Open Citizen Comment Procedure

1) Public Hearings – Any citizen is allowed to ask questions and/or make comments during any public hearing scheduled for a particular issue.

2) “Citizen Communication” – Public comment can be provided on any item on the agenda or on issues affecting the City not on the agenda. Public comments should generally be limited to 3-5 minutes. Citizens are encouraged (but not required) to contact City Administration one week prior to the meeting, preferably in writing, to be placed on the agenda. Doing so provides Council an opportunity to give consideration to the issue/comment.

Rolla City Council Meeting
Monday, August 15, 2016
901 North Elm Street
City Hall Council Chambers
6:30 P.M.

COUNCIL PRAYER
Ministerial Alliance

PLEDGE OF ALLEGIANCE
Councilman John Meusch

I. PUBLIC HEARINGS
   A) Ordinance Authorizing Ch. 353 for the Rolla Apts. – Blight Determination, Development Plan & Development Agreement (City Administrator John Butz) – First Reading
   B) Ordinance Rezoning Property located at 4030 HyPoint North from M-2 (Heavy Manufacturing District) to M-1 (Light Manufacturing District) Zoning (MO-SCI) – (Community Development Director John Petersen) – First Reading
   C) Ordinance Rezoning Property Located in Sec. 10, Township 37 North, Range 8 West from C-2 (General Retail District) to C-3 (Highway Commercial District) Zoning (Westside Marketplace 2) – (Community Development Director John Petersen) – First Reading
   D) Ordinance Setting the 2016 Tax Rate – First and Final Readings

II. SPECIAL PRESENTATIONS
   A) Review of Fiscal Year 2015 City of Rolla Independent Audit – Hochschild, Bloom & Co., LLC, CPAs, and a Motion Accepting the Audit – (Finance Director Steffanie Rogers) - Motion
   B) Rolla Municipal Utilities (RMU) FY 2017 Budget Review & FY 2016 Third Quarter Report – RMU General Manager Rodney Bourne

III. OLD BUSINESS
   A) Ordinance Amending Chapter 18 of the Rolla City Code Pertaining to Garbage, Trash & Refuse – (Environmental Services Director Brady Wilson) – Final Reading
   B) Ordinance Authorizing the Mayor to Enter into a Contract with Pierce Asphalt, LLC for Project 407, Phase III, 2016 Asphalt Overlay (6th Street) – (Public Works Director Steve Hargis) – Final Reading
IV. NEW BUSINESS
   A) Ordinance Approving a Development Agreement Pertaining to the Westside Marketplace Development Plan (City Administrator John Butz) – First Reading
   B) Ordinance Approving the Final Plat of Westside Market Place – (Community Development Director John Petersen) – First Reading
   C) Ordinance Approving the Final Plat of Wild Horse Run No. 3 – (Community Development Director John Petersen) – First Reading

V. CLAIMS and/or FISCAL TRANSACTIONS

VI. MAYOR/CITY COUNCIL COMMENTS
   A) Motion Reappointing Dr. William Eric Showalter to the Board of Public Works (August 2020) – Motion
   B) Motion Appointing Mr. Terry Harris to the Industrial Development Authority (IDA) to Complete the Unexpired Term of Mr. Pete Morse – (March 2021) - Motion

VII. CITIZEN COMMUNICATION
   A) Mr. T.J. Leon, Affordable Equity Partners, LLC
   B) Open Citizen Communication

VIII. COMMENTS FOR THE GOOD OF THE ORDER

IX. CLOSED SESSION
   None.

X. ADJOURNMENT
CITY OF ROLLA
CITY COUNCIL AGENDA

DEPARTMENT HEAD:  John Butz, City Administrator   ACTION REQUESTED: Public Hearing
                         First Reading

ITEM/SUBJECT:  Ordinance Authorizing Ch. 353 for the Rolla Apts. – Blight Determination,
                      Development Plan, and Development Agreement

BUDGET APPROPRIATION (IF APPLICABLE) $10,000-12,000/year   DATE: Aug. 15, 2016

COMMENTARY:

Several months ago, the City was approached by Robin Salomon and Tim Sansone regarding
substantial renovation of the Rolla Apts. – a 150-unit low-income senior’s housing project at
McCutch en and Tenth Street. The project has been owned by a St. Louis union’s charitable
foundation since its construction some 36 years ago, using a federal (HUD) program at the time,
which exempted the whole development from property tax assessment. New investors, Rolla
Maryland LLC plan to acquire the project to perform a substantial renovation ($5-7 million) utilizing
a tax credit program by the MO Housing Development Corporation.

The Developers advanced funds to cover the cost of the blight determination and the impact
statement including the preparation of the Development Plan and negotiation of the attached
development agreement. All of those documents have been completed and copies provided to the
affected taxing districts for a public hearing on August 15th. If the project receives City Council
approval, the Developers hope to use the Rolla IDA for financing.

Recommendation:  Public hearing and first reading.

Note:  Subject to approval from the Rolla IDA (meeting scheduled for 4:30 p.m. on
Monday, August 15th) Council would hold a public hearing on the use of IDA bonds for this
project on September 6, 2016 at 6:30 p.m.
ORDINANCE NO. ________

AN ORDINANCE DESIGNATING A CERTAIN TRACT OF LAND IN THE CITY OF ROLLA, MISSOURI AS A “BLIGHTED AREA” PURSUANT TO CHAPTER 353 OF THE REVISED STATUTES OF MISSOURI, AS AMENDED; APPROVING THE DEVELOPMENT PLAN FOR THE REDEVELOPMENT OF SUCH BLIGHTED AREA; APPROVING A DEVELOPMENT AGREEMENT RELATED THERETO; AND AUTHORIZING CERTAIN ACTIONS IN CONNECTION THEREWITH.

WHEREAS, Rolla Maryland LLC (the “Developer”) submitted a development plan (the “Development Plan”) to the City of Rolla, Missouri (the “City”) for the redevelopment of the apartment complex located at 1101 McCutchen Drive in the City (the “Redevelopment Area”); and

WHEREAS, the Development Plan includes a study by PGAV Planners (the “Blight Study”) indicating that the Redevelopment Area qualifies as a “blighted area,” as defined in the Urban Redevelopment Corporations Law, Chapter 353 of the Revised Statutes of Missouri, as amended (“Chapter 353”); and

WHEREAS, pursuant to Chapter 353, the City Council held a duly-noticed public hearing on August 15, 2016 (the “Public Hearing”) regarding the Development Plan and the grant of tax abatement contemplated thereby; and

WHEREAS, by reason of age, obsolescence, inadequate or outmoded design or physical deterioration, the Redevelopment Area has become an economic and social liability, and such conditions are conducive to ill health, transmission of disease, crime or inability to pay reasonable taxes; and

WHEREAS, the clearance, redevelopment, replanning, rehabilitation or reconstruction of the Redevelopment Area, and the provision for such retail, commercial and public structures and spaces as may be appropriate, is necessary to and in the interest of the public health, safety, morals and general welfare of the people of the City; and

WHEREAS, the City Council finds that the redevelopment of the Redevelopment Area in accordance with the Development Plan is in the public interest and serves a public purpose; and

WHEREAS, the City desires to enter into a development agreement (the “Development Agreement”) among the City, the Developer, and the Rolla Preservation Redevelopment Corporation to set forth the terms upon which the Development Plan, including the granting of limited tax abatement contemplated therein, may be implemented;

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

Section 1: Upon due consideration of the Blighting Study and the testimony presented at the Public Hearing, it is hereby found, determined and declared that the Redevelopment Area described in Exhibit A-2 to the Development Plan is a “Blighted Area” as defined in Chapter 353 and the findings of the Blight Study are hereby adopted by the City Council. The City Council further finds that the clearance, redevelopment, replanning, rehabilitation or reconstruction of the Redevelopment Area are necessary and in the best interest of the City and its citizens.

Section 2: It is hereby determined, found and declared that approval of the Development Plan, attached hereto as Exhibit A and incorporated herein by reference, and construction of the redevelopment project described therein are necessary for the preservation of the public peace, property, health, safety, morals and welfare of the community and, as such, the Development Plan is hereby approved.
Section 3: The City Council finds and determines that it is necessary and desirable to enter into the Development Agreement to set forth the terms upon which the Development Plan, including the granting of limited tax abatement contemplated therein, may be implemented. The Development Agreement shall be in substantially the form attached hereto as Exhibit B, which Development Agreement is hereby approved by the City Council with such changes therein as shall be approved by the officials of the City executing the same, such officials’ signatures thereto being conclusive evidence of their approval thereof. The Mayor of the City is hereby authorized and directed to execute the Development Agreement on behalf of the City and the City Clerk is hereby authorized and directed to attest to the Development Agreement and to affix seal of the City thereto.

Section 4: The officers of the City are hereby authorized and directed to execute all documents and take such actions as they may deem necessary or advisable to carry out and perform the purposes of this Ordinance and to make ministerial alterations, changes or additions to the documents herein approved, authorized and confirmed which they may approve, and the execution of such action shall be conclusive evidence of such necessity or advisability.

Section 5: It is hereby declared to be the intention of the City Council that each and every part, section and subsection of this Ordinance shall be separate and severable from each and every other part, section and subsection hereof and that the City Council intends to adopt each said part, section and subsection separately and independently of any other part, section and subsection. In the event that any part, section or subsection of this Ordinance shall be determined to be or to have been unlawful or unconstitutional, the remaining parts, sections and subsections shall be and remain in full force and effect, unless the court making such finding shall determine that the valid portions standing alone are incomplete and are incapable of being executed in accord with the legislative intent.

Section 6: This Ordinance shall be in full force and effect from and after the date of its passage by the City Council and approval by the Mayor.


APPROVED:

ATTEST:

Mayor

City Clerk

APPROVED AS TO FORM:

City Counselor

I.A.3.
EXHIBIT A
DEVELOPMENT PLAN

[On file with the Office of the City Clerk]
CITY OF ROLLA, MISSOURI

1101 McCUTCHEN DRIVE
DEVELOPMENT PLAN

July 28, 2016

I.A.S.
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I. PROJECT DESCRIPTION

A. Overview

Rolla Maryland LLC (the "Developer"), an affiliate of The Sansone Group, and Rolla Preservation Redevelopment Corporation (the "Redevelopment Corporation") propose to renovate and rehabilitate the existing apartment buildings (the "Project") located at 1101 McCutchen Drive in the City of Rolla, Missouri (the "Redevelopment Area"). The parcel locator number and a legal description of the real property within the Redevelopment Area are set forth on Exhibits A-1 and A-2 attached to this Plan. The real property within the Redevelopment Area is currently under contract by the Developer.

The existing apartment buildings in the Redevelopment Area were constructed in 1975. The buildings are interconnected and house 150 apartment units in total. Completion of the Project will remediate the blighted conditions that are currently present in the Redevelopment Area; however, the feasibility of the Project is dependent on the grant of real property tax abatement described herein.

B. Phases, Investment, Ownership and Feasibility

Elimination of the blighted conditions in the Redevelopment Area through the renovation and rehabilitation of the apartment buildings located in the Redevelopment Area is expected to begin shortly after approval by the City of this Plan. Completion of the Project is expected before December 31, 2017.

Exhibit B attached hereto includes a description of the scope of work necessary to renovate and rehabilitate the apartment buildings.

C. Blight

The Redevelopment Area currently qualifies as a "Blighted Area" as that term is defined in Chapter 353 of the Revised Statutes of Missouri ("Chapter 353"). PGAV Planners prepared the "1101 McCutchen Drive Qualification Analysis" dated July 25, 2016, attached as Exhibit C hereto (the "Blight Study"). The Blight Study examined the conditions of the Redevelopment Area and determined that the Redevelopment Area meets the requirements of a "Blighted Area" under Chapter 353. It is anticipated that the City Council will adopt the findings of the Blight Study in conjunction with the approval of this Plan.
D. Site Control

An affiliate of the Developer currently has the real property included in the Redevelopment Area under contract. The use of eminent domain will not be required for the Project. No residents of the Redevelopment Area are expected to be relocated outside the Redevelopment Area as part of the Project (although some may switch apartment units within the Redevelopment Area).

E. Zoning

The Redevelopment Area is currently zoned R-3 Multi Family. Implementation of this Plan is not anticipated to require any rezoning of the Redevelopment Area.

II. PROJECT BENEFITS

The City can expect to receive significant benefits from the completion of the Project, including, without limitation:

- The clearance and remediation of the conditions that cause the Redevelopment Area to be a "Blighted Area"; and

- The provision of quality senior housing options for residents of the City.

III. PROJECT CHALLENGES

The Project faces a number of challenges related to the renovation and rehabilitation of the apartment buildings, including, without limitation, the extraordinary costs of:

- Removing and replacing failed asphalt sections of the parking lot;
- Replacing outdated and broken plumbing fixtures;
- Repairing and modernizing elevators; and
- Upgrading interior and exterior lighting, medical alert and HVAC systems.

IV. CHAPTER 353 TAX ABATEMENT

A. Overview

Pursuant to Chapter 353, real property acquired by the Redevelopment Corporation (and ultimately transferred to the Developer or its successors) may be granted abatement from a portion of the ad valorem real property taxes that would otherwise be due. Pursuant to Chapter 353, tax abatement can be granted for a maximum of 25 years, consisting of (1) ten years in which the assessed value of the property is measured by the value of the land, exclusive of improvements, in the year prior to the Redevelopment Corporation's acquisition thereof, and (2) an additional 15 years in which the assessed value is measured by not to exceed 50% of the property's then-current market value.
Pursuant to this Plan, and subject to a development agreement to be entered into among the City, the Developer and the Redevelopment Corporation (the "Development Agreement"), the Redevelopment Area may be granted tax abatement on the following terms, which are more restrictive than abatement permitted by Chapter 353:

- During the 15 years following the acquisition of the Redevelopment Area by the Redevelopment Corporation, the real property taxes (including any payments in lieu of taxes distributed to taxing districts) for the Redevelopment Area will equal the greater of (1) the amount equivalent to the maximum annual abatement permitted by Chapter 353 for the applicable year (as described above) or (2) the following amounts for the applicable years:
  - Years 1 through 4 - $5,000
  - Years 5 through 8 - $8,000
  - Years 9 through 12 - $12,000
  - Years 13 through 15 - $16,000

B. **Need for and Impact of Chapter 353 Tax Abatement**

As described in Exhibit B attached hereto, the completion of the Project involves a substantial amount of renovation and rehabilitation work. The completion of this work, which is expected to cost more than $5.3 million, is necessary to bring the apartment projects to market standard quality. Meeting market quality standards is necessary to achieve the rental income necessary to make the Project feasible. Without the tax abatement to offset the extraordinary renovation and rehabilitation costs, the apartment buildings would remain in a substandard condition and would be unlikely to generate significant rental income or tax revenues.

V. **EXHIBITS**

The following exhibits to this Plan are incorporated herein by reference:

- Exhibit A-1 Redevelopment Area Addresses and Locator Numbers
- Exhibit A-2 Legal Description of Redevelopment Area
- Exhibit B Scope of Work
- Exhibit C Blight Study
- Exhibit D Tax Impact Statement
EXHIBIT A-1

Redevelopment Area Address and Locator Number

<table>
<thead>
<tr>
<th>Property Address</th>
<th>Locator Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>1101 McCutchen Drive</td>
<td>71-09-1.0-01-004-012-004.000</td>
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</table>
EXHIBIT A-2

Legal Description of Redevelopment Area

A FRACTIONAL PART OF TRACT NO. 3, FORUM ADDITION TO THE CITY OF ROLLA, MISSOURI, LYING IN THE SOUTHEAST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 1, TOWNSHIP 37 NORTH, RANGE 8 WEST, IN PHELPS COUNTY, MISSOURI, MORE PARTICULARLY DESCRIBED AS FOLLOWS: BEGINNING AT THE SOUTHEAST CORNER OF SECTION 1, TOWNSHIP 37 NORTH, RANGE 8 WEST; THENCE NORTH 0°11' EAST ALONG THE EAST LINE OF SAID SECTION 1, 33.11 FEET; THENCE NORTH 89°55' WEST, 75.0 FEET TO A CONCRETE RIGHT OF WAY MARKER AND THE POINT OF BEGINNING OF TRACT HEREIN CONVEYED; THENCE NORTH 89°55' WEST, ALONG THE NORTH RIGHT OF WAY LINE OF EAST TENTH STREET, 186.0 FEET; THENCE SOUTH 89°46' WEST, ALONG THE NORTH RIGHT OF WAY LINE OF EAST TENTH STREET, 162.0 FEET; THENCE NORTH 0°11' EAST, 643.46 FEET TO THE SOUTH RIGHT OF WAY LINE OF TRUMAN AVENUE; THENCE SOUTH 89°49' EAST, ALONG THE SOUTH RIGHT OF WAY LINE OF TRUMAN AVENUE, 393.00 FEET, TO THE WEST RIGHT OF WAY LINE OF MCCUTCHEON DRIVE; THENCE SOUTH 0°11' WEST ALONG THE WEST RIGHT OF WAY LINE OF MCCUTCHEON DRIVE, 602.73 FEET; THENCE SOUTH 49°07' WEST, 59.70 FEET TO THE POINT OF BEGINNING.
EXHIBIT B

Scope of Work

H.B.D. CONSTRUCTION, INC.
5517 Manchester Avenue
Saint Louis, Missouri 63110
www.HBDgc.com
314-781-8000 • Fax 314-781-5214

July 6, 2016

Skyleen LLC
Attn: Robin Salomone
1000 Osborn Parkway
Suite 100
Batavia, IL 60510

RE: The Rolla Apartments
1101 McCutchen Drive, Rolla, MO 65401

Dear Robin,

We are providing the following recap of the significant work items to be performed at The Rolla Apartments. We emphasize these are significant items and certainly not a complete list of all the work to be performed.

With 150 apartment units and 115,000 sq. overall, there is a lot to be improved. We have listed these items in the following major work categories: Exterior Site Work, Exterior Building Structure, Interior Building Common Spaces and Apartment Units.

Exterior Site Work
- Provide tree trimming, over seeding, removing shrubs & grading for better site drainage
- Provide added landscape rock at the 1st floor apartment unit plazas
- Mill the existing asphalt parking lot & replace it with a required, remove & replace failed asphalt, overlay with 2' of asphalt & restripe
- Provide new garage with a new lighted walkway
- Provide new concrete approaches for building's A & B entry walkways
- Reconstruct two new trash enclosures in the parking lot
- Rebuild the parking light fixtures with LED bulbs. Add 20 LED wall pack fixtures at the back area of the property. Provide new deck light fixtures.
- Repaint and/or relight the walkway.
- New electric sign at entrance & Jack of property
- Repaint the six (6) exterior light poles

Exterior Building Structure
- Remove and replace the exterior deck floor boards and railings and replace with new composite deck boards and composite railings. Flush all decks as required.
- Repaint the garage doors on 15 apartment units per the Rehab Checklist dated 7/1/2016.
- Power wash the shingles and trim and re-surface all loose materials
- Remove the existing doors and replace with new doors. Replace aluminum gutters and downspouts
- Remove and replace the interior doors on selected units

I A. R.
• Provide new 3 1/2 casings around all apartment unit entry doors and finish.
• Install drywall expansion joints in the corridors & common spaces to minimize cracking.
• Construct a 16’ buffet line and 12’ buffet island in the community room.
• Provide a new acoustical ceiling in the community room.
• Replace and relocate the mailboxes.
• Replace the lavatories, sink faucets & lighting in the public restrooms. Also, provide new toilet accessories and repaint the restrooms.
• Modernize the three existing elevators with new microprocessor controls, new leveling systems, new power units, new door operators, new cars, new hall lobbies and new painting. This modernization includes upgrading the Fireman’s Service to meet current code.
• Remove the common building hot water heater which is incorrectly located by the electrical box and install a new hot water heater in the 2nd floor laundry room.
• Upgrade and enhance the HVAC systems operation in the common areas, corridors and community room. Provide new exhaust fans in the 1st floor public restrooms.
• Repaint the common areas use two tone paint pattern or add “chair rail” wall paper to break up monotone color.
• Upgrade the interior building signage for better visibility.
• Provide new exit emergency lighting with battery backup throughout the building.
• Expand and refurbish the management office.

Apartment Units:
• Caulk the windows for better thermal protection.
• Provide new bathroom vinyl plank flooring and substrates, as needed, in all 150 apartment units.
• Patch drywall at the windows in the 7 apartment units identified in the Rehab Check List dated 7/1/2016, as needed and spot paint.
• Replace bathroom sinks, vanities, and cultured marble tops in 154 units. The ADA unit sinks will necessarily remain.
• Provide upgrades as needed to replace kitchen cabinets in 17 apartment units, countertops in 147 apartment units, and provide cabinet pulls, and replace flooring in all 150 apartment units per the Rehab Check List dated 7/1/2016.
• Provide 14 new refrigerators, 137 ranges, and 148 range hoods per the Rehab Check List dated 7/1/2016. Additionally, provide new countertop microwaves in all 150 apartment units.
• Provide new ADA compliant toilets in 85 apartment units per the Rehab Check List dated 7/1/2016.
• Provide all new blade style faucets at kitchen sink, vanity and the ADA wall hung sinks.
• Provide 251 new PIAC units and 202 wall sconces in the apartment units indicated per the Rehab Check List dated 7/1/2016.
• Provide 56 new power exhaust ventilators to move temperate air into the bathrooms identified in the Rehab Check List dated 7/1/2016.
• Provide new exterior disconnects and meter bases for all units.
• Rebuild the existing light fixtures with LED or CFL lamps.
• Replace 60 hot water heaters in 60 apartment units per the Rehab Check List dated 7/1/2016.
• Provide new smoke detectors in apartment unit hallways and bedrooms.

B-2

I.A.13
- Upgrade the Nurse Call System in all units to include monitoring. There are two units per unit which will be replaced with corded transmitters, hallway repeaters and a central computer which will be monitored by onsite management and/or third party remote monitoring.
- Perform minor ceramic tile and grout work in 16 roll-in showers
- Replace unit signage

We trust this outlines the significant work items and how the landlord, tenants and maintenance staff will benefit once these improvements are complete.

Please contact additional information is needed.

Thank you,

[Signature]

Muker C. Nair, Jr.
Vice President
HBD Construction Inc.
5507 Manchester Avenue, St. Louis, MO 63110

web: hbdcon.com | www.HBDCON.COM

B-3

[Signature]

I. A. 14.
EXHIBIT C

Blight Study
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## Appendix

- Photo Appendix
- Plate 1 – Redevelopment Area Boundary Map
INTRODUCTION

PURPOSE OF THIS REPORT

The City of Rolla, Missouri (the “City”) seeks to encourage the physical and economic revitalization of an area in the corporate limits of the City located at the intersection of McCutchen Drive and 10th Street that includes a 150-unit low income senior living multi-family apartment complex having the address of 1101 McCutchen Drive and Phelps County (the “County”) parcel identification number 71-09-1.0-01-004-012-004.000 (the “Area” or “Property”). The Area is depicted in Plate 1 – Area Boundary.

This report documents the conditions that were found to be present within the Study Area and contains the analysis of how such conditions cause the Area to be a "blighted area" pursuant to the definition of such term found in the Urban Redevelopment Corporations Law, Section 353-010 – 353.190, R.S.MO. ("Chapter 353").

"Blighted area", that portion of the city within which the legislative authority of such city determines that by reason of age, obsolescence, inadequate or outmoded design or physical deterioration have become economic and social liabilities, and that such conditions are conducive to ill health, transmission of disease, crime or inability to pay reasonable taxes; (R.S.MO 353.020(2))

Blight conditions may be physical conditions such as “age” or “physical deterioration” or functional, such as “obsolescence” or “inadequate or outmoded design,” that result in the Study Area being an economic liability and a social liability in addition to being conducive to ill health, transmission of disease, crime or inability to pay reasonable taxes.

A finding that an area is a “blighted area” as defined by Chapter 353 is required for the establishment of an “area” pursuant to Chapter 353.

Chapter 353 defines “area” as follows:

“Area”, that portion of the city which the legislative authority of such city has found or shall find to be blighted so that the clearance, replanning, rehabilitation, or reconstruction thereof is necessary to effectuate the purposes of this law. Any such area may include buildings or improvements not in themselves blighted, and any real property, whether improved or unimproved, the inclusion of which is deemed necessary for the effective clearance, replanning, reconstruction or rehabilitation of the area of which such buildings, improvements or real property form a part. (R.S.MO 353.010(1))
Chapter 353 allows cities to:

1. Identify and designate areas for redevelopment that qualify as "blighted areas";
2. Adopt a development plan that designates an area in need of redevelopment and states the objectives to be attained and the redevelopment project to be undertaken.
3. Approve a redevelopment project for implementation of such development plan; and
4. Utilize the tools set forth in Chapter 353 to assist in reducing or eliminating those factors and conditions that cause the area to qualify as a "blighted area" through the completion of a redevelopment project.

**Area Description and Background**

The Area is one parcel of land within the City that contains a low-income senior apartment complex constructed in 1979. The Property has been subject to some investment over the years to address cosmetic issues, but it has evidently not experienced any significant rehabilitation with respect to systems, apartment fixtures, life alert systems, and elevators.
BLIGHTED AREA DESIGNATION ANALYSIS

This report is based upon on site investigations of the Study Area conducted by PGAV Planners staff on May 4, 2016. PGAV Planners staff relied upon its extensive experience and knowledge of the Rolla real estate market in the preparation of the analysis. Photographs illustrating representative blighting conditions were taken during the site visits and are displayed in the Appendix. This report will not reflect changes in conditions or events that have occurred subsequent to the date of the site visits or publication of this report.

AGE

Older buildings are more likely to have structural and other issues with primary and secondary building components. They are also more likely to contain environmental and safety concerns. The apartments were built in 1979. The structure suffers from several issues associated with the building’s age. Cracks exist in bricks and mortar and portions of the building’s exterior. The apartment complex’s elevators are old and often broken. The fireman’s service feature of the elevator needs to be brought up to code. The water heater’s location near the electrical box presents a hazard that requires remediation. The building lacks appropriate facilities that would be required in newer buildings for compliance with the Americans with Disabilities Act (“ADA”).

OBSOLESCENCE

Many features of the apartment complex are obsolete and require repair, replacement and/or remediation. Many of the 150 apartments have not been renovated in a significant way during the Property’s 37 year lifespan. Nearly 60% of the apartments have toilets that do not meet modern ADA design standards, which is important for a property serving senior citizens. The apartment complex houses elderly persons whose income is less than 50% of the area median income (“AMI”). Many residents use wheelchairs to move about. Each apartment includes a nurse call system. The emergency call system requires modernization as, currently, this system consists of two alarm pulls that raise a call for help to come to the apartment unit to check on the resident before calling for the appropriate emergency assistance if required. A modern system would allow residents to press a button to raise onsite management on a transmitter to describe their situation, which would guide the response and hasten the arrival of appropriate assistance. The fireman’s service feature of the elevators also requires modernization as the current service is obsolete and does not meet modern fire safety codes.

The air-conditioning units in each apartment unit, and ventilators in more than one-third of the apartments, are obsolete and require replacement.

INADEQUATE OR OUTMODED DESIGN

The apartment complex was designed to accommodate the needs of senior residents; it has common areas for community functions, elevators for ease of access, and alarm pulls in each residence to alert
on-site management of emergency needs. As it currently stands, the Property has not deviated significantly from its original design. Many of the interior furnishings of the individual apartment units do not appear to have been altered significantly since its original construction. Much of the Property’s systems have not been updated or brought up to modern code standards.

- Toilets in 88 of the 159 units must be replaced with toilets that meet ADA design standards.
- Kitchen cabinets and fixtures must be replaced.
- The fireman’s service feature in both elevators must be replaced and brought up to modern code standards. This affects the ability of firemen to use the elevator safely and efficiently when responding to a fire.
- The elevators must be brought up to modern standards.
- The emergency call system in each apartment must be replaced with a modern system that allows for quicker responses and more efficient monitoring.

### PHYSICAL DETERIORATION

In general, deterioration refers to the physical and economic deterioration of the improvements of the Area both in terms of buildings and other above-ground structures, below-grade supporting structures such as water, sewer, and electric utilities, and site improvements such as parking areas, access and circulation roadways and drives, lighting fixtures, and signage.

Deterioration may be evident in basically sound buildings containing minor defects, such as a lack of painting, loose or missing roof tiles, floor or ceiling plates, or holes and cracks over limited areas. Deterioration that is not easily curable and that cannot be cured in the course of normal maintenance includes defects in the primary and secondary building components. Primary building components include the foundation, exterior walls, floors, roofs, wiring, and plumbing. Secondary building components include the doors, windows, frames, fire escapes, gutters, downspouts, siding, and fascia materials.

In this case, physical deterioration is evident in places in which regular maintenance has been deferred to an extent that certain components of the Property have deteriorated.

- Plaster peeling away from walls as the result of water damage are indicative of deterioration.
- Windows throughout the Property have broken seals that require repair.
- The parking lot shows alligator cracking, which indicates failure of the surface material and subsurface material requiring complete replacement.
- Floors in hallways have buckled.
- Interior apartment fixtures such as walls, bathroom vanities, kitchen cabinets and countertops evidence deterioration.
- One of the Property’s elevators was broken at the time of our visit. On-site management indicates this elevator is regularly out-of-service.
ECONOMIC LIABILITY

As an aging building that suffers from obsolescence, inadequate, outmoded design and physical deterioration, the building constitutes an economic liability. The Property's physical condition requires rehabilitation. The Property's economic condition, as a low-income Property, challenges its ownership's ability to keep the Property up to modern standards with appropriate maintenance and the installation of modern amenities and life safety measures. The Property is caught in a vicious cycle. More revenue (in the form of increased rents) is needed to remediate the aforementioned blight issues. However, the Property cannot raise rental rates in any significant way because of the fact that it is a privately owned apartment building subsidized by the federal government to serve low-income seniors by providing residences affordable for those earning less than 50% of the area median income. The building's residents are not well served by the Property, and the public continues to subsidize a low-income Property that suffers from obsolescence, inadequate, outmoded design and physical deterioration. This Property's situation will not be fixed by the private market as the Property cannot demand rents sufficient to fund needed improvements.

SOCIAL LIABILITY

The Area suffers from obsolescence, inadequate, outmoded design, and physical deterioration which result in it being a social liability in its present condition and use. The obsolete emergency call systems present a social liability as such obsolete systems present a potential delay or challenge to the quick delivery of emergency services. The obsolete, oft-broken elevators challenge efficiency of movement of emergency personnel through the Property in the case of an emergency. The obsolete fireman's service feature of the elevator could make the elevator an unsafe option for firefighters in case of an emergency, which could challenge their efforts and presents a social liability. Smoke detectors throughout the building also need to be replaced. The potential of old smoke detectors to fail also presents a social liability.

ILL HEALTH, TRANSMISSION OF DISEASE, CRIME OR INABILITY TO PAY REASONABLE TAXES

The Area suffers from obsolescence, inadequate, outmoded design, physical deterioration, and economic and social liabilities which are conducive to ill health, transmission of disease, crime, or the inability to pay reasonable taxes. The obsolescence and inadequate or outmoded design of the various life safety and emergency response features of the Property are conducive to ill health as these conditions challenge the provision of emergency safety and medical responses. The obsolete air-conditioning units and ventilators that blow temperate air into resident bedrooms are conducive to ill health as they do not provide for adequate air conditioning and air circulation for the Property's residents.

The Area's present physical and economic condition makes it unable to pay reasonable property taxes.
In the composition of this Report, PGAV has concluded that the Area does meet the definition of a "blighted area," as such term is defined in Chapter 353. The Area is a portion of the City that by reason of: age, obsolescence, inadequate or outmoded design, or physical deterioration have become economic and social liabilities, and that such conditions are conducive to ill health, transmission of disease, crime or inability to pay reasonable taxes.

The Area meets the requirements for a Blighted Area, exhibiting factors including, but not limited to:

- Age;
- Obsolescence
- Inadequate or Outmoded Design;
- Physical Deterioration
- Economic Liability; and
- Social Liability.

The aforedescribed conditions are conducive to ill health, transmission of disease, crime or inability to pay reasonable taxes.
Plate 1
Redevelopment Area
1101 McCutchens Drive Redevelopment Area
PHOTOGRAPHS OF EXISTING CONDITIONS
1101 McCutchen Drive Redevelopment Area

On May 4th, 2016 PGAV PLANNERS staff conducted a field review of the property located at 1101 McCutchen Drive (the "Area"). The following pages contain a series of photographs taken on this date, these photos are representative of the conditions of the Area.

The elevator is taped off and inoperable.

Obsolete, deteriorated kitchen appliances and countertops in ADA apartment unit.

Water damage to the ceiling.

Water damage to the plaster ceiling.
Left: Water damage to the plaster below a window.

Right: The laminate wood flooring has buckled.

Right: Water damage to the plaster wall above an interior door.

Left: The plaster on the column is deteriorated.

Right: An obsolete, deteriorated apartment unit kitchen.

Photos taken 05/04/2016

PGAV PLANNERS
EXHIBIT D

Tax Impact Statement
TECHNICAL MEMORANDUM

To: John Bitty

Date: July 27, 2016

From: Andy Struckhoff and Adam Stroud

Re: Tax Impact Statement

Cc: Mayor Louis J. Magdits, IV

Project Name: 1101 McCutchen Drive Apartments
I. INTRODUCTION

This Memorandum and the accompanying tables present the estimated tax impact on affected taxing jurisdictions of a tax abatement program, contemplated by the City of Rolla, Missouri (the "City") pursuant to the Urban Redevelopment Corporations Law, Section 353-010 – 353.190, R.S.M.O. ("Chapter 353") to facilitate the renovation of the 150-unit apartment complex at 1101 McCutchen Drive (the "Redevelopment Area" or "Area"). The proposed renovation will be carried out by Rolla Maryland LLC (the "Developer").

II. REAL PROPERTY TAX ABATEMENT

1. Tax Abatement Period

Pursuant to Section 353.110-1, R.S.M.O., the value of improvements upon real property may be abated for a period of 10 years. During this period, taxes must be paid on the value of the land according to the value placed on the land by the county assessor in the year prior to the beginning of the tax abatement program.

As the Area is currently exempt from taxation, the Phelps County Assessor must determine a value for the land, "as shall conform to but not exceed the assessed valuation made during the preceding calendar year of other land, exclusive of improvements, adjacent thereto or in the same general neighborhood," (Section 353.110(2) R.S.M.O.). The authors of this analysis have reviewed the value of land adjacent to the Area and in the same general neighborhood as the Area and have found that the land value described in Table 1 conforms to the value of the land, exclusive of improvements, adjacent thereto or in the same general neighborhood.

The tax abatement period will run for 15 years, beginning January 1, 2017. During the initial 10-year period, the value of improvements will be fully abated and taxes will be paid on the value of the land exclusive of improvements. During years 11-15 of the abatement period, taxes will be paid based on 50% of the then-current value. In addition, payments in lieu of taxes will be paid annually so that the total taxes and payments in lieu of taxes equal the amounts shown on Table 4 and Table 5 in the Appendix. The annual payments in lieu of taxes have been derived from the Developer’s pro forma.

2. Projected Market Value and Assessed Value

Table 1 presents the expected market and assessed value of the Project, which has not yet been completed.

3. Tax Rates

Table 2 shows that the total property tax rate levied against Area residential property is currently $4.4029 per $100 of assessed valuation.

4. Base Equalized Assessed Value (EAV)

Table 3 shows that the current total equalized assessed value, and the estimated Base EAV, of the Area is $0.00.

---

1 If property values exceed the estimates in this analysis, then it is possible that the taxes due will exceed the minimum amount of taxes and payments in lieu of taxes.
5. Growth in Market Value

The Project's market value is projected to grow one percent (1%) at each reassessment year (on odd-numbered years). The value of the land, exclusive of improvements, will not be increased in years 1-10.

III. FISCAL IMPACT

Table 4 shows the property taxes paid, annual payments in lieu of taxes made pursuant to an agreement between the City and the Developer, and the taxes abated during the tax abatement period.

Table 5 - Tax Impact Summary summarizes the estimated annual revenues paid to each affected taxing jurisdiction.

IV. GENERAL ASSUMPTIONS AND CONDITIONS

These projections are intended to be interpreted and used based on the assumptions used for their preparation. Projections formulated in this document are based on currently available information and the assumptions as stated. PGAV Planners believes that the assumptions used in this analysis constitute a reasonable basis for its preparation.

This Memorandum and the financial projections contained herein are based on assumptions, projections, and information provided by the Developer and various other sources considered reliable. PGAV neither verified nor audited the information that was provided by the other sources. Information provided by others is assumed to be reliable, but PGAV Planners assumes no responsibility for its accuracy or certainty.

In addition to the impact on these projections of actual implementation activities, external factors may influence these assumptions and projections as well. Changes in the national, regional, and local economic and real estate market conditions and trends may impact the real estate market and redevelopment activity. Changes or modifications may also be caused by economic, environmental, legislative, or physical events or conditions. PGAV Planners assumes no liability should market conditions change or the schedule is not met.

The tax revenue projections contained in this report represent prospective information, opinions, and estimates regarding a development project that is not yet constructed. These projections are not provided as predictions or assurances that a certain level of performance will be achieved or that certain events will occur. The actual results will vary from the projections described herein and the variations may be material. Because the future is uncertain, there is risk associated with achieving the results projected. PGAV Planners assumes no responsibility for any degree of risk involved.

This report and the information included herein are intended for the purposes of providing a preliminary concept of the performance of this potential project for use by the City and Phelps County, and should not be used for other purposes. Neither this document nor its contents may be referred to or quoted, in whole or in part, for any purpose including, but not limited to, any official statement for a bond issue and consummation of a bond sale, any registration statement, prospectus, loan, or other agreement or document, without prior review and written approval by PGAV Planners regarding any representation therein with respect to PGAV Planners' organization and work product.
List of Tables
1101 McCutchen Drive Chapter 353 Redevelopment Area
City of Rollo, MO

Table 1  Summary of Projected Market and Assessed Valuations Upon Redevelopment
Table 2  2015 Real Property Tax Rates per $100
Table 3  Most Recent Equalized Assessed Valuation (EAV) and Taxpayer Data
Table 4  Summary of Real Property Tax Abatement
Table 5  Tax Impact Summary
Table 1
Summary of Projected Market and Assessed Valuations Upon Redevelopment 1
1101 McCutchen Drive Chapter 353 Redevelopment Area
City of Rolla, MO

<table>
<thead>
<tr>
<th>Use</th>
<th>Size</th>
<th>Units</th>
<th>Market Value per Unit</th>
<th>Total Projected Market Value after Improvements</th>
<th>Total Projected Market Value of Land</th>
<th>Estimated Total Market Value</th>
<th>Assessment Rate</th>
<th>Total Projected Assessed Value after Improvements</th>
</tr>
</thead>
<tbody>
<tr>
<td>McCutchen Apartments</td>
<td>150</td>
<td>Apartments</td>
<td>$20,500</td>
<td>$3,075,000</td>
<td>$340,000</td>
<td>$3,415,000</td>
<td>19%</td>
<td>$649,000</td>
</tr>
</tbody>
</table>

1 Market values based on comparable properties in Rolla as appraised by the County Assessor.
Table 2
2015 Real Property Tax Rates per $100
1101 McCutchen Drive Chapter 353 Redevelopment Area
City of Rolla, MO

<table>
<thead>
<tr>
<th>Taxing Jurisdiction</th>
<th>Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>State of Missouri - Blind Pension Fund</td>
<td>0.0300</td>
</tr>
<tr>
<td>County</td>
<td>0.1490</td>
</tr>
<tr>
<td>Dev. Disabled</td>
<td>0.0717</td>
</tr>
<tr>
<td>Roads and Bridges</td>
<td>0.0914</td>
</tr>
<tr>
<td>Rolla (31)</td>
<td>3.3057</td>
</tr>
<tr>
<td>Rolla City (RO)</td>
<td>0.7551</td>
</tr>
</tbody>
</table>

**Total Tax Rate** 4.4029

1 Actual tax rates will vary from year to year due to changes in adopted tax rates, State mandated rollbacks resulting from increased assessed value through reassessment and/or bond issues and debt retirement.
Table 3  
**Most Recent Equalized Assessed Valuation (EAV) and Taxpayer Data**

1101 McCutchen Drive Chapter 353 Redevelopment Area  
City of Rolla, MO

<table>
<thead>
<tr>
<th>Parcel ID#</th>
<th>Owner Name</th>
<th>2016 Total Assessed Valuation</th>
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<tbody>
<tr>
<td>71:09:1.0-01:004:012-004.000</td>
<td>Overall Const Industries Inc</td>
<td>$0</td>
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</table>

1 Source: Phelps County Assessor
Table 4
Summary of Real Property Tax Abatement
1101 McCutchen Drive Chapter 253 Redevelopment Area
City of Rolla, MO

<table>
<thead>
<tr>
<th>Revenue Sources</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
<th>2022</th>
<th>2023</th>
<th>2024</th>
<th>2025</th>
<th>2026</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Prop. Year</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Land - Market Value</td>
<td>$340,000</td>
<td>$340,000</td>
<td>$340,000</td>
<td>$340,000</td>
<td>$340,000</td>
<td>$340,000</td>
<td>$340,000</td>
<td>$340,000</td>
<td>$340,000</td>
<td>$340,000</td>
</tr>
<tr>
<td>Land - Assessed Value</td>
<td>$94,600</td>
<td>$94,600</td>
<td>$94,600</td>
<td>$94,600</td>
<td>$94,600</td>
<td>$94,600</td>
<td>$94,600</td>
<td>$94,600</td>
<td>$94,600</td>
<td>$94,600</td>
</tr>
<tr>
<td>Improvements - Assessed Value</td>
<td>$584,250</td>
<td>$584,250</td>
<td>$590,093</td>
<td>$595,993</td>
<td>$601,953</td>
<td>$607,973</td>
<td>$614,073</td>
<td>$620,253</td>
<td>$626,553</td>
<td>$633,003</td>
</tr>
<tr>
<td>Total Assessed Value</td>
<td>$688,850</td>
<td>$688,850</td>
<td>$654,693</td>
<td>$660,593</td>
<td>$666,553</td>
<td>$672,573</td>
<td>$678,673</td>
<td>$684,873</td>
<td>$691,153</td>
<td>$697,573</td>
</tr>
<tr>
<td>Abated Value</td>
<td>$584,250</td>
<td>$584,250</td>
<td>$590,093</td>
<td>$595,993</td>
<td>$601,953</td>
<td>$607,973</td>
<td>$614,073</td>
<td>$620,253</td>
<td>$626,553</td>
<td>$633,003</td>
</tr>
<tr>
<td>2015 Tax Rate</td>
<td>$4,4029</td>
<td>$4,4029</td>
<td>$4,4029</td>
<td>$4,4029</td>
<td>$4,4029</td>
<td>$4,4029</td>
<td>$4,4029</td>
<td>$4,4029</td>
<td>$4,4029</td>
<td>$4,4029</td>
</tr>
<tr>
<td>Payments in Lieu of Taxes</td>
<td>$2,156</td>
<td>$2,156</td>
<td>$2,156</td>
<td>$2,156</td>
<td>$2,156</td>
<td>$2,156</td>
<td>$2,156</td>
<td>$2,156</td>
<td>$2,156</td>
<td>$2,156</td>
</tr>
<tr>
<td>Annual Payments</td>
<td>$5,000</td>
<td>$5,000</td>
<td>$5,000</td>
<td>$5,000</td>
<td>$5,000</td>
<td>$5,000</td>
<td>$5,000</td>
<td>$5,000</td>
<td>$5,000</td>
<td>$5,000</td>
</tr>
<tr>
<td>Abated Tax Payments</td>
<td>$23,570</td>
<td>$23,570</td>
<td>$23,830</td>
<td>$23,830</td>
<td>$23,830</td>
<td>$23,830</td>
<td>$23,830</td>
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<td>$23,830</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Revenue Sources</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
<th>2022</th>
<th>2023</th>
<th>2024</th>
<th>2025</th>
<th>2026</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Prop. Year</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Real Property Market Value</td>
<td>$3,575,256</td>
<td>$3,575,256</td>
<td>$3,611,008</td>
<td>$3,647,119</td>
<td>$3,684,702</td>
<td>$3,723,846</td>
<td>$3,764,451</td>
<td>$3,806,503</td>
<td>$3,850,003</td>
<td>$3,905,003</td>
</tr>
<tr>
<td>Real Property Assessed Value</td>
<td>$679,289</td>
<td>$679,289</td>
<td>$686,000</td>
<td>$692,953</td>
<td>$699,953</td>
<td>$707,073</td>
<td>$714,373</td>
<td>$721,873</td>
<td>$729,573</td>
<td>$737,573</td>
</tr>
<tr>
<td>Abated Value</td>
<td>$139,649</td>
<td>$139,649</td>
<td>$143,046</td>
<td>$146,476</td>
<td>$149,993</td>
<td>$153,573</td>
<td>$157,253</td>
<td>$160,973</td>
<td>$164,773</td>
<td>$168,773</td>
</tr>
<tr>
<td>2015 Tax Rate</td>
<td>$4,4029</td>
<td>$4,4029</td>
<td>$4,4029</td>
<td>$4,4029</td>
<td>$4,4029</td>
<td>$4,4029</td>
<td>$4,4029</td>
<td>$4,4029</td>
<td>$4,4029</td>
<td>$4,4029</td>
</tr>
<tr>
<td>Taxes Paid on 50% of Total Value</td>
<td>$14,960</td>
<td>$14,960</td>
<td>$15,105</td>
<td>$15,255</td>
<td>$15,415</td>
<td>$15,585</td>
<td>$15,765</td>
<td>$15,955</td>
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<td>$16,365</td>
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<tr>
<td>Payments in Lieu of Taxes</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
</tr>
</tbody>
</table>

1 Market values are projected to increase at an average rate of 1% each reassessment (odd) year.
2 Any differences in math are due to rounding.
### Table 5: Tax Impact Summary

<table>
<thead>
<tr>
<th>Taxing Jurisdiction</th>
<th>Tax Rate</th>
<th>% of Rate</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
<th>2022</th>
<th>2023</th>
<th>2024</th>
<th>2025</th>
<th>Total Tax Revenue</th>
<th>Total Payment</th>
</tr>
</thead>
<tbody>
<tr>
<td>City of Rolls</td>
<td>0.55054</td>
<td>10.18%</td>
<td>$ 5,000</td>
<td>$ 5,000</td>
<td>$ 5,000</td>
<td>$ 5,000</td>
<td>$ 5,000</td>
<td>$ 8,000</td>
<td>$ 8,000</td>
<td>$ 8,000</td>
<td>$ 12,000</td>
<td>$ 12,000</td>
<td></td>
</tr>
<tr>
<td>City of Rolls Parks &amp; Recreation</td>
<td>0.01111</td>
<td>2.22%</td>
<td>$ 510</td>
<td>$ 510</td>
<td>$ 510</td>
<td>$ 510</td>
<td>$ 510</td>
<td>$ 510</td>
<td>$ 510</td>
<td>$ 510</td>
<td>$ 510</td>
<td>$ 510</td>
<td>$ 510</td>
</tr>
<tr>
<td>City of Rolls Library</td>
<td>0.00012</td>
<td>0.00%</td>
<td>$ 0.24</td>
<td>$ 0.24</td>
<td>$ 0.24</td>
<td>$ 0.24</td>
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<td>$ 0.24</td>
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<td>$ 0.24</td>
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<td>$ 0.24</td>
</tr>
<tr>
<td>Rolls-Hilliard School District</td>
<td>0.00057</td>
<td>0.01%</td>
<td>$ 0.28</td>
<td>$ 0.28</td>
<td>$ 0.28</td>
<td>$ 0.28</td>
<td>$ 0.28</td>
<td>$ 0.28</td>
<td>$ 0.28</td>
<td>$ 0.28</td>
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</tr>
<tr>
<td>Phelps County</td>
<td>0.00049</td>
<td>0.01%</td>
<td>$ 0.24</td>
<td>$ 0.24</td>
<td>$ 0.24</td>
<td>$ 0.24</td>
<td>$ 0.24</td>
<td>$ 0.24</td>
<td>$ 0.24</td>
<td>$ 0.24</td>
<td>$ 0.24</td>
<td>$ 0.24</td>
<td>$ 0.24</td>
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<tr>
<td>Phelps County Road &amp; Bridge</td>
<td>0.00014</td>
<td>0.00%</td>
<td>$ 0.03</td>
<td>$ 0.03</td>
<td>$ 0.03</td>
<td>$ 0.03</td>
<td>$ 0.03</td>
<td>$ 0.03</td>
<td>$ 0.03</td>
<td>$ 0.03</td>
<td>$ 0.03</td>
<td>$ 0.03</td>
<td>$ 0.03</td>
</tr>
<tr>
<td>Phelps County (Developmentally Disabled)</td>
<td>0.00077</td>
<td>0.01%</td>
<td>$ 0.04</td>
<td>$ 0.04</td>
<td>$ 0.04</td>
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<td>$ 0.04</td>
<td>$ 0.04</td>
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<td>$ 0.04</td>
<td>$ 0.04</td>
<td>$ 0.04</td>
<td>$ 0.04</td>
</tr>
<tr>
<td>State of Missouri - Blind Pension Fund</td>
<td>0.00030</td>
<td>0.00%</td>
<td>$ 0.01</td>
<td>$ 0.01</td>
<td>$ 0.01</td>
<td>$ 0.01</td>
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<td>$ 0.01</td>
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<td>$ 0.01</td>
<td>$ 0.01</td>
<td>$ 0.01</td>
<td>$ 0.01</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>2.0531</strong></td>
<td><strong>40.30%</strong></td>
<td><strong>$ 55,000</strong></td>
<td><strong>$ 55,000</strong></td>
<td><strong>$ 55,000</strong></td>
<td><strong>$ 55,000</strong></td>
<td><strong>$ 55,000</strong></td>
<td><strong>$ 80,000</strong></td>
<td><strong>$ 80,000</strong></td>
<td><strong>$ 80,000</strong></td>
<td><strong>$ 120,000</strong></td>
<td><strong>$ 120,000</strong></td>
<td></td>
</tr>
</tbody>
</table>

**Notes:**
- The table above shows the projected real property tax revenues in dollars for various taxing jurisdictions over a 10-year period, with the total payment varying from $55,000 to $120,000.
- The tax rates are expressed as a percentage of the total taxable value.

### Taxable Assessed Value

<table>
<thead>
<tr>
<th>Year</th>
<th>2027</th>
<th>2028</th>
<th>2029</th>
<th>2030</th>
<th>2031</th>
<th>2032</th>
<th>2033</th>
<th>2034</th>
<th>2035</th>
<th>2036</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Assessed Value</td>
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<td>$343,046</td>
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**Total Annual Payments:**

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<th>2027</th>
<th>2028</th>
<th>2029</th>
<th>2030</th>
<th>2031</th>
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<tr>
<td>Total Annual Payments</td>
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</table>
EXHIBIT B
DEVELOPMENT AGREEMENT

[On file with the Office of the City Clerk]
DEVELOPMENT AGREEMENT
FOR THE
1101 McCUTCHEN DRIVE REDEVELOPMENT AREA
AMONG THE
CITY OF ROLLA, MISSOURI,
ROLLA MARYLAND LLC
AND THE
ROLLA PRESERVATION REDEVELOPMENT CORPORATION
Dated: ____________, 2016
# Recitals

## ARTICLE I
### INCORPORATED ITEMS; DEFINITIONS; EXHIBITS

<table>
<thead>
<tr>
<th>Section</th>
<th>Description</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.01</td>
<td>Definitions</td>
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</tr>
<tr>
<td>1.02</td>
<td>Exhibits</td>
<td>2</td>
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</table>

## ARTICLE II
### REDEVELOPMENT PROJECT

<table>
<thead>
<tr>
<th>Section</th>
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<th>Page</th>
</tr>
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<tbody>
<tr>
<td>2.01</td>
<td>Redevelopment Project</td>
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</tr>
<tr>
<td>2.02</td>
<td>Acquisition</td>
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</tr>
<tr>
<td>2.03</td>
<td>Relocation</td>
<td>3</td>
</tr>
<tr>
<td>2.04</td>
<td>Schedule</td>
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<tr>
<td>2.05</td>
<td>City Approvals to Control</td>
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<td>2.06</td>
<td>Substantial Completion</td>
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## ARTICLE III
### EXCUSABLE DELAY

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## ARTICLE IV
### TAX ABATEMENT

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<tr>
<td>4.01</td>
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## ARTICLE V
### DEFAULT AND REMEDIES

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<tr>
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<td>5.02</td>
<td>Remedies; Results of Termination</td>
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## ARTICLE VI
### GENERAL PROVISIONS

<table>
<thead>
<tr>
<th>Section</th>
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</thead>
<tbody>
<tr>
<td>6.01</td>
<td>Modifications; Successors and Assigns</td>
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</tr>
<tr>
<td>6.02</td>
<td>Right to Transfer the Redevelopment Area</td>
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<td>6.03</td>
<td>Indemnification and Hold Harmless</td>
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<td>6.04</td>
<td>Notice</td>
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<td>Severability</td>
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<td>6.06</td>
<td>Governing Law</td>
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<td>Section 6.07</td>
<td>Corporation's Right of Termination</td>
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<td>Section 6.08</td>
<td>Counterparts</td>
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<td>Section 6.09</td>
<td>Reimbursement of City Expenses</td>
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<td>Section 6.10</td>
<td>Federal Work Authorization Program</td>
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<td>Section 6.11</td>
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Exhibit A - Legal Description of the Area
Exhibit B - Description of Work
Exhibit C - Form of Certificate of Substantial Completion
Exhibit D - Form of Transferee Agreement
DEVELOPMENT AGREEMENT

THIS DEVELOPMENT AGREEMENT is made and entered into as of this ___ day of __________, 2016 (this “Agreement”), by and among the CITY OF ROLLA, MISSOURI, a municipal corporation and political subdivision of the State of Missouri (the “City”), ROLLA MARYLAND LLC, a Missouri limited liability company (the “Developer”), and the ROLLA PRESERVATION REDEVELOPMENT CORPORATION (the “Corporation”), a Missouri urban redevelopment corporation (the City, the Developer and the Corporation may each be referred to herein as a “Party,” and collectively as the “Parties”).

RECOLTALS

A. On July 28, 2016, the Developer submitted the “1101 McCutchen Drive Development Plan” (the “Development Plan”) for an area consisting of the approximately 150-unit apartment complex located at 1101 McCutchen Drive in the City and more particularly described on Exhibit A attached hereto (the “Redevelopment Area”).

B. The Development Plan contemplates the remediation of blighted conditions in the Redevelopment Area through the renovation and rehabilitation of the apartment complex located therein (the “Redevelopment Project”).

C. The Development Plan was submitted pursuant to Chapter 353 of the Revised Statutes of Missouri, as amended (the “Act”).

D. Following a public hearing held on August 15, 2016, the City Council, on September __, 2016, adopted Ordinance No. __________ (1) finding and declaring the Redevelopment Area to be a blighted area within the meaning of Section 353.020(2) of the Act, (2) approving the Development Plan and (3) authorizing and directing the City to enter into an agreement with the Developer and the Corporation in substantially the form of this Agreement.

E. The Parties desire to enter into this Agreement to provide for the process by which the Developer will complete or cause the completion of the Redevelopment Project and the terms upon which the Developer will obtain limited tax abatement for the Redevelopment Area.

NOW, THEREFORE, for and in consideration of the foregoing Recitals (which are incorporated into this Agreement as an integral part hereof) and the promises, covenants and agreements contained herein, the Parties do hereby agree as follows:

ARTICLE I

INCORPORATED ITEMS; DEFINITIONS; EXHIBITS

Section 1.01 Definitions. In addition to the terms defined elsewhere in this Agreement, the following capitalized words and terms shall have the following meanings:

“Act” means Chapter 353 of the Revised Statutes of Missouri, as amended.
“Affiliate” means any entity that is controlled by the Developer or controlled by the same entity or entities that control the Developer.

“Approving Ordinance” means Ordinance No. _____, adopted by the City Council on September __, 2016.

“Assessor” means the Phelps County Assessor.

“Certificate of Substantial Completion” means the Certificate of Substantial Completion in substantially the same form as Exhibit C attached hereto, to be delivered by the Developer pursuant to Section 2.06.

“City” means the City of Rolla, Missouri.

“City Code” means the Rolla Municipal Code, as the same may be amended from time to time.

“Collector” means the Phelps County Collector of Revenue.

“Construction Inspector” means such licensed engineer or architect either employed by or retained and designated by the City from time to time, and/or such individuals as may be designated to carry out inspections on behalf of the City’s planning and public works departments.

“Corporation” means the Rolla Preservation Redevelopment Corporation, an urban redevelopment corporation formed under the Act, and its permitted successors and assigns.

“Developer” means Rolla Maryland LLC, and its permitted successors and assigns.

“Development Plan” means the 1101 McCutchen Drive Development Plan approved by the City pursuant to the Approving Ordinance.

“PILOTs” means the payments in lieu of taxes to be made by the Developer pursuant to Article IV.

“Redevelopment Area” means the real property described on Exhibit A attached hereto, upon which the Redevelopment Project will be constructed pursuant to this Agreement.

“Redevelopment Project” means the renovation and rehabilitation of the approximately 150-unit apartment complex located in the Redevelopment Area, including the completion of the Work.

“Relocation Plan” means the relocation policy set forth in Ordinance No. 3580, adopted by the City Council on October 20, 2003.

“Transferee Agreement” means the Transferee Agreement in substantially similar form to Exhibit D to be entered into in conjunction with certain transfers of property within the Redevelopment Area.

“Work” means the renovation and rehabilitation activities described on Exhibit B hereto.

Section 1.02 Exhibits (to "Section 1.02 Exhibits" \( \setminus C \ \setminus 3 \)). The following exhibits are attached to and incorporated into this Agreement:
(a) Exhibit A – Legal Description of the Redevelopment Area
(b) Exhibit B – Description of Work
(c) Exhibit C – Form of Certificate of Substantial Completion
(d) Exhibit D – Form of Transferee Agreement

ARTICLE II

REDEVELOPMENT PROJECT

Section 2.01 Redevelopment Project. Subject to the terms and conditions of this Agreement, the Developer shall construct, or cause the construction of, the Redevelopment Project in accordance with the Development Plan and all applicable federal, state and local laws, rules, regulations, ordinances and approvals.

Section 2.02 Acquisition. The Developer or an Affiliate has acquired or has an option to acquire all real property within the Redevelopment Area necessary to complete the Redevelopment Project. The Developer will transfer title to the Redevelopment Area to the Corporation to initiate the tax abatement contemplated in Section 4.01 on or before the date specified in Section 2.04. The Corporation shall transfer title to the Redevelopment Area back to the Developer at the Developer’s request.

Section 2.03 Relocation. The relocation of any person or business from the Redevelopment Area, if any, shall be completed in conformance with the Relocation Plan. The Parties acknowledge that no relocations are anticipated.

Section 2.04 Schedule. The Developer shall cause the completion of the Redevelopment Project in accordance with the following schedule (subject to any excusable delay permitted by Section 3.01):

<table>
<thead>
<tr>
<th>Obtain building permits</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>December 31, 2016</td>
</tr>
<tr>
<td>Approval or deemed approval of a Certificate of Substantial Completion</td>
<td>December 31, 2017</td>
</tr>
<tr>
<td>Transfer title to real property to Corporation</td>
<td>December 31, 2017</td>
</tr>
</tbody>
</table>

Section 2.05 City Approvals to Control. The Developer shall obtain or cause to be obtained all necessary zoning, building and other permits and approvals in conjunction with the completion of the Redevelopment Project. Notwithstanding anything to the contrary contained herein or in the Development Plan, the applicable zoning, building and other permits and approvals shall control the specific development of the Redevelopment Project.

Section 2.06 Substantial Completion. After Substantial Completion of the Redevelopment Project in accordance with the provisions of this Agreement, the Developer shall furnish to the Construction Inspector a Certificate of Substantial Completion certifying the substantial completion of the Redevelopment Project. The Construction Inspector shall, within 60 days following delivery of the Certificate of Substantial Completion, carry out

-3-
such inspections as he deems necessary to verify to his reasonable satisfaction the accuracy of the certifications contained in the Certificate of Substantial Completion. The Certificate of Substantial Completion shall be deemed accepted by the Construction Inspector unless, prior to the end of such 60-day period after delivery to the Construction Inspector of the Certificate of Substantial Completion, the Construction Inspector furnishes the Developer with specific written objections to the status of the Redevelopment Project, describing such objections and the measures required to correct such objections in reasonable detail. Upon acceptance of the Certificate of Substantial Completion by the Construction Inspector or upon the lapse of 60 days after delivery thereof to the Construction Inspector without any written objections thereto, the Developer may record the Certificate of Substantial Completion with the Phelps County Recorder of Deeds, and the same shall constitute evidence of the satisfaction of the Developer’s agreements and covenants to complete the Redevelopment Project.

Section 2.07 Insurance. (To "Section 2.07 Insurance", if C) 3

(a) The Developer will cause there to be insurance for the Redevelopment Project as hereinafter set forth at all times during the process of constructing the Redevelopment Project and continuing (with respect to (ii) and (iii) below) during the term of this Agreement. The policies for such insurance shall be placed with financially sound and reputable insurers licensed to transact business in the State of Missouri. The Developer shall, from time to time at the request of the City, furnish the City with "Accord" certificates of insurance on:

(i) Builder’s risk insurance, written on the so called “Builder’s Risk – Completed Value Basis,” in an amount equal to one hundred percent (100%) of the projected insurable value of the Redevelopment Project at the date of completion;

(ii) Property and casualty insurance to keep the Redevelopment Project constantly insured against loss or damage by fire, lightning and all other risks covered by the extended coverage insurance endorsement then in use in the State in an amount equal to the Full Insurable Value thereof (subject to reasonable loss deductible clauses). “Full Insurable Value” means the actual replacement cost of the Redevelopment Project;

(iii) Commercial liability insurance with coverages of not less than the current absolute statutory waivers of sovereign immunity in Sections 537.600 and 537.610 of the Revised Statutes of Missouri, as amended (which for calendar year 2016 is equal to $2,734,567 for all claims arising out of a single accident or occurrence and $410,185 for any one person in a single accident or occurrence). Further, the policy shall be adjusted upward annually, to remain at all times not less than the inflation adjusted sovereign immunity limits as published in the Missouri Register on an annual basis by the Department of Insurance pursuant to Section 537.610 of the Revised Statutes of Missouri, as amended; and

(iv) Workers’ compensation insurance, with statutorily required coverage.

(b) Simultaneously with the execution of this Agreement and annually thereafter prior to the delivery of Certificate of Substantial Completion, the Developer shall provide evidence of contractual liability insurance (in form and substance reasonably acceptable to the City Attorney) covering the Developer’s obligations to indemnify the City, as provided in this Agreement, by an insurance company with a rating by a reputable rating agency indicating excellent or superior financial strength (i.e., an A.M. Best rating of “A-” or better. The Developer agrees to provide immediate written notice to the City when a cancellation, termination, expiration or modification of the applicable contractual liability policy occurs.
ARTICLE III

EXCUSABLE DELAY

Section 3.01  Excusable Delay
Notwithstanding anything to the contrary contained herein, in the Development Plan or in the Approving Ordinance, the time periods provided for herein shall be automatically extended by the number of days of delay caused by actions or events beyond the control of the Developer (but not to exceed one year), including acts of God, labor disputes, strikes, lockouts, civil disorder, war, lack of issuance of any permits and/or legal authorization by the governmental entity necessary for the Developer to proceed with the construction or cause the construction of the Redevelopment Project (provided all conditions precedent to the issuance of said permits and/or authorizations have been met), shortage or delay in the shipment of material or fuel, governmental action, fire, unusually adverse weather conditions, wet soil conditions, unavoidable casualties, litigation relating to the Approving Ordinance or any element of the Redevelopment Project, or any causes beyond the Developer’s reasonable control, or by any other cause that the City Administrator in his or her reasonable discretion determines may justify the delay (an “Excusable Delay”). The Parties agree that as of the date of this Agreement, no condition or event exists that would justify an Excusable Delay. The Developer shall notify the City in writing within 30 days after a claimed event of the cause of the Excusable Delay. An Excusable Delay shall not include any condition or circumstance caused or extended by the Developer, the Corporation or an Affiliate or attributable to actions or inaction by the Developer, the Corporation or an Affiliate.

ARTICLE IV

TAX ABATEMENT

Section 4.01  Tax Abatement
(a) Subject to the continuing compliance with this Agreement, after transfer of title to the Redevelopment Area to the Corporation pursuant to Section 2.02, the Redevelopment Area shall be subject to limited tax abatement as described below:

(i) Subject to paragraph (iii) below, for the first ten years following the Corporation’s acquisition of the Redevelopment Area, real property taxes (including any PILOTs distributed to taxing districts) for the Redevelopment Area will be based on the assessed value of the Redevelopment Area, exclusive of improvements, upon acquisition by the Corporation, as calculated by the Assessor in accordance with Section 353.110 of Chapter 353.

(ii) Subject to paragraph (iii) below, for the next five years, the real property taxes for the Redevelopment Area will be based on an assessed value determined on the basis of 50% of the then-current market value of the Redevelopment Area as determined by the Assessor in accordance with applicable statutes.

(iii) If the annual amount of real property taxes (including any PILOTs) calculated pursuant to (i) or (ii) is less than the applicable annual amount shown on the table below, then an additional PILOT will be due in the amount necessary to cause the total real property taxes and...
PILOTs to collectively equal the applicable annual amount shown on the table below (i.e., in no year will the total real property taxes and PILOTs be less than what is shown on the table below):

<table>
<thead>
<tr>
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<th>Minimum Taxes + PILOTs</th>
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<tbody>
<tr>
<td>1</td>
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<tr>
<td>2</td>
<td>5,000</td>
</tr>
<tr>
<td>3</td>
<td>5,000</td>
</tr>
<tr>
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<td>14</td>
<td>16,000</td>
</tr>
<tr>
<td>15</td>
<td>16,000</td>
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</table>

Following the time period described this subsection, the Redevelopment Area shall be subject to assessment and payment of all ad valorem taxes based on the full true value of the property.

(b) PILOTs shall be paid to the Collector annually by December 31. The Parties acknowledge their expectation that the real property tax bills provided by the Collector will reflect the appropriate amount of taxes and PILOTs due pursuant to this Agreement. However, the failure of the Collector to provide tax bills reflecting the appropriate amount of taxes and PILOTs due with respect to the Redevelopment Area pursuant to this Agreement will not excuse the Developer or any subsequent owner from paying all taxes and PILOTs by December 31 of the applicable year. PILOTs received by the Collector shall be distributed among all taxing districts whose property tax revenues are affected by the tax abatement provided herein on the same pro rata basis and in the same manner as ad valorem real property tax revenues.

Section 4.02 Subdivision[tc "Section 4.02 Subdivision" \v C \v 3]. The Parties acknowledge that the Redevelopment Area currently consists of one parcel. If such parcel is ever subdivided, the PILOTs required to be paid pursuant to this Agreement shall be allocated to each parcel based on the ratio of such parcel’s assessed value relative to the assessed value of the entire Redevelopment Area.

ARTICLE V[tc "ARTICLE V" \v I \v C] DEFAULT AND REMEDIES[tc "DEFAULT AND REMEDIES" \v I \v C]

Section 5.01 Default[tc "Section 5.01 Default" \v C \v 3]. The occurrence and continuance of the following shall constitute an “Event of Default”:

(a) the Developer or subsequent property owner fails to make or cause the punctual payment of the PILOTs owed on the due date and such failure is not cured to the City Attorney’s satisfaction within five (5) days after the City gives written notice of the default to the Developer
or subsequent property owner (provided, however, that all PILOTs paid after their due dates will be subject to interest and penalties at the same rate as late payments of real property taxes); or

(b) the Developer fails to timely perform, in all material respects, any obligation or covenant of the Developer under this Agreement, and such failure is not cured to the City Attorney's satisfaction within thirty (30) days after the City gives written notice thereof to the Developer, or if it cannot reasonably be cured within thirty (30) days, then, subject to Section 2.04 and Section 3.01, for such additional time as may be necessary to cure such default so long as the Developer is diligently proceeding to effect a cure of such default.

Section 5.02 Remedies; Results of Termination[te "Section 5.02 Remedies; Results of Termination" \f C \l 3].

(a) Upon the occurrence of an Event of Default, (i) the City or any other taxing district levying an ad valorem real property tax in the Redevelopment Area may bring an action against the Developer or subsequent property owner to enforce any remedy available by law, including specific performance to enforce any payments due under this Agreement, and/or (ii) the City may terminate this Agreement. Delinquent PILOTs shall bear interest at the same rate as delinquent ad valorem real property taxes from the date such delinquent PILOTs were first due.

(b) Upon the termination of this Agreement pursuant to this Section, a declaration of abandonment shall be filed with the Phelps County Recorder of Deeds, and the Redevelopment Area shall from that date be subject to assessment and payment of all ad valorem taxes based on the true full value of such real property.

ARTICLE VI[te "ARTICLE VI" \n \l 1 \f C]

GENERAL PROVISIONS[te "GENERAL PROVISIONS" \n \l 1 \f C]

Section 6.01 Modifications; Successors and Assigns[te "Section 6.01 Modifications; Successors and Assigns" \f C \l 3]. The terms, conditions and provisions of this Agreement and of the Development Plan shall not be modified or amended except by mutual agreement in writing among the City, Developer and the Corporation (provided that if the Corporation has already transferred property to the Developer pursuant to Section 2.02, no agreement of the Corporation is necessary). This Agreement shall be binding upon and inure to the benefit of the City, the Developer and the Corporation and their respective assigns and successors in interest or title to all or any portion of the Redevelopment Area; provided, however, the Corporation and the Developer may not assign its rights under this Agreement except in accordance with the provisions of Section 6.02.

Section 6.02 Right to Transfer the Redevelopment Area.[te "Section 6.02 Right to Transfer the Redevelopment Area" \f C \l 3]

(a) Transfer. Subject to the provisions of subsection (c) below, the Developer may voluntarily sell, lease, assign, transfer, convey and/or otherwise dispose of (hereinafter collectively referred to as a "Transfer") its interest in the Redevelopment Area or any portion thereof to any entity without the City's prior written consent, if the transferor provides written notice to the City within thirty (30) days following such Transfer. Upon a Transfer, unless otherwise expressly elected by the transferor, all of the transferor's rights and obligations hereunder with respect to the subject property, including, without limitation, those concerning construction, maintenance, use, tax abatement and the payment of
PILOTs, shall transfer to such transferee, and the transferor shall be released from any and all further obligations under this Agreement with respect to the subject property.

(b) Assignment by Developer. The Developer may assign its rights and obligations under this Agreement with the consent of the City, which consent shall not be withheld so long as the proposed assignee provides evidence to the City Attorney’s satisfaction that it will satisfy the requirements of Section 2.07 and Section 6.10 at the time of assignment.

(c) Transfer to Third Party Prior to Completion of Construction. If the proposed Transfer (1) is to a party other than the Corporation or an Affiliate and (2) occurs before the City’s acceptance of a Certificate(s) of Substantial Completion, then such Transfer shall be subject to the requirements of subsection (d) below and to the City’s prior written consent (which consent shall not be unreasonably withheld or delayed upon a reasonable demonstration that the proposed transferee is sufficiently experienced and financially capable to undertake and complete the Redevelopment Project). In the event of any Transfer under this Subsection, all rights and obligations of the transferor hereunder with respect to the subject property, including, without limitation, those concerning construction, maintenance, use, tax abatement and the payment of PILOTs, shall transfer to the transferee, and the transferor shall be released from any and all further obligations under this Agreement with respect to the subject property.

(d) Transferee Agreement. For all Transfers under subsection (c) above, the transferor shall require the proposed transferee to execute a Transferee Agreement with the City in substantially the form attached as Exhibit D. No such Transfer shall occur without the prior execution of a Transferee Agreement with the City. The parties agree that the intention of each Transferee Agreement is to protect the transferee and the City by ensuring that transferees of property within the Redevelopment Area receive actual notice of the rights, duties and obligations contained in this Agreement prior to taking ownership, and nothing contained in a Transferee Agreement that is in accordance with Exhibit D shall be deemed to impose any rights, duties or obligations that are not imposed pursuant to this Agreement.

(e) Financing. Notwithstanding anything herein to the contrary, the City hereby approves, and no prior consent or Transferee Agreement shall be required in connection with, the right of a party to encumber or collateral assign its interest in the Redevelopment Area or any portion thereof or its rights and interests in this Agreement to secure loans, advances or extensions of credit to finance or from time to time refinance all or any part of the Redevelopment Project costs, or the right of the holder of any such encumbrance or transferee of any such collateral assignment (or trustee or agent on its behalf) to transfer such interest by foreclosure or transfer in lieu of foreclosure under such encumbrance or collateral assignment; provided that all entities lending credit to such party that will obtain a secured interest in the party’s interest in such portion of the Redevelopment Area and Redevelopment Project, through a mortgage, deed of trust or other security interest, will subordinate their rights and interests under such mortgage, deed of trust or other security interest to the payment of the PILOTs in the same manner as if such PILOTs were real taxes.

Section 6.03 Indemnification and Hold Harmless(to "Section 6.03 Indemnification and Hold Harmless " \% C \% 3).

(a) The indemnification and covenants contained in this Section shall survive expiration or earlier termination of this Agreement.

(b) The Developer hereby agrees that, anything to the contrary herein notwithstanding, it will defend, indemnify and hold harmless the City, its governing body members, employees and agents against any and all claims, demands, actions, causes of action, loss, damage, injury, liability and/or expense
(including attorneys' fees and court costs) resulting from, arising out of, or in any way connected with (i) the Developer's or the Corporation's failure to comply with any provision of this Agreement, (ii) the negligence or intentional misconduct of the Developer, the Corporation or an Affiliate, or their respective officers, employees and agents, (iii) the presence of hazardous wastes, hazardous materials or other environmental contaminants on any property within the Redevelopment Area, or (iv) otherwise arising out of the construction of the Redevelopment Project, the adoption of the Development Plan or the administration of this Agreement. If the validity or construction of the Act, the Approving Ordinance and/or any other ordinance of the City adopted in connection with this Agreement or the Development Plan or affecting the proposed Redevelopment Project are contested in court, the Developer shall defend, hold harmless and indemnify the City from and against all claims, demands and/or liabilities of any kind whatsoever including, without limitation, any claim for attorney fees and court costs, and the Developer shall pay any monetary judgment and all court costs rendered against the City, if any.

(c) Notwithstanding anything herein to the contrary, the City shall not be liable to the Developer or the Corporation for damages or otherwise if all or any part of the Act, the Approving Ordinance and/or any other ordinance of the City adopted in connection with this Agreement, the Development Plan or the Redevelopment Project is declared invalid or unconstitutional in whole or in part by the final (as to which all rights of appeal have expired or have been exhausted) judgment of any court of competent jurisdiction.

(d) Notwithstanding the foregoing terms of this Section, the Developer is not obligated to defend, hold harmless or indemnify the City with respect to any matter or expense resulting from or arising out of the gross negligence or willful misconduct of the City.

Section 6.04 Notice{tc "Section 6.04Notice" \M C \N 3}. Whenever notice or other communication is called for herein to be given or is otherwise given pursuant hereto, it shall be in writing and shall be personally delivered or sent by registered or certified mail, return receipt requested, addressed as follows:

(a) In the case of the City, to:

City of Rolla
901 N. Elm Street
P.O. Box 979
Rolla, Missouri 65402
Attention: City Administrator

with a copy to:

Gilmore & Bell, P.C.
One Metropolitan Square
211 N. Broadway, Suite 2350
St. Louis, Missouri 63102
Attention: Mark D. Grimm

(b) In case of the Developer, to:

Rolla Maryland LLC
c/o Sansone Group
120 S. Central Avenue, Suite 500
St. Louis, Missouri 63105
Attention: Tim Sansone

with a copy to:

Skyline LLC
7000 Orkney Parkway, Suite 100
Bethesda, Maryland 20817
Attention: Robin Saloman

(c) In case of the Corporation, to:

Rolla Preservation Redevelopment Corporation
c/o Sansone Group
120 S. Central Avenue, Suite 500
St. Louis, Missouri 63105
Attention: Tim Sansone

with a copy to:

Skyline LLC
7000 Orkney Parkway, Suite 100
Bethesda, Maryland 20817
Attention: Robin Saloman

All said notices by mail shall be deemed given on the day of deposit in the mail. A change of designated officer or address may be made by a Party by providing written notice of such request to the other party.

Section 6.05 Severability [tc "Section 6.05 Severability ‗‗∀ C ∀ 3]. The provisions of this Agreement shall be deemed severable. If any provision of this Agreement is found by a court of competent jurisdiction to be invalid, the remaining provisions of this Agreement shall remain valid unless the court finds that the valid provisions are so essentially and inseparably connected with and so dependent upon the invalid provision that it cannot be presumed that the parties hereto would have agreed to the valid provisions of this Agreement, or unless the court finds the valid provisions, standing alone, are incomplete and incapable of being executed in accordance with the intent of the Parties.

Section 6.06 Governing Law [tc "Section 6.06 Governing Law ‗‗∀ C ∀ 3]. This Agreement shall be governed by and construed in accordance with the laws of the State of Missouri.

Section 6.07 Developer’s Right of Termination [tc "Section 6.07 Corporation’s Right of Termination" ∀ C ∀ 3]. At any time the Developer may, by giving written notice to the City and the Corporation, terminate this Agreement. Upon termination of this Agreement, the Parties shall have no further rights or obligations hereunder except as may expressly survive termination.

Section 6.08 Counterparts [tc "Section 6.08 Counterparts" ∀ C ∀ 3]. This Agreement may be executed in several counterparts, each of which shall be an original and all of which together shall constitute one and the same instrument.

Section 6.09 Reimbursement of City Expenses. [tc "Section 6.09 Reimbursement of City Expenses" ∀ C ∀ 3] The Developer shall reimburse the City or cause reimbursement to the City for the
City's reasonable and actual expenses incurred by the City in connection with the approval and administration of the Development Plan and this Agreement.

Section 6.10 Federal Work Authorization Program. The Developer and any subsequent owner receiving tax abatement will comply with and satisfy the requirements of Section 285.530.2, RSMo., which requires (a) any business entity receiving tax abatement to, by sworn affidavit and provision of documentation, annually affirm its enrollment and participation in a federal work authorization program with respect to the employees working in connection with the business entity receiving tax abatement, and (b) every such business entity to annually sign an affidavit affirming that it does not knowingly employ any person who is an unauthorized alien in connection with the entity receiving tax abatement. The Developer or subsequent owner shall provide such affidavit and documentation to the City upon execution of this Agreement and annually on or before November 15 of each year during the term of this Agreement, beginning November 15, 2017.

Section 6.11 Recording. The Developer shall, within 30 days of execution, record this Agreement in the real property records of the Phelps County Recorder of Deeds and upon such recording shall provide a copy to the City.

[Remainder of page intentionally left blank. Signature pages to follow.]
IN WITNESS WHEREOF, the Parties have set their hands and seals the day and year first above written.

CITY OF ROLLA, MISSOURI

(SEAL)

By: ________________________________
   Louis J. Madgits, IV
   Mayor

Attest:

______________________________
Carol Daniels
City Clerk

STATE OF MISSOURI    )
   ) SS
COUNTY OF PHELPS    )

On this ___ day of __________, 2016, before me appeared LOUIS J. MADGITS, IV to me personally known, who, being by me duly sworn, did say that he is the Mayor of the CITY OF ROLLA, MISSOURI, an incorporated political subdivision of the State of Missouri, and that the seal affixed to the foregoing instrument is the seal of said City, and said instrument was signed and sealed in behalf of said City by authority of its City Council, and said LOUIS J. MADGITS, IV acknowledged said instrument to be the free act and deed of said City.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal in the County and State aforesaid, the day and year first above written.

______________________________
Name:
Notary Public – State of Missouri
Commissioned in ________________

(SEAL)

My Commission Expires:

-12-

IA 57
ROLLA MARYLAND LLC

By: ___________________________
Name: ___________________________
Title: ___________________________

STATE OF MISSOURI )
COUNTY OF ST. LOUIS )

On this ___ day of __________, 2016, before me appeared ____________, to me personally known, who, being by me duly sworn, did say that he is the ___ of ROLLA MARYLAND LLC, a Missouri limited liability company, and that he is authorized to sign the foregoing instrument on behalf of said limited liability company, and acknowledged to me that he executed the within instrument as said limited partnership’s free act and deed.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal in the County and State aforesaid, the day and year first above written.

(SEAL)

My Commission Expires:

Notary Public

[Development Agreement]
STATE OF MISSOURI  
COUNTY OF ST. LOUIS  

On this ___ day of ________, 2016, before me appeared ________, to me personally known, who, being by me duly sworn, did say that he is the ________ of the Rolla Preservation REDEVELOPMENT CORPORATION, a Missouri redevelopment corporation, and that he is authorized to sign the foregoing instrument on behalf of said redevelopment corporation, and acknowledged to me that he executed the within instrument as said redevelopment corporation’s free act and deed.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal in the County and State aforesaid, the day and year first above written.

(SEAL)

My Commission Expires:


Notary Public

[Development Agreement]
EXHIBIT A

LEGAL DESCRIPTION OF THE REDEVELOPMENT AREA

{tc "Exhibit A - Legal Description of the Area" \n \l 3 \f C}
EXHIBIT B
DESCRIPTION OF WORK

H.B.D. CONSTRUCTION, INC.
5517 Manchester Avenue
Saint Louis, Missouri 63110
314-781-8000  Fax 314-781-5214
www.HBDgc.com

July 6, 2016

Skyline LLC
Attn: Robin Salomon
7000 Orkney Parkway
Suite 100
Bethesda MD 20817

RE: The Rolla Apartments
1101 McCutchen Drive, Rolla, MO 65401
robin.salomon@yournet.net

Dear Robin,

We are providing the following recap of the significant work items to be performed at The Rolla Apartments. We emphasize these are significant items and certainly not a conclusive list of all the work to be performed. With 150 apartment units and 119,000 sf overall, there is a lot to be improved. We have listed these items in the following major work categories: Exterior Site Work, Exterior Building Structure, Interior Building Common Spaces and Apartment Units.

Exterior Site Work
• Provide tree trimming, over seeding, removing stumps & regrading for better site drainage.
• Provide added landscape rock at the 1st floor apartment unit planters.
• Mill the existing asphalt parking lot as required, remove & replace failed asphalt, overlay lot with 2" of asphalt & stripe.
• Provide new gazebo with a new lighted walkway.
• Provide new concrete approaches for building's 1 & 4's entry vestibules.
• Reconstruct two new trash enclosures in the parking lot.
• Re-bulb the parking light fixtures with LED bulbs. Add 20 LED wall pack fixtures at the backsides of the property. Provide new deck light fixtures.
• Repair and/or shuffle board
• New exterior signage at entrance & back of property
• Repaint the six (6) exterior light poles.

Exterior Building Structure
• Remove and replace all exterior deck floor boards and railings and replace with new composite deck boards and composite railings. Flash all decks as required.
• Repaint the patio doors in 86 apartment units per the Rehab Check list dated 7/12/2016.
• Power-wash the viny siding and trim and re-secure any loose materials.
• Remove the pitched roofs and replace with new shingles. Replace all aluminum gutters and downspouts.
• Remove and replace the rusted exterior stairwell and service entry doors

"Exhibit B – Description of Work"

I.A.61.
• Provide new aluminum entries at three of the buildings including new aluminum storefronts & doors, automatic door operators, a card access entry system and new concrete approaches at buildings 1 & 4.
• Provide a new 40’ long awning between the drive up curb and the main front entry door.
• Power-wash the soiled exterior masonry.

**Interior Building Common Spaces**
• Provide new 3½” casings around all apartment unit entry doors and finish.
• Install drywall expansion joints in the corridors & common spaces to minimize cracking.
• Construct a 16’ buffet line and 12’ buffet island in the community room.
• Provide a new acoustical ceiling in the community room.
• Replace and relocate the mailboxes.
• Replace the lavatories, sink faucets & lighting in the public restrooms. Also, provide new toilet accessories and repaint the restrooms.
• Modernize the three existing elevators with new microprocessor controls, new leveling systems, new power units, new door operators, new cars, new hall fixtures and new wiring. This modernization includes upgrading the Fireman’s Service to meet current code.
• Remove the common building hot water heater which is incorrectly located by the electrical box and install a new water heater in the 2nd floor laundry room.
• Upgrade and enhance the HVAC system’s operation in the common areas, corridors and community room. Provide new exhaust fans in the 1st floor public restrooms.
• Repaint the common areas. Use two-tone paint pattern or add “chair rail” wall paper to break up monotone color.
• Upgrade the interior building signage for better visibility.
• Provide new exit/emergency lighting with battery backup throughout the building.
• Expand and refurbish the management offices.

**Apartment Units**
• Caulk the windows for better thermal protection.
• Provide new bathroom vinyl plank flooring and substrates, as needed, in all 150 apartment units.
• Patch drywall at the windows in the 7 apartment units identified in the Rehab Check List dated 7/1/2016, as needed and spot paint.
• Replace bathroom sinks with vanities and cultured marble tops in 134 units. The ADA unit sinks will necessarily remain.
• Provide upgrades as needed to replace kitchen cabinets in 17 apartment units, countertops in 147 apartment units, and provide cabinet pulls, and replace flooring in all 150 apartment units per the Rehab Check List dated 7/1/2016.
• Provide 107 new refrigerators, 137 ranges, and 148 range hoods per the Rehab Check List dated 7/1/2016. Additionally, provide new counter top microwaves in all 150 apartment units.
• Provide new ADA elongated toilets in 88 apartment units per the Rehab Check List dated 7/1/2016.
• Provide all new blade style faucets at kitchen sinks, vanities and the ADA wall hung sinks.
• Provide 251 new PTAC units and 202 wall sleeves in the apartment units indicated per the Rehab Check List dated 7/1/2016.
• Provide 56 new power ventilators to move temperate air into the bedrooms identified in the Rehab Check List dated 7/1/2016.
• Provide new exterior disconnects and meter bases for all units.
• Re-bulb the existing light fixtures with LED or CFL lamps.
• Replace 60 hot water heaters in 60 apartment units per the Rehab Check List dated 7/1/2016.
• Provide new smoke detectors in apartment unit hallways and bedrooms.
• Upgrade the Nurse Call System in all units to include monitoring. There are two pulls per unit which will be replaced with corded transmitters, hallway repeaters and a central computer which will be monitored by onsite management and/or 3rd party remote monitoring.
• Perform minor ceramic tile and grout work in 16 roll in showers
• Replace unit signage.

We trust this outlines the significant work items and how the landlord, tenants and maintenance staff will benefit once these improvements are complete.

Please me if additional information is needed.

Thank you

Steven C. Misko, P.E.
Vice President
HBD Construction Inc.
5537 Manchester Avenue | St. Louis, MO 63110
smisko@HBDgc.com | www.HBDgc.com

cc: Tim Sansone – Sansone Group
Greg Kuhl – Sansone Group
EXHIBIT C

FORM OF CERTIFICATE OF SUBSTANTIAL COMPLETION
{tc "Exhibit C - Form of Certificate of Substantial Completion" m \ 3 \ f C}
IN WITNESS WHEREOF, the undersigned has hereunto set his/her hand this ___ day of ________, 20__.

ROLLA MARYLAND LLC

By: __________________________________________
Name: ________________________________________
Title: __________________________________________

ACCEPTED:

CITY OF ROLLA, MISSOURI

By: ________________________________________
Mayor

(Inset Notary Form(s) and Legal Description)
EXHIBIT D

FORM OF TRANSFEEERE AGREEMENT

{tc "Exhibit D - Form of Transferee Agreement" t n l 3 l C}

This TRANSFEEERE AGREEMENT ("Transferee Agreement") is entered into this ___ day of ____________, 20__, by and between the CITY OF ROLLA, MISSOURI (the "City") and ____________, a ______ corporation ("Transferee").

RECITALS

A. The Redevelopment Area (as defined in the hereinafter defined Development Agreement) to be purchased by Transferee and legally described in Exhibit A attached hereto (the "Redevelopment Project") is part of the Redevelopment Project described in the 1101 McCutcheon Drive Development Plan (the "Development Plan") approved by the City pursuant to Ordinance No. ___ adopted by the City Council on __________, 2016 (the "Approving Ordinance").

B. The Redevelopment Area and the Redevelopment Project are subject to that certain Development Agreement for the 1101 McCutcheon Drive Redevelopment Area dated as of __________, 2016 (the "Development Agreement") among the City, Rolla Maryland LLC (the "Developer") and the [_________] Redevelopment Corporation, which Development Agreement was recorded in the Phelps County Recorder of Deeds Office on __________, 2016, as Document No. ___.

C. Section 6.02 of the Development Agreement requires, as a condition precedent to certain transfers of the Redevelopment Area, that the proposed transferee enter into and deliver to the City this Transferee Agreement, obligating the Transferee to comply with the requirements of the Development Plan and the obligations of the Developer under the Development Agreement.

D. The parties desire to enter into this Transferee Agreement in order to satisfy the conditions precedent set forth in Section 6.02 of the Development Agreement.

NOW, THEREFORE, for and in consideration of the promises and the covenants entered herein, City and Transferee agree as follows:

1. The Transferee has entered into a purchase contract with the Developer, or an authorized successor and assign, pursuant to which the Transferee will acquire the Redevelopment Area.

2. The Transferee acknowledges that it has been provided with and/or has reviewed the Approving Ordinance and the Development Agreement.

3. The Transferee acknowledges and agrees that its acquisition, use and enjoyment of the Redevelopment Area and any future disposition of the Redevelopment Area are subject to the terms of the Development Agreement.

4. The Transferee acknowledges that in the event of the sale, lease, sublease, assignment, or other voluntary or involuntary disposition of the Redevelopment Area, the obligations of the Development Agreement shall continue and shall inure to and be binding upon the heirs, executors, administrators, successors and assigns of the respective subsequent transferees as if they were in every case specifically named and shall be construed as a covenant running with the land and enforceable as if such purchaser, tenant, transferee or other possessor thereof were originally a party to and bound by the Development Agreement. The Transferee assumes the duty to notify any purchaser, tenant, transferee or
other possessor of the Redevelopment Project of its rights, duties and obligations under the Development Agreement.

5. The parties agree that the intention of this Transferee Agreement is to ensure that Transferee has actual notice of the rights, duties and obligations contained in the Development Agreement prior to taking ownership of the Redevelopment Area, and nothing contained in this Transferee Agreement shall be deemed to impose any rights, duties or obligations that are not imposed pursuant to the Development Agreement.

6. This Transferee Agreement shall be governed by the laws of the State of Missouri.

IN WITNESS WHEREOF, the parties hereto have set their hands and seals the day and year first above written.

CITY OF ROLLA, MISSOURI

(SEAL)

Attest:

Mayor

City Clerk

[TRANSFEREE]

By:

Name:

Title:

D-2
NOTICE OF PUBLIC HEARING

Public notice is hereby given that the Rolla City Council will hold a public hearing in the Council Chambers at City Hall, 901 N. Elm Street, Rolla, Missouri 65402, on Tuesday, September 6, 2016, commencing at 6:30 p.m., regarding the proposed issuance by The Industrial Development Authority of the City of Rolla, Missouri (the "Authority") of its housing revenue bonds in the maximum principal amount of not to exceed $7,500,000, for the purpose of making a loan to Rolla Preservation L.P., a Missouri limited partnership (the "Partnership"), to finance a portion of the costs of the acquisition and rehabilitation of a 150-unit apartment project known as Rolla Apartments, located at 1101 McCutchen Street in the City of Rolla, Phelps County, Missouri (the "Project"). The Partnership is expected to be the owner and operator of the Project.

The hearing will be open to the public. All interested persons may attend the hearing and will have an opportunity to express their views with respect to the Project, including the location and nature of the proposed facilities and the issuance of bonds by the Authority to pay the costs thereof. Written comments with respect to the Project may also be submitted to the undersigned prior to the hearing. Additional information regarding the proposed Project and the bond issue may be obtained in advance of the hearing from the undersigned. The City makes reasonable accommodations for any known disability that may interfere with a person’s ability to participate in public meetings. Persons needing an accommodation must notify the City, by telephone or in writing, no later than five days prior to the hearing to allow adequate time to make needed arrangements.

Dated this 16th day of August, 2016.

John Butz, City Administrator
The City of Rolla, Missouri
901 N. Elm Street
Rolla, Missouri 65402

I A 70
CITY OF ROLLA
CITY COUNCIL AGENDA

DEPARTMENT: Community Development  ACTION REQUESTED: First Reading

ITEM/SUBJECT: Request to Rezone Real Estate located at 4030 Hy Point North from M-2 (Heavy Manufacturing District) zoning to M-1 (Light Manufacturing District) zoning.

(MO-SCI)

DATE: August 15, 2016

GENERAL INFORMATION:

CASE #: 7-12-2016

APPLICANT/STATUS OF APPLICANT: The subject property is located between Hy Point Industrial Park North Plat No 2 and Hy Point East No. 1 owned by MO-SCI and is subject to the terms and conditions as specified in the attached Application for Rezoning of Real Estate and the General Warranty Deed reflecting ownership of said property and signed on behalf of the applicant. Email address: tday@MO-SCI.com  Phone: (573) 364-2338.

CURRENT ZONING/LAND USE: The subject property is zoned M-2 (Heavy Manufacturing District) zoning which does not permit residential or commercial development. The site consists of 86,249 sq. ft. (1.98 acre) and contains one manufacturing building totaling an estimated 20,105 sq. ft. The highest and best use of this property is manufacturing given scale of the adjoining industrial development.

LOCATION OF RE-ZONING: MO-SCI is located at 4030 Hy Point North. The Assessor’s Account Number (3342.09) for this development, can also be used to identify the exact position of a given property. See the attached map and legal description.

SURROUNDING ZONING/LAND USE:

North --- M-2 / Heavy manufacturing / vacant
South --- M-1 / manufacturing
East --- M-2 / manufacturing
West --- M-1 / manufacturing

PROJECT DESCRIPTION: The applicant intends to expand an existing industrial building located at 4030 Hy Point North. To accomplish this goal under current zoning law, as found in Rolla’s Planning and Zoning Code, will require a reduction of the side yard along the south side of the parcel to accommodate this building configuration. M-2 zoning requires a minimum of 20 feet for side yards while M-1 requires only 15 feet. This is the reason for the Rezoning request, to provide adequate space.
FINDINGS: The Rolla Planning and Zoning Commission may consider the following factors in their recommendation to approve or approve with conditions or deny the re-zoning request:

1. **Neighborhood character/impact:** The proposed project will not negatively impact the character of the surrounding industrial park. The area to the south of the subject property is zoned M-1 and is developed with industrial uses. The property to the west is developed and consists of additional manufacturing land use. The property to the east is under development is vacant and heavily wooded.

2. **Consistency with the Rolla 2020 Comprehensive Plan Update:** The Future Land Use Map found in the Rolla 2020 Comprehensive Plan Update adopted by City Council in 2006 shows the subject property as being suitable for manufacturing land use.

   The Rolla 2020 Future Land Use Map is not intended to remain static or unchanged over time, but should be revised by the Planning and Zoning Commission and the City Council to reflect changing development trends and growth opportunities if considered desirable. The future land use map and text did address policy regarding the importance of infill development and redevelopment stating: "The City will encourage infill Development on vacant or underutilized parcels where infrastructure and public services are readily available...." The proposed project meets this policy guideline.

3. **Adequacy of Utilities & Public Services:** All public utilities and services are available to the subject property to support the development as outlined in this report. The site is clearly located within the service area of the Rolla Fire Department.

4. **Impact on Streets and Parking:** The proposed development will generate little additional vehicular traffic volume. The developer will be required to provide off-street parking spaces of sufficient number to meet all planning needs for employees.

   **Physical Characteristics:** The subject property drains mostly to the south. No part of the property proposed for re-zoning is located within an identified 100 year flood plain. Due to the size of development the developer will be required to provide storm water improvement plan and an erosion control/sediment plan that would apply during construction. The topography over much of the site will complicate development.

5. **Suitable for Re-Zoning:** The subject property as described in this report is suitable for rezoning from M-2 district zoning to M-1 district zoning to satisfy development standards as to setbacks.

PUBLIC COMMENT/ISSUES: The proposed rezoning was advertised in the RDN on July 23/24, 2016. Notice was sent to adjoining property owners within 185°. A public hearing was scheduled and was held before the Planning and Zoning Commission on August 9, 2016. City Council conducted its public hearing on August 15, 2016.

I.B.2.
APPLICATION FOR REZONING OF REAL ESTATE

Submit to:
Community Development Department
PO Box 979 901 North Elm St
Rolla, MO 65402 Rolla, MO 65401
Phone: 573-364-5333 Fax: 573-426-6978

Applicant’s Name: Ted Day
Address: 4050 Hypoint North
Phone Number: 573-364-2338
E-mail address: TedDay@mo-sc.com
Address of subject property: 4050 Hypoint North

The undersigned hereby state they are the legal owner(s) or have a financial or contractual interest in the real estate described herein (legal description must be printed below or attached as an exhibit): Attached

Current zoning is: M-2 Proposed zoning is: M-1
Current land use is: Light Manufacturing Proposed land use is: Light Manufacturing Warehouse

A check for $62.50, payable to the Rolla Daily News for advertising, will be provided when this application is filed.

Signatures of the owner(s) or those parties with financial or contractual interest in the above described real estates. (All signatures must be notarized.)

Type or print name: Thomas E. Day
Signature:

Type or print name:
Signature:

Type or print name:
Signature:

Subscribed and sworn before me this ___ day of ___ in the year 20___.

Notary Public

An Equal Opportunity Employer
TO: Rolla Daily News

FROM: John Petersen, Community Development Department
DATE: July 20, 2016
FOR PUBLICATION: July 23/24, 2016

Please publish the attached public hearing notice in your July 23/24, 2016 edition of the Rolla Daily News. The proof of publication and invoice should be sent to my attention at the City of Rolla, P.O. Box 979, Rolla, Missouri 65402 in the amount of $62.50 to cover publication costs. If you have questions, please contact me at 426-6970. Thank you.

Notice of Public Hearing

A public hearing will be held by the Rolla Planning and Zoning Commission on Tuesday, August 9, 2016 at 5:30 pm in the Rolla City Council Chambers/City Hall, 901 N. Elm Street and by the Rolla City Council on Monday, August 15, 2016, at 6:30 pm in the Rolla Council Chambers at Rolla City Hall. The hearings will be held to consider rezoning the real estate located at 4030 Highpoint North from M-2 (Heavy Manufacturing District) zoning to M-1 (Light Manufacturing District) zoning. At the public hearing(s) any person may present evidence regarding the proposed rezoning. Any objections to the request should be filed with the Rolla Community Development Department. For more information, please call 573-426-6970.
Request to Rezone Real Estate located at 4030 Hy Point North from M-2 (Heavy Manufacturing District) Zoning to M-1 (Light Manufacturing District) Zoning (MO-SCI)

Zoning Classification

NZ - No Zone
C-O - Office District
C-1 - Neighborhood Business District
C-2 - General Retail District
C-3 - Highway Commercial District
M-1 - Light Manufacturing
M-2 - Heavy Manufacturing
GI - Government and Institutional
CC - Center City
R-1 - Single Family District
R-2 - Two Family District
R-3 - Multi-Family District
R-R - Rural Residential District
PUD - Planned Unit Development
ORDINANCE NO. __________

AN ORDINANCE REZONING PROPERTY LOCATED AT 4030 HYPOINT NORTH FROM M-2
(HEAVY MANUFACTURING DISTRICT) TO M-1 (LIGHT MANUFACTURING DISTRICT)
ZONING. (MO-SCI)

WHEREAS, a petition was duly filed requesting that the Basic Zoning ordinance of the City of
Rolla, Missouri be amended so as to change the class of the real property hereinafter described; and

WHEREAS, a public notice was duly published on July 23, 2016 in the Rolla Daily News for this
rezoning according to law which notice provided that a public hearing would be held at Rolla City Hall,
901 N. Elm, in the City of Rolla, Missouri; and

WHEREAS, the City of Rolla Planning and Zoning Commission met on August 9, 2016 at 5:30
p.m. The Planning and Zoning Commission recommended the City Council approve the rezoning of the
subject property as proposed by the applicant; and

WHEREAS, the City Council, during its August 15, 2016, meeting, conducted a public hearing
concerning the proposed rezoning and heard the first reading of the subject ordinance;

WHEREAS, after consideration of all the facts, opinions, and evidence offered to the City
Council at the hearing by those citizens favoring said change of zoning and by those citizens opposing
said change in zoning, the City Council found that the proposed rezoning would promote public health,
safety, morals, and the general welfare of the City of Rolla, Missouri, and would be for the best interest of
said City.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF
ROLLA, MISSOURI, AS FOLL OWS:

SECTION 1: That the Basic Zoning Ordinance No. 3414, Chapter 42 of the Code of the City
of Rolla, Missouri, which said zoning ordinance adopts zoning regulation, use districts and a zoning map
in accordance with a comprehensive plan, be and the same is hereby amended by changing the zoning and
classification of the following property situated within the City of Rolla, Missouri, and described as
follows: 4030 Hy Point North shall be rezoned from M-2 (Heavy Manufacturing District) to M-1 (Light
Manufacturing District).

SECTION 2: This ordinance shall be in full force and effect from and after the date of its
passage and approval by City Council. Building permits may not be issued by the Community
Development Department until the rezoning has been approved for the subject property.

PASSED BY THE CITY COUNCIL OF THE CITY OF ROLL A, MISSOURI AND APPROVED BY
THE MAYOR THIS 15TH DAY OF AUGUST 2016.

APPROVED:

__________________________
Mayor

ATTEST:

__________________________
City Clerk

APPROVED AS TO FORM:

__________________________
City Counselor

[Signature]
CITY OF ROLLA
CITY COUNCIL AGENDA

DEPARTMENT: Community Development

ACTION REQUESTED: First Reading

ITEM/SUBJECT: Request to recommend the rezoning of real estate located in Section 10, Township 37 North Range 8 West in the City of Rolla from R-1 (Single Family District) zoning and C-2 (General Retail District) zoning to C-3 (Highway Commercial District) zoning.

(Westside Marketplace 2)

DATE: August 15, 2016

GENERAL INFORMATION:

Case #: 7-11-2016


STATUS OF APPLICANT: The applicant owns the property and is working to prepare the property for rezoning and commercial development.

ENGINEER OF RECORD: Smith & Co. Surveyors, 901 Vine Street: P.O. Box 72, Poplar Bluff, Missouri 63902, (573) 785-9621 FAX (573) 785-2651, WWWSHSMITHCO.COM

CURRENT ZONING/USE: The subject property has mixed zoning including R-1 (Single Family District) zoning and C-2 (General Retail District) zoning, which does not allow residential land use. The property has been cleared of its vegetative cover and is currently undeveloped.

PROPOSED USE: The applicant is proposing to subdivide the total site property to provide up to 6 lots. Lot 4, consisting of 20.39 acres, is the location of the proposed large retail establishment/building. Lot 5, with 15.36 acres, is set aside for up to 4 smaller attached commercial establishments. Lot 3 consists entirely of public right-of-way with 23.73 acres. Lot 1 (14.14 acres) and Lot 2 (20.46 acres) will be available for future commercial expansion and public/private open space. In order for the development to occur as proposed by the developers, the entire site must be rezoned to C-3 highway commercial which permits all mercantile activity, excluding residential use.

LOCATION: The property is located at the junction of the Old Wire Outer Road and Interstate 44. The location may be easier to determine using the County Assessor Account Number (9560).

TRACT SIZE: The subject property is approximately 81.31 acres divided into six lots. Total site area is 3,541,863 sq. ft. The Site Plan for the Westside Market Place limits lot coverage to 40% of the total site (1,416,745 sq. ft.). The project area has sufficient space to easily accommodate the 40% lot coverage.
standard. This project meets all setback requirements and satisfies the 25% open space requirement. (885,465 sq. ft.).

**PUBLIC COMMENT/ISSUES:** No significant issues were raised by the Development Review Committee Members. All necessary changes mentioned by staff were completed.

**COMMISSION REVIEW AND RECOMMENDATION:** It is the Planning & Zoning Commissions recommendation that the City Council should approve the proposed rezoning of the Westside Marketplace 2 – to the City Council.

**SURROUNDING ZONING:**
- North --- No Zone / mostly vacant
- South --- Mixed R-1 & C-2 zoning/partially developed
- East --- Commercial & institutional uses/developed
- West --- No Zone/ Vacant Right-of-way

**ZONING HISTORY:** There is no recent zoning history for the subject property.

**FINDINGS:** The Rolla Planning and Zoning Commission may consider the following factors in their recommendation to approve or approval with conditions or deny the rezoning request.

1. **Neighborhood character/impact:** This rezoning will not adversely impact the character of the adjoining area district because of the existing mixture of residential and commercial land use. This rezoning should aid in the development of the Westside Marketplace 2 which could offer significant advantages for Rolla concerning the attraction of new investment to the area that will boost commercial growth that will expand public revenue to build infrastructure and support growth.

2. **Consistency with the 2020 Comprehensive Plan Update:** This rezoning is consistent with the Future Land Use Map and the policies of the Rolla 2020 Comprehensive Plan Update that supports the development of commercial development in the Urban Growth Area (UGA) adjacent to Rolla. Development further supports private sector investment to promote revitalization and promote growth in Rolla.

The Rolla 2020 Future Land Use Map is not intended to remain static or unchanged over time, but should be revised by the Planning and Zoning Commission and the City Council to reflect changing development trends and growth opportunities if considered desirable. The future land use map and text did address policy regarding the importance of infill development and redevelopment stating: "The City will encourage infill Development on vacant or underutilized parcels where infrastructure and public services are readily available..." The proposed commercial project meets this policy guideline.

I. L. 2.
3. **Adequacy of utilities & public services:** All utilities and services are available to the subject property sufficient to support commercial development of the type and scale proposed for the Westside Marketplace.

4. **Impact on streets and parking:** The project’s development will generate demand to increase traffic flow around the project area and to mandate the provision of sufficient off-street parking. The roads that are planned to serve the development of this project site will be constructed so as to address the growing traffic flow resulting from development. The Transportation Development District (TDD) will be responsible to build transportation improvements, including arterials serving the project area with the capacity to move as many as 10,000 vehicles per day through the shopping area. The developers have indicated that parking requirement of an estimated 420 parking spaces would be sufficient to meet need.

5. **Physical characteristics:** The development area has a significant problem with topography which will require extreme measures to prepare access to the site and adjoining neighborhood.

6. **Suitability for development if rezoned:** The subject property is suitable for commercial development as proposed. The grading plan forwarded by the developer reflects the need for extensive grading to permit development to progress.

**PUBLIC COMMENT / ISSUES:** The proposed zoning was advertised in the RDN on July 23/24, 2016. Property owners within 185’ were notified by mail. No concerns or complaints were voiced during the Commission’s August meeting.

**ATTACHMENTS:** Zoning area map; Affidavit of publication; Property owners in district
APPLICATION FOR REZONING OF REAL ESTATE

Submit to:
Community Development Department
PO Box 979
Rolla, MO 65402
Phone: 573-364-5333

Applicant's Name: UTU ROLLA DEVELOPMENT, LLC
Address: ONE METROPOLITAN SQUARE, SUITE 400, ST. LOUIS, MO 63111
Phone Number: 314-289-8978
E-mail address: JEFFREY.OPO @ DEXTENS.COM
Address of subject property: SOUTHEAST CORNER OF I-44 & RING HIGHWAY

The undersigned hereby state they are the legal owner(s) or have a financial or contractual interest in the real estate described herein (legal description must be printed below or attached as an exhibit): SEE ATTACHED

Current zoning is: R-1/CZ
Proposed zoning is: C-3
Current land use is: VACANT
Proposed land use is: RETAIL

A check for $62.50, payable to the Rolla Daily News for advertising, will be provided when this application is filed.

Signatures of the owner(s) or those parties with financial or contractual interest in the above described real estates. (All signatures must be notarized.)

UTU ROLLA DEVELOPMENT, LLC
Type or print name

Signature

Type or print name

Signature

Type or print name

Signature

Subscribed and sworn before me this 7th day of July in the year 2016.

MARGARET WALL
Notary Public
State of Missouri
St. Louis County
Commission # 13474506
My Commission Expires December 15, 2017

An Equal Opportunity Employer

[Stamp: I.C.4.]
Request to Rezone Real Estate located in Section 10, Township 37 North, Range 8 West in the City of Rolla from R-1 (Single Family District) Zoning & C-2 (General Retail District) Zoning to C-3 (Highway Commercial District) Zoning (Westside Marketplace 2)

Zoning Classification

NZ - No Zone
C-O - Office District
C-1 - Neighborhood Business District
C-2 - General Retail District
C-3 - Highway Commercial District
M-1 - Light Manufacturing
M-2 - Heavy Manufacturing
GI - Government and Institutional
CC - Center City
R-1 - Single Family District
R-2 - Two Family District
R-3 - Multi-Family District
R-R - Rural Residential District
PUD - Planned Unit Development
TO: Rolla Daily News

FROM: John Petersen, Community Development Department

DATE: July 20, 2016

FOR PUBLICATION: July 23/24, 2016

Please publish the attached public hearing notice in your July 23/24, 2016 edition of the Rolla Daily News. The proof of publication and invoice should be sent to my attention at the City of Rolla, P.O. Box 979, Rolla, Missouri 65402 in the amount of $62.50 to cover publication costs. If you have questions, please contact me at 426-6970. Thank you.

Notice of Public Hearing

A public hearing will be held by the Rolla Planning and Zoning Commission on Tuesday, August 9, 2016 at 5:30 pm in the Rolla City Council Chambers/City Hall, 901 N. Elm Street and by the Rolla City Council on Monday, August 15, 2016, at 6:30 pm in the Rolla Council Chambers at Rolla City Hall. The hearings will be held to consider rezoning the real estate located in Westside Marketplace from R-1 (Single Family District) zoning and C-2 (General Retail District) zoning to C-3 (Highway Commercial District) zoning. At the public hearing(s) any person may present evidence regarding the proposed rezoning. Any objections to the request should be filed with the Rolla Community Development Department. For more information, please call 573-426-6970.
AN ORDINANCE REZONING THE PROPERTY LOCATED IN SECTION 10, TOWNSHIP 37 NORTH, RANGE 8 WEST IN THE CITY OF ROLLA FROM R-1 (SINGLE FAMILY DISTRICT) ZONING AND C-2 (GENERAL RETAIL DISTRICT) ZONING TO C-3 (HIGHWAY COMMERCIAL DISTRICT) ZONING. (WESTSIDE MARKETPLACE 2).

WHEREAS, a petition was duly filed requesting that the Basic Zoning ordinance of the City of Rolla, Missouri be amended so as to change the class of the real property hereinafter described; and

WHEREAS, a public notice was duly published on July 23, 2016 in the Rolla Daily News for this rezoning according to law which notice provided that a public hearing would be held at Rolla City Hall, 901 N. Elm, in the City of Rolla, Missouri; and

WHEREAS, the City of Rolla Planning and Zoning Commission met on August 9, 2016 at 5:30 p.m. The Planning and Zoning Commission recommended the City Council approve the rezoning of the subject property as proposed by the applicant; and

WHEREAS, the City Council, during its August 15, 2016, meeting, conducted a public hearing concerning the proposed rezoning and heard the first reading of the subject ordinance;

WHEREAS, after consideration of all the facts, opinions, and evidence offered to the City Council at the hearing by those citizens favoring said change of zoning and by those citizens opposing said change in zoning, the City Council found that the proposed rezoning would promote public health, safety, morals, and the general welfare of the City of Rolla, Missouri, and would be for the best interest of said City.

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

Section 1: That the Basic Zoning Ordinance, Chapter 42 of the Code of the City of Rolla, Missouri, which said zoning ordinance adopts zoning regulations, use districts and a zoning map in accordance with a comprehensive plan, be and the same is hereby amended by changing the zoning classification of the following property situated within the City of Rolla, Missouri, and described as follows: The property located in Section 10, Township 37 North, Range 8 West in the City of Rolla, Missouri shall be rezoned from R-1 (Single Family District) zoning and C-2 (General Retail District) zoning to C-3 (Highway Commercial District) zoning.

Section 2: That Rolla City Code requires the establishment of a buffer yard to screen property zoned R-1 (Single Family District) Zoning and C-2 (General Retail District) zoning when C-3 (Highway Commercial District) zoning is proposed. In this case, the City has already received dedicated open space, including space in the 100-year flood plain, associated with the approval of the University Park Subdivision in 2002. This dedication satisfies the buffer yard requirement.

Section 3: This ordinance shall be in full force and effect from and after the date of its passage and approval by City Council.


APPROVED:

______________________________
Mayor

ATTEST:

______________________________
City Clerk

APPROVED AS TO FORM:

______________________________
City Counselor

I. C. Q.
CITY OF ROLLA
CITY COUNCIL AGENDA

DEPARTMENT: Steffanie D. Rogers
Finance Director

ACTION REQUESTED: Public Hearing/Ordinance – 1st & Final Reading

DATE: August 15, 2016
BUDGET APPROPRIATION: $1.60 M

SUBJECT: Consider Public Hearing & Ordinance Setting 2016 Tax Rate

COMMENTARY:

Council is asked to consider the proposed ordinance establishing the 2016 real estate tax levy for the City of Rolla. State law requires that the tax rates be certified to the County Clerk by September 1. Due to the State time requirements, a first and final reading of the proposed ordinance is requested at this time.

<table>
<thead>
<tr>
<th>Tax Levy Rates</th>
<th>2016</th>
<th>2015</th>
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</thead>
<tbody>
<tr>
<td>General Municipal Purposes</td>
<td>$0.4577</td>
<td>$0.4539</td>
</tr>
<tr>
<td>Public Library Purposes</td>
<td>0.1910</td>
<td>0.1894</td>
</tr>
<tr>
<td>Public Park Purposes</td>
<td>0.1127</td>
<td>0.1118</td>
</tr>
<tr>
<td><strong>TOTAL LEVY</strong></td>
<td><strong>$0.7614</strong></td>
<td><strong>$0.7550</strong></td>
</tr>
</tbody>
</table>

Projected Revenues Budgeted in 2017 For 2016 Assessed Valuation:

<table>
<thead>
<tr>
<th></th>
<th></th>
<th>Increase from current year revenues</th>
</tr>
</thead>
<tbody>
<tr>
<td>General</td>
<td>$30,828</td>
<td></td>
</tr>
<tr>
<td>Library</td>
<td>12,913</td>
<td></td>
</tr>
<tr>
<td>Park</td>
<td>7,558</td>
<td></td>
</tr>
</tbody>
</table>

Staff is recommending a motion to approve the ordinance to set the 2016 tax rates.
ORDINANCE NO. ________

AN ORDINANCE FIXING THE TAX LEVY FOR GENERAL REVENUE, LIBRARY AND PARK BY THE CITY OF ROLLA, MISSOURI, FOR THE YEAR 2016.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF ROLLA, MISSOURI, AS FOLLOWS:

Section 1: There is hereby levied a tax on each and every one hundred dollars ($100.00) assessed valuation of all taxable real property within the corporate limits of the City of Rolla, Missouri, made taxable by law, for the year 2016, the following sums and amounts:

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Municipal Purposes</td>
<td>$0.4577</td>
</tr>
<tr>
<td>Public Library Purposes</td>
<td>0.1910</td>
</tr>
<tr>
<td>Park Purposes</td>
<td>0.1127</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>$0.7614</strong></td>
</tr>
</tbody>
</table>

Section 2: This ordinance shall be in full force and effect from and after the date of its passage and approval.


APPROVED:

ATTEST:

MAYOR

CITY CLERK

APPROVED AS TO FORM:

CITY COUNSELOR

[Signature]
NOTICE OF PUBLIC HEARING

Public Notice is hereby given by the Rolla City Council that a Public Hearing will be held at 6:30 p.m. on Monday, August 15, 2016, in City of Rolla Council Chambers, 901 North Elm Street for the purpose of considering the 2016 tax rates as follow:

For General Municipal Purposes $ 0.4577
For Public Library Purposes $ 0.1910
For Public Park Purposes $ 0.1127

NOTICE OF 2015 AGGREGATE ASSESSED VALUATION

State Assessed Railroad & Utility - Real Estate $ 1,005,479
Local Railroad & Utility - Real Estate 147,820
Real Estate - Residential 120,712,130
Real Estate - Agricultural & Horticultural 172,260
Real Estate - Forest Crop & Mineral Rights 0
Real Estate - Industrial, etc. 89,658,720
State Assessed Railroad & Utility - Personal Property 0
Local Railroad & Utility - Personal Property 0
Personal Property 0

Current Valuation $ 211,696,409
TIF Assessed Valuation $ 1,029,280
Total Current Valuation $ 210,667,129

New Construction $ 3,935,650

NOTICE OF 2016 AGGREGATE ASSESSED VALUATION

State Assessed Railroad & Utility - Real Estate $ 1,050,226
Local Railroad & Utility - Real Estate 154,020
Real Estate - Residential 121,577,860
Real Estate - Agricultural & Horticultural 171,400
Real Estate - Forest Crop & Mineral Rights 0
Real Estate - Industrial, etc. 88,599,760
State Assessed Railroad & Utility - Personal Property 0
Local Railroad & Utility - Personal Property 0
Personal Property 0

Current Valuation $ 211,553,266
TIF Assessed Valuation $ 1,029,280
Total Current Valuation $ 210,523,986

New Construction $ 1,586,410

PROJECTED REVENUE FOR 2016 AGGREGATE ASSESSED VALUATION

General $ 963,478
Library $ 402,033
Park $ 237,314

All persons interested for or against the proposed tax rates may be present at said Public Hearing and will be heard.

Given under my hand and Seal of the City of Rolla, Missouri, this 1st day of August 2016.

Carol Daniels
City Clerk
<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>For General Municipal Purposes</td>
<td>$0.4577</td>
</tr>
<tr>
<td>For Public Library Purposes</td>
<td>$0.1910</td>
</tr>
<tr>
<td>For Public Park Purposes</td>
<td>$0.1127</td>
</tr>
<tr>
<td><strong>Rate per $100.00</strong></td>
<td><strong>$0.7614</strong></td>
</tr>
<tr>
<td>State Assessed Railroad &amp; Utility - Real Estate</td>
<td>$1,050.226</td>
</tr>
<tr>
<td>Local Railroad &amp; Utility - Real Estate</td>
<td>$154.020</td>
</tr>
<tr>
<td>Real Estate - Residential</td>
<td>$121,577.860</td>
</tr>
<tr>
<td>Real Estate - Agricultural &amp; Horticultural</td>
<td>$171.400</td>
</tr>
<tr>
<td>Real Estate - Forest Crop &amp; Mineral Rights</td>
<td>$88,599.760</td>
</tr>
<tr>
<td>Real Estate - Industrial, etc.</td>
<td></td>
</tr>
<tr>
<td>State Assessed Railroad &amp; Utility - Personal Property</td>
<td></td>
</tr>
<tr>
<td>Local Railroad &amp; Utility - Personal Property</td>
<td></td>
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<tr>
<td>Personal Property</td>
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<tr>
<td><strong>Total Current Valuation</strong></td>
<td>$211,553.266</td>
</tr>
<tr>
<td>TIF Assessment</td>
<td>$1,029.280</td>
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<tr>
<td>City Valuation</td>
<td>$210,523.986</td>
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<td><strong>New Construction</strong></td>
<td></td>
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<tr>
<td>Related to RE</td>
<td>$1,586.410</td>
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<tr>
<td>Increase in PP</td>
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<tr>
<td><strong>Annexed Territory</strong></td>
<td>$1,586.410</td>
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<tr>
<td><strong>Distributed Assessed Valuation</strong></td>
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<tr>
<td>General</td>
<td>$963,478</td>
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<tr>
<td>Library</td>
<td>$402,033</td>
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<td>Parks</td>
<td>$237,314</td>
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<tr>
<td><strong>Total</strong></td>
<td>$1,602,826</td>
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<td><strong>Double Check</strong></td>
<td>$1,602,826</td>
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<tr>
<td><strong>Increase/Decrease from Prior Year</strong></td>
<td></td>
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<tr>
<td>General</td>
<td>$30,828</td>
</tr>
<tr>
<td>Library</td>
<td>$12,913</td>
</tr>
<tr>
<td>Parks</td>
<td>$7,558</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$51,298</strong></td>
</tr>
</tbody>
</table>

**Rate Verification**

- **Current Year 2016 Assess. Valuation**: $210,523.986
- **Assessed Valuation for New Const**: $1,586.410
- **Adjusted Current Year Assessed Val**: $208,937.576

- **Prior Year Assessed Valuation**: $210,667.129

<table>
<thead>
<tr>
<th></th>
<th><strong>GENERAL</strong></th>
<th><strong>PARK</strong></th>
<th><strong>LIBRARY</strong></th>
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<tbody>
<tr>
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<td>$210,667.129</td>
<td>$210,667.129</td>
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<td>Prior Year Ceiling</td>
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<td>Permitted Reassessment Rev Growth</td>
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<td>Additional Reassessment Current</td>
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<td>Total Revenue Current Year</td>
<td>956,218</td>
<td>235,526</td>
<td>399,004</td>
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<tr>
<td>Adjusted Current Year Valuation</td>
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<td>$208,937.576</td>
<td>$208,937.576</td>
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<td>Max Tax Rate Premitted</td>
<td>0.4577</td>
<td>0.1127</td>
<td>0.910</td>
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<tr>
<td><strong>Total</strong></td>
<td>$1,590,747.49</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
COMMENTARY:

Tammy Alsop of Hochschild, Bloom & Company, LLP will present an overview of the fiscal year 2015 independent audit. This year’s management letter contains two (2) informational recommendations. Please see the attached letter from Hochschild, Bloom & Company, LLP, as well as the following for a comment overview and corresponding explanation:

1. GASB Statement Number 54 Implementation - This recommendation suggests that the City adopt a fund balance policy in accordance with GASB 54, tailored to the City’s needs. In order to comply with this recommendation, the City will continue to work within the current practices and adopt a formal policy reflecting procedures compliant with GASB 54.

2. Investment Policy - This recommendation suggests that the City review the investment policy with consideration of State Revolving Fund (SRF) investments and maturity schedules. In order to comply with this recommendation, the City will review and modify the current investment policy to incorporate all funds invested on behalf of the City, including SRF.

Staff is recommending a motion to accept the independent audit for fiscal year 2015.
July 29, 2016

Honorable Mayor and City Council
CITY OF ROLLA, MISSOURI

In planning and performing our audit of the financial statements of the CITY OF ROLLA, MISSOURI (the City) as of and for the year ended September 30, 2015, in accordance with auditing standards generally accepted in the United States of America, we considered the internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the internal control. Accordingly, we do not express an opinion on the effectiveness of the internal control. Per our independent auditor’s report, we applied limited procedures to the supplemental information.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. However, during our audit we became aware of certain comments for management.

The attachment that accompanies this letter entitled “Schedule of Management Comments and Recommendations” summarizes our comments and suggestions regarding those matters. This letter does not affect our report dated July 29, 2016 on the financial statements. We will review the status of these comments during our next audit engagement. We have already discussed these comments and recommendations with various personnel.

There were no significant changes to the accounting policies or estimate policies except that for the year ended September 30, 2015, the City adopted Governmental Accounting Standards Board (GASB) Statement No. 68, Accounting and Financial Reporting for Pensions - an Amendment of GASB Statement No. 27 and GASB Statement No. 71, Pension Transition for Contributions Made Subsequent to the Measurement Date - an Amendment of GASB Statement No. 68. In addition, these policies were discussed with management and were not a condition of our retention. There were no disagreements or difficulties encountered in performing the audit. There were no uncorrected misstatements aggregated by us during the audit that would be material individually or in the aggregate to the financial statements taken as a whole. Various adjusting entries had to be made adjusting balance sheet and revenue expenditure accounts. We have requested certain representations from management.
This communication is intended solely for the information and use of management, the City Council, and others within the City, and is not intended to be and should not be used by anyone other than these specified parties.

We wish to express our appreciation for the cooperation and courtesy extended to us by all personnel. We will be pleased to discuss these recommendations with you in greater detail at your convenience. Should you desire assistance in the implementation of these recommendations, please do not hesitate to contact us.

Norchschild, Bloom & Company, LLP
CERTIFIED PUBLIC ACCOUNTANTS
CITY OF ROLLA, MISSOURI
SCHEDULE OF MANAGEMENT COMMENTS
AND RECOMMENDATIONS

Findings for the year ended September 30, 2015:

1. **COMMENT**

   As noted in the prior year, the City has not adopted a fund balance policy in accordance with GASB Statement No. 54 (GASB 54), *Fund Balance Reporting and Governmental Fund Type Definitions*.

**RECOMMENDATION**

We recommend the City adopt its fund balance policy in accordance with GASB 54, tailored to the City’s needs.

2. **COMMENT**

   We note that the City holds investments in their SRF accounts which have maturity dates in 2021. According to the City’s current Investment Policy section #10 Maturity Scheduling, “All other investments shall mature and become payable not more than five years from the date of purchase.”

**RECOMMENDATION**

We recommend that the City modifies its investment policy to allow maturity dates on SRF investments for longer periods of time.
# Rolla Municipal Utilities’ FY2017 Budget

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I BUDGET SUMMARY

- Budget Summary Analysis
- Operating Statement
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- Cash Flow Statement
- Transfers to City
- Non-Operating Revenue
## BUDGET SUMMARY ANALYSIS - FY2017 BUDGETED

<table>
<thead>
<tr>
<th></th>
<th>ELECTRIC</th>
<th>WATER</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>OPERATING REVENUE</td>
<td>$27,515,255</td>
<td>$2,737,742</td>
<td>$30,252,997</td>
</tr>
<tr>
<td>OPERATING EXPENSE</td>
<td>-$28,779,873</td>
<td>-$2,582,550</td>
<td>-$31,362,423</td>
</tr>
<tr>
<td><strong>BUDGETED OPERATING MARGIN</strong></td>
<td><strong>-$1,264,623</strong></td>
<td><strong>$155,192</strong></td>
<td><strong>-$1,109,431</strong></td>
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<tr>
<td>OTHER REVENUE &amp; EXPENSE</td>
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<td>$590,900</td>
</tr>
<tr>
<td><strong>BUDGETED NET INCOME</strong></td>
<td><strong>-$821,448</strong></td>
<td><strong>$302,917</strong></td>
<td><strong>-$518,531</strong></td>
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<tr>
<td>NON-CASH REVENUE</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Donated Capital Assets (Contractor Mains)</td>
<td></td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td>NON-CASH EXPENSE</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Depreciation - RMU **</td>
<td>$2,220,250</td>
<td>$531,750</td>
<td>$2,752,000</td>
</tr>
<tr>
<td>Depreciation - City</td>
<td>$50,000</td>
<td>$155,000</td>
<td>$205,000</td>
</tr>
<tr>
<td>CAPITAL EXPENDITURES **</td>
<td>-$1,800,750</td>
<td>-$2,586,250</td>
<td>-$4,387,000</td>
</tr>
<tr>
<td>LEASE OBLIGATIONS</td>
<td>-$709,000</td>
<td>-$140,000</td>
<td>-$849,000</td>
</tr>
<tr>
<td><strong>BUDGETED RESERVE TRANSFER</strong></td>
<td><strong>-$1,060,948</strong></td>
<td><strong>-$1,736,583</strong></td>
<td><strong>-$2,797,531</strong></td>
</tr>
</tbody>
</table>

### CASH ACCOUNT FOR FY2017

<p>| | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>AS OF OCTOBER 1, 2017 - budgeted</td>
<td>$21,818,565</td>
<td></td>
</tr>
<tr>
<td>Less OCTOBER 1, 2014 - projected</td>
<td>-$24,616,096</td>
<td></td>
</tr>
<tr>
<td><strong>CHANGE IN CASH</strong></td>
<td></td>
<td>-$2,797,531</td>
</tr>
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</table>

* Assuming all revenues collected
** Includes Fiber
## Operating Statement

<table>
<thead>
<tr>
<th>OPERATING REVENUE</th>
<th>FY2015</th>
<th>FY2016</th>
<th>FY2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Residential Sales</td>
<td>$12,059,572</td>
<td>$12,132,817</td>
<td>$12,030,828</td>
</tr>
<tr>
<td>Commercial Sales</td>
<td>$5,031,868</td>
<td>$4,966,480</td>
<td>$4,808,324</td>
</tr>
<tr>
<td>Power Service Sales</td>
<td>$7,986,711</td>
<td>$7,902,266</td>
<td>$7,692,894</td>
</tr>
<tr>
<td>Industrial Sales</td>
<td>$4,605,121</td>
<td>$4,653,795</td>
<td>$4,635,785</td>
</tr>
<tr>
<td>Area/Street Lighting</td>
<td>$277,777</td>
<td>$270,842</td>
<td>$223,310</td>
</tr>
<tr>
<td>Fire Sprinkler Line Fees</td>
<td>$34,809</td>
<td>$35,220</td>
<td>$35,820</td>
</tr>
<tr>
<td>Special Sales (Water)</td>
<td>$165,759</td>
<td>$150,660</td>
<td>$151,615</td>
</tr>
<tr>
<td>Miscellaneous Fees</td>
<td>$70,770</td>
<td>$74,500</td>
<td>$79,000</td>
</tr>
<tr>
<td>Generation Standby Service (Power Prod)</td>
<td>$83,088</td>
<td>$83,088</td>
<td>$83,088</td>
</tr>
<tr>
<td>Capacity &amp; Operating Credits (Power Prod)</td>
<td>$333,684</td>
<td>$305,264</td>
<td>$285,000</td>
</tr>
<tr>
<td>Interdepartmental Services - City</td>
<td>$173,573</td>
<td>$177,694</td>
<td>$179,352</td>
</tr>
<tr>
<td>Unbilled Receivables</td>
<td>$86,021</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total Operating Revenue</strong></td>
<td>$30,888,753</td>
<td>$30,652,606</td>
<td>$30,252,997</td>
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</table>

<table>
<thead>
<tr>
<th>OPERATING EXPENSES</th>
<th>FY2015</th>
<th>FY2016</th>
<th>FY2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Transmission</td>
<td>$14,214</td>
<td>$27,000</td>
<td>$115,000</td>
</tr>
<tr>
<td>Depreciation - RMU *</td>
<td>$2,655,060</td>
<td>$2,717,000</td>
<td>$2,752,000</td>
</tr>
<tr>
<td>Depreciation - City (Electric) **</td>
<td>$42,404</td>
<td>$50,000</td>
<td>$50,000</td>
</tr>
<tr>
<td>Depreciation - City (Water) ***</td>
<td>$153,441</td>
<td>$155,000</td>
<td>$155,000</td>
</tr>
<tr>
<td>Interest on Electric Project</td>
<td>$440,160</td>
<td>$416,500</td>
<td>$392,500</td>
</tr>
<tr>
<td>Interest on Water Project</td>
<td>$58,192</td>
<td>$52,600</td>
<td>$48,300</td>
</tr>
<tr>
<td>Interest on Deposits</td>
<td>$3,745</td>
<td>$5,000</td>
<td>$5,000</td>
</tr>
<tr>
<td>Power Purchases (Electric)</td>
<td>$21,909,654</td>
<td>$21,668,550</td>
<td>$22,404,376</td>
</tr>
<tr>
<td>Source of Supply (Water)</td>
<td>$350,930</td>
<td>$353,000</td>
<td>$360,000</td>
</tr>
<tr>
<td>Treatment (Water)</td>
<td>$13,588</td>
<td>$22,000</td>
<td>$22,000</td>
</tr>
<tr>
<td>Distribution</td>
<td>$1,743,548</td>
<td>$1,946,000</td>
<td>$1,847,000</td>
</tr>
<tr>
<td>Customer Accounting</td>
<td>$621,508</td>
<td>$699,000</td>
<td>$689,000</td>
</tr>
<tr>
<td>Administrative and General</td>
<td>$2,532,674</td>
<td>$2,780,000</td>
<td>$2,522,000</td>
</tr>
<tr>
<td>Interdept Expenses - City</td>
<td>$2,478</td>
<td>$2,000</td>
<td>$2,249</td>
</tr>
<tr>
<td><strong>Total Operating Expenses</strong></td>
<td>$30,541,514</td>
<td>$30,863,650</td>
<td>$31,362,428</td>
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</table>

<table>
<thead>
<tr>
<th>OPERATING MARGIN</th>
<th>FY2015</th>
<th>FY2016</th>
<th>FY2017</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$347,239</td>
<td>-$211,044</td>
<td>-$1,109,431</td>
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</table>

<table>
<thead>
<tr>
<th>NON-OPERATING REVENUE</th>
<th>FY2015</th>
<th>FY2016</th>
<th>FY2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interest Revenue</td>
<td>$106,267</td>
<td>$93,000</td>
<td>$100,000</td>
</tr>
<tr>
<td>Other Revenue</td>
<td>$515,224</td>
<td>$1,491,748</td>
<td>$490,900</td>
</tr>
<tr>
<td><strong>Total Non-Operating Revenue</strong></td>
<td>$421,491</td>
<td>$1,584,748</td>
<td>$500,000</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>NET INCOME</th>
<th>FY2015</th>
<th>FY2016</th>
<th>FY2017</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$968,730</td>
<td>$1,373,734</td>
<td>-$518,531</td>
</tr>
</tbody>
</table>
MINIMUM CASH RESERVE STATEMENT

To help insure timely completion of capital improvements and enable the utility to meet requirements for large unexpected expenditures, a Minimum Cash Reserve Statement is hereby established. Minimum cash reserves attempts to quantify the minimum amount of cash the utility should keep in reserve, actual cash reserves may vary substantially above the minimum and is dependent on the life cycle of assets that are currently in service. The methodology used in this statement is based on certain assumptions related to percent of operation and maintenance, rate base, debt service, and capital improvements. The establishment of minimum cash reserves should consider a number of factors including:

WORKING CAPITAL LAG
Timing differences between when expenses are incurred and revenues received from customers. Establishing a minimum cash reserve helps to ensure cash exists to pay expenses in a timely manner. Examples of uncertainties that should be considered include financial risks, rate setting policies, and variability in power supply costs.

INVESTMENT IN ASSETS
Catastrophic events may occur that require substantial amounts of cash reserves to replace damaged assets. Some examples of catastrophic events include ice storms, earthquakes, wind storms, floods, frozen water mains, or tornadoes. Many of these catastrophic events may allow the utility to recover the cost of damages from FEMA. However, FEMA reimbursements can take between six months to two (2) years to recover. The utility should ensure adequate cash reserves exist to replace assets in a timely fashion. The minimum reserve levels are often combined with emergency funding from banks or bonding agencies.

ANNUAL DEBT SERVICE
Debt service payments do not occur evenly throughout the year and often occurs at periodic times. The utility has to ensure adequate cash reserves exist to fund the debt service payment when the payment is due.

CAPITAL IMPROVEMENT PROGRAM
Some capital improvements are funded through lease/purchases and some through cash reserves. The establishment of a minimum cash reserve level helps to ensure timely replacement or construction of assets.

If certain events occur that result in cash reserves falling below the minimum levels established by the Rolla Board of Public Works, action is needed to restore the cash reserves above the minimum levels. These actions may consider a number of factors including:
- Rate adjustments
- Cost reductions
- Funding of capital improvement programs
- Modification of the assumptions used to determine cash reserve levels

The assumptions should be reviewed annually, and modified if necessary, to reflect the Rolla Board of Public Works and Management's philosophy on minimum cash reserve levels.

Based on the assumptions used, the minimum cash levels are listed for Fiscal Years 2015 - 2017 in Tables A and B shown on page 4.
## Minimum Cash Reserve Statement (continued)

### Table A

**Minimum Cash Reserve Levels - ELECTRIC & POWER PRODUCTION**

<table>
<thead>
<tr>
<th>Inputs</th>
<th>FY2015</th>
<th>FY2016</th>
<th>FY2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operation &amp; Maintenance less Depreciation</td>
<td>$25,949,080</td>
<td>$26,004,050</td>
<td>$26,509,923</td>
</tr>
<tr>
<td>Rate Base</td>
<td>$55,244,195</td>
<td>$56,685,070</td>
<td>$53,405,020</td>
</tr>
<tr>
<td>Debt Service (annual)</td>
<td>$1,091,766</td>
<td>$1,092,853</td>
<td>$1,093,319</td>
</tr>
<tr>
<td>Capital Improvements (5-year plan)</td>
<td>$8,124,882</td>
<td>$9,841,625</td>
<td>$10,000,750</td>
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</tbody>
</table>

**Percentages**

<table>
<thead>
<tr>
<th></th>
<th>FY2015</th>
<th>FY2016</th>
<th>FY2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operation &amp; Maintenance less Depreciation</td>
<td>25%</td>
<td>25%</td>
<td>25%</td>
</tr>
<tr>
<td>Rate Base</td>
<td>2%</td>
<td>2%</td>
<td>2%</td>
</tr>
<tr>
<td>Debt Service (annual)</td>
<td>50%</td>
<td>50%</td>
<td>50%</td>
</tr>
<tr>
<td>Capital Improvements (5-year plan)</td>
<td>15%</td>
<td>15%</td>
<td>15%</td>
</tr>
</tbody>
</table>

**Calculations**

<table>
<thead>
<tr>
<th></th>
<th>FY2015</th>
<th>FY2016</th>
<th>FY2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operation &amp; Maintenance less Depreciation</td>
<td>$8,487,270</td>
<td>$6,531,013</td>
<td>$6,627,407</td>
</tr>
<tr>
<td>Rate Base</td>
<td>$1,104,884</td>
<td>$1,133,701</td>
<td>$1,169,716</td>
</tr>
<tr>
<td>Debt Service (annual)</td>
<td>$545,883</td>
<td>$546,427</td>
<td>$546,910</td>
</tr>
<tr>
<td>Capital Improvements (5-year plan)</td>
<td>$1,218,732</td>
<td>$1,476,244</td>
<td>$1,500,113</td>
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</table>

Min Cash Reserve Level - Elec/PP  

<table>
<thead>
<tr>
<th></th>
<th>FY2015</th>
<th>FY2016</th>
<th>FY2017</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$9,356,769</td>
<td>$9,657,384</td>
<td>$9,844,145</td>
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<tr>
<td>Operating Benchmark - Elec/Pwr Prod</td>
<td>1.5</td>
<td>1.5</td>
<td>1.5</td>
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<tr>
<td></td>
<td>$14,035,154</td>
<td>$14,485,076</td>
<td>$14,766,218</td>
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</tbody>
</table>

### Table B

**Minimum Cash Reserve Levels - WATER**

<table>
<thead>
<tr>
<th>Inputs</th>
<th>FY2015</th>
<th>FY2016</th>
<th>FY2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operation &amp; Maintenance less Depreciation</td>
<td>$1,741,529</td>
<td>$1,937,600</td>
<td>$1,895,800</td>
</tr>
<tr>
<td>Rate Base</td>
<td>$21,761,652</td>
<td>$23,051,277</td>
<td>$25,637,527</td>
</tr>
<tr>
<td>Debt Service (annual)</td>
<td>$188,356</td>
<td>$187,568</td>
<td>$186,278</td>
</tr>
<tr>
<td>Capital Improvements (5-year plan)</td>
<td>$5,902,934</td>
<td>$6,275,875</td>
<td>$6,086,250</td>
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</table>

**Percentages**

<table>
<thead>
<tr>
<th></th>
<th>FY2015</th>
<th>FY2016</th>
<th>FY2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operation &amp; Maintenance less Depreciation</td>
<td>25%</td>
<td>25%</td>
<td>25%</td>
</tr>
<tr>
<td>Rate Base</td>
<td>2%</td>
<td>2%</td>
<td>2%</td>
</tr>
<tr>
<td>Debt Service (annual)</td>
<td>50%</td>
<td>50%</td>
<td>50%</td>
</tr>
<tr>
<td>Capital Improvements (5-year plan)</td>
<td>15%</td>
<td>15%</td>
<td>15%</td>
</tr>
</tbody>
</table>

**Calculations**

<table>
<thead>
<tr>
<th></th>
<th>FY2015</th>
<th>FY2016</th>
<th>FY2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operation &amp; Maintenance less Depreciation</td>
<td>$435,382</td>
<td>$484,400</td>
<td>$473,950</td>
</tr>
<tr>
<td>Rate Base</td>
<td>$435,233</td>
<td>$461,026</td>
<td>$512,751</td>
</tr>
<tr>
<td>Debt Service (annual)</td>
<td>$94,178</td>
<td>$93,784</td>
<td>$93,139</td>
</tr>
<tr>
<td>Capital Improvements (5-year plan)</td>
<td>$885,440</td>
<td>$941,381</td>
<td>$912,938</td>
</tr>
</tbody>
</table>

Min Cash Reserve Level - Water  

<table>
<thead>
<tr>
<th></th>
<th>FY2015</th>
<th>FY2016</th>
<th>FY2017</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$1,850,233</td>
<td>$1,980,591</td>
<td>$1,992,777</td>
</tr>
<tr>
<td>Operating Benchmark - Water</td>
<td>1.5</td>
<td>1.5</td>
<td>1.5</td>
</tr>
<tr>
<td></td>
<td>$2,775,350</td>
<td>$2,970,886</td>
<td>$2,989,166</td>
</tr>
</tbody>
</table>
# CASH FLOW STATEMENT

## SOURCE OF CASH

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
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</thead>
<tbody>
<tr>
<td><strong>PROJECTED CASH OCTOBER 1, 2016</strong></td>
<td>$24,616,096</td>
</tr>
<tr>
<td>Public Utility Account</td>
<td>$2,776,540</td>
</tr>
<tr>
<td>Public Utility Money Market</td>
<td>$4,179,500</td>
</tr>
<tr>
<td>Working Fund</td>
<td>$50,000</td>
</tr>
<tr>
<td>State Tax Fund</td>
<td>$2,000</td>
</tr>
<tr>
<td>Credit Card Fund</td>
<td>$15,000</td>
</tr>
<tr>
<td>Electronic Funds Account</td>
<td>$35,000</td>
</tr>
<tr>
<td><strong>CAPITAL RESERVE ACCOUNT - Electric</strong></td>
<td></td>
</tr>
<tr>
<td>Certificates of Deposit</td>
<td>$0</td>
</tr>
<tr>
<td>Money Market Account</td>
<td>$14,486,076</td>
</tr>
<tr>
<td>Super Now Account</td>
<td>$0</td>
</tr>
<tr>
<td><strong>CAPITAL RESERVE ACCOUNT - Water</strong></td>
<td></td>
</tr>
<tr>
<td>Certificates of Deposit</td>
<td>$0</td>
</tr>
<tr>
<td>Money Market Account</td>
<td>$2,970,888</td>
</tr>
<tr>
<td><strong>LEASE-PURCHASE INTEREST FUNDS (UMB)</strong></td>
<td>$101,094</td>
</tr>
<tr>
<td><strong>OPERATING MARGIN</strong></td>
<td>-$1,109,431</td>
</tr>
<tr>
<td>Electric Department</td>
<td>-$1,264,623</td>
</tr>
<tr>
<td>Water Department</td>
<td>$155,192</td>
</tr>
<tr>
<td><strong>NON-OPERATING REVENUE</strong></td>
<td>$590,900</td>
</tr>
<tr>
<td><strong>DEPRECIATION - (Non-Cash Expense)</strong></td>
<td>$2,357,000</td>
</tr>
<tr>
<td>Rolla Municipal Utilities</td>
<td>$2,762,000</td>
</tr>
<tr>
<td>City of Rolla</td>
<td>$205,000</td>
</tr>
<tr>
<td><strong>Total Source of Cash</strong></td>
<td>$27,054,565</td>
</tr>
</tbody>
</table>

## USE OF CASH

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>CAPITAL EXPENDITURES</strong></td>
<td>$4,387,000</td>
</tr>
<tr>
<td>Electric Department</td>
<td>$1,800,750</td>
</tr>
<tr>
<td>Water Department</td>
<td>$2,586,250</td>
</tr>
<tr>
<td><strong>FY2017 LEASE OBLIGATIONS</strong></td>
<td>$849,000</td>
</tr>
<tr>
<td>Standpipes/Water projects</td>
<td>$140,000</td>
</tr>
<tr>
<td>Power Supply Infrastructure project</td>
<td>$709,000</td>
</tr>
<tr>
<td><strong>PROJECTED CASH OCTOBER 1, 2017</strong></td>
<td>$21,818,565</td>
</tr>
<tr>
<td>Public Utility Account (General Fund)</td>
<td>-$181,109</td>
</tr>
<tr>
<td>Public Utility Money Market</td>
<td>$4,037,800</td>
</tr>
<tr>
<td>Working Fund</td>
<td>$50,000</td>
</tr>
<tr>
<td>State Tax Fund</td>
<td>$2,000</td>
</tr>
<tr>
<td>Credit Card Fund</td>
<td>$15,000</td>
</tr>
<tr>
<td>Electronic Funds Account</td>
<td>$35,000</td>
</tr>
<tr>
<td><strong>CAPITAL RESERVE ACCOUNT - Electric</strong></td>
<td></td>
</tr>
<tr>
<td>Certificates of Deposit</td>
<td>$0</td>
</tr>
<tr>
<td>Money Market Account</td>
<td>$14,775,218</td>
</tr>
<tr>
<td>Super Now Account</td>
<td>$0</td>
</tr>
<tr>
<td><strong>CAPITAL RESERVE ACCOUNT - Water</strong></td>
<td></td>
</tr>
<tr>
<td>Certificates of Deposit</td>
<td>$0</td>
</tr>
<tr>
<td>Money Market Account</td>
<td>$2,989,166</td>
</tr>
<tr>
<td><strong>LEASE-PURCHASE INTEREST FUND (UMB)</strong></td>
<td>$94,490</td>
</tr>
</tbody>
</table>

**Total Use of Cash**                             | $27,054,565  

*Includes Fiber Depreciation
**Includes Fiber
***Donated Capital Assets (Contractor Mains) is not included. (Noncash)
TRANSFERS TO CITY

TRANSFERS TO CITY GENERAL FUND
The following charges are billed and collected by RMU for the City of Rolla. The amounts of these charges are adopted and approved by the Rolla City Council.

FY2017 BUDGET

PAYMENT IN LIEU OF TAX (PILOT)
5% of Electric & Water Sales including Service Availability Fees (SAF)

$1,481,329
NON-OPERATING REVENUE

INTEREST REVENUE

Money Market Checking $98,000
Super-Now Checking $1,000
Miscellaneous Interest (Other accounts) $1,000

Total Interest Revenue $100,000

OTHER REVENUE

Miscellaneous non-operating revenue from material sales/services, late fees, frontage fees, grants, donated capital assets, and fiber revenue $535,000

Less non-operating revenue deductions * -$44,100

Total Other Revenue $490,900

TOTAL NON-OPERATING REVENUE $590,900

* Fiber Depreciation not included
II OPERATING BUDGET

- Electric Department
- Water Department
## OPERATING STATEMENT - Electric Department

<table>
<thead>
<tr>
<th>OPERATING REVENUE</th>
<th>FY2015 ACTUAL</th>
<th>FY2016 PROJECTED</th>
<th>FY2017 BUDGET</th>
</tr>
</thead>
<tbody>
<tr>
<td>Residential Sales</td>
<td>$10,427,870</td>
<td>$10,404,460</td>
<td>$10,326,720</td>
</tr>
<tr>
<td>Commercial Sales</td>
<td>$4,610,765</td>
<td>$4,555,628</td>
<td>$4,407,480</td>
</tr>
<tr>
<td>Power Service Sales</td>
<td>$7,615,078</td>
<td>$7,541,198</td>
<td>$7,335,618</td>
</tr>
<tr>
<td>Industrial Sales</td>
<td>$4,600,026</td>
<td>$4,548,855</td>
<td>$4,662,525</td>
</tr>
<tr>
<td>Area/Street Lighting</td>
<td>$277,777</td>
<td>$270,842</td>
<td>$223,310</td>
</tr>
<tr>
<td>Power Production</td>
<td>$416,772</td>
<td>$388,352</td>
<td>$368,088</td>
</tr>
<tr>
<td>Miscellaneous Fees</td>
<td>$53,071</td>
<td>$54,000</td>
<td>$57,000</td>
</tr>
<tr>
<td>Interdepartmental Services - City</td>
<td>$130,180</td>
<td>$133,271</td>
<td>$134,514</td>
</tr>
<tr>
<td>Unbilled Receivables</td>
<td></td>
<td>$76,765</td>
<td></td>
</tr>
<tr>
<td><strong>Total Operating Revenue</strong></td>
<td><strong>$28,208,324</strong></td>
<td><strong>$27,896,606</strong></td>
<td><strong>$27,515,255</strong></td>
</tr>
</tbody>
</table>

## OPERATING EXPENSES

<table>
<thead>
<tr>
<th>EXPENSES</th>
<th>FY2015 ACTUAL</th>
<th>FY2016 ACTUAL</th>
<th>FY2017 ACTUAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>Transmission</td>
<td>$14,214</td>
<td>$27,000</td>
<td>$115,500</td>
</tr>
<tr>
<td>Depreciation - RMU *</td>
<td>$2,176,080</td>
<td>$2,195,250</td>
<td>$2,220,250</td>
</tr>
<tr>
<td>Depreciation - City **</td>
<td>$42,404</td>
<td>$50,000</td>
<td>$50,000</td>
</tr>
<tr>
<td>Interest on Electric project</td>
<td>$440,160</td>
<td>$418,500</td>
<td>$392,500</td>
</tr>
<tr>
<td>Interest on Deposits</td>
<td>$2,871</td>
<td>$4,000</td>
<td>$4,000</td>
</tr>
<tr>
<td>Power Purchases</td>
<td>$21,909,654</td>
<td>$21,668,550</td>
<td>$22,404,378</td>
</tr>
<tr>
<td>Distribution</td>
<td>$1,216,946</td>
<td>$1,339,000</td>
<td>$1,217,000</td>
</tr>
<tr>
<td>Customer Accounting</td>
<td>$456,696</td>
<td>$458,000</td>
<td>$477,000</td>
</tr>
<tr>
<td>Administrative and General</td>
<td>$1,906,061</td>
<td>$2,089,000</td>
<td>$1,897,500</td>
</tr>
<tr>
<td>Interdept Expenses - City (nonbillable)</td>
<td>$2,478</td>
<td>$2,000</td>
<td>$2,250</td>
</tr>
<tr>
<td><strong>Total Operating Expenses</strong></td>
<td><strong>$28,167,564</strong></td>
<td><strong>$28,249,300</strong></td>
<td><strong>$28,779,878</strong></td>
</tr>
</tbody>
</table>

## OPERATING MARGIN FOR ELECTRIC DEPARTMENT

<table>
<thead>
<tr>
<th>OPERATING MARGIN FOR ELECTRIC DEPARTMENT</th>
<th>FY2015 ACTUAL</th>
<th>FY2016 ACTUAL</th>
<th>FY2017 ACTUAL</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$40,761</td>
<td>-$352,694</td>
<td>-$1,264,823</td>
</tr>
</tbody>
</table>

* includes Fiber

** Streetlights (City)
### OPERATING REVENUE - Electric Department

#### Residential Sales

<table>
<thead>
<tr>
<th></th>
<th>Total kWh/kW sold</th>
<th>FY2017 BUDGET</th>
</tr>
</thead>
<tbody>
<tr>
<td>Residential: Single-Phase Energy</td>
<td>100,000,000</td>
<td>$8,900,000</td>
</tr>
<tr>
<td>Service Availability Fees</td>
<td>7,700</td>
<td>$1,848,000</td>
</tr>
<tr>
<td>Power Cost Adjustment</td>
<td>-530,000</td>
<td></td>
</tr>
<tr>
<td>Residential: Three-Phase Energy</td>
<td>1,200,000</td>
<td>$106,800</td>
</tr>
<tr>
<td>Service Availability Fees</td>
<td>23</td>
<td>$8,280</td>
</tr>
<tr>
<td>Power Cost Adjustment</td>
<td>-53,380</td>
<td></td>
</tr>
<tr>
<td><strong>Total Residential Sales</strong></td>
<td></td>
<td><strong>$10,326,720</strong></td>
</tr>
</tbody>
</table>

#### Commercial Sales

<table>
<thead>
<tr>
<th></th>
<th>Total kWh/kW sold</th>
<th>FY2017 BUDGET</th>
</tr>
</thead>
<tbody>
<tr>
<td>Commercial: Single-Phase Energy</td>
<td>17,000,000</td>
<td>$1,513,000</td>
</tr>
<tr>
<td>Service Availability Fee</td>
<td>957</td>
<td>$229,680</td>
</tr>
<tr>
<td>Power Cost Adjustment</td>
<td>-90,100</td>
<td></td>
</tr>
<tr>
<td>Commercial: Three-Phase Energy</td>
<td>31,000,000</td>
<td>$2,799,000</td>
</tr>
<tr>
<td>Service Availability Fees</td>
<td>445</td>
<td>$160,200</td>
</tr>
<tr>
<td>Power Cost Adjustment</td>
<td>-164,300</td>
<td></td>
</tr>
<tr>
<td><strong>Total Commercial Sales</strong></td>
<td></td>
<td><strong>$4,407,480</strong></td>
</tr>
</tbody>
</table>

#### Power Service Sales

<table>
<thead>
<tr>
<th></th>
<th>Total kWh/kW sold</th>
<th>FY2017 BUDGET</th>
</tr>
</thead>
<tbody>
<tr>
<td>Power Service Energy</td>
<td>81,350,000</td>
<td>$5,612,426</td>
</tr>
<tr>
<td>Power Service Demand</td>
<td>210,675</td>
<td>$1,895,893</td>
</tr>
<tr>
<td>Service Availability Fees</td>
<td>134</td>
<td>$160,800</td>
</tr>
<tr>
<td>Power Cost Adjustment</td>
<td>-333,500</td>
<td></td>
</tr>
<tr>
<td><strong>Total Power Service Sales</strong></td>
<td></td>
<td><strong>$7,335,818</strong></td>
</tr>
</tbody>
</table>

#### Industrial Sales

<table>
<thead>
<tr>
<th></th>
<th>Total kWh/kW sold</th>
<th>FY2017 BUDGET</th>
</tr>
</thead>
<tbody>
<tr>
<td>Industrial Energy</td>
<td>60,900,000</td>
<td>$3,947,975</td>
</tr>
<tr>
<td>Industrial Demand</td>
<td>115,000</td>
<td>$1,002,600</td>
</tr>
<tr>
<td>Service Availability Fees</td>
<td>6</td>
<td>$18,000</td>
</tr>
<tr>
<td>Power Cost Adjustment</td>
<td>-235,700</td>
<td></td>
</tr>
<tr>
<td>Utility Cost Assistance</td>
<td>-70,250</td>
<td></td>
</tr>
<tr>
<td><strong>Total Industrial Sales</strong></td>
<td></td>
<td><strong>$4,662,525</strong></td>
</tr>
</tbody>
</table>

#### Area/Street Lighting

<table>
<thead>
<tr>
<th></th>
<th>Total kWh/kW sold</th>
<th>FY2017 BUDGET</th>
</tr>
</thead>
<tbody>
<tr>
<td>Metered Lighting</td>
<td>547,500</td>
<td>$45,990</td>
</tr>
<tr>
<td>Service Availability Fees</td>
<td>41</td>
<td>$22,140</td>
</tr>
<tr>
<td>Power Cost Adjustment</td>
<td>-2,738</td>
<td></td>
</tr>
<tr>
<td>NonMetered Lighting</td>
<td></td>
<td>$157,917</td>
</tr>
<tr>
<td><strong>Total Street/Area Lighting</strong></td>
<td></td>
<td><strong>$223,310</strong></td>
</tr>
</tbody>
</table>

#### Power Production

<table>
<thead>
<tr>
<th></th>
<th>Total kWh/kW sold</th>
<th>FY2017 BUDGET</th>
</tr>
</thead>
<tbody>
<tr>
<td>Generation Standby Service</td>
<td></td>
<td>$83,088</td>
</tr>
<tr>
<td>Capacity &amp; Operating Credits</td>
<td></td>
<td>$265,000</td>
</tr>
<tr>
<td>MoPep Capacity Credits</td>
<td></td>
<td>$20,000</td>
</tr>
<tr>
<td>Operating Credit</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total Power Production</strong></td>
<td></td>
<td><strong>$388,088</strong></td>
</tr>
</tbody>
</table>

#### Miscellaneous Fees

<table>
<thead>
<tr>
<th></th>
<th>Total kWh/kW sold</th>
<th>FY2017 BUDGET</th>
</tr>
</thead>
<tbody>
<tr>
<td>Service Fees</td>
<td>$40,000</td>
<td></td>
</tr>
<tr>
<td>Credit Card Processing Fees</td>
<td>$17,000</td>
<td></td>
</tr>
<tr>
<td><strong>Total Miscellaneous Fees</strong></td>
<td></td>
<td><strong>$57,000</strong></td>
</tr>
</tbody>
</table>

#### Interdepartmental Services - City

<table>
<thead>
<tr>
<th></th>
<th>Total kWh/kW sold</th>
<th>FY2017 BUDGET</th>
</tr>
</thead>
<tbody>
<tr>
<td>Billing City Services (75%)</td>
<td></td>
<td>$134,514</td>
</tr>
</tbody>
</table>

**TOTAL OPERATING REVENUE FOR ELECTRIC DEPARTMENT**

**$27,515,255**
### OPERATING EXPENSES - Electric Department

<table>
<thead>
<tr>
<th>TRANSMISSION</th>
<th>FY2015</th>
<th>FY2016</th>
<th>FY2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>3566/Bulk Stn: Misc Transmission Exp</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td>3570/Bulk Stn: Station Equipment</td>
<td>$14,214</td>
<td>$17,000</td>
<td>$105,000</td>
</tr>
<tr>
<td>3571/Bulk Stn: Towers &amp; Fixtures</td>
<td>$0</td>
<td>$10,000</td>
<td>$10,000</td>
</tr>
<tr>
<td>3597/Bulk Stn: Meters</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td><strong>Total Transmission</strong></td>
<td><strong>$14,214</strong></td>
<td><strong>$27,000</strong></td>
<td><strong>$115,000</strong></td>
</tr>
</tbody>
</table>

| DEPRECIATION | |
|--------------|--------|--------|
| 4403/Rolla Municipal Utilities (RMU) | $1,743,682 | $1,760,000 | $1,785,000 |
| 5403/RMU (Fiber 75%) | $19,622 | $20,250 | $20,250 |
| 7403/RMU (Power Production) | $412,776 | $415,000 | $415,000 |
| 4404/City of Rolla | $42,404 | $50,000 | $50,000 |
| **Total Depreciation** | **$2,218,484** | **$2,245,250** | **$2,270,250** |

| INTEREST | |
|-----------|--------|--------|
| 3430/Power Supply Infrastructure project | $440,160 | $416,500 | $392,500 |
| 4431/Deposits | $2,871 | $4,000 | $4,000 |
| **Total Interest** | **$443,031** | **$420,500** | **$396,500** |

| POWER PURCHASES/4555 | |
|----------------------|--------|--------|
| 4571/O & M - Transmission Lines | $12,278 | $12,000 | $12,000 |
| 4558/Misc Distribution Expense | $416,977 | $425,000 | $435,000 |
| 4551/Maintenance Structures | $8,919 | $10,000 | $10,000 |
| 4592/O & M - Station Equipment | $32,636 | $165,000 | $35,000 |
| 4593/O & M - Overhead Lines | $472,104 | $460,000 | $475,000 |
| 4594/O & M - Underground Lines | $46,847 | $43,000 | $46,000 |
| 4595/Maintenance Transformers | $9,470 | $7,000 | $10,000 |
| 4596/O & M - Streetlights | $36,714 | $60,000 | $35,000 |
| 4597/O & M - Meters | $56,041 | $65,000 | $65,000 |
| 4600/Cost of Electric - Plant Removal | $2,848 | $1,000 | $1,000 |
| 7547/Fuel | $42,418 | $30,000 | $30,000 |
| 7548/Generation Expense | $5,299 | $1,000 | $1,000 |
| 7552/Structures | $0 | $0 | $0 |
| 7553/Generation & Electric Equipment | $71,395 | $60,000 | $62,000 |
| **Total Distribution** | **$1,216,946** | **$1,339,000** | **$1,217,000** |

| CUSTOMER ACCOUNTING & COLLECTING | |
|----------------------------------|--------|--------|
| 4902/Meter Reading Expenses | $23,245 | $28,000 | $32,000 |
| 4903/Customer Records & Collections | $397,784 | $400,000 | $415,000 |
| 4904/Uncollectible Accounts | $35,667 | $30,000 | $30,000 |
| **Total Customer Acctg & Collecting** | **$456,696** | **$498,000** | **$477,000** |

| ADMINISTRATIVE AND GENERAL | |
|----------------------------|--------|--------|--------|
| 4913/Advertising | $18,704 | $17,000 | $17,000 |
| 4920/Administrative & General Salaries | $131,957 | $151,000 | $162,500 |
| 4921/Office Supplies and Expenses | $80,648 | $80,000 | $83,000 |
| 4923/Outside Services Employed | $21,808 | $25,000 | $20,000 |
| 4924/Insurance | $139,128 | $145,000 | $145,000 |
| 7924/Insurance (Power Production) | $25,108 | $27,000 | $28,000 |
| 5026/Employee Benefits | $1,408,322 | $1,550,000 | $1,350,000 |
| 7926/Employee Benefits (Power Production) | $35,747 | $36,000 | $37,000 |
| 4930/Misc. General Expenses | $17,951 | $28,000 | $25,000 |
| 4932/Maintenance General Plant | $27,688 | $30,000 | $30,000 |
| **Total Administrative & General** | **$1,906,061** | **$2,089,000** | **$1,897,500** |
| 0426/Interdept Expenses (City) | $2,478 | $2,000 | $2,250 |

**TOTAL OPERATING EXPENSES (Elec)** | $28,167,564 | $28,249,300 | $28,779,878

*Includes $300,000 for additional LAGERS unfunded accrued liability payments (FY2015 & FY2016 Only)*

---

II. B. 14.
II OPERATING BUDGET

- Electric Department
- Water Department
## OPERATING STATEMENT - Water Department

<table>
<thead>
<tr>
<th>OPERATING REVENUE</th>
<th>FY2015 ACTUAL</th>
<th>FY2016 PROJECTED</th>
<th>FY2017 BUDGET</th>
</tr>
</thead>
<tbody>
<tr>
<td>Residential Sales</td>
<td>$1,631,702</td>
<td>$1,728,357</td>
<td>$1,704,108</td>
</tr>
<tr>
<td>Non-Residential Sales</td>
<td>$777,811</td>
<td>$776,840</td>
<td>$779,361</td>
</tr>
<tr>
<td>Special Sales</td>
<td>$165,759</td>
<td>$150,680</td>
<td>$151,615</td>
</tr>
<tr>
<td>Fire Sprinkler Lines</td>
<td>$34,809</td>
<td>$35,220</td>
<td>$35,820</td>
</tr>
<tr>
<td>Miscellaneous Fees</td>
<td>$17,699</td>
<td>$20,500</td>
<td>$22,000</td>
</tr>
<tr>
<td>Interdepartmental Services - City</td>
<td>$43,393</td>
<td>$44,424</td>
<td>$44,838</td>
</tr>
<tr>
<td>Unbilled Receivables</td>
<td>$9,256</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total Operating Revenue</strong></td>
<td><strong>$2,680,429</strong></td>
<td><strong>$2,756,001</strong></td>
<td><strong>$2,737,742</strong></td>
</tr>
</tbody>
</table>

## OPERATING EXPENSES

<table>
<thead>
<tr>
<th>EXPENSES</th>
<th>FY2015 ACTUAL</th>
<th>FY2016 PROJECTED</th>
<th>FY2017 BUDGET</th>
</tr>
</thead>
<tbody>
<tr>
<td>Depreciation - RMU *</td>
<td>$478,981</td>
<td>$521,750</td>
<td>$531,750</td>
</tr>
<tr>
<td>Depreciation - City **</td>
<td>$153,441</td>
<td>$155,000</td>
<td>$155,000</td>
</tr>
<tr>
<td>Interest on Water Project</td>
<td>$58,109</td>
<td>$52,600</td>
<td>$48,300</td>
</tr>
<tr>
<td>Interest on Deposits</td>
<td>$875</td>
<td>$1,000</td>
<td>$1,000</td>
</tr>
<tr>
<td>Source of Supply</td>
<td>$350,930</td>
<td>$353,000</td>
<td>$360,000</td>
</tr>
<tr>
<td>Treatment</td>
<td>$13,588</td>
<td>$22,000</td>
<td>$22,000</td>
</tr>
<tr>
<td>Distribution</td>
<td>$526,602</td>
<td>$607,000</td>
<td>$630,000</td>
</tr>
<tr>
<td>Customer Accounting</td>
<td>$164,812</td>
<td>$211,000</td>
<td>$212,000</td>
</tr>
<tr>
<td>Administrative and General</td>
<td>$626,613</td>
<td>$691,000</td>
<td>$624,500</td>
</tr>
<tr>
<td><strong>Total Operating Expenses</strong></td>
<td><strong>$2,373,950</strong></td>
<td><strong>$2,614,350</strong></td>
<td><strong>$2,582,550</strong></td>
</tr>
</tbody>
</table>

## OPERATING MARGIN FOR WATER DEPARTMENT

<table>
<thead>
<tr>
<th>OPERATING MARGIN FOR WATER DEPARTMENT</th>
<th>FY2015 ACTUAL</th>
<th>FY2016 PROJECTED</th>
<th>FY2017 BUDGET</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td><strong>$306,478</strong></td>
<td><strong>$141,651</strong></td>
<td><strong>$155,192</strong></td>
</tr>
</tbody>
</table>

* includes Fiber
** Fire protection (City)
## OPERATING REVENUE - Water Department

<table>
<thead>
<tr>
<th></th>
<th>Total Gals Sold &amp; Avg Mtrs.Month</th>
<th>FY2017 BUDGET</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>RESIDENTIAL SALES</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Residential Water</td>
<td>361,500,000</td>
<td>$1,048,350</td>
</tr>
<tr>
<td>Service Availability Fees</td>
<td></td>
<td></td>
</tr>
<tr>
<td>5/8&quot; or 3/4&quot;</td>
<td>6,282</td>
<td>$678,456</td>
</tr>
<tr>
<td>1&quot;</td>
<td>54</td>
<td>$7,128</td>
</tr>
<tr>
<td>1-1/2&quot;</td>
<td>2</td>
<td>$408</td>
</tr>
<tr>
<td>2&quot;</td>
<td>39</td>
<td>$11,700</td>
</tr>
<tr>
<td>Water Cost Adjustment</td>
<td></td>
<td>-$41,934</td>
</tr>
<tr>
<td>Total Residential Sales</td>
<td></td>
<td>$1,704,108</td>
</tr>
</tbody>
</table>

| **NON-RESIDENTIAL SALES**|                                  |               |
| Non-Residential Water ^  | 232,000,000                      | $727,801      |
| Service Availability Fees|                                  |               |
| 5/8" or 3/4"             | 610                              | $65,880       |
| 1"                       | 96                               | $12,672       |
| 1-1/2"                   | 5                                | $1,020        |
| 2"                       | 108                              | $32,400       |
| 3"                       | 38                               | $22,800       |
| 4"                       | 5                                | $4,500        |
| Water Cost Adjustment    |                                  | -$26,912      |
| Utility Cost Assistance  |                                  | -$5,800       |
| Total Commercial Sales   |                                  | $779,361      |

| **SPECIAL SALES**        |                                  |               |
| MS&T/Special Sales       | 30,000,000                       | $84,000       |
| Water Cost Adjustment    |                                  | -$3,353       |
| Service Availability Fee |                                  |               |
| 6"                       | 5                                | $7,500        |
| Water District Sales     | 19,000,000                       | $66,123       |
| Water Cost Adjustment    |                                  | -$2,645       |
| Total Special Sales      |                                  | $151,815      |

| **FIRE SPRINKLER LINE FEES** |              |               |
| <=4"                        | 95            | $22,600       |
| 6"                          | 30            | $9,000        |
| 8"                          | 10            | $3,600        |
| 10"                         | 1             | $420          |
| Total Fire Sprinkler Line Fees |                    | $35,820      |

| **MISCELLANEOUS FEES**    |                                  |               |
| Service Fees              |                                  | $15,000       |
| Credit Card Processing Fees|                                  | $7,000        |
| Total Miscellaneous Fees  |                                  | $22,000       |

| **INTERDEPARTMENTAL SERVICES - CITY** |                              | $44,838      |
| Billing City Services (25%)          |                              |              |

## TOTAL OPERATING REVENUE FOR WATER DEPARTMENT

$2,737,742
### OPERATING EXPENSES - Water Department

<table>
<thead>
<tr>
<th>Category</th>
<th>FY2015 Actual</th>
<th>FY2016 Projected</th>
<th>FY2017 Budget</th>
</tr>
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<tbody>
<tr>
<td><strong>DEPRECIATION</strong></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>8403/Rolla Municipal Utilities</td>
<td>$472,440</td>
<td>$515,000</td>
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<tr>
<td>5403/Rolla Municipal Utilities (Fiber 25%)</td>
<td>$6,541</td>
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<tr>
<td>* 8404/City of Rolla</td>
<td>$153,441</td>
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<td><strong>Total Depreciation</strong></td>
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<td><strong>INTEREST</strong></td>
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<tr>
<td>8430/Water project</td>
<td>$58,109</td>
<td>$52,600</td>
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<td>8431/Deposits</td>
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<td><strong>Total Interest</strong></td>
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<td><strong>SOURCE OF SUPPLY</strong></td>
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<tr>
<td>8611/O &amp; M - Wells &amp; Well Houses</td>
<td>$43,903</td>
<td>$45,000</td>
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<tr>
<td>8623/Fuel or Power for Pumping</td>
<td>$304,351</td>
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<td>8623/O &amp; M - Pumps &amp; Pump Houses</td>
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<tr>
<td><strong>Total Source of Supply</strong></td>
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<td><strong>TREATMENT</strong></td>
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<tr>
<td>8641/Chemicals</td>
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<td>8652/O &amp; M - Treatment</td>
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<td><strong>Total Treatment</strong></td>
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<td><strong>DISTRIBUTION</strong></td>
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<tr>
<td>8660/Cost of Water Plant Removal</td>
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<tr>
<td>8665/Miscellaneous Distribution</td>
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<td>8673/O &amp; M - Mains</td>
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<td>8677/Maintenance Hydrants</td>
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<td><strong>Total Distribution</strong></td>
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<td><strong>CUSTOMER ACCOUNTING &amp; COLLECTING</strong></td>
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<tr>
<td>8902/Meter Reading Expenses</td>
<td>$18,764</td>
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<tr>
<td>8903/Records &amp; Collection Expenses</td>
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<td>8904/Uncollectible Accounts</td>
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<td><strong>Total Customer Acctg &amp; Collecting</strong></td>
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<td><strong>ADMINISTRATIVE AND GENERAL</strong></td>
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<tr>
<td>8913/Advertising</td>
<td>$5,000</td>
<td>$5,000</td>
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<tr>
<td>8920/Administrative &amp; General Salaries</td>
<td>$43,986</td>
<td>$49,000</td>
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<tr>
<td>8921/Office Supplies and Expenses</td>
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<td>8923/Outside Services Employed</td>
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<td>8924/Insurance</td>
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<td>$75,000</td>
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<tr>
<td>** 8926/Employee Benefits</td>
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<td>$500,000</td>
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<tr>
<td>8930/Misc General - Expenses</td>
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<tr>
<td>8932/Maintenance General Plant</td>
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<tr>
<td><strong>Total Administrative &amp; General</strong></td>
<td>$526,613</td>
<td>$591,000</td>
<td>$624,500</td>
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</tbody>
</table>

**TOTAL OPERATING EXPENSES FOR WATER DEPARTMENT**

- **$2,373,390** for FY2015
- **$2,614,350** for FY2016
- **$1,582,550** for FY2017

* Fire Protection (City)

** includes $100,000 for additional LAGERS unfunded accrued liability payments (FY2015 & FY2016 Only)
III CAPITAL EXPENDITURES BUDGET

- Summary
- Electric Department
- Water Department
## CAPITAL EXPENDITURES - SUMMARY

<table>
<thead>
<tr>
<th></th>
<th>FY2015 ACTUAL</th>
<th>FY2016 PROJECTED</th>
<th>FY2017 BUDGET</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>ELECTRIC</strong></td>
<td></td>
<td></td>
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</tr>
<tr>
<td>Transmission (138kV)</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td>Sub-Transmission (34.5kV)</td>
<td>$97,120</td>
<td>$20,000</td>
<td>$50,000</td>
</tr>
<tr>
<td>Distribution</td>
<td>$668,775</td>
<td>$1,017,000</td>
<td>$1,337,000</td>
</tr>
<tr>
<td>General Plant</td>
<td>-$107,375</td>
<td>$379,875</td>
<td>$356,000</td>
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<tr>
<td>Fiber (75%)</td>
<td>$24,757</td>
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<td>$27,750</td>
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<tr>
<td><strong>Total Electric Cap Exp</strong></td>
<td>$883,257</td>
<td>$1,440,875</td>
<td>$1,800,750</td>
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<tr>
<td><strong>WATER</strong></td>
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<tr>
<td>Source of Supply</td>
<td>$75,624</td>
<td>$55,000</td>
<td>$23,000</td>
</tr>
<tr>
<td>Pumping Plant</td>
<td>$28,411</td>
<td>$350,000</td>
<td>$250,000</td>
</tr>
<tr>
<td>Water Treatment</td>
<td>$4,910</td>
<td>$15,000</td>
<td>$15,000</td>
</tr>
<tr>
<td>Distribution</td>
<td>$395,660</td>
<td>$735,000</td>
<td>$2,170,000</td>
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<tr>
<td>General Plant</td>
<td>-$35,792</td>
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<td>$119,000</td>
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<tr>
<td>Fiber (25%)</td>
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<tr>
<td><strong>Total Water Cap Exp</strong></td>
<td>$477,059</td>
<td>$1,289,625</td>
<td>$2,580,250</td>
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</table>

**TOTAL CAPITAL EXPENDITURES**

$1,160,316

$2,730,500

$4,387,000
## CAPITAL EXPENDITURES - Electric Department

### TRANSMISSION (138 kV)

<table>
<thead>
<tr>
<th>Item</th>
<th>FY2015 Actual</th>
<th>FY2016 Projected</th>
<th>FY2017 Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>3350/Land &amp; Land Rights</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td>3353/Station Equipment</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td>3355/Poles, Towers, &amp; Fixtures</td>
<td>$0</td>
<td>$0</td>
<td>$3</td>
</tr>
<tr>
<td>3358/Overhead Conductors &amp; Devices</td>
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<td>$0</td>
<td>$3</td>
</tr>
<tr>
<td>3370/Meters</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td>3303/Ameren Tapping Stations</td>
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<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td><strong>Total Transmission</strong></td>
<td><strong>$0</strong></td>
<td><strong>$0</strong></td>
<td><strong>$0</strong></td>
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</table>

### SUB-TRANSMISSION (34.5 kV)

<table>
<thead>
<tr>
<th>Item</th>
<th>FY2015 Actual</th>
<th>FY2016 Projected</th>
<th>FY2017 Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>4350/Land &amp; Land Rights</td>
<td>$200</td>
<td>$0</td>
<td>$0</td>
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<tr>
<td>4355/Poles &amp; Fixtures</td>
<td>$5,216</td>
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<tr>
<td>4356/Overhead Conductors &amp; Devices</td>
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<tr>
<td><strong>Total Sub-Transmission</strong></td>
<td><strong>$97,120</strong></td>
<td><strong>$20,000</strong></td>
<td><strong>$80,000</strong></td>
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</table>

### DISTRIBUTION

<table>
<thead>
<tr>
<th>Item</th>
<th>FY2015 Actual</th>
<th>FY2016 Projected</th>
<th>FY2017 Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>4360/Land and Land Rights</td>
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<td>$1,000</td>
<td>$0</td>
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<tr>
<td>4361/Structures &amp; Improvements</td>
<td>$6,585</td>
<td>$41,000</td>
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<tr>
<td>4362/Station Equipment</td>
<td>$57,344</td>
<td>$103,000</td>
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<tr>
<td>4364/Poles, Towers &amp; Fixtures</td>
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<tr>
<td>4365/Overhead Conductors &amp; Devices</td>
<td>$180,017</td>
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<tr>
<td>4366/Underground Conduit</td>
<td>$64,516</td>
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<td>4367/Underground Conductors &amp; Devices</td>
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<tr>
<td>4368/Line Transformers</td>
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<td>$125,000</td>
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<tr>
<td>4369/Services</td>
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<td>4370/Meters</td>
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<tr>
<td>4372/Rental Property: Customer Premises</td>
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<td>4373/Streetlighting &amp; Signal Systems</td>
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<tr>
<td>7344/Generators</td>
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<tr>
<td>7345/Accessory Electric Equipment</td>
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<tr>
<td>7346/Misc Power Plant Equipment</td>
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<td>$0</td>
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<tr>
<td>7362/Station Equipment &amp; Transformers</td>
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<tr>
<td><strong>Total Distribution</strong></td>
<td><strong>$668,775</strong></td>
<td><strong>$1,017,000</strong></td>
<td><strong>$1,337,000</strong></td>
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### GENERAL PLANT

<table>
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<tr>
<th>Item</th>
<th>FY2015 Actual</th>
<th>FY2016 Projected</th>
<th>FY2017 Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>4369/Land and Land Rights (75%)</td>
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<td>$0</td>
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<tr>
<td>4390/Structures &amp; Improvements (75%)</td>
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<tr>
<td>4391/Office Furniture &amp; Equipment (75%)</td>
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<tr>
<td>4392/Transportation Equipment (75%)</td>
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<tr>
<td>4394/Tools, Shop &amp; Garage Equip (75%)</td>
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<td>4396/Power Operated Equipment (75%)</td>
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<tr>
<td>4397/Communication Equipment (75%)</td>
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<td><strong>Total General Plant</strong></td>
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### CAPITAL EXPENDITURES/ FIBER (75%)

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<th>Item</th>
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<td><strong>Total Capital Expenditures for Electric Department</strong></td>
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CAPITAL EXPENDITURES - Water Department

<table>
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<tr>
<th>SOURCE OF SUPPLY</th>
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<th>FY2017</th>
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<tr>
<td></td>
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<td>PROJECTED</td>
<td>BUDGET</td>
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<td>8310/Land and Land Rights</td>
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<td>8311/Structures &amp; Improvements</td>
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<tr>
<td>8314/Wells and Springs</td>
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<tr>
<td><strong>Total Source of Supply</strong></td>
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<td><strong>Total Pumping Plant</strong></td>
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<td>$250,000</td>
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<tr>
<td>WATER TREATMENT</td>
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<tr>
<td>8333/Equipment Fluoridation</td>
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<td><strong>Total Water Treatment</strong></td>
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<td>8342/Reservoirs &amp; Standpipes</td>
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<td>8343/Transmission &amp; Distribution Mains</td>
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<td>$1,950,000</td>
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<tr>
<td>8346/Meters</td>
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<tr>
<td>8348/Fire Hydrants</td>
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<td>$40,000</td>
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<td><strong>Total Distribution</strong></td>
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<td>GENERAL PLANT</td>
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<tr>
<td>8385/Laboratory Equipment</td>
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<tr>
<td>4389/Land and Land Rights (25%)</td>
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<td>4390/Structures &amp; Improvements (25%)</td>
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<td>$26,250</td>
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<tr>
<td>4391/Office Furniture &amp; Equipment (25%)</td>
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<td>$18,750</td>
<td>$40,030</td>
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<tr>
<td>4392/Transportation Equipment (25%)</td>
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<td>4396/Power Operated Equipment (25%)</td>
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<td>4397/Communication Equipment (25%)</td>
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<td><strong>Total General Plant</strong></td>
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<td>$126,625</td>
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<td>CAPITAL EXPENDITURES/FIBER (25%)</td>
<td>$8,246</td>
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TOTAL CAPITAL EXPENDITURES:
FOR WATER DEPARTMENT

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<th>FY2016</th>
<th>FY2017</th>
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<td><strong>TOTAL</strong></td>
<td>$477,059</td>
<td>$1,289,625</td>
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-16-
IV OTHER INFORMATION

- Unfunded Budget Requests
## UNFUNDED BUDGET REQUESTS

### ADMINISTRATIVE
- AMR/AMI project: $4,500,000

### SERVICE DEPARTMENT

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<thead>
<tr>
<th>Equipment/Facilities</th>
<th>Cost</th>
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<tr>
<td>Jet-Vac (trailer mounted)</td>
<td>$100,000</td>
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<td>Fiber optic infrastructure</td>
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<td>Truck #17</td>
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<td>Truck #25 (Van)</td>
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<td>Truck #26</td>
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<td>HyPoint #1 &amp; #2 Buildings</td>
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<td>Backhoe</td>
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<td>Skid Loader</td>
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**TOTAL UNFUNDED BUDGET REQUESTS** $5,408,000
V PERSONNEL & COMPENSATION

- Salary Schedule
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<td>$64,088</td>
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(E) = Exempt
Fiscal Year 3rd Quarter Report

Rolla Municipal Utilities
Provided to Rolla City Council
August 15, 2016
TABLE OF CONTENTS

Rolla Board of Public Works Statement 3

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A STATEMENT BY THE
BOARD OF PUBLIC WORKS

The Electric Power and Water System of the City of Rolla will be known as the ROLLA MUNICIPAL UTILITIES. Mr. J. B. Bronson will continue as general manager.

It will be the policy of the Board to operate the Rolla Municipal Utilities strictly on a business basis. There will be no change in the general policies of the management. All rates will be the same for the present.

The Board has three primary obligations:

1. To give the best possible service to the Citizens of Rolla.
2. To accumulate funds for the payment of the indebtedness. (Bond Issue and Revenue Certificates).
3. To build up reserve funds for any emergency and for replacement of machinery and equipment.

Regarding Service Interruptions:

This trouble is not in the local system, but in the source of supply. We hope eventually to have other sources of supply available and improve the electric service in Rolla.

Beginning immediately, $1000.00 per month from the profits will be paid to the General Fund of the City of Rolla, which is to replace the Franchise Tax formerly paid by the Missouri General Utilities.

No merchandise will be sold in competition with local merchants.

No repair service will be maintained in competition with local Electric Service men.

Next Monday, November 12th, our offices will open in our new building, formerly the Negro U. S. O Building, 103 W. 9th Street. All business will be transacted from this location after that date. The Rolla Free Public Library will occupy the second floor, and the State Board of Health and the County Agent the basement of this building. These quarters are furnished to the above organizations without cost as a public service of the Rolla Municipal Utilities.

Rolla Board of Public Works

H. E. CASTLEMAN, President
F. H. FRAME, Vice-President
R. D. SCHUMAN, Secretary
F. A. CAMERON, Member

Rolla Herald - November 1945
THIRD QUARTER FINANCIAL RECAP (Unaudited)

OPERATING INCOME and EXPENSES

<table>
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<tr>
<th></th>
<th>3rd Quarter FYTD 2015</th>
<th>3rd Quarter FYTD 2016</th>
<th>CHANGE</th>
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<td>OPERATING INCOME</td>
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<td>OTHER INCOME &amp; EXP.</td>
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<td>NET INCOME</td>
<td>$229,014</td>
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<td>$137,449</td>
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Upon completion of the third quarter of FY 2016, Operating Revenues are down $996,708 as compared to last year. Operating Expenses are down $883,872 for the same period resulting in an Operating Income of ($290,928), which is up $112,835. When combined with miscellaneous income and expenses, RMU experienced a Net income of $366,463, which is up $137,449 as compared to the third quarter of FY2015.
STATUS OF PENDING PROJECTS

ELECTRIC DEPARTMENT

- ELECTRICAL EXTENSIONS/UPGRADES


Missouri University of Science and Technology: Student Residence and University Drive - Replaced two (2) existing 4kV and 34kV overhead distribution and transmission lines. Started, April 14, 2016. Completed, April 26, 2016.

Missouri University of Science and Technology: 850 University Drive (new student housing) - Installation of riser pole, underground primary, transformer and meter. Started, April 14, 2016. Completed, May 23, 2016.


1104 North Rolla Street - Transformer, service and meter upgrade. Started, June 24, 2016. Ongoing.

Cedar and Olive Street from 16th - 18th Street - Rebuilt existing overhead 4kV distribution system. Started June 27, 2016. Ongoing.


WATER DEPARTMENT

- **WATER MAIN INSTALLATION**
  - Lanning Lane - Abandon 1,675 foot of existing 8" cast iron water main and two (2) fire hydrants. Started, March 24, 2016. Completed, April 15, 2016.
  - 10th and Asher Street tc 9th Street and Fairground Road - Replaced existing 10" and 12" water main with 16" PVC. Started, April 12, 2016. Completed, June 10, 2016.
  - 16th and Pine Street to 18th and Elm Street - Replaced existing 4" cast iron with 8" PVC. Started, June 13, 2016. Ongoing.
  - RMU Well #4 - Motor replacement. June 10, 2016. (under warranty)

- **13 WATER TAPS**

- **3 FIRE HYDRANT**

MISCELLANEOUS

- Street repairs for RMU water projects - Fox Creek, Old English, Whitehall and Brighton - 20,768 square feet of repair totaling $48,543.

- **MoPEP UPDATE**
  - MoPEP agreed to implementing a renewable energy pass-thru rate to retail customers. The rate will be primarily wind based. Customers will need to maintain a 55% load factor and purchase at least 60,000kw annually to meet minimum qualifications. A letter was sent out to perspective customers to determine the level of interest. Final allocations will be determined based on MoPEP cities customer requests.
On May 2nd MoPEP Board voted to purchase power from up to seven (7) additional solar farms. Three of the farms are similar in size to the Rolla farm with the remaining farms being slightly smaller.

The Marshall County Wind project is now in commercial operation. MoPEP is receiving 20MW of power from the facility.

Clean Line Energy - An agreement was approved by MJMEUC on June 2nd to purchase transmission service from Grain Belt Express. There are two (2) options up to 200MW of power. The new transmission line is intended to carry high capacity wind energy from the Dodge City, KS area to the PJM RTO on the east coast. Current projections are for the cost to be at , or less than, our current coal power contract with Dynegy Coal which expires in 2021.

In early May, Dynegy announced plans to shutter three (3) Illinois coal-fueled units, informing the regions grid operator that it should remove 1,835MW from MISO zone 4. An additional 500MW is targeted for shutdown, and the generator said a decision will come later this year. The decision to shut down operations at Baldwin and Newton was made after they once again failed to recover their basic operating costs in the most recent MISO capacity auction.

Earlier this year, Dynegy announced that 465MW of Wood River Power Station would retire in June for similar reasons. In total, 2,800MW of generation from Illinois will be lost, which results to approximately 30% of power generation capacity in Southern Illinois. In addition, a nuclear plant in Illinois and Nebraska are also considering shutdown. These actions could remove up to 4GW of power from the Midwest which will impact grid reliability.

MoPSC - Both Empire and KCPL-GMO have rate cases before the Public Service Commission. Empire was recently acquired by a Canadian power company. Great Plains Energy, the parent company of KCPL, recently acquired Westar.

Ameren has filed a solar tariff to allow customers to purchase solar power at around $0.15/kWh.

**PERSONNEL**

- Night Serviceman was released March 22, 2016.
- Night Serviceman hired May 1, 2016.
- Missouri Water and Wastewater Conference: Midwest Section Meeting - May 5, 2016 held in Ashland, MO. Ten RMU employees attended.
- Missouri Department of Natural Resources: "Drinking Water Treatment and Distribution" - June 30, 2016 held in Rolla, MO. Two RMU employees attended.
- MIRMA Annual Conference - July 20-22, 2016 held in Osage Beach, MO. Four RMU employees attended.
CITY OF ROLLA
CITY COUNCIL AGENDA

DEPARTMENT HEAD: Brady Wilson

ITEM/SUBJECT: Ordinance-Chapter 18 Revisions

BUDGET APPROPRIATION: $13,500

ACTION: Final Reading

DATE: August 15, 2016

COMMENTARY:

Following much discussion regarding the removal of trash carts left at the street edge, changes to Chapter 18 of the Rolla City Code have been proposed to facilitate better compliance. The proposed amendments would define responsible parties and establish a fine schedule. The proposed changes would also require approval of container storage and placement for future developments during the planning stages. The proposed amendments are shown in the attached ordinance with new language highlighted in yellow. Additionally, some minor wording changes have been added since our last discussion and those are highlighted in pink.

Staff recently met with a few property owners and/or property managers to discuss the proposed changes to the ordinance. This was a productive discussion but it was quite clear that the proposal to hold property owners solely liable is not favored. Based on feedback during the meeting, wording has been added to the ordinance that would allow for both the property owner and the tenant to be held responsible for compliance. Those in attendance were supportive of a system of marking containers so that they could be matched to a specific individual address and resident. In cases where that is not an option, the property owner could still be cited. It was also suggested that the effective date of the ordinance be changed to June 1, 2017 to correspond with lease renewals.

Item III, A.1.
ORDINANCE NO. __________

AN ORDINANCE REPEALING CHAPTER 18, GARBAGE, TRASH AND REFUSE, OF THE CODE OF THE CITY OF ROLLA, MISSOURI, AND ENACTING A NEW CHAPTER 18, GARBAGE, TRASH AND REFUSE, IN LIEU THEREOF.

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

Section 1: That Chapter 18, Garbage, Trash and Refuse, of the Code of the City of Rolla, Missouri, is hereby repealed and a new Chapter 18, Garbage, Trash and Refuse, is enacted in lieu thereof as follows:

Article I - In General

Sec. 18-1. Definitions.

For the purposes of this Chapter, the following words and terms shall have the meanings respectively ascribed to them by this Section:

Commercial refuse customer - Means any commercial, industrial or institutional establishment or group of establishments together with its/their owner(s) and/or occupant(s) or officer(s), and housing facilities containing more than six two adjoined dwelling units (duplexes) if so designated by the Director.

City - Means the City of Rolla as a governmental entity.

Collection Service - Means to travel from location to location gathering loose or containerized solid waste materials.

Commercial hauler - Means any person who, except as an agent of the City, collects and disposes of solid waste and receives money or other considerations for said service.

Director - Means the Director of the City of Rolla Environmental Services Department. (Ord. 3892 §1)

Dwelling unit - Means any room or group of rooms located within a structure which form(s) a single habitable unit with facilities for living, sleeping, cooking and hygiene.

Garbage - Means all animal and vegetable wastes subject to decay resulting from the handling, preparation, cooking and consumption of food.

Hazardous waste - means any waste or combination of wastes, which, because of quantity, concentration, or physical, chemical or infectious characteristics, may cause or significantly contribute to an increase in mortality or an increase in serious irreversible or incapacitating reversible illnesses, or pose a present or potential threat to humans and/or the environment.
Infectious waste - Means waste that is capable of producing an infectious disease because it contains pathogens of sufficient virulence and quantity so that exposure to the waste by a susceptible human host could result in an infectious disease. These wastes include blood and blood products, sharps and other items contaminated with blood, discarded biological products, human and animal bi-products, etc.

Major appliances - Means clothes washers and dryers, water heaters, trash compactors, dishwashers, conventional ovens, ranges, stoves, woodstoves, air conditioners, dehumidifiers, refrigerators and freezers, and any other appliances as regulated by the State of Missouri due to their hazardous components (i.e. Freon, mercury switches, PCB/s).

Municipal waste - Means household wastes and commercial, agricultural, governmental, industrial and institutional wastes which have chemical and physical characteristics similar to household wastes.

Occupant - Means any person who singly or jointly or severally with others shall be in actual possession of any dwelling unit either as owner or tenant.

Recyclable materials - Means those materials which can be diverted, removed, or recovered from the waste stream to be used, reused, sold or recycled whether or not they require subsequent separation and processing. Recyclable materials include but are not limited to paper, paper products, cardboard, plastics, bottles, cans, glass, metals, etc.

Recycling - Means the separation and reuse or remanufacture of recyclable materials which might otherwise be disposed of by landfilling.

Refuse - Means both garbage and solid waste as defined in this Section.

Regulated waste - Means any waste material requiring special handling and/or disposal as specified by law. Regulated waste includes, but is not limited to lead-acid batteries, yard waste, tires, major appliances, used oil, asbestos, contaminated soil, etc.

Residential refuse customer - Means the occupant and/or owner of any detached single-family dwelling unit, up to and including duplexes, unless said occupant is otherwise designated in the manner established in this Chapter.

Rummage - To rummage means "to physically exam and/or search through."

Scavenge - Scavenging, or to scavenge, means, "to rummage or search through a refuse or recycling container for purposes of removal of items."
Solid waste - Means municipal wastes, garbage, refuse, and other discarded materials including, but not limited to, solid and semi-solid waste materials resulting from residential, commercial, institutional, industrial, and governmental activities.

Yard waste - Means organic debris (e.g. grass clippings, leaves, tree limbs, bark, branches, flowers, etc.) which is produced as part of yard and garden development and maintenance. The definition of yard waste shall include Christmas trees that do not contain ornaments, tinsel, or flocculent. (Ord. 3768, §1)

Sec. 18-2. City to have exclusive right to collect and remove refuse.

The City, through its duly authorized agents, shall have an exclusive right to provide collection services for the removal of refuse, solid waste, and unprocessed recyclable materials within the incorporated limits of the City of Rolla, MO and it shall be unlawful for any other person or entity to provide a collection service, for the removal of refuse, solid waste, and unprocessed recyclable materials in the City, except as may otherwise be provided in this section. No person or entity shall duplicate the collection services provided by the City unless authorized to do so. As used in this section, "unprocessed recyclable materials" means loose recyclable materials that have not been compressed, compacted, baled, bundled, crushed, granulated, or otherwise consolidated for transport to an end market. As used in this section "end market," means a manufacturer that will use the processed recyclables as feedstock or raw materials in the production of new goods. However, nothing contained herein shall prevent a person or entity that generates recyclable materials from transporting the recyclable materials they have generated to a business engaged in purchasing and processing recyclable materials.

The storage, collection, processing and disposal of solid waste will be managed in accordance with local and state laws and rules. All processing facilities and disposal areas utilized shall have appropriate local and state permits. (Ord. 3768, §1)

Sec. 18-3. Recycling of solid waste materials encouraged.

The City shall, as a matter of public welfare, promote recycling as a preferred waste management alternative, make available collection services and drop-off facilities, and, as approved by the City Council, adopt such charges as will encourage refuse customers to recycle appropriate solid waste materials.

In addition to the City’s existing programs and services, persons or entities are encouraged to target recyclable materials or recycling services not being addressed by the City’s collection/drop-off services. Commercial customers with significant quantities are encouraged to recover materials for recycling. Not-for-profit entities are encouraged to utilize recycling opportunities for fund raising efforts.
Upon request by the City, any person, business, or entity providing recycling services within the City of Rolla shall provide to the City, records of types and quantities of materials recycled. (Ord. 3768, §1)

Sec. 18-4. Authorization for commercial solid waste haulers.

A person may be authorized to operate as a commercial solid waste hauler within the city upon obtaining such licenses as may be required by the city and a determination by the City Council that the public convenience and necessity are served by such authorization, and, that the service to be provided by the hauler applying for said authorization, cannot be provided by the City.

All vehicles used to collect and transport solid waste shall be maintained in a safe, clean and sanitary condition. The vehicles are to be of standard refuse packer body design with watertight and covered bodies. If a roll-off style truck is used, the roll-off container must be tarped when being transported carrying any contents. (Ord. 3768, §1)

Sec. 18-5. Allowance for customers to dispose of their own refuse; allowance not to relieve customers of other provisions and minimum charges; exception.

Any refuse customer may collect his own refuse from his own premises and remove that refuse to a landfill or transfer station approved by the state, provided that in so doing no nuisance is caused or maintained. (Ord. 3768, §1)

Sec. 18-6. Reserved.

Sec. 18-7. Prohibited practices.

It shall be unlawful for any refuse customer to:

a. Deposit refuse in any refuse container other than his/her own or that is assigned for his/her use by the City.

b. Accumulate or dispose of refuse in any manner or at any location, which the City Council deems a nuisance to the public health or safety.

c. Fail to place their refuse container at the nearest street curb or street edge on the date of collection for collection purposes, except refuse customers who have provided the City with a written verification from a physician stating they are physically unable to place the refuse container at the street, in which case all refuse will be placed in securely tied plastic bags.

d. Place the refuse container at the curb or street edge more than twenty-four (24) hours in advance of the scheduled collection, or failure to remove the refuse container from the
curbside or street edge to the front line of the house within twenty-four (24) hours of the
day of collection. The first and second A violation will result in Environmental Services
Department personnel placing a notification “sticker” on the refuse container notifying
the resident the property owner being notified of the requirement to remove the container
from the street edge. Noncompliance within a 10-day 5-day time limit will result in the
tenant being notified of the requirement via posting of the property and the property
owner being notified via mail, and also can result in the issuance of a citation with a fine
of $25 for the first offense, $50 for the second offense, and $75 for offenses thereafter.
For purposes of enforcement, the property owner and the tenant of a property will be held
jointly or severally liable. The third violation will result in suspension of service and
Environmental Services Department personnel repossessing the refuse container. A
$20.00 reinstatement fee will be charged for re-delivery of the container and
reinstatement of service. (Ord. 3892, §2)

e. Fail to place garbage in tied plastic bags prior to depositing such refuse in containers.

f. It shall be unlawful for any unauthorized person to rummage through or scavenge items
from any refuse or recycling container owned serviced, or maintained by the City.

g. Place liquid waste (i.e. paint, waste oil, chemicals) in a refuse container or bags to be
collected by the City.

h. Burn, paint, or otherwise deface any refuse or recycling container owned by the City.

i. Place bulk or loose refuse or waste items at the curb or street edge more than seventy-two
(72) hours in advance of a pre-arranged collection or a scheduled annual citywide
cleanup. (Ord. 4102)

j. Place hazardous, infectious or regulated waste in a refuse container that is not intended
for such wastes and marked as such. Any infectious wastes generated from residential
sources must be placed in a rigid leak-proof, puncture resistant container with a tight
fitting lid. Infectious wastes generated from commercial sources cannot be discarded into
the municipal solid waste stream unless processed and sterilized to specifications
required by law. (Ord. 3768, §1)

Sec. 18-8. Enforcement of service charge collection.

The city may enforce collection of such service charge as may be established in this Chapter by
bringing legal action against any refuse customer to recover any sums due for services plus the
cost of such action. Customers that are sixty or more days behind in paying for service shall
have their refuse container(s) repossessed until such time that payment is made and the account
is in good standing, and a $20.00 re-delivery fee will be charged before service is reinstated.
(Ord. 3768, §1)
Sec. 18-9. Yard waste procedures.

It shall be the duty of all customers to comply with the following procedures pertaining to yard waste:

(a) All yard waste shall be separated by the owner or occupant from all other garbage and refuse accumulated on the premises and shall be composted on the premises or placed in paper biodegradable bags and set out for collection by the City.

(b) All yard waste shall be collected from residential, commercial, industrial and institutional premises at least once each week.

(c) Yard waste must be placed at the curb on the customers' regular pick up day in a paper biodegradable bag.

(d) The number of paper biodegradable bags containing yard waste which citizens may place out for collection shall be unlimited.

(e) Persons choosing not to compost yard waste on their own property may place yard waste in paper biodegradable bags.

(f) Nothing in this Chapter is intended to prevent an owner from transporting yard wastes accumulating on premises of the owner, provided such yard waste is disposed of at city-approved composting station or neighborhood collection sites in accordance with policies established by the City. (Ord. 3768, §1)

Secs. 18-10 to 18-13. Reserved.

Article II - Residential Refuse Disposal and Collection

Sec. 18-14. Residential collections; special collections.

a. The City shall provide residential customers with special collections as requested, for which the City shall be entitled to assess a reasonable charge as determined by the Director. Special collection fees are as follows: tires - $5.00 each (with a $10.00 minimum charge); limbs and brush – minimum charge $20.00 for the first 15 minutes of loading time plus $1.00 per minute charge thereafter; major appliances - $20.00 each; household waste and items too large to discard in the refuse container - $25.00 for each cubic yard; special collection fees shall be paid in advance of the collection service being requested. Paper shredding - $25.00 per man-hour charged on a quarter-hour basis with a
$10.00 minimum charge. Paper to be shredded shall be delivered to the shredding facility. (Ord. 4170, §1)

b. For those occasions when a resident has a bulk item or items to dispose of, the City may sell stickers to be affixed to each bulk item for collection on the resident’s regularly scheduled collection day. The rate to be charged shall be $5.00 per sticker. Items that can be lifted by one person will require one sticker; items requiring lifting by two persons will require two stickers. Stickers should be affixed to each item in such a manner as to be easily seen by collection crews. Regulated items (i.e. appliances, tires, yard waste) will not be eligible for collection using stickers, but may be collected for a separate fee as specified in (a) above.

c. Annually, a pick-up of bulk waste items will be provided at no additional cost to residential customers. Certain items, including regulated items, will be exempted from this pick-up as determined by the Director. (Ord. 3768, §1) (Ord. 4069) (Ord. 4102)

Sec. 18-15. Residential refuse container and storage requirements.

It shall be the duty of every residential refuse customer to comply with the following provisions pertaining to the storage of refuse:

(a) All refuse shall be stored placed at the designated collection point, normally the curb or street edge in front of the residence, in containers provided by the customer or rollout containers obtained from the City, in accordance with provisions of Section 18-7. Refuse other than bulk waste items too large for the roll-out container must be placed out for regular collection in the container(s) provided by the City. All loose and/or offensive (putrescible) refuse shall be placed in tied plastic bags prior to being placed in the collection container.

(b) Refuse containers shall be kept tightly closed and maintained in a clean, neat and sanitary condition at all times. The periodic cleaning and sanitizing of the refuse container shall be the responsibility of each residential customer. (Ord. 3768, §1)

Sec. 18-16. Service charge rates for residential refuse collection.

a. Each residential refuse customer shall pay to the City a service charge of $11.50 per month for the weekly collection of the contents of each 35 gallon container, all acceptable yard wastes in biodegradable bags, and all specified recyclables. Each residential refuse customer shall pay to the City a service charge of $14.00 per month for the weekly collection of the contents of each 90 gallon container, all acceptable yard wastes in biodegradable bags, and all specified recyclables. (Ord. 4170, §2)
Sec. 18-17. Service charge to be included and itemized on electric and/or water service bill.

The service charges established in Section 18-16 herein shall be included and itemized on municipal utilities electric and/or water service bills and payment of such charges shall be made at the same time and in the same manner as electric and/or water bills are paid.

However, should any residential refuse customer receive neither municipal electric or water service, then the city shall prepare and mail special service charge bills to such customers. (Ord. 3768, §1)

Sec. 18-18. Exemption.

Residential customers may be exempt from the monthly charge if the dwelling is unoccupied for a minimum of one (1) month and giving prior notification to the City’s Environmental Services Director. (Ord. 3768, §1; Ord. 3892, §3)

Secs. 18-19 to 18-22. Reserved.

Article III - Commercial Refuse Disposal and Collection

Sec. 18-23. Number of commercial collections; special collections.

a. The City shall provide commercial customers with special collections as requested, for which the City shall be entitled to assess a reasonable charge as determined by the Director. Special collection fees are as follows: tires - $5.00 each (with a $10.00 minimum charge); limbs and brush – minimum charge $20.00 for the first 15 minutes of loading time plus a $1.00 per minute charge thereafter; major appliances - $20.00 each; special household waste, including transfer station fees and involving items too large to discard in a refuse container - $25.00 for each cubic yard; paper shredding - $25.00 per hour charged on a quarter-hour basis with a $10.00 minimum charge, paper to be delivered to the shredding facility, (paper will not be picked up for shredding). (Ord. 4170, §3)

Sec. 18-24. Commercial refuse container and storage requirements.
(a) It shall be the duty of every commercial refuse customer to comply with the same provisions pertaining to the storage of refuse as set for residential customers in Section 18-15 herein.

(b) It shall be the duty of every commercial refuse customer to provide adequate and appropriate space to accommodate the refuse container(s) necessary to accommodate the solid waste generated by each business establishment. The space provided must be easily accessible and on a hard surface approved by the Director. (Ord. 3768, §1) Environmental Services Department.

(c) Any new development or re-development that will result in a commercial refuse customer as defined in Section 18-1 herein must provide plans for refuse container storage and access for collection. Such plans must be approved by the Environmental Services Department prior to issuance of a construction permit. Any altering of the approved plans without prior approval from the Environmental Services Department can result in interruption in, and/or loss of, refuse service. Space requirements for various size containers are determined by the Environmental Services Department. The Department has issued standard guidelines for the size and spacing for acceptable solid waste pickup areas. This information can be found on the City’s website or is available by contacting the office of the Environmental Services Department.

Sec. 18-25. Service charge rates for commercial refuse collection.

Each commercial refuse customer shall pay to the city a service charge for collection as follows: Each commercial refuse customer shall subscribe to one of the following service levels and pay monthly to the City the following service charge(s) for the corresponding container and frequency of service:

**One (1) cubic yard container**

<table>
<thead>
<tr>
<th>Frequency</th>
<th>Charge</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 service per week</td>
<td>$40.30/month</td>
</tr>
<tr>
<td>2 services per week</td>
<td>$80.60/month</td>
</tr>
<tr>
<td>3 services per week</td>
<td>$120.90/month</td>
</tr>
<tr>
<td>4 services per week</td>
<td>$161.30/month</td>
</tr>
<tr>
<td>5 services per week</td>
<td>$201.60/month</td>
</tr>
</tbody>
</table>

There will be a $25.00 charge for any additional service request.

**Two (2) cubic yard container**

<table>
<thead>
<tr>
<th>Frequency</th>
<th>Charge</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 service per week</td>
<td>$63.50/month</td>
</tr>
<tr>
<td>2 services per week</td>
<td>$127.00/month</td>
</tr>
<tr>
<td>3 services per week</td>
<td>$190.50/month</td>
</tr>
</tbody>
</table>

III. A. 10.
<table>
<thead>
<tr>
<th>Services per Week</th>
<th>Cost per Month</th>
</tr>
</thead>
<tbody>
<tr>
<td>4</td>
<td>$254.00</td>
</tr>
<tr>
<td>5</td>
<td>$317.50</td>
</tr>
</tbody>
</table>

There will be a $30.00 charge for any additional service request.

**Four (4) cubic yard container**

<table>
<thead>
<tr>
<th>Services per Week</th>
<th>Cost per Month</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>$108.85</td>
</tr>
<tr>
<td>2</td>
<td>$217.70</td>
</tr>
<tr>
<td>3</td>
<td>$326.50</td>
</tr>
<tr>
<td>4</td>
<td>$435.30</td>
</tr>
<tr>
<td>5</td>
<td>$544.10</td>
</tr>
</tbody>
</table>

There will be a $40.00 charge for any additional service request.

**Six (6) cubic yard container**

<table>
<thead>
<tr>
<th>Services per Week</th>
<th>Cost per Month</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>$155.80</td>
</tr>
<tr>
<td>2</td>
<td>$311.60</td>
</tr>
<tr>
<td>3</td>
<td>$467.45</td>
</tr>
<tr>
<td>4</td>
<td>$623.25</td>
</tr>
<tr>
<td>5</td>
<td>$779.05</td>
</tr>
</tbody>
</table>

There will be a $50.00 charge for any additional service request.

The initial container requested will be delivered at no extra charge. However, there will be a $20.00 fee for changing container sizes after the initial delivery.

b. Each commercial refuse customer shall pay to the City a service charge of $14.00 per month for collection of one (1) 90-gallon roll-out container once per week.

c. Customers utilizing the City’s construction/demolition container service shall pay to the City a rental charge of $5.00 per day (Monday through Friday) plus a charge of $90.00 per pull plus appropriate landfill or transfer station tipping fees for each open top roll-off container.

d. Each customer shall pay to the City, a service charge of $5.00 per day (Monday through Friday) for use of each 4-yard container, plus a charge of $73.00 each time a 4-yard
container is emptied, and, each customer shall pay to the City, a service charge of $5.00 per day (Monday through Friday) for use of each 6-yard container, plus a charge of $99.50 each time a 6-yard container is emptied.

e. Each customer shall pay to the City a service charge of $105.00 per pull plus appropriate landfill or transfer station fees for each hydraulically operated roll-off compactor.

f. Each customer requesting to have the City haul regulated waste shall pay the established container fees as specified in Section 18-25 herein as well as all other applicable disposal fees in addition to a $2.00 per mile transportation fee.

g. Each customer shall pay to the City a fee of $40.00 to have a roll-off or construction/demolition container relocated at the customer’s request. (Ord. 4170, §4).

Sec. 18-26. Service charge bills to be prepared by city.

The service charges established in Section 18-25 herein shall be included and itemized on municipal utilities electric and/or water service bills and payment of such charges shall be made at the same time and in the same manner as electric and/or water bills are paid. However, should any commercial refuse customer receive neither municipal electric or water service, then the City shall prepare and mail special service charge bills to such customers. (Ord. 3768, §1)

Secs. 18-27 to 18-31. Reserved.

Article IV - Refuse Service Review Committee

Sec. 18-32. Review Committee; selection of members; authority.

Should any solid waste and/or refuse customer desire an exemption from any of the provisions of this Chapter, he shall make his request known to the Director of Environmental Services. Such committee shall have the authority to uphold, modify, or suspend any of the provisions of this Chapter, provided that in so doing no nuisance to the public health, safety, or welfare is caused or maintained. The Council shall annually reappoint three of its members, representing the widest coverage of the City possible, to review such request or to hear said appeal. (Ord. 3768, §1; Ord. 3892, §4)

Secs 18-33 to 18-37. Reserved.
Article V - Recovery of Emergency Related Expenses

Sec. 18-38. Procedure for recovery of expenses incurred in emergency actions in response to releases or threatened releases of material into or upon the environment.

When used in this section, "emergency action" shall mean all exigent activities conducted in order to prevent or mitigate harm to the public health and safety or the environment from a release or threatened release of any material into or upon land, water or air.

When used in this section, "governmental entity" shall include the City of Rolla, and any entity responding under a mutual aid agreement with the City of Rolla.

When used in this section, "person" shall include any individual, corporation, association, partnership, firm, trustee, legal representative, or any combination thereof.

When used in this section, "recoverable expenses" shall include the full costs of the responding governmental entity that are reasonable, necessary and allocable to an emergency action. Recoverable expenses shall not include expenditures that are incurred in the course of providing routine firefighting protection. Expenses allowable for recovery may include, but are not limited to:

- (1) Disposable materials and supplies consumed and expended specifically for the purpose of the emergency action.
- (2) Compensation of employees for the time and efforts devoted specifically to the emergency action.
- (3) Rental or leasing of equipment used specifically for the emergency action (e.g., protective equipment or clothing, scientific and technical equipment).
- (4) Replacement costs for equipment owned by the governmental entity that is contaminated beyond reuse or repair, if the equipment was a total loss and the loss occurred during the emergency action (e.g., self-contained breathing apparatus irretrievably contaminated during the response).
- (5) Decontamination of equipment contaminated during the response.
- (6) Special technical services specifically required for the response (e.g., costs associated with the time and efforts of technical experts or specialists not otherwise provided for by the governmental entities).
- (7) Other special services specifically required for the emergency action.
- (8) Laboratory costs of analyzing samples taken during the emergency action.
- (9) Any costs of cleanup, storage, or disposal of the released material.
• (10) Costs associated with the services, supplies and equipment procured for a specific evacuation of persons or property.
• (11) Medical expenses incurred as a result of response activities.
• (12) Legal expenses and administrative costs that may be incurred as a result of the emergency action, including efforts to recover expenses pursuant to this Chapter.

When used in this section, "release" shall mean any spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, dumping or disposing into or upon land, water or air, of any material which the city determines may be harmful to the public health and welfare or the environment.

When used in this section, "threatened release" shall mean any imminent or impending event potentially causing but not resulting in a release, but causing the governmental entities to undertake an emergency action.

Any person causing or responsible for a release or threatened release resulting in an emergency action shall be strictly liable to the governmental entity for the recoverable expenses resulting from the emergency action. There shall be a rebuttable presumption that any person owning or controlling property causing a release or threatened release is responsible for such release or threatened release.

The city administrator of the City of Rolla shall keep an itemized record of its recoverable expenses resulting from the emergency action. Promptly after completion of the emergency action, he shall certify those expenses to the city clerk.

The city clerk shall submit a written, itemized claim for the total certified expenses incurred by the City of Rolla for the emergency action to the responsible party and a written notice that, unless the amounts are paid in full to the City of Rolla within 30 days after the date of the mailing of the claim and notice, the city counselor of the City of Rolla will file a civil action for the stated amount.

The city clerk may cause a lien in the amount of the recoverable expenses to be placed on any real property located within the boundaries of the City of Rolla owned by the person causing or responsible for the emergency action.

Nothing in this Chapter shall be construed to conflict with the state or federal laws requiring persons causing or responsible for releases or threatened releases from engaging in remediation activates and/or paying the costs thereof.

In the event a release occurs, the person causing or responsible for such release shall immediately notify the city clerk and request emergency action. Failure of any person to report any release shall be an ordinance violation and upon conviction thereof shall be punished by a
fine of not more than $500.00 or by imprisonment of not more than six months or by both such fine and imprisonment. (Ord. 3768, §1)

Secs 18-39 to 18-43. Reserved.

Section 2: That this ordinance shall be in full force and effect from and after the date of its passage and approval, beginning January 1, 2017.

APPROVED:

__________________________
MAYOR

ATTEST:

__________________________
CITY CLERK

APPROVED AS TO FORM:

__________________________
CITY COUNSELOR
ITEM/SUBJECT:  Project 407 – 2016 Phase III Asphalt Improvements

BUDGET APPROPRIATION (IF APPLICABLE)  DATE:  08/15/16

COMMENTARY:

Council approved $69,086.86 bid from Pierce Asphalt, LLC for Project #407 – 2016 Phase III Asphalt Improvements at the August 01, 2016 council meeting.

Staff is requesting the final reading of the ordinance authorizing the Mayor to enter into the contract with Pierce Asphalt, LLC for $69,086.86
ORDINANCE NO. ______________


BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF ROLLA, MISSOURI, AS FOLLOWS:

Section 1: That the Mayor of the City of Rolla, Missouri be and is hereby authorized and directed to execute on behalf of the City of Rolla, Missouri an agreement between the City of Rolla, Missouri and Pierce Asphalt, LLC. for 2016 Phase III Asphalt Improvements, Project 407, a copy of said agreement being attached hereto and marked Exhibit A.


APPROVED:

______________________________
MAYOR

ATTEST:

______________________________
CITY CLERK

APPROVED AS TO FORM:

______________________________
CITY COUNSELOR

III. B.2.
CONTRACT AGREEMENT

THIS AGREEMENT, made and entered into this ______ Day of _______ by and between the City of Rolla, Missouri, Party of the First Part and hereinafter called Owner, and Pierce Asphalt, L.L.C. Party of the second Part and hereinafter called the Contractor.

WITNESSETH:

THAT WHEREAS, the Owner has caused to be prepared, in accordance with law, specifications, plans, and other Contract Documents for the work herein described, and has approved and adopted said documents, and has caused to be published and advertised for and in connection with the construction of: 2016 Phase III Asphalt Improvements, PROJECT 407, in complete accord with the Contract Documents and the said plans and specifications; and

WHEREAS, the said Contractor, in response to such advertisement, has submitted to the Owner, in the manner and at the time specified, a sealed proposal in accordance with the terms of said advertisement; and

WHEREAS, the Owner, in the manner prescribed by law, has publicly opened, examined and canvassed the proposals submitted in response to the published invitation therefore, and as a result of such canvass has determined and declared the aforesaid Contractor to be lowest and best bidder for the said work and has duly awarded to the said Contractor a contract therefore, for the sum or sums named in the Contractor’s proposal, a copy thereof being attached to and made a part of this contract.

NOW THEREFORE, in consideration of the compensation to be paid to the Contractor and of the mutual agreement herein contained, the parties to these presents have agreed and hereby agree, the Owner for itself and its successors, and the Contractor for itself, himself, or themselves, or its, his or their successors and assigns, or its, his, or their executors and administrators, as follows:

ARTICLE I. That the Contractor shall (a) furnish all tools, equipment, supplies, superintendent, transportation, and other construction accessories, services and facilities; (b) furnish all materials, supplies, and equipment specified and required to be incorporated in, and form a permanent part of the completed work except the items specified to be furnished by the Owner; (c) provide and perform all necessary labor, and (d) in a good, substantial, and workmanlike manner, and in accordance with the provisions of the General Conditions and the Special Conditions of the Contract, which are attached hereto and made a part hereof, and in conformity with the Contract Plans and Specifications designated and identified therein, execute, construct, and complete all work included in, and covered by the Owner’s official award of this Contract to the said Contractor, such award being based on the acceptance by the Owner of the Contractor’s proposal, for the construction of 2016 Phase III Asphalt Improvements, PROJECT 407.
It is further stipulated that not less than the prevailing hourly rate of wages as found by the Department of Labor and Industrial Relations of the State of Missouri, or determined by the Court of Appeal shall be paid to all workers performing work under this Contract.

**ARTICLE II.** Contractor acknowledges that Section 285.530, R.S.Mo, prohibits any business entity or employer from knowingly employing, hiring for employment, or continuing to employ an unauthorized alien to perform work within the State of Missouri. Contractor therefore covenants that it is not knowingly in violation of Subsection I of Section 285.530, R.S.Mo, and that it will not knowingly employ, hire for employment, or continue to employ any unauthorized aliens to perform work on the Project, and that its employees are lawfully eligible to work in the United States.

**ARTICLE III.** Occupational Safety and Health Administration (OSHA)

**Safety Training:**

a. Contractor shall provide a ten (10) hour Occupational Safety and Health Administration (OSHA) construction safety program for all employees who will be on-site at the project. The construction safety program shall include a course in construction safety and health that is approved by OSHA or a similar program approved by the Missouri Department of Labor and Industrial Relations which is at least as stringent as an approved OSHA program as required by Section 292.675, R.S.Mo.

b. Contractor shall require its on-site employees to complete a construction safety program within sixty (60) days after the date work on the project commences.

c. Contractor acknowledges and agrees that any of Contractor's employees found on the project site without the documentation of the successful completion of a construction safety program shall be required to produce such documentation within twenty (20) days, or will be subject to removal from the project.

d. Contractor shall require all of its subcontractors to comply with the requirements of this Section and Section 292.675, R.S.Mo.

**Notice of Penalties for Failure to Provide Safety Training**

a. Pursuant to Section 292.675, R.S.Mo, Contractor shall forfeit to City as a penalty two thousand five hundred dollars ($2,500.00), plus one hundred dollars ($100.00) for each on-site employee employed by Contractor or its Subcontractor, for each calendar day, or portion thereof, such on-site employee is employed without the construction safety training required in Safety Training section of Article III above.

b. The penalty described in above subsection A of this section shall not begin to accrue until the time periods described in Sections B and C Safety Training of Article III above have elapsed.

c. Violations of Article III – Safety Training above and imposition of the penalty described in this Section shall be investigated and determined by the Missouri Department of Labor and Industrial Relations.

**ARTICLE IV.** That the Contractor shall construct and complete the work designated and described in the foregoing proposal and attached specifications in accordance with the Notice to Bidders, Instruction to Bidders, Proposal, Bond, General Conditions, Special Conditions, Technical Specifications, Drawings, Addenda, and other component parts of the Contract.
Documents hereto attached, all of which documents from the Contract and are as fully a part hereto as if repeated verbatim herein.

ARTICLE V. That the Owner shall pay to the Contractor for the performance of the work described as follows: Complete construction of the improvements in accordance with plans and specifications; and the Contractor will accept as full compensation therefore, the sum (subject to adjustment as provided by the Contract) of $69,086.86 for all work covered by and included in the contract award and designated in the foregoing Article I. Payment therefore shall be made in the manner provided in the General Conditions attached hereto.

ARTICLE VI. That the Contractor shall begin assembly of materials and equipment within ten (10) days after receipt from the Owner of executed copies of the Contract. Date of Completion of this project is 45 CALENDAR DAYS FROM THE NOTICE TO PROCEED DATE.

Liquidated Damages - Should the contractor fail to complete the work on or before the completion date specified the contractor will be charged liquidated damages in the amount of $100.00 per calendar day for each full calendar day that the work is not fully completed. Liquidated damages will not be charged for weekends and holidays.

ARTICLE VII. Before the final payment can be made to the Contractor on the project, the Contractor must complete and return the Affidavit Compliance with the Prevailing Wage Law form furnished at the end of the Special Conditions section.

ARTICLE VIII. Before the final payment can be made on the project to the Contractor, the Contractor must complete and return the Contractor’s Affidavit Regarding Settlement of Claims form furnished at the end of the Special Conditions section.

ARTICLE IX. This Contract will not be binding and effective until confirmed by the Owner.
IN WITNESS-WHEREOF: The parties have executed this Contract as of the day and year first above written.

CITY OF ROLLA, MISSOURI

BY ________________________________
Mayor, Owner, Party of the First Part

CONTRACTOR

BY ________________________________
TITLE ________________________________

STATE OF MISSOURI )
SS )
County of Phelps )

On this ______ day of ____________ before me appeared ____________________________, to me personally known, who, being by me duly sworn, did say that he is the Mayor of the City of Rolla, Missouri, a municipal corporation, and the seal affixed to said instrument is the corporate seal of said municipal corporation and that said instrument was signed under authority of the City Council of said municipal corporation and that said instrument was acknowledged by the said __________________________ Acknowledged said instrument to be the free act and deed of said municipal corporation.

My commission expires: ________________________________

Notary Public

STATE OF MISSOURI )
SS )
County of Phelps )

On this ______ day of ____________ before me appeared ____________________________, to me personally known, who, being by me duly sworn, did say that (s)he is the __________________________ of __________________________ and that the seal affixed to said instrument is the corporate seal of said corporation by authority of its board of directors; and the said __________________________ acknowledged said instrument to be the free act and deed of said corporation.

My commission expires: ________________________________

Notary Public

CITY OF ROLLA
CITY COUNCIL AGENDA

DEPARTMENT HEAD: John Butz, City Administrator ACTION REQUESTED: First Reading

ITEM/SUBJECT: Ordinance Approving a Development Agreement Pertaining to the Westside Marketplace Development Plan

BUDGET APPROPRIATION (IF APPLICABLE) $22 Million DATE: August 15, 2016

*******************************************************

COMMENTARY:

For two plus years, the City and County have been working toward the redevelopment of substantial property north of the Kingshighway Interchange having selected UTW Rolla Development as the “preferred developer”. Tax Increment Financing and substantial transportation improvements were essential mechanisms to leverage the substantial private investment. Following months of deliberation on the project scope the County’s TIF Commission provided a unanimous recommendation to approve the redevelopment plan and use of TIF. The attached Redevelopment Agreement is the key document at this point that details the obligations of each of the parties. The project consists of a Menard’s Store plus 120,000 square feet of additional retail.

The City and County will simultaneously be working to approve the necessary documents between now and September 6th. While the project continues to make slow, steady progress, the project is ultimately contingent on approval of the Move Rolla Transportation District, which should proceed through 2016.

Recommendation: First Reading.
ORDINANCE NO. _____

AN ORDINANCE APPROVING A REDEVELOPMENT AGREEMENT IN CONNECTION WITH THE WESTSIDE MARKETPLACE REDEVELOPMENT PLAN.

WHEREAS, Phelps County, Missouri (the "County") has approved The Westside Marketplace Redevelopment Plan (the "Plan") and a redevelopment project (the "RPA 1 Redevelopment Project") for the portion of the redevelopment area described in the Plan as "RPA 1," all pursuant to the Real Property Tax Increment Allocation Redevelopment Act, Sections 99.800 to 99.865 of the Revised Statutes of Missouri, as amended; and

WHEREAS, the City desires to enter into a redevelopment agreement among the City, the County, UTW Rolla Development, LLC (the "Developer") and UTW Rolla Project, Inc. with regard to the development of the RPA 1 Redevelopment Project (the "Redevelopment Agreement");

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

Section 1: The City Council finds and determines that it is necessary and desirable to enter into the Redevelopment Agreement to assist the County in implementing the RPA 1 Redevelopment Project. The Mayor is hereby authorized and directed to execute, on behalf of the City, the Redevelopment Agreement. The City Clerk is hereby authorized and directed to attest to the Redevelopment Agreement and to affix the seal of the City thereto. The Redevelopment Agreement shall be in substantially the form attached hereto as Exhibit A, which Redevelopment Agreement is hereby approved by the City Council, with such changes therein as shall be approved by the officer of the City executing the same, such approval to be conclusively evidenced by such officer’s execution of the Redevelopment Agreement.

Section 2: The officers of the City are hereby authorized and directed to execute all documents and take such actions as they may deem necessary or advisable to carry out and perform the purposes of this Ordinance and to make ministerial alterations, changes or additions to the documents herein approved, authorized and confirmed which they may approve, and the execution of such action shall be conclusive evidence of such necessity or advisability.

Section 3: This Ordinance shall be in full force and effect from and after the date of its passage by the City Council and approval by the Mayor.


APPROVED:

ATTEST:

Mayor

City Clerk

APPROVED AS TO FORM:

City Counselor

[Signature]
EXHIBIT A

REDEVELOPMENT AGREEMENT

[On file with the Office of the City Clerk]
REDEVELOPMENT AGREEMENT

among

PHELPS COUNTY, MISSOURI,
CITY OF ROLLA, MISSOURI,
UTW ROLLA DEVELOPMENT, LLC,
and
UTW ROLLA PROJECT, INC.
dated as of

, 2016

ROLLA WESTSIDE MARKETPLACE REDEVELOPMENT AREA
REDEVELOPMENT PROJECT AREA I
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REDEVELOPMENT AGREEMENT

THIS REDEVELOPMENT AGREEMENT (this "Agreement") is made and entered into as of this ___ day of __________, 2016, by and among PHELPS COUNTY, MISSOURI, a third-class county and political subdivision of the State of Missouri (the "County"), the CITY OF ROLLA, MISSOURI, a third-class city and political subdivision of the State of Missouri (the "City"), UTW ROLLA DEVELOPMENT, LLC, a Missouri limited liability company (the "Developer"), and UTW ROLLA PROJECT, INC. a Missouri corporation (the "Noteholder"). (All capitalized terms used but not otherwise defined herein shall have the meanings ascribed in Article I of this Agreement.)

RECITALS:

A. The County Commission created the Tax Increment Financing Commission of Phelps County, Missouri (the "TIF Commission") and empowered the TIF Commission to exercise those powers and fulfill such duties as are required or authorized for the TIF Commission under Sections 99.800 to 99.865 of the Revised Statutes of Missouri, as amended (the "TIF Act").

B. On September 10, 2015, the County Commission authorized the distribution of a request for redevelopment proposals for an approximately 154-acre tract of land located north of I-44 near the Kingshighway interchange (as further described on Exhibit A attached hereto, the "Redevelopment Area"), which Redevelopment Area is partially in the City and partially in the unincorporated portion of the County.

C. The Developer timely submitted a proposal to the County for the redevelopment of the Redevelopment Area (the "Redevelopment Proposal"). The County received no other proposals.

D. On November ___, 2015, the City Council adopted Resolution No. ___-1549, authorizing the County to implement a tax increment financing project within the Redevelopment Area.

E. On November ___, 2015, the County Commission adopted Resolution No. ___ accepting the Redevelopment Proposal and designating the Developer as the developer of the Redevelopment Area.

F. At the request of the County, PGAV Planners, a division of Peckham Guyton Albers & Viete Inc., St. Louis, Missouri, prepared "The Westside Marketplace Tax Increment Financing Redevelopment Plan" (the "Redevelopment Plan"), which divides the Redevelopment Area into three redevelopment project areas ("RPA 1," "RPA 2," and "RPA 3") and describes a redevelopment project for RPA 1 generally consisting of the development of approximately 330,000 square feet of retail buildings and associated site work and public infrastructure (as more fully described in the Redevelopment Plan, the "Redevelopment Project").

G. After all proper notice was given, the TIF Commission opened a public hearing in conformance with the TIF Act on January 27, 2016 and continued such hearing on February 24, 2016, March 23, 2016, May 4, 2016 and May 18, 2016. At such public hearing, all interested parties had the opportunity to be heard and the TIF Commission heard and considered all protests and objections concerning the Redevelopment Plan, the Redevelopment Area and the Redevelopment Project. After the conclusion of the public hearing on May 18, 2016, the TIF Commission passed a resolution recommending that the County Commission approve the Redevelopment Plan, designate the Redevelopment Area as a "redevelopment area" pursuant to the TIF Act, approve the Redevelopment Project and adopt tax increment financing within RPA 1.
H. On August __, 2016, after due consideration of the TIF Commission’s recommendation and making each of the findings required by Section 99.810 of the TIF Act, the County Commission adopted Order No. ____ approving the Redevelopment Plan and designating the Redevelopment Area as a “redevelopment area” pursuant to the TIF Act.

I. On August __, 2016, the County Commission adopted (1) Order No. ____ approving the Redevelopment Project and adopting tax increment financing within RPA 1 and (2) Order No. ____ authorizing the County to execute and enter into this Agreement.

J. On August __, 2016, the City Council adopted Ordinance No. ____ authorizing the City to execute and enter into this Agreement.

K. The County Commission and the City Council hereby determine that the implementation of the Redevelopment Project and the fulfillment generally of this Agreement are in the best interests of the County and the City, and the health, safety, morals and welfare of their respective residents, and in accord with the public purposes specified in the Redevelopment Plan.

AGREEMENT

Now, therefore, in consideration of the premises and mutual promises contained herein and other good and valuable consideration, the adequacy and sufficiency of which are hereby acknowledged, the Parties hereto agree as follows:

ARTICLE I \( [\text{TC}} \) \( \text{ARTICLE I' } \text{C 1} \) \( C' 2 \)

DEFINITIONS \( [\text{TC}} \) \( \text{DEFINITIONS' } \text{C 1} \) \( C' 3 \)

1.1. Definitions \( [\text{TC}} \) \( \text{1.1. Definitions' } \text{C 1} \) \( C' 4 \). As used in this Agreement, the following words and terms shall have the following meanings:

"Additional City Revenues" means an amount equal to 50% of the sales tax revenues resulting from taxable sales in RPA 1 that are actually received by the City from its 0.5% capital improvements sales tax and 0.5% transportation sales tax and are not otherwise required to be deposited into the Special Allocation Fund by operation of the TIF Act (i.e., TIF will capture 50% of such sales tax revenues so Additional City Revenues will be an amount equal to 50% of remaining revenues after the TIF capture). Notwithstanding the foregoing, if TIF Bonds can be issued to refund all outstanding TIF Notes based on a lesser amount of Additional City Revenues, then Additional City Revenues may be reduced to the amount set forth in the trust indenture associated with the issuance of such TIF Bonds.

"Additional City Revenues Account" means an account of the Special Allocation Fund into which Additional City Revenues are deposited.

"Agreement" means this Redevelopment Agreement, as the same may be from time to time modified, amended or supplemented in writing by the Parties hereto.

"Approved Site Plans" means the site plans reflecting the entirety of the Work and the Redevelopment Project approved by all entities required to approve a site plan pursuant to the Municipal Code and Section 3.8, as such site plans may be amended from time to time in accordance with the Municipal Code and Section 3.8.
"Available Revenues" means all money on deposit from time to time (including investment earnings thereon) in (a) the PILOTS Account, (b) subject to annual appropriation, (i) the EATS Account, (ii) the On-Site District Revenues Account and (iii) the Additional City Revenues Account, and (c) all money in any other account of the Special Allocation Fund into which money that has been appropriated to the repayment of the TIF Obligations has been deposited, excluding in each case (i) any amount paid under protest until the protest is withdrawn or resolved against the taxpayer, or (ii) any sum received by the City or the District that is the subject of a suit or other claim communicated to the City or the District that challenges the collection of such sum.

"Bond Counsel" means Gilmore & Bell, P.C., St. Louis, Missouri, or an attorney at law or a firm of attorneys selected by the County of nationally recognized standing in matters pertaining to the tax-exempt nature of interest on obligations issued by states and their political subdivisions, duly admitted to the practice of law before the highest court of any state of the United States of America or the District of Columbia.

"Bond Proceeds" means the net cash proceeds from the sale of TIF Bonds available for deposit in the Project Fund (after deposit of funds for Issuance Costs, capitalized interest and any debt service reserve), together with any interest earned thereon.

"Certificate of Reimbursable Redevelopment Project Costs" means a document, substantially in the form of Exhibit D attached hereto, delivered by the Developer to the City and which, upon the City's written acceptance thereof (as agent of the County), will evidence Reimbursable Redevelopment Project Costs incurred.

"Certificate of Substantial Completion" means a document, substantially in the form of Exhibit C attached hereto, delivered by the Developer and which, upon the County's and the City's written acceptance thereof, will evidence the Developer's satisfactory of all obligations and covenants to perform the Work. The Certificate of Substantial Completion does not constitute a final occupancy certificate, final inspection certificate, or other documentation required by the Municipal Code to occupy the Redevelopment Project or any portion thereof.

"City" means the City of Rolla, Missouri, a third-class city and political subdivision of the State of Missouri.

"City Administrator" means the person duly appointed as City Administrator pursuant to the Municipal Code.

"City Council" means the City Council of the City.

"Concept Site Plan" means the site development plan attached as Exhibit B hereto and incorporated herewith by reference, depicting the conceptual program for construction of the Work.

"Construction Plans" means plans, drawings, specifications and related documents, and construction schedules for the construction of the Work, together with all supplements, amendments or corrections approved by the City in accordance with the Municipal Code and this Agreement.

"County" means Phelps County, Missouri, a third-class county and political subdivision of the State of Missouri.

"County Commission" means the County Commission of the County.

"Developer" means UTW Rolla Development, LLC, a Missouri limited liability company, or its permitted successors in interest or assigns.

"District" means the Move Rolla Transportation Development District, to be created by joint petition of the City and County and approval of the qualified voters within such District.

"District Sales Tax" means the sales tax to be levied by the District on all retail sales made in the District Boundaries that are subject to taxation pursuant to the provisions of Sections 144.010 to 144.525 of the Revised Statutes of Missouri, as amended, with such exceptions as are set forth in the TDD Act.

"EATS Account" means an account of the Special Allocation Fund into which 50% of the Economic Activity Taxes are deposited pursuant to Section 99.845 of the TIF Act.

"Economic Activity Taxes" shall have the meaning ascribed to such term in Section 99.805 of the TIF Act, but not including any taxes that are excluded from tax increment financing by Missouri law.

"Excess Property" means the real property identified in the map attached as Exhibit I hereto, which real property was acquired or will be acquired by the Developer in connection with the completion of the Redevelopment Project, but is not needed for the on-going operation of the Redevelopment Project. Any Excess Property conveyed to the City will be subject to easements for the installation, operation and maintenance of stormwater facilities and other utilities needed to serve the Redevelopment Project.

"Governmental Approvals" means all plat approvals, re-zoning or other zoning changes, planned unit development approvals, site plan approvals, conditional use permits, variances, building permits, architectural review or other subdivision, zoning or similar approvals, or approvals related to the creation of the District required by the Municipal Code, this Agreement or other applicable laws and regulations for the implementation of the Redevelopment Project.

"Issuance Costs" means all costs reasonably incurred by the County and the City in furtherance of the issuance of the TIF Obligations including, but not limited to, the fees and expenses of financial advisors and consultants, the County’s and City’s attorneys (including Bond Counsel, Special Counsel and disclosure counsel, if any), the Underwriter and Underwriter’s counsel, the County’s and the City’s administrative fees and expenses (including fees and costs of planning consultants), underwriters’ discounts and fees, and the costs of printing any TIF Obligations and any official statements relating thereto, the costs of credit enhancement, if any, capitalized interest, debt service reserve, the fees of any rating agency rating any TIF Obligations and any and all costs, including legal fees and expenses, incurred in defending any challenge to the establishment of the Redevelopment Plan, the adoption of tax increment financing or the validity of this Agreement or in enforcing the collection of TIF Revenues.

"Maximum Reimbursement Amount" means $22,000,000 (or such lesser amount as determined pursuant to Section 5.6) plus Issuance Costs (which may include reimbursement to the Developer for any such costs paid by the Developer) and accrued interest on the TIF Notes and less the TDD Contribution.

"Municipal Code" means the Rolla City Code, as may be amended from time to time.
"Note Order" means the order of the County authorizing the TIF Notes, any trust indenture relating thereto, and all related ordinances, resolutions and proceedings.

"Noteholder" means UTW Rolla Project, Inc., a Missouri corporation, or its permitted successors or assigns.

"On-Site District Revenues" means the District Sales Tax revenues generated from taxable sales occurring within RPA 1 and which are not otherwise required to be deposited into the Special Allocation Fund by operation of the TIF Act.

"On-Site District Revenues Account" means the account of the Special Allocation Fund into which On-Site District Revenues are deposited.

"Parties" means the County, the City, the Developer and the Noteholder, singularly or collectively, as applicable.

"Payments in Lieu of Taxes" shall have the meaning ascribed to such term in Section 99.805 of the TIF Act.

"PILOTS Account" means an account of the Special Allocation Fund into which Payments in Lieu of Taxes are deposited pursuant to Section 99.845 of the TIF Act.

"Planning and Zoning Code" means Chapter 42 of the Municipal Code, as may be amended from time to time.

"Preliminary Funding Agreement" means the Preliminary Funding Agreement dated May 5, 2014, between the City and the Developer, as amended from time to time in accordance with its terms.

"Prime Rate" means the prime rate reported in the "Money Rates" column or any successor column of The Wall Street Journal, currently defined therein as the base rate on corporate loans posted by at least 75% of the nation's 30 largest banks. If The Wall Street Journal ceases publication of the Prime Rate, then "Prime Rate" shall mean the "prime rate" or "base rate" announced by Bank of America, N.A., or any successor thereto.

"Project Fund" means the Project Fund created in the Note Order.

"Property" means that portion of the real property (including, but not limited to, all options held by third parties, fee interests, leasehold interests, tenant-in-common interests and such other like or similar interests) and existing improvements in RPA 1, other than and excluding any public rights-of-way and easements, that the Developer determines in its reasonable judgment is necessary for the implementation of the Redevelopment Project and the Work.

"Redevelopment Area" means the redevelopment area described in the Redevelopment Plan, which consists of three redevelopment project areas.

"Redevelopment Plan" means the plan entitled "The Rolla Westside Marketplace Tax Increment Financing Redevelopment Plan," as approved by the County Commission pursuant to the TIF Plan Order, as such plan may from time to time be amended in accordance with the TIF Act.
"Redevelopment Project" means the construction of approximately 330,000 square feet of retail buildings within RPA 1 and the site work, public infrastructure and landscaping necessary to accommodate such buildings, as described and/or shown in the Redevelopment Plan, the Redevelopment Proposal and the Concept Site Plan.

"Redevelopment Project Costs" shall have the meaning assigned to such term in Section 99.805 of the TIF Act.

"Redevelopment Proposal" means the document, on file with the Clerk of the County Commission and incorporated herein by reference, submitted by the Developer, as amended by and subject to the provisions of the Redevelopment Plan, the Concept Site Plan and this Agreement.

"Reimbursable Redevelopment Project Costs" means those Redevelopment Project Costs described on Exhibit I that are reimbursable to the Developer under the Redevelopment Plan and the TIF Act in accordance with this Agreement.

"Related Party" means any party related to the Developer by one of the relationships described in Section 267(b) of the United States Internal Revenue Code of 1986, as amended, or any party controlled by or under common control with the Developer.

"Relocation Costs" means all costs incurred to relocate the occupants of and businesses in RPA 1 in accordance with the Relocation Policy, including, but not limited to, relocation payments to displaced persons or businesses, and all costs of implementing the Relocation Policy including costs of referrals, relocation specialists, planners, attorneys' fees, brokers' commissions and staff costs.

"Relocation Plan" means the relocation policy of the County adopted on January 12, 2016 pursuant to Order No. 2016-1-12(1).

"RPA 1" means the portion of the Redevelopment Area described as "Redevelopment Project Area 1" in the Redevelopment Plan and legally described on Exhibit A attached hereto.

"Special Allocation Fund" means the RPA 1 Account of the Rolla Westside Marketplace Special Allocation Fund authorized by the TIF Project Order.

"Special Counsel" means Gilmore & Bell, P.C., St. Louis, Missouri, or an attorney at law or a firm of attorneys selected by the County.

"State" means the State of Missouri.

"TDD Act" means the Missouri Transportation Development District Act. Sections 238.200 to 238.280 of the Revised Statutes of Missouri, as amended.

"TDD Contribution" means the payment of Reimbursable Redevelopment Project Costs from the proceeds of bonds issued by the District, as described in Section 3.12.

"TIF Act" means the Real Property Tax Increment Allocation Redevelopment Act, Sections 99.300 to 99.865 of the Revised Statutes of Missouri, as amended.

"TIF Bonds" means any tax increment revenue bonds authorized and issued by the County in accordance with the TIF Act.
"TDD Project Agreement" means the Rolla West Transportation Project Financing and Maintenance Agreement to be entered into among the City, the District and the Developer, in substantially the form of Exhibit O attached hereto, as may be amended from time to time.

"TIF Commission" means the Tax Increment Financing Commission of Phelps County, Missouri.

"TIF Notes" means the tax increment revenue notes issued by the County pursuant to and subject to this Agreement and the Note Order in substantially the form as set forth in Exhibit E, to evidence the County's limited obligation to repay Reimbursable Redevelopment Project Costs incurred by the Developer on behalf of the County in accordance with the TIF Act and this Agreement.

"TIF Obligations" means, collectively, the TIF Notes and the TIF Bonds.

"TIF Plan Order" means Order No. _____ adopted by the County Commission on August 2016, approving the Redevelopment Plan and designating the Redevelopment Area.

"TIF Project Order" means Order No. _____ adopted by the County Commission on August 2016, approving the Redevelopment Project and authorizing tax increment financing within RPA 1.

"TIF Revenues" means, collectively, Payments in Lieu of Taxes and 50% of the Economic Activity Taxes.

"Beneficiary" means the trustee or fiscal agent for any issue of TIF Obligations.

"Underwriter" means Stifel, Nicolaus & Company, Incorporated, or such other underwriting firm as mutually agreed upon by the City, the County and the Developer.

"Work" means all work necessary to complete the Redevelopment Project, including:

(a) construction of public improvements that will serve RPA 1 including, but not limited to:

(1) storm and sanitary sewers, stormwater control, detention facilities and other infrastructure improvements required to obtain all necessary approvals and permits,
(2) water mains,
(3) construction, reconstruction and/or relocation of other utilities, and
(4) all water, sewer, street and other infrastructure required to accommodate all of the uses proposed;

(b) demolition, excavation, mobilization and removal of all existing buildings and improvements located on the Property and clearing, grading and site preparation of the Property;

(c) construction of retail buildings, including parking facilities, screening and site landscaping in accordance with the Approved Site Plans;

(d) environmental remediation of the Property;

(e) all other work reasonably necessary to accommodate the construction of Redevelopment Project; and

(f) acquisition of the Property.

IV. A. 14.
Notwithstanding the foregoing, "Work" does not include construction of the Menard's home improvement store if the Developer provides evidence to the City that the Developer has conveyed a portion of the Property to Menard's before the date on which the Developer is required to deliver the Certificate of Substantial Completion.

**ARTICLE II**  
**ACCEPTANCE OF PROPOSAL**

2.1. **Developer Designation.** The County hereby selects the Developer to acquire the Property and perform the Work in accordance with the Approved Site Plans, the Redevelopment Plan, this Agreement and all Governmental Approvals and, subject to the provisions of this Agreement, grants the Developer the exclusive right to complete the Redevelopment Project. To the extent of any inconsistency among the foregoing, the Parties agree that the Work described in the Governmental Approvals shall govern so long as such approvals do not constitute a change to the Redevelopment Plan or Redevelopment Project as would, in the opinion of Special Counsel, require further hearing pursuant to the TIF Act.

2.2. **Developer to Advance Costs.** The Developer agrees to advance all Redevelopment Project Costs as necessary to complete the Work, subject to the Developer's right to abandon the Redevelopment Project and terminate this Agreement as set forth in Section 7.1. Additionally, and not by way of limitation:

(a) **Advances Under Preliminary Funding Agreement.** The Developer has heretofore advanced, or caused to be advanced, pursuant to the Preliminary Funding Agreement, the aggregate sum of $75,000 for certain Redevelopment Project Costs comprised of City and County planning, legal, administrative and other costs associated with the Redevelopment Project, the Redevelopment Plan, the Cost-Benefit Analysis and the negotiation of this Agreement. As of the date of this Agreement, approximately $75,000 remains under the Preliminary Funding Agreement and may be applied to the payment of any remaining costs related to the negotiation of this Agreement. After the disbursement of all remaining funds, the obligations of the Parties under the Preliminary Funding Agreement shall be merged into and superseded by this Agreement. Any portion of the funds that are not spent by the time this Agreement is executed may be applied in the same manner as funds received pursuant to (b) below; no money remains under the Preliminary Funding Agreement.

(b) **Advances Upon Execution of Agreement.** Upon execution of this Agreement, the Developer agrees to advance to the City the sum of $55,000 to pay (1) the County's and the City's planning, legal, financial and other consultants, and (2) administrative costs and expenses that are incurred in connection with the approval of the Redevelopment Plan, the negotiation and administration of this Agreement, and the creation of the District.

(c) **Advances Upon Issuance of Notes.** Upon the initial issuance of the TIF Notes, the Developer agrees to pay all fees and expenses incurred by the County or the City relating to such TIF Notes and any other costs related to the approval of this Agreement to the extent they are not already provided for by subsection (b) above.

(d) **Other Advances.** In addition to any amounts payable under other provisions of this Agreement, if the funds provided pursuant to subsection (b) above have been fully expended,
the Developer agrees to pay to the City such amount as may be required from time to time to pay
(1) the County's and the City's planning, legal, financial and other consultants, and (2) administrative costs and expenses that are incurred in connection with the approval of the Redevelopment Plan and the negotiation and administration of this Agreement. The Developer shall pay such amounts within 30 days following delivery to the Developer of an invoice therefor.

(e) No Waivers. Payment of any advance under this Section will not waive any generally applicable application fee or other cost to the Developer associated with any Governmental Approval, including but not limited to application fees for zoning changes and costs of traffic studies and landscape reviews.

(f) Return of Excess Funds. Within 30 days after the County's and the City's acceptance of the Certificate of Substantial Completion for the Work, the City shall remit to the Developer any amounts that have been advanced under paragraphs (a), (b), (c) or (d) and that have not been spent for costs incurred by the City or the County pursuant to such paragraphs.

(g) Advances to be Reimbursable. All sums advanced under this Section shall constitute Reimbursable Redevelopment Project Costs to be reimbursed to the Developer from the proceeds of TIF Obligations issued as provided herein.

(h) Advances upon Submission of Certificate of Substantial Completion. Simultaneously with the delivery of the Certificate of Substantial Completion for the Work, the Developer agrees to advance to the City the sum of $25,000. The City may use such money for payment or reimbursement of legal and other third-party professional fees and expenses incurred by the City or the County in connection with (1) any action contesting the validity or legality of the Redevelopment Area, the Redevelopment Project, the Redevelopment Plan, the TIF Obligations or this Agreement, (2) any action for which the Developer is obligated to indemnify the City or the County pursuant to the terms of this Agreement or (3) any action contesting the assessed valuation of any Property within RPA 1 (excluding the portion on which Menard's will be located). The deposit of funds pursuant to this subsection does not in any way mitigate or lessen the Developer's obligation to pay or reimburse the County and the City for certain fees and expenses to the extent otherwise required by this Agreement, including but not limited to the Developer's obligations under Sections 2.2 and 7.18.

ARTICLE III[ TC "ARTICLE III" V C "2" ]

OWNERSHIP OF THE PROPERTY; SCHEDULE;
CONSTRUCTION OF REDEVELOPMENT PROJECT; GOVERNMENTAL APPROVALS[ TC "OWNERSHIP OF THE PROPERTY; SCHEDULE; CONSTRUCTION OF REDEVELOPMENT PROJECT; GOVERNMENTAL APPROVALS" V C "3" ]

3.1. Control of Property[ TC "3.1 Control of Property" V C "4" ].

(a) The Developer represents that it currently controls all of the Property required for construction of the Redevelopment Project.

(b) Notwithstanding anything to the contrary contained herein, prior to submitting a Certificate of Substantial Completion for the Work, the Developer shall (1) initiate proceedings to annex into the City any portion of the Property located in the unincorporated portion of the County, (2) transfer a portion of the Excess Property, as shown on Exhibit I hereto, to the City pursuant to the special
warranty deed attached as Exhibit J hereto, and (3) grant to the City an option to acquire a portion of the Excess Property, as shown on Exhibit II hereto, pursuant to the option agreement attached as Exhibit K hereto.

3.2 Relocation Assistance [TC "3.2. Relocation Assistance" ¶ C ¶ IV "A" ] The Developer shall relocate those occupants or businesses displaced from any portion of the Property in accordance with the Relocation Plan and applicable law, except as may otherwise be agreed in writing by such displaced occupant or business and approved in writing by the Developer, it being understood and agreed that any displaced occupant or business may waive his/her/their rights to statutory and other relocation benefits under the Relocation Plan or otherwise.

3.3 Project Construction [TC "3.3. Project Construction" ¶ C ¶ IV "A" ]
(a) The Developer shall commence and complete the Work according to the following schedule:

<table>
<thead>
<tr>
<th>Activity</th>
<th>Time for Performance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Developer shall provide written certification to the City and the County that it has acquired all of the Property</td>
<td>July 1, 2017</td>
</tr>
<tr>
<td>Developer shall commence construction of the Work (commencement shall be indicated by the initiation of demolition, clearance and rough-grading activities)</td>
<td>September 1, 2017</td>
</tr>
<tr>
<td>Developer shall complete the Work (completion shall be indicated by the County’s and the City’s acceptance of a Certificate of Substantial Completion)</td>
<td>September 1, 2019</td>
</tr>
</tbody>
</table>

(b) Upon reasonable advance notice, the Developer and its project team shall meet with the City Administrator and such other City staff and consultants as designated by the City Administrator to review and discuss the design and construction of the Work to enable the City to monitor the status of construction and to determine that the Work is being performed and completed in accordance with this Agreement and the Planning and Zoning Code.

(c) Construction of the Work shall be pursued in a good and workmanlike manner in accordance with the terms of this Agreement.

3.4 Construction Contracts; Insurance [TC "3.4. Construction Contracts; Insurance" ¶ C ¶ IV "A" ] The Developer may enter into one or more construction contracts to complete the Work. All construction contracts entered into by or on behalf of the Developer shall state that the contractor has no recourse against the City or the County in connection with the contractor’s construction of the applicable portion of the Work. The Developer shall obtain or shall require any contractor to obtain workers’ compensation, commercial public liability and builder’s risk insurance coverage in amounts required by the County and the City pursuant to Section 7.10 and shall deliver evidence of such insurance to the County and the City. The Developer shall require that such insurance be maintained by the contractors for the duration of the construction of the applicable portion of the Work.
3.5. Competitive Bids; Prevailing Wage; Federal Work Authorization[ TC "3.5."

(a) The Developer shall comply with all federal, State and local laws relating to the construction of the Redevelopment Project, including but not limited to, Section 107.170, RSMo., and laws relating to the payment of prevailing wages and competitive bidding, in the extent such laws are applicable to the Redevelopment Project or portions thereof. The County shall cooperate with the Missouri Division of Labor Standards to ensure that Annual Wage Orders are properly prepared and finalized in a timely manner.

(b) In addition to the requirements above, the Developer shall cause its general contractor to use reasonable efforts to solicit bids, when possible, from at least three qualified bidders for each aspect of the Work that is to be performed by any subcontractor. The Developer shall, upon request of the City or the County, submit copies of all bid solicitation materials and the bids received to the City or the County, as applicable. The Developer shall make good faith efforts to solicit bids from subcontractors located in the County and, when deciding between bids of the same quality and cost, shall give preference to the bid from the subcontractor located in the County, if any.

(c) With respect to any portion of the Work included in the Rolla West TDD Improvements (as defined in Section 3.12), the City, the County and the Developer shall also comply with all bidding requirements established by the District. The City and the County shall cause the District to adopt the competitive bidding procedures attached as Exhibit M hereto.

(d) The Developer acknowledges that it must comply with Section 285.530, RSMo., regarding enrollment and participation in a federal work authorization program with respect to its respective employees working in connection with the Redevelopment Project. The Developer represents and warrants that it is in compliance with Section 285.530, RSMo., at the time of execution of this Agreement and has provided a sworn affidavit and supporting documentation affirming participation in a qualified work authorization program as evidence thereof.

3.6. Governmental Approvals[ TC "3.6."

The County and the City agree to cooperate with the Developer and to process and timely consider all complete applications for the Governmental Approvals as received, all in accordance with the applicable County orders, City ordinances, and laws of the State. Notwithstanding any provision of this Agreement to the contrary, the Developer may, upon reasonable cause shown by the Developer, request the Mayor and/or the Presiding Commissioner to extend or waive times for performance for up to 90 days. The Mayor and/or the Presiding Commissioner may, but is not required to, consent to such extensions or waivers for up to 90 days without further action by the City Council or the County Commission.

3.7. Concept Site Plan[ TC "3.7."

The Concept Site Plan as set forth in Exhibit B is hereby approved. The Parties agree that the Concept Site Plan is preliminary and that the Developer may later separately submit a revised site plan for approval to the Planning and Zoning Commission and the City Council. The Approved Site Plans (and elevations to be included therein) as approved by the City pursuant to the Municipal Code will be deemed to define the scope of the Redevelopment Project for purposes of this Agreement and will govern the final design and construction thereof. The Developer and the City agree that the Approved Site Plans will contain substantially similar building and improvement locations, and other site enhancements as depicted in the Concept Site Plan, subject to any further review required under the Municipal Code.
3.8 Construction Plans (TC "3.8 Construction Plans" V C M "4")

(a) The Construction Plans shall be prepared by a professional engineer or architect licensed to practice in the State. The Construction Plans and all construction practices and procedures with respect to the Work conform with all applicable state and local laws, ordinances and regulations, including, but not limited to, any performance, labor and material payment bonds required for public improvements. The Developer shall submit Construction Plans for approval by the City’s building commissioner or his designee in sufficient time so as to allow for review of the plans in accordance with applicable City ordinances and procedures and in accordance with the schedule set forth in Section 3.3, subject to delay or adjustment as necessary to meet tenant requirements. The plans shall be in sufficient completeness and detail to show that construction will be in conformance with the Approved Site Plans and this Agreement.

(b) Before commencement of construction or during the progress of the Developer’s Work, the Developer may make such reasonable changes, including, without limitation, modification of the construction schedule, including dates of commencement and completion, modification of the areas in which the Work is to be performed, relocation, expansion or deletion of items, revisions to the areas and scope of the Work, and any and all such other changes as site conditions or orderly development may dictate or as may be required to meet any reasonable requests of prospective tenants or purchasers of any real property located within RPA I or as may be necessary or desirable, in the sole determination of the Developer, to enhance the economic viability of the Redevelopment Project and as may be in furtherance of the general objectives of the Redevelopment Plan; provided that, (1) the Developer shall obtain all necessary approvals and comply with all laws, regulations and ordinances of the County and the City, as applicable, (2) any changes shall not result in an extension of the time for performance of any obligation under this Agreement, and (3) the Developer shall obtain the County’s and the City’s advance written consent to any change that would, in the opinion of Special Counsel, result in such a change in the Redevelopment Project as would require compliance with the notice and hearing requirements of Section 99.825 of the TIF Act.

3.9 Special Development Conditions (TC "3.9 Special Development Conditions" V C M "4")

The Developer acknowledges that in consideration of the public participation in financing Redevelopment Project Costs, the County and the City expect that the Redevelopment Project will be of a quality design consistent with the regional prototype for each tenant. In addition, without limiting any future conditions imposed pursuant to the Municipal Code, the Developer hereby agrees as follows:

(a) The Developer shall comply with all applicable laws, regulations, including those promulgated under the Missouri Blasting Safety Act, in connection with blasting of any rock for the Redevelopment Project. A preblast survey shall be conducted for structures as required in accordance with 11 CSR 40-7 and for those structures on Bluebird Lane and Vista Drive immediately east of the Redevelopment Area included in the blast survey area illustrated on Exhibit E. The survey shall document the structural condition of each such house in a form reasonably acceptable to the City Administrator. Blasting cannot begin until the survey is submitted to the City Administrator. The Developer agrees that blasting shall not be conducted before ___ a.m. or after ___ p.m. or on any Sunday, unless approved by the City Council.

(b) The parking lots that are part of the Redevelopment Project shall be landscaped in substantial compliance with the landscaping plan attached as Exhibit N hereto, unless otherwise agreed to by the City Administrator.

(c) The site plans submitted by the Developer to the Planning and Zoning Commission must include walking trails throughout the Property that are reasonably acceptable to the City Administrator or his designee in design, location and specifications.
3.10. Tenant Selection

(a) The Developer agrees to give consideration in tenant selection to any tenant that will produce a higher volume of sales taxes for the County and the City, all other economic terms and conditions being equal.

(b) Unless approved in writing by the City, the following types of uses shall not be permitted within RPA 1: adult entertainment, adult bookstores, bars and taverns (as defined in the Planning and Zoning Code) as a primary use, liquor stores as a primary use (but not including retail outlets of greater than 10,000 square feet specializing in sales of wine and other spirits), pawn shops, payday loan and similar uses, thrift or secondhand stores and retailers who engage primarily in buy-out or liquidation merchandise.

(c) Unless approved in writing by the City, non-retail uses (including, without limitation, medical/dental offices, bank branches, title offices and financial advisory firms) may not exceed five percent (5%) of the gross leasable square footage of the Redevelopment Project.

(d) Unless approved in writing by the City and the County, retail establishments currently located elsewhere in the County may not relocate into Redevelopment Project (it being understood that if a retail establishment does relocate into the Redevelopment Project, the County may make a finding that such relocation is a direct beneficiary of tax increment financing and adjust the base year level of Economic Activity Taxes as permitted in Section 99.805(4) of the TIF Act).

3.11. Certificate of Substantial Completion

(a) Promptly after substantial completion of the Work, the Developer shall furnish a Certificate of Substantial Completion to the County and the City. The Certificate of Substantial Completion shall be in substantially the form attached as Exhibit C hereto.

(b) The County and the City shall, within 45 days following delivery of the Certificate of Substantial Completion, carry out such inspections as they deem necessary to verify their reasonable satisfaction the accuracy of the certifications contained in the Certificate of Substantial Completion. The Certificate of Substantial Completion shall be deemed accepted by the County and the City unless, prior to the end of such 45-day period after delivery to the County and the City of the Certificate of Substantial Completion, the County or the City furnishes the Developer with specific written objections to the status of the Work describing such objections and the measures required to correct such objections in reasonable detail. Upon acceptance of the Certificate of Substantial Completion by the County and the City or upon the lapse of 45 days after delivery thereof to the County and the City without any written objections thereto, the Developer may record the Certificate of Substantial Completion with the Phelps County Recorder, and the same shall constitute evidence of the satisfaction of such Developer’s agreements and covenants to perform all of the Work.

3.12. Transportation Development District

(a) The Developer acknowledges that the County and the City have jointly petitioned the Circuit Court of Phelps County for the creation of the District. The Developer shall cooperate in all matters with the creation of the District and the imposition and collection of the District Sales Tax, including, using its position as owner of the Property (or if the Developer has not yet closed on the Property).
purchase of the Property, causing the then-current owner of the Property) to vote for the establishment of the District and the imposition of the District Sales Tax.

(b) Pursuant to the TDD Project Agreement, the Developer shall cause the construction of the transportation improvements depicted on Exhibit H hereto (the “Rolla West TDD Improvements”). To provide payment and/or reimbursement for the costs of completing the Rolla West TDD Improvements, the TDD Project Agreement will include the following provisions:

(1) The District shall make a TDD Contribution of $4,500,000 (or such other amount required by Section 5.2(d) or otherwise mutually agreeable to the City, the County, the District and the Developer) from the proceeds of bonds issued by the District to fund a portion of the Reimbursable Redevelopment Project Costs associated with the Rolla West TDD Improvements.

(2) The Developer will submit requisition certificates to the City (as agent of the District), which will forward approved requisition certificates to the bond trustee for payment, as described in the TDD Project Agreement.

(3) The District will, subject to annual appropriation, transfer the On-Site District Revenues to the County for deposit in the On-Site District Revenues Account.

(4) The District will agree that the District Sales Tax is subject to tax increment financing as contemplated by Section 99.845.3 of the TIF Act, and will take all actions necessary to transfer the appropriate amount of District Sales Tax revenues that constitute Economic Activity Taxes to the County for deposit in the EATS Account.

(5) All costs of the Rolla West TDD Improvements in excess of the TDD Contribution shall be paid by the Developer (subject to reimbursement as provided in this Agreement for Reimbursable Redevelopment Project Costs).

(6) The Developer will be responsible for funding the maintenance of all interior roadways, sidewalks and other transportation improvements included within the Rolla West TDD Improvements and identified as on Exhibit H as being maintained by the Developer.

(c) If the voters approve the creation of the District and the imposition of the District Sales Tax, the County and the City will, subject to any necessary legislative approvals, cause the District to finance the improvements described in (b) above in the manner described in the TDD Project Agreement.

(d) The County, the City and the Developer acknowledge and agree that the most efficient means of completing the grading work on the Property included in the Rolla West TDD Improvements will be to rely on the same party that is grading the Property for the development of the Redevelopment Project. Accordingly, the Developer, subject to the terms of the TDD Project Agreement, will complete the grading work associated with Rolla West TDD Improvements located on the Property (which cost shall be eligible for reimbursement pursuant to Section 4.2) and the County and the City will cause the District to fund the remaining portions of the Rolla West TDD Improvements (i.e., paving, etc.), subject to (b) above, The Developer acknowledges that the District’s bidding policies will apply to the construction of the Rolla West TDD Improvements and, accordingly, the Developer will comply with the bidding policies set forth in Exhibit M.
ARTICLE IV [TC "ARTICLE IV"]

REIMBURSEMENT OF DEVELOPER COSTS [TC "REIMBURSEMENT OF DEVELOPER COSTS"]

4.1. City’s Obligation to Reimburse Developer [TC "4.1. City’s Obligation to Reimburse Developers"] The County agrees to reimburse the Developer (or, at the Developer’s direction, the Noteholder), but solely from the proceeds of the TIF Notes and/or TIF Bonds as provided herein, for
verified Reimbursable Redevelopment Project Costs in an amount not to exceed the Maximum Reimbursement Amount (plus accrued interest on any TIF Notes).

4.2. Reimbursement of Reimbursable Redevelopment Project Costs [TC "4.2. Reimbursement of Reimbursable Redevelopment Project Costs"] Reimbursable Redevelopment Project Costs incurred by the Developer will be eligible for reimbursement as follows:

(a) Prior to the first submission of a Certificate of Reimbursable Redevelopment Project Costs, the Developer shall provide a legal opinion attached as Exhibit L hereeto to the City and the County, in form acceptable to the Special Counsel, stating that each of the categories included in the project budget attached hereeto Exhibit L constitute costs that may be legally reimbursed pursuant to the TIF Act and this Agreement.

(b) The City and the County agree that the Developer is not limited to reimbursement for the specific amounts shown in the project budget categories listed in Exhibit L, and that the actual amounts may vary so long as (1) the total reimbursement does not exceed the Maximum Reimbursement Amount and (2) the developer fee does not exceed $2,100,000.

(c) The Developer may submit to the City (as agent for the County), no more frequently than once per month, a Certificate of Reimbursable Redevelopment Project Costs in substantially the form attached as Exhibit D hereeto. Such Certificate shall be accompanied by itemized invoices, receipts or other information that will demonstrate that any cost has been incurred and qualifies for reimbursement pursuant to this Agreement and the TIF Act.

(d) The City shall notify the Developer in writing within 45 days after each submission of its approval or disapproval of the costs identified in each Certificate of Reimbursable Redevelopment Project Costs. If the City determines that any cost identified as a Reimbursable Redevelopment Project Cost is not a Reimbursable Redevelopment Project Cost under this Agreement and the TIF Act, the City shall so notify the Developer in writing within 45 days after the submission, identifying the ineligible cost and the basis for determining the cost to be ineligible (provided, however, that the City will not declare a cost ineligible under this Agreement and/or the TIF Act for reimbursement if the applicable Certificate of Reimbursable Redevelopment Project Costs is accompanied by the legal opinion referenced in (a) above). The Developer shall then have the right to identify and substitute other Redevelopment Project Costs as Reimbursable Redevelopment Project Costs, which shall be included with a supplemental application for payment submitted within 15 days after the City’s notification of any ineligible costs. The City shall then review and notify the Developer in writing within 45 days after submission of its approval or disapproval of the costs identified in the supplemental application for payment. If the City fails to approve or disapprove the Certificate of Reimbursable Redevelopment Project Costs within 45 days of submission, the Certificate shall be deemed approved. The City shall promptly send copies of each approved or deemed approved Certificate of Reimbursable Redevelopment Project Costs to the County. Notwithstanding anything to the
contrary above, the maximum amount of reimbursement shall not exceed the Maximum Reimbursement Amount.

(c) The Developer shall provide such information as the City may request, and shall make its books and records available to the City, for the City to confirm that any cost qualifies under this Agreement and has been incurred and paid by the Developer, and not reimbursed by the Districts. The City may retain such consultants as it deems necessary in connection with such review, the cost of which shall be initially borne by the City, but which is subject to reimbursement pursuant to Section 6.2.

4.3 County's Obligations Limited to Special Allocation Fund and Bond Proceeds[ TC "4.3. County's Obligations Limited to Special Allocation Fund and Bond Proceeds" if C ! "4" ]. Notwithstanding any other term or provision of this Agreement, the TIF Notes issued by the County for Reimbursable Redevelopment Project Costs are payable only from the Special Allocation Fund and from Bond Proceeds and from no other source.

ARTICLE V (TC "ARTICLE V" if C ! "2")

OBLIGATIONS[ TC "OBLIGATIONS" if C ! "3"]

5.1. Issuance of TIF Notes[ TC "5.1. Issuance of TIF Notes" if C ! "4" ]. Subject to the provisions of this Section, the County agrees to issue the TIF Notes, in the form substantially similar to Exhibit E hereto, to reimburse the Developer (or at the Developer's request, the Noteholder) for Reimbursable Redevelopment Project Costs up to the Maximum Reimbursement Amount. The County may issue the TIF Notes in either a taxable and/or a tax-exempt series.

(a) Terms. The TIF Notes shall have the following terms:

(1) The TIF Notes shall initially bear interest at a fixed rate equal to (i) 6.0% if the interest on the TIF Notes (in the opinion of Bond Counsel) is not excluded from gross income for federal income tax purposes, or (ii) 4.5% if the interest on the TIF Notes (in the opinion of Bond Counsel) is excluded from gross income for federal income tax purposes. If (A) the Developer has complied with its obligations under Section 5.2, and (B) the County does not, within 270 days following the City's acceptance or deemed acceptance of the Certificate of Substantial Completion, cause the issuance of the TIF Bonds, then commencing on the date which is 270 days following the City's acceptance or deemed acceptance of the Certificate of Substantial Completion, the Taxable Rate and the Tax-Exempt Rate shall each be increased by four percent (4%) (provided, however, that in no event shall the interest rate on the TIF Notes exceed the rate permitted by law) from such date until the date that the TIF Bonds are issued in accordance with Section 5.2. Notwithstanding any provision herein to the contrary, the County shall be deemed to have satisfied its obligation to issue TIF Bonds pursuant to Section 5.2 if the County is unable to issue TIF Bonds in an amount sufficient to refund all of the outstanding TIF Notes issued to the Noteholder and the Noteholder does not consent to a partial refunding and issuance of Subordinate Notes (as described in Section 5.2(e)).

(2) Interest on the TIF Notes shall be compounded semi-annually.

(3) All TIF Notes shall have a stated maturity equal to the longest period permissible under the TIF Act.
(b) **Conditions Precedent to Issuance of the TIF Notes.** Within 15 business days after the Developer provides (1) written certification that it has closed (or will close simultaneously with the issuance of the TIF Notes) on the acquisition of the Property, (2) copies of executed leases for at least 120,000 square feet of retail buildings (not including the Menard’s home improvement store), (3) the lease for the Special Counsel, which leases will obligate the respective tenants to stock and operate a retail establishment for at least one year following the construction of such premises, and (3) the receipt of the consents referenced in Section 6.1(e), the County shall, subject to the approval of the Note Order, issue the TIF Notes subject to the limitations of Article IV and this Section. The TIF Notes shall be endorsed upon the acceptance by the County of additional Certificates of Reimbursable Redevelopment Project Costs subject to the limitations of Article IV and this Section. Upon the acceptance by the City (as agent of the County) of a Certificate of Reimbursable Redevelopment Project Costs and the issuance or endorsement of the TIF Notes as provided herein, the Developer shall be deemed to have advanced funds necessary to purchase such TIF Notes and the County shall be deemed to have deposited such funds in the Project Fund and shall be deemed to have reimbursed the Developer in full for such costs from the amounts deemed to be on deposit in the Project Fund from time to time.

5.2. **TIF Bonds**

(a) **When Issued.** At the earliest practicable time, but not later than 270 days after the County’s and the City’s acceptance or deemed acceptance of the Certificate of Substantial Completion, the County shall cause the TIF Bonds to be issued, in an amount sufficient to refund the then-outstanding TIF Notes. The market conditions for such TIF Bonds are such that the payment terms of the TIF Bonds are sufficiently favorable that reasonably prudent County financial officers would undertake such a refunding of the TIF Notes.

(b) **Application of TIF Bond Proceeds.** The net proceeds of any TIF Bonds (after the payment of Issuance Costs, capitalized interest, accrued interest and required reserve funds) shall be used to refund the TIF Notes.

(c) **Subordinate Notes.** If it is not possible for the County to issue TIF Bonds to refund all of the then-outstanding TIF Notes upon sufficiently favorable terms that reasonably prudent County financial officers would agree to, then the County, with the consent of the Noteholder, may issue TIF Bonds to refund a portion of the then-outstanding TIF Notes. Any TIF Notes that are not refunded shall be then reissued as TIF Notes for the payment of principal and interest on the TIF Notes and (2) the interest rates on the Subordinate Notes shall be equal to the TIF Bonds (the “Subordinate Notes”). The Subordinate Notes shall have the same terms as described in Section 5.1 except (1) payment of principal and interest on the Subordinate Notes shall be paid in accordance with the terms of the Subordinate Notes and (2) the interest rates on the Subordinate Notes shall be equal to the TIF Bonds.

(d) **Increased TDD Contribution.** Notwithstanding anything to the contrary contained in subsection (c) above, Section 3.12 or Section 5.1 to the contrary, if (1) the TIF Bonds cannot be issued in an amount that will refund all outstanding TIF Notes, and (2) a bond revenue study prepared by a consultant reasonably satisfactory to the County predicts that the City and the County shall cause the District to increase the TDD Contribution by the lesser of $500,000 or the principal amount of Subordinate Notes that would otherwise be issued, and to use the additional amount of TDD Contribution to refund TIF Notes simultaneously with the initial issuance of any TIF Bonds (so long as such issuance is completed within three years after the initial issuance of obligations by the District).

\[\text{IV. A. 24.}\]
5.3. Cooperation in the Issuance of TIF Obligations (TC "5.3"). Cooperation in the issuance of TIF Obligations ("V C § 4") The Developer covenants to cooperate and take all reasonable actions necessary to assist the County and its Bond Counsel, the Underwriter, and investment bankers in the preparation of offering statements, private placement memorandum or other disclosure documents and all other documents necessary to market and sell the TIF Obligations, including disclosure of tenants of the Property and the non-financial terms of the leases between the Developer and such tenants. The Developer shall, if requested by the County, execute a continuing disclosure agreement or undertaking, whereby the Developer will be required to provide annual updates to certain operating information, including the information regarding tenant leases described above. The Developer will not be required to disclose to the general public or any investor the rent payable under any such lease or any proprietary or confidential financial information pertaining to the Developer, its tenants or the leases with its tenants, but upon the execution of a confidentiality agreement acceptable to the Developer, the Developer will provide such information to the County's investment bankers, underwriters and their counsel to enable such parties to satisfy their due diligence obligations. Such compliance obligation shall be a covenant running with the land, enforceable as if any subsequent transferee thereof were originally a party to and bound by this Agreement.

5.4. County to Select Bond Counsel and Consultants; Term and Interest Rate (TC "5.4"). County to Select Bond Counsel and Consultants; Term and Interest Rate ("V C § 4"). The County may select, following consultation with the Developer, the Bond Counsel, financial advisors and consultants as the County deems necessary for the issuance of the TIF Bonds. The final maturity of the TIF Bonds shall not exceed the maximum term permissible under Missouri law. The TIF Bonds shall bear interest at such rates, shall be subject to redemption and shall have such terms as the County shall reasonably determine in conformance with the terms of this Agreement.

5.5. No Other Obligations or Uses of Available Revenues (TC "5.5"). No Other Obligations or Uses of Available Revenues ("V C § 4"). So long as the Developer or the Noteholder holds any of the TIF Notes issued hereunder, the County shall not issue any other indebtedness or obligations secured by Available Revenues deposited into the account of the Special Allocation Fund from which such TIF Notes are secured (other than TIF Obligations to refund and refinance, and redeem and pay in full, such TIF Notes), and the County shall not use or apply any Available Revenues to pay any Redevelopment Project Costs other than the Reimbursable Redevelopment Project Costs. Following the redemption and payment in full of the TIF Notes, the County may utilize any excess Available Revenues that are not needed to pay the TIF Bonds or other outstanding TIF Obligations to pay any other authorized Redevelopment Project Costs.

5.6. Public Participation (TC "5.6"). Public Participation ("V C § 4").

(a) Reasonable Rate of Return. The purpose of affording public assistance to the Redevelopment Project is to accomplish the stated public purposes and not to subsidize an otherwise economically-tractable development project. While the County Commission has determined that the Redevelopment Project would not be undertaken but for the public assistance being provided, the Parties recognize that the ongoing profitability of the Redevelopment Project to the Developer is based upon projections that may or may not be fulfilled. To ensure that the public assistance being provided does not subsidize an unreasonable level of earnings for the Developer with respect to the Redevelopment Project, the Parties agree that a reasonable level of return for the Redevelopment Project, using the method described on Exhibit G hereto, is an unleveraged rate of return of 10% (the "Maximum Rate of Return").

(b) Rate of Return Calculation. Before the earlier of (1) 90 days after the acceptance or deemed acceptance of the Certificate of Substantial Completion or (2) the issuance of TIF Bonds under
Section 5.2, the Developer shall provide the most current project budget to the County and the City and a rate of return calculation made in the manner described in this Section and Exhibit G (the “Unleveraged Rate of Return Calculation”). If the calculated rate of return exceeds the Maximum Rate of Return, then (i) the Maximum Reimbursement Amount will be reduced to an amount that causes the rate of return calculation to equal the Maximum Rate of Return, (ii) the net proceeds from the TIF Bonds paid to the Developer and the principal amount of the Subordinate Notes, if any, will be limited to the Maximum Reimbursement Amount as reduced pursuant to this subsection, and (iii) any TIF Notes in excess of the Maximum Reimbursement Amount, as reduced by this Section, will be cancelled.

(e) Upon ten (10) days’ prior written notice within one (1) year of the Developer’s submission of the Unleveraged Rate of Return Calculation, any Party may cause an audit, at the requesting Party’s sole cost and expense, of the Developer’s calculation of the Unleveraged Rate of Return Calculation or the County’s and the City’s calculation of any adjustments to the principal amount of the TIF Notes and the Maximum Reimbursement Amount. The Party requesting the audit shall inform the other Parties of any discrepancy identified by the audit in writing along with a detailed explanation of the discrepancy. If no objections to the audit findings are provided in writing by the other Parties within ten (10) days, then findings of the audit shall be deemed final and the results of the audit shall be used in making or correcting the Unleveraged Rate of Return Calculation and/or the adjustment to the principal amount of the TIF Notes and the Maximum Reimbursement Amount pursuant to subsection (b). If any Party provides a written objection to the audit findings within ten (10) days, such Party may request a new audit by a mutually-agreeable independent firm or consultant, the costs of which shall be paid by the Party requesting the new audit. Absent manifest error, the findings of the additional audit shall be deemed final and shall be relied upon in making or correcting the Unleveraged Rate of Return Calculation and/or the adjustment to the principal amount of the TIF Notes and the Maximum Reimbursement Amount pursuant to subsection (b).

(d) Confidentiality. The County and the City shall maintain the confidentiality of the calculations prepared by the Developer and delivered to the County and the City in accordance with this Section using methods selected by the County and the City, which may include the use of outside consultants to perform the review required by this Section and/or reviewing relevant documents and calculations at the Developer’s place of business. The County and the City may engage consultants to perform the tasks required to implement this Section. To maintain confidentiality in the event that a request is made by a third party for the release of information contained in or related to a calculation required by this Section, the only information that will be released by the County or the City to such person will be a statement that (a) the Maximum Rate of Return was not exceeded and (b) if applicable, the principal amount of the TIF Notes cancelled in accordance with this Agreement.

5.7. Alternative Obligations[ TC “5.7. Alternative Obligations”] In lieu of the issuance of TIF Obligations pursuant to Section 5.1 and Section 5.2, the Developer may request that notes, bonds or other obligations be issued through a conduit issuer, such as an industrial development authority, reasonably acceptable to the County. If such a request is made, the County shall enter into a financing agreement with the conduit issuer wherein the County will agree to transfer Available Revenues to the conduit issuer for application in a manner consistent with the intent of Section 6.3. Notwithstanding the foregoing, the Parties agree that the maturity date of any such notes, bonds or other obligations issued by the conduit issuer may extend beyond the maximum maturity of any TIF Notes or TIF Bonds that could have been issued pursuant to Section 5.1 and Section 5.2 so long as (a) the maximum maturity date is no later than 30 years from the date of issuance, (b) the Maximum Reimbursement Amount is not increased; (c) the interest rates on such notes, bonds or other obligations do not exceed the interest rates permitted for the TIF Notes and (d) such notes, bonds or other obligations are not payable from any TIF Revenues after the expiration of tax increment financing. Additionally, the
Developer may request that the District issue obligations secured by On-Site District Revenues so long as conditions (a) – (c) above are satisfied.

ARTICLE VI [TC "ARTICLE VI" \( V \ C \ U "2" \)]

SPECIAL ALLOCATION FUND; COLLECTION AND USE OF TIF REVENUES [TC "SPECIAL ALLOCATION FUND; COLLECTION AND USE OF TIF REVENUES" \( V \ C \ U "3" \)]

6.1. Special Allocation Fund [TC "6.1", Special Allocation Fund \( V \ C \ U "4" \)]. The County agrees to cause its County Treasurer or other financial officer to maintain the Special Allocation Fund, including within such fund a "PILOTS Account," an "EATS Account," an "On-Site District Revenues Account" and an Additional City Revenues Account." Subject to the requirements of the TIF Act and, with respect to Economic Activity Taxes, subject to annual appropriation by the County Commission, the County will, promptly upon receipt thereof, deposit all Payments in Lieu of Taxes into the PILOTS Account and all Economic Activity Taxes that constitute TIF Revenues into the EATS Account. Subject to annual appropriation by the City Council, the City shall promptly transfer all Additional City Revenues to the County for deposit in the Additional City Revenues Account. The County shall take such actions as it deems reasonable to cause the County Assessor and County Collector to perform all duties required to be performed pursuant to Section 99.845 of the TIF Act.

(a) Certificate of Total Initial Equalized Assessed Value. The County shall provide to the Developer, within 45 days after the County’s receipt thereof, the County Assessor’s calculation of the total assessed value of all taxable property within RPA 1, determined pursuant to Section 99.855.1 of the TIF Act.

(b) Certificate of Initial Economic Activity Tax Revenues. The County shall provide to the Developer and the City, within 45 days after the County’s receipt thereof, a certification of the Economic Activity Taxes that were imposed by the County and generated from within RPA 1 in the calendar year prior to the adoption of tax increment financing for such area.

(c) Consent to Release of Sales Tax Information. The Developer shall cause each tenant to deliver a consent to disclose sales tax information allowing the County to make public sales tax information for the purposes of complying with reporting requirements contained in the TIF Act and making certain disclosures associated with any public offering of TIF Bonds. Receipt of such consent from each tenant shall be a prerequisite to the issuance of the TIF Notes.

6.2. Transfer of District Sales Tax Revenues [TC "6.2", Transfer of District Sales Tax Revenues \( V \ C \ U "4" \)]. The County and the City shall cause the District to transfer all revenues from the District Sales Tax that are required to be deposited in the Special Allocation pursuant to the TIF Act to the County for deposit into the EATs Account as provided in Section 6.1. The County and the City shall cause the District to transfer all On-Site District Revenues that are required to be deposited in the Special Allocation pursuant to the transportation project agreement referenced in Section 3.12 to the County for deposit into the On-Site District Revenues Account as provided in Section 6.1.

6.3. Application of Available Revenues [TC "6.3", Application of Available Revenues \( V \ C \ U "4" \)].

(a) The County hereby agrees to apply the Available Revenues to the payment of the TIF Notes as provided herein. Unless otherwise specified below, such money shall be applied to such
payment (either by the County Treasurer or other financial officer or, at the option of the County, by the Trustee on behalf of the County) first from the On-Site District Revenues Account, then from the PILOTS Account, then from the EATS Account and then from the Additional City Revenues Account, as follows:

(1) Declare as surplus 25% of all Payments in Lieu of Taxes on deposit in the PILOTS Account and distribute such monies to the applicable taxing districts in the manner provided in the TIF Act;

(2) Pay arbitrage rebate, if any, owed with respect to the TIF Obligations under Section 148 of the Internal Revenue Code of 1986, as amended, including any costs of calculating arbitrage rebate;

(3) Pay fees and expenses owing to the Trustee for the TIF Obligations, upon delivery to the County of an invoice for such amount;

(4) Pay fees and expenses incurred by the County and the City in the administration of the Redevelopment Plan and this Agreement, in an amount equal (i) for each calendar year up to and including the calendar year that the Certificate of Substantial Completion is approved or deemed approved, $5,000 per calendar year for the County and $15,000 per calendar year for the City and (ii) for each calendar year thereafter, $3,000 per calendar year for the County and $10,000 per calendar year for the City;

(5) Pay the extraordinary fees and expenses incurred by the County and the City relating to the Redevelopment Plan, this Agreement and all TIF Notes, including but not limited to (i) any litigation costs not paid by the Developer pursuant to Section 7.18 and (ii) the costs of responding to any audit, questionnaire or other request for information from the Internal Revenue Service regarding any TIF Obligations (provided, however, that any indenture relating to the TIF Notes shall limit the annual amount paid under this paragraph to $10,000 per calendar year and any indenture relating to the TIF Bonds shall provide an annual limit that is mutually agreeable to the County, the City and the Underwriter);

(6) Pay scheduled principal of, premium, if any, and interest becoming due (by reason of maturity or mandatory sinking fund redemption) on the TIF Obligations on each interest payment date;

(7) Replenish any deficiency in any debt service reserve fund; and

(8) Redeem TIF Obligations using all remaining Available.

(b) If TIF Bonds are issued, Available Revenues will be applied in the manner described in the trust indenture for the TIF Bonds, provided that such application shall be consistent with the requirements set forth above for the TIF Notes (except as may be necessary to provide for the payment of Subordinate Notes, if any) unless all TIF Notes are fully refunded.

(c) If the moneys available in the Special Allocation Fund are insufficient to reimburse the County and the City as provided above on any interest payment date, then the unpaid portion shall be carried forward to the next interest payment date, with interest thereon at the Prime Rate.

(d) The County agrees to direct the officer of the County charged with the responsibility of formulating budget proposals to include in the budget proposal submitted to the County Commission for
each fiscal year that the TIF Notes are outstanding a request to appropriate all moneys in the EATS Account in the manner provided by this Section.

(c) The City agrees to direct the officer of the City charged with the responsibility of formulating budget proposals to include in the budget proposal submitted to the City Council for each fiscal year that the TIF Notes are outstanding a request to appropriate all Additional City Revenues for application in the manner provided by this Agreement.

6.4. Developer Cooperation in Determining Available Revenues[ TC "6.4 Developer Cooperation in Determining Available Revenues" VC 14 "4" ].

(a) The Developer (or its successor(s) in interest as an owner or owner(s) of the affected portion(s) of the Property) shall:

(1) require each "seller" (as that term is defined in Section 144.010(10) of the Revised Statutes of Missouri, as amended) located on the Property that has multiple business operations within the County to file a separate Missouri Department of Revenue Form 53-1 for each location in order to separately identify and declare all sales taxes originating within RPA 1.

(2) supply or cause to be promptly supplied to the City, monthly sales tax information of each "seller" (as that term is defined in Section 144.010(10), RSMo.) in a form substantially similar to the monthly sales tax returns filed with the Missouri Department of Revenue; and

(3) include a provision in every new or amended lease, purchase agreement or similar agreement requiring any lessee, purchaser or transferee of real property or other user of real property located within RPA 1 that states:

Economic Activity Taxes: ["Tenant/Purchaser/Transferee"] acknowledges that the Premises are a part of a tax increment financing district ("TIF District") created by Phelps County, Missouri (the “County”) and administered by the City of Rolla, Missouri (the “City”) and that certain taxes generated by ["Tenant/Purchaser/Transferee"]’s economic activities, including sales taxes, will be applied toward the costs of improvements for the development that the Premises are part of. Upon the request of ["Landlord/Seller/Transferor"] or the City, ["Tenant/Purchaser/Transferee"] shall forward to the City monthly or quarterly, as applicable, sales tax information in a form substantially similar to the sales tax returns filed with the Missouri Department of Revenue for its property located in the TIF District, and, upon request, shall provide such other reports and returns regarding other local taxes generated by ["Tenant/Purchaser/Transferee"]’s economic activities in the TIF District as the City shall require, all in the format prescribed by them. Sales tax confidentiality shall be protected by the City as required by law. ["Tenant/Purchaser/Transferee"] acknowledges that the City is a third-party beneficiary of the obligations in this Section, and that the City may enforce these obligations in any manner provided by law.

Alternate language may be used by the Developer if such language is approved by the City. At the request of the City, the Developer shall provide a certification to the City confirming that a lease, purchase agreement or similar agreement includes the provisions satisfying the Developer’ obligation as set forth above.
(b) The Developer hereby waives any claim to utility tax revenues and hereby agrees to bring no suit, claim or other action against the County or the City seeking the deposit of utility tax revenues into the Special Allocation Fund. Any utility tax revenues generated from RPA 1 are hereby declared to be surplus by the County pursuant to the TIF Act.

6.5. Obligation to Report TIF Revenues: TC '6.5. Obligation to Report TIF Revenues' / C \"4\". Any purchaser or transferee of real property located within the Property, and any lessee or other user of real property located within the Property required to pay TIF Revenues, shall use all reasonable efforts to timely furnish to the City such documentation as is required by Section 6.3. So long as any TIF Obligation is outstanding, the Developer shall cause such obligation to be a covenant running with the land and shall be enforceable as if such purchaser, transferee, lessee or other user of such real property were originally a party to and bound by this Agreement.

ARTICLE VII (TC 'ARTICLE VII' / C \"2\")

GENERAL PROVISIONS (TC 'GENERAL PROVISIONS' / C \"3\")

7.1. Developer’s Right of Termination (TC '7.1. Developer’s Right of Termination' / C \"4\"). At any time prior to the delivery of the Certificate of Substantial Completion, the Developer may, by giving written notice to the City, abandon the Work and terminate this Agreement and the Developer’s obligations hereunder with respect thereto if the Developer determines, in its sole discretion, that the Redevelopment Project is no longer economically feasible.

7.2. City’s and County’s Rights of Termination (TC '7.2. City’s and County’s Rights of Termination' / C \"4\"). The City and/or the County may terminate this Agreement at any time prior to the delivery of the Certificate of Substantial Completion if:

(a) the Developer defaults in or breaches any material provision of this Agreement and fails to cure such default or breach pursuant to Section 7.6 (subject to extension in accordance with Section 7.7), or materially breaches any representation or warranty contained in Section 8.3; or

(b) the Developer fails to complete the Work within the timeframe set forth in Section 3.3(a) (subject to extension in accordance with Section 7.7).

Notwithstanding any provision of this Agreement to the contrary, the Parties agree that the Developer will not be in default or breach of this Agreement if the Developer does not, and no termination of this Agreement shall result from the Developer’s failure to, construct all of the retail buildings required by the definition of “Work” because, following the issuance of TIF Notes, one or more of the prospective tenants identified in the leases provided to the City pursuant to Section 5.1(b) breaches the lease (or the lease is voided due to bankruptcy or other reasons) and the Developer is unable to find a replacement tenant and complete construction within the timeframe set forth in Section 3.3 for completing the Work.

7.3. Results of Termination (TC '7.3. Results of Termination' / C \"4\"). If this Agreement is terminated pursuant to Section 7.1 or Section 7.2, the County shall have no further obligation to reimburse the Developer for any amounts advanced under this Agreement, or costs otherwise incurred or paid by the Developer, and any TIF Notes or other TIF Obligations issued in connection with the Redevelopment Project pursuant to this Agreement shall be deemed null, void and cancelled.
7.4. **Term of Agreement** (TC 7.4. Term of Agreement) (V.C. L.4). This Agreement, and all of the rights and obligations of the Parties hereunder, shall terminate and shall become null and void on that date which is the earliest of (a) 23 years from the date of adoption of the TIF Project Order, (b) the completion of the Redevelopment Project, the payment of all Redevelopment Project Costs, and the retirement in full of all TIF Obligations, or (c) the delivery of a written notice by the City (and recordation of a copy of such notice with the Phelps County Recorder) that this Agreement has been fully terminated pursuant to Section 7.1 or 7.2.

7.5. **Successors and Assigns; Transfers to Tax-Exempt Organizations** (TC 7.5. Successors and Assigns; Transfers to Tax-Exempt Organizations) (V.C. L.4).

(a) This Agreement shall be binding on and shall inure to the benefit of the Parties named herein and their respective successors and assigns.

(b) Without limiting the generality of the foregoing, all or any part of the Property or any interest therein may be sold, transferred, encumbered, leased, or otherwise disposed of at any time, and the rights of the Developer named herein or any successors in interest under this Agreement or any part hereof may be assigned at any time before, during or after redevelopment of the Redevelopment Project, whereupon the party disposing of its interest in the Property or assigning its interest under this Agreement shall be thereafter released from further obligation under this Agreement (although any such property so disposed of or to which such interest pertains shall remain subject to the terms and conditions of this Agreement); provided, except as set forth below, prior to the County’s and the City’s acceptance of a Certificate of Substantial Completion, the Developer may not sell any Property it owns or assign its rights or obligations hereunder without the County’s and the City’s prior written approval.

(c) Notwithstanding anything herein to the contrary, the County and the City hereby approve, and no prior consent shall be required for the Developer to:

1. assign all of its rights, duties and obligations hereunder to a Related Party if (i) such entity expressly assumes all of the applicable Developer’s rights, duties and obligations hereunder and satisfies the requirements set forth in Section 8.3, (ii) the Developer provides at least 15 days’ advance written notice of the proposed assignment (and a copy of the proposed assignment agreement) to the City, and (iii) the Developer promptly provides a copy of the executed assignment to the City; or

2. encumber orcollaterally assign its interests in this Agreement and/or the Property or any portion thereof to secure loans, advances or extensions of credit to finance or from time to time refinance all or any part of the Redevelopment Project Costs or associated costs, or the right of the holder of any such encumbrance or transferee of any such collateral assignment (or trustee or agent on its behalf) to transfer such interest by foreclosure or transfer in lieu of foreclosure under such encumbrance or collateral assignment and for the successor to further transfer the property to its successors; or

3. lease portions of RPA 1 to tenants or sell lots within RPA 1 to end users in the ordinary course of the Developer’s business.

(d) Notwithstanding anything to the contrary contained herein, until all Reimbursable Redevelopment Project Costs have been paid (including TIF Obligations issued to finance such Reimbursable Redevelopment Project Costs), the Developer shall not, without the prior written consent of the County and the City, sell all or any portion of the Property to an organization exempt from payment of ad valorem property taxes, unless such organization agrees to pay to the County, for deposit into the...
Special Allocation Fund, payments in lieu of taxes equal to the ad valorem real property taxes that would be due on such portion of the Property, but for the organization’s exempt status. Any organization that is or may become exempt from payment of ad valorem property taxes shall, by its purchase of a portion of the Property and for each year that it is exempt from paying ad valorem property taxes on such portion of the Property, agree to pay to the County, for deposit into the Special Allocation Fund, payments in lieu of taxes equal to the ad valorem real property taxes that would be due on such portion of the Property, but for the organization’s exempt status. This obligation to make payments in lieu of taxes shall terminate upon the retirement of all TIF Obligations. This requirement shall be a covenant running with the land and shall be enforceable for such period as if such purchaser or other transferee or possessor thereof were originally a party to and bound by this Agreement.

7.6. Remedies[ TC “7.6. Remedies” V C I “4” ]. In the case of any default in or breach of any term or condition of this Agreement by any Party, the defaulting or breaching Party shall, upon written notice from the Party specifying such default or breach, cure or remedy such default or breach within 30 days after receipt of notice (or such longer period as shall be reasonably required to cure such default, provided that (1) the defaulting Party has commenced such cure within said 30-day period, and (2) the breaching Party diligently prosecutes such cure to completion. If such cure or remedy is not taken or not diligently pursued, or the default or breach is not cured or remedied as provided above, the aggrieved Party may institute such proceedings as may be necessary or desirable in its opinion to cure and remedy such default or breach, including, but not limited to, proceedings to compel specific performance by the defaulting or breaching Party or to terminate this Agreement.

7.7. Extensions of Time for Performance[ TC “7.7. Extensions of Time for Performance” V C II “4” ].

(a) Upon satisfaction of the provisions of paragraph (b) of this Section, neither the City nor the Developer nor any successor in interest shall be considered in breach or default of their respective obligations under this Agreement, and times for performance of obligations hereunder shall be extended in the event of any delay caused by force majeure, including, without limitation, damage or destruction by fire or casualty; strike; lockout; civil disorder; acts of terrorism; significant escalation of hostilities involving U.S. armed forces; lack of issuance of any permits and/or legal authorization by the governmental entity necessary for the applicable Developer to proceed with construction of the applicable portion of the Work, including rezoning and approval of the Site Plan for the Redevelopment Project (but only if the Developer files all necessary documentation relating thereto in a timely manner considering the dates set forth in Section 3.3 of this Agreement); delay in the commencement, continuation, or completion of construction activities to be undertaken by Menard, Inc. (or its related entity); shortage or delay in shipment of material or fuel; acts of God; unusually adverse weather or wet soil conditions; or other causes beyond the reasonable control of the Party required to perform, including, but not limited to, any litigation, court order or judgment resulting from any litigation affecting the validity of the Redevelopment Plan, the Redevelopment Project, the TIF Obligations, this Agreement or any other litigation that adversely affects the development of the Redevelopment Project. Notwithstanding the foregoing, the Parties agree that economic conditions, market conditions, financial conditions, lender restrictions, lack of tenant interest, and similar conditions or events do not constitute events of force majeure hereunder. The Parties further agree that, to the best of their knowledge, no event of force majeure exists at the time of execution of this Agreement.

(b) No event under (a) shall be deemed to exist (1) as to any matter that could have been avoided by the exercise of due care in accordance with industry standards, (2) as to any matter reasonably sustained by the Developer, and (3)(i) unless the Developer uses good faith efforts to provide the City with a written notice within 30 days of the applicable Developer’s knowledge of the commencement of such claimed event specifying the event of force majeure, or (ii) the Developer
demonstrates to the City's reasonable satisfaction that the Developer has diligently pursued its obligations under this Agreement, but for reasons beyond the Developer's control, has been unable to complete such obligations within the time specified in this Agreement. Times for performance shall be extended only for the amount of delay resulting from the event of force majeure.

(c) Notwithstanding anything to the contrary herein, the times for commencing construction of the Work pursuant to Section 5.3 may only be extended by 18 months unless a longer extension is granted by resolutions of the County Commission and the City Council (which resolutions shall be subject to the County Commission's and the City Council's sole and absolute discretion).

7.8 Notices [TC "7.8. Notices" \f C \f "4" ]. Any notice, demand or other communication required by this Agreement to be given by one Party hereto to another shall be in writing and shall be sufficiently given or delivered if dispatched by certified United States first class mail, postage prepaid, delivered personally, or transmitted electronically (and receipt confirmed by telephone):

(a) If to the County:

Phelps County, Missouri
200 N. Main Street
Rolla, Missouri 65801
Attention: Presiding Commissioner

with a copy to:

Gilmore & Bell, P.C.
One Metropolitan Square
211 N. Broadway, Suite 2350
St. Louis, Missouri 63102
Attention: Mark D. Grimm

(b) If to the City:

City of Rolla, Missouri
901 N. Elm Street
Rolla, Missouri 65801
Attention: City Administrator

with a copy to:

Gilmore & Bell, P.C.
One Metropolitan Square
211 N. Broadway, Suite 2350
St. Louis, Missouri 63102
Attention: Mark D. Grimm
or to such other address with respect to either Party as that Party may, from time to time, designate in writing and forward to the other as provided in this paragraph. A duplicate copy of each notice or other communication given hereunder shall be given to each other Party.

7.9. **Conflict of Interest**

No member of the County Commission, the City Council, the TIF Commission, or any branch of the County's or the City's government who has any power of review or approval of any of the Developer's undertakings, or of the County's or the City's contracting for goods or services for RPA 1, shall participate in any decisions relating thereto which affect that member's personal interest or the interests of any corporation, partnership or other entity in which that member is directly or indirectly interested. Any person having such interest shall immediately, upon knowledge of such possible conflict, disclose, in writing, to the County Commission the nature of such interest and seek a determination by the County Commission with respect to such interest and, in the meantime, shall not participate in any actions or discussions relating to the activities herein proscribed.

7.10. **Insurance; Damage or Destruction of Redevelopment Project**

(a) The Developer will cause there to be insurance as hereinafter set forth at all times during the process of constructing the Work. The Developer shall, from time to time at the request of the City or the County, furnish the City or the County, as applicable, with proof of payment of premiums on:

(1) Commercial liability insurance with coverages of not less than the current absolute statutory waivers of sovereign immunity in Sections 537.600 and 537.610 of the Revised Statutes of Missouri, as amended (which for calendar year 2016 is equal to $2,734,567 for all claims arising out of a single accident or occurrence and $410,185 for any one person in a single accident or occurrence). Further, the policy shall be adjusted upward annually, to remain at all times not less than the inflation-adjusted sovereign immunity limits as published in the Missouri Register on an annual basis by the Department of Insurance pursuant to Section 537.610 of the Revised Statutes of Missouri, as amended, and
(2) Workers' Compensation insurance, with statutorily required coverage.

(b) The policies of insurance required pursuant to clause (1) above shall be in form and content satisfactory to the County and the City and shall be placed with financially sound and reputable insurers licensed to transact business in the State with a financial strength rating of not less than A- and a financial size category of not less than VIII as designated in the most current available "Best's" insurance reports. The policies of insurance delivered pursuant to clause (1) above shall name the City as an additional insured and shall contain an agreement of the insurer to give not less than ten (10) days advance written notice to the City in the event of cancellation of such policy or change affecting the coverage hereunder. The Developer shall deliver or cause to be delivered to the County and the City evidence of all insurance to be maintained hereunder.

(c) These covenants are for the benefit of the City and may be enforced by the City by a suit for specific performance or for damages, or both.

7.11. Inspection [TC "7.11. Inspection" V C "4" ]. The City may conduct such periodic inspections of the Work as may be generally provided in the Municipal Code. In addition, the Developer shall allow other authorized representatives of the County and the City access to the site from time to time upon reasonable advance notice for inspection of the Redevelopment Project. The Developer shall also allow the City and its employees, agents and representatives to inspect, upon request, all architectural, engineering, demolition, construction and other contracts and documents pertaining to the construction of the Work as the City determines is reasonable and necessary to verify the Developer's compliance with the terms of this Agreement. The Developer shall advise each contractor for the Redevelopment Project of the contractor's obligations under the Municipal Code regarding permits and inspections. The provisions of this Section shall terminate upon the approval or deemed approval of the Certificate of Substantial Completion relating to the applicable portion of the Work.

7.12. Choice of Law [TC "7.12. Choice of Law" V C "4" ]. This Agreement shall be taken and deemed to have been fully executed, made by the Parties in, and governed by the laws of State for all purposes and intents. Any action arising out of, or concerning, this Agreement shall be brought only in the Circuit Court of Phelps County, Missouri. All Parties to this Agreement consent to the jurisdiction and venue of such court.

7.13. Entire Agreement; Amendment [TC "7.13. Entire Agreement; Amendment" V C "4" ]. The Parties agree that this Agreement constitutes the entire agreement among the Parties and that no other agreements or representations other than those contained in this Agreement have been made by the Parties. This Agreement shall be amended only in writing and effective when signed by the authorized agents of the Parties.

7.14. Counterparts [TC "7.14. Counterparts" V C "4" ]. This Agreement is executed in multiple counterparts, each of which shall constitute one and the same instrument.

7.15. Severability [TC "7.15. Severability" V C "4" ]. If any term or provision of this Agreement is held to be unenforceable by a court of competent jurisdiction, the remainder shall continue in full force and effect, to the extent the remainder can be given effect without the invalid provision.

7.16. Representatives Not Personally Liable [TC "7.16. Representatives Not Personally Liable" V C "4" ]. No elected or appointed official, agent, employee or representative of the County or the City shall be personally liable to the Developer in the event of any default or breach by any Party under this Agreement, or for any amount which may become due to any Party or on any obligations under the terms of this Agreement.

(a) Before the issuance of the TIF Bonds, if a third party brings an action against the County, the City or their respective officials, agents, employees or representatives contesting the validity or legality of the Redevelopment Area, the Redevelopment Project, the Redevelopment Plan, the TIF Notes or this Agreement, the Developer may, at its option, assume the defense of such claim or action with counsel of the Developer’s choosing, but the Developer may not settle or compromise any claim or action for which the Developer has assumed the defense without the prior approval of the County or the City, as applicable. If the County or the City, as applicable, does not approve a settlement or compromise which the Developer would agree to, the Developer shall not be responsible for any costs or expenses incurred thereafter in the defense of such claim or action or any portion of any settlement or compromise in excess of the settlement or compromise the applicable Developer would agree to. The Parties expressly agree that so long as no conflicts of interest exist between them with regard to the handling of such litigation, the same attorney or attorneys may simultaneously represent the County, the City and the Developer in any such proceeding; provided, the Developer and their counsel shall consult with the County and the City, as applicable, throughout the course of any such action and the Developer shall pay all reasonable and necessary costs incurred by the County and the City in connection with such action. All costs of any such defense, whether incurred by the County, the City or the Developer, shall be deemed to be Reimbursable Redevelopment Project Costs and reimbursable from any amounts in the Special Allocation Fund, subject to Article IV hereof. Neither the County nor the City shall have any obligation to defend the validity or legality of the Redevelopment Area, the Redevelopment Project, the Redevelopment Plan, the TIF Notes or this Agreement if the Developer chooses not to assume the defense of such claim or action as described above.

(b) In addition, if a third party brings an action against the County, the City or their respective officials, agents, employees or representatives with respect to any other matter as to which the Developer are obligated to indemnify pursuant to Section 7.18(b), the Developer may, at its option, assume the defense of such claim or action with counsel of the Developer’s choosing, but the Developer may not settle or compromise any claim or action for which the Developer have assumed the defense without the prior approval of the County or the City, as applicable. If the County or the City, as applicable, does not approve a settlement or compromise which the Developer would agree to, the Developer shall not be responsible for any costs or expenses incurred thereafter in the defense of such claim or action or any portion of any settlement or compromise in excess of the settlement or compromise the applicable Developer would agree to. The Parties expressly agree that so long as no conflicts of interest exist between them with regard to the handling of such litigation, the same attorney or attorneys may simultaneously represent the County, the City and the Developer in any such proceeding; provided, the Developer and their counsel shall consult with the County and the City, as applicable, throughout the course of any such action and the Developer shall pay all reasonable and necessary costs incurred by the County and the City in connection with such action.


(a) Releases. Notwithstanding anything herein to the contrary, the County, the City and their respective elected officials, officers, agents, servants, employees and independent contractors shall not be liable to the Developer for any damages or losses (including injuries and deaths) (1) resulting from any part of the TIF Act, or any ordinance adopted in connection with either the TIF Act, this Agreement or the Redevelopment Plan, being declared invalid or unconstitutional in whole or in part by the final (as to which all rights of appeal have expired or have been exhausted) judgment of any court of competent
jurisdiction, and by reason thereof either the County or the City is prevented from performing any of the

covenants and agreements herein or the Developer are prevented from enjoying the rights and privileges

hereof, (2) occurring at or about or resulting from the construction of the Work and the maintenance of

RPA 1 and (3) resulting from any lawful decision made or position taken by the County or the City

relating in any manner whatsoever to this Agreement, the Redevelopment Plan, the Redevelopment

Project, the Approved Site Plan, the Work or the Property. The Developer hereby acknowledges and
agrees that (i) all covenants, stipulations, promises, agreements and obligations of the County and the City

contained herein shall be deemed to be the covenants, stipulations, promises, agreements and obligations

of the County and the City and not of any of its elected officials, officers, agents, servants or employees in

their individual capacities and (ii) no official, employee or representative of the County or the City shall

be personally liable to the Developer.

(b) **Indemnifications.** The Developer, jointly and severally, covenant and agree to indemnify,

defend and hold harmless the County, the City, and their respective elected officials, officers, agents,

servants, employees and independent contractors against any loss or damage to property or any injury to

or death of any person:

(1) occurring or resulting from the construction of the Work, including but not

limited to location of hazardous wastes, hazardous materials or other environmental contaminants

on the Property and the design and development of the Redevelopment Project;

(3) connected in any way to the negligence or willful misconduct of the Developer,

their employees, agents or independent contractors; and

(4) resulting from the lack of compliance by the Developer with any state, federal or

local environmental law, regulation or ordinance applicable to the Property.

The indemnification provided under this Section includes all costs of defense, including attorneys’ fees,

interest fees and other penalties. Notwithstanding anything to the contrary contained herein, the

indemnity provided in this Section will not extend to any matters arising out of the negligence or willful

misconduct of the County, the City and their elected officials, officers, agents, servants, employees and

independent contractors.

(c) The releases and indemnifications contained in this Section shall survive termination or

expiration of this Agreement, but nothing in this Agreement (including Section 7.19) shall be construed

to require the Developer to indemnify the County, the City, and their respective elected officials, officers,

employees, agents and independent contractors for any claims related to actions or events that occur after

the termination of this Agreement.

7.19. **Survival** [TC 7.19. Survival \[ C. M. 4 \]]. Notwithstanding anything to the contrary

in this Agreement, the following provisions shall survive the expiration or termination of this Agreement:

(a) the Developer’s reimbursement obligation in Section 2.2(d) with respect to costs incurred by the City

prior to termination of this Agreement; (b) the limitation on liability in Section 7.16; and (c) the

provisions of Sections 7.17, 7.18 and 8.4.
7.20. Maintenance of the Property[ TC “7.20. Maintenance of the Property” ¶ C ¶ “4” ]

The Redevelopment Project shall remain in compliance with all provisions of the Municipal Code relating to maintenance and appearance during the construction of the Redevelopment Project or any portions thereof. The obligations under this Section shall be a covenant running with the land, enforceable as if any subsequent transferee thereof were originally a party to and bound by this Agreement.


The Parties hereto agree that irreparable damage would occur in the event any provision of this Agreement was not performed in accordance with its specific terms or was otherwise breached. It is accordingly agreed that the Parties shall be entitled to obtain an injunction or injunctions to prevent breaches of this Agreement and to enforce specifically the terms and provisions hereof.

7.22. Recording of Agreement[ TC “7.22. Recording of Agreement” ¶ C ¶ “4” ]

The Developer shall cause the obligations arising pursuant to this Agreement to be a covenant running with the land by recording this Agreement or a memorandum of this Agreement in the real estate records of Phelps County, Missouri. Upon the expiration or termination of this Agreement, the County and the City will, at the expense and request of the Developer, join with the Developer to execute and record a notice of such expiration or termination in the real estate records of Phelps County.

7.23. No Waiver of Sovereign Immunity[ TC “7.23. No Waiver of Sovereign Immunity” ¶ C ¶ “4” ]

Nothing in this Agreement shall be construed or deemed to constitute a waiver of the County’s or the City’s sovereign immunity.

7.24. No Third Party Beneficiaries[ TC “7.24. No Third Party Beneficiaries” ¶ C ¶ “4” ]

This Agreement constitutes a contract solely among the County, the City, the Developer and the Noteholder. No third party has any beneficial interest in or derived from this Agreement.

ARTICLE VIII[ TC “ARTICLE VIII” ¶ C ¶ “2” ]

REPRESENTATIONS, WARRANTIES AND COVENANTS OF THE PARTIES[ TC “REPRESENTATIONS, WARRANTIES AND COVENANTS OF THE PARTIES” ¶ C ¶ “3” ]

8.1. Representations of the County[ TC “8.1. Representations of the County” ¶ C ¶ “4” ]

The County makes the following representations and warranties, which are true and correct on the date hereof:

(a) **Due Authority.** The County has full constitutional and lawful right, power and authority, under current applicable law, to execute and deliver and perform the terms and obligations of this Agreement, and all of the foregoing have been or will be duly and validly authorized and approved by all necessary County proceedings, findings and actions. Accordingly, this Agreement constitutes the legal, valid and binding obligation of the County, enforceable in accordance with its terms.

(b) **No Violations.** The execution and delivery of this Agreement, the consummation of the transactions contemplated thereby, and the fulfillment of the terms and conditions hereof do not and will not conflict with or result in a breach of any of the terms or conditions of any agreement or instrument to which it is now a party, and do not and will not constitute a default under any of the foregoing.
(c) **No Litigation.** To the best of the County's knowledge, no litigation, proceedings or investigations are pending or, to the knowledge of the County, threatened against the County with respect to the Redevelopment Project or this Agreement. In addition, no litigation, proceedings or investigations are pending or, to the knowledge of the County, threatened against the County seeking to restrain, enjoin or in any way limit the approval or issuance and delivery of this Agreement or which would in any manner challenge or adversely affect the existence or powers of the County to enter into and carry out the transactions described in or contemplated by the execution, delivery, validity or performance by the County of, the terms and provisions of this Agreement.

(d) **Governmental or Corporate Consents.** No consent or approval is required to be obtained from, and no action need be taken by, or document filed with, any governmental body or corporate entity in connection with the execution and delivery by the County of this Agreement.

(e) **No Default.** No default or event of default has occurred and is continuing, and no event has occurred and is continuing which with the lapse of time or the giving of notice, or both, would constitute a default or an event of default in any material respect on the part of the County under this Agreement.

8.2. **Representations of the City** (TC '8.2. Representations of the City" v C '47 ). The City makes the following representations and warranties, which are true and correct on the date hereof:

(a) **Due Authority.** The City has full constitutional and lawful right, power and authority, under current applicable law, to execute and deliver and perform the terms and obligations of this Agreement, and all of the foregoing have been or will be duly and validly authorized and approved by all necessary City proceedings, findings and actions. Accordingly, this Agreement constitutes the legal, valid and binding obligation of the City, enforceable in accordance with its terms.

(b) **No Violations.** The execution and delivery of this Agreement, the consummation of the transactions contemplated thereby, and the fulfillment of the terms and conditions hereof do not and will not conflict with or result in a breach of any of the terms or conditions of any agreement or instrument to which it is now a party, and do not and will not constitute a default under any of the foregoing.

(c) **No Litigation.** To the best of the City's knowledge, no litigation, proceedings or investigations are pending or, to the knowledge of the City, threatened against the City with respect to the Redevelopment Project or this Agreement. In addition, no litigation, proceedings or investigations are pending or, to the knowledge of the City, threatened against the City seeking to restrain, enjoin or in any way limit the approval or issuance and delivery of this Agreement or which would in any manner challenge or adversely affect the existence or powers of the City to enter into and carry out the transactions described in or contemplated by the execution, delivery, validity or performance by the City of, the terms and provisions of this Agreement.

(d) **Governmental or Corporate Consents.** No consent or approval is required to be obtained from, and no action need be taken by, or document filed with, any governmental body or corporate entity in connection with the execution and delivery by the City of this Agreement.

(e) **No Default.** No default or event of default has occurred and is continuing, and no event has occurred and is continuing which with the lapse of time or the giving of notice, or both,
would constitute a default or an event of default in any material respect on the part of the City under this Agreement.

8.3. Representations of the Developer. The Developer makes the following representations and warranties, which representations and warranties are true and correct on the date hereof:

(a) Due Authority. The Developer has all necessary power and authority to execute and deliver and perform the terms and obligations of this Agreement and to execute and deliver the documents required of the Developer herein, and such execution and delivery has been duly and validly authorized and approved by all necessary proceedings. Accordingly, this Agreement constitutes the legal valid and binding obligation of the Developer, enforceable in accordance with its terms.

(b) No Violations. The execution and delivery of this Agreement, the consummation of the transactions contemplated thereby, and the fulfillment of the terms and conditions hereof do not and will not conflict with or result in a breach of any of the terms or conditions of any corporate or organizational restriction or of any agreement or instrument to which it is a party, and do not and will not constitute a default under any of the foregoing.

(c) No Litigation. No litigation, proceedings or investigations are pending or, to the knowledge of the Developer (including the knowledge of any member of the Developer executing this Agreement), threatened against the Developer (or any member of the Developer) or the Redevelopment Project. In addition, no litigation, proceedings or investigations are pending or, to the knowledge of the Developer (including the knowledge of any member of the Developer executing this Agreement), threatened against the Developer (or any member of the Developer) seeking to restrain, enjoin or in any way limit the approval or issuance and delivery of this Agreement or which would in any manner challenge or adversely affect the existence or powers of the Developer (or any member of the Developer) to enter into and carry out the transactions described in or contemplated by the execution, delivery, validity or performance by the Developer (or any member of the Developer) of the terms and provisions of this Agreement.

(d) Governmental or Corporate Consents. No consent or approval is required to be obtained from, and no action need be taken by, any governmental body or corporate entity in connection with the execution, delivery and performance by the Developer of this Agreement, except for consents that must be secured subsequent to the execution of this Agreement.

(e) No Default. No default or event of default has occurred and is continuing, and no event has occurred and is continuing which with the lapse of time or the giving of notice, or both, would constitute a default or an event of default in any material respect on the part of the Developer under this Agreement, or any other material agreement or material instrument to which the Developer is a party or by which the Developer is or may be bound.

(f) Compliance with Laws. The Developer is in compliance with all valid laws, ordinances, orders, decrees, decisions, rules, regulations and requirements of every duly constituted governmental authority, commission and court applicable to any of its affairs, business, operations as contemplated by this Agreement.

(g) Accuracy of Project Data. The Developer has provided certain financial and other information regarding the Redevelopment Project (the “Project Data”) to the County and
the City. The Parties agree that project costs, project rents and other financial information included within the Project Data will change, and such changes may be material. Nevertheless, the Developer represents that, as of the date hereof, the Project Data is, to the best of the Developer’s knowledge, information and belief, true and accurate, and the Project Data does not omit any information which is necessary to be included in order to make the Project Data not misleading in any material respect as of the date hereof.

8.4. Contractual Liability Insurance. Contractual Liability Insurance shall be provided by the Developer to the County and the City, as provided in this Agreement, by an insurance company with a rating by a reputable rating agency indicating excellent or superior financial strength (i.e., an A.M. Best rating of "A-" or better).

(b) Simultaneously with the delivery of this Agreement and annually thereafter prior to the acceptance or deemed acceptance of the Certificate of Substantial Completion, the Developer shall provide to the County and the City evidence of continued insurance demonstrating compliance with paragraph (a). The Developer agrees to provide immediate written notice to the City when the cancellation, termination, expiration or modification of the applicable contractual liability policy occurs.

[Remainder of page intentionally left blank.]

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IN WITNESS WHEREOF, the County, the City and the Developer have caused this Agreement to be executed in their respective names and the County and the City have caused their respective seals to be affixed thereto, and attested as to the date first above written.

[SEAL][TC "Signatures" VC 11 "5"]

PHelps County, Missouri

By:

Randy Verkamp
Presiding Commissioner

ATTEST:

Pamela Grow, County Clerk

STATE OF MISSOURI

COUNTY OF PHelps

On this ___ day of ____________, 2016, before me appeared RANDY VERKAMP, to me personally known, who, being by me duly sworn, did say that he is the Presiding Commissioner of PHelps County, Missouri, a third class county and political subdivision of the State of Missouri, and that the seal affixed to the foregoing instrument is the seal of said County, and said instrument was signed and sealed in behalf of said County by authority of its County Commission, and said RANDY VERKAMP acknowledged said instrument to be the free act and deed of said County.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal in the County and State aforesaid, the day and year first above written.

(Seal)

Notary Public

My Commission Expires:

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IV. A.42
CITY OF ROLLA, MISSOURI

By: ____________________________
    Louis J. Magdits IV, Mayor

ATTEST:

Carol Daniels, City Clerk

STATE OF MISSOURI

CITY OF ROLLA

COUNTY OF PHELPS

On this __ day of ____________, 2016, before me appeared LOUIS J. MAGDITS IV, to me personally known, who, being by me duly sworn, did say that he is the Mayor of the CITY OF ROLLA, MISSOURI, a third-class city and political subdivision of the State of Missouri, and that the seal affixed to the foregoing instrument is the seal of said City, and said instrument was signed and sealed in behalf of said City by authority of its City Council, and said LOUIS J. MAGDITS IV acknowledged said instrument to be the free act and deed of said City.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal in the County and State aforesaid, the day and year first above written.

(SEAL)

Notary Public

My Commission Expires:

(SEAL)

IV. A. 43
UTW ROLLA DEVELOPMENT, LLC

By: __________________________
Name: ________________________
Title: _________________________

STATE OF MISSOURI \(\) SS
COUNTY OF \(\) SS

On this ___ day of __________, 2016, before me appeared ____________, to me personally known, who, being by me duly sworn, did say that he is the ________ of UTW ROLLA DEVELOPMENT, LLC, a Missouri limited liability company, and that he is authorized to sign the foregoing instrument on behalf of said limited liability company, and acknowledged to me that he executed the within instrument as said limited liability company’s free act and deed.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal in the County and State aforesaid, the day and year first above written.

____________________________
Notary Public

(SEAL)

My Commission Expires:

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STATE OF MISSOURI

COUNTY OF ___

On this ___ day of ______, 2016, before me appeared ______________, to me personally known, who, being by me duly sworn, did say that he is the ______ of UTW ROLLA PROJECT, INC., a Missouri corporation, and that he is authorized to sign the foregoing instrument on behalf of said corporation, and acknowledged to me that he executed the within instrument as said corporation's free act and deed.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal in the County and State aforesaid, the day and year first above written.

(SEAL)

Notary Public

My Commission Expires:

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LEGAL DESCRIPTION OF RPA 1

ALL THAT PART OF SECTION 10, TOWNSHIP 37 NORTH, RANGE 8 WEST OF THE FIFTH PRINCIPAL MERIDIAN, PHELPS COUNTY, STATE OF MISSOURI, DESCRIBED AS FOLLOWS, COMMENCING AT THE NORTHWEST CORNER OF THE SOUTHWEST QUARTER OF THE NORTHWEST QUARTER OF SAID SECTION 10, MEASURE N89°40'46"E ALONG THE NORTH LINE THEREOF A DISTANCE OF 26.81 FEET TO THE POINT OF BEGINNING; THENCE N89°25'05"E ALONG THE NORTH LINE THEREOF A DISTANCE OF 1,301.75 FEET, TO THE NORTHWEST CORNER OF THE SOUTHEAST QUARTER OF THE NORTHWEST QUARTER; THENCE N89°21'25"E ALONG THE NORTH LINE THEREOF A DISTANCE OF 79.34 FEET, TO A POINT; THENCE N81°11'28"E A DISTANCE OF 408.50 FEET, TO A POINT; THENCE N76°22'03"E A DISTANCE OF 413.40 FEET, TO A POINT; THENCE N57°43'09"E A DISTANCE OF 514.20 FEET, TO A POINT ON THE EAST LINE OF THE NW1/4 OF SAID SECTION; THENCE S23°20'12"E A DISTANCE OF 1,328.06 FEET, TO A POINT ON THE WEST RIGHT OF WAY LINE OF INTERSTATE 44; THENCE ALONG SAID WEST RIGHT OF WAY UNTIL NOTED OTHERWISE; S41°41'39"W A DISTANCE OF 294.05 FEET, TO A POINT; THENCE S35°15'46"W A DISTANCE OF 157.55 FEET, TO A POINT; THENCE ALONG THE ARC OF A NON-TANGENT CURVE TO THE LEFT AN ARC LENGTH OF 681.10 FEET, SAID CURVE HAVING A RADIUS OF 603.46 FEET (RECORD 602-S) A CHORD BEARING OF S71°30'49"W AND A CHORD DISTANCE OF 645.52 FEET; THENCE S39°12'10"W A DISTANCE OF 129.82 FEET, TO A POINT; THENCE S23°58'52"W A DISTANCE OF 282.92 FEET, TO A POINT; THENCE N19°07'18"W DEPARTING FROM SAID WEST RIGHT OF WAY LINE A DISTANCE OF 400.34 FEET, TO A POINT ON THE SOUTH LINE OF THE NORTHWEST QUARTER OF SAID SECTION 10; THENCE S89°01'39"W ALONG THE SOUTH LINE OF SAID NORTHWEST QUARTER, A DISTANCE OF 362.65 FEET, TO A POINT; THENCE S50°52'21"W A DISTANCE OF 95.29 FEET, TO A POINT; THENCE S59°52'49"W A DISTANCE OF 2.14 FEET, TO A POINT ON THE NORTH LINE OF UNIVERSITY PARK SUBDIVISION; THENCE ALONG SAID NORTH LINE OF UNIVERSITY PARK SUBDIVISION UNTIL NOTED OTHERWISE; THENCE S63°43'09"W A DISTANCE OF 75.10 FEET, TO A POINT; THENCE N16°22'55"W A DISTANCE OF 173.17 FEET, TO A POINT; THENCE N88°04'28"W A DISTANCE OF 122.03 FEET, TO A POINT; THENCE S88°30'44"W A DISTANCE OF 157.52 FEET, TO A POINT; THENCE N80°42'29"W A DISTANCE OF 160.32 FEET, TO A POINT; THENCE S66°22'18"W A DISTANCE OF 293.71 FEET, TO A POINT; THENCE S33°38'15"W A DISTANCE OF 449.45 FEET, TO A POINT; THENCE S76°07'33"W A DISTANCE OF 209.09 FEET, TO A POINT; THENCE S77°09'33"W A DISTANCE OF 208.89 FEET, TO A POINT; THENCE S77°32'12"W A DISTANCE OF 5.12 FEET, TO A POINT ON THE EAST RIGHT OF WAY OF A COUNTY ROAD; THENCE N0°00'14"E ALONG SAID EAST RIGHT OF WAY A DISTANCE OF 359.89 FEET, TO THE SOUTHWEST CORNER OF THAT TRACT OF LAND DESCRIBED IN BOOK 1998 ON PAGE 8884 OF THE COUNTY LAND RECORDS; THENCE N78°45'55"E ALONG THE SOUTH LINE THEREOF A DISTANCE OF 321.89 FEET, TO THE SOUTHEAST CORNER.
THEREOF, THENCE, N0° 33°25'W ALONG THE EAST LINE THEREOF A DISTANCE OF 349.16 FEET, TO THE NORTHEAST CORNER THEREOF; THENCE, S66°18'37"W ALONG THE NORTH LINE THEREOF A DISTANCE OF 340.64 FEET, TO THE NORTHWEST CORNER THEREOF. SAID POINT ON THE EAST RIGHT OF WAY OF SAID COUNTY ROAD; THENCE, N0° 02°59'W ALONG SAID EAST RIGHT OF WAY A DISTANCE OF 1,164.95 FEET, TO THE POINT OF BEGINNING.
EXHIBIT C

FORM OF CERTIFICATE OF SUBSTANTIAL COMPLETION

Certificate of Substantial Completion

The undersigned, UTW Rolla Development, LLC (the "Developer"), pursuant to that certain Redevelopment Agreement dated as of __________, 2016 (the "Agreement"), among Phelps County, Missouri (the "County"), the City of Rolla, Missouri (the "City"), the Developer and UTW Rolla Project, Inc., hereby certifies to the City as follows:

1. That as of __________, 20__ the Work (as such term is defined in the Agreement) has been substantially completed in accordance with the Agreement.

2. The Work has been performed in a workmanlike manner and in accordance with the Construction Plans (as defined in the Agreement).

3. Lien waivers for the Work have been obtained.

4. This Certificate of Substantial Completion is accompanied by the project architect’s certificate of substantial completion on AIA Form G-704 (or the substantial equivalent thereof), a copy of which is attached hereto as Appendix A and by this reference incorporated herein, certifying that the Work has been substantially completed in accordance with the Agreement.

5. This Certificate of Substantial Completion is being issued by the Developer to the City in accordance with the Agreement to evidence the Developer’s satisfaction of all obligations and covenants with respect to the Work.

6. The City’s acceptance (below) or the City’s failure to object in writing to this Certificate within 45 days of the date of delivery of this Certificate to the City (which written objection, if any, must be delivered to the Developer prior to the end of such 45-day period), and the recordation of this Certificate with the Phelps County Recorder, shall evidence the satisfaction of the Developer’s agreements and covenants to perform the Work.

This Certificate shall be recorded in the office of the Phelps County Recorder. This Certificate is given without prejudice to any rights against third parties which exist as of the date hereof or which may subsequently come into being.

Terms not otherwise defined herein shall have the meaning ascribed to such terms in the Agreement.

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IV. A. 49.
IN WITNESS WHEREOF, the undersigned has hereunto set his/her hand this _____ day of ______, 20__.  

UTW RÔLLA DEVELOPMENT, LLC

By: [Name], [Title]

ACCEPTED:

CITY OF RÔLLA, MISSOURI

By: [Name], [Title]

(In Insert Notary Form(s) and Legal Description)
EXHIBIT D
{ TC "EXHIBIT" D – Form of Certificate of Reimbursable Redevelopment Project Costs "V C M "I " } 
FORM OF CERTIFICATE OF
REIMBURSABLE REDEVELOPMENT PROJECT COSTS

Certificate of Reimbursable Redevelopment Project Costs

TO: City of Rolla, Missouri
    901 North Elm Street
    Rolla, Missouri 65801
    Attention: City Administrator

Phelps County, Missouri
200 N. Main Street
Rolla, Missouri 65801
Attention: Presiding Commissioner

Re: Rolla Westside Marketplace Redevelopment Area – RPA 1

Terms not otherwise defined herein shall have the meaning ascribed to such terms in the
Redevelopment Agreement dated as of ________________, 2016 (the “Agreement”) among Phelps
County, Missouri (the “County”), the City of Rolla, Missouri (the “City”), UTW Rolla Development,
LLC (the “Developer”) and UTW Rolla Project, Inc. In connection with said Agreement, the undersigned
hereby states and certifies that:

1. Each item listed on Schedule I hereto is a Reimbursable Redevelopment Project Cost
   and was incurred in connection with the construction of the Redevelopment Project. All costs associated
   with the Rolla West TDD Improvements are also identified.

2. These Reimbursable Redevelopment Project Costs have been paid by the Developer and
   are reimbursable under the TIF Plan Order, the TIF Project Order and the Agreement and have not been,
   and will not be, reimbursed by the District.

3. Each item listed on Schedule I has not previously been paid or reimbursed from money
   derived from the Special Allocation Fund or any money derived from any project fund established
   pursuant to the Note Order, and no part thereof has been included in any other certificate previously filed
   with the City.

4. There has not been filed with or served upon the Developer any notice of any lien, right
   of lien or attachment upon or claim affecting the right of any person, firm or corporation to receive
   payment of the amounts stated in this request, except to the extent any such lien is being contested in
   good faith.

5. All necessary permits and approvals required for the portion of the Work for which this
   certificate relates have been issued and are in full force and effect.

6. All Work for which payment or reimbursement is requested has been performed in a
   good and workmanlike manner and in accordance with the Approved Site Plan and the Agreement.

7. If any cost item to be reimbursed under this Certificate’s deemed not to constitute a
   “redevelopment project cost” within the meaning of the TIF Act and the Agreement, the Developer shall
   have the right to substitute other eligible Reimbursable Redevelopment Project Costs for payment
   hereunder.

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IV. A.51
8. The costs to be reimbursed under this Certificate constitute advances qualified for Tax-Exempt Notes:

Yes:________ No:________

9. The Developer is not in default or breach of any term or condition of the Agreement.

Eated this _____ day of __________, 20__:

UTW ROLLA DEVELOPMENT, LLC

By: ________________________________
[Name], [Title]

Approved for Payment this _____ day of __________, 20__:

CITY OF ROLLA, MISSOURI,
as agent for PHILPS COUNTY, MISSOURI

By: ________________________________
[Name], [Title]
EXHIBIT E
{ TC "EXHIBIT E – Form of TIF Notes" if CM "1" }
FORM OF TIF NOTES

THIS NOTE OR ANY PORTION HEREOF MAY BE TRANSFERRED, ASSIGNED OR NEGOTIATED ONLY AS PROVIDED IN THE HEREAFTER-DESCRIBED INDENTURE.

UNITED STATES OF AMERICA
STATE OF MISSOURI

Registered
No. R-______

Registered,
Up to $_____, at
(See Schedule A attached)

PHELPS COUNTY, MISSOURI
[TAX-EXEMPT] [TAXABLE] TAX INCREMENT REVENUE NOTE
(ROLLA WESTSIDE MARKETPLACE REDEVELOPMENT PROJECT)
SERIES [A/B]

Interest Rate: [*6.0/4.5%][1] Maturity Date: [______]_____

REGISTRATION OWNER:

PRINCIPAL AMOUNT: See SCHEDULE A attached hereto.

PHELPS COUNTY, MISSOURI, a third-class county and political subdivision duly organized and validly existing under the Constitution and laws of the State of Missouri (the "County"), for value received, hereby promises to pay to the registered Owner shown above, or registered assigns, the Principal Amount shown from time to time on Schedule A attached hereto on the Maturity Date shown above unless called for redemption prior to the Maturity Date, and to pay interest thereon from the effective date of registration shown from time to time on Schedule A attached hereto or from the most recent Interest Payment Date to which interest has been paid or duly provided for (computed on the basis of a 360-day year of twelve 30-day months) at the Interest Rate shown above. Notwithstanding the foregoing, in no event shall the interest rate on the TIF Notes exceed 10.00%.

Interest shall be payable semiannually on May 1 and November 1 in each year (each, an "Interest Payment Date"), beginning on the first Interest Payment Date following the initial transfer of moneys to the Special Allocation Fund. Interest that remains unpaid on any Interest Payment Date shall be compounded on each Interest Payment Date.

---

[1] Subject to increase to [*10.0/8.5%] pursuant to Section 5.1 of the herein defined Agreement.

E-1
Except as otherwise provided herein, the capitalized terms herein shall have the meanings as provided in the Indenture (as hereinafter defined) or the Redevelopment Agreement dated as of __________, 2016 (the “Agreement”), among the County, the City of Rolla, Missouri (the “City”), UTW Rolla Development, LLC (the “Developer”) and UTW Rolla Project, Inc.

THE OBLIGATIONS OF THE COUNTY WITH RESPECT TO THIS NOTE TERMINATE ON THE MATURITY DATE, WHETHER OR NOT THE PRINCIPAL AMOUNT OR INTEREST HEREON HAS BEEN PAID IN FULL. REFERENCE IS MADE TO THE AGREEMENT AND THE INDENTURE FOR A COMPLETE DESCRIPTION OF THE COUNTY’S OBLIGATIONS HEREBUNDER.

The principal of this Note shall be paid at maturity or upon earlier redemption to the Person in whose name this Note is registered on the Register at the maturity or redemption date hereof, upon presentation and surrender of this Note at the principal corporate trust office of [ ], St. Louis, Missouri (the “Trustee”) or such other office as the Trustee shall designate. The interest payable on this Note on any Interest Payment Date shall be paid to the Person in whose name this Note is registered on the Register at the close of business on the fifteenth day (whether or not a Business Day) of the calendar month next preceding such Interest Payment Date. Such interest shall be payable (a) by check or draft mailed by the Trustee to the address of such registered Owner shown on the Register or (b) by electronic transfer to such registered owner upon written notice given to the Trustee by such registered Owner, not less than 15 days prior to the Record Date for such interest, containing the electronic transfer instructions including the name and address of the bank (which shall be in the continental United States), its ABA routing number and the name and account number to which such registered Owner wishes to have such transfer directed. The principal or redemption price of and interest on the TIF Notes shall be payable by check or draft in any coin or currency that, on the respective dates of payment thereof, is legal tender for the payment of public and private debts.

This Note is one of an authorized series of fully-registered notes of the County designated “Phelps County, Missouri, [Tax-Exempt] [Taxable] Tax Increment Revenue Notes (Rolla Westside Marketplace Redevelopment Project), Series [A/B],” which together with other authorized series of fully-registered Notes of the County designated “Phelps County, Missouri, [Tax-Exempt] [Taxable] Tax Increment Revenue Notes (Rolla Westside Marketplace Redevelopment Project), Series [A/B],” aggregate a principal amount of up to $__________ (collectively the “TIF Notes”). The TIF Notes are being issued for the purpose of paying a portion of the Redevelopment Project Costs in connection with the Rolla Westside Marketplace Tax Increment Financing Redevelopment Plan, under the authority of and in full compliance with the Constitution and laws of the State of Missouri, including particularly the Real Property Tax Increment Allocation Redevelopment Act, Sections 99.800 through 99.865, inclusive, of the Revised Statutes of Missouri, as amended (the “Act”), and pursuant to a Trust Indenture dated as of __________, 20_. between the County and the Trustee (said Trust Indenture, as amended and supplemented in accordance with the terms thereof, being herein called the “Indenture”).

The TIF Notes constitute special, limited obligations of the County payable as to principal, premium, if any, and interest solely from the Pledged Revenues and other moneys pledged thereto and held by the Trustee pursuant to the Indenture. “Pledged Revenues” means all Available Revenues and all moneys held in the Revenue Fund and the Debt Service Fund under the Indenture, together with investment earnings thereon.

“Available Revenues” means all money on deposit from time to time (including investment earnings thereon) in (a) the PILOTS Account, (b) subject to annual appropriation, (i) the EATS Account, (ii) the On-Site District Revenues Account and (iii) the Additional City Revenues Account, and (c) all money in any other account of the Special Allocation Fund into which money that has been appropriated for use in connection with the Project is deposited.
to the repayment of the TIF Obligations has been deposited, excluding in each case (i) any amount paid under protest until the protest is withdrawn or resolved against the taxpayer, or (ii) any sum received by the City or the District that is the subject of a suit or other claim communicated to the City or the District that challenges the collection of such sum.

Money on deposit in the PILOTS Account consists of “Payments in Lieu of Taxes,” which means those payments in lieu of taxes (as defined in Sections 99.805 and 99.845 of the Act) attributable to the increase in the current equalized assessed valuation of all taxable lots, blocks, tracts and parcels of real property in RPA 1 over and above the certified total initial equalized assessed valuation of the real property in RPA 1, as provided for by Section 99.855 of the Act.

Money on deposit in the EATS Account consists of “Economic Activity Tax Revenues,” which means 50% of the total additional revenues from taxes which are imposed upon the city or any other taxing district (as that term is defined in Section 99.805 of the Act) and which are generated by economic activities within RPA 1 over the amount of such taxes generated by economic activities within RPA 1 in the calendar year prior to the adoption of tax increment financing within RPA 1, but excluding therefrom personal property taxes, taxes imposed on sales or charges for sleeping rooms paid by transient guests of hotels and motels, licenses, fees or special assessments and taxes imposed pursuant to Section 94.660, R.S.Mo., and any other taxes excluded from tax increment financing by Missouri law.

Money on deposit in the On-Site District Revenues Account consists of “On-Site District Revenues,” which means the District Sales Tax revenues generated from taxable sales occurring within RPA 1 and which are not otherwise required to be deposited into the Special Allocation Fund by operation of the TIF Act.

Money on deposit in the Additional City Revenues Account consists of “Additional City Revenues,” which means an amount equal to 50% of the sales tax revenues resulting from taxable sales in RPA 1 which are actually received by the City from its 0.5% capital improvements sales tax and 0.5% transportation sales tax and are not otherwise required to be deposited into the Special Allocation Fund by operation of the TIF Act (i.e., TIF will capture 50% of such sales tax revenues so Additional City Revenues will be an amount equal to 50% of the remaining revenues after the TIF capture).

The TIF Notes shall not constitute debts or liabilities of the County, the City, the State of Missouri or any political subdivision thereof within the meaning of any constitutional or statutory debt limitation or restriction. Neither the County, the TIF Commission, the commissioners of said TIF Commission, the officers and employees of the County nor any person executing the TIF Notes shall be personally liable for such obligations by reason of the issuance thereof.

Net Proceeds shall be applied to the payment of the TIF Notes in the manner prescribed in the Indenture.

The County agrees to direct the officer of the County charged with the responsibility of formulating budget proposals to include in the budget proposal submitted to the County Commission for each fiscal year that Notes are outstanding a request for an appropriation of all moneys on deposit in the EATS Account of the Special Allocation Fund for application in the manner described above.

NOTWITHSTANDING ANY PROVISION HEREIN OR IN THE TIF NOTES TO THE CONTRARY, (1) THE TIF NOTES ARE SUBJECT TO CANCELLATION AND DISCHARGE BY THE COUNTY IN WHOLE WITHOUT PAYMENT UNDER THE CONDITIONS DESCRIBED IN SECTION 7.3 OF THE AGREEMENT AND (2) THE TIF NOTES ARE SUBJECT TO CANCELLATION AND DISCHARGE BY THE COUNTY IN PART WITHOUT
PENALTY UNDER THE CONDITIONS SET FORTH IN SECTION 5.6 OF THE AGREEMENT, WHETHER OR NOT THE PRINCIPAL AMOUNT OR INTEREST THEREON HAS BEEN PAID IN FULL.

The TIF Notes are subject to optional redemption by the County in whole at any time or in part on any Interest Payment Date at a redemption price of 100% of the principal amount of the TIF Notes to be redeemed, plus accrued interest thereon to the date fixed for redemption, as provided in the Indenture.

The TIF Notes are subject to special mandatory redemption by the County on any Interest Payment Date, at the redemption price of 100% of the principal amount being redeemed, together with accrued interest thereon to the date fixed for redemption, in an amount (subject to the Indenture) equal to the amount which, 40 days (10 days if all of the TIF Notes are owned by the Developer) prior to each Interest Payment Date, is on deposit in the Debt Service Fund and which will not be required for the payment of interest on such Interest Payment Date.

All Taxable Notes shall be redeemed prior to the Tax-Exempt Notes.

If any of the TIF Notes are to be called for redemption as aforesaid, notice of redemption, unless waived, is to be given by the Trustee by mailing an official redemption notice by first class mail at least 30 days (5 days if all of the TIF Notes are owned by the Developer) and not more than 60 days prior to the date fixed for redemption to the registered Owner of each Note to be redeemed at the address shown on the Register as of the date of such notice, as more fully described in the Indenture. Notice of redemption having been given as aforesaid, and provided that moneys are on deposit with the Trustee to effect the required redemption, the TIF Notes or portions of Notes so to be redeemed shall, on the redemption date, become due and payable at the redemption price therein specified, and from and after such date (unless the County defaults in the payment of the redemption price) such TIF Notes or portions of Notes so called for redemption shall cease to bear interest, shall no longer be secured by the Indenture and shall not be deemed to be Outstanding under the provisions of the Indenture. Any defect in any notice or the failure of any parties to receive any notice of redemption shall not cause any Note called for redemption to remain Outstanding.

The TIF Notes are issuable in the form of fully-registered Notes in the denomination of $0.01 or any integral multiple thereof.

This Note may be transferred or exchanged, as provided in the Indenture, only upon the Register, upon surrender of this Note together with a written instrument of transfer satisfactory to the Trustee duly executed by the registered owner or the registered owner’s duly authorized agent. THE OWNER HEREOF EXPRESSLY AGREES, BY SUCH OWNER’S ACCEPTANCE HEREOF, THAT THE RIGHT TO TRANSFER, ASSIGN OR NEGOTIATE THIS NOTE SHALL BE LIMITED TO TRANSFER, ASSIGNMENT OR NEGOTIATION TO APPROVED INVESTORS, AS THAT TERM IS DEFINED IN THE INDENTURE. Accordingly, this Note will be transferable only upon prior delivery to the Trustee of a letter in substantially the form attached to the Indenture as Exhibit B, signed by the transferee, showing that such transferee is an Approved Investor. After the Trustee receives the foregoing statement, a new Note of the same maturity and in the same principal amount outstanding as the Note which was presented for transfer or exchange shall be issued to the transferee in exchange therefor as provided in the Indenture, and upon payment of the charges therein prescribed. The County and the Trustee may deem and treat the Person in whose name this Note is registered on the Register as the absolute owner hereof for the purpose of receiving payment of, or on account of, the principal or redemption price hereof and interest due hereon and for all other purposes.

\[ IV \cdot A \cdot 50 \]
This Note shall not be valid or binding on the County or be entitled to any security or benefit under the Indenture until the Certificate of Authentication hereon has been executed by the Trustee.

IT IS HEREBY CERTIFIED AND DECLARED that all acts, conditions and things required to exist, happen and be performed precedent to and in the issuance of the TIF Notes have existed, happened and been performed in due time, form and manner as required by law.

IN WITNESS WHEREOF, PHELPS COUNTY, MISSOURI has executed this Note by causing it to be signed by the manual or facsimile signature of its Presiding Commissioner and attested by the manual or facsimile signature of its County Clerk, and its official seal to be affixed or imprinted hereon, and this Note to be dated as of the effective date of registration as shown on Schedule A.

PHELPS COUNTY, MISSOURI

By: __________________________

Presiding Commissioner

(SEAL)

Attest:

County Clerk

E-5
CERTIFICATE OF AUTHENTICATION

This TIF Note is one of the TIF Notes described in the within mentioned Indenture.

Dated: ___________ 20__

[TRUSTEE], as Trustee

By: ____________________________
   Authorized Signatory

E-6
ASSIGNMENT

FOR VALUE RECEIVED, the undersigned sells, assigns and transfers unto

(Print or Type Name, Address and Social Security Number
or other Taxpayer Identification Number of Transferor)

the within Note and all rights thereunder, and hereby irrevocably constitutes and appoints

agent to transfer the within Note on the books kept by the Trustee for the
registration thereof, with full power of substitution in the premises.

Dated: ____________________

NOTICE: The signature to this assignment must correspond with the name of
the Registered Owner as it appears on the face of the within Note in every
particular.

Signature Guaranteed By:

(Name of Eligible Guarantor Institution)

By: __________________________

Title: _________________________

NOTICE: Signature(s) must be guaranteed by an eligible guarantor
SCHEDULE A
CERTIFICATE OF AUTHENTICATION

This TIF Note is one of the TIF Notes described in the within-mentioned Indenture.

<table>
<thead>
<tr>
<th>Date(^{11})</th>
<th>Additions to Principal Amount</th>
<th>Principal Amount Paid</th>
<th>Outstanding Principal Amount</th>
<th>Authorized Signatory of Trustee</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$</td>
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<td>20</td>
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<td></td>
</tr>
</tbody>
</table>

(1) Date of Acceptance by the City (as agent of the County) of related Certificate of Reimbursable Redevelopment Project Costs (which constitutes Date of Registration with respect to such portion of the Note) or Interest Payment Date. Advances are limited to one per month.
EXHIBIT G
[ TC "EXHIBIT G – Rate of Return Calculation" V C ¶ 1 ]

RATE OF RETURN CALCULATION

The Unleveraged Rate of Return Calculation is a means of calculating the Developer’s expected return on investment. For the purposes of this Agreement, the Unleveraged Rate of Return Calculation shall be calculated by dividing the “Expected Stabilized Project Income” by the “Actual Net Project Cost.”

“Expected Stabilized Project Income” means the estimated “Annual Net Operating Income” less reasonable management fees (not to exceed 4% of leasehold income) and reserves (not to exceed 1% of leasehold income) for the Redevelopment Project, determined as of the date that the Unleveraged Rate of Return Calculation is made.

“Annual Net Operating Income” means all rental payments to be received by the Developer for a calendar year at project stabilization based on executed leases between the Developer and the tenants, less any operating expenses paid or owed by the Developer with respect to the Redevelopment Project, including but not limited to taxes, insurance, common area maintenance, professional and administrative fees and structural and other reserves related to the Redevelopment Project.

“Actual Net Project Cost” means the “Developer-Incurred Redevelopment Project Costs” less (1) the Maximum Reimbursement Amount or (2) if less than the Maximum Reimbursement Amount, the anticipated amount of proceeds to the Developer expected to result from the TIF Notes and the TIF Bonds (the speculative value of any Subordinate Notes will not be included in this calculation).

“Developer-Incurred Redevelopment Project Costs” means, subject to the “Cost-Savings Adjustment,” the actual (or if the actual is not known, a reasonable estimate thereof) Redevelopment Project Costs incurred by the Developer (i.e., not including any costs financed or reimbursed by the TDD Contribution or incurred by Menard, Inc., a tenant or other entity of a lot within RPA 1). The Developer-Incurred Redevelopment Project Costs shall also not include any developer fee in excess of $2,100,000, leasing fees or commission paid to the Developer or an affiliate of the Developer.

“Cost-Savings Adjustment” means a decrease to the Maximum Reimbursement Amount equal to (i) $1 for every $2 that the Developer-Incurred Redevelopment Project Costs would otherwise be less than $33,065,000 until such time as the Unleveraged Rate of Return Calculation equals 10%, and (ii) $1 for every additional $1 of cost savings obtained by the Developer after the Unleveraged Rate of Return equals 10%.

Below are examples of Unleveraged Rate of Return Calculations:

G-1
<table>
<thead>
<tr>
<th></th>
<th>Ex. 1</th>
<th>Ex. 2</th>
<th>Ex. 3</th>
<th>Ex. 4</th>
<th>Ex. 5</th>
</tr>
</thead>
<tbody>
<tr>
<td>Redevelopment Project Cost</td>
<td>$33,065,000</td>
<td>$33,065,000</td>
<td>$33,065,000</td>
<td>$33,065,000</td>
<td>$33,065,000</td>
</tr>
<tr>
<td>- Developer Budget</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Less: Developer Cost Savings</td>
<td>-0-</td>
<td>&lt;500,000&gt;</td>
<td>&lt;1,000,000&gt;</td>
<td>&lt;1,500,000&gt;</td>
<td>&lt;2,000,000&gt;</td>
</tr>
<tr>
<td>Redevelopment Project Cost</td>
<td>33,065,000</td>
<td>32,565,000</td>
<td>32,065,000</td>
<td>31,565,000</td>
<td>31,065,000</td>
</tr>
<tr>
<td>- Developer Actual</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Maximum Reimbursement Amount</td>
<td>22,000,000</td>
<td>22,000,000</td>
<td>22,000,000</td>
<td>22,000,000</td>
<td>22,000,000</td>
</tr>
<tr>
<td>Less: Cost Savings Adjustment</td>
<td>-3-</td>
<td>&lt;250,000&gt;</td>
<td>&lt;500,000&gt;</td>
<td>&lt;834,500&gt;</td>
<td>&lt;1,334,500&gt;</td>
</tr>
<tr>
<td>Net Reimbursement Amount</td>
<td>22,000,000</td>
<td>21,750,000</td>
<td>21,500,000</td>
<td>21,165,500</td>
<td>20,665,500</td>
</tr>
<tr>
<td>Expected Stabilized Project Income</td>
<td>1,039,950</td>
<td>1,039,950</td>
<td>1,039,950</td>
<td>1,039,950</td>
<td>1,039,950</td>
</tr>
<tr>
<td>Actual Net Project Cost</td>
<td>11,065,000</td>
<td>10,815,000</td>
<td>10,565,000</td>
<td>10,399,500</td>
<td>10,399,500</td>
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<tr>
<td>Unleveraged Rate of Return Calculation</td>
<td>3.985%</td>
<td>9.6158%</td>
<td>9.8433%</td>
<td>10.0000%</td>
<td>10.0000%</td>
</tr>
</tbody>
</table>
EXHIBIT I

[ TC "EXHIBIT I - Excess Property" V C U "I" ]

EXCESS PROPERTY
EXHIBIT J
[ TC 'EXHIBIT J - Special Warranty Deed' V C \ 1 ]
SPECIAL WARRANTY DEED

(The above space is reserved for Recorder's Certification.)

TITLE OF DOCUMENT: SPECIAL WARRANTY DEED
DATE OF DOCUMENT: ______________
GRANTOR: UTW ROLLA DEVELOPMENT, LLC
GRANTOR'S MAILING ADDRESS: 1 Metropolitan Square, Suite 3000
St. Louis, Missouri 63102
GRANTEE: CITY OF ROLLA, MISSOURI
GRANTEE'S MAILING ADDRESS: 901 N. Elm Street
Rolla, Missouri 65801
RETURN DOCUMENTS TO: Gilmore & Bell, P.C.
One Metropolitan Square
211 N. Broadway, Suite 2350
St. Louis, MO 6312
Attention: Mark Grimm
LEGAL DESCRIPTION: See Exhibit A
SPECIAL WARRANTY DEED

This SPECIAL WARRANTY DEED (the "Deed") is made and entered into effective as of the day of __________ by UTW ROLLA DEVELOPMENT, LLC, a Missouri limited liability company (the "Grantor") to and for the benefit of the CITY OF ROLLA, MISSOURI, a third-class city and political subdivision of the State of Missouri (the "Grantee").

WITNESSETH, that the Grantor, for and in consideration of the sum of TEN DOLLARS AND OTHER GOOD AND VALUABLE CONSIDERATION paid by the Grantee, the receipt of which is hereby acknowledged, does by these presents BARGAIN and SELL, CONVEY and CONFIRM unto the Grantee the real estate situated in Phelps County, State of Missouri, more particularly described on Exhibit A attached hereto and incorporated herein by reference. Subject, however, to any recorded restrictions, easements, party wall agreements, covenants and any other matter of record, to any leases, tenancies, zoning laws, to easements or claims of easements not shown by the public records, including but not limited to, all rights acquired by any public or private utilities in streets prior to the vacation thereof, to any defects, encroachments, overlaps, boundary disputes, acreage discrepancies and any other matters which would be disclosed by an accurate survey or inspection of the above described property.

TO HAVE AND TO HOLD the same, together with all rights and appurtenances to the same belonging, unto the Grantee and its successors and assigns forever. The Grantor hereby covenanting that it and its successors shall and will warrant and defend the title to the premises unto the Grantee and to its successors and assigns forever, against the lawful claims of all persons claiming by, through or under the Grantor but none other excepting, however, the general taxes for the calendar year ________ and thereafter, if any, and the special taxes becoming a lien after the date of this Deed.

This Deed and the agreements and covenants contained herein shall be construed in accordance with the laws of the State of Missouri.

[Remainder of Page Intentionally Left Blank]
IN WITNESS WHEREOF, the undersigned hereby sets its hand as of the day and year first above written.

GRANTOR:

UTW ROLLA DEVELOPMENT, LLC, a Missouri limited liability company

By: ____________________________
    Alan B. Bornstein, Manager

STATE OF MISSOURI )
    SS
    OF ST. LOUIS )

On this ___ day of ___________, 20___ before me appeared ALAN B. BORNSTEIN, to me personally known, who, being by me duly sworn, did say that he is the manager of UTW ROLLA DEVELOPMENT, LLC, a Missouri limited liability company, and that he is authorized to sign this instrument on behalf of said companies, and acknowledged to me that he executed the within instrument as the fee act and deed of said companies.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal in the County and State aforesaid, the day and year first above written.

______________________________
Notary Public

My commission expires:

IV. A 68
GRANTEE:
CITY OF ROLLA, MISSOURI

By: Louis J. Madgits IV, Mayor

[SEAL]
ATTEST:

By: Carol Daniels, City Clerk

STATE OF MISSOURI

COUNTY OF PHELPS

On this day of , 20 , before me, the undersigned, a Notary Public, appeared LOUIS J. MADGITS, IV, to me personally known, who, being by me duly sworn, did say that he is the Mayor of the CITY OF ROLLA, MISSOURI, and that the seal affixed to the foregoing instrument is the corporate seal of said City, and that said instrument was signed and sealed by authority of its City Council, and said officers acknowledged said instrument to be executed for the purposes therein stated and as the free act and deed of said City.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal in the County and State aforesaid, the day and year first above written.

----------------------------------------------------
Notary Public

My commission expires:

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EXHIBIT K

OPTION AGREEMENT
**EXHIBIT L**

**LEGAL OPINION REGARDING REIMBURSABLE REDEVELOPMENT PROJECT COSTS**

[Insert Denta's legal opinion regarding eligibility of below costs under the TIF Act.]

| Category of Costs | Costs of Project
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Purchasing</td>
<td>$2,500,000.00</td>
</tr>
<tr>
<td>Insurance</td>
<td>$150,000.00</td>
</tr>
<tr>
<td>Total</td>
<td>$2,650,000.00</td>
</tr>
<tr>
<td>BUILDING CONSTRUCTION COST</td>
<td>$1,125,000.00</td>
</tr>
<tr>
<td>Timber Building Construction</td>
<td>$400,000.00</td>
</tr>
<tr>
<td>Total Building Construction</td>
<td>$1,525,000.00</td>
</tr>
<tr>
<td>SITE IMPROVEMENT AND SITE DEVELOPMENT</td>
<td>$800,000.00</td>
</tr>
<tr>
<td>Engineering and Surveying</td>
<td>$50,000.00</td>
</tr>
<tr>
<td>Quality Control Testing</td>
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**Notwithstanding the table to the left, the Developer shall not be entitled to reimbursement for verified Reimbursable Redevelopment Project Costs incurred by the Developer in excess of the Maximum Reimbursement Amount. All Reimbursable Redevelopment Project Costs to be reimbursed up to the Maximum Reimbursement Amount must be identified on Certificates of Reimbursable Redevelopment Project Costs approved by the City pursuant to Section 4.2. The purpose of the table to the left is not to limit reimbursement to the Developer to the specific amounts listed for each category; rather the actual amounts reimbursed for each category may vary from those listed so long as the total reimbursement does not exceed the Maximum Reimbursement Amount (except as set forth in Section 4.2(b) with respect to the developer fee).**
EXHIBIT M

[ TC "EXHIBIT M - Competitive Bidding Requirements" if "M 1" ]

COMPETITIVE BIDDING REQUIREMENTS
EXHIBIT N

TC 'EXHIBIT N – Landscaping Plan "WCMI"'
LANDSCAPING PLAN

WESTSIDE MARKETPLACE  ROLLA, MISSOURI
EXHIBIT O

FORM OF

ROLLA WEST TRANSPORTATION PROJECT FINANCING
AND MAINTENANCE AGREEMENT
CITY OF ROLLA
CITY COUNCIL AGENDA

DEPARTMENT: Community Development

ACTION REQUESTED: First Reading

ITEM/SUBJECT: Final Plat of the Westside Market Place, A Re-subdivision of the Railroad Addition Lot 94 and Parts of Lots 93 and 95 and Part of the West ½ Section 10, Township 37 North, Range 8 West, in the City of Rolla, County of Phelps, Missouri.

(Westside Market Place)

DATE: August 15-2016

GENERAL INFORMATION:

Case #: 6-9-2016


STATUS OF APPLICANT: The applicant owns the property and is working to prepare the property for commercial development.

ENGINEER OF RECORD: Smith & Co. Surveyors, 901 Vine Street: P.O. Box 72, Poplar Bluff, Missouri 63902, (573) 785-9621 FAX (573) 785-2651, WWWSHSMITHCO.COM

CURRENT ZONING/USE: The subject property is zoned R-1 (Single Family District) zoning, which does not allow residential land use. The property has been cleared of its vegetative cover and is currently undeveloped.

PROPOSED USE: The applicant is proposing to subdivide the total site property to provide up to 6 lots. Lot 4, consisting of 20.39 acres, is the location of the proposed large retail establishment/building. Lot 5, with 15.36 acres, is set aside for up to 4 smaller attached commercial establishments. Lot 3 consists entirely of public right-of-way with 23.73 acres. Lot 1 (14.14 acres) and Lot 2 (20.46 acres) will be available for future commercial expansion and public/private open space.

LOCATION: The property is located at the junction of the Old Wire Outer Road and Interstate 44. The location may be easier to determine using the County Assessor Account Number (9560).

TRACT SIZE: The subject property is approximately 81.31 acres divided into six lots.

PUBLIC COMMENT/ISSUES: No significant issues were raised by the Development Review Committee Members. All necessary changes mentioned by staff were completed.
REVIEW AND RECOMMENDATION: It was the recommendation of the Planning and Zoning Commission at their August 9, 2016 meeting to recommend approval of the proposed Subdivision – Westside Marketplace – to the City Council.
ORDINANCE NO.________

AN ORDINANCE APPROVING THE WESTSIDE MARKETPLACE SUBDIVISION, BEING A MAJOR SUBDIVISION OF THE RAILROAD ADDITION LOT 94 AND PART OF LOTS 93 AND 95 AND PART OF THE SOUTHWEST 1/4 SECTION 10, TOWNSHIP 37 NORTH, RANGE 8 WEST IN THE CITY OF ROLLA. (WESTSIDE MARKET PLACE)

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

Section 1: That the following legal description applies to the Westside Market Place property, as follows:
   Plat of the Westside Market Place, a Resubdivision of the Railroad Addition Lot 94 and Parts of Lots 93 and 95 and Part of the Southwest 1/4 Section 10, Township 37 North, Range 8 West, in the City of Rolla, County of Phelps, Missouri.

Section 2: That the site, utility, and grading plans shall be approved by the City of Rolla and Rolla Municipal Utilities (RMU) before building permits may be issued for this project.

Section 3: That RMU and the City of Rolla will require the developer(s) to install all required water and sewer service for the subdivision as needed, including any designated utility easements. Development plans for this subdivision must be submitted and approved by the City of Rolla and RMU before the plat will be filed at the Phelps County Courthouse.

Section 4: The developer(s) will be required to pay a Land Disturbance Permit fee and a Storm Water Management fee or construct storm water detention facilities as required by the Public Works Director.

Section 5: No construction may be commenced upon Westside Market Place until all necessary building and construction permits have been issued by the City of Rolla, Missouri and that it is understood that no such permits shall be issued for any lots herein platted until the completion of all public improvements appertaining to such lots or until a cash bond equal to the reasonable costs of completing such public improvements has been received and approved by the City of Rolla, Missouri. The above-mentioned public improvements shall be completed as required by Chapter 42, Article II of the Rolla City Code.

Section 6: That this Ordinance shall be in full force and effect from and after the date of its passage and approval. Building permits may not be issued by the Community Development Department until the revised plat has been filed with the Phelps County Recorder of Deeds.


APPROVED:

                           ________________________________
                           Mayor

ATTEST:

________________________________________
City Clerk

APPROVED AS TO FORM:

________________________________________
City Counselor
CITY OF ROLLA
CITY COUNCIL AGENDA

DEPARTMENT: Community Development

ACTION REQUESTED: First Reading

ITEM/SUBJECT: Final Plat of Wild Horse Run No. 3, Being a Subdivision Located in SW ¼
NW ¼ Section 24, T37N, R8W; City of Rolla, Phelps County, Missouri.

DATE: August 15, 2016

(Wild Horse Run)

GENERAL INFORMATION:

Case #: 6-19-2016

APPLICANT(S): Michael E. Woessner, Trustee of the Michael E. Woessner Revocable Trust dated
resides at 11975 County Road 3450, St. James, MO 65559.

STATUS OF APPLICANT: The applicant owns the property and is working to prepare the property for
residential development.

ENGINEER OF RECORD: Archer-Elgin Engineering, Surveying & Architecture LLC. 310 East
6th Street, Rolla, Missouri. Phone # 573-364-6362.

CURRENT ZONING/USE: The subject property is zoned R-1 (Single Family District) zoning, which
permits residential land use. The property is currently undeveloped.

PROPOSED USE: The applicant is proposing to subdivide the total site property to provide up to 5 lots.
Lot 5 contains .52 acre or 22,651 sq. ft. and is the largest tract of the five. Lots 4 and 3 each contain
14,810, sq. ft. or .34 acre. Lots 1 and 2 consist of .25 acre or 10,890 sq. ft. All development standards
have been satisfied in terms of setbacks, building coverage and open space requirements.

LOCATION: The property is located at the junction of Little Oaks Road and Thomas Drive. The
location may be easier to determine using the County Assessor Account Number (109549560).

TRACT SIZE: The subject property is approximately 1.67 acres.

PUBLIC COMMENT/ISSUES: No significant issues were raised by the Development Review
Committee Members. All necessary changes mentioned by staff were completed.
STAFF REVIEW AND RECOMMENDATION: Planning and Zoning Commission’s recommended at their August 9, 2016 meeting, that the Rolla City Council should approve the revised Subdivision – Wild Horse Run.

CONSISTENT WITH THE COMPREHENSIVE PLAN: The proposed single family development is consistent with the Future Land Use Map found in the Rolla 20/20 Comprehensive Plan Update.
TO: John Petersen, Community Development Director

CC: Steffanie Rogers, Finance Director

FR: Floyd Jernigan, Parks and Recreation Director

RE: Wild Horse Run #3 – City Code 42-27 Deeding of Public Parks

DATE: Monday, July 25, 2016

Due to the location (not adjacent to existing park land or trail), and the small size of the property, park staff recommends cash-in-lieu of parkland in the amount of $1,037, based on the formula calculated in subsections 5 and 6, single-family, calculated at a rate of $12,200 per acre for parkland based on the acreage (1.7) requirements. These monies shall be deposited into the Parks and Recreation Land Escrow Account.

IV. C.S.
ORDINANCE NO. ________

AN ORDINANCE APPROVING THE FINAL PLAT OF THE WILD HORSE RUN NO. 3 SUBDIVISION, SAID SUBDIVISION BEING A MINOR SUBDIVISION LOCATED IN THE SW 1/4 NW 1/4 SECTION 24, T37N, R8W, CITY OF ROLLA, PHELPS COUNTY, MISSOURI. (WILD HORSE RUN NO. 3)

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF ROLLA, MISSOURI AS FOLLOWS:

SECTION 1: That the final plat of Wild Horse Run Subdivision Plat No. 3, being a minor subdivision including Lots 1 and 2 consisting of .25 acre each, Lots 3 and 4 consisting of .34 acre each and Lot 5 consisting of .52 acre for a total of 1.18 total acres, an addition to the City of Rolla, Phelps, County, Missouri having been reviewed by the Planning and Zoning Commission on August 9, 2016 and approved by the Rolla City Council on September 6, 2016.

SECTION 2: That the following legal description applies to this Subdivision: A minor subdivision of the SW 1/4 NW 1/4 Section 24, all in 37N, T37N, R8W, City of Rolla, Phelps County, Missouri.

SECTION 3: That this Ordinance shall be in full force and effect from the date of its passage and approval. Building permits may not be issued by the Community Development Department until the revised plat has been filed with the Phelps County Recorder of Deeds.


APPROVED:

__________________________
Mayor

ATTEST:

__________________________
City Clerk

APPROVED AS TO FORM:

__________________________
City Counselor

\[\text{\textcopyright} 2016\]
Sunrise Estates

Address: South side of Cooper St. and Eagleson Dr. (West of Vichy Rd. and Southeast of Silverstone Place - Skilled Nursing Facility)

Developer Name: JES Dev Co., LLC

Similar Development Team constructed and manages Park Place Senior Apartments and Park Meadows in Rolia.

Project Type: Independent Living – Senior

Construction Type: New construction, masonry/fiber cement siding

Accessibility: 5% of units (3 units) are required to be fully ADA accessible while the entire development will implement universal design.

Parking Spaces: Approx. 63 Spaces (1.4 per Unit)

No. of Units/Buildings: Up to 48 Total Apartment Units – 2 Bedroom/1 Bathroom 825 sq./ft.

Site Area: 5.7 Acres

Development Costs: Approximately $7,500,000

Site Control: An Option Agreement is currently held between JES Dev Co., LLC and T&C Development, LLC ensuring an option to purchase the subject property upon receiving tax credit financing approval by MHDC (Missouri Housing Development Commission). Applications for the 2017 competitive round are due to MHDC on September 6th, 2016 and allocations are typically announced in mid-December.
RESOLUTION

A RESOLUTION SUPPORTING THE CONSTRUCTION OF A MULTIFAMILY RESIDENTIAL COMMUNITY

WHEREAS, JES Dev Co., LLC has proposed to develop up to 48 units of affordable family housing located on/near Cooper St. and Eagleson Dr. in the City of Rolla; and

WHEREAS, the City of Rolla, Missouri recognizes the need for safe, quality built, affordable housing for families as a priority; and

WHEREAS, the construction of said residential apartment community will provide affordable housing for families and senior citizens and will be in the best interest of residents of Rolla, Missouri; and

NOW THEREFORE BE IT RESOLVED by the Mayor and City Council of Rolla that enthusiastic support is hereby granted to JES Dev Co., LLC for the 2017 application to the Missouri Housing Development Commission for tax credits and financing to assist in the development of the aforementioned project.

PASSED AND ADOPTED this _____ day of _________, 2016.

Louis J. Magdziak IV, Mayor

Attest:

Carol Daniels, City Clerk

Date: