency: City of Arnold

Contact: Tom Passing

Phone Number: 636-262-1730

E-Mail: tpassig@arnoldmo.org

Date of Response: 8- 15 -19

Missouri Dept. of Transportation Bid IFB605CO19001412

Make and Model: 2020 RAM 5500 4X4 Crew Cab (DP0L93)

Item:14 Base Price \$49,355 Includes all standard manufacture items,

Base Price: \$49,355

Additional options to be added to the base price

2. Electric shift transfer case - \$295
3. Manual DPF Regeneration - \$245
4. Transfer case skid plate - \$145
5. Max tow package - \$790
6. Tradesman level one equipment group - \$295
7. Cold weather group - \$175
8. Chrome appearance group - \$495
9. Bright White Paint - \$0
10. All traction tires - \$250

11. Front fog lamps - \$195
12. Black tubular side steps - \$495
13. Rear window defrost - \$160
14. 115- volt auxiliary power outlet - \$150
15. Front and rear rubber floor mats - \$150
16. Tire pressure information system - \$150
17. Park sense rear park assist system - \$295
18. Park view rear back up camera - \$495
19. Delivery - \$150.

Delivery \$150

**Net Delivered Price \$54,285**

Note: Sixteen to Eighteen Week Delivery ARO

Standard Warranty: 3 Years /36,000 Miles, Power Train 5 Years/100,000 Miles

Thanks for your interest in Capitol Dodge – Jeep – Chrysler - Jeep – Ram

Your friends at Capitol Jerry Dunn and Dave Drane

*Word: City of Arnold Budget Bid 5500 Crew Cab 4X4 Revised 8-15-19*

**DUMP BODIES AND RELATED OPTIONS**



- Rugby 9' Dump Body, 12" Fixed Sides, for 60" CA DRW ..... \$7,987.00
- Rugby 9' Dump Body, 12" Drop Sides, for 60" CA DRW ..... \$8,586.00
- Rugby 9' Dump Body, 17" Fixed Sides, for 60" CA DRW ..... \$8,286.00
- Rugby 9' Dump Body, 17" Drop Sides, for 60" CA DRW ..... \$8,886.00
- Rugby 11' Dump Body, 12" Fixed Sides, for 84" CA DRW ..... \$8,419.00
- Rugby 11' Dump Body, 12" Drop Sides, for 84" CA DRW ..... \$9,020.00
- Rugby 11' Dump Body, 17" Fixed Sides, for 84" CA DRW ..... \$8,719.00
- Rugby 11' Dump Body, 17" Drop Sides, for 84" CA DRW ..... \$9,320.00

- 10 gauge construction throughout on bodies with rigid sides
- Fully boxed and tapered dirt-shedding top rail
- LED lighting standard
- Double-walled rigid sides with 6" vertical braces
- SR4016 dual acting hoist
- Pockets for 6" sideboards increase load capacity
- Side design includes fully boxed 45° dirt shedding top rail and a 50° sloped bottom rail for a completely self-cleaning profile
- Stacked understructure consisting of 5" structural long members overlaid with 3" structural I-beam crossmembers spaced 16" (12" optional) apart
- 1/4 cab shield with viewing window
- Full height corner posts with rear surface sloped 6° aids in tailgate closing
- Tailgate double walled panel design fabricated from 10 gauge steel featuring fully boxed dirt-shedding top and bottom rails. Two vertical braces to provide additional strength and rigidity
- Bulkhead and single stage paint included in price

*\*Hoist requires power unit or hydraulics to operate. Please choose system in options.\**

- Rugby 9' Aluminum Dump Body for 60" CA DRW ..... \$11,378.00
- Constructed of 3/16" 5052 Aluminum
- LED lighting standard
- SR4016 dual acting hoist
- Pockets for 6" boards increase load capacity
- Long members constructed of 8" formed 1/4" 5052 aluminum

*\*Hoist requires power unit or hydraulics to operate. Please choose system in options.\**

➤ Prices good through 12-31-19



**OPTIONS TO CONSIDER – Steel Dump Bodies**

Order w/  
Truck

Consider

Consider

- Class 5 Hitch Receiver, 2" Reducer, 7-Wire Plug.....\$595.00
- ➔  Brake Controller (if not ordered with truck).....\$215.00
- 12 Volt DC Electric Over Hydraulic Power Unit for Hoist Only.....\$675.00
- 30" Wide x 18" Deep x 18" High Underbody Toolbox (Specify side at time of order).....\$555.00
- 36" Wide x 18" Deep x 18" High Underbody Toolbox (Specify side at time of order).....\$878.00
- 48" Wide x 18" Deep x 18" High Underbody Toolbox (Specify side at time of order).....\$914.00
- 4-Corner Amber / White Strobe Lights.....\$350.00
- Manual Tarp System.....\$493.00
- US Tarp with Aluminum Housing and Spring Return.....\$890.00
- Installation of Factory Backup Camera.....\$200.00
- Provide and Install Back-up Camera (with Factory Camera Option on Truck).....\$350.00
- Hydraulics to Operate Hoist, Plow and Spreader Functions (Electronic).....\$12,275.00
- Hydraulics to Operate Hoist, Plow and Spreader Functions (Cablè).....\$11,955.00
- Ground Speed Control GPS Module.....\$900.00

**NOTE: Truck must have ground speed wire from factory to allow Freedom 2.0 Hydraulics system to operate spreader automatically. If this option is not on the truck, then please order GPS module to compensate.**

**NOTE: Any chassis with a 10,000 GVW and under manufactured after May 1, 2018 will need to include a backup camera system per FMVSS standards.**

➤ Prices good through 12-31-19

**OPTIONS TO CONSIDER – Aluminum Dump Bodies**

- Class 5 Hitch Receiver, 2" Reducer, 7-Wire Plug..... **\$595.00**
- Brake Controller (if not ordered with truck)..... **\$215.00**
- 12 Volt DC Electric Over Hydraulic Power Unit for Hoist Only..... **\$675.00**
- Hydraulics to Operate Hoist, Plow and Spreader Functions (Electronic)..... **\$12,275.00**
- Hydraulics to Operate Hoist, Plow and Spreader Functions (Cable)..... **\$11,955.00**
- Ground Speed Control GPS Module..... **\$900.00**
- 4-Corner Amber / White Strobe Lights..... **\$350.00**
- 30" Wide x 18" Deep x 18" High Underbody Toolbox..... **\$555.00**
- US Tarp with Aluminum Housing and Spring Return..... **\$890.00**
- Installation of Factory Backup Camera..... **\$200.00**
- Provide and Install Back-up Camera (with Factory Camera Option on Truck)..... **\$350.00**

**NOTE: Truck must have ground speed wire from factory to allow Freedom 2.0 Hydraulics system to operate spreader automatically. If this option is not on the truck, then please order GPS module to compensate.**

**NOTE: Any chassis with a 10,000 GVW and under manufactured after May 1, 2018 will need to include a backup camera system per FMVSS standards.**

➤ Prices good through 12-31-19

Missouri Department of Transportation  
 IFB605CO19001412 Medium Duty Vehicles  
 Multiple Award

ITEM # 11 - New standard equipped 2019 or Newer Model 15,000 LB. GVWR Crew Cab Chassis Cab with DRW and 60" CA

	CAPACITIES & PRICES	ADDITIONAL INFORMATION
OPTION 11A Mounted 9' platform body meeting Specification E1320DRW	\$2,942.00 \$3,620.00	Make: KNAPEIDE Model: PVMXT-93C Make: KNAPEIDE Model: PGNB-98 GOOSENECK - BULKHEAD INCLUDED
OPTION 11B Mounted aluminum 9' platform body meeting Specification E1320DRW	\$5,904.00	Make: ALUMILINE Model: E-1320 60" CA DRW 9' - BULKHEAD INCLUDED Make/Model:
OPTION 11C Mounted 9' platform dump body meeting Specification E1327	\$4,945.00	Make: KNAPEIDE Model: PVMXT-93C WITH HOIST Make/Model:
OPTION 11D Mounted aluminum 9' platform dump body meeting Specification E1327	\$8,957.00	Make: KNAPEIDE Model: E-1320 60" CA DRW 9' WITH HOIST - BULKHEAD INCLUDED Make/Model:
OPTION 11E Mounted 9' dump body meeting Specification E1333	\$7,987.00	Make: RUGBY Model: LP BODY - CAB SHIELD INCLUDED Make/Model:
OPTION 11F Mounted 9' aluminum dump body meeting Specification E1335-ALUM	\$11,378.00	Make: RUGBY Model: ELIMINATOR WITH HOIST - CAB SHIELD INCLUDED Make/Model:
OPTION 11G Permanently installed bulkhead	\$995.00	RECTANGULAR STYLE WITH GUSSETS AND WINDOW PUNCH OUTS BHRB4096A - USED ON STEEL PLATFORMS ONLY
OPTION 11H Live hydraulics w/ under hood clutch pump	\$12,275.00	HYDRAULICS TO OPERATE HOIST, PLOW AND SPREADER FUNCTIONS - ELECTRONIC CONTROLS
OPTION 11I Hydraulic system	\$11,955.00	HYDRAULICS TO OPERATE HOIST, PLOW AND SPREADER FUNCTIONS - CABLE CONTROLS
OPTION 11J Provide hydraulics and controls	\$675.00	12 VOLT DC ELECTRIC OVER HYDRAULIC POWER UNIT
OPTION 11K Mounted standard utility tool body	\$7,614.00	Make: KNAPEIDE Model: 6108D54-2 Make/Model:
OPTION 11L Mounted standard aluminum utility tool body	\$12,796.00	Make: KNAPEIDE Model: A6110D54-2 Make/Model:
OPTION 11M C-Tech 8 drawer Unit	\$1,438.00	Make: CTEC Model: #20192514 (3)3" ; [2]5" ; (1) 7" DRAWERS FOR FRONT COMPARTMENT STEEL BED ONLY - SPECIFY PASSENGER/DRIVER SIDE AT ORDER Make: CTEC Model: #12012530 (3)3" ; [2]5" ; (1) 7" DRAWERS FOR FRONT COMPARTMENT ALUMINUM BED ONLY - SPECIFY PASSENGER/DRIVER SIDE AT ORDER
OPTION 11N C-Tech 2 drawer unit	\$793.00	Make: CTEC Model: #20192530 (2) 3" DRAWERS FOR HORIZONTAL COMPARTMENT STEEL BED ONLY - SPECIFY PASSENGER/DRIVER SIDE AT ORDER Make: CTEC Model: #12012460 (2) 3" DRAWERS FOR HORIZONTAL COMPARTMENT ALUMINUM BED ONLY - SPECIFY PASSENGER/DRIVER SIDE AT ORDER
OPTION 11O Flip top for Utility Body	\$895.00	COST PER SIDE - DOUBLE COST FOR BOTH SIDES - PRICE GOOD FOR BOTH STEEL AND ALUMINUM BEDS - SPECIFY PASSENGER/DRIVER SIDE AT ORDER
OPTION 11P Double bottle gas drop well and retainers	\$750.00	DOUBLE GAS BOTTLE DROP WELL IN FRONT VERTICAL COMPARTMENT - SPECIFY PASSENGER/DRIVER SIDE AT ORDER - STEEL BED ONLY
OPTION 11Q High panel extension cover	\$4,805.00	CANOPY ROOF STYLE EXTENSION COVER WITH REAR LOCKING DOORS - MIN 48" INTERIOR CLEARANCE - FACTORY INSTALLED - STEEL BED ONLY
OPTION 11R Tempered steel telescopic sliding roof and end gate covers	\$2,645.00	3-PIECE TELESCOPIC SLIDING ROOF TO PROTECT CARGO AREA - FACTORY INSTALLED - STEEL BED ONLY
OPTION 11S Raise Telescopic Roof	\$880.00	36" CLEARANCE FOR RAISED TSR - FACTORY INSTALLED - STEEL BED ONLY
OPTION 11T Crane mount	\$1,874.00	CRANE MOUNT FOR REAR COMPARTMENT - 3500 LBS CAPACITY CRANE - SPECIFY PASSENGER/DRIVER SIDE AT TIME OF ORDER - SPECIFY CRANE MAKE AND MODEL AT TIME OF ORDER - STEEL BEDS ONLY
OPTION 11U Commercial grade spray on bed lining	\$748.00	FOR 106" SERVICE BODY TO INCLUDE FLOOR, CARGO SIDES, CARGO BULKHEAD, BACK OF TAILGATE
OPTION 11V Receiver trailer hitch	\$740.00 \$810.00	FOR ALL SERVICE BODIES - CLASS V RECEIVER HITCH WITH 2" REDUCER & 5/8" PULL PIN & OEM 7-WIRE PLUG & ELECTRIC BRAKE CONTROL FOR ALL PLATFORMS & DUMP BODIES - CLASS V RECEIVER HITCH WITH 2" REDUCER & 5/8" PULL PIN & OEM 7-WIRE PLUG & ELECTRIC BRAKE CONTROL
OPTION 11W Ext. Color Highway Yellow	\$1,886.00	FOR 106" SERVICE BODY

\$810 For Hitch + Brake Controller  
 (-215) For Hitch only if truck comes w/ Brake Controller

Rugby®



# TRUCK HOISTS.

> SR-4016 / SR-5020

Rugby® has been an industry leader in hoist design for over 45 years. And unlike other manufacturers, we prove our hoists' reliable performance and longevity through testing. We test our SR-4016 and SR-5020 truck hoists at full-rated capacity for an extended life cycle.\* In fact, our SR-4016 lasted 2.5 times longer than a leading competitor's hoist in this test. Think of the added value you'll receive from a hoist that lasts that much longer than other hoists.



#### **Commitment to Quality**

*Your business success requires quality products and competitive pricing. We work hard at Rugby to fulfill all your needs. Our reputation since 1969 has been one of quality hoist products and customer satisfaction.*

# TRUCK HOISTS



## ^ SR-4016

Use the Rugby SR-4016 for both HR520 and HR540 applications to reduce your inventory and get long hoist life with superior features like:

- NTEA Classification: Conversion = D/Dump Body = 40
- Approximate weight: 460 lb-weight\*\* savings of up to 20%
- Available with single or double-acting electric pump or direct-mount gear pump
- Cylinder specifications: 5.5" bore; 16" stroke; 2" diameter rod
- Mounting height: 9.6"
- Capacity range: 7.7-17 T
- Factory tested for durability and performance
- Integrated body prop – no installation required



## ^ SR-5020

The Class 50 SR-5020 hoist is perfectly suited for many HR-550 applications. Those features that make it an ideal solution for the Medium Duty market include:

- Class 50 Dump / Class E Conversion
- Approximate weight: 710 lb\*\*\*
- Available with double-acting electric pump or direct-mount gear pump
- Cylinder specifications: 6" bore; 20" stroke; 2-1/2" diameter rod
- Mounting height: 11.3"
- Capacity range: 9.1 – 17 T
- Factory tested for durability and performance
- Integrated body prop

### SR-4016 SUBFRAME SCISSOR HOIST

Body Length	CA	Rear Overhang	Capacity 50' Dump
8'	60"	6"	12.1 T
9'	60"	6"	10.6 T
9'	60"	18"	14.1 T
10'	60"	30"	17.0 T
10'	84"	6"	9.4 T
11'	84"	6"	8.5 T
11'	84"	18"	10.5 T
12'	84"	18"	9.4 T
12'	84"	30"	12.1 T
12'	108"	6"	7.7 T
14'	108"	18"	7.7 T
<b>Mounting Distance</b>			<b>72"</b>

### SR-5020 SUBFRAME HOIST

Body Length	CA	Rear Overhang	Capacity 50' Dump
10'	84"	6"	12.9 T
11'	84"	18"	13.2 T
11'	84"	6"	10.8 T
12'	84"	30"	17.0 T
12'	84"	18"	13.2 T
12'	108"	6"	10.8 T
14'	108"	30"	13.2 T
14'	108"	18"	10.8 T
14'	120"	18"	10.8 T
14'	120"	6"	9.1 T
16'	120"	42"	13.2 T
16'	120"	30"	10.8 T
<b>Mounting Distance</b>			<b>90.25"</b>

\* Test results assume all recommended maintenance is adhered to. \*\*Weight includes hoist, subframe and mounting components.

\*\*\* Approximate weight includes hoist, subframe, mounting accessories and power unit.

All specifications are subject to change without notice.



Rugby Manufacturing  
 Rugby, ND • 701-776-5722 • Fax 701-776-6235  
 Email: sales@rugbymfg.com

[www.rugbymfg.com](http://www.rugbymfg.com)



a TBEI company

Rugby®



# TOUGH ENOUGH.

## > RUGBY ELIMINATOR LP

### **HARDEST-WORKING DUMP BODY IN LANDSCAPING AND LIGHT CONSTRUCTION.**

Go hard, or go home. With the Rugby Eliminator LP, you'll be hard at it until the last load is hauled and unloaded. The steel model features a seamless, one-piece steel floor for optimum strength and durability. Floor length allows for full sheets of plywood or other materials.

The Eliminator LP design also features front pillars that incorporate forward-facing clearance lights positioned at a 45-degree angle at each corner. Rugby® products feature light locations that may assist the installer in meeting FMVSS/CMVSS 108.

# ELIMINATOR LP

## DURABLE CARBON STEEL

Get the advantages of a lighter weight dump body without sacrificing the durability your job requires. Whether you're hauling gravel or a load of landscape pavers, this dump body delivers enhanced payloads and rugged durability.

Eliminator Carbon Steel LP body options for 2-3 and 3-4 yard rigid and fold-down side models include:

- Cabshields (1/4, 1/2, 3/4, full) standard and tall
- One-piece 10 ga or 7 ga floor
- Cross sills on 16" centers (12" optional)
- Choice of stacked or crossmemberless understructure
- Aluminum side assemblies available on 2-3 and 3-4 yard fold-down side models
- LED lighting standard

## STANDARD FEATURES:

- 10, 12 ga construction
- Side design with fully boxed dirt-shedding top rail and sloped bottom rail for improved self-cleaning
- Double-walled rigid sides with vertical braces
- Single-walled fold-down sides with vertical braces
- Pockets for 6" side boards increase load capacity
- Seamless one-piece front body features triple bend top rails for long-term durability
- Stacked understructure consists of 5" structural long members overlaid with a combination of 3" structural I-beam and formed crossmembers nominally spaced 16" (12" optional) apart
- Standard 1/4 cabshield with viewing window
- Full height corner posts with rear surface sloped aids in tailgate closing
- Tailgate features double-walled panel design with fully boxed dirt-shedding top and bottom rails
- Standard 10 ga floor
- Board pocket design aligns with cabshield and allows the use of tapered side boards to increase capacity when hauling lighter loads such as brush, firewood and mulch



### CABSHIELD POSTS

Full height corner posts include cut-out for fast installation of cabshield insert. Makes all Eliminator LP cabshields interchangeable, helping to keep inventory low.

Note: While the addition of a taller side board allows for some additional capacity, you must follow the maximum weight capacities of your body and hoist. All specifications are subject to change without notice.



**WEIGHT-REDUCING ALUMINUM FOLD-DOWN SIDES - OPTIONAL**  
Easy operation utilizes a centrally located quick-release lever that extends and retracts 3/4" pins at each end using a solid linkage member.



**PATENTED EZ-LATCH™ SYSTEM**  
Designed for easy body access, our industry-leading latch system allows quick opening and slam-lock operation with a cam action that draws in upper tailgate pins.

## CARBON STEEL RIGID 2-3 YARD BODY

Body Length (inside)	9' 3"	11' 3"	12' 3"
Body Capacity	2-3 yd <sup>3</sup>	2-3 yd <sup>3</sup>	2-3 yd <sup>3</sup>
Side Height	12"	12"	12"
Rear Height	18"	18"	18"
Body Weight	1,450 lb	1,660 lb	1,770 lb

## CARBON STEEL FOLD-DOWN SIDE 2-3 YARD BODY

Body Length (inside)	9' 3"	11' 3"	12' 3"
Body Capacity	2-3 yd <sup>3</sup>	2-3 yd <sup>3</sup>	2-3 yd <sup>3</sup>
Side Height	12"	12"	12"
Rear Height	18"	18"	18"
Body Weight	1,475 lb	1,685 lb	1,795 lb

## CARBON STEEL RIGID 3-4 YARD BODY

Body Length (inside)	9' 3"	11' 3"	12' 3"
Body Capacity	3-4 yd <sup>3</sup>	3-4 yd <sup>3</sup>	3-4 yd <sup>3</sup>
Side Height	17"	17"	17"
Rear Height	23"	23"	23"
Body Weight	1,550 lb	1,780 lb	1,890 lb

## CARBON STEEL FOLD-DOWN SIDE 3-4 YARD BODY

Body Length (inside)	9' 3"	11' 3"	12' 3"
Body Capacity	3-4 yd <sup>3</sup>	3-4 yd <sup>3</sup>	3-4 yd <sup>3</sup>
Side Height	17"	17"	17"
Rear Height	23"	23"	23"
Body Weight	1,575 lb	1,805 lb	1,915 lb



Rugby Manufacturing  
Rugby, ND • 701-776-5722 • Fax 701-776-6235  
Email: sales@rugbymfg.com

[www.rugbymfg.com](http://www.rugbymfg.com)



a TBEI company

RESOLUTION NO 19-64

**A RESOLUTION AUTHORIZING AN INTERGOVERNMENTAL AGREEMENT  
BETWEEN THE COUNTY OF JEFFERSON, MISSOURI AND  
INCORPORATED MUNICIPALITIES FOR THE ONE-HALF OF ONE-  
PERCENT SALES TAX FOR CAPITAL IMPROVEMENTS TO PUBLICLY  
MAINTAINED ROADS**

---

**WHEREAS**, Jefferson County has a one-half of one-percent ( $\frac{1}{2}$  of 1%) sales tax for road improvements;  
and

**WHEREAS**, Jefferson County desires and agrees to share a portion of the sales tax proceeds with the  
incorporated municipalities within the county;

**NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF ARNOLD,  
MISSOURI AS FOLLOWS:**

Section 1. The calendar 2020 tax revenue sharing agreement between Jefferson County and the City of  
Arnold is hereby approved.

\_\_\_\_\_  
Presiding Officer of the City Council

\_\_\_\_\_  
Mayor Ron Counts

ATTEST:

\_\_\_\_\_  
City Clerk: Tammi Casey

Date: \_\_\_\_\_





# Jefferson County, Missouri

Maple Street Annex  
725 Maple Street · PO Box 100  
Hillsboro, Missouri 63050

Dennis Gannon  
County Executive

## DEPARTMENT OF PUBLIC WORKS

Jason Jonas, P.E. – Director  
Daniel Naunheim, P.E. – Deputy Director

Telephone: 636-797-5340 · Fax: 636-797-5565  
Web Address: [www.jeffcomo.org](http://www.jeffcomo.org)

Kurt Wengert, P.E.  
Highway Division Superintendent  
636-797-5427

Christopher Ehlen, P.E.  
Technical Administration Division Manager  
636-797-5570

David C. Mikusch  
Fleet Services Manager  
636-797-6017

Matt Stinchcomb  
Facility Services Manager  
636-797-5574

Stormwater Division  
Help Line  
636-797-6228

October 16, 2019

City Clerk

City of Arnold

2101 Jeffco Blvd

Arnold, MO 63010

RE: 2020 Tax Revenue Sharing Agreement

Dear City of Arnold:

On Tuesday, September 23, 2019, the members of the Jefferson County, Missouri, Council approved an ordinance to authorize the County Executive to execute the Tax Revenue Sharing agreements between Jefferson County, Missouri and the Municipalities. Please be advised that the Council amended this agreement for FY2020.

The major changes that have been amended into this agreement are detailed in Section 4 and Section 7.3.1.2.

In general, Section 4 was modified to allow a City to amend their publicly-maintained road mileage once a year, in lieu of the previous requirement of every five years. Section 7.3.1.2 was amended to ensure that municipalities conform with various State regulations (RSMD 8.285-8.291) for the municipal project reimbursements. These changes in no way effect the tax sharing formula or the amounts designated to each entity.

Enclosed are two copies of the modified Tax Revenue Sharing Agreement to be executed by your City and the County Executive. This agreement will be in effect from the date of execution until December 31, 2019. Please sign both copies of the agreement and return both copies for the County Executive to execute. After execution by the County a copy will be returned for your files.

As a reminder, the Cities are required to submit to the County Council, by November 30th of each year, a list of all capital improvements and estimated costs anticipated for the sales tax year beginning October 1st and ending September 30th for the following year. If you have not submitted your list, we ask that you do so at this time.

Please let us know if you have questions about any of these changes.

Sincerely,

A handwritten signature in black ink, appearing to read "Daniel Naunheim", with a long horizontal flourish extending to the right.

Daniel Naunheim

Public Works Deputy Director

Enclosures: Tax Revenue Sharing Agreement (as modified); Two Copies

# TAX REVENUE SHARING AGREEMENT

BY AND BETWEEN JEFFERSON COUNTY, MISSOURI

AND

INCORPORATED MUNICIPALITIES FOR THE ONE-HALF OF ONE-PERCENT  
SALES TAX FOR CAPITAL IMPROVEMENTS TO  
PUBLICLY MAINTAINED ROADS

This Tax Revenue Sharing Agreement of the one-half of one-percent sales tax for capital improvements to publicly maintained roads, dated as of **January 1, 2020**, is entered into by and between Jefferson County, Missouri (hereafter, the "County"), a county of the first classification, and the \_\_\_\_\_, Missouri, an incorporated municipality of Jefferson County, Missouri (hereafter, the "City").

## RECITALS

The County desires and agrees to share and the City desires and agrees to receive and spend the revenue generated by the imposition of a county-wide sales tax at the rate of one-half of one-percent (1/2 of 1%) for capital improvements to publicly maintained roads, as adopted by the voters of Jefferson County on April 1, 1986 and authorized by the County Commission on April 10, 1986; said original tax to expire fifteen (15) years from the date of its original authorization of September 30, 1986 and subsequently extended twice for two additional fifteen (15) year renewals subsequent to its original date of expiration.

WHEREFORE, for valuable consideration and the mutual promises contained herein, County and City agree as follows:

## SECTION 1: CAPITAL IMPROVEMENTS

- 15.1 Capital improvements to publicly maintained roads must occur within the right-of-way (prescriptive or dedicated), and/or grading, drainage easements.
- 15.2 Capital improvements do not include normal road maintenance.
- 15.3 The following items, but not limited to, are eligible for funding with capital improvement tax monies.
  - 15.3.1 Purchase of equipment used exclusively for road improvements.
  - 15.3.2 Construction of new roads and appurtenances.
  - 15.3.3 Road rebuilding and pavement overlays.
  - 15.3.4 Drainage structures.
  - 15.3.5 Bridges.

15.3.6 Salaries of personnel employed to make and administer road improvements.

15.3.7 Engineering and planning fees for the preparation of plans and specifications.

15.4 The City shall submit to the County Council, by November 30<sup>th</sup> each year, a list of all capital improvements and estimated costs anticipated for the calendar year beginning January 1<sup>st</sup> and ending December 31<sup>st</sup> of the following year.

15.4.1 A brief description of each anticipated road improvement project shall be submitted for eligibility approval prior to commencement of capital improvement roadwork.

1.4.1.1 Additional proposed projects and capital improvements can be submitted to the County at any time.

15.4.2 The County Engineer shall ascertain if the proposed capital improvement and/or project are eligible for reimbursement or direct payment.

15.4.3 Processing of payment requests will be withheld from cities failing to submit a list of all capital improvements with estimated costs until such time that all requested information is submitted.

## SECTION 2: PUBLICLY MAINTAINED ROADS AND FACILITIES

2.1 For use in the tax revenue sharing formula, a publicly maintained road is defined as a throughway maintained by the City or County for at least three (3) years, utilized by vehicular traffic, fronting on residences, businesses, industries and farms; subject to the following limitations:

2.1.1 Alleys, dead-end streets, roads within industrial or municipal parks, drives and parking areas serving government buildings, sidewalks and bike trails shall not be classified as publicly maintained roads.

2.1.2 The existing road surface must consist of one of the following: concrete, asphalt, macadam, crushed stone, or gravel.

2.1.3 Public rights-of-way that have not been improved and surfaced shall not be classified as a publicly maintained road.

2.2 For the purpose of capital improvement funding eligibility, a publicly maintained facility is defined as a transportation improvement maintained by the City or County, utilized by pedestrian or vehicular traffic, not classified as a roadway that is to be included in the tax revenue sharing formula; subject to the following limitations:

2.2.1 Alleys and dead-end streets shall be classified as publicly maintained facilities.

2.2.2 Named streets within industrial or municipal parks shall be classified as publicly maintained facilities.

2.2.3 Named drives, parking areas serving government buildings and public parking lots shall be classified as publicly maintained facilities.

2.2.4 Sidewalks, street lighting and bike trails that are immediately adjacent to any of the capital improvements stated in Sections 2.1 and 2.2 shall be classified as publicly maintained facilities.

**SECTION 3: TAX REVENUE SHARING FORMULA**

3.1 The tax revenue sharing formula is established to determine the equitable share that unincorporated Jefferson County and the incorporated Cities within Jefferson County shall receive from the one-half cent sales tax for capital improvements to publicly maintained roads and facilities.

3.2 The formula is based on the following:

3.2.1 Fifty percent of the City/County share on percentage of total road mileage.

3.2.2 Fifty percent of the City/County share on percentage of total population.

3.3 The tax revenue sharing formula is described in the equations printed below:

$$50\% \text{ of Share} = \frac{\text{total tax revenue}}{2} \quad X \quad \frac{\text{individual City or unincorporated County total road mileage}}{\text{total road mileage of Jefferson County}}$$

$$50\% \text{ of Share} = \frac{\text{total tax revenue}}{2} \quad X \quad \frac{\text{individual City or unincorporated County total population}}{\text{population of Jefferson County}}$$

3.4 The sum of the two equations is the total tax received by the City or County.

3.5 Revenue shall be allocated to the City and the County on a monthly basis.

3.6 Total road mileage of Jefferson County is equal to the summation of publicly maintained road mileage in all incorporated and unincorporated areas.

3.7 Total population of Jefferson County is equal to the summation of all population in incorporated and unincorporated areas.

3.8 An incentive bonus program exists for any City that generates a certain share on percentage of the total gross sales within the County for the previous calendar year ending December 31<sup>st</sup>. The bonus shall be received by the City over the course of the following year in monthly increments and funded out of the County portion of the tax sharing allocation. For the avoidance of doubt, any one (1) City may qualify for no more than one (1) of the incentive levels described in Section 3.8 or its sub-sections in any given year. This program is to be effective as of and after January 1, 2016. The following is the gross sales ranges with the associated incentive bonus:

3.8.1 An additional sum total of 1.5% of the total estimated sales tax to be collected shall be allotted to the City when total gross sales rate for the City exceeds 20% of the total gross sales for the entire County.

3.8.2 An additional sum total of 3.0% of the total estimated sales tax to be collected shall be allotted to the City when total gross sales rate for the City exceeds 25% of total gross sales for the entire County.

3.8.3 An additional sum total of 4.5% of the total estimated sales tax to be collected shall be allotted to the City when total gross sales rate for the City exceeds 30% of total gross sales for the entire County.

#### SECTION 4: ROAD MILEAGE

4.1 A newly incorporated City shall submit to the County, the following:

4.1.1 A road map showing the publicly maintained roads within its corporate boundaries. The publicly maintained roads shall be highlighted and named.

4.1.1.1 Roads maintained by the State of Missouri shall not be counted.

4.1.2 A list of all publicly maintained roads and associated road mileage.

4.2 A newly incorporated City shall submit a road map and a list of all publicly maintained roads with associated road mileage in accordance with Section 4.1.1 and 4.1.2 to the County by October 31<sup>st</sup> following the date of incorporation.

4.2.1 Only publicly maintained roads previously inventoried by the County may be inventoried by the City.

4.2.2 The newly incorporated city's share of tax revenue shall become effective October 1<sup>st</sup> following the date of incorporation.

4.2.3 New incorporated cities shall be subject to the same regulations as those cities incorporated before October 31, 1986.

4.3 The summation of all of the road mileage for each City will be utilized in the "Tax Revenue Sharing Formula".

4.4 The City's total mileage of publicly maintained roads shall only be updated once annually by the County Engineer with the following exception:

4.4.1 Publicly maintained road mileage may be increased by annexation of additional area into the incorporated limits of the City. Only publicly maintained roads previously inventoried by the County may be added to the city inventory.

4.4.1.1 A revised road map of publicly maintained roads and a list of all publicly maintained roads with associated road mileage (clearly identifying the publicly maintained roads being added through annexation only) may be submitted yearly, no later than October 31<sup>st</sup>.

4.5 Private Roads accepted for maintenance by the City shall only be added to the list of publicly maintained roads under the annual inventory update performed by the County Engineer.

4.6 Redistribution of publicly maintained total road mileage between the City and the County due to annexation of additional areas by the City shall be effective January 1<sup>st</sup> each sales tax year.

**SECTION 5: POPULATION**

5.1 The City shall submit to the County Council the total number of its population within its incorporated limits.

5.2 The population shall be established by the most recent United States Decennial Census for the City.

5.3 The population number will be utilized in the “Tax Revenue Sharing Formula”.

5.4 The total population of the City may only be updated by the next United States Decennial Census with the following exceptions:

5.4.1 The City may increase its population by annexing additional area into its corporate limits. The population within the annexed area shall be established by one of the two following methods:

5.4.1.1 Annexation report, if available.

5.4.1.2 Applying the following formula:

Population = persons per dwelling unit x number of dwelling units.

5.5 If the City was incorporated after the most recent Census report then its population shall be established by one of the two following methods:

5.5.1 Incorporation report, if available.

5.5.2 Applying the following formula:

Population = persons per dwelling unit x number of dwelling units.

5.6 The following terms have the following meanings as apply to Sections 5.4.1.2 and 5.5.2:

5.6.1 “Person per dwelling unit” shall be established by the most current Decennial Census of the United States Census Bureau according to the “Persons Per Dwelling Unit” established for each municipality.

5.6.2 “Number of Dwelling Units” shall be submitted by the municipality.

5.6.3 “Persons per Dwelling Unit” shall be established by the most current Decennial Census of the United States Census Bureau according to the “Person Per Dwelling Unit” established by appropriate census tract.

5.6.4 “Number of Dwelling Units” shall be submitted by the municipality per census tract.

5.7 The City’s population number will be revised (for utilization in the tax revenue sharing formula) if the United States Decennial Census is officially revised by the Census Bureau.

5.7.1 The revised population number will become effective January 1<sup>st</sup> following the official publication of the population revision.

5.7.2 The City will not be eligible to claim from the County Capital Improvement Tax Fund, a retroactive increase in shares of tax revenue due to an increase in population.

5.7.3 The City will not be liable to reimburse the County Capital Improvement Tax Fund for a retroactive decrease in shares of tax revenue due to a decrease in population.

5.7.4 The City shall submit, yearly, no later than October 31<sup>st</sup>, a revised population number if the official Decennial Census was revised.

5.8 The City may submit a revised population number reflecting an increase in population (gained only through annexation), no later than October 31<sup>st</sup> yearly.

5.9 Redistribution of the population numbers between the City and the County due to annexation of additional area shall be effective January 1<sup>st</sup> of each year.

## SECTION 6: COST ACCOUNTING

6.1 The cost of implementing capital improvements shall be accounted for in accordance with the following procedures:

6.2 Interest income earned by the investment of capital improvement money shall be expended only for approved defined road improvements.

6.3 The cost of third party construction and professional contracts plus the cost of administering these contracts by City personnel shall be reimbursable or directly payable.

6.3.1 The cost of administration of construction or professional contracts by City personnel shall be accounted for by the following formula:

63.1.1 Total Cost of Administration = Hours actually incurred x direct personnel expenses (DPE) for persons performing administrative tasks.

6.4 The cost of road improvements implemented by the City personnel shall be reimbursable.

6.5 The cost of materials is reimbursable or directly payable.

6.6 The costs of labor, supervision and administration are reimbursable and shall be calculated based on the following formulas:

6.6.1 Total cost of labor supervision and administration is equal to the product of hours actually worked by persons multiplied by direct personnel expenses (DPE).

66.1.1 Direct personnel expenses (DPE) is equal to direct salary cost multiplied by 1 plus the fringe benefit burden factor (FBBF)

6.7 The cost of equipment rental from private sources and fuel for rental equipment is reimbursable or directly payable.



6.8 The cost of extraordinary expenses such as the cost of high wear-out ground engaging components, such as hammers, drill bits, teeth, etc., are reimbursable or direct payable.

6.9 The cost of equipment owned and operated by the City (not purchased with capital improvement funds) which is utilized for approved road improvements is reimbursable.

6.10 The cost of equipment and operating expenses shall be calculated based on the following formulas:

6.10.1 In accordance with procedures established by the Missouri Highway and Transportation Commission. The most current "Rental Rate Blue Book", or designated equivalent, shall be utilized to calculate cost recovery (rental rates) and operating cost/hour, (estimated operating cost/hour) for equipment.

6.10.2 Cost recovery (rental rates) is dictated by the "Rental Rate Blue Book" by equipment manufacturer and model. Rates are calculated based on the year each model was discounted and are adjusted for climate and regional costs.

6.11 Fringe Benefit Burden Factor (FBBF) is defined as: total cost of municipal fringe benefits as defined for the municipality's last fiscal year divided by total Gross Payroll of the municipality for the last fiscal year.

6.11.1 Fringe benefits include: FICA, FUTA, vacation, sick pay, holidays, workman's compensation insurance, health insurance, pension benefits, etc.

6.12 Operating cost/hour shall be calculated based on the actual number of hours a particular piece of equipment is operated.

6.13 Equipment purchased by the City with capital improvement funds shall not be eligible for cost recovery.

6.14 Equipment purchased by the City with capital improvement funds shall be eligible to account for operating cost/hour.

## SECTION 7: TAX REVENUE SHARE ALLOCATION AND DISBURSEMENT PROCEDURE

7.1 The County shall, upon receiving tax revenue from the State of Missouri, deposit the revenue into the County Capital Improvement Fund Account.

7.2 Shares of the fund shall be allocated to each program participating city and the County in accordance with the Tax Revenue Sharing Formula.

7.2.1 Interest accrued on the tax fund shall be credited to each City's account and the County's account

7.2.2 Each program participating City and the County shall receive a monthly tax revenue share statement.

7.3 The City shall submit to the Department of Public Works, payment requests for capital improvements made the previous period.

7.3.1 The City shall submit online payment requests using the following link: <https://jeffcomo.seamlessdocs.com/f/PWCityReimburse>.

7.3.1.1 An instructional guide to completing the web-based Reimbursement Request Form shall be provided by the Department of Public Works.

7.3.1.2 Each project or other capital improvement payment request shall provide proof to the County that a competitive bidding process was followed by one of the following methods:

- (1) For equipment purchases, the City shall provide a copy of an approved form of legislation (i.e. City Ordinance, etc.) supporting the award, or written quotes from two (2) or more vendors/suppliers and a written explanation for award to the chosen company.
- (2) For State or Federally funded infrastructure projects, the City shall provide a copy of an approved form of legislation (i.e. City Ordinance, approved funding agency agreement, etc.) supporting the contractor award. This is only a requirement for the first invoicing of each project.
- (3) For locally funded infrastructure projects, the City shall provide a copy of an approved form of legislation (i.e. City Ordinance, etc.) supporting the contractor award or written quotes from two (2) or more contractors, and a written explanation for award to the chosen company. This is only a requirement for the first invoicing of each project.
- (4) For all infrastructure projects, the City shall provide a copy of an approved form of legislation (i.e. City Ordinance, etc.) supporting a contract award to a Consultant for architectural, engineering, and/or land surveying services, and all appropriate documentation to prove that the firm was chosen in compliance with RSMo 8.285 through 8.291. This is only a requirement for the first invoicing of each project milestone (i.e. consultant services, right-of-way acquisition and construction inspection).

This provision will apply to any architectural, engineering, and/or land surveying services contracts executed by the City as of January 1, 2020.

Failure to comply with the provisions of Section 7.3.1.2 shall result in a recommendation from the Department of Public Works that the Jefferson County Council deny the City's reimbursement request.

- 7.3.2 The County Engineer shall ascertain if the request is eligible for reimbursement.
- 7.3.3 The County Engineer shall then submit an Ordinance to the County Council for a recommendation of approval or denial of any reimbursement requests received by noon on the Monday prior to the next regular meeting of the County Council.
- 7.3.4 The City shall submit payment requests only for capital improvements and projects previously submitted to the County and approved for eligibility.
- 7.3.5 Requests for payment received by noon on the Monday prior to the next County Council regular meeting agenda deadline, as established by the Director of Administration, will be processed for payment upon final execution of the approved Ordinance.

7.3.5.1 Payments shall be made directly to the issuer of the invoice.

This Agreement, containing seven (7) sections, represents the complete understanding of the parties to the Agreement. No changes shall be made to this Agreement except in writing and approved by the parties. This Agreement shall be subject to renewal at the end of the sales tax year.

This Agreement shall be in full force and effect after its passage by the Jefferson County, Missouri, Council and the City through **December 31, 2020**, and is subject to renewal thereafter upon mutual agreement of the parties.

Both County and the City have adopted an appropriate resolution, order or ordinance authorizing the execution of this Agreement.

**JEFFERSON COUNTY, MISSOURI:**

By: \_\_\_\_\_  
Dennis Gannon, Jefferson County, Missouri, Executive

*Attest:*

\_\_\_\_\_  
Kenneth Waller, County Clerk  
By: \_\_ Deputy County Clerk

*Approved as to form:*

\_\_\_\_\_  
Carl W. Yates III, County Counselor

CITY OF \_\_\_\_\_, MISSOURI:

By: \_\_\_\_\_  
Chief elected official

\_\_\_\_\_  
Title

*Attest:*

\_\_\_\_\_  
Clerk

RESOLUTION NO: 19-65

A RESOLUTION AUTHORIZING A LEASE/PURCHASE AGREEMENT  
WITH COMMERCE BANK / CLAYTON HOLDINGS, LLC FOR THE  
ACQUISITION OF A NEW FALCON 3-TON ASPHALT RECYCLER AND  
HOT BOX SLIP-IN

---

BE IT RESOLVED by the Council of the City of Arnold, Missouri, that the Mayor be and is hereby authorized to enter into a lease/purchase agreement with Commerce Bank / Clayton Holdings, LLC for the acquisition of a new Falcon 3-Ton Asphalt Recycler and Hot Box Slip-In in the amount of \$27,424.00.

A copy of said agreement is attached hereto and made a part hereof by reference.

\_\_\_\_\_  
Presiding Officer of the City Council

\_\_\_\_\_  
Mayor Ron Counts

ATTEST:

\_\_\_\_\_  
City Clerk Tammi Casey

Date: \_\_\_\_\_

**SCHEDULE C  
PAYMENT SCHEDULE**

Lessee: City of Arnold, Missouri  
 Lessor: Clayton Holdings, LLC  
 Lease Number: 5000107-004  
 Capital Cost of Equipment (Principal Portion of Rental Payments): \$27,424.00  
 Nominal Interest Rate: 3.23%  
 Start Date: November 12, 2019

Subject to Section 8 of the Lease, Rental Payments are due on the dates and in the amounts shown below:

<b>Rental Payment Date</b>	<b>Payment Amount</b>	<b>Amount Credited to Interest</b>	<b>Amount Credited to Capital Cost</b>	<b>Outstanding Principal Balance</b>
11/12/2019	\$5,838.94	\$0.00	\$5,838.94	\$21,585.06
11/12/2020	\$5,838.94	\$697.20	\$5,141.74	\$16,443.32
11/12/2021	\$5,838.94	\$531.12	\$5,307.82	\$11,135.50
11/12/2022	\$5,838.94	\$359.68	\$5,479.26	\$5,656.24
11/12/2023	<u>\$5,838.94</u>	<u>\$182.70</u>	<u>\$5,656.24</u>	\$0.00
<b>TOTALS:</b>	<b>\$29,194.70</b>	<b>\$1,770.70</b>	<b>\$27,424.00</b>	

In the event Lessee desires to prepay this Lease, it may do so in whole, but not in part, at a purchase price equal to (a) the then current outstanding principal balance shown above; plus (b) a prepayment premium calculated as a percentage of the then current outstanding principal balance, in the following amount: 3%, with respect to any prepayment during the first full year of the Lease Term; 2%, with respect to any prepayment during the second full year of the Lease Term; and 1%, with respect to any prepayment during the third full year of the Lease Term and thereafter; plus (c) unpaid interest accrued on the outstanding principal balance to the prepayment date; and plus (d) all other amounts then payable under this Lease. There is no prepayment penalty if Lessee is using funds other than proceeds of a grant or an actual or anticipated refinancing.

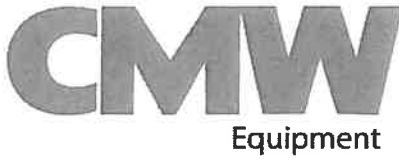
Lessee: City of Arnold, Missouri

Authorized Signature: \_\_\_\_\_

Printed Name: Ron Counts

Title: Mayor

Date: \_\_\_\_\_



8668 OLIVE BLVD.  
 ST. LOUIS, MO 63132  
 (314) 993-1336  
 FAX (314) 993-1467  
 www.cmw-equip.com

DATE September 9, 2019

**SOLD TO:** City of Arnold  
 2900 Arnold Tenbrook Road  
 Arnold, MO 63010

**SHIP TO:** City of Arnold  
 2900 Arnold Tenbrook Road  
 Arnold, MO 63010

QTY	DESCRIPTION									
1	<p><b>New Falcon 3-Ton Asphalt Recycler &amp; Hot Box Slip-In</b> with 12-volt battery, triple wall construction and fully insulated automatic temperature control. Diesel fuel source VIP technology – voltage indicator and protector controller automatically prevents burner(s) from operating below burner manufacture’s required voltage. One-piece, seamless ceramic combustion chamber independently certified 92% fuel efficiency. Slip-in frame- 2” x 6” x ½” with forklift pockets, shoveling apron, hydraulic loading and metering door (truck to supply hydraulic function) and battery charger package.</p>									
	<table> <tr> <td><i>Price</i></td> <td><i>FOB: Delivered</i></td> <td><i>\$26,549.00</i></td> </tr> <tr> <td><i>Freight:</i></td> <td></td> <td><u><i>\$875.00</i></u></td> </tr> <tr> <td><i>Total:</i></td> <td></td> <td><u><i>\$27,424.00</i></u></td> </tr> </table>	<i>Price</i>	<i>FOB: Delivered</i>	<i>\$26,549.00</i>	<i>Freight:</i>		<u><i>\$875.00</i></u>	<i>Total:</i>		<u><i>\$27,424.00</i></u>
<i>Price</i>	<i>FOB: Delivered</i>	<i>\$26,549.00</i>								
<i>Freight:</i>		<u><i>\$875.00</i></u>								
<i>Total:</i>		<u><i>\$27,424.00</i></u>								

**SHIPMENT TO BE MADE:**

VIA: Truck

PRICES DO NOT INCLUDE ANY APPLICABLE TAXES

TERMS: Net 10 days from date of invoice.

**DATE OR AS SOON THEREAFTER AS POSSIBLE:**

FOB: Delivered

Twenty Seven Thousand Four Hundred Twenty-Four and 00/100 DOLLARS (\$ 27,424.00 )

NON-REFUNDABLE DEPOSIT \_\_\_\_\_ \$ \_\_\_\_\_

This order shall not be binding upon Cummings, McGowan & West Inc., DBA CMW Equipment ("Seller") until accepted by it and approved by an executive officer of the seller at St. Louis, Missouri. When so accepted and approved, it shall constitute a binding agreement upon the parties hereto and shall be a Missouri contract and all rights of the parties hereto shall be governed by the Laws of the State of Missouri. Notice of acceptance by seller to buyer is waived by buyer. This order and contract are not subject to cancellation by buyer.

**ORDER TAKEN SUBJECT TO APPROVAL OF AN OFFICER OF CUMMINGS, MCGOWAN & WEST, INC. DBA CMW EQUIPMENT**

Dave Underhill

BY \_\_\_\_\_ SALESMAN

ACCEPTED AT ST. LOUIS, MO.  
 CUMMINGS, MCGOWAN & WEST INC.  
 DBA CMW EQUIPMENT \_\_\_\_\_, 20\_\_\_\_\_

BY \_\_\_\_\_

PURCHASER SIGN HERE

City of Arnold

STATE WHETHER CORP. PARTNERSHIP OR INDIVIDUAL

BY \_\_\_\_\_

TITLE \_\_\_\_\_

**THE PROVISIONS, TERMS AND CONDITIONS ON THE REVERSE SIDE HEREOF ARE EXPRESSLY MADE A PART OF THIS CONTRACT**



Sent via Email: Frank.Hill@CommerceBank.com

October 30, 2019

Jeanette Yount, A/P Specialist  
City of Arnold, Missouri  
2101 Jeffco Boulevard  
Arnold, Missouri 63010

**Re: Financing for One (1) NEW Falcon 3-Ton Asphalt Recycler and Hot Box Slip-In; VIN to be provided.**

Dear Jeanette:

Please find the enclosed documentation for your review and completion. An instruction sheet has been included as a guide to assist you with the process. Once you have completed and returned the required documentation to Clayton Holdings, LLC, the transaction can be funded. The documentation has been filled out according to the terms and amount shown on the formal proposal. If you have questions or comments, please call.

Clayton Holdings, LLC is listed as Lessor in this State and Municipal Lease/Purchase Agreement. **For your convenience, we have listed the documentation that we require before closing:**

- The Lease with all Schedules executed correctly*
- 8038-GC IRS Form & Questionnaire*
- The Escrow Agreement*
- Initial Payment of \$5,838.94 payable to Clayton Holdings, LLC*

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If you have any questions regarding the above documentation, please feel free to contact me.

Sincerely,

Alice Scherder  
Municipal Documentation Administrator  
[Alice.Scherder@commercebank.com](mailto:Alice.Scherder@commercebank.com)  
314-746-3752



## Documentation Instructions

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Please complete using **BLUE INK** and return all original documents via **FedEx or Certified Mail** to:  
Clayton Holdings, LLC c/o Alice Scherder  
8000 Forsyth Blvd., Suite 510, St. Louis, MO 63105  
Call 314-746-3752 with any questions during completion

### **State and Municipal Lease/ Purchase Agreement**

- An individual that is authorized by the Lessee should sign and date in the space where indicated.
- The signed lease should be dated by Lessee with a date that is on or after meeting date of approved ordinance/resolution.
- Review and verify the EIN number.

### **Schedule A – Description of the Equipment**

- Add VINs and/or SNs, if applicable.
- Authorized individual should review location and description of equipment and sign and date the form where indicated.

### **Schedule B - Delivery and Acceptance Certificate**

- Authorized individual should review and/or complete Payment Directions and sign and date the form where indicated.

### **Schedule C – Amortization/Payment Schedule**

- Authorized individual should sign and date the form where indicated.

### **Schedule E-1 - Resolution**

- The Resolution should be signed by the authorized signatory.
- Secretary or Clerk of the Board should attest and sign where indicated.

### **Schedule E-2 – Incumbency and Authorization Certificate**

- The Secretary or Clerk of the Board should complete the blank lines in the first paragraph and attest at the bottom of the form.
- In **Section A**, review and confirm authorized signers. This should include any persons who will be signing forms, including payment request forms for the Escrow account.
- Authorized signers should sign in the signatory column in **Section A**.
- In **Section B**, list all individuals authorized to confirm disbursement information. Include name, title, phone number and alternative phone number.
- Signer of this Certificate cannot be listed under **Section A** as authorized to execute the Agreements.

### **Schedule F – Essential Use/Source of Funds Letter**

- Complete all blank lines in entirety.
- Authorized individual should sign and date the form where indicated.

### **Schedule G – Proof of Insurance**

- Complete all blank lines of the insurance agent information.
- Authorized individual should sign and date the form where indicated.
- Contact your insurance provider for a certificate of insurance in accordance with Section of the Lease and naming *Clayton Holdings, LLC* as both co-loss payee and additional insured under the property damage, and as additional insured under the general liability policy
- Upon acceptance of the Equipment and upon each insurance renewal date, Lessee will deliver to Lessor a certificate evidencing such insurance.

### **Schedule H – Authorization for Preauthorized Payments (if utilizing this free service)**

- Complete all blanks on the form.
- Include a voided check or deposit slip.
- Authorized individual should sign and date the form where indicated.

**8038-GC IRS Form and Questionnaire**

- Verify Lessee's Federal Identification number in Part 1, box 2 of the 8038GC form.
- Sign, date and type the name of the individual signing this document, unless already completed.
- Verify information on Questionnaire, review instructions, and sign and date where indicated.

**Escrow Agreement**

- Authorized individual should sign where indicated.

**Escrow Agreement – Exhibit B – Form of Payment Request and Acceptance Certificate**

- Exhibit B*** should be kept. Authorized individual should complete blank lines, sign, date and submit this form *when requesting disbursements* from the Escrow account.

**Escrow Agreement – Exhibit C – Final Acceptance Certificate**

- Exhibit C*** should be kept. Authorized individual should date, sign where indicated and submit this form *with the final disbursement request* of the remaining funds from the Escrow account.

**Title**

- In accordance with Section 10 Title, Security Interest, Lessee must provide a copy of the **MSO** and **Title Application** listing Clayton Holdings, LLC, 8000 Forsyth Blvd., Suite 510, St. Louis, MO 63105, as 1<sup>st</sup> lienholder and Clayton Holdings, LLC, 8000 Forsyth Blvd., Suite 510, St. Louis, MO 63105, is listed as 1<sup>st</sup> Lienholder on final Title and provide record of same to Clayton Holdings, LLC.



## CLAYTON HOLDINGS, LLC

### STATE & MUNICIPAL LEASE/PURCHASE AGREEMENT

Lease Number: 5000107-004

This State and Municipal Lease/Purchase Agreement (the "Lease") is made and entered into on this, the Thirtieth day of October, 2019 by and between Clayton Holdings, LLC with offices at 8000 Forsyth Boulevard, Suite 510, St. Louis, Missouri 63105 (together with its successors and assigns, herein called the "Lessor"), and City of Arnold, Missouri with its principal address at 2101 Jeffco Boulevard, Arnold, Missouri 63010 (together with its permitted successors and assigns, herein called the "Lessee"), wherein it is agreed as follows:

- 1. LEASE OF EQUIPMENT:** Lessee hereby requests Lessor to acquire the equipment described in Schedule A attached hereto and made a part hereof. Subject to the terms and conditions hereof, Lessor agrees to lease to Lessee and Lessee agrees to lease from Lessor the equipment described in Schedule A, with all replacements, repairs, additions and accessories incorporated therein or affixed thereto (herein collectively called the "Equipment").
- 2. DELIVERY AND ACCEPTANCE:** Lessee agrees to order the Equipment on behalf of Lessor from the supplier of such Equipment. Lessor will not be liable for specific performance of this Lease or for damages if for any reason the supplier delays or fails to fill the order. Lessee will cause the Equipment to be delivered at the location specified in Schedule A (the "Equipment Location"). Lessee is solely responsible for the selection of the Equipment and the vendor from which the Equipment is purchased. Lessee will pay all transportation and other costs, if any, incurred in connection with the delivery and installation of the Equipment. Any delay in such delivery will not affect the validity of this Lease. To the extent funds are deposited with a bank or trust company in an escrow fund for the acquisition of the Equipment, such funds shall be disbursed as provided in the agreement pursuant to which such fund is established (the "Escrow Agreement"). Lessee will immediately accept the Equipment as soon as it has been delivered and is operational, or as soon as any manufacturer or vendor pre-acceptance test period has expired. In the event the Equipment is not accepted by Lessee within thirty (30) days from the date of its delivery, Lessor, at Lessor's sole option, will have the right to terminate this Lease. Lessee will evidence its acceptance of the Equipment by executing and delivering to Lessor a delivery and acceptance certificate in the form of Exhibit B or C, as applicable, to the Escrow Agreement (the "Acceptance Certificate"). Lessee hereby authorizes the Lessor to add to this Lease and to any other description of the Equipment the serial number of each item of Equipment, when available.
- 3. TERM:** This Lease will become effective upon the execution hereof by Lessee and Lessor. Lessee's obligation to pay rent under this Lease will commence on the date that funds are advanced by Lessor to pay the vendor of the Equipment or are deposited with a bank or trust company in an escrow fund pursuant to the Escrow Agreement, if any (the "Start Date"), and will extend for an initial term through the end of Lessee's fiscal year containing the Start Date. The term of this Lease is subject to renewal on a year-to-year basis for the number of annual fiscal periods necessary to comprise the lease term as set forth in Schedule C attached hereto and made a part hereof (the "Lease Term"). At the end of the initial term and any renewal term, Lessee will be deemed to have exercised its option to renew this Lease for the next annual renewal term, unless Lessee has exercised its right to terminate the Lease pursuant to Section 8 below.
- 4. RENT:** Lessee agrees to pay Lessor the rental payments for the Equipment as set forth in Schedule C (the "Rental Payments"). A portion of each Rental Payment is paid as and represents the payment of interest as set forth in Schedule C. The Rental Payments will be payable without notice or demand, at the office of Lessor (or such other place as Lessor may designate in writing, from time to time) and will commence on the Start Date. For clarity, Lessee hereby authorizes Lessor to update Schedule C with the Start Date and actual due dates for Rental Payments based upon the frequency of payments stated on Schedule C. Any notice, invoicing, purchase orders, quotations or other forms or procedures requested by Lessee in connection with payment will be fully explained and provided to Lessor sufficiently in advance of the payment due date for the completion thereof by Lessor prior to such payment date, but none of the foregoing will be a condition to Lessee's obligation to make any such payment. If Lessee fails to pay any Rental Payment or any other sums under this Lease within ten (10) days when the same becomes due, Lessee shall pay to Lessor (in addition to and not in lieu of other rights of Lessor) a late charge equal to the greater of five (5%) percent of such delinquent amount or Twenty-Five Dollars (\$25.00), but in any event not more than the maximum amount permitted by law. Such late charge shall be payable by Lessee upon demand by Lessor and shall be deemed rent hereunder. Lessee acknowledges and agrees that the late charge (i) does not constitute interest, (ii) is an estimate of the costs Lessor will incur as a result of the late payment and (iii) is reasonable in amount. Lessor and Lessee understand and intend that the obligation of Lessee to pay Rental Payments hereunder will constitute a current expense of Lessee and will not in any way be construed to be a debt of Lessee in contravention of any applicable constitutional or statutory limitation or requirement concerning the creation of indebtedness by Lessee. **EXCEPT AS SPECIFICALLY PROVIDED IN SECTION 8 HEREOF, LESSEE'S OBLIGATION TO MAKE RENTAL PAYMENTS SHALL BE ABSOLUTE AND UNCONDITIONAL IN ALL EVENTS AND WILL NOT BE SUBJECT TO ANY SETOFF, DEFENSE, COUNTERCLAIM, ABATEMENT OR RECOUPMENT FOR ANY REASON WHATSOEVER.**

Notwithstanding the foregoing, the interest portion of the Rental Payments on Schedule C will be adjusted, and Lessor will provide Lessee a revised Schedule C reflecting such adjustment in the event that it is determined that any of the interest portions of Rental Payments set forth in Schedule C may not be excluded from Lessor's gross income under Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"). Lessee agrees that the interest portion of the Rental Payments on Schedule C will be adjusted commencing with the first day of the next succeeding fiscal year of the Lessee, but only if this Lease is renewed for such fiscal year, and thereafter, so that Lessor will be in the same after-tax position that it would have been in had such payment been excluded from the gross income of Lessor under Section 103 of the Code.

- 5. AUTHORITY AND AUTHORIZATION:** Lessee represents, warrants and covenants that (a) it will do or cause to be done all things necessary to preserve and keep in full force and effect (i) its existence, and (ii) subject to Section 8 hereof, this Lease; (b) it has complied with all bidding and budgeting requirements where necessary and by due notification has presented this Lease to Lessee's governing body for approval and adoption as a valid obligation on its part and that all requirements have been met and procedures have been followed to ensure the enforceability of this

Lease; (c) it has sufficient appropriations or other funds available to pay all amounts due hereunder for the current fiscal year period; (d) no event has occurred and no condition exists which, upon the execution of this Lease or with notice or the passage of time or both, would constitute a default under any debt, revenue or purchase obligation which it has issued or to which it is a party (the "Obligation") nor has it been in default under any Obligation at any time during the past five (5) years, and (e) no lease, rental agreement or contract for purchase, to which Lessee has been a party, at any time during the past five (5) years, has been terminated by Lessee as a result of insufficient funds being appropriated in any fiscal period.

- 6. REPRESENTATIONS, COVENANTS AND WARRANTIES REGARDING TAX-EXEMPT STATUS:** Lessee warrants and covenants that (i) it is a state, or a political subdivision thereof, within the meaning of Section 103 of the Code, and the related regulations and rulings thereunder; (ii) subject to Section 8 hereof, Lessee intends that its obligation under this Lease will constitute an enforceable obligation issued by or on behalf of a state, or political subdivision thereof, such that the interest portions of Rental Payments as shown in Schedule C, will not be includable in the gross income of Lessor for the purposes of federal income taxation; (iii) this Lease represents a valid deferred payment obligation of Lessee for the amount herein set forth; (iv) Lessee has the legal capacity to enter into this Lease and is not in contravention of any state, county, district, city or town statute, rule, regulation or other governmental provision; (v) during the Lease Term, the Equipment will not be used in a trade or business of any other person or entity; (vi) Lessee will complete and file on a timely basis, Internal Revenue Service form 8038G or 8038GC, as appropriate, in the manner set forth in Section 149(e) of the Code; and (vii) Lessee will not take any action or permit the omission of any action reasonably within its control which action or omission will cause the interest portion of any Rental Payment hereunder to be includable in gross income for federal income taxation purposes.

Lessee hereby designates the Lease as a "qualified tax-exempt obligation" as defined in Section 265(b)(3)(B) of the Code. The aggregate face amount of all tax-exempt obligations (including the Lease, but excluding private activity bonds other than qualified 501(c)(3) bonds) issued or to be issued by Lessee and all subordinate entities thereof during the calendar year in which the Start Date occurs is not reasonably expected to exceed \$10,000,000. Lessee and all subordinate entities thereof will not issue in excess of \$10,000,000 of tax-exempt obligations (including the Lease, but excluding private activity bonds other than qualified 501(c)(3) bonds) during the calendar year in which the Start Date occurs, without first providing Lessor with an opinion of nationally recognized counsel in the area of tax-exempt municipal obligations acceptable to Lessor, that the designation of the Lease as a "qualified tax-exempt obligation" will not be adversely affected.

Lessee further represents as follows:

- (a) The estimated total costs of the Equipment will not be less than the total principal amount of the Rental Payments.
- (b) The Equipment has been ordered or is expected to be ordered within six months of the effective date of this Lease, and the Equipment is expected to be delivered and installed, and the Vendor fully paid, within eighteen months of the effective date of this Lease.
- (c) Lessee has not created or established, and does not expect to create or establish, any sinking fund or other similar fund (i) that is reasonably expected to be used to pay the Rental Payments, or (ii) that may be used solely to prevent a default in the payment of Rental Payments.
- (d) The Equipment has not been, and is not expected to be, sold or otherwise disposed of by Lessee, either in whole or in major part, prior to the final Rental Payment.
- (e) To the best of Lessee's knowledge, information and belief, the above expectations are reasonable.

- 7. APPROPRIATIONS AND ESSENTIAL USE:** Lessee reasonably believes that sufficient funds can be obtained to make all Rental Payments during the Lease Term. The responsible financial officer of Lessee will do all things lawfully within his or her power to obtain funds from which the Rental Payments, including any Rental Payments required by Section 4 hereof, may be made, including making provisions for such payments, to the extent necessary, in each proposed annual budget submitted for approval in accordance with applicable procedures of Lessee. Notwithstanding the foregoing, the decision whether or not to budget or appropriate funds or to extend this Lease for any subsequent annual fiscal period is solely within the discretion of the then current governing body of Lessee. Lessee currently intends to make the Rental Payments for the full Lease Term if funds are legally available therefor, and in that regard Lessee represents that (a) the use of the Equipment is essential to its proper, efficient, and economic functioning or to the services that it provides to its citizens; (b) Lessee has an immediate need for and expects to make immediate use of substantially all the Equipment, which need is not temporary or expected to diminish in the foreseeable future; and (c) the Equipment will be used by the Lessee only for the purpose of performing one or more of its governmental or proprietary functions consistent with the permissible scope of its authority.

- 8. NONAPPROPRIATION OF FUNDS:** In the event insufficient funds are appropriated and budgeted to pay Rental Payments required by Section 4 hereof and any other amounts payable under this Lease, for any fiscal period in which the Rental Payments for the Equipment are due under this Lease, then, without penalty, liability or expense to Lessee, this Lease will thereafter terminate on the last day of the fiscal period for which appropriations were made, except as to (i) the portions of the Rental Payments herein agreed upon for which funds have been appropriated and budgeted or are otherwise available and (ii) Lessee's other obligations and liabilities under this Lease relating to, accruing or arising prior to such termination. Lessee will, not less than sixty (60) days prior to the end of such applicable fiscal period, in writing, notify Lessor of such occurrence, but failure to give such notice will not prevent such termination. In the event of such termination, Lessee agrees to immediately cease use of the Equipment and peaceably surrender possession of the Equipment to Lessor on the day of such termination, packed for shipment in accordance with manufacturer's specifications and eligible for manufacturer's maintenance, and freight prepaid and insured to any location in the continental United States designated by Lessor, all at Lessee's expense. Lessor may exercise all available legal and equitable rights and remedies in retaking possession of the Equipment. If Lessee fails to cease use and deliver possession of the Equipment to Lessor upon termination of this Lease under this section, the termination shall nevertheless be effective but Lessee shall be responsible for the payment of damages in an amount equal to (a) the portion of Rental Payments thereafter coming due that is attributable to the number of days after the termination during which Lessee fails to cease use and deliver possession of the Equipment and (b) any other loss suffered by Lessor as a result of Lessee's failure to deliver possession of the Equipment.

- 9. EXCLUSION OF WARRANTIES; LIMITATIONS OF LIABILITY; DISCLAIMER OF CONSEQUENTIAL DAMAGES: LESSEE HAS SELECTED BOTH THE EQUIPMENT AND THE VENDOR(S) FROM WHOM LESSOR IS TO PURCHASE THE EQUIPMENT IN RELIANCE HEREON. LESSEE ACKNOWLEDGES AND AGREES THAT THE EQUIPMENT IS OF A SIZE, DESIGN AND CAPACITY SELECTED BY LESSEE, THAT LESSOR IS NOT A MANUFACTURER, VENDOR, DISTRIBUTOR OR LICENSOR OF SUCH EQUIPMENT, AND THAT LESSOR LEASES THE**

EQUIPMENT AS IS AND HAS NOT MADE, AND DOES NOT HEREBY MAKE, ANY REPRESENTATION, WARRANTY OR COVENANT, EXPRESS OR IMPLIED, WITH RESPECT TO THE MERCHANTABILITY, CONDITION, QUALITY, DURABILITY, DESIGN, OPERATION, FITNESS FOR USE, OR SUITABILITY OF THE EQUIPMENT IN ANY RESPECT WHATSOEVER OR IN CONNECTION WITH OR FOR THE PURPOSES AND USES OF LESSEE, OR ANY OTHER REPRESENTATION, WARRANTY OR COVENANT OF ANY KIND OR CHARACTER, EXPRESS OR IMPLIED, WITH RESPECT THERETO INCLUDING ANY WARRANTIES OF TITLE OR AGAINST INFRINGEMENT OR ANY WARRANTIES ARISING FROM A COURSE OF DEALING, USAGE OR PRACTICE, ALL OF WHICH ARE SPECIFICALLY DISCLAIMED BY LESSOR AND IN NO EVENT SHALL LESSOR BE OBLIGATED OR LIABLE FOR ACTUAL, INCIDENTAL, CONSEQUENTIAL OR OTHER DAMAGES OF OR TO LESSEE OR ANY OTHER PERSON OR ENTITY ARISING OUT OF OR IN CONNECTION WITH THE EQUIPMENT, INCLUDING BUT NOT LIMITED TO THE SALE, LEASE, USE, PERFORMANCE OR MAINTENANCE OF THE EQUIPMENT, INCLUDING INTERRUPTION OF SERVICE, LOSS OF DATA, LOSS OF REVENUE OR PROFIT, LOSS OF TIME OR BUSINESS, OR ANY SIMILAR LOSS, EVEN IF ANY SUCH PERSON IS ADVISED IN ADVANCE OF THE POSSIBILITY OR CERTAINTY OF SUCH DAMAGES AND EVEN IF LESSEE ASSERTS OR ESTABLISHES A FAILURE OF ESSENTIAL PURPOSE OF ANY LIMITED REMEDY PROVIDED IN THIS LEASE.

Lessee acknowledges that neither the original vendor nor licensor of the Equipment (including the salespersons of any of them) is an agent of Lessor, nor are they authorized to waive or alter any terms of this Lease. Lessee hereby waives any claim (including any claim based on strict or absolute liability in tort) it might have against Lessor or any assignee of the Lessor for any loss, damage or expense caused by or with respect to the Equipment. Lessor hereby assigns to Lessee during the Lease Term, to the extent permitted by law and so long as no Event of Default has occurred pursuant to Section 20 below, all manufacturer's warranties, if any, that it may have with respect to the Equipment, and Lessor authorizes Lessee to obtain the customary services furnished in connection with such warranties at Lessee's expense. Lessor authorizes Lessee, to the extent permitted by law, to enforce in its own name any warranty, representation or other claim enforceable against the manufacturer. Lessor assumes no responsibility for shipment, delivery, installation or maintenances, and all claims of Lessee with respect thereto, whether for delay, damage or otherwise, will be made against the manufacturer. Lessor, at its option, may provide in its purchase order that the manufacturer agrees that any of such claims may be made by Lessee directly against the manufacturer. The obligation of Lessee to pay the Rental Payments as defined in Section 4 will not be abated, impaired or reduced by reason of any claims of Lessee with respect to the Equipment, including but not limited to its condition, quality, workmanship, delivery, shipment, installation, defects or otherwise.

10. **TITLE, SECURITY INTEREST:** During the Lease Term, title to the Equipment is deemed to be in Lessee so long as no Event of Default pursuant to Section 20 below has occurred and/or this Lease has not been terminated pursuant to the provisions of Section 8 above, subject to a first priority security interest in the Equipment which is retained by Lessor. Upon the earlier of (i) termination of this Lease in accordance with Section 8 above or (ii) the occurrence of an Event of Default by Lessee pursuant to Section 20 below, title will immediately revert to Lessor free of any right, title or interest of Lessee unless Lessor elects otherwise. In order to secure all of Lessee's obligations hereunder, Lessee hereby (a) to the extent permitted by law, grants to Lessor a first and prior security interest in any and all rights, titles and interest of Lessee in this Lease, the Equipment and in all additions, attachments, accessions, accessories, replacements and improvements thereto, now or hereafter acquired, together with all rents, issues, income, profits and proceeds thereof, including insurance proceeds; (b) agrees that financing statements evidencing Lessor's security interest may be filed; and (c) agrees to execute and deliver all certificates of title and other instruments necessary or appropriate to evidence and perfect such security interest. As further security therefor, Lessee grants to Lessor a first priority security interest in the cash and negotiable instrument from time to time comprising the escrow fund, if any, established under the Escrow Agreement and all proceeds (cash and non-cash) thereof, and agrees with respect thereto that Lessor shall have all the rights and remedies of a secured party.
11. **PERSONAL PROPERTY:** Lessor and Lessee agree that the Equipment is, and will remain, personal property and will not be deemed to be affixed or attached to real property or any building thereon. Notwithstanding the foregoing, for purposes of providing notice to third parties, Lessee agrees that, upon Lessor's request, it will provide the legal description of all real property where any of the Equipment is or will be installed, and Lessee agrees that financing statements evidencing Lessor's security interest may be filed in the real property records. If requested by Lessor, Lessee will, at Lessee's expense, furnish to Lessor landlord or mortgagee waiver with respect to the Equipment.
12. **USE; REPAIRS:** Lessee will use the Equipment in a careful manner for the use contemplated by the manufacturer of the Equipment and will comply with all laws, ordinances, insurance policies and regulations relating to, and will pay all costs, claims, damages, fees and charges arising out of, its possession, use or maintenance. Lessee, at its sole costs and expense, will maintain the Equipment according to the manufacturer's recommended guidelines or the equivalent and meet any and all recertification requirements and will furnish proof of such maintenance, if requested by Lessor and will furnish all needed servicing and parts, which parts will become part of the Equipment. If the Equipment is such as is customarily covered by a maintenance agreement, Lessee will furnish Lessor with a maintenance agreement with a party satisfactory to Lessor.
13. **ALTERATIONS:** Lessee will not make any alterations, additions or improvements to the Equipment without Lessor's prior written consent, and any permitted alteration or attachment which cannot be readily removed without damaging the Equipment's originally intended function or value will become part of the Equipment.
14. **LOCATION; INSPECTION:** The Equipment will not be removed from, or if the Equipment consists of rolling stock, its permanent base will not be changed from the Equipment Location without Lessor's prior written consent, which consent will not be unreasonably withheld. Lessor will be entitled to enter upon the Equipment Location or elsewhere during reasonable business hours to inspect the Equipment or observe its use and operations.
15. **LIENS AND TAXES:** Lessee will keep the Equipment free and clear of all levies, liens and encumbrances except those created under this Lease. Lessee will pay, when due, all charges and taxes (federal, state and local) which may now or hereafter be imposed upon the ownership, leasing, rental, sale, purchase, possession or use of the Equipment, excluding however, all taxes on or measured by Lessor's income. If Lessee fails to pay said charges and taxes when due, Lessor will have the right, but will not be obligated, to pay said charges and taxes. If Lessor pays any charges or taxes for which Lessee is responsible or liable under this Lease, Lessee will, upon demand, reimburse Lessor therefor.
16. **RISK OF LOSS; DAMAGE; DESTRUCTION:** Lessee assumes all risk of loss of or damage to the Equipment from any cause whatsoever, and no such loss of or damage to the Equipment will relieve Lessee of the obligation to make the Rental Payments or to perform any other obligation under this Lease. In the event of damage to any item of Equipment, Lessee will immediately place the same in good repair (the proceeds of any insurance recovery will be applied to the cost of such repair). If Lessor determines that any item of Equipment is lost, stolen, destroyed or damaged beyond repair, Lessee, at the option of Lessor, will (a) replace the same with like equipment in good repair; or (b) on the next Rental Payment date pay to Lessor (i) all amounts owed by Lessee under this Lease, including the Rental Payment due on such date, and (ii) an amount not less than the balance of the Rental Payments then remaining unpaid hereunder. In the event that Lessee is obligated to make such payment with respect to less

than all of the Equipment, Lessor will provide Lessee with the pro rata amount of the Rental Payment and the balance of the Rental Payments then remaining unpaid hereunder, as applicable, to be made by Lessee with respect to the Equipment which has suffered the event of loss.

- 17. INSURANCE:** Lessee will, at its expense, maintain at all times during the Lease Term (a) fire and extended coverage, public liability and property damage insurance with respect to the Equipment in such amounts, covering such risks, and with such insurers as will be satisfactory to Lessor. In no event will the insurance limits be less than the greater of (i) an amount equal to the balance of the Rental Payments then remaining for the Lease Term or (ii) any minimum required by any co-insurance provisions of such insurance, (b) liability insurance that protects Lessor from liability in all events in form and amount satisfactory to Lessor, and (c) workers' compensation coverage as required by the laws of the state in which Lessee is located. Each insurance policy required by clause (b) of the preceding sentence will name Lessee as an insured and Lessor or its assigns as an additional insured and loss payee, as appropriate, and each insurance policy required by the preceding sentence will contain a clause requiring the insurer to give Lessor at least thirty (30) days prior written notice of any alteration in the terms of such policy or the cancellation thereof. The proceeds of any such policies will be payable to Lessee and Lessor or its assigns, as their interest may appear. Upon acceptance of the Equipment and upon each insurance renewal date, Lessee will deliver to Lessor a certificate evidencing such insurance. In the event of any loss, damage, injury or accident involving the Equipment, Lessee will promptly provide Lessor with written notice hereof and make available to Lessor all information and documentation relating thereto. Notwithstanding the foregoing, with Lessor's prior written consent, Lessee may self-insure against any and all risks for which insurance is required.
- 18. ADVANCES:** In the event Lessee fails to maintain the insurance required by this Lease or fails to keep the Equipment in good repair and operating condition, Lessor may (but will be under no obligation to) purchase the required policies of insurance and pay the premiums on the same and make such repairs or replacements as are necessary and pay the cost thereof. All amounts so advanced by Lessor will become additional rent payable by Lessee. Lessee agrees to pay such amounts with interest thereon from the date paid at the rate of 1.5% per month or the maximum permitted by law, whichever is less. Unless Lessee provides evidence of the insurance coverage required by this Lease, Lessor may purchase insurance at Lessee's expense to protect Lessor's interests hereunder. This insurance may, but need not, protect Lessee's interests. The coverage that Lessor may purchase may not pay any claim that Lessee may make or any claim that may be made against Lessee in connection with the Equipment. Lessee may later cancel any insurance purchased by Lessor, but only after providing evidence that Lessee has obtained insurance as required by this Lease. If Lessor purchases insurance for the Equipment, Lessee will be responsible for the costs of that insurance, including the insurance premium, interest and any other charges Lessor may impose in connection with the placement of the insurance, until the effective date of the cancellation or expiration of the insurance. The costs of the insurance will be added as additional rent. The costs of the insurance may be more than the cost of insurance Lessee may be able to obtain on its own.
- 19. INDEMNIFICATION:** To the extent permitted by law, and solely from legally available funds, Lessee agrees to indemnify Lessor against, and hold Lessor harmless from, any and all claims, actions, proceedings, expenses, damages, liabilities or losses (including, but not limited to, attorneys' fees and court costs) arising in connection with the Equipment, including, but not limited to, its selection, purchase, delivery, possession, use, operation or return and the recovery of claims under insurance policies thereon.
- 20. EVENTS OF DEFAULT:** The Term "Event of Default" as used in this Lease, means the occurrence of any one or more of the following events: (a) Lessee fails to make any Rental Payment (or any other payment) as it becomes due in accordance with the terms of this Lease, and any such failure continues for ten (10) days after the date thereof; (b) Lessee fails to perform or observe any other covenant, condition or agreement to be performed or observed by it hereunder and such failure is not cured within ten (10) days after written notice thereof by Lessor; (c) the discovery by Lessor that any statement, representation or warranty made by Lessee in this Lease or in any document delivered by Lessee pursuant hereto or in connection herewith is false, misleading or erroneous in any material respect; (d) Lessee becomes insolvent, is unable to pay its debts as they become due, makes an assignment for the benefit of creditors, applies or consents to the appointment of a receiver, trustee, conservator or liquidator of Lessee or of all or substantial part of its assets, a petition for relief is filed by Lessee under federal bankruptcy, insolvency or similar laws, or a petition in a proceeding under any bankruptcy, insolvency or similar laws, is filed against Lessee and is not dismissed within thirty (30) days thereafter; (e) Lessee suffers an adverse material change in its financial condition or operations from the date hereof and, as a result, Lessor deems itself insecure; or (f) Lessee is in default under any other agreement executed at any time with Lessor or its affiliates, or under any other agreement or instrument by which it is bound.
- 21. REMEDIES:** Upon the occurrence of an Event of Default, Lessor shall have the right, at its sole option, to exercise any one or more of the following remedies: (a) by written notice to Lessee, declare an amount equal to all amounts then due under this Lease and all remaining Rental Payments which will become due during the then current fiscal year of Lessee to be immediately due and payable, whereupon the same will become immediately due and payable and such amounts shall thereafter bear interest at the rate of 1.5% per month or the maximum rate permitted by applicable law, whichever is less; (b) by written notice to Lessee, request Lessee to (and Lessee agrees that it will), at Lessee's expense, promptly cease use and return the Equipment to Lessor in the manner set forth in Section 8 hereof, or Lessor, at its option and with or without terminating the Lease Term, may enter upon the premises where the Equipment is located and take immediate possession of and remove the same, without liability to Lessor or its agents for such entry or for damage to property or otherwise; (c) sell or lease the Equipment or sublease it for the account of Lessee, holding Lessee liable for (i) all Rental Payments and other payments due to the effective date of such selling, leasing or subleasing, and (ii) for the difference between the net purchase price, rental and other amounts paid by the purchaser, lessee or sublessee pursuant to such sale, lease or sublease and the remaining amounts payable by the Lessee through the end of the then current fiscal year of Lessee hereunder; and (d) exercise any other right, remedy or privilege which may be available to it under applicable law, including the right to (i) proceed by appropriate court action to enforce the terms of this Lease, (ii) recover damages for the breach of this Lease, and (iii) rescind this Lease as to any or all of the Equipment. If Lessee fails to cease use and deliver possession of the Equipment upon the occurrence of an Event of Default, Lessee shall be responsible for the payment of damages in an amount equal to (a) the portion of Rental Payments that is attributable to the number of days after the termination during which Lessee fails to cease use and deliver possession of the Equipment and (b) any other loss suffered by Lessor as a result of Lessee's failure to cease use and deliver possession of the Equipment.

In addition, Lessee will remain liable for all covenants and indemnities under this Lease and for all legal fees and other costs and expenses, including court costs, incurred by Lessor with respect to the enforcement of any of the remedies listed above or any other remedy available to Lessor.

- 22. EARLY PURCHASE OPTION; PREPAYMENT:** Lessee may, upon sixty (60) days prior written notice to Lessor, and provided Lessee has fully paid and performed all other obligations hereunder and provided no Event of Default has occurred and is continuing, pay to Lessor on any regularly scheduled Rental Payment date the applicable amount set forth on Schedule C attached hereto, whereupon title to the Equipment will become unconditionally vested in Lessee, and Lessor will transfer any and all of its right, title and interest in the Equipment to Lessee as is, where is, without warranty, express or implied, except that Lessor will warrant to Lessee that the Equipment is free and clear of any liens created by Lessor.

Upon delivery by Lessee of a final acceptance certificate, any remaining monies in any escrow fund established under the Escrow Agreement shall be paid to Lessor, for credit, first, to the next Rental Payment due, and, second, to the prepayment of the principal portion of future Rental Payments hereunder in the manner directed by Lessor, in its sole discretion, unless Lessor directs that payment of such amount be made in such other manner directed by Lessor that, in the opinion of nationally recognized counsel in the area of tax-exempt municipal obligations satisfactory to Lessor, will not adversely affect the exclusion of the interest portions of Rental Payments from gross income for federal income tax purposes. If any amount is applied against the outstanding principal components of Rental Payments, Schedule C attached hereto will be revised accordingly.

- 23. DETERMINATION OF FAIR PURCHASE PRICE:** Lessee and Lessor hereby agree and determine that the Rental Payments payable during the Lease Term represent the fair value of the use of the Equipment and that the amount required to exercise Lessee's option to purchase the Equipment pursuant to Section 22 represents the fair purchase price of the Equipment. Lessee hereby determines that the Rental Payments do not exceed a reasonable amount so as to place Lessee under a practical economic compulsion to renew this Lease or to exercise its option to purchase the Equipment. In making such determinations, Lessee and Lessor have given consideration to (a) the costs of the Equipment, (b) the uses and purposes for which the Equipment will be employed by Lessee, (c) the benefit to Lessee by reason of the acquisition and installation of the Equipment and the use of the Equipment pursuant to the terms and provisions of this Lease, and (d) Lessee's option to purchase the Equipment. Lessee hereby determines and declares that this Lease will result in equipment of comparable quality and meeting the same requirements and standards as would be necessary if the acquisition and installation of the Equipment were performed by Lessee other than pursuant to this Lease. Lessee hereby determines and declares that the Lease Term does not exceed the useful life of the Equipment.

- 24. ASSIGNMENT:** Except as expressly provided herein, Lessee will not (a) assign, transfer, pledge, hypothecate or grant any security interest in, or otherwise dispose of, this Lease or the Equipment or any interest in this Lease or the Equipment or (b) sublet or lend the Equipment or permit the Equipment to be used by anyone other than Lessee or Lessee's employees, unless Lessee obtains the prior written consent of Lessor and an opinion of nationally recognized counsel in the area of tax-exempt municipal obligations satisfactory to Lessor that such action will not adversely affect the exclusion of the interest portions of the Rental Payments from gross income for federal income tax purposes.

Lessor, without the consent of Lessee, may assign all or any portion or portions of its right, title and interest in and to this Lease, the Equipment and any other documents executed with respect to this Lease, and/or grant or assign all or any portion or portions of its security interest in this Lease and the Equipment, in whole or in part to various assignees, their agents or trustees (each and any one hereinafter referred to as an "Assignee"). Any such assignment to an Assignee may provide that the Lessor or the Assignee will act as a collection and paying agent for owners of certificates of participation in this Lease, or may provide that a third-party trustee or agent will act as collection and paying agent for any Assignee, provided that any such trustee or agent will maintain registration books as a register of all persons who are owners of certificates of participation or other interest in Rental Payments and Lessee receives written notification of the name and address of the trustee or agent and a copy of the pooling and fractionalization agency or trustee agreement, if any. Any such Assignee will have all of the assigned rights of Lessor under this Lease. Subject to the foregoing, this Lease will inure to the benefit of and will be binding upon the heirs, executors, administrators, successors and assigns of the parties hereto. Any assignment or reassignment of any of Lessor's right, title or interest in this Lease or the Equipment will be effective upon receipt by Lessee of a duplicate original of the counterpart document by which the assignment or reassignment is made, disclosing the name and address of each such Assignee and, where applicable, to whom further payments hereunder should be made. During the Lease Term, Lessee covenants that it will keep a complete and accurate record of all assignments in form necessary to comply with Section 149(a) of the Code and the regulations, proposed or existing, from time to time promulgated thereunder. Lessee agrees to acknowledge in writing any assignments if so required.

Lessee agrees that, upon notice of assignment, if so instructed it will pay directly to the Assignee, or its trustee or agent without abatement, deduction or setoff all amounts which become due hereunder. Lessee further agrees that it will not assert against any Assignee, or its trustee or agent, any defense, claim, counterclaim or setoff Lessee may have against Lessor.

- 25. FINANCIAL STATEMENTS:** Each year during the term of this Lease, Lessee hereby agrees to deliver to Lessor a copy of: (i) annual audited financial statements within one hundred twenty (120) days of Lessee's fiscal year-end; and (ii) within a reasonable period of time, any other financial information Lessor requests from time to time.
- 26. NATURE OF AGREEMENT:** Lessor and Lessee agree that upon the due and punctual payment and performance of the installments of Rental Payments and other amounts and obligations under this Lease, title to the Equipment will vest permanently in Lessee as provided in this Lease, free and clear of any interest, lien or security of Lessor therein.
- 27. AMENDMENTS:** This Lease may be amended or any of its terms modified in any manner by written agreement of Lessee and Lessor. Any waiver of any provision of this Lease or of any right or remedy hereunder must be affirmatively and expressly made in writing and will not be implied from inaction, course of dealing or otherwise.
- 28. NOTICES:** All notices to be given under this Lease must be made in writing and mailed by certified mail to the other party at its address set forth herein or at such address as the party may provide in writing from time to time. Any such notice is effective upon receipt.
- 29. SECTION HEADINGS:** All section headings contained herein are for the convenience of reference only and are not intended to define or limit the scope of any provision of this Lease.
- 30. GOVERNING LAW:** This Lease will be governed by the provisions hereof and by the laws of the State where Lessee is located.
- 31. FURTHER ASSURANCES:** Lessee will deliver to Lessor (i) an opinion of counsel in substantially the form of Schedule D attached hereto or as Lessor may otherwise request; and (ii) if applicable, a certificate of a duly authorized official as to designation as a qualified tax-exempt obligation. Moreover, Lessee will execute or provide, as requested by Lessor, any documents and information that are reasonably necessary with respect to the transaction contemplated by this Lease.

- 32. ENTIRE AGREEMENT:** This Lease, together with the Schedules attached hereto and made a part hereof and other attachments hereto and other documents or instruments executed by Lessee and Lessor in connection herewith, constitute the entire agreement between the parties with respect to the lease of the Equipment, and this Lease will not be modified, amended, altered or changed except with the written consent of Lessee or Lessor.
- 33. SEVERABILITY:** Any provision of this Lease found to be prohibited by law will be ineffective to the extent of such prohibition without invalidating the remainder of this Lease.
- 34. WAIVER:** The waiver by Lessor of any breach by Lessee of any term, covenant or condition, hereof will not operate as a waiver of any subsequent breach hereof.
- 35. ELECTRONIC TRANSACTIONS.** The parties agree that the transaction described herein may be conducted and related documents may be stored by electronic means. Copies, telecopies, facsimiles, electronic files and other reproductions of original executed documents shall be deemed to be authentic and valid counterparts of such original documents for all purposes, including the filing of any claim, action or suit in the appropriate court of law.
- 36. ROLE OF LESSOR:** Lessor has not acted and will not act as a fiduciary for Lessee or as Lessee's agent or municipal advisor. Lessor has not and will not provide financial, legal, tax, accounting or other advice to Lessee or to any financial advisor or placement agent engaged by Lessee with respect to this Lease. Lessee, its financial advisor, placement agent or municipal advisor, if any, shall each seek and obtain its own financial, legal, tax, accounting and other advice with respect to this Lease from its own advisors (including as it relates to structure, timing, terms and similar matters).

ORAL AGREEMENTS OR COMMITMENTS TO LOAN MONEY, EXTEND CREDIT OR TO FORBEAR FROM ENFORCING REPAYMENT OF A DEBT INCLUDING PROMISES TO EXTEND OR RENEW SUCH DEBT, ARE NOT ENFORCEABLE. TO PROTECT YOU (LESSEE(S) AND US (LESSOR) FROM MISUNDERSTANDING OR DISAPPOINTMENT, ANY AGREEMENTS WE REACH COVERING SUCH MATTERS ARE CONTAINED IN THIS WRITING, WHICH IS THE COMPLETE AND EXCLUSIVE STATEMENT OF THE AGREEMENT BETWEEN US EXCEPT AS WE MAY LATER AGREE IN WRITING TO MODIFY IT.

**BY SIGNING BELOW, YOU AND WE AGREE THAT THERE ARE NO UNWRITTEN ORAL AGREEMENTS BETWEEN US.**

<i>Lessor: Clayton Holdings, LLC</i>	<i>Lessee: City of Arnold, Missouri</i>
<i>Authorized Signature:</i>	<i>Authorized Signature:</i>
_____	_____
<i>Printed Name:</i> _____	<i>Printed Name: Ron Counts</i>
<i>Title: Officer</i>	<i>Title: Mayor</i>
<i>Date:</i> _____	<i>Date:</i> _____
	<i>EIN: 43-0993674</i>



**SCHEDULE A TO  
STATE & MUNICIPAL LEASE/PURCHASE AGREEMENT  
Lease No. 5000107-004**

<b>Location of Equipment</b>	
Street: 2912 Arnold Tenbrook Rd. City: Arnold State: MO Zip Code: 63010	
<b>Description of Equipment</b>	<b>Equipment Cost</b>
One (1) NEW Falcon 3-Ton Asphalt Recycler and Hot Box Slip-In  [VIN to be provided]	\$27,424.00
<b>Total</b>	<b><u>\$27,424.00</u></b>

Lessee hereby certifies that the description of the property set forth above constitutes a complete and accurate description of all Equipment as subject to in the Lease.

<p><i>Lessee:</i> <u>City of Arnold, Missouri</u></p> <p><i>Authorized Signature:</i> _____</p> <p><i>Printed Name:</i> <u>Ron Counts</u></p> <p><i>Title:</i> <u>Mayor</u></p> <p><i>Date:</i> _____</p>
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**SCHEDULE B TO  
STATE & MUNICIPAL LEASE/PURCHASE AGREEMENT  
Lease No. 5000107-004  
DELIVERY AND ACCEPTANCE CERTIFICATE**

**See Exhibits B and C to the Escrow Agreement.**

**SCHEDULE C  
PAYMENT SCHEDULE**

Lessee: City of Arnold, Missouri  
 Lessor: Clayton Holdings, LLC  
 Lease Number: 5000107-004  
 Capital Cost of Equipment (Principal Portion of Rental Payments): \$27,424.00  
 Nominal Interest Rate: 3.23%  
 Start Date: November 12, 2019

Subject to Section 8 of the Lease, Rental Payments are due on the dates and in the amounts shown below:

<b>Rental Payment Date</b>	<b>Payment Amount</b>	<b>Amount Credited to Interest</b>	<b>Amount Credited to Capital Cost</b>	<b>Outstanding Principal Balance</b>
11/12/2019	\$5,838.94	\$0.00	\$5,838.94	\$21,585.06
11/12/2020	\$5,838.94	\$697.20	\$5,141.74	\$16,443.32
11/12/2021	\$5,838.94	\$531.12	\$5,307.82	\$11,135.50
11/12/2022	\$5,838.94	\$359.68	\$5,479.26	\$5,656.24
11/12/2023	<u>\$5,838.94</u>	<u>\$182.70</u>	<u>\$5,656.24</u>	\$0.00
<b>TOTALS:</b>	<b>\$29,194.70</b>	<b>\$1,770.70</b>	<b>\$27,424.00</b>	

In the event Lessee desires to prepay this Lease, it may do so in whole, but not in part, at a purchase price equal to (a) the then current outstanding principal balance shown above; plus (b) a prepayment premium calculated as a percentage of the then current outstanding principal balance, in the following amount: 3%, with respect to any prepayment during the first full year of the Lease Term; 2%, with respect to any prepayment during the second full year of the Lease Term; and 1%, with respect to any prepayment during the third full year of the Lease Term and thereafter; plus (c) unpaid interest accrued on the outstanding principal balance to the prepayment date; and plus (d) all other amounts then payable under this Lease. There is no prepayment penalty if Lessee is using funds other than proceeds of a grant or an actual or anticipated refinancing.

Lessee: <u>City of Arnold, Missouri</u>  Authorized Signature: _____  Printed Name: <u>Ron Counts</u>  Title: <u>Mayor</u>  Date: _____
---

**SCHEDULE E-1 TO  
STATE & MUNICIPAL LEASE/PURCHASE AGREEMENT  
Lease No. 5000107-004**

**WHEREAS**, City of Arnold, Missouri (the "Lessee") is a political subdivision duly organized under the constitution and laws of the State where Lessee is located;

**WHEREAS**, it is necessary and desirable and in the best interest of the Lessee, as lessee, to enter into a State & Municipal Lease/Purchase Agreement (the "Lease") with Clayton Holdings, LLC, as lessor (the "Lessor"), for the purposes described therein, including the leasing of the Equipment; and

**WHEREAS**, the Lessee has, in accordance with the requirements of law, fully budgeted and appropriated sufficient funds for the current fiscal year to make the Rental Payments scheduled to come due during the current fiscal year and to meet its other obligations, and such funds have not been expended for other purposes

**NOW, THEREFORE, BE IT RESOLVED, BY THE GOVERNING BODY OF CITY OF ARNOLD, MISSOURI, AS FOLLOWS:**

**Section 1.** The Lease and the Escrow Agreement, in substantially the same form as presented to this meeting, and the terms and performance thereof are hereby approved, and the Mayor of the Lessee is hereby authorized to execute and deliver the Lease and the Escrow Agreement, on behalf of the Lessee, with such changes therein as shall be approved by such officer, such approval to be conclusively evidenced by such officer's execution thereof.

**Section 2.** The Lessee shall, and the officers, agents and employees of the Lessee are hereby authorized and directed to take such further action and execute such other documents, certificates and instruments as may be necessary or desirable to carry out and comply with the intent of this Resolution, and to carry out, comply with and perform the duties of the Lessee with respect to the Lease and the Escrow Agreement.

**Section 3.** Lessee hereby designates the Lease as a "qualified tax-exempt obligation" as defined in Section 265(b)(3)(B) of the Internal Revenue Code. The aggregate face amount of all tax-exempt obligations (including the Lease, but excluding private activity bonds other than qualified 501(c)(3) bonds) issued or to be issued by Lessee and all subordinate entities thereof during the current calendar year is not reasonably expected to exceed \$10,000,000. Lessee and all subordinate entities thereof will not issue in excess of \$10,000,000 of tax-exempt obligations (including the Lease, but excluding private activity bonds other than qualified 501(c)(3) bonds) during the current calendar year without first providing Lessor with an opinion of nationally recognized counsel in the area of tax-exempt municipal obligations acceptable to Lessor, that the designation of the Lease as a "qualified tax-exempt obligation" will not be adversely affected.

**Section 4.** Moneys sufficient to pay all Rental Payments required to be paid under the Lease during Lessee's current fiscal year are hereby appropriated to such payment, and such moneys will be applied in payment of all Rental Payments due and payable during the current fiscal year.

**Section 5.** This Resolution shall take effect and be in full force immediately after its adoption by the governing body of the Lessee.

**PASSED AND ADOPTED** by the governing body of City of Arnold, Missouri this \_\_\_ day of \_\_\_\_\_, 20\_\_.

ATTEST: \_\_\_\_\_ City of Arnold, Missouri

By: \_\_\_\_\_ By: \_\_\_\_\_

Printed Name: \_\_\_\_\_ Printed Name: *Ron Counts*

Title: \_\_\_\_\_ Title: *Mayor*

**SCHEDULE E-2 TO  
STATE & MUNICIPAL LEASE/PURCHASE AGREEMENT  
Lease No. 5000107-004**

**INCUMBENCY AND AUTHORIZATION CERTIFICATE**

The undersigned, a duly elected or appointed and acting \_\_\_\_\_ of City of Arnold, Missouri ("Lessee") certifies as follows:

A. **Authorized Signers.** The following listed persons are duly elected or appointed and acting officials of Lessee (the "Officials") in the capacity set forth opposite their respective names below, and the signature of each such Official appearing below is the true and genuine signature of that Official. By order of Lessee's governing body, the Officials identified below have been duly authorized, on behalf of Lessee, to negotiate, execute and deliver the Equipment Lease/Purchase Agreement dated as of October 30, 2019, by and between Lessee and Clayton Holdings, LLC ("Lessor"), the Escrow Agreement dated as of October 30, 2019 among Lessor, Lessee and The Commerce Trust Company, as Escrow Agent (the "Escrow Agreement"), and all documents related thereto and delivered in connection therewith (collectively, the "Agreements").

Name of Official	Title	Signature
Ron Counts	Mayor	
Bryan Richison	City Administrator	
Dan Kroupa	Treasurer	

B. **Call-Back Verification.** Lessor may, but is not required, to call back any one of the below-named employees or officials of Lessee prior to approving the disbursement of any funds from the Acquisition Fund established under the Escrow Agreement to verify the request for disbursement, including but not limited to amount, payee, address, ABA and account numbers of the payee or Lessee.

Name	Title	Phone Number
Ron Counts	Mayor	
Bryan Richison	City Administrator	
Dan Kroupa	Treasurer	

Dated: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

(The signer of this Certificate cannot be listed under Paragraph A above as authorized to execute the Agreements.)

**SCHEDULE F  
STATE & MUNICIPAL LEASE/PURCHASE AGREEMENT  
Lease No. 5000107-004**

**ESSENTIAL USE/SOURCE OF FUNDS LETTER**

**October 30, 2019**

Clayton Holdings, LLC  
8000 Forsyth Boulevard, Suite 510  
St. Louis, Missouri 63105

Re: State and Municipal Lease/Purchase Agreement No. 5000107-004, dated the Thirtieth day of October, 2019 (the "Lease"), between Clayton Holdings, LLC ("Lessor") and City of Arnold, Missouri ("Lessee")

Ladies and Gentlemen:

This confirms and affirms that the Equipment described in the Lease is essential to the function of the undersigned or to the service we provide to our citizens.

Further, we have an immediate need for, and expect to make immediate use of, substantially all such Equipment, which need is not temporary or expected to diminish in the foreseeable future. Such Equipment will be used by us only for the purpose of performing one or more of our governmental or proprietary functions consistent with the permissible scope of our authority. Specifically, such Equipment was selected by us to be used as follows:

\_\_\_\_\_

The estimated useful life of such Equipment based upon manufacturer's representations and our projected needs is not less than the maximum Lease Term.

Our source of funds for payments of the Rental Payments due under the Lease for the current fiscal year is

\_\_\_\_\_

We currently expect and anticipate adequate funds to be available for all future payments of rent due after the current fiscal year for the following reasons:

\_\_\_\_\_

Very truly yours,

<p><i>Lessee:</i> <u>City of Arnold, Missouri</u></p> <p><i>Authorized Signature:</i> _____</p> <p><i>Printed Name:</i> <u>Ron Counts</u></p> <p><i>Title:</i> <u>Mayor</u></p> <p><i>Date:</i> _____</p>
---

**SCHEDULE G  
PROOF OF INSURANCE**

Insurance Agent Name: \_\_\_\_\_

Agency Name: \_\_\_\_\_

Address: \_\_\_\_\_

Phone Number: \_\_\_\_\_

E-Mail: \_\_\_\_\_

Ladies and Gentlemen:

Please add CLAYTON HOLDINGS, LLC as both co-loss payee and additional insured under the property insurance covering the Equipment listed on attached Schedule A, and as additional insured under the general liability insurance policy. The minimum liability coverage is \$1,000,000.00. Please mail or fax an insurance certificate to:

Clayton Holdings, LLC  
P.O. Box 11309  
St. Louis, MO 63105  
**Fax # 314-746-3744**

Upon acceptance of the Equipment and upon each insurance renewal date, Lessee will deliver to Lessor a certificate evidencing such insurance.

Please note that the Bank requires 30 day written notice of cancellation of the policy covering leased equipment.

*Lessee: City of Arnold, Missouri*

*Authorized Signature: \_\_\_\_\_*

*Printed Name: Ron Counts*

*Title: Mayor*

*Date: \_\_\_\_\_*



SCHEDULE H

ACH Payment Authorization Form

Lease No. / Loan No: 5000107-004

Lessee / Borrower: City of Arnold, Missouri

I authorize Commerce Bank ("Commerce") to initiate debit entries and to initiate, if necessary, credit entries and adjustments for any debit entries in error on behalf of CBI Equipment Finance, Clayton Holdings or Commerce Bank as lender or lessor in the amount shown, and from the checking or savings account with the depository institution ("Bank") named below, on the payment due date.

Bank Name:

Address:

ABA Routing No.:

Account No.: (X) Checking ( ) Savings

This is a (X) New or ( ) Updated authorization form.

Annual Debit Amount(s): In Accordance with Schedule C

Begin Auto Debit with Invoice Date Due: In Accordance with Schedule C

The final or balloon payment, if different from the Annual payment, will not be auto debited.

I understand that this authorization will remain in full force and effect until I notify COMMERCE BANK at the address or phone number below that I wish to revoke this authorization. I understand that COMMERCE BANK requires at least 5 days prior notice in order to process any such cancellation.

X Borrower / Lessee Signature X Date

Borrower / Lessee Signature

Date

Note that there is NO charge for this service.

Also, your "Bank" need not be Commerce Bank to benefit from this feature. Any bank account can be auto debited. To commence service please return this form with your document package or send this signed form and a voided check (unless COMMERCE BANK is already currently debiting this same account for another lease schedule) to:

COMMERCE BANK
P.O. Box 11309
Clayton, MO 63105 or
LeasingACH@Commercebank.com

To discontinue or amend service, please email the request to the address above or call COMMERCE BANK at 314.746.3726.



## ESCROW AGREEMENT

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This Escrow Agreement (the "Escrow Agreement"), dated as of the Thirtieth day of October, 2019 and entered into among **Clayton Holdings, LLC**, a Missouri Limited Liability Company (together with its successors and assigns, "Lessor"), **City of Arnold, Missouri** a municipal corporation and political subdivision existing under the laws of Missouri ("Lessee"), and **The Commerce Trust Company**, a Missouri banking corporation, as escrow agent (together with its successors and assigns, the "Escrow Agent").

**Name of Acquisition Fund: "City of Arnold Acquisition Fund Sch. 004"**

**Amount of Deposit into the Acquisition Fund: \$27,424.00**

### TERMS AND CONDITIONS

1. This Escrow Agreement relates to and is hereby made a part of the State and Municipal Lease/Purchase Agreement dated as of the Thirtieth day of October, 2019, (the "Lease"), between Lessor and Lessee.

2. Except as otherwise defined herein, all terms defined in the Lease shall have the same meaning for the purposes of this Escrow Agreement as in the Lease.

3. Lessor, Lessee and the Escrow Agent agree that the Escrow Agent will act as sole Escrow Agent under the Lease and this Escrow Agreement, in accordance with the terms and conditions set forth in this Escrow Agreement. The Escrow Agent shall not be deemed to be a party to the Lease, and this Escrow Agreement shall be deemed to constitute the entire agreement between Lessor and Lessee and the Escrow Agent.

4. There is hereby established in the custody of the Escrow Agent a special trust fund designated as set forth above (the "Acquisition Fund") to be held and administered by the Escrow Agent in trust for the benefit of Lessor and Lessee in accordance with this Escrow Agreement.

5. Lessor shall deposit in the Acquisition Fund the amount specified above. Moneys held by the Escrow Agent hereunder shall be invested and reinvested by the Escrow Agent upon written order of an authorized Lessee representative, in accordance with the Arbitrage Instructions attached as **Exhibit A**, in Qualified Investments (as defined below) maturing or subject to redemption at the option of the holder thereof prior to the date on which it is expected that such funds will be needed. If an Authorized Lessee Representative fails to timely direct the investment of any moneys held hereunder, the Escrow Agent shall invest and reinvest such moneys in Qualified Investments described in 6(vi) below. Such investments shall be held by the Escrow Agent in the Acquisition Fund; any interest and gain earned on such investments shall be deposited in the Acquisition Fund, and any losses on such investments shall be charged to the Acquisition Fund. The Escrow Agent may act as purchaser or agent in the making or disposing of any investment. Qualified Investments described in 6(vi) below will be subject to an annualized sweep fee charged monthly to the earnings on monies invested.

6. "Qualified Investments" means, to the extent the same are at the time legal for investment of the funds being invested: (i) direct general obligations of the United States of America; (ii) obligations the timely payment of principal of and interest on which is fully and unconditionally guaranteed by the United States of America; (iii) general obligations of the agencies and instrumentalities of the United States of America acceptable to Lessor; (iv) certificates of deposit, time deposits or demand deposits with any bank or savings institution including the Escrow Agent or any affiliate thereof, provided that such certificates of deposit, time deposits or demand deposits, if not insured by the Federal Deposit Insurance Corporation or the Federal Savings and Loan Insurance Corporation, are fully secured by obligations described in (i), (ii) or (iii) above; or (v) repurchase agreements with any state or national bank or trust company, including the Escrow Agent or any affiliate thereof, that are secured by obligations of the type described in (i), (ii) or (iii) above, provided that such

collateral is free and clear of claims of third parties and that the Escrow Agent or a third party acting solely as agent for the Escrow Agent has possession of such collateral and a perfected first security interest in such collateral; or (vi) money market mutual funds that are invested in securities described in (i), (ii) or (iii) and that are rated "Aaa" by Moody's Investors Service or "AAAm-G" by Standard & Poor's Ratings Services or the comparable rating by Fitch IBCA, Inc.

7. Moneys in the Acquisition Fund shall be used to pay for the cost of acquisition of the Equipment listed in the Lease. Such payment shall be made from the Acquisition Fund upon presentation to the Escrow Agent of one or more properly executed Payment Request and Acceptance Certificates, a form of which is attached as **Exhibit B**, executed by Lessee and approved by Lessor, together with an invoice for the cost of the acquisition of said Equipment and a written approval by Lessor of the Vendor be paid. In making any disbursement pursuant to this **Section 7**, the Escrow Agent may conclusively rely as to the completeness and accuracy of all statements in such Payment Request and Acceptance Certificate, and the Escrow Agent shall not be required to make any inquiry, inspection or investigation in connection therewith. The approval of each Payment Request and Acceptance Certificate by the Lessor shall constitute unto the Escrow Agent an irrevocable determination by the Lessor that all conditions precedent to the payment of the amounts set forth therein have been completed.

8. The Acquisition Fund shall terminate upon the occurrence of the earlier of (a) the presentation of a proper Payment Request and Acceptance Certificate and the Final Acceptance Certificate, a form of which is attached as **Exhibit C**, properly executed by Lessee, (b) 12 months from the date hereof (or such later date as may be agreed to in writing by Lessor and Lessee with notice in writing to Escrow Agent), or (c) the presentation of written notification by the Lessor that the Lease has been terminated pursuant to **Section 8** or **20** of the Lease. Upon termination as described in clause (a) or (b) of this paragraph, any amount remaining in the Acquisition Fund shall be paid to Lessor for application as provided in the Lease. Upon termination as described in clause (c) of this paragraph, any amount remaining in the Acquisition Fund shall immediately be paid to Lessor.

9. The Escrow Agent may at any time resign by giving at least 30 days written notice to Lessee and Lessor, but such resignation shall not take effect until the appointment of a successor Escrow Agent. The substitution of another bank or trust company to act as Escrow Agent under this Escrow Agreement may occur by written agreement of Lessor and Lessee. In addition, the Escrow Agent may be removed at any time, with or without cause, by an instrument in writing executed by Lessor and Lessee. In the event of any resignation or removal of the Escrow Agent, a successor Escrow Agent shall be appointed by an instrument in writing executed by Lessor and Lessee. Such successor Escrow Agent shall indicate its acceptance of such appointment by an instrument in writing delivered to Lessor, Lessee and the predecessor Escrow Agent. Thereupon such successor Escrow Agent shall, without any further act or deed, be fully vested with all the trusts, powers, rights, duties and obligations of the Escrow Agent under this Escrow Agreement and the predecessor Escrow Agent shall deliver all moneys and securities held by it under this Escrow Agreement to such successor Escrow Agent whereupon the duties and obligations of the predecessor Escrow Agent shall cease and terminate. If a successor Escrow Agent has not been so appointed within 90 days of such resignation or removal, the Escrow Agent may petition a court of competent jurisdiction to have a successor Escrow Agent appointed.

10. Any corporation or association into which the Escrow Agent may be merged or converted or with or into which it may be consolidated, or to which it may sell or transfer its corporate trust business and assets as a whole or substantially as a whole, or any corporation or association resulting from any merger, conversion, sale, consolidation or transfer to which it is a party, shall be and become successor Escrow Agent hereunder and shall be vested with all the trusts, powers, rights, obligations, duties, remedies, immunities and privileges hereunder as was its predecessor, without the execution or filing of any instrument or any further act on the part of any of the parties hereto.

11. The Escrow Agent incurs no responsibility to make any disbursements pursuant to the Escrow Agreement except from funds held in the Acquisition Fund. The Escrow Agent makes no representations or warranties as to the title to any Equipment listed in the Lease or as to the performance of any obligations of Lessor or Lessee.

12. The Escrow Agent may act in reliance upon any writing or instrument or signature which it, in good faith, believes to be genuine, may assume the validity and accuracy of any statement or assertion contained in such a writing or instrument, and may assume that any person purporting to give any writing, notice, advice or instructions in connection with the provisions hereof has been duly authorized to do so. The Escrow Agent shall not be liable in any manner for the sufficiency or correctness as to form, manner and execution, or validity of this Escrow Agreement other than its own execution thereof or any instrument deposited with it, nor as to the identity, authority or right of any person executing the same; and its duties hereunder shall be limited to those specifically provided herein.

13. Unless the Escrow Agent is guilty of negligence or willful misconduct with regard to its duties hereunder, Lessee, to the extent permitted by law, and Lessor jointly and severally hereby agree to indemnify the Escrow Agent and hold it harmless from any and all claims, liabilities, losses, actions, suits or proceedings at law or in equity, or any other expense, fees or charges of any character or nature, which it may incur or with which it may be threatened by reason of its acting as Escrow Agent under this Escrow Agreement; and in connection therewith, to indemnify the Escrow Agent against any and all expenses, including reasonable attorneys' fees and the cost of defending any action, suit or proceeding or resisting any claim.

14. The aggregate amount of the costs, fees, and expenses of the Escrow Agent in connection with the creation of the escrow described in and created by this Escrow Agreement and in carrying out any of the duties, terms or provisions of this Escrow Agreement is a one time fee in the amount of \$0.00 to be paid by Lessee concurrently with the execution and delivery of this Escrow Agreement.

Notwithstanding the preceding paragraph, the Escrow Agent shall be entitled to reimbursement from Lessor of reasonable out-of-pocket, legal or extraordinary expenses incurred in carrying out the duties, terms or provisions of this Escrow Agreement. Claims for such reimbursement may be made to Lessor and in no event shall such reimbursement be made from funds held by the Escrow Agent pursuant to this Escrow Agreement. The Escrow Agent agrees that it will not assert any lien whatsoever on any of the money or Qualified Investments on deposit in the Escrow Fund for the payment of fees and expenses for services rendered by the Escrow Agent under this Escrow Agreement or otherwise.

15. If Lessee, Lessor or the Escrow Agent shall be in disagreement about the interpretation of the Lease or this Escrow Agreement, or about the rights and obligations, or the propriety of any action contemplated by the Escrow Agent hereunder, the Escrow Agent may, but shall not be required to, file an appropriate civil action to resolve the disagreement. The Escrow Agent shall be indemnified by Lessor and Lessee, to the extent permitted by law, for all costs, including reasonable attorneys' fees and expenses, in connection with such civil action, and shall be fully protected in suspending all or part of its activities under this Escrow Agreement until a final judgment in such action is received.

16. The Escrow Agent may consult with counsel of its own choice and shall have full and complete authorization and protection for any action or non-action taken by the Escrow Agent in accordance with the opinion of such counsel. The Escrow Agent shall otherwise not be liable for any mistakes of facts or errors of judgment, or for any acts or omissions of any kind unless caused by its negligence or willful misconduct.

17. This Escrow Agreement shall be governed by and construed in accordance with the laws of the state in which the Escrow Agent is located.

18. In the event any provision of this Escrow Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

19. This Escrow Agreement may not be amended except by a written instrument executed by Lessor, Lessee and the Escrow Agent.

20. This Escrow Agreement may be executed in several counterparts, each of which so executed shall be an original.

**IN WITNESS WHEREOF**, Lessor, Lessee and the Escrow Agent have caused this Escrow Agreement to be executed by their duly authorized representatives.

**Clayton Holdings, LLC**  
LESSOR

By: \_\_\_\_\_

Title: *Officer* \_\_\_\_\_

**City of Arnold, Missouri**  
LESSEE

By: \_\_\_\_\_

Printed Name: *Ron Counts* \_\_\_\_\_

Title: *Mayor* \_\_\_\_\_

**The Commerce Trust Company**  
ESCROW AGENT

By: \_\_\_\_\_

Title: \_\_\_\_\_

## EXHIBIT A

### ARBITRAGE INSTRUCTIONS

These Arbitrage Instructions provide procedures for complying with § 148 of the Internal Revenue Code of 1986, as amended (the "Code"), in order to preserve the exclusion from federal gross income of the interest portions of the Rental Payments under the Lease.

**1. Temporary Period/Yield Restriction.** Except as described in this paragraph, money in the Acquisition Fund must not be invested at a yield greater than the yield on the Lease. Proceeds of the Lease in the Acquisition Fund and investment earnings on such proceeds may be invested without yield restriction for three years after the Start Date of the Lease. If any unspent proceeds remain in the Acquisition Fund after three years, such amounts may continue to be invested without yield restriction so long as Lessee pays to the IRS all yield reduction payments under § 1.148-5(c) of the Treasury Regulations.

**2. Opinion of Bond Counsel.** These Arbitrage Instructions may be modified or amended in whole or in part upon receipt of an opinion of nationally recognized counsel in the area of tax-exempt municipal obligations, satisfactory to Lessor, that such modifications and amendments will not adversely affect the exclusion of the interest portions of Rental Payments from gross income for federal income tax purposes.

**EXHIBIT B**

**FORM OF PAYMENT REQUEST AND ACCEPTANCE CERTIFICATE**

To: The Commerce Trust Company, as Escrow Agent and Clayton Holdings, LLC, as Lessor  
8000 Forsyth Blvd., Suite 510  
St. Louis, Missouri 63105

Re: City of Arnold Acquisition Fund Sch. 004 Acquisition Fund established by the Escrow Agreement, dated October 30, 2019 (the "Escrow Agreement") among Clayton Holdings, LLC, as lessor ("Lessor"), City of Arnold, Missouri ("Lessee") and The Commerce Trust Company, as Escrow Agent (the "Escrow Agent")

Ladies and Gentlemen:

The Escrow Agent is hereby requested to pay from the Acquisition Fund to the person or corporation designated below as Payee, the sum set forth below in payment of a portion or all of the cost of the acquisition of the equipment or the interest portions of Rental Payment(s) described below. The amount shown below is due and payable under the invoice of the Payee attached hereto with respect to the cost of the acquisition of the equipment or payment of the interest portions of Rental Payment(s) and has not formed the basis of any prior request for payment.

The equipment described below is part or all of the "Equipment" that is listed in State and Municipal Lease/Purchase Agreement dated as of the Thirtieth day of October, 2019 (the "Lease") described in the Escrow Agreement.

Equipment: \_\_\_\_\_

Payee: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Amount: \$ \_\_\_\_\_

Lessee hereby certifies and represents to and agrees with Lessor and the Escrow Agent as follows:

1. All of the above-listed Equipment has been delivered to and received by the undersigned; all installation or other work necessary prior to the use thereof has been completed; said Equipment has been examined and/or tested and is in good operating order and condition and is in all respects satisfactory to the undersigned and as represented, and said Equipment has been accepted by the undersigned and complies with all terms of the Lease. Consequently, you are hereby authorized to pay for the Equipment in accordance with the terms of any purchase orders for the same.
2. In the future, in the event the Equipment fails to perform as expected or represented we will continue to honor the Lease in all respects and continue to make our rental and other payments thereunder in the normal course of business and we will look solely to the vendor, distributor or manufacturer for recourse.
3. We acknowledge that Lessor is neither the vendor nor manufacturer or distributor of the Equipment and has no control, knowledge or familiarity with the condition, capacity, functioning or other characteristics of the Equipment.
4. No event or condition that constitutes, or with notice or lapse of time, or both, would constitute, an Event of Default (as defined in the Lease) exists at the date hereof.
5. Lessee is currently maintaining the insurance coverage required by **Section 17** of the Lease

6. The serial number for each item of Equipment which is set forth on Schedule A to the Lease is correct.

APPROVED:

**Clayton Holdings, LLC**  
LESSOR

By: \_\_\_\_\_

Title: Officer

Dated: \_\_\_\_\_, 20\_\_

**City of Arnold, Missouri**  
LESSEE

By: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Title: \_\_\_\_\_

**EXHIBIT C**

**FINAL ACCEPTANCE CERTIFICATE**

[THIS CERTIFICATE IS TO BE EXECUTED ONLY WHEN ALL EQUIPMENT  
HAS BEEN ACCEPTED]

The undersigned hereby certifies that the equipment described above, together with the equipment described in and accepted by Payment Request and Acceptance Certificates previously filed by Lessee with the Escrow Agent and Lessor pursuant to the Escrow Agreement, constitutes all of the Equipment subject to the Lease.

Dated: \_\_\_\_\_

**City of Arnold, Missouri**  
LESSEE

By: \_\_\_\_\_

*Printed Name: Ron Counts*  
*Title: Mayor*



**Information Return for Small Tax-Exempt  
Governmental Bond Issues, Leases, and Installment Sales**

Under Internal Revenue Code section 149(e)

Caution: If the issue price of the issue is \$100,000 or more, use Form 8038-G.

**Part I Reporting Authority** Check box if Amended Return

1 Issuer's name  
City of Arnold, Missouri

2 Issuer's employer identification number (EIN)  
4 3 | 0 9 9 3 6 7 4

3 Number and street (or P.O. box if mail is not delivered to street address)  
2101 Jeffco Boulevard

4 City, town, or post office, state, and ZIP code  
Arnold, Missouri 63010

5 Report number (For IRS Use Only)

6 Name and title of officer or other employee of issuer or designated contact person whom the IRS may call for more information  
Jeanette Yount, A/P Specialist

7 Telephone number of officer or legal representative  
(636) 282-6663

**Part II Description of Obligations** Check one: a single issue  or a consolidated return

8a Issue price of obligation(s) (see instructions)

b Issue date (single issue) or calendar date (consolidated). Enter date in mm/dd/yyyy format (for example, 01/01/2009) (see instructions) **11/12/2019**

9 Amount of the reported obligation(s) on line 8a that is:

a For leases for vehicles	9a		
b For leases for office equipment	9b		
c For leases for real property	9c		
d For leases for other (see instructions)	9d	27,424	00
e For bank loans for vehicles	9e		
f For bank loans for office equipment	9f		
g For bank loans for real property	9g		
h For bank loans for other (see instructions)	9h		
i Used to refund prior issue(s)	9i		
j Representing a loan from the proceeds of another tax-exempt obligation (for example, bond bank)	9j		
k Other	9k		

10 If the issuer has designated any issue under section 265(b)(3)(B)(i)(III) (small issuer exception), check this box

11 If the issuer has elected to pay a penalty in lieu of arbitrage rebate, check this box (see instructions)

12 Vendor's or bank's name: Clayton Holdings, LLC

13 Vendor's or bank's employer identification number: 0 3 | 0 4 7 9 1 3 4

**Signature and Consent**

Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. I further declare that I consent to the IRS's disclosure of the issuer's return information, as necessary to process this return, to the person(s) that I have authorized above.

Signature of issuer's authorized representative: **Ron Counts, Mayor** Date: \_\_\_\_\_ Type or print name and title

**Paid Preparer Use Only**

Print/Type preparer's name: **Thomas Hotard** Preparer's signature: \_\_\_\_\_ Date: \_\_\_\_\_ Check  if self-employed PTIN: **P01980904**

Firm's name: **Thomas Hotard** Firm's EIN: \_\_\_\_\_

Firm's address: **8000 Forsyth Blvd, Suite 510, St. Louis, MO 63105** Phone no.: **(314) 746-3876**

**General Instructions**

Section references are to the Internal Revenue Code unless otherwise noted.

**What's New**

The IRS has created a page on IRS.gov for information about the Form 8038 series and its instructions, at [www.irs.gov/form8038](http://www.irs.gov/form8038). Information about any future developments affecting the Form 8038 series (such as legislation enacted after we release it) will be posted on that page.

**Purpose of Form**

Form 8038-GC is used by the issuers of tax-exempt governmental obligations to provide the IRS with the information required by section 149(e) and to monitor the requirements of sections 141 through 150.

**Who Must File**

Issuers of tax-exempt governmental obligations with issue prices of less than \$100,000 must file Form 8038-GC.

Issuers of a tax-exempt governmental obligation with an issue price of \$100,000 or more must file Form 8038-G, Information Return for Tax-Exempt Governmental Obligations.

**Filing a separate return for a single issue.** Issuers have the option to file a separate Form 8038-GC for any tax-exempt governmental obligation with an issue price of less than \$100,000.

An issuer of a tax-exempt bond used to finance construction expenditures must file a separate Form 8038-GC for each issue to give notice to the IRS that an election was made to

pay a penalty in lieu of arbitrage rebate (see the line 11 instructions).

**Filing a consolidated return for multiple issues.** For all tax-exempt governmental obligations with issue prices of less than \$100,000 that are not reported on a separate Form 8038-GC, an issuer must file a consolidated information return including all such issues issued within the calendar year.

Thus, an issuer may file a separate Form 8038-GC for each of a number of small issues and report the remainder of small issues issued during the calendar year on one consolidated Form 8038-GC. However, if the issue is a construction issue, a separate Form 8038-GC must be filed to give the IRS notice of the election to pay a penalty in lieu of arbitrage rebate.

## When To File

To file a separate return for a single issue, file Form 8038-GC on or before the 15th day of the second calendar month after the close of the calendar quarter in which the issue is issued.

To file a consolidated return for multiple issues, file Form 8038-GC on or before February 15th of the calendar year following the year in which the issue is issued.

**Late filing.** An issuer may be granted an extension of time to file Form 8038-GC under section 3 of Rev. Proc. 2002-48, 2002-37 I.R.B. 531, if it is determined that the failure to file on time is not due to willful neglect. Type or print at the top of the form, "Request for Relief under section 3 of Rev. Proc. 2002-48." Attach to the Form 8038-GC a letter briefly stating why the form was not submitted to the IRS on time. Also indicate whether the obligation in question is under examination by the IRS. Do not submit copies of any bond documents, leases, or installment sale documents. See *Where To File* next.

## Where To File

File Form 8038-GC, and any attachments, with the Department of the Treasury, Internal Revenue Service Center, Ogden, UT 84201.

**Private delivery services.** You can use certain private delivery services designated by the IRS to meet the "timely mailing as timely filing/paying" rule for tax returns and payments. These private delivery services include only the following:

- DHL Express (DHL): DHL Same Day Service.
- Federal Express (FedEx): FedEx Priority Overnight, FedEx Standard Overnight, FedEx 2Day, FedEx International Priority, and FedEx International First.
- United Parcel Service (UPS): UPS Next Day Air, UPS Next Day Air Saver, UPS 2nd Day Air, UPS 2nd Day Air A.M., UPS Worldwide Express Plus, and UPS Worldwide Express.

The private delivery service can tell you how to get written proof of the mailing date.

## Other Forms That May Be Required

For rebating arbitrage (or paying a penalty in lieu of arbitrage rebate) to the Federal Government, use Form 8038-T, Arbitrage Rebate, Yield Reduction and Penalty in Lieu of Arbitrage Rebate. For private activity bonds, use Form 8038, Information Return for Tax-Exempt Private Activity Bond Issues.

For a tax-exempt governmental obligation with an issue price of \$100,000 or more, use Form 8038-G.

## Rounding to Whole Dollars

You may show the money items on this return as whole-dollar amounts. To do so, drop any amount less than 50 cents and increase any amount from 50 to 99 cents to the next higher dollar.

## Definitions

**Obligations.** This refers to a single tax-exempt governmental obligation if Form 8038-GC is used for separate reporting or to

multiple tax-exempt governmental obligations if the form is used for consolidated reporting.

**Tax-exempt obligation.** This is any obligation including a bond, installment purchase agreement, or financial lease, on which the interest is excluded from income under section 103.

**Tax-exempt governmental obligation.** A tax-exempt obligation that is not a private activity bond (see below) is a tax-exempt governmental obligation. This includes a bond issued by a qualified volunteer fire department under section 150(e).

**Private activity bond.** This includes an obligation issued as part of an issue in which:

- More than 10% of the proceeds are to be used for any private activity business use, and
- More than 10% of the payment of principal or interest of the issue is either (a) secured by an interest in property to be used for a private business use (or payments for such property) or (b) to be derived from payments for property (or borrowed money) used for a private business use.

It also includes a bond, the proceeds of which (a) are to be used to make or finance loans (other than loans described in section 141(c)(2)) to persons other than governmental units and (b) exceeds the lesser of 5% of the proceeds or \$5 million.

**Issue.** Generally, obligations are treated as part of the same issue only if they are issued by the same issuer, on the same date, and as part of a single transaction, or a series of related transactions. However, obligations issued during the same calendar year (a) under a loan agreement under which amounts are to be advanced periodically (a "draw-down loan") or (b) with a term not exceeding 270 days, may be treated as part of the same issue if the obligations are equally and ratably secured under a single indenture or loan agreement and are issued under a common financing arrangement (for example, under the same official statement periodically updated to reflect changing factual circumstances). Also, for obligations issued under a draw-down loan that meets the requirements of the preceding sentence, obligations issued during different calendar years may be treated as part of the same issue if all of the amounts to be advanced under the draw-down loan are reasonably expected to be advanced within 3 years of the date of issue of the first obligation. Likewise, obligations (other than private activity bonds) issued under a single agreement that is in the form of a lease or installment sale may be treated as part of the same issue if all of the property covered by that agreement is reasonably expected to be delivered within 3 years of the date of issue of the first obligation.

**Arbitrage rebate.** Generally, interest on a state or local bond is not tax-exempt unless the issuer of the bond rebates to the United States arbitrage profits earned from investing proceeds of the bond in higher yielding nonpurpose investments. See section 148(f).

**Construction issue.** This is an issue of tax-exempt bonds that meets both of the following conditions:

1. At least 75% of the available construction proceeds of the issue are to be used for construction expenditures with respect to property to be owned by a governmental unit or a 501(c)(3) organization, and

2. All of the bonds that are part of the issue are qualified 501(c)(3) bonds, bonds that are not private activity bonds, or private activity bonds issued to finance property to be owned by a governmental unit or a 501(c)(3) organization.

In lieu of rebating any arbitrage that may be owed to the United States, the issuer of a construction issue may make an irrevocable election to pay a penalty. The penalty is equal to 1-1/2% of the amount of construction proceeds that do not meet certain spending requirements. See section 148(f)(4)(C) and the Instructions for Form 8038-T.

## Specific Instructions

In general, a Form 8038-GC must be completed on the basis of available information and reasonable expectations as of the date of issue. However, forms that are filed on a consolidated basis may be completed on the basis of information readily available to the issuer at the close of the calendar year to which the form relates, supplemented by estimates made in good faith.

## Part I—Reporting Authority

**Amended return.** An issuer may file an amended return to change or add to the information reported on a previously filed return for the same date of issue. If you are filing to correct errors or change a previously filed return, check the "Amended Return" box in the heading of the form.

The amended return must provide all the information reported on the original return, in addition to the new corrected information. Attach an explanation of the reason for the amended return and write across the top "Amended Return Explanation."

**Line 1.** The issuer's name is the name of the entity issuing the obligations, not the name of the entity receiving the benefit of the financing. In the case of a lease or installment sale, the issuer is the lessee or purchaser.

**Line 2.** An issuer that does not have an employer identification number (EIN) should apply for one on Form SS-4, Application for Employer Identification Number. You can get this form on the IRS website at [IRS.gov](http://IRS.gov) or by calling 1-800-TAX-FORM (1-800-829-3676). You may receive an EIN by telephone by following the instructions for Form SS-4.

**Lines 3 and 4.** Enter the issuer's address or the address of the designated contact person listed on line 6. If the issuer wishes to use its own address and the issuer receives its mail in care of a third party authorized representative (such as an accountant or attorney), enter on the street address line "C/O" followed by the third party's name and street address or P.O. box. Include the suite, room, or other unit number after the street address. If the post office does not deliver mail to the street address and the issuer has a P.O. box, show the box number instead of the

street address. If a change in address occurs after the return is filed, use Form 8822, Change of Address, to notify the IRS of the new address.

**Note.** The address entered on lines 3 and 4 is the address the IRS will use for all written communications regarding the processing of this return, including any notices. By authorizing a person other than an authorized officer or other employee of the issuer to communicate with the IRS and whom the IRS may contact about this return, the issuer authorizes the IRS to communicate directly with the individual listed on line 6, whose address is entered on lines 3 and 4 and consents to disclose the issuer's return information to that individual, as necessary, to process this return.

**Line 5.** This line is for IRS use only. Do not make any entries in this box.

## Part II—Description of Obligations

Check the appropriate box designating this as a return on a single issue basis or a consolidated return basis.

**Line 8a.** The issue price of obligations is generally determined under Regulations section 1.148-1(b). Thus, when issued for cash, the issue price is the price at which a substantial amount of the obligations are sold to the public. To determine the issue price of an obligation issued for property, see sections 1273 and 1274 and the related regulations.

**Line 8b.** For a single issue, enter the date of issue (for example, 03/15/2010 for a single issue issued on March 15, 2010), generally the date on which the issuer physically exchanges the bonds that are part of the issue for the underwriter's (or other purchaser's) funds; for a lease or installment sale, enter the date interest starts to accrue. For issues reported on a consolidated basis, enter the first day of the calendar year during which the obligations were issued (for example, for calendar year 2010, enter 01/01/2010).

**Lines 9a through 9h.** Complete this section if property other than cash is exchanged for the obligation, for example, acquiring a police car, a fire truck, or telephone equipment through a series of monthly payments. (This type of obligation is sometimes referred to as a "municipal lease.") Also complete this section if real property is directly acquired in exchange for an obligation to make periodic payments of interest and principal.

Do not complete lines 9a through 9d if the proceeds of an obligation are received in the form of cash even if the term "lease" is used in the title of the issue. For lines 9a through 9d, enter the amount on the appropriate line that represents a lease or installment purchase. For line 9d, enter the type of item that is leased. For lines 9e through 9h, enter the amount on the appropriate line that represents a bank loan. For line 9h, enter the type of bank loan.

**Lines 9i and 9j.** For line 9i, enter the amount of the proceeds that will be used to pay principal, interest, or call premium on any other issue of bonds, including proceeds that will be used to fund an escrow account for this purpose. Several lines may apply to a particular obligation. For example, report on lines 9i and 9j obligations used to refund prior issues which represent loans from the proceeds of another tax-exempt obligation.

**Line 9k.** Enter on line 9k the amount on line 8a that does not represent an obligation described on lines 9a through 9j.

**Line 10.** Check this box if the issuer has designated any issue as a "small issuer exception" under section 265(b)(3)(B)(i)(III).

**Line 11.** Check this box if the issue is a construction issue and an irrevocable election to pay a penalty in lieu of arbitrage rebate has been made on or before the date the bonds were issued. The penalty is payable with a Form 8038-T for each 6-month period after the date the bonds are issued. Do not make any payment of penalty in lieu of rebate with Form 8038-GC. See Rev. Proc. 92-22, 1992-1 C.B. 736, for rules regarding the "election document."

**Line 12.** Enter the name of the vendor or bank who is a party to the installment purchase agreement, loan, or financial lease. If there are multiple vendors or banks, the issuer should attach a schedule.

**Line 13.** Enter the employer identification number of the vendor or bank who is a party to the installment purchase agreement, loan, or financial lease. If there are multiple vendors or banks, the issuer should attach a schedule.

## Signature and Consent

An authorized representative of the issuer must sign Form 8038-GC and any applicable certification. Also print the name and title of the person signing Form 8038-GC. The authorized representative of the issuer signing this form must have the authority to consent to the disclosure of the issuer's return information, as necessary to process this return, to the person(s) that has been designated in this form.

**Note.** If the issuer authorizes in line 6 the IRS to communicate with a person other than an officer or other employee of the issuer, (such authorization shall include contact both in writing regardless of the address entered in lines 3 and 4, and by telephone) by signing this form, the issuer's authorized representative consents to the disclosure of the issuer's return information, as necessary to process this return, to such person.

## Paid Preparer

If an authorized representative of the issuer filled in its return, the paid preparer's space should remain blank. Anyone who prepares the return but does not charge the organization should not sign the return. Certain others who prepare the return should not sign. For example, a regular, full-time employee of the issuer, such as a clerk, secretary, etc., should not sign.

Generally, anyone who is paid to prepare a return must sign it and fill in the other blanks in the *Paid Preparer Use Only* area of the return. A paid preparer cannot use a social security number in the *Paid Preparer Use Only* box. The paid preparer must use a preparer tax identification number (PTIN). If the paid preparer is self-employed, the preparer should enter his or her address in the box.

The paid preparer must:

- Sign the return in the space provided for the preparer's signature, and
- Give a copy of the return to the issuer.

## Paperwork Reduction Act Notice

We ask for the information on this form to carry out the Internal Revenue laws of the United States. You are required to give us the information. We need it to ensure that you are complying with these laws.

You are not required to provide the information requested on a form that is subject to the Paperwork Reduction Act unless the form displays a valid OMB control number. Books or records relating to a form or its instructions must be retained as long as their contents may become material in the administration of any Internal Revenue law. Generally, tax returns and return information are confidential, as required by section 6103.

The time needed to complete and file this form will vary depending on individual circumstances. The estimated average time is:

**Learning about the law or the form** . . . . . 4 hr., 46 min.

**Preparing the form** . . . . . 2 hr., 22 min.

**Copying, assembling, and sending the form to the IRS** . . . . . 2 hr., 34 min.

If you have comments concerning the accuracy of these time estimates or suggestions for making this form simpler, we would be happy to hear from you. You can write to the Internal Revenue Service, Tax Products Coordinating Committee, SE:W:CAR:MP:T:M:S, 1111 Constitution Ave. NW, IR-6526, Washington, DC 20224. Do not send the form to this address. Instead, see *Where To File*.

**8038-GC QUESTIONNAIRE**

Name of Lessee: City of Arnold, Missouri  
 Address of Lessee: 2101 Jeffco Boulevard, Arnold, Missouri 63010  
 Contact Person: Jeanette Yount, A/P Specialist  
 Telephone Number: (636) 282-6663  
 Email Address: jyount@arnoldmo.org  
 Lessee's FEIN: 43-0993674

**GENERAL**

*In January 2012, the Internal Revenue Service ("IRS") updated Form 8038-GC (the form used by Lessees to report the issuance of a tax-exempt obligation). The revised Form 8038-GC asks specific questions about written procedures to: (1) monitor private use of assets financed with proceeds of a tax-exempt obligation and, as necessary, to take remedial actions to correct any violations of federal tax restrictions on the use of financed assets; and (2) monitor the yield on the investment of gross proceeds of tax-exempt obligations and, as necessary, make payments of arbitrage rebate earned to the United States. In addition, the revised Form 8038-GC asks Lessees to report whether any proceeds will be used to reimburse the Lessee for an expenditure paid prior to issuance. This questionnaire is designed to obtain the information necessary to complete Form 8038-GC for the Lease. Lessee will be required to review and approve the information entered prior to signing the 8038-GC form.*

*At this time, the consequences of not having adopted written procedures to monitor private use of financed assets and yield on the investment of gross proceeds of tax-exempt obligations are unknown. If you have further questions, please consult your regular bond or legal counsel.*

**Part 1 – Written Tax Compliance Procedures**

**Note:** *If either of these questions is not answered, we will assume the Lessee has not adopted the described procedures.*

1. Has the Lessee established written procedures to monitor compliance with federal tax restrictions for the term of the lease? The written procedures should identify a particular individual within Lessee's organization to monitor compliance with the federal tax requirements related to use of the financed assets and describe actions to be taken in the event failure to comply with federal tax restrictions is contemplated or discovered. **Yes \_\_\_\_\_ No \_\_\_\_\_**
2. Has the Lessee established written procedures to monitor the yield on the investment of proceeds of the Lease on deposit in an escrow account or similar fund prior to being spent and to ensure that any positive arbitrage rebate earned is paid to the United States? **Yes \_\_\_\_\_ No \_\_\_\_\_**

**Part 2 – Reimbursement of Prior Expenditures**

1. As of the funding date, were any of the proceeds of the Lease used to reimburse Lessee for expenditures paid to acquire the financed assets prior to the funding date of the Lease? **Yes \_\_\_\_\_ No \_\_\_\_\_**

*If yes, please attach a spreadsheet listing the expenditure(s) together with the date paid, vendor paid and purpose of the expenditure or other proof of the expenditure(s) containing this information (i.e. invoices, receipts, cancelled checks).*

**Items 2 and 3 need to be completed ONLY if the answer to item 1 above is YES.**

2. Please attach a copy of Lessee's resolution of intent to finance the financed assets, which includes date of adoption.
3. What is the amount of proceeds of the Lease reimbursed to Lessee? \$ \_\_\_\_\_

**BY:** \_\_\_\_\_  
**NAME:** Ron Counts  
**TITLE:** Mayor  
**DATE:** \_\_\_\_\_

RESOLUTION NO. 19-60

A RESOLUTION EXTENDING THE LEASE AT CORRIDOR 55 FOR A  
PERIOD OF EIGHT (8) MONTHS.

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WHEREAS, the City of Arnold leases space in the Richardson Crossing shopping center to operate Corridor 55; and

WHEREAS, the current lease has expired; and

WHEREAS, the City desires to extend the lease for eight (8) months to continue operation of Corridor 55;

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Arnold, Missouri, that:

Section 1. The attached lease amendment extending the lease of Corridor 55 by eight (8) months is hereby approved. The Mayor and/or City Administrator are authorized to sign any documents necessary to complete this transaction.

\_\_\_\_\_  
Presiding Officer of the City Council

\_\_\_\_\_  
Mayor Ron Counts

ATTEST:

\_\_\_\_\_  
City Clerk Tammi Casey

Date: \_\_\_\_\_

# RICHARDSON CROSSING

## LEASE AMENDMENT

This Lease Amendment is made and entered into this 2<sup>nd</sup> day of October, 2019, by and between Richardson Crossing, LLC, hereinafter called Lessor, and The City of Arnold, hereinafter called Lessee.

Whereas, the parties hereto have entered into a Lease dated July 28, 2014 concerning the leasing of 2,800 square feet at 160 Richardson Crossing Arnold, MO 63010 and any amendments thereto, hereinafter called Lease, and

Whereas, the parties hereto desire to amend said lease;

Now, therefore, in consideration of the mutual premises hereinafter set forth, the parties agree as follows:

1. Lease is hereby extended for an additional **eight (8) months** beginning **September 1<sup>st</sup>, 2019** and ending on **April 30<sup>th</sup>, 2020**.
2. The leasing payment will be at the base rate of **\$18,800.00** per year.
3. It is hereby acknowledged that all other terms and conditions of said Lease and of any previous modifications thereof shall remain unchanged and in full force and effect.

This letter constitutes an amendment to the Lease Agreement which will be binding upon both parties' mutual execution ("Letter Amendment"). Please confirm your agreement to the aforementioned by executing the signature line below.

In witness whereof, the parties have hereunto executed this Lease Amendment this 2<sup>nd</sup> day of October, 2019.

**LESSOR**  
RICHARDSON CROSSING, LLC

**LESSEE**  
City of Arnold

  
\_\_\_\_\_

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