



City Council Regular Meeting

February 4, 2026

6:00 PM, IUC - 17221 E. 23rd Street, Room 117, Independence, MO 64057

To view a Council meeting agenda, visit <https://independencemo.portal.civicclerk.com/> and select 'Most Recent Council Agenda'.

INVOCATION

1. The invocation will be given by Tim Allison, Chaplain at the Visiting Nurse Association Hospital.

THE PLEDGE OF ALLEGIANCE

ROLL CALL

PRESENTATION RESOLUTIONS

1. 26-710 A resolution recognizing Aimee Jones, GIS Analyst in the Technology Services Department, as the ISTAR Award Recipient for Service and Teamwork Above Responsibilities for the month of February. **Item passes 5-0 Res. No. 7202**

PROCLAMATIONS

CITIZEN REQUESTS

CONSENT AGENDA

Reports and Recommendations of the City Manager

1. Approval of minutes from the January 5th and January 20th regular meetings
Approved
2. Council action is requested to issue a purchase order to Burns & McDonnell (B&M) in the amount of \$6,012,301 and authorize change orders up to ten (10) percent of the authorized amount, for Able Battery line terminal Engineer-Procure-Construct (EPC)

services for the Power & Light Department (IPL). **Item passes 5-0**

RESOLUTIONS

1. 26-711 A resolution updating the membership for the Japanese Sister City Committee **Approved Res. No. 7203**

REGULAR AGENDA

PUBLIC HEARING(S)

1. A public hearing for the application to rezone the properties located at 2610 and 2612 S. Lee's Summit Road from C-1, Neighborhood Commercial, and R-6, Single Family Residential, to R-18/PUD, Moderate Density Residential/Planned Unit Development. ***New Information Only.***

22-075 **2R** An ordinance approving a rezoning from District C-1 (Neighborhood Commercial) and District R-6 (Single-Family Residential) to District R-18/PUD (Moderate-Density Residential/Planned Unit Development) and approving a preliminary development plan for the properties at 2610 and 2612 S. Lee's Summit Road, in Independence, Missouri. **2R (1R was on 8/1/2022) Item Postponed to 2/16/26**

2. A public hearing for the Taxable Industrial Development Revenue Bonds for the Surgery Center Project. ***Full Public Hearing.***
3. A full public hearing for the Retail Selling of Intoxicating Liquor by the Drink for The Rhapsody Wedding and Reception Hall located at 2322 S R.D. Mize Rd. ***Full Public Hearing.***

Council action is requested on the application received from The Rhapsody Wedding and Reception Hall for Retail Selling of Intoxicating Liquor by the Drink that will be located at 2322 S R.D. Mize Rd. **Item passes 5-0**

ORDINANCES

FIRST READING(S)

1. 26-008 **1R** An ordinance authorizing a contract with the State of Missouri Public Safety to provide financial assistance for the State and Local Cybersecurity Grant Program and **declaring an emergency. 1R** (This will be a first and second reading and will require 5 yes votes to pass.) **Item passes 5-0 Ord. No. 19780**
2. 26-009 **1R** An ordinance adopting amendments to the Fiscal Year 2025-2026 Capital Improvement Budget, which was approved by Ordinance No. 19682; and authorizing

the City Manager to award a contract with TMG Utility Advisory Services, Inc., d/b/a TMG Consulting, Inc. ("TMG") for an Advanced Metering Infrastructure (AMI) Program and Performance Management Services for a period of four (4) years, and authorizing change orders of up to ten percent (10%) of the authorized amount. **1R Read**

3. 26-010 **1R** An ordinance amending Section 3.01.001 of the Independence City Code to expand the definition of a public nuisance animal **1R Read**
4. 26-011 **1R** An ordinance creating Section 12.06.021 of the Independence City Code for the prohibition of nonconsensual dissemination of private sexual images **1R Read**
5. 26-012 **1R** An ordinance creating Section 12.06.022 of the Independence City Code for the prohibition of threatening the nonconsensual dissemination of private sexual images **1R Read**
6. 26-013 **1R** An ordinance approving a Plan for an Industrial Development Project for the Surgery Center Project; authorizing the City of Independence, Missouri to issue Taxable Industrial Development Revenue Bonds in a principal amount not to exceed \$3,530,000; and authorizing certain documents and actions in connection therewith. **1R Read**
7. 26-014 **1R** An ordinance approving a rezoning from District C-2 (General Commercial) to District R-12 (Two-Family Residential) for the properties located at 724 and 726 North Noland Road. **1R Read**
8. 26-015 **1R** An ordinance approving the Cooperative Agreement among the City of Independence, Missouri, the Blue Ridge Crossing-East Community Improvement District, and MBS Mall Investor-98, LLC. **1R Read**
9. 26-016 **1R** An ordinance amending Chapter 4 Article 11 Landlord Tenant Code and Article 15 Rental Ready of the City Code. **1R Read**

INFORMATION ONLY

1. Blue Ridge Crossing East CID Proposed Budget for FY 2026-2027
2. Independence Advisory Board of Health letter to the City Council regarding recommendations concerning the Independence Health Department
3. **Please Note:** In accordance with RSMo. 610.021, the City Council may convene in a Closed Executive Session during or after the meeting, on matters of litigation, legal action, and/or attorney client communications, as permitted by Sec. 610.021(1), on matters of personnel, as permitted by Sec. 610.021(3) and personnel records, as

permitted by 610.021(13), on matters of contracts, as permitted by 610.021(12), on matters of real estate, as permitted by 610.021(2) and/or matters of labor negotiations, as permitted by 610.021(9).

COUNCILMEMBER COMMENTS

ADJOURNMENT



A GREAT AMERICAN STORY

City Council Regular Meeting Minutes

January 5, 2026 6:00 PM

Council Chambers - 111 E. Maple Ave.

INVOCATION

1. The invocation will be given by Reverend Michael Jones from the Renders Hope Church.

Reverend Michael Jones from the Renders Hope Church gave the invocation.

THE PLEDGE OF ALLEGIANCE

ROLL CALL

Mayor Rory Rowland, Presiding Officer of the City Council, called the meeting to order. Upon roll call, the following members were present: Jared Fears, Brice Stewart, Bridget McCandless, Jennie Vaught, John Perkins, and Heather Wiley. None were absent.

PRESENTATION RESOLUTIONS

1. 25-810 A resolution recognizing Eric Michel, Battalion Chief of the Independence Fire Department, as the ISTAR Recipient for Service and Teamwork Above Responsibilities Award for December 2025 **Item passes 7-0 Res. No. 7192**

Councilmember Wiley moved to approve the item as presented. Motion seconded by Councilmember Perkins.

AYES (7): Mayor Rowland, Councilmember Fears, Councilmember Stewart, Councilmember McCandless, Councilmember Vaught, Councilmember Perkins, Councilmember Wiley

NAYS (0): None

ABSENT (0):

Item passes 7-0

2. 26-701 A resolution recognizing Patrick Arnold, Construction Inspector 2, in the Municipal Services Department as the ISTAR Award for Service and Teamwork Above Responsibilities recipient for January 2026. **Item passes 7-0 Res. No. 7193**

Councilmember Wiley moved to Approve the item as presented. Motion seconded by Councilmember Perkins.

AYES (7): Mayor Rowland, Councilmember Fears, Councilmember Stewart, Councilmember McCandless, Councilmember Vaught, Councilmember Perkins, Councilmember Wiley

NAYS (0): None

ABSENT (0):

Item passes 7-0

PROCLAMATIONS

1. Van Horn Boys Soccer Team - State Champions

Proclamations were presented to Coach Rodriguez and some of the Van Horn soccer players for their State Championship.

2. Elementary Students Heroism

Two elementary school students were recognized and received proclamations for alerting a teacher of a house fire they saw from their classroom. Their alert helped save a family's home and pet.

CITIZEN REQUESTS

Michael Talcott spoke on transparency and communication from the Council regarding the data center.

Jason White spoke on the police chase policy.

CONSENT AGENDA

Reports and Recommendations of the City Manager

Councilmember Perkins moved to approve the consent agenda. Motion seconded by Councilmember Fears.

Items pulled for special consideration were:

Items 3, 4 and 5 pulled by Councilmember Vaught

Items 8 and 13 pulled by Councilmember McCandless

AYES (7): Mayor Rowland, Councilmember Fears, Councilmember Stewart, Councilmember McCandless, Councilmember Vaught, Councilmember Perkins, Councilmember Wiley

NAYS (0): None

ABSENT (0):

The consent agenda passes 7-0 with the exception of items 3, 4, 5, 8, and 13.

1. Approval of minutes from the December 1st and December 15th regular meetings.
Approved
2. Council action is requested to authorize the City Manager to issue a purchase order to MacQueen in the amount of \$200,000.00, and authorizing change orders of up to ten percent (10%) of the authorized amount, for the purchase of turnout gear for the Fire Department. **Approved**
3. Council action is requested to authorize the City Manager to execute a Public Use License Agreement/Water and Reimbursement Agreement between the City of Independence and the Noland Road Community Improvement District. **Item passes 7-0**

This item was pulled by Councilmember Vaught. This item relates to items 4 and 5. The City will front the expenses for this item, a right-of-entry agreement, and will be reimbursed by the Noland Road CID.

Councilmember Vaught moved to approve the item as presented. Motion seconded by Councilmember McCandless.

AYES (7): Mayor Rowland, Councilmember Fears, Councilmember Stewart, Councilmember McCandless, Councilmember Vaught, Councilmember Perkins, Councilmember Wiley

NAYS (0): None

ABSENT (0):

Item passes 7-0

4. Council action is requested to authorize the City Manager to execute an update to the Development Agreement between D & J Realty Holdings LLC and the City of Independence, Missouri. **Item passes 7-0**

This item was pulled by Councilmember Vaught. This is connected to items 3 and 5. This agreement allows the City to pay up front for the work to be done at the RR crossing, then Cargo Largo will reimburse the City for those funds.

The item was presented, and discussion followed.

Councilmember Vaught moved to approve the item as presented. Motion seconded by Councilmember McCandless.

AYES (7): Mayor Rowland, Councilmember Fears, Councilmember Stewart, Councilmember McCandless, Councilmember Vaught, Councilmember Perkins, Councilmember Wiley

NAYS (0): None

ABSENT (0):

Item passes 7-0

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5. Council action is requested to authorize the City Manager to execute a Public Highway At-Grade Crossing Agreement between the City of Independence and the Union Pacific Railroad Company for the at-grade public road crossing over 33rd Street at Union Pacific Railroad's Milepost 271.17 on Union Pacific Railroad's Sedalia Subdivision at Independence, Jackson County, State of Missouri. **Item passes 7-0**

This item was pulled for special consideration by Councilmember Vaught is related to items 3 and 4. Union Pacific Railroad will not enter into an agreement with a private company, only with a government entity. This agreement allows the work to be done on their property.

Councilmember Vaught moved to approve the item as presented. Motion seconded by Councilmember McCandless.

AYES (7): Mayor Rowland, Councilmember Fears, Councilmember Stewart, Councilmember McCandless, Councilmember Vaught, Councilmember Perkins, Councilmember Wiley

NAYS (0): None

ABSENT (0):

Item passes 7-0

6. Council action is requested to authorize the City Manager to issue a purchase order to Logan Industries Inc. with the amount of \$161,000 and authorize change orders of up to ten percent (10%) of the authorized amount, for a shop truck with a crane attachment. **Approved**
7. Council action is requested to authorize the City Manager to issue a purchase order to Insituform Technologies, Inc. in the amount of \$584,013.39, and authorizing change orders of up to ten percent (10%) of the authorized amount, for the purchase and installation of Cured-In-Place Piping (CIPP) and Manhole Lining as part of the Stormwater and Sanitary Sewer Trenchless Technology projects (No. 130508 & No. 9757). **Approved**
8. Council action is requested to authorize the City Manager to issue a purchase order to AED Authority in the amount of \$140,961.00, and authorizing change orders of up to ten percent (10%) of the authorized amount, for fifty-seven (57) Lifepak CR2 Cellular AEDs for the Police Department. **Item passes 7-0**

This item was pulled by Councilmember McCandless for special consideration. This is to replace expired AEDs at the police department. CM McCandless had gotten questions from others as to if they old AEDs could be purchased or given to individuals. The expired AEDs will be returned to the manufacturer for credit to the new devices.

Councilmember McCandless moved to approve the item as presented. Motion seconded by Councilmember Perkins.

AYES (7): Mayor Rowland, Councilmember Fears, Councilmember Stewart, Councilmember

McCandless, Councilmember Vaught, Councilmember Perkins, Councilmember Wiley

NAYS (0): None

ABSENT (0):

Item passes 7-0

9. Council action is requested to authorize the City Manager to issue a purchase order to TMS Mechanical Contractors for an amount not to exceed \$148,000, and authorizing change orders of up to ten percent (10%) of the authorized amount, for the purchase and installation of 4 replacement steel surface wash arms on sand filters at the Courtney Bend Water Treatment Plant. **Approved**
10. Council action is requested to authorize the City Manager to issue a purchase order to Wiedenmann Construction, Inc. for an amount not to exceed \$120,674, and authorizing change orders up to ten percent (10%) of the authorized amount, for the additional funding necessary to complete stormwater repairs at 45th St. & Noland Rd. as part of the Emergency Stormwater Project (No. 131802). **Approved**
11. Council action is requested to authorize the City Manager to approve Contract Change Order #1 to the existing construction contract (#500000943) with McCownGordon in the amount of \$30,791.78 and a time extension of 12 days, as part of the Independence Justice Center Project (No. 522401). **Approved**
12. Council action is requested to authorize an extension of existing purchase order 26000754 and sole source form with Black & McDonald, and to authorize change orders up to ten percent (10%) of the original authorized amount, for the provision of two (2) augmented journeyman lineman crews to support Independence Power & Light (IPL) operations through April 1, 2026. **Approved**
13. Council action is requested to issue a purchase order to Burns & McDonnell in the amount of \$415,000, and authorize change orders up to ten (10) percent of the authorized amount, for the 161 kV gen-tie transmission line project for the Power & Light Department (IPL). **Item passes 7-0**

This item was pulled for special consideration by Councilmember McCandless. The money for this connection will be reimbursed to the City.

Councilmember McCandless moved to approve the item as presented. Motion seconded by Councilmember Fears.

AYES (7): Mayor Rowland, Councilmember Fears, Councilmember Stewart, Councilmember McCandless, Councilmember Vaught, Councilmember Perkins, Councilmember Wiley

NAYS (0): None

ABSENT (0):

Item passes 7-0

14. Council action is requested to approve a change order for \$14,352 for a total amount of \$143,280, and authorize change orders up to ten (10%) percent of the authorized amount, with Trench Limited for the purchase of twelve (12) 69kV CCVT transformer replacements for Substation M for the Power & Light (IPL) department. **Approved**

RESOLUTIONS

1. 26-702 A resolution authorizing the acceptance of a grant award in the amount of \$125,254.00 with the Missouri Department of Health and Senior Services to provide financial assistance for the public health emergency preparedness grant program for the period of July 1, 2025 through June 30, 2026. **Approved Res. No. 7194**

REGULAR AGENDA

PUBLIC HEARING(S)

1. A full public hearing for Retail Selling of Intoxicating Liquor by the Drink for Belle Nail Lounge that will be located at 16331 E. 23rd St. S. **Full Public Hearing.**

Director of Community Development Tom Scannell presented this item. This business is relocated to a new spot within the Hub Shopping Center, where their currently business is located. As part of their relocation, they are asking for a license to sell liquor by the drink as part of their service that they provide. There are nearby businesses that sell liquor including restaurants, another nail salon, a grocery store and a liquor store. There is also a church within 300 feet of this location.

Phillip Dickey spoke in opposition to this application. He lives behind the shopping center where this is located. They have issues with discarded liquor containers and homeless individuals within the neighborhood, causing disturbances. He feels another liquor license will increase these issues.

No others came forward to speak on this item. The full public hearing was closed.

Councilmember McCandless confirmed with Mr. Scannell that this establishment is getting this license to sell an alcoholic beverage to customers while they are getting their nails done. Drinks will be allowed to leave the establishment. She also pointed out that there are other businesses nearby that allow customers to purchase packages of liquor and to leave with it.

Council action is requested on the application received from Belle Nail Lounge for Retail Selling of Intoxicating Liquor by the Drink that will be located at 16631 E. 23rd St. S. **Item passes 5-2**

Councilmember McCandless moved to approve the item as presented. Motion

seconded by Councilmember Fears.

AYES (7): Mayor Rowland, Councilmember Fears, Councilmember Stewart, Councilmember McCandless, Councilmember Vaught, Councilmember Perkins, Councilmember Wiley

NAYS (0): None

ABSENT (0):

Item passes 7-0

ORDINANCES

1. 25-127 **2R** An ordinance finding, determining and declaring the necessity of acquiring general utility easements and temporary construction and grading easements for the Woodbury Drainage Improvements Project (Project No. 132401); authorizing the negotiation and eminent domain proceedings if necessary; approving the plans and specifications for the project; authorizing the use of experts as needed; authorizing and directing the execution of documents and the payment of funds to property owners or others holding property rights, in conjunction with the project. **2R Item passes 7-0 Ord. No. 19772**

AYES (7): Mayor Rowland, Councilmember Fears, Councilmember Stewart, Councilmember McCandless, Councilmember Vaught, Councilmember Perkins, Councilmember Wiley

NAYS (0): None

ABSENT (0):

Item passes 7-0

FIRST READING(S)

1. 26-001 **1R** An ordinance authorizing final disposition of certain city records that have met all requirements to be eligible for such disposition. **1R Read**
2. 26-002 **1R** An ordinance authorizing the Interim City Manager to execute on behalf of the City of Independence, the Firm and/or Deliverable Capacity Agreement with NextEra Energy Marketing LLC, providing for the 12-month purchase of a projected total of 57.8 megawatts summer season and 70.3 megawatts winter season of Southwest Power Pool accredited capacity sourced; payable on a monthly basis with an estimated total of \$5,467,000, in accordance with the Master Agreement. **1R Read**
3. 26-003 **1R** An ordinance authorizing the Interim City Manager to execute, on behalf of the City of Independence, the Deliverable Capacity Agreement with NextEra Energy Marketing LLC, providing for the 4-month purchase of a

projected total of 100 megawatts summer season Southwest Power Pool accredited capacity sourced; payable on a monthly basis with an estimated total of \$5,200,000, in accordance with the Master Agreement. **1R Read**

4. 26-004 **1R** An ordinance authorizing the Interim City Manager to execute on behalf of the City of Independence, the Firm and/or Deliverable Capacity Agreement with Evergy Kansas Central, Inc., providing for the 6-month purchase of a projected total of 73 megawatts of Southwest Power Pool accredited summer season capacity sourced; payable on a monthly basis with an estimated total of \$3,723,000 in accordance with the Master Agreement. **1R Read**
5. 26-005 **1R** An ordinance authorizing the Interim City Manager to execute, on behalf of the City of Independence, the Deliverable Capacity Agreement with Evergy Kansas Central, Inc., providing for the 6-month purchase of a projected total of 37 megawatts summer season of Southwest Power Pool accredited capacity sourced; payable on a monthly basis with an estimated total of \$1,887,000 in accordance with the Master Agreement. **1R Read**
6. 26-006 **1R** An ordinance amending City Code Section 12.02.002 regarding controlled substances, to regulate the consumption of recreational marijuana in public places. **1R Read**

Item was read.

Councilmember Perkins moved to amend the item. The amendment strikes Section 12.02.002.H.1.e and replace it with a new Section 12.02.002.H that states consumption of marijuana in a public place which is any location accessible to the general public shall be unlawful. Motion seconded by Councilmember Fears.

AYES (7): Mayor Rowland, Councilmember Fears, Councilmember Stewart, Councilmember McCandless, Councilmember Vaught, Councilmember Perkins, Councilmember Wiley

NAYS (0): None

ABSENT (0):

Amendment passes 7-0

INFORMATION ONLY

1. 23rd and Sterling CID Annual Report
2. Blue Ridge Crossing CID
3. Hartman Heritage Center CID Annual Report for FY ending 6/30/25
4. **Please Note** In accordance with RSMo. 610.021, the City Council may convene in a

Closed Executive Session during or after the meeting, on matters of litigation, legal action, and/or attorney client communications, as permitted by Sec. 610.021(1), on matters of personnel, as permitted by Sec. 610.021(3) and personnel records, as permitted by 610.021(13), on matters of contracts, as permitted by 610.021(12), on matters of real estate, as permitted by 610.021(2) and/or matters of labor negotiations, as permitted by 610.021(9).

COUNCILMEMBER COMMENTS

Councilmember Fears stated this is a new year and he has hope for good things for the City of Independence for this upcoming year. Nebius will be holding an Open House on Monday from 3:30-5:30 at the Genealogy Center. There will also be a presentation at the study session next Monday.

Councilmember Stewart asked for clarification on the open house. Assistant City Manager Charlie Dissell said that representatives from Nebius will be giving a short presentation at the open house, then have an open house forum. As far as plans for future community outreach, depending on how the open house goes and the number of questions they get, they would consider more meetings. They also plan to put together a citizen engagement committee. CM Stewart asked for one more in eastern Independence since this will affect citizens more in that area. Charlie said he is meeting with them weekly and making sure that those requests are being made to them.

Councilmember Vaught reminded everyone that Jackson County has extended the deadline to pay your 2025 property taxes without penalty until January 31st.

Councilmember Wiley stated that this evening, CM Perkins is going to move to bring back the rezoning of the vacant property on Lee Summit Road. This month she hosted a town hall for residents within the notification boundary, including residents of Drum Farm Villas. The meeting was well attended, and the landowner and developer spoke directly with residents about potential options for the site. Through that conversation, there was clear agreement that the option to rezone the property for residential development rather than the commercial mixed-use development was the preferred path forward. She also stated that she met with the new Jackson County executive to discuss the animal shelter arrangement. It was a really productive conversation and she feels optimistic about the options ahead as we work toward a solution to this complicated issue.

Councilmember McCandless seconded what CM Fears said about the opportunity to come and bring questions to Nebius. She has been receiving questions from constituents and encouraged everyone continue to submit their questions to Councilmembers. She took a moment to recognize colleagues in Lawrence, Kansas. They had a violent incident at their city hall where someone broke down doors to get to the staff inside their building. She also reminded everyone that this is not a job without risk, either on the elected side or the staff side. She deeply appreciates the work our staff does on behalf of the citizens. She is very grateful that staff gave intense thought to the protection of staff during the remodel of the Independence Commons. It is a much more secure facility.

She reminded everyone that it is flu season and to get your flu shot if you have not already. The number of flu cases is already very high. You can get a flu shot at the health department if needed.

She gave an update on the City Manager search. There were focus groups, staff and candidates that are running for city offices that were given an opportunity to submit questions they would like asked during the interview. The job description has been released. There are currently more than 20 applicants. Applications will be accepted through Sunday. They will be setting the date for future interviews and for candidates to come visit the City.

She gave shout-outs to the water department for proactive main replacement. They have mapped the areas with the highest likelihood of breakage, especially small galvanized pipes that are 40 to 50 years old and are at high risk of freezing. Those are the ones that we started with. The second thing is Council approved the primary clarifier which is where you take the poop and it helps settle the solids to the bottom. They replaced the blower. This is the thing that aerates it so that the solids get chewed up by the bacteria. This one is much more efficient and much more energy efficient.

Councilmember Perkins thanked Councilmember Wiley's work on the rezoning issue. He then read the motion he was making regarding this rezoning. The motion read as follows: August 15, 2022, new information only, public hearing and bill number 22-075, which was an ordinance approving and rezoning from district C1 neighborhood commercial and district R6 single-family residential to district R12 PUB moderate-density residential planned unit development and approving a preliminary development plan for the properties at 2610 and 2612 South Lee Summit Road was postponed indefinitely by the city council. I move to bring bill number 22-075 back for its new information only public hearing and second reading at the February 2nd, 2026 regular city council meeting. This was seconded by Councilmember Wiley. Mayor Rowland clarified the first council meeting in February will be on the 4th due to the election.

Councilmember Fears reminded everyone that if this does not pass, then the way this is currently zoned, will allow the area to be developed in a less advantageous manner to the current residents.

AYES (7): Mayor Rowland, Councilmember Fears, Councilmember Stewart, Councilmember McCandless, Councilmember Vaught, Councilmember Perkins, Councilmember Wiley

NAYS (0): None

ABSENT (0):

Motion carries 7-0. This will be added to the Feb. 4th for a public hearing.

CM Perkins also stated that Nebius is forming a public engagement committee to ensure a broad, inclusive community representation. The committee will include a diverse group of stakeholders and is requested that each of the city council members nominate one representative. The information below the proposed committee is school district, two prominent local businesses, one to two chamber of commerce representative, one Community of Christ, representative one parent association, representatives, one from each district, surrounding landowners, one to two North Point, one energy group representative, one representative nominated by each city council member, which is a total of seven. That was sent out in the middle of December. There's been

nothing here that has been hidden and/or not transparent.

Mayor Rowland hoped that everyone had a great holiday season and wished them all a Happy New Year.

Interim City Manager Lisa Reynolds stated that when the water issue happened with Courtney Bend, she committed to having an after-action review of things that could have been handled better. One of the biggest issues was the ability to mass notify people. We do have that capability, but it does require citizens and business owners to opt in. The Health Dept. shared that information tonight on their Facebook page. It is also on the City's website. The system is called Smart911.

ADJOURNMENT

Meeting adjourned at 7:15 p.m.



Presiding Officer of the City Council
of the City of Independence, Missouri



ATTEST:


City Clerk



INDEPENDENCE * MISSOURI *

A GREAT AMERICAN STORY

City Council Regular Meeting Minutes

January 20, 2026 6:00 PM

Council Chambers - 111 E. Maple Ave.

INVOCATION

1. The invocation will be given by Reverend Michael Jones from the Grace Connection Church.

Jessica Bidola gave the invocation.

THE PLEDGE OF ALLEGIANCE

ROLL CALL

Mayor Rory Rowland, Presiding Officer of the City Council, called the meeting to order. Upon roll call, the following members were present: Jared Fears, Brice Stewart, Bridget McCandless, Jennie Vaught, John Perkins, and Heather Wiley, Absent – None.

PROCLAMATIONS

There were no proclamations.

CITIZEN REQUESTS

Councilmember McCandless made a motion to suspend the residency requirement for citizen speakers. Motion seconded by Councilmember Perkins.

AYES (7): Mayor Rowland, Councilmember Fears, Councilmember Stewart, Councilmember McCandless, Councilmember Vaught, Councilmember Perkins, Councilmember Wiley

NAYS (0): None

Motion carries 7-0

ABSENT (0): Christopher Fielding spoke about the Data Center

Laura Dominik spoke about mass incarceration facilities

Becky Hake spoke about Marketplace CID

Mike Veit spoke about the IFD Union contract

CONSENT AGENDA

Reports and Recommendations of the City Manager

Councilmember Perkins moved to approve the consent agenda. Motion seconded by Councilmember Fears. No items were pulled for special consideration.

AYES (7): Mayor Rowland, Councilmember Fears, Councilmember Stewart, Councilmember McCandless, Councilmember Vaught, Councilmember Perkins, Councilmember Wiley

NAYS (0): None

ABSENT (0):

Consent agenda passes 7-0

1. Council action is requested to approve a change order to purchase order 26000661, for an additional \$100,000.00 and to authorize change orders of up to ten percent (10%) of the authorized amount, with Healy Law Offices LLC for legal and contract assistance for the Power & Light (IPL) department. The total of the purchase order will increase to \$150,000.00. **Approved**
2. Council action is requested to authorize the City Manager to issue a purchase order to Crossland Heavy Construction for an amount not to exceed \$109,795, and to authorize change orders of up to ten percent (10%) of the authorized amount, to repair and replace a failed pipe system in Filter Valve House 2 at the Courtney Bend Water Treatment Plant. **Approved**

RESOLUTIONS

1. 26-703 A resolution appointing Stacey Carlson and reappoint Alex Gonzalez to the Industrial Development Authority **Approved Res. No. 7195**
2. 26-704 A resolution reappointing Mara Bradford to the Human Relations Committee **Approved Res. No. 7196**
3. 26-705 A resolution reappointing John Ruddy and Larry Legler to the Advisory Board of Health **Approved Res. No. 7197**
4. 26-706 A resolution reappointing R. Scott Smith to the Storm Water Control Oversight Committee **Approved Res. No. 7198**
5. 26-707 A resolution appointing Steve Ward to the Public Utility Advisory Board **Approved Res. No. 7199**

6. 26-708 A resolution appointing Diane Papiernik to the Sustainability Commission
Approved Res. No. 7200
7. 26-709 A resolution reappointing Bud Perrin, Christina Leakey and Herbert Bankston to the Housing Authority **Approved Res. No. 7201**

REGULAR AGENDA

ORDINANCES

1. 26-001 2R An ordinance authorizing final disposition of certain city records that have met all requirements to be eligible for such disposition. 2R **Item passes 7-0 Ord. No. 19773**

AYES (7): Mayor Rowland, Councilmember Fears, Councilmember Stewart, Councilmember McCandless, Councilmember Vaught, Councilmember Perkins, Councilmember Wiley

NAYS (0): None

ABSENT (0):

Item passes 7-0

2. 26-002 2R An ordinance authorizing the Interim City Manager to execute on behalf of the City of Independence, the Firm and/or Deliverable Capacity Agreement with NextEra Energy Marketing LLC, providing for the 12-month purchase of a projected total of 57.8 megawatts summer season and 70.3 megawatts winter season of Southwest Power Pool accredited capacity sourced; payable on a monthly basis with an estimated total of \$5,467,000, in accordance with the Master Agreement. 2R **Item passes 7-0 Ord. No. 19774**

This item and the next three are all capacity agreements to provide capacity for the period between the new generation coming into production at Blue Valley and when we are committed to providing Nebius with capacity. The plant will be online in June 2027. This bridges the gap from June 2-026 to June 2027. These are broken out into different resources. These are already covered by the PPAs and PSAs that the Council has already passed, so there is no increase to rate payers. If the off-taker were to go away, then we have the right to stop the capacity build-out at certain junctures. We are not loaning anything on these; we are still fronting the money, but it is paid back later.

AYES (7): Mayor Rowland, Councilmember Fears, Councilmember Stewart, Councilmember McCandless, Councilmember Vaught, Councilmember Perkins, Councilmember Wiley

NAYS (0): None

ABSENT (0):

Item passes 7-0

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3. 26-003 **2R** An ordinance authorizing the Interim City Manager to execute, on behalf of the City of Independence, the Deliverable Capacity Agreement with NextEra Energy Marketing LLC, providing for the 4-month purchase of a projected total of 100 megawatts summer season Southwest Power Pool accredited capacity sourced; payable on a monthly basis with an estimated total of \$5,200,000, in accordance with the Master Agreement. **2R Item passes 7-0 Ord. No. 19775**

AYES (7): Mayor Rowland, Councilmember Fears, Councilmember Stewart, Councilmember McCandless, Councilmember Vaught, Councilmember Perkins, Councilmember Wiley

NAYS (0): None

ABSENT (0):

Item passes 7-0

4. 26-004 **2R** An ordinance authorizing the Interim City Manager to execute on behalf of the City of Independence, the Firm and/or Deliverable Capacity Agreement with Evergy Kansas Central, Inc., providing for the 6-month purchase of a projected total of 73 megawatts of Southwest Power Pool accredited summer season capacity sourced; payable on a monthly basis with an estimated total of \$3,723,000 in accordance with the Master Agreement. **2R Item passes 7-0 Ord. No. 19776**

AYES (7): Mayor Rowland, Councilmember Fears, Councilmember Stewart, Councilmember McCandless, Councilmember Vaught, Councilmember Perkins, Councilmember Wiley

NAYS (0): None

ABSENT (0):

Item passes 7-0

5. 26-005 **2R** An ordinance authorizing the Interim City Manager to execute, on behalf of the City of Independence, the Deliverable Capacity Agreement with Evergy Kansas Central, Inc., providing for the 6-month purchase of a projected total of 37 megawatts summer season of Southwest Power Pool accredited capacity sourced; payable on a monthly basis with an estimated total of \$1,887,000 in accordance with the Master Agreement. **2R Item passes 7-0 Ord. No. 19777**

AYES (7): Mayor Rowland, Councilmember Fears, Councilmember Stewart, Councilmember McCandless, Councilmember Vaught, Councilmember Perkins, Councilmember Wiley

NAYS (0): None

ABSENT (0):

Item passes 7-0

-
6. 26-006 **2R** An ordinance amending City Code Section 12.02.002 regarding controlled substances, to regulate the consumption of recreational marijuana in public places. **2R Item passes 7-0 Ord. No. 19778**

Councilmember McCandless made a motion to amend this item. Motion seconded by Councilmember Perkins. Motion Passed.

The changes are as follows:

Section 1. changing add the following to read as follows:

Adding a new paragraph 2. The smoking or vaping of marijuana in a public place, which is any location accessible to the general public, shall be unlawful.

Adding subsection e. A person who smokes or vapes marijuana in a public place in violation of this subsection is subject to a fine not exceeding \$100.00. If this passes, it will go into effect 11 days from now.

AYES (7): Mayor Rowland, Councilmember Fears, Councilmember Stewart, Councilmember McCandless, Councilmember Vaught, Councilmember Perkins, Councilmember Wiley

NAYS (0): None

ABSENT (0):

Motion to amend is approved 7-0

Vote on the item as amended:

AYES (7): Mayor Rowland, Councilmember Fears, Councilmember Stewart, Councilmember McCandless, Councilmember Vaught, Councilmember Perkins, Councilmember Wiley

NAYS (0): None

ABSENT (0):

Item passes as amended 7-0

FIRST READING(S)

1. 26-007 **1R** An ordinance adopting amendments to the Fiscal Year 2025-2026 Budget, which was approved by Ordinance No. 19682; and authorizing the Interim City Manager to execute Change Order #1 in the amount of \$14,365,742 with Turner Construction Company, and authorizing future change orders of up to ten percent (10%) of the authorized amount. **1R Emergency Item Read twice Item passes 7-0 Ord. No. 19779**

Councilmember Perkins moved this as an emergency ordinance as contractor pricing is set to expire on February 4, 2026.

We did receive revenue bonds to fund this project; however, since this is the first item like this, the money has not yet been appropriated.

First reading was done by the City Clerk.

AYES (7): Mayor Rowland, Councilmember Fears, Councilmember Stewart, Councilmember

McCandless, Councilmember Vaught, Councilmember Perkins, Councilmember Wiley

NAYS (0): None

ABSENT (0):

Motion to make this an emergency item passes 7-0

The second reading was done by the City Clerk.

AYES (7): Mayor Rowland, Councilmember Fears, Councilmember Stewart, Councilmember McCandless, Councilmember Vaught, Councilmember Perkins, Councilmember Wiley

NAYS (0): None

ABSENT (0):

Item passes 7-0

INFORMATION ONLY

1. Municipal Court Report for December 2025
2. Noland South Shopping Center CID Annual Report
3. Susquehanna East Shopping Center CID Annual Report
4. Marketplace Shopping Center CID Annual Report
5. Fairmount CID Annual Report
6. Noland Road CID Annual Report
7. Englewood CID Annual Report
8. **Please Note:** In accordance with RSMo. 610.021, the City Council may convene in a Closed Executive Session during or after the meeting, on matters of litigation, legal action, and/or attorney client communications, as permitted by Sec. 610.021(1), on matters of personnel, as permitted by Sec. 610.021(3) and personnel records, as permitted by 610.021(13), on matters of contracts, as permitted by 610.021(12), on matters of real estate, as permitted by 610.021(2) and/or matters of labor negotiations, as permitted by 610.021(9).

COUNCILMEMBER COMMENTS

CM Fears discussed Nebius and the communications he has received from citizens in the past week. He is working to get additional information out to the community about the data center.

Once common concern is the noise. Assistant City Manager Charlie Dissell looked into this for the Councilmember and found that the 85 decibel figure is an estimate. Nebius believes the level will be lower than that. The highest level would be at the property line. Article 10, Chapter 7 regulates the sound emission based on what is heard by the nearest residential or land use. Our code requires that between 8 p.m. and 10 p.m., the maximum would be 60 decibels; between 10 p.m. and 8 a.m., it would be 50 decibels, and in commercial settings, it would be 62 decibels at all times. This falls under the Department of Health and must be measured with a

sound level meter per the manufacturer's instructions.

CM Stewart asked City Counselor Jeremy Cover about the gaming device issue and what the status is. Mr. Cover stated that there is pending litigation regarding these gaming devices, therefore, it has been put on hold. CM Stewart asked him to get a status on this so the issue can be revisited.

Councilmember Stewart asked if Nebius would be having more forums. Interim City Manager Lisa Reynolds said they are working on scheduling more forums. The Chapter 100 first reading will occur on second meeting in February and the second reading will occur on the first meeting in March. CM Stewart said he would like to see citizens be able to have a microphone to ask questions. Ms. Reynolds reminded CM Stewart that Nebius staff would have to travel overseas for this so local representatives would likely be the ones to attend.

CM Vaught gave an update on Wally's. There will be a groundbreaking event in early April with an estimated 14-16 month build with a targeted opening date of summer 2027. The only remaining hurdle is completing a few right-of-way acquisitions. Otherwise, the project is moving forward and on track.

CM Wiley said she has also been having conversations with constituents about the data center.

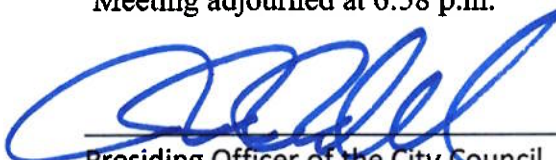
One of the questions she got was what happens if the data center stops operating. There is a decommissioning requirements are built into the Chapter 100 lease agreements. If operations cease for more than a year, the data center must remove data-specific infrastructure, such as cooling systems, and restore the area to a greenfield condition. If they fail to do so, the City has the authority to complete the decommissioning itself or hire a company to do so at the data center's expense. The Chapter 100 lease requires Nebius to comply with all federal, state, and local laws and standards, and any future environmental laws.

CM McCandless gave examples of the decibel level of a sound. Seventy decibels is the sound of your dishwasher or the sound of a shower. Fifty decibels is the background sound of your refrigerator. Thirty decibels is a whisper. This information came from the Purdue Department of Engineering. Eighty-five decibels is the sound of your kitchen blender or the sound of a busy street. She appreciates the good questions she is getting from constituents.

She gave an update on the search for a new City Manager. The pool has been narrowed to seven candidates. Preliminary interviews will occur next Monday with all of the Council present. She also asked for staff to research the questions Ms. Hake had during her citizen request.

ADJOURNMENT

Meeting adjourned at 6:58 p.m.



Presiding Officer of the City Council
of the City of Independence, Missouri

ATTEST:

Sharonne Holland
City Clerk



City of Independence

AGENDA ITEM COVER SHEET

Agenda Title:

Council action is requested to issue a purchase order to Burns & McDonnell (B&M) in the amount of \$6,012,301 and authorize change orders up to ten (10) percent of the authorized amount, for Able Battery line terminal Engineer-Procure-Construct (EPC) services for the Power & Light Department (IPL). **Item passes 5-0**

Recommendations:

Staff recommends approval.

Background:

The City has entered into a Generator Interconnection Agreement (GIA) GEN-2018-031 with Blue Valley Grid, LLC and Southwest Power Pool, Inc (SPP). SPP is the regional transmission organization tasked with ensuring reliable supplies of power and adequate transmission infrastructure to the region. SPP has determined specific facilities are required to be constructed by the City, the transmission owner, to enable Blue Valley Grid, the interconnection customer, to fully interconnect and integrate with the SPP system. Specifically, the City will need to build one 161 kV A-Frame structure, three 161 kV disconnect switches, one circuit breaker, one new control enclosure, one bus support, two station service transformers, three surge arresters, three new voltage transformers, and relaying for Substation A to comply with GIA GEN-2018-031.

Costs expended by the City for engineering, procurement, and construction (EPC) of the necessary GIA facilities will be recovered through SPP's FERC-approved tariff and reimbursed to the City.

IPL has utilized B&M for the initial design phase of the EPC process. Approval of this item will allow B&M to continue in the EPC process with final design, procurement and construction by the interconnection customer's commercial operation date.

B&M has experience with the Able Battery project and has time allotted to perform the second phase EPC duties for the GIA GEN-2018-031. B&M is an approved A/E vendor, has skill sets, software, and systems in place to provide the required support efficiently and economically.

Approval of this item authorizes the Finance Director to issue change orders up to ten (10) percent of the authorized amount, providing appropriations are available.

Emergency Justification:**Fiscal Impact:**

The fiscal impact to the City totals \$6,012,301.00. Funding for Able Battery line terminal EPC services is included in the fiscal year 2025-26 adopted budget, page 343, project account number 0217021-5406-202515-C, 161 kV Line Terminal & Control Building at Sub A, IPL Fund 021. Transfers from existing IPL capital projects to this project have previously been approved and processed by Finance to cover the entire cost of this project. Costs for this project will be recovered through SPP's FERC-approved tariff and reimbursed to the City.

Council Action:

Department / Contact	Power and Light /
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REVIEWERS

Khristina Irvine
Joseph Hegendefffer
Melissa Cabrera
Jeremy Cover
Lisa Reynolds
Susanne Holland

ATTACHMENTS:

1. C BMcD Proposal_IPL Substation A - Able Battery Line Terminal Project.cleaned
2. DB-15 DBIA 535 GC v2.doc_Sub A Able Battery
3. IPL_-_DBIA_545_2022_v2.docx_Sub_A_Able_Battery_BMcD Signed.cleaned
4. IPL_Sub A_Phase 2_Pricing Sheet_Rev0.cleaned.xlsm.cleaned
5. Management Analyst Frazier IPL A Battery Purchase Order Memo.cleaned
6. Sub A Able Substation Construction BM PROCUREMENT SOURCE JUSTIFICATION - Fillable PDF
7. IPL Limited Source Justification approval emails



PROPOSAL FOR

Substation A – Able Battery Line Terminal Project Project Execution Plan

SUBMITTED TO

Independence Power & Light

December 17, 2025



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December 17, 2025

Jessica Fett and Ricky DeAragon
Independence Power & Light (IPL)



RE: **Burns & McDonnell Proposal for IPL Substation A - Able Battery Line Terminal EPC Services**

Dear Ms. Fett and Mr. DeAragon,

Thank you for the opportunity to provide a lump sum EPC proposal for the Substation A Able Battery Line Terminal Project. To get the most value from the EPC delivery model, it requires an EPC partner experienced in executing substation projects. Burns & McDonnell is the partner to design and build this substation safely, on time and on budget.

Through the open book phase, our team has advanced the engineering design of the project to IFB maturity, communicated with IPL and the Developer on the scope seams, engaged our construction partners for constructability and construction planning, developed a wholistic project schedule, competitively bid equipment packages and construction subcontracts, and developed this proposal offering. Through this front-end effort, Burns & McDonnell is confident that we have maximized our ability to deliver this project successfully.

Enclosed in this proposal, you will find our execution plan, design drawings, schedule, recommendations for suppliers and construction subcontractors, and pricing for the requested project. We believe that our prior EPC experience will safeguard successful project completion.

At Burns & McDonnell, we are excited to partner with IPL to further our shared commitment to your success. If you have any questions regarding our submittal, please do not hesitate to contact our Project Manager, Spencer Ferguson, at (816) 627-3384 or stferguson@burnsmcd.com.

Sincerely,

A handwritten signature in blue ink, appearing to read "Spencer Ferguson".

Spencer Ferguson
Project Manager
(816) 627-3384
stferguson@burnsmcd.com

A handwritten signature in blue ink, appearing to read "Abe Assefa".

Abe Assefa
EPC Project Manager
(816) 605-7772
amassefa@burnsmcd.com

Substation A – Able Battery Line Terminal

OVERVIEW AND SCOPE

Engineering

Burns & McDonnell will self-perform all the engineering design, project management, environmental support, and project administration for the project.

Project Design Scope

The scope of work for the Substation A - Able Battery Line Terminal Project includes installing a new 161kV line position, a new 69kV control enclosure, and relocating existing 69kV panels to the new control enclosure. The major equipment to be installed at this station includes the following:

- One (1) 161kV, 3000A, 40kA circuit breaker with metering CTs (supplied by IPL)
- Three (3) 161kV CCVTs
- Three (3) 161kV, 3000A, line and breaker disconnect switches with arching horns and auxiliary switch
- Three (3) 120kV, 98kV MCOV surge arresters
- Two (2) 69kV, 100KVA SSVTs
- One (1) 161kV Line Relay Panel with SEL 311L and SEL 311C relays
- One (1) 16'x48' Control Enclosure with removable computer floor
- Steel as follows:
 - One (1) 161kV A-Frame deadend structure
 - Three (3) single-phase, 161kV, CCVT and arrester stands
 - Two (2) three-phase, 161kV, low switch stands
 - One (1) three-phase, 161kV, high switch stand
 - Three (3) single-phase, 161kV, bi-level bus support stands
 - Two (2) single-phase, 69kV, SSVT stands

Calculations

Burns & McDonnell will develop the following calculations as part of the engineering execution:

- AC/DC calculations
- Ground grid analysis (including touch and step potential analysis)
- Lightning protection and shielding
- Conduit fill
- Bus span calculations
- Structure loading design for deadend structure
- Foundation design

Equipment Layout

The equipment layout will follow the general arrangement provided in the 30% Issue for Review drawing set that was previously approved by IPL. Modifications required to the layout will be arranged in accordance with applicable codes, NEC clearance requirements, and IPL design standards.

Foundations

To verify subsurface conditions, a geotechnical investigation was obtained at the proposed major equipment and structure locations. The geotechnical report provides soil characteristics, boring logs, design parameters, and recommendations. Following the award of the Phase 2 project, foundations will be finalized in accordance with the recommendations of the geotechnical report, applicable codes, final structure and equipment loadings, and Burns & McDonnell technical specifications and standards referenced therein.

Structures

Substation steel will consist of a tubular deadend structure and standard shape equipment structures. The Substation Equipment (C203) supplier will design the steel in accordance with the project-specific steel structure design specification, AISC, ASCE 113, and NESC, as applicable. Burns & McDonnell will develop a structure loading diagram for the deadend structure, inclusive of NESC loading combinations, to be utilized by the C203 supplier for their design. The supplier will provide foundation reactions for use in the design of the station foundations.

Grounding

The new station upgrades will be connected to the existing ground system via DMC connections, and new grounding conductor will be installed where required. The grounding system will be analyzed at the location of the new station upgrades. The analysis and installation will be in accordance with IEEE Standard 80-2013, Guide for Safety in AC Substation Grounding, and IPL grounding design requirements, as described in the Independence Power & Light Substation Design Manual. Grounding calculations will be performed using CDEGS.

Protection & Control (P&C)

Burns & McDonnell will use IPL's provided go-by drawings, standards, and substation design manual to develop a design package, including relay and communication one-lines, a relay panel front for the new 161kV line panel, control enclosure layout, AC & DC schematics, wiring diagrams, calculations, construction sequenced drawings, and bills of materials.

Control Enclosure and Relay Panels

Burns & McDonnell will provide a new control enclosure designed for 69kV relay panels and equipment. All 69kV panels currently in the existing control enclosure will be relocated and installed in the new control enclosure. In coordination with the relay panel move and the planned outage constraints, Burns & McDonnell will provide construction-phased drawings. These construction-phased drawings will be developed assuming half of the panels are relocated and installed in the new control enclosure, while the other panels remain in the existing enclosure.

The 161kV panels will remain in the existing control enclosure, with an added new 161kV relay panel. The new relay panel's structure, equipment, and equipment mounting will follow IPL's provided panel layout. New aluminum lids will be installed where the panels are removed.

Communications

The new protection relaying will connect to the existing 161kV RTU. The 161kV RTU will be relocated from its current position in the center of the room to align with the others.

Relay Settings

Burns & McDonnell will develop protective relay settings for the 161kV line to Able Battery relays, including one (1) SEL-311L (87AB/50BF) and one (1) SEL-311C (21AB). A settings basis document will be provided to IPL, inclusive of PRC-027 Coordination Review Report and PRC-023 Compliance Evidence.

Design Deliverables

Burns & McDonnell will advance the project's design phase by preparing two Issued for Review (IFR) packages—at 60% and 90% completion—for IPL's review. After incorporating feedback, Burns & McDonnell will finalize the design and issue the engineering packages for construction (IFC). The specific deliverables for each package are detailed in the sections below.

Physical/Structural Design

60% Issued for Review (IFR) Package:

- Cover Sheet
- Drawing List
- Electrical Plan View and Sections
- Equipment Assembly Details
- Foundation Plan
- Foundation Details
- Conduit Plan
- Conduit Details

- Grounding Plan
- Grounding Details
- Bill of Materials

90% IFR and IFC Packages:

- Cover Sheet
- Drawing List
- Electrical Plan View and Sections
- Equipment Assembly Details
- Foundation Plan
- Foundation Details
- Steel Details (Vendor Provided prints placed on IPL borders)
- Conduit Plan
- Conduit Details
- Grounding Plan
- Grounding Details
- Bill of Materials
- Construction Specifications

P&C Design

60% IFR Package:

- Cover Sheet
- Drawing List
- Control Enclosure Layout Drawings
- Relay Panel Elevation Drawing
- Relay, Communication, and AC One-Line Diagrams
- Three-Line Diagrams
- Cable Schedule
- AC Schematic Diagrams
- DC Schematic Diagrams
- SCADA Schematic Diagrams
- Bill of Materials

90% IFR and IFC Packages:

- Cover Sheet
- Drawing List
- Control Enclosure Layout Drawings
- Relay Panel Elevation Drawing
- Relay, Communication, and AC One-Line Diagrams
- Three-Line Diagrams
- Cable Schedule
- AC Schematic Diagrams
- DC Schematic Diagrams
- SCADA Schematic Diagrams
- Relay Panel Wiring Diagrams
- Yard Wiring Diagrams
- Electronic Relay Settings
- Bill of Materials
- Construction Specifications

ENVIRONMENTAL

City of Independence Missouri Erosion Control Permit

Burns & McDonnell will follow the Stormwater Management Plan (SWPPP) and will adhere to the standards and practices set forth by the City of Independence Municipal Services. Burns & McDonnell will compile the requisite documentation for the permit submittal.

Environmental Compliance Audits

Burns & McDonnell will provide monthly environmental audits during construction to verify regulatory compliance.

GENERAL PERMITTING

City of Independence, Missouri Commercial Building Permit

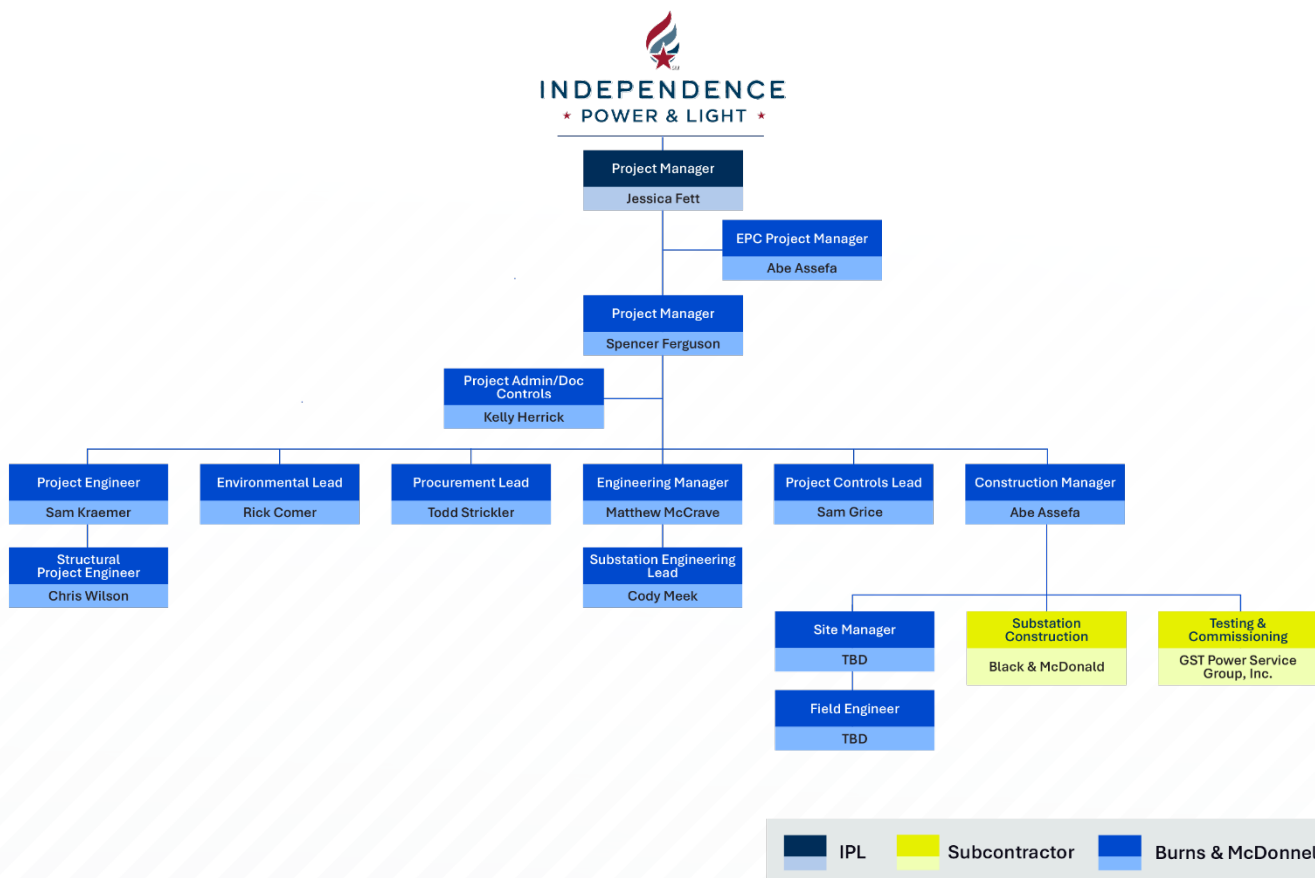
Burns & McDonnell will complete and submit a City of Independence, Missouri Commercial Building Permit Application due to the installation of a prefabricated control enclosure. Burns & McDonnell will adhere to the standards and practices set forth by the City of Independence Municipal Services.

Missouri Department of Transportation (MoDOT) Oversize/Overweight Load Permit

Any permitting required by MoDOT pertaining to Oversize/Overweight Load Permits will be the responsibility of the contractor delivering materials.

ORGANIZATION CHART

Burns & McDonnell has assembled a qualified, experienced, and knowledgeable project team to provide support and technical services for the Substation A - Able Battery Line Terminal Project. Key personnel are listed below in the organizational chart.



PROCUREMENT STRATEGY

Material bid packages were assembled and issued for competitive bid utilizing Burns & McDonnell and IPL's technical specifications and commercial terms and conditions, with specific IPL requirements. This approach will allow us to begin awarding purchase orders immediately upon contract award. A summary of our procurement plan for the materials is below.

Substation A - Able Battery Line Terminal Project

PROCUREMENT PACKAGE	MATERIAL	RECOMMENDED SUPPLIER
C203 – Substation Materials	Major equipment, steel, conductor, conduit, cable trench, control cable, grounding, hardware, and miscellaneous material	Dis-Tran
C207 – Control Enclosure	Control enclosure (furnish and install) and relay panel	EP2

The expeditor will coordinate all material shipment information (packing list, freight bills, carrier manifests, etc.) as necessary and forward to the respective team members. The procurement lead will also provide the supplier with authorization to ship to the site. Delivery and receipt on-site will be coordinated with construction staff.

Material Management Plan – IPL-Provided Materials

The material management plan is to document the receipt, storage and staging of materials that are delivered to the site, and to establish requirements to document and resolve issues associated with material discrepancies, coordination, material handling, material storage and material staging.

Pre-Mobilization Requirements

- Shipping Instructions/Guidelines - Prior to mobilizing, the IPL will develop a Shipping Instructions/Guidelines document for each supplier to follow. Minimal instructions in the document should include:
 - 48-hour delivery notice (adjustable based on project requirements) must be provided. Failure to notify may result in a delay in unloading.
 - Information required when giving notice:
 - Driver's name
 - Delivery Company
 - Packing Slips
- Delivery timeframes for receiving and offloading (unless otherwise coordinated with site personnel) shall be between the hours of 8:30 a.m. – 2:30 p.m., Monday through Friday.
- Contact information for primary and secondary personnel for delivery notification:
 - Primary: Construction Site Manager
 - Secondary: Construction Manager
- Delivery instructions:
 - Address
 - Directions to the point of contact, delivery gate, or unloading area.
 - Type of trucks/trailers accepted (such as closed trailer, open bed, etc.)
- Type of paperwork required upon delivery.
 - Delivery to include Bill of Material number (if applicable).
 - Unless otherwise stated, all shipping is FOB Jobsite.
 - Shipments and Bills of Lading shall be marked with the Project name.
 - Demurrage charges will not be accepted.
 - A Bill of Material broken down into individual sub-assembly or components (descriptions such as 1 LOT are not acceptable).
 - The description on the Bill of Material to match the description on the Packing slips and Bill of Lading.

IPL-Provided Material Receiving Procedures

Material Receiving Quality Assurance

- **Quantity Issue** - When the Construction Site Manager, or designated personnel (as outlined below) identifies a discrepancy between the quantities indicated on the shipping documents and the actual quantities received, they issue an Overage, Shortage & Damage (OSD) report to IPL. IPL forwards the OSD to the supplier for resolution. The supplier is required to respond in writing, either concurring with or disputing the report. Additional details regarding the OSD are provided below.
- **Quality Issue** - If a non-conformance is identified between the materials received and the project plans or specifications, the Construction Site Manager, or designated personnel (as outlined below) shall have the materials moved to a designated deficiency management area. The materials are tagged as deficient to prevent unintended use. Once isolated, the Construction Site Manager and Engineering determine the type of non-conformance.
- **Damaged Materials** - If damage is identified, the Construction Site Manager, or designated personnel (as outlined below) issues an OSD with photo documentation to IPL, who then forwards it to the supplier for resolution. The Construction Site Manager or the Engineering then proceeds in accordance with the Non-Conforming Materials Procedure outlined below.
- **Manufacturing Issues** - For non-conformances unrelated to damage, the materials are tagged as deficient, and the Construction Site Manager is notified. No OSD is required. The Non-Conforming Materials Procedure is followed.
- **Non-Conforming Materials Procedure** - If received materials do not meet project requirements, the Construction Site Manager or designated personnel initiates the Non-Conforming Materials Procedure.

CONSTRUCTION MANAGEMENT PLAN

The substation scope will be split out into separate packages, including substation construction, and testing and commissioning. The bid packages were developed and issued for competitive bid utilizing Burns & McDonnell technical specifications and commercial terms and conditions, with specific IPL requirements. A summary of our subcontracting plan for the project is listed below.

CONSTRUCTION PACKAGE	SCOPE OF WORK	RECOMMENDED SUBCONTRACTOR
C401 - Substation Construction	Foundations, below and above grade substation electrical construction	Black & McDonald
C408 - Testing & Commissioning	Testing and commissioning of equipment	GST Power Service Group, Inc.

Upon award of the Phase 2 agreement, Burns & McDonnell will begin issuing subcontracts to selected subcontractors. Burns & McDonnell and the selected subcontractors will develop a final baseline construction schedule detailing the construction sequence.

Project Mobilization

A mobilization plan will be developed, including site logistics, material and equipment staging areas, office trailers, dumpsters, concrete washout, parking, etc.

Within two weeks of subcontractor mobilization and before the start of construction activities, a site construction kickoff meeting will be held. This meeting is intended to be a detailed discussion regarding construction execution and site-specific requirements. The kickoff meeting will be held at a location designated by the construction manager in which the construction management team will convey all project requirements and information from the project planning phase. Prior to mobilization, utility locates, and review of any underground utility survey data will be completed.

Construction Execution

Burns & McDonnell's subcontractor will mobilize to the IPL Substation A site with line and low-voltage crews to begin removal of existing steel, equipment, foundations, and control cables. To start, there will be an initial two-day outage on the existing 161kV line. This outage is required to disconnect the existing bus work that must be removed prior to starting work on the new foundations. Once removals are complete, the civil crew will install the control building foundation, followed by drilled piers for structural steel and major equipment. Shortly after, the team will proceed with the installation of the 69kV SSVT foundations and the 161kV circuit breaker foundation to support these critical components' equipment placement as soon as they are delivered to site.

After foundations are in place, the team will excavate and install cable trenches, below-grade conduit, and the grounding grid. Above-grade ground tails will be coiled and left for later connection. With below-grade work complete, the line crew will remobilize to erect steel structures and begin installing major equipment, including breakers, disconnects, buswork, and above-grade conduit. Concurrently, grounding connections will be made to structures according to the drawings. The 161kV circuit breaker provided by IPL will be installed as soon as it arrives on site, and work will continue, to the extent possible, around this activity to minimize potential disruption to the schedule should the delivery date be delayed. There will be two sequential 69kV bus outages, each lasting approximately twenty days, one for the North Bus and one for the South Bus. These outages will facilitate moving panels from the existing control enclosure to the new 69kV control enclosure and installing and terminating new control cables.

Following structural and equipment installation, crews will complete control cable installation and terminations in coordination with system protection requirements. Testing and commissioning will then proceed in a staged manner, with functional checks and energization performed for each system in accordance with IPL standards and Specification 33 08 70. Activities will be sequenced to minimize outages to provide safe integration of both 161kV and 69kV equipment.

Throughout construction, weekly coordination meetings will be held with the project team to review progress, safety, quality, environmental compliance, and material delivery status. Meetings with IPL will confirm schedule status, inspection hold points and provide opportunities for IPL to witness critical activities. Final demobilization will occur after successful testing and commissioning, followed by site cleanup and delivery of as-built documentation.

Site Documents

Burns & McDonnell will be responsible for maintaining red-lined drawings. Burns & McDonnell and the subcontractors will meet regularly to transpose field redlines onto the office project file sets. Redlines will be verified against all current plan revisions that have been issued. Office project file set of plans will include current and previous drawing revisions. Drawings that have been superseded will be stamped "VOID" and placed behind the most current sheet (the newest always on top).

TESTING AND COMMISSIONING PLAN

Burns & McDonnell views the ability to successfully coordinate the testing and commissioning activities as a critical component to the success of the project. The testing subcontractor will inspect, test and checkout all electrical equipment per project standards and specifications.

The testing subcontractor will calibrate and test all electrical devices and coordinate as required with IPL.

A testing and commissioning plan will be developed by the selected subcontractor with support from Burns & McDonnell prior to the start of testing. This document will assist with the commissioning procedure so that all cutover sequencing is properly identified and followed. This plan will include the division of responsibilities, overall testing requirements and coordination items. A sample of the testing to be performed is included below:

- Equipment Testing will follow the requirements detailed in the project testing and commissioning specification.
 - Power circuit breaker tests
 - Instrument Transformer Tests (CCVTs and CTs)
 - SSVT tests
 - Disconnect switch tests
 - Surge arresters

- Ground grid test
- Batteries and battery charger tests
- P&C Testing and Commissioning
 - Project print package review
 - Instrument transformer tests
 - Ground testing
 - Relay tests

QUALITY MANAGEMENT PLAN

Burns & McDonnell uses an approach of planning and checking to integrate the proposal, design development, and construction phases of our projects. We leverage planning tools and staged reviews to establish processes (Quality Assurance/QA) and verify process execution (Quality Control/QC). As employee-owners, we are committed to quality through all phases of project execution, which allows us to deliver products and services that satisfy our clients' unique needs.

Design Development

The design development phase of a project utilizes multiple steps to stage critical reviews of project management and planning components, design inputs, and procurement and construction documents. These components and documents are reviewed by the project team and experienced peer reviewers for technical accuracy. As the design package approaches critical milestones in preparation for procurement and construction, additional constituents are incorporated into the review process to confirm that the Quality Plan is fit-for-purpose and to facilitate a smooth transition to field work.

Construction

The construction phase of a project prioritizes planning work based on the code, specification, engineering, and qualification requirements defined by the design package. These requirements are aligned with work activities through the implementation of the Quality Plan. This establishes the processes and activities against which non-conformance is identified and resolved; the criteria that will be assessed during field audits; the roles and responsibilities of the parties involved in each activity; and the documentation that will be recorded and provided during turnover. The successful implementation of the Quality Plan during construction directly supports successful turnovers and energizations by preventing re-work and clearly defining turnover deliverables for completion.

Document Management

Burns & McDonnell understands the importance of communication during each phase of the project. Documentation of communication is also a very important aspect.

For this project, the following electronic document strategy and document control will be implemented:

- Burns & McDonnell will use Procore (web-based program) to provide on-demand information from a single source regardless of physical location. Procore is tool that enables and empowers Burns & McDonnell and IPL, as well as subcontractors and vendors to effectively connect, communicate and collaborate. This tool enables opportunities for sharing and collaborative workflow, and simultaneous avoidance of multiple copies of documents.
- The Procore site will be set up to manage the different types of communication that will occur on the project.
- Subcontractors and vendors will transmit their submittals to Burns & McDonnell through the Procore system. These documents will, in turn, be available for client review.
- Electronic logs will be maintained for all electronic documents, including RFIs, submittals, etc.

PROJECT HANDOVER AND CLOSEOUT PLAN

Burns & McDonnell will work closely with our subcontractors and vendors to finalize field as-built drawings, submit all final invoices, and close out any outstanding items. Our engineering team will incorporate as-built markups and process the as-built package. Additionally, project closeout will include the submission of all construction QA/QC documents. Burns & McDonnell will also work with IPL to complete any closeout documents they require for the project.

Project Completion and Close Out

The closeout process begins once the substantial completion milestone is reached. At this point, the substation may be operated per IPL standards without any damage to the equipment or personnel. Prior to energization at the project site, Burns & McDonnell will perform a walk-down with IPL to confirm that the station is mechanically ready to energize and develop a punchlist for final acceptance. Once the substation is energized, the punchlist is completed, and the area restored, Burns & McDonnell will demobilize from the site and complete the turnover package with IPL.

Once the project has been turned over to IPL, Burns & McDonnell will submit the following drawings, documents, and reports to IPL:

- Test reports
- Commissioning reports
- As-built drawings
- Applicable closeout documents as outlined in the site-specific QA/QC manual

The construction manager will send the engineering manager a full-size set of field mark prints. The engineering manager will have the engineering team address the field marks. Once the engineering team is done addressing the mark-ups and the drawings are ready to issue back out, the CAD and PDF files will be provided to IPL for upload into IPL's system.

Once all the final deliverables have been submitted, the Burns & McDonnell project manager will notify IPL's project manager that all project work has been completed and the purchase order can be closed.

Warranty

After Substantial Completion of the Substation A - Able Battery Line Terminal Project, Burns & McDonnell's warranty period of one year will begin.

ASSUMPTIONS AND CLARIFICATIONS

1. Burns & McDonnell proposes to execute this project under the terms and conditions established in the Documents 535 and 545 comprising the EPC Progressive Design-Build Agreement between City of Independence, MO and Burns & McDonnell Engineering Company, Inc.
2. Burns & McDonnell's proposal price is based on the schedule provided with our proposal, included as Exhibit F.
3. This proposal is based on receiving IPL's Work Order Authorization by March 11, 2026.
4. The pricing contained in the proposal does not include impacts, including but not limited to cost and schedule, that may occur as a result of new tariffs, market volatility or other executive actions imposed on or after January 20, 2025.
5. Material pricing for construction materials are highly volatile. Material pricing is subject to change based on quotes received at time of order.
6. The proposal assumes IPL will make a material laydown yard available near the project site for equipment and material staging.
7. IPL will perform all required switching and system outage work.
8. Burns & McDonnell has not included any improvements, maintenance, dust control, or snow removal for existing access roads used for construction traffic or equipment delivery.
9. To meet the project schedule, a 50-hour work week Monday through Friday has been planned. Work Monday through Friday may result in up to 12-hour workdays during some construction activities, such as foundation pours. Work on Saturdays may be necessary depending on seasonal weather conditions. IPL approval is required for pre-planned overtime requests.
10. Burns & McDonnell has not included any hazardous waste testing or disposal.
11. Underground obstructions outside of the information provided in the RFP are unknown at the time of this proposal and costs for conflict resolution have not been included. Burns & McDonnell has not included any additional subsurface investigation in this proposal.
12. Burns & McDonnell assumes that excavated material is suitable for use as common backfill. No spoils testing is included.
13. Burns & McDonnell assumes no responsibility for verifying the functionality or operability of IPL-Provided Materials. Burns & McDonnell will only visually inspect the material for defects or damage.
14. Burns & McDonnell assumes that outages can be taken for the dates identified in the Project Schedule.
15. Burns & McDonnell assumes design and existing station information and equipment provided by IPL is accurate and can be relied upon for use in development of the project design and construction deliverables.
16. Burns & McDonnell has included a provision for two mobilizations for the Testing & Commissioning scope. Any

delays or deviations to Burns & McDonnell's Testing & Commissioning by IPL or others may require cost or schedule adjustments.

17. The subsurface conditions at the project site will conform to the findings based on boring data provided in "Independence Power and Light 161kV Substation Expansion Geotechnical Engineering Report" by Terracon, dated September 12, 2025. Any significant deviations from these findings, such as unexpected bedrock depth, unstable soil conditions, unsuitable fill material, or the presence of subsurface utilities not identified in the investigation, will be addressed through a change order process in accordance with the contract terms.
18. Burns & McDonnell assumes that the existing ground grid is in good condition for new connections, and no additional grounding conductor beyond what the upgrades require is necessary.
19. Ground grid analysis and lightning study of the entire station are not included in the proposal. Burns & McDonnell will only perform studies in the areas of the new upgrades.
20. No structural analysis of existing structures is included in the proposal. Burns & McDonnell assumes that the existing Eckles Road/Blue Mills 161kV deadend structure and shield mast structure are in good condition and have sufficient capacity to re-install shield wire at existing tensions.
21. Burns & McDonnell assumes there is sufficient length in the existing control and power cables to allow for the relocation of the 161kV RTU.
22. Burns & McDonnell assumes the existing 69kV panels and equipment will be rewired as shown on the current drawings.
23. Burns & McDonnell assumes there is sufficient space in the existing cable trench to lay new and temporary cables.
24. Relay settings for existing panels and remote ends are not included in the proposal.
25. Burns & McDonnell has not included provisions for a full-time dedicated safety representative. The site safety program will be administered and overseen by Burns & McDonnell field representatives.
26. The scope split for material procurement will be as defined in the project Bill of Materials.
27. Burns & McDonnell assumes IPL will keep access roads and entrances serving premises clear and available to Burns & McDonnell and Burns & McDonnell subcontractors and vendors.
28. Burns & McDonnell will use existing IPL line relay settings for a basis of design philosophy for the new Able Battery line protection relays.



Standard Form of General Conditions of Contract Between Owner and Design-Builder

Document No. 535

Third Edition, 2022

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Washington, D.C.





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Article 1

General

1.1 Mutual Obligations.

1.1 *Owner and Design-Builder* intend at all times to cooperate with each other and proceed on the basis of trust and good faith, to permit each party to realize the benefits afforded under the Contract Documents.

1.2 Basic Definitions.

1.2.1 *Affiliate Personnel* means the employees of affiliated entities of Design-Builder including Burns & McDonnell Engineering India Pvt., Ltd., AZCO, Inc., AZCO Construction, Inc., and Ref-Chem, L.P.

1.2.2 *Agreement* refers to the executed contract between Owner and Design-Builder under DBIA Document No. 545, *Progressive Design-Build Agreement as modified by the partes*.

1.2.3 *Basis of Design Documents* are those documents specifically listed in, as applicable, the Contract Price Amendment as being the "Basis of Design Documents," including Owner's Project Criteria set forth in Exhibit A.

1.2.4. *Contract Price Amendment Proposal* means that proposal developed by Design-Builder in accordance with Section 1.3 of DBIA Document No. 545, *Standard Form of Agreement Between Owner and Design-Builder as modified by the Parties*.

1.2.5 *Construction Documents* are the documents, consisting of Drawings and Specifications, to be prepared, furnished or assembled by the Design-Builder consistent with the Basis of Design Documents unless a deviation from the Basis of Design Documents is specifically set forth in a Change Order executed by both the Owner and Design-Builder, as part of the design review process contemplated by Section 2.4 of these General Conditions of Contract.

1.2.6 *Day or Days* shall mean calendar days unless otherwise specifically noted in the Contract Documents.

1.2.7 *Design Consultant* is a licensed design professional who may be an employee of Design-Builder, is retained by Design-Builder, or employed or retained by anyone under contract with Design-Builder, to furnish design services required under the Contract Documents. A Design Sub-Consultant is a licensed design professional who is not an employee of the Design Consultant but is retained by the Design Consultant or employed or retained by anyone under contract to Design Consultant, to furnish design services required under the Contract Documents. Owner recognizes that Design-Builder is an integrated company with in-house design capabilities and that the function of Design Consultant may, in some instances, be self-performed by Design-Builder.

1.2.8 *Design Submission* means any and all documents, shop drawings, electronic information, including computer programs and computer generated materials, data, plans, drawings, sketches, illustrations, specifications, descriptions, models, and other information developed, prepared, furnished, delivered or required to be delivered by, or for, Design-Builder.

1.2.9 *Final Completion* is the date on which all Work is complete in accordance with the Contract Documents, including but not limited to, any items identified in the punch list prepared under Section 6.6.1 and the submission of all documents set forth in Section 6.7.2.

1.2.10 Force Majeure Events are those events that are beyond the reasonable control of both Design-Builder and Owner, including the events of war, terrorism, vandalism, government acts, floods, labor disputes, supply chain disruptions earthquakes, epidemics, adverse weather conditions not reasonably anticipated, and other acts of God, changes in Legal Requirements, unusual delay in transportation, adverse weather conditions beyond the quantity of lost days anticipated in the Project Schedule, explosion, sabotage, accidents, riots, civil commotion, acts of war, casualty, international trade disputes, condemnation, or other Force Majeure beyond the Design-Builder's reasonable control. When such events impact the Contract Price, Contract Time, or both, the Design-Builder shall be entitled to an increase in the Contract Price and an appropriate extension of the Contract Time. Design-Builder shall provide written notice of the existence of such cause of delay, together with back-up documentation that verifies the impact in accordance with the Contract Documents. Force Majeure Events include not only adverse weather conditions, but the resulting impact on the Project after such weather condition ceases, such as mud, standing water, frozen soil or weather damage due to hail, high wind or other weather event.

1.2.11 General Conditions of Contract refer to this DBIA Document No. 535, *General Conditions of Contract Between Owner and Design-Builder* as modified by the parties.

1.2.11 Hazardous Conditions are any materials, wastes, substances and chemicals deemed to be hazardous under applicable Legal Requirements, or the handling, storage, remediation, or disposal of which are regulated by applicable Legal Requirements.

1.2.12 Legal Requirements are all applicable federal, state and local laws, codes, ordinances, rules, regulations, orders, decisions and decrees of any government or quasi-government entity having jurisdiction over the Project or Site, the practices involved in the Project or Site, or any Work. enacted and enforceable as of the date of execution of the Agreement or the Contract Price Amendment by the Parties.

1.2.13 Proposal or Contract Price Amendment Proposal means that proposal developed by Design-Builder in accordance with Section 2.3 of the Agreement.

1.2.14 Owner's Project Criteria are developed by or for Owner to describe Owner's program requirements and objectives for the Project, including use, space, price, time, site and expandability requirements, as well as submittal requirements and other requirements governing Design-Builder's performance of the Work.

1.2.15 Site is the land or premises on which the Project is located.

1.2.16 Subcontractor is any person or entity retained by Design-Builder as an independent contractor to perform a portion of the Work and shall include materialmen and suppliers and shall not include the Design Consultants retained by the Design-Builder.

1.2.17 Sub-Subcontractor is any person or entity retained by a Subcontractor as an independent contractor to perform any portion of a Subcontractor's Work and shall include materialmen and suppliers.

1.2.18 Substantial Completion or Substantially Complete means the date on which the Work, or an agreed upon portion of the Work, is sufficiently complete in accordance with the Contract Documents so that Owner can occupy and use the Project or a portion thereof for its intended purposes.

1.2.19 Work is comprised of all Design-Builder's design, construction and other services required by the Contract Documents, including procuring and furnishing all materials, equipment, services and labor described in the Contract Documents, but does not include any material, labor,

services, or equipment supplied by Owner or its contractors, consultants, subcontractors or subconsultants or any tier.

Terms not otherwise defined herein shall be as defined elsewhere in the Agreement or the General Conditions of Contract, or as the context requires.

Article 2

Design-Builder's Services and Responsibilities

2.1 General Services.

2.1.1 Design-Builder's Representative shall be reasonably available to Owner and shall have the necessary experience required to supervise the Work. Design-Builder's Representative shall communicate regularly with Owner and shall be vested with the authority to act on behalf of Design-Builder. Design-Builder's Representative may be replaced only with the mutual agreement of Owner and Design-Builder, which shall not be unreasonably withheld by the Owner. It is understood and accepted that Design-Builder does not plan to have a full-time, on-site Superintendent or Project Manager until amount of Work on site warrants that level of presence on site.

2.1.2 Unless the parties agree on a different time period for submission of a status report, Design-Builder shall provide Owner with a monthly status report detailing the progress of the Work, including (i) whether the Work is proceeding according to schedule; (ii) whether discrepancies, conflicts, or ambiguities exist in the Contract Documents that require resolution; (iii) whether health and safety issues exist in connection with the Work; (iv) status of Allowance Items and Contingency to the extent provided for; and (v) other items that require resolution so as not to jeopardize Design-Builder's ability to complete the Work for the Contract Price and within the Contract Time(s).

2.1.3 Unless a schedule for the execution of the Work has been attached to the Agreement as an exhibit at the time the Agreement is executed, Design-Builder shall prepare and submit, at least three (3) days prior to the meeting contemplated by Section 2.1.4 hereof, a schedule for the execution of the Work for Owner's review and response. The schedule shall indicate the dates for the start and completion of the various stages of Work, including the dates when Owner information and approvals are required to enable Design-Builder to achieve the Contract Time(s). The schedule shall be revised as required by conditions and progress of the Work, but such revisions shall not relieve Design-Builder of its obligations to complete the Work within the Contract Time(s), as such dates may be adjusted in accordance with the Contract Documents. Owner's review of, and response to, the schedule shall not be construed as relieving Design-Builder of its complete and exclusive control over the means, methods, sequences and techniques for executing the Work.

2.1.4 The parties will meet within seven (7) days after execution of the Agreement and the Contract Price Amendment to discuss issues affecting the administration of the Work and to implement the necessary procedures, including those relating to submittals and payment, to facilitate the ability of the parties to perform their obligations under the Contract Documents.

2.2 Design Professional Services.

2.2.1 Design-Builder shall, consistent with applicable state licensing laws, provide through

qualified, licensed design professionals employed by Design-Builder, or procured from qualified, independent licensed Design Consultants, the design services, including architectural, engineering and other design professional services, for the preparation of the drawings, specifications and other design submittals to permit Design-Builder to complete the Work consistent with the Contract Documents. Nothing in the Contract Documents is intended or deemed to create any legal or contractual relationship between Owner and any Design Consultant.

2.3 Standard of Care for Design Professional Services.

2.3.1 The standard of care for all design professional services performed to execute the Work shall be the care and skill ordinarily used by members of the applicable design profession practicing under similar conditions at the same or similar time and locality of the Project. If Design-Builder fails to meet the foregoing standard, Design-Builder will perform at its own cost, and without reimbursement from Owner, the professional engineering services necessary to correct errors and omissions which are caused by Design-Builder's failure to comply with above standard, and which are reported to Design-Builder within one year from the completion of Design-Builder's design professional services for the Project. The obligations and representations contained in this paragraph 2.3.1 are the sole remedy of Owner for defects in design professional services regardless of cause of action pled including, without limitation, all types of negligence. Owner's failure to properly operate and maintain the Project shall relieve Design-Builder of its liability for any damage caused in whole or in part by improper operation or maintenance. No warranty, express or implied, is included in this Agreement or regarding any drawing, specification, or other work product or instrument of service or oral or written representation by Design-Builder or its employees or Design Consultants. Should the Work not proceed to Phase 2, the provisions of this paragraph are Owner's sole remedy with respect to any breach of the standard of care related to design professional services.

2.4 Design Development Services.

2.4.1 Design-Builder and Owner shall, consistent with any applicable provision of the Contract Documents, agree upon any interim Design Submissions that Owner is to review, which interim Design Submissions may include design criteria, drawings, diagrams and specifications setting forth the Project requirements.

2.4.1.1 Design Submissions shall be consistent with the Owner's Project Criteria as well as the Basis of Design Documents, as the Basis of Design Documents may have been changed or supplemented through the design process set forth in this Section 2.4.1. Notwithstanding the above, Design-Builder may propose Design Submissions that may alter the Basis of Design Documents, the Contract Price and/or Contract Time; however, Design-Builder must provide notice thereof in accordance with Article 10 of the General Conditions and obtain a Change Order before such proposed Design Submissions are incorporated into the Construction Documents.

2.4.1.2 On or about the time of the Design Submissions, Design-Builder and Owner shall meet and confer about the Design Submissions, with Design-Builder identifying during such meetings, among other things, the evolution of the design and any changes to the Basis of Design Documents, or, if applicable, previously submitted Design Submissions. Changes to the Basis of Design Documents, including those that are deemed minor changes under Section 9.3.1, shall be processed in accordance with Article 9. Minutes of the meetings, including a full listing of all changes, will be maintained by Design-Builder and provided to all attendees for review. Following the design review meeting, Owner shall review and approve the interim Design Submissions and meeting minutes in a time that is consistent with the turnaround times set forth in Design-Builder's schedule.

2.4.1.3 Owner shall review and respond to Design Submissions, providing any comments and/or concerns about the Design Submissions. Owner shall provide all comments on the Design Submissions within the time provided by the Contract Documents. Design-Builder shall revise the Design Submissions (and any other deliverables) in response to Owner's comments and incorporate said responses into the next submission of Design Submissions.

2.4.1.4 If incorporation of Owner's comments results in a design that is inconsistent with or otherwise gives rise to a change in Owner's Project Criteria, the Basis of Design Documents, the Contract Price, the Contract Time, or both, Design-Builder shall provide notice thereof in accordance with Articles 9 and 10 of the General Conditions. Changes to the Basis of Design Documents, the Contract Price and/or the Contract Time, including those that are deemed minor changes, shall be processed in accordance with Article 9 of the General Conditions.

2.4.2 Design-Builder shall submit to Owner Construction Documents setting forth the level of detail described in Exhibit B drawings and specifications describing the requirements for construction of the Work. The Construction Documents shall be consistent with the latest set of interim Design Submissions, as such submissions may have been modified in a design review meeting and recorded in the meeting minutes. The parties shall have a design review meeting to discuss, and Owner shall review and approve, the Construction Documents in accordance with the procedures set forth in Section 2.4.1 above.

2.4.2.1 If proceeding to Phase 2, Design-Builder shall submit to Owner Construction Documents setting forth in detail drawings and specifications describing the requirements for construction of the Work. The Construction Documents shall be consistent with the latest set of interim Design Submissions, as such submissions may have been modified in a design review meeting and recorded in the meeting minutes. The parties shall have a design review meeting to discuss, and Owner shall review and approve, the Construction Documents in accordance with the procedures set forth in Section 2.4.1 above. Design-Builder shall proceed with construction in accordance with the approved Construction Documents and shall submit one set of approved Construction Documents to Owner prior to commencement of construction.

2.4.3 Owner's review and approval of interim Design Submissions, meeting minutes, and the Construction Documents is for the purpose of mutually establishing a conformed set of Contract Documents compatible with the requirements of the Work. Neither Owner's review nor approval of any interim Design Submissions, meeting minutes, and Construction Documents shall be deemed to transfer any design liability from Design-Builder to Owner.

2.4.4 To the extent not prohibited by the Contract Documents or Legal Requirements, Design-Builder may prepare interim Design Submissions and Construction Documents for a portion of the Work to permit construction to proceed on that portion of the Work prior to completion of the Construction Documents for the entire Work.

2.5.1 Upon completion of the design development in Phase 1 and Phase 2, the Design-Builder shall provide the Owner with drawings, outline specifications and other documents for written acceptance by the Owner. Owner shall provide written approval and / or comments within the time allowed by the Contract Documents.

2.5 Legal Requirements

2.5.1 Design-Builder will perform the Work in accordance with applicable Legal Requirements and will provide notices applicable to the Work as required by the Legal Requirements.

2.5.2 The Contract Price, Contract Time(s), or both, shall be adjusted to compensate Design-Builder for the effects of any changes in the Legal Requirements enacted after the date of the Agreement affecting the performance of the Work, or the date of execution of the Contract Price Amendment. Such effects may include, without limitation, revisions Design-Builder is required to make to the Construction Documents because of changes in Legal Requirements.

2.5.3 The parties acknowledge that international trade disputes and imposition of tariffs and retaliatory tariffs may have impacts on Contract Time, Contract Price, or both. The parties acknowledge that the impacts of tariffs are unique and complex and can cause actions and reactions in global supply chains whose impacts are unknown for substantial periods after the orders establishing the tariff. It is agreed that Design-Builder shall be entitled to an equitable adjustment in Contract Time, Contract Price, or both, for impacts of tariffs.

2.6 Government Approvals and Permits.

2.6.1 The Parties will be responsible to obtain and pay for all permits, approvals, licenses, government charges and inspection fees required for the prosecution of the Work by any government or quasi-government entity having jurisdiction over the Project. as set forth in the Permit last attached as an exhibit to the Contract Price Amendment.

2.6.2 The Parties shall provide reasonable assistance to each other in obtaining those permits, approvals and licenses.

2.7 Design-Builder's Construction Phase Services.

2.7.1 Unless otherwise provided in the Contract Documents to be the responsibility of Owner or a separate contractor, Design-Builder shall provide through itself or Subcontractors the necessary supervision, labor, inspection, testing, start-up, material, equipment, machinery, temporary utilities and other temporary facilities to permit Design-Builder to complete construction of the Project consistent with the Contract Documents.

2.7.2 Design-Builder shall perform construction activities in compliance with Section 2.7 of General Conditions of Contract. Design-Builder shall at all times exercise complete and exclusive control over the means, methods, sequences and techniques of Design-Builder's portion of the construction.

2.7.3 Design-Builder shall employ only Subcontractors who are duly licensed (where applicable) and qualified to perform the Work consistent with the Contract Documents. Prior to the date that Subcontractors perform Work on the Project, Design-Builder shall identify in writing to Owner all Subcontractors. To the extent that Design-Builder has not selected a Subcontractor prior to performing the Work, Design-Builder shall provide Owner in writing a list of any subsequently added Subcontractors prior to their performing Work on the Project. Owner may reasonably object to Design-Builder's selection of any Subcontractor, provided that the Contract Price Contract Time(s), or both, shall be adjusted to the extent that Owner's decision impacts Design-Builder's cost and/or time of performance. Design-Builder may not substitute listed Subcontractors without Owner's prior written consent; such consent shall not be unreasonably withheld. Design-Builder may engage temporary staffing agencies or obtain assistance from its Affiliate Personnel to fulfill Design-Builder's obligations under this Agreement. The parties agree that contracts, purchase orders, or similar agreements between Design-Builder and any Affiliate Personnel are not subcontracts as that term is used in this Agreement, and Affiliate Personnel shall be billed according to the applicable rate sheet for the Scope of Work as if such personnel is a direct hire employee. Affiliate Personnel shall be considered agents of Design-Builder and able to act on behalf of Design-Builder within the scope of the authority granted such personnel

according to job function and billing classification.

2.7.4 Design-Builder assumes responsibility to Owner for the proper performance of the Work of Subcontractors and any negligent acts and omissions in connection with such performance. Nothing in the Contract Documents is intended or deemed to create any legal or contractual relationship between Owner and any Subcontractor or Sub-Subcontractor, including but not limited to any third-party beneficiary rights.

2.7.5 Design-Builder shall coordinate the activities of all Subcontractors. If Owner performs other work on the Project or at the Site with separate contractors under Owner's control, Design-Builder agrees to reasonably cooperate with such separate contractors so that the Project can be completed in an orderly and coordinated manner without unreasonable disruption. However, unless otherwise stated, Design-Builder is not responsible to schedule or coordinate Owner's separate contractors.

2.7.6 Design-Builder shall keep the Site reasonably free from debris, trash and construction wastes created by the Work to permit Design-Builder to perform its construction services without interfering with the use of adjacent land areas. Upon Substantial Completion of the Work, or a portion of the Work, Design-Builder shall remove debris, trash, construction wastes, materials, equipment, machinery and tools arising from the Work or applicable portions thereof to permit Owner to occupy the Project or a portion of the Project for its intended use.

2.8 Design-Builder's Responsibility for Project Safety.

2.8.1 Design-Builder recognizes the importance of performing the Work in a reasonable and safe manner so as to limit damage, injury or loss from Design-Builder's activities to (i) individuals at the Site, whether working or visiting; (ii) the Work, including materials and equipment incorporated into the Work or stored on-Site or off-Site; and (iii) other property at the Site or adjacent thereto. Design-Builder assumes responsibility for implementing and monitoring all safety precautions and programs related to the performance of the Work by Design-Builder and its Subcontractors, but excluding all work undertaken by Owner or its Subcontractors or other consultants. Design-Builder shall, prior to commencing construction, designate a Safety Representative with the qualifications and experience to supervise the implementation and monitoring of all safety precautions and programs related to the Work. Unless otherwise required by the Contract Documents, Design-Builder's Safety Representative shall be an individual who may have responsibilities on the Project in addition to safety. The Safety Representative shall make routine daily inspections of the Site and shall hold weekly safety meetings with Design-Builder's personnel. The Safety Representative may be the Design-Builder's Superintendent or Project Manager.

2.8.2 Design-Builder and Subcontractors shall comply with all Legal Requirements relating to safety in performance of the Work, as well as any Owner-specific safety requirements set forth in the Contract Documents, provided that such Owner-specific requirements do not violate any applicable Legal Requirement. Design-Builder will promptly report in writing any safety-related injury, loss, damage or accident arising from the Work to Owner's Representative and, to the extent mandated by Legal Requirements, to all government or quasi-government authorities having jurisdiction over safety-related matters involving the Project or the Work.

2.8.3 Design-Builder's responsibility for safety under this Section 2.8 is not intended in any way to relieve Subcontractors and Sub-Subcontractors of their own contractual and legal obligations and responsibility for (i) complying with all Legal Requirements, including those related to health and safety matters; and (ii) taking all necessary measures to implement and monitor all safety precautions and programs to help prevent injuries, losses, damages or accidents resulting from

their performance of the Work. Design-Builder is not responsible for any safety violations, acts or omissions of the Owner or its separate contractors, consultants and their subcontractors.

2.9 Design-Builder's Warranty.

2.9.1 For a period of one year after Substantial Completion of the Work (or any portion thereof if complete and turned over in phases), Design-Builder warrants to Owner that the construction, including all materials and equipment furnished as part of the construction, shall be new unless otherwise specified in the Contract Documents, of good quality, in conformance with the Contract Documents and free of material defects in materials and workmanship. Design-Builder's warranty obligation excludes defects caused by abuse, alterations, or failure to maintain the Work in a commercially reasonable manner. Nothing in this warranty is intended to duplicate or limit any manufacturer's warranty which provides Owner with greater warranty rights than set forth in this Section 2.9 or the Contract Documents. Design-Builder will provide Owner with all manufacturers' warranties upon Substantial Completion.

2.9.2. The Design-Builder agrees to assign to the Owner at the time of final completion of the Work any and all manufacturer's warranties relating to materials and labor used in the Work. Owner agrees to look solely to such manufacturer(s) for remedies for defects in equipment and material, and not to Design-Builder. Design-Builder's sole obligation with respect to this Section 2.9 are as set forth herein, and to provide reasonable assistance to Owner in obtaining relief under such manufacturer's warranties.

2.9.3. The warranties and remedies provided in this Section 2.9 are in lieu of all other warranties, express or implied, including but not limited to the implied warranties of merchantability and fitness for a particular purpose. CORRECTION OF A WARRANTY DEFECT AND COMPLIANCE BY DESIGN-BUILDER WITH ITS RELATED OBLIGATIONS IN RESPECT TO SUCH DEFECT IN THE MANNER AND WITHIN THE PERIOD OF TIME PROVIDED HEREIN SHALL CONSTITUTE COMPLETE FULFILLMENT OF ALL OF THE LIABILITIES OF DESIGN-BUILDER TO OWNER AND SHALL BE OWNER'S SOLE AND EXCLUSIVE REMEDY IN RESPECT TO SUCH DEFECTIVE SERVICE, DEFECTIVE EQUIPMENT OR DEFECTIVE WORK. All Design-Builder liability shall end upon expiration of the one-year warranty period, provided that Owner may continue to enforce any claim for which it has given notice prior to that date.

2.10 Correction of Defective Work.

2.10.1 To the extent not covered by a manufacturer's warranty under Section 2.9.2, Design-Builder agrees to correct any Work that is found to not be in conformance with the Contract Documents, including that part of the Work subject to Section 2.9 hereof, within a period of one year from the date of Substantial Completion of the Work or any portion of the Work.

2.10.2 Design-Builder shall, within seven (7) days of receipt of written notice from Owner that the Work is not in conformance with the Contract Documents, take meaningful steps to commence correction of such nonconforming Work, including the correction, removal or replacement of the nonconforming Work and any damage caused to other parts of the Work affected by the nonconforming Work. If Design-Builder fails to commence the necessary steps within such seven (7) day period, Owner, in addition to any other remedies provided under the Contract Documents, may provide Design-Builder with written notice that Owner will commence correction of such nonconforming Work with its own forces. If Owner does perform such corrective Work, Design-Builder shall be responsible for all reasonable costs incurred by Owner in performing such correction, subject to its aggregate limit of liability. If the nonconforming Work creates an emergency requiring an immediate response, the seven (7) day period identified herein shall be deemed inapplicable.

2.10.3 THE REPRESENTATIONS AND WARRANTIES PROVIDED IN THESE GENERAL

CONDITIONS OF CONTRACT ARE EXCLUSIVE AND NO OTHER WARRANTIES OF ANY KIND, WHETHER STATUTORY, EXPRESS OR IMPLIED, SHALL APPLY, INCLUDING, BUT NOT LIMITED TO, WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. THE REMEDIES SET FORTH IN THIS SECTION 2.10 ARE THE SOLE AND EXCLUSIVE REMEDIES OF OWNER FOR ANY NONCONFORMING WORK WHETHER LIABILITY IS BASED ON CONTRACT, WARRANTY, NEGLIGENCE, STRICT LIABILITY OR OTHERWISE.

Article 3

Owner's Services and Responsibilities

3.1 Duty to Cooperate.

3.1.1 Owner shall, throughout the performance of the Work, provide access to the Site of the Work, cooperate with Design-Builder and perform its responsibilities, obligations and services in a timely manner to facilitate Design-Builder's timely and efficient performance of the Work and so as not to delay or interfere with Design-Builder's performance of its obligations under the Contract Documents.

3.1.2 Owner shall provide timely reviews and approvals of interim Design Submissions and Construction Documents consistent with the turnaround times set forth in Design-Builder's schedule and the Agreement.

3.1.3 Owner shall give Design-Builder timely notice of any Work that Owner notices to be defective or not in compliance with the Contract Documents.

3.1.4 The Contract Price and/or Contract Times or other terms and conditions as appropriate may be adjusted in a Change Order upon mutual agreement of Owner and Design-Builder to the extent that adjustment is necessary because Owner's work performed by separate contractors under Owner's control impacts Design-Builder's cost, time of performance or other terms and conditions as appropriate.

3.2 Furnishing of Services and Information.

3.2.1 Unless expressly stated to the contrary in the Contract Documents, Owner shall provide, at its own cost and expense, for Design-Builder's information and use the following, all of which Design-Builder is entitled to rely upon in performing the Work:

3.2.1.1 Surveys describing the property, boundaries, topography and reference points for use during construction, including existing service and utility lines;

3.2.1.2 Geotechnical studies describing subsurface conditions, and other surveys describing other latent or concealed physical conditions at the Site;

3.2.1.3 Temporary and permanent easements, zoning and other requirements and encumbrances affecting land use, or necessary to permit the proper design and construction of the Project and enable Design-Builder to perform the Work;

3.2.1.4 A legal description of the Site;

3.2.1.5 To the extent available, record drawings of any existing structures at the Site;

and

3.2.1.6 To the extent available, environmental studies, reports and impact statements describing the environmental conditions, including Hazardous Conditions, in existence at the Site.

3.2.1.7 Legal access to the Site through Design-Builder's work under the Contract Documents.

3.2.2 Owner is responsible for securing and executing all necessary agreements with adjacent land or property owners that are necessary to enable Design-Builder to perform the Work. Owner is further responsible for all costs, including attorneys' fees, incurred in securing and enforcing these necessary agreements. Design-Builder may rely upon access provided by Owner and Owner shall hold Design-Builder harmless from claims arising out of Owner's access agreements and instruments, except to the extent caused by Design-Builder's negligence or willful misconduct.

3.2.3 Owner warrants the completeness, accuracy, and efficacy of information provided by or through Owner (including information provided for Owner by others) for which Design Builder shall rely on to perform and complete the Work without the need for independent verification.

3.3 Financial Information.

3.3.1 At Design-Builder's written request, Owner shall promptly furnish reasonable evidence satisfactory to Design-Builder that Owner has adequate funds available and committed to fulfill all of Owner's contractual obligations under the Contract Documents. If Owner fails to furnish such financial information in a timely manner, Design-Builder may stop Work under Section 11.3 hereof or exercise any other right permitted under the Contract Documents.

3.3.2 Design-Builder shall cooperate with the reasonable requirements of Owner's lenders or other financial sources. Notwithstanding the preceding sentence, after execution of the Agreement Design-Builder shall have no obligation to execute for Owner or Owner's lenders or other financial sources any documents or agreements that require Design-Builder to assume obligations or responsibilities greater than those existing obligations Design-Builder has under the Contract Documents.

3.3.3 Any consent to assignment of this Agreement to Owner's lenders shall be conditioned upon Design-Builder being paid in full for all outstanding sums due at the time of the assignment, and upon the assignee being responsible for all of Owner's remaining obligations under this Agreement.

3.4 Owner's Representative.

3.4.1 Owner's Representative shall be responsible for providing Owner-supplied information and approvals in a timely manner to permit Design-Builder to fulfill its obligations under the Contract Documents. Owner's Representative shall also provide Design-Builder with prompt notice if it observes any failure on the part of Design-Builder to fulfill its contractual obligations, including any errors, omissions or defects in the performance of the Work. Owner's Representative shall communicate regularly with Design-Builder and shall be vested with the authority to act on behalf of Owner.

3.5 Government Approvals and Permits.

3.5.1 Owner shall obtain and pay for all necessary permits, approvals, licenses, government charges and inspection fees set forth in the Permit List as Owner's responsibility attached as an

exhibit to the Contract Price Amendment.

3.5.2 Owner shall provide reasonable assistance to Design-Builder in obtaining those permits, approvals and licenses that are Design-Builder's responsibility.

3.6 Owner's Separate Contractors.

3.6.1 Owner is responsible for all work performed on the Project or at the Site by separate contractors under Owner's control. Owner shall contractually require its separate contractors to cooperate with and coordinate their activities so as not to interfere with Design-Builder in order to enable Design-Builder to timely complete the Work consistent with the Contract Documents. The Contract Price, Contract Times, or other terms and conditions as appropriate may be adjusted in a Change Order upon mutual agreement of Owner and Design-Builder to the extent that adjustment is necessary because Owner's work performed by separate contractors under Owner's control impacts Design-Builder's cost, time of performance, or other terms and conditions as appropriate.

3.6.2 Owner shall require its separate contractors to name Design-Builder as an additional insured on their general liability insurance and to waive rights of subrogation against Owner, Design-Builder and its Design Consultant, consistent with Section 5.3.5, below.

Article 4

Hazardous Conditions and Differing Site Conditions

4.1 Hazardous Conditions.

4.1.1 Design-Builder is not responsible for any Hazardous Conditions encountered at the Site. Upon encountering any Hazardous Conditions, Design-Builder will stop Work immediately in the affected area and duly notify Owner and, if required by Legal Requirements, all government or quasi-government entities with jurisdiction over the Project or Site.

4.1.2 Upon receiving notice of the presence of suspected Hazardous Conditions, Owner shall take the necessary measures required to ensure that the Hazardous Conditions are remediated or rendered harmless. Such necessary measures shall include Owner retaining qualified independent experts and contractors to (i) ascertain whether Hazardous Conditions have actually been encountered, and, if they have been encountered, (ii) prescribe the remedial measures that Owner must take either to remove the Hazardous Conditions or render the Hazardous Conditions harmless, (iii) remove, abate and remediate such Hazardous Conditions. Design-Builder is entitled to rely on the information and work of Owner's separate experts and contractors as being complete and accurate without verification.

4.1.3 Design-Builder shall be obligated to resume Work at the affected area of the Project only after Owner's expert provides it with written certification that (i) the Hazardous Conditions have been removed or rendered harmless; and (ii) all necessary approvals have been obtained from all government and quasi-government entities having jurisdiction over the Project or Site.

4.1.4 Design-Builder will be entitled, in accordance with these General Conditions of Contract, to an adjustment in its Contract Price, Contract Time(s), or both, to the extent Design-Builder's cost and/or time of performance have been adversely impacted by the presence of Hazardous Conditions.

4.1.5 To the fullest extent permitted by law, Owner shall indemnify, defend and hold harmless Design-Builder, Design Consultants, Subcontractors, anyone employed directly or indirectly by

any of them, and their officers, directors, employees and agents, from and against any and all claims, losses, damages, liabilities and expenses, including attorneys' fees and expenses, arising out of or resulting from the presence, removal or remediation of Hazardous Conditions at the Site.

4.1.6 Notwithstanding the preceding provisions of this Section 4.1, Owner is not responsible for Hazardous Conditions brought to the Site by Design-Builder, Subcontractors or anyone for whose acts they may be liable. Subject to the terms of the Agreement, Design-Builder shall indemnify, defend and hold harmless Owner and Owner's officers, directors, employees and agents from and against all claims, losses, damages, liabilities and expenses, including attorneys' fees and expenses, arising out of or resulting from those Hazardous Conditions brought to the Site by Design-Builder, Subcontractors or anyone for whose acts they may be liable.

4.2 Differing Site Conditions.

4.2.1 Concealed or latent physical conditions or subsurface conditions at the Site that (i) materially differ from the conditions indicated in the Contract Documents or (ii) are of an unusual nature, differing materially from the conditions ordinarily encountered and generally recognized as inherent in the Work, are collectively referred to herein as "Differing Site Conditions." If Design-Builder encounters a Differing Site Condition, Design-Builder will be entitled to an adjustment in the Contract Price, Contract Time(s), or both, to the extent Design-Builder's cost, time of performance, or both, are adversely impacted by the Differing Site Condition.

4.2.2 Upon encountering a Differing Site Condition, Design-Builder shall provide prompt written notice to Owner of such condition, which notice shall not be later than fourteen (14) days after such condition has been encountered. Design-Builder shall, to the extent reasonably possible, provide such notice before the Differing Site Condition has been substantially disturbed or altered.

Article 5

Insurance and Bonds

5.1 Design-Builder's Insurance Requirements.

5.1.1 Design-Builder is responsible for procuring and maintaining the insurance for the coverage amounts all as set forth in the Agreement. Coverage shall be secured from insurance companies authorized to do business in the state in which the Project is located, and with a minimum rating of AM Best A-VII.

5.1.2 Prior to commencing any construction services hereunder, Design-Builder shall provide Owner with ACORD certificates evidencing that (i) all insurance obligations required by the Contract Documents are in full force and in effect and will remain in effect for the duration required by the Contract Documents; and (ii) no insurance coverage will be canceled or renewal refused unless at least thirty (30) days' prior written notice is given to Owner, except in the event of non-payment of premium which shall afford ten (10) days notice. If any of the foregoing insurance coverages are required to remain in force after final payment is reasonably available, an additional certificate evidencing continuation of such coverage shall be submitted with the Final Application for Payment.

5.1.3 Nothing in this Agreement shall require the Design-Builder or its Design Consultants to name the Owner or others as additional insureds on any Professional Liability or Workers Compensation policies, which normally do not permit additional insureds.

5.2 Owner's Liability Insurance.

5.2.1 The Owner shall be responsible for purchasing and maintaining the Owner's usual liability insurance. Liability insurance maintained by Owner is non-contributing and not in excess of primary liability coverage to be provided by Design-Builder.

5.3 Owner's Property Insurance.

5.3.1 Owner shall procure and maintain from insurance companies authorized to do business in the state in which the Project is located property insurance upon the existing property at the Project Site and for the Work and entire Project upon Substantial Completion to the full insurable value of the Project, including professional fees, overtime premiums and all other expenses incurred to replace or repair the insured property. The property insurance obtained by Owner shall be the broadest coverage commercially available, and shall include as additional insureds the interests of Owner, Design-Builder, Design Consultants and Subcontractors of any tier. Such insurance shall include but not be limited to the perils of fire and extended coverage, theft, vandalism, malicious mischief, collapse, flood, named windstorm, hail/tornado/convective storm/severe storm, earthquake, debris removal and other perils or causes of loss as called for in the Contract Documents. The property insurance shall include physical loss or damage to the existing property at the Project Site and for the Work until Substantial Completion, including materials and equipment in transit and at the Site. Owner is responsible for the payment of any deductibles under the insurance required by this Section 5.3.1.

5.3.2 Unless the Contract Documents provide otherwise, Owner shall procure and maintain boiler and machinery insurance that will include the interests of Owner, Design-Builder, Design Consultants, and Subcontractors of any tier. Owner is responsible for the payment of any deductibles under the insurance required by this Section 5.3.2.

5.3.3 Prior to Design-Builder commencing any Work, Owner shall provide Design-Builder with certificates evidencing that (i) all Owner's insurance obligations required by the Contract Documents are in full force and in effect and will remain in effect until Design-Builder has completed all of the Work and has received final payment from Owner; and (ii) no insurance coverage will be canceled or renewal refused unless at least thirty (30) days' prior written notice is given to Design-Builder. Owner's property insurance shall not lapse or be canceled if Owner occupies a portion of the Work pursuant to Section 6.6.3 hereof. Owner shall provide Design-Builder with the necessary endorsements from the insurance company prior to occupying a portion of the Work.

5.3.4 Any loss covered under Owner's property insurance shall be adjusted with Owner and Design-Builder and made payable to both of them as trustees for the insureds as their interests may appear, subject to any applicable mortgage clause. All insurance proceeds received as a result of any loss will be placed in a separate account and distributed in accordance with such agreement as the interested parties may reach. Any disagreement concerning the distribution of any proceeds will be resolved in accordance with Article 10 hereof.

5.3.5 Owner and Design-Builder waive against each other and Owner's separate contractors, Design Consultants, Subcontractors, agents and employees of each and all of them, all damages covered by property insurance provided herein, or that could have been covered by property insurance (including deductibles and self-insurance) including rights of subrogation, except such rights as they may have to the proceeds of such insurance. Design-Builder and Owner shall, where appropriate, require similar waivers of subrogation from Owner's separate contractors, Design Consultants and Subcontractors and shall require each of them to include similar waivers in their contracts, and Design-Builder shall be added as an additional insured on those policies of

insurance, in the same manner, and to the same extent as Owner. These waivers of subrogation shall not contain any restriction or limitation that will impair the full and complete extent of its applicability to any person or entity unless agreed to in writing prior to the execution of this Agreement.

5.4 Bonds and Other Performance Security.

5.4.1 At the time of execution of the Contract Price Amendment, or any Early Works Package that would trigger a bonding requirement, if Owner requires Design-Builder to obtain performance and labor and material payment bonds, or other forms of performance security, the amount, form and other conditions of such security shall be as set forth in the Agreement.

5.4.2 All bonds furnished by Design-Builder shall be in a form satisfactory to Owner. The surety shall be a company qualified and registered to conduct business in the state in which the Project is located.

Article 6

Payment

6.1 Schedule of Values.

6.1.1 Unless required by Owner upon execution of this Agreement, within ten (10) days of execution of the Agreement and again after execution of the Contract Price Amendment, Design-Builder shall submit for Owner's review and approval a schedule of values for all of the Work in that Phase. The Schedule of Values will (i) subdivide the Work into its respective parts; (ii) include values for all items comprising the Work; and (iii) serve as the basis for monthly progress payments made to Design-Builder throughout the Work.

6.1.2 Owner will timely review and approve the schedule of values so as not to delay the submission of Design-Builder's first application for payment. Owner and Design-Builder shall timely resolve any differences so as not to delay Design-Builder's submission of its first application for payment.

6.2 Monthly Progress Payments.

6.2.1 On or before the date established in the Agreement, Design-Builder shall submit for Owner's review and approval its Application for Payment requesting payment for all Work performed as of the date of the Application for Payment. The Application for Payment shall be accompanied by all supporting documentation required by the Contract Documents or established at the meeting required by Section 2.1.4 hereof.

6.2.2 The Application for Payment may request payment for equipment and materials not yet incorporated into the Project, provided that (i) Owner is satisfied that the equipment and materials are suitably stored at either the Site or another acceptable location; (ii) the equipment and materials are protected by suitable insurance; (iii) such Application is made no more than thirty (30) days prior to the anticipated supplier payment or cancellation deadline milestone for equipment in order to keep positive cash flow for equipment orders, and (iv) upon delivery to the Site and payment Owner will receive the equipment and materials free and clear of all liens and encumbrances.

6.2.3 All discounts offered by Subcontractors, Sub-Subcontractors, and suppliers to Design-Builder for early payment shall accrue one hundred percent to Design-Builder to the extent

Design-Builder advances payment. Unless Owner advances payment to Design-Builder specifically to receive the discount, Design-Builder may include in its Application for Payment the full undiscounted cost of the item for which payment is sought.

6.2.4 The Application for Payment shall constitute Design-Builder's agreement that the Work described therein has been performed consistent with the Contract Documents, has progressed to the point indicated in the Application for Payment, and that title to all Work will pass to Owner free and clear of all claims, liens, encumbrances, and security interests upon the incorporation of the Work into the Project, or upon Design-Builder's receipt of payment, whichever occurs earlier.

6.3 Withholding of Payments.

6.3.1 On or before the date established in the Agreement, Owner shall pay Design-Builder all amounts properly due. If Owner determines that Design-Builder is not entitled to all or part of an Application for Payment as a result of Design-Builder's failure to meet its obligations hereunder, it will notify Design-Builder in writing at least five (5) days prior to the date payment is due. The notice shall indicate the specific amounts Owner intends to withhold, the reasons and contractual basis for the withholding, and the specific measures Design-Builder must take to rectify Owner's concerns. Design-Builder and Owner will attempt to resolve Owner's concerns prior to the date payment is due. If the parties cannot resolve such concerns, Design-Builder may pursue its rights under the Contract Documents, including those under Article 10 hereof.

6.3.2 Notwithstanding anything to the contrary in the Contract Documents, Owner shall pay Design-Builder all undisputed amounts in an Application for Payment within the times required by the Agreement.

6.4 Right to Stop Work and Interest.

6.4.1 If Owner fails to pay timely Design-Builder any undisputed amount that becomes due, Design-Builder, in addition to all other remedies provided in the Contract Documents, may stop Work pursuant to Section 11.3 hereof. All payments due and unpaid shall bear interest at the rate set forth in the Agreement, or absent such rate, at the rate set by law.

6.5 Design-Builder's Payment Obligations.

6.5.1 Design-Builder will pay Design Consultants and Subcontractors, in accordance with its contractual obligations to such parties, all the amounts Design-Builder has received from Owner on account of their work. Design-Builder will impose similar requirements on Design Consultants and Subcontractors to pay those parties with whom they have contracted. Provided Owner makes all payments to Design-Builder when due, Design-Builder will indemnify and defend Owner against any claims for payment and mechanic's liens as set forth in Section 7.3 hereof.

6.6 Substantial Completion.

6.6.1 Design-Builder shall notify Owner when it believes the Work, or to the extent permitted in the Contract Documents, a portion of the Work, is Substantially Complete. Within five (5) days of Owner's receipt of Design-Builder's notice, Owner and Design-Builder will jointly inspect such Work to verify that it is Substantially Complete in accordance with the requirements of the Contract Documents. The Owner and Design-Builder shall prepare a written list (Punch List) of all incomplete items of Work existing at the time, including any deficiencies noted. If such Work is Substantially Complete, Owner shall prepare and issue a Certificate of Substantial Completion that will set forth (i) the date of Substantial Completion of the Work or portion thereof; (ii) the remaining items of Work that have to be completed before final payment; (iii) provisions (to the extent not already provided in the Contract Documents) establishing Owner's and Design-Builder's responsibility for the Project's security, maintenance, utilities and insurance pending

final payment; and (iv) an acknowledgment that warranties commence to run on the date of Substantial Completion, except as may otherwise be noted in the Certificate of Substantial Completion.

6.6.2 Upon Substantial Completion of the entire Work or, if applicable, any portion of the Work, Owner shall release to Design-Builder all retained amounts relating, as applicable, to the entire Work or completed portion of the Work, less an amount equal to the reasonable value of all remaining or incomplete items of Work as noted in the Certificate of Substantial Completion.

6.6.3 Owner, at its option, may use a portion of the Work which has been determined to be Substantially Complete, provided, however, that (i) a Certificate of Substantial Completion has been issued for the portion of Work addressing the items set forth in Section 6.6.1 above; (ii) Design-Builder and Owner have obtained the consent of their sureties and insurers, and to the extent applicable, the appropriate government authorities having jurisdiction over the Project; and (iii) Owner and Design-Builder agree that Owner's use or occupancy will not interfere with Design-Builder's completion of the remaining Work.

6.6.4 If Owner occupies or attempts to use any portion of the Work prior to Substantial Completion, it agrees to it does so at its own risk and shall sign any reasonable release or indemnity agreement required by Design-Builder as a condition of such use or occupancy.

6.6.5 Upon Substantial Completion, Owner shall be accountable and responsible for any loss or damage to any part of the Work, including property of any kind including, but not limited to, uninsured losses and deductibles. If Owner occupies or attempts to use any portion of the Work prior to Substantial Completion, it agrees to it does so at its own risk and shall sign any reasonable release or indemnity agreement required by Design-Builder as a condition of such use or occupancy.

6.7 Final Payment.

6.7.1 After receipt of a Final Application for Payment from Design-Builder, Owner shall make final payment by the time required in the Agreement, provided that Design-Builder has achieved Final Completion.

6.7.2 At the time of submission of its Final Application for Payment, Design-Builder shall provide the following information:

6.7.2.1 An affidavit that there are no claims, obligations or liens outstanding or unsatisfied for labor, services, material, equipment, taxes or other items performed, furnished or incurred for or in connection with the Work which will in any way affect Owner's interests, or that any existing liens have been bonded by Design-Builder;

6.7.2.2 A general release executed by Design-Builder waiving, upon receipt and bank clearance of final payment by Design-Builder, all claims for payment, except those claims previously made in writing to Owner and remaining unsettled at the time of final payment;

6.7.2.3 Consent of Design-Builder's surety, if any, to final payment;

6.7.2.4 All operating manuals, warranties and other deliverables required by the Contract Documents; and

6.7.2.5 Certificates of insurance confirming that required coverages will remain in effect consistent with the requirements of the Contract Documents.

6.7.3 Upon making final payment, Owner waives all claims against Design-Builder except claims relating to (i) Design-Builder's failure to satisfy its payment obligations, if such failure affects Owner's interests; (ii) Design-Builder's failure to complete the Work consistent with the Contract Documents, including defects appearing after Substantial Completion; and (iii) the terms of any special warranties required by the Contract Documents.

6.7.4 Deficiencies in the Work discovered after Substantial Completion, whether or not such deficiencies would have been included on the Punch List if discovered earlier, shall be deemed warranty Work. Such deficiencies shall be corrected by Design-Builder under Sections 2.9 and 2.10 herein and shall not be a reason to withhold final payment from Design-Builder, provided, however, that Owner shall be entitled to withhold from the Final Payment the reasonable value of completion of such deficient work until such work is completed.

Article 7

Indemnification

7.1 Patent and Copyright Infringement.

7.1.1 Design-Builder shall defend any action or proceeding brought against Owner based on any claim that the Work, or any part thereof, or the operation or use of the Work or any part thereof, constitutes infringement of any United States patent or copyright, now or hereafter issued. Owner shall give prompt written notice to Design-Builder of any such action or proceeding and will reasonably provide authority, information and assistance in the defense of same. Design-Builder shall indemnify and hold harmless Owner from and against all damages and costs, including but not limited to attorneys' fees and expenses awarded against Owner or Design-Builder in any such action or proceeding. Design-Builder agrees to keep Owner informed of all developments in the defense of such actions.

7.1.2 If Owner is enjoined from the operation or use of the Work, or any part thereof, as the result of any patent or copyright suit, claim, or proceeding, Design-Builder shall at its sole expense take reasonable steps to procure the right to operate or use the Work. If Design-Builder cannot so procure such right within a reasonable time, Design-Builder shall promptly, at Design-Builder's option and at Design-Builder's expense, (i) modify the Work so as to avoid infringement of any such patent or copyright; or (ii) replace said Work with Work that does not infringe or violate any such patent or copyright.

7.1.3 Sections 7.1.1 and 7.1.2 above shall not be applicable to any suit, claim or proceeding based on infringement or violation of a patent or copyright (i) relating solely to a particular process or product of a particular manufacturer specified by Owner and not offered or recommended by Design-Builder to Owner; or (ii) arising from modifications to the Work or combinations of the Work with other processes or work by Owner or its agents after acceptance of the Work. If the suit, claim or proceeding is based upon events set forth in the preceding sentence, Owner shall, to the fullest extent permitted by law, defend, indemnify and hold harmless Design-Builder to the same extent Design-Builder is obligated to defend, indemnify and hold harmless Owner in Section 7.1.1 above.

7.1.4 The obligations set forth in this Section 7.1 shall constitute the sole agreement between the parties relating to liability for infringement or violation of any patent or copyright.

7.2 Tax Claim Indemnification.

7.2.1 If, in accordance with Owner's direction, an exemption for all or part of the Work is

claimed for taxes, Owner shall, to the fullest extent permitted by law, indemnify, defend and hold harmless Design-Builder from and against any liability, penalty, interest, fine, tax assessment, attorneys' fees or other expenses or costs incurred by Design-Builder as a result of any action taken by Design-Builder in accordance with Owner's directive. Owner shall furnish Design-Builder with any applicable tax exemption certificates necessary to obtain such exemption, upon which Design-Builder may rely.

7.3 Payment Claim Indemnification.

7.3.1 Provided that Owner is not in breach of its contractual obligation to make payments to Design-Builder for the Work, Design-Builder shall indemnify Owner from any claims or mechanic's liens brought against Owner or against the Project as a result of the failure of Design-Builder, or those for whose acts it is responsible, to pay for any services, materials, labor, equipment, taxes or other items or obligations furnished or incurred for or in connection with the Work. Within three (3) days of receiving written notice from Owner that such a claim or mechanic's lien has been filed, Design-Builder shall commence to take the steps necessary to discharge said claim or lien, including, if necessary, the furnishing of a mechanic's lien bond. or Owner's indemnity bond. If Design-Builder fails to do so within ten (10) days after receipt of written notice from Owner to do so, Owner will have the right to discharge the claim or lien and hold Design-Builder liable for costs and expenses incurred, including attorneys' fees. However, in the event that a lien is a result of disputed sums, the Owner shall give the Design-Builder reasonable additional time and opportunity to negotiate settlement with its Subcontractor prior to the Owner taking steps to discharge the lien directly.

7.4 Design-Builder's General Indemnification.

7.4.1 Subject to Section 10.5 and any limitations of liability in the Agreement, Design-Builder, to the fullest extent permitted by law, shall indemnify Owner, its officers, directors, and employees from and against claims, losses, damages, liabilities, including reasonable attorneys' fees and expenses, for non-party bodily injury, sickness or death and non-party property damage or destruction (other than to the Work itself) but only to the extent resulting from the negligent acts or omissions of Design-Builder, Design Consultants, Subcontractors, anyone employed directly or indirectly by any of them or anyone for whose acts any of them may be liable.

7.4.2 If an employee of Design-Builder, Design Consultants, Subcontractors, anyone employed directly or indirectly by any of them or anyone for whose acts any of them may be liable has a claim against Owner, its officers, directors, employees, or agents, Design-Builder's indemnity obligations set forth in Section 7.4.1 above shall not be limited by any limitation on the amount of damages, compensation or benefits payable by or for Design-Builder, Design Consultants, Subcontractors, or other entity under any employee benefit acts, including workers' compensation or disability acts.

7.5 Owner's General Indemnification.

7.5.1 In addition to other specific indemnities elsewhere in this Agreement, Owner, to the fullest extent permitted by law, shall indemnify, hold harmless and defend Design-Builder and any of Design-Builder's officers, directors, and employees, from and against claims, losses, damages, and expenses liabilities, including reasonable attorneys' fees and expenses, for bodily injury, sickness or death, and property damage or destruction (other than to the Work itself) but only to the extent resulting from the negligent acts or omissions of Owner, Owner's separate contractors or anyone for whose acts any of them may be liable.

7.5.2 If an employee of Owner, or its consultants or contractors of any tier, anyone employed directly or indirectly by any of them or anyone for whose acts any of them may be liable has a claim against Design-Builder, its officers, directors, employees, or agents, Owner's indemnity

obligations set forth in Section 7.5.1 above shall not be limited by any limitation on the amount of damages, compensation or benefits payable by or for Owner or its consultants' or contractors' or other entity under any employee benefit acts, including workers' compensation or disability acts.

7.6 Limited Recourse.

7.6.1 None of the obligations set forth in this Agreement (on behalf of any party) constitute personal obligations of any natural persons who are the officers, shareholders, members, partners, employees, or agents of any party unless the natural person is expressly identified as a contracting party. All Parties to this Agreement shall not seek recourse against any natural person described herein. This provision, however, shall not protect such natural persons from liability for willful misconduct.

Article 8

Time

8.1 Obligation to Achieve the Contract Times.

8.1.1 Design-Builder agrees that it will commence performance of the Work and achieve the Contract Time(s) in accordance with Article 5 of the Agreement, as modified according to the Contract Documents.

8.2 Delays to the Work.

8.2.1 If Design-Builder is delayed in the performance of the Work due to acts, omissions, conditions, events, or circumstances beyond its control and due to no fault of its own or those for whom Design-Builder is responsible, the Contract Time(s) for performance shall be reasonably extended by Change Order. By way of example, events that will entitle Design-Builder to an extension of the Contract Time(s) include acts or omissions of Owner or anyone under Owner's control (including separate contractors), changes in the Work, changes in Legal Requirements, Differing Site Conditions, Hazardous Conditions, and Force Majeure Events.

8.2.2 In addition to Design-Builder's right to a time extension for those events set forth in Section 8.2.1 above, Design-Builder shall also be entitled to an appropriate adjustment of the Contract Price.

8.2.1 Design-Builder owns the schedule float.

Article 9

Changes to the Contract Price and Time

9.1 Change Orders.

9.1.1 A Change Order is a written instrument issued after execution of the Agreement signed by Owner and Design-Builder, stating their agreement upon all of the following:

9.1.1.1 The scope of the change in the Work;

9.1.1.2 The amount of the adjustment to the Contract Price;

9.1.1.3 The extent of the adjustment to the Contract Time(s);and

9.1.1.4. Other changes to terms of the Contract.

9.1.2 All changes in the Work authorized by applicable Change Order shall be performed under the applicable conditions of the Contract Documents. Owner and Design-Builder shall negotiate in good faith and as expeditiously as possible the appropriate adjustments for such changes.

9.1.3 If Owner requests a proposal for a change in the Work from Design-Builder and subsequently elects not to proceed with the change, a Change Order shall be issued to reimburse Design-Builder for reasonable costs incurred for estimating services, design services and services involved in the preparation of proposed revisions to the Contract Documents.

9.2 Work Change Directives.

9.2.1 A Work Change Directive is a written order prepared and signed by Owner directing a change in the Work prior to agreement on an adjustment in the Contract Price, the Contract Time(s) or both.

9.2.2 Owner and Design-Builder shall negotiate in good faith and as expeditiously as possible the appropriate adjustments for the Work Change Directive. Upon reaching an agreement, the parties shall prepare and execute an appropriate Change Order reflecting the terms of the agreement.

9.3 Minor Changes in the Work.

9.3.1 Minor changes in the Work do not involve an adjustment in the Contract Price, Contract Time(s), or both, and do not materially and adversely affect the Work, including the design, quality, performance and workmanship required by the Contract Documents. Design-Builder may make minor changes in the Work consistent with the intent of the Contract Documents, provided, however, that Design-Builder shall promptly inform Owner, in writing, of any such changes and record such changes on the documents maintained by Design-Builder.

9.4 Contract Price Adjustments.

9.4.1 The increase or decrease in Contract Price resulting from a change in the Work shall be determined by one or more of the following methods:

9.4.1.1 Unit prices set forth in the Agreement or as subsequently agreed to between the parties;

9.4.1.2 A mutually accepted lump sum, properly itemized and supported by sufficient substantiating data to permit evaluation by Owner;

9.4.1.3 Costs, fees and any other markups set forth in the Agreement; or

9.4.1.4 If an increase or decrease cannot be agreed to as set forth in items 9.4.1.1 through 9.4.1.3 above and Owner issues a Work Change Directive, the cost of the change of the Work shall be determined by the reasonable expense and savings in the performance of the Work resulting from the change, including a reasonable overhead and profit, as may be set forth in the Agreement.

9.4.2 If unit prices are set forth in the Contract Documents or are subsequently agreed to by

the parties, but application of such unit prices will cause substantial inequity to Owner or Design-Builder because of differences in the character or quantity of such unit items as originally contemplated, such unit prices shall be equitably adjusted.

9.4.3 If Owner and Design-Builder disagree upon whether Design-Builder is entitled to be paid for any services required by Owner, including any Work Change Directives, or if there are any other disagreements over the scope of Work or proposed changes to the Work, Owner and Design-Builder shall resolve the disagreement pursuant to Article 10 hereof. As part of the negotiation process, Design-Builder shall furnish Owner with a good faith estimate of the costs to perform the disputed services in accordance with Owner's interpretations. If the parties are unable to agree and Owner expects Design-Builder to perform the services in accordance with Owner's interpretations, or directs Design-Builder to proceed using a Work Change Directive, Design-Builder shall proceed to perform the disputed services, conditioned upon Owner issuing a written order to Design-Builder (i) directing Design-Builder to proceed; and (ii) specifying Owner's interpretation of the services that are to be performed. If this occurs, Design-Builder shall be entitled to submit in its Applications for Payment an amount equal to fifty percent (50%) of its reasonable estimated direct cost to perform the services, and Owner agrees to pay such amounts, with the express understanding that (i) such payment by Owner does not prejudice Owner's right to argue that it has no responsibility to pay for such services; and (ii) receipt of such payment by Design-Builder does not prejudice Design-Builder's right to seek full payment of the disputed services if Owner's order is deemed to be a change to the Work.

9.5 Emergencies.

9.5.1 In any emergency affecting the safety of persons or property, Design-Builder shall act, at its discretion, to prevent threatened damage, injury or loss. Any change in the Contract Price, Contract Time(s), or both, on account of emergency work shall be determined as provided in this Article 9.

Article 10

Contract Adjustments and Disputes

10.1 Requests for Contract Adjustments and Relief.

10.1.1 If either Design-Builder or Owner believes that it is entitled to relief against the other for any event arising out of or related to the Work or Project, such party shall provide written notice to the other party of the basis for its claim for relief. Such notice shall, if possible, be made prior to incurring any cost or expense and in accordance with any specific notice requirements contained in applicable sections of these General Conditions of Contract. In the absence of any specific notice requirement, written notice shall be given within a reasonable time, not to exceed twenty-one (21) days, after the impact of occurrence giving rise to the claim for relief or after the claiming party reasonably should have recognized the event or condition giving rise to the request, whichever is later. Such notice shall include sufficient information to advise the other party of the circumstances giving rise to the claim for relief, the specific contractual adjustment or relief requested and the basis of such request.

10.2 Dispute Avoidance and Resolution.

10.2.1 The parties are fully committed to working with each other throughout the Project and agree to communicate regularly with each other at all times so as to avoid or minimize disputes or disagreements. If disputes or disagreements do arise, Design-Builder and Owner each commit to resolving such disputes or disagreements in an amicable, professional and expeditious manner

so as to avoid unnecessary losses, delays and disruptions to the Work.

10.2.2 Design-Builder and Owner will first attempt to resolve disputes or disagreements at the field level through discussions between Design-Builder's Representative and Owner's Representative which shall conclude within fourteen (14) days of the written notice provided for in Section 10.1.1 unless Owner and Design-Builder mutually agree otherwise.

10.2.3 If a dispute or disagreement cannot be resolved through Design-Builder's Representative and Owner's Representative, Design-Builder's Senior Representative and Owner's Senior Representative, upon the request of either party, shall meet as soon as conveniently possible, but in no case later than thirty (30) days after such a request is made, to attempt to resolve such dispute or disagreement, unless Owner and Design-Builder mutually agree otherwise. Five (5) days prior to any meetings between the Senior Representatives, the parties will exchange relevant information that will assist the parties in resolving their dispute or disagreement.

10.2.4 If after meeting the Senior Representatives determine that the dispute or disagreement cannot be resolved on terms satisfactory to both parties, the parties shall submit within thirty (30) days of the conclusion of the meeting of Senior Representatives the dispute or disagreement to non-binding mediation. The mediation shall be conducted by a mutually agreeable impartial mediator, or if the parties cannot so agree, a mediator designated by the American Arbitration Association ("AAA") pursuant to its Construction Industry Mediation Rules. The mediation will be governed by and conducted pursuant to a mediation agreement negotiated by the parties or, if the parties cannot so agree, by procedures established by the mediator. Unless otherwise mutually agreed by Owner and Design-Builder and consistent with the mediator's schedule, the mediation shall commence within ninety (90) days of the submission of the dispute to mediation. Representatives of the parties with authority to resolve the dispute shall be present at any mediation.

10.2.5 In the event that a dispute arising between the parties is submitted to mediation under this Section, the parties agree to split the mediator's fees and any filing fees equally. The mediation shall be held in Kansas City, Missouri. In the event that it is necessary to file a lawsuit or demand arbitration in order to meet the requirements of a statute of limitations which is about to expire, the parties agree, nonetheless, to submit the dispute to mediation within thirty (30) days after the filing of such claim or demand. Any agreements reached in mediation shall be enforceable as a settlement agreement.

10.3 Arbitration.

10.3.1 Any claims, disputes or controversies between the parties arising out of or relating to the Agreement, or the breach thereof, which have not been resolved in accordance with the procedures set forth in Section 10.2 above, shall be decided by arbitration in accordance with the Construction Industry Arbitration Rules of the AAA then in effect, unless the parties mutually agree otherwise. The number of arbitrators shall be one (1) and the place of the arbitration shall be Kansas City, Missouri, unless the parties agree otherwise in writing.

10.3.2 The award of the arbitrator(s) shall be final and binding upon the parties without the right of appeal to the courts. Judgment may be entered upon it in accordance with applicable law by any court having jurisdiction thereof.

10.3.3 Design-Builder and Owner expressly agree that any arbitration pursuant to this Section 10.3 may be joined or consolidated with any arbitration involving any other person or entity (i) necessary to resolve the claim, dispute or controversy; or (ii) substantially involved in or affected by such claim, dispute or controversy. Both Design-Builder and Owner will include appropriate provisions in all contracts they execute with other parties in connection with the Project to require

such joinder or consolidation.

10.3.4 The prevailing party in any arbitration, or any other final, binding dispute proceeding upon which the parties may agree, shall be entitled to recover from the other party reasonable attorneys' fees and expenses incurred by the prevailing party. The prevailing party, if any, shall be determined by the applicable binding dispute tribunal.

10.4 Duty to Continue Performance.

10.4.1 Unless provided to the contrary in the Contract Documents, Design-Builder shall continue to perform the Work and Owner shall continue to satisfy its payment obligations for undisputed amounts to Design-Builder as well as any further amounts pursuant to Section 9.4.3, pending the final resolution of any dispute or disagreement between Design-Builder and Owner.

10.5 CONSEQUENTIAL DAMAGES.

10.5.1 NOTWITHSTANDING ANYTHING HEREIN TO THE CONTRARY (EXCEPT AS SET FORTH IN SECTION 10.5.2 BELOW), NEITHER DESIGN-BUILDER NOR OWNER OR ITS RESPECTIVE OFFICERS, DIRECTORS, MEMBERS, EMPLOYEES, AGENTS, SUBCONTRACTORS, CONSULTANTS OR ANYONE CLAIMING BY OR THROUGH THE ABOVE SHALL BE LIABLE TO THE OTHER FOR ANY CONSEQUENTIAL LOSSES OR DAMAGES, WHETHER ARISING IN CONTRACT, WARRANTY, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY OR OTHERWISE, INCLUDING BUT NOT LIMITED TO LOSSES OF USE, INCREASED COST OF USE, COST OF CAPITAL, OWNER'S LOST PROFITS, DESIGN-BUILDER'S ANTICIPATED PROFITS, BUSINESS, REPUTATION OR FINANCING.

10.5.2 The consequential damages limitation set forth in Section 10.5.1 above is not intended to affect the payment of liquidated damages or lost early completion bonus, if any, set forth in Article 5 of the Agreement, which both parties recognize has been established, in part, to reimburse Owner or reward Design-Builder for some damages that might otherwise be deemed to be consequential.

Article 11

Stop Work and Termination

11.1 Owner's Right to Stop Work.

11.1.1 Owner may, without cause and for its convenience, order Design-Builder in writing to stop and suspend the Work. Such suspension shall not exceed sixty (60) consecutive days or aggregate more than ninety (90) days during the duration of the Project.

11.1.2 Design-Builder is entitled to seek an adjustment of the Contract Price, Contract Time(s), or both, if its cost or time to perform the Work has been adversely impacted by any suspension of stoppage of the Work by Owner.

11.2 Owner's Right to Perform and Terminate for Cause.

11.2.1 If Design-Builder persistently fails to (i) provide a sufficient number of skilled workers, (ii) supply the materials required by the Contract Documents, (iii) comply with applicable Legal Requirements, (iv) timely pay, without cause, Design Consultants or Subcontractors, (v)

prosecute the Work in accordance with the standard of care set forth in Section 2.3 so that the Work is completed by the Contract Time(s), as such times may be adjusted, or (vi) perform material obligations under the Contract Documents, then Owner, in addition to any other rights and remedies provided in the Contract Documents or by law, shall have the rights set forth in Sections 11.2.2 and 11.2.3 below.

11.2.2 Upon the occurrence of an event set forth in Section 11.2.1 above, Owner may provide written notice to Design-Builder that it intends to terminate the Agreement unless the problem cited is cured, or commenced to be cured, within seven (7) days of Design-Builder's receipt of such notice. If Design-Builder fails to cure, or reasonably commence to cure, such problem, then Owner may give a second written notice to Design-Builder of its intent to terminate within an additional seven (7) day period. If Design-Builder, within such second seven (7) day period, fails to cure, or reasonably commence to cure, such problem, then Owner may declare the Agreement terminated for default by providing written notice to Design-Builder of such declaration.

11.2.3 Upon declaring the Agreement terminated pursuant to Section 11.2.2 above, Owner may enter upon the premises and take possession, for the purpose of completing the Work, of all materials, equipment, scaffolds, tools, appliances and other items thereon, which have been purchased or provided for the performance of the Work and which are planned as a part of the Contract Price Amendment to be turned over to Owner as a part of the Work or to be consumed in completion of the Work, all of which Design-Builder hereby transfers, assigns and sets over to Owner for such purpose, and to employ any person or persons to complete the Work and provide all of the required labor, services, materials, equipment and other items. In the event of such termination, Design-Builder shall not be entitled to receive any further payments under the Contract Documents until the Work shall be finally completed in accordance with the Contract Documents. At such time, if the unpaid balance of the Contract Price exceeds the cost and expense incurred by Owner in completing the Work, such excess shall be paid by Owner to Design-Builder. Notwithstanding the preceding sentence, if the Agreement establishes a Guaranteed Maximum Price, Design-Builder will only be entitled to be paid for Work performed prior to its default. If Owner's cost and expense of completing the Work exceeds the unpaid balance of the Contract Price, then Design-Builder shall be obligated to pay the difference to Owner.

11.2.4 If Owner improperly terminates the Agreement for cause, the termination for cause will be converted to a termination for convenience in accordance with the provisions of Section 11.6 hereof.

11.2.5 Design-Builder shall not be liable for either design services or construction Work (including, but not limited to, equipment installation) that is incomplete due to a termination by Owner for cause or for convenience under this Agreement, including any errors, omissions or defects in such designs or Work which Design-Builder is prevented from correcting and completing due to any termination. Owner assumes all liability for use of Design-Builder's designs and deliverables upon termination of Design-Builder.

11.2.6 Owner shall pay Design-Builder as a Cost of the Work to make reasonably safe any incomplete Work or Site conditions left open due to any termination under this Agreement. Thereafter, Owner assumes full risk and control of the Site.

11.3 Design-Builder's Right to Stop Work.

11.3.1 Design-Builder may, in addition to any other rights afforded under the Contract Documents or at law, stop the Work for the following reasons:

11.3.1.1 Owner's failure to provide financial assurances as required under Section 3.3 hereof; or

11.3.1.2 Owner's failure to pay amounts properly due under Design-Builder's Application for Payment.

11.3.1.3 Owner or Owner's Subcontractor or consultant's interference with Design-Builder's ability to comply with the Contract Documents.

11.3.2 Should any of the events set forth in Section 11.3.1 above occur, Design-Builder has the right to provide Owner with written notice that Design-Builder will stop the Work unless said event is cured within seven (7) days from Owner's receipt of Design-Builder's notice. Design-Builder shall not stop work unless it provides such written notice and Owner has failed to cure the reason for default within the seven (7) day cure period. If Owner does not cure the problem within such seven (7) day period, Design-Builder may stop the Work. In such case, Design-Builder shall be entitled to make a claim for adjustment to the Contract Price and Contract Time(s) to the extent it has been adversely impacted by such stoppage.

11.4 Design-Builder's Right to Terminate for Cause.

11.4.1 Design-Builder, in addition to any other rights and remedies provided in the Contract Documents or by law, may terminate the Agreement for cause for the following reasons:

11.4.1.1 The Work has been stopped for sixty (60) consecutive days, or more than ninety (90) days during the duration of the Project, because of court order, any government authority having jurisdiction over the Work, or orders by Owner under Section 11.1.1 hereof, provided that such stoppages are not due to the acts or omissions of Design-Builder or anyone for whose acts Design-Builder may be responsible.

11.4.1.2 Owner's failure to provide Design-Builder with any information, permits or approvals that are Owner's responsibility under the Contract Documents which result in the Work being stopped for sixty (60) consecutive days, or more than ninety (90) days during the duration of the Project, even though Owner has not ordered Design-Builder in writing to stop and suspend the Work pursuant to Section 11.1.1 hereof.

11.4.1.3 Owner's failure to cure the problems set forth in Section 11.3.1 above after Design-Builder has stopped the Work.

11.4.2 Upon the occurrence of an event set forth in Section 11.4.1 above, Design-Builder may provide written notice to Owner that it intends to terminate the Agreement unless the problem cited is cured, or commenced to be cured, within seven (7) days of Owner's receipt of such notice. If Owner fails to cure, or reasonably commence to cure, such problem, then Design-Builder may give a second written notice to Owner of its intent to terminate within an additional seven (7) day period. If Owner, within such second seven (7) day period, fails to cure, or reasonably commence to cure, such problem, then Design-Builder may declare the Agreement terminated for default by providing written notice to Owner of such declaration. In such case, Design-Builder shall be entitled to recover in the same manner as if Owner had terminated the Agreement for its convenience under Article 8 of the Agreement.

11.5 Bankruptcy of Owner or Design-Builder.

11.5.1 If either Owner or Design-Builder institutes or has instituted against it a case under the United States Bankruptcy Code (such party being referred to as the "Bankrupt Party"), such event may impair or frustrate the Bankrupt Party's ability to perform its obligations under the Contract Documents. Accordingly, should such event occur:

11.5.1.1 The Bankrupt Party, its trustee or other successor, shall furnish, upon request of the non-Bankrupt Party, adequate assurance of the ability of the Bankrupt Party to perform all future material obligations under the Contract Documents, which assurances shall be provided within ten (10) days after receiving notice of the request; and

11.5.1.2 The Bankrupt Party shall file an appropriate action within the bankruptcy court to seek assumption or rejection of the Agreement within sixty (60) days of the institution of the bankruptcy filing and shall diligently prosecute such action.

If the Bankrupt Party fails to comply with its foregoing obligations, the non-Bankrupt Party shall be entitled to request the bankruptcy court to reject the Agreement, declare the Agreement terminated and pursue any other recourse available to the non-Bankrupt Party under this Article 11.

11.5.2 The rights and remedies under Section 11.5.1 above shall not be deemed to limit the ability of the non-Bankrupt Party to seek any other rights and remedies provided by the Contract Documents or by law, including its ability to seek relief from any automatic stays under the United States Bankruptcy Code or the right of Design-Builder to stop Work under any applicable provision of these General Conditions of Contract.

11.6 Termination for Convenience.

11.6.1 Upon ten (10) days' written notice to Design-Builder, Owner may, for its convenience and without cause, elect to terminate this Agreement. In such event, Owner shall pay Design-Builder for the following:

11.6.1.1 All Work executed and for proven loss, cost or expense in connection with the Work;

11.6.1.2 The reasonable costs and expenses attributable to such termination, including demobilization costs and amounts due in settlement of terminated contracts with Subcontractors and Design Consultants; and

11.6.1.3 The amount set forth in Article 8 of the Agreement.

11.6.2 If Owner terminates this Agreement pursuant to Section 11.6.1 above and proceeds to design and construct the Project through its employees, agents or third parties, Owner's rights to use the Work Product shall be as set forth in Section 4.3 of the Agreement. Such rights may not be transferred or assigned to others without Design-Builder's express written consent and such third parties' agreement to the terms of Article 4 of the Agreement.

Article 12

Electronic Data

12.1 Electronic Data.

12.1.1 The parties recognize that Contract Documents, including drawings, specifications and three-dimensional modeling (such as Building Information Models) and other Work Product may be transmitted among Owner, Design-Builder and others in electronic media as an alternative to paper hard copies (collectively "Electronic Data").

12.2 Transmission of Electronic Data.

12.2.1 Owner and Design-Builder shall agree upon the software and the format for the transmission of Electronic Data. Each party shall be responsible for securing the legal rights to access the agreed-upon format, including, if necessary, obtaining appropriately licensed copies of the applicable software or electronic program to display, interpret or generate the Electronic Data.

12.2.2 Neither party makes any representations or warranties to the other with respect to the functionality of the software or computer program associated with the electronic transmission of Work Product. Unless specifically set forth in the Agreement, ownership of the Electronic Data does not include ownership of the software or computer program with which it is associated, transmitted, generated or interpreted.

12.2.3 By transmitting Work Product in electronic form, the transmitting party does not transfer or assign its rights in the Work Product. The rights in the Electronic Data shall be as set forth in Article 4 of the Agreement. Under no circumstances shall the transfer of ownership of Electronic Data be deemed to be a sale by the transmitting party of tangible goods.

12.3 Electronic Data Protocol.

12.3.1 The parties acknowledge that Electronic Data may be altered or corrupted, intentionally or otherwise, due to occurrences beyond their reasonable control or knowledge, including but not limited to compatibility issues with user software, manipulation by the recipient, errors in transcription or transmission, machine error, environmental factors, and operator error. Consequently, the parties understand that there is some level of increased risk in the use of Electronic Data for the communication of design and construction information and, in consideration of this, agree, and shall require their independent contractors, Subcontractors and Design Consultants to agree, to the following protocols, terms and conditions set forth in this Section 12.3.

12.3.2 Electronic Data will be transmitted in the format agreed upon in Section 12.2.1 above, including file conventions and document properties, unless prior arrangements are made in advance in writing.

12.3.3 The Electronic Data represents the information at a particular point in time and is subject to change. Therefore, the parties shall agree upon protocols for notification by the author to the recipient of any changes which may thereafter be made to the Electronic Data, which protocol shall also address the duty, if any, to update such information, data or other information contained in the electronic media if such information changes prior to Final Completion of the Project.

12.3.4 THE TRANSMITTING PARTY SPECIFICALLY DISCLAIMS ALL WARRANTIES, EXPRESSED OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE, WITH RESPECT TO THE MEDIA TRANSMITTING THE ELECTRONIC DATA. HOWEVER, TRANSMISSION OF THE ELECTRONIC DATA VIA ELECTRONIC MEANS SHALL NOT INVALIDATE OR NEGATE ANY DUTIES PURSUANT TO THE APPLICABLE STANDARD OF CARE WITH RESPECT TO THE CREATION OF THE ELECTRONIC DATA, UNLESS SUCH DATA IS MATERIALLY CHANGED OR ALTERED AFTER IT IS TRANSMITTED TO THE RECEIVING PARTY, AND THE TRANSMITTING PARTY DID NOT PARTICIPATE IN SUCH CHANGE OR ALTERATION.

Article 13

Miscellaneous

13.1 Confidential Information.

13.1.1 Confidential Information is defined as information which is determined by the transmitting party to be of a confidential or proprietary nature and: (i) the transmitting party identifies as either confidential or proprietary in writing; (ii) the transmitting party takes steps to maintain the confidential or proprietary nature of the information; and (iii) the document is not otherwise available in or considered to be in the public domain. The receiving party agrees to maintain the confidentiality of the Confidential Information and agrees to use the Confidential Information solely in connection with the Project, unless required or compelled by law to make disclosure.

13.2 Assignment.

13.2.1 Neither Design-Builder nor Owner shall, without the written consent of the other assign, transfer or sublet any portion or part of the Work or the obligations required by the Contract Documents.

13.3 Successorship.

13.3.1 Design-Builder and Owner intend that the provisions of the Contract Documents are binding upon the parties, their employees, agents, heirs, successors and assigns.

13.4 Governing Law.

13.4.1 The Agreement and all Contract Documents shall be governed by the laws of the location of the Project, without giving effect to its conflict of law principles. Arbitration shall be governed by the Federal Arbitration Act, 9 U.S.C. sec. 1, et seq.

13.5 Severability.

13.5.1 If any provision or any part of a provision of the Contract Documents shall be finally determined to be superseded, invalid, illegal, or otherwise unenforceable pursuant to any applicable Legal Requirements, such determination shall not impair or otherwise affect the validity, legality, or enforceability of the remaining provisions or parts of the provisions of the Contract Documents, which shall remain in full force and effect as if the unenforceable provision or part were deleted.

13.6 No Waiver.

13.6.1 The failure of either Design-Builder or Owner to insist, in any one or more instances, on the performance of any of the obligations required by the other under the Contract Documents shall not be construed as a waiver or relinquishment of such obligation or right with respect to future performance.

13.7 Headings.

13.7.1 The headings used in these General Conditions of Contract, or any other Contract Document, are for ease of reference only and shall not in any way be construed to limit or alter the meaning of any provision.

13.8 Notice.

13.8.1 Whenever the Contract Documents require that notice be provided to the other party, notice will be deemed to have been validly given (i) if delivered in person to the individual intended to receive such notice; (ii) four (4) days after being sent by registered or certified mail, postage prepaid to the address indicated in the Agreement, or (iii) if transmitted by electronic mail with receipt confirmation by the transmitting party, by the time stated in the receipt confirmation that notice was received by the email of the intended recipient.

13.9 Amendments.

13.9.1 The Contract Documents may not be changed, altered, or amended in any way except in writing signed by a duly authorized representative of each party.

13.10 No Third-Party Beneficiary.

13.10.1. Nothing in this Agreement or the Contract Documents is intended to create any right or benefit in any third party and the same is specifically disclaimed by the Parties.

13.11 Interpretation.

13.11.1. In the event of ambiguity in the Contract Documents, the parties shall be deemed to have jointly authored them and nothing shall be construed against or in favor of one party based on it being deemed the sole author.

Progressive Design-Build Agreement

As modified by the Parties

Document No. 545

Second Edition, 2022

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Washington, D.C.







Progressive Design-Build Agreement

This document has important legal consequences. Consultation with an attorney is recommended with respect to its completion or modification.

This **AGREEMENT** is made as of the _____ day of _____ in the year of 2026, by and between the following parties, for services in connection with the Project identified below:

OWNER: City of Independence, Missouri

DESIGN-BUILDER: Burns & McDonnell Engineering Company, Inc.

PROJECT: Substation A Able Battery Line Terminal Upgrade

In consideration of the mutual covenants and obligations contained herein, Owner and Design-Builder agree as set forth herein.

Article 1

Design-Builder's Services and Responsibilities

1.1 General Services.

1.1.1 Owner shall provide Design-Builder with Owner's Project Criteria describing Owner's program requirements and objectives for the Project as set forth in Exhibit A. Owner's Project Criteria shall include Owner's use, space, price, time, site, performance and expandability requirements. Owner's Project Criteria may include conceptual documents, design specifications, design performance specifications and other technical materials and requirements prepared by or for Owner.

1.1.2 If Owner's Project Criteria have not been developed prior to the execution of this Agreement, Design-Builder will assist Owner in developing Owner's Project Criteria, with such service deemed to be an additional service for which additional compensation shall be paid by Owner to Design-Builder. If Owner has developed Owner's Project Criteria prior to executing this Agreement, Design-Builder shall review and prepare a written evaluation of such criteria, including recommendations to Owner for different and innovative approaches to the design and construction of the Project. The parties shall meet to discuss Design-Builder's written evaluation of Owner's Project Criteria and agree upon what revisions, if any, should be made to such criteria.

1.2 Phased Services.

1.2.1 Phase 1 Services. Design-Builder shall perform the services of design, pricing and other services for the Project based on Owner's Project Criteria, as may be revised in accordance with Section 1.1 hereof, as set forth in Exhibit B, Scope of Services. Design-Builder shall perform such services to the level of completion required for Design-Builder and Owner to establish the Contract Price for Phase 2, as set forth in Section 1.3 below. The Contract Price for Phase 2 shall be developed during Phase 1 on an "open-book" basis. Design-Builder's Compensation for Phase 1 Services is set forth in Section 6.0 herein. The level of completion required for Phase 1 Services is defined in Exhibit B, Scope of Services (either as a percentage of design completion or by defined deliverables).

1.2.2 The Parties previously entered into a certain Contract for Professional Services with an effective date of April 24, 2025, pursuant to which Design-Builder has performed a portion of the design services called for under this Agreement in Phase 1. The terms, scope, and price of all work on the Project performed to date under the Master Agreement, upon execution of this Agreement, shall be subsumed fully into, and become a part of this Agreement, shall not be subject to the terms of the Master Agreement, and the cost of such prior Work will be reflected in the total of the Phase 1 Contract Price under Section 6.1 of the Agreement.

1.2.3 Phase 2 Services. Design-Builder's Phase 2 services shall be described in the Contract Price Amendment. Upon receipt of Design-Builder's proposed Contract Price for Phase 2, Owner may proceed as set forth in Article 1.3. The Parties may agree to Construction Phase Services prior to entering into a Contract Price Amendment for the entire Phase 2 work ("Early Works Packages"). Such Early Works Packages will set forth the scope of work and the terms and conditions under which they will be performed and will constitute separate contracts for services until a Contract Price Amendment is entered into, at which time, they will be subsumed into, and become a part of, the Contract Price Amendment.

1.3 Contract Price Proposal. Upon completion of the Phase 1 Services and any other Basis of Design Documents upon which the parties may agree, Design-Builder shall submit a proposal to Owner (the

“Proposal”) for the completion of the design and construction for the Project for the Contract Price, based on Lump Sum.

1.3.1 The Proposal shall include the following:

1.3.1.1 The Contract Price based on a Lump Sum;

1.3.1.2 The Basis of Design Documents which will be attached as an Exhibit to the Proposal;

1.3.1.3 A list of the assumptions and clarifications made by Design-Builder in the preparation of the Proposal, which list is intended to supplement the information contained in the drawings and specifications and is specifically included as part of the Basis of Design Documents;

1.3.1.4 The Scheduled Substantial Completion Date upon which the Proposal is based, to the extent said date has not already been established under Section 5.2.1 hereof, and a schedule upon which the Scheduled Substantial Completion Date is based and a Project Schedule for the Work;

1.3.1.5 If applicable, a list of Allowance Items, Allowance Values, and a statement of their basis;

1.3.1.6 If applicable, a schedule of alternate prices;

1.3.1.7 If applicable, a schedule of unit prices;

1.3.1.8 If applicable, a statement of Additional Services which may be performed but which are not included in the Proposal, and which, if performed, shall be the basis for an increase in the Contract Price, Contract Time(s), or both;

1.3.1.9 Not used.

1.3.1.10 If applicable, Performance Incentives;

1.3.1.11 The time limit for acceptance of the Proposal; and

1.3.1.12 A permit list, a list detailing the permits and governmental approvals that Owner will bear responsibility to obtain.

1.3.2 Review and Adjustment to Proposal.

1.3.2.1 After submission of the Proposal, Design-Builder and Owner shall meet to discuss and review the Proposal. If Owner has any comments regarding the Proposal, or finds any inconsistencies or inaccuracies in the information presented, it shall promptly give written notice to Design-Builder of such comments or findings. If appropriate, Design-Builder shall, upon receipt of Owner's notice, make appropriate adjustments to the Proposal.

1.3.2.2 Acceptance of Proposal. If Owner accepts the Proposal, as may be amended by Design-Builder, the Contract Price and its basis shall be set forth in an amendment to this Agreement, when mutually agreed between the parties (Contract Price Amendment). Once the parties have agreed upon the Contract Price and Owner has issued a Notice to Proceed with Phase 2, Design-Builder shall perform the Phase 2 Services, all as further described in the Contract Price Amendment, as it may be revised.

1.3.2.3 Failure to Accept the Proposal. If Owner rejects the Proposal, or fails to notify Design-Builder in writing on or before the date specified in the Proposal that it accepts the Proposal, the Proposal shall be deemed withdrawn and of no effect. In such event, Owner and Design-Builder shall meet and confer as to how the Project will proceed, with Owner having the following options:

- i Owner may suggest modifications to the Proposal, whereupon, if such modifications are accepted in writing by Design-Builder, the Proposal shall be deemed accepted and the parties shall proceed in accordance with Section 1.3.2.3 above; or

Owner may terminate this Agreement for convenience in accordance with Article 8 hereof; provided, however, in this event, Design-Builder shall not be entitled to the payment provided for in Section 8.2 hereof.

If Owner fails to exercise its above option, or fails to respond, the Proposal within time frame set forth therein, then this Agreement shall be deemed completed. If Owner terminates the relationship with Design-Builder under Section 1.3.2.3, or if this Agreement is deemed completed under this paragraph, then Design-Builder shall have no further liability or obligations to Owner to perform under this Agreement. Should the Owner choose to exercise its termination rights or the Agreement be considered completed pursuant to this Section, Owner's use of Work Product shall be in accordance with Article 4.

Article 2

Contract Documents

2.1 The Contract Documents are comprised of the following:

2.1.1 All written modifications, amendments, minor changes and Change Orders to this Agreement issued in accordance with DBIA Document No. 535, *Standard Form of General Conditions of Contract Agreement Between Owner and Design-Builder*, attached hereto and as modified by the Parties (2022 Edition) ("General Conditions of Contract");

2.1.2 The Contract Price Amendment referenced in Section 1.3.2.2 herein or the Proposal accepted by Owner in accordance with Section 1.3 herein;

2.1.3 This Agreement, including all exhibits set forth in Article 11;

2.1.4 The General Conditions of Contract;

2.1.5 Construction Documents prepared and approved in accordance with Section 2.4 of the General Conditions of Contract;

2.1.6 The following additional documents, if any:

Article 3

Interpretation and Intent

3.1 Design-Builder and Owner, at the time of acceptance of the Proposal by Owner in accordance with Section 1.3 hereof, shall carefully review all the Contract Documents, including the various documents comprising the Basis of Design Documents for any conflicts or ambiguities. Design-Builder and Owner will discuss and resolve any identified conflicts or ambiguities prior to execution of the Agreement, or if applicable, prior to Owner's acceptance of the Proposal.

3.2 The Contract Documents are intended to permit the parties to complete the Work and all obligations required by the Contract Documents within the Contract Time(s) for the Contract Price. The Contract Documents are intended to be complementary and interpreted in harmony so as to avoid conflict, with words and phrases interpreted in a manner consistent with construction and design industry standards. In the event inconsistencies, conflicts or ambiguities between or among the Contract Documents are discovered after Owner's acceptance of the Proposal, Design-Builder and Owner shall informally attempt to resolve such ambiguity, conflict or inconsistency, recognizing that the Contract Documents shall take precedence in the order in which they are listed in Section 2.1.

3.3 Terms, words and phrases used in the Contract Documents, including this Agreement, shall have the meanings given them in the General Conditions of Contract.

3.4 If Owner's Project Criteria contain design specifications: (a) Design-Builder is entitled to reasonably rely on the accuracy of the information represented in the design specifications and their compatibility with other information set forth in Owner's Project Criteria, including any design performance specifications; and (b) Design-Builder shall be entitled to an adjustment in its Contract Price, Contract Time(s), or both, to the extent Design-Builder's cost, time of performance, or both have been adversely impacted by such inaccurate design specification.

3.5 The Contract Documents form the entire agreement between Owner and Design-Builder and by incorporation herein are as fully binding on the parties as if repeated herein. No oral representations or other agreements have been made by the parties except as specifically stated in the Contract Documents.

3.6 In the event of some ambiguity in the Contract Documents, the parties shall be deemed to have jointly authored them and nothing shall be construed against or in favor of one party based on it being deemed the sole author.

Article 4

Ownership of Work Product

4.1 Work Product. All drawings, specifications and other documents and electronic data, including such documents identified in the General Conditions of Contract, furnished by Design-Builder to Owner under this Agreement ("Work Product") are deemed to be instruments of service and Design-Builder shall retain the ownership and property interests therein, including but not limited to any intellectual property rights, copyrights or patents, including any Architectural Works, subject to the provisions set forth in Sections 4.2 through 4.5 below.

4.2 Owner's Limited License upon Project Completion and Payment in Full to Design-Builder. Upon Owner's payment in full for all Work performed under the Contract Documents, Design-Builder shall grant Owner a limited license to use the Work Product in connection with Owner's occupancy of this Project only, conditioned on Owner's express understanding that its use or alteration of the Work Product without the involvement of Design-Builder is at Owner's sole risk and without liability or legal exposure to Design-Builder or anyone working by or through Design-Builder, including Design Consultants of any tier (collectively the "Indemnified Parties"), and on Owner's obligation to provide the indemnity set forth in Section 4.5 herein. The Work Product cannot be used for other projects without Design-Builder's express written consent and appropriate compensation and agreement on terms of use and indemnity.

4.3 Owner's Limited License upon Owner's Termination for Convenience or Design-Builder's Election to Terminate. If Owner terminates this Agreement for its convenience as set forth in Article 8 hereof, or if Design-Builder elects to terminate this Agreement in accordance with Section 11.4 of the General Conditions of Contract, Design-Builder shall, upon Owner's payment in full of the amounts due Design-Builder under the Contract Documents, grant Owner a limited license to use the Work Product to complete and subsequently occupy the Project, and Owner shall thereafter have the same rights as set forth in Section 4.2 above, conditioned on the following:

4.3.1 Use of the Work Product is at Owner's sole risk without liability or legal exposure to any Indemnified Party, and on Owner's obligation to provide the indemnity set forth in Section 4.5 herein, and

4.3.2 In the event Owner resumes the Project through its employees, agents, or third parties, and in so doing uses the Work Product pursuant to its rights set forth above in Sections 4.2 and 4.3, Owner agrees to pay Design-Builder an additional sum equal to the reasonable value of the Work Product it uses in so doing.

4.4 Owner's Limited License upon Design-Builder's Default. If this Agreement is terminated due to Design-Builder's default pursuant to Section 11.2 of the General Conditions of Contract, then Design-Builder grants Owner a limited license to use the Work Product to complete the Project and subsequently occupy the Project, and Owner shall thereafter have the same rights and obligations as set forth in Section 4.2 above. Notwithstanding the preceding sentence, if it is ultimately determined that Design-Builder was not in default, Owner shall be deemed to have terminated the Agreement for convenience, and Design-Builder shall be entitled to the rights and remedies set forth in Section 4.3 above.

4.5 Owner's Indemnification for Use of Work Product. Owner recognizes that in the event of an early termination of the Work, whether for convenience or for cause, Design-Builder will not have the opportunity to finish or to finalize its Work Product. Therefore, if Owner uses the Work Product, in whole or in part, or if Owner is required to indemnify any Indemnified Parties based on the use or alteration of the Work Product under any of the circumstances identified in this Article 4, Owner shall, to the fullest extent permitted by applicable law, defend, indemnify and hold harmless the Indemnified Parties from and against any and all claims, damages, liabilities, losses and expenses, including attorneys' fees, arising out of or resulting from the use or alteration of the Work Product.

4.6 Submission or distribution to meet official regulatory requirements or for other purposes in connection with the Project is not to be construed as publication in derogation of the Design-Builder's rights.

4.7 The Owner shall not utilize the Documents, designs, or specifications furnished by Design-Builder to solicit bids or obtain negotiated prices from other contractors, except in the event of termination of the Agreement as set forth in 4.3 or 4.4 above.

4.8 This Article 4 shall survive any termination of this Agreement by either Party.

Article 5

Contract Time

5.1 Date of Commencement. The Phase 1 Services shall commence within five (5) days of Design-Builder's receipt of Owner's Notice to Proceed unless the parties mutually agree otherwise in writing. The Work shall commence within five (5) days of Design-Builder's receipt of Owner's Notice to Proceed for Phase 2 Services ("Date of Commencement") if the Proposal is accepted and the Contract Price Amendment is amended to this Agreement unless the parties mutually agree otherwise in writing. Execution of this Agreement by Owner shall be considered Notice to Proceed with Phase 1 Services. Notice to Proceed with Phase 2 Services shall be considered granted if Owner does not deliver a formal Notice to Proceed in Phase 2 within 90 days of acceptance of the Contract Price Amendment or termination of services prior to delivery of Notice to Proceed in Phase 2.

5.2 Completion of Phase 1 Activities: Phase 1 deliverables and activities will be completed on or before the dates established in Exhibit B – Phase 1 Scope of Work.

5.3 Substantial Completion and Final Completion.

5.3.1 Substantial Completion of the entire Work shall be achieved no later than the date established in the Phase 2 Contract Price Amendment Proposal.

5.3.2 Substantial Completion shall be defined as set out in the General Conditions.

5.3.3 Final Completion of the Work or identified portions of the Work shall be achieved as expeditiously as reasonably practicable. Final Completion is the date when all Work is complete pursuant to the definition of Final Completion set forth in Section 1.2.8 of the General Conditions of Contract.

5.3.4 All of the dates set forth in this Article 5 ("Contract Time(s)") shall be subject to adjustment in accordance with the Agreement and General Conditions of Contract.

5.3.5 If the Design-Builder is delayed in the progress of this Project by acts or neglect by the Owner, its employees, separate contractors employed by Owner, or by tenants, tenants' separate contractors or subcontractors employed by the tenant, governmental action, right of way users, easement holders or by change orders in the Work not caused in any part by the fault of the Design-Builder; then the Contract Time for completion shall be extended, and the Contract Amount shall be equitably adjusted by a written Change Order.

5.3.6 Where the Design-Builder reasonably establishes that delays as set forth above or that are caused by shortage of labor, strikes, lockout, tornado, flood, wind damage, fire, unusual delay in transportation, adverse weather conditions beyond the quantity of lost days anticipated in the Project Schedule per "Exhibit I" to the Contract Price Amendment, Anticipated Lost Days to Inclement / Adverse Weather, explosion, sabotage, accidents, riots, civil commotion, acts of war, casualty, international trade dispute, changes in Legal Requirements, condemnation, or other Force Majeure events beyond the Design-Builder's reasonable control impact the cost, Contract Time, or both, the Design-Builder shall be entitled to an increase in the Contract Price and an appropriate extension of the Contract Time. Design-Builder shall provide written notice of the existence of such cause of delay, together with back-up documentation that verifies the impact in accordance with the Contract Documents.

5.3.7 For purposes of determining weather delays, the parties shall use "Exhibit I," Anticipated Lost Days to Inclement / Adverse Weather submitted with the Contract Price Proposal. The days shown on "Exhibit I" shall not accumulate month-to-month, but are to be used for determining only the anticipated adverse weather in a given month. Adverse weather for a period of two (2) hours on any day shall constitute one complete day since crews sent home are not able to be re-called once they abandon the Work. Adverse weather days shall also include those days when site conditions are such that Work cannot be performed, or cannot be performed efficiently, due to adverse weather on the preceding day or days (including a weekend) which impact on site conditions.

5.4 Time. Owner and Design-Builder mutually agree that time is important with respect to the dates and times set forth in the Contract Documents.

5.5 Liquidated Damages. Design-Builder understands that if Substantial Completion is not attained by the Scheduled Substantial Completion Date, Owner will suffer damages which are difficult to determine and accurately specify. Design-Builder agrees that if Substantial Completion is not attained by (10) days after the Scheduled Substantial Completion Date (the "LD Date"), Design-Builder shall pay Owner three thousand Dollars (\$3,000.00) as liquidated damages for each day that Substantial Completion extends beyond the LD Date.

5.6 Any liquidated damages assessed pursuant to this Agreement shall be in lieu of all liability for any and all extra costs, losses, expenses, claims, penalties and any other damages, whether special or consequential, and of whatsoever nature, incurred by Owner which are occasioned by any delay in achieving Substantial Completion, Interim Milestone Dates (if any) or Final Completion.

Owner and Design-Builder agree that the maximum aggregate liability Design-Builder has for any liquidated damages that may be assessed under this Agreement shall be six hundred and fifty-seven thousand one hundred and thirty Dollars (\$657,130.00).

5.7 Early Completion Bonus. – Not Used

5.8 In addition to Design-Builder's right to a time extension for those events set forth in Section 8.2.1 of the General Conditions of Contract, Design-Builder shall also be entitled to an appropriate adjustment of the Contract Price for those events set forth in Section 8.2.1 of the General Conditions of Contract, provided, however, for Force Majeure Events, Design-Builder shall be entitled to an increase in the Contract Price.

5.9 Owner's Review Time. The parties have established the following maximum and minimum amount of time for Owner to review Design Submissions and the Project Schedule or any updates thereto unless the parties agree in writing otherwise.

5.9.1 Owner shall have a minimum of ten business days of receipt by Owner to review all Design Submissions, the Project Schedule, and any updates thereto.

5.9.2 Owner shall review and (if applicable) provide a response to Design-Builder on all Design Submissions, the Project Schedule and any updates thereto within no more than twenty business days of receipt by Owner.

Article 6

Contract Price

6.1 Contract Price.

6.1.1 Owner shall pay Design-Builder in accordance with Article 6 of the General Conditions of Contract the sum of five hundred and fifty nine thousand dollars Dollars (\$559,000) for the Phase 1 Services, plus the allowances identified in "Exhibit B – Scope of Work", subject to adjustments made in accordance with the General Conditions of Contract. Phase 1 Services will be completed on a Time and Material basis. Unless otherwise provided in the Contract Documents, the Phase 1 Services compensation is deemed to include all sales, use, consumer and other taxes mandated by applicable Legal Requirements.

6.1.2 For Phase 2 Services, Owner shall pay Design-Builder in accordance with Article 6 of the General Conditions of Contract a contract price ("Contract Price") equal to the Lump Sum amount set forth in the Contract Price Amendment and any adjustments made in accordance with the General Conditions of Contract.

6.2 Markups for Changes. If the Contract Price requires an adjustment due to changes in the Work, and the cost of such changes is determined under Sections 9.4.1.3 or 9.4.1.4 of the General Conditions of Contract, the following markups shall be allowed on such changes:

6.2.1 For additive Change Orders, including additive Change Orders arising from both additive and deductive items, it is agreed that Design-Builder shall receive a Fee of ten percent (10%) of the additional costs incurred for that Change Order. In addition to mark-up for Fee, Design-Builder shall be entitled to mark-up for insurance and bond (if bonded Project) in an amount of Four percent (4%). Neither Design-Builder's Fee nor insurance and bond shall be reduced due to deductive Change Orders issued by Owner.

6.2.2 For deductive Change Orders, including deductive Change Orders arising from both additive and deductive items, the deductive amounts shall include:

No additional reduction to account for Design-Builder's Fee, general conditions costs, design services cost, or any other markup.

6.3 Allowance Items and Allowance Values.

6.3.1 Any and all Allowance Items, as well as their corresponding Allowance Values, are set forth in the Contract Price Proposal or Phase 2 Cost Proposal.

6.3.2 Design-Builder and Owner have worked together to review the Allowance Items and Allowance Values based on design information then available to determine that the Allowance Values constitute reasonable estimates for the Allowance Items. Design-Builder and Owner will continue working closely together during the preparation of the design to develop Construction Documents consistent with the Allowance Values. Nothing herein is intended in any way to constitute a guarantee by Design-Builder that the Allowance Item in question can be performed for the Allowance Value.

6.3.3 No work shall be performed on any Allowance Item without Design-Builder first obtaining in writing advance authorization to proceed from Owner. Owner agrees that if Design-Builder is not provided written authorization to proceed by the date set forth in the Project schedule, due to no fault of Design-Builder, Design-Builder may be entitled to an adjustment of the Contract Time(s) and Contract Price.

6.3.4 The Allowance Value includes the direct cost of labor, materials, equipment, transportation, taxes and insurance associated with the applicable Allowance Item. All other costs, including design fees, Design-Builder's overall project management and general conditions costs, overhead and Fee, are deemed to be included in the original Contract Price, and are not subject to adjustment notwithstanding the actual amount of the Allowance Item.

6.3.5 Whenever the actual costs for an Allowance Item is more than or less than the stated Allowance Value, the Contract Price shall be adjusted accordingly by Change Order, subject to Section 6.3.4. The amount of the Change Order shall reflect the difference between actual costs incurred by Design-Builder for the particular Allowance Item and the Allowance Value.

6.3.6 Whenever an Allowance Item causes a delay to the Contract Time, Design-Builder is entitled to an adjustment of the Contract Time(s) and Contract Price by Change Order relating to such delay.

Article 7

Procedure for Payment

7.1 Payment for Preliminary Services. Design-Builder and Owner agree upon the following method for partial and final payment to Design-Builder for the services hereunder:

7.1.1 Design-Builder will submit an Application for Payment to Owner each month based on Work completed during the period since the last Application for Payment was submitted.

7.1.2 Owner shall make payment within thirty (30) days after Owner's receipt of each properly submitted and accurate Application for Payment.

7.2 Contract Price Progress Payments.

7.2.1 Design-Builder shall submit to Owner on the tenth (10th) day of each month, beginning with the first month after the Date of Commencement, Design-Builder's Application for Payment in accordance with Article 6 of the General Conditions of Contract.

7.2.2 Owner shall make payment within ten (10) days after Owner's receipt of each properly submitted and accurate Application for Payment in accordance with Article 6 of the General Conditions of Contract, but in each case less the total of payments previously made, and less amounts properly withheld under Section 6.3 of the General Conditions of Contract.

7.2.3 If Design-Builder's Fee under Section 6.4 hereof is a fixed amount, the amount of Design-Builder's Fee to be included in Design-Builder's monthly Application for Payment and paid by Owner shall be proportional to the percentage of the Work completed, less payments previously made on account of Design-Builder's Fee.

7.3 Retainage on Progress Payments.

7.3.1 Owner will retain five percent (5%) of the Contract Price in Phase 2, exclusive of design fees and equipment costs, from each Application for Payment provided, however, that when fifty percent (50%) of the Work has been satisfactorily completed by Design-Builder and Design-Builder is otherwise in compliance with its contractual obligations, Owner will not retain any additional amounts from Design-Builder's subsequent Applications for Payment. Owner will also reasonably consider reducing retainage for Work completed early in the Project.

7.3.1 Within fifteen (15) days after Substantial Completion of the entire Work or, if applicable, any portion of the Work, pursuant to Section 6.6 of the General Conditions of Contract, Owner shall release to Design-Builder all retained amounts relating, as applicable, to the entire Work or completed portion of the Work, less an amount equal to: (a) the reasonable value of all remaining or incomplete items of Work as noted in the Certificate of Substantial Completion; and (b) all other amounts Owner is entitled to withhold pursuant to Section 6.3 of the General Conditions of Contract.

7.4 Final Payment. Design-Builder shall submit its Final Application for Payment to Owner in accordance with Section 6.7 of the General Conditions of Contract. Owner shall make payment on Design-Builder's properly submitted and accurate Final Application for Payment (less any amount the parties may have agreed to set aside for warranty work) within ten (10) days after Owner's receipt of the Final Application for Payment, provided that Design-Builder has satisfied the requirements for final payment set forth in Section 6.7.2 of the General Conditions of Contract.

7.5 Interest. Payments due and unpaid by Owner to Design-Builder, whether progress payments or final payment, shall bear interest commencing five (5) days after payment is due at the rate of One and One-half percent (1.5%) per month until paid.

7.6 Record Keeping and Finance Controls. Design-Builder shall keep full and detailed accounts and exercise such controls as may be necessary for proper financial management, using accounting and control systems in accordance with generally accepted accounting principles and as may be provided in the Contract Documents. During the performance of the Work and for a period of three (3) years after Final Payment, Design-Builder will retain these records. Any multipliers or markups agreed to by Owner and Design-Builder as part of this Agreement are only subject to audit to confirm that such multiplier or markup has been charged in accordance with this Agreement, but the composition of such multiplier or markup is not subject to audit. Any lump sum agreed to by Owner and Design-Builder as part of this Agreement is not subject to audit.

Article 8

Termination for Convenience

8.1 Upon Ten (10) days' written notice to Design-Builder, Owner may for its convenience and without cause, elect to terminate this Agreement. In such event, Owner shall pay Design-Builder for the following:

8.1.1 All services performed and Work executed and for loss, cost, or expense in connection with the services and Work;

8.1.2 The reasonable costs and expenses attributable to such termination, including demobilization costs and amounts due in settlement of terminated contracts with Subcontractors, Suppliers and Design Consultants; and

8.2 In addition to the amounts set forth in Section 8.1 above and Section 11.6.1 of the General Conditions, Design-Builder shall be entitled to receive one of the following as applicable:

8.2.1 If Owner terminates this Agreement prior to commencement of construction and after execution of the Contract Price Amendment, Design-Builder shall be paid in full for the Phase 1 services already rendered plus ten percent (10%) of the remaining balance of the Contract Price.

8.3 If Owner terminates this Agreement pursuant to Section 8.1 above and proceeds to design and construct the Project through its employees, agents, separate contractors, or third parties, Owner's rights to use the Work Product shall be as set forth in Section 4.3 hereof. Such rights may not be transferred or assigned to others without Design-Builder's express written consent and such third parties' agreement to the terms of Article 4.

Article 9

Representatives of the Parties

9.1 Owner's Representatives.

9.1.1 Owner designates the individual listed below as its Senior Representative ("Owner's Senior Representative"), which individual has the authority and responsibility for avoiding and resolving disputes under Section 10.2.3 of the General Conditions of Contract:

Name: Joseph Hegendeffer

Title: Director

Address: 21500 E Truman Road, Independence, MO 64051

Telephone No.: _____

Email: jhegendeffer@indepmo.org

9.1.2 Owner designates the individual listed below as its Owner's Representative, which individual has the authority and responsibility set forth in Section 3.4 of the General Conditions of Contract:

Name: Jessica Fett

Title: Engineer III

Address: 21500 E Truman Road, Independence, MO 64051

Telephone No.: 816-206-6077

Email: jfett@indepmo.org

9.1.3 The Owner represents and warrants to Design-Builder that owner, if not the true owner of the real property upon which the Project is to be built, is the agent of the true owner, with express legal authority to enter into this Agreement for the purpose of improving that real property. The property cannot be used for the purpose intended by this Agreement without the making of the improvements described herein.

9.2 Design-Builder's Representatives.

9.2.1 Design-Builder designates the individual listed below as its Senior Representative ("Design-Builder's Senior Representative"), which individual has the authority and responsibility for avoiding and resolving disputes under Section 10.2.3 of the General Conditions of Contract:

Name: Adam Roth

Title: Authorized Representative

Address: 9400 Ward Parkway, Kansas City, MO 64114

Telephone No.: 816-995-9221

Email: aroth@burnsmcd.com

9.2.2 Design-Builder designates the individual listed below as its Design-Builder's Representative, which individual has the authority and responsibility set forth in Section 2.1.1 of the General Conditions of Contract:

Name: Spencer Ferguson

Title: Authorized Representative

Address: 9400 Ward Parkway, Kansas City, MO 64114

Telephone No.: 816-627-3384

Email: stferguson@burnsmcd.com

Article 10

Bonds and Insurance

10.1 Insurance. Design-Builder and Owner shall procure the insurance coverages set forth here and in accordance with Article 5 of the General Conditions of Contract.

TYPE:	REQUIRED LIMITS:
1. <i>Worker's Compensation Insurance:</i>	<i>Statutory Amount</i>
2. <i>Employer's Liability:</i>	<i>\$500,000 policy limit by disease, \$500,000 each accident \$500,000 each employee by disease</i>
3. <i>Commercial General Liability (CGL):</i>	
<i>General Aggregate:</i>	<i>\$2,000,000</i>
<i>Completed Operations Aggregate:</i>	<i>\$2,000,000</i>
<i>Limit Per Occurrence:</i>	<i>\$1,000,000</i>
4. <i>Automobile Liability: (Hired, Owned & Non-Owned Included)</i>	
<i>Combined Single Limit Per Accident:</i>	<i>\$1,000,000</i>
5. <i>All Builder's Risk:</i>	<i>limits equal to the Completed Value of Project Work. This policy shall be in place during construction of the Work until Substantial Completion of the Work. Owner, subcontractors of every tier, including suppliers, vendors, and manufacturers, architects and engineers shall be included as an additional insured but only to the extent of their interests while on site. This policy shall include a waiver of subrogation in favor of Owner. Owner is responsible for deductibles. Should any portion of the Work be deemed uninsurable and/or insurance unobtainable under the all-risk Builders Risk policy Design-Builder would expect the Owner to assume responsibility of any loss in excess of coverage, limits, and uncovered losses to the Work and the Project scope.</i>
6. <i>Professional Liability:</i>	
<i>Per Claim:</i>	<i>\$1,000,000</i>
<i>Aggregate:</i>	<i>\$1,000,000</i>

10.2 Bonds. Design-Builder shall provide the following performance bond and labor and material payment bond.

Performance Bond.

☒ Required ☐ Not Required

Payment Bond

☒ Required ☐ Not Required

Article 11

Other Provisions

11.1 Other provisions, if any, are as follows:

11.1.1 Sole Governance of the Work. Where this Agreement is entered into subsequent to the Design-Builder beginning performance of the Work for the Project including, preconstruction services provided under the Preliminary Design-Build Agreement, the parties acknowledge and agree that this Agreement is intended to and shall govern all Work provided by the Design-Builder for the Project, whether initiated or performed prior or subsequent to the execution of this Agreement, and that this Agreement is intended to and shall supersede and replace any and all prior agreements whether written or oral for the subject matter set forth in this Agreement.

11.2 Listing of Exhibits and documents incorporated herein:

Exhibit A – Owners Project Criteria (not used)
 Exhibit B – Phase 1 Scope of Services & Deliverables
 Exhibit C – Project Execution Plan
 Exhibit D – Contract Price Amendment
 Exhibit E – Design-Builder Rates
 Exhibit F – Milestone Payment Schedule
 Exhibit G – Project Schedule
 Exhibit H – Forms
 Exhibit I – Anticipated Lost Days to Adverse Weather
 DBIA 535 - General Conditions of Contract

Article 12

Limitation of Liability

12.1 Limitation. To the fullest extent permitted by law, and notwithstanding any other provision of this Agreement, the total liability, in the aggregate, of Design-Builder, its Design Consultants, and Subcontractors, surety (if any) and their respective officers, directors, employees and agents, and any of them, to Owner and anyone claiming by, through or under Owner, for any and all claims, losses, liabilities, costs or damages whatsoever arising out of, resulting from or in any way related to the Project or this Agreement from any cause, including but not limited to the negligence, indemnity, professional errors or omissions, strict liability, breach of contract or warranty (express or implied), shall not exceed the lesser of fifty percent (50%) of the Contract Price or (2) if Owner terminates the Project prior to Substantial Completion, the total compensation received by Design-Builder under the Agreement as of the date of termination. The parties agree that specific consideration has been given by Design-Builder for this limitation and that it is deemed adequate, and that it has been bargained for and based upon generally accepted industry loss experience.

In executing this Agreement, Owner and Design-Builder each individually represents that it has the necessary financial resources to fulfill its obligations under this Agreement, and each has the necessary corporate approvals to execute this Agreement, and perform the services described herein.

OWNER:

(Name of Owner)

(Signature)

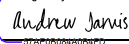
(Printed Name)

(Title)

Date: _____

DESIGN-BUILDER:

Burns & McDonnell Engineering Company, Inc.
(Name of Design-Builder)

Signed by:


(Signature)

Andy Jarvis
(Printed Name)

Senior Vice President
(Title)

Date: 1/13/2026

IPL

Substation A 161kV Line Terminal
EXHIBIT D - PRICING SUMMARY

ITEM		Cost	BMcD Fee	Total	Comments
PROJECT ADMINISTRATION					
BMcD	Project Management	\$ 281,010	0%	\$ 281,010	
BMcD	Project Controls	\$ 81,823	0%	\$ 81,823	
ENGINEERING					
BMcD	Substation Engineering Support	\$ 921,747	0%	\$ 921,747	
BMcD	Environmental/Permitting Support	\$ 60,929	0%	\$ 60,929	
PROCUREMENT					
BMcD	Procurement & Expediting	\$ 75,693	0%	\$ 75,693	
Dis Tran	C203 - Substation Materials & Steel	\$ 803,087	10%	\$ 883,396	
EP2	C207 - Control Enclosure	\$ 798,587	10%	\$ 878,446	
Stallion	C617 - Site Camera/Security	\$ 22,450	10%	\$ 24,695	
CONSTRUCTION					
BMcD	Construction & Safety Manager	\$ 206,473	0%	\$ 206,473	
BMcD	Site Management	\$ 672,450	0%	\$ 672,450	
B&M	C401 - Substation Construction	\$ 1,172,144	10%	\$ 1,289,358	
GST	C408 - Testing & Commissioning	\$ 120,129	10%	\$ 132,142	
BMcD	Indirects, BR, P&P Bond	\$ 118,790	10%	\$ 130,669	
Subtotal =		\$ 5,335,311	\$ 303,519	\$ 5,638,829	
Date: 12/17/26		Contingency	6%	\$ 320,119	
Substation A 161kV Line Terminal		Warranty	1%	\$ 53,353	
BMcD Project No.: 184726		Sales & Use Tax	0%	\$ -	
Rev 0		Subtotal =		\$ 6,012,301	
		Phase 1 Pricing			
		Phase 1 - Sub A Station Expansion		\$ 482,000	
		Ground Survey		\$ 33,000	
		Geotechnical Investigation		\$ 44,000	
		Previous PO's Total		\$ 559,000	
		Sales & Use Tax		\$ -	
		Total EPC Cost		\$ 6,571,301.23	



MEMORANDUM

DATE: January 12th, 2026

TO: Honorable Mayor & Members of the City Council

FROM: Andrew R. Frazier, Management Analyst

SUBJECT: Independence Power & Light Purchase Order for Substation Able Battery



I have reviewed the contract information to ensure compliance with the contracting process per Section 1.43.007(D) of the City Code: The Management Analyst shall audit all proposed City contracts anticipated to cost in excess of \$2,000,000.00 prior to the proposed contracts being submitted to the City Council.

The Agenda includes a consent item authorizing the Interim City Manager to execute a purchase order Burns & McDonnell in the amount of \$6,012,301.00. This purchase order encompasses one 161 kV A-Frame structure, three 161 kV disconnect switches, one circuit breaker, one new control enclosure, one bus support, two station service transformers, three surge arrester, three new voltage transformers, and relaying for Substation A: Able Battery. This purchase will help ensure reliable power and transmission in accordance with Generation Interconnection Agreement (GIA) GEN-2018-031, to which the City is a party, among Blue Valley Grid, LLC and Southwest Power Pool, Inc. (SPP).

The project's total financial impact on the City is \$6,012,301.00. Approval of this purchase order will also authorize future change orders of up to ten percent (10%) of the contract amount as contingency. Ten percent equals \$601,230.10, bringing the total potential project cost to \$6,613,531.10. These costs are reimbursable under the GIA. The City has already received partial funding reimbursement in accordance with the GIA payment schedule.

This project is funded through a designated line item in the Independence Power & Light's adopted FY 2025–2026 budget. Additionally, transfers from existing IPL capital projects to this project have previously been approved and processed by Finance to cover the entire cost of this project. Costs for this project will be recovered through SPP's FERC-approved tariff and reimbursed to the City.

City staff has provided me with all the relevant information, and I did not identify any provisions that would be detrimental or unacceptable to the City.



Please let me know if you should have any further questions regarding this matter.

Respectfully,

A handwritten signature in black ink, appearing to read 'Andrew R. Frazier', is positioned below the word 'Respectfully,'.

Andrew R. Frazier, MPA,
Management Analyst

- C. Lisa Reynolds, Interim City Manager
 Joe Heggendeffer, Independence Power & Light Director
 Susanne Holland, City Clerk



PROCUREMENT SOURCE JUSTIFICATION

For Sole Source or Emergency Purchases Above \$10,000.00

A sole source is defined as: Only one vendor that possesses the unique and singularly available capability to meet the requirement of the procurement An emergency purchase is defined as: A purchase is necessary to alleviate a situation in which there is a threat to health, welfare, or safety, and/or where time does not allow time for normal procurement procedures. All purchases shall follow the City of Independence Procurement Policy.	
I REQUEST THAT THE REFERENCED PRUCHASE BE DECLARED A SOLE SOURCE OR EMERGENCY PURCHASE	
Proposed supplier name and address: Burns & McDonnell Engineering Company, Inc. 9400 Ward Parkway, KCMO 64114	Munis Vendor ID #: Or attach Supplier's W-9 Form
Purchase Requisition #: 20263442	Estimated Cost: \$ 6,012,301.00
If this is a sole source purchase, check all that apply: ☐ Licensed or patented – supplier has a license or patent that makes them the Limited provider. ☐ One-of-a-kind – there are no competitive alternatives available on the market ☐ Limited Distributor – Supplier is the limited distributor for the region or municipality ☐ Compatibility – must match existing brand or equipment for compatibility ☐ Warranty / Replacement part - for a specific brand or factory authorized warranty service ☐ Grant – Requirements for specific goods / services established in the grant language. Attach grant for support ☐ Unique design – must meet physical design or quality standards. ☐ Public Utility Services – Necessary adjustment of utility facilities ☒ Other - Continuity in service allowing reduced costs; A/E approved vendor; necessary to meet the required in service date per the generation interconnect agreement 	
If this is an emergency purchase, check all that apply and give a brief description of the situation: Response to a threat to health, welfare or ☐ Public safety ☐ Protection of preservation of public property ☐ Major project's timeline does not allow for normal procedures in order to be completed Description - 	
STATEMENT OF NEED AND CERTIFICATION: My department's recommendation for this expenditure is based upon an objective review of the product / service required and appears to be in the best interest of the City of Independence. I know of no conflict of interest with this request. No gratuities, favors, or compromising action have taken place. Neither has my personal familiarity with particular brands, types of equipment, materials, or firms been a deciding influence on my request to source this purchase when there are other known suppliers to exist. By submitting this form to Munis, I hereby certify that this justification for procurement is accurate and complete to the best of my knowledge and belief.	
Department Head Authorization	
Name: Joseph Hegendeffer	Department: IPL
Signature:	Title: Director
City Manager Authorization (Emergency Purchases Only)	
Signature:	Date:



RE: Approval Requested - \$6,012,301.00 B&M Able substation EPC

From Joseph Hegendeffeffer <jhegendeffeffer@indepmo.org>

Date Tue 1/13/2026 1:59 PM

To Jessica Fett <jfett@indepmo.org>

Cc Ricky de Aragon <rdearagon@indepmo.org>; Briana Jarvis <BJarvis@indepmo.org>; Jennifer Sawyer <jsawyer@indepmo.org>

I approve this sole source. Please ensure we provide this information to the City Management Analyst for review as well before moving to council approval.

Thanks



Joe Hegendeffeffer

Director

O - 816.325.7494

C - 816.267.3587

jhegendeffeffer@indepmo.org

21500 E Truman Rd.
Independence MO 64056

From: Jessica Fett <jfett@indepmo.org>

Sent: Tuesday, January 13, 2026 11:46 AM

To: Joseph Hegendeffeffer <jhegendeffeffer@indepmo.org>

Cc: Ricky de Aragon <rdearagon@indepmo.org>; Briana Jarvis <BJarvis@indepmo.org>; Jennifer Sawyer <jsawyer@indepmo.org>

Subject: FW: Approval Requested - \$6,012,301.00 B&M Able substation EPC

Please approve the attached limited source form and req for the Able Battery substation construction phase (GIA 2018-031) with Burns & McDonnell. Intent is to have this on the 2/2 council agenda with the council package to Procurement by 1/16/26.



Jessica Fett

Engineer III

O – 816-325-7517

C – 816-206-6077

jfett@indepmo.org

21500 E Truman Rd.
Independence, MO 64051

From: Jessica Fett

Sent: Thursday, January 8, 2026 1:41 PM

To: Ricky de Aragon <rdearagon@indepmo.org>

Cc: Jennifer Sawyer <JSawyer@indepmo.org>; Briana Jarvis <BJarvis@indepmo.org>

Subject: Approval Requested - \$6,012,301.00 B&M Able substation EPC

This is for the second phase of the Substation A EPC project for Able Battery (GIA 2018-031). Proposal and separate pricing sheet attached. Once a req# is available the limited source form will be submitted for approval. Intent is to have this on the 2/2 council agenda with the council package to Procurement by 1/16/26. I will be speaking with the Management Analyst tomorrow for another review due to the cost of the GIA exceeding the amount in resolution 7010. The contract forms will be provided once B&M cleans up the edits and signs. Also, I will provide the coversheet to you in a separate email for review.

Purchase Requisition						
Independence Power & Light Department						
Date Submitted:	01/08/26		Date Required:		Submitted by:	Fett
FOB: q ppd & add. q fit pd. q pick up			Requisition Numl		P.O. Number:	
Purpose:	Sub A Able Battery -Substation EPC Services					
Item No.	Description	Unit Cost	Quantity	Total Cost	Account Numbers	
					Budget Account No.	FERC No.
1	For the Generation Interconnect Agreement GEN-2018-031; Able Battery Line Terminal Project at Substation A. Services provided are the final design for the substation modifications, project management, environmental support, material procurement and construction. Per proposal dated 12/17/25.	\$ 6,012,301.00	1	\$ 6,012,301.00	202515	
				\$ -		
				\$ -		
				\$ -		
				\$ -		
	Total			\$ 6,012,301.00		
Suggested Vendors: (name and address)						
1	Burns & McDonnell, 9400 Ward Parkway, Kansas City MO 64114					
2	Attn: Spencer Ferguson, stferguson@burnsmcd.com, 816-627-3384					
3						
This form is to be used when ordering any items over \$2,500 or if this is an emergency request. FOB <u>must</u> be marked. If this is an emergency request, please attach a memo of explanation and justification which will satisfy any questions.						
Approved by:				Date:		



Jessica Fett

Engineer III

O – 816-325-7517

C – 816-206-6077

jfett@indepmo.org

21500 E Truman Rd.

Independence, MO 64051

City of Independence

AGENDA ITEM COVER SHEET

Agenda Title:

26-711 A resolution updating the membership for the Japanese Sister City Committee **Approved Res. No. 7203**

Recommendations:**Background:**

This resolution increases committee membership from nine to twelve members.

Emergency Justification:**Fiscal Impact:****Council Action:**

**Department /
Contact**

Council and Board /

REVIEWERS

Jeremy Cover
Lisa Reynolds
Susanne Holland

ATTACHMENTS:

1. Res Increasing no of members to JSCC
2. Res. No. 7203

BILL NO. _____
RESOLUTION NO. _____

A RESOLUTION UPDATING THE MEMBERSHIP FOR THE JAPANESE SISTER CITY
COMMITTEE.

WHEREAS, the City Council, by the passage of Resolution No. 1239 on January 16, 1978, did establish a Japanese Sister City Committee to work for a lasting relationship, to build a mutual friendship and understanding, and thereby enhance the cause of international peace under the Sister City International Program with the City of Higashimurayama, Japan; and,

WHEREAS, it is the intention of the City Council to ensure the membership structure on boards and commissions is appropriate for the board or commission to function properly and efficiently; and,

WHEREAS, it is the desire of the City Council to increase the membership of the Japanese Sister City Committee from nine members to twelve members;

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

SECTION 1. That the membership of the Japanese Sister City Committee will be increased from 9 members to 12 members by adding open positions.

PASSED THIS _____ DAY OF FEBRUARY 2026, BY THE CITY COUNCIL OF THE CITY OF INDEPENDENCE, MISSOURI.

Presiding Officer of the City Council
of the City of Independence, Missouri

ATTEST:

City Clerk

APPROVED AS TO FORM AND LEGALITY:

City Counselor

REVIEWED BY:

Interim City Manager

BILL NO. 210.711
RESOLUTION NO. 7203

A RESOLUTION UPDATING THE MEMBERSHIP FOR THE JAPANESE SISTER CITY
COMMITTEE.

WHEREAS, the City Council, by the passage of Resolution No. 1239 on January 16, 1978, did establish a Japanese Sister City Committee to work for a lasting relationship, to build a mutual friendship and understanding, and thereby enhance the cause of international peace under the Sister City International Program with the City of Higashimurayama, Japan; and,

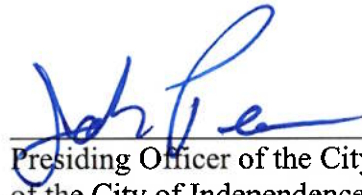
WHEREAS, it is the intention of the City Council to ensure the membership structure on boards and commissions is appropriate for the board or commission to function properly and efficiently; and,

WHEREAS, it is the desire of the City Council to increase the membership of the Japanese Sister City Committee from nine members to twelve members;

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

SECTION 1. That the membership of the Japanese Sister City Committee will be increased from 9 members to 12 members by adding open positions.

PASSED THIS 4th DAY OF FEBRUARY 2026, BY THE CITY COUNCIL OF THE CITY OF INDEPENDENCE, MISSOURI.



Presiding Officer of the City Council
of the City of Independence, Missouri

ATTEST:



City Clerk



APPROVED AS TO FORM AND LEGALITY:



City Counselor

REVIEWED BY:



Interim City Manager

Notice of Public Hearings

Notice is hereby given that a public hearing will be held by the Independence **City Council** at 6 p.m., Wednesday, February 4, 2026, in the Independence City Hall City Council Chambers (lower level, north entrance) 111 E. Maple Avenue, in Independence, Missouri on the following matter(s):

Case 22-125-08 – Rezoning – 2610 and 2612 S. Lee’s Summit Road – A request by Joseph J. Laughlin to rezone this property from C-1 (Neighborhood Commercial) and R-6 (Single-Family Residential) to R-18/PUD (Moderate Density Residential/Planned Unit Development) and approve a Preliminary Development Plan.

The City Council will only hear new information that was not presented at the Planning Commission’s public hearing on July 12, 2022, if such facts were not reasonably available at the time of the Planning Commission hearing. Any new information proposed to be presented to the City Council must be submitted in writing to the Community Development Department and Law Department at least seven (7) days prior to the City Council meeting.

Witness my hand this 9th day of January, 2026.

Tom Scannell, Community Development Director
The City of Independence, Missouri is an Equal Opportunity Employer/Contractor/MFD

Published in the Examiner, Jan 14, 2026

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City of Independence

AGENDA ITEM COVER SHEET

Agenda Title:

22-075 **2R** An ordinance approving a rezoning from District C-1 (Neighborhood Commercial) and District R-6 (Single-Family Residential) to District R-18/PUD (Moderate-Density Residential/Planned Unit Development) and approving a preliminary development plan for the properties at 2610 and 2612 S. Lee's Summit Road, in Independence, Missouri. **2R (1R was on 8/1/2022) Item Postponed to 2/16/26**

Recommendations:

Commissioner Wiley made a motion to recommend approval of the rezoning and preliminary development plan which consists of the attached photographs of the site, with the following conditions:

1. For the Final Development Plan, create a denser landscaped buffer along the southern edge of the property. Create a Medium-Intensity landscape buffer per the landscaping section of the Unified Development Ordinance (UDO);
2. Provide a four-foot high berm along Lee's Summit Road. Submit a cross-section elevation with the Final Development Plan;
3. All sidewalks provided must be 5-foot wide to meet ADA requirements;
4. Provide parking lot parameter trees and shrubs, and shrubs around the buildings (the exact number of plantings worked out with staff for the Final Development Plan);
5. The Final Development Plan should provide an elevation of a entry sign/feature;
6. Stripe a left-turn lane at the entrance to the proposed development;
7. The Masonry façades on the front elevations of the buildings must be carried for at least two feet onto the adjacent side elevations and across all right-of-way facing façades;
8. On the Final Development Plan, label the new public right-of-way, "E. 26th Terrace Court S." The units will be addressed on the Final Development Plan as well;
9. Prior to the issuance of any building permits, a replat of the property shall be approved.

A second to the motion was made by Commissioner Michell. The Independence Planning Commission voted as follows:

Commissioner Nesbitt – No
Commissioner Michell – Yes
Commissioner Wiley – Yes
Commissioner Young – No
Commissioner McClain – Absent
Commissioner Preston – Yes
Commissioner Ferguson – No

The motion did not receive a majority vote and failed to pass 3-3 and such application is

forwarded to the City Council for its consideration. Staff recommends approval of the application with conditions.

Background:

Seth Veld seeks to rezone the properties at 2610 and 2612 S. Lee's Summit Road from C-1 (Neighborhood Commercial) and R-6 (Single-Family Residential) to R-18/PUD (Moderate Density Residential/Planned Unit Development) and approve a Preliminary Development Plan.

Property History:

This property is actually two tracts similar in size lying adjacent and abutting the Lee's Summit Road right-of-way. The northern of the two contains a small, old farmhouse with an accessory structure west in the rear yard. The seven-acre tract has had some form of single-family residential designation since 1965 and its use has been single-family residential through that entire period. The southern six-acre tract has been undeveloped field over the same time period. In earlier times, it had agricultural uses, but today it is an underutilized field. In 1980, it was given a CP-1 zoning designation, a change from its earlier single-family zoning designation. However, nothing ever came of that neighborhood commercial zoning opportunity. The properties have been owned by Englewood Assembly of God for 35 years and had been envisioned as a location for a new church. They have been marketed for sale off and on since the early 2000's.

Physical Characteristics of Property:

The property is the site of a small, old farmhouse and an undeveloped field. The tracts are fairly flat and featureless, except for stands of trees around the perimeter. The property is neither in a flood plain nor near a stream requiring accompanying stream buffer zones.

Characteristics of the Area:

The surrounding neighborhood is largely residential in nature. Although Glendale Elementary lies across Lee's Summit Road, the immediate vicinity largely consists of single-family homes. The Mansion Apartments lie almost three blocks to the southeast. Although most nearby residences are of fairly good quality and condition, the newest developments in the neighborhood, The Mansion and Drum Farm, are of an architectural quality that staff believes should be reflected in this new townhome community. Thus, conditions for the Final Development Plan include improvement to the building elevations, particularly higher wainscots and extensions that should wrap around the sides of the buildings and cover all right-of-way facing façades.

Proposal:

Summit Living Townhomes will be an age-restricted (50+) community with 123 units on 13 acres. The applicant indicates in his narrative that, "the purpose of Summit Living Townhomes is to help older adults remain in the community, as well as remain independent."

The proposed zoning R-18/PUD would permit up to 18 units per acre. The applicant needs it only to be able to accommodate his proposal for a development with 10 units per acre.

Provided amenities will include a dog park and community building. Sidewalks will be provided on both sides of the rights-of-way and around the perimeters of the parking lots.

The applicant's intention is to create a development similar in design and concept to Parkway Villas in Blue Springs. It consists of eight, 5-unit buildings and one, 4-unit building on 3.86-acres (a density of 11.39-units per acre). In Independence, the applicant proposes twenty-eight 4-unit buildings with 112-units, three 3-unit buildings with 9-units and one 2-unit building with 2-

units. Nine of the 4-unit buildings and two of the 3-unit buildings will have one-story units without garages. The remainder of the buildings will have two-story units with garages. The two-story units will be along public rights-of-way and those that are one-story will be arranged around one of two parking lots.

Consistency with *Independence for All*, Strategic Plan:

The proposal relates to the goal: “Achieve livability, choice, access, health and safety through a quality, built environment through building new housing units to fill a market need.”

Comprehensive Plan Guiding Land Use Principles:

The Imagine Independence 2040 Comprehensive Plan designated this site for “Residential Neighborhoods,” which envisions new neighborhoods with a walkable layout with streets that connect in a logical manner throughout the neighborhood and to adjacent developments for seamless transitions. The Comprehensive Plan Guiding Principles most relevant to the proposed development are, “Provide a diversity of housing options in all neighborhoods”, “Facilitate the development of connected neighborhoods where appropriate,” and “Neighborhoods and housing should be designed to be inclusive of the needs of the wide span of mobility.”

Zoning:

The applicant proposes R-18/PUD zoning. District R-18/PUD allows: multiple-family housing, home-based daycare, government facilities, churches, schools, utilities, cemeteries, crops and gardening. The existing districts for the two tracts allow the following uses. District C-1 allows: residential above the first floor and in 50-percent of the first-floor area, retail sales, government facilities, churches, schools, utilities, artist workspaces, employment and business support services, restaurants, small venues, banks, medical services, offices, parking, personal improvement services, artisan uses, crops and gardening. District R-6 allows: single-family housing, home-based daycare, government facilities, churches, schools, utilities, cemeteries, crops and gardening.

Historic and Archeological Sites:

There are no apparent historic/archeological issues with this property.

Public Utilities:

Water, sewer and electrical services are available to the property.

Environmental, Storm Water and Stream Buffer:

The property is the site of a small, old farmhouse and a never developed field. There is not any reason to believe that the property has experienced environmental degradation.

The tracts are fairly flat and featureless, except for stands of trees around the perimeter. The property is neither in a floodplain nor near a stream requiring accompanying stream buffer zones.

The Municipal Services environmental division will require approved plans to ensure the parking, loading and storage areas comply with Chapter 20 of the City Code.

Building Permits and Phasing:

Given the proposed development will be a rental community sited on one or two lots and constructed in two phases, permits for each structure, in a particular phase, will be submitted around the same time. In the development’s first phase, the two-story units with garages, near Lee’s Summit Road, and the one-story units in the middle of the development will be constructed. The remainder of the two-story units with garages will be constructed in the second phase. Most of the new right-of-way, the parking lots and accompanying sidewalks will

be constructed in the first phase. The remainder of the public street and sidewalks will be completed in the second phase.

Elevations:

Whether they are four, three or two-unit buildings, the applicant proposes just two styles of structures; two-story structures with garages and one-story structures without garages. The two-story structures will have dormers (above some of the garage doors) and covered front entries. The one-story buildings without the garages will have mission-style entries from adjacent patios and gables. All the façades will be predominantly lap siding but will need to have four-foot-tall masonry wainscots (that are higher than indicated on the submitted elevations). Further, those wainscots must wrap at least two feet around the side of the buildings as well as be present on all right-of-way facing façades. The buildings will have composition shingles and the units will have two bedrooms. None of the units will have basements.

CIP Investments

The City's 2022-28 Capital Improvement Plan has programed the Woodbury and 25th Street stormwater project, which is located northwest of the subject property, for 2026-27. This project will address the lack of stormwater facilities in that area. The applicant's project will not have an impact on the CIP project.

Traffic Study:

The applicant submitted a Traffic Impact Study, which analyzes the traffic impacts on the surrounding roadway network for the *Existing* and *Existing + Site* traffic-volume scenarios. The study concluded that the addition of the development traffic has minimal impact on existing traffic operations. The analysis indicated that no turn lanes are warranted at the intersection of S Lee's Summit Road & the Proposed Site Drive. However, a left turn lane into the school is currently warranted and the City's traffic division is recommending striping of a left turn lane for the entrance to this addition as part of the first phase.

Streets, Driveways and Parking Lots:

The right-of-way with its two, appended cul-de-sacs will be labeled and addressed as one street; a public street, built to City standards and having accompanying public sidewalks on both sides. A limited access drive, for the use of emergency vehicles, will be constructed leading from the street to the northwest corner of the property where it will connect with S. Trail Ridge Drive, but will be gated. Driveways to the units accessing the right-of-way will provide parking for one car and lead to a single garage providing parking for another. The two parking lots provided for the units without garages will each provide 36 spaces (2 handicapped spaces) for 19 and 23-units. Staff believes, given the expected senior residents, more handicapped spaces should be provided than ADA requires. Lastly, a 16-space parking lot will be provided for the community building.

Landscape, Screening and Berm:

When the Final Development Plan is submitted, in addition to the street trees indicated on the Preliminary Development Plan, trees and shrubs should be provided around the parking lot perimeters and buildings as indicated in the Unified Development Ordinance (UDO). The stands of trees abutting the west and northwest sides of the property appear to be adequate buffers. Along the southern edge of the property, where there is some thick landscaping in place, medium-intensity landscaping, as defined in the UDO, should be planted. Lastly, a four-foot-tall berm should be constructed along the S. Lee's Summit Road right-of-way.

Recommendations and decisions for the proposed planned unit development rezoning and its accompanying preliminary development plan must be based on consideration of the criteria listed in Section 14-703-05-H:

1. The Conformance of the requested zoning with the Comprehensive Plan.

The Comprehensive Plan envisions Residential Neighborhoods uses for this vicinity. The proposed multiple-family use, and the rezoning of the southern tract from C-1 to R-18/PUD, will be in keeping with the plan's vision

2. Conformance of the requested zoning with any adopted neighborhood or sub-area plans in which the property is located or abuts.

There are not any subarea plans that cover the vicinity around this proposed development;

3. The compatibility of the proposed zoning with the zoning and use of nearby property, including any overlay zoning.

The proposed zoning will be most compatible with the Mansion Apartment across Lee's Summit Road to the southeast and with the Glendale Elementary located directly across the street. The development is arguably less compatible with the adjacent and nearby single-family residential uses. However, the applicant has minimized the impact via buffering and similar architectural style;

4. The compatibility of the proposed zoning and allowed uses with the character of the neighborhood.

Although the residential uses in the immediate vicinity are largely single-family residential, there is R-18/PUD zoning 2½-blocks to the southeast containing a large apartment complex with hundreds of units. Further, the property across the street is an elementary school. The masonry façades of the proposed buildings will be somewhat reflective of the façade standard of the adjacent single-family development to the south;

5. The suitability of the subject property for the uses to which it has been restricted under the existing zoning regulations.

The more northern tract, being zoned R-6, is in keeping with the surrounding zoning. The southern tract is less so without some aesthetic standards;

6. The length of time the subject property has remained vacant as zoned.

The southern property has never been developed. The northern property has a residence;

7. The extent to which approving the rezoning will detrimentally affect nearby properties.

With the medium intensity landscape screening prescribed by the UDO, detrimental effects could be mitigated;

8. The gain, if any, to the public health, safety and welfare due to denial of the application, as compared to the hardship imposed upon the landowner, if any, as a result of denial of the application.

If the rezoning is denied, the developer will not be able to build at the density he wishes. If approved, the proposed use will advance the Guiding Principle of creating a diversity of housing and thus the welfare of the community.

Draft Planning Commission minutes are attached to this Council agenda item.

Emergency Justification:

Fiscal Impact:

Council Action:

Department / Contact	Community Development /
---------------------------------	-------------------------

REVIEWERS

Tom Scannell
Jeremy Cover
Lisa Reynolds
Susanne Holland

ATTACHMENTS:

1. Draft Ordinance
2. Staff Report 22-125-08
3. Cover Letter Summit Living Townhomes Independent Living 2610, 2612 S. Lee's Summit Rd
4. Application form signed_Redacted
5. Original Notification Letter
6. Original Notification Addresses
7. Original Affidavit
8. Summit Living Town Homes - Rev Pre Development Plan 7-1-22
9. Summit Living Concept Materials Plan
10. Traffic Impact Study
11. Comp Plan Map
12. Zoning Map

13. 07-12-22 PC Minutes-Summary
14. 2026 Notification Addresses
15. 2026 Notification Affidavit
16. 2026 Notification Letter

BILL NO. _____

ORDINANCE NO. _____

AN ORDINANCE APPROVING A REZONING FROM DISTRICT C-1 (NEIGHBORHOOD COMMERCIAL) AND DISTRICT R-6 (SINGLE-FAMILY RESIDENTIAL) TO DISTRICT R-18/PUD (MODERATE-DENSITY RESIDENTIAL/PLANNED UNIT DEVELOPMENT) AND APPROVING A PRELIMINARY DEVELOPMENT PLAN FOR THE PROPERTIES AT 2610 and 2612 S. LEE’S SUMMIT ROAD, IN INDEPENDENCE, MISSOURI.

WHEREAS, the application submitted by the City of Independence requesting approval of a rezoning from District C-1 (Neighborhood Commercial) and District R-6 (Single-Family Residential) to District R-18/PUD (Moderate-Density Residential/Planned Unit Development) and a preliminary development plan at 2610 and 2612 S. Lee’s Summit Road was referred to the Planning Commission as required by the Unified Development Ordinance; and,

WHEREAS, the Unified Development Ordinance provides for the approval of a rezoning and preliminary development plan by the City following public hearings by the Planning Commission and City Council; and,

WHEREAS, after due public notice in the manner prescribed by law, the Planning Commission held a public hearing for the consideration of the request on July 12, 2022, and rendered a report to the City Council with its vote to recommend approval of this application failing by a vote of 3-3; and,

WHEREAS, after due public notice in the manner prescribed by law, the City Council held a public hearing on August 15, 2022, and rendered a decision to approve the rezoning and preliminary development plan for the said property; and,

WHEREAS, in accordance with the Unified Development Ordinance, it was determined that the rezoning and preliminary development plan was consistent with the review criteria in Section 14-701-02 and 14-703-05 respectively; and,

WHEREAS, no legal protests were signed, acknowledged, and presented for the application.

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

SECTION 1. That the following legally described tracts of real estate are hereby rezoned from District C-1 (Neighborhood Commercial) and District R-6 (Single Family Residential) to District R-18/PUD (Moderate-Density Residential/Planned Unit Development) and shall be subject to the regulations of said district:

Section 12, Township 49, Range 32; North 7 1/3-acres of the South 13 1/3-acres of the West 1/2-acre of the Southeast 1/4-acre (Except a part in the Lee’s Summit Road right-of-way aka the Kiger Road right-of-way)

Section 12, Township 49, Range 32; South 6-acres of the West 1/2 -acre of the Southeast 1/4-acre (Except a part in the Lee’s Summit Road right-of-way aka the Kiger Road right-of-way)

SECTION 2. That the Preliminary Development Plan, in the form of photographs of the site, is attached hereto and is incorporated by reference as if fully set out herein, is hereby approved with the

following conditions:

1. For the Final Development Plan, create a denser landscaped buffer along the southern edge of the property. Create a Medium-Intensity landscape buffer per the landscaping section of the Unified Development Ordinance (UDO);
2. Provide a four-foot high berm along Lee’s Summit Road. Submit a cross-section elevation with the Final Development Plan;
3. All sidewalks provided must be 5-foot wide to meet ADA requirements;
4. Provide parking lot parameter trees and shrubs, and shrubs around the buildings (the exact number of plantings worked out with staff for the Final Development Plan);
5. The Final Development Plan should provide an elevation of a entry sign/feature;
6. Stripe a left-turn lane at the entrance to the proposed development;
7. The Masonry façades on the front elevations of the buildings must be carried for at least two feet onto the adjacent side elevations and across all right-of-way facing façades;
8. On the Final Development Plan, label the new public right-of-way, “E. 26th Terrace Court S.” The units will be addressed on the Final Development Plan as well;
9. Prior to the issuance of any building permits, a replat of the property shall be approved.

SECTION 3. Nonseverability. All provisions of this ordinance are so essentially, and inseparable connected with, and so dependent upon, each other that no such provision would be enacted without all others. If a court of competent jurisdiction enters a final judgement on the merits that is not subject to appeal and that declares any provision or part of this ordinance void, unconstitutional, or unenforceable, then this ordinance, in its collective entirety, is invalid and shall have no legal effect as of the date of such judgement.

SECTION 4. Scrivener’s Errors. Typographical errors and other matters of a similar nature that do not affect the intent of this ordinance, as determined by the City Clerk and City Counselor, may be corrected with the endorsement of the City Manager without the need to come before City Council.

SECTION 5. That failure to comply with all the provisions contained in this ordinance shall constitute violations of both this ordinance and Chapter 14, the Unified Development Ordinance, of the Code of the City of Independence, Missouri.

PASSED THIS _____ DAY OF _____, 2022, BY THE CITY COUNCIL OF THE CITY OF INDEPENDENCE, MISSOURI.

Presiding Officer of the City Council
of the City of Independence, Missouri

ATTEST:

City Clerk

APPROVED AS TO FORM AND LEGALITY:

City Counselor

REVIEWED BY:

City Manager

MEETING DATE: July 12, 2022

STAFF: Brian Harker, Planner

PROJECT NAME: Summit Living Townhomes-An Active Independence Living Community

CASE NUMBER/REQUEST: Case 22-125-08 – Rezoning – 2610 and 2612 S. Lee’s Summit Road – A request by Joseph J. Laughlin to rezone this property from District C-1 (Neighborhood Commercial) and District R-6 (Single-Family Residential) to District R-18/PUD (Moderate Density Residential/Planned Unit Development) and approve a Preliminary Development Plan

APPLICANT/OWNER: Joseph J. O’Loughlin, O’Loughlin Development LLC

PROPERTY ADDRESS: 2610 and 2612 S. Lee’s Summit Road

SURROUNDING ZONING/LAND USE:

North: District R-6...single-family homes
West: District R-6...single-family homes
East: District R-6...single-family homes and elementary school
South: District R-6/PUD...single-family homes

PUBLIC NOTICE:

- Letters to adjoining property owners – June 24, 2022
- Public Notice published in the Independence Examiner – June 25, 2022
- Sign posted on property – June 25, 2022

FURTHER ACTION:

Following action by the Planning Commission, this rezoning request is scheduled for a first reading by the City Council on August 1, 2022 and the public hearing/second reading on August 15, 2022.

RECOMMENDATION

Staff recommends approval of the rezoning/preliminary development with the following conditions.

- 1) For the Final Development Plan, create a denser landscaped buffer along the southern edge of the property. Create a Medium-Intensity landscape buffer per the landscaping section of the Unified Development Ordinance (UDO);
 - 2) Provide a four-foot high berm along Lee’s Summit Road. Submit a cross-section elevation with the Final Development Plan;
 - 3) All sidewalks provided must be 5-foot wide to meet ADA requirements;
 - 4) Provide parking lot parameter trees and shrubs, and shrubs around the buildings (the exact number of plantings worked out with staff for the Final Development Plan);
 - 5) The Final Development Plan should provide an elevation of a entry sign/feature;
-

- 6) Stripe a left-turn lane at the entrance to the proposed development;
- 7) The Masonry façades on the front elevations of the buildings must be carried for at least two feet onto the adjacent side elevations and across all right-of-way facing façades;
- 8) On the Final Development Plan, label the new public right-of-way, “E. 26th Terrace Court S.” The units will be addressed on the Final Development Plan as well;
- 9) Prior to the issuance of any building permits, a replat of the property shall be approved.

PROJECT DESCRIPTION & BACKGROUND INFORMATION

PROJECT DESCRIPTION: A request by Joseph J. Laughlin to rezone this property from C-1 (Neighborhood Commercial) and R-6 (Single-Family Residential) to R-18/PUD (Moderate Density Residential/Planned Unit Development) and approve a Preliminary Development Plan.

Current Zonings:	C-1 (Neighborhood Commercial) and R-6 (Single-Family Residential)	Proposed Zoning:	R-18/PUD (Moderate Density Residential/Planned Unit Development)
Current Use:	undeveloped land	Proposed Uses:	Multiple-Family Development
Square Footage:	585,922-square feet		
Former Zoning	Prior to 1980, from 1965 – R-1 (Single-Family Residential) Prior to 2009, from 1980 – CP-1 (Planned Neighborhood Commercial) and R-1b (Single-Family Residential)		

PROPERTY HISTORY

This property is actual two tracts similar in size lying adjacent and abutting the Lee’s Summit Road right-of-way. The northern of the two contains a small, old farmhouse with an accessory structure west in the rear yard. The seven-acre tract has had some form of single-family residential designation since 1965 and its use as been single-family residential through that entire period. The southern six-acre tract has been undeveloped field over the same time period. In earlier times, it had agricultural uses, but today it is an underutilized field. In 1980, it was given a CP-1 zoning designation, a change from its earlier single-family zoning designation. However, nothing ever came of that neighborhood commercial zoning opportunity. The properties have been owned by Englewood Assembly of God for 35 years and had been envisioned as a location for a new church. They have been marketed for sale off and on since the early 2000’s.

PHYSICAL CHARACTERISTICS OF PROPERTY

The property is the site of a small, old farmhouse and a never developed field. The tracts are fairly flat and featureless, except for stands of trees around the perimeter. The property is neither in a flood plain or near a stream requiring accompanying stream buffer zones.

CHARACTERISTICS OF THE AREA

The surrounding neighborhood is largely residential in nature. Although Glendale Elementary lies across Lee's Summit Road, the immediate vicinity largely consist of single-family homes. The Mansion Apartments lie almost three blocks to the southeast. Although most nearby residences are of fairly good quality and condition, the newest developments in the neighborhood, The Mansion and Drum Farm, are of an architectural quality that staff believes should be reflected in this new townhome community. Thus, conditions for the Final Development Plan include improvement to the building elevations, particularly higher wainscots and extensions that should wrap around the sides of the buildings and cover all right-of-way facing façades.

PROPOSAL:

Summit Living Townhomes will be an age restricted (50+) community with 123 units on 13 acres. The applicant indicates in his narrative that, "the purpose of Summit Living Townhomes is to help older adults remain in the community, as well as remain independent."

The zoning proposed R-18/PUD would permit up to 18-units per acre. The applicant needs it only to be able to accommodate his proposal for a development with 10-units per acre.

Provided amenities will include a dog park and community building. Sidewalks will be provided on both sides of the rights-of-way and around the perimeters of the parking lots.

The applicant's intention is to create a development similar in design and concept to Parkway Villas in Blue Springs. It consists of eight, 5-unit buildings and one, 4-unit building on 3.86-acres (a density of 11.39-units per acre). In Independence, the applicant proposes twenty-eight 4-unit buildings with 112-units, three 3-unit buildings with 9-units and one 2-unit building with 2-units. Nine of the 4-unit buildings and two of the 3-unit buildings will have one-story units without garages. The remainder of the buildings will have two-story units with garages. The two-story units will be along public rights-of-way and those that are one-story will be arranged around one of two parking lots.

ANALYSIS

Consistency with *Independence for All*, Strategic Plan:

The proposal relates to the Goal "Achieve livability, choice, access, health and safety through a quality, built environment through building new housing units to fill a market need."

Comprehensive Plan Guiding Land Use Principles:

The Imagine Independence 2040 Comprehensive Plan designated this site for "Residential Neighborhoods," which envisions new neighborhoods with a walkable layout with streets that connect in a logical manner throughout the neighborhood and to adjacent developments for seamless transitions. The Comprehensive Plan Guiding Principles most relevant to the proposed development are, "Provide a diversity of housing options in all neighborhoods", "Facilitate the development of connected neighborhoods where appropriate," and "Neighborhoods and housing should be designed to be inclusive of the needs of the wide span of mobility."

Zoning:

The applicant proposes R-18/PUD zoning. District R-18/PUD allows; multiple-family housing, home based daycare, government facilities, churches, schools, utilities, cemeteries, crops and gardening. The existing districts for the two tracts allow the following uses. District C-1 allows; residential above the first floor and in 50-percent of the first-floor area, retail sales, government facilities, churches, schools, utilities, artist workspaces, employment and business support services, restaurants, small venues, banks, medical services, offices, parking, personal improvement services, artisan uses, crops and gardening. District R-6 allows: single-family housing, home based daycare, government facilities, churches, schools, utilities, cemeteries, crops and gardening.

Historic and Archeological Sites:

There are no apparent historic/archeological issues with this property.

Public Utilities:

Water, sewer and electrical services are available to the property.

Environmental, Storm Water and Stream Buffer:

The property is the site of a small, old farmhouse and a never developed field. There is not any reason to believe that the property has experienced environmental degradation.

The tracts are fairly flat and featureless, except for stands of trees around the perimeter. The property is neither in a floodplain nor near a stream requiring accompanying stream buffer zones.

The Municipal Services environmental division will require approved plans to ensure the parking, loading and storage areas comply with Chapter 20 of the City Code.

Building Permits and Phasing:

Given the proposed development will be a rental community sited on one or two lots and constructed in two phases, permits for each structure, in a particular phase, will be submitted around the same time. In the development's first phase, the two-story units with garages, near Lee's Summit Road, and the one-story units in the middle of the development will be constructed. The remainder of the two-story units with garages will be constructed in the second phase. Most of the new right-of-way, the parking lots and accompanying sidewalks will be constructed in the first phase. The remainder of the public street and sidewalks will be completed in the second phase.

Elevations:

Whether they are four, three or two-unit buildings, the applicant proposes just two style of structures, two-story structures with garages and one-story structures without garages. The two-story structures will have dormers (above some of the garage doors) and covered front entries. The one-story buildings without the garages will have mission style entries from adjacent patios and gables. All the façades will be predominantly lap siding but will need to have four-foot-tall masonry wainscots (that are higher than indicated on the submitted elevations). Further, those wainscots must wrap at least two feet around the side of the buildings as well as be present on all right-of-way facing façades. The buildings will have composition shingles and the units will have two-bedrooms. None of the units will have basements.

CIP Investments

The City's 2022-28 Capital Improvement Plan has programmed the Woodbury and 25th Street stormwater project, which is located northwest of the subject property, for 2026-27. This project will address the lack of stormwater facilities in that area. The applicant's project will not have an impact on the CIP project.

Traffic Study:

The applicant submitted a Traffic Impact Study, which analyzes the traffic impacts on the surrounding roadway network for the *Existing* and *Existing + Site* traffic-volume scenarios. The Study concluded the addition of the development traffic has minimal impact on existing traffic operations. The analysis indicated that no turn lanes are warranted at the intersection of S Lee's Summit Road & the Proposed Site Drive. However, a left turn lane into the school is currently warranted and the City's traffic division is recommending striping of a left turn lane for the entrance to this addition as part of the first phase.

Streets, Driveways and Parking Lots:

The right-of-way with its two, appendage cul-de-sacs will be labeled and addresses as one street; a public street, build to City standards and having accompanying public sidewalks on both sides. A limited access drive, for the use of emergency vehicles, will be constructed leading from the street to the northwest corner of the property where it will connect with S. Trail Ridge Drive, but be gated. Driveways to the units accessing the right-of-way will provide parking for one car and lead to a single garage providing parking for another. The two parking lots provided for the units without garages will each provide 36 spaces (2 handicapped spaces) for 19 and 23-units. Staff believes, given the expected senior residents, more handicapped spaces should be provided than ADA requires. Lastly, a 16-space parking lot will be provided for the community building.

Landscape, Screening and Berm:

When the Final Development Plan is submitted, in addition to the street trees indicated on the Preliminary Development Plan, trees and shrubs should be provided around the parking lot perimeters and buildings as indicated in the Unified Development Ordinance (UDO). The stands of trees abutting the west and northwest sides of the property appear to be adequate buffers. Along the southern edge of the property, where there is some thick landscaping in place, Medium-Intensity landscaping, as defined in the UDO, should be planted. Lastly, a four-foot-tall berm should be constructed along the S. Lee's Summit Road right-of-way.

REVIEW CRITERIA

Recommendations and decisions on rezoning applications must be based on consideration of all the following criteria:

1. Conformance of the requested zoning with the Comprehensive Plan.

The Comprehensive Plan envisions Residential Neighborhoods uses for this vicinity. The proposed multiple-family use, and the rezoning of the southern tract from C-1 to R-18/PUD, will be in keeping with the plan's vision;

2. Conformance of the requested zoning with any adopted neighborhood or sub-area plans in which the property is located or abuts.

There are not any subarea plans that cover the vicinity around this proposed development;

3. The compatibility of the proposed zoning with the zoning and use of nearby property, including any overlay zoning.

The proposed zoning will be most compatible with the Mansion Apartment across Lee's Summit Road to the southeast and with the Glendale Elementary located directly across the street. The development is arguably less compatible with the adjacent and nearby single-family residential uses; however, the applicant has minimized the impact via buffering and similar architectural style;

4. The compatibility of the proposed zoning and allowed uses with the character of the neighborhood.

Although the residential uses in the immediate vicinity are largely single-family residential, there is R-18/PUD zoning 2½-blocks to the southeast containing a large apartment complex with hundreds of units. Further, the property across the street is an elementary school. The masonry façades of the proposed buildings will be somewhat reflective of the façade standard of the adjacent single-family development to the south;

5. The suitability of the subject property for the uses to which it has been restricted under the existing zoning regulations.

The more northern tract, being zoned R-6, is in keeping with the surrounding zonings. The southern tract less so without some aesthetic standards;

6. The length of time the subject property has remained vacant as zoned.

The southern property has never been developed. The northern property has a residence;

7. The extent to which approving the rezoning will detrimentally affect nearby properties.

With the medium intensity landscape screening prescribed by the UDO, detrimental effects could be mitigated;

8. The gain, if any, to the public health, safety and welfare due to denial of the application, as compared to the hardship imposed upon the landowner, if any, as a result of denial of the application.

If the rezoning is denied, the developer will not be able to build at the density he wishes. If approved, proposed use will advance the Guiding Principle of creating a diversity of housing and thus the welfare of the community.

EXHIBITS

1. Applicant's letter
2. Application
3. Notification letter
4. Mailing List
5. Affidavit
6. Pre-Development Plan

7. Elevations Materials
8. Traffic Study
9. Comp Plan Map
10. Zoning Map



O'Loughlin Development LLC

9393 W 110th Street, Suite 500
Corporate Woods Building 51
Overland Park, KS 66210

Summit Living Townhomes *Independent Living designed for Aging-in-Place*

2610, 2612 S. Lee's Summit Road, Independence, MO



Summit Living Townhomes, Independent Living is a beautiful, age-restricted (50+) community nestled between two schools on the East and West, a patio home community to the South and a residential community to the North. The developer lives in Independence and his background is in aging services and real estate – with a master's from USC and bachelor's from BYU. Englewood Assembly of God is also an interested party in this development – having owned the land for more than 35 years and actively marketed it for sale off and on since the early 2000's.



Introduction. Summit Living Townhomes. Finding Greater Independence in Independence.

There is a severe shortage of senior housing in Independence, based upon the City of Independence's 2022 Housing Study. As of 2021, 40% of the City of Independence's total population is 50+, comprising approximately 47,000 individuals. While that number is not too surprising given the national trend, the amount of housing designed to support aging individuals is. As of 2021, in the City of Independence, there were just 600 units (independent living and assisted living) designed for older adults. As the living needs of this 40% of the population change, where will they move? There is a great need for this project and the need will only be greater in the coming years.

So many people are used to "Peter Pan" homes – meaning, homes seemingly designed for people who will never grow old. The developer's grandparents lived in one of these. Two stories on a basement. Over time this home grew impractical for them. So, what were their options? Install an elevator, add ramps, retrofit doorways, install grab bars, etc, ... or, move into a nursing home.

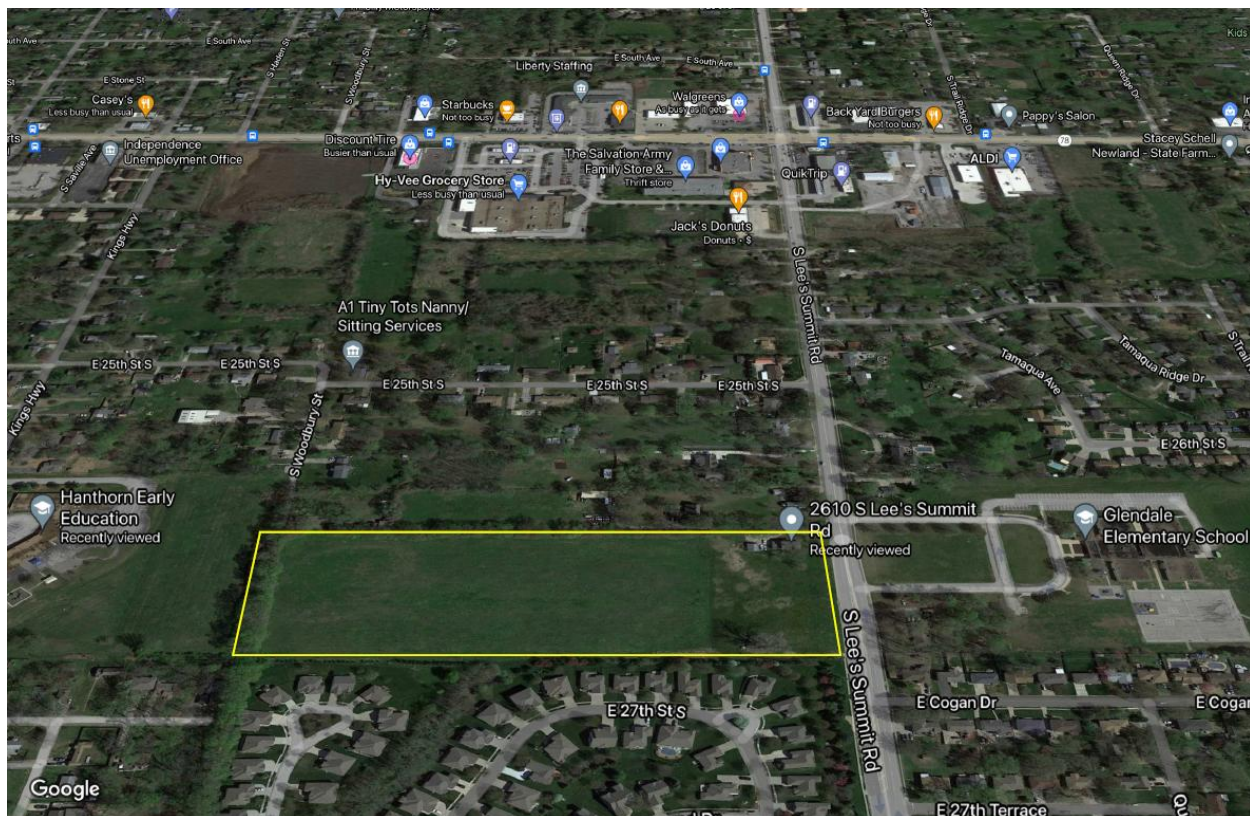
As people age, housing suited to their needs is a major determinant of whether they are able to remain capable of their own care, and thus remain in the community or whether they need to move into a full care facility. Maintenance-provided, zero step living communities are severely short in supply in the City of Independence, Jackson County and throughout the nation. Often, as people age, they are required to move into areas sequestered from the communities with which they have long been familiar and which are far from family and loved ones. The area's aging population need not be required to move elsewhere to find living situations that support their independence.

The City of Independence is an ideal destination for budget-conscious seniors. There is a shortage of senior housing throughout the entire country. The draw to the Kansas City Area, and Independence in

particular, is access to excellent medical care, family friendly communities, and a lower cost of living than is found in many other retirement areas of the country.

As the City of Independence helps meet this need, not only will the city fulfill an obligation to take good care of its own, but it will draw those individuals to our city from the surrounding areas and from throughout the country that make some of the best citizens. Older Adults have the knowledge, the experience, and very often also the time, to be great contributors to the long-term success of the communities in which they live. Housing that serves seniors, combined with top quality medical care, excellent amenities, a central location in our nation, and comparatively low cost of living could make the City of Independence a national retirement destination.

The purpose of Summit Living Townhomes is to help older adults remain in the community, as well as remain independent, for longer. For many older adults, Summit Living Townhomes will mean greater independence, in Independence, MO.



The Site. 2610, 2612 South Lee's Summit Road, Independence, MO

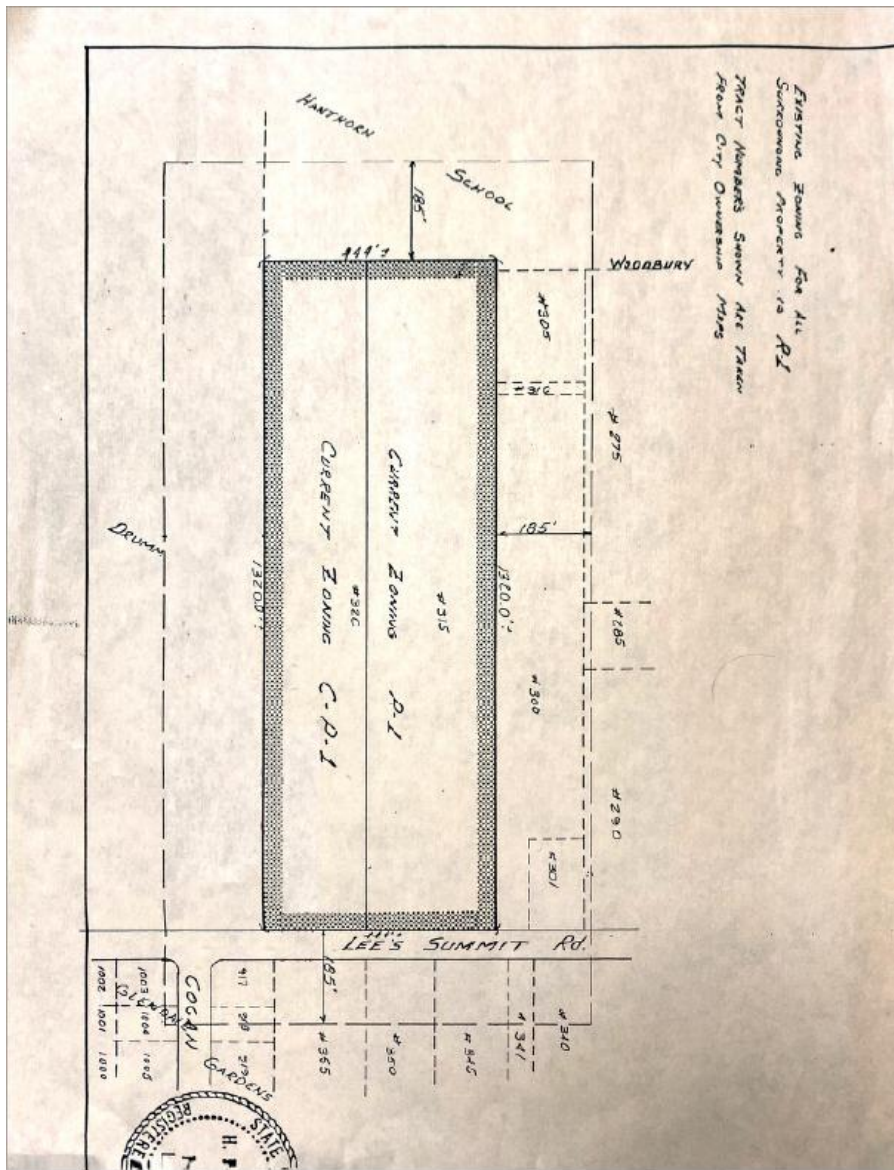
The independent living site comprises two parcels. The 6-acre parcel to the South is currently zoned C-1, which is neighborhood commercial and permits multistory mixed use development commercial on the main floor and apartments above, and also permits nursing homes. The 7+ acres to the North is currently zoned R-6 which allows six, 7000 sf single family home lots per acre.

Attempting to meet community needs within the permitted uses of the current C-1 zoning of the southern parcel, the developer has considered a mixed-use development, including lower level shops and apartments on the upper floors of 3-4 large, but attractive, mixed use buildings. However, the developer feels the proposed development will do more to enhance the desirability of the neighborhood.

The land has remained vacant under the current R-6 and C-1 zoning for 35 years. In some jurisdictions Independent Living Communities are permitted under the Nursing Home use, which would require no change in the current zoning of the southern 6 acre parcel (Blue Springs, MO is an example of a city that has permitted Independent Living under the Nursing Home – i.e. Parkway Villas (11.4 units/ac), built in 2019 in a neighborhood similar to the proposed (see below). If this is the case, the R-6 parcel would be requested to be changed to the minimum zoning which permits the proposed Independent Living Community PUD, which may be C-1 or R-18 PUD, though the density on the proposed community is comfortably below 10 units per acre.

The development is well-suited to the area and is ideally situated among amenities for those who will be living there. Older adults' best health, longevity and happiness outcomes are found in the midst of activity, rather than sequestered from the rest of the community. Hanthorn Early Education immediately to the West and Glendale Elementary School immediately to the East make this an area with frequent activity. The community is walking distance from shopping to the North. Its location just 10 minutes to major medical services is also very important to older adults as their healthcare needs increase.

Summit Living Townhomes also provides lengthy sidewalks throughout, equivalent to the sidewalks throughout the Drumm Farms subdivision immediately to the south. These sidewalks are used daily by residents and neighbors and promote health and activity. In addition to adding to walks in the area, Summit Living also has a beautiful dog park, a desirable amenity encouraging recreation and exercise.

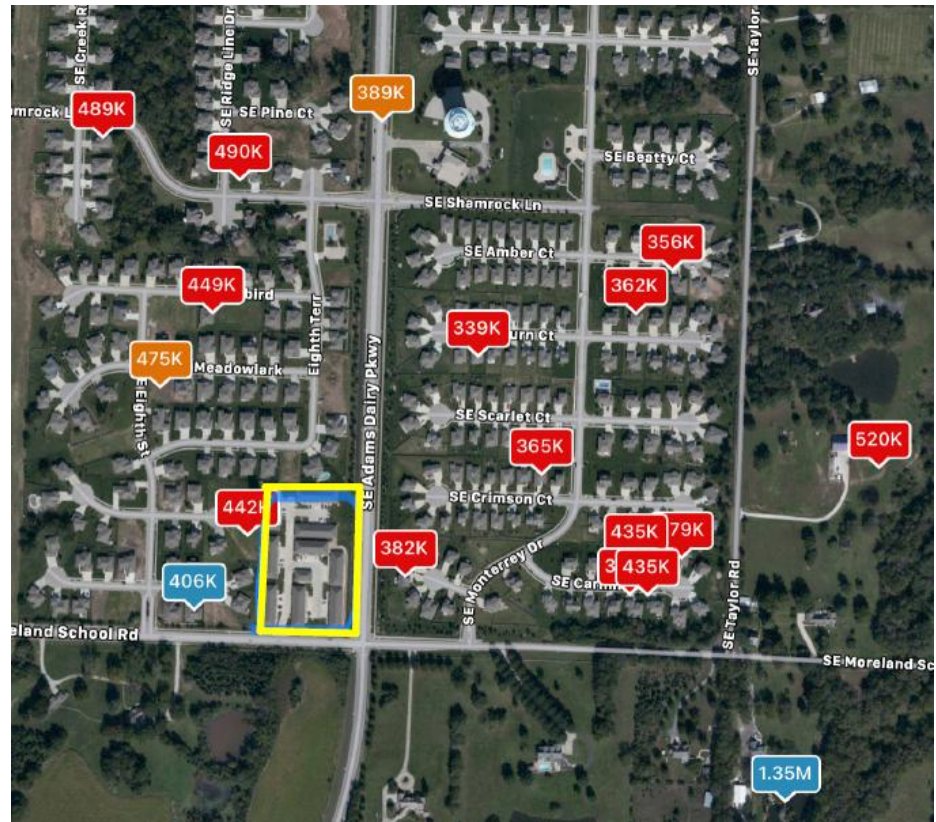


Zoning division of 2610, 2612 S. Lee's Summit Road, Independence, MO.

Parkway Villas

I know property values are a concern. As an example of a similar development nearby here is a brief look at Parkway Villas. This is an independent living community located at the intersection of Moreland School Road and Adams Dairy Parkway in Blue Springs.

This 44-unit independent living community consists of eight, 5-unit buildings and one 4-unit building (44 units) on 3.86 acres (density of 11.39 units/acre). It is surrounded by single family neighborhoods on the north, east and west and bordered by estate lot homes to the south. Home values in the surrounding areas do not appear to be negatively affected at all, with values in the \$350,000-\$500,000 range.



As a quick aside, these units are 2 bedrooms, 1 bathroom, have no garage, and most have steps going up to and returning from the units. By comparison, the homes in the proposed development have no steps, have 2 bedrooms and 2 bathrooms, and nearly 70% of units have garages (and in the opinion of some, the homes of the proposed development are much more attractive).



Parkway Villas, built 2019

City of Independence. A Retirement Destination.

The City of Independence is an ideal destination for budget-conscious Seniors. As you may know, there is a dearth of senior housing throughout the entire country. Some of the draw to the Kansas City Area, and Independence in particular, is access to excellent medical care, family friendly communities, and a lower cost of living than is found in many other retirement areas of the country.

So, what do people want, and need, as they age? Many seniors aren't able to continue living in their empty nest home, but are far from needing to move to a care facility. Summit Living Townhomes, and communities like it, provide a middle ground for people who are aging, and are still very much active and independent - and may remain so the remainder of their lives. The people living in these communities love living in them. The challenge is that housing designed with seniors in mind is in very short supply.

Summit Living Townhomes, combined with nearby amenities make the townhomes a destination for many retirees which will support the City of Independence's trajectory as a family-friendly city that welcomes retirees seeking a budget-friendly community without sacrificing access to recreation, national shopping, and top quality medical care.

Conclusion.

With 40% of the residents of Independence 50+, and just 600 units of independent and assisted living within the city, there is a significant shortage of senior housing in Independence. While there are other excellent sites along the I-70 corridor, the situation of this site, including the developer's and the church's desire to give something meaningful back to the community, make this location an excellent location for Summit Living Townhomes. As a resident of Independence working to improve the community, the owner of O'Loughlin Development LLC asks for your full support of this step toward alleviating the senior-friendly housing shortage.

Sincerely yours,

A handwritten signature in black ink, reading "Joseph J. O'Loughlin". The signature is fluid and cursive, with the first name "Joseph" and last name "O'Loughlin" clearly legible.

Joseph J. O'Loughlin
Owner, O'Loughlin Development LLC

Planning & Zoning Application Form

Staff Use Only	
Case Number:	
PC/BOA Meeting:	
City Council Dates:	

Application Type (check all that apply)

Land Use	Land Subdivision	Site Development	Use Permit	Other
☐ Rezoning ☒ PUD Rezoning	☐ Preliminary Plat ☐ Final Plat ☐ Minor Subdivision	☐ Final Site Plan ☒ Preliminary Dev Plan ☐ Final Dev Plan (PUD)	☐ Special Use ☐ Homebased Business ☐ Short-Term Rental	☐ Admin. Adjustment ☐ Variance ☐ Street Name Change

Project Information and Location

Summit Living Townhomes. An Active Independence Living Community.

Project Name			
2610, 2612 S. Lee's Summit Road, Independence, MO			
Project Address/Location			
See cover letter.	13.29	2	No
Sq. Ft. of Building	Acreage	Number of Lots/Tracts	Steam Buffer (Yes or No)
C-1 & R-6	R-18	Vacant and single house.	Independent Living Commu
Existing Zoning	Proposed Zoning	Existing Land Use	Proposed Land Use

Basic Application Requirements (See the Planning & Zoning Application Guide for additional requirements)

☒ Completed & Signed Application Form ☒ Application Fee ☒ Cover Letter Describing Details of Project	☒ Plat Map, Development Plan, or Other Map (24" x 36" & 8.5" x 11" hard copy, and electronic copy) ☒ Legal Description of the property in question
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Contact Information

Applicant

Name: Joseph J. O'Loughlin
Company: O'Loughlin Development LLC

Owner

Name: Brandon Watkiss
Company: Englewood Assembly of God Church

Architect/Engineer/Surveyor/Other: Engineer
Name: Robert Walquist, PE
Company: Quist Engineering, Inc.

Architect/Engineer/Surveyor/Other: Designer
Name: Bryan Rahn
Company: High Point Design Studio

The applicant hereby agrees that the information provided above is accurate.

Joseph J. O'Loughlin 5/19/22
Applicant's Signature Date

Bryan Rahn 5/19/22
Owner's Signature Date

Property Owner Notification Letter

City of Independence, Missouri

Date: 6/23/2022

Case No. 22-125-08

Dear Property Owner:

This letter is to notify you that an application has been submitted for consideration by the Planning Commission and City Council. A full public hearing will be held by the Planning Commission and the City Council will consider new information on the dates and times below.

Proposed Case Type (Check One):

- ☐ Rezoning ☒ Rezoning/PUD ☐ Special Use Permit
☒ Preliminary Development Plan

Proposed project description: Summit Living townhomes meets a significant need for aging-friendly homes.

The are maintenance-provided, age-restricted, market rate (\$1250-\$1400/mo), and include picnic areas and a dog park.

Applicant: Englewood Assembly of God Church and O'Loughlin Development LLC

Location of Property: 2610, 2612 S. Lee's Summit Road, Independence, MO

Planning Commission Meeting Date: 12 July, 2022, at 6:00 p.m.

City Council Meeting Date: 15 August, 2022, at 6:00 p.m.

Location of public hearings: City Council Chambers, City Hall
111 E Maple Ave, Independence, Missouri, 64050

All interested persons are invited to attend and will have an opportunity to be heard at the full public hearing (Planning Commission).

REZONINGS ONLY: You may file a protest petition with the Community Development Department. For more information or to get copies of a petition, please contact Planning staff at 816-325-7421.


Applicant (or Owner/Agent)

For more information, contact the Community Development Department at 816-325-7421.

Property Owner Notification List

REBECCA L MEDLIN OR CURRENT OWNER(S)

2625 LEES SUMMIT RD

INDEPENDENCE, MO 64055

THE SCHOOL DISTRICT OF CITY OF INDEPENDENCE

201 N FOREST AVE

INDEPENDENCE, MO 64050-2513

OLIVAREZ JOHN G & JOANNE M-TRUSTEES OR CURRENT OWNER(S)

2605 S LEES SUMMIT RD

INDEPENDENCE, MO 64055

HARRIS MARK JAMES OR CURRENT OWNER(S)

2602 LEES SUMMIT RD

INDEPENDENCE, MO 64055

CARTER JAMES L-TRUSTEE OR CURRENT OWNER(S)

2608 S LEES SUMMIT RD

INDEPENDENCE, MO 64055

COPELAND MICHAEL & LEE OR CURRENT OWNER(S)

2520 LEES SUMMIT RD

INDEPENDENCE, MO 64055

SCHULTZ DAVID & BRENDA OR CURRENT OWNER(S)

1421 WOODBURY ST

INDEPENDENCE, MO 64055

CASTRO SANDRA OR CURRENT OWNER(S)

301 NW PONDEROSA ST

LEES SUMMIT, MO 64064

RELIHAN PHILIP F JR & LAURIE E OR CURRENT OWNER(S)

18605 E 25TH TER CT S

INDEPENDENCE, MO 64057

LEGACY BNB LLC OR CURRENT OWNER(S)

11505 E 162ND DR

BRIGHTON, CO 80602

DRUMM FARM VILLAS HOMES ASSOC INC

2700 KENDALLWOOD PKWY STE 106

KANSAS CITY, MO 64119

DRUMM FARM VILLAS HOMES ASSOC INC

11125 NW AMBASSADOR DR STE 200

KANSAS CITY, MO 64153

**MONGEON SUSAN K TRUSTEE HER/HIS SUCCESSORS TRUST UNDER MONGEON SUSAN K
TRUST DATED 4/5/21 OR CURRENT OWNER(S)**

2708 S HADEN CT

INDEPENDENCE, MO 64055

TRANHAM MELANIE OR CURRENT OWNER(S)

4629 S EASTLAND CENTER DR

INDEPENDENCE, MO 64055

VAN DINE WAYNE R & MARY ANN E-TRUSTEES OR CURRENT OWNER(S)

2700 S HADEN CT

INDEPENDENCE, MO 64055

MARY ANN STRIBLING TRUST OR CURRENT OWNER(S)

41505 CARLOTTA DR UNIT 141

PALM DESERT, CA 92211

MOORE PATRICIA A OR CURRENT OWNER(S)

2705 S HADEN CT

INDEPENDENCE, MO 64055

FERGUSON JASON & FERGUSON PAMELA OR CURRENT OWNER(S)

2709 S HADEN CT

INDEPENDENCE, MO 64055

GUILFOYLE DAVID T & BONNIE J OR CURRENT OWNER(S)

2708 S WOODBURY DR

INDEPENDENCE, MO 64055

MARY BACHMANN REVOCABLE TRUST DATED AUGUST 15, 2014 OR CURRENT OWNER(S)

2704 S WOODBURY DR

INDEPENDENCE, MO 64055

ROMANO ANTHONY J & MARJORIE E OR CURRENT OWNER(S)

2718 S BRENTWOOD DR

INDEPENDENCE, MO 64055

KAPKE GEORGE E & BETH S OR CURRENT OWNER(S)

15800 E 27TH ST S

INDEPENDENCE, MO 64055

STEPHEN & DIANE WELLER

15804 E 27TH ST S

INDEPENDENCE, MO 64055-2382

COLTER CHERYL OR CURRENT OWNER(S)

15808 E 27TH ST S

INDEPENDENCE, MO 64055

MCKINNEY ADRUTH E-TRUSTEE OR CURRENT OWNER(S)

15812 E 27TH ST S

INDEPENDENCE, MO 64055

MISER GENE R OR CURRENT OWNER(S)

15820 E 27TH ST

INDEPENDENCE, MO 64055

CAMPBELL THOMAS D OR CURRENT OWNER(S)

15816 E 27TH ST S

INDEPENDENCE, MO 64055

GEORGE CURTIS A & CAROL A OR CURRENT OWNER(S)

2701 S BRECKENRIDGE DR

INDEPENDENCE, MO 64055

SPRADLING ROBERT W & TONI M OR CURRENT OWNER(S)

2705 S BRECKENRIDGE DR

INDEPENDENCE, MO 64055

GAMBLE JAMES W & PAULA B OR CURRENT OWNER(S)

2709 S BRECKENRIDGE DR

INDEPENDENCE, MO 64055

RODGERS JOHN D & KATHRYN M OR CURRENT OWNER(S)

16000 COGAN

INDEPENDENCE, MO 64055

BHAVNANI REANNE & SIRISH or CURRENT OWNER(S)

16004 E COGAN DR

INDEPENDENCE, MO 64055

GREGOVICH SHEILA L-TRUSTEE OR CURRENT OWNER(S)

15805 E 27TH ST S

INDEPENDENCE, MO 64055

FORD ROBERT D & ESTRELLA L OR CURRENT OWNER(S)

15809 E 27TH ST S

INDEPENDENCE, MO 64055

MULLIKIN FERN L (CARY) – TRUSTEE OR CURRENT OWNER(S)

15813 E 27TH ST S

INDEPENDENCE, MO 64055

SPIELBUSCH DAVID L OR CURRENT OWNER(S)

16001 E COGAN DR

INDEPENDENCE, MO 64055

Property Owner Notification Affidavit

STATE OF MISSOURI

COUNTY OF JACKSON

Case No. 22-125-08

I, Joseph O'Loughlin, of lawful age being first duly sworn upon oath, state:

That I am the (agent, owner, attorney) for the property for which the application was filed and did, not later than fifteen (15) days prior to the date of the public hearing scheduled before the Planning Commission, mail notices to all persons owning property within 185 feet of the subject property. **The list of property owners to whom notice has been mailed is attached.**

These notices were mailed on the 24th day of June, 2022.

Joseph O'Loughlin
Signature of Agent, Owner or Attorney

Subscribed and sworn to before me this 30th day of June, 2022.

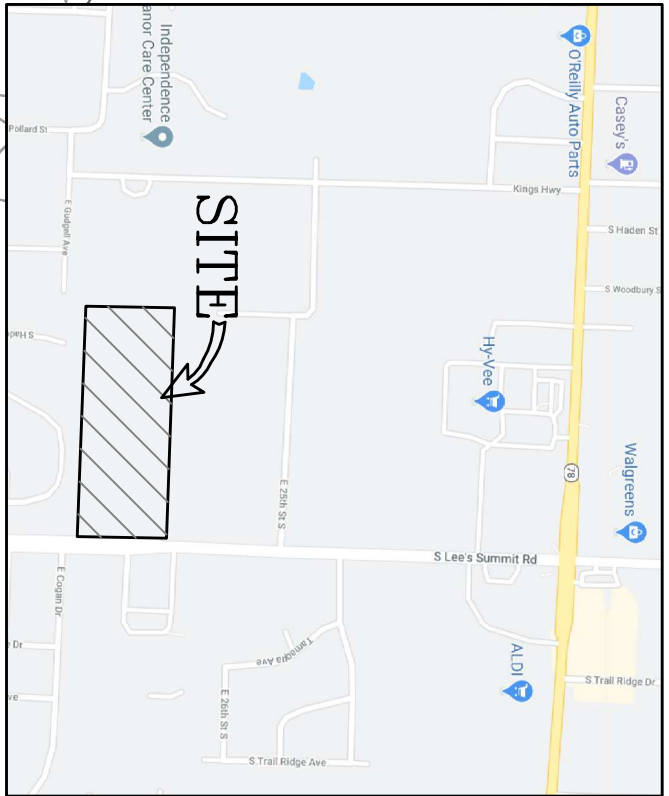
Joan Vande Voort
Notary Public

Joan Vande Voort
Notary Public-Notary Seal
STATE OF MISSOURI
Jackson County
My Commission Expires 3-26-2025
ID #16140281

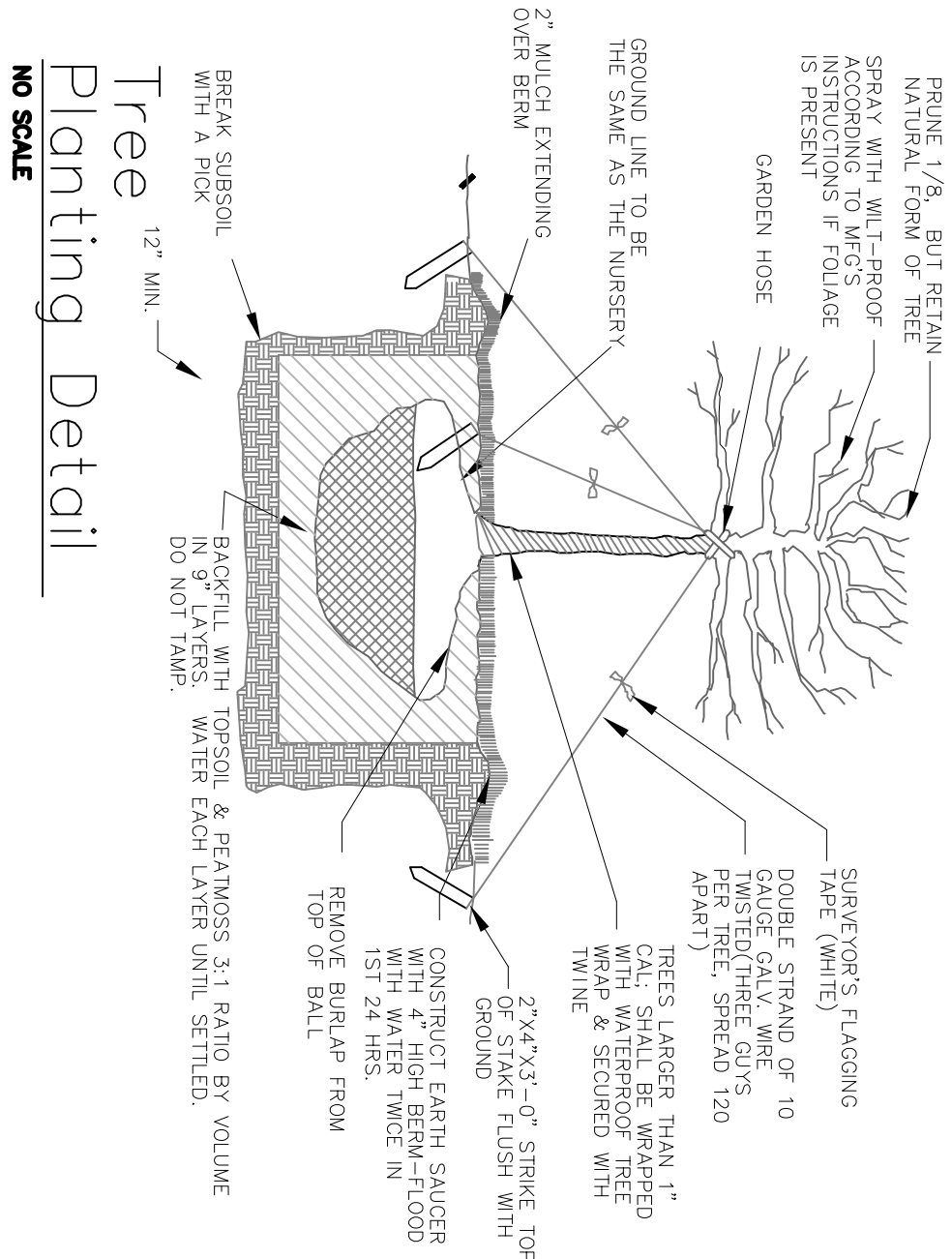
3/26/2025
Commission Expiration Date

PRELIMINARY DEVELOPMENT PLAN FOR
SUMMIT LIVING TOWN HOMES
INDEPENDENT LIVING
INDEPENDENCE, JACKSON COUNTY, MISSOURI

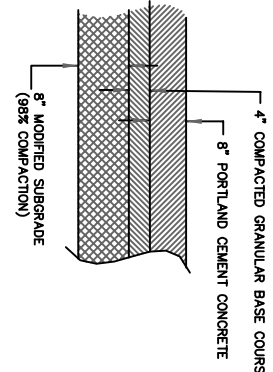
DEVELOPER:



BUFFER PLANTING SCHEDULE		
EVERGREEN TREES	COMMON NAME	CALIPER
EC	80 GREEN GYANT ARBOREALIS	80
STREET TREES TRACTS PLANTING SCHEDULE		
TREES	COMMON NAME	CALIPER
SA	68 STATE STREET MAPLE	34
TOTAL PROPOSED ROW = 1.37M LF = 1.37M SQ-48 TREES		

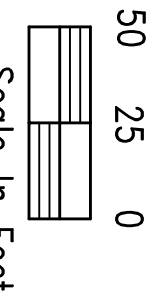


HEAVY CONCRETE PAVEMENT



- NOTES:
1. TOTAL AREA OF SITE = 13.00ac
 2. TOTAL PROPOSED UNITS
 3. TOTAL UNITS PER ACRE = 123 UNITS
 4. TOTAL DEDICATED ROW = 2.45ac
 5. TOTAL GREEN SPACE = 50%

PERVIOUS VS IMPERVIOUS CALCULATIONS	
LOT SIZE	566,262 SF
IMPERVIOUS SURFACES	57,143 SF
PUBLIC ROADS	177,944 SF
BUILDINGS (PORCHES)	26,516SF
DRIVES/PARKING	21,600SF
WALKS/MISC.	283,103SF
TOTAL CALCULATIONS	50% PERVIOUS (GREEN)



Scale 1" = 50'

DRAWN BY: RAW
CHECKED BY: RAW
DATE: 5-16-22
PROJECT NO.: E20-307
SCALE: 1"=50'

PRELIMINARY
DEVELOPMENT PLAN FOR
SUMMIT LIVING TOWN HOMES
CIVIL PLANS FOR
SUMMIT LIVING TOWN HOMES
INDEPENDENCE, JACKSON COUNTY, MISSOURI

Quist Engineering Inc.
Civil Engineering for Residential & Commercial Site Development
821 NE Columbus ST.
Lee's Summit, Missouri 64063
Phone: (816) 550-5675
e-mail = rwalquist@quistengineering.com

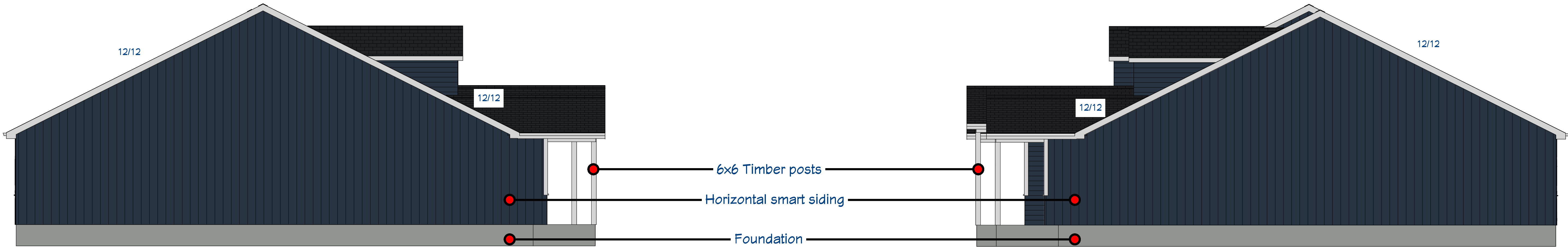
DATE	REVISION	BY
5-20-22	REVISED UNITS	
5-25-22	REVISED UNITS	
6-25-22	PER CITY COMMENTS	
7-1-22	PER CITY COMMENTS	



Exterior Elevation Front



Exterior Elevation Rear



Exterior Elevation Left

Exterior Elevation Right

REVISION TABLE	
NUMBER	DATE

The Villas at Glendell

ELEVATION TYPE A

HIGHPOINT
DESIGN STUDIO
WWW.HIGHPOINTDESIGNSTUDIO.COM

DATE:

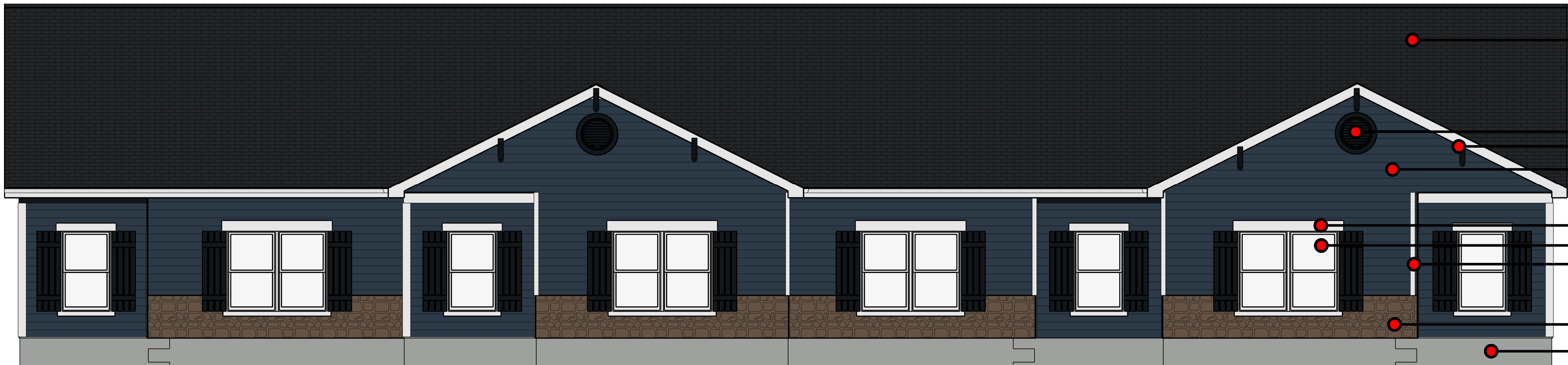
6/23/2022

SCALE:

1/4" = 1'

SHEET:

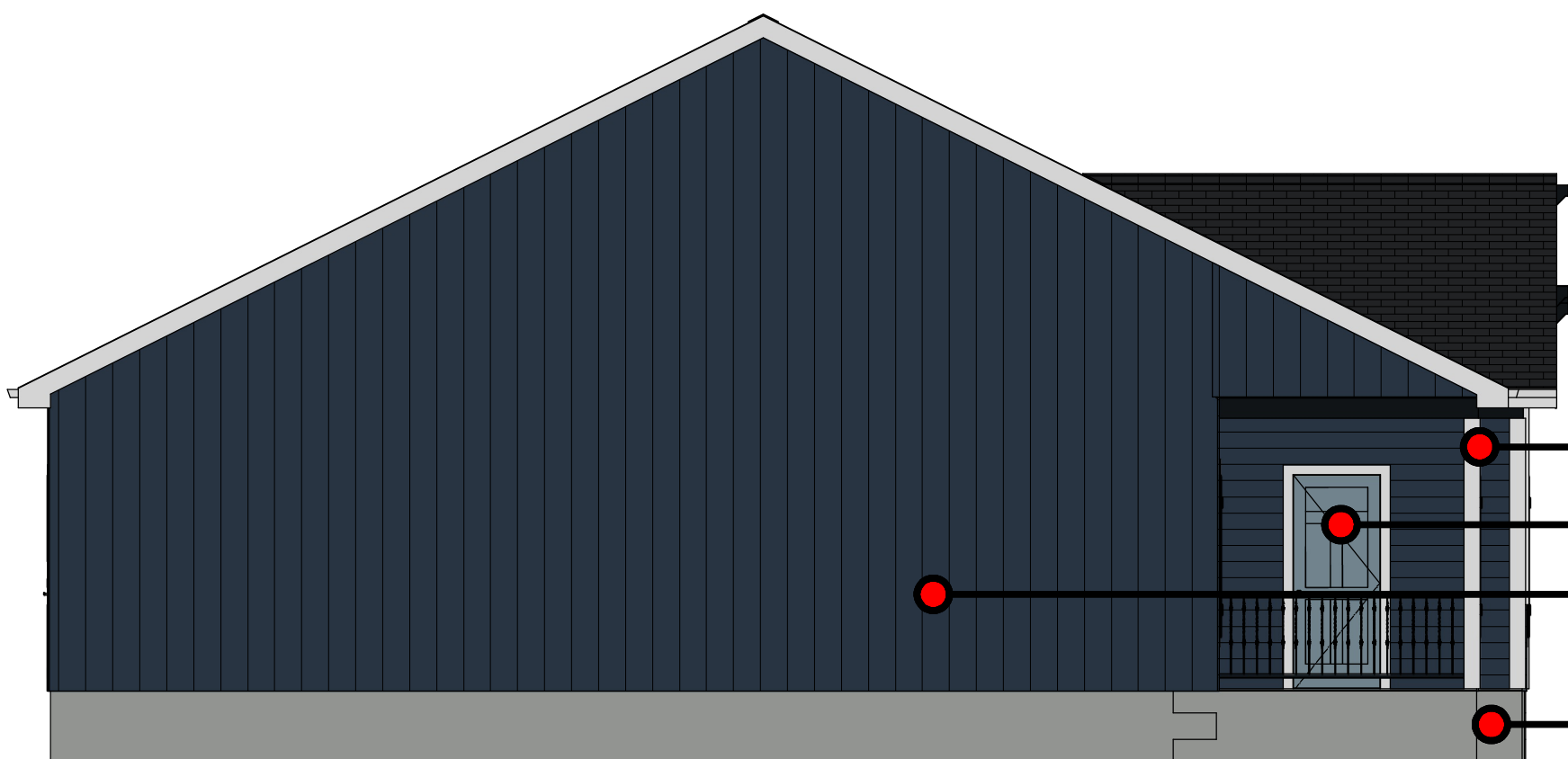
E-1



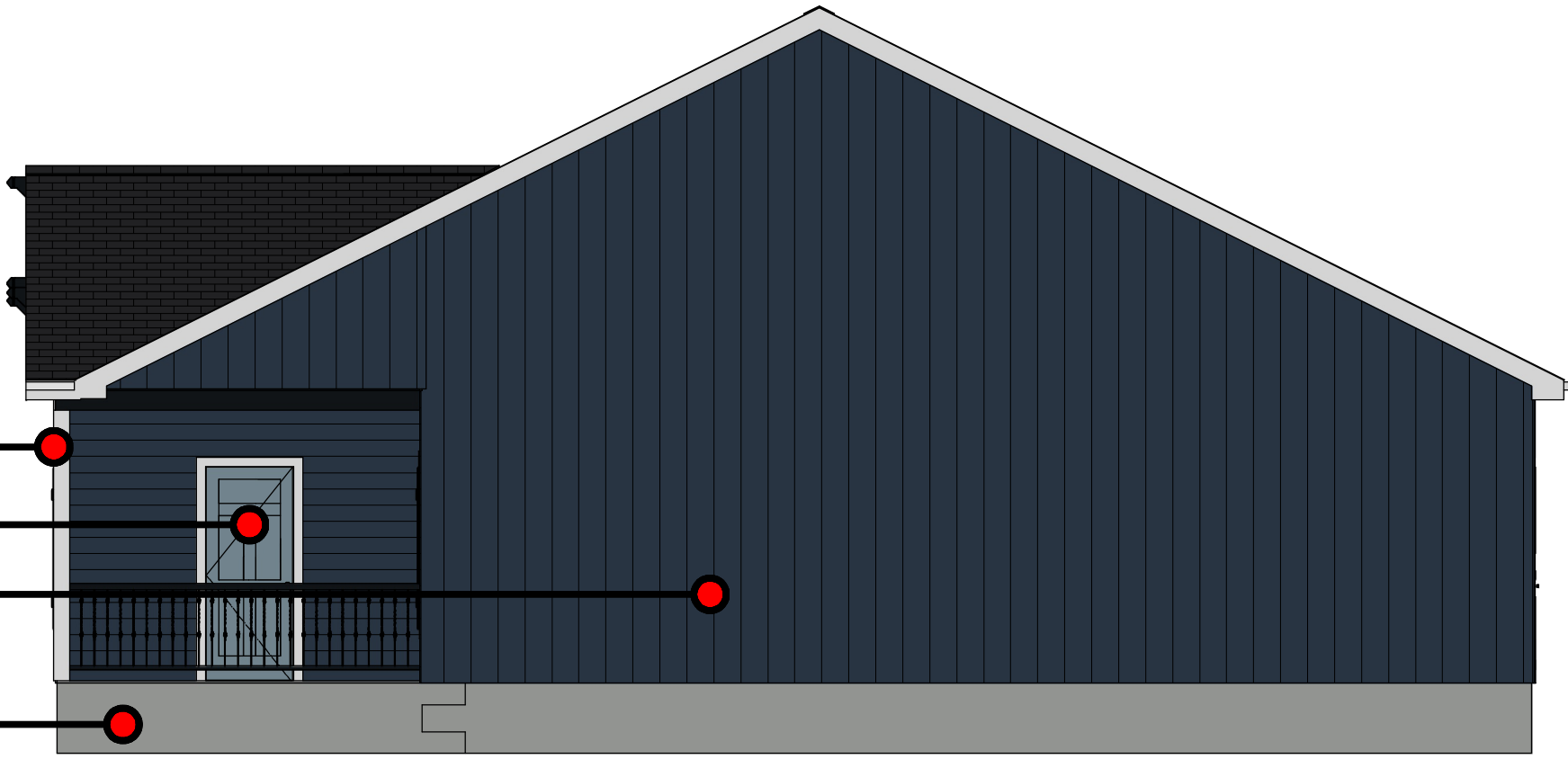
Exterior Elevation Front



Elevation 3



Exterior Elevation Left



Exterior Elevation Right

REVISION TABLE	
NUMBER	DATE

The Villas at Glendell

ELEVATION TYPE B

HIGHPOINT
DESIGN STUDIO
WWW.HIGHPOINTDESIGNSTUDIO.COM

DATE:

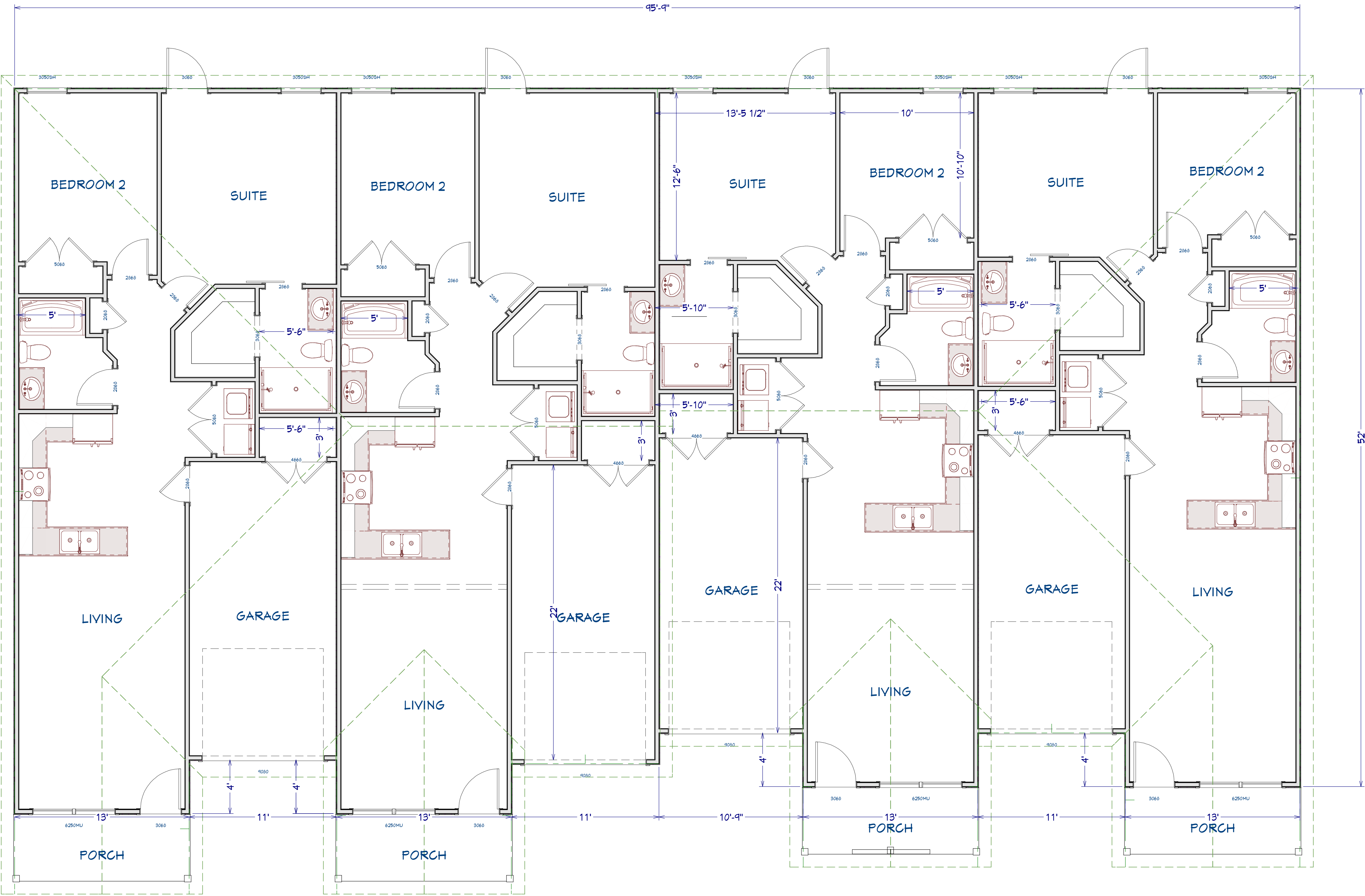
6/23/2022

SCALE:

1/4" = 1'

SHEET:

E-2



Floorplan
Scale 1/4" = 1'

REVISION TABLE		
NUMBER	DATE	REVISION BY / DESCRIPTION

The Villas at Glendell

1st Floor Plan Type A

HIGHPOINT
DESIGN STUDIO
WWW.HIGHPOINTDESIGNSTUDIO.COM

DATE:

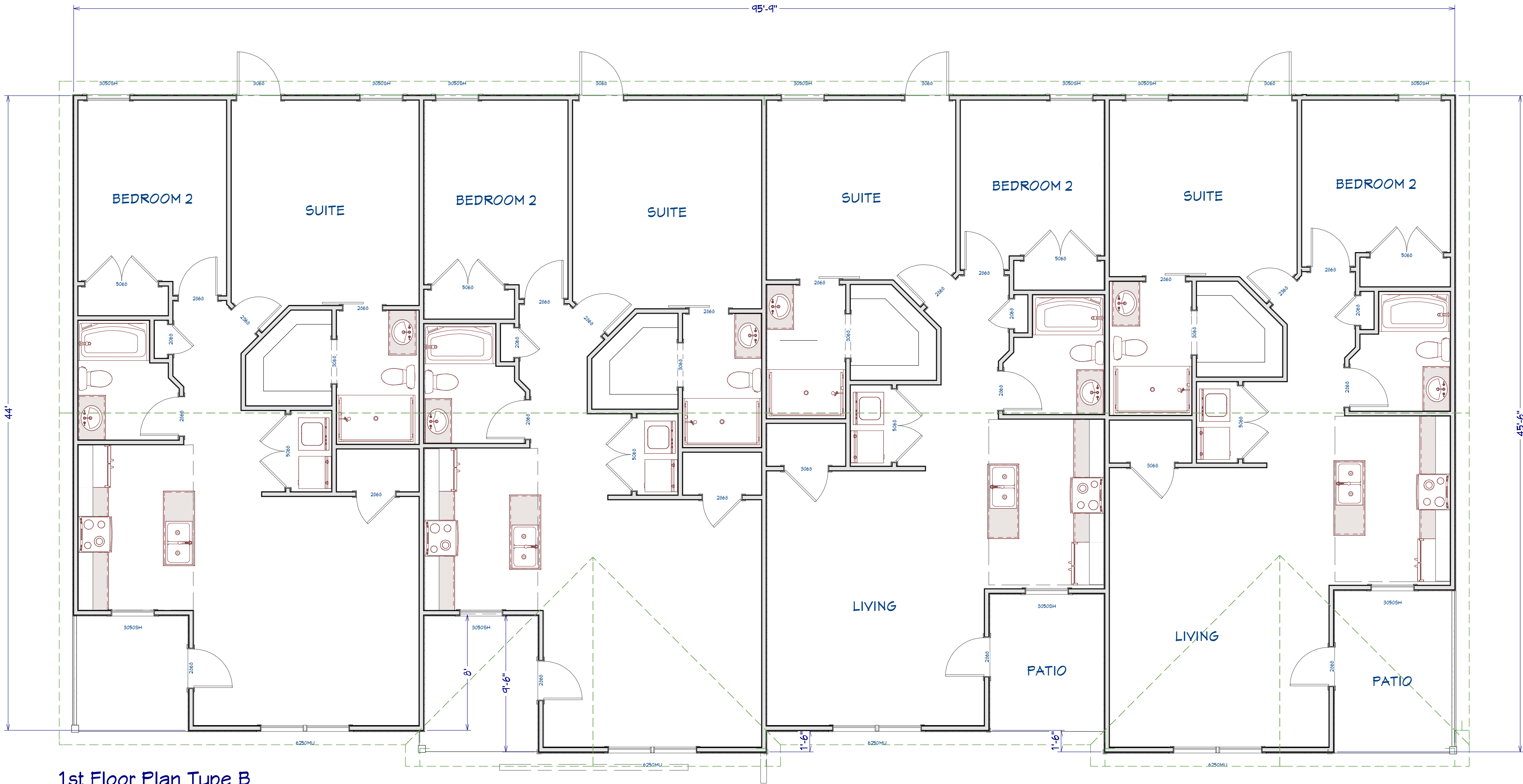
6/23/2022

SCALE:

1/4" = 1'

SHEET:

A-1



1st Floor Plan Type B
Scale 1/4" = 1'

REVISION TABLE		REVISION BY		DESCRIPTION	
NUMBER	DATE	REVISION BY	DESCRIPTION	NUMBER	DATE

The Villas at Glendell

1st Floor Plan Type B

HIGHPOINT
DESIGN STUDIO
WWW.HIGHPOINTDESIGNSTUDIO.COM

DATE:

6/23/2022

SCALE:

1/4" = 1'

SHEET:

A-2

TRAFFIC IMPACT STUDY

SUMMIT LIVING TOWNHOMES

INDEPENDENCE, MISSOURI

Prepared For:
O'Loughlin Development LLC

Prepared By:
Janelle Clayton, PE, PTOE

May 18, 2022



Table of Contents

INTRODUCTION	2
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PROPOSED CONDITIONS.....	3
ANALYSES	5
SUMMARY & RECOMMENDATIONS	6

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VOLUMES

FIGURE 1	EXISTING TRAFFIC VOLUMES (AM & PM PEAK HOUR)
FIGURE 2	EXISTING + SITE TRAFFIC VOLUMES (AM PEAK HOUR)
FIGURE 3	EXISTING + SITE TRAFFIC VOLUMES (PM PEAK HOUR)

LEVELS OF SERVICE

FIGURE 4	EXISTING LEVELS OF SERVICE (AM PEAK HOUR)
FIGURE 5	EXISTING LEVELS OF SERVICE (PM PEAK HOUR)
FIGURE 6	EXISTING + SITE LEVELS OF SERVICE (AM PEAK HOUR)
FIGURE 7	EXISTING + SITE LEVELS OF SERVICE (PM PEAK HOUR)

INTRODUCTION

The proposed Summit Living Townhomes residential development is an age-restricted, multi-family development that consists of a mix of 8-plex, 4-plex, 3-plex, and 2-plex buildings with a total of 123 dwelling units. The development will be marketed and sold to residents aged 55+. The proposed development is located west of Lee's Summit Road across from Glendale Elementary School in Independence, Missouri. The approximate location of the proposed development is shown in the Google Earth image below.



The existing site is generally vacant with one single-family residence in the northeast corner.

This study analyzes the traffic impacts on the surrounding roadway network for the *Existing* and *Existing + Site* traffic-volume scenarios. The following intersections are included in the study network:

- S Lee's Summit Road & E Cogan Drive
- S Lee's Summit Road & School Entrance / Site Driveway
- S Lee's Summit Road & School Exit

EXISTING CONDITIONS

Existing Traffic Volumes: Existing AM and PM peak-hour traffic volumes at the study intersections were recorded by Gewalt-Hamilton Associates (GHA) via video camera during the hours of 7:30-9:30 AM and 3:00-6:00 PM on Wednesday, May 4th, 2022. The counts were processed by Miovision Technologies, Inc. and can be found in the Appendix. In general, the AM peak hour occurred from 8:30 – 9:30 AM and the PM peak hour occurred from 4:15 – 5:15 PM. The existing AM and PM peak-hour volumes are shown on **Figure 1**.

Existing Roadway Network: Current roadway characteristics near the study area are summarized in **Table 1**.

Table 1: Existing Roadway Characteristics

Roadway	Classification	Section	Median Type	Posted Speed Limit
S Lee's Summit Road	Major Arterial	4-Lane	Undivided	35 mph
E Cogan Drive	Collector	2-Lane	Undivided	25 mph

*Classifications as listed in the City's Thoroughfare Plan

All of the study intersection are currently stop-controlled on the minor side-street approaches.

PROPOSED CONDITIONS

Proposed Land Use: The proposed Summit Living Townhomes residential development is a townhome development for residents aged 55+. The development consists of a mix of 8-plex, 4-plex, 3-plex, and 2-plex buildings with a total of 123 dwelling units. The site plan for the proposed development is shown on **Exhibit 1**.

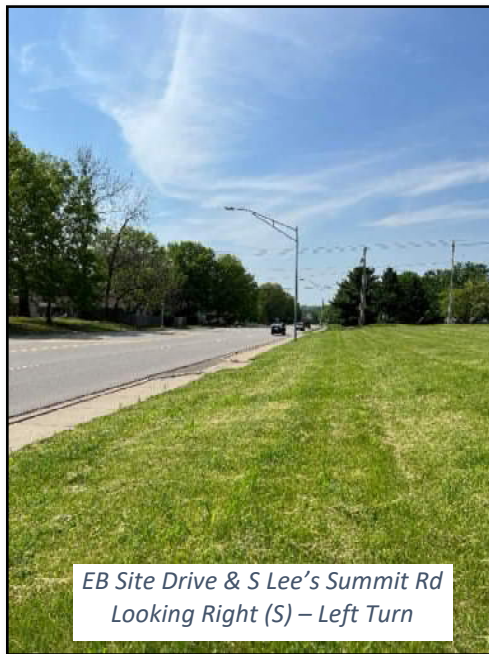
Proposed Access Plan: The development will be served by one full-access intersection with S Lee's Summit Road and will line up across from the entrance driveway to Glendale Elementary School.

Intersection Sight Distance: Intersection sight-distance measurements were taken in the field at the proposed driveway location. Based on AASHTO's *A Policy on Geometric Design of Highways and Streets*, the amount of sight distance that is desirable for a 35-mph road is 390' for a left-turning vehicle (Case B1) and 335' for a right-turning vehicle (Case B2).

The results of the intersection sight distances recorded in the field are summarized below. It should be noted that if available sight distance was over the recommended value, a field measured value of ">distance" is recorded below. If the sight-distance requirements were not easily reached by simple observation, actual distances were recorded.

Eastbound Site Drive & Lee's Summit Road

	<u>AASHTO Recommended</u>	<u>Field Measured</u>
Left-Turning Vehicle	390'	>390'
Right-Turning Vehicle	335'	>335'



Trip Generation: The estimated trip generation for the proposed Summit Living Townhome Development was based upon the 11th Edition of the Institute of Transportation Engineers (ITE) *Trip Generation Manual*. **Table 2** depicts the trip generation for the site.

Table 2:
Proposed Trip Generation

				AM Peak Hour (VPH)			PM Peak Hour (VPH)		
Land Use	Qty	Unit	ADT (VPD)	TOTAL	IN	OUT	TOTAL	IN	OUT
251 – Senior Adult Housing – Single-Family	123	DU	707	45	15	30	52	32	20

Trip Distribution: Estimates of the expected trip distribution to and from the Summit Living Townhome Development were based upon the available and planned street network and existing traffic flow. The trip-distribution patterns that were utilized are as follows:

- To / From the north via S Lee's Summit Rd 75%
- To / From the south via S Lee's Summit Rd 25%

Existing + Site Traffic Volumes: The expected Summit Living Townhome development-related traffic volumes were added to the existing volumes and were assigned to the existing and planned street system. The *Existing + Site* AM and PM peak-hour volumes are shown on **Figures 2 & 3**, respectively.

ANALYSES

A series of intersection capacity analyses were completed at the study intersections to determine the expected levels of service, the lengths of delays, and the vehicle queues experienced by drivers. The study intersections were analyzed based upon the 6th Edition of the Transportation Research Board's (TRB) *Highway Capacity Manual*. A description of the level-of-service criteria used in these analyses is shown below:

Level of Service Definitions		
Level of Service	Signalized Intersection Average Control Delay (sec/veh)	Unsignalized Intersection Average Control Delay (sec/veh)
A	<10	<10
B	<20	<15
C	<35	<25
D	<55	<35
E	<80	<50
F	≥80	≥50

The amount of control delay is assigned a level of service based on driver acceptance with LOS "A" representing little or no delay and LOS "F" representing long delays. The queues shown on the figures represent the 95th percentile queue, or the queue that has only a 5% chance of being exceeded during the peak hour

All capacity analysis output is included in the Appendix attached to this report. It should be noted that all completed analyses utilized the Synchro 11 software package.

Existing Traffic Conditions: **Figures 4 & 5** depict the results of the completed analyses for the *Existing* AM and PM peak-hour traffic volume scenarios. As shown on the figures, most individual movements at the study intersections currently operate at LOS "C" or better with minimal queuing. The westbound left-turn approach at the intersection of S Lee's Summit Road & the School Exit Drive currently operates at LOS "D" during the PM peak hour, but with only a 45' queue. It should be noted that it is not uncommon for stop-controlled, side-street approaches to experience longer delays during the peak hours. These delays are typically experienced only for short durations, and traffic-control improvements are not typically necessary.

Existing + Site Traffic Conditions: As shown on **Figures 6 & 7**, similar traffic operations at the study intersections would be expected with the addition of the Summit Living Townhome site

development traffic. Most individual movements would be expected to operate at LOS “C” or better with minimal queuing. As with the *Existing* scenario, the westbound left-turn approach at the intersection of S Lee’s Summit Road & the School Exit Drive would operate at LOS “D” during the PM peak hour, but with only a 50’ queue. The eastbound approach at the intersection of S Lee’s Summit Road & the Proposed Site Drive would be expected to operate at LOS “D” during the AM and PM peak hours, but with only a one-car queue. Again, it is not uncommon for stop-controlled, side-street approaches to experience longer delays during the peak hours. These delays are typically experienced only for short durations and traffic control improvements are not typically necessary.

Turn Lane Warrants

Left-turn and right-turn lane warrants at the proposed site driveway intersection were analyzed in conjunction with MoDOT’s *Access Management Guidelines* and can be found in the Appendix. The analyses indicated that auxiliary turn lanes would not be warranted at the proposed site driveway.

The warrants were also analyzed for the intersection of S Lee’s Summit Road & the School Entrance Driveway. The analysis indicated that a southbound left-turn lane is currently warranted into the School Entrance Driveway.

SUMMARY & RECOMMENDATIONS

This traffic study summarizes the anticipated traffic impacts of the proposed Summit Living Townhome development. In general, the addition of the development traffic has minimal impact on existing traffic operations.

Left-turn and right-turn lane warrants at the driveway intersection were analyzed in conjunction with MoDOT’s *Access Management Guidelines*. The analysis indicated that no turn lanes are warranted at the intersection of S Lee’s Summit Road & the Proposed Site Drive.

A southbound left-turn lane is currently warranted at the intersection of S Lee’s Summit Road & the School Entrance Drive. The satisfaction of the warrant criteria alone does not necessarily dictate the installation of a turn lane. However, if the City improves S Lee’s Summit Road in the future, a turn lane should be considered. It should be noted that the Summit Living Townhome development does not contribute to the need for this turn lane.

We appreciate the opportunity to serve you on this very important project. Please feel free to contact us if you should have any questions.

Respectfully submitted,

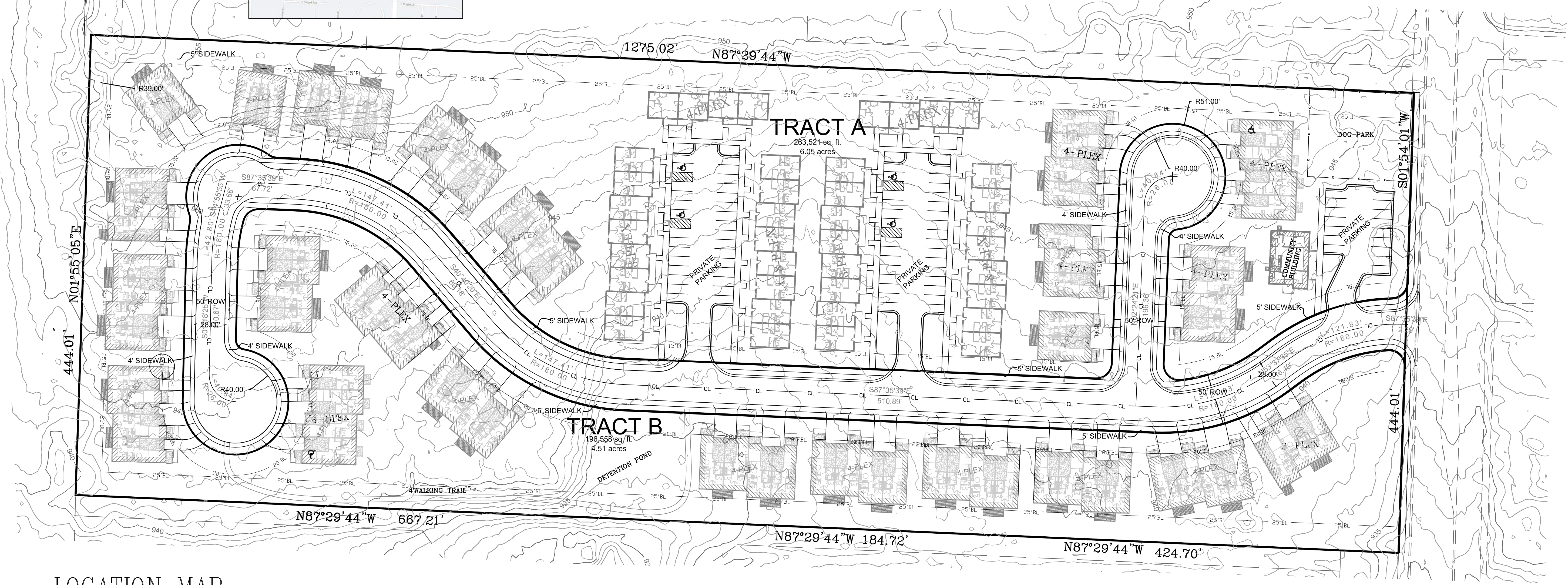
Merge Midwest Engineering, LLC



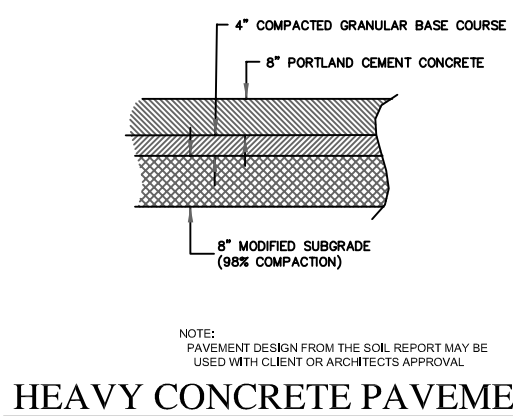
Janelle M. Clayton, P.E., PTOE
Manager / Co-Owner

PRELIMINARY DEVELOPMENT PLAN FOR
SUMMIT LIVING TOWN HOMES
INDEPENDENCE, JACKSON COUNTY, MISSOURI

EXHIBIT 1



LOCATION MAP

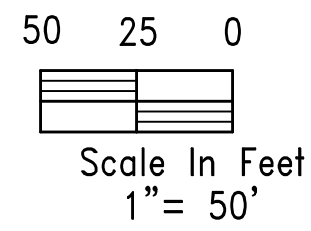


- NOTES:
1. TOATAL AREA OF SITE = 13.00ac
 2. TOTAL PROSED UNITS
8-PLEX = 4 - UNITS = 32
4-PLEX = 19 - UNITS = 76
3-PLEX = 3 - UNITS = 9
2-PLEX = 3 - UNITS = 6
TOTAL UNITS = 123 UNITS
 3. TOAL UNITS PER ACRE = 9.46 UNITS /AC
 4. TOAL DEDICATED ROW = 2.45ac
 5. TOTAL GREEN SPACE = 50%

- UTILITY NOTES:
1. SANITARY SEWER MAIN SHALL BE BUILT TO CITY STANDARDS AND DEDICATED TO THE CITY ALONG WITH A 15' UTILITY EASEMENT.
 2. ALL FIRE HYDRANTS AND WATER MAINS SHALL BUILT TO CITY WATERDEPARTMENT STANDARDS AND BE PUBLIC.

PERVIOUS VS IMPERVIOUS CALCULATIONS

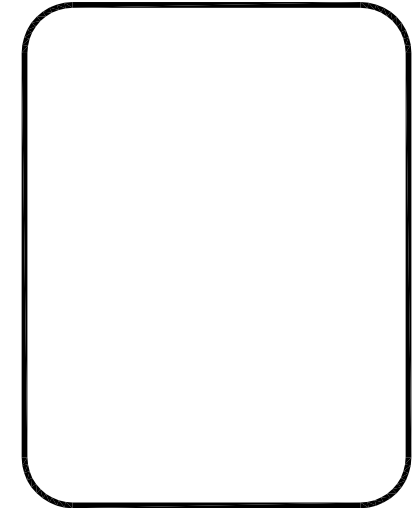
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IMPERVIOUS SURFACES	
PUBLIC ROADS	57,143 SF
BUILDINGS (PORCHES)	177,944 SF
DRIVES/PARKING	26,516SF
WALKS/MISC.	21,500SF
TOTAL	283,103SF
CALCULATIONS	
-/- = 50% IMPERVIOUS	50% PERVIOUS (GREEN)



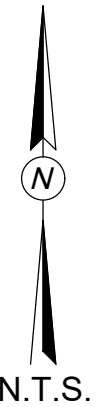
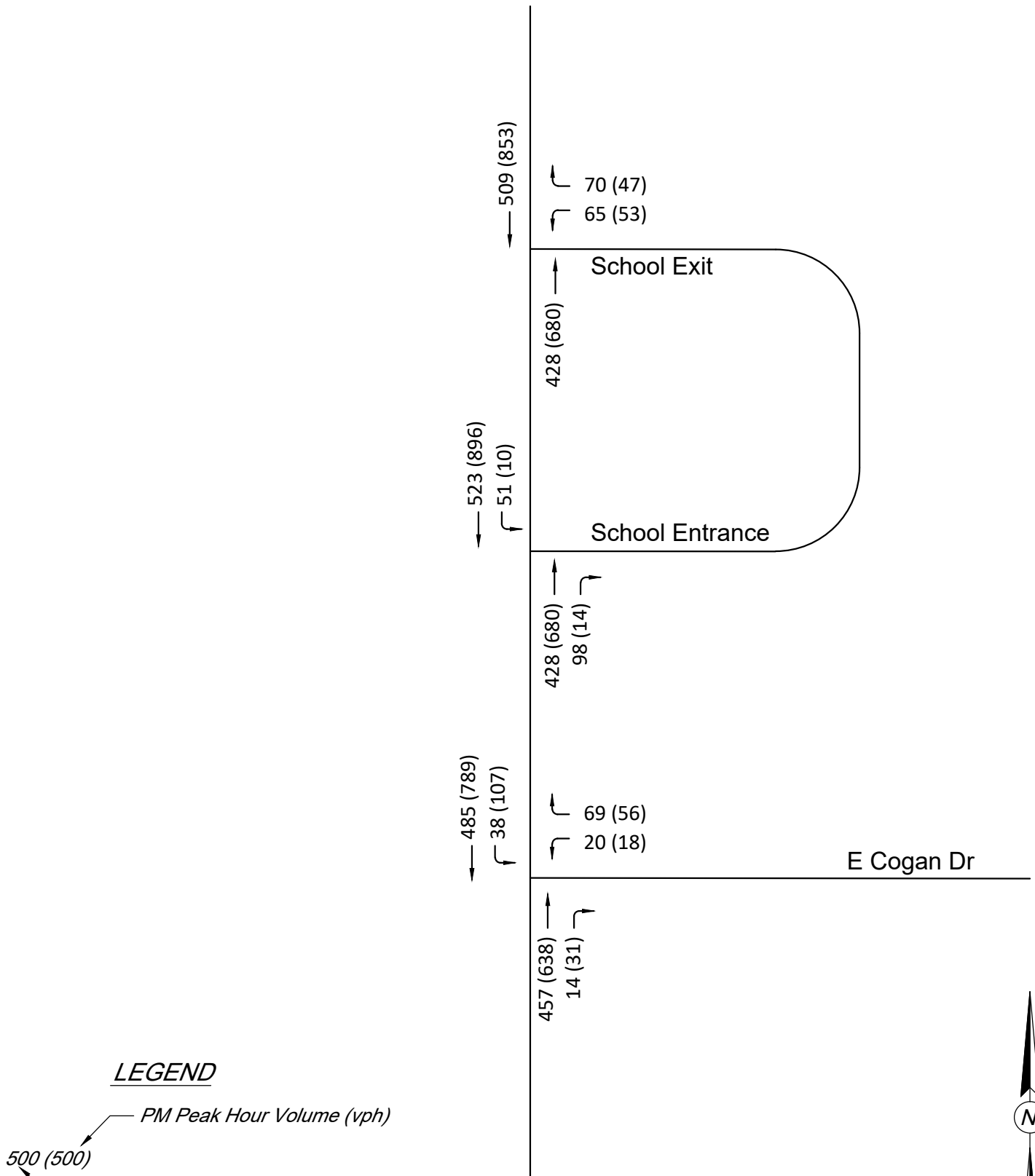
BY	
REVISION	
DATE	

Quist Engineering Inc.
Civil Engineering for Residential & Commercial Site Development
821 NE Columbus ST.
Independence, MO 64603
Phone: (816) 550-5677
e-mail = walquist@quistengineering.com

PRELIMINARY
DEVELOPMENT PLAN FOR
SUMMIT LIVING TOWN HOMES
CIVIL PLANS FOR
SUMMIT LIVING TOWN HOMES
INDEPENDENCE, JACKSON COUNTY, MISSOURI



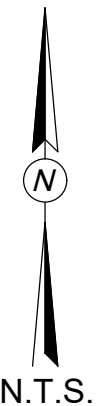
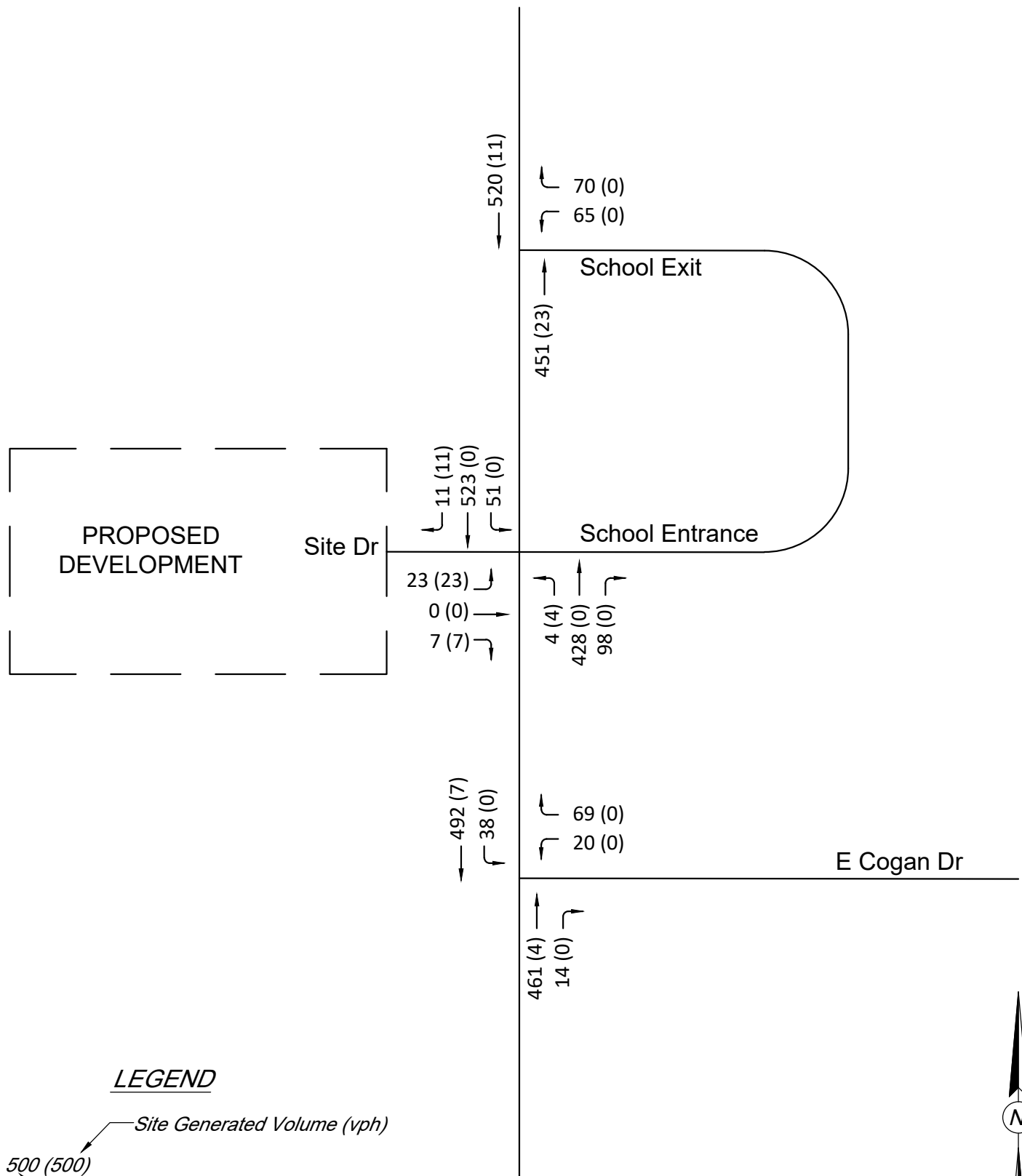
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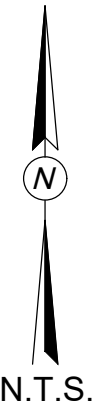
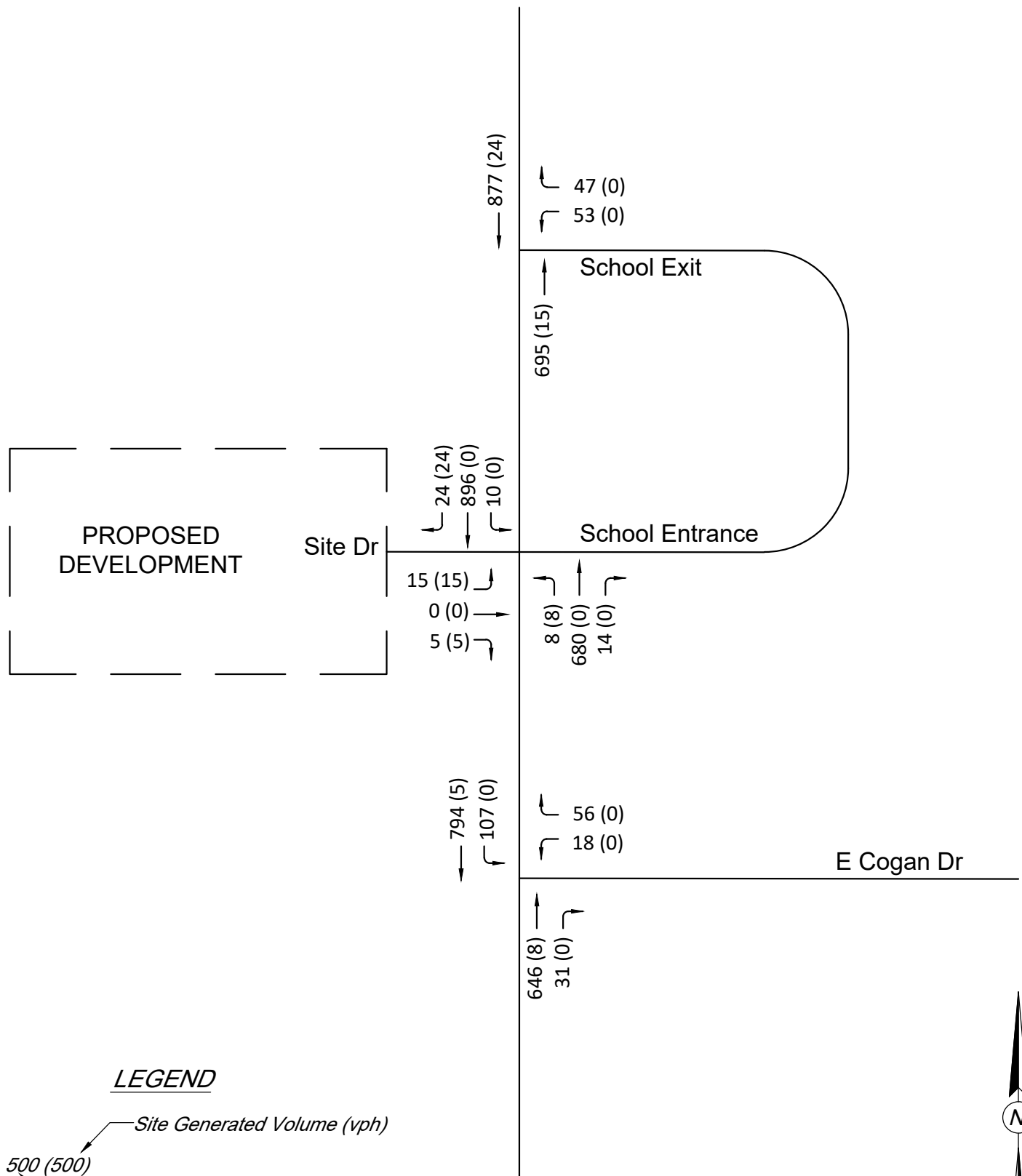


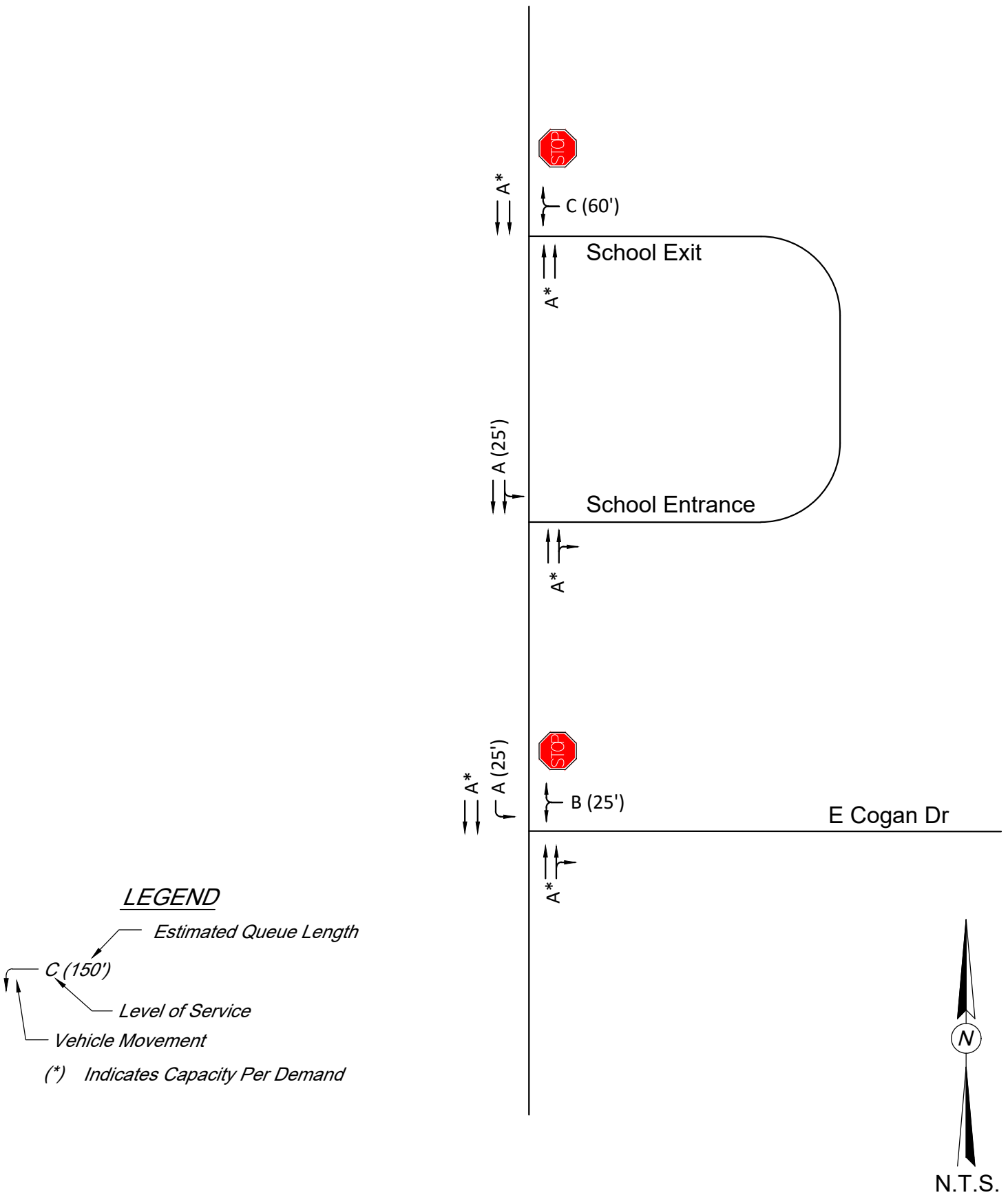
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DATE
MAY 2022

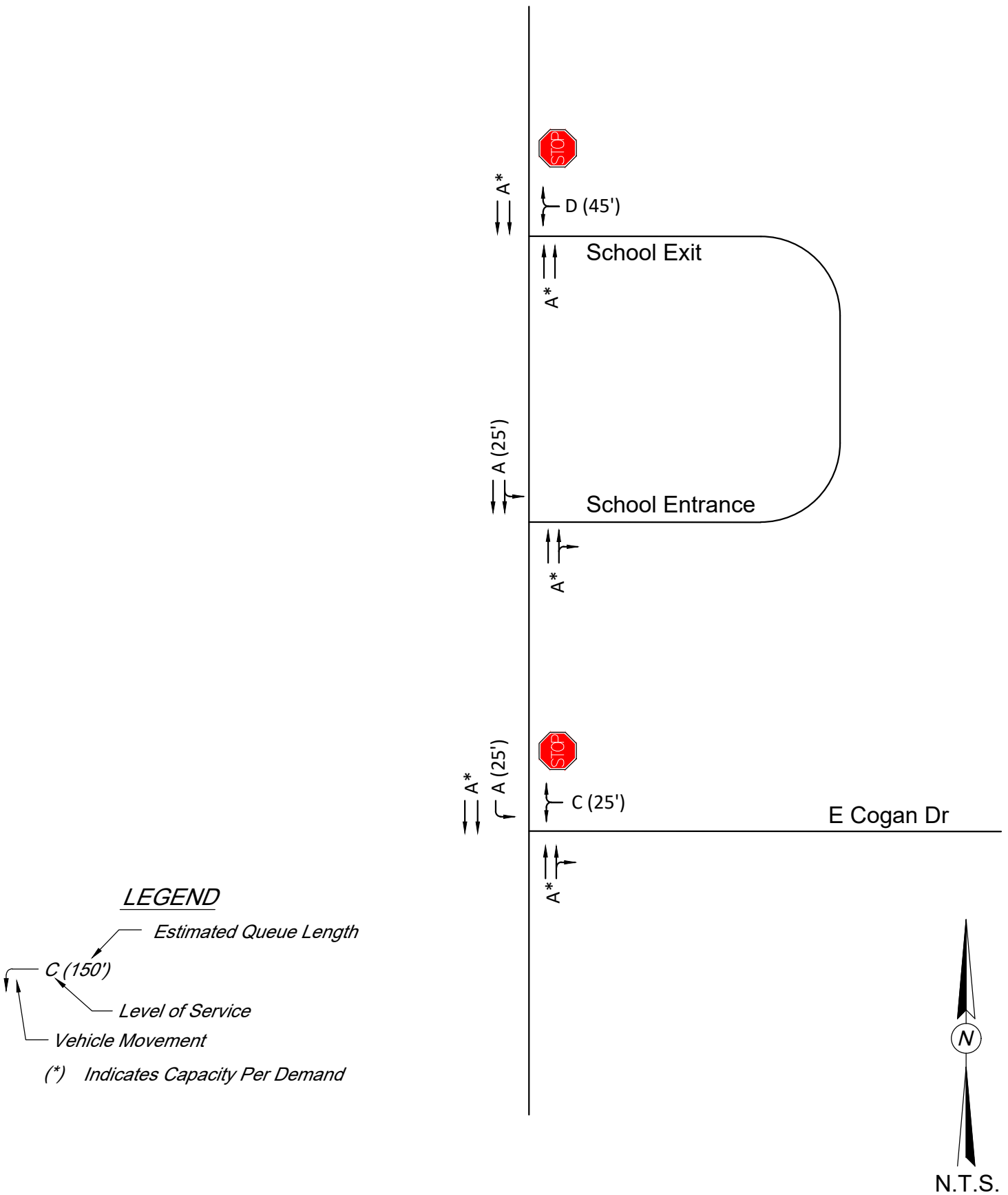
EXISTING
TRAFFIC VOLUMES

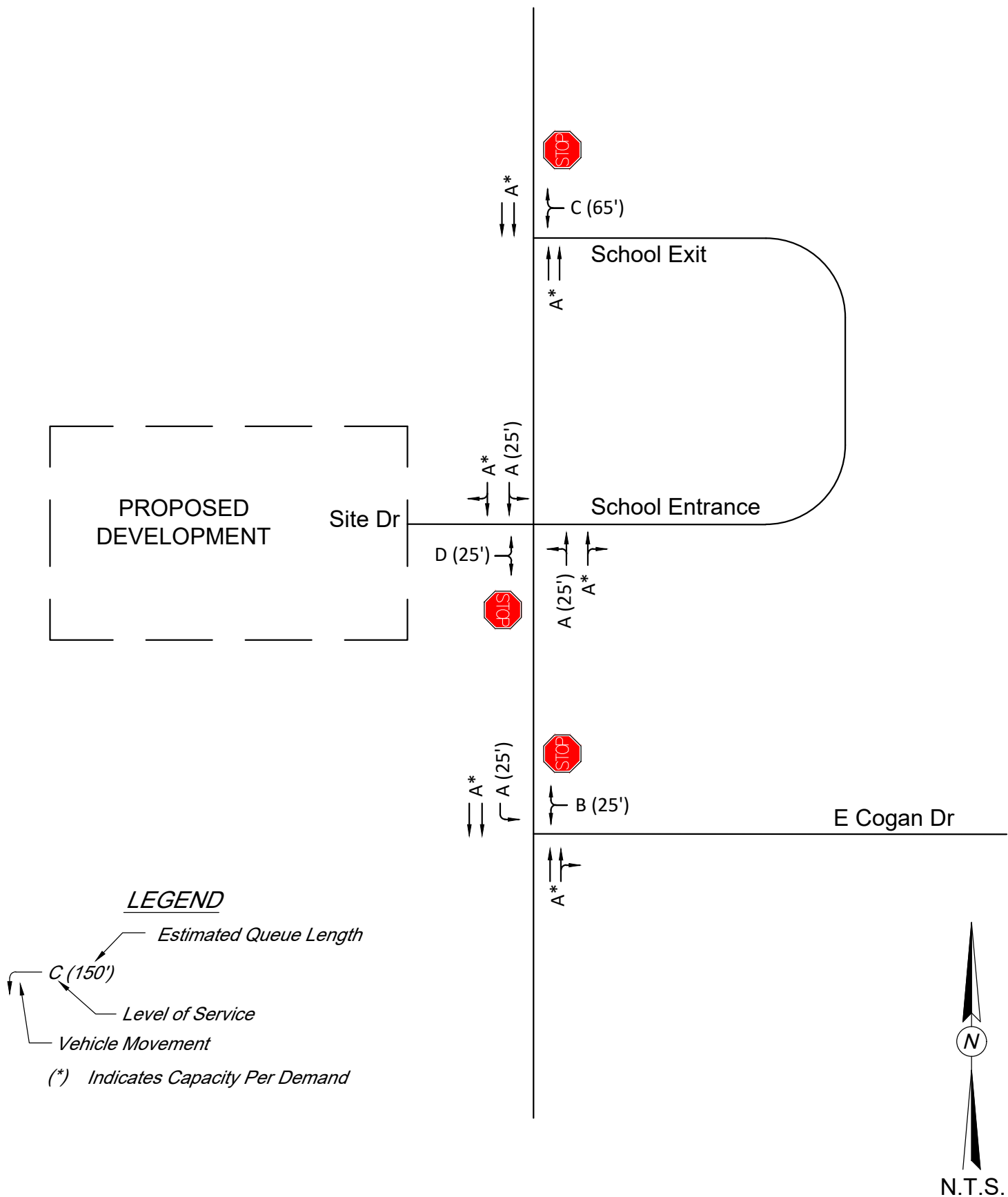
FIGURE 1

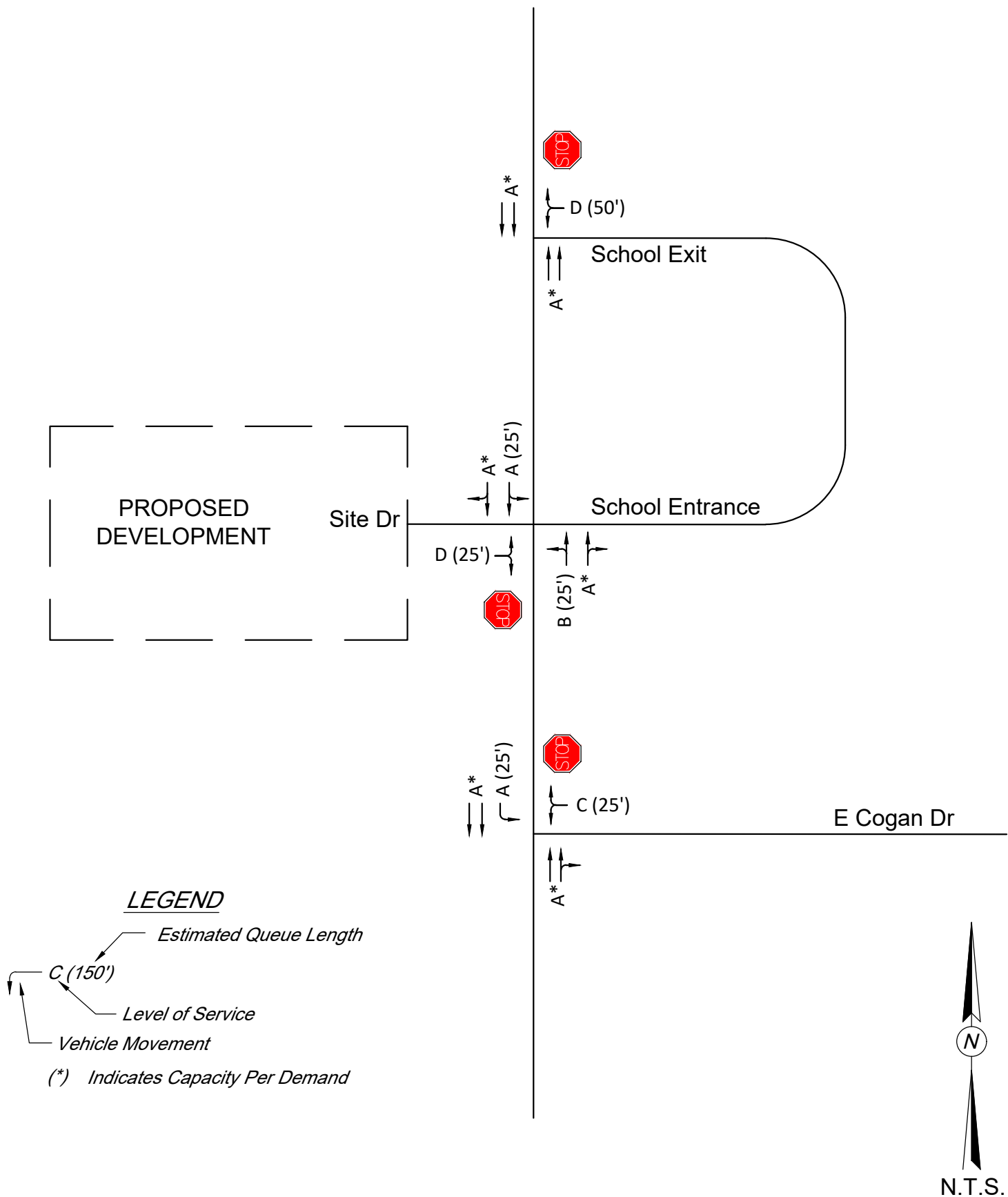












Appendix

Traffic Counts

S Lee's Summit Road & E Cogan Drive - TMC

Wed May 4, 2022

Full Length (7:30 AM-9:30 AM, 3 PM-6 PM)

All Classes (Lights, Articulated Trucks, Buses and Single-Unit Trucks, Pedestrians, Bicycles on Crosswalk)

All Movements

ID: 944941, Location: 39.070649, -94.390968



Provided by: Gewalt Hamilton Associates Inc.
625 Forest Edge Drive, Vernon Hills, IL, 60061, US

Leg Direction	Lees Summit Southbound					Cogan Westbound					Lees Summit Northbound					
Time	T	L	U	App	Ped*	R	L	U	App	Ped*	R	T	U	App	Ped*	Int
2022-05-04 7:30AM	72	9	0	81	0	14	4	0	18	0	5	91	0	96	0	195
7:45AM	89	5	0	94	0	10	3	0	13	0	2	117	0	119	0	226
Hourly Total	161	14	0	175	0	24	7	0	31	0	7	208	0	215	0	421
8:00AM	77	8	0	85	0	11	1	0	12	0	3	92	0	95	0	192
8:15AM	109	4	0	113	0	13	3	0	16	0	3	87	0	90	0	219
8:30AM	97	3	0	100	0	21	5	0	26	2	4	105	0	109	0	235
8:45AM	154	11	0	165	0	23	4	0	27	0	3	137	0	140	0	332
Hourly Total	437	26	0	463	0	68	13	0	81	2	13	421	0	434	0	978
9:00AM	128	15	0	143	0	11	7	0	18	0	5	107	0	112	0	273
9:15AM	106	9	0	115	0	14	4	0	18	0	2	88	0	90	0	223
Hourly Total	234	24	0	258	0	25	11	0	36	0	7	195	0	202	0	496
3:00PM	121	7	0	128	0	18	4	0	22	0	9	150	0	159	0	309
3:15PM	124	20	0	144	0	12	3	0	15	0	5	142	0	147	0	306
3:30PM	178	12	0	190	0	12	11	0	23	0	4	131	0	135	0	348
3:45PM	186	16	0	202	0	13	8	0	21	0	1	166	0	167	0	390
Hourly Total	609	55	0	664	0	55	26	0	81	0	19	589	0	608	0	1353
4:00PM	160	20	0	180	0	12	2	0	14	0	7	159	0	166	0	360
4:15PM	208	28	0	236	0	13	2	0	15	0	6	149	0	155	0	406
4:30PM	192	22	0	214	0	20	5	0	25	0	11	179	0	190	0	429
4:45PM	195	28	0	223	0	10	6	0	16	0	10	158	0	168	0	407
Hourly Total	755	98	0	853	0	55	15	0	70	0	34	645	0	679	0	1602
5:00PM	183	29	0	212	0	13	5	0	18	0	4	152	0	156	0	386
5:15PM	190	29	0	219	0	20	5	0	25	0	6	152	0	158	0	402
5:30PM	155	20	0	175	0	14	9	0	23	0	6	141	0	147	0	345
5:45PM	148	15	0	163	0	16	9	0	25	0	4	149	0	153	0	341
Hourly Total	676	93	0	769	0	63	28	0	91	0	20	594	0	614	0	1474
Total	2872	310	0	3182	0	290	100	0	390	2	100	2652	0	2752	0	6324
% Approach	90.3%	9.7%	0%	-	-	74.4%	25.6%	0%	-	-	3.6%	96.4%	0%	-	-	-
% Total	45.4%	4.9%	0%	50.3%	-	4.6%	1.6%	0%	6.2%	-	1.6%	41.9%	0%	43.5%	-	-
Lights	2833	305	0	3138	-	288	99	0	387	-	99	2627	0	2726	-	6251
% Lights	98.6%	98.4%	0%	98.6%	-	99.3%	99.0%	0%	99.2%	-	99.0%	99.1%	0%	99.1%	-	98.8%
Articulated Trucks	5	0	0	5	-	0	0	0	0	-	0	0	0	0	-	5
% Articulated Trucks	0.2%	0%	0%	0.2%	-	0%	0%	0%	0%	-	0%	0%	0%	0%	-	0.1%
Buses and Single-Unit Trucks	34	5	0	39	-	2	1	0	3	-	1	25	0	26	-	68
% Buses and Single-Unit Trucks	1.2%	1.6%	0%	1.2%	-	0.7%	1.0%	0%	0.8%	-	1.0%	0.9%	0%	0.9%	-	1.1%
Pedestrians	-	-	-	-	0	-	-	-	-	2	-	-	-	-	-	0
% Pedestrians	-	-	-	-	-	-	-	-	-	100%	-	-	-	-	-	-
Bicycles on Crosswalk	-	-	-	-	0	-	-	-	-	0	-	-	-	-	-	0
% Bicycles on Crosswalk	-	-	-	-	-	-	-	-	-	0%	-	-	-	-	-	-

* Pedestrians and Bicycles on Crosswalk. L: Left, R: Right, T: Thru, U: U-Turn

S Lee's Summit Road & E Cogan Drive - TMC

Wed May 4, 2022

Full Length (7:30 AM-9:30 AM, 3 PM-6 PM)

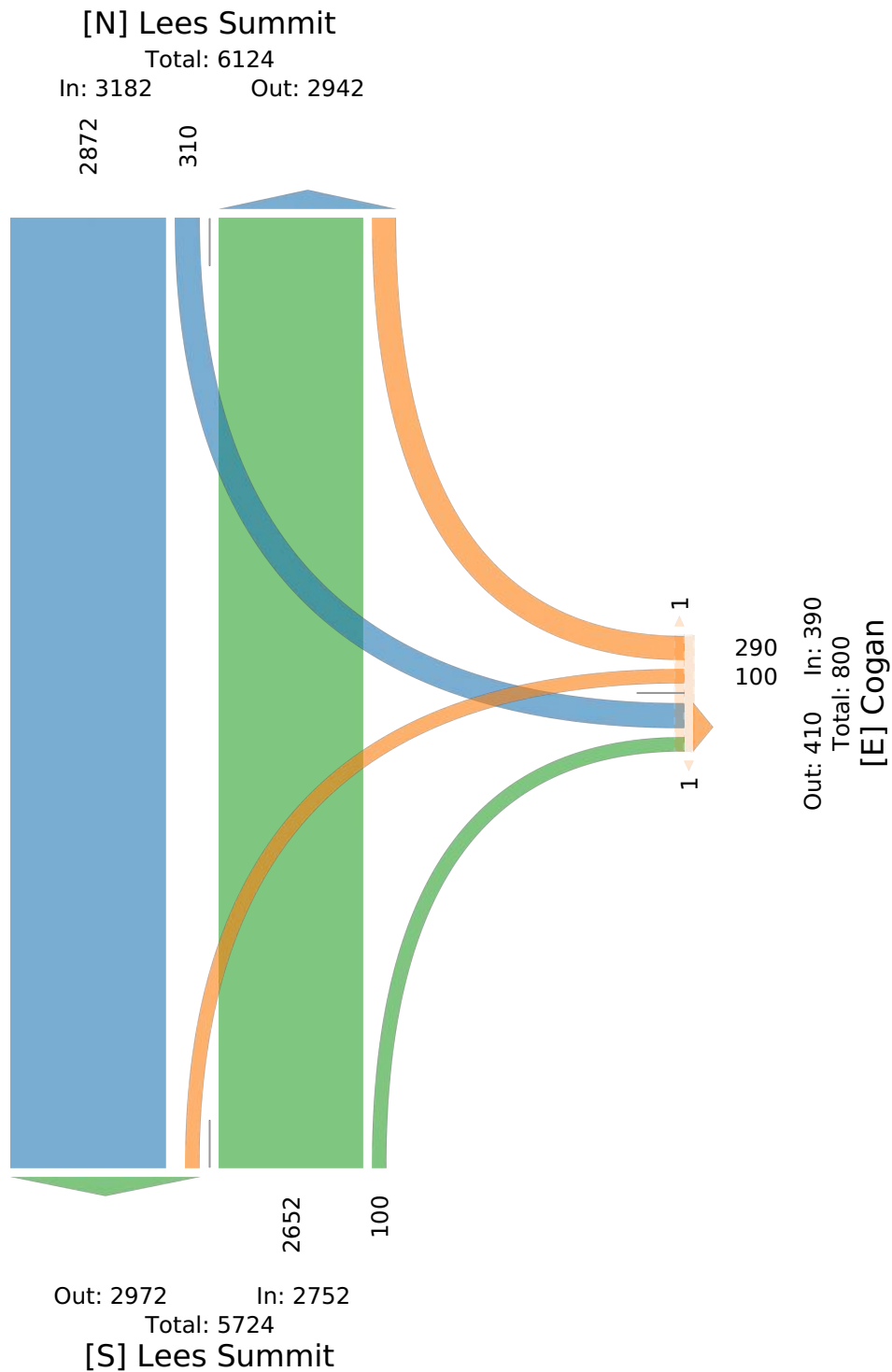
All Classes (Lights, Articulated Trucks, Buses and Single-Unit Trucks,
Pedestrians, Bicycles on Crosswalk)

All Movements

ID: 944941, Location: 39.070649, -94.390968



Provided by: Gewalt Hamilton Associates Inc.
625 Forest Edge Drive, Vernon Hills, IL, 60061, US



S Lee's Summit Road & E Cogan Drive - TMC

Wed May 4, 2022

AM Peak (8:30 AM - 9:30 AM)

All Classes (Lights, Articulated Trucks, Buses and Single-Unit Trucks,
Pedestrians, Bicycles on Crosswalk)

All Movements

ID: 944941, Location: 39.070649, -94.390968



Provided by: Gewalt Hamilton Associates Inc.
625 Forest Edge Drive, Vernon Hills, IL, 60061, US

Leg Direction	Lees Summit Southbound					Cogan Westbound					Lees Summit Northbound					
Time	T	L	U	App	Ped*	R	L	U	App	Ped*	R	T	U	App	Ped*	Int
2022-05-04 8:30AM	97	3	0	100	0	21	5	0	26	2	4	105	0	109	0	235
8:45AM	154	11	0	165	0	23	4	0	27	0	3	137	0	140	0	332
9:00AM	128	15	0	143	0	11	7	0	18	0	5	107	0	112	0	273
9:15AM	106	9	0	115	0	14	4	0	18	0	2	88	0	90	0	223
Total	485	38	0	523	0	69	20	0	89	2	14	437	0	451	0	1063
% Approach	92.7%	7.3%	0%	-	-	77.5%	22.5%	0%	-	-	3.1%	96.9%	0%	-	-	-
% Total	45.6%	3.6%	0%	49.2%	-	6.5%	1.9%	0%	8.4%	-	1.3%	41.1%	0%	42.4%	-	-
PHF	0.787	0.633	-	0.792	-	0.750	0.714	-	0.824	-	0.700	0.797	-	0.805	-	0.800
Lights	477	37	0	514	-	68	20	0	88	-	14	429	0	443	-	1045
% Lights	98.4%	97.4%	0%	98.3%	-	98.6%	100%	0%	98.9%	-	100%	98.2%	0%	98.2%	-	98.3%
Articulated Trucks	0	0	0	0	-	0	0	0	0	-	0	0	0	0	-	0
% Articulated Trucks	0%	0%	0%	0%	-	0%	0%	0%	0%	-	0%	0%	0%	0%	-	0%
Buses and Single-Unit Trucks	8	1	0	9	-	1	0	0	1	-	0	8	0	8	-	18
% Buses and Single-Unit Trucks	1.6%	2.6%	0%	1.7%	-	1.4%	0%	0%	1.1%	-	0%	1.8%	0%	1.8%	-	1.7%
Pedestrians	-	-	-	-	0	-	-	-	-	2	-	-	-	-	0	-
% Pedestrians	-	-	-	-	-	-	-	-	-	100%	-	-	-	-	-	-
Bicycles on Crosswalk	-	-	-	-	0	-	-	-	-	0	-	-	-	-	0	-
% Bicycles on Crosswalk	-	-	-	-	-	-	-	-	-	0%	-	-	-	-	-	-

* Pedestrians and Bicycles on Crosswalk. L: Left, R: Right, T: Thru, U: U-Turn

S Lee's Summit Road & E Cogan Drive - TMC

Wed May 4, 2022

AM Peak (8:30 AM - 9:30 AM)

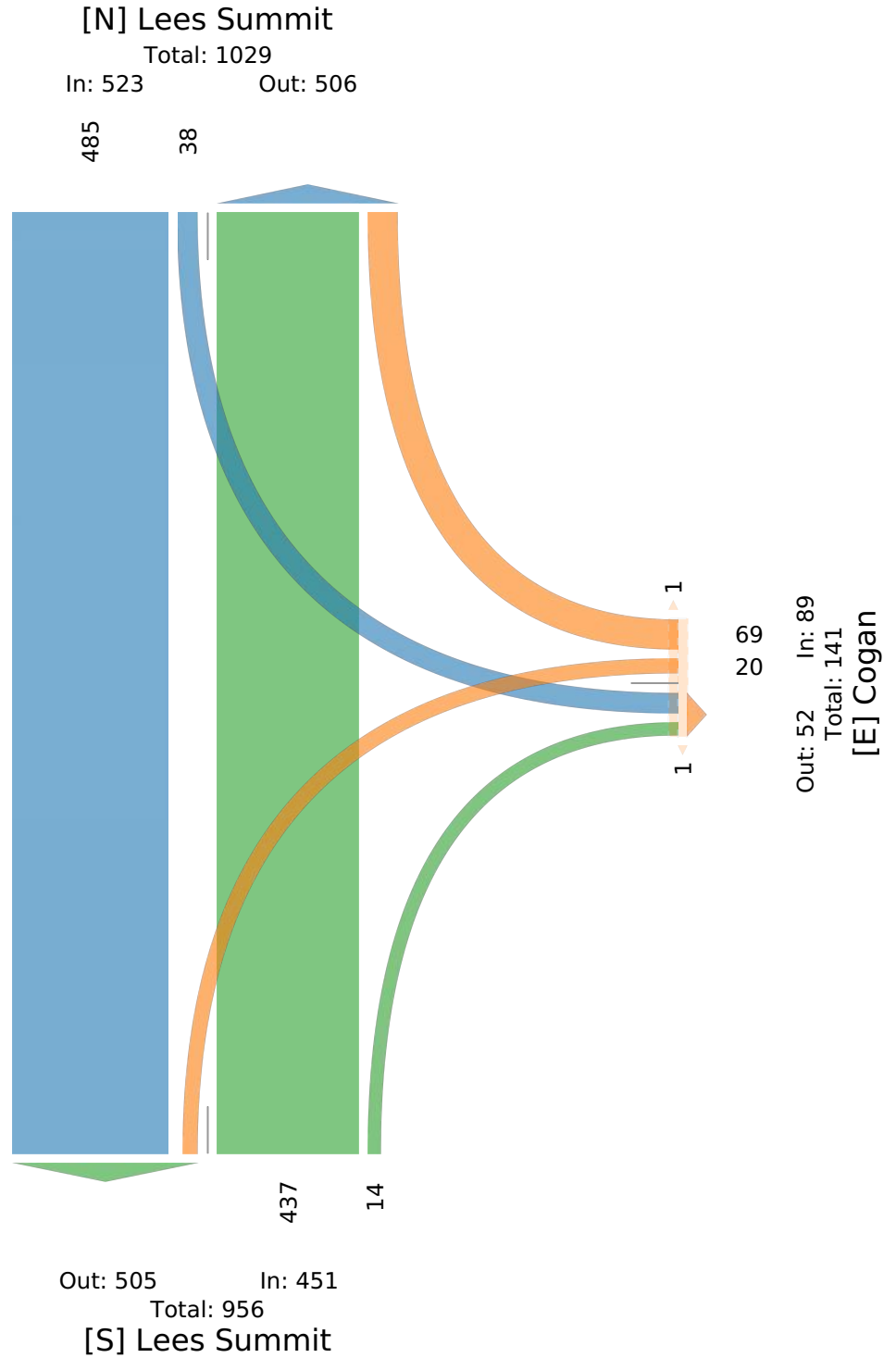
All Classes (Lights, Articulated Trucks, Buses and Single-Unit Trucks,
Pedestrians, Bicycles on Crosswalk)

All Movements

ID: 944941, Location: 39.070649, -94.390968



Provided by: Gewalt Hamilton Associates Inc.
625 Forest Edge Drive, Vernon Hills, IL, 60061, US



S Lee's Summit Road & E Cogan Drive - TMC

Wed May 4, 2022

PM Peak (4:15 PM - 5:15 PM) - Overall Peak Hour

All Classes (Lights, Articulated Trucks, Buses and Single-Unit Trucks, Pedestrians, Bicycles on Crosswalk)

All Movements

ID: 944941, Location: 39.070649, -94.390968



Provided by: Gewalt Hamilton Associates Inc.
625 Forest Edge Drive, Vernon Hills, IL, 60061, US

Leg Direction	Lees Summit Southbound						Cogan Westbound						Lees Summit Northbound						
Time	T	L	U	App	Ped*		R	L	U	App	Ped*		R	T	U	App	Ped*	Int	
2022-05-04 4:15PM	208	28	0	236	0		13	2	0	15	0		6	149	0	155	0	406	
4:30PM	192	22	0	214	0		20	5	0	25	0		11	179	0	190	0	429	
4:45PM	195	28	0	223	0		10	6	0	16	0		10	158	0	168	0	407	
5:00PM	183	29	0	212	0		13	5	0	18	0		4	152	0	156	0	386	
Total	778	107	0	885	0		56	18	0	74	0		31	638	0	669	0	1628	
% Approach	87.9%	12.1%	0%	-	-		75.7%	24.3%	0%	-	-		4.6%	95.4%	0%	-	-	-	
% Total	47.8%	6.6%	0%	54.4%	-		3.4%	1.1%	0%	4.5%	-		1.9%	39.2%	0%	41.1%	-	-	
PHF	0.935	0.922	-	0.938	-		0.700	0.750	-	0.740	-		0.705	0.891	-	0.880	-	0.949	
Lights	769	107	0	876	-		56	18	0	74	-		30	630	0	660	-	1610	
% Lights	98.8%	100%	0%	99.0%	-		100%	100%	0%	100%	-		96.8%	98.7%	0%	98.7%	-	98.9%	
Articulated Trucks	2	0	0	2	-		0	0	0	0	-		0	0	0	0	-	2	
% Articulated Trucks	0.3%	0%	0%	0.2%	-		0%	0%	0%	0%	-		0%	0%	0%	0%	-	0.1%	
Buses and Single-Unit Trucks	7	0	0	7	-		0	0	0	0	-		1	8	0	9	-	16	
% Buses and Single-Unit Trucks	0.9%	0%	0%	0.8%	-		0%	0%	0%	0%	-		3.2%	1.3%	0%	1.3%	-	1.0%	
Pedestrians	-	-	-	-	0		-	-	-	-	0		-	-	-	-	0		
% Pedestrians	-	-	-	-	-		-	-	-	-	-		-	-	-	-	-	-	
Bicycles on Crosswalk	-	-	-	-	0		-	-	-	-	0		-	-	-	-	0		
% Bicycles on Crosswalk	-	-	-	-	-		-	-	-	-	-		-	-	-	-	-	-	

* Pedestrians and Bicycles on Crosswalk. L: Left, R: Right, T: Thru, U: U-Turn

S Lee's Summit Road & E Cogan Drive - TMC

Wed May 4, 2022

PM Peak (4:15 PM - 5:15 PM) - Overall Peak Hour

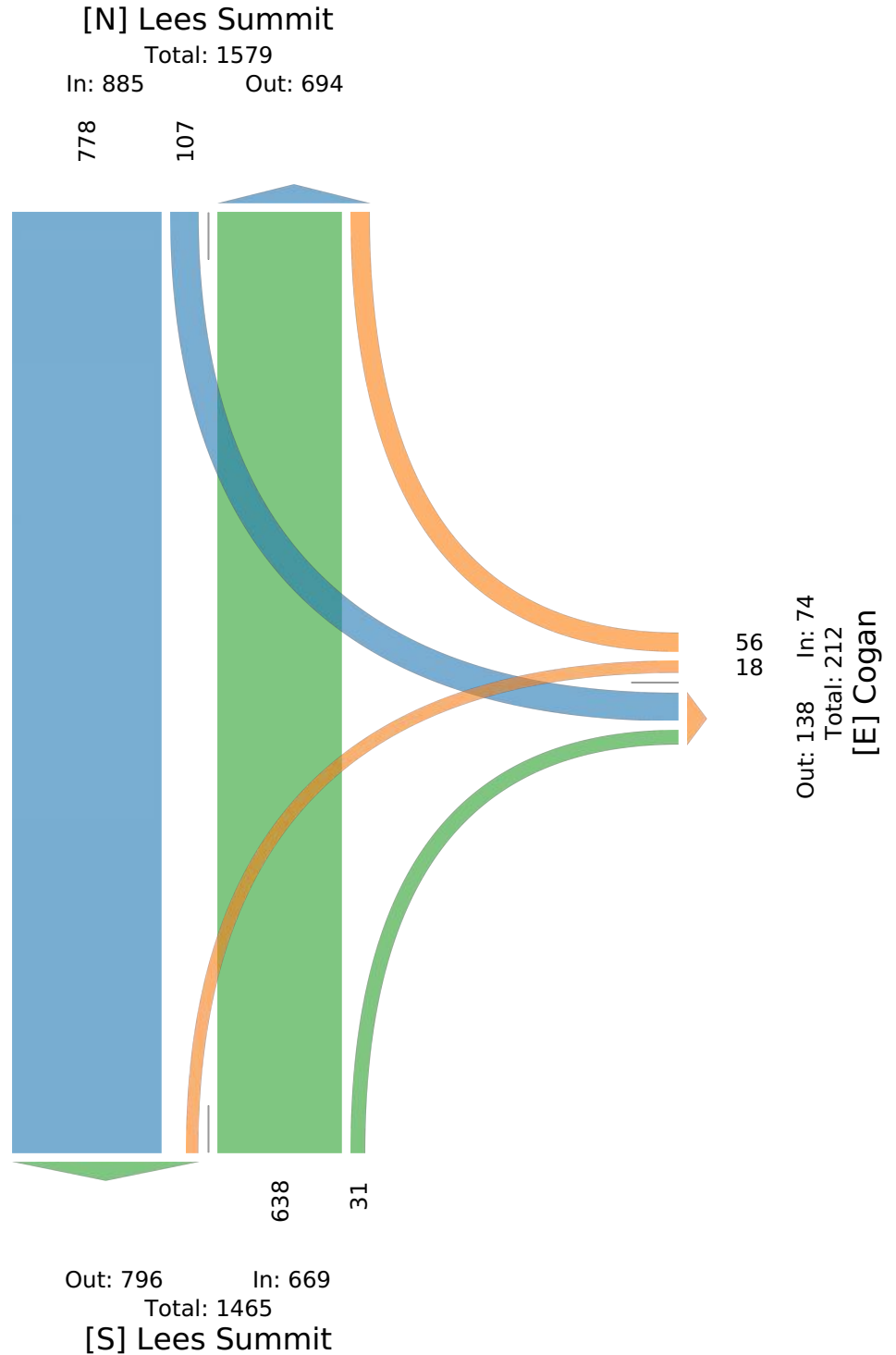
All Classes (Lights, Articulated Trucks, Buses and Single-Unit Trucks,
Pedestrians, Bicycles on Crosswalk)

All Movements

ID: 944941, Location: 39.070649, -94.390968



Provided by: Gewalt Hamilton Associates Inc.
625 Forest Edge Drive, Vernon Hills, IL, 60061, US



S Lee's Summit Road & Glendale School Entran... - TMC

Wed May 4, 2022

Full Length (7:30 AM-9:30 AM, 3 PM-6 PM)

All Classes (Lights, Articulated Trucks, Buses and Single-Unit Trucks, Pedestrians, Bicycles on Crosswalk)

All Movements

ID: 944942, Location: 39.071643, -94.390901



Provided by: Gewalt Hamilton Associates Inc.
625 Forest Edge Drive, Vernon Hills, IL, 60061, US

Leg Direction	Lees Summit Southbound					Entrance Westbound					Lees Summit Northbound					
Time	T	L	U	App	Ped*	R	L	U	App	Ped*	R	T	U	App	Ped*	Int
2022-05-04 7:30AM	82	2	0	84	0	0	0	0	0	0	3	102	0	105	0	189
7:45AM	94	5	0	99	0	0	0	0	0	0	10	122	0	132	0	231
Hourly Total	176	7	0	183	0	0	0	0	0	0	13	224	0	237	0	420
8:00AM	88	8	0	96	0	0	0	0	0	0	5	102	0	107	0	203
8:15AM	110	7	0	117	0	0	0	0	0	0	11	92	0	103	0	220
8:30AM	99	17	0	116	0	0	0	0	0	2	39	89	0	128	0	244
8:45AM	165	25	0	190	0	0	0	0	0	0	40	127	0	167	0	357
Hourly Total	462	57	0	519	0	0	0	0	0	2	95	410	0	505	0	1024
9:00AM	146	2	0	148	0	0	0	0	0	0	8	113	0	121	0	269
9:15AM	114	2	0	116	0	0	0	0	0	0	5	99	0	104	0	220
Hourly Total	260	4	0	264	0	0	0	0	0	0	13	212	0	225	0	489
3:00PM	129	2	0	131	0	0	0	0	0	0	5	163	0	168	0	299
3:15PM	147	1	0	148	0	0	0	0	0	0	7	148	0	155	0	303
3:30PM	193	10	0	203	0	0	0	0	0	0	13	131	0	144	0	347
3:45PM	207	16	0	223	0	0	0	0	0	0	13	170	0	183	0	406
Hourly Total	676	29	0	705	0	0	0	0	0	0	38	612	0	650	0	1355
4:00PM	178	12	0	190	0	0	0	0	0	0	20	152	0	172	0	362
4:15PM	241	6	0	247	0	0	0	0	0	0	10	153	0	163	0	410
4:30PM	215	0	0	215	0	0	0	0	0	0	0	198	0	198	0	413
4:45PM	229	2	0	231	0	0	0	0	0	0	1	164	0	165	0	396
Hourly Total	863	20	0	883	0	0	0	0	0	0	31	667	0	698	0	1581
5:00PM	211	2	0	213	0	0	0	0	0	0	3	165	0	168	0	381
5:15PM	223	4	0	227	0	0	0	0	0	0	7	166	0	173	0	400
5:30PM	178	0	0	178	0	0	0	0	0	0	3	152	0	155	0	333
5:45PM	163	3	0	166	0	0	0	0	0	1	3	162	0	165	0	331
Hourly Total	775	9	0	784	0	0	0	0	0	1	16	645	0	661	0	1445
Total	3212	126	0	3338	0	0	0	0	0	3	206	2770	0	2976	0	6314
% Approach	96.2%	3.8%	0%	-	-	0%	0%	0%	-	-	6.9%	93.1%	0%	-	-	-
% Total	50.9%	2.0%	0%	52.9%	-	0%	0%	0%	0%	-	3.3%	43.9%	0%	47.1%	-	-
Lights	3168	118	0	3286	-	0	0	0	0	-	203	2749	0	2952	-	6238
% Lights	98.6%	93.7%	0%	98.4%	-	0%	0%	0%	-	-	98.5%	99.2%	0%	99.2%	-	98.8%
Articulated Trucks	4	0	0	4	-	0	0	0	0	-	0	0	0	0	-	4
% Articulated Trucks	0.1%	0%	0%	0.1%	-	0%	0%	0%	-	-	0%	0%	0%	0%	-	0.1%
Buses and Single-Unit Trucks	40	8	0	48	-	0	0	0	0	-	3	21	0	24	-	72
% Buses and Single-Unit Trucks	1.2%	6.3%	0%	1.4%	-	0%	0%	0%	-	-	1.5%	0.8%	0%	0.8%	-	1.1%
Pedestrians	-	-	-	-	0	-	-	-	-	3	-	-	-	-	-	0
% Pedestrians	-	-	-	-	-	-	-	-	-	100%	-	-	-	-	-	-
Bicycles on Crosswalk	-	-	-	-	0	-	-	-	-	0	-	-	-	-	-	0
% Bicycles on Crosswalk	-	-	-	-	-	-	-	-	-	0%	-	-	-	-	-	-

* Pedestrians and Bicycles on Crosswalk. L: Left, R: Right, T: Thru, U: U-Turn

S Lee's Summit Road & Glendale School Entran... - TMC

Wed May 4, 2022

Full Length (7:30 AM-9:30 AM, 3 PM-6 PM)

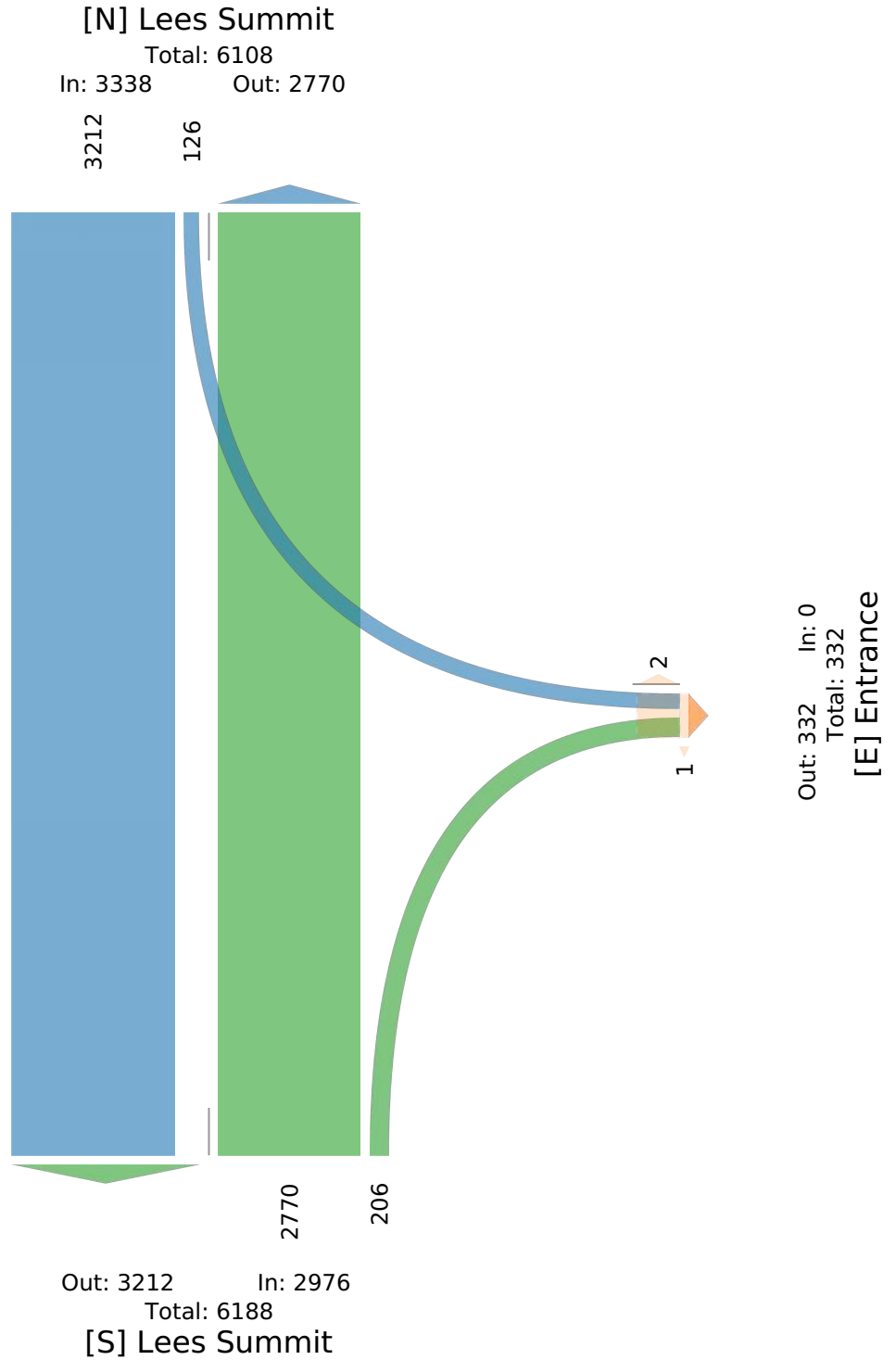
All Classes (Lights, Articulated Trucks, Buses and Single-Unit Trucks,
Pedestrians, Bicycles on Crosswalk)

All Movements

ID: 944942, Location: 39.071643, -94.390901



Provided by: Gewalt Hamilton Associates Inc.
625 Forest Edge Drive, Vernon Hills, IL, 60061, US



S Lee's Summit Road & Glendale School Entran... - TMC

Wed May 4, 2022

AM Peak (8:15 AM - 9:15 AM)

All Classes (Lights, Articulated Trucks, Buses and Single-Unit Trucks,
Pedestrians, Bicycles on Crosswalk)

All Movements

ID: 944942, Location: 39.071643, -94.390901



Provided by: Gewalt Hamilton Associates Inc.
625 Forest Edge Drive, Vernon Hills, IL, 60061, US

Leg Direction	Lees Summit Southbound					Entrance Westbound					Lees Summit Northbound					
Time	T	L	U	App	Ped*	R	L	U	App	Ped*	R	T	U	App	Ped*	Int
2022-05-04 8:15AM	110	7	0	117	0	0	0	0	0	0	11	92	0	103	0	220
8:30AM	99	17	0	116	0	0	0	0	0	2	39	89	0	128	0	244
8:45AM	165	25	0	190	0	0	0	0	0	0	40	127	0	167	0	357
9:00AM	146	2	0	148	0	0	0	0	0	0	8	113	0	121	0	269
Total	520	51	0	571	0	0	0	0	0	2	98	421	0	519	0	1090
% Approach	91.1%	8.9%	0%	-	-	0%	0%	0%	-	-	18.9%	81.1%	0%	-	-	-
% Total	47.7%	4.7%	0%	52.4%	-	0%	0%	0%	0%	-	9.0%	38.6%	0%	47.6%	-	-
PHF	0.788	0.510	-	0.751	-	-	-	-	-	-	0.613	0.829	-	0.777	-	0.763
Lights	511	49	0	560	-	0	0	0	0	-	95	417	0	512	-	1072
% Lights	98.3%	96.1%	0%	98.1%	-	0%	0%	0%	-	-	96.9%	99.0%	0%	98.7%	-	98.3%
Articulated Trucks	1	0	0	1	-	0	0	0	0	-	0	0	0	0	-	1
% Articulated Trucks	0.2%	0%	0%	0.2%	-	0%	0%	0%	-	-	0%	0%	0%	0%	-	0.1%
Buses and Single-Unit Trucks	8	2	0	10	-	0	0	0	0	-	3	4	0	7	-	17
% Buses and Single-Unit Trucks	1.5%	3.9%	0%	1.8%	-	0%	0%	0%	-	-	3.1%	1.0%	0%	1.3%	-	1.6%
Pedestrians	-	-	-	-	0	-	-	-	-	2	-	-	-	-	0	
% Pedestrians	-	-	-	-	-	-	-	-	-	100%	-	-	-	-	-	-
Bicycles on Crosswalk	-	-	-	-	0	-	-	-	-	0	-	-	-	-	0	
% Bicycles on Crosswalk	-	-	-	-	-	-	-	-	-	0%	-	-	-	-	-	-

* Pedestrians and Bicycles on Crosswalk. L: Left, R: Right, T: Thru, U: U-Turn

S Lee's Summit Road & Glendale School Entran... - TMC

Wed May 4, 2022

AM Peak (8:15 AM - 9:15 AM)

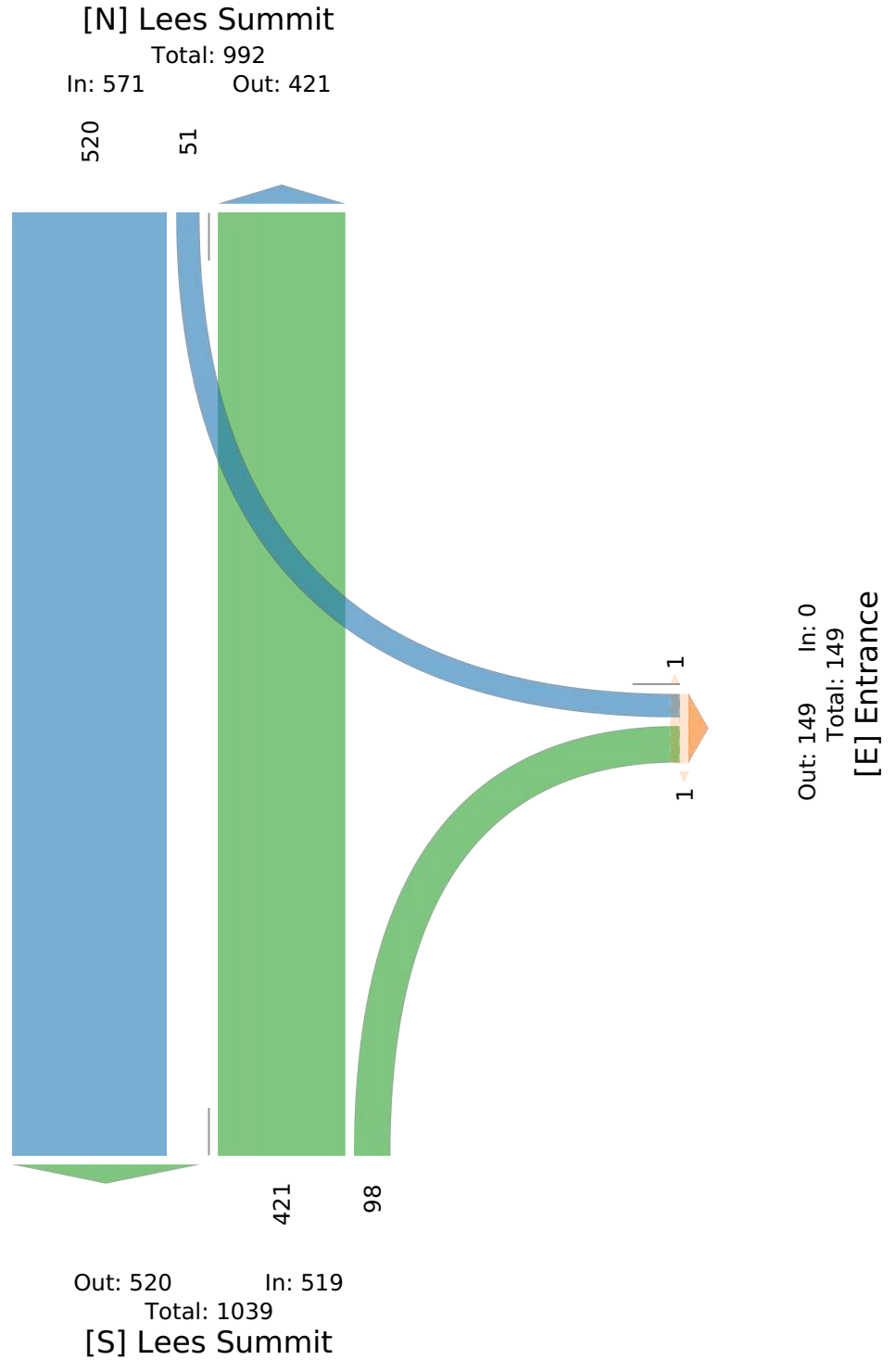
All Classes (Lights, Articulated Trucks, Buses and Single-Unit Trucks,
Pedestrians, Bicycles on Crosswalk)

All Movements

ID: 944942, Location: 39.071643, -94.390901



Provided by: Gewalt Hamilton Associates Inc.
625 Forest Edge Drive, Vernon Hills, IL, 60061, US



S Lee's Summit Road & Glendale School Entran... - TMC

Wed May 4, 2022

PM Peak (4:15 PM - 5:15 PM) - Overall Peak Hour

All Classes (Lights, Articulated Trucks, Buses and Single-Unit Trucks,
Pedestrians, Bicycles on Crosswalk)

All Movements

ID: 944942, Location: 39.071643, -94.390901



Provided by: Gewalt Hamilton Associates Inc.
625 Forest Edge Drive, Vernon Hills, IL, 60061, US

Leg Direction	Lees Summit Southbound					Entrance Westbound					Lees Summit Northbound					
Time	T	L	U	App	Ped*	R	L	U	App	Ped*	R	T	U	App	Ped*	Int
2022-05-04 4:15PM	241	6	0	247	0	0	0	0	0	0	10	153	0	163	0	410
4:30PM	215	0	0	215	0	0	0	0	0	0	0	198	0	198	0	413
4:45PM	229	2	0	231	0	0	0	0	0	0	1	164	0	165	0	396
5:00PM	211	2	0	213	0	0	0	0	0	0	3	165	0	168	0	381
Total	896	10	0	906	0	0	0	0	0	0	14	680	0	694	0	1600
% Approach	98.9%	1.1%	0%	-	-	0%	0%	0%	-	-	2.0%	98.0%	0%	-	-	-
% Total	56.0%	0.6%	0%	56.6%	-	0%	0%	0%	0%	-	0.9%	42.5%	0%	43.4%	-	-
PHF	0.929	0.417	-	0.917	-	-	-	-	-	-	0.350	0.859	-	0.876	-	0.969
Lights	888	10	0	898	-	0	0	0	0	-	14	672	0	686	-	1584
% Lights	99.1%	100%	0%	99.1%	-	0%	0%	0%	-	-	100%	98.8%	0%	98.8%	-	99.0%
Articulated Trucks	1	0	0	1	-	0	0	0	0	-	0	0	0	0	-	1
% Articulated Trucks	0.1%	0%	0%	0.1%	-	0%	0%	0%	-	-	0%	0%	0%	0%	-	0.1%
Buses and Single-Unit Trucks	7	0	0	7	-	0	0	0	0	-	0	8	0	8	-	15
% Buses and Single-Unit Trucks	0.8%	0%	0%	0.8%	-	0%	0%	0%	-	-	0%	1.2%	0%	1.2%	-	0.9%
Pedestrians	-	-	-	-	0	-	-	-	-	0	-	-	-	-	0	-
% Pedestrians	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Bicycles on Crosswalk	-	-	-	-	0	-	-	-	-	0	-	-	-	-	0	-
% Bicycles on Crosswalk	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

*Pedestrians and Bicycles on Crosswalk. L: Left, R: Right, T: Thru, U: U-Turn

S Lee's Summit Road & Glendale School Entran... - TMC

Wed May 4, 2022

PM Peak (4:15 PM - 5:15 PM) - Overall Peak Hour

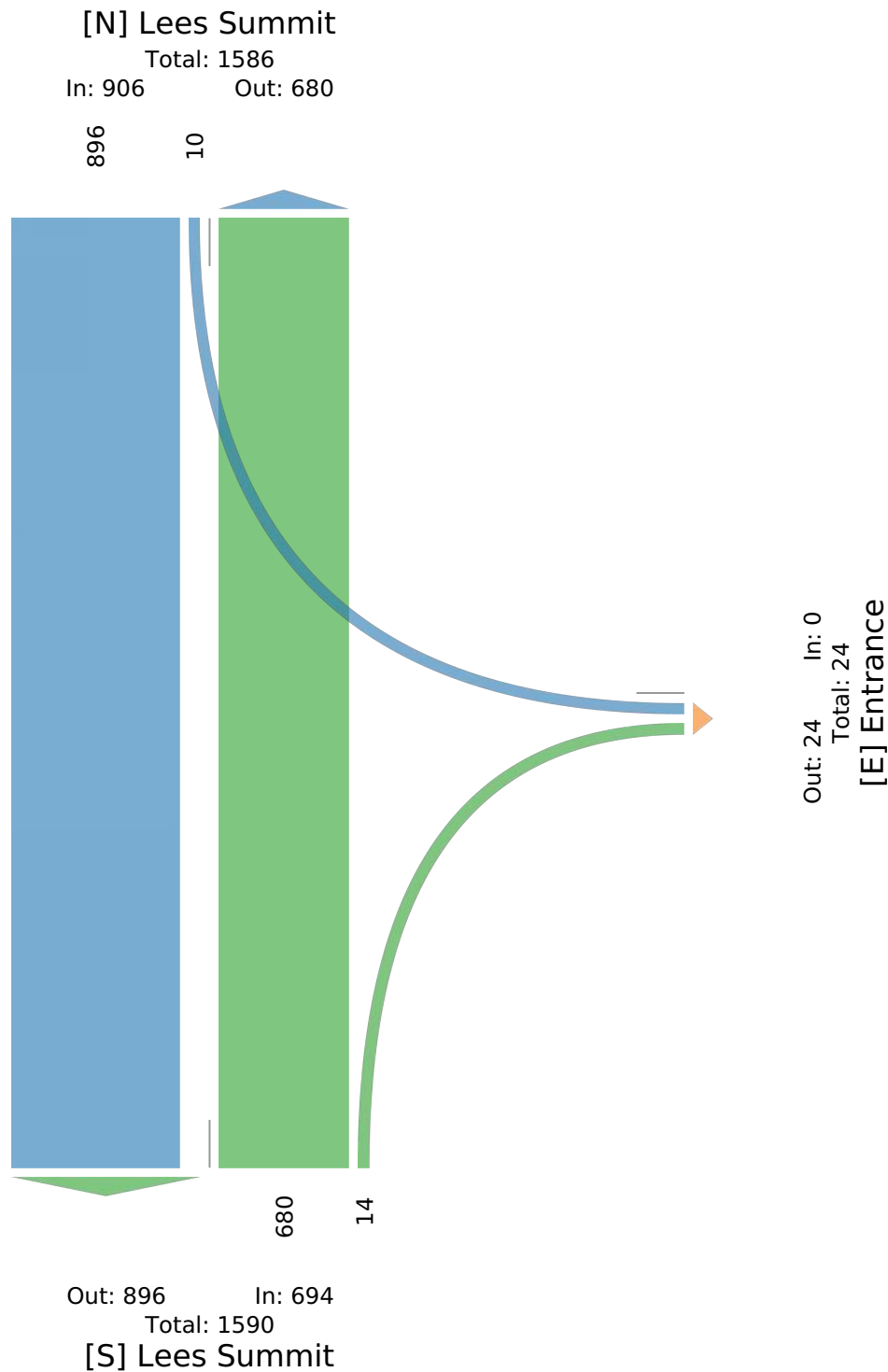
All Classes (Lights, Articulated Trucks, Buses and Single-Unit Trucks,
Pedestrians, Bicycles on Crosswalk)

All Movements

ID: 944942, Location: 39.071643, -94.390901



Provided by: Gewalt Hamilton Associates Inc.
625 Forest Edge Drive, Vernon Hills, IL, 60061, US



S Lee's Summit Road & Glendale School Exit - TMC

Wed May 4, 2022

Full Length (7:30 AM-9:30 AM, 3 PM-6 PM)

All Classes (Lights, Articulated Trucks, Buses and Single-Unit Trucks, Pedestrians, Bicycles on Crosswalk)

All Movements

ID: 944943, Location: 39.072342, -94.390912



Provided by: Gewalt Hamilton Associates Inc.
625 Forest Edge Drive, Vernon Hills, IL, 60061, US

Leg Direction	Lees Summit Southbound					Exit Westbound					Lees Summit Northbound					
Time	T	L	U	App	Ped*	R	L	U	App	Ped*	R	T	U	App	Ped*	Int
2022-05-04 7:30AM	84	0	0	84	0	3	0	0	3	0	0	99	0	99	0	186
7:45AM	94	0	0	94	0	2	5	0	7	0	0	125	0	125	0	226
Hourly Total	178	0	0	178	0	5	5	0	10	0	0	224	0	224	0	412
8:00AM	92	0	1	93	0	0	0	0	0	0	0	101	0	101	0	194
8:15AM	116	0	0	116	0	0	2	0	2	0	0	91	0	91	0	209
8:30AM	115	0	0	115	0	0	2	0	2	2	0	91	1	92	0	209
8:45AM	135	0	0	135	0	54	46	0	100	0	0	124	0	124	0	359
Hourly Total	458	0	1	459	0	54	50	0	104	2	0	407	1	408	0	971
9:00AM	135	0	0	135	0	14	14	0	28	0	0	113	0	113	0	276
9:15AM	108	0	0	108	0	2	3	0	5	0	0	99	0	99	0	212
Hourly Total	243	0	0	243	0	16	17	0	33	0	0	212	0	212	0	488
3:00PM	128	0	0	128	0	1	1	0	2	0	0	162	0	162	0	292
3:15PM	144	0	0	144	0	2	2	0	4	0	0	148	0	148	0	296
3:30PM	197	0	0	197	0	2	1	0	3	0	0	131	0	131	0	331
3:45PM	219	0	0	219	0	0	2	0	2	0	0	171	0	171	0	392
Hourly Total	688	0	0	688	0	5	6	0	11	0	0	612	0	612	0	1311
4:00PM	167	0	0	167	0	29	19	0	48	0	0	150	0	150	0	365
4:15PM	212	0	0	212	0	32	37	0	69	1	0	154	0	154	0	435
4:30PM	204	0	1	205	0	9	7	0	16	0	0	197	0	197	0	418
4:45PM	222	0	0	222	0	2	7	0	9	0	0	166	0	166	0	397
Hourly Total	805	0	1	806	0	72	70	0	142	1	0	667	0	667	0	1615
5:00PM	209	0	0	209	0	4	2	0	6	0	0	162	0	162	0	377
5:15PM	218	0	1	219	0	5	4	0	9	0	0	161	0	161	0	389
5:30PM	172	0	0	172	0	2	5	0	7	0	0	155	0	155	0	334
5:45PM	164	0	0	164	0	2	4	0	6	1	0	164	0	164	0	334
Hourly Total	763	0	1	764	0	13	15	0	28	1	0	642	0	642	0	1434
Total	3135	0	3	3138	0	165	163	0	328	4	0	2764	1	2765	0	6231
% Approach	99.9%	0%	0.1%	-	-	50.3%	49.7%	0%	-	-	0%	100.0%	0%	-	-	-
% Total	50.3%	0%	0%	50.4%	-	2.6%	2.6%	0%	5.3%	-	0%	44.4%	0%	44.4%	-	-
Lights	3079	0	3	3082	-	157	161	0	318	-	0	2743	1	2744	-	6144
% Lights	98.2%	0%	100%	98.2%	-	95.2%	98.8%	0%	97.0%	-	0%	99.2%	100%	99.2%	-	98.6%
Articulated Trucks	4	0	0	4	-	0	0	0	0	-	0	0	0	0	-	4
% Articulated Trucks	0.1%	0%	0%	0.1%	-	0%	0%	0%	0%	-	0%	0%	0%	0%	-	0.1%
Buses and Single-Unit Trucks	52	0	0	52	-	8	2	0	10	-	0	21	0	21	-	83
% Buses and Single-Unit Trucks	1.7%	0%	0%	1.7%	-	4.8%	1.2%	0%	3.0%	-	0%	0.8%	0%	0.8%	-	1.3%
Pedestrians	-	-	-	-	0	-	-	-	-	4	-	-	-	-	-	0
% Pedestrians	-	-	-	-	-	-	-	-	-	100%	-	-	-	-	-	-
Bicycles on Crosswalk	-	-	-	-	0	-	-	-	-	0	-	-	-	-	-	0
% Bicycles on Crosswalk	-	-	-	-	-	-	-	-	-	0%	-	-	-	-	-	-

* Pedestrians and Bicycles on Crosswalk. L: Left, R: Right, T: Thru, U: U-Turn

S Lee's Summit Road & Glendale School Exit - TMC

Wed May 4, 2022

Full Length (7:30 AM-9:30 AM, 3 PM-6 PM)

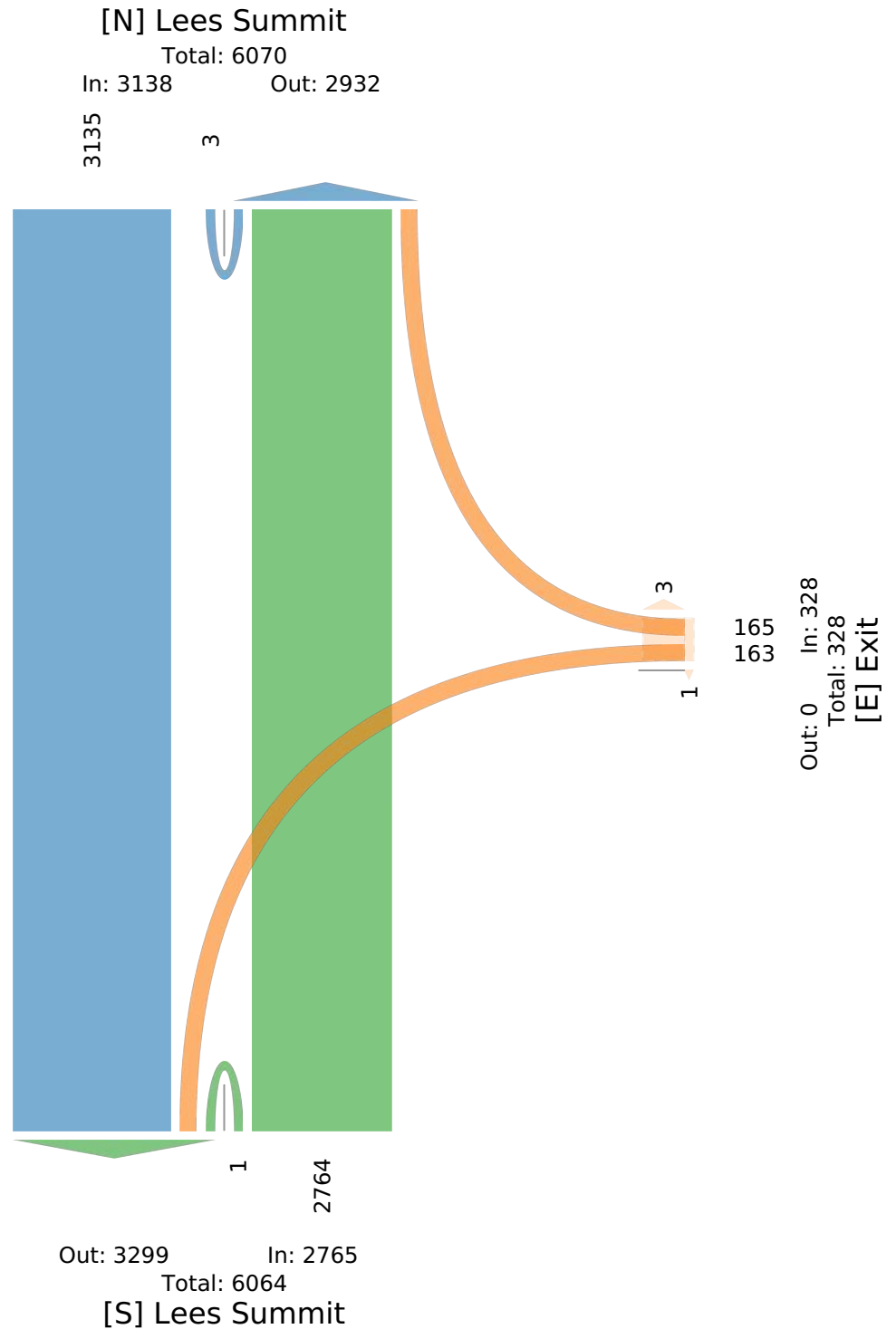
All Classes (Lights, Articulated Trucks, Buses and Single-Unit Trucks,
Pedestrians, Bicycles on Crosswalk)

All Movements

ID: 944943, Location: 39.072342, -94.390912



Provided by: Gewalt Hamilton Associates Inc.
625 Forest Edge Drive, Vernon Hills, IL, 60061, US



S Lee's Summit Road & Glendale School Exit - TMC

Wed May 4, 2022

AM Peak (8:30 AM - 9:30 AM)

All Classes (Lights, Articulated Trucks, Buses and Single-Unit Trucks,
Pedestrians, Bicycles on Crosswalk)

All Movements

ID: 944943, Location: 39.072342, -94.390912



Provided by: Gewalt Hamilton Associates Inc.
625 Forest Edge Drive, Vernon Hills, IL, 60061, US

Leg Direction	Lees Summit Southbound					Exit Westbound					Lees Summit Northbound					
Time	T	L	U	App	Ped*	R	L	U	App	Ped*	R	T	U	App	Ped*	Int
2022-05-04 8:30AM	115	0	0	115	0	0	2	0	2	2	0	91	1	92	0	209
8:45AM	135	0	0	135	0	54	46	0	100	0	0	124	0	124	0	359
9:00AM	135	0	0	135	0	14	14	0	28	0	0	113	0	113	0	276
9:15AM	108	0	0	108	0	2	3	0	5	0	0	99	0	99	0	212
Total	493	0	0	493	0	70	65	0	135	2	0	427	1	428	0	1056
% Approach	100%	0%	0%	-	-	51.9%	48.1%	0%	-	-	0%	99.8%	0.2%	-	-	-
% Total	46.7%	0%	0%	46.7%	-	6.6%	6.2%	0%	12.8%	-	0%	40.4%	0.1%	40.5%	-	-
PHF	0.913	-	-	0.913	-	0.324	0.353	-	0.338	-	-	0.861	0.250	0.863	-	0.735
Lights	478	0	0	478	-	65	65	0	130	-	0	422	1	423	-	1031
% Lights	97.0%	0%	0%	97.0%	-	92.9%	100%	0%	96.3%	-	0%	98.8%	100%	98.8%	-	97.6%
Articulated Trucks	0	0	0	0	-	0	0	0	0	-	0	0	0	0	-	0
% Articulated Trucks	0%	0%	0%	0%	-	0%	0%	0%	0%	-	0%	0%	0%	0%	-	0%
Buses and Single-Unit Trucks	15	0	0	15	-	5	0	0	5	-	0	5	0	5	-	25
% Buses and Single-Unit Trucks	3.0%	0%	0%	3.0%	-	7.1%	0%	0%	3.7%	-	0%	1.2%	0%	1.2%	-	2.4%
Pedestrians	-	-	-	-	0	-	-	-	-	2	-	-	-	-	0	-
% Pedestrians	-	-	-	-	-	-	-	-	-	100%	-	-	-	-	-	-
Bicycles on Crosswalk	-	-	-	-	0	-	-	-	-	0	-	-	-	-	0	-
% Bicycles on Crosswalk	-	-	-	-	-	-	-	-	-	0%	-	-	-	-	-	-

* Pedestrians and Bicycles on Crosswalk. L: Left, R: Right, T: Thru, U: U-Turn

S Lee's Summit Road & Glendale School Exit - TMC

Wed May 4, 2022

AM Peak (8:30 AM - 9:30 AM)

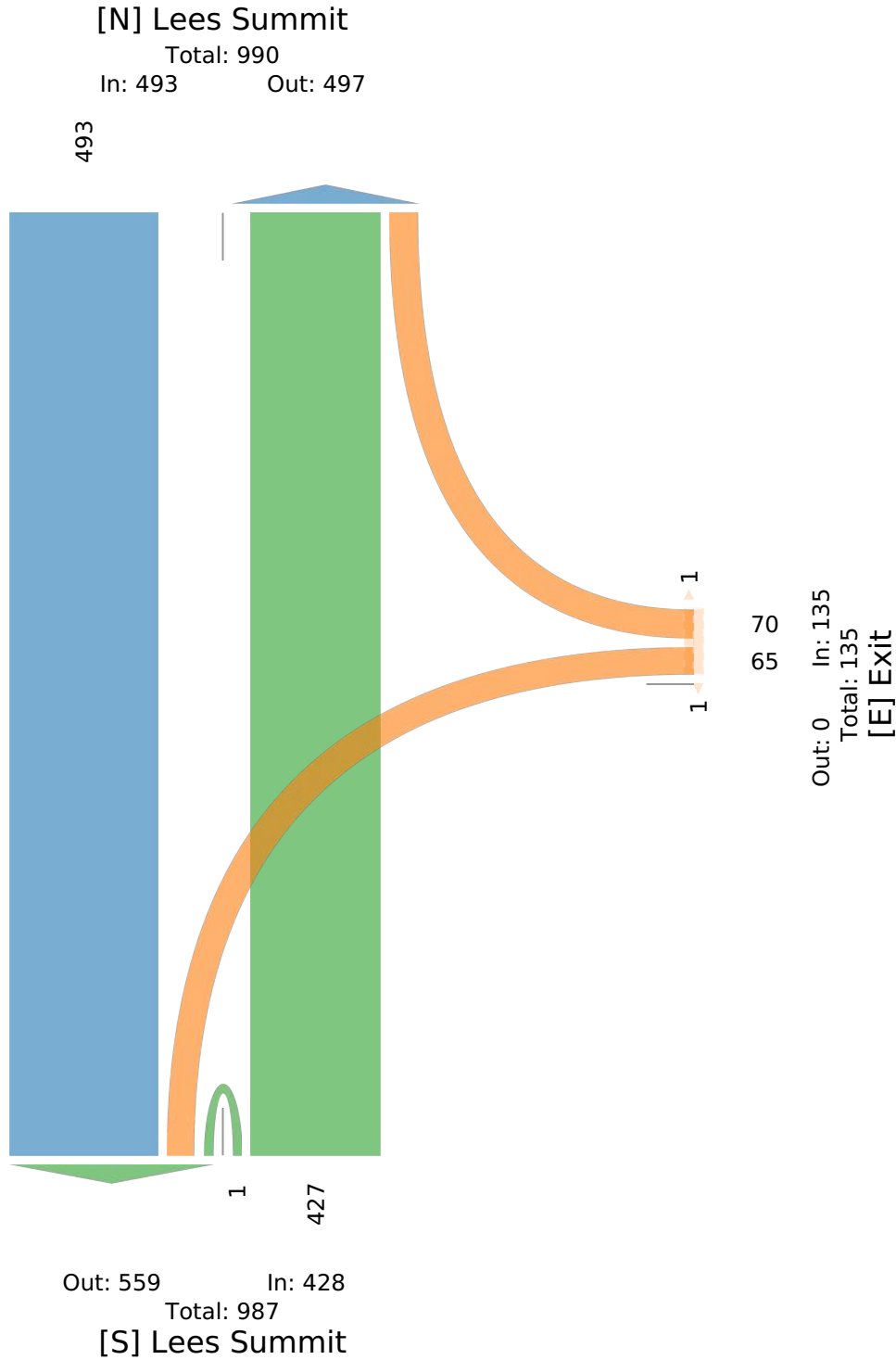
All Classes (Lights, Articulated Trucks, Buses and Single-Unit Trucks,
Pedestrians, Bicycles on Crosswalk)

All Movements

ID: 944943, Location: 39.072342, -94.390912



Provided by: Gewalt Hamilton Associates Inc.
625 Forest Edge Drive, Vernon Hills, IL, 60061, US



S Lee's Summit Road & Glendale School Exit - TMC

Wed May 4, 2022

PM Peak (4:15 PM - 5:15 PM) - Overall Peak Hour

All Classes (Lights, Articulated Trucks, Buses and Single-Unit Trucks, Pedestrians, Bicycles on Crosswalk)

All Movements

ID: 944943, Location: 39.072342, -94.390912



Provided by: Gewalt Hamilton Associates Inc.
625 Forest Edge Drive, Vernon Hills, IL, 60061, US

Leg Direction	Lees Summit Southbound					Exit Westbound					Lees Summit Northbound					
Time	T	L	U	App	Ped*	R	L	U	App	Ped*	R	T	U	App	Ped*	Int
2022-05-04 4:15PM	212	0	0	212	0	32	37	0	69	1	0	154	0	154	0	435
4:30PM	204	0	1	205	0	9	7	0	16	0	0	197	0	197	0	418
4:45PM	222	0	0	222	0	2	7	0	9	0	0	166	0	166	0	397
5:00PM	209	0	0	209	0	4	2	0	6	0	0	162	0	162	0	377
Total	847	0	1	848	0	47	53	0	100	1	0	679	0	679	0	1627
% Approach	99.9%	0%	0.1%	-	-	47.0%	53.0%	0%	-	-	0%	100%	0%	-	-	-
% Total	52.1%	0%	0.1%	52.1%	-	2.9%	3.3%	0%	6.1%	-	0%	41.7%	0%	41.7%	-	-
PHF	0.954	-	0.250	0.955	-	0.367	0.358	-	0.362	-	-	0.862	-	0.862	-	0.935
Lights	840	0	1	841	-	44	51	0	95	-	0	671	0	671	-	1607
% Lights	99.2%	0%	100%	99.2%	-	93.6%	96.2%	0%	95.0%	-	0%	98.8%	0%	98.8%	-	98.8%
Articulated Trucks	1	0	0	1	-	0	0	0	0	-	0	0	0	0	-	1
% Articulated Trucks	0.1%	0%	0%	0.1%	-	0%	0%	0%	0%	-	0%	0%	0%	0%	-	0.1%
Buses and Single-Unit Trucks	6	0	0	6	-	3	2	0	5	-	0	8	0	8	-	19
% Buses and Single-Unit Trucks	0.7%	0%	0%	0.7%	-	6.4%	3.8%	0%	5.0%	-	0%	1.2%	0%	1.2%	-	1.2%
Pedestrians	-	-	-	-	0	-	-	-	-	1	-	-	-	-	0	-
% Pedestrians	-	-	-	-	-	-	-	-	-	100%	-	-	-	-	-	-
Bicycles on Crosswalk	-	-	-	-	0	-	-	-	-	0	-	-	-	-	0	-
% Bicycles on Crosswalk	-	-	-	-	-	-	-	-	-	0%	-	-	-	-	-	-

*Pedestrians and Bicycles on Crosswalk. L: Left, R: Right, T: Thru, U: U-Turn

S Lee's Summit Road & Glendale School Exit - TMC

Wed May 4, 2022

PM Peak (4:15 PM - 5:15 PM) - Overall Peak Hour

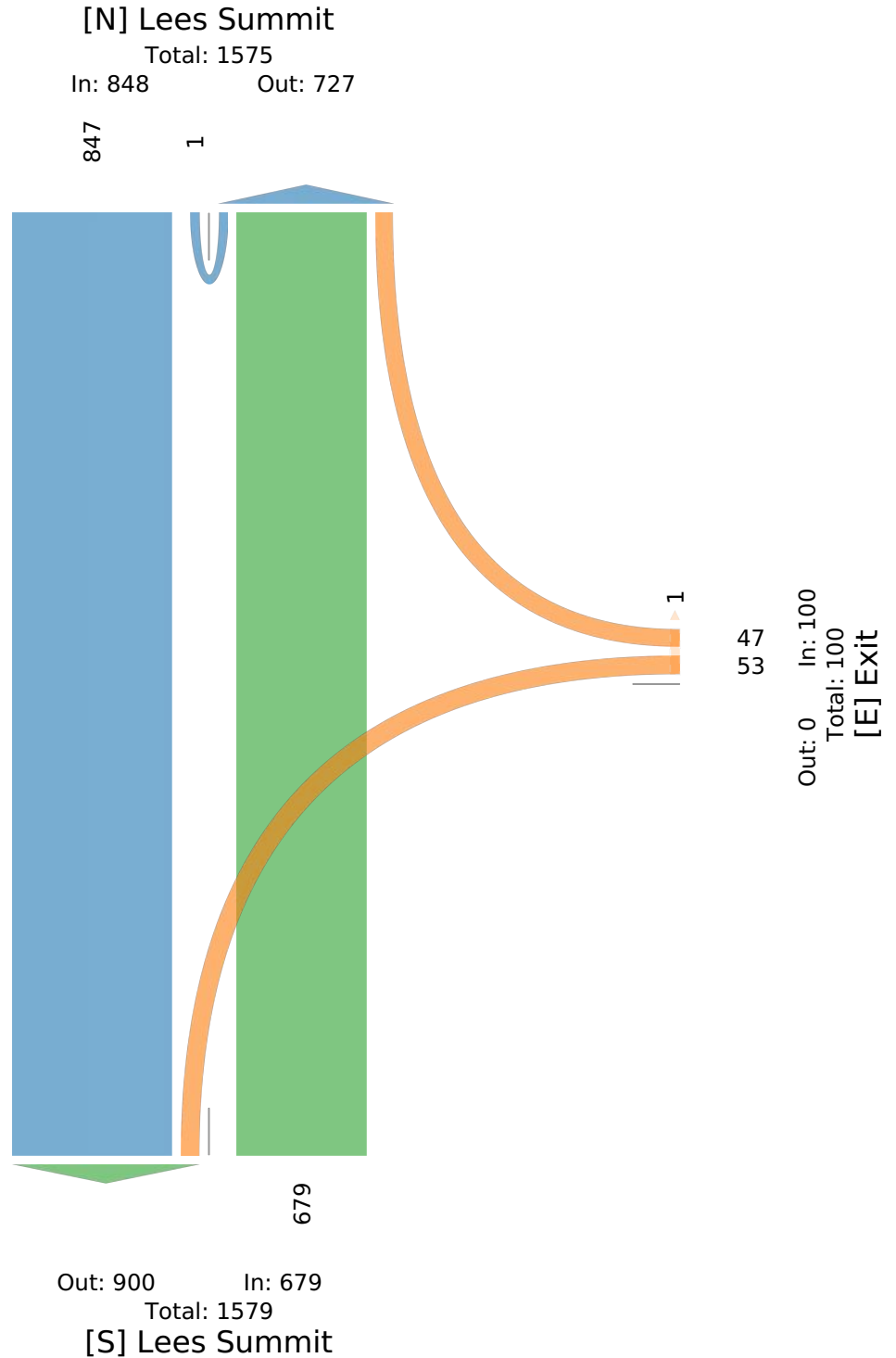
All Classes (Lights, Articulated Trucks, Buses and Single-Unit Trucks,
Pedestrians, Bicycles on Crosswalk)

All Movements

ID: 944943, Location: 39.072342, -94.390912



Provided by: Gewalt Hamilton Associates Inc.
625 Forest Edge Drive, Vernon Hills, IL, 60061, US



Trip Generation

Senior Adult Housing - Single-Family (251)

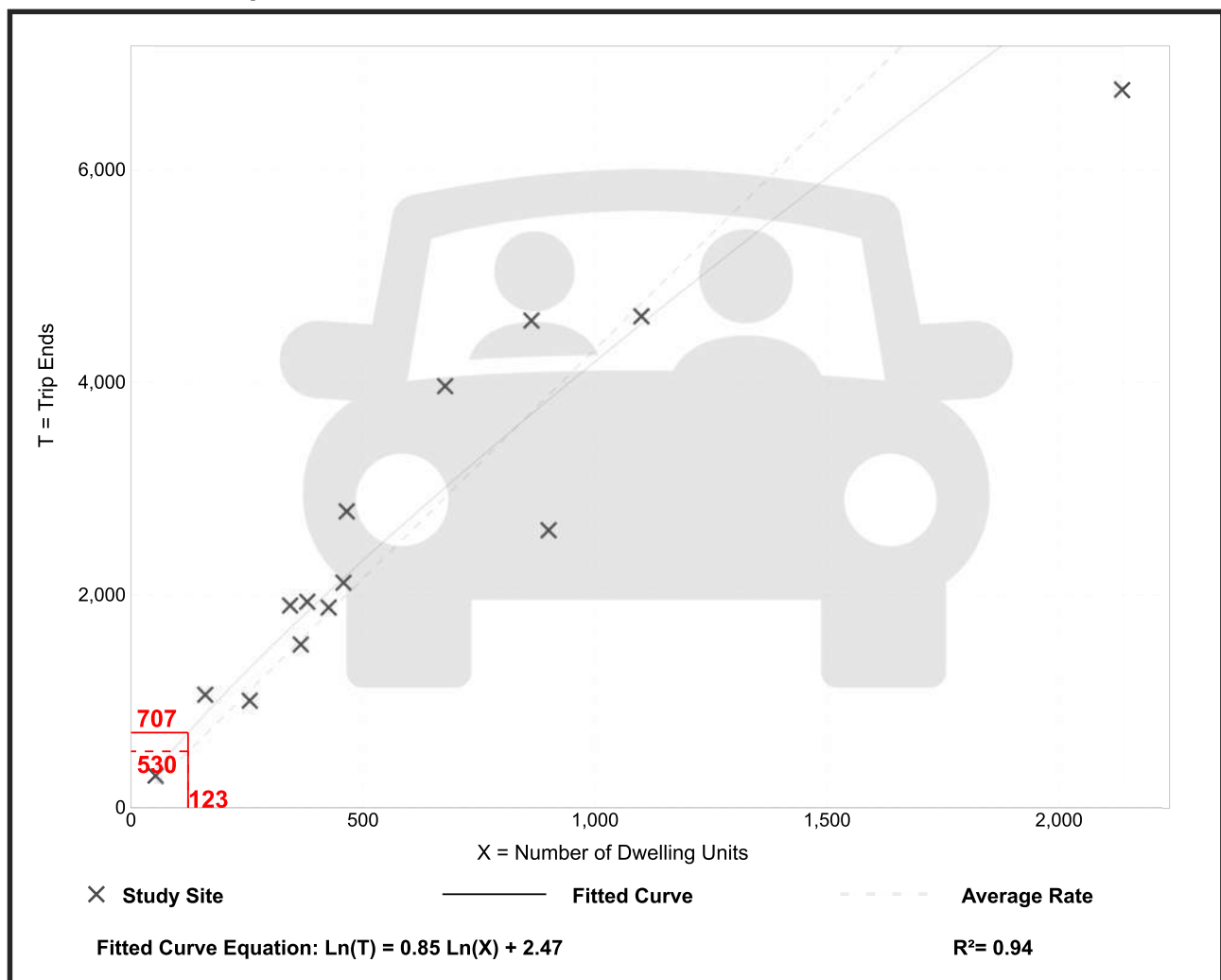
Vehicle Trip Ends vs: Dwelling Units
On a: Weekday

Setting/Location: General Urban/Suburban
Number of Studies: 15
Avg. Num. of Dwelling Units: 646
Directional Distribution: 50% entering, 50% exiting

Vehicle Trip Generation per Dwelling Unit

Average Rate	Range of Rates	Standard Deviation
4.31	2.90 - 6.66	1.07

Data Plot and Equation



Calculated Trip Ends:

Average Rate: 530 (Total), 265 (Entry), 265 (Exit)

Fitted Curve: 707 (Total), 353 (Entry), 354 (Exit)

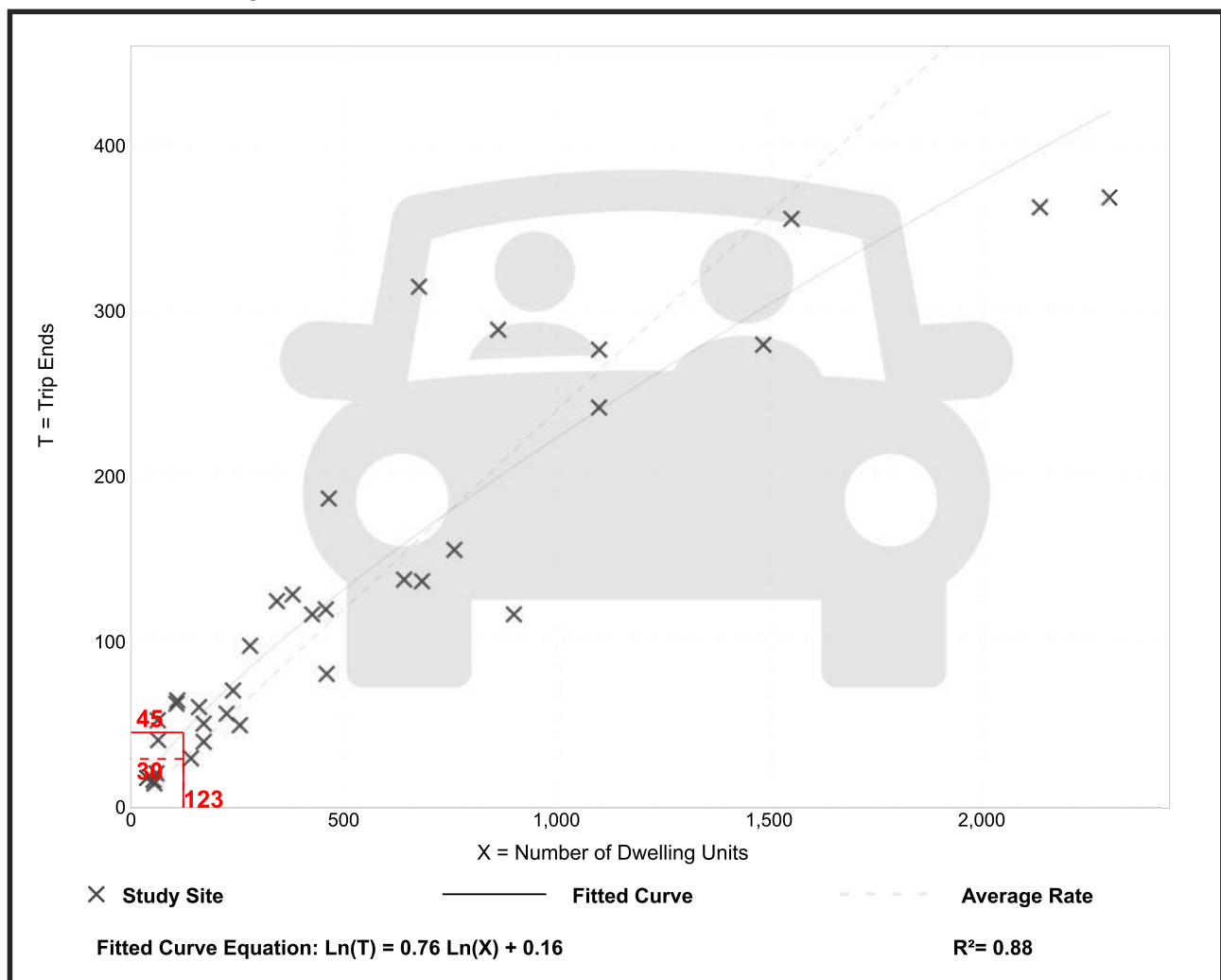
Senior Adult Housing - Single-Family (251)

Vehicle Trip Ends vs: Dwelling Units
On a: Weekday,
Peak Hour of Adjacent Street Traffic,
One Hour Between 7 and 9 a.m.
Setting/Location: General Urban/Suburban
Number of Studies: 34
Avg. Num. of Dwelling Units: 557
Directional Distribution: 33% entering, 67% exiting

Vehicle Trip Generation per Dwelling Unit

Average Rate	Range of Rates	Standard Deviation
0.24	0.13 - 0.84	0.10

Data Plot and Equation



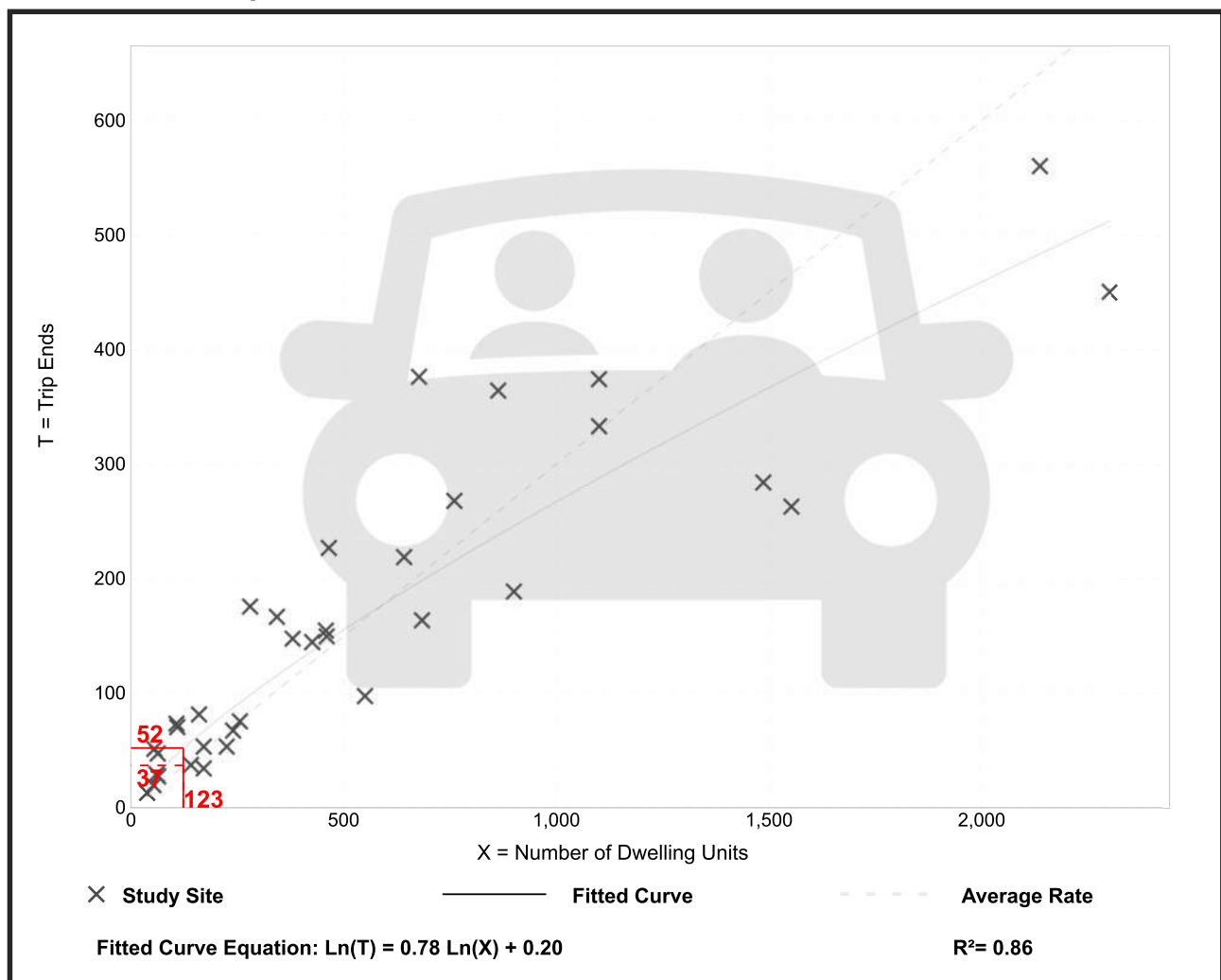
Senior Adult Housing - Single-Family (251)

Vehicle Trip Ends vs: Dwelling Units
On a: Weekday,
Peak Hour of Adjacent Street Traffic,
One Hour Between 4 and 6 p.m.
Setting/Location: General Urban/Suburban
Number of Studies: 35
Avg. Num. of Dwelling Units: 556
Directional Distribution: 61% entering, 39% exiting

Vehicle Trip Generation per Dwelling Unit

Average Rate	Range of Rates	Standard Deviation
0.30	0.17 - 0.95	0.12

Data Plot and Equation



Synchro Reports

Intersection						
Int Delay, s/veh	1.5					
Movement	WBL	WBR	NBT	NBR	SBL	SBT
Lane Configurations						
Traffic Vol, veh/h	20	69	457	14	38	485
Future Vol, veh/h	20	69	457	14	38	485
Conflicting Peds, #/hr	0	0	0	0	0	0
Sign Control	Stop	Stop	Free	Free	Free	Free
RT Channelized	-	None	-	None	-	None
Storage Length	0	-	-	-	190	-
Veh in Median Storage, #	0	-	0	-	-	0
Grade, %	0	-	0	-	-	0
Peak Hour Factor	80	80	80	80	80	80
Heavy Vehicles, %	2	2	2	2	3	2
Mvmt Flow	25	86	571	18	48	606

Major/Minor	Minor1	Major1	Major2		
Conflicting Flow All	979	295	0	0	589
Stage 1	580	-	-	-	-
Stage 2	399	-	-	-	-
Critical Hdwy	6.84	6.94	-	-	4.16
Critical Hdwy Stg 1	5.84	-	-	-	-
Critical Hdwy Stg 2	5.84	-	-	-	-
Follow-up Hdwy	3.52	3.32	-	-	2.23
Pot Cap-1 Maneuver	247	701	-	-	976
Stage 1	523	-	-	-	-
Stage 2	647	-	-	-	-
Platoon blocked, %			-	-	-
Mov Cap-1 Maneuver	235	701	-	-	976
Mov Cap-2 Maneuver	235	-	-	-	-
Stage 1	523	-	-	-	-
Stage 2	615	-	-	-	-

Approach	WB	NB	SB
HCM Control Delay, s	14.6	0	0.6
HCM LOS	B		

Minor Lane/Major Mvmt	NBT	NBRWBLn1	SBL	SBT
Capacity (veh/h)	-	-	485	976
HCM Lane V/C Ratio	-	-	0.229	0.049
HCM Control Delay (s)	-	-	14.6	8.9
HCM Lane LOS	-	-	B	A
HCM 95th %tile Q(veh)	-	-	0.9	0.2

Intersection						
Int Delay, s/veh	2.7					
Movement	WBL	WBR	NBT	NBR	SBL	SBT
Lane Configurations	Y		↑↑			↑↑
Traffic Vol, veh/h	65	70	428	0	0	509
Future Vol, veh/h	65	70	428	0	0	509
Conflicting Peds, #/hr	0	0	0	0	0	0
Sign Control	Stop	Stop	Free	Free	Free	Free
RT Channelized	-	None	-	None	-	None
Storage Length	0	-	-	-	-	-
Veh in Median Storage, #	0	-	0	-	-	0
Grade, %	0	-	0	-	-	0
Peak Hour Factor	74	74	74	74	74	74
Heavy Vehicles, %	2	7	2	2	2	3
Mvmt Flow	88	95	578	0	0	688

Major/Minor	Minor1	Major1	Major2
Conflicting Flow All	922	289	0
Stage 1	578	-	-
Stage 2	344	-	-
Critical Hdwy	6.84	7.04	-
Critical Hdwy Stg 1	5.84	-	-
Critical Hdwy Stg 2	5.84	-	-
Follow-up Hdwy	3.52	3.37	-
Pot Cap-1 Maneuver	269	693	0
Stage 1	524	-	0
Stage 2	689	-	0
Platoon blocked, %		-	-
Mov Cap-1 Maneuver	269	693	-
Mov Cap-2 Maneuver	269	-	-
Stage 1	524	-	-
Stage 2	689	-	-

Approach	WB	NB	SB
HCM Control Delay, s	21.8	0	0
HCM LOS	C		

Minor Lane/Major Mvmt	NBTWBLn1	SBT
Capacity (veh/h)	- 394	-
HCM Lane V/C Ratio	- 0.463	-
HCM Control Delay (s)	- 21.8	-
HCM Lane LOS	- C	-
HCM 95th %tile Q(veh)	- 2.4	-

Intersection						
Int Delay, s/veh	1.5					
Movement	WBL	WBR	NBT	NBR	SBL	SBT
Lane Configurations						
Traffic Vol, veh/h	18	56	638	31	107	789
Future Vol, veh/h	18	56	638	31	107	789
Conflicting Peds, #/hr	0	0	0	0	0	0
Sign Control	Stop	Stop	Free	Free	Free	Free
RT Channelized	-	None	-	None	-	None
Storage Length	0	-	-	-	190	-
Veh in Median Storage, #	0	-	0	-	-	0
Grade, %	0	-	0	-	-	0
Peak Hour Factor	95	95	95	95	95	95
Heavy Vehicles, %	2	2	2	3	2	2
Mvmt Flow	19	59	672	33	113	831
Major/Minor	Minor1	Major1	Major2			
Conflicting Flow All	1331	353	0	0	705	0
Stage 1	689	-	-	-	-	-
Stage 2	642	-	-	-	-	-
Critical Hdwy	6.84	6.94	-	-	4.14	-
Critical Hdwy Stg 1	5.84	-	-	-	-	-
Critical Hdwy Stg 2	5.84	-	-	-	-	-
Follow-up Hdwy	3.52	3.32	-	-	2.22	-
Pot Cap-1 Maneuver	146	643	-	-	889	-
Stage 1	460	-	-	-	-	-
Stage 2	486	-	-	-	-	-
Platoon blocked, %			-	-		-
Mov Cap-1 Maneuver	127	643	-	-	889	-
Mov Cap-2 Maneuver	127	-	-	-	-	-
Stage 1	460	-	-	-	-	-
Stage 2	424	-	-	-	-	-
Approach	WB	NB		SB		
HCM Control Delay, s	19.7	0		1.2		
HCM LOS	C					
Minor Lane/Major Mvmt	NBT	NBRWBLn1	SBL	SBT		
Capacity (veh/h)	-	-	323	889	-	
HCM Lane V/C Ratio	-	-	0.241	0.127	-	
HCM Control Delay (s)	-	-	19.7	9.6	-	
HCM Lane LOS	-	-	C	A	-	
HCM 95th %tile Q(veh)	-	-	0.9	0.4	-	

Intersection						
Int Delay, s/veh	1.6					
Movement	WBL	WBR	NBT	NBR	SBL	SBT
Lane Configurations	YY		↑↑			↑↑
Traffic Vol, veh/h	53	47	680	0	0	853
Future Vol, veh/h	53	47	680	0	0	853
Conflicting Peds, #/hr	0	0	0	0	0	0
Sign Control	Stop	Stop	Free	Free	Free	Free
RT Channelized	-	None	-	None	-	None
Storage Length	0	-	-	-	-	-
Veh in Median Storage, #	0	-	0	-	-	0
Grade, %	0	-	0	-	-	0
Peak Hour Factor	94	94	94	94	94	94
Heavy Vehicles, %	4	6	2	2	2	2
Mvmt Flow	56	50	723	0	0	907
Major/Minor	Minor1	Major1	Major2			
Conflicting Flow All	1177	362	0	-	-	-
Stage 1	723	-	-	-	-	-
Stage 2	454	-	-	-	-	-
Critical Hdwy	6.88	7.02	-	-	-	-
Critical Hdwy Stg 1	5.88	-	-	-	-	-
Critical Hdwy Stg 2	5.88	-	-	-	-	-
Follow-up Hdwy	3.54	3.36	-	-	-	-
Pot Cap-1 Maneuver	181	623	-	0	0	-
Stage 1	436	-	-	0	0	-
Stage 2	601	-	-	0	0	-
Platoon blocked, %			-			-
Mov Cap-1 Maneuver	181	623	-	-	-	-
Mov Cap-2 Maneuver	181	-	-	-	-	-
Stage 1	436	-	-	-	-	-
Stage 2	601	-	-	-	-	-
Approach	WB	NB	SB			
HCM Control Delay, s	26.5	0	0			
HCM LOS	D					
Minor Lane/Major Mvmt	NBTWBLn1		SBT			
Capacity (veh/h)	- 272		-			
HCM Lane V/C Ratio	- 0.391		-			
HCM Control Delay (s)	- 26.5		-			
HCM Lane LOS	- D		-			
HCM 95th %tile Q(veh)	- 1.8		-			

Intersection						
Int Delay, s/veh	1.5					
Movement	WBL	WBR	NBT	NBR	SBL	SBT
Lane Configurations						
Traffic Vol, veh/h	20	69	461	14	38	492
Future Vol, veh/h	20	69	461	14	38	492
Conflicting Peds, #/hr	0	0	0	0	0	0
Sign Control	Stop	Stop	Free	Free	Free	Free
RT Channelized	-	None	-	None	-	None
Storage Length	0	-	-	-	190	-
Veh in Median Storage, #	0	-	0	-	-	0
Grade, %	0	-	0	-	-	0
Peak Hour Factor	80	80	80	80	80	80
Heavy Vehicles, %	2	2	2	2	3	2
Mvmt Flow	25	86	576	18	48	615
Major/Minor	Minor1	Major1	Major2			
Conflicting Flow All	989	297	0	0	594	0
Stage 1	585	-	-	-	-	-
Stage 2	404	-	-	-	-	-
Critical Hdwy	6.84	6.94	-	-	4.16	-
Critical Hdwy Stg 1	5.84	-	-	-	-	-
Critical Hdwy Stg 2	5.84	-	-	-	-	-
Follow-up Hdwy	3.52	3.32	-	-	2.23	-
Pot Cap-1 Maneuver	244	699	-	-	971	-
Stage 1	520	-	-	-	-	-
Stage 2	643	-	-	-	-	-
Platoon blocked, %			-	-		-
Mov Cap-1 Maneuver	232	699	-	-	971	-
Mov Cap-2 Maneuver	232	-	-	-	-	-
Stage 1	520	-	-	-	-	-
Stage 2	611	-	-	-	-	-
Approach	WB	NB		SB		
HCM Control Delay, s	14.7	0		0.6		
HCM LOS	B					
Minor Lane/Major Mvmt	NBT	NBRWBLn1	SBL	SBT		
Capacity (veh/h)	-	-	481	971	-	
HCM Lane V/C Ratio	-	-	0.231	0.049	-	
HCM Control Delay (s)	-	-	14.7	8.9	-	
HCM Lane LOS	-	-	B	A	-	
HCM 95th %tile Q(veh)	-	-	0.9	0.2	-	

HCM 6th TWSC
2: S Lee's Summit Rd & Site Drive/School Entrance

Summit Living Town Homes TIS
Existing + Site AM Peak

Intersection													
Int Delay, s/veh	1.4												
Movement	EBL	EBT	EBR	WBL	WBT	WBR	NBL	NBT	NBR	SBL	SBT	SBR	
Lane Configurations		↕						↕↕			↕↕		
Traffic Vol, veh/h	23	0	7	0	0	0	4	428	98	51	523	11	
Future Vol, veh/h	23	0	7	0	0	0	4	428	98	51	523	11	
Conflicting Peds, #/hr	0	0	0	0	0	0	0	0	0	0	0	0	
Sign Control	Stop	Stop	Stop	Stop	Stop	Stop	Free	Free	Free	Free	Free	Free	
RT Channelized	-	-	None	-	-	None	-	-	None	-	-	None	
Storage Length	-	-	-	-	-	-	-	-	-	-	-	-	
Veh in Median Storage, #	-	0	-	-	0	-	-	0	-	-	0	-	
Grade, %	-	0	-	-	0	-	-	0	-	-	0	-	
Peak Hour Factor	76	76	76	76	76	76	76	76	76	76	76	76	
Heavy Vehicles, %	2	2	2	2	2	2	2	2	2	4	2	2	
Mvmt Flow	30	0	9	0	0	0	5	563	129	67	688	14	
Major/Minor	Minor2						Major1		Major2				
Conflicting Flow All	1121	1531	351				702	0	0	692	0	0	
Stage 1	829	829	-				-	-	-	-	-	-	
Stage 2	292	702	-				-	-	-	-	-	-	
Critical Hdwy	6.84	6.54	6.94				4.14	-	-	4.18	-	-	
Critical Hdwy Stg 1	5.84	5.54	-				-	-	-	-	-	-	
Critical Hdwy Stg 2	5.84	5.54	-				-	-	-	-	-	-	
Follow-up Hdwy	3.52	4.02	3.32				2.22	-	-	2.24	-	-	
Pot Cap-1 Maneuver	200	116	645				891	-	-	886	-	-	
Stage 1	389	383	-				-	-	-	-	-	-	
Stage 2	732	439	-				-	-	-	-	-	-	
Platoon blocked, %								-	-	-			-
Mov Cap-1 Maneuver	174	0	645				891	-	-	886	-	-	
Mov Cap-2 Maneuver	174	0	-				-	-	-	-	-	-	
Stage 1	385	0	-				-	-	-	-	-	-	
Stage 2	641	0	-				-	-	-	-	-	-	
Approach	EB						NB		SB				
HCM Control Delay, s	26.1						0.1		1.3				
HCM LOS	D												
Minor Lane/Major Mvmt	NBL	NBT	NBR	EBLn1	SBL	SBT	SBR						
Capacity (veh/h)	891	-	-	210	886	-	-						
HCM Lane V/C Ratio	0.006	-	-	0.188	0.076	-	-						
HCM Control Delay (s)	9.1	0	-	26.1	9.4	0.5	-						
HCM Lane LOS	A	A	-	D	A	A	-						
HCM 95th %tile Q(veh)	0	-	-	0.7	0.2	-	-						

Intersection						
Int Delay, s/veh	2.8					
Movement	WBL	WBR	NBT	NBR	SBL	SBT
Lane Configurations						
Traffic Vol, veh/h	65	70	451	0	0	520
Future Vol, veh/h	65	70	451	0	0	520
Conflicting Peds, #/hr	0	0	0	0	0	0
Sign Control	Stop	Stop	Free	Free	Free	Free
RT Channelized	-	None	-	None	-	None
Storage Length	0	-	-	-	-	-
Veh in Median Storage, #	0	-	0	-	-	0
Grade, %	0	-	0	-	-	0
Peak Hour Factor	74	74	74	74	74	74
Heavy Vehicles, %	2	7	2	2	2	3
Mvmt Flow	88	95	609	0	0	703
Major/Minor	Minor1	Major1	Major2			
Conflicting Flow All	961	305	0	-	-	-
Stage 1	609	-	-	-	-	-
Stage 2	352	-	-	-	-	-
Critical Hdwy	6.84	7.04	-	-	-	-
Critical Hdwy Stg 1	5.84	-	-	-	-	-
Critical Hdwy Stg 2	5.84	-	-	-	-	-
Follow-up Hdwy	3.52	3.37	-	-	-	-
Pot Cap-1 Maneuver	254	676	-	0	0	-
Stage 1	505	-	-	0	0	-
Stage 2	683	-	-	0	0	-
Platoon blocked, %			-			-
Mov Cap-1 Maneuver	254	676	-	-	-	-
Mov Cap-2 Maneuver	254	-	-	-	-	-
Stage 1	505	-	-	-	-	-
Stage 2	683	-	-	-	-	-
Approach	WB	NB	SB			
HCM Control Delay, s	23.3	0	0			
HCM LOS	C					
Minor Lane/Major Mvmt	NBTWBLn1		SBT			
Capacity (veh/h)	- 376		-			
HCM Lane V/C Ratio	- 0.485		-			
HCM Control Delay (s)	- 23.3		-			
HCM Lane LOS	- C		-			
HCM 95th %tile Q(veh)	- 2.6		-			

Intersection						
Int Delay, s/veh	1.5					
Movement	WBL	WBR	NBT	NBR	SBL	SBT
Lane Configurations						
Traffic Vol, veh/h	18	56	646	31	107	794
Future Vol, veh/h	18	56	646	31	107	794
Conflicting Peds, #/hr	0	0	0	0	0	0
Sign Control	Stop	Stop	Free	Free	Free	Free
RT Channelized	-	None	-	None	-	None
Storage Length	0	-	-	-	190	-
Veh in Median Storage, #	0	-	0	-	-	0
Grade, %	0	-	0	-	-	0
Peak Hour Factor	95	95	95	95	95	95
Heavy Vehicles, %	2	2	2	3	2	2
Mvmt Flow	19	59	680	33	113	836
Major/Minor	Minor1	Major1		Major2		
Conflicting Flow All	1341	357	0	0	713	0
Stage 1	697	-	-	-	-	-
Stage 2	644	-	-	-	-	-
Critical Hdwy	6.84	6.94	-	-	4.14	-
Critical Hdwy Stg 1	5.84	-	-	-	-	-
Critical Hdwy Stg 2	5.84	-	-	-	-	-
Follow-up Hdwy	3.52	3.32	-	-	2.22	-
Pot Cap-1 Maneuver	144	639	-	-	883	-
Stage 1	455	-	-	-	-	-
Stage 2	485	-	-	-	-	-
Platoon blocked, %			-	-		-
Mov Cap-1 Maneuver	126	639	-	-	883	-
Mov Cap-2 Maneuver	126	-	-	-	-	-
Stage 1	455	-	-	-	-	-
Stage 2	423	-	-	-	-	-
Approach	WB	NB		SB		
HCM Control Delay, s	19.8	0		1.1		
HCM LOS	C					
Minor Lane/Major Mvmt	NBT	NBRWBLn1	SBL	SBT		
Capacity (veh/h)	-	-	321	883	-	
HCM Lane V/C Ratio	-	-	0.243	0.128	-	
HCM Control Delay (s)	-	-	19.8	9.7	-	
HCM Lane LOS	-	-	C	A	-	
HCM 95th %tile Q(veh)	-	-	0.9	0.4	-	

HCM 6th TWSC
2: S Lee's Summit Rd & Site Drive/School Entrance

Summit Living Town Homes TIS
Existing + Site PM Peak

Intersection												
Int Delay, s/veh	0.5											
Movement	EBL	EBT	EBR	WBL	WBT	WBR	NBL	NBT	NBR	SBL	SBT	SBR
Lane Configurations		↕						↕			↕	
Traffic Vol, veh/h	15	0	5	0	0	0	8	680	14	10	896	24
Future Vol, veh/h	15	0	5	0	0	0	8	680	14	10	896	24
Conflicting Peds, #/hr	0	0	0	0	0	0	0	0	0	0	0	0
Sign Control	Stop	Stop	Stop	Stop	Stop	Stop	Free	Free	Free	Free	Free	Free
RT Channelized	-	-	None	-	-	None	-	-	None	-	-	None
Storage Length	-	-	-	-	-	-	-	-	-	-	-	-
Veh in Median Storage, #	-	0	-	-	0	-	-	0	-	-	0	-
Grade, %	-	0	-	-	0	-	-	0	-	-	0	-
Peak Hour Factor	97	97	97	97	97	97	97	97	97	97	97	97
Heavy Vehicles, %	2	2	2	2	2	2	2	2	2	2	2	2
Mvmt Flow	15	0	5	0	0	0	8	701	14	10	924	25

Major/Minor	Minor2			Major1			Major2			
Conflicting Flow All	1324	1688	475		949	0	0	715	0	0
Stage 1	957	957	-		-	-	-	-	-	-
Stage 2	367	731	-		-	-	-	-	-	-
Critical Hdwy	6.84	6.54	6.94		4.14	-	-	4.14	-	-
Critical Hdwy Stg 1	5.84	5.54	-		-	-	-	-	-	-
Critical Hdwy Stg 2	5.84	5.54	-		-	-	-	-	-	-
Follow-up Hdwy	3.52	4.02	3.32		2.22	-	-	2.22	-	-
Pot Cap-1 Maneuver	147	93	536		719	-	-	881	-	-
Stage 1	333	334	-		-	-	-	-	-	-
Stage 2	671	425	-		-	-	-	-	-	-
Platoon blocked, %						-	-		-	-
Mov Cap-1 Maneuver	141	0	536		719	-	-	881	-	-
Mov Cap-2 Maneuver	141	0	-		-	-	-	-	-	-
Stage 1	327	0	-		-	-	-	-	-	-
Stage 2	655	0	-		-	-	-	-	-	-

Approach	EB	NB	SB
HCM Control Delay, s	28.6	0.2	0.2
HCM LOS	D		

Minor Lane/Major Mvmt	NBL	NBT	NBR	EBLn1	SBL	SBT	SBR
Capacity (veh/h)	719	-	-	173	881	-	-
HCM Lane V/C Ratio	0.011	-	-	0.119	0.012	-	-
HCM Control Delay (s)	10.1	0.1	-	28.6	9.1	0.1	-
HCM Lane LOS	B	A	-	D	A	A	-
HCM 95th %tile Q(veh)	0	-	-	0.4	0	-	-

Intersection						
Int Delay, s/veh	1.7					
Movement	WBL	WBR	NBT	NBR	SBL	SBT
Lane Configurations	YY		↑↑			↑↑
Traffic Vol, veh/h	53	47	695	0	0	877
Future Vol, veh/h	53	47	695	0	0	877
Conflicting Peds, #/hr	0	0	0	0	0	0
Sign Control	Stop	Stop	Free	Free	Free	Free
RT Channelized	-	None	-	None	-	None
Storage Length	0	-	-	-	-	-
Veh in Median Storage, #	0	-	0	-	-	0
Grade, %	0	-	0	-	-	0
Peak Hour Factor	94	94	94	94	94	94
Heavy Vehicles, %	4	6	2	2	2	2
Mvmt Flow	56	50	739	0	0	933
Major/Minor	Minor1	Major1	Major2			
Conflicting Flow All	1206	370	0	-	-	-
Stage 1	739	-	-	-	-	-
Stage 2	467	-	-	-	-	-
Critical Hdwy	6.88	7.02	-	-	-	-
Critical Hdwy Stg 1	5.88	-	-	-	-	-
Critical Hdwy Stg 2	5.88	-	-	-	-	-
Follow-up Hdwy	3.54	3.36	-	-	-	-
Pot Cap-1 Maneuver	173	616	-	0	0	-
Stage 1	428	-	-	0	0	-
Stage 2	591	-	-	0	0	-
Platoon blocked, %			-			-
Mov Cap-1 Maneuver	173	616	-	-	-	-
Mov Cap-2 Maneuver	173	-	-	-	-	-
Stage 1	428	-	-	-	-	-
Stage 2	591	-	-	-	-	-
Approach	WB	NB	SB			
HCM Control Delay, s	28	0	0			
HCM LOS	D					
Minor Lane/Major Mvmt	NBTWBLn1		SBT			
Capacity (veh/h)	- 261		-			
HCM Lane V/C Ratio	- 0.408		-			
HCM Control Delay (s)	- 28		-			
HCM Lane LOS	- D		-			
HCM 95th %tile Q(veh)	- 1.9		-			

Turn-Lane Warrants

940.9.6 Left Turn Lane Guidelines for Four-Lane Roadways

LEE'S SUMMIT RD & SITE DRIVE - NB LT

SCENARIO	LT VOL	OPP VOL
EX+SITE AM (1)	4	534
EX+SITE PM (2)	8	920

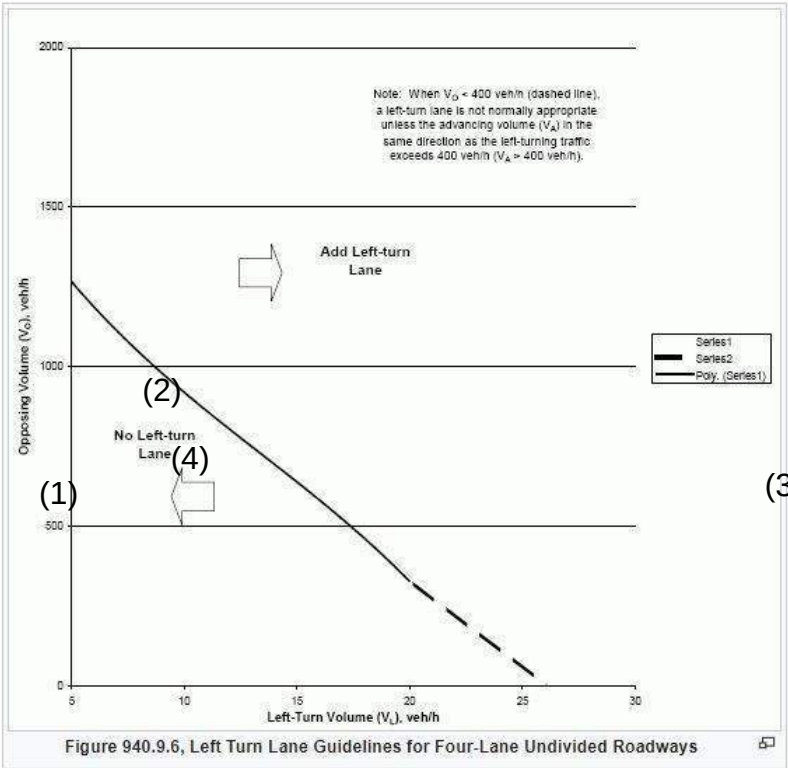
LEE'S SUMMIT RD & SCHOOL ENT - SB LT

SCENARIO	LT VOL	OPP VOL
EX AM (3)	51	526
EX PM (4)	10	694
EX+SITE AM (3)	51	526
EX+SITE PM (4)	10	694

The following data are required:

- 1. Opposing Volume (veh/hr) - VO - The opposing volume is to include only the right-turn and through movements in the opposite direction of the left turning vehicle.
- 2. Left-Turn Volume - VL

If the opposing and left-turn volume combination intersects above or to the right of the trend line, a left-turn lane is appropriate.



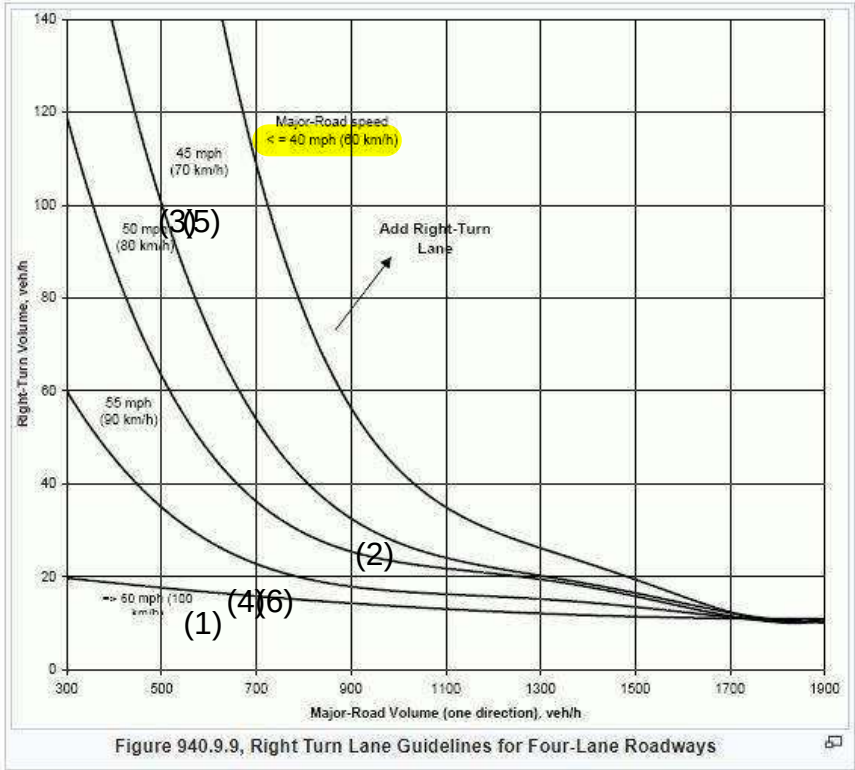
940.9.9 Right Turn Lane Guidelines for Four-Lane Roadways

LEE'S SUMMIT RD & SITE DR - SB RT

SCENARIO	MAJ VOL	RT VOL
EX+SITE AM (1)	585	11
EX+SITE PM (2)	930	24

LEE'S SUMMIT RD & SCHOOL ENT- NB RT

SCENARIO	MAJ VOL	RT VOL
EX AM (3)	526	98
EX PM (4)	694	14
EX+SITE AM (5)	530	98
EX+SITE PM (6)	702	14



The following data are required:

- 1. Advancing Volume (veh/hr) - The advancing volume is to include the right-turn, left-turn and through movements in the same direction as the right turning vehicle.
- 2. Right Turning Volume (veh/hr) - The right turning volume is the number of advancing vehicles turning right.
- 3. Operating Speed (mph) - The greatest of anticipated operating speed, measured 85th percentile speed or posted speed.

Note: Right turn lane not warranted for right turn volume less than 10 vph. However, criteria other than volume, e.g. crash experience, may be used to justify a right turn lane.

If the combination of major road approach volume and right-turn volume intersects above or to the right of the speed trend line corresponding the major road operating speed, then a right-turn lane is appropriate.

Legend

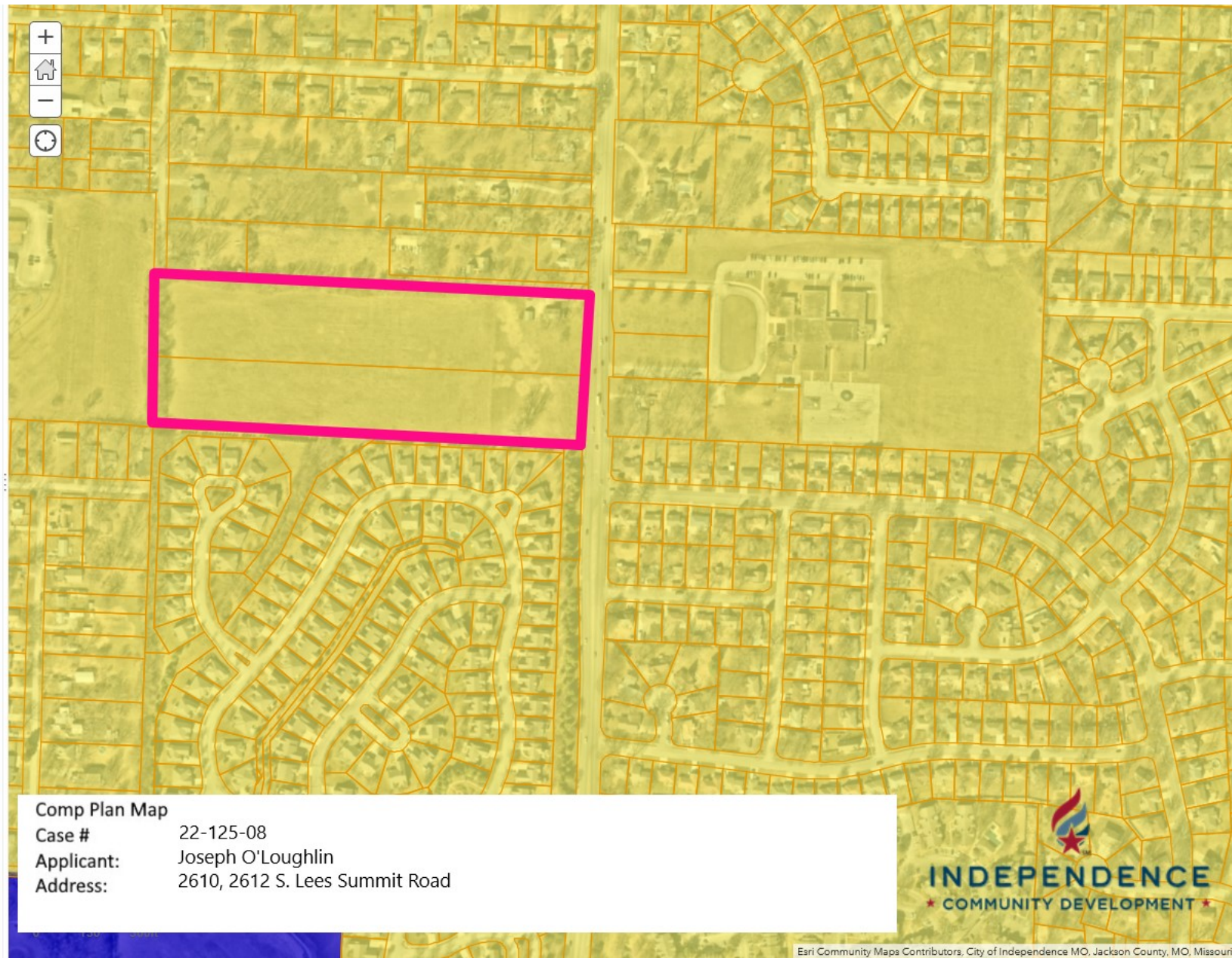
Parcels



Proposed Land Use (Comp Plan)

- Residential Neighborhoods
- Residential Urban Neighborhoods
- Mixed Use
- Neighborhood Commercial
- Community Commercial
- Regional Commercial
- Office
- Business Park
- Industrial
- Civic / Public
- Community Attractions & Tourism
- Parks
- Agricultural
- Invalid Rule

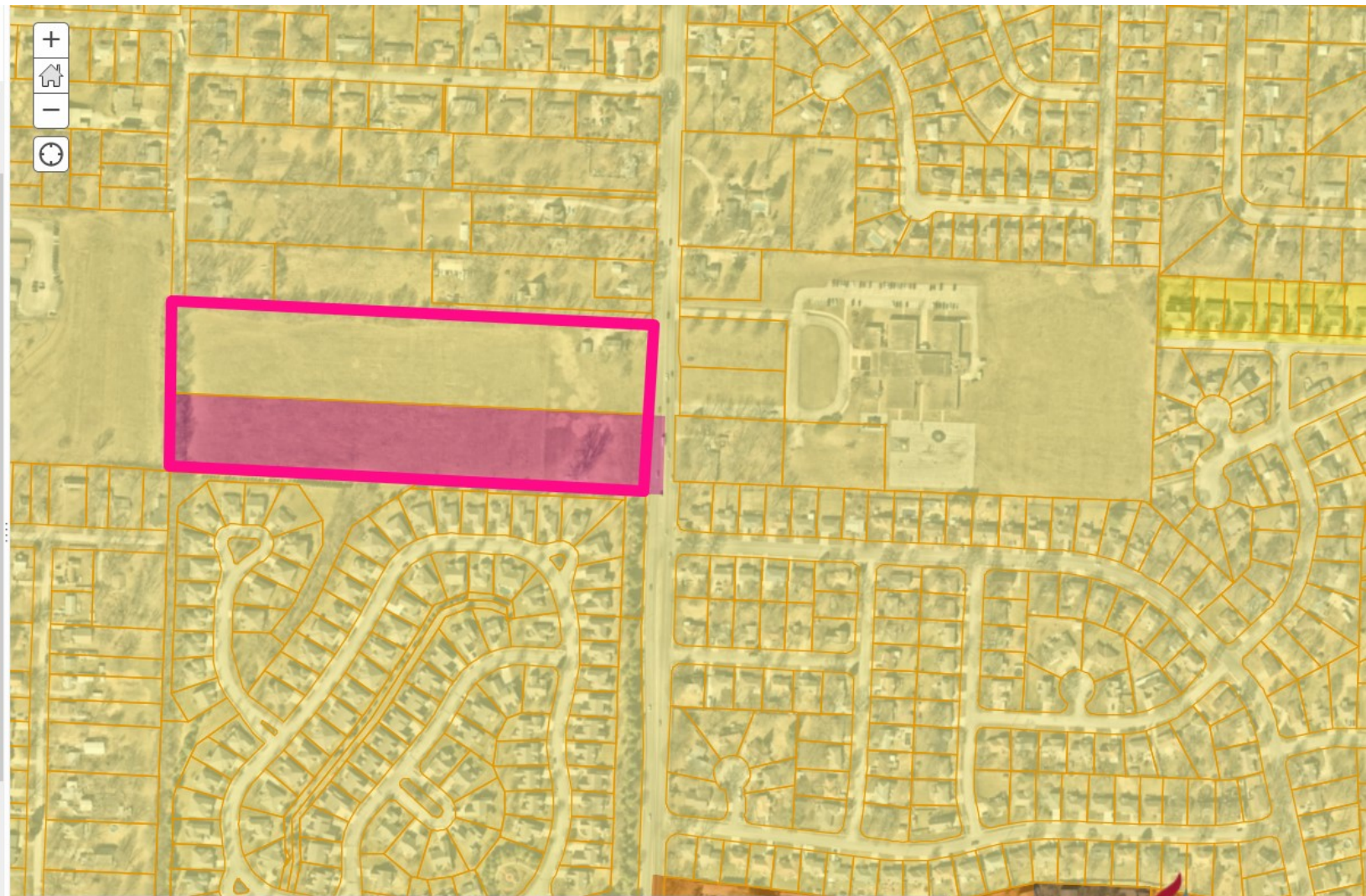
Municipal Boundaries 2022



Legend

Zoning

- ARTS
- Business Park
- Business Park/PUD
- Light Commercial
- Commercial
- Commercial/Historic Landmark
- Commercial/PUD
- Commercial/Special Character
- Warehouseing
- Drumm Farm District
- Industrial
- Industrial/Historic Landmark
- Industrial Park
- Office
- Office/Planned Unit Development
- Single Family Residential Estate
- Two Family Residential
- Two Family Residential Historic Landmark
- Two Family Residential/PUD
- Moderate Density Residential/PUD
- Single Family Residential Large Lot
- Single Family Res Large Lot/PUD
- High Density Residential/PUD
- Single Family Residential Low Density
- Single Family Residential Low Density/PUD
- Single Family Residential
- Single Family Residential/Historic



Zoning Map
Case # 22-125-08
Applicant: Joseph O'Loughlin
Address: 2610, 2612 S. Lees Summit Road



MINUTES
INDEPENDENCE CITY PLANNING COMMISSION
July 12, 2022

MEMBERS PRESENT

Bill Preston, Vice-Chair
Virginia Ferguson
Heather Wiley
Paul Michell
Bryce Young*
Butch Nesbitt

STAFF PRESENT

Rick Arroyo – Assistant Director
Stuart Borders – Senior Planner
Brian Harker – Planner
Joe Lauber – Assistant City Attorney

A meeting of the Independence City Planning Commission was held at 6:00 p.m. on July 12, 2022, in the Independence City Hall Council Chambers, 111 E. Maple Ave. The meeting was called to order.

CONSENT AGENDA

1. Planning Commission Minutes – June 28, 2022

Motion

Commissioner Wiley made a motion to approve the Consent Agenda. Commissioner Nesbitt seconded the motion. The motion passed with five affirmative votes.

*Commissioner Young entered the meeting at 6:07 p.m.

CASE TO BE CONTINUED

Staff requested the following cases be continued to the July 26, 2022, Planning Commission meeting:

Case 22-200-08 – Rezoning – Midwest Custom Automotive Group - 9304 E. US 40 Highway

Motion

Commissioner Wiley made a motion to continue Case 22-200-08 – Rezoning – Midwest Custom Automotive Group - 9304 E. US 40 Highway to the July 26, 2022, Planning Commission meeting. Commissioner Ferguson seconded the motion. The motion passed with six affirmative votes.

PUBLIC HEARINGS

Continued Case 22-100-05 – Rezoning – 8712 E. Winner Rd

Staff Presentation

Brian Harker provided a review of the case. Mr. Arroyo stated staff met with the Assistant City Attorneys and provided information to the Commission on the legality of placing conditions on a rezoning. He stated while conditions could be placed on a rezoning application, there are challenges that if the applicant does not meet those conditions, staff would be compelled to begin a staff-initiated rezoning to zone it back to the original zoning. This however may create legal

pitfalls if the property is no longer owned by the original applicant. Mr. Arroyo noted staff does not have a way to track conditions on a rezoning.

Mr. Arroyo stated the best guidance the City has for determining the future zoning is the 2018 Image Independence Comprehensive Plan. This plan also references the 24 Highway Corridor Study and noted this plan does provide a vision for Independence through 2040. He stated these plans were a culmination of months of community engagement from members of the public, local officials, steering committees and staff.

Mr. Arroyo reminded the Commission the rezoning application should be evaluated based on the appropriateness of the applicants requested rezoning to a C-3 and all the potential uses that a C-3 zoning would allow.

Mr. Arroyo stated as an alternative, the Commission could ask the applicant to consider working with staff to change this applicant to a request for a Rezoning/PUD (Preliminary Development Plan case). If approved, the property would remain zoned C-2, but the PUD could allow the C-3 use he is requesting. He noted staff would not change an additional fee if the applicant wanted to change the applicant request. Mr. Arroyo stated the applicant would be required to submit a surveyed site plan with approved engineering drawings necessary to meet all applicable City codes and permits for the business requested before this new case could be placed on a future Planning Commission agenda.

In response to Commissioner Young's question, Mr. Arroyo stated the applicant would be required to pay an engineer to development a Preliminary Development Plan. Mr. Arroyo noted if the current application was approved, the applicant would still be required to submit engineering plans, the only extra cost would be the added Preliminary Development Plan page.

Applicant Comments

Josph Saitta, 10606 N. Willow Avenue, Kansas City, stated he would like to work with staff to change the applicant to a Rezoning/PUD applicant.

Public Comments

No public comments.

Commissioner Comments

In response to Commissioner Michell's question, Assistant City Attorney Joe Lauber stated the Commission would motion to continue the case indefinitely, if they want the applicant to work with staff to change the type of application submitted.

Motion

Commissioner Wiley made a motion to postpone consideration of Case 22-100-05 – Rezoning – 8712 E. Winner Road indefinitely. Commissioner Michell seconded the motion. The motion passed with six affirmative votes.

Continued Case 22-100-06 – Rezoning – 13001 E. US 40 Highway

Staff Presentation

Stuart Borders presented the case. Mr. Borders presented the Commission with a vicinity map, noting the area and surrounding zoning. He presented the Commission with an aerial map indicating the project area and explained the surrounding land uses. Mr. Borders noted staff does not recommend approval of this case.

In response to Vice-Chair Preston's question, Mr. Arroyo stated this is very similar to the previous case. He said this could be considered in the same manner if the applicant and the Commission so wished.

Applicant Comments

Joe Bartels, 412 SW Eagles Ridge Drive, Blue Springs, stated he and other contractors need storage space. Mr. Bartels said he has had a lot of theft and would like to have this secure place for storage for himself and other contractors.

Mr. Bartels stated he would like the opportunity to work with staff to change his applicant to a Rezoning/PUD.

Mr. Arroyo noted if this application is changed to Rezoning/PUD case, staff would want to see a building instead of shipping containers. He said there could be substantial site improvements required as well.

Public Comments

No public comments.

Commissioner Comments

Commissioner Michell stated this rezoning as submitted would not be compatible with the surrounding area. He said he would like to see this postponed to give the applicant to work with staff on a Rezoning/PUD.

Commissioner Nesbitt stated he doesn't like the idea of shipping containers sitting outside. He noted there is a place in Liberty that he would like the applicant to visit to see how they handle outdoor storage. He stated it looks nice and wouldn't be an eyesore for neighbors.

Motion

Commissioner Nesbitt made a motion to postpone consideration of Case 22-100-06 – Rezoning – 13001 E. US 40 Highway indefinitely. Commissioner Michell seconded the motion. The motion passed with six affirmative votes.

Case 22-125-08 – Rezoning – 2610 and 2612 S. Lee's Summit Road

Staff Presentation

Brian Harker presented the case. Mr. Harker presented the Commission with a vicinity map, noting the area and surrounding zoning. He presented the Commission with an aerial map indicating the project area and explained the surrounding land uses. Mr. Harker outlined the following conditions:

- 1) For the Final Development Plan, create a denser landscaped buffer along the southern edge of the property. Create a Medium-Intensity landscape buffer per the landscaping section of the Unified Development Ordinance (UDO);
- 2) Provide a four-foot high berm along Lee's Summit Road. Submit a cross-section elevation with the Final Development Plan;
- 3) All sidewalks provided must be 5-foot wide to meet ADA requirements;
- 4) Provide parking lot parameter trees and shrubs, and shrubs around the buildings (the exact number of plantings worked out with staff for the Final Development Plan);
- 5) The Final Development Plan should provide an elevation of an entry sign/feature;
- 6) Stripe a left-turn lane at the entrance to the proposed development;

- 7) The Masonry façades on the front elevations of the buildings must be carried for at least two feet onto the adjacent side elevations and across all right-of-way facing façades;
- 8) On the Final Development Plan, label the new public right-of-way, “E. 26th Terrace Court S.” The units will be addressed on the Final Development Plan as well;
- 9) Prior to the issuance of any building permits, a replat of the property shall be approved.

Applicant Comments

Bill Moore, attorney with Rouse Frets White Goss Gentile Rhodes, 4510 Belview Ave, Kansas City, stated he represents the applicants. Mr. Moore stated this is a unique project between a church and a private developer. His applicants would like to provide housing options to senior citizens. Mr. Moore stated he does have a couple of question for staff. The first question is the request for medium density landscaping in addition to the fence or in lieu of the fence. The second question is pertaining to the width of the sidewalks requested by staff.

Joseph O’Loughlin, 3601 S. Marshall Drive, stated he has a background in aging services and property development. He said this development would create housing for independent living for senior citizens. The units would be wheelchair accessible and create an important community for those residents. Mr. O’Loughlin provided an overview of the floorplan and noted all of the units will have two bedroom and two bathrooms. There will be units with and without garages.

Bryan Rahn, High Point Design Studio, 1000 NW High Point Drive, Lee’s Summit, stated this project meets a need of the community. Mr. Rahn reviewed the plans and noted they took rising construction costs into consideration on this plan.

Mr. O’Loughlin reviewed the conditions outlined by staff and stated they are okay with the conditions. He stated they held a neighborhood meeting on April 14, 2022, to talk about this project with surrounding property owners. He said they incorporated some changes into their plans after talking with neighbors. Mr. O’Loughlin reviewed some of the numbers from the Traffic Impact Study.

Brandon Watkiss, Englewood Assembly of God Church, 717 SW 40th Street, Blue Springs, stated he is the pastor of the church. He said the church originally wished to put a school and/or a new church on this property. Since it is not a viable option currently, they seek to work with Mr. O’Loughlin to create this development. Mr. Watkiss stated they believe this meets a housing need for the City of Independence.

In response to Mr. Moore’s questions, Mr. Harker stated the fence is rod-iron and the medium density landscaping would create a better buffer. In response to the sidewalk width question, Mr. Arroyo stated the ADA requirement for a sidewalk is 5-feet to allow two wheelchairs side by side.

Public Comments

Jim Wallen, 4710 Mayview Terrace Court, Blue Springs, stated he wishes this project would have been completed several years ago. He said when he and his wife needed somewhere to go after having major surgery, they had issues finding a good place to go. Mr. Wallen stated the places he could find were out of their price range.

JC Ganote, 2804 NW Nutall Court, Lee’s Summit, stated he agrees that this is a good project. He said something has to happen with the property, whether it’s a commercial use as it’s zoned now, or housing as proposed. He believes this type of housing is needed in Independence.

Gigi Yates, 16303 E. Ellison Way, stated she's recently been homeless. She stated she believes housing like this is needed in Independence and is in favor of this application.

At Vice-Chair Preston's request, Mr. O'Loughlin spoke about the results of the neighborhood meetings. Mr. O'Loughlin stated they met with the Drumm Farm Homeowner Association who stated they would like to see the property remain vacant; however, they understood that it couldn't remain that way forever. He said they were okay with the plans he submitted. In April, they held a meeting at the Midwest Genealogy Library. Several residents were concerned about their property values declining. Mr. O'Loughlin stated neighbors requested more buffering, which was added to the plans. He noted the homes will have a variety of gables so it will look like a nice neighborhood.

Curt George, 2701 Breckenridge Drive, questioned if the cottonwood tree behind his residence would be cut down.

John Olivarez, 2525 S. Lee's Summit Road, stated he believes this type of development is needed for the city, but does not believe this is a good location. He said surrounding residents have a lot of issues already. Mr. Olivarez stated they have a lot of traffic from schools and from I-70. He would like to see single family houses at this location. Mr. Olivarez said the duplexes in the area are unsightly. He noted emergency vehicles fly down Lee's Summit Road, and he noted he would like to see ambulances use 291 instead. Mr. Olivarez stated he never got a notification about the neighborhood meeting.

Kent Maune, 2507 S. Lee's Summit Road, stated he also did not get notification of the meetings. He said his main concern is traffic in the area and doesn't believe the traffic study is correct. Mr. Maune described several traffic issues he's seen in the area and said a traffic light should be required if this development goes in.

George Kapke, 15800 E. 27th Street, stated he attended a neighborhood meeting and stated it was not as described by Mr. Loughlin. He said neighbors brought up a lot of concerns about this project. Mr. Kapke said this proposal is too dense in this single-family residential area. He stated the neighboring properties will see a decline in property values. Mr. Kapke stated he is concerned about the lack of buffering from the south side of this development and the north side of Drumm Farm. He expressed concern about the traffic and parking availability for the development. Mr. Kapke said the City cannot guarantee that this will be used for only senior citizens. He said as soon as there is a vacancy, the developer will take the first available tenant, regardless of age. Mr. Kapke said there is not room for the denser landscaping.

James Psaras, 2713 S. Woodbury Drive, stated he is not in favor of this project due to the density and traffic concerns. He said he's also concerned about the water runoff from this project.

Ted Sikora, 2816 S. Woodbury Drive, stated the development plan shows a dog park and community house along Lee's Summit Road. He questioned the berm location and if there would still be room for the dog park.

Steve Weller, 15804 E. 27th Street, stated he is concerned that the City can't guarantee this will remain housing for only senior citizens. He stated he believed all of the units should have garages, if the developer is concerned about the safety of the seniors. Mr. Weller said when he purchased the property he was told the vacant lot would be a school or church. He stated he would not have purchased the property if he'd know multi-unit housing could go in the lot. Mr. Weller stated he believes Independence has enough senior housing. He noted at the

neighborhood meeting he felt the applicant was being threatening, stating that if this development isn't approved, worse things could go in the current zoning. He said they were threatened with baseball fields and shipping containers.

John Darst, 2741 S. Breckenridge, stated he agrees with those comments made by those in opposition of this project. He said he is concerned about two large parking lots planned.

Pam Nickerson, 2420 S. Lee's Summit Road, stated she agrees with those comments made by those in opposition of this project. She asked if the Independence School District is okay with this project being right across the street from an elementary school. Ms. Nickerson expressed concern about the proposed sidewalks. She asked if the church would retain ownership of the property and questioned if the church could use it for homeless or less fortunate citizens.

Patricia Moore, 2705 S. Haden Court, stated she believes this could be a good development, but does not believe this is the right place for it. Ms. Moore expressed concerns over traffic and discussed the number of accidents she and her neighbors see. She stated she's also worried about large trees being planted right under power lines.

Mr. Moore stated the Traffic Impact Study was done using the city parameters and was reviewed by the City's traffic engineer. He noted the additional striping was at the City's suggestion. He stated the location was the drive was selected in consultation with City staff.

In response to Commissioner Nesbitt's question, Mr. Moore stated the drive would like up with the entrance of the Glendale Elementary School. Mr. Moore noted there would be one entrance and one exit, like Drumm Farm Villas. He stated there is an emergency exit drive for emergency vehicles.

Mr. Moore stated this development can be restricted for senior housing and there are certain requirements that have to be met. He said if the requirements aren't met, it would be a violation of the Fair Housing Law. He described the process to put age restrictions in place, including creating restrictive covenants that will bind the property to those regulations. He noted removing covenants would not be an easy process.

In response to the questions about landscaping, Mr. Moore noted it will take some time for medium density landscaping to grow.

At 8:50 p.m. Vice-Chair Preston called for a 10-minute break. The meeting was called back to order at 9:00 p.m.

Mr. O'Loughlin stated if you look at similar housing developments, they do not negatively affect surrounding homes. He noted the trees would start out as small trees and would be large, beautiful trees in several years. Mr. O'Loughlin stated the church would remain a property owner and they would work together to accomplish this development. He noted it would be owned by an LLC and he and the church would be the owners. Mr. O'Loughlin stated this would be a maintenance free development, where grass and other maintenance would be provided, including changing light bulbs for residents.

In response to Commissioner Nesbitt's question, Mr. O'Loughlin stated this type of housing is in demand and showed as under served in the City's recent Housing Study. He clarified this will be classified as independent living. The current projected rent would be \$1,250- for those units without a garage and \$1,400 for garage units. He noted living space is just under 1,000 square

feet. Mr. O'Loughlin stated there will be room for trees in the back yards, even though there is only 25-feet. He noted the front of the units will have large front porches for residents to enjoy.

In response to Commissioner Nesbitt's question, Mr. Rahn stated the development is designed so vehicles will not use the sidewalks for parking. He said the garage width is approximately 12-feet and noted typical parking is 9-feet wide. Mr. Rahn stated the City has parking requirements and the two parking lots would provide 36 spots for residents and visitors to use.

Mr. O'Loughlin confirmed all units will have 2 bedrooms and 2 bathrooms.

In response to Commission Michell's question, Mr. Lauber explained restrictive covenants and noted it would not be up to the City to enforce those covenants. Mr. Harker noted these units would only be on one, possibly two parcels.

In response to Commissioner Ferguson's question, Mr. O'Loughlin confirmed there would not be steps anywhere in the development, including the sidewalks. He noted there would be gentle slopes and benches throughout. Mr. Arroyo said PROWAG (Public Right-of-way Accessibility Guidelines) outlines the slope requirements to be ADA accessible. Mr. Arroyo noted typically the developer will grade the property to ensure it can conform with those standards. Mr. Arroyo confirmed the proposed streets would be City streets.

Commissioner Comments

Commissioner Nesbitt expressed concern that we will require large trees under power lines that will eventually require the City to trim. Commissioner Nesbitt questioned why a streetlight would not be required. Mr. Arroyo stated Professional Traffic Operations Engineers (PTOE) use national guidelines when determining if a streetlight is needed. He noted lights usually require thousands of vehicles or a site distance issue.

Vice-Chair Preston asked if parking would be allowed on the street. Mr. Moore stated as final development plan is configured, that issue would be addressed. He said it may be a neighborhood driven issue rather than a City restriction. Mr. Moore stated they don't anticipate a need for on-street parking.

In response to Commissioner Young's question, Mr. O'Loughlin stated if this project doesn't get approval, they will look at possibly building a nursing home, or a 3-story building with commercial in the basement and apartments above. He stated he believes those uses would be allowed with its current zoning. Mr. O'Loughlin said they started this project because they felt it would better fit the surrounding neighborhood.

Commissioner Nesbitt stated he believes this development to too dense and too close to surrounding properties. He said he also believes the Traffic Impact Study is wrong and a light should be required.

In response to Vice-Chair Preston's questions, Mr. Arroyo outlined the Traffic Impact Study (TIS) process. He stated the applicant hires a licensed PTOE and they look at the total number of units and area to determine the number of possible am and pm peak vehicles. There are national standards that PTOEs use for this determination. He noted they look at the need for streetlights and turn lanes. They also look at the capacity needs of those turn lanes, if needed. After the licensed PTOE prepares the TIS for the applicant, the City's licensed PTOE looks at the report to determine its validity. In response to Vice-Chair Preston's question, Mr. Arroyo stated the City's traffic engineer had no cause to question the integrity of the submitted TIS.

Commissioner Preston stated he believes this is one of the better housing developments he's looked at. He stated he agrees this won't stay as a vacant lot forever and believes the developer did due diligence with City staff and neighbors to bring it to this point. He said he wishes it could remain vacant but believes this would be a good use for the property.

Commissioner Wiley noted this case will still go to the City Council for a final vote.

Motion

Commissioner Wiley made a motion to approve Case 22-125-08 – Rezoning – 2610 and 2612 S. Lee's Summit Road, with conditions as outlined by staff. Commissioner Michell seconded the motion. The motion failed to receive a majority vote, with three affirmative and three opposing votes.

ADJOURNMENT

The meeting was adjourned at 9:45 p.m.

Property Address	Property Owner	Owner Address	City	State	ZIP Code
1511 S KINGS HWY	INDEPENDENCE SCHOOL DISTRICT	201 N FOREST AVE	INDEPENDENCE	MO	64050
1425 S WOODBURY ST	CACERES DE VELASCO DOLLY	7321 SW 26TH CT	TOPEKA	KS	66614
2619 S LEES SUMMIT RD	THE SCHOOL DISTRICT OF CITY OF INDEPENDENCE	201 N FOREST AVE	INDEPENDENCE	MO	64050-2513
2602 S LEES SUMMIT RD	HARRIS MARK JAMES	2602 LEES SUMMIT RD	INDEPENDENCE	MO	64055
2605 S LEES SUMMIT RD	OLIVAREZ JOHN G & JOANNE M-TRUSTEES	2605 S LEES SUMMIT RD	INDEPENDENCE	MO	64055
1146 E GUDGELL AVE	LEGACY BNB LLC	11505 E 162ND DR	BRIGHTON	CO	80602
NO ADDRESS ASSIGNED BY CITY	COPELAND MICHAEL & LEE	2520 LEES SUMMIT RD	INDEPENDENCE	MO	64055
16000 E COGAN DR	RODGERS JOHN D & KATHRYN M	16000 E COGAN DR	INDEPENDENCE	MO	64055
16004 E COGAN DR	BHAVNANI REANNE & SIRISH	16004 E COGAN DR	INDEPENDENCE	MO	64055
2606 S LEES SUMMIT RD	CARTER HELEN J & JAMES L TRUSTEES	2606 S LEES SUMMIT RD	INDEPENDENCE	MO	64055
2611 S LEES SUMMIT RD	INDEPENDENCE SCHOOL DISTRICT	201 N FOREST AVE	INDEPENDENCE	MO	64050
2625 S LEES SUMMIT RD	MEDLIN REBECCA L	2625 LEES SUMMIT RD	INDEPENDENCE	MO	64055
1421 S WOODBURY ST	SCHULTZ DAVID & BRENDA	1421 WOODBURY ST	INDEPENDENCE	MO	64055
15813 E 27TH ST	MULLIKIN FERN L (CARY) - TRUSTEE	15813 E 27TH ST S	INDEPENDENCE	MO	64055
CA RESIDENTIAL	DRUMM FARM VILLAS HOMES ASSOC INC	11500 N AMBASSADOR DR STE 360	KANSAS CITY	MO	64153
2704 S HADEN CT	EADE DANIEL E & PATRICIA J	2704 S HADEN ST	INDEPENDENCE	MO	64055
15812 E 27TH ST	MCKINNEY ADRUTH E-TRUSTEE	15812 E 27TH ST S	INDEPENDENCE	MO	64055
2705 S HADEN CT	MOORE PATRICIA A	2705 S HADEN CT	INDEPENDENCE	MO	64055
15804 E 27TH ST	WELLER STEPHEN & DIANE	15804 E 27TH ST S	INDEPENDENCE	MO	64055-2382
1144 E GUDGELL AVE	RELIHAN PHILLIP F & LAURIE E	18605 E 25TH TERR CT S	INDEPENDENCE	MO	64057
15809 E 27TH ST	FORD ROBERT D & ESTRELLA L	15809 E 27TH ST S	INDEPENDENCE	MO	64055
15816 E 27TH ST	JUSSEAUME JACOB T	15816 E 27TH ST S	INDEPENDENCE	MO	64055
2705 S BRECKENRIDGE DR	SPRADLING ROBERT W & TONI M	2705 S BRECKENRIDGE DR	INDEPENDENCE	MO	64055
2709 S HADEN CT	FERGUSON JASON & FERGUSON PAMELA	2709 S HADEN CT	INDEPENDENCE	MO	64055
2701 S BRECKENRIDGE DR	GEORGE CURTIS A & CAROL A	2701 S BRECKENRIDGE DR	INDEPENDENCE	MO	64055
2704 S WOODBURY DR	BACHMAN MARY K	2704 S WOODBURY DR	INDEPENDENCE	MO	64055
15820 E 27TH ST	MISER GENE R	15820 E 27TH ST	INDEPENDENCE	MO	64055
15805 E 27TH ST	GREGOVICH SHEILA L-TRUSTEE	15805 E 27TH ST S	INDEPENDENCE	MO	64055
15800 E 27TH ST	KAPKE GEORGE E & BETH S	15800 E 27TH ST S	INDEPENDENCE	MO	64055
15808 E 27TH ST	COLTER CHERYL	15808 E 27TH ST S	INDEPENDENCE	MO	64055
2708 S HADEN CT	MONGEON SUSAN K TRUSTEE HER/HIS SUCCESSORS TRUST UNDER MONGEON SUSAN K TRUST DATED 4/5/21	2708 S HADEN CT	INDEPENDENCE	MO	64055
2700 S WOODBURY DR	HAWKSLEY JAMIE ALLISON	2700 S WOODBURY DR	INDEPENDENCE	MO	64055
2709 S BRECKENRIDGE DR	JUSSEAUME ROBERT E & JENNIFER E	2709 S BRECKENRIDGE DR	INDEPENDENCE	MO	64055
2701 S HADEN CT	TULLIS KENNETH E & SHIRLEY A	2701 S HADEN CT	INDEPENDENCE	MO	64055
2708 S WOODBURY DR	GUILFOYLE DAVID T & BONNIE J	2708 S WOODBURY DR	INDEPENDENCE	MO	64055
1140 E GUDGELL AVE	RELIHAN PHILIP F JR & LAURIE E	18605 E 25TH TER CT S	INDEPENDENCE	MO	64057
2700 S HADEN CT	VAN DINE WAYNE R & MARY ANN E-TRUSTEES	2700 S HADEN CT	INDEPENDENCE	MO	64055
2608 S LEES SUMMIT RD	CARTER JAMES L-TRUSTEE	2608 S LEES SUMMIT RD	INDEPENDENCE	MO	64055

Property Owner Notification Affidavit

STATE OF MISSOURI

COUNTY OF JACKSON

Case No. 22-125-08

I, Miranda Rice, of lawful age being first duly sworn upon oath, state:

That I am the (agent, owner, attorney) for the property for which the application was filed and did, not later than fifteen (15) days prior to the date of the public hearing scheduled before the Planning Commission, mail notices to all persons owning property within 185 feet of the subject property. **The list of property owners to whom notice has been mailed is attached.**

These notices were mailed on the 15th day of January, 2026.

Miranda Rice

Signature of Agent, Owner or Attorney

Subscribed and sworn to before me this 15 day of January, 2026.

Jodi R Baker

Notary Public

JODI R BAKER
Notary Public - Notary Seal
State of Missouri
Commissioned for Jackson County
My Commission Expires: March 06, 2028
Commission Number: 24757914

March 6, 2028

Commission Expiration Date

Property Owner Notification Letter

City of Independence, Missouri

Date: 01-15-2026

Case No.: 22-125-08

Dear Property Owner:

This letter is to notify you that an application previously heard by the Planning Commission and had first reading at the City Council will have its New Information Only Public Hearing and second reading. The City Council will only hear new information that was not presented at the Planning Commission's public hearing, if such facts were not reasonably available at the time of the Planning Commission hearing.

Proposed Case Type: Rezoning/PUD

Proposed project description: Summit Living townhomes meets a significant need for aging-friendly homes. They are maintenance-provided, age-restricted, market rate, and include picnic areas and a dog park.

Applicant: Englewood Assembly of God Church and O'Loughlin Development LLC

Location of Property: 2610, 2612 S. Lee's Summit Road, Independence, MO

City Council Meeting Date: February 4, 2026 at 6:00 p.m.

Location of public hearings: City Council Chambers, City Hall
111 E Maple Ave, Independence, Missouri, 64050

You may file a protest petition with the Community Development Department. For more information or to get copies of a petition, please contact Planning staff at 816-325-7421.

City of Independence
Development Services Division
Community Development

For more information, contact the Community Development Department at 816-325-7421.

City of Independence

AGENDA ITEM COVER SHEET

Agenda Title:

A public hearing for the Taxable Industrial Development Revenue Bonds for the Surgery Center Project. ***Full Public Hearing.***

Recommendations:**Background:****Emergency Justification:****Fiscal Impact:****Council Action:**

Department / Contact	Community Development /
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REVIEWERS

Tom Scannell
Melissa Cabrera
Jeremy Cover
Lisa Reynolds
Susanne Holland

ATTACHMENTS:

1. Surgery Center260210164303

Taxation Division
Post Office Box 453
Jefferson City, Missouri 65105-0453



Missouri
DEPARTMENT OF REVENUE

(573) 751-5900

E-mail: Countyfees@dor.mo.gov

City Clerk
City of Independence
111 E Maple Ave
Independence, MO 64050

February 3, 2026

Dear City Official:

The Department of Revenue acknowledges receipt of your letter concerning the public hearing on February 4, 2026, regarding the proposed industrial development project and cost benefit analysis for the Surgery Center Project.

The Department respectfully declines comment on the above hearing.

If you require any additional information or assistance, please contact County Tax at Post Office Box 453, Jefferson City, MO 65105-0453, by telephone at (573) 751-5900 during the hours of 8:00 a.m. to 5:00 p.m., Monday through Friday, or by email at countyfees@dor.mo.gov.

Sincerely,

County Tax

LG

City of Independence

AGENDA ITEM COVER SHEET

Agenda Title:

Council action is requested on the application received from The Rhapsody Wedding and Reception Hall for Retail Selling of Intoxicating Liquor by the Drink that will be located at 2322 S R.D. Mize Rd. **Item passes 5-0**

Recommendations:

This application meets the requirements of the City's Alcoholic Beverage Code.

Background:

The applicant is requesting City Council approval for a Retail Selling of Intoxicating Liquor by the Drink license including Sunday Sales. The Sunday Sales license will be approved administratively should the City Council approve the liquor license. The hours of operation varies as this location is solely an event space and operates based on booked events. The applicant has indicated that this location will have alcohol sales that meet the City's Alcoholic Beverage Code.

Background:

Applicant: Rhapsody Events LLC

Name of business: Rhapsody Wedding and Reception Hall

Business Address: 2322 S. R.D. Mize Rd.

Size of establishment (includes outdoor patio space if applicable): Rhapsody Wedding and Reception Hall operates within approximately 2,400 square feet of commercial building space.

Liquor License Types: Retail Selling of Intoxicating Liquor by the Drink license including Sunday Sales

Types of Alcohol to be sold/served: Intoxicating Liquor in original package

History of any liquor license at this location; if a new building, provide a brief update on the construction: A family-owned event space has been in operation at 2322 S. R.D. Mize Rd. since 1994. The business was originally opened under the Musik Connection LLC dba The Rhapsody. In 2025 Bryan Scherer took over ownership of the family business and is operating under Rhapsody Events LLC dba Rhapsody Wedding and Reception Hall. The space will continue to operate as an event hall for weddings, receptions, etc. Mr. Scherer would like to include bar operations as an option for clients and their guests. There are active liquor licenses within 1000 feet of this location: Quik Trip, Phoenix Nail Lounge, and La Fuente are located to the west, Minsky's Pizza is located to the south.

Location proximity to school, church, or residential zoning: According to the City's mapping system there are no schools within 300 feet but there is one church: Community of Christ East Alton which is also located in residential zoning.

Managing Officer Information and results from background check: Rhapsody Events has indicated that Bryan Mark Scherer will serve as the appointed managing officer. The background investigation conducted by the Missouri State Highway Patrol on Bryan Mark Scherer revealed he meets the requirements of the Alcoholic Beverages code.

Emergency Justification:

Fiscal Impact:

Council Action:

Department / Contact	Community Development /
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REVIEWERS

Tom Scannell
Jeremy Cover
Lisa Reynolds
Susanne Holland

ATTACHMENTS:

1. Redacted Liquor App Rhapsody Event Space
2. Aerial Imagery
3. Zoning Map
4. Notification Area Map
5. Notification Letter
6. Notification Addresses

Application Type: ☐ Package ☒ Drink ☐ Manufacturing ☐ Wholesale ☐ Special ☐ Ownership Change

Business Information

This Business is a: ☐ Sole Proprietor ☐ Partnership ☐ LP ☒ LLC ☐ Corporation

Legal Name of Entity

Type of Business

Rhapsody Events , LLC

Doing Business as (d/b/a) (if different than above)

Physical Address

2322 R.D. Mize Road

City

Independence

State

MO

Zip

64057

Mailing Address (if different from above)

Phone

816-795-0777

Cell Phone

Email

State & Date of Incorporation or Organization

Missouri

Missouri Retail Sales Tax Number

31284833

Date business scheduled to open

Give dimensions or square footage of the building, outdoor patio, and any other areas in which alcoholic beverages may be stored or dispensed: **2400 square feet**

Is the proposed location within 300 feet of a church, school, or hospital? **Yes**

Proposed hours of operation: **Varies**

If existing business, from whom was the business purchased? **N/A**

Date of purchase: _____ Date of Possession: **January 1, 2026**

Does the former owner of the business have any interest, either directly or indirectly, in the business for which you seek a license? If so, explain:

N/A

I hereby apply to the City of Independence, MO, for the following license(s) for the business and premises described above (mark all license types for which you are applying on page 2). I also certify that the information given in this application is true to the best of my knowledge and that the license is non-transferable. I also agree that this business will observe the restrictions specifically enumerated in Chapter 2 of the Independence City Code related to alcoholic beverages.

Signature of Applicant

Bryan Scherer

Printed Name

Member

12/4/25

Title

Date

Liquor License Types (mark all license types for which you are applying)

All liquor licenses are effective for one (1) year, beginning July 1 and ending June 30. Any liquor license application made between January 1 and March 31 will be charged a prorated fee equal to one-half of the annual license fee (listed below). Those licenses will expire June 30 of that year. Applications made between April 1 and June 30 will be charged the full license fee (listed below), however those licenses will expire June 30 the following year.

Package Liquor Licenses

- ☐ P1 – Retail Selling of Intoxicating Liquor of all kinds in the original package (\$150.00)
- ☐ P3 – Retail Selling of Beer only in the original package; includes Sunday Sales (\$150.00)
- ☐ S – Sunday Sales (\$300.00)
- ☐ T – Tasting Permit (\$25.00)

Drink Licenses

- ☒ T1 – Retail Selling of Intoxicating Liquor by the Drink (\$450.00)
- ☐ T2 – Retail Selling of Malt Liquor & Wine by the Drink (\$150.00)
- ☐ T3 – Retail Selling of Beer by the Drink; includes Sunday Sales (\$150.00)
- ☐ R1 – Restaurant Selling Intoxicating Liquor (\$450.00)
- ☐ R2 – Restaurant Selling Beer; includes Sunday Sales (\$150.00)
- ☐ F1 – Tax Exempt Organizations Selling Intoxicating Liquor (\$300.00)
- ☐ H1 – Hotel Selling Intoxicating Liquor (\$450.00)
- ☐ Z1 – Consumption of Intoxicating Liquor (\$150.00)
- ☒ S – Sunday Sales (\$300.00)

Manufacturing, Distilling, Blending Licenses

- ☐ M1 – Manufacturing, Distilling, Blending Intoxicating Liquor of all kinds (\$300.00)
- ☐ M2 – Manufacturing twenty-two (22) percent or less alcohol- content intoxicating liquor (\$300.00)
- ☐ M3 – Manufacturing, Brewing Malt Liquor (\$300.00)

Wholesale Licenses

- ☐ W1 – Wholesale selling of Intoxicating Liquor of all kinds (\$300.00)
- ☐ W2 – Wholesale selling of twenty-two (22) percent or less alcohol-content intoxicating liquor (\$300.00)
- ☐ W3 – Wholesale selling of malt liquor (\$300.00)

Special Licenses

- ☐ S1 – Microbrewery (\$7.50 per 100 barrels produced)
- ☐ S2 – Domestic Winery (\$7.50 per 500 gallons produced)
- ☐ S4 – Picnic 7 Day Intoxicating Liquor by the Drink (\$15.00 per day)
- ☐ S6 – July 4th Celebration Malt Liquor & Light Wine by the Drink (\$15.00 per day)
- ☐ C1 – Caterer Intoxicating Liquor by the Drink – Up to 7 Days (\$15.00 per day)
- ☐ C2 – Caterer Intoxicating Liquor by the Drink – Up to 50 Days (\$500.00)
- ☐ C3 – Caterer Intoxicating Liquor by the Drink – Unlimited Days (\$1,000.00 per day)

Managing Officer, Sole Owner, or Managing Partner Information

Bryan Mark Scherer [Redacted]
Full Name Social Security Number
M 42 5'9" 215 [Redacted] MD/USA Yes
Sex Age Height Weight Date of Birth Place of Birth Are you a U.S. Citizen
4608 NW Birkdale pl. Lees Summit MO 64064
Home Address City State Zip
N/A
Place of Employment (other than business) Employment Phone Email
Employment Address City State Zip

City or Town where the Managing Officer, Sole Owner, or Managing Partner pays taxes:

Lees Summit, MO

Will this person be in active control and management of this business? Please explain (part-time/full-time, etc.):

Yes - full-time

Have you, any partner or employee ever been arrested anywhere in the United States for the violation of any City, State or Federal Law? If so, who, where, when and what offense (do not include minor traffic offenses):

NO

Have you, any partner or employee ever been the holder of a license to manufacture or sell alcoholic beverages, which was revoked? If so, explain:

NO

Have you, or any member of your household or immediate family, ever made application for a permit for the Director of Liquor Control that was denied? If so, explain and provide approximate date of denial:

NO

Do you rent or lease the premises for which this business is to be used? If so, give terms of rent or lease, and name and address of property owner:

Rent - \$1 per year rent due
Mark & Rita Scherer [Redacted]

Partnership or Member Information (complete only for partnerships or LLCs with multiple members)

Give partnership or LLC name (if not already listed above) and the name, address, and percentage ownership interest of each partner or member:

Rhapsody Events LLC
Brett Scherer - 50%
Bryan & Amanda Scherer - 50%

Corporate Information (complete only for a corporation)

List full name, complete address, phone number, date of birth and Social Security Number of all corporate officers:

President: _____

Vice President: _____

Secretary: _____

Treasurer: _____

Managing Officer: _____

Names, address, and phone number of shares owned of all stockholders who hold 10% or more of the capital stock:

Is the corporation or any stockholder or the managing officer thereof, or any member of his/her household or immediate family, have interest directly in any other permit issued by the Director of Liquor Control? If so, explain:

Has any stockholder of the corporation or an officer ever been employed by any person, partnership, or corporation that had a license revoked or suspended? If so, who, where, when and what offense:

Alcoholic Beverage Code Certifications – Adult Materials

- ☒ I certify this establishment **will not** display or sell books, photos, magazines, videos, or other periodicals which are distinguished or characterized by the principal emphasis on matters depicting, describing, or relating to specified sexual activities.
- ☐ I certify this establishment **will** display or sell books, photos, magazines, videos, or other periodicals which are distinguished or characterized by the principal emphasis on matters depicting, describing, or relating to specified sexual activities.

Alcoholic Beverage Code Certifications – Allow Entry for Inspection

- ☒ I agree that I will permit the entry of any officer or investigator who has legal authority for the purpose of inspection; and will permit the removal of all things and articles which may be in violation of the ordinances of Independence, Missouri, and the laws of the State of Missouri or the United States.

Alcoholic Beverage Code Certifications – Restaurant Liquor Sales

- ☐ **If qualifying as a restaurant:** I certify that at least 50% of the gross sales of the business for which this license application is made will consist of food.

Alcoholic Beverage Code Certifications – Package Liquor Sales

If applying for a package liquor license: I certify that, at all times, I will keep a stock of goods having a value according to my original invoices of at least one thousand dollars (\$1,000.00), exclusive of the inventory value of the fixtures and of the intoxicating liquor, which I shall offer for sale on said premises. Check one of the following:

- ☒ This location will have alcohol sales that are less than 90% of gross store sales.
☐ This location will have alcohol sales that are more than 90% of gross store sales.

Additional Documentation Required

1. Letter of Explanation – Letter explaining why the application is being submitted by outlining the operations of the business and the use of the liquor license, should it be approved.
2. A recent photo of the Managing Officer.
3. Criminal Record Check – Missouri Highway Patrol criminal record check for the Managing Officer, Sole Owner, or each partner or member of a partnership or LLC.
4. Copy of the Managing Officer's paid Missouri personal property tax receipt for year immediately preceding the date of application.
5. Copy of Missouri voter registration card for the Managing Officer.
6. Recent photos of the interior and exterior of the premises to be licensed. If the building is under construction, the applicant shall provide a copy of the plans and specifications of the building.
7. Floorplan of the premises to be licensed including any areas where alcoholic beverages will be stored, sold, or consumed including outdoor patio areas.
8. Copy of Jackson County Business Property Tax receipt for year immediately preceding date of application. (If the business was new after January 1 of that year, it is exempt from this requirement.)
9. Business License Application – Applicant must submit a Business License application that includes a letter of "No Tax Due" dated within the previous 90-days for the MO sales tax number provided and a certificate of liability insurance.
10. License Fee: Check or money order payable to the City of Independence. See page 2 for current annual license fees.

Please return this application and all required documents to the Regulated Industries Division at the address above. For questions about completing this application, please contact ~~Jordan Ellena~~ at

~~JEllena@indepmo.org~~ or by phone at 816-325-7183.

Jdodson@indepmo.org

Jill Dodson

Rhapsody Events, LLC
2322 S R.D. Mize Road
Independence, Missouri 64057
info@therhapsody.com
816.795.0777

December 4, 2025

To Whom It May Concern,

Rhapsody Events, LLC., doing business as The Rhapsody Wedding and Reception Hall, is requesting to obtain a liquor license. This business will host events, such as weddings and receptions. As part of this business model, bar options are requested by clients to be served to their guests, in which Rhapsody Events, LLC would like to provide this service.

Thank you for your time and consideration,

A handwritten signature in blue ink, appearing to read 'B. Scherer', with a long horizontal flourish extending to the right.

Bryan Scherer
Managing Partner
Rhapsody Events, LLC





No Match Notification

A statewide search of the identifiers below has revealed no criminal conviction or sex offender information on file. Fingerprints were not provided and thus the result of the search cannot be guaranteed.

Date of Search: 12/01/2025

Name (1): BRYAN SCHERER

Name (2):

Name (3):

Date Of Birth: [REDACTED]

SSN: [REDACTED]

Control Number: 7387186

If you have any questions, please do not hesitate to contact our office at 573-526-6153.

Missouri State Highway Patrol
Criminal Justice Information Services Division
PO BOX 9500
Jefferson City, MO 65102



No Match Notification

A statewide search of the identifiers below has revealed no criminal conviction or sex offender information on file. Fingerprints were not provided and thus the result of the search cannot be guaranteed.

Date of Search: 12/01/2025

Name (1): BRETT SCHERER

Name (2):

Name (3):

Date Of Birth: [REDACTED]

SSN: [REDACTED]

Control Number: 7387187

If you have any questions, please do not hesitate to contact our office at 573-526-6153.

Missouri State Highway Patrol
Criminal Justice Information Services Division
PO BOX 9500
Jefferson City, MO 65102



No Match Notification

A statewide search of the identifiers below has revealed no criminal conviction or sex offender information on file. Fingerprints were not provided and thus the result of the search cannot be guaranteed.

Date of Search: 12/01/2025

Name (1): AMANDA SCHERER

Name (2): AMANDA LYNCH

Name (3):

Date Of Birth:

SSN:

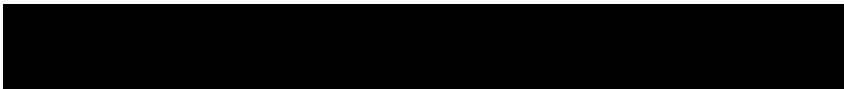
Control Number: 7387185

If you have any questions, please do not hesitate to contact our office at 573-526-6153.

Missouri State Highway Patrol
Criminal Justice Information Services Division
PO BOX 9500
Jefferson City, MO 65102

#4

Tax Bill



Account Number
43-420-03-15-00-0-00-000

Due Date
December 31, 2024

Bill Status
PAID

Account Type
Real Property

Tax Year
2024

Bill Number
2024-17142249

Owner Name:
SCHERER BRYAN & AMANDA

Today's Date
12/01/2025

Helpful Resources

Jackson County, Missouri
jacksongov.org
Collection Department

#4
Jackson County, MO

Paid December 22, 2024

Receipt Details

Receipt Number 14544989	Tender Type Electronic Check	Total Amount Paid \$2,188.20
Receipt Year 2024	Payer Name SCHERER BRYAN MARK	Payer Address [REDACTED]

Personal Property

Property Account Number 203278388

Amount Applied
\$2,188.20

Tax Year 2024

Receipt Details

Type AUTO	Make CHEVROLET	Model CORVETTE
Series 2D 2WD	Model Year 2017	
Item ID 1G1YN2D60H5604301		

Type TRUCK/SUV	Make KIA	Model TELLURIDE
Series 4D AWD	Model Year 2022	
Item ID 5XYP3DHCXNG217262		

Type TRUCK/SUV	Make RAM	Model RAM 1500
Series CC 4WD	Model Year 2019	
Item ID 1C6RR7TT7KS587453		

Current Due
\$0.00

Principal \$0.00	Interest \$0.00
---------------------	--------------------

Penalties \$0.00	Fees \$0.00
---------------------	----------------

Amount Applied \$2,188.20	Balance \$-2,188.20
------------------------------	------------------------

Notice

Any unpaid balance will continue to accumulate interest, penalties, and fees.

This receipt reflects the amount of any current unpaid balance at the time this receipt is generated. It does not include any such interest, penalties and fees that are later accrued. Changes to the account may change the unpaid



JACKSON COUNTY ELECTION BOARD



MICHAEL K. WHITEHEAD, CHAIRMAN * HENRY R. CARNER, SECRETARY * COLLEEN M. SCOTT, MEMBER * LYLE K. QUERRY, MEMBER
TAMMY L. BROWN, DIRECTOR * SARA A. ZORICH, DIRECTOR
215 N. LIBERTY ST * PO BOX 296, INDEPENDENCE, MO 64051
816-325-4600 * FAX 816-325-4609 * jcebmo.org

CERTIFICATION OF REGISTRATION

Date Issued: December 3, 2025

This is to certify that **Bryan Scherer** is registered in the **26/A** Precinct of
Prairie Township, Jackson County, Missouri having registered
on the **8th** day of **October, 2002**.

Date of Birth:

Address:


Signature must be signed in the presence of
Election Board Clerk

Board of Election Commissioners

By



(This certificate is not valid without official seal.)

(Information Given under Oath by person at Time of Registration)

Residency of New Registrant

The person named on this affidavit registered to vote on the date indicated. Residency is not yet verified. The Jackson County Board of Election Commissioners will now verify the residence as provided by law (115.193.1, R.S.Mo.), by the use of a first class, non-forwardable piece of mail.



JACKSON COUNTY ELECTION BOARD



MICHAEL K. WHITEHEAD, CHAIRMAN * HENRY R. CARNER, SECRETARY * COLLEEN M. SCOTT, MEMBER * LYLE K. QUERRY, MEMBER
TAMMY L. BROWN, DIRECTOR * SARA A. ZORICH, DIRECTOR
215 N. LIBERTY ST * PO BOX 296, INDEPENDENCE, MO 64051
816-325-4600 * FAX 816-325-4609 * jcebmo.org

CERTIFICATION OF REGISTRATION

Date Issued: December 3, 2025

This is to certify that **Amanda Jean Scherer** is registered in the **26/A** Precinct of
Prairie Township, Jackson County, Missouri having registered
on the **7th** day of **October, 2019**.

Date of Birth: [REDACTED]

Address: [REDACTED]

Amanda Scherer

Signature must be signed in the presence of
Election Board Clerk



(This certificate is not valid without official seal.)

Board of Election Commissioners

By CHAA

(Information Given under Oath by person at Time of Registration)

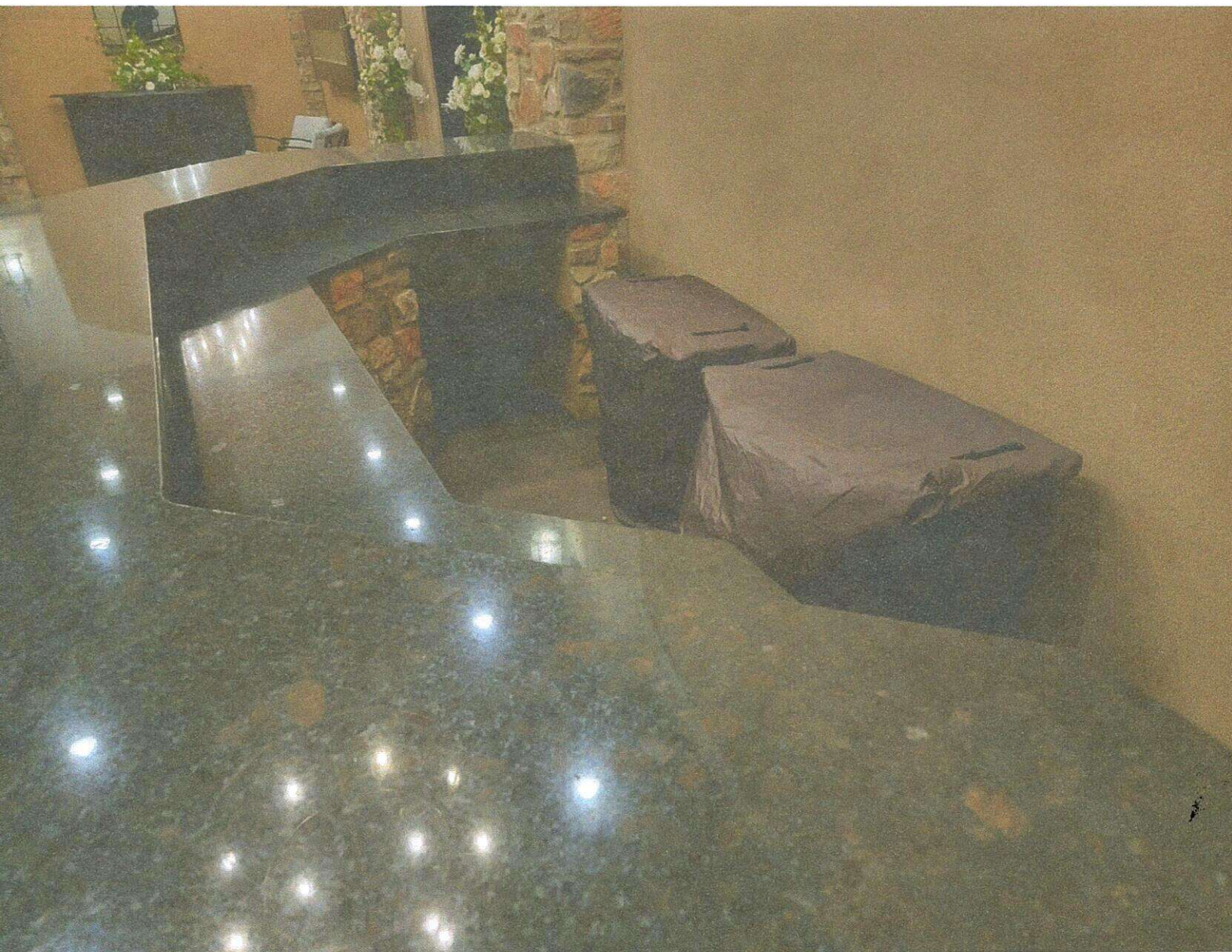
Residency of New Registrant

The person named on this affidavit registered to vote on the date indicated. Residency is not yet verified. The Jackson County Board of Election Commissioners will now verify the residence as provided by law (115.193.1, R.S.Mo.), by the use of a first class, non-forwardable piece of mail.



















TAXATION DIVISION
PO BOX 3000
JEFFERSON CITY, MO 65105-3000



Missouri
DEPARTMENT OF REVENUE

Telephone: 573-751-5860
Fax: 573-522-1722
E-mail: businesstaxregister@dor.mo.gov

RHAPSODY EVENTS LLC
[REDACTED]

12/04/2025

CERTIFICATE OF NO TAX DUE

RE: Notice Number 2061057624
MISSOURI ID: 31284833

To whom it may concern: The Department of Revenue, State of Missouri, certifies that the above listed taxpayer/account has filed all required returns and paid all SALES TAX due, including penalties and interest, or does not owe any SALES TAX, according to the records of the Missouri Department of Revenue, as of 12/04/2025. These records do not include returns that are not required to be filed as of this date for taxes previously collected or that have been filed but not yet processed by the Department.

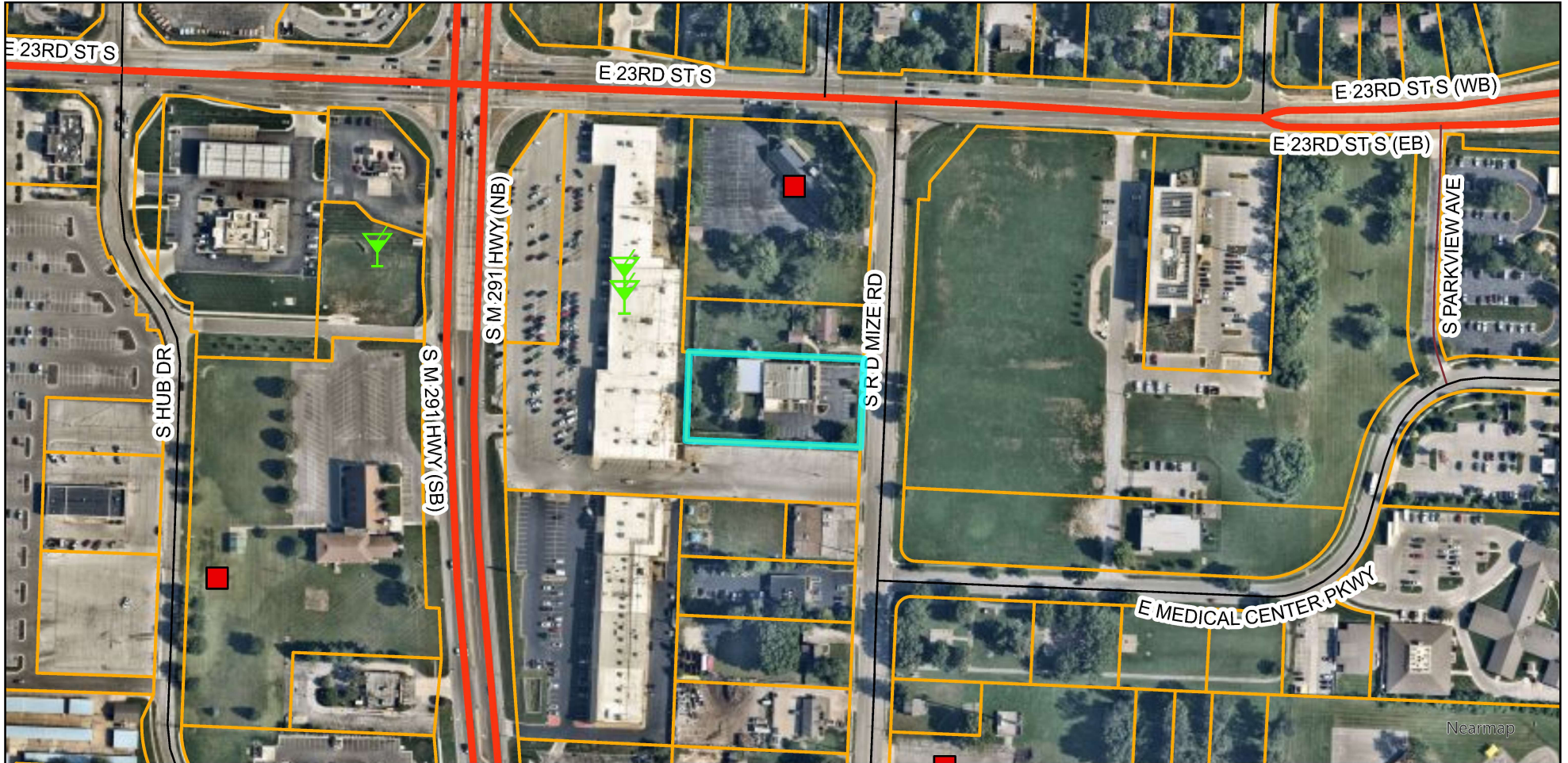
This statement only applies to SALES TAX due and does not limit the authority of the Director of Revenue to assess, or collect liabilities under appeal, in default of an installment agreement entered into with the Director of Revenue or that become known to the Department as a result of an audit, a review of taxpayer's records, or a determination of successor liability.

THIS CERTIFICATE REMAINS VALID FOR 90 DAYS FROM THE ISSUANCE DATE.

TAXATION DIVISION

Aerial Imagery

2322 S RD Mize Rd



Legend

Streets

- Highway
- Local
- Private

Parcels

▲ Liquor Licenses-Active

■ Houses of Worship

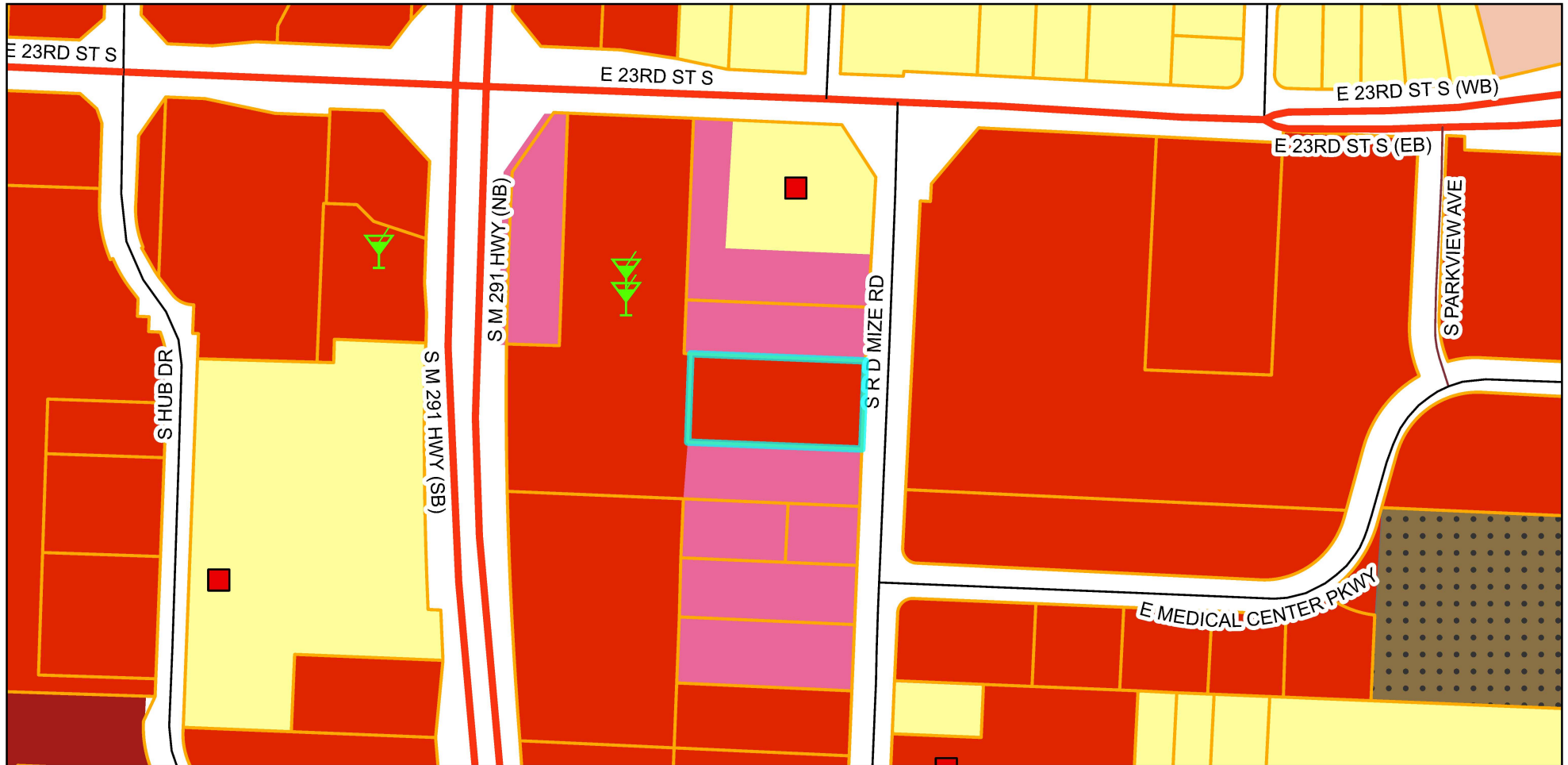
0 150 300 600 US Feet

Prepared For: City Council
 Meeting Date: February 4, 2026



Aerial Imagery

2322 S RD Mize Rd



Legend

Streets

- Highway
- Local
- Private

Parcels



Liquor Licenses-
Active



Houses of
Worship

Zoning District

- C-1
- C-2

- C-3
- O-1
- R-30/PUD

R-6

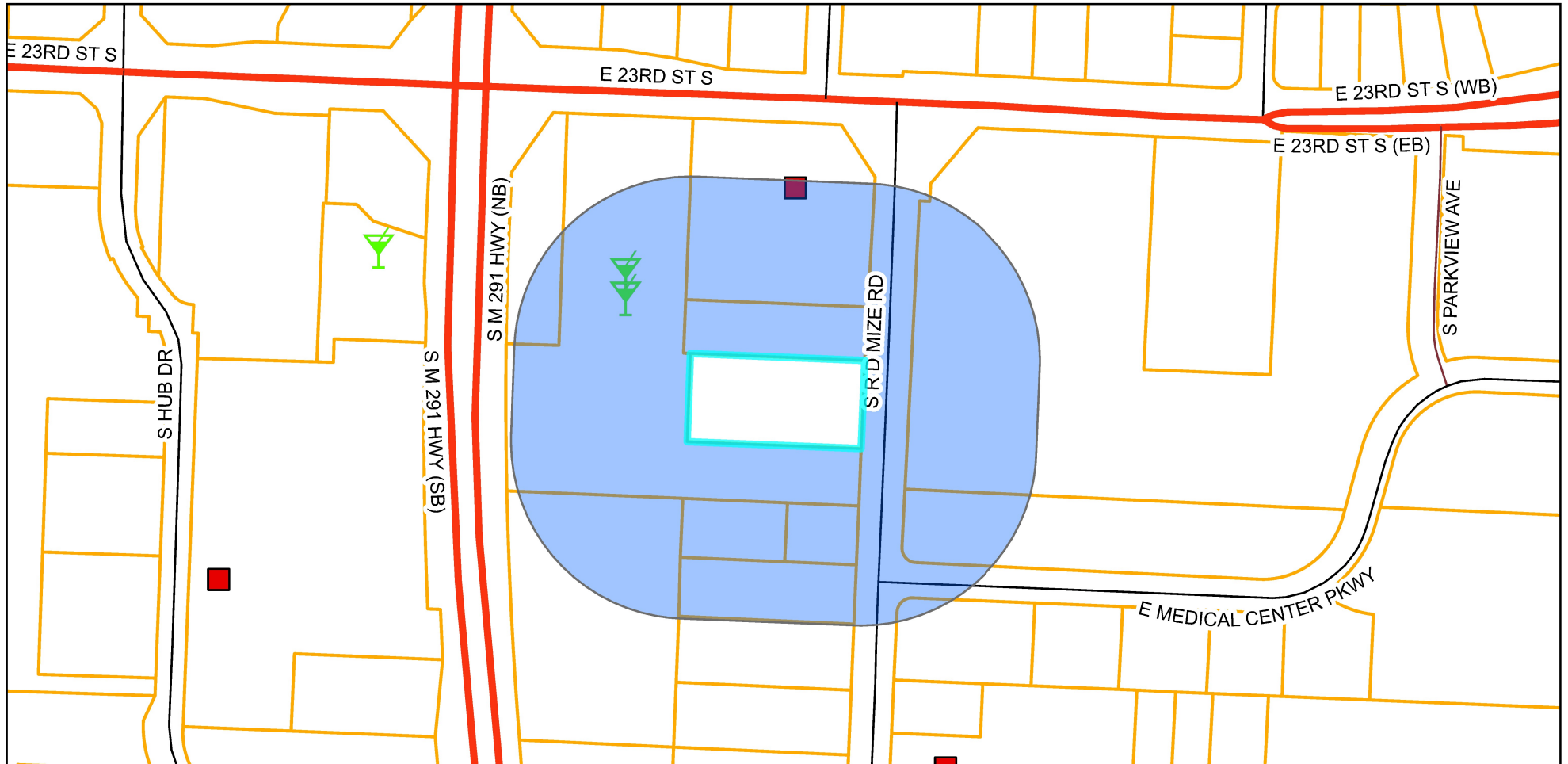
0 150 300 600 US Feet

Prepared For: City Council
Meeting Date: February 4, 2026



Notification Area Map

2322 S RD Mize Rd



Legend

Notification Area

Streets

Highway
 Local
 Private

Parcels

Liquor Licenses-Active

Houses of Worship

0 150 300 600 US Feet

Prepared For: City Council
Meeting Date: February 4, 2026





January 19, 2026

Dear Property Owner:

Rhapsody Events LLC has submitted a liquor license application for the Retail Selling of Intoxicating Liquor by Drink with Sunday Sales with the City of Independence Regulated Industries Division. The application is for Rhapsody Events located at 2322 S R.D. Mize Rd., Independence, MO 64057.

City Code requires written notification of the public hearing to all Property Owners within three hundred (300) feet of the proposed premises. The public hearing pertaining to this case is scheduled for the regular City Council meeting at 6:00 p.m., Wednesday, February 4, 2026 in Council Chambers at 111 East Maple Ave.

During the public hearing, you will have an opportunity to speak for or against this liquor license application before the City Council considers this application. You do not need to sign-up to speak at this public hearing.

Please contact our Regulated Industries division at (816) 325-7183 or at jdodson@indepmo.org if you have any questions regarding this notice.

Regards,

Jill M. Dodson

Jill M. Dodson
Regulated Industries Supervisor

Property Address	Property Owner	Owner Address	City	State	ZIP Code
16999 E 23RD ST	GRACE AND TRUTH MINISTRIES	PO BOX 1400	LEES SUMMIT	MO	64063
17200 E MEDICAL CENTER PKWY	CITY OF INDEPENDENCE	111 E MAPLE ST	INDEPENDENCE	MO	64050
2301 S M 291 HWY	PLANET PARTNERS 23 LLC	4250 NE SUN CT	LEES SUMMIT	MO	64064
2318 S R D MIZE RD	SCHERER MARK & RITA	2320 CASTLE DR	INDEPENDENCE	MO	64057
2400 S R D MIZE RD	COULTER TIM & BRENDA	1220 S SWOPE DR	INDEPENDENCE	MO	64057
2406 S R D MIZE RD	SOLE PROPERTY LLC	2406 E R D MIZE RD	INDEPENDENCE	MO	64057
2407 S M 291 HWY	24 INDEPENDENCE LLC	244 W MILL ST STE 101	LIBERTY	MO	64068
2410 S R D MIZE RD	ALVAREZ GUSTAVO MONTOYA	2410 S R D MIZE RD	INDEPENDENCE	MO	64057

City of Independence

AGENDA ITEM COVER SHEET

Agenda Title:

26-008 **1R** An ordinance authorizing a contract with the State of Missouri Public Safety to provide financial assistance for the State and Local Cybersecurity Grant Program and **declaring an emergency. 1R** (This will be a first and second reading and will require 5 yes votes to pass.) **Item passes 5-0 Ord. No. 19780**

Recommendations:

Staff recommends approval of this item.

Background:

The Technology Services Department has been provided an opportunity to receive funding from the State and Local Cybersecurity Grant Program. This grant provides funding to the department to enhance the security posture across several Microsoft cloud applications. The City utilizes Microsoft cloud applications for a variety of functions including email, authentication, communications and information sharing.

Council approval of this item will authorize appropriation and spending of these dollars, which will then be reimbursed by the State. This grant requires a 30% match, which will be approximately \$56,271.30 and has been budgeted for FY 25/26.

Emergency Justification:

Technology Services applied for this grant in 2024. The City was notified on January 13, 2026 of our selection for this grant, and it must be approved by February 13, 2026.

Fiscal Impact:

The total fiscal impact to the City is net-zero. Revenue totaling \$131,299.70 will be appropriated to the Grant Fund, account 015-3219-CYBER. Expenditures totaling \$131,299.70 will be appropriated to the Grant Fund, account 0154220-5226-CYBER. A match of 30% is required with an anticipated total of \$56,271.30. Funding for the match is included in the FY25/26 budget, page number 155, account number 0954220-5226, Internal Service Fund-Technology Services. There are no on-going costs associated with this grant.

Council Action:

Department / Contact	Technology Services /
---------------------------------	-----------------------

REVIEWERS

Melissa Cabrera
Jeremy Cover
Lisa Reynolds
Susanne Holland

ATTACHMENTS:

1. Cybersecurity Grant
2. Grant Funding Opportunity
3. Ord. No. 19780

BILL NO. _____

ORDINANCE NO. _____

AN ORDINANCE AUTHORIZING A CONTRACT WITH THE STATE OF MISSOURI DEPARTMENT OF PUBLIC SAFETY TO PROVIDE FINANCIAL ASSISTANCE FOR THE STATE AND LOCAL CYBERSECURITY GRANT PROGRAM FOR THE PERIOD OF JANUARY 13, 2026, THROUGH AUGUST 31, 2028; ACCEPTING FUNDS FOR THE PERIOD IN THE AMOUNT OF \$131,299.70; AUTHORIZING FUTURE CHANGE ORDERS FOR ADDITIONAL FUNDING AND/OR TIME EXTENSIONS FOR THE SAME PROJECT; AND AUTHORIZING CERTAIN FUTURE APPROPRIATIONS.

WHEREAS, the City wishes to partner with the State of Missouri to implement a project within the State and Local Cybersecurity Grant Program in Independence; and,

WHEREAS, it has been determined by the Independence City Council that the application for such funds is the proper prerogative of the Council with acceptance of the contract for the period from January 13, 2026, through August 31, 2028; and,

WHEREAS, it has been determined by the Independence City Council to be in the best interest of the City to approve this State and Local Cybersecurity Grant Program Contract with State of Missouri Department of Public Safety;

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

SECTION 1. That the City Manager of the City of Independence, Missouri, is hereby authorized to accept funding for an amount not to exceed One Hundred Thirty-One Thousand Two Hundred Ninety-Nine and 70/100 Dollars (\$131,299.70) for the period of January 13, 2026, through August 31, 2028.

SECTION 2. That the City Manager is further authorized to approve future change orders, extensions, amendments or addendums to this grant without Council approval, for an extension of time for completing the terms of the grant or for the receipt of additional funding for this same grant project, provided there are no changes in the terms and/or conditions or responsibilities to the City and provided each and every such change order, extension, amendment or addendum is approved by the City Manager, does not add more than 90% to the length of time of the grant or more than 50% to the original funding, is identified as being authorized by this ordinance, and a copy is filed with the City Clerk.

SECTION 3. That the City Manager is hereby authorized to increase appropriations by the amount of any increased grant awards authorized by change order, extension, amendment, or addendum for any increased funding under the terms of the previous section provided a copy of that action is also provided to the Finance Department.

SECTION 4. That appropriations in the 2025-2026 Grant Fund Technology Services Budget are hereby increased by One Hundred Thirty-One Thousand Two Hundred Ninety-Nine and 70/100 Dollars (\$131,299.70) from the revenue anticipated from the Contract for this State and Local Cybersecurity Grant Program.

PASSED THIS _____ DAY OF _____, 2026, BY THE CITY COUNCIL OF THE CITY OF INDEPENDENCE, MISSOURI.

Presiding Officer of the City Council
of the City of Independence, Missouri

ATTEST:

City Clerk

APPROVED - FORM AND LEGALITY:

City Counselor

REVIEWED BY:

Interim City Manager

I hereby certify that there is a balance, otherwise unencumbered, to the credit of the appropriation to which the foregoing expenditure is to be charged, and a cash balance, otherwise unencumbered, in the treasury, to the credit of the fund from which payment is to be made, sufficient to meet the obligation hereby incurred.

Source is: State Grant

Director of Finance
City of Independence, Missouri



FY 2024 State and Local Cybersecurity Grant Program (SLCGP)



Notice of Funding Opportunity (NOFO)

Grant Issued By:

U.S. Department of Homeland Security (DHS), Federal Emergency Management Agency (FEMA), Grant Programs Directorate (GPD)

Grant Issued Through:

Missouri Department of Public Safety (DPS), Office of Homeland Security (OHS)

Assistance Listing:

97.137

Funding Opportunity Title:

State and Local Cybersecurity Grant Program (SLCGP)

Overview:

Our nation faces unprecedented cybersecurity risks, including increasingly sophisticated adversaries, widespread vulnerabilities in commonly used hardware and software, and broad dependencies on networked technologies for the day-to-day operation of critical infrastructure. Cyber risk management is further complicated by the ability of malicious actors to operate remotely, linkages between cyber and physical systems, and the difficulty of reducing vulnerabilities in critical infrastructure.

Considering the risk and potential consequences of cyber incidents, strengthening the cybersecurity practices and resilience of state, local and territorial (SLT) governments is an important homeland security mission and the primary focus of the SLCGP. Through funding from the Infrastructure Investment and Jobs Act, referred to as the Bipartisan Infrastructure Law (BIL), the SLCGP enables DHS to make targeted cybersecurity investments in SLT government agencies to strengthen the security of critical infrastructure and improve the resilience of services SLT governments provide their communities.

The FY 2024 SLCGP aligns with the National Cybersecurity Strategy by addressing three of the five pillars:

- Pillar One – Defend Critical Infrastructure
- Pillar Two – Disrupt and Dismantle Threat Actors
- Pillar Four – Invest in a Resilient Future

The FY 2024 SLCGP also addresses the [2020-2024 DHS Strategic Plan](#) by helping DHS achieve Goal 3: Secure Cyberspace and Critical Infrastructure. This includes Objective 3.2: Strengthen the Security and Resilience of Critical Infrastructure.

Additionally, the FY 2024 SLCGP supports the [2022-2026 FEMA Strategic Plan](#), which outlines a bold vision with three ambitious goals, including Goal 3: Promote and Sustain a Ready FEMA and Prepared Nation, under which falls Objective 3.2: Posture FEMA to meet current and emergent threats.

The FY 2024 SLCGP also aligns with the [2023-2025 CISA Strategic Plan](#), which encompasses Goal 1: Cyber Defense, Goal 2: Risk Reduction and Resilience and Goal 3: Operational Collaboration.

Funding Sources:

There are three funding sources available for FY 2024 SLCGP applicants:

1) State and Local Cybersecurity Grant Program (SLCGP) – Rural: SLCGP Rural funds are dedicated for entities encompassing a population of less than 50,000 people that has not been designated in the most recent decennial census as an “urbanized area” by the Secretary of Commerce. The FY 2024 SLCGP requires 25% of the funds be provided to rural areas.

2) State and Local Cybersecurity Grant Program (SLCGP) – Non-Rural: SLCGP Non-Rural funds are dedicated for entities encompassing a population of greater than 50,000 people and/or have been designated in the most recent decennial census as an “urbanized area” by the Secretary of Commerce.

3) State and Local Cybersecurity Grant Program (SLCGP) – State: SLCGP State funds are dedicated for state agency applicants.

Goals and Objectives:

Goal: The goal of SLCGP is to assist state and local governments with managing and reducing systemic cyber risk.

Objectives: Applicants are required to submit applications that address at least one of the following program objectives in their application:

- **Objective 1:** Develop and establish appropriate governance structures, including developing, implementing, or revising cybersecurity plans, to improve capabilities to respond to cybersecurity incidents and ensure continuity of operations.
- **Objective 2:** Understand their current cybersecurity posture and areas for improvement based on continuous testing, evaluation, and structured assessments.
- **Objective 3:** Implement security protections commensurate with risk.
- **Objective 4:** Ensure organization personnel are appropriately trained in cybersecurity, commensurate with responsibility.

Requested projects must align to at least one of the above listed objectives. For more information on the program goals, objectives, sub-objectives, and desired outcomes, please refer to Appendix A.

Priorities:

For the FY 2024 SLCGP, the state of Missouri has established the following eight priorities:

- 1) Implement multi-factor authentication
- 2) Implement enhanced logging
- 3) Data encryption for data at rest and in transit

- 4) End use of unsupported/end of life software and hardware that are accessible from the internet
- 5) Prohibit use of known/fixed/default passwords and credentials
- 6) Ensure the ability to reconstitute systems (backups)
- 7) Actively engage in bidirectional sharing between CISA and SLT entities in cyber relevant time frames to drive down cyber risk.
- 8) Migration to the .gov internet domain

Applicants should consider requesting projects to address the established priorities before other cybersecurity initiatives. Projects that align to Missouri priorities will receive additional points during the application scoring process.

Period of Performance: 36 months

Projected Period of Performance Start Date: February 1, 2025

Projected Period of Performance End Date: January 31, 2028

****Costs obligated or incurred prior to the grant period of performance or receipt and full execution of a grant Subaward Agreement will NOT be eligible to receive funding.****

Funding Instrument: Grant

Allowable Amount: \$200,000 Federal share per applicant agency

Applicant agencies are only allowed to submit one project and objective per application. A maximum of four applications, not to exceed \$200,000 cumulatively, will be allowed per applicant agency.

Cost Share of Match: 30% cost share requirement (cash [hard match] or in-kind [soft match])

DHS/FEMA/DPS/OHS administers cost-matching requirements in accordance with 2 C.F.R 200.306. To meet matching requirements, the subrecipient contributions must be verifiable, reasonable, allocable, and necessary, and otherwise allowable under the grant program, and in compliance with all applicable federal requirements and regulations. **The non-federal cost share requirement cannot be matched with other federal funds, unless specifically authorized by the legislation governing that other source of federal funding.**

Hard Match (Cash): Cash or hard matching includes cash spent for project-related costs. The allowable cash match must include costs that are necessary, reasonable, and allowable under the SLCGP.

Soft Match (In-kind): Soft match refers to contributions of the reasonable value of property or services in lieu of cash which benefit a federally assisted project or program. This type of match may only be used if not restricted or prohibited by program statute, regulation, or guidance and must be supported with source documentation. Only property or services that comply with program guidance and/or program regulations, are allowable. In other words, a subrecipient cannot use a source for the soft match that is completely unrelated to the SLCGP program's goals, objectives, NOFO, etc. **The same contribution cannot be used if it is already used as match for another Federal grant program or paid from other grant funds, unless specifically authorized.**

Cost share can be calculated using the formula below:

Step 1: Calculating Total Project Costs based on Federal Costs & Federal Share Percentage

$$\frac{\text{Federal Award Amount}}{\text{Federal Share Percentage}} = \text{Total Project Costs}$$

Step 2: Calculating Subrecipient's Share Percentage

$$\text{Subrecipient's Share Percentage} \times \text{Project Costs} = \text{Required Match}$$

Example 1: $\frac{\$100,000}{70\%} = \$142,857.14$ Total Project Costs

$$30\% \times \$142,857.14 = \$42,857.14 \text{ Subrecipient Cost Share}$$

Example 2: $\frac{\$200,000}{70\%} = \$285,714.29$ Total Project Costs

$$30\% \times \$285,714.29 = \$85,714.29 \text{ Subrecipient Cost Share}$$

Eligible Applicants:

- Local governments as defined in 6 U.S.C. section 101(13) as
 - A county, municipality, city, town, township, local public authority, school district, special district, intrastate district, council of governments, regional or interstate government entity, or agency or instrumentality of a local government
 - A rural community, unincorporated town or village, or other public entity
- State units of government

Ineligible Applicants:

- Nonprofit organizations
- Private corporations
- Private educational institutions

Other Eligibility Criteria:

Nationwide Cybersecurity Review (NCSR)

Applicant agencies **MUST** have completed the 2024 Nationwide Cybersecurity Review (NCSR). The NCSR is a free, anonymous, annual self-assessment designed to measure gaps and capabilities of a state and local government's cybersecurity programs. It is based on the National Institute of Standards and Technology (NIST) Cybersecurity Framework and is sponsored by DHS and the MS-ISAC. The NCSR must be completed and results received at the time of application submission. The NCSR Completion

Certificate **MUST** be uploaded in the Named Attachments Form of the application. The requested project must align to closing gaps and/or strengthening capabilities in the agency's NCSR.

The 2024 NCSR can be completed by visiting the following link: <https://www.cisecurity.org/ms-isac/services/ncsr>. The following documents are available to assist in completion of the NCSR:

- [NCSR FAQs](#)
- [NCSR One Page Overview](#)
- [NCSR General User Guide](#)
- [NCSR Assessment Demo](#)
- [NCSR Completion Certificate Instructions](#)

****Please note:** New user accounts will be created within 2-4 business days of completing the registration form. It may take approximately 4-6 hours to complete the NCSR and the agency should allow up to two weeks to receive the results. If your agency has previously completed the NCSR, majority of the responses will be pre-populated and responses can be updated as applicable. **Please ensure you complete the NCSR in advance of the application deadline.****

If an applicant agency is selected to receive FY 2024 SLCGP funds, the NCSR must be completed annually, throughout the grant period of performance.

DPS/OHS Cybersecurity Program

Applicants **MUST** subscribe to the Missouri Department of Public Safety (DPS)/Office of Homeland Security (OHS) Cybersecurity Program and participate in information sharing with federal, state, and local agencies (i.e., Missouri Office of Homeland Security (OHS), Missouri Information Analysis Center (MIAC), St. Louis Fusion Center, Kansas City Regional Fusion Center) at the time of application submission to be eligible for funding. Entities can subscribe to the DPS/OHS Cybersecurity Program by emailing securityintel@mshp.dps.mo.gov with your name, agency/entity, title, desk phone, work phone, and email address.

Law Enforcement/Fire Entity Requirements

To be eligible for SLCGP funding, the applicant agency must be compliant with the following statutes, as applicable and must maintain compliance throughout the grant period of performance:

- **Section 320.271 RSMo– Fire Department Registration**
Pursuant to [section 320.271 RSMo](#), All fire protection districts, fire departments, and all volunteer fire protection associations as defined in section 320.300 shall complete and file with the state fire marshal within sixty days after January 1, 2008, and annually thereafter, a fire department registration form provided by the state fire marshal.
- **Section 590.650 RSMo– Vehicle Stops Report**
Pursuant to [section 590.650.3 RSMo](#), (1) every law enforcement agency shall compile the data described in subsection 2 for the calendar year into a report to the attorney general and (2) each law enforcement agency shall submit the report to the attorney general no later than March first of the following calendar year.

NOTE: It is the responsibility of the applicant to verify the submission of this report with the Attorney General's Office prior to submitting an application. Failure to submit the

Racial Profiling Report will result in the automatic denial of the application. A copy of such report does not need to be submitted with the application.

- **Section 590.700 RSMo – Written Policy on Recording of Custodial Interrogations**
Pursuant to section 590.700.4 RSMo, each law enforcement agency shall adopt a written policy to record custodial interrogations of persons suspected of committing or attempting to commit felony crimes as outlined in subsection 2 of this section and shall certify adoption of such policy when applying for any grants administered by the Department of Public Safety.

NOTE: It is the responsibility of the applicant to ensure the prescribed written policy is in place prior to submitting an application.

- **Section 43.544 RSMo – Written Policy on Forwarding Intoxication-Related Traffic Offenses**
Pursuant to section 43.544.1 RSMo, each law enforcement agency shall adopt a policy requiring arrest information for all intoxication-related traffic offenses be forwarded to the central repository as required by section 43.503 RSMo and shall certify adoption of such policy when applying for any grants administered by the Department of Public Safety.

NOTE: It is the responsibility of the applicant to ensure the prescribed written policy is in place prior to submitting an application.

- **Section 590.1265 RSMo – Police Use of Force Transparency Act of 2021**
Pursuant to section 590.1265 RSMo Use of force incidents reporting standards and procedures, publication of report data, analysis report. Each law enforcement agency shall report data submitted under subsection 3 of this section to the department of public safety. *For purposes of grant eligibility, law enforcement agencies will be considered non-compliant if they have not submitted Use of Force reports for three or more months in the past twelve months..*
- **Section 43.505 RSMo – National Incident-Based Reporting System (NIBRS) formerly Uniform Crime reporting (UCR)**
Pursuant to section 43.505 RSMo Uniform Crime Reporting system – duties of department – violations, penalty: Each law enforcement agency in the state shall: (1) Submit crime incident reports to the department of public safety on forms or in the format prescribed by the department; and (2) Submit any other crime incident information which may be required by the department of public safety. *For purposes of grant eligibility, law enforcement agencies will be considered non-compliant if they have not submitted MIBRS reports for three or more months in the past twelve months.*

NOTE: Show Me Crime Reporting provides a no cost option for agencies to comply with Section 43.505 RSMo. Agencies that are not currently compliant with Section 43.505 RSMo will not be eligible to apply until they have registered with Show Me Crime Reporting and have begun submitting MIBRS reports.
<https://showmecrime.mo.gov/CrimeReporting/MIBRSRegistration.html>

- **Section 590.030 RSMo – Rap Back Program Participation**
Pursuant to section 590.030 RSMo, all law enforcement agencies shall enroll in the state and federal Rap Back programs on or before January 1, 2022 and continue to remain enrolled. The law enforcement agency shall take all necessary steps to maintain officer enrollment for all officers commissioned with that agency in the Rap Back programs. An officer shall submit to

being fingerprinted at any law enforcement agency upon commissioning and for as long as the officer is commissioned with that agency. Each law enforcement agency shall certify compliance with [section 590.030 RSMo](#) when accepting any grants administered by the Department of Public Safety.

Application and Submission Information:

1. Key Dates and Times

a. Application Start Date: October 18, 2024

b. Application Submission Deadline: December 4, 2024 5:00 p.m. CST

2. Agreeing to Terms and Conditions of the Award

By submitting an application, applicants agree to comply with the requirements of this NOFO and the terms and conditions of the award, should they receive an award.

Applications will only be accepted through the Missouri Department of Public Safety (DPS) online WebGrants System. <https://dpsgrants.dps.mo.gov/index.do>

An application workshop with instructions on how to apply through the WebGrants System will be available on the DPS website, at the following link under Grant Applications and Forms, FY 2024 State and Local Cybersecurity Grant Program (SLCGP): <https://dps.mo.gov/dir/programs/ohs/grantstraining/>

As part of the FY 2024 SLCGP application, each eligible applicant must complete all application forms and provide all required documents:

1. Contact Information Form

2. SLCGP Project Package

3. Budget

4. Named Attachments

- a. Audit/Financial Statement (REQUIRED)**
- b. Quote or Cost Basis (REQUIRED)**
- c. 2024 NCSR Completion Certificate (REQUIRED)**
- d. Other Supporting Documentation (up to 5 attachments)**

Applicant agencies are only allowed to submit one project and objective per application. A maximum of four applications, not to exceed \$200,000 cumulatively, will be allowed per applicant agency.

Funding Restrictions and Allowable Costs:

All costs charged to federal awards (including both federal funding and any non-federal matching or cost sharing funds) must comply with applicable statutes, rules and regulations, and policies, this NOFO, and the terms and conditions of the federal award. They must also comply with the the Uniform Administrative Requirements, Cost Principles, and Audit Requirements at 2 C.F.R. Part 200, unless otherwise indicated in the NOFO or the terms and conditions of the federal award. This includes, among

other requirements that costs must be incurred, and products and services must be delivered, within the budget period.

Allowable Costs:

There are five allowable expense categories as listed below:

1. Planning
2. Organization
3. Equipment
4. Training
5. Exercise

Requested projects must strengthen state and local cybersecurity preparedness by focusing on cybersecurity measures to help manage state and local risk and enhance Missouri's cybersecurity posture. The requested project **MUST**:

- Close gaps and strengthen capabilities identified in the agencies' Nationwide Cybersecurity Review (NCSR)
- Align with the Missouri Comprehensive Cybersecurity Plan (CCP) which can be accessed in the WebGrants System during completion of the application
- Align with at least one of the FY 2024 SLCGP Objectives (FY 2024 SLCGP Objectives can be found in Appendix A)

Examples of allowable costs include but are not limited to planning, organization, equipment, training, and exercise costs for local end-user cybersecurity training and awareness campaigns, cybersecurity planning, monitoring, scanning, and protection solutions for equipment and networks, cybersecurity protection for critical infrastructure, and upgrading legacy technology.

Planning:

Planning costs are allowable under this program. SLCGP funds may be used for planning activities that support the FY 2024 SLCGP objectives, Missouri Comprehensive Cybersecurity Plan (CCP), and closing gaps and strengthening capabilities in the applicant's NCSR.

Organization:

Organization costs are allowable under this program. Organizational activities include:

- Program management
- Development of whole community partnerships
- Structures and mechanisms for information sharing between the public and private sector
- Operational support

Personnel hiring, overtime, and backfill expenses are permitted under this grant to perform allowable SLCGP planning, organization, equipment, training, and exercise (POETE) activities. Personnel expenses may include, but are not limited to, training and exercise coordinators, program managers and planners, cybersecurity navigators. The grant subrecipient must demonstrate that the personnel will be sustainable once the program ends or funds are no longer available.

Equipment:

Equipment costs are allowable under this program. SLCGP equipment is intended to be used to address cybersecurity risks and cybersecurity threats to information systems owned or operated by, or on behalf of, state and local governments.

Subrecipients will be responsible for obtaining and maintaining all necessary certifications and licenses for the requested equipment. Investments in emergency communications systems and equipment must meet applicable [SAFECOM Guidance](#) recommendations. Such investments must be coordinated with the Statewide Interoperability Coordinator (SWIC) and the State Interoperability Governing Body (SIGB) to ensure interoperability and long-term compatibility.

SLCGP funds may be used to purchase maintenance contracts or agreements, warranty coverage, licenses, and user fees in support of a system or equipment. These contracts may exceed the period of performance if they are purchased incidental to the original purchase of the system or equipment as long as the original purchase of the system or equipment is consistent with that which is typically provided for, or available through, these types of agreements, warranties, or contracts. When purchasing a stand-alone warranty or extending an existing maintenance contract on an already-owned piece of equipment system, coverage purchased may not exceed the period of performance of the award used to purchase the maintenance agreement or warranty, and it may only cover equipment purchased with SLCGP funds or for equipment dedicated for SLCGP-related purposes. As with warranties and maintenance agreements, this extends to licenses and user fees as well.

The use of SLCGP grant funds for maintenance contracts, warranties, repair or replacement costs, upgrades, and user fees are allowable, unless otherwise noted. Except for maintenance plans or extended warranties purchased incidental to the original purchase of the equipment, the period covered by maintenance or warranty plan must not exceed the POP of the specific grant funds used to purchase the plan or warranty.

Training:

Training costs are allowable under this program. Allowable training-related costs under SLCGP include the establishment, support, conduct, and attendance of training and/or in conjunction with training by other federal agencies. Training conducted using SLCGP funds should align to the Missouri's Comprehensive Cybersecurity Plan (CCP), address a performance gap identified through the NCSR and contribute to building a capability that will be evaluated through a formal exercise.

Some training activities require Environmental and Historic Preservation (EHP) Review, including exercises, drills, or trainings that require any type of land, water, or vegetation disturbance or building of temporary structures or that are not located at facilities designed to conduct training and exercises. Additional information on training requirements and EHP review can be found online at <https://www.fema.gov/media-library/assets/documents/90195>.

Exercise:

Exercise costs are allowable under this program. Exercises conducted with grant funding should be managed and conducted consistent with Homeland Security Exercise and Evaluation Program (HSEEP). HSEEP guidance for exercise, design, development, conduct, evaluation, and improvement planning is located at <https://www.fema.gov/emergency-managers/national-preparedness/exercises/hseep>.

Some exercise activities require Environmental and Historic Preservation (EHP) Review, including exercises, drills, or trainings that require any type of land, water, or vegetation disturbance or building of temporary structures or that are not located at facilities designed to conduct training and exercises. Additional information on training requirements and EHP review can be found online at <https://www.fema.gov/media-library/assets/documents/90195>.

Prohibitions on Expending FEMA Award Funds for Covered Telecommunications Equipment or Services

Subrecipients and their contractors must comply with the prohibitions set forth in Section 889 of the [John S. McCain National Defense Authorization Act for Fiscal Year 2019](#), Pub. L. No. 115-232 (2018) (FY 2019 NDAA) and 2 C.F.R. §§ 200.216, 200.327, 200.471, and Appendix II to 2 C.F.R. Part 200. The FY 2019 NDAA and these regulations, as they apply to subrecipients and their contractors, provide for two distinct prohibitions: (1) prevent the use of federal award funds to procure or obtain covered telecommunications equipment or services; and (2) prevent the use of federal award funds to contract with an entity that uses such covered telecommunications equipment or services.

Guidance is available at [Prohibitions on Expending FEMA Award Funds for Covered Telecommunications Equipment or Services \(Interim\) FEMA Policy #405-143-1](#).

Additional guidance is available at [Contract Provisions Guide: Navigating Appendix II to Part 200 – Contract Provisions for Non-Federal Entity Contracts Under Federal Awards \(fema.gov\)](#).

FEMA subrecipients **may not** use any FEMA funds under open or new awards to:

- a. Procure or obtain any equipment, system, or service that uses covered telecommunications equipment or services as a substantial or essential component of any system, or as critical technology of any system;
- b. Enter into, extend, or renew a contract to procure or obtain any equipment, system, or service that uses covered telecommunications equipment or services as a substantial or essential component of any system, or as critical technology of any system; or
- c. Enter into, extend, or renew contracts with entities that use covered telecommunications equipment or services as a substantial or essential component of any system, or as critical technology as part of any system.

I. Replacement Equipment and Services

FEMA grant funding may be permitted to procure replacement equipment and services impacted by this prohibition, provided the costs are otherwise consistent with the requirements of the NOFO.

II. Definitions

Per section 889(f)(2)-(3) of the FY 2019 NDAA and 2 C.F.R. § 200.216, covered telecommunications equipment or services means:

- i. Telecommunications equipment produced by Huawei Technologies Company or ZTE Corporation, (or any subsidiary or affiliate of such entities);
- ii. For the purpose of public safety, security of Government facilities, physical security surveillance of critical infrastructure, and other national security purposes, video surveillance and telecommunications equipment produced by Hytera Communications Corporation, Hangzhou Hikvision Digital Technology Company, or Dahua Technology Company (or any subsidiary or affiliate of such entities);
- iii. Telecommunications or video surveillance services provided by such entities or using such equipment; or
- iv. Telecommunications or video surveillance equipment or services produced or provided by an entity that the Secretary of Defense, in consultation with the Director of National Intelligence or the Director of the Federal Bureau of Investigation, reasonably believes to be an entity owned or controlled by, or otherwise connected to, the People's Republic of China.

Examples of the types of products covered by this prohibition include phones, internet, video surveillance, and cloud servers when produced, provided, or used by the entities listed in the definition of “covered telecommunications equipment or services.” See 2 C.F.R. § 200.471b.

Unallowable Costs:

For FY 2024 SLCGP, grant funds may not be used for the following:

- Spyware;
- Construction;
- Renovation;
- To pay a ransom;
- For recreational or social purposes;
- To pay for cybersecurity insurance premiums;
- To acquire land or to construct, remodel, or perform alterations of buildings or other physical facilities (This prohibition does not include minor building modifications necessary to install and connect grant-purchased equipment that do not substantially affect a building's structure, layout, systems, or critical aspects of a building's safety, or otherwise materially increase the value or useful life of a building);
- For any purpose that does not address cybersecurity risks or cybersecurity threats on information systems owned or operated by, or on behalf of, the eligible entity that receives the grant or a local government within the jurisdiction of the eligible entity;
- To supplant state or local funds; however, this shall not be construed to prohibit the use of funds from a grant under this NOFO for otherwise permissible uses on the basis that the SLT has previously used SLT funds to support the same or similar purposes; and
- For any subrecipient cost-sharing contribution

Required Cybersecurity Posture

If the applicant's cybersecurity posture does not contain the below listed benchmarks, the applicant **MUST** achieve these benchmarks during the grant period of performance, if selected for an award under SLCGP:

- Cybersecurity and/or data security policies
- Cybersecurity training awareness program
- Cybersecurity incident response plan
- Receive cybersecurity threat intelligence

The DPS/OHS Cybersecurity Team has resources available to assist with these benchmarks. If assistance is needed, please contact the OHS Cybersecurity Team by phone at 573-526-0153 or by email at securityintel@mshp.dps.mo.gov.

Required Services and Memberships

If awarded funding, all SLCGP subrecipients are required to participate in a limited number of free services by CISA/DPS/OHS. For these required services and memberships, please note that participation is not required for submission and approval of a grant but is a post-award requirement.

Cyber Hygiene Services

Vulnerability Scanning evaluates external network presence by executing continuous scans of public, static, Internet Protocols for accessible services and vulnerabilities. This service provides weekly vulnerability reports and ad-hoc alerts.

To register for this service, email vulnerability@cisa.dhs.gov with the subject line “Requesting Cyber Hygiene Services – SLCGP” to get started. Indicate in the body of your email that you are requesting this service as part of the SLCGP. For more information, visit CISA’s [Cyber Hygiene Information Page](#).

Administrative and National Policy Requirements:

In addition to the requirements in this section and in this NOFO, FEMA/DPS/OHS may place specific terms and conditions on individual awards in accordance with 2 C.F.R. Part 200.

DHS Standard Terms and Conditions:

All successful applicants for DHS grant and cooperative agreements are required to comply with DHS Standards Terms and Conditions, which are available online at: [DHS Standard Terms and Conditions](#).

The applicable DHS Standard Terms and Conditions will be those in effect at the time the award was made. What terms and conditions will apply for the award will be clearly stated in the award package at the time of the award.

Ensuring the Protection of Civil Rights:

As the Nation works towards achieving the [National Preparedness Goal](#), it is important to continue to protect the civil rights of individuals. Subrecipients must carry out their programs and activities, including those related to the building, sustainment, and delivery of core capabilities, in a manner that respects and ensures the protection of civil rights for protected populations.

Federal civil rights statutes, such as Section 504 of the Rehabilitation Act of 1973 and Title VI of the Civil Rights Act of 1964, along with DHS and FEMA regulations, prohibit discrimination on the basis of race, color, national origin, sex, religion, age, disability, limited English proficiency, or economic status

in connection with programs and activities receiving federal financial assistance from FEMA, as applicable.

The DHS Standard Terms and Conditions include a fuller list of the civil rights provisions that apply to subrecipients. These terms and conditions can be found in the [DHS Standard Terms and Conditions](#). Additional information on civil rights provisions is available at <https://www.fema.gov/about/offices/equal-rights/civil-rights>.

Monitoring and oversight requirements in connection with subrecipient compliance with federal civil rights laws are also authorized pursuant to 44 C.F.R. Part 7 or other applicable regulations.

In accordance with civil rights laws and regulations, subrecipients must ensure the consistent and systematic fair, just, and impartial treatment of all individuals, including individuals who belong to underserved communities that have been denied such treatment.

Environmental Planning and Historic Preservation (EHP) Compliance:

As a federal agency, FEMA is required to consider the effects of its actions on the environment and historic properties to ensure that all activities and programs funded by FEMA, including grant-funded projects, comply with federal EHP laws, Executive Orders, regulations, and policies, as applicable.

Subrecipients proposing projects that have the potential to impact the environment, including, but not limited to, the construction of communication towers, modification or renovation of existing buildings, structures, and facilities, or new construction including replacement of facilities, must participate in the FEMA EHP review process. The EHP review process involves the submission of a detailed project description along with any supporting documentation requested by FEMA in order to determine whether the proposed project has the potential to impact environmental resources including, but not limited to, threatened or endangered species and historic properties; and identify mitigation measures and/or alternative courses of action that may lessen any impact to those resources.

In some cases, FEMA is also required to consult with other regulatory agencies and the public in order to complete the review process. Federal law requires EHP review to be completed before federal funds are released to carry out proposed projects. FEMA may not be able to fund projects that are not in compliance with applicable EHP laws, Executive Orders, regulations, and policies. FEMA may recommend mitigation measures and/or alternative courses of action to lessen any impact to environmental resources and bring the project into compliance with EHP requirements.

Guidance on the EHP process is found at [Environmental Planning and Historic Preservation](#). The site contains links to various documents including those identifying agency EHP responsibilities and program requirements, such as implementation of the National Environmental Policy Act and other EHP laws, regulations, and Executive Orders. DHS and FEMA EHP policy is also found in the [EHP Directive and Instruction](#).

All FEMA actions, including grant-funded actions, must comply with National Flood Insurance Program criteria or any more restrictive federal, state, or local floodplain management standards or building code (44 C.F.R. section 9.11(d)(6)).

The GPD EHP screening form is located at https://www.fema.gov/sites/default/files/documents/fema_ehp-screening_form_ff-207-fy-21-100_5-26-2021.pdf. Additionally, all subrecipients under this funding opportunity are required to

comply with the FEMA GPD EHP Policy Guidance, FEMA Policy #108-023-1, available at https://www.fema.gov/sites/default/files/documents/fema_gpd-ehp-policy-guidance.pdf.

SAFECOM Guidance Compliance:

All entities using SLCGP funding to support emergency communications investments are required to comply with the [SAFECOM Guidance on Emergency Communications Grants \(SAFECOM Guidance\)](#). The SAFECOM Guidance provides current information on emergency communications policies, eligible costs, best practices, and technical standards for state and local recipients investing federal funds in emergency communications projects. It is also designed to promote and align with the National Emergency Communications Plan (NECP). Conformance with the SAFECOM Guidance helps ensure that federally funded investments are compatible, interoperable, resilient, and support national goals and objectives for improving emergency communications.

Applicants should use the SAFECOM Guidance during planning, development, and implementation of emergency communications projects and in conjunction with other planning documents.

Contact Information:

Additional information and resources can be located on the Missouri Department of Public Safety, Office of Homeland Security website: <https://dps.mo.gov/dir/programs/ohs/grantstraining/>

WebGrants System, application submission site: <https://dpsgrants.dps.mo.gov/index.do>

For project specific questions, please contact the Missouri Department of Public Safety (DPS)/Office of Homeland Security (OHS) Cybersecurity Program by phone at 573-526-0153 or email at securityintel@mshp.dps.mo.gov

For grant or WebGrants specific questions, please contact the DPS Grants. Contact information for the grants team is listed below.

DPS Grants:

Chelse Dowell
Grants Specialist
(573) 751-3879
Chelse.dowell@dps.mo.gov

Sue Ann Surface
Grants Specialist
(573) 751-5951
Sueann.surface@dps.mo.gov

Chelsey Call
Grants Supervisor
(573) 526-9203
Chelsey.call@dps.mo.gov

Joni McCarter
Program Manager
(573) 526-9020
Joni.mccarter@dps.mo.gov

Kelsey Saunders
Administrative Assistant
(573) 522-6125
Kelsey.saunders@dps.mo.gov

Appendix A Goals and Objectives

The program objectives for the SLCGP are as follows: (1) develop and establish appropriate governance structures, as well as develop, implement, or revise cybersecurity plans, to improve capabilities to respond to cybersecurity incidents and ensure continuity of operations; (2) ensure state and local agencies understand their current cybersecurity posture and areas for improvement based on continuous testing, evaluation, and structured assessments; (3) implement security protections commensurate with risk (outcomes of Objectives 1 & 2); and (4) ensure organization personnel are appropriately trained in cybersecurity, commensurate with their responsibilities.

These program objectives are further divided into sub-objectives and outcomes, as well as sample evidence of implementation are provided to assist the reader.

Goal of the SLCGP: Assist state and local governments with managing and reducing systemic cyber risk.

Program Objective	Program Sub-Objective(s)	Outcome(s)	Evidence of Implementation Example
1. Develop and establish appropriate governance structures, as well as develop, implement, or revise cybersecurity plans, to improve capabilities to respond to cybersecurity incidents and ensure continuity of operations	1.1: Establish cybersecurity governance structures and implement a program to evaluate maturity of the cybersecurity program aligned to Cybersecurity Performance Goals established by CISA and the National Institute of Standards and Technology (NIST).	1.1.1 Participants have established and documented a uniform cybersecurity governance structure that is accountable to organizational leadership and works together to set the vision for cyber risk management.	Organization has a cybersecurity defense concept of operations, with responsibilities assigned to specific organizational roles.
		1.1.2 Participants have identified senior officials to enable whole-of organization coordination on cybersecurity policies, processes and procedures.	
	1.2 Develop, implement, or revise, and test cybersecurity plans, including cyber incident response plans, with clearly defined roles and responsibilities.	1.2.1 Develop, implement, or revise and exercise cyber incident response plans.	Organization conducts annual table-top and full-scope exercises that include practical execution of restoration and recovery processes to test approved cybersecurity plans. Conducting these exercises allow

			organizations to test approved cybersecurity plans. Conducting these exercises allow organizations to test approved cybersecurity plans to identify, protect, detect, respond to and recover from cybersecurity incidents, in line with the NIST Cybersecurity Framework, and demonstrates process to incorporate lessons learned from the exercise into their cybersecurity program.
	1.3 Asset (e.g., devices, data, software) protections and recovery actions are prioritized based on the asset's criticality and business value.	1.3.1 Ensure that systems and network functions are prioritized and reconstituted according to their impact to essential functions.	Organizations conducts a regular business impact assessment to prioritize which systems must be protected and recovered first.
Program Objective	Program Sub-Objective(s)	Outcome(s)	Evidence of Implementation Example
2. SLT agencies understand their current cybersecurity posture and areas for improvement based on continuous testing, evaluation and structured assessments	2.1 Physical devices and systems, as well as software platforms and applications, are inventoried.	2.1.1 Establish and regularly update asset inventory.	Organization maintains and regularly updates an asset inventory list.
	2.2 Cybersecurity risk to the organization's operations and assets are understood.	2.2.1 Conduct an annual cyber risk assessment to identify cyber risk management gaps and areas for improvement.	Organization annually completes the Nationwide Cybersecurity Review (NCSR).
	2.3 Vulnerability scans are performed, and a risk-based vulnerability management plan is developed and implemented.	2.3.1 Participate in CISA's Vulnerability Scanning service, part of the Cyber Hygiene program.	Organization is an active participant in CISA's Cyber Hygiene Program
		2.3.2 Effectively manage vulnerabilities by prioritizing mitigation of high impact vulnerabilities	Organization has a plan to manage vulnerabilities based on those with the highest criticality, internet-facing vulnerabilities,

		and those most likely to be exploited.	as well as known exploited vulnerabilities identified in CISA's Known Exploited Vulnerabilities Catalog.
	2.4 Capabilities are in place to monitor assets to identify cybersecurity events.	2.4.1 State and local agencies are able to analyze network traffic and activity transiting or traveling to or from information systems, applications, and user accounts to understand baseline activity and identify potential threats.	Not Applicable
	2.5 Processes are in place to action insights derived from deployed capabilities.	2.5.1 State and local agencies are able to respond to identified events and incidents, document root cause, and share information with partners.	Not Applicable
Program Objective	Program Sub-Objective(s)	Outcome(s)	Evidence of Implementation Example
3. Implement security protections commensurate with risk (Outcomes of goals 1 & 2).	3.1 State and local agencies adopt fundamental cybersecurity best practices.	3.1.1 Implement multi-factor authentication (MFA), prioritizing privileged users, Internet-facing systems, and cloud accounts.	The organization implements MFA for all remote access and privileged accounts.
	3.2 Reduce gaps identified through assessment and planning process and apply increasingly sophisticated security protections commensurate with risk.	3.2.1 Individual participants address items identified through assessments and planning process.	Not Applicable
		3.2.2 State and local entities improve cybersecurity ecosystem by collaborating to address items identified through assessments and planning process (e.g., regional and intra-state efforts).	Not Applicable

Program Objective	Program Sub-Objective(s)	Outcome(s)	Evidence of Implementation Example
4. Ensure organization personnel are appropriately trained in cybersecurity, commensurate with responsibility.	4.1 Train personnel to have the fundamental knowledge and skills necessary to recognize cybersecurity risks and understand their roles and responsibilities within established cybersecurity policies, procedures, and practices.	4.1.1 Organization requires regular ongoing phishing training, awareness campaigns are conducted, and organization provides role-based cybersecurity awareness training to all employees.	Not Applicable
		4.1.2 Organization has dedicated resources and funding available for its cybersecurity professionals to attend technical trainings and conferences.	Not Applicable
	4.2 Organization has adopted the National Initiative for Cybersecurity Education (NICE) Cybersecurity Workforce Framework.	4.2.1 Organization has established cyber workforce development and training plans, based on the NICE Cybersecurity Workforce Framework.	Not Applicable

BILL NO. 26-008

ORDINANCE NO. 19780

AN ORDINANCE AUTHORIZING A CONTRACT WITH THE STATE OF MISSOURI DEPARTMENT OF PUBLIC SAFETY TO PROVIDE FINANCIAL ASSISTANCE FOR THE STATE AND LOCAL CYBERSECURITY GRANT PROGRAM FOR THE PERIOD OF JANUARY 13, 2026, THROUGH AUGUST 31, 2028; ACCEPTING FUNDS FOR THE PERIOD IN THE AMOUNT OF \$131,299.70; AUTHORIZING FUTURE CHANGE ORDERS FOR ADDITIONAL FUNDING AND/OR TIME EXTENSIONS FOR THE SAME PROJECT; AND AUTHORIZING CERTAIN FUTURE APPROPRIATIONS.

WHEREAS, the City wishes to partner with the State of Missouri to implement a project within the State and Local Cybersecurity Grant Program in Independence; and,

WHEREAS, it has been determined by the Independence City Council that the application for such funds is the proper prerogative of the Council with acceptance of the contract for the period from January 13, 2026, through August 31, 2028; and,

WHEREAS, it has been determined by the Independence City Council to be in the best interest of the City to approve this State and Local Cybersecurity Grant Program Contract with State of Missouri Department of Public Safety;

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

SECTION 1. That the City Manager of the City of Independence, Missouri, is hereby authorized to accept funding for an amount not to exceed One Hundred Thirty-One Thousand Two Hundred Ninety-Nine and 70/100 Dollars (\$131,299.70) for the period of January 13, 2026, through August 31, 2028.

SECTION 2. That the City Manager is further authorized to approve future change orders, extensions, amendments or addendums to this grant without Council approval, for an extension of time for completing the terms of the grant or for the receipt of additional funding for this same grant project, provided there are no changes in the terms and/or conditions or responsibilities to the City and provided each and every such change order, extension, amendment or addendum is approved by the City Manager, does not add more than 90% to the length of time of the grant or more than 50% to the original funding, is identified as being authorized by this ordinance, and a copy is filed with the City Clerk.

SECTION 3. That the City Manager is hereby authorized to increase appropriations by the amount of any increased grant awards authorized by change order, extension, amendment, or addendum for any increased funding under the terms of the previous section provided a copy of that action is also provided to the Finance Department.

SECTION 4. That appropriations in the 2025-2026 Grant Fund Technology Services Budget are hereby increased by One Hundred Thirty-One Thousand Two Hundred Ninety-Nine and 70/100 Dollars (\$131,299.70) from the revenue anticipated from the Contract for this State and Local Cybersecurity Grant Program.

PASSED THIS 4th DAY OF February, 2026, BY THE CITY COUNCIL OF THE CITY OF INDEPENDENCE, MISSOURI.



ATTEST:

Suzanne Hollander
City Clerk

APPROVED - FORM AND LEGALITY:

J. M. C.
City Counselor

REVIEWED BY:

[Signature]
Interim City Manager

[Signature]

Presiding Officer of the City Council
of the City of Independence, Missouri

I hereby certify that there is a balance, otherwise unencumbered, to the credit of the appropriation to which the foregoing expenditure is to be charged, and a cash balance, otherwise unencumbered, in the treasury, to the credit of the fund from which payment is to be made, sufficient to meet the obligation hereby incurred.

Source is: State Grant

[Signature]
Director of Finance
City of Independence, Missouri

City of Independence

AGENDA ITEM COVER SHEET

Agenda Title:

26-009 **1R** An ordinance adopting amendments to the Fiscal Year 2025-2026 Capital Improvement Budget, which was approved by Ordinance No. 19682; and authorizing the City Manager to award a contract with TMG Utility Advisory Services, Inc., d/b/a TMG Consulting, Inc. ("TMG") for an Advanced Metering Infrastructure (AMI) Program and Performance Management Services for a period of four (4) years, and authorizing change orders of up to ten percent (10%) of the authorized amount. **1R Read**

Recommendations:

Staff recommends approval.

Background:

To better serve the residents and businesses of the City of Independence, IPL and the Municipal Services Department are pursuing modernization of the City's electric and water metering infrastructure through the deployment of an Advanced Metering Infrastructure system. The City currently operates approximately 58,500 electric meters and 50,000 water meters. Modernization of this system will improve billing accuracy and timeliness, enable earlier detection of water leaks and power outages, enhance system visibility, and provide future capabilities such as time-of-use billing to improve load management and overall operational efficiency.

The City conducted a formal RFP process for the AMI program and performance management services. The process included participation from various stakeholders from IPL and the Municipal Services Department, and was facilitated by the City Procurement team, and included a pre-proposal conference, evaluation of submitted proposals, shortlisted finalist presentations, and reference checks with peer utilities. Following this comprehensive review, TMG was determined to be the most qualified firm based on demonstrated experience, technical expertise, project methodology, and overall best value to the City.

The City's Management Analyst also reviewed the agreement to ensure compliance with the contracting process. He determined the agreement is satisfactory, and all parties have fulfilled their obligations in accordance with the applicable requirements.

To ensure successful implementation and long-term performance of the AMI program, TMG will provide comprehensive oversight and management support throughout the project lifecycle, including RFP development, vendor evaluation, system implementation, performance monitoring, and post-deployment optimization. These services will ensure alignment with the City's strategic goals, regulatory requirements, budget controls, and leadership expectations.

This contract secures AMI program and performance management services for a period of 40 months at a total cost not to exceed \$2,114,480.00.

Approval of this item authorizes the Finance Director to approve change orders of up to ten percent (10%) of the original authorized contract amount, provided sufficient appropriations are available, to account for potential cost adjustments such as travel or expanded project support.

Emergency Justification:

Fiscal Impact:

The fiscal impact to the City is \$2,114,480.00. Funding for the AMI program and performance management services will be provided for the Municipal Services Department (Water Fund) with current capital project 402609 with \$71,200. And for IPL by transferring \$1.5M, from existing capital project 202314 and \$1M from existing capital project 202316 to a new capital project 202621. The cost of services will be allocated 83% to IPL and 17% to the Municipal Services Department (Water Fund). Approval of these services will also authorize the Finance Director to approve change orders of up to ten percent (10%) and, if necessary, appropriate the reserve funds from the respective departments into the relevant capital projects.

Council Action:

Department / Contact	Power and Light /
---------------------------------	-------------------

REVIEWERS

Khristina Irvine
Joseph Hegendeffner
Melissa Cabrera
Jeremy Cover
Lisa Reynolds
Susanne Holland

ATTACHMENTS:

1. Advanced Metering Ordinance
2. TMG Automated Meter Infrastructure RFP Response
3. TMG Signed Version of AMI Consulting Contract
4. Management Analyst Frazier IPL & Municipal Services Dept. AMI Memo

BILL NO. _____

ORDINANCE NO. _____

AN ORDINANCE ADOPTING AMENDMENTS TO THE FISCAL YEAR 2025-2026 CAPITAL IMPROVEMENT BUDGET, WHICH WAS APPROVED BY ORDINANCE NO. 19682; AND AUTHORIZING THE CITY MANAGER TO AWARD A CONTRACT WITH TMG UTILITY ADVISORY SERVICES, INC., D/B/A TMG CONSULTING, INC. ("TMG") FOR AN ADVANCED METERING INFRASTRUCTURE (AMI) PROGRAM AND PERFORMANCE MANAGEMENT SERVICES FOR A PERIOD OF FOUR (4) YEARS, AND AUTHORIZING CHANGE ORDERS OF UP TO TEN PERCENT (10%) OF THE AUTHORIZED AMOUNT.

WHEREAS, the adopted Operating and Capital budgets for the 2025-26 fiscal year were approved by the City Council by Ordinance No. 19682; and,

WHEREAS, since that time some circumstances have arisen that necessitate changes to the appropriations established in the adopted budget; and,

WHEREAS, the City wishes to award a contract to TMG for an advanced metering infrastructure (AMI) program and performance management services for a period of four (4) years;

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

SECTION 1. Transfer of funds in the from project number 401608-C Lime Silo in the Water Capital Fund (041) to project number 402609-C – Advanced Metering Infrastructure as shown below:

Project Name	Fund	Increase	Decrease
Lime Silo -#401608-C	Water Capital Fund (041)		(\$100,000)
Advanced Metering Infrastructure #402609-C	Water Capital Fund (041)	\$100,000	
Total Water Capital Fund (041)		\$100,000	(\$100,000)

SECTION 2. Transfer of funds from project numbers 203214-C – Construction of a new Substation S – Phase I 69/13kV Station and 202316-C – Construct 6 new Distribution Feeders – New Sub S to project number 202621-C – Advanced Metering Infrastructure as shown below:

Project Name	Fund	Increase	Decrease
Construction of a new Substation S – Phase I 69/13kV Station - #203214-C	Power & Light Capital Fund (021)		(1,000,000)
Construct 6 New Distribution Feeders – New Sub S - #202316-C	Power & Light Capital Fund (021)		(1,500,000)
Advanced Metering Infrastructure - #202621-C	Power & Light Capital Fund (021)	2,500,000	
Total Power & Light Capital Fund		\$2,500,000	(\$2,500,000)

SECTION 3. Authorizes the City Manager to execute the contract in the amount of \$2,114,480 with TMG.

PASSED THIS _____ DAY OF _____, 2026, BY THE CITY COUNCIL OF THE CITY OF INDEPENDENCE, MISSOURI.

ATTEST:

City Clerk

APPROVED - FORM AND LEGALITY:

City Counselor

REVIEWED BY:

Interim City Manager

Presiding Officer of the City Council
of the City of Independence, Missouri

I hereby certify that there is a balance, otherwise unencumbered, to the credit of the appropriation to which the foregoing expenditure is to be charged, and a cash balance, otherwise unencumbered, in the treasury, to the credit of the fund from which payment is to be made, sufficient to meet the obligation hereby incurred.

Source is: As Indicated Above

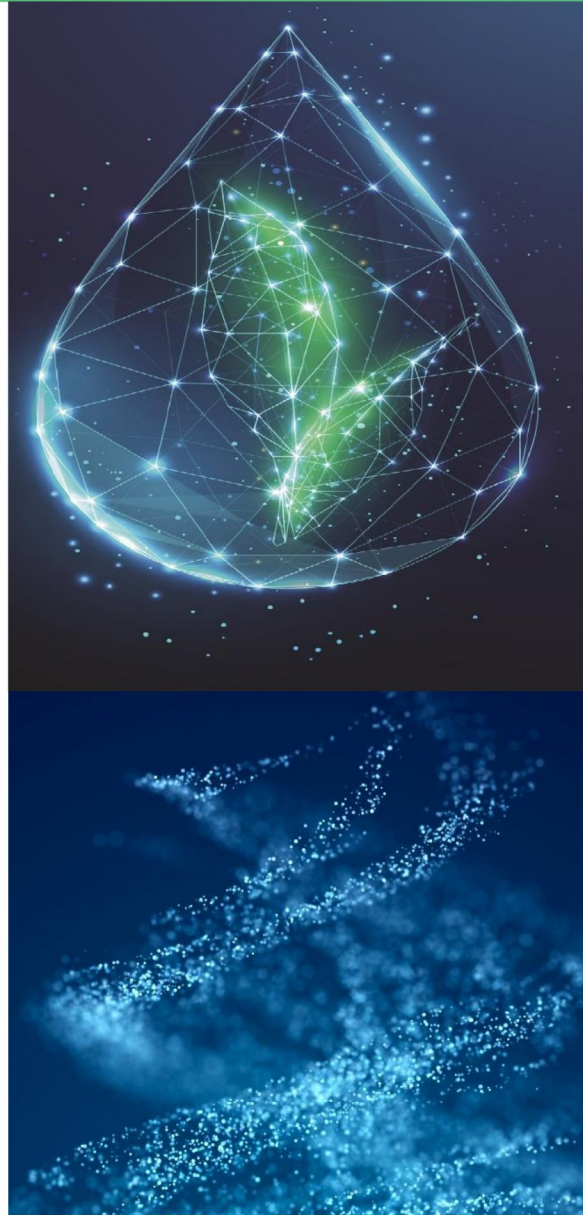
Director of Finance



TMG Advisory Services Technical Proposal

**ADVANCED METERING INFRASTRUCTURE
(AMI) PROGRAM AND PERFORMANCE
MANAGEMENT SERVICES**

City of Independence



+1 512-993-6331



TMGConsulting.com



info@tmgconsulting.com



Cover Letter

Dear City of Independence Evaluation Team:

TMG Utility Advisory Services, Inc., an RIA Company ("TMG Consulting" and/or "TMG"), is pleased to provide the City of Independence ("Independence" and/or "the City") with our proposal for AMI Program and Performance Management services for the City's Advanced Metering Infrastructure (AMI) project. TMG is excited to submit our response, reflecting our credentials and capabilities to deliver the best-in-class AMI Advisory services to assist the City in this transformative project.

TMG brings nearly 33 years of industry-specific focus on both **Utilities and AMI / Smart Metering Transformation** and a client-centric team steeped in hands-on, real-world experience. We put the client's interests first, we go above and beyond the words written in the contract, and we adhere to the highest ethical standards in our work while preserving client confidence and transparency in our communications and all our activities on your behalf. We also diligently maintain an independent, objective perspective in all our work so that you, as the client, receive the best, independent, and unbiased recommendations and solutions that **align with your AMI Program Business Objectives**.

Today, TMG is actively involved in AMI projects at numerous utilities, providing professional meter-to-cash, AMI, MDM, and edge systems consulting services to electric, gas, and water utilities of all sizes. This includes developing and preparing AMI roadmaps, conducting existing AMI system performance assessments, creating and delivering procurement strategies and plans, and providing project management oversight and implementation services throughout the entire deployment phase of these programs. Leveraging our expertise, proven methods, and hands-on industry knowledge from prior engagements in this space has enabled our clients to jumpstart and implement solutions for the first time, propelling them beyond initial deployments to harness more "beyond the meter" capabilities.

In the following pages, we describe our overall approach to the City's preliminary scope, and the TMG Team's unique credentials and differentiators that support our fully responsive proposal to partner with you on this engagement. Our approach is comprehensive, supported by robust prior experience, empirical data, detailed analysis based on similar real-world programs, and an optimized, right-sized set of important elements from TMG's disciplined delivery methodology, **TMG VAST™** (Value Added Services & Tools) for AMI. These elements and disciplines have been successfully leveraged by other municipal utility clients that have faced similar challenges with technology elements that must be judiciously procured, risk-managed, and continuously extended and enhanced to support an ever-changing business landscape, all with a constant lens focused on customer experience and customer benefits.

TMG prides itself on predictable, fixed-price engagement constructs, a "whatever it takes" approach to the client relationship, superior visibility, and transparency through our constant "high-touch" communications approach and industry-leading customer service. In addition, we remain flexible to optimize our proposal and approach to suit the City of Independence's needs.

I am personally committed to building a partnership with the City of Independence, working closely alongside you on the implementation of your AMI strategy. TMG also complies with Equal Employment Opportunity laws. As the CEO and Managing Partner of TMG, I am authorized to serve as your primary point of contact for all communications and negotiations related to this proposal. Our firm is comfortable with your stated scope, and we are confident we can deliver an excellent, risk-managed outcome for Independence. Thank you again for your consideration.

Sincerely,

Supriya Mukhapadhyay

CEO, TMG Utility Advisory Services, Inc., an RIA Company | [D&B Number: 95 9569781]
Mobile: +1.773.294.1931 | supriya.mukhapadhyay@riaadvisory.com | www.tmgconsulting.com
2000 Ponce De Leon Boulevard, Suite #600, Coral Gables, FL 33134 | Tel: 512-993-6331



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Executive Summary

TMG Company Background

TMG Utility Advisory Services, Inc. ("TMG") was founded in Austin, TX, in 1992 in response to an industry-wide need for independent advisory services for critical business processes and information technology-based decisions. TMG has been providing independent, objective Advisory & Consulting services for 33 years now, and has become the "Gold Standard" against which all others are measured. The majority of TMG's heritage (all 33 years) has been independent utility industry management consulting and advisory services. Supplementing this for almost a decade now (starting ~ 2017), the company has expanded with client-side project delivery services and full-blown professional services to support our customer projects. These enhanced TMG services include disciplines such as Project Management, PMO, QA, OCM, Risk & Controls, Testing Services, Data Strategy, Conversion Services, and more.

Today, TMG is the leading advisory and professional services firm working with Utilities to plan, develop, implement, and manage their ecosystem of customer-focused digital technology solutions and service providers. TMG has been the number one **Customer Systems-focused Utility Advisory and Consulting Firm in the industry for 33 years**. Providing value-added AMI/MDM/CIS focused advisory services to the Utility Industry is at the very heart of our company, and everything we do. To date, **TMG has worked with over 370 utilities across ~700+ projects, matching their business needs with digital solutions, systems integrators, and implementation services** to maximize the value of their customers and optimize and de-risk their IT investments. TMG's clients include utilities of all sizes that provide gas, electric, water, and municipal services in regulated, competitive, and public power markets.

In **May 2023**, RIA Advisory, a leading revenue management solutions provider, and TMG Consulting ("TMG"), a top advisory and professional services firm to the utilities market, announced a merger to create an industry-leading provider of revenue management solutions for clients across the financial services, healthcare payers, municipalities, utilities, and public sector verticals. Together, the two firms (TMG and RIA) will continue to expand as global leaders in revenue management solutions by combining scalable Revenue Management platforms and Intelligent Systems, proprietary AI-enhanced IP, institutional knowledge of the revenue management space, and deep domain expertise across multiple industries.

TMG Fast Facts

- Legal Name: TMG Utility Advisory Services Inc. dba TMG Consulting, Inc. ("TMG")
- Website URL: www.tmgconsulting.com
- TMG Utility Advisory Services, Inc. Federal Tax ID: 74-2699550
- NAICS Code: 541519
- D&B Number: 95 9569781
- Unionization: TMG is NOT unionized
- RIA Advisory: In May 2023, RIA Advisory, a leading revenue management solutions provider, and TMG Consulting ("TMG"), a top advisory and professional services firm to the utilities market, announced a merger to create an industry-leading provider of revenue management solutions for clients across the financial services, healthcare payers, utilities, and public sector verticals. Together, the two firms (TMG and RIA) will expand as global leaders in revenue management solutions by combining scalable Revenue Management platforms and Intelligent Systems, proprietary AI-enhanced IP, institutional knowledge of the revenue management space, and deep domain expertise across multiple industries. TMG is and will remain solely focused on the Utility industry.

TMG is a financially stable, growing Corporation that, as of December 2022, has formally completed SOC 2 Type II compliance per American Institute of Certified Public Accountants (AICPA) standards for SOC for Service Organizations, also known as SSAE 18. Achieving this standard with an unqualified opinion serves as third-party industry validation that TMG provides enterprise-level security for customer data, with improved controls and processes to ensure greater protection.

No clients have ever litigated against TMG, and we have never abandoned any utility project or engagement in our 33-year history.

TMG Organization and Staffing

With a strategic fusion between RIA and TMG, our newly merged corporate structure embodies our commitment to excellence and innovation. Our combined organizational chart below reflects our dedication to maximizing synergies and leveraging our strengths to create unparalleled opportunities for growth and success.

TMG, prior to the May 2023 merger with RIA, had approximately 180 employees, primarily located across the United States and Canada, with an additional 50 employees based internationally (in the Philippines and India). Following the 2023 merger with RIA, the combined companies have grown to over 1,200 employees globally (2025) and are expanding their market reach across Utilities, Healthcare, and Financial Services. They also have a growing portfolio of Intellectual Property, Tools, Advisory, and Professional Services Offerings.

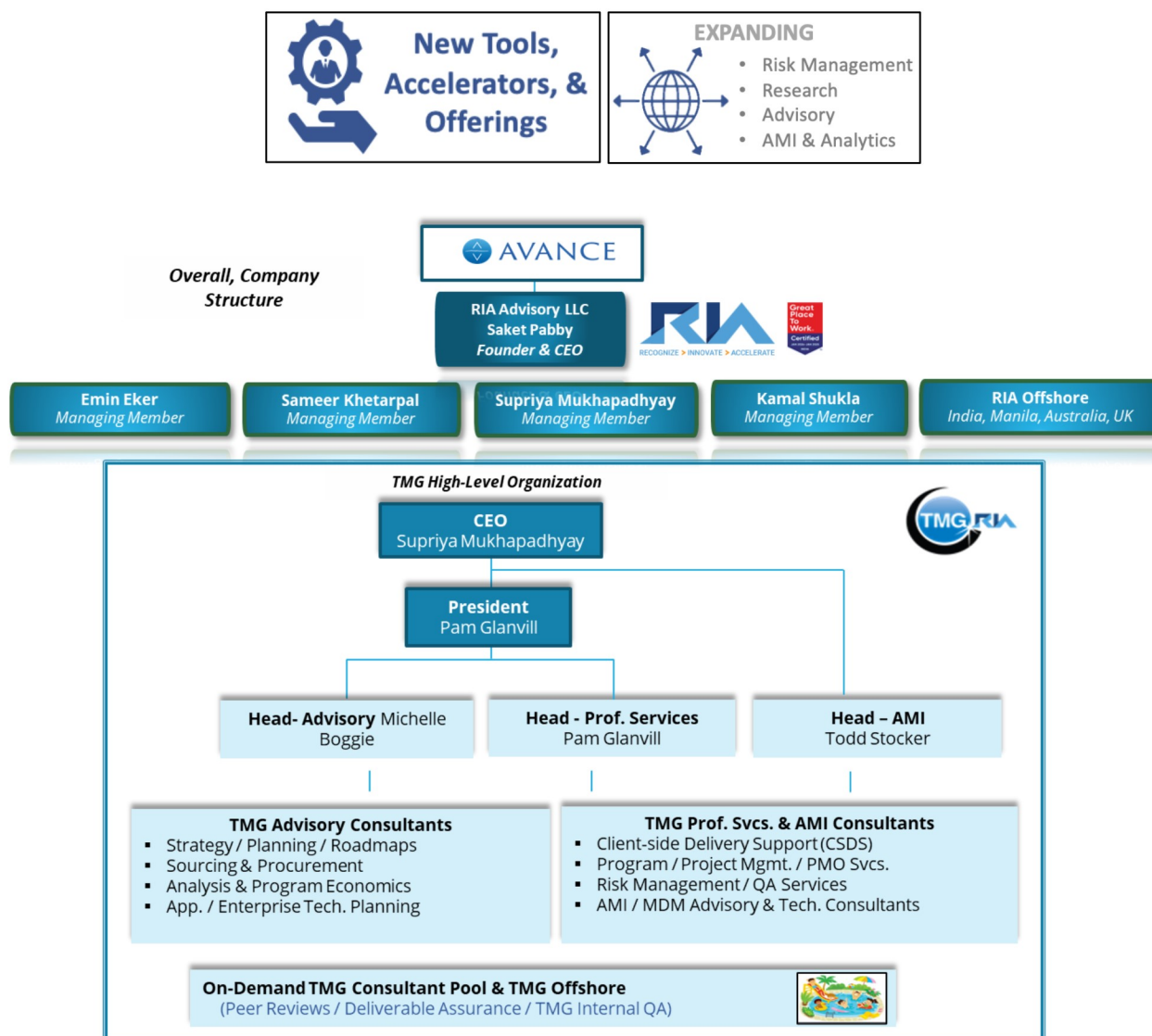


Figure 1: RIA-TMG Company Structure

TMG's Advanced Metering Services

TMG's **Advanced Metering Services (AMS)** provides Utilities with end-to-end solutions for planning, road-mapping, optimizing, and implementing AMI investments in a way that minimizes risks, accelerates implementation, and helps monetize downstream benefits. TMG's AMI professionals and robust methodology provide the industry with a proven, structured approach that has helped hundreds of utilities avoid costly mistakes and strengthen the efficacy of their technology investments. This is true regardless of where the utility is in its AMR/AMI/Advanced Metering Lifecycle journey. When contemplating a system enhancement/extension or replacement, TMG can help you understand engineering standards, communications protocols, contemporary integration approaches, and the evolution/progression of industry standards in an effective, efficient way that will improve resiliency, avoid risk, and/or imprudent investments.

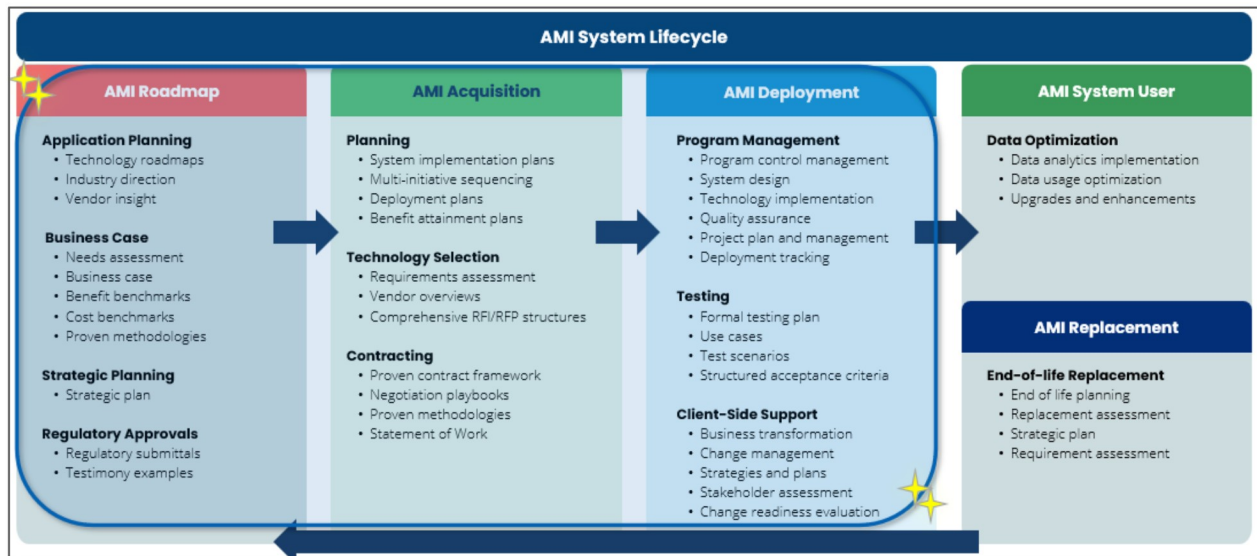


Figure 2: AMI Program Path

TMG's AMI practice focuses on enabling utility clients to harvest benefits in four main areas: operational, financial, customer, and security.

- **Operational Benefits** – AMI benefits operations by improving the accuracy of meter reads (eliminating human error and reducing the turnaround time associated with meter data collection, transcription, and bill creation), enhancing leak detection, and facilitating a faster response to outages, while eliminating the need for onsite meter reading. It also provides unprecedented visibility and measurement opportunities for water usage across the City's system. Further, reduced customer calls and field investigations are material operational outcomes associated with AMI. Additionally, detecting leaks in the distribution system facilitates the reduction of non-revenue water and improves distribution efficiency, bringing both operational and financial benefits to the utility.
- **Financial Benefits** – AMI brings financial benefits to utility companies by reducing equipment and maintenance costs, enabling faster service restoration during outages and main breaks, and streamlining the billing process. Other economic benefits include monthly and off-cycle billing based on actual meter readings without the expense of deploying field staff. AMI information also helps enhance the utility's ability to plan, engineer, and update its water system and infrastructure as needed or planned.

- **Customer Benefits** – AMI benefits customers by detecting meter failures early, promoting faster service restoration, enabling alerting, and improving meter reading and billing accuracy and flexibility. Further, AMI allows for time-based rate options that can help customers save money and manage their consumption. AMI also enables automatic bill pay and budget billing opportunities for customers.
- **Security Benefits**—When implemented with appropriate security and resiliency protocols, AMI technology enables enhanced monitoring of system resources and performance and mitigates potential cyber threats. It also allows monitoring and visibility into the entire water network, providing instant alerts for security breaches.

TMG's Awards & Recognition

In addition to Advanced Metering Services, we are experts in Customer Systems for the Utility Industry. Since 2011, our utility clients have won 16 out of the last 24 CIS Expanding Excellence Awards for Best Utility CIS Project, demonstrating 3rd party acknowledgement of our achievements from CS Week (now known as IUCX).



TMG - CS Week Awards of Excellence



TMG is an expert in Customer Systems for the Utility Industry. Since 2011, TMG's clients have won **16 out of the last 24 "Level 1 / Level 2" CIS Expanding Excellence Awards for Best CIS Project** ! [2/3rds of Awards have gone to TMG Projects.]























expanding excellence awards

TMG Advanced Metering Services Experience

TMG has been singularly focused only on utilities with 370+ utility clients, approximately 700 successful projects, and 100% reference-ability, dating back to the company's founding in 1992. Through these projects, TMG understands what utilities require to thoroughly select, implement, utilize, and optimize their solutions, delivering them with certainty in budget, timeline, scope, outcome, and risk. TMG is the recognized leader in strategic planning, risk management, understanding market drivers, and recommending the adoption of industry best practices and solutions – all of which readily withstand regulatory, leadership/executive, and third-party scrutiny.

TMG also has extensive experience and familiarity with all the solutions that could come into play in this engagement. The adjacent graphic shows this experience by vendor, whether we evaluated that vendor's product on behalf of a client and/or provided a significant role to our utility client in its AMI implementation.

System Evaluation, Integration & Implementation Experience		
AMI	MDM	CIS
Aclara	Aclara	Banner
Badger	Harris	Harris
Elster/Honeywell	Itron	Oracle
Itron	Landis+Gyr	SAP
Landis+Gyr	Oracle	Siemens
Neptune	Siemens	
Sensus		
Tantalus		
Trilliant		

Figure 3: Vendor Experience

TMG is currently delivering or has recently completed Planning Services, Procurement, and Client-side Project Management (PM) work at several utilities with very similar scope in each of the tasks requested by the City. Great examples of this are at South Jersey Industries in Folsom, New Jersey, Lubbock Utilities in Lubbock, Texas, and Riviera Utilities in Foley, Alabama. TMG provided AMI lifecycle services at each of these utilities, starting with strategic planning and vendor acquisition and running through full deployment of the AMI systems.

South Jersey Industries (Folsom, NJ) – Serving 56,000 electric, 16,000 natural gas, and 7,000 water meters

SJI's South Jersey Gas (SJG) business had an immediate need to upgrade its approach to meter reading its 420,000 gas meters, due to a change to an existing shared meter reading partnership with another utility that was planned for discontinuance. South Jersey Gas was mid-stream through solicitations and proposal evaluation for an AMI solution and engaged TMG to provide consulting services and program oversight. This engagement started with TMG supporting pricing analysis and contract negotiation with SJG's chosen AMI solution vendor(s) and is continuing presently with TMG providing Oversight and Risk Management to the implementation/deployment phase of the infrastructure installation.

Lubbock Utilities (Lubbock Power & Light and City of Lubbock Water, Lubbock, TX) – Serving 107,000 electric and 90,000 water meters

Lubbock Utilities engaged with TMG to support a full lifecycle AMI project to include the following components: AMI, MDM, CIS, MWM & CSS. More specifically, TMG facilitated the evaluation and selection of a replacement solution for their legacy CIS and Mobile Workforce Management systems. In addition, TMG was engaged to guide City of Lubbock Utilities through the selection of an AMI solution. A Steering Committee was identified before the program began to supply guidance and strategic oversight. For the first phase, TMG gathered the information regarding the needs and strategic direction for the utility. TMG completed an analysis of the current systems and found there to be a significant number of individualized business processes and personal databases of information. This fed directly into identifying the alternative solutions as well as the sequence and timing for implementation. The scope of this phase included option analysis for systems, the timing, and business process needs. The second phase included all activities to generate the RFP. Consultants from TMG, along with a selection committee and subject matter experts from COLU and City of Lubbock, both business and technical personnel, participated in the effort. The scope included a full request for proposal, evaluation, and vendor selection for each system. All the operational areas were reviewed as part of the business case analysis including Customer Service, Meter Reading, Field Services and Maintenance and Back Office Billing. This phase was initiated and the request for proposal was sent to

vendors for response. After careful review, a final recommendation was presented to the executive management.

TMG was subsequently engaged to assist Lubbock with the implementation project. Specifically, TMG provided Project Management, Test Management and Quality Assurance (QA) for the ITRON implementation which began first with a goal of 500 electric and 500 water meters in the initial go live. Once AMI go-live was achieved, TMG provided Project Management for the mass deployment which began in April 2019. Simultaneously, TMG provided Project Management, Test Management, Organizational Change Management (OCM), Data Conversion and QA for the CCS / OFSC project.

Riviera Utilities (Foley, AL) – Serving 56,000 electric, 16,000 natural gas, and 7,000 water meters

Riviera Utilities had a strategic initiative to replace/update its IT infrastructure and business applications. The scope of this effort began with the development of a Technology and Application Plan (IT Strategic Plan). The result was the decision to move forward with a multi-year program to install a new ERP, CIS, and work management system. As well as replacing their AMR system with a modern AMI solution. Riviera Utilities engaged with TMG to support a full lifecycle AMI project to include AMI, MDM, and CIS. TMG performed an AMI Study and Business Case for all three utility commodities. TMG managed the acquisition of an AMI solution provided by a single vendor and implemented by a prime vendor. Riviera chose Core and Main, Sensus, and Harris' SmartWorks MDM as their AMI Solution's primary components. According to the negotiated contracts, project costs are within the original budget established by TMG's AMI Study and Business Case. During the current implementation, TMG is providing project management, quality assurance, and testing management roles, in addition to and complementary with the existing roles it provides to Riviera's CIS project.

The table below lists recent successful AMI projects that TMG has conducted and/or participated in. Many of these were preceded by procurements in which TMG participated with the utility. **Of the 35 projects, 80% focused on public, municipal, county, and government deployments.**

#	Utility Type	Metered Services	TMG Customer	State	Services	Project Description
1	Public	78,528	Burbank Water & Pwr	CA	E,W,WW,SW	Contract Negotiation
2	Public	78,528	Burbank Water & Pwr	CA	E,W,WW,SW	Procurement
3	Public	78,528	Burbank Water & Pwr	CA	E,W,WW,SW	Implementation Services
4	Public	78,528	Burbank Water & Pwr	CA	E,W,WW,SW	Implementation Services
5	Public	78,528	Burbank Water & Pwr	CA	E,W,WW,SW	Quality Assurance
6	Public	241,300	City of Long Beach	CA	G,W,WW,SW	Industry Perspective
7	Public	241,300	City of Long Beach	CA	G,W,WW,SW	Procurement
8	Municipality	15,000	City of San Luis Obispo	CA	W,WW	Competitive Assessment
9	Municipality	1,722,810	City of Seattle	WA	D,E,SW,W,WW	Quality Assurance
10	Municipality	1,722,810	City of Seattle	WA	D,E,SW,W,WW	Quality Assurance
11	Municipality	1,722,810	City of Seattle	CA	D,E,SW,W,WW	Quality Assurance
12	Municipality	450,000	Denton County Electric Cooperative	TX	E, G	Procurement
13	IOU	2,600,000	Dominion Energy	Multiple	E	Managed Services
14	Municipality	60,000	Indian River County Utilities	FL	W,WW	Strategic App Roadmap
15	Municipality	318,000	Kansas City Board of Public Utilities	KS	E, W	Replacement Analysis
16	Municipality	190,000	Lubbock Power & Light	TX	D,E,SW,W,WW	Contract Negotiation
17	Municipality	190,000	Lubbock Power & Light	TX	D,E,SW,W,WW	Other
18	Municipality	190,000	Lubbock Power & Light	TX	D,E,SW,W,WW	Implementation Services
19	Municipality	190,000	Lubbock Power & Light	TX	D,E,SW,W,WW	Procurement
20	IOU	81,887	Maritime Electric	CAN	E	Program Governance,
21	Agency	~	Northern California Power Agency	CA		Implementation Services
22	County	120,000	Orange County Utilities, FL	FL	SW,W,WW	Strategic App Roadmap
23	County	120,000	Orange County Utilities, FL	FL	SW,W,WW	Implementation Services
24	Municipality	105,000	City of Pasadena	CA	E, W	Needs Assessment, Business
25	Municipality	475,000	Philadelphia Gas Works	PA	G	Strategic Plan
26	Municipality	78,000	Riviera Utilities	AL	E, G, W, WW, SW	Strategic Roadmap
27	Municipality	78,000	Riviera Utilities	AL	E, G, W, WW, SW	Procurement
28	Municipality	78,000	Riviera Utilities	AL	E, G, W, WW, SW	Implementation Services
29	IOU	420,000	SJI	NJ	G	Gap Analysis
30	IOU	420,000	SJI	NJ	G	Contract Negotiation
31	IOU	420,000	SJI	NJ	G	Program Management
32	IOU	765,000	Tampa Electric Co. - People's Gas	FL	E	Procurement
33	Authority	150,000	Toho Water Authority	FL	W,WW	Implementation Services
34	Authority	150,000	Toho Water Authority	FL	W,WW	Procurement
35	Authority	150,000	Toho Water Authority	FL	W,WW	Strategic Roadmap

Figure 4: TMG AMI Projects

TMG Core Competencies

TMG's core competencies include providing our clients with Strategic Consulting, Research and Analysis, Solution Procurement, Client-Side Delivery Support, and Client-Side Operations Management. We have complete, proven methodologies for each of these competencies. **We have assisted over 65 utilities with assessments and planning; led well over 100+ solution procurements; and provided client-side delivery services and quality assurance services during scores of implementations.**

TMG has also built a market-leading collection of differentiators based on independence, actual projects, and hands-on experience, which will deliver direct benefits to the City of Independence for this project, including:

- TMG has led ~700+ meter-to-cash and related projects for 370+ clients, focusing on AMI, AMR, MDM, Self-service, ERP, CIS, EBPP, and MWM applications.
- TMG is leading the industry in working with utilities to leverage investments in technology through data and our Strategic Solution Roadmap framework, which employs TMG's Data Solution Model and the development of Data Use Cases to identify how data is utilized across various communication channels, allowing the utility to consolidate servers, eliminate islands of information, and place analytics and insights into the hands of end users, and customers.
- TMG has worked with utilities serving customer bases ranging between 4,000 and 8 million. These utilities provide all types and combinations of services, including electric, natural gas, water, wastewater, solid waste, recycling, drainage, transportation, solar, cable, telecom, and various non—commodity or non-utility-based services.
- TMG is truly vendor-agnostic and independent, and we have no affiliation with any solution vendor or product in the market, so that we will deliver unbiased, fact-based advisory solutions to the City.
- TMG has worked with almost every solution vendor (SV) in the market and all system solution (SI) integrators (SI) since our founding in 1992. TMG knows the order forms and bills of materials, the contracts, the vendor strengths and weaknesses, their approach to projects, their negotiation strategies, and their project methodologies. TMG brings unbiased, hands-on insight and expert guidance.
- In 1994, TMG constructed the industry's first formal utility solution requirements list, which today is the Customer Capability Model with 5,000+ Comprehensive Capabilities/ Requirements, including 3,000+ for AMI, Meter Data Management, and related requirements. TMG continually updates this during/after every engagement.
- TMG has achieved SOC 2 Type II compliance in accordance with American Institute of Certified Public Accountants (AICPA) standards for SOC for Service Organizations, also known as SSAE 18. Achieving this standard with an unqualified opinion serves as third-party industry validation that TMG provides enterprise-level security for its customer's data, with improved controls and processes to ensure greater protection.

Proposed Scope of Services

TMG understands that the City of Independence is seeking a highly qualified, extensively experienced consultant with a verifiable track record to assist in planning, procuring, implementing, supporting, training, and managing the AMI project. TMG meets and exceeds the City's requirements and has optimized our engagement approach to address the City's needs specifically. TMG's streamlined approach and plan will be fully compliant and compatible with the City's strategic goals, compliance standards, and stakeholder expectations.

The four (4) major workstreams in scope for this project are planned as:

- AMI Strategic Planning
- AMI Sourcing & Procurement
- AMI Strategic Program Management
- Organizational Change Management

In our detailed project approach below, TMG will illustrate how the City's scope aligns within our **TMG VAST™** methodology.

Approach Overview

TMG is actively involved in AMI projects at several utilities today, providing professional meter-to-cash, AMI, and edge systems consulting services to electric, gas, and water utilities of all sizes. This includes preparing feasibility studies, business cases, technology, and business needs assessments and roadmaps, developing procurement strategies and plans, and providing project management oversight and implementation services throughout the entire deployment phase.

TMG helps utilities develop and modernize all aspects of their delivery platforms and 2-way, intelligent metering solutions to better meet their customers' changing needs and the operational and governing needs of the broader ecosystem of stakeholders involved in these programs. Next-generation AMI is a key foundational element of the future state of energy and resources the City is entrusted to deliver to its customers. Together, leveraging our extensive experience and Independence's experienced team, we can develop an AMI solution using the most effective technologies, products, standards, protocols, and digital transformation methodologies. Leveraging our expertise, proven methodologies, and vast industry knowledge from prior engagements in this space has enabled our clients to "leapfrog" their early deployments by leveraging more "beyond the meter" capabilities.

For this engagement, TMG will extensively leverage **TMG VAST™**, our comprehensive suite of services and associated methodologies, models, accelerators, artifacts, and templates. This Advisory and Consulting Framework underpins TMG's approach to getting requirements "right" for all aspects of the AMI Solution, and to be able to run an **air-tight Road-mapping, Procurement, and Program Management Process that will stand up to 3rd party scrutiny**. This framework has been foundational to TMG's engagements for decades now, and will yield equitable, fact-based solution selection and highly granular scope and budget outputs for the City, with complete transparency and visibility into and throughout the initiative.

More specifically, this TMG-proposed engagement is comprised of four main workstreams:

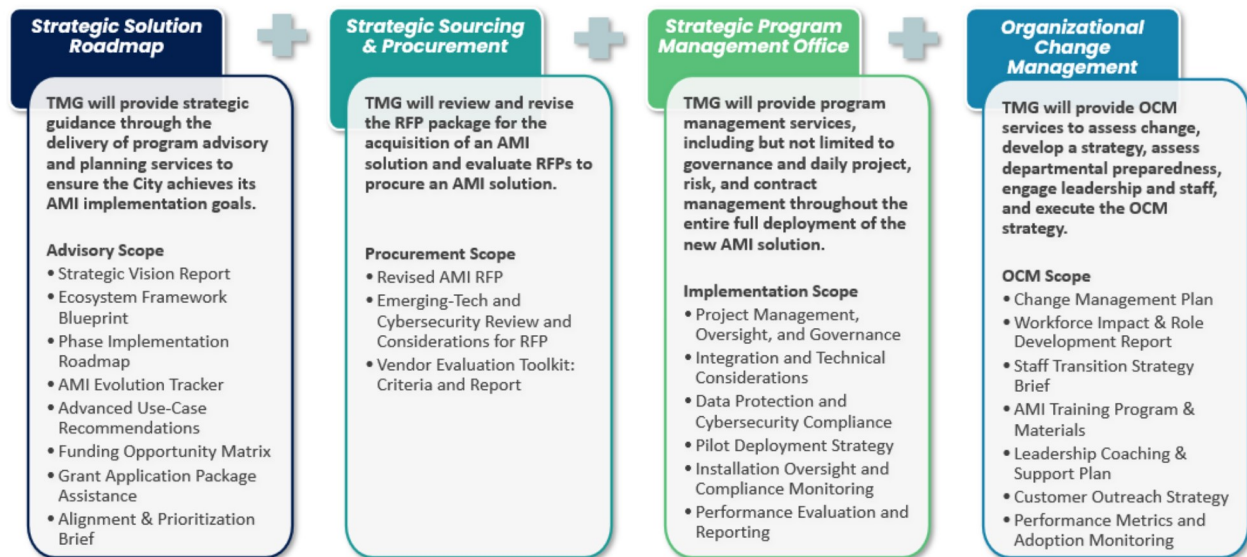


Figure 5: TMG Proposed Project Workstreams

These frameworks are addressed in detail in the sections below.

Our **TMG VAST™** methodology is an ever-evolving and improving process anchored in focus, discipline, and attention to detail. In recent years, our process has adapted to address both opportunity and risk as markets and technologies have changed and matured.

TMG knows that implementing an AMI solution is expensive, time-consuming, complex, and transformational. From a holistic viewpoint, undertaking an AMI project is more like running five concurrent programs across the organization:

- It's a customer service program (designing and redesigning processes)
- It's a software integration and configuration program (systems integration)
- It's a construction program (meter and network deployment)
- It's a strategic program (digital roadmap, business case, and funding)
- It's an operational program (designing and redesigning processes)

Our mission is to ensure your overall project is a success and that it meets your timeline, budget, customer value, and benefit objectives and materially contributes to the City's need to ensure precise readings, support multiple use cases, and generate actionable insights for optimizing operations and customer service.

TMG VAST™ Strategic Solution Roadmap Methodology

TMG follows deliberate, prescribed steps with quality checkpoints and client involvement at every stage to ensure quality pervades our work and that tangible value is rendered to the client from the process. Our Strategic Solution Roadmap Methodology (SSR) combines project planning and design components into a proven and comprehensive methodology.

The five (5) primary phases/steps of the methodology are presented in the diagram below:

The following diagram describes the activities within each TMG work phase and how each aligns with all required tasks for the Strategic Vision, Ecosystem Development, and Funding Opportunities scope.

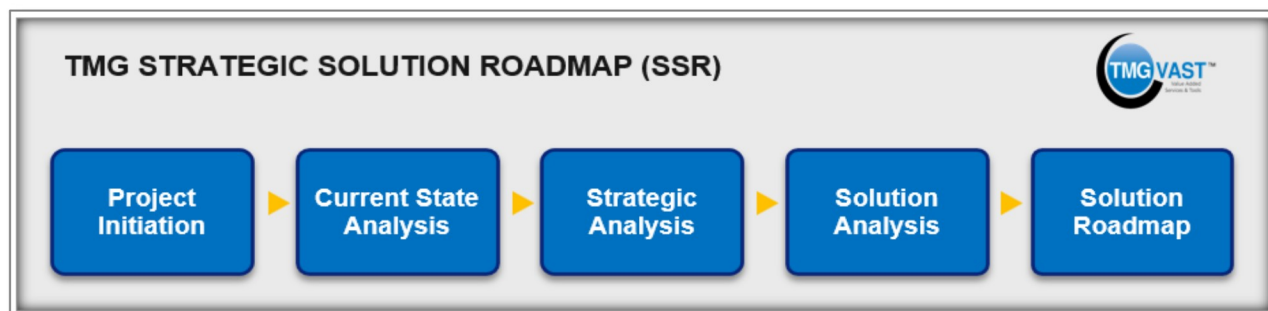


Figure 6: Figure 6: TMG VASTTM SSR Methodology

Phases	Project Initiation	Current State Analysis	Strategic Analysis	Solution Analysis	Solution Roadmap
Activities	1. Develop Project Plan 2. Develop Resource Plan 3. Develop Project Organizational Chart 4. Develop Communication Plan 5. Develop Workshop Schedule 6. Conduct Project Kick-Off Meeting 7. Provide Information Requests 8. Plan and Conduct Key Interviews 9. Plan and Conduct Survey(s) Compile Project Initiation Documents & Data	1. Conduct Current Business Process Needs & Enhancements Workshops ▪ Customer Service ▪ Meter Maintenance ▪ IT ▪ Communications ▪ Asset Management 2. Determine Technical AMI System Criteria ▪ Managed Services ▪ Operating Budgets ▪ Projected Data Needs ▪ System Growth ▪ Resource Assessment 3. Conduct Labor Analysis 4. Conduct Stakeholder Analysis 5. Analyze Interview and Survey Results Compile Current State Data	1. Discuss Future Planned Projects 2. Conduct Gap Analysis 3. Develop Target State Application Architecture (Core, Edge, Channels) 4. Confirm Target State Considerations (Business, Technology, Org/Staff, Operation, Implementation) 6. Review Network System, OnPrem/Cloud Platforms & Deployment Models 7. Establish a Strategic Vision for AMI 8. Define AMI Ecosystem Initiative 9. Identify Industry Funding Opportunities Compile Strategic Analysis Data	1. Provide Marketplace Intelligence 2. Develop Solution Options ▪ Review Option Model & Identify Approved List of Options ▪ Identify Solution Components with Options to Evaluate 2. Formulate Evaluation Model with Weights 3. Develop Solution Profiles, Apply TMG Industry Metrics, and Score Solution Options 4. Review & Confirm Optimum Solution 5. Assist in Grant Writing and Funding Applications Compile Solution Analysis Data	1. Develop Public Outreach Plan ▪ Omni-Channel Approach ▪ Internal & External Strategies ▪ Educational 2. Develop AMI Implementation Roadmap Plan and Long-Term AMI "O&M" Support Plan ▪ Deployment Strategy ▪ Planning / Budgeting ▪ SOPs / Staffing ▪ IT / System Integrations & Performance ▪ Meter and Other Equipment Repair & Maintenance 3. Develop Preliminary AMI Implementation Schedule ▪ Schedule & Cost Contingencies

Figure 7: SSR Work Phases

Step 1: Project Initiation

TMG will work with the City to formally document the project so there is a clear understanding of the scope and the City's expectations. TMG will start the engagement by preparing a detailed "information request." This comprehensive information solicitation questionnaire is designed to gather essential data across multiple dimensions, including utility operations, strategic goals, current applications, and financial structures. By collecting this detailed information early on, TMG ensures that it has a solid understanding of the City's existing infrastructure and future ambitions. The insights gained from the questionnaire will serve as a critical foundation for planning and facilitating both current-state and strategic analysis workshops. TMG will tailor these workshops to address key challenges, opportunities, and long-term objectives specific to the City's AMI needs. Next, TMG will organize the project, develop the project plan, establish a workshop schedule to gather and validate information and conduct interviews, refine project requirements and metrics, and set project expectations. During the project kick-off meeting with the stakeholders, TMG will also present our proposed methodology and agree upon the preferred management and communication approach. In addition, TMG and the City's team will decide on assignments and define relationships between team members to maximize expertise across teams and build on any existing work by the City.

Step 2: Current State Analysis

Understanding the current labor force, IT systems, applications, infrastructure, and their interrelationships is critical for developing a sustainable AMI Roadmap. Therefore, following the kick-off meeting, a series of workshops will be held with stakeholders and support staff to identify and evaluate the current business and

technical environments (hardware, software, and staffing). This evaluation focuses on identifying deficiencies and opportunities that translate into capabilities, confirming project scope, and determining what will be needed to support and implement a complete end-to-end AMI solution. TMG will catalog and record the current systems in place and discuss the future potential for other technology(s) with the team.

TMG will also request that data be provided to understand the distribution, age, usage, manufacturer, and model(s) of the meters currently deployed. This information is critical to our assessment of compatible technologies and the most efficient and cost-effective strategy for the potential deployment of AMI. Interviews will also be conducted with operational staff to understand the current metering infrastructure and standard operating procedures around meter maintenance, meter replacement programs, and meter testing. These interviews will also cover other relevant subjects, such as pit and lid construction and environmental challenges, such as areas prone to pest infestation, flooding, etc.

Implementing AMI across the City's entire service territory presents a significant opportunity to enhance operational efficiency, improve customer service, and smarter energy and water consumption. However, customer acceptance and engagement are critical to the success of this City initiative. TMG will proactively address potential customer concerns about adverse health effects from radio frequency technology and issues related to privacy and security during our discussions. To mitigate this potential project risk, TMG will meet with the City to review potential concerns and offer suggestions. We will share experiences and industry best practices to help the City develop a strategic communications plan outlining these concerns and the implementation process.

Step 3: Strategic Analysis

The infrastructure and methodology developed during your AMI project will form the foundation of the long-term operating model for the City's evolving AMI / Metering implementation and ongoing metering and customer operations. With TMG's deep knowledge of meter-to-cash business and technology processes, leading AMI solutions, and the diverse solution implementor/integrator landscape, we are excited to have the opportunity to work with the City on this cornerstone transformation project. Given the scope and the breadth of the initiative, TMG suggests, based on our firm's experience and industry best practices, a joint focus on key program decision points as outlined below:

Program Elements			
Project Strategy	Project Elements	Project Services	
AMI Strategy • AMI Technology • Field Deployment of Meters and Assets • Integrations • Schedule • Requirements • Resourcing • Contract Goals	Equipment • Network Equipment • AMI Endpoints • Meter Replacements • Installation Equipment Software (AMI / MDM) • Set-up Fees • Licensing • Server Locations • IT Impact Support	PMO Services • Quality Oversight • AMI Software PM • AMI Field PM • Integrations • Testing Team Resources • AMI Pilot • AMI Deployment	Installation • Network Deploy • Mass Meter Install • Installation PM • Fleet Mgmt • Warehousing • Customer Service • Dispute Resolution

Figure 8: AMI Program Planning Considerations

In the Strategic Analysis phase, TMG partners closely with City leadership and key stakeholders to translate initial findings into a clear, actionable roadmap for AMI transformation. Building on insights gathered during project initiation and current state assessments, we document critical target-state considerations across business processes, policies, technology architectures, organizational structures, regulatory requirements, and operational workflows. This comprehensive view ensures that the proposed AMI deployment aligns with

the City's strategic objectives—enhancing operational efficiency, elevating customer engagement, and advancing sustainability goals—while laying the groundwork for long-term metering and customer operations.

Through facilitated executive workshops and in-depth interviews, we co-create a unifying AMI vision that positions the initiative as a catalyst for digital-utility excellence rather than simply a meter-reading upgrade. We formalize this shared vision in a Strategic Charter, which captures success metrics, governance guidelines, and decision-point milestones. With the Charter as our guide, we confirm the project scope, define program governance structures, and establish the key study components that will drive all subsequent solution design and implementation decisions.

TMG will map the AMI ecosystem end-to-end, detailing how field devices, communications networks, data analytics platforms, and customer engagement channels interoperate within a scalable, future-ready framework. We compare and contrast available platform and deployment options—on-premises, cloud, or hybrid—assessing each for interoperability with existing systems (SCADA, outage management, demand response) and for alignment with security, integration, and performance requirements. A targeted workshop will educate City staff on emerging AMI technologies, integration best practices, and ecosystem tradeoffs, equipping decision makers to validate the recommended architecture. TMG will examine technological considerations thoroughly on their own as well in the context of their ability to meet the business needs and organizational considerations. This examination will include security and cybersecurity needs for now and in the future, what type of technological infrastructure the City wants to support or possibly outsource, and what are system integration and data concerns that will need to be addressed.

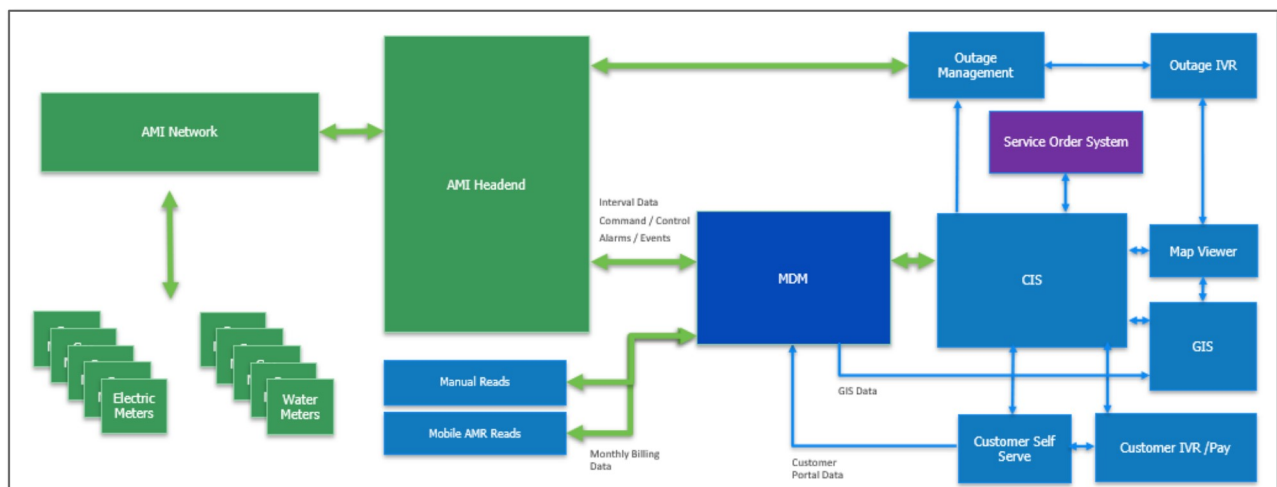


Figure 9: Figure 10: AMI Interdependent Integrations

Leveraging our proprietary **TMG InSight™ DB** database and up-to-date market research, we develop high-level estimates for project resources, costs, and timelines. This includes forecasting expenses year-by-year for data conversion, software and hardware acquisitions, AMI equipment, network infrastructure, integration services, and installation labor. Applying industry metrics, we model internal and external staffing requirements, operating costs, benefits, and risks to produce a preliminary financial analysis and roadmap confirmation.

Recognizing that robust funding is integral to project acceleration, TMG conducts a comprehensive scan of federal, state, and private grant programs—such as DOE Smart Grid grants, EPA revolving funds, and utility commission incentives—that align with the City's capital plan and sustainability objectives. We then draft compelling grant applications, partnering with the City's finance and legal teams to ensure compliance and maximize award potential. Finally, we consolidate all strategic analysis outputs into an AMI Feasibility Study: an iterative, data-driven evaluation that identifies the most viable implementation strategy. The completed study and funding plan are presented for City validation and approval, providing a clear, financially-supported path forward.

Step 4: Solution Analysis

As part of the Solution Analysis phase, TMG will thoroughly document all viable technology solutions available to the City. These solutions will include, but are not limited to, modern fixed, cellular, and hybrid Advanced Metering Infrastructure (AMI) systems—along with supporting backhaul network components—and Meter Data Management (MDM) systems. Each proposed technology will be evaluated in the context of the City's unique service area topography, deployment logistics, installation strategies, project timeline, contracting structure, customer usage and savings trends, and available financing mechanisms.

TMG will work collaboratively with the City to identify the most appropriate and sustainable technology solution. Together, we will establish objective evaluation criteria to assess each option. For every technology solution under consideration, TMG will document the following key factors:

- **Positive Aspects:** Features of the solution that align with or exceed the City's business goals and strategic objectives.
- **Negative Aspects:** Limitations or risks that may fall short of the City's expectations or deviate from industry best practices.
- **Resource Requirements:** Staffing, technical, and logistical resources required for installation and ongoing operations.
- **Capital Costs:** Estimated up-front investment, including all internal and external expenditures that may be capitalized.
- **Operational Costs:** Ongoing expenses related to system operation, support, and maintenance, including non-capitalized installation costs.
- **Implementation Timeframe:** Projected timelines for procurement (if applicable), pilot testing, installation, and system stabilization.
- **Risk Assessment:** Identification and analysis of potential risks, using a standardized methodology, for both implementation and operation phases.
- **Identified Benefits:** Forecasted cost savings—both tangible and intangible—including improved efficiencies, deferred capital investments, and enhanced customer experience.

Each impact assessment (e.g., costs, risks, benefits) will be grounded in empirical evidence drawn from TMG's prior projects, relevant industry case studies, and the City's historical data. All underlying assumptions used in the analysis—such as projected customer service efficiencies or anticipated revenue improvements—will be transparently documented.

Upon identifying applicable funding opportunities, TMG will assist in preparing and submitting grant and financing applications on behalf of the City. This process begins with a detailed alignment of each opportunity's eligibility requirements, performance expectations, and sustainability criteria with the City's AMI roadmap and capital improvement plans. TMG will then develop a compelling narrative that emphasizes project innovation, community impact, and measurable outcomes. All technical specifications, budget justifications, and supporting documentation will be meticulously prepared to meet program guidelines.

TMG will work closely with the City's finance, legal, and technical teams to secure letters of support, validate financial estimates, and ensure compliance with all funding program requirements. We will manage submission timelines, monitor application progress, and coordinate responses to follow-up inquiries—maximizing the likelihood of award success while minimizing the administrative burden on City staff.

Step 5: Solution Roadmap

In the Solution Roadmap phase, TMG will deliver a comprehensive, actionable plan to guide the City through successful AMI deployment, long-term operations, and stakeholder engagement. This phase will include three (3) integrated components: a Public Outreach Plan, an AMI Implementation and Ongoing Operations & Maintenance (O&M) Plan, and a Preliminary Implementation Schedule. Together, these deliverables will serve as a strategic foundation for execution, communications, and sustainability.

TMG will develop a robust Public Outreach Plan tailored to both internal and external audiences. This plan will leverage an omni-channel communication strategy—including digital, print, social media, in-person meetings, and call center scripts—to ensure consistent, transparent messaging across all platforms.

TMG will develop a detailed AMI Implementation Roadmap and a Long-Term Operations & Maintenance (O&M) Support Plan, ensuring a clear pathway from deployment through sustained performance. This planning effort will encompass:

- **Deployment Strategy:** Phased rollouts, pilot programs, and geographic prioritization to optimize logistics, staffing, and customer impact.
- **Planning & Budgeting:** Detailed cost projections, funding strategies, and resource allocations aligned with the City's capital and operational plans.
- **Standard Operating Procedures (SOPs) & Staffing:** SOPs for meter deployment, maintenance, data validation, and customer issue resolution, along with a staffing plan to support both short-term rollout and long-term operations.
- **IT / System Integrations & Performance Monitoring:** Integration plans for MDM, billing, GIS, and customer service platforms. Performance benchmarks will be defined for real-time data access, system uptime, and data quality.
- **Meter & Equipment Repair and Maintenance:** Long-term asset management and maintenance protocols, including inventory management, warranty tracking, and repair/replacement strategies.

In addition, TMG will create a Preliminary Implementation Schedule that maps out the major milestones, timelines, and interdependencies across all project phases. The schedule will be structured to:

- Clearly define the duration and sequencing of procurement, pilot testing, full deployment, and post-installation stabilization.
- Include schedule and cost contingencies to proactively address potential delays or budget fluctuations related to procurement, labor, permitting, or unforeseen conditions.
- Support effective project governance by aligning schedule milestones with decision-making gates, funding cycles, and community engagement events.

This structured roadmap will equip the City with the tools, knowledge, and confidence to launch and sustain a successful AMI program that is technically sound, operationally feasible, and community-supported. This “deliverable package” as the final output of the TMG SSR Methodology feeds directly into the TMG Strategic Sourcing & Procurement set of activities, which are described below.

TMG VAST™ Strategic Sourcing and Procurement Methodology

TMG will use our Strategic Sourcing & Procurement (SSP) methodology, which is part of our **TMG VAST™** framework, to conduct the procurement of AMI solutions and services for the City. The seven (7) primary phases of the methodology are presented in the following diagram:

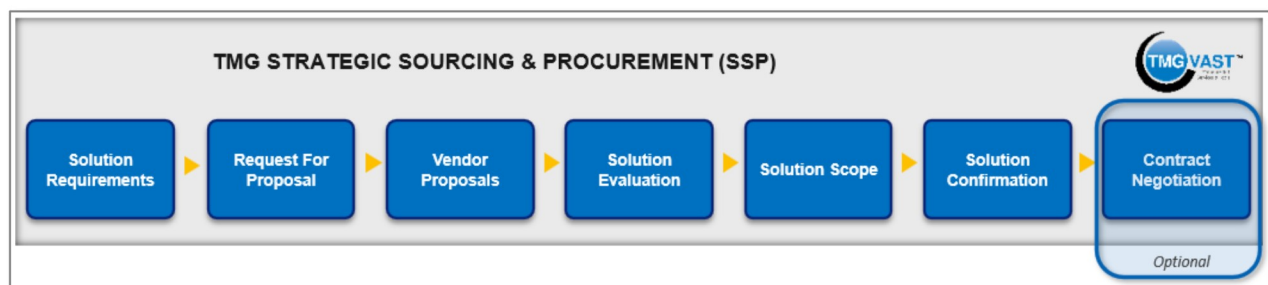


Figure 10: TMG VAST™ SSP Methodology

The following diagram describes the activities within each of the work phases.

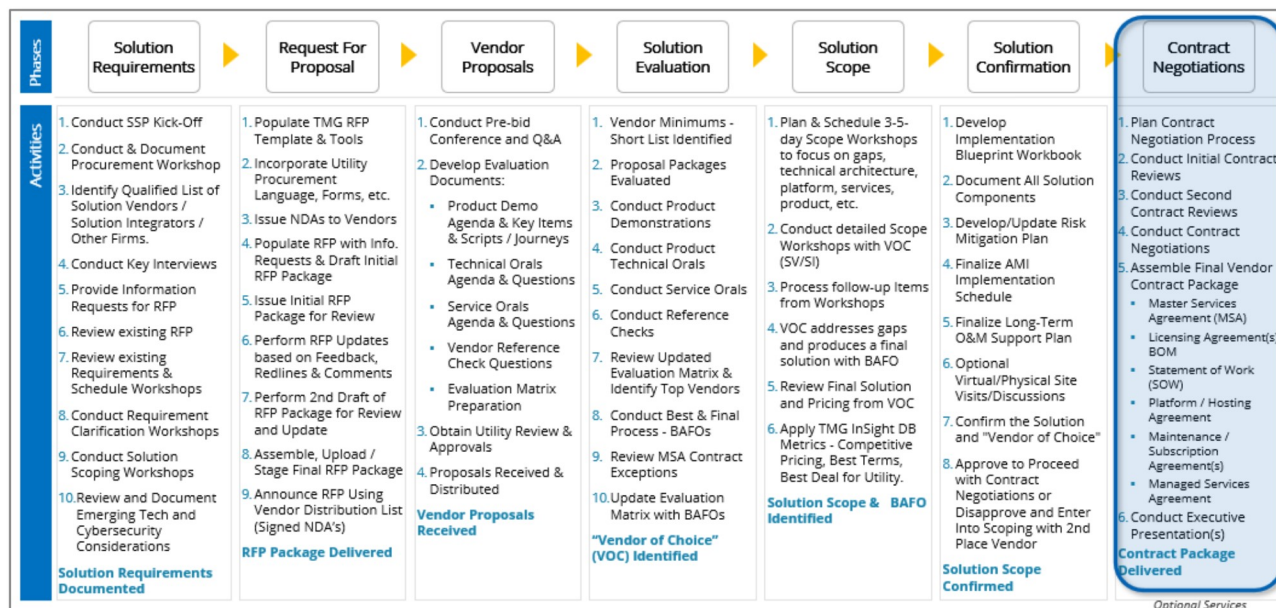


Figure 11: SSP Work Phases

RFP for AMI System Procurement

Procurement is the process to ensure that both parties achieve and continue to receive fair value. Of course, this balance is challenging to achieve. In addition to leveraging our extensive market research resources, we will be digging deeper into the components of the products and services to understand the supplier's costs more fully by augmenting the contact and procurement advisory team with team members, similar skills and experience to those of the bidding providers. This lower-level analysis is key in ensuring Security of Supply. Still, it can be further leveraged to ensure that the best, most sustainable price for components and services is achieved.

TMG will utilize the result(s) from the SSR effort to develop a comprehensive solution RFP package(s). TMG will execute our time-tested SSP methodology for a system procurement to develop/confirm a comprehensive set of requirements and vendor questionnaire(s) that will provide a structured scoring system to facilitate a fair, unbiased evaluation of responses.

Our RFPs are very detailed solicitations that reflect our deep understanding of our client's requirements and include not simply a statement of functional, technical, and services requirements, but also the specification of Service Level Agreements (SLA's) and Key Performance Indicators (KPI's) that will be used to measure and encourage vendor performance. We construct them in such a way as to encourage vendors to suggest alternate technologies, means of deployment, and financing.

TMG's observation of our competitors that attempt this complex approach is that they have no way of advising their clients on evaluating associated costs and risks with the various alternatives proposed by vendors. Our evaluation methodology is sophisticated in order that an "apples-to-apples" assessment of the solutions & services, functionality, and prices proposed can be easily assessed and objectively scored by the City.

Our efforts during the finalization of the RFP are focused on constructing pricing templates that facilitate a like-to-like comparison of vendor responses and agreeing on scoring procedures that will be used to equitably score and rank vendors at each stage of the procurement. We have many proven examples of scoring methods that we will customize for the City based on the RFP content and the preference of the City's purchasing and legal departments. A critical element for success is setting expectations through proper planning. This step establishes everything that will be required for the solution procurement. In conjunction with the City, TMG:

- Conducts workshops to prepare the City evaluation team for the procurement phase
- Sources and assigns procurement agents and legal representatives
- Recommends and establishes appropriate structures, tools, and mechanisms for managing the procurement (e.g., reporting hierarchies, version-managed repositories, RAID registers, status reporting, etc.)
- Reviews TMG's own recommendations and assumptions made in TMG's previous projects relating to the scope, schedule, budget, drivers, goals, and objectives of the project

Step 1: Solution Requirements

After reviewing the existing RFP developed by the City, TMG will conduct multiple onsite requirements workshops to identify and refine technical and service requirements for the system and implementation services. These workshops will focus on the following areas: AMI meters and installation labor, telecommunications network equipment and installation labor, head-end system, including integration/installation labor, and meter data management system, system/solution integrator, and other software as applicable. TMG will leverage **over 3,000 MWM, CSS, AMI, and MDM contemporary functional and technical requirements** to drive our analysis of your current and future requirements.

Metering	Network	Head-end	Installation	MDM & SI
Requirement	Requirement	Requirement	Requirement	Requirement
1 Electric Meter Metrology	1 Backhaul	1 Architecture	1 Scope and Timeline	1 Device Management
2 Electric Meter Communications	2 Router / Data Collector / Takeout points	2 Performance	2 Qualifications and Experience	2 Meter Provisioning and Registration
3 Distributed Intelligence	3 Installation and Commissioning	3 Meter Reads	3 Staffing, Hiring and Training	3 Usage Management
4 Physical Conditions	4 Network managed services (if required)	4 Time Management	4 Project Management	4 Validation, Editing and Estimation(VEE)
5 Measurement Channels	5 Maintenance and Repair	5 Meter / Endpoint Reconfiguration	5 Logistics and Infrastructure	5 Billing Determinants
6 Tamper Identification	6 Network Propagation and Design	6 Two-way Control Functions	6 Warehouse / Fleet Management	6 Events / Alarms
7 Communication and Control	7 Growth management	7 Firmware Management	7 Installation Process	7 Data Views
8 Warranty	8 Network Optimization	8 Complex Billing Support	8 Consumer Interaction	8 Reporting
9 Water Meter Metrology	9 RF Troubleshooting	9 Distribution Management / Automation	9 Health and Safety	9 User Security
10 Water Endpoint Communication Devices	10 Network Security & Health	10 Head-end IT Compatibility	10 Installation Warranty	10 System Administration
11 Gas Meter Metrology		11 Hosted / Cloud	11 Acceptance	11 Archiving
12 Gas Endpoint Communication Devices		12 Reporting		12 Environments
				13 Multi metered Services
				14 Interfaces

Figure 12: Partial AMI Requirements Matrix Sample

Step 2: Request for Proposal

Building the RFP

Development of an RFP package will start with the population of an initial RFP template, publishing of a draft of the RFP, followed by an iterative process to develop the RFP package. A final RFP package and vendor list will be staged and ready for distribution. TMG will load the appropriate RFP package template to the City's project procurement folder and incorporate the City-specific procurement language, forms, and attachments required as identified in the procurement workshop. The information gathered by the City from the Information Requests is populated into the RFP and attachments.

Sample RFP Main Body - Table of Contents	
1.0 General Summary of RFP	
1.1.	Summary
1.2.	Summary of Scope of Work
1.3.	Project Deployment approaches
1.4.	Minimum Requirements
1.5.	Evaluation and Selection
2.0 High Level Information	
2.1.	Utility Overview
2.1.	Relevant Utility strategic plan and initiatives
2.3.	Utility technology-tool upgrades-changes
2.4.	Utility territory
2.5.	Utility Customer Profile
2.6.	Utility operational statistics
2.7.	Customer service overview
2.8.	Internal Data Access
2.9.	Contact Center
2.10.	Utility Energy Programs
2.11.	Meter Reading And Metering Systems
2.12.	Billing
2.13.	Collections and Payments
2.14.	Other Customer Contact Channels
2.15.	Rates
2.16.	Service Work
2.17.	Information Technology Staff
2.18.	Business Organization
2.19.	the current cbms software ecosystem
3.0 Definition of Work	
3.1.	The Enterprise Solution Functional Components
3.2.	Customer Information System ("CIS") Functions
3.3.	MDM Functions
3.4.	Development of Controls as Part of Implementation Project
3.5.	Enterprise Solution Interfaces And Integration Points
3.6.	A Complete Solution
3.7.	Target Solution Environment
3.8.	Client Environment & Connectivity
3.9.	Product Offering
3.10.	Implementation Services
4.0 Proposal Submittal Instructions	
4.1.	RFP Questions
4.2.	Addenda
4.3.	General Instructions
4.4.	Proposal Format
4.5.	Proposal Submission Requirements
4.6.	Contact With Utility
5.0 Schedule of Events	
5.1.	Pre-Proposal Phone Conference
5.2.	Notice of Intent to Respond to RFP
5.3.	Proposal Addendum Issues
5.4.	Proposals Due
5.5.	Oral Presentation and Demonstration Participants
5.6.	Oral Presentations
5.7.	Evaluation Criteria
5.8.	Solution Provider Selected

Figure 13: RFP Working Paper Example

Draft RFP Package(s)

TMG will incorporate the functional and service requirements (including interface & reporting requirements), system specification for HES, AMI meters, MDM, Telecommunications network, AMI hardware installation services, system integrator capabilities, and scoring procedures into a comprehensive RFP complete with a calendar of events, vendor requirements, insurance requirements, and all legal requirements. If desired, we can even provide a sample contract for your consideration and possible inclusion in the RFP.

Release RFP Package

The City procurement will announce the availability of the RFP package through its automated procurement software to the short-list responders. The Final RFP Package is then released.

RFP(s) Evaluation Criteria & Support

Once the RFP Package is released, a pre-bid conference will be conducted to help clarify the services or functional requirements stated in the RFP. TMG will coordinate and assist with this conference and the question-and-answer process during this response period. During this period TMG will provide the detailed Evaluation Matrix based on the RFP response form and will work with the City to assign review responsibilities and weights to each evaluation item. In addition, TMG will provide the City with its product demonstration, technical oral, services oral, and reference check questions for review and update. All of this will be ready as the vendor proposals are received.

TMG will utilize our baseline Evaluation Matrix Model and update it to specifically reflect the City's requirements. TMG will work with the City to confirm the evaluation categories, associated line items, weights, sources of information, and owners that will be assigned responsibility for evaluating each category and line item. Once finalized, the evaluation matrix and criteria will be incorporated into the RFP solicitation. The following is an example/excerpt from a TMG Evaluation Matrix.

EVALUATION MATRIX									
HIGHLY CONFIDENTIAL						Weighted Consensus		Ranking	
Enter Values in the Blue Shaded Cells						Vendor 1	Vendor 2	Vendor 1	Vendor 2
Do Not Enter Values in Grey Cells						4.94	5.16	2	1
100.00% 100.00%									
	Evaluation Category	Responsible Party	Sub-Category Weight	Category Weight		Rating	Rating	Calculated Rating	Calculated Rating
COMMERCIAL 25%	1. Procurement Considerations			5.00%		2.80	3.40	2	1
	1.1 Exceptions, Conflicts & Clarifications	Procurement	2.00%			3.00	4.00	2	1
	1.2 Insurance, MSA, SOW Agreement	Procurement	2.00%			3.00	3.00	1	1
	1.3 Corporate Responsibility	Procurement	1.00%			2.00	3.00	2	1
TECHNICAL 75%	2. Solution Pricing	See Worksheet	20.00%	20.00%		4.00	3.00	1	2
	3. Implementation Solution			29.00%		7.93	8.97	2	1
	3.1 Implementation Support	See Worksheet	4.00%			3.50	4.20	2	1
	3.2 Timeline, Org, Staff, Methodology	See Worksheet	10.00%			3.40	3.70	2	1
	3.3 Implementation Services	See Worksheet	10.00%			3.10	3.20	2	1
	3.4 Technology & Platform Considerations	See Worksheet	5.00%			3.10	3.20	2	1
	4. Business Functional Requirements	TMG Mechanical	10.00%	10.00%		4.00	4.50	2	1
	5. Experience and Overall Solution			36.00%		3.60	3.72	2	1
	5.1 Proposal Responsiveness	See Worksheet	1.00%			5.00	4.80	1	2
	5.2 Vendor Qualifications	See Worksheet	5.00%			3.00	3.00	1	1
	5.3 Product Qualifications	See Worksheet	10.00%			3.50	4.00	2	1
	5.4 Product Demonstrations	See Worksheet	5.00%			4.00	3.80	1	2
	5.5 Technical Oral Presentations	See Worksheet	5.00%			4.00	3.80	1	2
	5.6 Services Oral Presentations	See Worksheet	5.00%			4.00	3.80	1	2
	5.7 Reference Checks	See Worksheet	5.00%			2.50	3.00	2	1

Figure 14: Sample Evaluation Matrix

Step 3: Vendor Proposals

Pre-Bid Conference

A virtual pre-bid conference will be conducted, it can be mandatory or optional for vendor attendance as directed by the City procurement. The conference date, time, and agenda will have been published in the RFP schedule to the vendors who have received the RFP package. TMG will work with the City to structure and conduct the pre-bid conference. During the pre-bid conference the vendors will ask questions which will be documented and if possible, responded to immediately. Otherwise, these questions will become part of the formal Q&A process and responded to during the Q&A response timeframe published in the RFP schedule.

Q&A Process

As the vendors are developing their proposals, vendors may ask questions regarding any aspect of the RFP package from pre-bid conference until a defined point in time published in the RFP package. These questions will be submitted through the City procurement software (e.g., Ariba). TMG will take the lead and coordinate responses from the various City business, application, and technical groups as required to answer these questions. The responses will be documented and provided to City procurement in sufficient time so a single response document can be staged for access by short-list vendors by the response date published in the RFP package using the City's procurement software.

Prepare Evaluation Materials

TMG will utilize its various accelerators to provide the City with product/solution demonstration agenda and scripts, the technical oral presentation agenda and questions, the services oral presentation agenda and questions, and the reference check questions. For the product demonstrations, TMG will discuss with the City

the use of detailed scripts, requirements, processes, and/or journey maps to evaluate and compare short-list products/solutions.

These accelerators will be tailored to fit the City's specific situation, environment, and capabilities, etc., and will be turned into specific evaluation documents to be used by City personnel attending these evaluation events. These evaluation documents will be reviewed, approved, then staged and made ready for the receipt of vendor proposals and the execution of these various evaluation events. The receipt of vendor proposals ends this work phase.

The proposal packages will be received, minimums are validated (if used), short-list vendor proposals are distributed, and evaluated. Product demonstrations, technical orals, and services orals will be scheduled and occur for each short-listed (if used) vendor. TMG will coordinate the City virtual reference checks. TMG will also input scoring into the master evaluation matrix. A series of follow-up and additional questions and discussions will be coordinated with vendors. This results in the submission of a proposal Best & Final Offer (BAFO). TMG coordinates with the City to review these BAFO's and update the evaluation matrix. Any exceptions taken to contract language are also considered and updated in the evaluation matrix. A workshop is conducted to review the results of this evaluation process and select a single "Vendor of Choice" to move into scope and confirmation workshops.

Step 4: Solution Evaluation

The objective of this step is to determine a shortlist of the most qualified solutions that meet the City's minimum qualifications. In conjunction with Purchasing, TMG will make an initial assessment of proposals, disqualifying those that are non-compliant. In some circumstances, this may be because the proposal does not meet certain minimum qualifications; occasionally, this may be because there is a technical deficiency in the proposal itself (e.g., a required form is missing, etc.). In the case of the latter, TMG will work with the Purchasing agent to determine whether the technical deficiency can be allowed providing this does not present a competitive advantage to the vendor.

An example of a minimum is "The product must be installed in the United States at a minimum of 3 Municipal Utilities serving a customer base of at least 250,000." TMG will perform an independent evaluation of the cost proposal and the functional and technical checklists. For the cost proposal, TMG will utilize tools that are designed to equitably calculate a cost of ownership and calculate a score for that proposal. For the functional and technical checklists, TMG will utilize tools that are designed to equitably calculate a score for that proposal. This is generally a quick process, and it is possible that proposals can be eliminated without further consideration at this point if they fall outside reasonable tolerances.

Evaluate Proposals

The City's team will review and score the RFP packages based on assignments made in the evaluation matrix. TMG will participate in this review and facilitate the scoring process as directed by the City. TMG usually performs the mechanical evaluations regarding scoring the pricing, staffing, and requirements. TMG is frequently asked to score pricing against the InSight™ DB, which represents **Industry metrics** and provides an objective baseline for the City comparison. Regardless of TMG's scoring responsibilities, TMG will read through and become knowledgeable of all vendor-submitted proposals. During this review and scoring process TMG will gather and organize all clarifying and additional questions that arise and forward them to the City procurement for staging and access by the vendors in a single document at the defined time as stated in the RFP schedule.

Product Demonstrations

Shortlisted vendors are invited to demonstrate their products and their services. Each vendor will adhere to the structured demonstration agenda and the structured outline, which includes the demonstration of some of the key business processes. TMG spends a significant effort reviewing the services, tools, and approach that the vendor follows, to understand what aspects of the implementation the City will be expected to lead or provide resources for. During this review, we also perform reference checks and, optionally, site visits. The product demonstrations are usually scheduled for one day, and specific functions are allocated to specific

times of the day allowing the City individuals to schedule only part of their day to attend this demonstration rather than their entire day.

Reference Checks

TMG will conduct reference checks for all finalist vendors. Our approach incorporates a structured remote Q&A session, including both vendor-preferred references and references chosen by TMG that will expose both strengths and weaknesses of vendor proposed products and services. Vendors will be required to submit references with their proposals. As directed by the City, TMG will work to setup and schedule the reference calls. The reference check questions developed in the previous work phase will be sent ahead of time to the reference contact/individual so they can prepare ahead of time for the call. These questions will focus on areas such as, are they pleased with the product, how did the vendor do on the implementation, what vendor staff worked on their project, how easy is the product to maintain, how often do they receive new releases, and how easy are they to apply, would they select this vendor product again, etc.? the City will conduct the virtual reference checks, TMG will support and/or facilitate as requested by the City. The City's team member(s) conducting the reference check will provide a single score for the vendor, and TMG will enter the score into the evaluation matrix along with any comments.

Option: The City may request the reference check form be returned with responses to the questions filled out, so additional detail is obtained for each question.

Top Vendors Identified

The City will consider scores in the Evaluation Matrix and make a decision to proceed with the top three (3) vendor solutions, or to proceed with all vendor solutions. (this is an option that some clients like as they focus efforts on top 3 rather than 9 vendor solutions, for example – others are required to take all responders through as a procurement rule). During the course of the evaluation activities, additional questions or clarifications are identified. A proposal Best & Final Offer (BAFO) that includes these questions is submitted to the vendors as there may be an effect on their proposal and associated pricing.

Proposal BAFOs

The objective of the BAFO is to establish a mutual understanding of the entire project with the final vendor. Upon receiving the vendor BAFOs, the City procurement will distribute the information to the City team and to TMG. This information is used as input to consider in re-evaluating and updating each area of the evaluation matrix, which is impacted with the score and comments/notes as required. There could also be an impact on pricing. The following diagram provides an example of three vendors with updated pricing.

Round 2 Updated Pricing Comparison

Utility Financial Model			
#	Cost Components	PC	Cost
1	PreWork	\$ 2.02	\$ 5,119,099
2	Software	\$ 3.30	\$ 8,372,213
3	Platform	\$ 0.10	\$ 265,820
4	Services - SI/SV	\$ 20.73	\$ 52,608,176
5	Services - Utility Business	\$ 4.67	\$ 11,858,390
6	Services - Utility Digital IT	\$ 3.50	\$ 8,880,248
7	Services - Third Party	\$ 11.49	\$ 29,157,882
8	Other	\$ 2.77	\$ 7,025,846
	Subtotal	\$ 48.58	\$123,287,675
	Contingency	\$ 7.29	\$ 18,493,151
	Total Costs	\$ 55.86	\$141,780,826

Vendor 1			
Bid Amount	Add FM	Solution Cost	PC
	\$ 2,282,018	\$ 2,282,018	\$ 0.90
\$ 3,944,272		\$ 3,944,272	\$ 1.55
	\$ 212,656	\$ 212,656	\$ 0.08
\$ 51,694,280		\$ 51,694,280	\$ 20.37
	\$ 8,780,525	\$ 8,780,525	\$ 3.46
	\$ 6,712,515	\$ 6,712,515	\$ 2.64
	\$24,341,321	\$ 24,341,321	\$ 9.59
	\$ 5,041,246	\$ 5,041,246	\$ 1.99
\$ 55,638,552	\$47,370,281	\$ 103,008,833	\$ 40.59
\$ 2,897,219	\$10,300,883	\$ 13,198,102	\$ 5.20
\$ 58,535,771	\$57,671,164	\$ 116,206,935	\$ 45.79

Vendor 2			
Bid Amount	Add FM	Solution Cost	PC
	\$ 2,282,018	\$ 2,282,018	\$ 0.90
\$ 7,186,197		\$ 7,186,197	\$ 2.83
	\$ 212,656	\$ 212,656	\$ 0.08
\$52,133,769		\$ 52,133,769	\$ 20.54
	\$ 8,618,302	\$ 8,618,302	\$ 3.40
	\$ 6,588,499	\$ 6,588,499	\$ 2.60
	\$24,341,321	\$ 24,341,321	\$ 9.59
	\$ 5,041,246	\$ 5,041,246	\$ 1.99
\$59,319,966	\$47,084,041	\$ 106,404,008	\$ 41.92
	\$12,768,481	\$ 12,768,481	\$ 5.03
\$59,319,966	\$59,852,522	\$ 119,172,488	\$ 46.96

Vendor 3			
Bid Amount	Add FM	Solution Cost	PC
	\$2,282,018	\$ 2,282,018	\$ 0.90
\$5,966,779		\$ 5,966,779	\$ 2.35
	\$212,656	\$ 212,656	\$ 0.08
\$59,346,005	\$6,053,597	\$ 65,399,602	\$ 25.77
	\$8,805,947	\$ 8,805,947	\$ 3.47
	\$6,731,949	\$ 6,731,949	\$ 2.65
	\$24,341,321	\$ 24,341,321	\$ 9.59
	\$ 5,041,246	\$ 5,041,246	\$ 1.99
\$65,312,785	\$53,468,733	\$ 118,781,518	\$ 46.80
\$7,805,360	\$5,939,076	\$ 13,744,436	\$ 5.42
\$73,118,144	\$59,407,809	\$ 132,525,953	\$ 52.22

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Figure 15: Sample Second Round Pricing Comparison

With the updated evaluation matrix, the team will re-consider the scoring and the placement of the vendors and discuss and identify the need for additional evaluation events. The finalist is evaluated for "fit" to ensure that any custom work or interfaces are accounted for, and that the vendor has enough information to develop

a fixed fee proposal. It is imperative that a clear picture of a single "Vendor of Choice," can be identified to proceed into the next phase of work. Prior to contract negotiations with the preferred Solution Vendor, TMG conducts additional due diligence for scoping as well as developing the high-level Implementation Plan. Optionally, the City may choose to visit the vendor's clients to view the solution in operation and discuss how the vendor handled the AMI deployment.

Step 5: Solution Scope

Conduct Scope Workshops

These workshops only occur with the "Vendor of Choice." However, the procurement remains open, and the City may decide at any time to begin discussions with the 2nd place vendor if there are any issues with the primary "Vendor of Choice." This keeps tension on the 1st place vendor and maintains the City in a strong negotiating position without requiring the City to take multiple vendors through a lengthy and time-consuming process.

The primary objective of these workshops is to detail the solution components and to ensure that all parties understand each other's expectations. This is a typically 3-5-day series of workshops focused on all aspects of the solution. Each day is a series of topics and within each topic are specific items or questions. The agenda covers the software, the technology, and the services. City personnel can schedule their time to attend specific dates and times based on the published agenda.

The vendor will be given time to prepare for these workshops. TMG will work with the City to coordinate the daily activities and keep things on time, take notes, identify follow-up items, parking lot items, ask questions, document potential contract issues, etc. TMG will forward the results of the workshops to the City PM and the vendor (upon City approval).

Follow-up Items & Workshops

The final session during these workshops is a review of the follow-up items. There may be some that require additional work and perhaps even additional work sessions. These items need to be resolved quickly. TMG will work with the City PM and the vendor to schedule these work sessions.

TMG will assign all items for resolution. TMG will participate in these follow-up workshops and document the results of these workshops and the resolution of the follow-up items. TMG will forward the results of these follow-up items and workshops to the City PM and the vendor (upon City approval).

Vendor of Choice BAFO

Following these scope and confirmation workshops, the vendor will receive the documentation. Based on this documentation, the vendor submits a Scope-based BAFO detailing all aspects of the final solution and the vendor's best pricing. The below example reflects a BAFO submission from an SV providing software and an SI providing services.

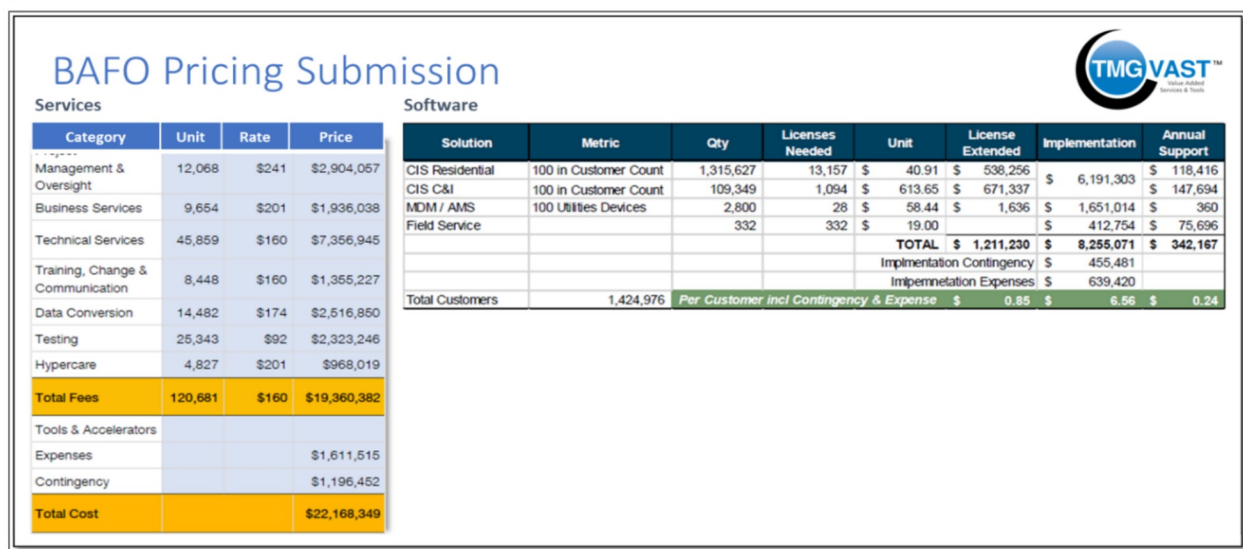


Figure 16: Sample BAFO Matrix

TMG Confirmed BAFO

TMG will ensure the BAFO is complete, it meets with the City's expectations, it is competitive, it is within industry guidelines, and it is the best possible terms/deal for the City. A workshop or meeting may be conducted with the City as required to review any outstanding issues with the BAFO or the final solution and the pricing to resolve open items.

Step 6: Solution Confirmation

The following activities are associated with the solution confirmation work phase.

Implementation Blueprint

TMG will develop an implementation blueprint/plan and populate it with all vendor, third party, and City project-related costs. This workbook becomes the “one stop” project document that pulls together the entire solution in one place, even though portions of it may belong to other areas of responsibility, e.g., platform, edge systems, etc.

TMG will work with the City to identify all required Independence project resources and costs necessary to support this project. This includes any staffing costs, project facilities, training room facilities, telecommunication charges, project supplies, overtime, third-party costs for edge systems, QA services, staffing support services, etc. This will all be entered into the implementation blueprint.

Timeline

The timeline established in the Solution Requirements and proposed by the vendor will be used to agree on and confirm the project timeline. This considers other City project initiatives, City resource constraints, and other key City dates that may have arisen.

Resourcing

Staffing is identified for the following groups, Independence – Business, Independence – Technical, and Third Party. This staffing has been established in the scoping and blueprinting sections; it feeds necessary information into this cost section.

Implementation Costs

For an AMI/MDM replacement or upgrade project, there are equipment/hardware costs, software costs, installation labor costs, professional services costs, subscription costs, performance bonds, miscellaneous costs associated with the project, pre-planning, or pre-implementation projects, and an assigned contingency amount. Then, a total implementation cost is identified. During these calculations, the individual costs are identified as capital or operational, and the total amount of CAPX vs OPEX dollars are identified.

3.0 Professional Services					
Item #	Item Description	Number units	Manufacturer	Model Number	Unit Price
Professional Services					
Prime Contracting Professional Services					
Project Management Services					
TechS-1	Project Management (Including on-site project manager)	1.00			
TechS-3	Training and Documentation	1.00			
Project Management Services Sub-total					
Prime Contracting Professional Services Total					
Installation of Headend					
Headend Installation Services					
App-1	Software Installation	1.00			
App-2	Proposed Business Processes/Gap Analysis	1.00			
App-5	AMI System Integration with MDM	1.00			
App-6	Interface(s) Installation	1.00			
App-8	Training Requirements (Planning and end user)	1.00			
App-9	Change Management	1.00			
Headend Professional Services Sub-total					
Application Installation Services Total					
Installation of MDM					

Figure 17: Example of Implementation Costs

Operating Costs

Significant time is spent gathering data on what is currently spent on operating and supporting the current environment. New operating costs associated with network infrastructure maintenance including hiring skilled staff to manage the solution (Network and MDM administrators), testing new meters, replacement of non-functioning meters and meter devices ("acceptable failure rate"), replacement batteries for data collectors, recurring software subscription fees are identified. In many cases these costs can be associated with the project during development months up to go-live and considered as CAPX, then considered as operating costs and OPEX after go-live.

Business Value-Case

The implementation and operational costs are distributed across the project timeline based on the implementation and deployment plan. The benefit dollars (if any) are distributed across the timeline using the implementation and deploy model, with most benefits not realized until 6 months to 1 year after go-live. If the data is provided, the financial model produces the NPV calculations, payback periods, and all other financial analysis aligned to City requests.

Cost Allocations

At a minimum, a disbursement schedule will be provided showing how the project budget is expected to be disbursed over the fiscal years. Other schedules will be generated as required such as: tax withholding schedules, capital vs operating schedules, etc.

Risk Inventory & Mitigations

High-level risks are identified, and a mitigation strategy is identified which may adjust the risk score downward to an acceptable level. TMG reviews the risk model with the City and makes any necessary updates. Any risks that remain at a high or critical level are reported.

Industry Pricing

After the value-case is complete, the City's solution pricing will undergo a final review to make sure it is aligned with TMG's InSight™ DB and any discrepancies or gaps are identified and rationalized.

Business Value-Case Package

TMG feeds all aspects of the business value-case for the AMI solution into a business value-case package for presentation and delivery to the City.

Solution Scope Confirmed

TMG will develop a presentation to summarize the implementation blueprint, business value-case, and highlight key points leading to the identification and confirmation of the final solution. This presentation and confirmation are necessary especially if the pricing has increased over the original amount going into these scope and confirmation workshops, or the price is now more than the 2nd place vendor, or the price now exceeds the City's project budget.

This summary presentation will be delivered, discussed, and if consensus is achieved then work will proceed into Contract Negotiations with the current "Vendor of Choice," or it will move to scope work with the second-place vendor.

Step 7: Contract Negotiations (Optional)

TMG has reviewed and negotiated many (over 100) contract packages with our clients over the years. We have participated in these activities in several different ways and can discuss if the City would like TMG to participate in contract discussions and negotiations, and how TMG can assist in redlining and commenting on contract terms and conditions, bills of materials, and statements of work.

If the optional contract services are selected, TMG will assist with the development of contracts that will be used to manage both the AMI solution implementation and the support and maintenance of the solution after deployment. Whether the City's preference is for a single contract or multiple vendor agreements, an AMI deployment requires multiple disciplines, knowledge, and experience because of the diverse nature of the solution. Therefore, agreements will be required that describe all aspects of the solution, including equipment supply and installation, material purchase, software licensing, subscription, integration, and support services.

TMG has significant experience in cloud-based solution contracts for utilities, and based on our robust negotiation and planning experience, we can expertly guide and build an ideal contract so terms protect the City. Further, TMG boasts proven, superior results with above-industry average norm results in read rates, coverage, and redundancy for all contracts negotiated by us. TMG is highly respected by industry solution vendors, integrators, and installation firms, and we are known to vigorously advocate for our customers during the contract negotiation process. TMG has years of experience in developing, reviewing, and negotiating contract packages, however we are not lawyers. We encourage our clients to engage legal counsel, and many retain outside counsel on a regular basis. Some clients use them extensively, while others use them as an oversight or as a final check on TMG's work.

TMG will work with The City to carefully plan the contracting and negotiation effort. In preparation, TMG conducts a contract negotiation strategy meeting with the City to determine how negotiations will be conducted with the final vendor(s). We identify the key aspects of how the City wishes to engage with vendors both from the perspective of the solution implementation and the longer-term relationship. TMG is very flexible in working with clients, including internal and external legal counsel, and procurement personnel. TMG can take the lead and an aggressive role, a moderate and supportive role, a behind the scenes role, or some combination thereof. This is discussed and agreed upon during the project planning process with the City.

Contract Package Review

The contract package will be reviewed and redlined with comments made. These redlines and comments will initially be based on the most recent and best deal that TMG has made on behalf of one or more other clients as a reference point using the specific vendor that the City has decided to contract with. This ensures that before the City sees the vendor contract package, it will have the best deal with the best terms and conditions

that TMG has been able to negotiate. TMG will then look specifically at City situation specifics and continue the review and redline with comments made.

TMG fully expects the vendor to have populated the SOW and any supporting Attachments and Addendums based on data from the detailed scope workshops and pricing from the BAFO. This document will then be redlined and commented on, just like the other documents. TMG's approach will be based upon TMG's experience obtaining the best deal in the industry either with this specific vendor or other vendors that TMG has worked with at other clients.

Upon completion of our review, TMG will notify the City of the availability of these files in the project repository. TMG anticipates the City will have key individuals from the team, management, procurement, legal, Information Technology, commercial, and others as required involved in the contract review. This will be an iterative process of internal review and at some point, the contract package will be forwarded to the vendor. If significant redlines and comments remain, then a second and third round of redlines and comment reviews, and discussion is warranted.

Contract Negotiations Conducted

TMG will participate in these activities as requested by the City. TMG suggests the team be reduced from a large group of contract reviewers to a small group of key negotiators at this stage. They will identify the list of open negotiating points that require resolution. For the most critical points, we will identify the City's negotiating positions, agree on what the City wants, where the City will go, and where the City will not go. This group will publish the list of open points to the vendor and ask if they agree with the list. Subsequently, the list is updated as required.

Then, TMG and the City will indicate the need for vendor attendance by a small group of key decision makers in this meeting and decide on a meeting date/time, conduct the meeting, and resolve as many open items as possible. If necessary, the parties will jointly agree on another meeting date/time.

Remember, for the vendor, the procurement remains open and not finalized, and although the City does not want to, the City can walk from the table and proceed with the 2nd place vendor and initiate discussions if the City is getting nowhere with the first selected vendor. This is the negotiation leverage that the City has with this methodology/approach – TMG has only had to use it twice during TMG's 33-year tenure – it works. Outputs: Document the successful results of the negotiations and the resolution of the remaining open items and update the documents.

Final Contracted Solution Delivered

A final vendor contract package is assembled with a signature page and delivered as TMG's final project milestone. The vendor contract package is an attachment to the Implementation Blueprint and becomes the informational resource for this project as it represents the culmination of all work done in the Strategic Sourcing & Procurement activities.

TMG VAST™ Strategic Program Management Office (SPMO) Methodology

TMG follows deliberate, prescribed steps with quality checkpoints and client involvement at every stage to ensure quality pervades our work and that tangible value is rendered to the client from the process. Our **TMG VAST™** SPMO (Strategic Program Management Office) Methodology combines the program planning and implementation components into a proven and comprehensive methodology framework. The eight (8) primary phases of the methodology are presented in the diagram below:

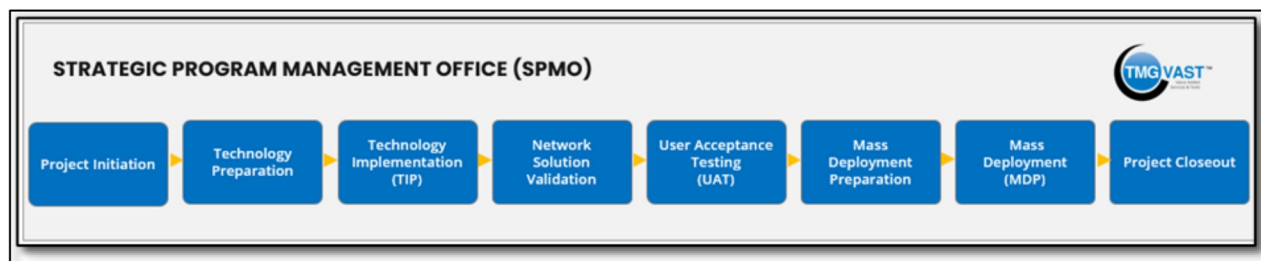


Figure 18: TMG VAST™ SPMO Methodology

The following diagram further describes the activities within each of the TMG work phases and how each aligns with the City's scope of work.

Phases	Project Initiation	Technology Preparation	Technology Implementation (TIP)	Network Solution Validation	User Acceptance Testing (UAT)	Mass Deployment Preparation	Mass Deployment (MDP)	Project Closeout
Activities	1. Conduct Project Kick-Off 2. Establish PMO and Project Governance 3. Review Program Goals & Objective 4. Review Vendor Contract 5. Develop Master Project Schedule 6. Develop Resource Plan, Budgets, & Project Tracking Logs 7. Develop Project Organizational Chart 8. Discuss Change Management & Customer Outreach Plans 9. Discuss Facility & Warehousing Needs 10. Initiate Hardware Order Required for TIP	1. Verify Assets 2. Review Propagation Study 3. Schedule Vendor & Design Workshops ▪ Meter Deployment Planning ▪ Network & Head-End Workshops ▪ Edge System Workshops (MDM, CIS, if applicable) 4. Approve First Article Meters 5. Initiate Hardware Order for TIP 6. Document Test Plan, SOPs & Business Redesign 7. Identify & Assess TIP Deployment Route 8. Notify Vendor for TIP Mobilization 9. Develop Comprehensive Training Plan	1. Track Network Install & Configuration 2. Monitor Head-end & System Configuration 3. Track Back-haul Install & Configuration 4. Monitor Software Configuration 5. Monitor Software Interface Development 6. Facilitate SOP Training for TIP 7. Coordinate Handheld Configuration 8. Track TIP meters & Endpoint Installation 9. Proctor Meter Installation Inspections and Quality Assurance	1. Mitigate Underperforming Meters 2. Conduct End-to-End Network Software Performance Validation 3. Develop Mass Installation Plan 4. Develop SOP for Mass Installation 5. Monitor System Stabilization 6. Obtain System Sign-off	1. Initiate Test Environment Data Refresh 2. Manage System Integration Testing 3. Manage User Acceptance Testing 4. Facilitate Vendor Software Training 5. Document and Initiate Go-Live Activities ▪ Mock AMI Launch ▪ Mock MDM System Launch ▪ Mock CIS System Launch 6. Oversee Production Launch of AMI Solution	1. Evaluate Pilot Results 2. Deliver Notice to Proceed 3. Initiate Hardware Order Required for FDP 4. Finalize Route Deployment Schedule 5. Facilitate Warehouse Inspection 6. Discuss Salvage Process 7. Discuss Field Service Worker Training 8. Review Customer Outreach Plans 9. SOP Training for Mass Deployment 10. Design Ongoing Training Program 11. Develop Technical Support Plan	1. Start Mass Installation 2. Review Inventory Levels 3. Weekly Deployment Status & Performance Metrics Report 4. Conduct Ongoing Validation of Meter Deployment	1. Determine Final Acceptance 2. Facilitate Warehouse Ramp Down 3. Conduct Inventory Reconciliation 4. Document Lessons Learned (Outcomes, Challenges, & Key Insights) 5. Perform Accounting Reconciliation 6. Deliver Final Required Reports 7. Archive Project Documents 8. Set-up Support Team 9. Release Project Resources

Figure 19: SPMO Work Phases

Our appointed Program Manager will work on the City's behalf, ensuring your interests are the primary focus throughout the effort. As such, our Program Manager will create and maintain open communications among all stakeholders and coordinate all interactions with your AMI Solution Vendors, their sub-contractors, the City, and other third parties.

Our Program Manager will lead formal, recurring status meetings with the AMI team members to ensure that the project tracks against the milestones outlined in the project plan. In addition, our team constantly communicates with project participants, following up on action items and fielding questions daily. Finally, our team will provide structured oversight of activities to ensure that all program components are executed efficiently and meet program expectations.

Moreover, we will provide vendor contract administration and management services. This includes reviewing all vendor invoices and comparing them to the contracted milestones. In leveraging our SPMO, our mission is to ensure your overall program is a success and that it meets your timeline, budget, customer value, and benefit objectives. TMG will leverage its robust collection of program service accelerators and tools to ensure overall program success.

Step 1: Project Initiation for the Implementation Phase

TMG will coordinate and schedule the project kickoff meeting with the City's program sponsor or point of contact. During the onsite kickoff, TMG, the City, and project stakeholders will meet to review the project scope, formalize project goals, objectives, and project plans, and solidify the next steps for TMG's involvement.

Start-up Activities – Planning

TMG will participate in the project planning with your AMI Solution Vendors, their sub-contractors, the City, and other third parties to develop the Master Project Plan. This will determine the final staffing expectations, project facility requirements, the project phases with their timelines, and entry and exit criteria for acceptance of each part of the solution. Once established, these plans will be utilized throughout the project and adjusted based on lessons learned.

Planning activities will include but not be limited to:

- Project scope
- Change management planning
- Customer communication planning
- Issue/problem management
- Cost/budget management

TMG will leverage its robust collection of program service accelerators and tools to ensure overall program success.

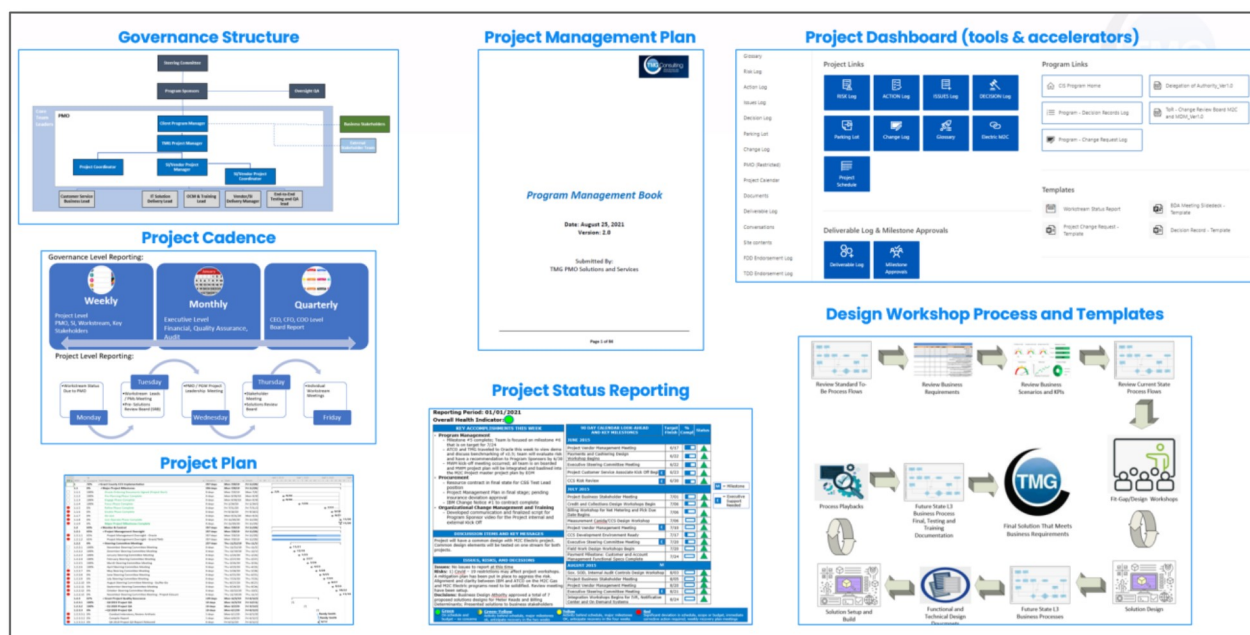


Figure 20: TMG Program Service Accelerators and Tools

Start-up Activities – Preparation

TMG recommends that the AMI solution be implemented in two phases, a Technology Implementation Phase (TIP) and a Mass Deployment Phase. (MDP) The TIP phase intends to demonstrate complete AMI network and system functionality through a limited deployment. The TIP will establish the necessary foundation and maximize the learning and training of internal processes that will benefit the City in a large-scale deployment.

Upon successful completion and approval of the TIP phase, the City will proceed with the Mass Deployment Phase (MDP) to deploy the entire solution using the methods, SOPs, processes, systems, etc., that were implemented during the TIP. As part of this preparation, TMG will review in-depth planning considerations that lead to successful AMI deployments.

Step 2: Technology Preparation

Implementation Activities – Project Management, TIP

Once the Master Project Plan is completed, the Technical Implementation Phase (TIP) deployment will begin. This step will begin the work to execute the project plan. TMG will lead these efforts with the vendor and facilitate the discussions and decisions that need to be made by the City's personnel.

Preparation Activities will include but will not be limited to:

- AMI deployment preparation
- Head-end configuration
- System Acceptance Test (SAT) planning
- Integration to CIS (and other systems)
- Training

TMG understands the complex integrations that are required between applications and the implications to the business of tactical and strategic decisions that are made during the implementation and will provide coaching to the project team based on years of hands-on, real-world experience in doing so. Our project managers are excellent administrators, equipped with disciplines that enable them to manage the most complex deployments and the ecosystem of client stakeholders and 3rd party delivery partners that are always involved in these engagements. TMG will review the interdependent integrations specific to the City as part of TIP preparation activities.

Step 3: Technology Implementation (TIP)

TMG will work with the City's project team, the vendor(s), and the designated systems integrator to execute the work identified during TIP preparation, provide overall Program Management oversight, and subject matter expertise.

TIP will consist of the following project tasks:

- Installation of the entire solution network to include data collectors, head-end software, and system integrations
- Installation of a small quantity of AMI meters/endpoints within a specific billing route (a representative sample of the utility meter population)
- Exercise all aspects of the AMI system per the established System Acceptance Testing (SAT) plan
- Assess system performance and stabilization

TMG's PM will provide leadership, management, and industry/product expertise to ensure a successful implementation process for the City. In addition, TMG will provide project advice and recommendations to the Project Staff, Management, and Steering Committee.

Implementation activities by TMG will include but will not be limited to:

- Onsite visits during the pilot phase
- Detailed project planning and project auditing
- Monitoring progress against deliverables and milestones

- Managing the preparation of plans (e.g., training, cutover, etc.)
- Scheduling
- Progress reports
- Meeting minutes
- Project team management
- Issue tracking between the vendor and the City
- Formal and informal communication on all relevant events
- Participation in staff meetings to ensure information sharing, problem-solving, and decision-making
- Manage and document issue resolution activities

Step 4: Network Solution Validation

During this phase, the goal is to validate the system on two dimensions. The first dimension will seek to confirm that hourly, nightly, periodic, etc., batch streams execute efficiently and without negatively impacting the system's performance. The second dimension will seek to verify that the system's performance is not negatively impacted when the maximum number of expected users are using the system simultaneously.

TMG will support the City during the Network Solution Validation phase and initiate go-live activities before the production launch of the AMI system.

Step 5: User Acceptance Testing (UAT)

Testing is essential in evaluating the success of the AMI TIP and whether the City objectives are met. The AMI vendor is responsible for delivering, installing, and configuring the infrastructure based on the City's specific requirements. This will include integrating the AMI Head-end System (HES) with MDM, CIS, GIS, OMS, SCADA, asset management, the work order system, and/or other systems identified during the RFP scope creation phase.

TMG will advise the City on all aspects of client testing (including functional, system, integration, stress, user acceptance, and parallel testing) to ensure plans are sound and on track for success.

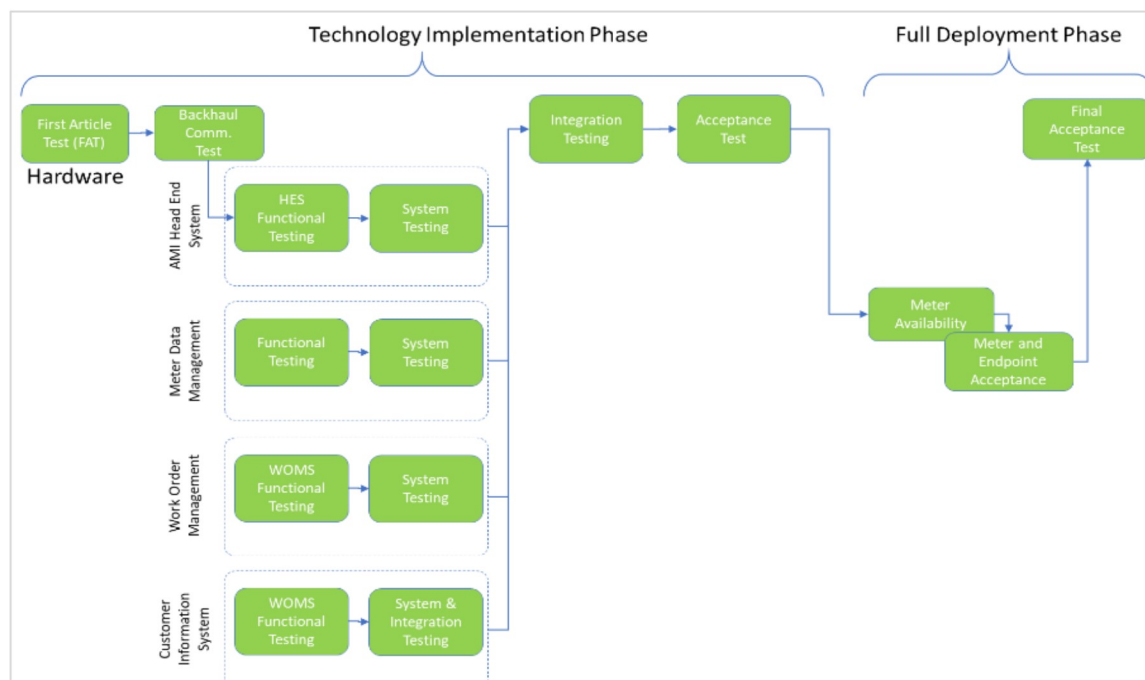


Figure 21: TMG Implementation Testing

Step 6: Mass Deployment Preparation

Once the Network Solution Validation is completed, the Mass Deployment Phase (MDP) deployment will begin. This step will begin the work to execute the project plan. TMG will lead these efforts with the vendor and facilitate the discussions and decisions that need to be made by the City's personnel.

Preparation Activities will include but will not be limited to:

- Initiate Hardware Order Required for MDP
- Finalize Route Deployment Schedule
- Facilitate Warehouse Inspection
- Discuss Salvage Process
- Discuss Field Service Worker Training
- Review Customer Outreach Plans
- SOP Training for Mass Deployment
- Ongoing Training Program
- Technical Support Plan

Step 7: Mass Deployment (MDP)

The Mass Deployment Phase (MDP) will consist of the following project tasks:

- Perform the remainder of the installation of AMI meters/endpoints
- Disposal of used meters
- Quality assurance
- Exercise final testing of the AMI Solution per the SAT plan
- Weekly Deployment Status & Performance Metrics Report
- Ongoing Validation of Meter Deployment

TMG's Project Manager will provide leadership, management, and industry/product expertise to ensure a successful implementation process for the City. In addition, TMG will provide project advice and recommendations to the Project Staff, Management, and Steering Committee. Implementation activities during this stage are identical to those exercised during the TIP.

Step 8: Project Closeout

A review of all deliverables to date will be conducted with the City to determine final project acceptance. Once all data is compiled, analyzed, and reviewed by TMG and the City, TMG will document lessons learned for the City (outcomes, challenges, and key insights), perform final project accounting reconciliation, deliver all final project reports and project documents, set-up a support team, and relinquish all program management duties to the City Project Manager.

Organizational Change Management

Our OCM team works closely with the other project workstreams, sponsors, and key stakeholders to align the project goals with the business needs. AMI requires both internal and significant external communication and change management strategy. TMG has the experience to help prepare the organization to deal with these unique challenges. Our experience suggests there are predictable organizational dynamics and communication goals that OCM will focus on.

Internal to the organization these include:

- Reduction in need of positions requires a close relationship with labor and plan, fully mitigating changes over time.
- Increased availability of business and operational analytics may require the creation or acquisition of new organizational capabilities.
- New technology may require the creation or acquisition of new organizational capabilities.
- Roles and responsibilities due to the automation of many activities may need to be evaluated to ensure operational optimization and customer service enhancements.
- Heavy impact on business activities such as decreased manual meter reading, network maintenance, and increased reliance on support activities during implementation.
- Emergence of new business activities including the development, management and maintenance of the smart meter infrastructure.

Communication goals will include:

- Strengthen image of Independence in the community.
- Inform customers of the benefits and reasons for the AMI project.
- Inform customers the process that will be followed and what they can expect.
- Minimize traction by vocal individuals and groups that are opposed to "Smart Meters".
- Minimize the level of potential inquiries through our call center and business office.
- Prepare to manage and gain positive media coverage.
- Ensure there is consistent and strong organizational alignment among leadership supporting all aspects of the AMI program.
- Prepare employees to be community ambassadors and knowledgeable resources for the AMI program.
- Eliminate internal noise
- Create the ability to articulate project vision, objectives and Guiding Principles

Approach:

The visual below provides a high-level view of our methodology:

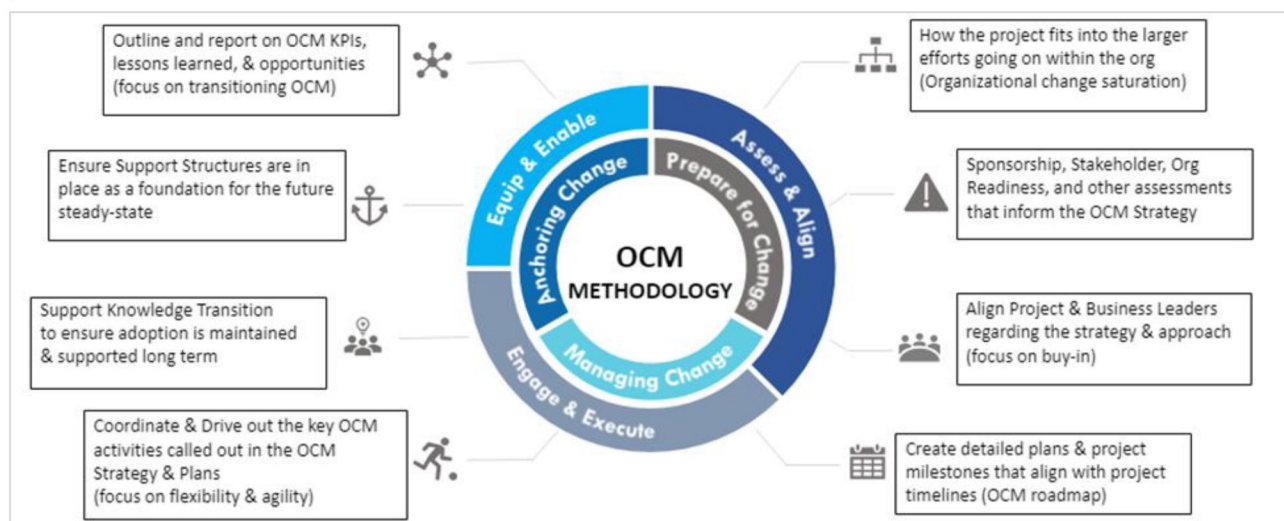


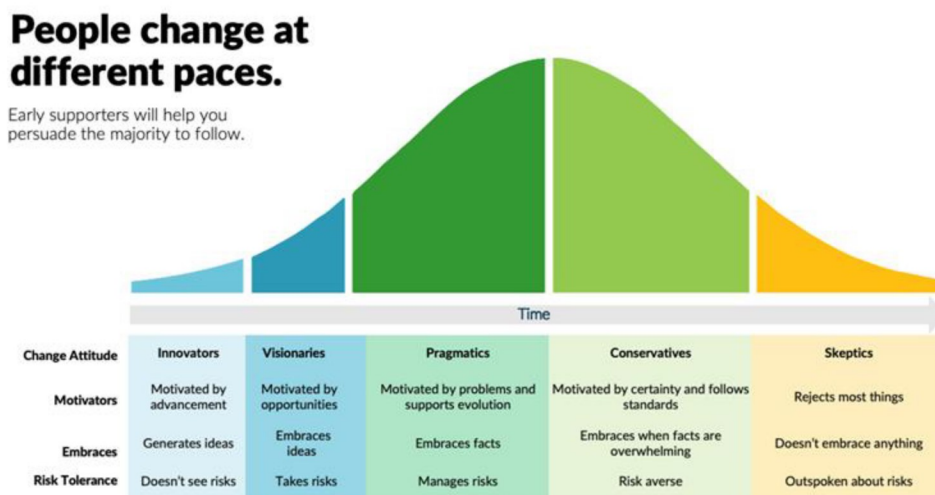
Figure 22: Organizational Change Management

Step 1: Prepare for Change

Assess & Align

This phase is about buy-in: Building a compelling reason for change with strong, visible change sponsorship, and tailoring an approach that considers the unique variables of your company. Meaningful engagements, a clearly defined future state, and change readiness-focused messaging slowly build commitment to the change. We will work closely with your internal resources to ensure we adhere to and leverage existing communication processes and guidelines.

People change at different paces and what they need in order to buy into change differs. OCM acknowledges this through the application of a broad spectrum of tactics and activities designed to maximize buy-in across the organization at the individual, impacted group, and leadership levels. The chart below illustrates some of the considerations that go into designing the best solutions for your specific organizational characteristics:



Understanding that people will be at different stages of readiness along the change journey, we set out to outline the best path from the current state, through the transition, and into the desired future state. First, we partner with the project sponsors and the PMO to concisely define what success looks like for the effort. It is critical that we can articulate clearly and concisely what success looks like, the benefits of the change, and why now is the right time for change. These are the building blocks for creating a compelling reason for

change, in turn, helping build excitement and buy-in for the change. It is the first step in preparing for resistance within the organization.

After clearly articulating what success looks like, we dig into assessing the current state by examining:

- Risk Factors - organizational attributes such as past changes, resistance, and sponsorship
- Change Characteristics – the type and scope of change examining the technology, culture, behavior, structure, or any combination
- Key Audiences - including rate payers, change agents, resisters, and so on

The insights and information gathered shape foundational accelerators including the OCM Strategy, the Communications Plan, and our Stakeholder Engagement Approach. A vital activity that needs to take place during this phase is to establish feedback loops with key stakeholders within the business areas that are impacted most by the change. These recurring checkpoints are an important way to keep the effort and stakeholders in sync. Establishing that alignment allows the project to quickly adjust to obstacles and concerns and improve the effectiveness of OCM. The checkpoints also offer the ability to triangulate how well the change is going via qualitative and quantitative feedback from the organization, operational areas, and even individuals.

This engagement with key stakeholders lays the groundwork for a full assessment of the impacts that the new technology may have on the stakeholders inside and outside of your organization. It begins in this initial phase of OCM and continues throughout the implementation and even into the technology stabilization phase, ultimately allowing us to:

- Identify, document, and mitigate change impacts
- Plan and coordinate stakeholder communications
- Enable job design and responsibility changes
- Support change leadership and sponsorship activities
- Assess business change readiness
- Plan and implement post-implementation user support processes

The assessments and related interviews help us understand the WIIFMs ("What's In It For Me"), or benefits, and the challenges that various groups impacted by the change will face. This key information is inherent to getting leaders and, thus, stakeholders behind the change. With a good understanding of the landscape, and leaders aligned in accordance with what success looks like, we are ready to move into the second phase, Managing Change.

Step 2: Manage Change

Engage & Execute

Although it begins in Phase 1 with the initial assessments and interviews, Phase 2 is all about Engagement. Involving stakeholders during key milestones to ensure alignment and gather and act on their feedback, showcases that stakeholder concerns are not only heard but influence the project in meaningful ways. Trustful relationship building, including enlisting partnership from stakeholders, is the pathway to disarming resistance, the biggest barrier to successfully adopting change. Engagement will be designed based on historical success, OCM best practices, and assessments with the goal of gaining buy-in and overcoming resistance among these key audiences:

EXECUTIVES

- Disconnect with their strategy
- Financial objectives or compensation



MID-LEVEL MANAGEMENT

- Loss of power or control
- Overload of current responsibilities

EMPLOYEES

- Lack of awareness of why the change is happening
- Lack of understanding of how it will affect / benefit them
- Comfort with the current state
- Fear of the unknown

Through these trustful relationships, OCM will help ensure alignment between the business and the project on key project messaging which often includes significant content review and or creation, facilitating and guiding discussions, and ensuring our ability to create a meaningful change story.

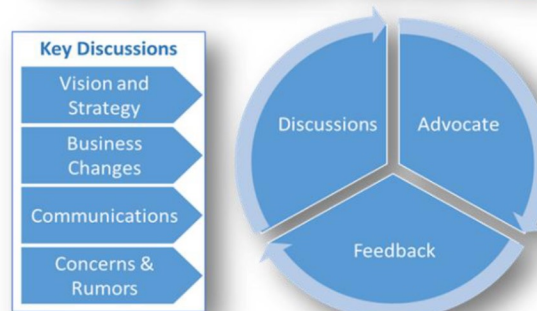
There are key groups that are important to work closely with, but additional groups are identified as the Stakeholder Impact Analysis is matured. The following groups are always engaged which is outlined in detail in the Stakeholder Engagement Approach and Communication Strategy.

Leadership Engagement

OCM will engage business leader stakeholders by facilitating a partnership with the CIS Project. This will ensure business stakeholder concerns are addressed, help build trust between the project and business leaders and assist in securing change partnership for reinforcing messages. Below are some of the ways we will engage business leaders:

- Communications – partnership with leaders in communications cascading and message reinforcement
- CLARC Roles – introducing leaders to the Prosci CLARC roles (Communicator, Liaison, Advocate, Resistance Manager, and Coach) that front-line leaders play during successful change initiatives
- Mitigating Resistance – front-line leaders are the first line of defense in identifying and overcoming resistance to change
- Feedback Loops – leaders will aid in identifying course corrections and measuring the effectiveness of OCM
- Change Network – business area leader change agents play a critical part in successful change initiatives (partners in outreach, guidance on tactics, and source of honest feedback)

Change Network Partnership



End User Engagement

OCM will map out the best way to engage Pasadena Water and Power end users with the guidance of project and business area leadership. We will leverage existing communication channels, consider the culture and organizational structure so the approach is tailored to fit the ecosystem. Below are some of the ways we will engage end users:

- Super Users – using existing project engagements to upskill Go-Live business support resources
- Demos and Roadshows – milestone-based showcases to build comfort and excitement among end-users
- Change Agents – leveraging end users who embrace change more quickly to help move others to the future desired state
- Communications – push & pull messaging and multichannel abilities to keep end users aware and up to date about the change
- Feedback Loops – timely and intentional collection of actionable data that provide insight on how best to guide end users toward adoption

Change is complex, multifaceted, and often happening in an environment that is constantly evolving. TMG OCM consultants know how to deconstruct and understand the moving parts within levels of change, in order to better align at the macro and micro levels of your organization:

- **Organizational (Macro)** – ensuring company policy, culture, and systemic changes align with future direction
- **Departments and Teams** – understanding and managing business process, support channels, and structure changes
- **Individuals (Micro)** – focuses on building Awareness, Desire, Knowledge, Ability, and Reinforcement (ADKAR) to increase buy-in at the individual level. As stated earlier, people go through change at different paces. ADKAR allows us to meet people where they are and help guide them through the change:
 - Awareness of need for change and the nature of the change
 - Desire to support the change, to participate and engage
 - Knowledge of how to change, how to implement new skills and behaviors
 - Ability to implement the change and demonstrate performance
 - Reinforcement to sustain the change, to build a culture and competence around change

Engagement is the keyway to ensure that stakeholders feel they are part of the change and not that the change is happening to them. Feedback from surveys and interviews help us to measure our progress along the way and give insights into the best mitigation and action plans. As these plans and activities are executed and progress is apparent, we can begin to shift our focus toward anchoring the change.

Step 3: Anchor Change

Equip & Enable

The first two phases focused on buy-in and engagement. Ultimately, the goal of those activities is to remove obstacles to adoption so that we can focus on enabling the business to take on and sustain the change.

The strong relationships with stakeholders that were developed early and maintained throughout the project give us the chance to maximize learning opportunities and to create change agents that collectively reinforce adoption. Our emphasis on knowledge transfer and training efficacy is used to confirm your staff is equipped to support and utilize the new technology so that the benefits of the change are fully realized.

To maintain healthy adoption, after implementation, it is important to maintain functional feedback loops that include the following: collection and analysis of feedback, actionable solutions with task owners, and follow up with stakeholders on effectiveness of the solution.

The OCM Team will perform analysis and confirm readiness through the following activities:

- Readiness Check-ins and Solution Focused Reporting
- Readiness gaps mitigation and resolution
- Leveraging OCM feedback loops to supplement readiness data
- Maintaining regular communication to remain proactive

TMG designs and executes feedback loop strategies that enable the collection of feedback (qualitative and/or quantitative) for analysis, process improvement, and measuring effectiveness. We help leadership diagnose gaps, identify root causes, and manage resistance. Some of the ways we measure readiness include:

Project Readiness (coordination and integration with PMO readiness)

- Project Health – check points to determine core team morale and ability to perform their role
- Project Onboarding – help ensure onboarding documentation exists and is useful for joining resources
- Knowledge Transfer – aligning on what knowledge should be transitioned and that receivers feel they are ready to perform support roles in the future state
- Hyper Care Readiness - perception and ability to provide tiered-level support to the organization during and after cutover

Stakeholder Readiness

- Stakeholder Impact Analysis – understanding the unique impact that the change will have on each stakeholder group
- Change Log and Mitigation Mapping - understanding current state, what's changing, and planned mitigations
- Business Process – supporting the business in securing proper validation of future state business processes
- Training and Knowledge Efficacy – determining of stakeholders' comfort with knowledge transition

Utility Readiness Measures

- End Users / ADKAR – identifying where stakeholders are in their change journey and defining solutions for obstacles that arise
- Training and New Hires – assessing whether people can do their jobs and if training is in place for new hires
- Leadership / Change Network – tracking engagement and buy-in within leadership to strengthen the commitment to the change
- Support Readiness – planning for and confirming support areas are ready upon conclusion of hyper care
 - Technical Support Communication and Expectations (war room, triage, SLAs, etc.)
 - Business Support Coordination (Super Users and Boots on the ground)

Change readiness is measured throughout the project allowing adjustments that improve readiness and build confidence in preparation for Go-Live. This ensures that the business and project remain in sync and that

everyone has a voice as to whether the skill and will exist to support a successful implementation and sustained change.

OCM PHASES	OCM DELIVERABLES
Prepare for Change	- Sponsor Change Vision - Stakeholder Readiness Assessment - Baseline - Stakeholder Register
Manage Change	- OCM Strategy - Communications Strategy - Knowledge Transfer Strategy - Knowledge Transfer Assessment - Communications Plan - Change Impacts Assessment
Anchor Change	- Stakeholder Readiness Assessment – Go-live - Training Efficacy Assessment - Post Go-Live Assessment

OCM Deliverables and Key Activities

OCM DELIVERABLES				
Plan	Solution	Test	Deploy	Stabilize
Prepare for Change	Manage Change		Anchor Change	
Change Vision Assessment (Vision & Sponsorship)	OCM Strategy	Knowledge Transfer Assessment	Stakeholder Readiness Assessment - Go-live	Post go-live Assessment
Stakeholder Readiness Assessment - Baseline	Communications Strategy	Communications Plan	Training Efficacy Assessment	
Stakeholder Register	Knowledge Transfer Strategy	Change Impacts Assessment		
OCM Key Activities				
*Change vision exercise with sponsors to build a case for change and align leadership and the organization, change sponsorship overview to help sponsors understand how to best support change and how to self assess progress	*Create an OCM Strategy document that details key OCM activities, work products, and deliverables for the project	*Conduct KT assessment surveys	*Snapshot assessment/interviews/survey of impacted stakeholders to assess all aspects of ADKAR and go-live readiness	*Planning around Tiered level end-user support model for cutover and stabilization period (who to call, at-the-elbow support resources, etc.)/future state planning
*Snapshot assessment/interviews/survey of impacted stakeholders to assess A&D of ADKAR, organizational attributes and change characteristics	*Communications Strategy that documents specific communications (key message, intended audience, delivery medium) needed throughout the project	*Create and execute internal/external communications plan	*Develop & conduct Training Efficacy survey in close coordination with Training Proficiency Check-Ins	*Lessons learned assessment investigating how things went, how comfortable end users are in the new system post go-live
*Identify draft stakeholder matrix of impacted organizations	*Identify key roles & responsibilities for Knowledge Transfer (KT); *Develop and introduce template tracking tool for Knowledge Transfer (KT) Plan for each in-scope KT item, items and activities updated by knowledge holders;	*Capture and document change impacts to the business as identified during User Journey workshops	*Final Review of KT assessment results, any gaps, recommended actions, etc.	
*Gain understanding of communication hierarchy, most effective vehicles and mediums and partnerships	*Stakeholder Engagement Analysis (bubble staffing, super users, etc.)	*Stakeholder engagement recommendations, timeline, etc.		

Enterprise View Change Management

Independence may have multiple significant change projects underway. In order to optimize those changes from an enterprise perspective we may recommend the consideration of a Change Management Office. This level program would work directly with the program manager, sponsors and steering committee to ensure alignment and the effective development of an organizational and leadership predisposition to effective business transformation. This approach would support a holistic view of the utility's operations.

Throughout the project, TMG will:

- Work with senior level leadership to ensure messaging and alignment is consistent with needs of the project.
- Provide a consistent approach to managing change across all affected departments;
- Assess and manage change capacity over the course of the program;
- Develop and assess the operational readiness of impacted departments; and
- Build internal OCM capabilities.

TMG will address the change needs for all impacted personnel including front-office, back-office and field staff. TMG will assist the utility in identifying “change agents” within the organization, typically key frontline leaders, who are critical to the adoption of change and sustained improvement beyond implementation.

Project Organization

At TMG, we employ the industry's leading talent, including seasoned consultants with exemplary track records and substantial experience working within the walls of utility companies. They are laser-focused on delivering strategic, operational, and organizational solutions directly supporting utilities' business objectives.

The human capital factor should be heavily weighted and considered by any Utility looking into a potential partner. Our consultants bring at least/over 20+ years of industry experience on average. In previous careers, TMG's proposed team for this engagement has provided smart grid/smart metering consulting services on multiple previous engagements, including:

- The provision of multiple business cases, market studies, and feasibility studies
- The management of procurements for utilities for both AMI and MDM systems
- The provision of Project Management services, delivering implementation and technical integration services on many projects that have included smart metering components, including AMI, HES, MDM, and CIS, involving various equipment and product vendors
- Serving as sub-consultants to other smart metering consultants on other contracts where expertise in AMI/MDM integration with CIS and adjacent systems was required
- Managing the customer, operational, and business process impacts of smart metering implementations in large energy utilities throughout North America

TMG's overall approach to procurement requires close collaboration between TMG professionals and the City. TMG firmly believes in a single, unified team approach and a high degree of collaboration.

Regarding the strategic importance and transformational nature of the City's project, TMG proposes utilizing the experienced professional resources identified in the organizational chart below. The proposed diagram depicts the entire program, showing the cross-functional teams and resources within the City that typically comprise an AMI project team, yet the City should keep in mind that TMG is flexible on how the final organization structure will be characterized, and we are sensitive to each utility's unique needs and personnel availability. As such we are open to making adjustments and optimizations to suit the City as needed.

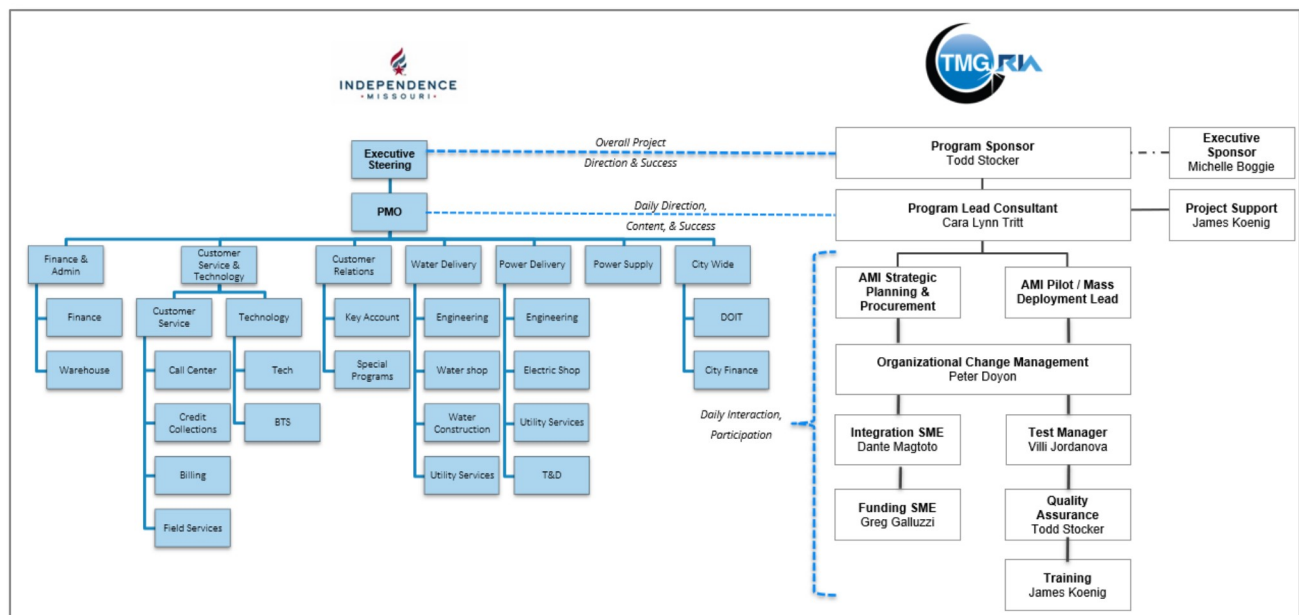
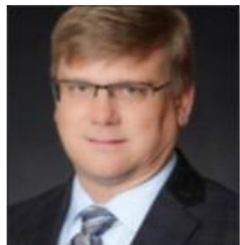


Figure 23: TMG's Proposed Organizational Chart

TMG Staffing Bios

Below is information on the team profile summary for the City's reference.

Todd Stocker - Program Sponsor and Quality Assurance



Todd Stocker has over **twenty-five (25) years of experience** in the utility, industrial automation, test and measurement, and semiconductor industries. He is a strategic leader of advanced technical products with acute expertise in Advanced Metering Infrastructure (AMI). With extensive experience supporting municipalities and investor-owned utilities in North America, he specializes in identifying utility needs, defining new solutions, and extending the reach of existing solutions in the "meter to cash" and distribution automation arena, including various edge systems such as CIS, MDM, EAM/WAM, FSM/MWM, GIS, OMS, and SCADA. Before TMG Consulting, he served as the **Director of Water and Gas industry** and P&L Manager at a major AMI vendor. In this role, he developed and brought to market a fixed-network leak detection solution that was deployed by American Water, San Francisco PUC, New Orleans SWBNO, and the City of Houston. Todd is a technical and commercial problem solver and has worked on AMI projects of all sizes, totaling more than 12 million endpoints deployed. Todd is an electrical engineer with a master's degree in business administration and a unique combination of technical skills and commercial aptitude. Todd's notable utility experience includes:

Education & Certifications

- Case Western Reserve University, Cleveland, OH – Master of Business Administration
- Grove City College, Grove City, PA – Bachelor of Science in Electrical Engineering

SJI Industries (Folsom, NJ) – PMO Services

- Providing PMO consulting services to support the AMI Implementation project of over 450,000 natural gas meters.

Lubbock Power and Light (Lubbock, TX) - Project Manager

- Led the AMI Implementation project of 110,000 electric meters and 90,000 water meters.

Riviera Utilities (Foley, AL) - Project Manager

- Led the contract negotiations with the selected vendor(s).

Southern California Gas (Los Angeles, CA) - Technical Lead

- Provided technical oversight throughout the implementation of the AMI solution at SoCal Gas for over 6 million gas meters.

San Francisco PUC (San Francisco, CA) - Technical and Commercial Lead

- Managed the triage and resolution of post-implementation performance problems with the AMI solution for SFPUC, which serves over 250,000 water customers.

Cara Lynn Tritt – Program Lead Consultant



Cara Lynn Tritt is an experienced senior manager, strategic leader, and project management professional with a long history of helping deliver insight and new technologies to global utility technology partners. Cara Lynn has over **twenty-five (25) years of experience** in the energy industry planning, directing, and implementing end-to-end complex integrated Advanced Metering Infrastructure (AMI) hardware, SaaS software, advanced network solutions, and services at investor-owned, cooperatives, and municipal utilities.

Education & Certifications

- University of Dayton, Dayton, OH – Master of Business Administration

- Greenville Tech, Greenville, SC – PMP Core
- The University of Akron, Akron, OH – Bachelor of Science, Public Policy Management

The City of Cedar Hill (Cedar Hill, TX) – Project Manager

- Conducting a system performance assessment and root cause analysis of the City's existing AMI system that services ~16,000 customers.

CoServ (Denton, TX) – Project Manager

- Conducting an alternative analysis study for the AMI 2.0 replacement project and managing the entire procurement process.

Rivera Utilities (Foley, AL) – Project Manager

- Leading the AMI implementation of 50,000 electric, 15,000 water, and 5,000 natural gas accounts.

First Energy (OH/PA/NJ/WV/MD) – Project Manager

- Managed PJM Interconnect RTO integration with FirstEnergy to support automated Demand Response messages.

Southern California Gas (Los Angeles, CA) - Project Stakeholder

- Steering committee member providing support, guidance, and oversight of behavioral and analytical energy programs.

San Diego Gas & Electric (San Diego, CA) – Technical Lead

- Technical lead providing rate engine oversight and requirements identification to ensure regulatory rate calculation compliance.

James Koenig – Project Support & Training



James is a veteran of the utility industry, working with investor-owned, municipal, and cooperative utilities to identify needs, develop strategic solutions, and lead system implementations. His experience includes leading Smart Grid, AMI, CIS, and ERP initiatives with a focus on business change management and system operations to meet utility objectives. He has led systems delivery and support teams across key utility business areas, including customer services, metering, engineering, distribution, field services, supply chain, work management, finance, and administrative systems. His experience includes SaaS/cloud-based implementations, management of offshore development resources, and overseeing datacenter, telecommunications, and field infrastructure installations. For the past 15 years his primary focus has been the implementation of electric, water, and gas AMI and smart grid projects. James' notable utility experience includes:

Education & Certifications

- Abilene Christian University, Abilene TX -BBA/ Information Systems
- Amberton University, Garland, TX – MBA
- Project Management Professional – PMI

Pasadena Water & Power (Pasadena, CA) – Lead Consultant

Conducted a needs assessment and developed the business case and roadmap for an electric and water AMI solution.

Kansas City BPU (Kansas City, KS) – Lead Consultant

- Evaluated an existing electric and water AMI system and provided options for replacing versus upgrading the system. The analysis included cost comparisons and action plans for each option.

Maritime Electric (Prince Edward Island, Canada) – Lead Consultant

Facilitated the AMI vendor contract negotiations to replace the existing AMR system and integrate with the CIS/MDM systems.

Entergy (New Orleans, LA) – Consulting Manager

Managed the deployment of automated distribution technology consisting of over 9,000 distribution devices as part of a 1.3B grid modernization initiative over a five-state service territory.

Lubbock Power & Light (Lubbock, TX) – Delivery Manager

- Managed the delivery of AMI implementation and deployment services for a large electric and water municipal utility.

South Central Connecticut Regional Water Authority (New Haven, CT) – Project Manager

Responsible for a \$17 million implementation and integration of AMI, SAP CIS, and MDM systems and field network technology.

Michelle Boggie – Vice President - Executive Sponsor



Michelle has over eighteen years of operational and implementation experience, with a strong aptitude for business integration, change management and organizational readiness, across multiple technologies within the energy industry. She offers a keen understanding of leading practices for full lifecycle Utility Systems implementations for customer information, customer experience, and enterprise resource planning platforms as well as for supply chain management and business transformation initiatives. Michelle is Prosci-certified and collaborates effectively across all levels within an organization. She possesses strong leadership, teambuilding, presentation, and written communication skills, along with extensive functional and business process expertise.

Education & Certifications

- Kellogg School of University of Colorado- MBA, Business Administration
- Michigan State University- BA, Supply Chain Management
- Prosci Change Management
- Six Sigma

Salt River Project (SRP) – CIS Quality Assurance

- QA Engagement Executive

SoCalGas Company – CIS Procurement Project & Workforce Management QA Support

- Industry SME and Business Integration (BI) Lead

Seattle Public Utilities – Enterprise Roadmap

- Engagement Executive & OCM Lead

Salt River Project (SRP) – CIS Procurement

- Industry SME and BI Lead

Centuri Group – ERP Quality Assurance Health Assessment

- Quality Assurance Subject Matter Expert

Southwest Gas Corporation

- Program Lead, Business Integration

Madison Gas & Electric – OCM Transformation Project

- Change Management Office Lead

Arizona Public Service

- Program Lead, Business Integration

Alectra Utilities

- Learning & Proficiency Lead

City of Hamilton

- Change Management, Learning & Proficiency Lead

Greg Galluzzi – Funding SME & Expert Consultant



Greg Galluzzi is the original founder of TMG, having started the firm back in 1992, and he brings 40+ years of Utility industry focus. He is the architect and creator of TMG's Methodologies and Tools for "Meter-to-Cash" business and technology advisory and strategy, including AMI and MDM. Today, Greg contributes to the constant refinement and modernization of TMG methods and tools, and he is a Senior Industry SME & Expert Consultant for TMG, participating in detailed project activities including Regulatory/Finance-related work and business/technology strategy work for TMG projects with Utilities.

Greg Galluzzi is a highly-credentialed and experienced utility industry expert consultant with extensive application related projects and high visibility across the industry. Greg is frequently:

- Hired by product vendors and utilities to provide competitive information on application pricing and installation costs.
- Hired by Utilities to assist in the development of a business plans to evaluate alternative application strategies, assemble digital
- enterprise plans, digital solution roadmaps and architectures, assess implementation projects, and audit application production implementations. He has participated in nearly 60 planning projects.
- Hired by utilities to assist in evaluation and selection efforts. He has participated in over 100 selection efforts.
- Hired by utilities to provide a third-party quality assurance role during the application installation effort. He has participated in nearly 50 installation efforts as a QA manager.
- Hired by utilities to assist in the assessment, selection, and implementation of various operating platforms including: on premise, hosted, cloud IaaS, cloud PaaS, cloud MPaaS, cloud BPaaS, cloud SaaS and cloud MSaaS solutions and various deployment models, e.g. public, private, hybrid, etc.
- Hired by utilities to assist them in planning and moving toward a Digital Utility and Customer Transformation experience.
- Experienced with project budgets in the \$1 million to \$500 million-dollar range and project teams of 5 to 350 persons.
- Involved with **over 150 utilities and has participated in a total of 300 IT and CIS, CRM, AMI, MDM, ERP, EAM/WAM, OMS, FSM/MWM related projects.**

of utilities and all types of sizes, from the smallest public owned utility to the largest Investor Owned Utility (IOU). Greg has been working in the market for almost 40 years across hundreds of projects and is focused on CIS, CRM, CIC or CxT, ERP, EAM/WAM, OMS, FSM/MWM, AMI, and many other applicationsresilience.

Education & Certifications

- University of Kansas – Master of Business Administration
- Fort Hays KS State College – Bachelor of Science in Accounting & Computer Science

Key Competencies

- Planning Workshops
- Strategy Workshops
- Design Workshops
- Assessment Workshops
- Financial Modeling
- Audits & Reporting
- Interviewing Techniques
- Executive Presentations
- Large Group Presentations
- Regulatory Testifying
- Industry Metrics
- Methodology & Tools

Pete Doyon - Organizational Change Management



Pete Doyon is Innovative, agile and results driven business improvement and organizational behavior executive specializing in directing organizational change in structure and culture, technology implementation, leadership and organizational renewal. Highly effective at leading large-scale restructuring and organizational effectiveness initiatives resulting in 15-30% productivity/cost improvements. Pete Doyon brings over 25 years of expertise in the utility industry, specializing in collaborative leadership and organizational transformation. Known for his stabilizing influence, Pete excels in building momentum within organizations, mitigating conflicts, and mentoring teams to leverage their full potential. His track record of success spans across key areas including organizational change leadership, business

transformation, change management, leadership coaching, and corporate restructuring. Pete is adept at guiding companies through technology-driven changes, ensuring effective outcomes while fostering growth and resilience.

Education & Certifications

- Kellogg School of Management – Strategic Change Management Certified
- Institute of Organizational Science and Mindfulness – Organizational Mindfulness Certified
- St. Thomas University -MBA

OCM/PMO/Steering Committee - Pasadena Water and Power

- OCM/PMO for Oracle C2M Implementation
- Successful On-Time On Budget Implementation
- Leadership Coaching and Alignment

OCM/PMO/Steering Committee - Louisville Water Company

- OCM/PMO/Steering Committee Oracle CCB, Oracle WAM, Kloudgin Field Service
- Leadership Coaching and Alignment
- All projects CS Week Award winners

OCM -City of Lubbock Utilities

- Design of initial OCM Strategy and Approach

OCM/PMO - Lansing Bureau of Water and Light

- Develop OCM Strategy and Approach for implementation of multiple systems including AMI/CIS/Field Service/Outage Management/Asset Management
- Mentored internal OCM Staff
- Leadership Coaching

OCM– Central Hudson Utilities

- Revitalized Enterprise Asset Management/Content Management project
- Coached Executive leadership in the role of project sponsorship

OCM/QA - Idaho Power

- Assessment and redesign of failing OCM for CIS Implementation
- Scaled approach and resources to better meet needs of the project

OCM/QA– Newfoundland Power

- Assess and advise CIS implementation

Northwestern Corporation

- Business transformation initiative supporting newly appointed CEO with organizational restructuring, restaffing and cultural development.

Xcel Energy/Northern States Power Company

- Business process re-engineering project focusing on Corporate Operations
- Led IT Outsourcing analysis and selection
- Directed enterprise-wide consulting team focusing on process improvement, cost reduction, customer service
- Led initiative consolidating 5 walk in sites to centralized customer service center

Dante Magtoto - Integration SME



Over 15 years leading Oracle Customer Care & Billing (CC&B), ancillary products, and Web Self Service implementations in the Utility sector. Specializing in software development life cycle (SDLC) methodologies to guide customers through software and business transformation. Proven track record of successful delivery, managing cross functional teams across multiple time zones.

Education & Certifications

- George Mason University, Fairfax, VA – Bachelor of Science in Finance

Orlando Utilities Commission – MDM Load Interval Read Project - Project Manager

Nashville Electric Service (NES) – Transformation Services - Project Manager

Tucson Electric Power – BI & Time of Use Billing Implementation - Project Manager

- Led the implementation of a Business Intelligence (BI) Data Warehouse for Interval Data and Bill Presentment information, specifically in preparation for Time of Use (TOU) Billing.

Colorado Springs Utilities – Managed Services Application Support - Project Manager

- Managed a services project focused on providing development and application support.

Modesto Irrigation District – Implementation of Oracle CC&B 2.5 - Project Manager

- Successfully implemented Oracle CC&B 2.5, MDM 2.1, CSS 2.1, and Origin's MobileLite.

- Implementation of Oracle CC&B 2.5, MDM 2.1, CSS 2.1 and Origin's MobileLite.

Orlando Utilities Commission – MDM Assessment & Reconfiguration - Project Manager

- Provided application support for ongoing operations and ensured the smooth functioning of the system. Successfully delivered major projects related to sustainability, products and services, and MDM assessment and reconfiguration.

City of Jackson – Implementation of Oracle CC&B 2.5 - Project Manager

- Led the implementation of CC&B 2.5, ensuring a smooth transition and successful adoption of the system. Implemented the Stranded Bill Recovery feature, addressing and resolving billing issues and improving revenue recovery processes.

South Jersey Gas – Implementation of Oracle CC&B 2.4 - Solution Architect

- Successfully implemented CC&B 2.4, enabling efficient management of customer billing and related processes. Implemented the Market Transaction Messaging (MTM) feature, facilitating seamless communication and data exchange between market participants.

Puerto Rico Electric Power Authority – Implementation of Oracle CC&B 2.3 - Solution Architect

Artesian Water Company (AWC) – Oracle CC&B & MWM Upgrade Project - Project Manager

Villi Jordanova - Test Manager



Villi is known for her passion and expertise in testing, for crafting the testing processes to suit the specific needs of the projects or organization for all things QA and Testing. Twenty+ years of industry experience; with exceptional analytical skills and demonstrated success in information technology, requirements analysis, business analysis, application testing leadership, quality assurance, and application support. Extensive knowledge of System Testing Standards and Methodology and SQA procedures, including successful experience in testing various utility software using testing methodology standards. Proven track record of managing all phases of implementation and upgrade test cycles to successful completion. She has extensive experience in multiple technology domains, having led large scale testing programs for Oracle CCS (Lubbock Power and Light, Hillsborough County, Grand PUD, ATCO GAS), as well as previous work in Itineris UMAX and Hansen Banner CIS.

Education & Certifications

- Master of Science in Mechanical
- Engineering and Management
- Foundation Level (CTFL)

Grant County Public Utility District - Oracle Cloud CCS Test Manager

- Plan, schedule and estimate testing project – Oracle Cloud C2M/CCS
- Work with Client's Test Manager on as needed basis.

ATCO Gas - CC&B Test Manager

- Work with Client's Test Manager on managing ATCO's Testing team.
- Supported System Integration Testing and Lead User Acceptance Testing.
- Created UAT Test Plan and identified test cases.

Hillsborough County Florida - Oracle Cloud C2M/CCS Test Manager

- Plan, schedule and estimate testing project – Oracle Cloud C2M/CCS
- Work with Client's Test Manager on as needed basis.

City of Lubbock - System Integration Testing and User Acceptance Testing Lead

- Plan, schedule, estimate and implement testing project – Oracle Cloud C2M/CCS/AMI

- Lead System Integration Testing and User Acceptance Testing
- Created master test approach, test plans and identified test cases.

Test Manager for Various Utility Client Projects

- Managed testing on all UMAX North America Projects implementations, including Baltimore City Water, MD; Dakota
- Electric, MN; Georgetown Utilities, TX; and Boston Water and Sewer District, ME.
- Planned, scheduled, estimated, and implemented testing projects.
- Experienced in writing the master test approach, test plans, and test cases.

Vertex Business Services - Various Utility Client Projects

- Senior Consultant on Banner product @ Seattle Gas and Electric, Fort Collins, City of Longmont to name a few.
- Performed complex testing and led tasks on complex projects, including Banner upgrades to 4.2 and client support.

Hansen Technologies - Various Utility Client Projects

- Senior QA Analyst/Tester @ PGE, MLGW, Sierra Pacific and Nevada Power, ATMOS Energy, Virginia Beach, Charlotte
- Water to name a few. Then moved to Test Manager for Banner product.
- Performed complex testing and led tasks on complex projects, including new releases and service packs.
- Planned, scheduled, estimated, and implemented testing projects.

Proposed Project Schedule

TMG is providing sample schedules for strategic planning, procurement, and implementation. Actual implementation schedules (whether compressed or extended) will vary based on the needs of the City to ensure a cost-effective and scalable implementation.

AMI Strategic Solution Roadmap Timeline

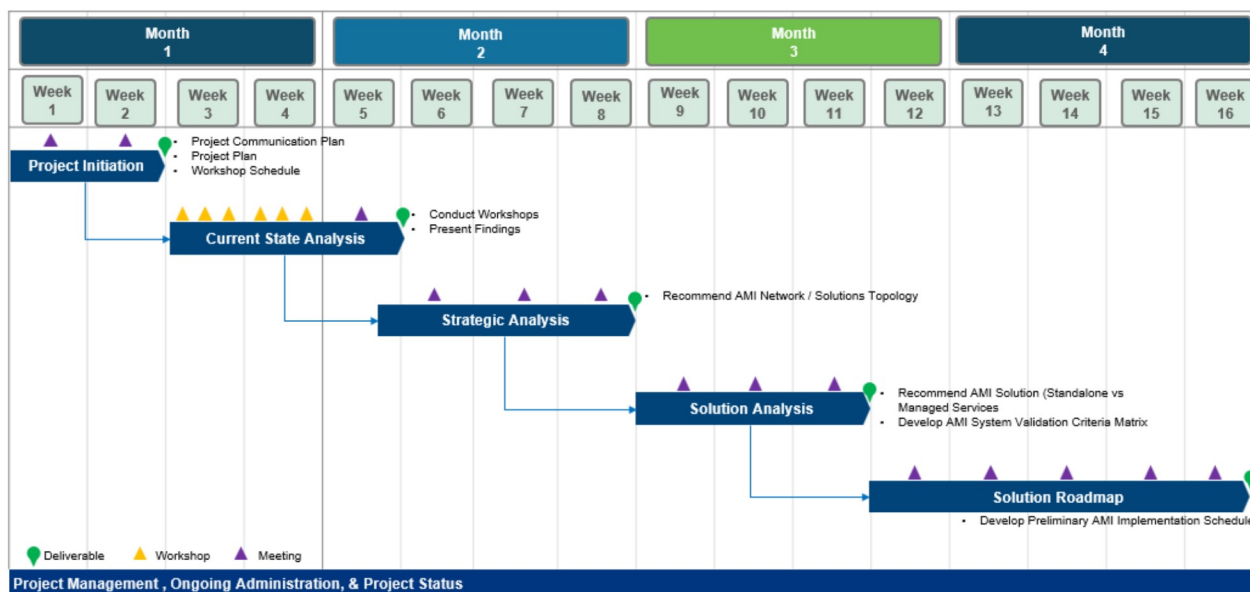


Figure 24: Sample AMI Strategic Planning

AMI Strategic Sourcing & Procurement Timeline

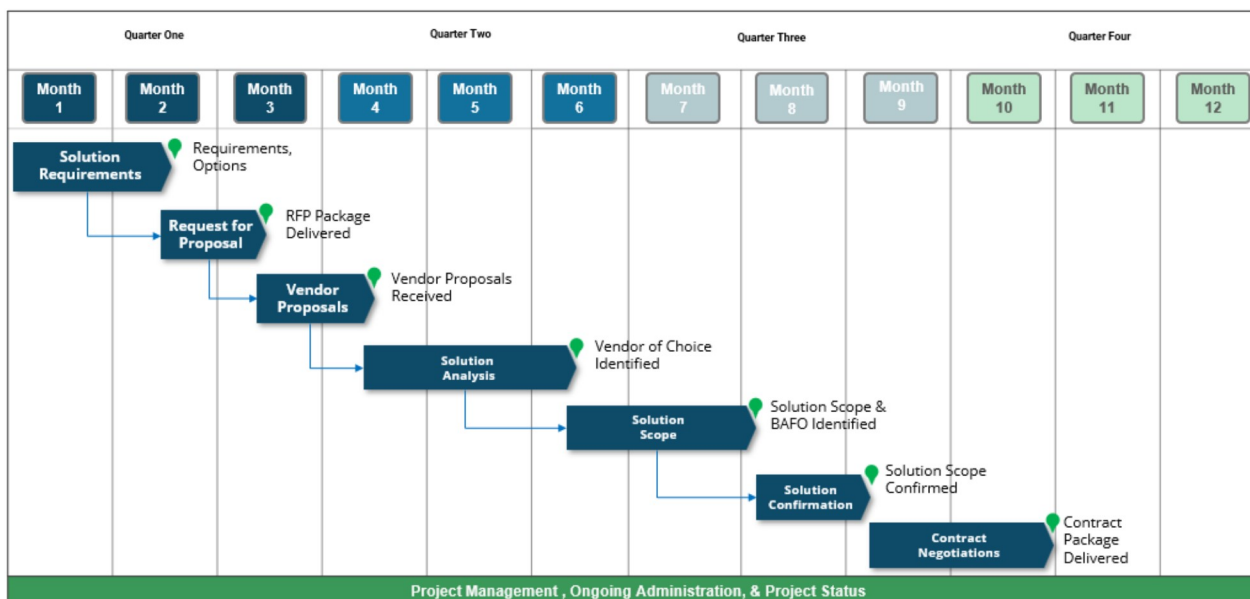


Figure 25: Sample AMI Procurement Timeline

AMI Strategic Program Management – Implementation Timeline

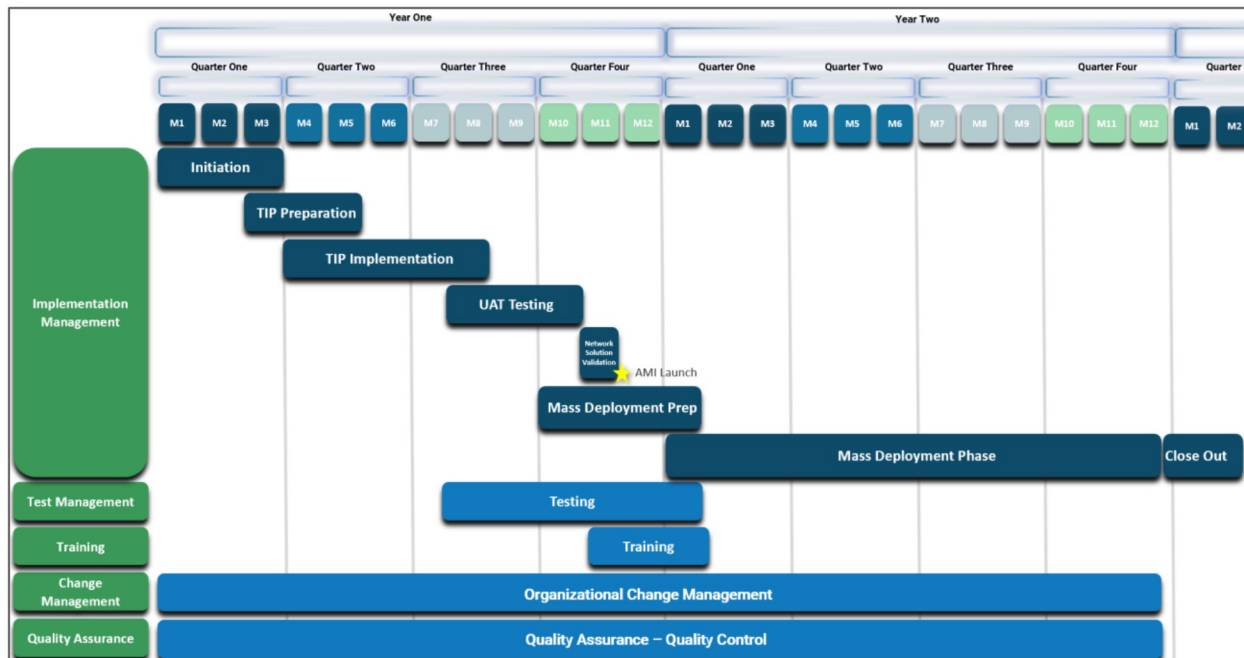


Figure 26: Sample AMI Implementation Timeline

A sample breakdown for each phase during the planning, procurement, and implementation workstreams is listed below. **Please note** that each task's beginning and end may overlap with a prior or subsequent task. Combined, the estimated project duration is a 40-calendar month timeline.

Planning Phase	Duration 4 months	Procurement Phase	Duration 8 - 10 months	Implementation Phase	Duration 26 months
Project Initiation	2 weeks	Solution Requirements	6 weeks	Project Initiation	3 months
Current State Analysis	3 weeks	Request for Proposal	4 weeks	Technology Preparation	3 months
Strategic Analysis	3.5 weeks	Vendor Proposals	4 weeks	Technology Implementation (TIP)	5 months
Solution Analysis	3 weeks	Solution Evaluation	8 weeks	User Acceptance Testing (UAT)	3 months
Solution Roadmap	5 weeks	Solution Scope	6 weeks	Network Solution Validation	1 months
		Solution Confirmation	4 weeks	Mass Deployment Preparation	4 months
		Contract Negotiations (optional)	8 weeks	Mass Deployment	12 months
				Project Closeout	2 months

Figure 27: Phase Timelines



Exceptions to Agreement for Professional Services

TMG's Requested Edits to the City of Independence, MO Terms and Conditions and Contract for Services

TERMS AND CONDITIONS

Section 10.G. – Liability and Indemnification

Add the following new paragraphs at the end of this clause:

"Successful proposer will not be liable under this Agreement for (i) any indirect, exemplary, incidental, punitive, special or consequential damages or for loss of profit, loss of business or loss of goodwill, or (ii) with respect to any subject matter of this Agreement under any contract, tort, negligence, strict liability or other legal or equitable theory, for any amounts in excess, in the aggregate, of the fees paid or owed to successful proposer hereunder during the 12-month period before the claim or cause of action arose, except that successful proposer's liability to City, regardless of the form of action, arising out of successful proposer's indemnification obligations and/or a breach of security obligations hereunder (including any indemnification obligations therefor) will be limited to the maximum amount available under successful proposer's insurance. Nothing in this Agreement will limit Successful proposer's liability for its gross negligence or willful misconduct."

"Except as expressly stated in this Agreement, successful proposer makes no other warranties, representations or conditions of any kind, whether express, implied, statutory or otherwise, and expressly disclaims any implied warranties of merchantability or fitness for a particular purpose."

Section 10.K. – Termination

Add the following to the end of the 1st sentence:

"of thirty (30) days"

Section 10.O – Assignment

Add the following sentence at the end of the clause:

"Notwithstanding anything to the contrary herein, either party may, without the other party's consent, assign or transfer all or part of this agreement to any affiliate or to any successor-in-interest to all or substantially all the business or assets of the assigning party pertaining to the subject matter hereof, whether voluntarily or by merger, reorganization, asset sale, or otherwise."

INSURANCE REQUIREMENTS

Indemnification and Hold Harmless: For purposes of this Agreement, Consultant agrees to indemnify, defend and hold harmless City and its agents from any and all Loss where Loss is caused or incurred as a result of the intentional misconduct, recklessness, negligence, or other actionable fault of Consultant or its subconsultants.

Comply: Exception: ☒



CONTRACT FOR SERVICES

Article 9 – Liability and Indemnification

Add the following new paragraph at the end of this clause:

“Consultant will not be liable under this Contract for (i) any indirect, exemplary, incidental, punitive, special or consequential damages or for loss of profit, loss of business or loss of goodwill, or (ii) with respect to any subject matter of this Contract under any contract, tort, negligence, strict liability or other legal or equitable theory, for any amounts in excess, in the aggregate, of the fees paid or owed to Consultant hereunder during the 12-month period before the claim or cause of action arose, except that Consultant’s liability to City, regardless of the form of action, arising out of Consultant’s indemnification obligations and/or a breach of security obligations hereunder (including any indemnification obligations therefor) will be limited to the maximum amount available under Consultant’s insurance. Nothing in this Contract will limit Consultant’s liability for its gross negligence or willful misconduct.”

Article 10 – Insurance

Indemnification and Hold Harmless: For purposes of this Agreement, Consultant agrees to indemnify, defend and hold harmless City and its agents from any and all Loss where Loss is caused or incurred as a result of the intentional misconduct, recklessness, negligence, or other actionable fault of Consultant or its subconsultants.

Comply: Exception: ✓

Article 13 – Termination

Add the following to the end of the 1st sentence:

“of thirty (30) days”

Article 17 – Assignment

Add the following sentence at the end of the clause:

“Notwithstanding anything to the contrary herein, either party may, without the other party’s consent, assign or transfer all or part of this agreement to any affiliate or to any successor-in-interest to all or substantially all the business or assets of the assigning party pertaining to the subject matter hereof, whether voluntarily or by merger, reorganization, asset sale, or otherwise.”

Article 28 – Warranty Disclaimer

Add the following new Article 28 Warranty Disclaimer:

“Except as expressly stated in this Agreement, Consultant makes no other warranties, representations or conditions of any kind, whether express, implied, statutory or otherwise, and expressly disclaims any implied warranties of merchantability or fitness for a particular purpose.”



Fee Schedule

TMG will provide the services identified above on a not-to-exceed basis plus travel and living expenses. Based on the Strategic Solution Roadmap, Strategic Sourcing and Procurement and Strategic Program Management Office methodologies and timelines, TMG's total fees are as shown in table below.

Project Phase	TMG Methodology	Monthly Fee	Duration	Total
Planning	SSR (Roadmap)	\$37,150	4 months	\$148,600
Procurement	SSP (Procurement)	\$26,110	8 months	\$208,880
Implementation	SPMO (PMO)	\$62,750	28 months	\$1,757,000
TOTAL			40 months	\$2,114,480

TMG's policy is to bill expenses based only on actuals incurred. TMG always abides by client expense policies and guidelines.

Notes:

- 1) This is proposed as a fixed-price contract: no additional fees will be billed unless work is discussed and agreed to in advance through a change control process.
- 2) TMG invoices at the end of each month with payment terms of net 30 for the completion and acceptance of project milestones.
- 3) Travel costs (if any) are not included.
- 4) Travel to be billed with client pre-approval and based only on expenses as actually incurred. TMG always abides by client expense policies and guidelines.
- 5) The City may engage with TMG for additional services on a T&M basis or on a Fixed Price basis either through a Change Request Process or through separate discussions and written mutual agreement.
- 6) The blended hourly billable rate for additional TMG services is \$235 per hour.



Procurement Division
111 E Maple, PO Box 1019
Independence, MO 64051-0519

**REQUEST FOR PROPOSAL (RFP)# 25007
AMI PROGRAM AND PERFORMANCE MANAGEMENT SERVICES**

Pre-Proposal Conference: 10:00AM-11:30AM CDT April 3, 2025
[Click here for the link to register for the online conference.](#)

ATTENTION PROPOSER – COMPLETE AND RETURN WITH PROPOSAL

Proposing Firm TMG Utility Advisory Services, Inc. dba TMG Consulting, Inc. Phone Number 773 294 1931
(Please print or type)

Address 2000 Ponce De Leon Blvd., Suite # 600 City Coral Gables State FL Zip 33134

Name of Authorized Agent Supriya Mukhapadhyay Email Supriya.Mukhapadhyay@riaadvisory.com

The only authorized source for Request for Proposal (RFP) forms, addenda, and information regarding this RFP is www.publicpurchase.com. Using RFP forms, addenda, and information not obtained from www.publicpurchase.com creates the risk of not receiving necessary information about the RFP that may eliminate your proposal from consideration.

Submit questions regarding this RFP online at www.publicpurchase.com by deadline in the RFP schedule.

Proposals shall be submitted online via www.publicpurchase.com by the date and time indicated. Paper, fax, or email responses will NOT be accepted and will not be returned to sender. Proposals are sealed in a virtual lockbox that can only be opened after the Request for Proposal (RFP) closing date and time, to maintain confidentiality of the proposal. All proposals are subject to the terms and conditions herein.

Submission of a proposal shall be deemed a firm offer and is not revocable within 120 days after response deadline.



Procurement Division
111 E Maple, PO Box 1019
Independence, MO 64051-0519

**REQUEST FOR PROPOSAL (RFP)# 25007
AMI PROGRAM AND PERFORMANCE MANAGEMENT SERVICES**

Pre-Proposal Conference: 10:00AM-11:30AM CDT April 3, 2025

[Click here for the link to register for the online conference.](#)

ATTENTION PROPOSER - COMPLETE AND RETURN WITH PROPOSAL

Proposing Firm _____ Phone Number _____
(Please print or type)

Address _____ City _____ State _____ Zip _____

Name of Authorized Agent _____ Email _____

The only authorized source for Request for Proposal (RFP) forms, addenda, and information regarding this RFP is www.publicpurchase.com. Using RFP forms, addenda, and information not obtained from www.publicpurchase.com creates the risk of not receiving necessary information about the RFP that may eliminate your proposal from consideration.

Submit questions regarding this RFP online at www.publicpurchase.com by deadline in the RFP schedule.

Proposals shall be submitted online via www.publicpurchase.com by the date and time indicated. Paper, fax, or email responses will NOT be accepted and will not be returned to sender. Proposals are sealed in a virtual lockbox that can only be opened after the Request for Proposal (RFP) closing date and time, to maintain confidentiality of the proposal. All proposals are subject to the terms and conditions herein.

Submission of a proposal shall be deemed a firm offer and is not revocable within 120 days after response deadline.

**AMI Program and Performance Management Services
Request for Proposal #25007**

The City of Independence (City) invites interested firms to submit a proposal for services as described herein. Proposals submitted online are sealed in a virtual lockbox that can only be opened after the RFP closing date and time, maintaining confidentiality of the proposal.

Structure of the RFP

For the convenience of the respondent, this RFP is structured as follows:

- 1 Introduction
- 2 Background
- 3 Scope of Services
- 4 Fee Schedule
- 5 Proposal Submission Requirements
- 6 Evaluation Criteria
- 7 Evaluation Process
- 8 Right of Protest
- 9 Proposed Time Schedule
- 10 TERMS AND CONDITIONS

Insurance Requirements

Affidavit

Contract for Services

Missouri Sunshine Law

The Respondent acknowledges and agrees that the City is bound by the Missouri Open Records Law (Sunshine Law) and cannot protect information for the sole reason that it is marked "confidential" or "proprietary". All information submitted in response to this RFP shall be available for public review in accordance with all federal, state and local laws after: 1) posting of the Notice of Intent to Award; 2) a contract has been executed; or 3) all proposals have been rejected. Requests must be submitted in writing to the Purchasing Manager, City of Independence.

1 Introduction

The City of Independence, Missouri, is seeking proposals from qualified firms to provide **Program and Performance Management Services** for the Advanced Metering Infrastructure (AMI) project. The selected firm will play a crucial role in the successful planning, deployment, and oversight of the AMI initiative, ensuring alignment with strategic goals, compliance standards, and stakeholder expectations.

The firm will be responsible for:

- a) **Reviewing and updating a previously composed AMI Request for Proposal (RFP)** to reflect the latest industry standards and City requirements.
- b) **Working alongside the selected AMI vendor(s) to facilitate implementation and integration with IPL and City systems.**
- c) **Providing oversight and compliance monitoring** throughout the infrastructure installation, ensuring the project meets milestones, budget, and quality standards.

2 Background

The City of Independence aims to modernize its electric and water metering infrastructure through the deployment of an AMI system. The City has approximately 58,500 electric meters and 50,000 water meters. To ensure project success, the City requires a **Program and Performance Management firm** that will oversee all aspects of the project, from **RFP development to post-implementation support**.

The current RFP needs revision to incorporate evolving technologies, cybersecurity requirements, and best practices. The awarded firm will work closely with the selected AMI vendor to ensure seamless deployment and successful project execution.

3 Scope of Services

The Program and Performance Management firm will provide comprehensive oversight of the AMI project, ensuring successful implementation across the following focus areas:

3.1 Strategic Vision, Ecosystem Development, and Funding Opportunities

- a) Partner with City Leadership to establish a strategic vision for AMI as a transformative initiative that enhances operational efficiency, customer engagement, and sustainability across the City's utility infrastructure.
- b) Define AMI as an ecosystem initiative, integrating metering, communications, data analytics, and customer service platforms into a scalable, future-ready framework.
- c) Develop a phased implementation roadmap that outlines short-term, mid-term, and long-term milestones, ensuring a structured and adaptable deployment approach.
- d) Document and track the AMI evolution, mapping key technological advancements, system integrations, workforce transitions, and operational improvements over time.
- e) Provide strategic recommendations for leveraging AMI capabilities beyond metering, including demand response, outage management, grid optimization, and future smart city applications.
- f) Identify and pursue funding opportunities, including federal, state, and private grants, to support AMI deployment and related smart infrastructure initiatives.
- g) Assist in grant writing and application processes, ensuring alignment with eligibility requirements, sustainability goals, and industry best practices.
- h) Ensure alignment with City priorities and industry funding opportunities, maximizing financial support while accelerating the AMI implementation strategy.

3.2 Project Management and Oversight

- a) Establish and lead a **Project Management Office (PMO)** to oversee all phases of the AMI Project including the project charter through AMI deployment, using established project management practices.
- b) Track project progress, identify potential risks, and implement mitigation strategies.
- c) Provide regular reports to City leadership, outlining key performance indicators (KPIs), budget adherence, and project milestones.
- d) Oversee compliance with contractual obligations and industry standards.
- e) Advise on any other outside concerns or benefits such as grants, communications, etc. from APPA, AWWA, MPUA, IEEE, and federal and state agencies.

3.3 RFP Revision and Vendor Selection Support

- a) **Review and update the existing AMI RFP**, ensuring it aligns with current utility trends and regulatory requirements.
- b) Work with City stakeholders to incorporate emerging technologies, cybersecurity best practices, and integration considerations into the updated RFP.
- c) Assist in the evaluation and selection of the AMI vendor by developing objective scoring criteria and facilitating proposal reviews.

3.4 Integration and Technical Coordination

- a) Ensure seamless integration with existing systems, including:
 - Customer Information System (CIS)
 - Outage Management System (OMS)
 - Enterprise Resource Planning (ERP) System
 - Supervisory Control and Data Acquisition (SCADA)
 - City's existing wide area fiber and radio networks
 - Cellular service and internet service providers
- b) Collaborate with IT and engineering teams to resolve technical challenges during deployment.
- c) Provide subject matter expertise in AMI system architecture and interoperability.

3.5 Customer Outreach and Communication Strategy

- a) Develop and oversee the execution of a public outreach plan to educate residents and businesses on the AMI project.
- b) Prepare materials such as brochures, FAQs, and online content to communicate project benefits and address common concerns.
- c) Facilitate community engagement events and public meetings.
- d) Identify and track key customer experience metrics to measure public approval, satisfaction, and overall perception of AMI implementation, using surveys, feedback mechanisms, and customer engagement analytics.
- e) Develop strategy for customer communication when a meter is about to be replaced.
- f) Provide ongoing support for addressing customer inquiries and concerns throughout deployment.

3.6 Data Protection and Cybersecurity Compliance

- a) Ensure all data protection and cybersecurity policies align with the cybersecurity policies of the City and with industry standards such as:
 - NERC CIP
 - AWIA
 - ISO 27001
 - NIST Cybersecurity Framework
- b) Conduct risk assessments to identify vulnerabilities and recommend mitigation measures.
- c) Work with the AMI vendor to ensure robust data encryption, access controls, and incident response planning.

3.7 Pilot Deployment Strategy

- a) Assist in designing and implementing a phased pilot deployment, allowing the City to evaluate system performance and customer feedback before full-scale implementation.
- b) Define success criteria for pilot evaluation, including meter accuracy, communication reliability, and system integration success.
- c) Provide analysis and recommendations for optimizing deployment strategies based on pilot results.

3.8 Installation Oversight and Compliance Monitoring

- a) Monitor the installation of meters and supporting infrastructure to ensure adherence to specifications and quality standards, and pilot study outcomes.
- b) Validate the proper configuration and testing of the AMI technology platform.
- c) Ensure vendor adherence to project milestones, providing corrective action plans when needed.
- d) Conduct site inspections and acceptance testing to confirm system functionality.

3.9 Performance Evaluation and Reporting

- a) Establish key performance metrics to measure AMI system performance, reliability, and customer satisfaction.
- b) Provide monthly and quarterly performance reports to City leadership.
- c) Identify continuous improvement opportunities for system optimization.

3.10 Change Management Support

- a) Develop and implement a change management plan to support staff and stakeholders throughout the transition to AMI, ensuring a smooth shift from legacy systems to new operational system and business processes.
- b) Evaluate workforce transitions by identifying positions impacted by AMI deployment, evaluate existing roles, and assist with the development of new positions to support advanced metering technology and new business processes.
- c) Advise and support staff transition strategies, including opportunities to retrain and redeploy impacted employees.
- d) Design and facilitate training documents and programs to equip employees with the knowledge and skills necessary to operate and manage AMI systems effectively.
- e) Provide leadership coaching and transition support to ensure management can effectively guide teams through the organizational changes and measure employee performance in new positions.
- f) Develop performance management metrics to track operational efficiency and workforce adaptation during and after AMI implementation.
- g) Monitor the adoption of AMI technologies and address challenges proactively.

- h) Support long-term workforce planning, ensuring staffing levels and job roles align with the City's evolving utility operations post-implementation.

3.11 Governance, Steering Committee, and Reporting Structure

- a) Establish a Project Steering Committee to provide strategic direction, oversee progress, and facilitate decision-making for AMI deployment.
- b) Work directly with Executive Sponsors from the electric and water utility divisions to ensure alignment with City objectives.
- c) Attend monthly Steering Committee meetings to present status updates, risk assessments, and key recommendations.
- d) Provide biweekly executive briefings to sponsors, offering high-level project insights and decision support.
- e) Develop and implement a structured reporting framework, including project status, risk assessments, customer outreach impact, and vendor performance.

4 Fee Schedule

The respondent shall provide a detailed fee schedule for the Program and Performance Management services addressing the RFP.

Furthermore, the respondent shall provide an explanation of the process and fee structure for change orders.

5 Proposal Submission Requirements

Proposals must be received by the deadline stated on the first page of this RFP. The respondent shall submit the following information/documents as part of the proposal:

- a) Cover sheet, completed and signed
- b) Responses to the evaluation criteria and all parts of the RFP
- c) Agreement for Professional Services, completed and signed, or list of exceptions to be negotiated
- d) Fee schedule

Proposals will not be accepted after the deadline for submission, regardless of the reason. Any exceptions to the Scope of Services and/or Agreement contained herein must be submitted as part of the proposal. Firms selected for award will be required to provide proof of insurance, as stipulated herein, and a notarized affidavit of non-collusion.

6 Evaluation Criteria

Proposals submitted to this RFP will be evaluated by the City according to the following criteria:

- a) Experience in AMI project oversight
- b) Technical expertise in utility integration
- c) Project management methodology & approach
- d) Cybersecurity and compliance capabilities
- e) Customer outreach strategies
- f) Cost-competitiveness

The respondent is cautioned that it is the respondent's sole responsibility to submit information related to the evaluation categories. The City is under no obligation to solicit such information if it is not included in the respondent's original proposal. Failure to provide such information may have an adverse impact on the evaluation of the respondent's proposal.

7 Evaluation Process

The City will consider a proposal nonresponsive when critical information is lacking, or the submission represents a major deviation from the requirements of this RFP. Minor omissions or informalities may be waived at the sole option and discretion of the City. The City also reserves the right to reject any and all proposals, make no award or multiple awards as result of this solicitation. Responsive proposals will be evaluated in the following manner:

- a) An evaluation committee will review and rank all proposals individually on their technical merits and according to the criteria established in this RFP. The committee may contact respondents if any clarification is needed on the proposal.
- b) Respondents whose proposals are ranked the highest by the evaluation committee may be asked to participate in an interview process to ensure a mutual understanding of both the City's requirements and the respondent's proposal. Interviews may be conducted either in person or by telephone. However, the committee may decide that interviews are not necessary and make recommendations for award based on the information provided in the proposal. If interviews are conducted, the respondents being interviewed will be evaluated with the same evaluation criteria delineated in this RFP.
- c) The firm that provides the City with the most complete, reliable, and cost-effective services based on the established evaluation criteria will be recommended for approval by the Purchasing Manager.

In accordance with federal, state, and local laws, the proposal documents will be available for public review following rejection of all proposals; posting of the Notice of Intent to Award; or execution of the contract and/or purchase order.

8 Right of Protest

A Notice of Intent to Award will be posted on the Internet at www.publicpurchase.com. Any protest must be filed within five (5) business days of the date of posting of the Notice. Neither the City nor www.publicpurchase.com shall be responsible for directly notifying respondent of the Notice of Intent to Award. Protests must be received in the office of the Purchasing Manager and must contain the company name, address, phone number and signature of the authorized representative; solicitation number; a detailed statement describing the grounds for the protest; and supporting evidence or documents to substantiate the claim. The Director of Finance will review the information provided and issue a written decision within five (5) business days of receipt of the protest. This decision shall be final.

9 Proposed Time Schedule

This proposed timeline may vary according to the scheduling needs of the City.

Issuance of RFP	March 24, 2025
Pre-proposal conference	April 3, 2025, 10:00 AM - 11:30 AM CDT
Deadline for questions	April 18, 2025, 4:00 PM CDT
Proposals due	April 25, 2025, 4:00 PM CDT
Evaluation	April 28, 2025 through May 15, 2025
Council approval request	June 2, 2025
Notification of award	June 3, 2025

10 TERMS AND CONDITIONS

A. COMPENSATION

The City shall pay the successful proposer an amount not to exceed the amount stated in the fee schedule included in the proposer's proposal. Regular (e.g. monthly) invoices shall be submitted by the successful proposer to the City for payment of services performed and expenses incurred. Invoices shall indicate the hours expended for each person, the total labor billing, and a summary of other expenses and charges with supporting documentation. Payment will be made by the City within thirty (30) days of receipt of invoice. Payment with the City's credit card is the preferred method of payment, provided no processing fees are assessed. If proposer will not accept the City's credit card, payment will be made via check on a Net 30 basis. The City is exempt from State of Missouri sales and use taxes on purchases made directly for the City. Successful proposer shall not include any sales or use taxes on transactions between the successful proposer and City.

B. VENDOR SELF SERVICE (VSS)

Vendors contracted with the City shall register online as a vendor on the City's Vendor Self-Service (VSS) portal at <https://independencemo.munisselfservice.com>. All contracts, purchase orders, and other documentation is uploaded to VSS from the City's financial system. Contracts and purchase orders are no longer mailed, faxed, or emailed. Invoices may also be submitted to the City on this portal. Complete instructions for registering are included in the documents listed with this RFP.

C. PERMITS AND LICENSES

The successful proposer shall procure all necessary local permits and licenses and a City of Independence business license, unless exempt under state law. Successful proposer will abide by all applicable laws, regulations, and ordinances of all federal, state, and local governments in which work under this contract is performed and will require the same of all sub-consultants. The successful proposer must furnish and maintain certification of authority to conduct business in the State of Missouri.

D. OWNERSHIP OF DOCUMENTS AND INTELLECTUAL PROPERTY

Except as otherwise provided herein, documents, drawings, and specifications prepared by successful proposer as part of the services shall become the property of City, provided, however, that successful proposer shall have the unrestricted right to their use. Notwithstanding the foregoing, City accepts that any re-use of the documents or intellectual property shall be at City's sole risk and liability.

E. CHANGES, DELETIONS, OR ADDITIONS TO CONTRACT

Either party may request changes within the general scope if a contract is awarded. If a requested change causes an increase or decrease in the price or time required to perform the contract, City and successful proposer will agree to an equitable adjustment of the contract price, period of service, or both, and will reflect such adjustment in a change order or written modification.

F. STANDARD OF CARE

Successful proposer shall exercise the same degree of care, skill, and diligence in the performance of the services as is ordinarily possessed and exercised by a peer professional under similar circumstances.

G. LIABILITY AND INDEMNIFICATION

Having considered the potential liabilities that may exist during the performance of a potential contract and the successful proposer's fee, and in consideration of the mutual covenants contained in the contract, City and successful proposer agree to allocate and limit such liabilities in accordance with this section:

Successful proposer agrees, to the fullest extent permitted by law, to indemnify and hold harmless the City, its officers, directors, and employees, against all damages liabilities or costs, including reasonable attorneys' fees and defense costs, to the extent caused by the successful proposer's negligent performance of services under the contract and that of its sub-consultants, or anyone for whom the successful proposer is legally liable. Successful proposer shall indemnify City against legal liability for damages arising out of claims by successful proposer's employees.

Successful proposer will not be liable under this Agreement for (i) any indirect, exemplary, incidental, punitive, special or consequential damages or for loss of profit, loss of business or loss of goodwill, or (ii) with respect to any subject matter of this Agreement under any contract, tort, negligence, strict liability or other legal or equitable theory, for any amounts in excess, in the aggregate, of the fees paid or payable to successful proposer for the project contract, except that successful proposer's liability to City, regardless of the form of action, arising out of successful proposer's indemnification obligations and/or a breach of security obligations hereunder (including any indemnification obligations therefor) will be limited to the maximum amount available under successful proposer's insurance. Notwithstanding the foregoing to the contrary, nothing in this Agreement will limit successful proposer's liability (including any indemnification liability hereunder) for its gross negligence or willful

misconduct or liability for the death or bodily injury of a person or damage to tangible property due to successful proposer's negligence or for damages arising out of claims by successful proposer's employees.

H. INSURANCE

See attached Insurance Requirements.

I. SHIPPING, TITLE, AND RISK OF LOSS

All sales and deliveries are F.O.B. City.

J. DELAY IN PERFORMANCE

Neither City nor successful proposer shall be considered in default of this contract for delays in performance caused by circumstances beyond the reasonable control of the nonperforming party. Such circumstances include, but are not limited to abnormal weather conditions; floods; earthquakes; fire; epidemics; war, riots, and other civil disturbances; strikes, lockouts, work slowdowns, and other labor disturbances; sabotage; judicial restrains; and inability to procure permits, licenses, or authorizations from any local, state, or federal agency for any of the supplies, materials, accesses, or services required to be provided by either City or successful proposer as required. Should such circumstances occur, the non-performing party shall, within a reasonable time of being prevented from performing, give written notice to the other party describing the circumstances preventing continued performance and the efforts being made to resume performance of the contract.

K. TERMINATION

City may terminate or suspend performance of a contract that results from this solicitation, for City's convenience upon written notice to successful proposer whom becomes the consultant of thirty (30) days. Consultant shall terminate or suspend performance of the services on a schedule acceptable to City. If termination or suspension is for City's convenience, City shall pay consultant for all the services performed till the date of the termination by the City or suspension expenses. If contract is restarted, an equitable adjustment shall be made to consultant's compensation.

The contract may be terminated by either party upon written notice in the event of substantial failure by the other party to perform in accordance with the terms of the contract. The nonperforming party shall have fifteen (15) calendar days from the date of the termination notice to cure or to submit a plan for cure acceptable to the other party.

In the event that funding for the contract is discontinued, City shall have the right to terminate this contract immediately upon written notice to consultant.

L. WAIVER

A waiver by either City or successful proposer of any breach of the contract shall be in writing. Such a waiver shall not affect the waiving party's rights with respect to any other or further breach.

M. SEVERABILITY

The invalidity, illegality, or unenforceability of any provision of the contract or the occurrence of any event that renders any portion or provision of the contract void shall in no way affect the validity or enforceability of any other portion or provision of the contract. Any void provision shall be deemed severed from the contract, and the balance of the contract shall be construed and enforced as if this contract did not contain the particular portion or provision held to be void. The parties further agree to amend the contract to replace any stricken provision with a valid provision that comes as close as possible to the intent of the stricken provision. The provisions of this section shall not prevent the entire contract from being void if a provision, which is of the essence of this contract, be determined void.

N. SUCCESSORS AND ASSIGNS

City and successful proposer each binds itself and its directors, officers, partners, successors, executors, administrators, assigns, and legal representatives to the other party to the contract and to the directors, officers,

partners, successors, executors, administrators, assigns, and legal representatives of such other party in respect to all provisions of the contract.

O. ASSIGNMENT

Neither City nor successful proposer shall assign any rights or duties under the contract without the prior written consent of the other party. Unless otherwise stated in the written consent to an assignment, no assignment will release or discharge the assignor from any obligation under the contract. Notwithstanding anything to the contrary herein, either party may, without the other party's consent, assign or transfer all or part of this agreement to any affiliate or to any successor-in-interest to all or substantially all the business or assets of the assigning party pertaining to the subject matter hereof, whether voluntarily or by merger, reorganization, asset sale, or otherwise.

P. THIRD PARTY RIGHTS

Nothing in this document shall be construed to give any rights or benefits to anyone other than City and successful proposer.

Q. INDEPENDENT CONSULTANT

Each party shall perform its activities and duties hereunder only as an independent consultant. The parties and their personnel shall not be considered to be employees or agents of the other party. Nothing shall be interpreted as granting either party the right or authority to make commitments of any kind for the other. A contract resulting from this solicitation shall not constitute, create, or in any way be interpreted as a joint venture, partnership, or formal business organization of any kind.

R. AUDIT

Successful proposer agrees that the City, or a duly authorized representative, shall, until the expiration of three (3) years after final payment under a successful contract, have access to and the right to examine and copy any pertinent books, documents, papers, and records of the successful proposer involving transactions related to the contract.

S. EQUAL EMPLOYMENT OPPORTUNITY

During the performance of this contract or purchase order, the successful proposer agrees:

Not to discriminate against any employee or applicant for employment because of race, age, color, religion, sex, national origin or any other legally protected category. The successful proposer will take affirmative action to ensure that applicants are employed, and that employees are treated fairly during employment, without regard to their race, age, color, religion, sex, or national origin. Such action shall include, but not be limited to, the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training including apprenticeship. The successful proposer agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided setting forth the provisions of this nondiscrimination clause.

To state in all solicitations or advertisements for employees placed by or on behalf of the successful proposer that all qualified applicants will receive consideration for employment without regard to race, age, color, religion, sex, or national origin.

To send to each labor union or representative of workers with which they has a collective bargaining agreement or other contract or understanding a notice to be provided by the City advising the said labor union or workers' representatives of the successful proposer's commitment under this section and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

To comply with all provisions of Executive Order 11246 of September 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor.

To furnish all information and reports required by Executive Order 11246 of September 24, 1965, and by rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his or her books, records, and accounts by the department and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.

In the event the successful proposer is not compliant with the non-discrimination clauses of this contract or purchase order, with any of the said rules, regulations, or orders, this contract or purchase order may be canceled, terminated, or suspended in whole or in part, and the organization may be declared ineligible for any further government contracts or purchase order or federally assisted contracts in accordance with procedures authorized in Executive Order 11246 of September 24, 1965, or by rules, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

The proposer will include the entire text of this Equal Employment Opportunity section and its subsections in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to Section 204 of Executive Executive Order 11246 of September 24, 1965, so that such provisions will be binding upon each sub-consultant or vendor. The successful proposer will take such action with respect to any sub-consultant or purchase order as the department may direct as a means of enforcing such provisions, including sanctions of noncompliance; provided, however, that in the event an successful proposer becomes involved in, or is threatened with litigation with a sub-consultant or vendor as a result of such direction by the department, the successful proposer may request the United States to enter into such litigation to protect the interest of the United States.

T. ANTI-DISCRIMINATION AGAINST ISRAEL ACT

Consultants working on behalf of the City of Independence are to abide by Missouri Revised Statute 34.600, otherwise known as the Anti-Discrimination against Israel Act.

U. GOVERNING LAW

Contracts shall be governed by the laws of the State of Missouri. The City and the successful proposer agree that the performance of a contract will be deemed to have occurred in the State of Missouri and that successful proposer's performance under the contract will be deemed the transaction of business in Missouri. Jurisdiction and venue for any claim or cause of action arising under the contract shall be exclusively in the Sixteenth Judicial Circuit of Missouri and the successful proposer submits to personal jurisdiction of and waives any personal jurisdiction or inconvenient forum objection to, that court.

V. MISSOURI SUNSHINE LAW

The proposer acknowledges and agrees that the City is bound by the Missouri Open Records Law (Sunshine Law) and cannot protect information for the sole reason that it is marked "confidential" or "proprietary". All information submitted in response to this RFP shall be available for public review in accordance with all federal, state and local laws after: 1) posting of the Notice of Intent to Award; 2) a contract has been executed; or 3) all proposals have been rejected. Requests must be submitted in writing to the Procurement Manager, City of Independence

W. COMMUNICATIONS

Any communication shall be made in writing to the authorized representative at the address specified below on the cover page of the proposal response. Communications with the City shall be to Procurement Manager, 111 E. Maple, Independence, MO 64050. Nothing contained in this section shall be construed to restrict the transmission of routine communications between representatives of successful proposer and City.

X. SEPARATE CONTRACTS

City and successful proposer each reserve the right to, from time to time, enter into other contracts for specific projects. If such contracts are separately approved in writing by the parties, the terms and conditions of those contracts shall prevail for the specific projects set forth therein.

Y. ENTIRE CONTRACT

A contract resulting from this solicitation and successful proposer's proposal represents the entire agreement between the City and successful proposer. All previous or contemporaneous agreements, representations, promises and conditions relating the successful proposer's services described herein are superseded.

Z. PRECEDENCE OF DOCUMENTS

The RFP including the terms and conditions, the successful proposer's proposal, and purchase order shall constitute the entire contract for each project. If these General Terms & Conditions be in conflict with any attached Special Conditions, the Special Conditions will supersede the General Terms & Conditions. In case of a discrepancy, the purchase order or contract shall take precedence over the RFP and the RFP shall take precedence over the proposer's proposal.

INSURANCE REQUIREMENTS

Professional Services

Service Provider agrees to secure and maintain throughout the duration of this Agreement insurance of such types and in at least such amounts as set forth below from an insurance company which carries a Best's Policyholder rating of "A-" or better and carries at least a Class "VIII" financial rating, unless otherwise agreed to by the City. All policies shall be on an occurrence basis unless otherwise agreed and cover sub-consultants and independent consultants performing work on behalf of Service Provider under this Agreement. Service Provider shall provide certificate(s) of insurance confirming the required protection on the standard Acord insurance certificate forms. The certificate(s) shall be filed with the City prior to commencement of any work.

Professional Liability: Service Provider shall maintain throughout the duration of this Agreement and for a period of three (3) years after the termination of this Agreement, Professional Liability Insurance.

Limits -

Each Claim:	\$1,000,000
General Aggregate:	\$1,000,000

Commercial General Liability: The City shall be listed by ISO endorsement or its equivalent as an additional insured on a primary and noncontributory basis on any commercial general liability policy of insurance.

Limits -

Each Occurrence:	\$1,000,000
Personal & Advertising Injury:	\$1,000,000
Products/Completed Operations Aggregate:	\$1,000,000
General Aggregate:	\$2,000,000

Automobile Insurance: Policy shall protect Service Provider against claims for bodily injury and/or property damage arising out of the ownership or use of any owned, hired and/or non-owned vehicle and must include protection for either:

Any Auto; OR

All Owned Autos; Hired Autos; and Non-Owned Autos

Notwithstanding the foregoing, should Service Provider not own any automobiles, the automobile liability requirements shall be amended to allow Consulting to maintain only Hired and Non-Owned Auto protection.

Limits -

Each Accident;	
Bodily Injury and Property Damage:	\$1,000,000

Worker's Compensation: The insurance shall protect Service Provider against all claims under applicable state Worker's Compensation laws. Service Provider shall also be protected against claims for injury, disease, or death of employees which, for any reason, may not fall within the provisions of a Workers' Compensation law. The policy limits shall not be less than the statutory limits currently applicable. Coverage shall extend to include the "All States" endorsement.

Employer's Liability (Provision under the WC program):

Limits -

Bodily Injury by Accident:	\$100,000 Each Accident
Bodily Injury by Disease:	\$500,000 Policy Limit
Bodily Injury by Disease:	\$100,000 Each Employee

Exposure Limits: The above are minimum acceptable coverage limits and do not infer or place a limit on the liability of Service Provider nor has the City assessed the risk that may be applicable to Service Provider. Service Provider shall assess its own risks and if it deems appropriate and/or prudent maintain higher limits and/or broader coverage. Any

deviation from the requirements set forth in this Insurance section may be allowed by the City Risk Manager subject to the City Legal Department's review and approval.

INDEMNITY

Loss: For purposes of indemnification requirements, the term "Loss" means any and all loss, damage, liability or expense, of any nature whatsoever, whether incurred as a judgment, settlement, penalty, fine or otherwise (including attorney's fees and the cost of defense), in connection with any action, proceeding, demand or claim for injury, including death, to any person or persons or damages to or loss of, or loss of the use of, property of any person, firm or corporation, including the parties hereto, which arise out of or are connected with the performance of this Agreement.

Indemnification and Hold Harmless: For purposes of this Agreement, Consultant agrees to indemnify, defend and hold harmless City and its agents from any and all Loss where Loss is caused or incurred as a result of the intentional misconduct, recklessness, negligence, or other actionable fault of Consultant or its subconsultants.

Comply: Exception:

ACKNOWLEDGEMENT OF INSURANCE REQUIREMENTS

By signing its proposal, respondent acknowledges that is has read and understand the insurance requirements for the proposal. Respondent also understand that the certificate of required insurance must be submitted within fifteen (15) days following the notification of award. No final contract will be signed by the City until all Certificate of Insurance are received and meet the minimums noted herein.

AFFIDAVIT

STATE OF _____)
) SS.
COUNTY OF _____)

_____ of the City of _____
_____, County of _____, State of _____,

being duly sworn on her or his oath, deposes and says:

1. That I am the _____ (Title of Affiant) of
_____ (Name of Proposer) and
have been authorized by said proposer to make this affidavit on the proposer's behalf;
2. No Councilmember, City Manager, Director of Finance and Administration, City Procurement Manager, or any City employee is financially interested in what the proposer is offering to sell to the City pursuant to this RFP, nor is the proposer a City employee or board member whose proposal creates a conflict of interest. A conflict of interest would arise if any person named in this section is in a position to affect either the decision to solicit proposals or the selection of the successful proposer;
3. Proposer has not participated in collusion or committed any act in restraint of trade, directly or indirectly, which bears upon anyone's response or lack of response to this RFP; and
4. Proposer is responsible for submitting with his or her proposal a record of any discussion with a Councilmember, City Manager, Director of Finance and Administration, City Procurement Manager, or any other City employee regarding this RFP; and
5. The authorized signer of this document certifies that the organization and each of its principals are not suspended or debarred by the City of Independence, State of Missouri or Federal government.

_____ (Name of Proposer)
By: _____ (Signature of Affiant)
_____ (Title of Affiant)

Subscribed and sworn to before me this _____ day of _____, 20____.

(SEAL)

NOTARY PUBLIC in and for the County of _____
State of _____

My commission expires:

CONTRACT FOR SERVICES

This contract, made by and between the City of Independence, Missouri (hereinafter called City) and, TMG Utility Advisory Services, Inc., d/b/a/ TMG Consulting, Inc. , a Texas corporation(hereinafter called consultant).

WITNESSETH:

WHEREAS, City requires AMI Program and Performance Management and,

WHEREAS, Consultant is prepared to provide said services and shall give consultation and advice to City during the performance of said services;

NOW THEREFORE, City and Consultant in consideration of the mutual covenants contained in this contract, agree as follows:

ARTICLE 1 - EFFECTIVE DATE

The effective date of this contract shall be _____.

ARTICLE 2 - SERVICES TO BE PERFORMED BY CONSULTANT

Consultant shall perform the services set forth in the documents attached hereto and made a part of this contract, which include one or more of these documents: Request for Proposals, scope of work, statement of work, Consultant's proposal, and pricing.

ARTICLE 3 - PERIOD OF SERVICE

The services shall be completed by _____.

ARTICLE 4 - COMPENSATION

For services performed, the City shall pay the Consultant, an amount not to exceed the pricing proposed in the solicitation response, which is incorporated herein by this reference.

Regular (e.g. monthly) invoices shall be submitted by the Consultant to the City for payment of services performed and expenses incurred during the preceding month. Invoices shall indicate the hours expended for each individual person, the total labor billing, and a summary of other expenses and charges with supporting documentation.

The City's payment terms are Net 30. Payment will be made by the City within thirty (30) days of receipt of the complete invoice. The City's preferred method of payment is via City credit card with no added fees. If credit is not acceptable, payment will be made by check.

The City is exempt from State of Missouri sales and use taxes on purchases made directly for the City. Consultant shall not include any sales or use taxes on transactions between the Consultant and City.

ARTICLE 5 - PERMITS AND LICENSES

The Consultant shall procure all necessary local construction permits and licenses and a City of Independence occupation license, unless exempt under state law. Consultant will abide by all applicable laws, regulations, and ordinances of all federal, state, and local governments in which work under this contract is performed, and will require the same of all sub-consultants. The Consultant must furnish and maintain certification of authority to conduct business in the State of Missouri.

ARTICLE 6 - OWNERSHIP OF DOCUMENTS AND INTELLECTUAL PROPERTY

Except as otherwise provided herein, documents, drawings, and specifications prepared by Consultant as part of the services shall become the property of City, provided Consultant has the unrestricted right to their use. Notwithstanding the foregoing, City accepts that any re-use of the documents or intellectual property shall be at City's sole risk and liability.

ARTICLE 7 - CHANGES, DELETIONS, OR ADDITIONS TO CONTRACT

Either party may request changes within the general scope of this Contract. If a requested change causes an increase or decrease in the cost or time required to perform this contract, City and Consultant will agree to an equitable adjustment of the contract price, period of service, or both, and will reflect such adjustment in a change order or formal modification.

ARTICLE 8 – STANDARD OF CARE

Consultant shall exercise the same degree of care, skill, and diligence in the performance of the services as is ordinarily possessed and exercised by a peer professional under similar circumstances.

ARTICLE 9- LIABILITY AND INDEMNIFICATION

Having considered the potential liabilities that may exist during the performance of this contract and the Consultant's fee, and in consideration of the mutual covenants contained in the contract, City and Consultant agree to allocate and limit such liabilities in accordance with this article.

Consultant agrees, to the fullest extent permitted by law, to indemnify and hold harmless the City, its officers, directors, and employees against all damages liabilities or costs, including reasonable attorney fees and defense costs, to the extent caused by the Consultant's negligent performance of professional services under this contract and that of its sub-consultants or anyone for whom the Consultant is legally liable. Consultant shall indemnify City against legal liability for damages arising out of claims by Consultant and/or its employees.

Consultant will not be liable under this Contract for (i) any indirect, exemplary, incidental, punitive, special or consequential damages or for loss of profit, loss of business or loss of goodwill, or (ii) with respect to any subject matter of this Contract under any contract, tort, negligence, strict liability or other legal or equitable theory, for any amounts in excess, in the aggregate, of the fees paid or payable to Consultant for the project contract, except that Consultant's liability to City, regardless of the form of action, arising out of Consultant's indemnification obligations and/or a breach of security obligations hereunder (including any indemnification obligations therefor) will be limited to the maximum amount available under Consultant's insurance. Notwithstanding the foregoing to the contrary, nothing in this Contract will limit Consultant's liability (including any indemnification liability hereunder) for its gross negligence or willful misconduct or liability for the death or bodily injury of a person or damage to tangible property due to Consultant's negligence or for damages arising out of claims by Consultant's employees.

ARTICLE 10 – INSURANCE

Professional Services

Service Provider agrees to secure and maintain throughout the duration of this Agreement insurance of such types and in at least such amounts as set forth below from an insurance company which carries a Best's Policyholder rating of "A-" or better and carries at least a Class "VIII" financial rating, unless otherwise agreed to by the City. All policies shall be on an occurrence basis unless otherwise agreed and cover sub-consultants and independent consultants performing work on behalf of Service Provider under this Agreement. Service Provider shall provide certificate(s) of insurance confirming the required protection on the standard Acord insurance certificate forms. The certificate(s) shall be filed with the City prior to commencement of any work.

Professional Liability: Service Provider shall maintain throughout the duration of this Agreement and for a period of three (3) years after the termination of this Agreement, Professional Liability Insurance.

Limits –

Each Claim:	\$1,000,000
General Aggregate:	\$1,000,000

Commercial General Liability: The City shall be listed by ISO endorsement or its equivalent as an additional insured on a primary and noncontributory basis on any commercial general liability policy of insurance.

Limits –

Each Occurrence:	\$1,000,000
Personal & Advertising Injury:	\$1,000,000
Products/Completed Operations Aggregate:	\$1,000,000

General Aggregate: \$2,000,000

Automobile Insurance: Policy shall protect Service Provider against claims for bodily injury and/or property damage arising out of the ownership or use of any owned, hired and/or non-owned vehicle and must include protection for either:

Any Auto; OR

All Owned Autos; Hired Autos; and Non-Owned Autos

Notwithstanding the foregoing, should Service Provider not own any automobiles, the automobile liability requirements shall be amended to allow Consulting to maintain only Hired and Non-Owned Auto protection.

Limits -

Each Accident;

Bodily Injury and Property Damage: \$1,000,000

Worker's Compensation: The insurance shall protect Service Provider against all claims under applicable state Worker's Compensation laws. Service Provider shall also be protected against claims for injury, disease, or death of employees which, for any reason, may not fall within the provisions of a Workers' Compensation law. The policy limits shall not be less than the statutory limits currently applicable. Coverage shall extend to include the "All States" endorsement.

Employer's Liability (Provision under the WC program):

Limits -

Bodily Injury by Accident: \$100,000 Each Accident

Bodily Injury by Disease: \$500,000 Policy Limit

Bodily Injury by Disease: \$100,000 Each Employee

Exposure Limits: The above are minimum acceptable coverage limits and do not infer or place a limit on the liability of Service Provider nor has the City assessed the risk that may be applicable to Service Provider. Service Provider shall assess its own risks and if it deems appropriate and/or prudent maintain higher limits and/or broader coverage. Any deviation from the requirements set forth in this Insurance section may be allowed by the City Risk Manager subject to the City Legal Department's review and approval.

INDEMNITY

Loss: For purposes of indemnification requirements, the term "Loss" means any and all loss, damage, liability or expense, of any nature whatsoever, whether incurred as a judgment, settlement, penalty, fine or otherwise (including attorney's fees and the cost of defense), in connection with any action, proceeding, demand or claim for injury, including death, to any person or persons or damages to or loss of, or loss of the use of, property of any person, firm or corporation, including the parties hereto, which arise out of or are connected with the performance of this Agreement.

Indemnification and Hold Harmless: For purposes of this Agreement, Consultant agrees to indemnify, defend and hold harmless City and its agents from any and all Loss where Loss is caused or incurred as a result of the intentional misconduct, recklessness, negligence, or other actionable fault of Consultant or its subconsultants.

Comply: Exception:

ACKNOWLEDGEMENT OF INSURANCE REQUIREMENTS

By signing its proposal, respondent acknowledges that is has read and understand the insurance requirements for the proposal. Respondent also understand that the certificate of required insurance must be submitted within fifteen (15) days following the notification of award. No final contract will be signed by the City until all Certificate of Insurance are received and meet the minimums noted herein.

ARTICLE 11 – SHIPPING, TITLE AND RISK OF LOSS

All sales and deliveries are F.O.B. City.

ARTICLE 12 – DELAY IN PERFORMANCE

Neither City nor Consultant shall be considered in default of this contract for delays in performance caused by circumstances beyond the reasonable control of the nonperforming party. For purposes of this contract, such circumstances include, but are not limited to, abnormal weather conditions; floods; earthquakes; fire; epidemics; war, riots, and other civil disturbances; strikes, lockouts, work slowdowns, and other labor disturbances; sabotage; judicial restraints; and inability to procure permits, licenses, or authorizations from any local, state, or federal agency for any of the supplies, materials, accesses, or services required to be provided by either City or Consultant under this contract. If such circumstances occur, the non-performing party shall, within a reasonable time of being prevented from performing, give written notice to the other party describing the circumstances preventing continued performance and the efforts being made to resume performance of this contract.

ARTICLE 13 – TERMINATION

City may terminate or suspend performance of this contract for City's convenience upon written notice to Consultant of thirty (30) days. Consultant shall terminate or suspend performance of the services on a schedule acceptable to City. If termination or suspension is for City's convenience, City shall pay Consultant for all the services performed till the date of the termination by the City or suspension expenses. If contract is restarted, an equitable adjustment shall be made to Consultant's compensation.

This contract may be terminated by either party upon written notice in the event of substantial failure by the other party to perform in accordance with the terms of this contract. The nonperforming party shall have 15 calendar days from the date of the termination notice to cure or to submit a plan for cure acceptable to the other party. In the event that funding for the contract is discontinued, City shall have the right to terminate this contract immediately upon written notice to Consultant.

ARTICLE 14- WAIVER

A waiver by either City or Consultant of any breach of this contract shall be in writing. Such a waiver shall not affect the waiving party's rights with respect to any other or further breach.

ARTICLE 15 – SEVERABILITY

The invalidity, illegality, or unenforceability of any provision of this contract or the occurrence of any event rendering any portion or provision of this contract void shall in no way affect the validity or enforceability of any other portion or provision of this contract. Any void provision shall be deemed severed from this contract, and the balance of this contract shall be construed and enforced as if this contract did not contain the particular portion or provision held to be void. The parties further agree to amend this contract to replace any stricken provision with a valid provision that comes as close as possible to the intent of the stricken provision. The provisions of this article shall not prevent this entire contract from being void if a provision which is of the essence of this contract be determined void.

ARTICLE 16 – SUCCESSORS AND ASSIGNS

City and Consultant each binds itself and its directors, officers, partners, successors, executors, administrators, assigns, and legal representatives to the other party to the contract and to the directors, officers, partners, successors, executors, administrators, assigns, and legal representatives of such other party in respect to all provisions of this contract.

ARTICLE 17 – ASSIGNMENT

Neither City nor Consultant shall assign any rights or duties under this contract without the prior written consent of the other party. Unless otherwise stated in the written consent to an assignment, no assignment will release or discharge the assignor from any obligation under this contract. Notwithstanding anything to the contrary herein, either party may, without the other party's consent, assign or transfer all or part of this agreement to any affiliate or to any successor-in-interest to all or substantially all the business or assets of the assigning party pertaining to the subject matter hereof, whether voluntarily or by merger, reorganization, asset sale, or otherwise.

ARTICLE 18- THIRD PARTY RIGHTS

Nothing in this contract shall be construed to give any rights or benefits to anyone other than City and Consultant.

ARTICLE 19- INDEPENDENT CONSULTANTS

Each party shall perform its activities and duties hereunder only as an independent Consultant.

The parties and their personnel shall not be considered to be employees or agents of the other party. Nothing in this contract shall be interpreted as granting either party the right or authority to make commitments of any kind for the other. This contract shall not constitute, create, or in any way be interpreted as a joint venture, partnership or formal business organization of any kind.

ARTICLE 20- AUDIT

Consultant agrees that the City, or a duly authorized representative, shall, until the expiration of three (3) years after final payment under this contract have access to and the right to examine and copy any pertinent books, documents, papers, records, or electronic records of the Consultant involving transactions related to this contract.

ARTICLE 21 - EQUAL EMPLOYMENT OPPORTUNITY

During the performance of this contract or purchase order, the Consultant agrees as follows:

The Consultant will not discriminate against any employee or applicant for employment because of race, age, color, religion, sex, national origin or any other legally protected category. The Consultant will take affirmative action to ensure that applicants are employed, and that employees are treated fairly during employment, without regard to their race, age, color, religion, sex, or national origin. Such action shall include, but not be limited to, the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training including apprenticeship. The Consultant agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided setting forth the provisions of this nondiscrimination clause.

The Consultant will, in all solicitations or advertisements for employees placed by or on behalf of the Consultant, state that all qualified applicants will receive consideration for employment without regard to race, age, color, religion, sex, or national origin.

The Consultant will send to each labor union or representative of workers with which Consultant has a collective bargaining agreement or other contract or understanding, a notice to be provided by a contract compliance officer advising the said labor union or workers' representatives of the Consultant's commitment under this section and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

The Consultant will comply with all provisions of Executive Order 11246 of September 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor.

The Consultant will furnish all information and reports required by Executive Order 11246 of September 24, 1965, and by rules, regulations and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his or her books, records, and accounts by the Department and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.

In the event of the Consultant's noncompliance with the non-discrimination clauses of this contract or purchase order with any of the said rules, regulations, or orders, this contract or purchase order may be canceled, terminated, or suspended in whole or in part, and the organization may be declared ineligible for any further government contracts or purchase order or federally assisted contracts in accordance with procedures authorized in Executive Order 11246 of September 24, 1965, or by rules, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

The Consultant will include the entire text of this Equal Employment Opportunity section and its subsections in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to Section 204 of Executive Order 11246 of September 24, 1965, so that such provisions will be binding upon each sub-Consultant or vendor. The Consultant will take such action with respect to any sub-Consultant or purchase order as the City may direct as a means of enforcing such provisions, including sanctions of noncompliance; provided, however, that in the event a Consultant becomes involved in, or is threatened with litigation with a sub-Consultant or

vendor as a result of such direction by the City, the Consultant may request the United States to enter into such litigation to protect the interest of the United States.

ARTICLE 22 – ANTI-DISCRIMINATION AGAINST ISRAEL ACT

Consultants working on behalf of the City of Independence are to abide by Missouri Revised Statute 34.600, otherwise known as the Anti-Discrimination against Israel Act.

ARTICLE 23 – GOVERNING LAW

This contract shall be governed by the laws of the State of Missouri. The City and the Consultant agree that the performance of this contract will be deemed to have occurred in the State of Missouri and that Consultant's performance under this contract will be deemed the transaction of business in Missouri. Jurisdiction and venue for any claim or cause of action arising under this contract shall be exclusively in the Sixteenth Judicial Circuit of Missouri and the Consultant submits to personal jurisdiction of and waives any personal jurisdiction or inconvenient forum objection to, that court.

ARTICLE 24 – COMMUNICATIONS

Any communication required by this contract to the Consultant shall be made in writing to the authorized representative named on the completed front page or response page of the solicitation. Any communication required by this contract with the City shall be sent to: City of Independence, Attn: Procurement Division, 111 E Maple Avenue, Independence, MO 64050 and also by email to purchasing@indepmo.org.

Nothing contained in this article shall be construed to restrict the transmission of routine communications between representatives of Consultant and City.

ARTICLE 25 – SEPARATE CONTRACTS

City and Consultant each reserve the right to, from time to time, enter into other contracts for specific projects. If such contracts are separately approved in writing by the parties, the terms and conditions of those contracts shall prevail for the specific projects set forth therein.

ARTICLE 26 – ENTIRE CONTRACT

This contract represents the entire agreement between the City and Consultant. All previous or contemporaneous agreements, representations, promises and conditions relating the Consultant's services described herein are superseded. The RFP including the terms and conditions, the Consultant's response and written proposal, and purchase order (where applicable) shall constitute the entire contract. If these General Terms & Conditions be in conflict with any attached Special Conditions, the Special Conditions will supersede the General Terms & Conditions. In case of a discrepancy, the purchase order shall take precedence over the RFP and the RFP shall take precedence over the Consultant's response and written proposal.

ARTICLE 27 – SURVIVAL OF TERMS

The following provisions shall survive the expiration or termination of this contract for any reason: if any payment obligations exist, Article 4 – Compensation; Article 5 – Permits and Licenses; Article 9 – Liability and Indemnification; Article 14 – Waiver; Article 15 – Severability; Article 17 – Assignment; Article 19 – Independent Consultants; Article 22 – Governing Law; Article 26 – Entire Contract; and this Article 27 – Survival of Terms.

IN WITNESS WHEREOF, City and Consultant, by and through their authorized officers, have made and executed this contract.

City

By _____

Consultant

By Supriya Mukhapadhyay

Title CEO

Date _____

Date 11/03/2025 _____

SIGNATURE CERTIFICATE



REFERENCE NUMBER

DECEF82E-0599-4BCC-8769-24C860E0E920

TRANSACTION DETAILS

Reference Number
DECEF82E-0599-4BCC-8769-24C860E0E920

Transaction Type
Signature Request

Sent At
11/03/2025 03:13:32 PM EST

Executed At
11/03/2025 03:45:39 PM EST

Identity Method
email

Distribution Method
email

Signed Checksum
5dfc412b12380c46393b0b686dfb448038bad28e4be80ff4a7f422d901967bdd

Signer Sequencing
Disabled

Document Passcode
Disabled

DOCUMENT DETAILS

Document Name
25007 A AMI Consultant - TMG Consulting 11-03-2025

Filename
25007_A_AMI_Consultant_-_TMG_Consulting_11-03-2025.docx

Pages
22 pages

Content Type
application/vnd.openxmlformats-officedocument.wordprocessingml.document

File Size
1.49 MB

Original Checksum
22ad81cd0a93f73330e1e56d2389ed1736ac574de7662ada13aee1570737b6b6

SIGNERS

SIGNER	E-SIGNATURE	EVENTS
Name Supriya Mukhapadhyay	Status signed	Viewed At 11/03/2025 03:44:41 PM EST
Email supriya.mukhapadhyay@riaadvisory.com	Multi-factor Digital Fingerprint Checksum 4f53cda18c2baa0c0354bb5f9a3ecbe5ed12ab4d8e11ba873c2f11161202b945	Identity Authenticated At 11/03/2025 03:45:39 PM EST
Components 3	IP Address 104.28.103.103	Signed At 11/03/2025 03:45:39 PM EST
	Device Mobile Safari via iOS	
	Typed Signature 	
	Signature Reference ID 3DBEA2DD	

AUDITS

TIMESTAMP	AUDIT
11/03/2025 03:13:32 PM EST	Michelle Boggie (michelle.boggie@tmgconsulting.com) created document '25007_A_AMI_Consultant_-_TMG_Consulting_11-03-2025.docx' on Microsoft Edge via Windows from 174.51.240.127.
11/03/2025 03:13:33 PM EST	Supriya Mukhapadhyay (supriya.mukhapadhyay@riaadvisory.com) was emailed a link to sign.
11/03/2025 03:43:45 PM EST	Supriya Mukhapadhyay (supriya.mukhapadhyay@riaadvisory.com) viewed the document on Mobile Safari via iOS from 104.28.103.103.
11/03/2025 03:44:41 PM EST	Supriya Mukhapadhyay (supriya.mukhapadhyay@riaadvisory.com) viewed the document on Chrome via Windows from 135.232.20.66.
11/03/2025 03:45:39 PM EST	Supriya Mukhapadhyay (supriya.mukhapadhyay@riaadvisory.com) authenticated via email on Mobile Safari via iOS from 104.28.103.103.
11/03/2025 03:45:39 PM EST	Supriya Mukhapadhyay (supriya.mukhapadhyay@riaadvisory.com) signed the document on Mobile Safari via iOS from 104.28.103.103.



MEMORANDUM

DATE: December 3rd, 2025

TO: Honorable Mayor & Members of the City Council

FROM: Andrew R. Frazier, Management Analyst

SUBJECT: Independence Power & Light's and Municipal Services Department Advanced Metering Infrastructure (AMI) Project -Consulting, Program, & Performance Management



I have reviewed the agreement information to ensure compliance with the contracting process per Section 1.43.007(D) of the City Code: The Management Analyst shall audit all proposed City contracts anticipated to cost in excess of \$2,000,000.00 prior to the proposed contracts being submitted to the City Council.

The agenda includes a consent item authorizing the Interim City Manager to execute an agreement with TMG Utility Advisory Services, Inc., in the amount of \$2,114,480. The agreement provides consulting, program management, and performance management services for the Advanced Metering Infrastructure (AMI) program for Independence Power & Light and the Municipal Services Department. These services include, but are not limited to, current state analysis, solution requirements development, AMI system procurement support, and implementation and deployment of AMI technology. The costs will be shared by both Departments.

In accordance with Section 34.040 of the Missouri Revised Statutes regarding competitive bidding and Chapter 8, Article 6 of the Independence Code, the City received nine proposals after the opportunity was published on the public purchase website for 30 days. City staff reviewed each firm's qualifications and ultimately decided to pursue the bid from TMG Utility Advisory Services, Inc. for \$2,114,480. TMG's proposal scored the highest among the nine finalists in the proposal scoring matrix.

TMG Utility Advisory Services, Inc. is headquartered in Coral Gables, Florida. The company has successfully conducted projects of similar size and scope across the nation, including in Folsom, NJ; Lubbock, TX; and Foley, AL.



City staff have provided all relevant documentation, verifying each action taken. I find the agreement satisfactory, and all parties have fulfilled their obligations in accordance with the applicable requirements.

Please let me know if you have any questions regarding this matter.

Respectfully,

Andrew R. Frazier, MPA,
Management Analyst

- C. Lisa Reynolds, Interim City Manager
- Joe Hegendeffe, Director of Independence Power & Light
- Susanne Holland, City Clerk

City of Independence

AGENDA ITEM COVER SHEET

Agenda Title:

26-010 **1R** An ordinance amending Section 3.01.001 of the Independence City Code to expand the definition of a public nuisance animal **1R Read**

Recommendations:

Staff recommends Council approval.

Background:

This ordinance expands the definition of "public nuisance animal" to include an animal that "Is repeatedly and without permission loose on property other than that of the owner of the animal."

Emergency Justification:**Fiscal Impact:****Council Action:**

**Department /
Contact**

Legal /

REVIEWERS

Jeremy Cover
Lisa Reynolds
Susanne Holland

ATTACHMENTS:

1. Expanding Public Nuisance Animal Definition

BILL NO. _____

ORDINANCE NO. _____

AN ORDINANCE AMENDING SECTION 3.01.001 OF THE INDEPENDENCE CITY CODE
TO EXPAND THE DEFINITION OF A PUBLIC NUISANCE ANIMAL

WHEREAS, Article 1 or Chapter 3 of the Code of the City of Independence concerning animal and fowl contains definitions of words and phrases applicable to that chapter; and,

WHEREAS, the City of Independence desires to amend Section 3.01.001 of the Code of the City of Independence to provide additional protection of property, health, and general enjoyment of life for its residents,

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

SECTION 1. Section 3.01.001 of the Independence City Code is hereby amended to read as follows:

SEC. 3.01.001 DEFINITIONS

PUBLIC NUISANCE ANIMAL means any animal that unreasonably annoys humans, endangers the life or health of other animals or persons, or substantially interferes with the rights of citizens, other than their owners, to enjoyment of life or property. The term public nuisance animal shall include, but is not limited to, any animal that:

- (a) Molests passerby, domestic animals, or passing vehicles.
- (b) Defecates on public or private property and such excrement remains on said property.
- (c) Causes offensive odors.
- (d) Scatters refuse that is bagged or otherwise contained.
- (e) Damages or destroys property other than that of the owner or caregiver.
- (f) Barks, howls, meows, yelps, growls, crows, cackles or makes any other noises frequently or habitually.
- (g) Causes unsanitary or dangerous conditions.
- (h) Is repeatedly and without permission loose on property other than that of the owner of the animal.**

SECTION 2. That all other parts and provisions of the City Code remain in full force and effect unless previously or subsequently amended or repealed.

PASSED THIS _____ DAY OF _____, 2026, BY THE CITY COUNCIL OF THE
CITY OF INDEPENDENCE, MISSOURI.

Presiding Officer of the City Council
of the City of Independence, Missouri

ATTEST:

City Clerk

APPROVED - FORM AND LEGALITY:

City Counselor

REVIEWED BY:

Interim City Manager

City of Independence

AGENDA ITEM COVER SHEET

Agenda Title:

26-011 **1R** An ordinance creating Section 12.06.021 of the Independence City Code for the prohibition of nonconsensual dissemination of private sexual images **1R Read**

Recommendations:

Staff recommends approval.

Background:

Currently, this violation is classified as a Class D felony under Missouri law; however, such cases are not being prosecuted with any regularity. This ordinance provides the City Prosecutor with a mechanism to pursue prosecution at the municipal level, ensuring that offenders can be held accountable.

Emergency Justification:**Fiscal Impact:**

There is no fiscal impact for this item.

Council Action:

Department / Contact	Legal /
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REVIEWERS

Jeremy Cover
Lisa Reynolds
Susanne Holland

ATTACHMENTS:

1. Sexual Images Draft 12.06.021
2. Sexual Images Draft 12.06.021

BILL NO. _____

ORDINANCE NO. _____

AN ORDINANCE CREATING SECTION 12.06.021 OF THE INDEPENDENCE CITY CODE
FOR THE PROHIBITION OF NONCONSENSUAL DISSEMINATION OF PRIVATE
SEXUAL IMAGES

WHEREAS, Article 6 of Chapter 12 of the Code of the City of Independence addresses offenses involving morals and public policy; and,

WHEREAS, the State of Missouri sets forth conduct which it deems constitutes the crime of nonconsensual dissemination of private sexual images in Missouri Revised Statutes Section 573.110; and,

WHEREAS, the City of Independence desires to add 12.06.021 of the Code of the City of Independence to protect citizens from the prohibited conduct set forth in Missouri Revised Statutes Section 573.110 when the State of Missouri fails to file alleged violations of said statute occurring in the City of Independence;

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

SECTION 1. Section 12.06.021 of the Independence City Code is hereby created to read as follows:

SEC. 12.06.021 – Nonconsensual dissemination of private sexual images

A. Definitions. As used in this section and in section 12.06.022, the following terms shall have the meaning indicated in this subsection:

(1) "Image", a photograph, film, videotape, digital recording, or other depiction or portrayal of an object, including a human body;

(2) "Intimate parts", the fully unclothed, partially unclothed, or transparently clothed genitals, pubic area, or anus or, if the person is female, a partially or fully exposed nipple, including exposure through transparent clothing;

(3) "Public mobile services", air-to-ground radio telephone services, cellular radio telecommunications services, offshore radio, rural radio services, public land mobile telephone services, and other common carrier radio communications services;

(4) "Sexual act", sexual penetration, masturbation, or sexual activity;

(5) "Sexual activity", any:

(a) Knowing touching or fondling by the victim or another person or animal, either directly or through clothing, of the sex organs, anus, or breast of the victim or another person or animal for the purpose of sexual gratification or arousal;

(b) Transfer or transmission of semen upon any part of the clothed or unclothed body of the victim for the purpose of sexual gratification or arousal of the victim or another;

(c) Act of urination within a sexual context;

(d) Bondage, fetter, sadism, or masochism; or

(e) Sadoomasochism abuse in any sexual context.

B. A person commits the offense of nonconsensual dissemination of private sexual images if he or she:

(1) Intentionally disseminates an image with the intent to harass, threaten, or coerce another person:

(a) Who is at least eighteen years of age;

(b) Who is identifiable from the image itself or information displayed in connection with the image; and

(c) Who is engaged in a sexual act or whose intimate parts are exposed, in whole or in part;

(2) Obtains the image under circumstances in which a reasonable person would know or understand that the image was to remain private; and

(3) Knows or should have known that the person in the image did not consent to the dissemination.

C. The following activities are exempt from the provisions of this section:

(1) The intentional dissemination of an image of another identifiable person who is engaged in a sexual act or whose intimate parts are exposed if the dissemination is made for the purpose of a criminal investigation that is otherwise lawful;

(2) The intentional dissemination of an image of another identifiable person who is engaged in a sexual act or whose intimate parts are exposed if the dissemination is for the purpose of, or in connection with, the reporting of unlawful conduct;

(3) The intentional dissemination of an image of another identifiable person who is engaged in a sexual act or whose intimate parts are exposed if the image involves voluntary exposure in a public or commercial setting; or

(4) The intentional dissemination of an image of another identifiable person who is engaged in a sexual act or whose intimate parts are exposed if the dissemination serves a lawful public purpose.

SECTION 2. That all other parts and provisions of the City Code remain in full force and effect unless previously or subsequently amended or repealed.

PASSED THIS _____ DAY OF _____, 2026, BY THE CITY COUNCIL OF THE CITY OF INDEPENDENCE, MISSOURI.

Presiding Officer of the City Council
of the City of Independence, Missouri

ATTEST:

City Clerk

APPROVED - FORM AND LEGALITY:

City Counselor

REVIEWED BY:

Interim City Manager

BILL NO. _____

ORDINANCE NO. _____

AN ORDINANCE CREATING SECTION 12.06.021 OF THE INDEPENDENCE CITY CODE
FOR THE PROHIBITION OF NONCONSENSUAL DISSEMINATION OF PRIVATE
SEXUAL IMAGES

WHEREAS, Article 6 of Chapter 12 of the Code of the City of Independence addresses offenses involving morals and public policy; and,

WHEREAS, the State of Missouri sets forth conduct which it deems constitutes the crime of nonconsensual dissemination of private sexual images in Missouri Revised Statutes Section 573.110; and,

WHEREAS, the City of Independence desires to add 12.06.021 of the Code of the City of Independence to protect citizens from the prohibited conduct set forth in Missouri Revised Statutes Section 573.110 when the State of Missouri fails to file alleged violations of said statute occurring in the City of Independence;

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

SECTION 1. Section 12.06.021 of the Independence City Code is hereby created to read as follows:

SEC. 12.06.021 – Nonconsensual dissemination of private sexual images

A. Definitions. As used in this section and in section 12.06.022, the following terms shall have the meaning indicated in this subsection:

(1) "Image", a photograph, film, videotape, digital recording, or other depiction or portrayal of an object, including a human body;

(2) "Intimate parts", the fully unclothed, partially unclothed, or transparently clothed genitals, pubic area, or anus or, if the person is female, a partially or fully exposed nipple, including exposure through transparent clothing;

(3) "Public mobile services", air-to-ground radio telephone services, cellular radio telecommunications services, offshore radio, rural radio services, public land mobile telephone services, and other common carrier radio communications services;

(4) "Sexual act", sexual penetration, masturbation, or sexual activity;

(5) "Sexual activity", any:

(a) Knowing touching or fondling by the victim or another person or animal, either directly or through clothing, of the sex organs, anus, or breast of the victim or another person or animal for the purpose of sexual gratification or arousal;

(b) Transfer or transmission of semen upon any part of the clothed or unclothed body of the victim for the purpose of sexual gratification or arousal of the victim or another;

(c) Act of urination within a sexual context;

(d) Bondage, fetter, sadism, or masochism; or

(e) Sadomasochism abuse in any sexual context.

B. A person commits the offense of nonconsensual dissemination of private sexual images if he or she:

(1) Intentionally disseminates an image with the intent to harass, threaten, or coerce another person:

(a) Who is at least eighteen years of age;

(b) Who is identifiable from the image itself or information displayed in connection with the image; and

(c) Who is engaged in a sexual act or whose intimate parts are exposed, in whole or in part;

(2) Obtains the image under circumstances in which a reasonable person would know or understand that the image was to remain private; and

(3) Knows or should have known that the person in the image did not consent to the dissemination.

C. The following activities are exempt from the provisions of this section:

(1) The intentional dissemination of an image of another identifiable person who is engaged in a sexual act or whose intimate parts are exposed if the dissemination is made for the purpose of a criminal investigation that is otherwise lawful;

(2) The intentional dissemination of an image of another identifiable person who is engaged in a sexual act or whose intimate parts are exposed if the dissemination is for the purpose of, or in connection with, the reporting of unlawful conduct;

(3) The intentional dissemination of an image of another identifiable person who is engaged in a sexual act or whose intimate parts are exposed if the image involves voluntary exposure in a public or commercial setting; or

(4) The intentional dissemination of an image of another identifiable person who is engaged in a sexual act or whose intimate parts are exposed if the dissemination serves a lawful public purpose.

SECTION 2. That all other parts and provisions of the City Code remain in full force and effect unless previously or subsequently amended or repealed.

PASSED THIS _____ DAY OF _____, 2026, BY THE CITY COUNCIL OF THE CITY OF INDEPENDENCE, MISSOURI.

Presiding Officer of the City Council
of the City of Independence, Missouri

ATTEST:

City Clerk

APPROVED - FORM AND LEGALITY:

City Counselor

REVIEWED BY:

Interim City Manager

City of Independence

AGENDA ITEM COVER SHEET

Agenda Title:

26-012 **1R** An ordinance creating Section 12.06.022 of the Independence City Code for the prohibition of threatening the nonconsensual dissemination of private sexual images **1R Read**

Recommendations:

Staff recommends approval.

Background:

Currently, this violation is classified as a Class D felony under Missouri law; however, such cases are not being prosecuted with any regularity. This ordinance provides the City Prosecutor with a mechanism to pursue prosecution at the municipal level, ensuring that offenders can be held accountable.

Emergency Justification:**Fiscal Impact:**

There is no fiscal impact for this item.

Council Action:

Department / Contact	Legal /
---------------------------------	---------

REVIEWERS

Jeremy Cover
Lisa Reynolds
Susanne Holland

ATTACHMENTS:

1. Sexual Images Threat Draft 12.06.022
2. Sexual Images Threat Draft 12.06.022

BILL NO. _____

ORDINANCE NO. _____

AN ORDINANCE CREATING SECTION 12.06.022 OF THE INDEPENDENCE CITY CODE
FOR THE PROHIBITION OF THREATENING THE NONCONSENSUAL DISSEMINATION
OF PRIVATE SEXUAL IMAGES

WHEREAS, Article 6 of Chapter 12 of the Code of the City of Independence addresses offenses involving morals and public policy; and,

WHEREAS, the State of Missouri sets forth conduct which it deems constitutes the crime of nonconsensual dissemination of private sexual images in Missouri Revised Statutes Section 573.112; and,

WHEREAS, the City of Independence desires to add 12.06.022 of the Code of the City of Independence to protect citizens from the prohibited conduct set forth in Missouri Revised Statutes Section 573.112 when the State of Missouri fails to file alleged violations of said statute occurring in the City of Independence;

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

SECTION 1. Section 12.06.022 of the Independence City Code is hereby created to read as follows:

SEC. 12.06.022 – Threatening the nonconsensual dissemination of private sexual images

A. A person commits the offense of threatening the nonconsensual dissemination of private sexual images if he or she gains or attempts to gain anything of value, or coerces or attempts to coerce another person to act or refrain from acting, by threatening to disseminate an image of another person, which was obtained under circumstances in which a reasonable person would know or understand that the image was to remain private, against the will of such person:

(1) Who is at least eighteen years of age;

(2) Who is identifiable from the image itself or information displayed in connection with the image; and

(3) Who is engaged in a sexual act or whose intimate parts are exposed, in whole or in part

SECTION 2. That all other parts and provisions of the City Code remain in full force and effect unless previously or subsequently amended or repealed.

PASSED THIS _____ DAY OF _____, 2026, BY THE CITY COUNCIL OF THE
CITY OF INDEPENDENCE, MISSOURI.

Presiding Officer of the City Council
of the City of Independence, Missouri

ATTEST:

City Clerk

APPROVED - FORM AND LEGALITY:

City Counselor

REVIEWED BY:

Interim City Manager

BILL NO. _____

ORDINANCE NO. _____

AN ORDINANCE CREATING SECTION 12.06.022 OF THE INDEPENDENCE CITY CODE
FOR THE PROHIBITION OF THREATENING THE NONCONSENSUAL DISSEMINATION
OF PRIVATE SEXUAL IMAGES

WHEREAS, Article 6 of Chapter 12 of the Code of the City of Independence addresses offenses involving morals and public policy; and,

WHEREAS, the State of Missouri sets forth conduct which it deems constitutes the crime of nonconsensual dissemination of private sexual images in Missouri Revised Statutes Section 573.112; and,

WHEREAS, the City of Independence desires to add 12.06.022 of the Code of the City of Independence to protect citizens from the prohibited conduct set forth in Missouri Revised Statutes Section 573.112 when the State of Missouri fails to file alleged violations of said statute occurring in the City of Independence;

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

SECTION 1. Section 12.06.022 of the Independence City Code is hereby created to read as follows:

SEC. 12.06.022 – Threatening the nonconsensual dissemination of private sexual images

A. A person commits the offense of threatening the nonconsensual dissemination of private sexual images if he or she gains or attempts to gain anything of value, or coerces or attempts to coerce another person to act or refrain from acting, by threatening to disseminate an image of another person, which was obtained under circumstances in which a reasonable person would know or understand that the image was to remain private, against the will of such person:

(1) Who is at least eighteen years of age;

(2) Who is identifiable from the image itself or information displayed in connection with the image; and

(3) Who is engaged in a sexual act or whose intimate parts are exposed, in whole or in part

SECTION 2. That all other parts and provisions of the City Code remain in full force and effect unless previously or subsequently amended or repealed.

PASSED THIS _____ DAY OF _____, 2026, BY THE CITY COUNCIL OF THE
CITY OF INDEPENDENCE, MISSOURI.

Presiding Officer of the City Council
of the City of Independence, Missouri

ATTEST:

City Clerk

APPROVED - FORM AND LEGALITY:

City Counselor

REVIEWED BY:

Interim City Manager

City of Independence

AGENDA ITEM COVER SHEET

Agenda Title:

26-013 **1R** An ordinance approving a Plan for an Industrial Development Project for the Surgery Center Project; authorizing the City of Independence, Missouri to issue Taxable Industrial Development Revenue Bonds in a principal amount not to exceed \$3,530,000; and authorizing certain documents and actions in connection therewith. **1R Read**

Recommendations:

Staff recommends approval.

Background:

MKEL Holdings, LLC, a Missouri limited liability company (the “Company”), seeks approval of a Chapter 100 Plan and related bonds and documents with respect to a project consisting of acquiring an abandoned restaurant facility of approximately 5,500 square feet located at 19921 East Jackson Drive, Independence, Missouri 64057 and renovating, improving and expanding the existing facility into a private ambulatory surgery center offering oral surgery under general anesthesia to Medicaid and Medicare patients, as well as hospital-grade pediatric dentistry (the “Project”). The total cost of the Project is estimated to be \$3,530,000, including real property investments, excluding equipment investments which will not be subject to Chapter 100 and will be taxable.

The purpose of the Chapter 100 plan, bonds and documents is to authorize and implement tax abatement for the Project. The abatement program basically imposes payments in lieu of tax on the value of the existing facility (with inflation) over the period from 2026 through 2036, while abating nearly all of the tax on the incremental value produced by the Project. Over the term, this is projected to result in real property tax abatement of approximately 48.5%. The plan also provides sales tax exemption on construction materials.

The ordinance also authorizes the customary bond documents necessary to implement Chapter 100 tax abatement.

Emergency Justification:**Fiscal Impact:****Council Action:**

REVIEWERS

Tom Scannell
Melissa Cabrera
Jeremy Cover
Lisa Reynolds
Susanne Holland

ATTACHMENTS:

1. Ordinance
2. Ordinance Exhibit A - Plan
3. Supporting Documents

BILL NO. _____

ORDINANCE NO. _____

AN ORDINANCE APPROVING A PLAN FOR AN INDUSTRIAL DEVELOPMENT PROJECT FOR THE SURGERY CENTER PROJECT; AUTHORIZING THE CITY OF INDEPENDENCE, MISSOURI TO ISSUE TAXABLE INDUSTRIAL DEVELOPMENT REVENUE BONDS IN A PRINCIPAL AMOUNT NOT TO EXCEED \$3,530,000; AND AUTHORIZING CERTAIN DOCUMENTS AND ACTIONS IN CONNECTION THEREWITH.

WHEREAS, the City of Independence, Missouri (the “City”) is a constitutional charter city and municipal corporation of the State of Missouri, duly created, organized and existing under and by virtue of the Constitution and laws of the State of Missouri; and

WHEREAS, the City is authorized under the provisions of Article VI, Section 27 of the Missouri Constitution, as amended, and Sections 100.010 to 100.200, inclusive, of the Revised Statutes of Missouri, as amended (collectively, the “Act”), to purchase, construct, extend and improve certain projects (as defined in the Act) for the purposes set forth in the Act and to issue industrial development revenue bonds for the purpose of providing funds to pay the costs of such projects and to lease or otherwise dispose of such projects to private persons or corporations for manufacturing, commercial, warehousing and industrial development purposes upon such terms and conditions as the City shall deem advisable; and

WHEREAS, the City, in accordance with Section 100.050 of the Act, has prepared a plan for industrial development (the “Plan”) for MKEL Holdings, LLC, a Missouri limited liability company (the “Company”), with respect to a project consisting of acquiring an abandoned restaurant facility of approximately 5,500 square feet located at 19921 East Jackson Drive, Independence, Missouri 64057 and renovating, improving and expanding the existing facility into a private ambulatory surgery center offering oral surgery under general anesthesia to Medicaid and Medicare patients, as well as hospital-grade pediatric dentistry (the “Project”), notice of the Project was given to the taxing jurisdictions in accordance with Section 100.059.1 of the Act and the City now desires to approve the Plan; and

WHEREAS, the City desires to finance the costs of the Project out of the proceeds of industrial development revenue bonds to be issued under the Act (the “Bonds”); and

WHEREAS, the City has and does hereby find and determine that it is desirable for the economic development of the City and within the public purposes of the Act that the City proceed with the issuance of the Bonds for the purpose described above; and

WHEREAS, Section 10.7 of the City Charter requires that all bonds sold by the City be sold at public sale upon sealed proposals after at least ten days’ notice in a newspaper of general circulation in the City; and

WHEREAS, a notice of sale was published in *The Examiner* inviting potential bond purchasers to submit bids for the Bonds and the City has received one bid for the Bonds; and

WHEREAS, the City further finds and determines that it is necessary and desirable in connection with approval of the Plan and the issuance of the Bonds that the City enter into certain documents, and that the City take certain other actions and approve the execution of certain other documents as herein provided;

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

Section 1. Promotion of Economic Development; Commercial Purpose. The Council hereby finds and determines that the Project is a commercial project that will promote the economic welfare and the development of the City, and the issuance of the Bonds by the City to pay the costs of the Project will be in furtherance of the public purposes set forth in the Act.

Section 2. Approval of Plan. The Council hereby approves the Plan for an Industrial Development Project attached hereto as *Exhibit A* in accordance with Section 100.050 of the Act.

Section 3. Authorization and Sale of the Bonds. The City is hereby authorized to issue and sell its Taxable Industrial Development Revenue Bonds (Surgery Center Project), in an aggregate principal amount not to exceed \$3,530,000, for the purpose of providing funds to pay the costs of the Project. The Bonds shall be issued and secured pursuant to the herein authorized Trust Indenture and shall bear such date, shall mature at such time, shall be in such denominations, shall bear interest at such rate, shall be in such form, shall be subject to redemption, shall have such other terms and provisions, shall be issued, executed and delivered in such manner and shall be subject to such provisions, covenants and agreements as are specified in the Trust Indenture upon the execution thereof, and the signatures of the officers of the City executing the Trust Indenture shall constitute conclusive evidence of their approval and the City's approval thereof. The City hereby accepts the bid received from the Company for the sale of the Bonds. The sale of the Bonds to the Company or its designee(s), as the winning bidder at the public sale, at the interest rate set forth in the winning bid and upon the terms set forth in the Trust Indenture is hereby approved.

Section 4. Limited Obligations. The Bonds and the interest thereon shall be limited obligations of the City payable solely out of the payments, revenues and receipts derived by the City from the herein authorized Lease Agreement, and such payments, revenues and receipts shall be pledged and assigned to the Trustee as security for the payment of the Bonds as provided in the Trust Indenture. The Bonds and the interest thereon shall not be deemed to constitute a debt or liability of the City within the meaning of any constitutional provision, statutory limitation or City Charter provision and shall not constitute a pledge of the full faith and credit of the City. The issuance of the Bonds shall not, directly, indirectly or contingently, obligate the City to levy any form of taxation therefore or to make any appropriation for their payment.

Section 5. Approval and Authorization of Documents. The following documents (the "City Documents") are hereby approved in substantially the forms presented to the Council at this meeting (copies of which documents shall be filed in the records of the City), and the City is hereby authorized to execute and deliver the City Documents with such changes therein as shall be approved by the officials of the City executing such documents, such officials' signatures thereon being conclusive evidence of their approval thereof:

- (a) Trust Indenture dated as of the date set forth therein (the "Trust Indenture"), between the City and BOKF, N.A., as trustee (the "Trustee"), pursuant to which the Bonds shall be issued and the City shall pledge and assign the payments, revenues and receipts received pursuant to the Lease Agreement to the Trustee for the benefit and security of the owners of the Bonds upon the terms and conditions as set forth in the Trust Indenture;

(b) Lease Agreement dated as of the date set forth therein (the “Lease Agreement”), between the City and the Company, under which the City will lease the Project to the Company pursuant to the terms and conditions in the Lease Agreement, in consideration of rental payments by the Company which will be sufficient to pay the principal of, premium, if any, and interest on the Bonds; and

(c) Bond Purchase Agreement dated as of the date set forth therein, between the City and the Company, pursuant to which the Company agrees to purchase the Bonds.

Section 6. Execution of Documents. The Mayor or (Interim) City Manager of the City is hereby authorized and directed to execute the Bonds and to deliver the Bonds to the Trustee for authentication for and on behalf of and as the act and deed of the City in the manner provided in the Indenture. The Mayor and/or (Interim) City Manager of the City is hereby authorized and directed to execute the City Documents and such other documents, certificates and instruments as may be necessary or desirable to carry out and comply with the intent of this Ordinance, for and on behalf of and as the act and deed of the City. The City Clerk of the City is hereby authorized and directed to attest to and affix the seal of the City to the Bonds and the City Documents and such other documents, certificates and instruments as may be necessary or desirable to carry out and comply with the intent of this Ordinance.

Section 7. Further Authority. The Mayor, (Interim) City Manager, City Clerk and other officials, agents and employees of the City as required are hereby authorized and directed to take such further action and execute such other documents, certificates and instruments as may be necessary or desirable to carry out and comply with the intent of this Ordinance and to carry out, comply with and perform the duties of the City with respect to the Bonds and the City Documents, including but not limited to the execution of any financing documents in accordance with the Lease.

Section 8. Effective Date. This Ordinance shall take effect and be in full force as provided by the City Charter.

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PASSED THIS _____ DAY OF FEBRUARY, 2026, BY THE CITY COUNCIL OF THE CITY
OF INDEPENDENCE, MISSOURI.

Presiding Officer of the City Council
of the City of Independence, Missouri

ATTEST:

City Clerk

APPROVED AS TO FORM AND LEGALITY:

City Counselor

REVIEWED BY:

Interim City Manager

EXHIBIT A

PLAN FOR AN INDUSTRIAL DEVELOPMENT PROJECT

NOTICE TO TAXING JURISDICTIONS

PLAN FOR AN INDUSTRIAL DEVELOPMENT PROJECT FOR A SURGERY CENTER PROJECT

On behalf of the City of Independence, Missouri (the “City”), please find enclosed a copy of a proposed plan for an industrial development project and cost benefit analysis (the “Plan”).

The City Council will consider an ordinance to approve the Plan during the City Council’s meeting on February 4, 2026, at 6:00 p.m. in the Council Chambers at City Hall, 111 E. Maple in Independence, Missouri.

The City invites you to submit written comments to the Council on the proposed Plan. All comments will be fairly and duly considered by the City. Comments will also be taken during a public hearing at the City Council meeting referred to above.

A copy of the Plan will be on file in the office of the City Clerk and will be available for public inspection during normal business hours.

Dated: January 13, 2026

Independence City Hall
111 E Maple Ave
Independence, MO 64050

Taxing Jurisdictions -- Distribution List

Blue Springs School District Superintendent 1801 NW Vesper Street Blue Springs, MO 64015	Junior College District of Metropolitan Kansas City, Missouri (Metropolitan Community College) Chancellor 3200 Broadway Kansas City, MO 64111
Jackson County Board of Disabled Services 8511 Hillcrest Rd., Suite 300 Kansas City, MO 64138	Mid-Continent Public Library Director 15616 E. Highway 24 Independence, MO 64050-2057
Jackson County County Executive 415 E. 12th Street, 2nd Floor Kansas City, MO 64106	Jackson County Community Mental Health Executive Director 1627 Main Street, Suite 500 Kansas City, MO 64108
Jackson County Assessment Department Truman Courthouse 112 W. Lexington 1st Floor Independence, MO 64050	City of Independence City Clerk 111 E Maple Ave Independence, MO 64050
Jackson County Community Children's Services Fund Executive Director 3100 Broadway Blvd., Suite 227 Kansas City, MO 64111	Jackson County Collections Department Truman Courthouse 112 W. Lexington 1st Floor Independence, MO 64050
Missouri Department of Revenue County Tax Section Merchants/Manufacturers Replacement Tax Fund 301 West High Street Jefferson City, MO 65102-0453	Missouri Department of Revenue County Tax Section State Blind Pension Fund 301 West High Street Jefferson City, MO 65102-0453
Kansas City Zoological District Chair of the Board of Directors 6800 Zoo Drive Kansas City, MO 64132	

BEFORE THE

CITY COUNCIL

OF THE

CITY OF INDEPENDENCE, MISSOURI

PLAN FOR AN INDUSTRIAL DEVELOPMENT PROJECT

FOR THE

SURGERY CENTER PROJECT

Sent to taxing jurisdictions: January 13, 2026

**PLAN FOR AN INDUSTRIAL DEVELOPMENT PROJECT FOR THE
SURGERY CENTER PROJECT**

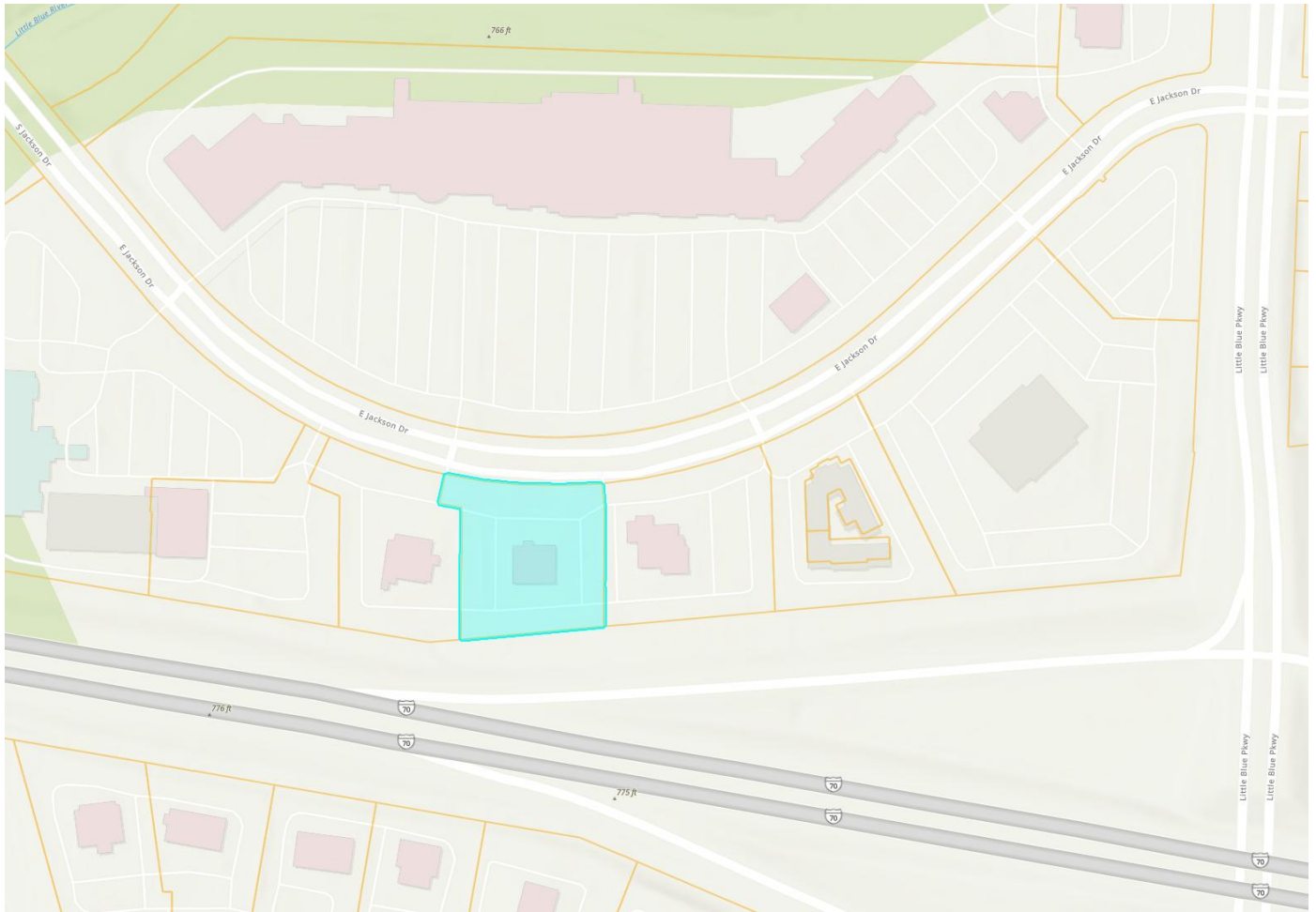
TO: CITY COUNCIL OF THE CITY OF INDEPENDENCE, MISSOURI

The project described herein will be undertaken pursuant to the provisions of Sections 100.010 to 100.200 of the Revised Statutes of Missouri, as amended, and Article VI, Section 27(b) of the Missouri Constitution, as amended (collectively, the “Act”). The Act authorizes cities, counties, towns and villages to issue industrial development revenue bonds to finance the purchase, construction, extension and improvement of warehouses, distribution facilities, research and development facilities, office industries, agricultural processing industries, service facilities that provide interstate commerce, industrial plants and other commercial facilities. The operation of a surgery center for a profit is a commercial undertaking.

MKEL Holdings, LLC, a Missouri limited liability company (together with its assignees or designees for purposes of implementation of this Plan, the “Company”) has proposed this Plan for an industrial development project as described herein to the City of Independence, Missouri (the “City”), for approval, to be carried out pursuant to the Act and in support of said application submits the following:

1. **Description of the Project.** The Project consists of acquiring an abandoned restaurant facility of approximately 5,500 square feet (together with the land on which it is located, the “Existing Facility”) and renovating, improving and expanding the Existing Facility into a private ambulatory surgery center offering oral surgery under general anesthesia to Medicaid and Medicare patients, as well as hospital-grade pediatric dentistry. The expansion will add approximately 3,000 square feet to the Existing Facility. The Project will be located at 19921 East Jackson Drive, Independence, Missouri 64057. The location of the site is depicted in the map on the following page:

[remainder of page intentionally left blank]



2. **Estimate of the Cost of the Project.** The total cost of the Project is estimated to be \$3,530,000, which will consist of the cost of acquiring the Existing Facility and renovating, improving and expanding such facility, together with the costs of issuing the bonds described below.
3. **Source of Funds to be Expended for the Project.** The source of funds to be expended for the Project will be the proceeds of \$3,530,000 estimated aggregate principal amount of taxable industrial revenue bonds (the “Bonds”) to be issued by the City for the Project and to pay costs of issuance of the Bonds.
4. **Statement of the Terms Upon Which the Project is to be Leased and Otherwise Disposed of by the City.** The Project will be leased (with an option to purchase) to the Company or an affiliate or designee thereof (a “Lessee”) during the abatement period. The lease payments under the lease will equal the principal and interest on the Bonds plus certain payments in lieu of taxes described below. The Bonds will be payable solely from the revenues derived by the City from the lease or other disposition of the Project and the Bonds will not be an indebtedness or general obligation, debt or liability of the City.
5. **General Information Concerning the Company.** The Company is a Missouri limited liability company. The Project will be operated as Independence Surgery Center, a

collaboration among a small group of local practitioners to provide high-quality oral and maxillofacial surgical care to children, adults, and seniors, particularly those with disabilities, complex medical needs, or state insurance.

6. **Bond Purchase Arrangements.** It is expected that the Company will purchase the Bonds in the principal amount of \$3,530,000.
7. **Affected Taxing Jurisdictions.** The Blue Springs School District, Jackson County, Missouri, the Junior College District of Metropolitan Kansas City, Missouri, and the City will be affected by the Project. No ambulance district board operating under chapter 190 or fire protection district board operating under chapter 321 is affected by the Project. Other taxing jurisdictions affected by the Project are set out in the Cost Benefit Analysis attached hereto.
8. **Equalized Assessed Valuation.** The most recent equalized assessed valuation of the real property improvements to be included in the Project is \$384,000 (2025). The estimated total equalized assessed valuation after completion of the Project for real property to be included in the Project is \$815,680.
9. **Cost Benefit Analysis.** Attached hereto as **Exhibit A** is the Cost Benefit Analysis on each affected taxing jurisdiction. A payment in lieu of tax will be required in each year during which the Project is off the tax rolls by virtue of City ownership. The 2025 tax levy rates were utilized for all jurisdictions.
10. **Payments in Lieu of Taxes.** A payment in lieu of tax will be required in each year during which the Project is off the tax rolls by virtue of City ownership, in the amounts and the years shown below:

<u>Year</u>	<u>Payment</u>
2026	\$32,698
2027	33,679
2028	33,679
2029	34,689
2030	34,689
2031	35,730
2032	35,730
2033	36,802
2034	36,802
2035	37,906
2036	44,344

The Project is within the Hartman Heritage Center Community Improvement District, which imposes a special assessment. This Plan is not intended to abate special assessments imposed on the Project and the lease will obligate the Lessee to pay the special assessments imposed by such community improvement district.

11. **Sales and Use Tax Exemption on Construction Materials.** Qualified building materials purchased for the construction of the Project are expected to be exempt from sales and use tax pursuant to the provisions of Section 144.062 of the Revised Statutes of Missouri and the underlying Bond documents upon delivery of a project exemption certificate by the City to the Company. For purposes of determining the impact of the

sales and use tax exemptions for the qualified building materials on the affected taxing jurisdictions, it is assumed that the total amount of qualified building materials purchased will be \$1,000,000 and that the situs of sale for tax purposes will be the site to which the materials are delivered. Please note that any variance in these assumptions will alter the fiscal impact of the sales and use tax exemptions on the affected taxing jurisdictions.

Based on the assumptions set forth above, the fiscal impact on the affected taxing jurisdictions of the sales and use tax exemptions for qualified building materials is as follows:

	Tax Rate	Estimated Sales/Use Tax Revenues Subject to Exemption
State of Missouri	4.225%	\$42,250
Jackson County		
General	0.500	5,000
Drug Task Force	0.250	2,500
Sports Complex	0.375	3,750
Zoo District	0.125	1,250
City of Independence		
General Revenue	1.000	10,000
Capital Improvement - Police	0.125	1,250
Proposition PD – Police	0.250	2,500
Fire Protection	0.500	5,000
Streets	0.500	5,000
Parks	0.250	2,500
Storm water	0.250	2,500
Children’s Services	0.250	2,500
Total	8.60%	\$86,000

* * *

EXHIBIT A

COST BENEFIT ANALYSIS

The Cost Benefit Analysis shows the estimated effect of the Project on taxing jurisdictions. The calendar years shown in the attached Cost Benefit Analysis are for demonstrative purposes only and Project implementation may change the calendar years affected.

**Independence, Missouri
(Surgery Center Project)**

COST BENEFIT ANALYSIS
PLAN FOR INDUSTRIAL DEVELOPMENT PROJECT



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Project Assumptions	1
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Taxes on Existing Facility without Improvements	3
Projected Taxes on Existing Facility with Improvements (No Abatement)	4
Projected PILOTS	5
Projected Abatement	6

This information is provided based on the factual information and assumptions provided to Gilmore & Bell, P.C. by a party to or a representative of a party to the proposed transaction. This information is intended to provide factual information only and is provided in conjunction with our legal representation. It is not intended as financial advice or a financial recommendation to any party. Gilmore & Bell, P.C. is not a financial advisor or a “municipal advisor” as defined in the Securities Exchange Act of 1934, as amended.

Project Assumptions

♦ Initial year taxes assessed					2026
♦ Assessed value of existing facility				\$	384,000
♦ Assessed value of improvements				\$	420,160
♦ Biennial growth rate of appraised value of real property					3.0%
♦ Assessed value as a percentage of appraised value (real)					32.0%
♦ Fixed PILOT Payments:					
	2026	32,698	2031	35,730	
	2027	33,679	2032	35,730	
	2028	33,679	2033	36,802	
	2029	34,689	2034	36,802	
	2030	34,689	2035	37,906	
			2036	44,344	

Summary of Cost Benefit Analysis

Taxing Jurisdiction	Tax Rate	Taxes on Existing Facility without Improvements	Projected Taxes on Existing Facility with Improvements (No Abatement)	Projected PILOTS	Projected Abatement
Board of Disabled Services	0.0728	\$ 3,337	\$ 6,585	\$ 3,392	\$ 3,193
City - Independence	0.6657	30,514	60,213	31,017	29,196
Blue Springs School District	5.1685	236,911	467,497	240,818	226,678
Jackson County	0.5556	25,467	50,255	25,887	24,367
Mental Health	0.0969	4,442	8,765	4,515	4,250
Metro Junior College	0.1767	8,099	15,983	8,233	7,750
Mid-Continent Library	0.3119	14,297	28,212	14,533	13,679
State Blind Pension	0.0300	1,375	2,714	1,398	1,316
Surtax	1.4370	65,868	129,978	66,955	63,023
	8.5151	\$ 390,310	\$ 770,200	\$ 396,748	\$ 373,452

Taxes on Existing Facility without Improvements

Estimated Assessed Value of Existing Facility		\$ 384,000	\$ 395,520	\$ 395,520	\$ 407,386	\$ 407,386	\$ 419,607	\$ 419,607	\$ 432,195	\$ 432,195	\$ 445,161	\$ 445,161		
Tax Rate per														
Taxing Jurisdiction	\$100	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	Total	
Board of Disabled Services	0.0728	\$ 280	\$ 288	\$ 288	\$ 297	\$ 297	\$ 305	\$ 305	\$ 315	\$ 315	\$ 324	\$ 324	\$ 3,337	
City - Independence	0.6657	2,556	2,633	2,633	2,712	2,712	2,793	2,793	2,877	2,877	2,963	2,963	30,514	
Blue Springs School District	5.1685	19,847	20,442	20,442	21,056	21,056	21,687	21,687	22,338	22,338	23,008	23,008	236,911	
Jackson County	0.5556	2,134	2,198	2,198	2,263	2,263	2,331	2,331	2,401	2,401	2,473	2,473	25,467	
Mental Health	0.0969	372	383	383	395	395	407	407	419	419	431	431	4,442	
Metro Junior College	0.1767	679	699	699	720	720	741	741	764	764	787	787	8,099	
Mid-Continent Library	0.3119	1,198	1,234	1,234	1,271	1,271	1,309	1,309	1,348	1,348	1,388	1,388	14,297	
State Blind Pension	0.0300	115	119	119	122	122	126	126	130	130	134	134	1,375	
Surtax	1.4370	5,518	5,684	5,684	5,854	5,854	6,030	6,030	6,211	6,211	6,397	6,397	65,868	
	8.5151	32,698	33,679	33,679	34,689	34,689	35,730	35,730	36,802	36,802	37,906	37,906	\$390,310	

Projected Taxes on Existing Facility with Improvements (No Abatement)

Estimated Assessed Value of Existing Facility	\$	384,000	\$	395,520	\$	395,520	\$	407,386	\$	407,386	\$	419,607	\$	419,607	\$	432,195	\$	432,195	\$	445,161	\$	445,161
Estimated Assessed Value of Improvements	\$	-	\$	420,160	\$	420,160	\$	432,765	\$	432,765	\$	445,748	\$	445,748	\$	459,120	\$	459,120	\$	472,894	\$	472,894
	Tax Rate per																					
Taxing Jurisdiction	\$100	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	Total									
Board of Disabled Services	0.0728	\$ 280	\$ 594	\$ 594	\$ 612	\$ 612	\$ 630	\$ 630	\$ 649	\$ 649	\$ 668	\$ 668	\$ 6,585									
City - Independence	0.6657	2,556	5,430	5,430	5,593	5,593	5,761	5,761	5,933	5,933	6,111	6,111	60,213									
Blue Springs School District	5.1685	19,847	42,158	42,158	43,423	43,423	44,726	44,726	46,068	46,068	47,450	47,450	467,497									
Jackson County	0.5556	2,134	4,532	4,532	4,668	4,668	4,808	4,808	4,952	4,952	5,101	5,101	50,255									
Mental Health	0.0969	372	790	790	814	814	839	839	864	864	890	890	8,765									
Metro Junior College	0.1767	679	1,441	1,441	1,485	1,485	1,529	1,529	1,575	1,575	1,622	1,622	15,983									
Mid-Continent Library	0.3119	1,198	2,544	2,544	2,620	2,620	2,699	2,699	2,780	2,780	2,863	2,863	28,212									
State Blind Pension	0.0300	115	245	245	252	252	260	260	267	267	275	275	2,714									
Surtax	1.4370	5,518	11,721	11,721	12,073	12,073	12,435	12,435	12,808	12,808	13,192	13,192	129,978									
	8.5151	\$ 32,698	\$ 69,456	\$ 69,456	\$ 71,540	\$ 71,540	\$ 73,686	\$ 73,686	\$ 75,896	\$ 75,896	\$ 78,173	\$ 78,173	\$770,200									

Projected PILOTS

PILOT Payment		\$	32,698	\$	33,679	\$	33,679	\$	34,689	\$	34,689	\$	35,730	\$	35,730	\$	36,802	\$	36,802	\$	37,906	\$	44,344	
Taxing Jurisdiction	Tax Rate per \$100		2026		2027		2028		2029		2030		2031		2032		2033		2034		2035		2036	Total
Board of Disabled Services	0.0728	\$	280	\$	288	\$	288	\$	297	\$	297	\$	305	\$	305	\$	315	\$	315	\$	324	\$	379	\$ 3,392
City - Independence	0.6657		2,556		2,633		2,633		2,712		2,712		2,793		2,793		2,877		2,877		2,963		3,467	31,017
Blue Springs School District	5.1685		19,847		20,442		20,442		21,056		21,056		21,687		21,687		22,338		22,338		23,008		26,916	240,818
Jackson County	0.5556		2,134		2,198		2,198		2,263		2,263		2,331		2,331		2,401		2,401		2,473		2,893	25,887
Mental Health	0.0969		372		383		383		395		395		407		407		419		419		431		505	4,515
Metro Junior College	0.1767		679		699		699		720		720		741		741		764		764		787		920	8,233
Mid-Continent Library	0.3119		1,198		1,234		1,234		1,271		1,271		1,309		1,309		1,348		1,348		1,388		1,624	14,533
State Blind Pension	0.0300		115		119		119		122		122		126		126		130		130		134		156	1,398
Surtax	1.4370		5,518		5,684		5,684		5,854		5,854		6,030		6,030		6,211		6,211		6,397		7,483	66,955
	8.5151	\$	32,698	\$	33,679	\$	33,679	\$	34,689	\$	34,689	\$	35,730	\$	35,730	\$	36,802	\$	36,802	\$	37,906	\$	44,344	\$ 396,748

Projected Abatement

Taxing Jurisdiction	Tax Rate per \$100	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	Total
Board of Disabled Services	0.0728	\$ -	\$ 306	\$ 306	\$ 315	\$ 315	\$ 325	\$ 325	\$ 334	\$ 334	\$ 344	\$ 289	\$ 3,193
City - Independence	0.6657	-	2,797	2,797	2,881	2,881	2,967	2,967	3,056	3,056	3,148	2,645	29,196
Blue Springs School District	5.1685	-	21,716	21,716	22,367	22,367	23,038	23,038	23,730	23,730	24,442	20,534	226,678
Jackson County	0.5556	-	2,334	2,334	2,404	2,404	2,477	2,477	2,551	2,551	2,627	2,207	24,367
Mental Health	0.0969	-	407	407	419	419	432	432	445	445	458	385	4,250
Metro Junior College	0.1767	-	742	742	765	765	788	788	811	811	836	702	7,750
Mid-Continent Library	0.3119	-	1,310	1,310	1,350	1,350	1,390	1,390	1,432	1,432	1,475	1,239	13,679
State Blind Pension	0.0300	-	126	126	130	130	134	134	138	138	142	119	1,316
Surtax	1.4370	-	6,038	6,038	6,219	6,219	6,405	6,405	6,598	6,598	6,795	5,709	63,023
	8.5151	\$ -	\$ 35,777	\$ 35,777	\$ 36,850	\$ 36,850	\$ 37,956	\$ 37,956	\$ 39,095	\$ 39,095	\$ 40,267	\$ 33,829	\$ 373,452

**CITY OF INDEPENDENCE, MISSOURI,
the City**

AND

**BOKF, N.A.,
as Trustee**

TRUST INDENTURE

Dated as of February 1, 2026

Relating to:

**\$3,530,000
(Aggregate Maximum Principal Amount)
City of Independence, Missouri
Taxable Industrial Development Revenue Bonds
(Surgery Center Project)
Series 2026**

TRUST INDENTURE

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TRUST INDENTURE

THIS TRUST INDENTURE dated as of February 1, 2026 (the “Indenture”), is between the **CITY OF INDEPENDENCE, MISSOURI**, a constitutional charter city and municipal corporation duly organized and existing under the laws of the State of Missouri (the “City”), and **BOKF, N.A.**, Kansas City, Missouri, a national banking association duly organized and existing and authorized to accept and execute trusts of the character herein set forth under the laws of the United States of America, with a corporate trust office located in Kansas City, Missouri, as Trustee (the “Trustee”);

RECITALS:

1. The City is authorized and empowered pursuant to the provisions of Article VI, Section 27(b) of the Missouri Constitution and Sections 100.010 through 100.200, inclusive, of the Revised Statutes of Missouri, as amended (collectively, the “Act”), to purchase, construct, extend and improve certain “projects” (as defined in the Act) and to issue industrial development revenue bonds for the purpose of providing funds to pay the costs of such projects and to lease or otherwise dispose of such projects to private persons or businesses for manufacturing, commercial, research and development, warehousing and industrial development purposes upon such terms and conditions as the City shall deem advisable.

2. Pursuant to the Act, the City Council passed an ordinance (the “Ordinance”), authorizing the City to issue its Taxable Industrial Development Revenue Bonds (Surgery Center Project), Series 2026, in the maximum principal amount of \$3,530,000 (the “Bonds”), for the purpose of acquiring and improving certain real property located at 19921 East Jackson Drive, Independence, Missouri 64057 (the “Project Site,” as more fully described on **Exhibit A** hereto), including the renovation, construction and improvement of a commercial facility on the Project Site (the “Project Improvements,” as more fully described on **Exhibit B** hereto).

3. The Ordinance authorizes the City to lease the Project Site and the Project Improvements (collectively, the “Project”) to MKEL Holdings, LLC, a Missouri limited liability company (the “Company”).

4. Pursuant to the Ordinance, the City is authorized to execute and deliver (a) this Indenture for the purpose of issuing and securing the Bonds, (b) the Lease Agreement of even date herewith (the “Lease”) with the Company, under which the City, as lessor, will, or will cause the Company to, renovate, construct and improve the Project and will lease the Project to the Company, as lessee, in consideration of rentals that will be sufficient to pay the principal of and interest on the Bonds and certain payments in lieu of taxes to be made by the Company with respect to the Project.

5. All things necessary to make the Bonds, when authenticated by the Trustee and issued as provided in this Indenture, the valid and legally binding obligations of the City, and to constitute this Indenture a valid and legally binding pledge and assignment of the Trust Estate (defined herein) herein made for the security of the payment of the principal of and interest on the Bonds, have been done and performed, and the execution and delivery of this Indenture and the execution and issuance of the Bonds, subject to the terms hereof, have in all respects been duly authorized.

NOW, THEREFORE, THIS TRUST INDENTURE WITNESSETH:

GRANTING CLAUSES

That the City, in consideration of the premises, the acceptance by the Trustee of the trusts hereby created, the purchase and acceptance of the Bonds by the Owners thereof, and of other good and valuable consideration, the receipt of which is hereby acknowledged, and in order to secure the payment of the principal of and interest on all of the Bonds issued and outstanding under this Indenture from time to time according to their tenor and effect, and to secure the performance and observance by the City of all the covenants, agreements and conditions herein and in the Bonds contained, does hereby pledge and assign to the Trustee and its successors and assigns until this Indenture has been satisfied and discharged, the property described in paragraphs (a), (b) and (c) below (said property being herein referred to as the "Trust Estate"), to-wit:

(a) All right, title and interest in and to the Project together with the tenements, hereditaments, appurtenances, rights, easements, privileges and immunities thereunto belonging or appertaining and, to the extent permissible, all permits, certificates, approvals and authorizations;

(b) All right, title and interest of the City in, to and under the Lease (excluding the Unassigned Rights), and all rents, revenues and receipts derived by the City from the Project including, without limitation, all rentals and other amounts to be received by the City and paid by the Company under and pursuant to and subject to the provisions of the Lease; and

(c) All moneys and securities from time to time held by or now or hereafter required to be paid to the Trustee under the terms of this Indenture, and any and all other real or personal property of every kind and nature from time to time hereafter, by delivery or by writing of any kind, pledged, assigned or transferred as and for additional security hereunder by the City or by anyone in its behalf, or with its written consent, to the Trustee, which is hereby authorized to receive any and all such property at any and all times and to hold and apply the same subject to the terms hereof.

TO HAVE AND TO HOLD, all and singular, the Trust Estate with all rights and privileges hereby pledged and assigned or agreed or intended so to be, to the Trustee and its successors and assigns forever;

IN TRUST NEVERTHELESS, upon the terms and subject to the conditions herein set forth, for the equal and proportionate benefit, protection and security of all Owners from time to time of the Bonds outstanding under this Indenture, without preference, priority or distinction as to lien or otherwise of any of the Bonds over any other of the Bonds except as expressly provided in or permitted by this Indenture;

PROVIDED, HOWEVER, that if the City pays, or causes to be paid, the principal of and interest on the Bonds, at the time and in the manner mentioned in the Bonds, according to the true intent and meaning thereof, or provides for the payment thereof (as provided in **Article XIII** hereof), and pays or causes to be paid to the Trustee all other sums of money due or to become due to it in accordance with the terms and provisions hereof, then upon such final payments this Indenture and the rights thereby granted shall cease, determine and be void; otherwise, this Indenture shall be and remain in full force and effect.

THIS INDENTURE FURTHER WITNESSETH, and it is hereby expressly declared, covenanted and agreed by and between the parties hereto, that all Bonds issued and secured hereunder are to be issued, authenticated and delivered and that all the Trust Estate is to be held and applied under, upon and subject to the terms, conditions, stipulations, covenants, agreements, trusts, uses and purposes as

hereinafter expressed, and the City does hereby agree and covenant with the Trustee and with the respective Owners from time to time, as follows:

ARTICLE I

DEFINITIONS

Section 101. Definitions of Words and Terms. In addition to words and terms defined in **Section 1.1** of the Lease, which definitions shall be deemed to be incorporated herein, and terms defined elsewhere in this Indenture, the following words and terms as used in this Indenture shall have the following meanings, unless some other meaning is plainly intended:

“Act” means, collectively, Article VI, Section 27(b) of the Missouri Constitution, as amended, and Sections 100.010 through 100.200 of the Revised Statutes of Missouri, as amended.

“Additional Rent” means the additional rental described in **Sections 5.2** and **6.2** of the Lease.

“Authorized City Representative” means the Mayor, the (Interim) City Manager, the City Clerk or such other person at the time designated to act on behalf of the City as evidenced by written certificate furnished to the Company and the Trustee containing the specimen signature of such person and signed on behalf of the City by its Mayor or (Interim) City Manager. Such certificate may designate an alternate or alternates each of whom shall be entitled to perform all duties of the Authorized City Representative.

“Authorized Company Representative” means the Person at the time designated to act on behalf of the Company as evidenced by written certificate furnished to the City and the Trustee containing the specimen signature of such Person and signed on behalf of the Company by an authorized officer of the Company. Such certificate may designate an alternate or alternates, each of whom shall be entitled to perform all duties of the Authorized Company Representative.

“Basic Rent” means the rental described in **Section 5.1** of the Lease.

“Bond” or **“Bonds”** means the Taxable Industrial Development Revenue Bonds (Surgery Center Project), Series 2026, in the maximum aggregate principal amount of \$3,530,000, issued, authenticated and delivered under and pursuant to this Indenture.

“Bond Fund” means the “City of Independence, Missouri, Bond Fund – MKEL Holdings, LLC” created in **Section 501** of this Indenture.

“Bond Purchase Agreement” means the agreement by that name with respect to the Bonds, dated as of February 1, 2026, by and between the City and the Purchaser.

“Business Day” means any day other than a Saturday or Sunday or legal holiday or a day on which banks located in the city in which the payment office of the Trustee is required or authorized by law to remain closed.

“City” means the City of Independence, Missouri, a constitutional charter city and municipal corporation duly organized and existing under the laws of the State of Missouri, and its successors and assigns.

“Closing Date” means the date identified in the Bond Purchase Agreement for the initial issuance and delivery of the Bonds.

“Closing Price” means the amount specified in writing by the Purchaser and agreed to by the City as the amount required to pay for the initial issuance of the Bonds on the Closing Date.

“Company” means MKEL Holdings, LLC, a Missouri limited liability company, and its successors or assigns.

“Completion Date” means the date of execution of the certificate required pursuant to **Section 504** hereof.

“Costs of Issuance Fund” means the “City of Independence, Missouri, Costs of Issuance Fund – MKEL Holdings, LLC” created in **Section 501** hereof.

“Cumulative Outstanding Principal Amount” means an amount equal to the aggregate of all amounts paid into the Project Fund in accordance with the provisions of this Indenture, the Bond Purchase Agreement and the Lease, as reflected in the bond registration records maintained by the Trustee or in the Table of Cumulative Outstanding Principal Amount set forth in the form of Bond in **Exhibit C** hereto.

“Event of Default” means, with respect to this Indenture, any Event of Default as defined in **Section 901** hereof and, with respect to the Lease, any Event of Default as described in **Section 12.1** of the Lease.

“Government Securities” means direct obligations of, or obligations the payment of principal of and interest on which are unconditionally guaranteed by, the United States of America.

“Indenture” means this Trust Indenture, as from time to time amended and supplemented by Supplemental Indentures in accordance with the provisions of **Article XI** hereof.

“Investment Securities” means any of the following securities:

- (a) Government Securities;
- (b) obligations of the Federal Financing Bank, the Federal Intermediate Credit Corporation, Federal Banks for Cooperatives, Federal Land Banks, and Farmers Home Administration;
- (c) direct and general obligations of any state of the United States of America, to the payment of the principal of and interest on which the full faith and credit of such state is pledged, provided that at the time of their purchase under this Indenture such obligations are rated in either of the two highest rating categories by a nationally-recognized bond rating agency;
- (d) certificates of deposit, whether negotiable or nonnegotiable, and U.S. dollar denominated deposit accounts issued by any bank or trust company organized under the laws of any state of the United States of America or any national banking association (including the Trustee or any of its affiliates), provided that such certificates of deposit or deposit accounts shall be either (1) continuously and fully insured by the Federal Deposit Insurance Corporation, or (2) continuously and fully secured by such securities as are described above in clauses (a) through (c),

inclusive, which shall have a market value at all times at least equal to the principal amount of such certificates of deposit and shall be deposited with the Trustee or a custodian bank, trust company or national banking association. The bank, trust company or national banking association holding each such certificate of deposit required to be so secured shall furnish the Trustee written evidence that the aggregate market value of all such obligations securing each such certificate of deposit will at all times be an amount at least equal to the principal amount of each such certificate of deposit and the Trustee shall be entitled to rely on each such undertaking;

(e) shares of a fund registered under the Investment Company Act of 1940, as amended, whose shares are registered under the Securities Act of 1933, as amended, having assets of at least \$100,000,000, and which shares, at the time of purchase, are rated by S&P and Moody's in one of the two highest rating categories (without regard to any refinements or gradation of rating category by numerical modifier or otherwise) assigned by such rating agencies for obligations of that nature; or

(f) any other investment approved in writing by the Authorized City Representative and the Owners of all of the Outstanding Bonds.

"Lease" means the Lease Agreement dated as of February 1, 2026, between the City, as lessor, and the Company, as lessee, as from time to time amended and supplemented by Supplemental Leases in accordance with the provisions thereof and of **Article XII** of this Indenture.

"Lender" has the meaning set forth in the Lease.

"Moody's" means Moody's Investors Service, Inc., a corporation organized and existing under the laws of the State of Delaware, its successors and assigns, and, if such corporation is dissolved or liquidated or no longer performs the functions of a securities rating agency, "Moody's" will be deemed to refer to any other nationally recognized securities rating agency designated by the Authorized Company Representative.

"Outstanding" means, when used with reference to Bonds, as of a particular date, all Bonds theretofore authenticated and delivered, except:

(a) Bonds subsequently cancelled by the Trustee or delivered to the Trustee for cancellation;

(b) Bonds deemed to be paid in accordance with the provisions of **Section 1302** hereof; and

(c) Bonds in exchange for or in lieu of which other Bonds have been authenticated and delivered pursuant to this Indenture.

"Owner" or **"Bondowner"** means the registered owner of any Bond as recorded on the bond registration records maintained by the Trustee.

"Paying Agent" means the Trustee and any other bank or trust company designated by this Indenture as paying agent for the Bonds at which the principal of or interest on the Bonds shall be payable.

“Payment Date” means the date on which principal or interest on any Bond, whether at the stated maturity thereof or the redemption date thereof, is payable, which shall be December 1 of each year that the Bonds are Outstanding.

“Person” or **“person”** means an individual, partnership, corporation, business trust, joint stock company, limited liability company, bank, insurance company, unincorporated association, joint venture or other entity of whatever nature.

“Project” means the Project Site and the Project Improvements as they may at any time exist.

“Project Costs” means all costs of renovation, construction and improvement of the Project and acquisition of the Project Site.

“Project Fund” means the “City of Independence, Missouri, Project Fund – MKEL Holdings, LLC” created in **Section 501** hereof.

“Project Improvements” means all buildings, structures, improvements and fixtures to be purchased, renovated, constructed, installed and otherwise improved on the Project Site pursuant to **Article IV** of the Lease and paid for in whole or in part from the proceeds of Bonds, as described in **Exhibit B** attached hereto, as the same may be adjusted in accordance with the Lease.

“Project Site” means all of the real estate as described in **Exhibit A** attached hereto and by this reference made a part hereof, including any existing improvements thereon.

“Purchaser” means the entity identified in the Bond Purchase Agreement as the purchaser of the Bonds.

“S&P” means S&P Global Ratings, a division of Standard & Poor’s Financial Services, LLC, its successors and assigns, and if such company is dissolved or liquidated or no longer performs the functions of a securities rating agency, “S&P” will be deemed to refer to any other nationally recognized securities rating agency designated by the Authorized Company Representative.

“State” means the State of Missouri.

“Supplemental Indenture” means any indenture supplemental or amendatory to this Indenture entered into by the City and the Trustee pursuant to **Article XI** hereof.

“Supplemental Lease” means any supplement or amendment to the Lease entered into pursuant to **Article XII** hereof.

“Trust Estate” means the Trust Estate described in the Granting Clauses of this Indenture.

“Trustee” means BOKF, N.A., Kansas City, Missouri, a national banking association duly organized and existing and authorized to accept and execute trusts of the character herein set forth under the laws of the United States of America, and its successor or successors and any other corporation which at the time may be substituted in its place pursuant to and at the time serving as Trustee under this Indenture.

“Unassigned Rights” means (1) the City’s right to receive moneys for its own account, including but not limited to payments in lieu of taxes, (2) the City’s rights to indemnification or to be protected from

liabilities by insurance policies required by the Lease, and (3) the rights of the City to provide any consent or approval under the Lease and to enforce provisions of the Lease relating to the completion, condition or use of the Project.

Section 102. Rules of Interpretation.

(a) Unless the context shall otherwise indicate, the words importing the singular number shall include the plural and vice versa, and words importing Persons shall include firms, associations and corporations, including public bodies, as well as natural Persons.

(b) Wherever in this Indenture it is provided that either party shall or will make any payment or perform or refrain from performing any act or obligation, each such provision shall, even though not so expressed, be construed as an express covenant to make such payment or to perform, or not to perform, as the case may be, such act or obligation.

(c) All references in this instrument to designated “Articles,” “Sections” and other subdivisions are, unless otherwise specified, to the designated Articles, Sections and subdivisions of this instrument as originally executed. The words “herein,” “hereof,” “hereunder” and other words of similar import refer to this Indenture as a whole and not to any particular Article, Section or subdivision.

(d) Whenever an item or items are listed after the word “including”, such listing is not intended to be a listing that excludes items not listed.

(e) The Table of Contents and the Article and Section headings of this Indenture shall not be treated as a part of this Indenture or as affecting the true meaning of the provisions hereof.

ARTICLE II

THE BONDS

Section 201. Title and Amount of Bonds. No Bonds may be issued under this Indenture except in accordance with the provisions of this Article. The Bonds authorized to be issued under this Indenture shall be designated as “City of Independence, Missouri, Taxable Industrial Development Revenue Bonds (Surgery Center Project), Series 2026.” The maximum total principal amount of Bonds that may be issued hereunder is hereby expressly limited to \$3,530,000.

Section 202. Nature of Obligation. The Bonds and the interest thereon shall be special obligations of the City payable solely out of the rents, revenues and receipts derived by the City from the Project and the Lease (excluding the Unassigned Rights), and not from any other fund or source of the City. The Bonds are secured by a pledge and assignment of the Trust Estate to the Trustee in favor of the Owners, as provided in this Indenture. The Bonds and the interest thereon shall not constitute general obligations of the City, the State or any political subdivision thereof, and neither the City, the State or related political subdivision thereof shall be liable thereon, and the Bonds shall not constitute an indebtedness within the meaning of any constitutional, charter or statutory debt limitation or restriction, and are not payable in any manner by taxation.

Section 203. Denomination, Number and Dating of the Bonds.

(a) The Bonds shall be issuable in the form of one fully-registered Bond, in substantially the form set forth in **Exhibit C** hereto, in the denomination of \$0.01 or any multiple thereof.

(b) The Bonds shall be dated by the Trustee as of the date of initial delivery thereof as provided herein. If the Bonds are at any time thereafter transferred, any replacement Bonds shall be dated as of the date of authentication thereof and numbered from 1 upward.

Section 204. Method and Place of Payment of Bonds.

(a) The principal of and interest on the Bonds shall be payable in any coin or currency of the United States of America which on the respective dates of payment thereof is legal tender for payment of public and private debts.

(b) Payment of the principal of the Bonds shall be made upon the presentation and surrender of such Bonds at the payment office of any Paying Agent named in the Bonds. The payment of principal on the Bonds shall be noted on the Bonds on **Schedule I** thereto and the registration books maintained by the Trustee pursuant to **Section 206** hereof. Payment of the interest on the Bonds shall be made by the Trustee on each Payment Date to the Person appearing on the registration books of the Trustee hereinafter provided for as the Owner thereof on the fifteenth day (whether or not a Business Day) of the calendar month next preceding such Payment Date by check or draft mailed to such Owner at such Owner's address as it appears on such registration books.

(c) The Bonds and the original **Schedule I** thereto shall be held by the Trustee in trust, unless otherwise directed in writing by the Owner. If the Bonds are held by the Trustee, the Trustee shall, on each Payment Date, send a revised copy of **Schedule I** via facsimile or other electronic means to the Owner, the Company (if not the Owner) and the City. Absent manifest error, the amounts shown on **Schedule I** as noted by the Trustee shall be conclusive evidence of the principal amount paid on the Bonds.

(d) If there is one Owner of the Bonds, the Trustee is authorized to make the final or any interim payments of principal on such Bonds by internal bank transfer or by electronic transfer to an account at a commercial bank or savings institution designated in writing by such Owner and located in the continental United States. The Trustee is also authorized to make interest payments on such Bonds by internal bank transfer or by electronic transfer to an account at a commercial bank or savings institution designated by such Owner and located in the continental United States.

(e) If the Company is the sole Owner of the Bonds, then the Company may set-off (by book entry or other reasonable means) its obligation to pay Basic Rent to the City as lessee under the Lease against the City's obligations to the Company as the bondholder under this Indenture. The Trustee may conclusively rely on the absence of any notice from the Company to the contrary as evidence that such set-off has occurred. On the final Payment Date, the Company may deliver to the Trustee for cancellation the Bonds and the Company shall receive a credit against the Basic Rent payable by the Company under **Section 5.1** of the Lease in an amount equal to the remaining principal on the Bond so tendered for cancellation plus accrued interest thereon.

Section 205. Execution and Authentication of Bonds.

(a) The Bonds shall be executed on behalf of the City by the manual or facsimile signature of its Mayor or (Interim) City Manager and attested by the manual or facsimile signature of the City Clerk, and shall have the corporate seal of the City affixed thereto or imprinted thereon. If any officer whose signature or facsimile thereof appears on the Bonds ceases to be such officer before the delivery of such Bond, such signature or facsimile thereof shall nevertheless be valid and sufficient for all purposes, the same as if such Person had remained in office until delivery. Any Bond may be signed by such Persons as at the actual time of the execution of such Bond are the proper officers to sign such Bond although at the date of such Bond such Persons may not have been such officers.

(b) The Bonds shall have endorsed thereon a Certificate of Authentication substantially in the form set forth in **Exhibit C** hereof, which shall be manually executed by the Trustee. No Bond shall be entitled to any security or benefit under this Indenture or shall be valid or obligatory for any purposes until such Certificate of Authentication has been duly executed by the Trustee. The executed Certificate of Authentication upon any Bond shall be conclusive evidence that such Bond has been duly authenticated and delivered under this Indenture. The Certificate of Authentication on any Bond shall be deemed to have been duly executed if signed by any authorized signatory of the Trustee.

Section 206. Registration, Transfer and Exchange of Bonds.

(a) The Trustee shall keep books for the registration and for the transfer of Bonds as provided in this Indenture.

(b) The Bonds may be transferred only upon the books kept for the registration and transfer of Bonds upon surrender thereof to the Trustee duly endorsed for transfer or accompanied by an assignment duly executed by the Owner or such Owner's attorney or legal representative in such form as shall be satisfactory to the Trustee. In connection with any such transfer of the Bonds, the City and the Trustee shall receive an executed representation letter signed by the proposed assignee in substantially the form of **Exhibit D** hereto. Upon any such transfer, the City shall execute and the Trustee shall authenticate and deliver in exchange for such Bond a new fully registered Bond or Bonds, registered in the name of the transferee, of any denomination or denominations authorized by this Indenture, in an aggregate principal amount equal to the outstanding principal amount of such Bond, of the same maturity and bearing interest at the same rate.

(c) In all cases in which Bonds are exchanged or transferred hereunder the provisions of any legend restrictions on the Bonds shall be complied with and the City shall execute and the Trustee shall authenticate and deliver at the earliest practicable time Bonds in accordance with the provisions of this Indenture. All Bonds surrendered in any such exchange or transfer shall forthwith be cancelled by the Trustee. The City or the Trustee may make a reasonable charge for every such exchange or transfer of Bonds sufficient to reimburse it for any tax, fee or other governmental charge required to be paid with respect to such exchange or transfer, and such charge shall be paid before any such new Bond shall be delivered. Neither the City nor the Trustee shall be required to make any such exchange or transfer of Bonds during the 15 days immediately preceding a Payment Date on the Bonds or, in the case of any proposed redemption of Bonds, during the 15 days immediately preceding the selection of Bonds for such redemption or after such Bonds or any portion thereof has been selected for redemption.

(d) If any Owner fails to provide a certified taxpayer identification number to the Trustee, the Trustee may make a charge against such Owner sufficient to pay any governmental charge required to be

paid as a result of such failure, which amount may be deducted by the Trustee from amounts otherwise payable to such Owner under such Owner's Bond.

(e) The City and Trustee consent to the pledge of the Bonds to any Lender with a Mortgage (as such term is defined in the Lease) on all or any portion of the Project Site.

Section 207. Persons Deemed Owners of Bonds. As to any Bond, the Person in whose name the same is registered as shown on the bond registration books required by **Section 206** hereof shall be deemed and regarded as the absolute owner thereof for all purposes. Payment of or on account of the principal of and interest on any such Bond shall be made only to or upon the order of the Owner thereof or a legal representative thereof. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bond, including the interest thereon, to the extent of the sum or sums so paid.

Section 208. Authorization of the Bonds.

(a) The Bonds are authorized in the aggregate maximum principal amount of \$3,530,000 for the purpose of providing funds to pay the costs of the Project and the costs of issuing the Bonds, which Bonds shall be designated "City of Independence, Missouri, Taxable Industrial Development Revenue Bonds (Surgery Center Project), Series 2026." The Bonds shall be dated as provided in **Section 203(b)** hereof, shall become due on **December 1, 2036** (subject to prior redemption as provided in **Article III** hereof) and shall bear interest as specified in **Section 208(f)** hereof, payable on the dates specified in **Section 208(f)** hereof.

(b) The Trustee is hereby designated as the Paying Agent. The Owners of a majority of Bonds then Outstanding may designate a different Paying Agent upon written notice to the City and the Trustee.

(c) The Bonds shall be executed without material variance from the form and in the manner set forth in **Exhibit C** hereto and delivered to the Trustee for authentication. Prior to or simultaneously with the authentication and delivery of the Bonds by the Trustee, there shall be filed with the Trustee electronic copies of the following:

(1) The ordinance passed by the City Council authorizing the issuance of the Bonds and the execution of this Indenture, the Lease and the Bond Purchase Agreement;

(2) Counterparts of this Indenture, the Lease and the Bond Purchase Agreement;

(3) A representation letter from the Purchaser in substantially the form attached as **Exhibit D** hereto;

(4) A request and authorization to the Trustee on behalf of the City, executed by the Authorized City Representative, to authenticate the Bonds and deliver the same to or at the direction of the Purchaser upon payment to the Trustee, for the account of the City, of the purchase price thereof specified in the Bond Purchase Agreement. The Trustee shall be entitled to conclusively rely upon such request and authorization as to names of the purchaser and the amount of such purchase price;

(5) An opinion of counsel nationally recognized on the subject of municipal bonds to the effect that the Bonds are in proper form and have been duly authorized in accordance with the Constitution and statutes of the State of Missouri, including the Act, and constitute valid and legally binding special obligations of the City; and

(6) Such other certificates, statements, receipts, opinions and documents as the Trustee shall reasonably require for the delivery of the Bonds.

(d) When the documents specified in subsection (c) of this Section have been filed with the Trustee, and when the Bonds have been executed and authenticated as required by this Indenture, the Purchaser shall pay the Closing Price to the Trustee, and the Trustee shall endorse the Bonds in an amount equal to the Closing Price and then either hold the Bonds in trust or if so directed in writing deliver the Bonds to or upon the order of the Purchaser.

(e) Following the initial issuance and delivery of the Bonds, the Company may submit additional requisition certificates in accordance with **Section 4.4** of the Lease, and the Trustee shall, based solely of the amount set forth in the requisition, endorse the Bonds in an amount equal to the amount set forth in each requisition certificate. The date of endorsement of each Principal Amount Advanced (as defined in subsection (g) below) as set forth on **Schedule I** to the Bonds shall be the date of the City's approval of each requisition certificate. The Trustee shall keep a record of the total requisitions submitted, and shall notify the City if the requisitions submitted exceed the maximum Cumulative Outstanding Principal Amount of the Bonds permitted hereunder.

(f) The Bonds shall bear interest at the rate of 7.00% per annum on the Cumulative Outstanding Principal Amount of the Bonds. Such interest shall be payable in arrears on each December 1, commencing on December 1, 2026, and continuing thereafter until the Cumulative Outstanding Principal Amount is paid in full; provided that the aggregate maximum principal amount shall not exceed \$3,530,000 and further provided that the Bonds shall be paid in full no later than **December 1, 2036**. Interest shall be calculated on the basis of a year of 360 days consisting of twelve months of 30 days each.

(g) The Trustee shall keep and maintain a record of the amount deposited or deemed to be deposited into the Project Fund pursuant to the terms of this Indenture as "Principal Amount Advanced" and shall enter the aggregate principal amount of the Bonds then Outstanding on its records as the "Cumulative Outstanding Principal Amount." On each date upon which a portion of the Cumulative Outstanding Principal Amount is paid to the Owners, pursuant to the redemption provisions of this Indenture, the Trustee shall enter on its records the principal amount paid on the Bonds as "Principal Amount Redeemed," and shall enter the then Outstanding principal amount of the Bonds as "Cumulative Outstanding Principal Amount." The records maintained by the Trustee as to amounts deposited into the Project Fund or principal amounts paid on the Bonds shall be the official records of the Cumulative Outstanding Principal Amount for all purposes, absent manifest error, and shall be in substantially the form of the Table of Cumulative Outstanding Principal Amount as set out in the form of Bonds in **Exhibit C** hereto. If any moneys are deposited by the Trustee into the Project Fund, then the Trustee shall provide a statement of receipts and disbursements with respect thereto to the City and the Company upon written request. After the Project has been completed and the certificate of payment of all costs is filed as provided in **Section 504** hereof, the Trustee, upon written request, to the extent it has not already done so pursuant to this Section or **Section 1012** hereof, shall file a final statement of receipts and disbursements with respect thereto with the City and the Company.

Section 209. Mutilated, Lost, Stolen or Destroyed Bonds. If any Bond becomes mutilated, or is lost, stolen or destroyed, the City shall execute and the Trustee shall authenticate and deliver a new Bond of like series, date and tenor as the Bond mutilated lost, stolen or destroyed; provided that, in the case of any mutilated Bond, such mutilated Bond shall first be surrendered to the Trustee, and in the case of any lost, stolen or destroyed Bond, there shall be first furnished to the City and the Trustee evidence of such loss, theft or destruction satisfactory to the Trustee, together with indemnity satisfactory to the Trustee to

save each of the City and the Trustee harmless. If any such Bond has matured, instead of delivering a substitute Bond, the Trustee may pay the same without surrender thereof. Upon the issuance of any substitute Bond, the City and the Trustee may require the payment of an amount sufficient to reimburse the City and the Trustee for any tax or other governmental charge that may be imposed in relation thereto and any other reasonable fees and expenses incurred in connection therewith.

Section 210. Cancellation and Destruction of Bonds Upon Payment.

(a) All Bonds which have been paid or redeemed or which the Trustee has purchased or which have otherwise been surrendered to the Trustee under this Indenture, either at or before maturity shall be cancelled by the Trustee immediately upon the payment, redemption or purchase of such Bonds and the surrender thereof to the Trustee.

(b) All Bonds cancelled under any of the provisions of this Indenture shall be destroyed by the Trustee. The Trustee shall execute a certificate describing the Bonds so destroyed, and shall file executed counterparts of such certificate with the City and the Company.

ARTICLE III

REDEMPTION OF BONDS

Section 301. Redemption of Bonds.

(a) The Bonds are subject to redemption and payment at any time before the stated maturity thereof, at the option of the City, upon written instructions from the Company, (1) in whole, if the Company exercises its option to purchase the Project and deposits an amount sufficient to effect such purchase pursuant to the Lease on the applicable redemption date, or (2) in part, if the Company prepays additional Basic Rent pursuant to the Lease. If only a portion of the Bonds are to be redeemed, (1) Bonds aggregating at least 10% of the maximum aggregate principal amount of Bonds authorized hereunder shall not be subject to redemption and payment before the stated maturity thereof, and (2) the Trustee shall keep a record of the amount of Bonds to remain Outstanding following such redemption. Any redemption of Bonds pursuant to this paragraph shall be at a redemption price equal to the par value thereof being redeemed, plus accrued interest thereon, without premium or penalty, to the redemption date.

(b) The Bonds are subject to mandatory redemption, in whole or in part, to the extent of amounts deposited in the Bond Fund pursuant to **Sections 9.1(f) or 9.2(c)** of the Lease, in the event of substantial damage to or destruction or condemnation of substantially all of the Project. Bonds to be redeemed pursuant to this paragraph shall be called for redemption by the Trustee on the earliest practicable date for which timely notice of redemption may be given as provided hereunder. Any redemption of Bonds pursuant to this paragraph shall be at a redemption price equal to the par value thereof being redeemed, plus accrued interest thereon, without premium or penalty, to the redemption date. Before giving notice of redemption to the Owners pursuant to this paragraph (b), money in an amount equal to the redemption price shall have been deposited in the Bond Fund.

(c) In connection with a redemption under paragraphs (a) or (b) of this Section, at its option, the Company may deliver to the Trustee for cancellation any Bonds owned by the Company and not previously paid, and the Company shall receive a credit against the amounts payable by the Company for

the redemption of such Bonds in an amount equal to the principal amount of the Bonds so tendered for cancellation, plus accrued interest.

Section 302. Effect of Call for Redemption. Before or on the date fixed for redemption, funds, Government Securities, or a combination thereof, shall be placed with the Trustee which are sufficient to pay the Bonds called for redemption and accrued interest thereon, if any, to the redemption date. Upon the happening of the above conditions and appropriate written notice having been given, the Bonds or the portions of the principal amount of Bonds thus called for redemption shall cease to bear interest on the specified redemption date, and shall no longer be entitled to the protection, benefit or security of this Indenture and shall not be deemed to be Outstanding under the provisions of this Indenture. If the Bonds are fully redeemed before maturity and an amount of money equal to the Trustee's and the Paying Agent's agreed to fees and expenses hereunder accrued and to accrue in connection with such redemption is paid or provided for, the City shall, at the Company's direction, deliver to the Company the items described in **Section 11.2** of the Lease.

Section 303. Notice of Redemption. If the Bonds are to be called for redemption as provided in **Section 301(a)** hereof, the Company shall deliver written notice to the City and the Trustee that it has elected to direct the City to redeem all or a portion of the Bonds at least 40 days (10 days if the Company is the Owner) prior to the scheduled redemption date. The Trustee shall then deliver written notice to the Owners at least 30 days (five days if the Company is the Owner) prior to the scheduled redemption date by facsimile and by first-class mail stating the date upon which the Bonds will be redeemed and paid, unless such notice period is waived by the Owners in writing.

ARTICLE IV

FORM OF BONDS

Section 401. Form Generally. The Bonds and the Trustee's Certificate of Authentication to be endorsed thereon shall be issued in substantially the forms set forth in **Exhibit C** hereto. The Bonds may have endorsed thereon such legends or text as may be necessary or appropriate to conform to any applicable rules and regulations of any governmental authority or any custom, usage or requirements of law with respect thereto.

ARTICLE V

CUSTODY AND APPLICATION OF BOND PROCEEDS

Section 501. Creation of Funds. There are hereby created and ordered to be established in the custody of the Trustee the following special trust funds in the name of the City:

(a) "City of Independence, Missouri, Project Fund – MKEL Holdings, LLC" (herein called the "Project Fund");

(b) "City of Independence, Missouri, Costs of Issuance Fund – MKEL Holdings, LLC" (herein called the "Costs of Issuance Fund"); and

(c) “City of Independence, Missouri, Bond Fund – MKEL Holdings, LLC” (herein called the “Bond Fund”).

Section 502. Deposits into the Project Fund. The proceeds of the sale of the Bonds (whether actually paid or deemed paid under **Section 208** hereof), including Additional Payments provided for in the Bond Purchase Agreement, when received, excluding such amounts required to be paid into the Bond Fund pursuant to **Section 601** hereof, shall be deposited by the Trustee into the Project Fund. Any money received by the Trustee from any other source for the purpose of purchasing, renovating, constructing and improving the Project shall pursuant to any directions from the Person depositing such moneys also be deposited into the Project Fund.

Section 503. Disbursements from the Project Fund.

(a) The moneys in the Project Fund shall be disbursed by the Trustee for the payment of, or reimbursement to the Company (or any other party that has made payment on behalf of the Company) for payment of, Project Costs upon receipt of requisition certificates signed by the Company in accordance with the provisions of **Article IV** of the Lease. The Trustee hereby covenants and agrees to disburse such moneys in accordance with such provisions.

(b) If, pursuant to **Section 208** hereof, the Trustee is deemed to have deposited into the Project Fund the amount specified in the requisition certificates submitted by the Company in accordance with the provisions of **Article IV** of the Lease, the Trustee shall upon endorsement of the Bonds in an equal amount be deemed to have disbursed such funds from the Project Fund to the Company (or such other purchaser designated by the Company) in satisfaction of the requisition certificate.

(c) In paying any requisition under this Section, the Trustee may rely as to the completeness and accuracy of all statements in such requisition certificate if such requisition certificate is signed by the Authorized Company Representative. If the City so requests in writing, a copy of each requisition certificate submitted to the Trustee for payment under this Section shall be promptly provided by the Trustee to the City. The City hereby authorizes and directs the Trustee to make disbursements in the manner and as provided for by the aforesaid provisions of the Lease.

Section 504. Completion of the Project. The completion of the renovation, construction and improvement of the Project and payment of all costs and expenses incident thereto shall be evidenced by the filing with the Trustee of the certificate required by the provisions of **Section 4.5** of the Lease. As soon as practicable after the Completion Date any balance remaining in the Project Fund shall without further authorization be transferred by the Trustee to the Bond Fund and applied as provided in **Section 4.6** of the Lease.

Section 505. Deposits into and Disbursements from the Costs of Issuance Fund. Money deposited by the Company in the Costs of Issuance Fund shall be used solely to pay costs of issuing the Bonds or refunded to the Company as hereinafter provided. The Trustee shall without further authorization disburse from the Costs of Issuance Fund, to the extent available, money sufficient to pay the amounts shown in a closing memorandum or requisition certificate provided to the Trustee on or before the date of delivery of the Bonds, which shall have attached thereto the statements, invoices and related items described in said closing memorandum or requisition certificate. The Trustee may rely conclusively on the amounts due as shown in the closing memorandum or requisition certificate and will not be required to make any independent inspection or investigation in connection therewith. Any of such money not used to pay costs of issuance by the date that is six months after the date of this Indenture shall be refunded to the Company.

Section 506. Disposition Upon Acceleration. If the principal of the Bonds has become due and payable pursuant to **Section 902** hereof, upon the date of payment by the Trustee of any moneys due as provided in **Article IX** hereof, any balance remaining in the Project Fund shall without further authorization be deposited in the Bond Fund by the Trustee, with advice to the City and to the Company of such action.

ARTICLE VI

REVENUES AND FUNDS

Section 601. Deposits Into the Bond Fund.

(a) The Trustee shall deposit into the Bond Fund, as and when received, (a) all Basic Rent payable by the Company to the City specified in **Section 5.1** of the Lease; (b) any Additional Rent payable by the Company specified in **Section 5.2** of the Lease that is not payable to the City; (c) any amount in the Project Fund to be transferred to the Bond Fund pursuant to **Section 504** hereof upon completion of the Project or pursuant to **Section 506** hereof upon acceleration of the Bonds; (d) the balance of any Net Proceeds (as defined in the Lease) of condemnation awards or insurance received by the Trustee pursuant to **Article IX** of the Lease; (e) the amounts to be deposited in the Bond Fund pursuant to **Sections 9.1(f)** and **9.2(c)** of the Lease; (f) all interest and other income derived from investments of Bond Fund moneys as provided in **Section 702** hereof; and (g) all other moneys received by the Trustee under and pursuant to any of the provisions of the Lease when accompanied by directions from the Person depositing such moneys that such moneys are to be paid into the Bond Fund.

(b) If the Company is not the sole Owner of the Bonds, the Trustee shall notify the Company in writing, at least 15 days before each date on which a payment is due under **Section 5.1** of the Lease, of the amount that is payable by the Company pursuant to such Section.

Section 602. Application of Moneys in the Bond Fund.

(a) Except as provided in **Section 604** and **Section 908** hereof or in **Section 4.6(a)** of the Lease, moneys in the Bond Fund shall be expended solely for the payment of the principal of and the interest on the Bonds as the same mature and become due or upon the redemption thereof before maturity; provided, however, that any amounts received by the Trustee as Additional Rent under **Section 5.2** of the Lease and deposited to the Bond Fund as provided in **Section 601** above, shall be expended by the Trustee for such items of Additional Rent as they are received or due without further authorization from the City.

(b) The City hereby authorizes and directs the Trustee to withdraw sufficient funds from the Bond Fund to pay the principal of and the interest on the Bonds as the same become due and payable and to make said funds so withdrawn available to the Paying Agent for the purpose of paying said principal and interest. To the extent the Company is the Owner of all of the Bonds Outstanding, payment may be made via transaction entry on the trust records held by Trustee.

(c) Whenever the amount in the Bond Fund from any source whatsoever is sufficient to redeem all of the Bonds Outstanding and to pay interest to accrue thereon before such redemption, the City covenants and agrees, upon request of the Company, to take and cause to be taken the necessary steps to redeem all such Bonds on the next succeeding redemption date for which the required redemption notice

may be given or on such later redemption date as may be specified by the Company. The Trustee may use any moneys in the Bond Fund to redeem a part of the Bonds Outstanding in accordance with and to the extent permitted by **Article III** hereof so long as the Company is not in default with respect to any payments under the Lease and to the extent said moneys are in excess of the amount required for payment of Bonds theretofore matured or called for redemption and past due interest, if any, in all cases when such Bonds have not been presented for payment.

(d) After payment in full of the principal of and interest, if any, on the Bonds (or provision has been made for the payment thereof as provided in this Indenture), and the fees, charges and expenses of the Trustee, the City and any Paying Agent and any other amounts required to be paid under this Indenture and the Lease, all amounts remaining in the Bond Fund shall be paid to the Company upon the expiration or sooner termination of the Lease.

Section 603. Payments Due on Days Other than Business Days. In any case where the date of maturity of principal of or interest, if any, on the Bonds or the date fixed for redemption of any Bonds is not a Business Day, then payment of principal or interest, if any, need not be made on such date but may be made on the next succeeding Business Day with the same force and effect as if made on the date of maturity or the date fixed for redemption, and no interest, if any, shall continue to accrue for the period after such date.

Section 604. Nonpresentment of Bonds. If any Bond is not presented for payment when the principal thereof becomes due, either at maturity or otherwise, or at the date fixed for redemption thereof, if funds sufficient to pay such Bond shall have been made available to the Trustee, all liability of the City to the Owner thereof for the payment of such Bond shall forthwith cease, determine and be completely discharged, and thereupon it shall be the duty of the Trustee to hold such fund or funds, without liability for interest thereon, for the benefit of the Owner of such Bond who shall thereafter be restricted exclusively to such fund or funds for any claim of whatever nature on his part under this Indenture or on, or with respect to, said Bond. If any Bond is not presented for payment within one year following the date when such Bond becomes due, whether by maturity or otherwise, the Trustee shall without liability for interest thereon repay to the Company the funds theretofore held by it for payment of such Bond, and such Bond shall, subject to the defense of any applicable statute of limitation, thereafter be an unsecured obligation of the Company, and the Owner thereof shall be entitled to look only to the Company for payment, and then only to the extent of the amount so repaid, and the Company shall not be liable for any interest thereon and shall not be regarded as a trustee of such money.

Section 605. Repayment to the Company from the Bond Fund. After payment in full of the principal of and interest on the Bonds (or provision has been made for the payment thereof as provided in this Indenture), and the reasonable fees, charges and expenses of the Trustee and the City and any other amounts required to be paid under this Indenture and the Lease, all amounts remaining in the Bond Fund shall be paid to the Company upon the expiration or sooner termination of the Lease.

ARTICLE VII

SECURITY FOR DEPOSITS AND INVESTMENT OF FUNDS

Section 701. Moneys to be Held in Trust. All moneys deposited with or paid to the Trustee for account of the Bond Fund or the Project Fund under any provision of this Indenture, and all moneys deposited with or paid to any Paying Agent under any provision of this Indenture, shall be held by the

Trustee or Paying Agent in trust and shall be applied only in accordance with the provisions of this Indenture and the Lease, and, until used or applied as herein provided, shall constitute part of the Trust Estate and be subject to the lien hereof. Neither the Trustee nor any Paying Agent shall be under any liability for interest on any moneys received hereunder except such as may be agreed upon in writing.

Section 702. Investment of Moneys in Funds. Moneys held in the Project Fund and the Bond Fund shall, pursuant to written direction of the Company, signed by the Authorized Company Representative, be separately invested and reinvested by the Trustee in Investment Securities which mature or are subject to redemption by the Owner before the date such funds will be needed. Moneys in the Costs of Issuance fund shall be held un-invested. If the Company fails to provide written directions concerning investment of moneys held in the Project Fund and the Bond Fund, the Trustee shall invest in such Investment Securities specified in paragraph (e) of the definition of Investment Securities, provided they mature or are subject to redemption before the date such funds will be needed. The Trustee is specifically authorized to implement its automated cash investment system to assure that cash on hand is invested and to charge its normal cash management fees and cash sweep account fees, which may be deducted from income earned on investments; provided that any such fees shall not exceed the interest income on the investment. Any such Investment Securities shall be held by or under the control of the Trustee and shall be deemed at all times a part of the fund in which such moneys are originally held, and the interest accruing thereon and any profit realized from such Investment Securities shall be credited to such fund, and any loss resulting from such Investment Securities shall be charged to such fund. After the Trustee has notice pursuant to **Section 1001(h)** hereof of the existence of an Event of Default, the Trustee shall direct the investment of moneys in the Bond Fund and the Project Fund. The Trustee shall sell and reduce to cash a sufficient amount of such Investment Securities whenever the cash balance in any Fund is insufficient for the purposes of such Fund. In determining the balance in any Fund, investments in such Fund shall be valued at the lower of their original cost or their fair market value as of the most recent Payment Date. The Trustee may make any and all investments permitted by the provisions of this Section through its own bond department or any affiliate or short-term investment department. The Trustee may rely on the investment directions of the Authorized Company Representative as to both the suitability and legality of the directed investments.

Section 703. Record Keeping. The Trustee shall maintain records designed to show compliance with the provisions of this Article and with the provisions of **Article VI** hereof for at least six years after the payment of all of the Outstanding Bonds.

ARTICLE VIII

GENERAL COVENANTS AND PROVISIONS

Section 801. Payment of Principal and Interest. The City covenants and agrees that it will, but solely from the rents, revenues and receipts derived from the Project and the Lease (excluding the Unassigned Rights) as described herein, deposit or cause to be deposited in the Bond Fund sufficient sums payable under the Lease promptly to meet and pay the principal of and the interest on the Bonds as they become due and payable at the place, on the dates and in the manner provided herein and in the Bonds according to the true intent and meaning thereof. Nothing herein shall be construed as requiring the City to operate the Project as a business other than as lessor or to use any funds or revenues from any source other than funds and revenues derived from the Project.

Section 802. Authority to Execute Indenture and Issue Bonds. The City covenants that it is duly authorized under the Constitution and laws of the State to execute this Indenture, to issue the Bonds and to pledge and assign the Trust Estate in the manner and to the extent herein set forth; that all action on its part for the execution and delivery of this Indenture and the issuance of the Bonds has been duly and effectively taken; that the Bonds in the hands of the Owners thereof are and will be valid and enforceable obligations of the City according to the import thereof.

Section 803. Performance of Covenants. The City covenants that it will faithfully perform at all times any and all covenants, undertakings, stipulations and provisions contained in this Indenture, in the Bonds and in all proceedings of its governing body pertaining thereto. The Trustee may take such action as it deems appropriate to enforce all such covenants, undertakings, stipulations and provisions of the City hereunder.

Section 804. Instruments of Further Assurance. The City covenants that it will do, execute, acknowledge and deliver, or cause to be done, executed, acknowledged and delivered, such Supplemental Indentures and such further acts, instruments, financing statements and other documents as the Trustee may reasonably require for the better pledging and assigning unto the Trustee the property and revenues herein described to the payment of the principal of and interest, if any, on the Bonds. The City covenants and agrees that, except as herein and in the Lease provided, it will not sell, convey, mortgage, encumber or otherwise dispose of any part of the Project or the rents, revenues and receipts derived therefrom or from the Lease, or of its rights under the Lease.

Section 805. Recordings and Filings. The City shall file or cause to be kept and filed all financing statements, and hereby authorizes the Trustee to file or cause to be kept and filed continuation statements with respect to such originally filed financing statements related to this Indenture in order to fully preserve and protect the security of the Owners and the rights of the Trustee hereunder provided a copy of the originally filed financing statement is timely delivered to the Trustee. Unless otherwise notified in writing by the Company or City, the Trustee may conclusively rely upon any originally filed financing statements in filing any continuation statements hereunder. The City will cooperate in causing this Indenture and all Supplemental Indentures, the Lease and all Supplemental Leases and all other security instruments to be recorded and filed in such manner and in such places as may be required by law in order to fully preserve and protect the security of the Owners and the rights of the Trustee hereunder.

Section 806. Inspection of Project Books. The City covenants and agrees that all books and documents in its possession relating to the Project and the rents, revenues and receipts derived from the Project shall at all times be open to inspection by such accountants or other agencies as the Trustee may from time to time designate.

Section 807. Enforcement of Rights Under the Lease. The City covenants and agrees that it will enforce all of its rights and all of the obligations of the Company (at the expense of the Company) under the Lease to the extent necessary to preserve the Project in good repair and reasonably safe operating condition, and to protect the rights of the Trustee and the Owners hereunder with respect to the pledge and assignment of the rents, revenues and receipts coming due under the Lease; provided that, the City and the Trustee, as its assignee, shall refrain from enforcing any such right or obligation (except for the Unassigned Rights, any other rights of the City or the Trustee to receive payments owing to either of them for their own account under the Indenture or the Lease or any other agreement related to the Bonds or for their rights of indemnification or to be protected from liabilities by insurance policies required by the Lease) if so directed in writing by the Owners of 100% of the Outstanding Bonds. The City agrees that the Trustee, as assignee of the rentals and other amounts to be received by the City and paid by the Company under the Lease, or in

its name or in the name of the City, may enforce all rights of the City to receive such rentals and other amounts and all obligations of the Company to pay such rentals and other amounts under and pursuant to the Lease for and on behalf of the Owners, whether or not the City is in default hereunder.

ARTICLE IX

DEFAULT AND REMEDIES

Section 901. Events of Default; Notice; Opportunity to Cure. If any of the following events occur, it is hereby defined as and declared to be and to constitute an “Event of Default”:

- (a) Default in the due and punctual payment of the principal on any Bond, whether at the stated maturity or accelerated maturity thereof, or at any date fixed for redemption thereof;
- (b) Default in the due and punctual payment of the interest on any Bond, whether at the stated maturity or accelerated maturity thereof, or at any date fixed for redemption thereof;
- (c) Default as specified in **Section 12.1** of the Lease has occurred; or
- (d) Default in the performance, or breach, of any other covenant or agreement under this Indenture.

No default specified above shall constitute an Event of Default until the City, the Trustee or the Owners of 25% in aggregate principal amount of all Bonds Outstanding has given actual notice of such default by registered or certified mail to the Company, and the Company has had 30 days after receipt of such notice to correct said default or cause said default to be corrected and has not corrected said default or caused said default to be corrected within such period; provided, however, if any such default (other than a default in the payment of any money) is such that it cannot be corrected within such period, it shall not constitute an Event of Default if corrective action is instituted by the Company or the City (as the case may be) within such period and diligently pursued until the default is corrected.

Section 902. Acceleration of Maturity in Event of Default; Rescission. If an Event of Default has occurred and is continuing after the notice and cure period described in **Section 901** elapses, the Trustee may, and upon the written request of the Owners of not less than 25% in aggregate principal amount of Bonds then Outstanding, shall, by notice in writing delivered to the City and the Company, declare the principal of all Bonds then Outstanding and the interest accrued thereon immediately due and payable, and such principal and interest shall thereupon become and be immediately due and payable. At any time after such a declaration of acceleration has been made, but before any judgment or decree for payment of money due on any Bonds has been obtained by the Trustee as provided in this Article, the owners of a majority in principal amount of the Bonds Outstanding may, by written notice to the Company and Trustee but with the written consent of the City, rescind and annul such declaration and its consequences if: (a) there is deposited with the Trustee a sum sufficient to pay: (1) all overdue installments of interest on all Bonds; (2) the principal of (and premium, if any, on) any Bonds which have become due otherwise than by such declaration of acceleration and interest thereon at the rate or rates prescribed therefor in such Bonds; and (3) all sums paid or advanced by the Trustee hereunder and the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel; and (b) all events of default, other than

the non-payment of the principal of Bonds which have become due solely by such declaration of acceleration, have been cured or have been waived as provided in **Section 910** of this Indenture.

Section 903. Surrender of Possession of Trust Estate; Rights and Duties of Trustee in Possession. If an Event of Default has occurred and is continuing after the notice and cure period described in **Section 901** hereof elapses, the City, upon demand of the Trustee, shall forthwith surrender the possession of, and it shall be lawful for the Trustee, by such officer or agent as it may appoint, to take possession of all or any part of the Trust Estate, together with the books, papers and accounts of the City pertaining thereto, and including the rights and the position of the City under the Lease, and to hold, operate and manage the same, and from time to time make all needful repairs and improvements. The Trustee may lease the Project (excluding the Unassigned Rights) or any part thereof, in the name and for account of the City, and collect, receive and sequester the rents, revenues and receipts therefrom, and out of the same and any moneys received from any receiver of any part thereof pay, and set up proper reserves for the payment of all proper costs and expenses of so taking, holding and managing the same, including without limitation (a) reasonable compensation to the Trustee, its agents and counsel, (b) any reasonable charges of the Trustee hereunder, (c) any taxes and assessments and other charges having a lien that is senior to the lien of this Indenture, (d) all expenses of such repairs and improvements and (e) any amounts payable as payments in lieu of tax. The Trustee shall apply the remainder of the moneys so received in accordance with the provisions of **Section 908** hereof. Whenever all that is due upon the Bonds has been paid and all defaults cured, the Trustee shall surrender possession of the Trust Estate to the City, its successors or assigns, the same right of entry, however, to exist upon any subsequent Event of Default. While in possession of such property, the Trustee shall render annually to the City and the Company a summarized statement of receipts and expenditures in connection therewith.

Section 904. Appointment of Receivers in Event of Default. If an Event of Default has occurred and is continuing after the notice and cure period described in **Section 901** elapses, and upon the filing of a suit or other commencement of judicial proceedings to enforce the rights of the Trustee and of the Owners under this Indenture, the Trustee shall be entitled, as a matter of right, to the appointment of a receiver or receivers of the Trust Estate or any part thereof, pending such proceedings, with such powers as the court making such appointment shall confer.

Section 905. Exercise of Remedies by the Trustee.

(a) Upon the occurrence of an Event of Default, the Trustee may pursue any available remedy at law or in equity by suit, action, mandamus or other proceeding to enforce the payment of the principal of and interest on the Bonds then Outstanding and all other amounts due hereunder, and to enforce and compel the performance of the duties and obligations of the City or the Company as herein set forth or as set forth in the Lease, respectively.

(b) If an Event of Default has occurred and is continuing after the notice and cure period described in **Section 901** elapses, and if requested to do so by (1) the City (in the case of an Event of Default pursuant to **Section 12.1(b), (c), (d), (e) or (f)** of the Lease), or (2) the Owners of 25% in aggregate principal amount of Bonds then Outstanding, and if indemnified as provided in subsection (l) of **Section 1001** hereof, the Trustee shall be obligated to exercise such one or more of the rights and powers conferred by this Article as the Trustee, being advised by counsel, shall deem most expedient and in the interests of the City or the Owners, as the case may be.

(c) All rights of action under this Indenture or under any of the Bonds may be enforced by the Trustee without the possession of any of the Bonds or the production thereof in any trial or other proceedings relating thereto, and any such suit or proceeding instituted by the Trustee shall be brought in its name as Trustee without necessity of joining as plaintiffs or defendants any Owners, and any recovery of judgment shall, subject to the provisions of **Section 908** hereof, be for the equal benefit of all the Owners of the Outstanding Bonds.

Section 906. Limitation on Exercise of Remedies by Owners. No Owner shall have any right to institute any suit, action or proceeding in equity or at law for the enforcement of this Indenture or for the execution of any trust hereunder or for the appointment of a receiver or any other remedy hereunder, unless (a) a default has occurred of which the Trustee has been notified as provided in **Section 1001(h)** hereof or of which by said subsection the Trustee is deemed to have notice, (b) such default has become an Event of Default, (c) the Owners of 25% in aggregate principal amount of Bonds then Outstanding have made written request to the Trustee, have offered it reasonable opportunity either to proceed for such reasonable period not to exceed 60 days following such notice and to exercise the powers hereinbefore granted or to institute such action, suit or proceeding in its own name, and have offered to the Trustee indemnity as provided in **Section 1001(i)** hereof, and (d) the Trustee thereafter fails or refuses to exercise the powers herein granted or to institute such action, suit or proceeding in its own name; such notification, request and offer of indemnity are hereby declared in every case, at the option of the Trustee, to be conditions precedent to the execution of the powers and trusts of this Indenture, and to any action or cause of action for the enforcement of this Indenture, or for the appointment of a receiver or for any other remedy hereunder, it being understood and intended that no one or more Owners shall have any right in any manner whatsoever to affect, disturb or prejudice this Indenture by their action or to enforce any right hereunder except in the manner herein provided, and that all proceedings at law or equity shall be instituted, had and maintained in the manner herein provided and for the equal benefit of the Owners of all Bonds then Outstanding. Nothing in this Indenture contained shall, however, affect or impair the right of any Owner to payment of the principal of and interest on any Bond at and after the maturity thereof or the obligation of the City to pay the principal of and interest on each of the Bonds issued hereunder to the respective Owners thereof at the time, place, from the source and in the manner herein and in the Bonds expressed.

Section 907. Right of Owners to Direct Proceedings.

(a) The Owners of a majority in aggregate principal amount of Bonds then Outstanding may, at any time, by an instrument or instruments in writing executed and delivered to the Trustee, direct the time, method and place of conducting all proceedings to be taken in connection with the enforcement of the terms and conditions of this Indenture, or for the appointment of a receiver or any other proceedings hereunder; provided that such direction shall not be otherwise than in accordance with the provisions of law and of this Indenture, including **Section 1001(i)** hereof.

(b) Notwithstanding any provision in this Indenture to the contrary, including paragraph (a) of this Section, the Owners shall not have the right to control or direct any remedies hereunder upon an Event of Default under **Section 12.1(b) or (c)** (in either case, with respect to the Unassigned Rights), **(d), (e) or (f)** of the Lease.

Section 908. Application of Moneys in Event of Default.

(a) All moneys received by the Trustee pursuant to any right given or action taken under the provisions of this Article shall, after payment of any obligations outstanding under the Lease, of the cost and expenses of the proceedings resulting in the collection of such moneys and of the fees, expenses, liabilities and advances incurred or made by the Trustee (including any attorneys fees and expenses) or amounts to be paid pursuant to **Section 903** hereof, be deposited in the Bond Fund and all moneys so deposited in the Bond Fund shall be applied as follows:

(1) Unless the principal of all the Bonds shall have become or shall have been declared due and payable, all such moneys shall be applied:

FIRST -- To the payment to the Persons entitled thereto of all installments of interest, if any, then due and payable on the Bonds, in the order in which such installments of interest became due and payable, and, if the amount available shall not be sufficient to pay in full any particular installment, then to the payment ratably, according to the amounts due on such installment, to the Persons entitled thereto, without any discrimination or privilege;

SECOND -- To the payment to the Persons entitled thereto of the unpaid principal of any of the Bonds which shall have become due and payable (other than Bonds called for redemption for the payment of which moneys are held pursuant to the provisions of this Indenture), in the order of their due dates, and, if the amount available shall not be sufficient to pay in full Bonds due on any particular date, together with such interest, then to the payment, ratably, according to the amount of principal due on such date, to the Persons entitled thereto without any discrimination or privilege.

(2) If the principal of all the Bonds shall have become due or shall have been declared due and payable, all such moneys shall be applied to the payment of the principal and interest, if any, then due and unpaid on all of the Bonds, without preference or priority of principal over interest or of interest over principal or of any installment of interest over any other installment of interest or of any Bond over any other Bond, ratably, according to the amounts due respectively for principal and interest, to the Person entitled thereto, without any discrimination or privilege.

(3) If the principal of all the Bonds shall have been declared due and payable, and if such declaration shall thereafter have been rescinded and annulled under the provisions of **Section 910** hereof, then, subject to the provisions of subsection (2) of this Section in the event that the principal of all the Bonds shall later become due or be declared due and payable, the moneys shall be applied in accordance with the provisions of subsection (1) of this Section.

(b) Whenever moneys are to be applied pursuant to the provisions of this Section, such moneys shall be applied at such times and from time to time as the Trustee shall determine, having due regard to the amount of such moneys available and which may become available for such application in the future. Whenever the Trustee shall apply such moneys, it shall fix the date (which shall be a Payment Date unless it shall deem another date more suitable) upon which such application is to be made and upon such date interest on the amounts of principal to be paid on such dates shall cease to accrue.

(c) Whenever all of the Bonds and interest thereon, if any, have been paid under the provisions of this Section, and all fees, expenses and charges of the City and the Trustee and any other amounts

required to be paid under this Indenture and the Lease have been paid, any balance remaining in the Bond Fund shall be paid to the Company as provided in **Section 602** hereof.

Section 909. Remedies Cumulative. No remedy by the terms of this Indenture conferred upon or reserved to the Trustee or to the Owners is intended to be exclusive of any other remedy, but each and every such remedy shall be cumulative and shall be in addition to any other remedy given to the Trustee or to the Owners hereunder or now or hereafter existing at law or in equity or by statute. No delay or omission to exercise any right, power or remedy accruing upon any Event of Default shall impair any such right, power or remedy or shall be construed to be a waiver of any such Event of Default or acquiescence therein; every such right, power or remedy may be exercised from time to time and as often as may be deemed expedient. If the Trustee has proceeded to enforce any right under this Indenture by the appointment of a receiver, by entry, or otherwise, and such proceedings have been discontinued or abandoned for any reason, or have been determined adversely, then and in every such case the City, the Company, the Trustee and the Owners shall be restored to their former positions and rights hereunder, and all rights, remedies and powers of the Trustee shall continue as if no such proceedings had been taken.

Section 910. Waivers of Events of Default. The Trustee shall waive any Event of Default hereunder and its consequences and rescind any declaration of maturity of principal of and interest, if any, on Bonds, and only upon the written request of the Owners of at least 50% in aggregate principal amount of all the Bonds then Outstanding, provided, however, that (1) there shall not be waived without the consent of the City an Event of Default hereunder arising from an Event of Default under **Section 12.1(b), (c), (d) (e) or (f)** of the Lease, and (2) there shall not be waived without the consent of the Owners of all the Bonds Outstanding (a) any Event of Default in the payment of the principal of any Outstanding Bonds when due (whether at the date of maturity or redemption specified therein), or (b) any Event of Default in the payment when due of the interest on any such Bonds, unless prior to such waiver or rescission, all arrears of interest, or all arrears of payments of principal when due, as the case may be, and all reasonable expenses of the Trustee and the City (including reasonable attorneys' fees and expenses), in connection with such default, shall have been paid or provided for. In case of any such waiver or rescission, or in case any proceeding taken by the Trustee on account of any such default shall have been discontinued or abandoned or determined adversely, then and in every such case the City, the Company, the Trustee and the Owners shall be restored to their former positions, rights and obligations hereunder, respectively, but no such waiver or rescission shall extend to any subsequent or other default, or impair any right consequent thereon, and all rights, remedies and powers of the Trustee shall continue as if no such proceedings had been taken.

ARTICLE X

THE TRUSTEE

Section 1001. Acceptance of the Trusts. The Trustee hereby accepts the trusts imposed upon it by this Indenture, but only upon and subject to the following express terms and conditions, and no implied covenants or obligations shall be read into this Indenture against the Trustee:

(a) The Trustee, before the occurrence of an Event of Default and after the curing or waiver of all Events of Default that may have occurred, undertakes to perform such duties and only such duties as are specifically set forth in this Indenture. If any Event of Default has occurred and is continuing, subject to **Section 1001(l)** hereof, the Trustee shall exercise such of the rights and powers vested in it by this Indenture, and shall use the same degree of care and skill in their exercise, as a prudent Person would exercise or use under the circumstances in the conduct of its own affairs.

(b) The Trustee may execute any of the trusts or powers hereunder or perform any duties hereunder either directly or through agents, affiliates, attorneys or receivers and shall not be responsible for any misconduct or negligence on the part of any agent, attorney or receiver appointed or chosen by it with due care. The Trustee may conclusively rely upon and act or refrain from acting upon any opinion or advice of counsel, who may be counsel to the City or to the Company, concerning all matters of trust hereof and the duties hereunder, and may in all cases pay such reasonable compensation to all such agents, attorneys and receivers as may reasonably be employed in connection with the trusts hereof. The Trustee shall not be responsible for any loss or damage resulting from any action or inaction by it taken or omitted to be taken in good faith in reliance upon such opinion or advice of counsel addressed to the City and the Trustee.

(c) The Trustee shall not be responsible for any recital herein or in the Bonds (except with respect to the Certificate of Authentication of the Trustee endorsed on the Bonds), or except as provided in the Lease and particularly **Section 10.8** thereof, for the recording or rerecording, filing or refiling of this Indenture or any security agreement in connection therewith (excluding the continuation of Uniform Commercial Code financing statements), or for insuring the Project or collecting any insurance moneys, or for the validity of the execution by the City of this Indenture or of any Supplemental Indentures or instruments of further assurance, or for the sufficiency of the security of the Bonds. The Trustee shall not be responsible or liable for any loss suffered in connection with any investment of funds made by it in accordance with **Article VII** hereof.

(d) The Trustee shall not be accountable for the use of any Bonds authenticated and delivered hereunder. The Trustee, in its individual or any other capacity, may become the Owner or pledgee of Bonds with the same rights that it would have if it were not Trustee. The Trustee shall not be accountable for the use or application by the City or the Company of the proceeds of any of the Bonds or of any money paid to or upon the order of the City or Company under any provision of this Indenture.

(e) The Trustee may rely and shall be protected in acting or refraining from acting upon any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, affidavit, letter, telegram or other paper or document provided for under this Indenture believed by it to be genuine and correct and to have been signed, presented or sent by the proper Person or Persons. Any action taken by the Trustee pursuant to this Indenture upon the request or authority or consent of any Person who, at the time of making such request or giving such authority or consent is an Owner, shall be conclusive and binding upon all future Owners of the same Bond and upon Bonds issued in exchange therefor or upon transfer or in place thereof.

(f) As to the existence or nonexistence of any fact or as to the sufficiency or validity of any instrument, paper or proceeding, or whenever in the administration of this Indenture the Trustee shall deem it desirable that a matter be proved or established before taking, suffering or omitting any action hereunder, the Trustee shall be entitled to rely upon a certificate signed by the Authorized City Representative or an Authorized Company Representative as sufficient evidence of the facts therein contained, and before the occurrence of a default of which the Trustee has been notified as provided in subsection (h) of this Section or of which by said subsection it is deemed to have notice, the Trustee shall also be at liberty to accept a similar certificate to the effect that any particular dealing, transaction or action is necessary or expedient, but may at its discretion secure such further evidence deemed necessary or advisable, but shall in no case be bound to secure the same. The Trustee is under no duty to perform an independent investigation as to any statement or

fact contained in any such certificate, opinion or advice it obtains regarding the accuracy or truth of any statement or correctness of any opinion. The Trustee shall not be liable for any action or inaction taken in good faith in reliance on such a certificate or any advice received from counsel, and the Trustee may conclusively rely as to the truth of the statements and the correctness of the opinions or statements expressed therein.

(g) The permissive right of the Trustee to do things enumerated in this Indenture shall not be construed as a duty, and the Trustee shall not be answerable for other than its negligence or willful misconduct. In no event shall the Trustee be liable for consequential damages. The Trustee shall not be liable for any act or omission, in the absence of bad faith, when the Trustee reasonably believes the act or failure to act is authorized and within its powers to perform under the Indenture.

(h) The Trustee shall not be required to take notice or be deemed to have notice of any default hereunder except failure by the City to cause to be made any of the payments to the Trustee required to be made in **Article VI** hereof, unless the Trustee is specifically notified in writing of such default by the City or by the Owners of at least 25% in aggregate principal amount of all Bonds then Outstanding.

(i) At any and all reasonable times and subject to the Company's reasonable and standard security procedures, the Trustee and its duly authorized agents, attorneys, experts, engineers, accountants and representatives may, but shall not be required to, inspect any and all of the Project, and all books, papers and records of the City pertaining to the Project and the Bonds, and to take such memoranda from and in regard thereto as may be desired. The Trustee shall treat all proprietary information of the Company as confidential.

(j) The Trustee shall not be required to give any bond or surety in respect to the execution of its trusts and powers hereunder or otherwise in respect of the Project.

(k) The Trustee may, but shall not be required to, demand, in respect of the authentication of any Bonds, the withdrawal of any cash, the release of any property, or any action whatsoever within the purview of this Indenture, any showings, certificates, opinions, appraisals or other information, or corporate action or evidence thereof, in addition to that by the terms hereof required, as a condition of such action by the Trustee deemed desirable for the purpose of establishing the right of the City to the authentication of any Bonds, the withdrawal of any cash, or the taking of any other action by the Trustee.

(l) Notwithstanding anything in the Indenture or the Lease to the contrary, before taking any action under this Indenture other than the payments from moneys on deposit in the Project Fund or the Bond Fund, as provided herein, the Trustee may require that satisfactory indemnity be furnished to it for the reimbursement of all costs and expenses to which it may be put and to protect it against all liability which it may incur in or by reason of such action, except liability which is adjudicated to have resulted from its negligence or willful misconduct by reason of any action so taken.

(m) Notwithstanding any other provision of this Indenture to the contrary, any provision relating to the conduct of, intended to provide authority to act, right to payment of fees and expenses, protection, immunity and indemnification to the Trustee, shall be interpreted to include any action of the Trustee, whether it is deemed to be in its capacity as Trustee, bond registrar or Paying Agent.

(n) The Trustee shall have no responsibility with respect to any information, statement or recital in any official statement, offering memorandum or any other disclosure material prepared or distributed with respect to the Bonds and shall have no responsibility for compliance with any state or federal securities laws in connection with the Bonds.

(o) None of the provisions of this Indenture shall require the Trustee to expend or risk its own funds or otherwise to incur any liability, financial or otherwise, in the performance of any of its duties hereunder, or in the exercise of any of its rights or powers if it shall have reasonable grounds for believing that repayment of such funds or indemnity satisfactory to it against such risk or liability is not assured to it.

Section 1002. Fees, Charges and Expenses of the Trustee. The Trustee shall be entitled to payment of and/or reimbursement for reasonable fees for its ordinary services rendered hereunder and all advances, agent and counsel fees and other ordinary expenses reasonably made or incurred by the Trustee in connection with such ordinary services. If it becomes necessary for the Trustee to perform extraordinary services, it shall be entitled to reasonable extra compensation therefor and to reimbursement for reasonable extraordinary expenses in connection therewith; provided that if such extraordinary services or extraordinary expenses are occasioned by the neglect or willful misconduct of the Trustee, it shall not be entitled to compensation or reimbursement therefor. The Trustee shall be entitled to payment and reimbursement for the reasonable fees and charges of the Trustee as Paying Agent for the Bonds. Pursuant to the provisions of **Section 5.2** of the Lease, the Company has agreed to pay to the Trustee all reasonable fees, charges and expenses of the Trustee under this Indenture. The Trustee agrees that the City shall have no liability for any reasonable fees, charges and expenses of the Trustee, and the Trustee agrees to look only to the Company for the payment of all reasonable fees, charges and expenses of the Trustee and any Paying Agent as provided in the Lease. Upon the occurrence of an Event of Default and during its continuance, the Trustee shall have a lien with right of payment before payment on account of principal of or interest on any Bond, upon all moneys in its possession under any provisions hereof for the foregoing reasonable advances, fees, costs and expenses incurred. The Trustee's right to compensation and indemnification relating to period during which it serves as Trustee hereunder shall survive the satisfaction and discharge of this Indenture or its resignation or removal hereunder and payment in full of the Bonds.

Section 1003. Notice to Owners if Default Occurs. If a default occurs of which the Trustee is by **Section 1001(h)** hereof required to take notice or if notice of default is given as in said subsection (h) provided, then the Trustee shall give written notice thereof to the last known Owners of all Bonds then Outstanding as shown by the bond registration books required by **Section 206** hereof to be kept at the corporate trust office of the Trustee.

Section 1004. Intervention by the Trustee. In any judicial proceeding to which the City is a party and which, in the opinion of the Trustee and its counsel, has a substantial bearing on the interests of Owners, the Trustee may intervene on behalf of Owners and, subject to the provisions of **Section 1001(l)** hereof, shall do so if requested in writing by the Owners of at least 25% of the aggregate principal amount of Bonds then Outstanding.

Section 1005. Successor Trustee Upon Merger, Consolidation or Sale. With the prior written consent of the Company, any corporation or association into which the Trustee may be merged or converted or with or into which it may be consolidated, or to which it may sell or transfer its corporate trust business and assets as a whole or substantially as a whole, or any corporation or association resulting from any merger, conversion, sale, consolidation or transfer to which it is a party, shall be and become successor Trustee hereunder and shall be vested with all the trusts, powers, rights, obligations, duties, remedies,

immunities and privileges hereunder as was its predecessor, without the execution or filing of any instrument or any further act on the part of any of the parties hereto.

Section 1006. Resignation of Trustee. The Trustee and any successor Trustee may at any time resign from the trusts hereby created by giving 30 days' written notice to the City, the Company and the Owners, and such resignation shall take effect at the end of such 30 days, or upon the earlier appointment of a successor Trustee by the Owners or by the City; provided, however, that in no event shall the resignation of the Trustee or any successor trustee become effective until such time as a successor trustee has been appointed and has accepted the appointment. If no successor has been appointed and accepted the appointment within 30 days after the giving of such notice of resignation, the Trustee may petition any court of competent jurisdiction for the appointment of a successor Trustee. The Trustee's rights to indemnity and to any fees, charges or other amounts due and payable to it shall survive such resignation.

Section 1007. Removal of Trustee. The Trustee may be removed at any time, with or without cause, by an instrument or concurrent instruments in writing (a) delivered to the Trustee, the City and the Company and signed by the Owners of a majority in aggregate principal amount of Bonds then Outstanding, or (b) so long as no Event of Default under this Indenture or the Lease shall have occurred and be continuing, delivered to the Trustee, the Company and the Owners and signed by the City. The Trustee's rights to indemnity and to any fees, charges or other amounts due and payable to it shall survive such removal.

Section 1008. Appointment of Successor Trustee. If the Trustee hereunder resigns or is removed, or otherwise becomes incapable of acting hereunder, or if it is taken under the control of any public officer or officers or of a receiver appointed by a court, a successor Trustee (a) reasonably acceptable to the City may be appointed by the Company (so long as no Event of Default has occurred and is continuing), or (b) reasonably acceptable to the City and the Company may be appointed by the Owners of a majority in aggregate principal amount of Bonds then Outstanding, by an instrument or concurrent instruments in writing; provided, nevertheless, that in case of such vacancy, the City, by an instrument executed and signed by its Mayor or (Interim) City Manager and attested by its City Clerk under its seal, may appoint a temporary Trustee to fill such vacancy until a successor Trustee shall be appointed in the manner above provided. Any such temporary Trustee so appointed by the City shall immediately and without further acts be superseded by the successor Trustee so appointed as provided above. Every such Trustee appointed pursuant to the provisions of this Section shall be a trust company or bank in good standing and qualified to accept such trust with a corporate trust office in the State, and having, or whose obligations are guaranteed by a financial institution having, a reported capital, surplus and undivided profits of not less than \$50,000,000. If no successor Trustee has been so appointed and accepted appointment in the manner herein provided, the Trustee or any Owner may petition any court of competent jurisdiction for the appointment of a successor Trustee, until a successor shall have been appointed as above provided.

Section 1009. Vesting of Trusts in Successor Trustee. Every successor Trustee appointed hereunder shall execute, acknowledge and deliver to its predecessor and also to the City and the Company an instrument in writing accepting such appointment hereunder, and thereupon such successor shall, without any further act, deed or conveyance, become fully vested with all the trusts, powers, rights, obligations, duties, remedies, immunities and privileges of its predecessor and the duties and obligations of such predecessor hereunder shall thereafter cease and terminate; but such predecessor shall, nevertheless, on the written request of the City, execute and deliver an instrument transferring to such successor Trustee all the trusts, powers, rights, obligations, duties, remedies, immunities and privileges of such predecessor hereunder; every predecessor Trustee shall deliver all securities and moneys held by it as Trustee hereunder to its successor. Should any instrument in writing from the City be required by any predecessor or successor Trustee for more fully and certainly vesting in such successor the trusts, powers, rights, obligations, duties,

remedies, immunities and privileges hereby vested in the predecessor, any and all such instruments in writing shall, on request, be executed, acknowledged and delivered by the City.

Section 1010. Right of Trustee to Pay Taxes and Other Charges. If any tax, assessment or governmental or other charge upon, or insurance premium with respect to, any part of the Project is not paid as required herein or in the Lease, the Trustee may pay such tax, assessment or governmental charge or insurance premium, without prejudice, however, to any rights of the Trustee or the Owners hereunder arising in consequence of such failure; any amount at any time so paid under this Section, with interest thereon from the date of payment at the rate of 10% per annum, shall become an additional obligation secured by this Indenture, and the same shall be given a preference in payment over any payment of principal of or interest on the Bonds, and shall be paid out of the proceeds of rents, revenues and receipts collected from the Project, if not otherwise caused to be paid; but the Trustee shall be under no obligation to make any such payment unless it shall have been requested to do so by the Owners of at least 25% of the aggregate principal amount of Bonds then Outstanding and shall have been provided adequate funds for the purpose of such payment.

Section 1011. Trust Estate May be Vested in Co-Trustee.

(a) It is the purpose of this Indenture that there shall be no violation of any law of any jurisdiction (including particularly the State) denying or restricting the right of banking corporations or associations to transact business as trustee in such jurisdiction. It is recognized that in case of litigation under this Indenture or the Lease, and in particular in case of the enforcement of either this Indenture or the Lease upon the occurrence of an Event of Default or if the Trustee deems that by reason of any present or future law of any jurisdiction it cannot exercise any of the powers, rights or remedies herein granted to the Trustee, or take any other action which may be desirable or necessary in connection therewith, it may be necessary or desirable that the Trustee appoint an additional individual or institution as a co-trustee or separate trustee, and the Trustee is hereby authorized to appoint such co-trustee or separate trustee.

(b) If the Trustee appoints an additional individual or institution as a co-trustee or separate trustee (which appointment shall be subject to the approval of the Company), each and every remedy, power, right, claim, demand, cause of action, immunity, title, interest and lien expressed or intended by this Indenture to be exercised by the Trustee with respect thereto shall be exercisable by such co-trustee or separate trustee but only to the extent necessary to enable such co-trustee or separate trustee to exercise such powers, rights and remedies, and every covenant and obligation necessary to the exercise thereof by such co-trustee or separate trustee shall run to and be enforceable by either of them.

(c) Should any deed, conveyance or instrument in writing from the City be required by the co-trustee or separate trustee so appointed by the Trustee for more fully and certainly vesting in and confirming to such co-trustee such properties, rights, powers, trusts, duties and obligations, any and all such deeds, conveyances and instruments in writing shall, on request, be executed, acknowledged and delivered by the City.

(d) If any co-trustee or separate trustee shall die, become incapable of acting, resign or be removed, all the properties, rights, powers, trusts, duties and obligations of such co-trustee or separate trustee, so far as permitted by law, shall vest in and be exercised by the Trustee until the appointment of a successor to such co-trustee or separate trustee.

Section 1012. Accounting. The Trustee shall render an annual accounting for the period ending December 31 of each year, within 90 days following the end of such year, to the City, the Company and to

any Owner requesting the same and, upon the request of the City, the Company or any Owner, a monthly accounting to any such party, showing in reasonable detail all financial transactions relating to the Trust Estate during the accounting period and the balance in any funds or accounts created by this Indenture as of the beginning and close of such accounting period.

Section 1013. Performance of Duties Under the Lease. The Trustee hereby accepts and agrees to perform all duties and obligations assigned to it under the Lease.

ARTICLE XI

SUPPLEMENTAL INDENTURES

Section 1101. Supplemental Indentures Not Requiring Consent of Owners. The City and the Trustee may from time to time, without the consent of or notice to any of the Owners, enter into such Supplemental Indenture or Supplemental Indentures as shall not be inconsistent with the terms and provisions hereof, for any one or more of the following purposes:

- (a) To cure any ambiguity or formal defect or omission in this Indenture, or to make any other change which, in the judgment of the Trustee, is not to the material prejudice of the Trustee or the Owners (provided the Trustee is entitled to receive and may conclusively rely upon an opinion of counsel in exercising such judgment);
- (b) To grant to or confer upon the Trustee for the benefit of the Owners any additional rights, remedies, powers or authority that may lawfully be granted to or conferred upon the Owners or the Trustee or either of them;
- (c) To more precisely identify any portion of the Project or to add additional property thereto;
- (d) To conform the Indenture to amendments to the Lease made by the City and the Company; or
- (e) To subject to this Indenture additional revenues, properties or collateral.

Section 1102. Supplemental Indentures Requiring Consent of Owners.

(a) Exclusive of Supplemental Indentures covered by **Section 1101** hereof and subject to the terms and provisions contained in this Section, and not otherwise, the Owners of not less than a majority in aggregate principal amount of the Bonds then Outstanding may, from time to time, anything contained in this Indenture to the contrary notwithstanding, consent to and approve the execution by the City and the Trustee of such other Supplemental Indenture or Supplemental Indentures as shall be deemed necessary and desirable by the City for the purpose of modifying, amending, adding to or rescinding, in any particular, any of the terms or provisions contained in this Indenture or in any Supplemental Indenture; provided, however, that without the consent of the Owners of 100% of the principal amount of the Bonds then Outstanding, nothing in this Indenture contained shall permit or be construed as permitting (1) an extension of the maturity or a shortening of the redemption date of the principal of or the interest, if any, on any Bond issued hereunder, or (2) a reduction in the principal amount of any Bond or the rate of interest thereon, if any, or (3) a privilege or priority of any Bond or Bonds over any other Bond or Bonds, or (4) a reduction

in the aggregate principal amount of Bonds; for any of which the consent of the Owners of 100% of the principal amount of the affected Bonds then Outstanding is required.

(b) If at the time the City requests the Trustee to enter into any such Supplemental Indenture for any of the purposes of this Section, the Trustee shall cause notice of the proposed execution of such Supplemental Indenture to be mailed to each Owner as shown on the bond registration books required by **Section 206** hereof. Such notice shall briefly set forth the nature of the proposed Supplemental Indenture and shall state that copies thereof are on file at the corporate trust office of the Trustee for inspection by all Owners. If within 60 days or such longer period as may be prescribed by the City following the mailing of such notice, the Owners of not less than a majority in aggregate principal amount of the Bonds Outstanding at the time of the execution of any such Supplemental Indenture shall have consented to and approved the execution thereof as herein provided, no Owner shall have any right to object to any of the terms and provisions contained therein, or the operation thereof, or in any manner to question the propriety of the execution thereof, or to enjoin or restrain the Trustee or the City from executing the same or from taking any action pursuant to the provisions thereof.

Section 1103. Company's Consent to Supplemental Indentures. Anything herein to the contrary notwithstanding, a Supplemental Indenture under this Article that affects any rights of the Company shall not become effective unless and until the Company shall have consented in writing to the execution and delivery of such Supplemental Indenture. The Trustee shall cause notice of the proposed execution and delivery of any Supplemental Indenture (regardless of whether it affects the Company's rights) together with a copy of the proposed Supplemental Indenture to be mailed to the Company at least 15 days prior to the proposed date of execution and delivery of the Supplemental Indenture.

Section 1104. Opinion of Counsel. In executing, or accepting the additional trusts created by, any Supplemental Indenture permitted by this Article or the modification thereby of the trusts created by this Indenture, the Trustee and the City shall receive, and, shall be fully protected in relying upon, an opinion of counsel addressed and delivered to the Trustee and the City stating that the execution of such Supplemental Indenture is permitted by and in compliance with this Indenture and will, upon the execution and delivery thereof, be a valid and binding obligation of the City. The Trustee may, but shall not be obligated to, enter into any such Supplemental Indenture which affects the Trustee's rights, duties or immunities under this Indenture or otherwise.

ARTICLE XII

SUPPLEMENTAL LEASES

Section 1201. Supplemental Leases Not Requiring Consent of Owners. The City and the Trustee shall, without the consent of or notice to the Owners, consent to the execution of any Supplemental Lease or Supplemental Leases by the City and the Company as may be required (a) by the provisions of the Lease and this Indenture, (b) for the purpose of curing any ambiguity or formal defect or omission in the Lease, (c) so as to more precisely identify the Project or add additional property thereto or (d) in connection with any other change therein which, in the judgment of the Trustee, does not materially and adversely affect the Trustee or security for the Owners (provided the Trustee is entitled to receive and may conclusively rely upon an opinion of counsel in exercising such judgment).

Section 1202. Supplemental Leases Requiring Consent of Owners. Except for Supplemental Leases as provided for in **Section 1201** hereof, neither the City nor the Trustee shall consent to the execution

of any Supplemental Lease or Supplemental Leases by the City or the Company without the mailing of notice and the obtaining of the written approval or consent of the Owners of not less than a majority in aggregate principal amount of the Bonds at the time Outstanding given and obtained as provided in **Section 1102** hereof. If at any time the City and the Company shall request the consent of the Trustee to any such proposed Supplemental Lease, the Trustee shall cause notice of such proposed Supplemental Lease to be mailed in the same manner as provided in **Section 1102** hereof with respect to Supplemental Indentures. Such notice shall briefly set forth the nature of such proposed Supplemental Lease and shall state that copies of the same are on file in the corporate trust office of the Trustee for inspection by all Owners. If within 60 days or such longer period as may be prescribed by the City following the mailing of such notice, the Owners of not less than 50% in aggregate principal amount of the Bonds Outstanding at the time of the execution of any such Supplemental Lease shall have consented to and approved the execution thereof as herein provided, no Owner shall have any right to object to any of the terms and provisions contained therein, or the operation thereof, or in any manner to question the propriety of the execution thereof, or to enjoin or restrain the Trustee or the City from executing the same or from taking any action pursuant to the provisions thereof.

Section 1203. Opinion of Counsel. In executing or consenting to any Supplemental Lease permitted by this Article, the City and the Trustee shall receive, and shall be fully protected in relying upon, an opinion of counsel addressed to the Trustee and the City stating that the executing of such Supplemental Lease is authorized or permitted by the Lease and this Indenture and the applicable law and will upon the execution and delivery thereof be valid and binding obligations of the parties thereof.

ARTICLE XIII

SATISFACTION AND DISCHARGE OF INDENTURE

Section 1301. Satisfaction and Discharge of this Indenture.

(a) When the principal of and interest on all the Bonds have been paid in accordance with their terms or provision has been made for such payment, as provided in **Section 1302** hereof, and provision also made for paying all other sums payable hereunder and under the Lease, including the reasonable fees and expenses of the Trustee, the City and Paying Agent to the date of retirement of the Bonds, then the right, title and interest of the Trustee in respect hereof shall thereupon cease, determine and be void. Thereupon, the Trustee shall cancel, discharge and release this Indenture and shall upon the written request of the City or the Company execute, acknowledge and deliver to the City such instruments of satisfaction and discharge or release as shall be required to evidence such release and the satisfaction and discharge of this Indenture, and shall assign and deliver to the City (subject to the City's obligations under **Section 11.2** of the Lease) any property at the time subject to this Indenture which may then be in its possession, except amounts in the Bond Fund required to be paid to the Company under **Section 602** hereof and except funds or securities in which such funds are invested held by the Trustee for the payment of the principal of and interest on the Bonds.

(b) The City is hereby authorized to accept a certificate by the Trustee that the whole amount of the principal and interest, if any, so due and payable upon all of the Bonds then Outstanding has been paid or such payment provided for in accordance with **Section 1302** hereof as evidence of satisfaction of this Indenture, and upon receipt thereof shall cancel and erase the inscription of this Indenture from its records.

Section 1302. Bonds Deemed to be Paid.

(a) Bonds shall be deemed to be paid within the meaning of this Article when payment of the principal of and interest thereon to the due date thereof (whether such due date be by reason of maturity or upon redemption as provided in this Indenture, or otherwise), either (1) have been made or caused to be made in accordance with the terms thereof, or (2) have been provided for by depositing with the Trustee or other commercial bank or trust company having full trust powers and authorized to accept trusts in the State in trust and irrevocably set aside exclusively for such payment (i) moneys sufficient to make such payment or (ii) Government Securities maturing as to principal and interest in such amount and at such times as will insure the availability of sufficient moneys to make such payment, or (3) have been provided for by surrendering the Bonds to the Trustee for cancellation. At such time as Bonds are deemed to be paid hereunder, as aforesaid, they shall no longer be secured by or entitled to the benefits of this Indenture, except for the purposes of such payment from such moneys or Government Securities.

(b) Notwithstanding the foregoing, in the case of Bonds which by their terms may be redeemed before the stated maturities thereof, no deposit under clause (2) of the immediately preceding paragraph shall be deemed a payment of such Bonds as aforesaid until, as to all such Bonds which are to be redeemed before their respective stated maturities, proper notice of such redemption shall have been given in accordance with **Article III** hereof or irrevocable instructions shall have been given to the Trustee to give such notice.

(c) Notwithstanding any provision of any other section of this Indenture which may be contrary to the provisions of this Section, all moneys or Government Securities set aside and held in trust pursuant to the provisions of this Section for the payment of Bonds shall be applied to and used solely for the payment of the particular Bonds, with respect to which such moneys and Government Securities have been so set aside in trust.

ARTICLE XIV

MISCELLANEOUS PROVISIONS

Section 1401. Consents and Other Instruments by Owners.

(a) Any consent, request, direction, approval, objection or other instrument required by this Indenture to be signed and executed by the Owners may be in any number of concurrent writings of similar tenor and may be signed or executed by such Owners in Person or by agent appointed in writing. Proof of the execution of any such instrument or of the writing appointing any such agent and of the ownership of Bonds (other than the assignment of ownership of a Bond) if made in the following manner, shall be sufficient for any of the purposes of this Indenture, and shall be conclusive in favor of the Trustee with regard to any action taken, suffered or omitted under any such instrument, namely:

(i) The fact and date of the execution by any Person of any such instrument may be proved by the certificate of any officer in any jurisdiction who by law has power to take acknowledgments within such jurisdiction that the Person signing such instrument acknowledged before him the execution thereof, or by affidavit of any witness to such execution.

(ii) The fact of ownership of Bonds and the amount or amounts, numbers and other identification of such Bonds, and the date of holding the same shall be proved by the registration books of the City maintained by the Trustee pursuant to **Section 206** hereof.

(b) In determining whether the Owners of the requisite principal amount of Bonds Outstanding have given any request, demand, authorization, direction, notice, consent or waiver under this Indenture, Bonds owned by the Company shall be disregarded and deemed not to be Outstanding under this Indenture, except that, in determining whether the Trustee shall be protected in relying upon any such request, demand, authorization, direction, notice, consent or waiver, only Bonds which the Trustee knows to be so owned shall be so disregarded; provided, the foregoing provisions shall not be applicable if the Company is the only Owner of the Bonds. Notwithstanding the foregoing, Bonds so owned which have been pledged in good faith shall not be disregarded as aforesaid if the pledgee establishes to the satisfaction of the Trustee the pledgee's right so to act with respect to such Bonds and the pledgee is not the Company or any affiliate thereof.

Section 1402. Limitation of Rights Under this Indenture. With the exception of rights herein expressly conferred, nothing expressed or mentioned in or to be implied from this Indenture or the Bonds is intended or shall be construed to give any Person other than the parties hereto, and the Owners, if any, any right, remedy or claim under or in respect to this Indenture, this Indenture and all of the covenants, conditions and provisions hereof being intended to be and being for the sole and exclusive benefit of the parties hereto and the Owners, as herein provided.

Section 1403. Notices. It shall be sufficient service of any notice, request, complaint, demand or other paper required by this Indenture to be given or filed with the City, the Trustee, the Company or Owners if the same is duly mailed, postage prepaid, sent by overnight delivery or other delivery service, as follows:

(a) To the City:

City of Independence, Missouri
111 E. Maple Avenue
Independence, MO 64050
Attention: City Manager

(b) To the Trustee:

BOKF, N.A.
2405 Grand Blvd., Suite 840
Kansas City, Missouri 64108
Attention: Corporate Trust Department

(c) To the Company:

MKEL Holdings, LLC

Attention: _____

With a copy to:

Polsinelli PC
900 W. 48th Place, Suite 900
Kansas City, MO 64112
Attention: Curtis J. Petersen

(d) To the Owners if the same is duly mailed by first class, registered or certified mail addressed to each of the Owners of Bonds at the time Outstanding as shown by the bond registration books required by **Section 206** hereof to be kept at the corporate trust office of the Trustee.

All notices given by certified or registered mail as aforesaid shall be deemed fully given as of the date they are so mailed, provided that any of the foregoing given to the Trustee shall be effective only upon receipt. All notices given by overnight delivery or other delivery service shall be deemed fully given as of the date when received. A duplicate copy of each notice, certificate or other communication given hereunder by either the City or the Trustee to the other shall also be given to the Company. The City, the Company and the Trustee may from time to time designate, by notice given hereunder to the others of such parties, such other address to which subsequent notices, certificates or other communications shall be sent.

Section 1404. Severability. If any provision of this Indenture shall be held or deemed to be invalid, inoperative or unenforceable as applied in any particular case in any jurisdiction or jurisdictions or in all jurisdictions, or in all cases because it conflicts with any other provision or provisions hereof or any constitution or statute or rule of public policy, or for any other reason, such circumstances shall not have the effect of rendering the provision in question inoperative or unenforceable in any other case or circumstance, or of rendering any other provision or provisions herein contained invalid, inoperative or unenforceable to any extent whatever.

Section 1405. Execution in Counterparts. This Indenture may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 1406. Governing Law. This Indenture shall be governed exclusively by and construed in accordance with the applicable laws of the State.

Section 1407. Electronic Storage. The parties agree that the transaction described herein may be conducted and related documents may be sent, received or stored by electronic means. Copies, telecopies, facsimiles, electronic files and other reproductions of original executed documents shall be deemed to be authentic and valid counterparts of such original documents for all purposes, including the filing of any claim, action or suit in the appropriate court of law.

Section 1408. Electronic Notice to Trustee. The Trustee agrees to accept and act upon instructions or directions pursuant to this Indenture sent in writing or by electronic notice, provided, however, that such instructions or directions shall be signed by an Authorized Company Representative. If the Company elects to give the instructions by electronic notice, the Trustee may deem such instructions controlling. The Trustee shall not be liable for any losses, costs or expenses arising directly or indirectly from the Trustee's reliance upon and compliance with such instructions notwithstanding such instructions conflict or are inconsistent with a subsequent written instruction. Pursuant to the Lease, the Company agrees to assume all risks arising out of the use of such electronic notice to submit instructions and directions to the Trustee, including without limitation the risk of the Trustee acting on unauthorized instructions, and the risk of interception and misuse by third parties.

[Remainder of this page intentionally left blank]

IN WITNESS WHEREOF, City of Independence, Missouri, has caused this Indenture to be signed in its name and behalf by its (Interim) City Manager and the seal of the City to be hereunto affixed and attested by the City Clerk, and to evidence its acceptance of the trusts hereby created, the Trustee has caused this Indenture to be signed in its name and behalf by a duly authorized officer, all as of the date first above written.

CITY OF INDEPENDENCE, MISSOURI

By: _____
Name: Lisa Reynolds
Title: Interim City Manager

[SEAL]

ATTEST:

By: _____
Name: Susanne Holland
Title: City Clerk

Trust Indenture
Independence (Surgery Center Project)

BOKF, N.A.,
as Trustee

[SEAL]

By _____
Name:
Title:

ATTEST:

By _____
Name:
Title:

EXHIBIT A

PROJECT SITE

The following described real estate located in Jackson County, Missouri:

All of Lot 4, "HARTMAN HERITAGE CENTER FIFTH PLAT, LOTS 4 AND 4A", a subdivision in Independence, Jackson County, Missouri recorded January 14, 2008 as Document No. 2001I0001898, in Plat Book I-68, Page 68.

EXHIBIT B

PROJECT IMPROVEMENTS

The Project Improvements consist of the following, to the extent paid for in whole with Bond proceeds:

Renovating, improving and expanding an abandoned restaurant facility of approximately 5,500 square feet into a private ambulatory surgery center offering oral surgery under general anesthesia to Medicaid and Medicare patients, as well as hospital-grade pediatric dentistry. The expansion will add approximately 3,000 square feet to the existing facility.

EXHIBIT C

FORM OF BONDS

***THIS BOND OR ANY PORTION HEREOF MAY BE TRANSFERRED, ASSIGNED OR
NEGOTIATED ONLY AS PROVIDED IN THE HEREIN DESCRIBED INDENTURE.***

No. 1

**Not to Exceed
\$3,530,000**

**UNITED STATES OF AMERICA
STATE OF MISSOURI**

**CITY OF INDEPENDENCE, MISSOURI
TAXABLE INDUSTRIAL DEVELOPMENT REVENUE BOND
(SURGERY CENTER PROJECT)
SERIES 2026**

Interest Rate

7.00%

Maturity Date

December 1, 2036

Dated Date

_____, 2026

OWNER:

MKEL HOLDINGS, LLC

MAXIMUM PRINCIPAL AMOUNT:

**NOT TO EXCEED THREE MILLION FIVE
HUNDRED THIRTY THOUSAND
DOLLARS**

THE CITY OF INDEPENDENCE, MISSOURI, a constitutional charter city and municipal corporation duly organized and existing under the laws of the State of Missouri (the "City"), for value received, promises to pay, but solely from the source hereinafter referred to, to the Owner named above, or registered assigns thereof, on the Maturity Date shown above, the principal amount shown above, or such lesser amount as may be outstanding hereunder as reflected on **Schedule I** hereto held by the Trustee as provided in the hereinafter referred to Indenture. The City agrees to pay such principal amount to the Owner in any coin or currency of the United States of America which on the date of payment thereof is legal tender for the payment of public and private debts, and in like manner to pay to the Owner hereof, either by check or draft mailed to the Owner at a stated address as it appears on the bond registration books of the City kept by the Trustee under the within mentioned Indenture or, in certain situations authorized in the Indenture, by internal bank transfer or by wire transfer to an account in a commercial bank or savings institution located in the continental United States. Interest on the Cumulative Outstanding Principal Amount (as hereinafter defined) at the per annum Interest Rate stated above, payable in arrears on each December 1, commencing on December 1, 2026, and continuing thereafter until the earlier of the date on which said Cumulative Outstanding Principal Amount is paid in full or the Maturity Date. Interest on each advancement of the principal amount of this Bond shall accrue from the date that such advancement is made, computed on the basis of a year of 360 days consisting of 12 months of 30 days each.

As used herein, the term “Cumulative Outstanding Principal Amount” means all Bonds outstanding under the terms of the hereinafter-defined Indenture, as reflected on **Schedule I** hereto maintained by the Trustee.

THIS BOND is one of a duly authorized series of Bonds of the City designated “City of Independence, Missouri, Taxable Industrial Development Revenue Bonds (Surgery Center Project), Series 2026,” in the maximum aggregate principal amount of \$3,530,000 (the “Bonds”), to be issued for the purpose of improving certain real property located at 19921 East Jackson Drive, Independence, Missouri 64057 (the “Project Site,” as more fully described on **Exhibit A** to the Lease (defined below)), including the renovation, construction and improvement of a commercial facility (the “Project Improvements”). The City will lease the Project Site and the Project Improvements (collectively, the “Project”) to a private-sector company (the “Company”), under the terms of a Lease Agreement dated as of February 1, 2026 (said Lease Agreement, as amended and supplemented from time to time in accordance with the provisions thereof, being herein called the “Lease”), between the City and the Company, all pursuant to the authority of and in full compliance with the provisions, restrictions and limitations of the Constitution, the statutes of the State of Missouri, including particularly the Act, the charter of the City and pursuant to proceedings duly had by the Council of the City.

THE BONDS are issued under and are equally and ratably secured and entitled to the protection given by a Trust Indenture dated as of February 1, 2026 (said Trust Indenture, as amended and supplemented from time to time in accordance with the provisions thereof, being herein called the “Indenture”), between the City and BOKF, N.A., Kansas City, Missouri, as trustee (the “Trustee”). *Capitalized terms not defined herein shall have the meanings set forth in the Indenture.*

Reference is hereby made to the Indenture for a description of the provisions, among others, with respect to the nature and extent of the security for the Bonds, the rights, duties and obligations of the City, the Trustee and the Owners, and the terms upon which the Bonds are issued and secured.

THE BONDS are subject to redemption and payment prior to maturity as provided in the Indenture.

THE BONDS, including interest thereon, are special obligations of the City and are payable solely out of the rents, revenues and receipts derived by the City from the Project and the Lease and not from any other fund or source of the City, and are secured by a pledge and assignment of the Project and of such rents, revenues and receipts, including all rentals and other amounts to be received by the City under and pursuant to the Lease, all as provided in the Indenture. The Bonds do not constitute a general obligation of the City or the State of Missouri, and neither the City nor said State shall be liable thereon, and the Bonds shall not constitute an indebtedness within the meaning of any constitutional, charter or statutory debt limitation or restriction, and are not payable in any manner by taxation. Pursuant to the provisions of the Lease, rental payments sufficient for the prompt payment when due of the principal of and interest on the Bonds are to be paid by the Company directly to the Trustee for the account of the City and deposited in a special fund created by the City and designated the “City of Independence, Missouri, Bond Fund – MKEL Holdings, LLC.”

THE OWNER of this Bond shall have no right to enforce the provisions of the Indenture or to institute action to enforce the covenants therein, or to take any action with respect to any Event of Default under the Indenture, or to institute, appear in or defend any suit or other proceedings with respect thereto, except as provided in the Indenture. In certain events, on the conditions, in the manner and with the effect set forth in the Indenture, the principal of all the Bonds issued under the Indenture and then Outstanding may become or may be declared due and payable before the stated maturity thereof, together with interest

accrued thereon. Modifications or alterations of this Bond or the Indenture may be made only to the extent and in the circumstances permitted by the Indenture.

THIS BOND is transferable, as provided in the Indenture, only upon the books of the City kept for that purpose at the above-mentioned office of the Trustee by the Owner hereof in Person or by such Person's duly authorized attorney, upon surrender of this Bond together with a written instrument of transfer reasonably satisfactory to the Trustee duly executed by the Owner or such Person's duly authorized attorney, and thereupon a new fully registered Bond or Bonds, in the same aggregate principal amounts, shall be issued to the transferee in exchange therefor as provided in the Indenture, and upon payment of the charges therein prescribed. The City, the Trustee and any Paying Agent may deem and treat the Person in whose name this Bond is registered 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.

THE BONDS are issuable in the form of one fully-registered Bond in the maximum principal amount of \$3,530,000.

THIS BOND shall not be valid or become obligatory for any purposes or be entitled to any security or benefit under the Indenture until the Certificate of Authentication hereon shall have 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 execution and delivery of the Indenture and the issuance of this Bond do exist, have happened and have been performed in due time, form and manner as required by the Constitution and laws of the State of Missouri.

IN WITNESS WHEREOF, the City of Independence, Missouri has caused this Bond to be executed in its name by the manual or facsimile signature of its Mayor or (Interim) City Manager, attested by the manual or facsimile signature of its City Clerk and its corporate seal to be affixed hereto or imprinted hereon, and has caused this Bond to be dated the date set forth above.

CERTIFICATE OF AUTHENTICATION

CITY OF INDEPENDENCE, MISSOURI

This Bond is one of the Bonds
of the issue described in the
within-mentioned Indenture.

By: _____
Interim City Manager

Registration Date: _____

BOKF, N.A.,
as Trustee

ATTEST: _____ (Seal)

By _____
Authorized Signatory

City Clerk

SCHEDULE I

TABLE OF CUMULATIVE OUTSTANDING PRINCIPAL AMOUNT

**CITY OF INDEPENDENCE, MISSOURI
TAXABLE INDUSTRIAL DEVELOPMENT REVENUE BOND
(SURGERY CENTER PROJECT)
SERIES 2026**

Date	Principal Amount Advanced	Principal Amount Redeemed	Cumulative Outstanding Principal Amount	Notation Made By

FORM OF ASSIGNMENT

(NOTE RESTRICTIONS ON TRANSFERS)

FOR VALUE RECEIVED, the undersigned hereby sells, assigns and transfers unto

Print or Typewrite Name, Address and Social Security or
other Taxpayer Identification Number of Transferee

the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints
_____ agent to transfer the within Bond on the books kept by the Trustee for
the registration and transfer of Bonds, with full power of substitution in the premises.

Dated: _____.

NOTICE: The signature to this assignment must
correspond with the name as it appears upon the
face of the within Bond in every particular.

PLACE SIGNATURE MEDALLION BELOW:

EXHIBIT D

FORM OF REPRESENTATION LETTER

City of Independence, Missouri
111 E. Maple Avenue
Independence, MO 64050
Attention: City Manager

BOKF, N.A., as Trustee
2405 Grand Blvd., Suite 840
Kansas City, Missouri 64108
Attention: Corporate Trust Department

Re: \$3,530,000 Maximum Principal Amount of Taxable Industrial Development Revenue Bonds (Surgery Center Project), Series 2026 of the City of Independence, Missouri

Ladies and Gentlemen:

In connection with the purchase of the above-referenced Bonds (the “Bonds”), the undersigned purchaser of the Bonds (the “Purchaser”) hereby represents, warrants and agrees as follows:

1. The Purchaser fully understands that (a) the Bonds have been issued under and pursuant to a Trust Indenture dated as of February 1, 2026 (the “Indenture”), between the City of Independence, Missouri (the “City”) and BOKF, N.A., Kansas City, Missouri, as trustee (the “Trustee”), and (b) the Bonds are payable solely out of certain rents, revenues and receipts to be derived from the leasing or sale of the Project (as defined in the Indenture) to MKEL Holdings, LLC, a Missouri limited liability company (the “Company”), under a Lease Agreement dated as of February 1, 2026 (the “Lease”), between the City and the Company, with certain of such rents, revenues and receipts being pledged and assigned by the City to the Trustee under the Indenture to secure the payment of the principal of and interest on the Bonds.

2. The Purchaser understands that the Bonds have not been registered under the Securities Act of 1933, as amended (the “1933 Act”), or the securities laws of any state and will be sold to the Purchaser in reliance upon certain exemptions from registration and in reliance upon the representations and warranties of the Purchaser set forth herein.

3. The Purchaser understands that the Bonds are transferable only in the manner provided for in the Indenture and discussed below and warrants that it is acquiring the Bonds for its own account with the intent of holding the Bonds as an investment, and the acquisition of the Bonds is not made with a view toward their distribution or for the purpose of offering, selling or otherwise participating in a distribution of the Bonds.

4. The Purchaser agrees not to attempt to offer, sell, hypothecate or otherwise distribute the Bonds to others unless authorized by the terms of the Indenture and upon receipt of any required opinion of counsel acceptable to the City, the Company, the Trustee and the Purchaser that all registration and disclosure requirements of the Securities and Exchange Commission and all other appropriate federal and Missouri securities laws and the securities law of any other applicable state are complied with.

5. The Company has (a) furnished to the Purchaser such information about itself as the Purchaser deems necessary in order for it to make an informed investment decision with respect to the purchase of the Bonds, (b) made available to the Purchaser, during the course of this transaction, ample opportunity to ask questions of, and to receive answers from, appropriate officers of the City and the terms and conditions of the offering of the Bonds, and (c) provided to the undersigned all additional information which it has requested.

6. The Purchaser acknowledges that no offering document has been prepared in connection with the sale of the Bonds. The Purchaser further acknowledges that it has timely received in satisfactory form and manner all proceedings, certificates, opinions, letters and other documents required to be submitted to the Purchaser pursuant to the Bond Purchase Agreement prior to or on the date of the delivery of and payment for the Bonds, and that the City and the Company have in all respects complied with and satisfied all of their respective obligations to the Purchaser which are required under the Bond Purchase Agreement to be complied with and satisfied on or before such date.

7. The Purchaser is now, and was when it agreed to purchase the Bonds, familiar with the operations of the Company and fully aware of terms and risks of the Bonds and that the Purchaser is relying on its own knowledge and investigation of facts and circumstances relating to the purchase of the Bonds. The Purchaser believes that the Bonds being acquired are a security of the type that the Purchaser wishes to purchase and hold for investment and that the nature and amount thereof are consistent with its investment program.

8. The Purchaser is fully aware of and satisfied with (i) the current status of the title to the Project and any issues related thereto and (ii) the terms, amounts and providers of the insurance maintained pursuant to **Article VII** of the Lease, and the undersigned is purchasing the Bonds with full knowledge of such matters.

9. The Purchaser understands and agrees that the interest on the Bonds *is* subject to federal and state income taxation.

10. The Purchaser hereby directs the Trustee to hold the Bonds in trust for the undersigned pursuant to **Section 208** of the Indenture.

Dated: _____, 20__

[PURCHASER OF BONDS]

By: _____
Name: _____
Title: _____

**CITY OF INDEPENDENCE, MISSOURI,
As Lessor,**

AND

**MKEL HOLDINGS, LLC,
As Lessee**

LEASE AGREEMENT

Dated as of February 1, 2026

Relating to:

**\$3,530,000
(Aggregate Maximum Principal Amount)
City of Independence, Missouri
Taxable Industrial Development Revenue Bonds
(Surgery Center Project)
Series 2026**

Certain rights of the City of Independence, Missouri (the “City”), in this Lease Agreement have been pledged and assigned to BOKF, N.A., Kansas City, Missouri, as Trustee under the Trust Indenture dated as of February 1, 2026, between the City and the Trustee. Such pledge and assignment does not include the Unassigned Rights (defined in the Indenture).

LEASE AGREEMENT

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Appendix I: PILOT Payment Schedule

LEASE AGREEMENT

THIS LEASE AGREEMENT, dated as of February 1, 2026 (the “Lease”), is between the **CITY OF INDEPENDENCE, MISSOURI**, a constitutional charter city and municipal corporation duly organized and existing under the laws of the State of Missouri, as lessor (the “City”), and **MKEL HOLDINGS, LLC**, a limited liability company organized and existing under the laws of the State of Missouri, as lessee, and its successors or assigns, as permitted hereunder (the “Company”);

RECITALS:

1. The City is authorized under Article VI, Section 27(b) of the Missouri Constitution and Sections 100.010 through 100.200 of the Revised Statutes of Missouri, as amended (the “Act”), to purchase, construct, extend and improve certain “projects” (as defined in the Act) and to issue industrial development revenue bonds for the purpose of providing funds to pay the costs of such projects and to lease or otherwise dispose of such projects to private persons or corporations for manufacturing, commercial, warehousing and industrial development purposes upon such terms and conditions as the City shall deem advisable.

2. Pursuant to the Act, the City Council passed an ordinance (the “Ordinance”) authorizing the City to issue its Taxable Industrial Development Revenue Bonds (Surgery Center Project), Series 2026, in the maximum principal amount of \$3,530,000 (the “Bonds”), for the purpose of acquiring and improving certain real property located at 19921 East Jackson Drive, Independence, Missouri 64057 (the “Project Site,” as more fully described on **Exhibit A** hereto), including the renovation, construction and improvement of a commercial facility on the Project Site (the “Project Improvements,” as more fully described on **Exhibit B** hereto).

3. Pursuant to the Ordinance, the City is authorized to enter into a Trust Indenture of even date herewith (the “Indenture”) with BOKF, N.A., Kansas City, Missouri, as Trustee (the “Trustee”), for the purpose of issuing and securing the Bonds, as therein provided, and to enter into this Lease with the Company under which the City will renovate, construct and improve the Project Improvements, and lease the Project Site and the Project Improvements as they may at any time exist (collectively, the “Project”), to the Company in consideration of rental payments by the Company that will be sufficient to pay the principal of and interest on the Bonds and certain payments in lieu of taxes.

4. Pursuant to the foregoing, the City desires to lease the Project to the Company and the Company desires to lease the Project from the City, for the rentals and upon the terms and conditions hereinafter set forth.

NOW, THEREFORE, in consideration of the premises and the mutual representations, covenants and agreements herein contained, the receipt and sufficiency of which are hereby acknowledged, the City and the Company do hereby represent, covenant and agree as follows:

ARTICLE I

DEFINITIONS

Section 1.1. Definitions of Words and Terms. In addition to any words and terms defined elsewhere in this Lease and the words and terms defined in **Section 101** of the Indenture which

definitions are hereby incorporated herein by reference, and terms defined, the following words and terms as used in this Lease shall have the following meanings:

“Additional Rent” means the additional rental described in **Sections 5.2** and **6.2** of this Lease.

“Basic Rent” means the rental described in **Section 5.1** of this Lease.

“Certificate of Insurance Compliance” means a certificate in substantially the form set forth on **Exhibit D** hereto evidencing the Company’s compliance with the insurance requirements set forth in **Article VII** hereof, fully executed by the Authorized Company Representative and upon which the Trustee may conclusively rely without further investigation or inquiry.

“Environmental Law” means and includes the Comprehensive Environmental Response, Compensation and Liability Act of 1980, the Resource Conservation and Recovery Act, the Superfund Amendments and Reauthorization Act of 1986, any other “Superfund” or “Superlien” law, or any other federal, state or local statute, law, ordinance, code, rule, regulation, order or decree regulating, relating to, or imposing liability or standards of conduct concerning any Hazardous Materials, as now or at any time hereafter in effect.

“Full Insurable Value” means the actual replacement cost of the Project less physical depreciation as determined in accordance with **Section 7.1(a)** hereof.

“Lease Term” means the period from the effective date of this Lease until the expiration thereof pursuant to **Section 3.2** hereof.

“Lender” means any person who from time to time has made a loan to Company which is secured by a Mortgage.

“Mortgage” means any mortgage or deed of trust (together with all related loan documents and security agreements) relating to the Project and permitted pursuant to the provisions of **Section 10.4** hereof or existing prior to the date on which a memorandum of this Lease is recorded.

“Net Proceeds” means, when used with respect to any insurance or condemnation award with respect to the Project, the gross proceeds from the insurance or condemnation award with respect to which that term is used remaining after payment of all expenses (including attorneys’ fees, trustee’s fees and any extraordinary expenses of the City and the Trustee) incurred in the collection of such gross proceeds.

“Permitted Encumbrances” means, as of any particular time, as the same may encumber the Project Site, (a) liens for ad valorem taxes and special assessments not then delinquent, (b) the Indenture and this Lease, (c) utility, access and other easements and rights-of-way, mineral rights, restrictions, exceptions and encumbrances that will not materially interfere with or impair the operations being conducted on the Project Site or easements granted to the City, (d) such minor defects, irregularities, encumbrances, easements, mechanic’s liens, rights-of-way and clouds on title as normally exist with respect to properties similar in character to the Project Site and as do not in the aggregate materially impair the property affected thereby for the purpose for which it was acquired or is held by the City, (e) any Mortgage, (f) any assignment of leases and rents or similar assignment delivered by the Company in favor of a Lender in connection with any future Mortgage (delivered pursuant to **Section 10.4(b)** of this Lease), and (g) any encumbrances shown on a title policy or report included in the transcript of proceedings relating to the Bonds.

“PILOT Payments” means the payments set out on **Appendix I**.

“Plans and Specifications” means the plans and specifications prepared for and showing the Project, as amended by the Company from time to time prior to the Completion Date, the same being duly certified by the Company, and on file with the Company, or with the architect/engineers retained by the Company for the Project, and which shall be available for reasonable inspection by the City, the Trustee and their duly appointed representatives.

“Project Site” means the real property upon which the property comprising the Project is located as more fully described in **Exhibit A**.

Section 1.2. Rules of Interpretation.

(a) Words of the masculine gender shall be deemed and construed to include correlative words of the feminine and neuter genders.

(b) Unless the context shall otherwise indicate, words importing the singular number shall include the plural and vice versa, and words importing Persons shall include firms, associations and corporations, including governmental entities, as well as natural Persons.

(c) Wherever in this Lease it is provided that either party shall or will make any payment or perform or refrain from performing any act or obligation, each such provision shall, even though not so expressed, be construed as an express covenant to make such payment or to perform, or not to perform, as the case may be, such act or obligation.

(d) All references in this instrument to designated “Articles,” “Sections” and other subdivisions are, unless otherwise specified, to the designated Articles, Sections and subdivisions of this instrument as originally executed. The words “herein,” “hereof,” “hereunder” and other words of similar import refer to this Lease as a whole and not to any particular Article, Section or other subdivision.

(e) The Table of Contents and the Article and Section headings of this Lease shall not be treated as a part of this Lease or as affecting the true meaning of the provisions hereof.

(f) Whenever an item or items are listed after the word “including,” such listing is not intended to be a listing that excludes items not listed.

Section 1.3. Acceptance of Indenture. The Company acknowledges that it has received an executed copy of the Indenture and that it is familiar with the terms and conditions of the Indenture. The Company further covenants that it will comply with all the conditions and covenants contained in the Indenture relating to the Company and the Project, and that it will not take any action which would cause a default thereunder or jeopardize the rights of the Trustee, the City or the Bondowners.

ARTICLE II

REPRESENTATIONS

Section 2.1. Representations by the City. The City makes the following representations as the basis for the undertakings on its part herein contained:

(a) The City is a constitutional charter city and municipal corporation duly organized and validly existing under the laws of the State of Missouri. Under the provisions of the Act, the City has lawful power and authority to enter into the transactions contemplated by this Lease and to carry out its obligations hereunder. By proper action of its governing body, the City has been duly authorized to execute and deliver this Lease, acting by and through its duly authorized officers;

(b) As of the date of delivery hereof, the City has acquired the Project Site (subject to Permitted Encumbrances) and agrees to renovate, construct and improve or cause to be renovated, constructed and improved thereon the Project Improvements. The City agrees to lease the Project to the Company and sell the Project to the Company if the Company exercises its option to purchase the Project or upon termination of this Lease as provided for herein, all for the purpose of furthering the public purposes of the Act;

(c) The purchase, renovation, construction, extension and improvement of the Project and the leasing of the Project by the City to the Company will further the public purposes of the Act;

(d) To the City's knowledge, no member of the City Council or any other officer of the City has any significant or conflicting interest, financial, employment or otherwise, in the Company or in the transactions contemplated hereby;

(e) To finance the costs of the Project, the City proposes to issue the Bonds which will be scheduled to mature as set forth in **Article II** of the Indenture and will be subject to redemption prior to maturity in accordance with the provisions of **Article III** of the Indenture;

(f) The Bonds are to be issued under and secured by the Indenture, pursuant to which the Project and certain net earnings therefrom, including certain rents, revenues and receipts to be derived by the City from the leasing or sale of the Project (but excluding the Unassigned Rights), will be pledged and assigned to the Trustee as security for payment of the principal of and interest on the Bonds and amounts owing pursuant to the Lease;

(g) The City will not knowingly take any affirmative action that would permit a lien to be placed on the Project or pledge the revenues derived therefrom for any bonds or other obligations, other than the Bonds, except with the written consent of the Authorized Company Representative; and

(h) The City shall have no authority to operate the Project as a business or in any other manner except as the lessor thereof, except subsequent to an Event of Default hereunder.

Section 2.2. Representations by the Company. The Company makes the following representations as the basis for the undertakings on its part herein contained:

(a) The Company is a limited liability company duly organized, validly existing and in good standing under the laws of the State of Missouri and is authorized to conduct business in the State of Missouri;

(b) The Company has lawful power and authority to enter into this Lease and to carry out its obligations hereunder and by proper action of its members the Company has been

duly authorized to execute and deliver this Lease, acting by and through its duly authorized officers and representatives;

(c) The execution and delivery of this Lease, the consummation of the transactions contemplated hereby, and the performance of or compliance with the terms and conditions of this Lease by the Company will not, to the best of the Company's knowledge, conflict with or result in a breach of any of the terms, conditions or provisions of, or constitute a default under, any mortgage, deed of trust, lease or any other restrictions or any agreement or instrument to which the Company is a party or by which it or any of its property is bound, or the Company's organizational documents, or any order, rule or regulation applicable to the Company or any of its property of any court or governmental body, or constitute a default under any of the foregoing, or result in the creation or imposition of any prohibited lien, charge or encumbrance of any nature whatsoever upon any of the property or assets of the Company under the terms of any instrument or agreement to which the Company is a party;

(d) The estimated costs of the renovation, construction and improvement of the Project are in accordance with sound engineering and accounting principles;

(e) The Project will comply in all material respects with all presently applicable building and zoning, health, environmental and safety orders and laws and all other applicable laws, rules and regulations; and

(f) The Project is located wholly within the corporate limits of the City of Independence, Missouri.

ARTICLE III

GRANTING PROVISIONS

Section 3.1. Granting of Leasehold Estate. The City hereby exclusively rents, leases and lets the Project to the Company, and the Company hereby rents, leases and hires the Project from the City, subject to Permitted Encumbrances existing as of the date of the execution and delivery hereof, for the rentals and upon and subject to the terms and conditions herein contained.

Section 3.2. Lease Term. This Lease shall become effective upon its delivery, and subject to sooner termination pursuant to the provisions of this Lease, shall have a term commencing as of the date of this Lease and terminating on **December 1, 2036**.

Section 3.3. Possession and Use of the Project.

(a) The City covenants and agrees that as long as neither the City nor the Trustee has exercised any of the remedies set forth in **Section 12.2(b)** following the occurrence and continuance of an Event of Default, the Company shall have sole and exclusive possession of the Project (subject to Permitted Encumbrances and the City's and the Trustee's right of access pursuant to **Section 10.3** hereof) and shall and may peaceably and quietly have, hold and enjoy the Project during the Lease Term. The City covenants and agrees that it will not take any action, other than expressly pursuant to **Article XII** hereof, to prevent the Company from having quiet and peaceable possession and enjoyment of the Project during the Lease Term and will, at the request and expense of the Company, cooperate with the Company

in order that the Company may have quiet and peaceable possession and enjoyment of the Project and will defend the Company's enjoyment and possession thereof against all parties.

(b) Subject to the provisions of this Section, the Company shall have the right to use the Project for any lawful purpose allowed by law and contemplated by the Act and this Lease. The Company shall comply in all material respects with all statutes, laws, ordinances, orders, judgments, decrees, regulations, directions and requirements of all federal, state, local and other governments or governmental authorities, now or hereafter applicable to the Project or to any adjoining public ways, as to the manner of use or the condition of the Project or of adjoining public ways. In the event of demonstrated noncompliance with such statutes, laws, ordinances, orders, judgments, decrees, regulations, directions and requirements the Company will take all reasonable steps to comply with such statutes, laws, ordinances, orders, judgments, decrees, regulations, directions and requirements. The Company shall also comply with the mandatory requirements, rules and regulations of all insurers under the policies carried under the provisions of **Article VII** hereof. The Company shall pay all costs, expenses, claims, fines, penalties and damages that may in any manner arise out of, or be imposed as a result of, the failure of the Company to comply with the provisions of this Section. Notwithstanding any provision contained in this Section, however, the Company shall have the right, at its own cost and expense, to contest or review by legal or other appropriate procedures the validity or legality of any such governmental statute, law, ordinance, order, judgment, decree, regulation, direction or requirement, or any such requirement, rule or regulation of an insurer, and during such contest or review the Company may refrain from complying therewith.

Section 3.4. Title to the Project. The City shall be the sole owner of the Project during the Lease Term, except for any portions of the Project released from this Lease pursuant to the terms hereof.

ARTICLE IV

RENOVATION, CONSTRUCTION AND IMPROVEMENT OF THE PROJECT

Section 4.1. Issuance of the Bonds. To provide funds for the payment of Project Costs, the City agrees that, upon request of the Company, it will issue, sell and cause to be delivered the Bonds to the purchaser thereof in accordance with the provisions of the Indenture and the Bond Purchase Agreement. The proceeds of the sale of the Bonds, when received, shall be paid over to the Trustee for the account of the City. The Trustee shall promptly deposit such proceeds, when received, as provided in the Indenture, to be used and applied as hereinafter provided in this Lease and in the Indenture. Alternatively, the Trustee may, (pursuant to **Section 208(d)** of the Indenture) endorse the Bonds in an amount equal to the requisition certificates submitted pursuant to **Section 4.4** below. In that event, the purchaser of the Bonds shall be deemed to have deposited funds with the Trustee in an amount equal to the amount stated in the requisition certificate.

Section 4.2. Renovation, Construction and Improvement of the Project. The City and the Company agree that the Company, as the agent of the City, shall renovate, construct and improve the Project as follows:

(a) The City has acquired the Project Site prior to the execution hereof. Concurrently with the execution of this Lease, (i) a deed and any other necessary instruments of transfer will be delivered to the City and placed of record, and (ii) the commitment for title insurance or ownership and encumbrance report (which may be provided in the form of a copy of

the commitment for an owner's or loan policy of title insurance relating to the Company's acquisition of or private financing for the Project) required by **Article VII** hereof will be delivered to the City and the Trustee;

(b) On behalf of the City, the Company will renovate, construct and improve the Project Improvements on the Project Site and otherwise improve the Project Site in accordance with the Plans and Specifications. The Company may revise the Plans and Specifications from time to time as it deems necessary to carry out the Project, but revisions that would materially alter the intended purpose of the Project or any major component thereof may be made only with the prior written approval of the City. The Company agrees that the aforesaid renovation, construction and improvement will, with such changes and additions as may be made hereunder, result in facilities suitable for use by the Company for its purposes, and that all real and personal property described in the Plans and Specifications, with such changes and additions as may be made hereunder, is desirable and appropriate in connection with the Project. The provisions of this paragraph are in addition to and do not supersede the provisions of **Section 8.2**; and

(c) The Company agrees that it will use reasonable efforts to cause the renovation, construction and improvement of the Project to be completed as soon as practicable with all reasonable dispatch. In the event such renovation, construction and improvement commences prior to the receipt of proceeds from the sale of the Bonds, the Company agrees to advance all funds necessary for such purpose.

Section 4.3. Project Costs. The City hereby agrees to pay for, but solely from the Project Fund, and hereby authorizes and directs the Trustee to pay for, but solely from the Project Fund, all Project Costs upon receipt by the Trustee of a certificate pursuant to **Section 4.4** hereof. The Company may not submit any requisition certificates for Project Costs incurred after the Completion Date. The Company must submit all requisitions for Project Costs incurred before the Completion Date within three months after the Completion Date.

Section 4.4. Payment for Project Costs. All Project Costs as specified in **Section 4.3** hereof shall be paid by the Trustee from the Project Fund as more fully provided in the Indenture, and the City hereby authorizes and directs the Trustee to make disbursements from the Project Fund, upon receipt by the Trustee of certificates in substantially the form attached hereto as **Exhibit C**, signed by an Authorized Company Representative, which disbursements may be recorded via a transaction entry on the trust records held by the Trustee. The Trustee may rely conclusively on any such certificate and shall not be required to make any independent investigation in connection therewith. The submission of any requisition certificate by an Authorized Company Representative shall constitute unto the Trustee an irrevocable determination that all conditions precedent to the payments requested have been satisfied.

Section 4.5. Establishment of Completion Date. The Completion Date shall be evidenced to the Trustee by a certificate signed by the Authorized Company Representative stating (a) the renovation, construction and improvement of the Project has been completed in accordance with the Plans and Specifications, (b) that all costs and expenses incurred in the renovation, construction and improvement of the Project have been paid except costs and expenses the payment of which is not yet due or is being retained or contested in good faith by the Company, and (c) amounts to be retained by Trustee with respect to item (b) above. Notwithstanding the foregoing, such certificate shall state that it is given without prejudice to any rights against third parties which exist at the date of such certificate or which may subsequently come into being. The Company and the City agree to cooperate in causing such certificate to be furnished to the Trustee.

Section 4.6. Surplus or Deficiency in Project Fund.

(a) Upon receipt of the certificate described in **Section 4.5** hereof, the Trustee shall, as provided in **Section 504** of the Indenture, transfer any remaining moneys then in the Project Fund to the Bond Fund to be applied as directed by the Company solely to (1) the payment of principal and premium, if any, of the Bonds through the payment (including regularly scheduled principal payments, if any) or redemption thereof at the earliest date permissible under the terms of the Indenture, or (2) at the option of the Company, to the purchase of Bonds at such earlier date or dates as the Company may elect. Any amount so deposited in the Bond Fund may be invested as permitted by **Section 702** of the Indenture.

(b) If the Project Fund shall be insufficient to pay fully all Project Costs and to complete the Project free of liens and encumbrances other than Permitted Encumbrances, the Company shall pay, in cash, the full amount of any such deficiency by making payments thereof directly to the contractors and to the suppliers of materials and services as the same shall become due, and the Company shall save the City and the Trustee whole and harmless from any obligation to pay such deficiency.

Section 4.7. Project Property of City. The Project Site and the Project Improvements, which the Company desires to convey to the City, including all work and materials on the Project Improvements as such work progresses, and all additions or enlargements thereto or thereof, the Project as fully completed, anything under this Lease which becomes, is deemed to be, or constitutes a part of the Project, and the Project as repaired, rebuilt, rearranged, restored or replaced by the Company under the provisions of this Lease, except as otherwise specifically provided herein, shall immediately when erected or installed become the absolute property of the City, subject only to this Lease, the Indenture, any Permitted Encumbrances, and the Mortgage, if any.

Section 4.8. Non-Project Improvements, Machinery and Equipment Property of the Company. Any improvements or items of machinery or equipment which do not constitute part of the Project Improvements and the entire purchase price of which is paid for by the Company with the Company's own funds, and no part of the purchase price of which is paid for from funds deposited pursuant to the terms of this Lease in the Project Fund, shall be the property of the Company and shall not constitute a part of the Project for purposes of **Section 6.4** hereof and therefore are subject to taxation, to the extent otherwise provided by law.

Section 4.9. Environmental Matters. The Company acknowledges that it is responsible for maintaining the Project in compliance with all Environmental Laws. In the event that the Company fails to undertake to comply with any final, non-appealable order issued by any local, state or federal authority under applicable Environmental Law, the City or the Trustee, immediately after notice to the Company, may elect (but shall not be required) to undertake such compliance. Any moneys expended by the City or the Trustee in efforts to comply with any applicable Environmental Law (including the reasonable cost of hiring consultants, undertaking sampling and testing, performing any cleanup necessary or useful in the compliance process and reasonable attorneys' fees) shall be due and payable as Additional Rent hereunder with interest thereon at the average rate of interest per annum on the Bonds, plus two (2) percentage points, from the date such cost is incurred. There shall be unlimited recourse to the Company to the extent of any liability incurred by the City or the Trustee with respect to any breaches of the provisions of this section.

The Company shall and does hereby indemnify the City, the Trustee and the Bondowners and agree to defend and hold them harmless from and against all loss, cost, damage and expense (including, without limitation, reasonable attorneys' fees and costs associated incurred in the investigation, defense

and settlement of claims) that they may incur, directly or indirectly, as a result of or in connection with the assertion against them or any of them of any claim relating to the presence on, escape or removal from the Project during the term of this Lease of any hazardous substance or other material regulated by any applicable Environmental Law, or compliance with any applicable Environmental Law, whether such claim is raised before, during or after the term of this Lease, including claims relating to personal injury or damage to property; provided, however, this indemnity shall only relate to claims resulting from the City's ownership of the Project and the Trustee's acceptance of its duties as Trustee hereunder.

ARTICLE V

RENT PROVISIONS

Section 5.1. Basic Rent. The Company covenants and agrees to pay to the Trustee in same day funds for the account of the City during this Lease Term, for deposit in the Bond Fund on or before 10:00 a.m., Trustee's local time, on or before each December 1, commencing December 1, 2026 and continuing until the principal of and interest on the Bonds shall have been fully paid, an amount which, when added to any collected funds then on deposit in the Bond Fund and available on such Payment Date, shall be equal to the total amount payable on each December 1 as interest on the Bonds. On **December 1, 2036** (or such earlier date as the Company may elect or be required to redeem the Bonds), the Company shall also pay an amount equal to all principal then due on the Bonds in connection with such maturity or redemption. All payments of Basic Rent provided for in this Section shall be paid directly to the Trustee and shall be deposited in accordance with the provisions of the Indenture into the Bond Fund and shall be used and applied by the Trustee in the manner and for the purposes set forth in this Lease and the Indenture, provided that if the Company is the Owner of all the Bonds Outstanding, payment of Basic Rent as provided for in this Section may be made via a transaction entry on the trust records held by the Trustee and the Paying Agent consistent with **Section 204(e)** and **Section 208(g)** of the Indenture. Any Basic Rent paid by the Company which exceeds the total amount payable on such payment dates shall be immediately paid to the Company by wire transfer. At its option, on the final Payment Date, the Company may deliver to the Trustee for cancellation Bonds not previously paid and the Company shall receive a credit against the Basic Rent payable by the Company in an amount equal to the principal amount of the Bonds so tendered for cancellation plus accrued interest thereon.

In furtherance of the foregoing and of **Section 204(e)** and **Section 208(g)** of the Indenture, and notwithstanding any other provision in this Lease, the Indenture or the Bond Purchase Agreement, and provided that the Company is the sole Bondowner, the Company may set-off each Basic Rent payment against the City's obligation to the Company as Bondowner, in lieu of delivery of a payment of Basic Rent on any date on which principal of or interest on the Bonds is payable, without providing notice of such set-off to the Trustee. The Trustee may conclusively rely on the absence of any notice from the Company to the contrary as evidence that such set-off has occurred.

Section 5.2. Additional Rent. The Company shall pay as Additional Rent, within 30 days after receiving an itemized invoice therefor, the following amounts as and when the same become due:

- (a) all reasonable fees, charges and expenses, including agent and counsel fees, of the City or the Trustee incurred under the Indenture, this Lease, or any other document entered into in connection with the Bonds, as and when the same become due;

(b) all costs incident to the payment of the principal of and interest on the Bonds as the same becomes due and payable, including all costs and expenses in connection with the call, redemption and payment of all outstanding Bonds;

(c) all reasonable costs which are reasonably incurred in connection with the enforcement of any rights against the Company or the Project or in connection with a failure of the Company to perform its obligations under this Lease or the Indenture by the City, the Trustee or the Bondowners, including counsel fees and expenses;

(d) on each December 1, a PILOT Payment to the City in the amount shown for such year on **Appendix I**; and

(e) all other payments of whatever nature which Company has agreed to pay or assume under the provisions of this Lease.

Section 5.3. Obligations of Company Absolute and Unconditional.

(a) The obligations of the Company under this Lease to make payments of Basic Rent and Additional Rent on or before the date the same become due, and to perform all of its other obligations, covenants and agreements hereunder shall be absolute and unconditional, without notice or demand, and without abatement, deduction, set-off, counterclaim, recoupment or defense or any right of termination or cancellation arising from any circumstance whatsoever, whether now existing or hereafter arising, and irrespective of whether the Project has been started or completed, or whether the City's title thereto or to any part thereof is defective or nonexistent, and notwithstanding any damage to, loss, theft or destruction of, the Project or any part thereof, any failure of consideration or frustration of commercial purpose, the taking by eminent domain of title to or of the right of temporary use of all or any part of the Project, legal curtailment of the Company's use thereof, the eviction or constructive eviction of the Company, any change in the tax or other laws of the United States of America, the State of Missouri or any political subdivision thereof, any change in the City's legal organization or status, or any default of the City hereunder, and regardless of the invalidity of any action of the City; provided, however, that nothing in this **Section 5.3(a)** or **Section 5.3(b)** is intended or shall be deemed to affect or impair in anyway the rights of the Company to tender Bonds for redemption in satisfaction of Basic Rent as provided in **Section 5.1** and **Section 5.4** hereof, nor the right of the Company to terminate this Lease and repurchase the Project as provided in **Article XI** hereof.

(b) Nothing in this Lease shall be construed to release the City from the performance of any agreement on its part herein contained or as a waiver by the Company of any rights or claims the Company may have against the City under this Lease or otherwise, but any recovery upon such rights and claims shall be had from the City separately, it being the intent of this Lease that the Company shall be unconditionally and absolutely obligated to perform fully all of its obligations, agreements and covenants under this Lease (including the obligation to pay Basic Rent and Additional Rent) for the benefit of the Owners and the City. The Company may, however, at its own cost and expense and in its own name or in the name of the City, prosecute or defend any action or proceeding or take any other action involving third Persons which the Company deems reasonably necessary in order to secure or protect its right of possession, occupancy and use hereunder, and in such event the City hereby agrees to cooperate fully with the Company and to take all action necessary to effect the substitution of the Company for the City in any such action or proceeding if the Company shall so request.

Section 5.4. Prepayment of Basic Rent. The Company may at any time and from time to time prepay a portion of the Basic Rent provided for hereunder (subject to the limitations of

Section 301(a) of the Indenture relating to the redemption of the Bonds). During such times as the amount held by the Trustee in the Bond Fund shall be sufficient to pay, at the time required, the principal of and interest on all the Bonds then remaining unpaid, the Company shall not be obligated to make payments of Basic Rent under the provisions of this Lease.

Subject to **Section 301(a)** of the Indenture relating to the redemption of Bonds, the Company, at its option, may deliver to the Trustee for cancellation Bonds owned by the Company and not previously paid, and the Company shall receive a credit against amounts payable by the Company for the redemption of Bonds in an amount equal to the principal amount of the Bonds so tendered for cancellation, plus accrued interest thereon.

ARTICLE VI

MAINTENANCE, TAXES AND UTILITIES

Section 6.1. Maintenance and Repairs. Throughout the Lease Term the Company shall, at its own expense, keep the Project in as reasonably safe condition as the operation thereof will permit, and keep the Project in good repair and in good operating condition (reasonable wear, tear, depreciation, and obsolescence excepted), making from time to time all necessary repairs thereto and renewals and replacements thereof it determines to be necessary. Without limiting the generality of the foregoing, the Company shall at all times remain in compliance with all provisions of the City's code relating to maintenance and appearance.

Section 6.2. Taxes, Assessments and Other Governmental Charges.

(a) Subject to subsection (b) of this Section, the Company shall promptly pay and discharge, as the same become due, all taxes and assessments, general and special, and other governmental charges of any kind whatsoever that may be lawfully taxed, charged, levied, assessed or imposed upon or against or be payable for or in respect of the Project, or any part thereof or interest therein (including the leasehold estate of the Company therein) or any buildings, improvements, machinery and equipment at any time installed thereon by the Company, or the income therefrom, including any new taxes and assessments not of the kind enumerated above to the extent that the same are lawfully made, levied or assessed in lieu of or in addition to taxes or assessments now customarily levied against real or personal property, and further including all utility charges, assessments and other general governmental charges and impositions whatsoever, foreseen or unforeseen, which if not paid when due would impair the security of the Bonds or encumber the City's title to the Project; provided that with respect to any special assessments or other governmental charges that are lawfully levied and assessed which may be paid in installments, the Company shall be obligated to pay only such installments thereof as become due and payable during the Lease Term.

(b) The Company may, in its own name or in the City's name, contest the validity or amount of any tax, assessment or other governmental charge which the Company is required to bear, pay and discharge pursuant to the terms of this Article by appropriate legal proceedings instituted at least 10 days before the tax, assessment or other governmental charge complained of becomes delinquent if and provided (1) the Company, before instituting any such contest, gives the City and the Trustee written notice of its intention to do so, (2) the Company diligently prosecutes any such contest, at all times effectively stays or prevents any official or judicial sale therefor, under execution or otherwise, and (3) the Company promptly pays any final judgment enforcing the tax, assessment or other governmental charge so contested and thereafter promptly procures record release or satisfaction thereof. The City

agrees to cooperate fully with the Company in connection with any and all administrative or judicial proceedings related to any tax, assessment or other governmental charge. The Company shall save and hold harmless the City and the Trustee from any costs and expenses the City and the Trustee may incur related to any of the above.

(c) Nothing in this Lease shall be construed to require the Company to make duplicate tax payments. The Company shall receive a credit against any PILOT Payments due hereunder to the extent of any ad valorem taxes imposed and paid by the Company with respect to the Project paid pursuant to this Section.

(d) The Project Site is within the Hartman Heritage Center Community Improvement District, which imposes a special assessment. The Company shall remain obligated to pay all special assessments imposed by such community improvement district during the time that the Project is owned by the City.

Section 6.3. Utilities. All utilities and utility services used by the Company in, on or about the Project shall be paid for by the Company and shall be contracted for by the Company in the Company's own name (or the name(s) of its affiliates), and the Company shall, at its sole cost and expense, procure any and all permits, licenses or authorizations necessary in connection therewith.

Section 6.4. Property Tax Exemption. The City and the Company agree that while the Project is owned by the City and is subject to this Lease, the Project and the leasehold interest of the Company in the Project will be exempt from all *ad valorem* real property taxes by reason of such ownership, and the City agrees that it will (at the expense of the Company) cooperate with the Company to defend such exemption against all parties. Notwithstanding the foregoing, Company will annually pay to the City the payments with respect to the Project set forth in **Appendix I**. Within 30 days of the date of receipt of each PILOT Payment, the City or designated billing/collection agent shall distribute each PILOT Payment among the taxing jurisdictions in proportion to the amount of taxes which would have been paid in each year had the Project not been exempt from taxation.

Section 6.5. Administration Costs. Under Section 100.050 of the Act, the City may require the Company to reimburse the City for its actual costs of issuing the Bonds and administering the plan including costs associated with this Agreement, in an amount of no greater than \$1,000 per year. The City will provide a statement for such costs to the Company not later than November 1 of each year and the Company will reimburse the City for its costs on or before December 31 of each year continuing until December 31 of the year in which this Agreement expires or is terminated.

Section 6.6. Sales Tax Exemption. Upon request of the Company after the issuance of the Bonds, the City will issue a sales tax exemption certificate to the Company for construction materials to be purchased for the Project and the City shall provide such other documentation as may be necessary from time to time to effect said sales tax exemption. The Company shall use the exemption certificate only for the purchase of construction materials to be incorporated into the Project on the Project Site and shall not use the exemption certificate for the purchase of any personal property other than construction materials. The Company shall indemnify and defend the City and its respective officers, employees and agents against and from any and all causes of action or actions in law or equity, liens, claims damages, loss, costs or expenses of any nature whatsoever by any person or entity, arising out of the City's furnishing of the exemption certificate.

ARTICLE VII

INSURANCE

Section 7.1. Title Report. Before conveying title to any real property to the City, the Company will provide a report reasonably acceptable to the City showing the ownership of and encumbrances on the Project Site. Copies of such report shall be provided to the City and the Trustee.

Section 7.2. Property Insurance.

(a) The Company shall at its sole cost and expense obtain and shall maintain throughout the Lease Term, a policy or policies of insurance (including, if appropriate, builder's risk insurance) to keep the 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 of Missouri in an amount equal to the Full Insurable Value thereof (subject to reasonable loss deductible provisions). The insurance required pursuant to this Section shall be maintained with a generally recognized responsible insurance company or companies authorized to do business in the State of Missouri or generally recognized international insurers or reinsurers with an A.M. Best rating of B+ or the equivalent thereof or better as may be selected by the Company. All such policies of insurance pursuant to this Section, and all renewals thereof, shall name the Company as insured and the City and the Trustee shall be named as loss payees, as their respective interests may appear, and shall contain a provision that the issuer of such insurance will provide at least 10 days' advance written notice to, the Company of the cancellation of such insurance. Company agrees it shall immediately forward any notice of cancellation it receives from the issuer of such insurance to the City and Trustee. The Company shall provide the City and the Trustee, on an annual basis, commencing on December 1, 2026 with a Certificate of Insurance Compliance, in the form of **Exhibit D** attached hereto, certifying compliance with this Section and containing copies of the insurance policies required under this Section, or certificates thereof. The Trustee shall be entitled to conclusively rely upon such certificate as to the Company's compliance with the insurance requirements. The Trustee makes no representation as to, and shall have no responsibility for the sufficiency or adequacy of, the insurance.

(b) In the event of loss or damage to the Project, the Net Proceeds of property insurance carried pursuant to this Section shall be applied as provided in **Article IX** of this Lease, or as may be directed by, or on behalf of, the Owners of 100% in principal amount of the Bonds outstanding.

Section 7.3. Commercial General Liability Insurance.

(a) The Company shall at its sole cost and expense maintain or cause to be maintained at all times during the Lease Term general accident and commercial general liability insurance under which the City, the Company and the Trustee shall be named as additional insureds, properly protecting and indemnifying the City and the Trustee, in an amount not less than the limits of liability set by Section 537.610 of the Revised Statutes of Missouri (subject to loss deductible clauses not to exceed \$50,000). The policies of said insurance shall contain a provision that the issuer of such insurance will provide at least 10 days' advance written notice to the Company of the cancellation of such insurance. The Company agrees it shall immediately forward any notice of cancellation it receives from the issuer of such insurance to the City and Trustee. The Company shall provide the City and the Trustee, on an annual basis, commencing on December 1, 2026 with a Certificate of Insurance Compliance, in the form of **Exhibit D** attached hereto, certifying compliance with this Section and containing copies of the insurance policies required under this Section, or certificates thereof. The Trustee shall be entitled to conclusively rely upon such certificate as to the Company's compliance with the insurance requirements.

The Trustee makes no representation as to, and shall have no responsibility for the sufficiency or adequacy of, the insurance.

(b) In the event of a public liability occurrence, and subject to the rights of Lender under and pursuant to the terms of the Mortgage (except that no right of the Lender under the Mortgage shall affect the right of the City or the Trustee to the protection and indemnification provided as additional insureds pursuant to subsection(a), above), the Net Proceeds of liability insurance carried pursuant to this Section shall be applied toward the extinguishment or satisfaction of the liability with respect to which such proceeds have been paid.

Section 7.4. Workers' Compensation. The Company agrees throughout the Lease Term to maintain or cause to be maintained the Workers' Compensation coverage required by the laws of the State of Missouri.

Section 7.5. Blanket Insurance Policies; Self-Insurance. The Company may satisfy any of the insurance requirements set forth in this Article by using blanket policies of insurance, provided each and all of the requirements and specifications of this Article respecting insurance are complied with. Nothing in this Lease shall be construed from prohibiting the Company from self-insuring provided the Company, or in combination with its parent corporation, has a net worth in excess of \$200,000,000, as determined by generally accepted accounting principles.

ARTICLE VIII

ALTERATION OF THE PROJECT

Section 8.1. Additions, Modifications and Improvements to the Project. The Company shall have and is hereby given the right, at its sole cost and expense, to make such additions, modifications and improvements in and to any part of the Project as the Company from time to time may deem necessary or desirable for its business purposes. All additions, modifications and improvements made by the Company pursuant to the authority of this Section shall (a) be made in workmanlike manner and will comply in all material respects with all laws and ordinances applicable thereto, (b) when commenced, be prosecuted to completion with due diligence, and (c) when completed, be deemed a part of the Project; provided, however, that additions of machinery, equipment and other personal property installed on the Project Site by the Company not purchased or acquired from funds deposited with the Trustee hereunder and not constituting repairs, renewals or replacements of the Project shall remain the property of the Company and may be removed by the Company. Such property shall be subject to *ad valorem* taxes.

Section 8.2. Additional Improvements on the Project Site. The Company may, at its sole cost and expense, construct on portions of the Project Site not theretofore occupied by buildings or improvements such additional buildings and improvements as the Company from time to time may deem necessary or desirable for its business purposes. All additional buildings and improvements constructed on the Project Site by the Company, and not paid for with Bond proceeds, pursuant to the authority of this Section shall not be included as Project Improvements and, during the life of this Lease, shall remain the property of the Company and may be added to, altered or razed and removed by the Company at any time. All additional buildings and improvements shall be made in a good and workmanlike manner and in strict compliance with all material laws, orders and ordinances applicable thereto and when commenced shall be prosecuted to completion with due diligence. The Company covenants and agrees (a) to make any repairs and restorations required to be made to the Project because of the construction of,

addition to, alteration or removal of said additional buildings or improvements, and (b) to promptly and with due diligence either raze and remove or repair, replace or restore any of said additional buildings and improvements as may from time to time be damaged by fire or other casualty. The Company shall pay all ad valorem taxes and assessments payable with respect to such additional buildings and improvements which remain the property of the Company. If for any reason the County Assessor determines that such additional buildings and improvements are not subject to ad valorem taxes, the Company shall make payments in lieu of taxes in an amount equal to the taxes that would otherwise be due under this Section.

Section 8.3. Permits and Authorizations. The Company shall not do or permit others under its control to do any work on the Project related to any repair, rebuilding, restoration, replacement, modification or addition to the Project, or any part thereof, unless all requisite municipal and other governmental permits and authorizations shall have been first procured. All such work shall be done in a good and workmanlike manner and in material compliance with all applicable building, zoning and other laws, ordinances, governmental regulations. In the event of demonstrated noncompliance with such laws, ordinances, governmental regulations and requirements the Company will take all reasonable steps to comply with laws, ordinances, governmental regulations and requirements.

Section 8.4. Mechanics' Liens.

(a) The Company will not directly or indirectly create, incur, assume or suffer to exist any lien on or with respect to the Project, except Permitted Encumbrances, and the Company shall promptly notify the City of the imposition of such lien of which the Company is aware and shall promptly, at its own expense, take such action as may be necessary to fully discharge or release any such lien. Whenever and as often as any mechanics' or other similar lien is filed against the Project, or any part thereof, purporting to be for or on account of any labor done or materials or services furnished in connection with any work in or about the Project, the Company shall discharge the same of record within 90 days after the date of filing. Notice is hereby given that the City shall not be liable for any labor or materials furnished the Company or anyone claiming by, through or under the Company upon credit, and that, except as may be consented to by the City in a document recorded with the Jackson County Recorder of Deeds, no mechanics' or other similar lien for any such labor, services or materials shall attach to or affect the reversionary or other estate of the City in and to the Project or any part thereof.

(b) Notwithstanding paragraph (a) above, the Company may contest any such mechanics' or other similar lien if the Company (1) within said 90-day period stated above notifies the City and the Trustee in writing of its intention so to do, (2) diligently prosecutes such contest, (3) at all times effectively stays or prevents any official or judicial sale of the Project, or any part thereof or interest therein, under execution or otherwise, (4) promptly pays or otherwise satisfies any final judgment adjudging or enforcing such contested lien claim and (5) thereafter promptly procures record release or satisfaction thereof. The Company may permit the lien so contested to remain unpaid during the period of such contest and any appeal therefrom unless the Company is notified by the City that, in the opinion of counsel, by nonpayment of any such items, the interest of the City in the Project will be subject to loss or forfeiture. In that event, the Company shall promptly, at its own expense, take such action as may be reasonably necessary to duly discharge or remove any such mortgage, pledge, lien, charge, encumbrance or claim if the same shall arise at any time. The Company shall save and hold harmless the City from any loss, costs or expenses the City may incur related to any such contest. The Company shall reimburse the City for any expense incurred by it in connection with the imposition of any such lien or in order to discharge or remove any such mortgage, pledge, lien, charge, encumbrance or claim. The City shall cooperate fully with the Company in any such contest.

ARTICLE IX

DAMAGE, DESTRUCTION AND CONDEMNATION

Section 9.1. Damage or Destruction.

(a) If the Project is damaged or destroyed by fire or any other casualty, whether or not covered by insurance, the Company, as promptly as practicable, shall either (i) make the determination described in subsection (f) below, or (ii) repair, restore, replace or rebuild the same as nearly as may be practicable to their condition and character immediately prior to such damage or destruction, and so that upon completion of such repairs, restoration, replacement or rebuilding the Project is of a value not less than the value thereof immediately before the occurrence of such damage or destruction or, at the Company's option, construct upon the Project Site new buildings and improvements thereafter together with all new machinery, equipment and fixtures which are either to be attached to or are to be used in connection with the operation or maintenance thereof, provided that (A) the value thereof shall not be less than the value of such destroyed or damaged Project Improvements immediately before the occurrence of such damage or destruction and (B) the nature of such new buildings, improvements, machinery, equipment and fixtures will not impair the character of the Project as an enterprise permitted by the Act.

If the Company elects to construct any such new buildings and improvements, for all purposes of this Lease, any reference to the words "Project Improvements" shall be deemed to also include any such new buildings and improvements and all additions thereto and all replacements and alterations thereof.

Unless the Company makes the determination described in subsection (f) below, the Net Proceeds of casualty insurance required by **Article VII** hereof received with respect to such damage or loss to the Project shall be used to pay the cost of repairing, restoring, replacing or rebuilding the Project or any part thereof. Insurance monies in an amount less than \$1,000,000 may be paid to or retained by the Company to be held in trust and used as provided herein. Insurance monies in any amount of \$1,000,000 or more shall be (i) paid to the Trustee and deposited in the Project Fund and shall be disbursed as provided in **Section 4.4** hereof to pay the cost of repairing, restoring, replacing or rebuilding the Project or any part thereof, or (ii) if determined by the Owners of 100% in principal amount of the Bonds Outstanding, applied as directed by, or on behalf of, such Owners of 100% in principal amount of the Bonds Outstanding. If the Company makes the determination described in subsection (f) below, the Net Proceeds shall be deposited with the Trustee and used to redeem Bonds as provided in subsection (f).

(b) Unless the Company makes the determination described in subsection (f) below, if any of the insurance monies paid by the insurance company as hereinabove provided remain after the completion of such repairs, restoration, replacement or rebuilding, and this Lease has not been terminated, the excess shall be deposited in the Bond Fund, subject to the rights of any Lender under the terms of the Mortgage. Completion of such repairs, restoration, replacement or rebuilding shall be evidenced by a certificate of completion in accordance with the provisions of **Section 4.5** hereof. If the Net Proceeds are insufficient to pay the entire cost of such repairs, restoration, replacement or rebuilding, the Company shall pay the deficiency.

(c) Except as otherwise provided in this Lease, in the event of any such damage by fire or any other casualty, the provisions of this Lease shall be unaffected and the Company shall remain and continue liable for the payment of all Basic Rent and Additional Rent and all other charges required hereunder to be paid by the Company, as though no damage by fire or any other casualty has occurred.

(d) The City and the Company agree that they will cooperate with each other, to such extent as such other party may reasonably require, in connection with the prosecution or defense of any action or proceeding arising out of, or for the collection of any insurance monies that may be due in the event of, any loss or damage, and that they will execute and deliver to such other parties such instruments as may be required to facilitate the recovery of any insurance monies.

(e) The Company agrees to give prompt notice to the City and the Trustee with respect to all fires and any other casualties occurring in, on, at or about the Project Site which damages a material portion of the Project.

(f) If the Company determines that rebuilding, repairing, restoring or replacing the Project is not practicable or desirable, or if the Company does not have the right under any Mortgage to use any Net Proceeds for repair or restoration of the Project, any Net Proceeds of casualty insurance required by **Article VII** hereof received with respect to such damage or loss shall, after payment of all Additional Rent then due and payable, be paid into the Bond Fund and shall be used to redeem Bonds on the earliest practicable redemption date or to pay the principal of any Bonds as the same become due, all subject to rights of any Lender under a Mortgage (if any). The Company agrees to be reasonable in exercising its judgment pursuant to this subsection (f). Alternatively, if the Company is the sole owner of the Bonds and it has determined that rebuilding, repairing, restoring or replacing the Project is not practicable or desirable, it may tender Bonds to the Trustee for cancellation in a principal amount equal to the Net Proceeds of the casualty insurance, and retain such proceeds for its own account.

(g) The Company shall not, by reason of its inability to use all or any part of the Project during any period in which the Project is damaged or destroyed or is being repaired, rebuilt, restored or replaced, nor by reason of the payment of the costs of such rebuilding, repairing, restoring or replacing, be entitled to any reimbursement from the City, the Trustee or the Owners or to any abatement or diminution of the rentals payable by the Company under this Lease or of any other obligations of the Company under this Lease except as expressly provided in this Section.

Section 9.2. Condemnation.

(a) If during the Lease Term, title to, or the temporary use of, all or any part of the Project is condemned by or sold under threat of condemnation to any authority possessing the power of eminent domain, to such extent that the claim or loss resulting from such condemnation is greater than \$1,000,000, the Company shall, within 90 days after the date of entry of a final order in any eminent domain proceedings granting condemnation or the date of sale under threat of condemnation, notify the City, the Trustee, and any Lender under a Mortgage (if any) in writing as to the nature and extent of such condemnation or loss of title and whether it is practicable and desirable to acquire or construct substitute improvements.

(b) If the Company determines that such substitution is practicable and desirable, the Company shall proceed promptly with and complete with reasonable dispatch the acquisition or construction of such substitute improvements, so as to place the Project in substantially the same condition as existed before the exercise of the said power of eminent domain, including the acquisition or construction of other improvements suitable for the Company's operations at the Project (which improvements will be deemed a part of the Project and available for use and occupancy by the Company without the payment of any rent other than herein provided, to the same extent as if such other improvements were specifically described herein and demised hereby); provided, that such improvements

will be acquired by the City subject to no liens, security interests or encumbrances before the lien and/or security interest afforded by the Indenture and this Lease other than Permitted Encumbrances. In such case, any Net Proceeds received from any award or awards with respect to the Project or any part thereof made in such condemnation or eminent domain proceedings, or of the sale proceeds, shall be applied in the same manner as provided in **Section 9.1** hereof (with respect to the receipt of casualty insurance proceeds).

(c) If the Company determines that it is not practicable or desirable to acquire or construct substitute improvements, any Net Proceeds of condemnation awards received by the Company shall, after payment of all Additional Rent then due and payable, be paid into the Bond Fund and shall be used to redeem Bonds on the earliest practicable redemption date or to pay the principal of any Bonds as the same becomes due and payable, provided that if the Company is the sole owner of the Bonds and it has determined that acquiring and constructing substitute improvements is not practicable or desirable, it may tender Bonds to the Trustee for cancellation in a principal amount equal to the Net Proceeds of the condemnation awards, and retain such proceeds for its own account, all subject to the rights of any Lender under a Mortgage (if any).

(d) The Company shall not, by reason of its inability to use all or any part of the Project during any such period of restoration or acquisition nor by reason of the payment of the costs of such restoration or acquisition, be entitled to any reimbursement from the City, the Trustee or the Owners or to any abatement or diminution of the rentals payable by the Company under this Lease nor of any other obligations hereunder except as expressly provided in this Section.

(e) The City shall cooperate fully with the Company in the handling and conduct of any prospective or pending condemnation proceedings with respect to the Project or any part thereof, and shall, to the extent it may lawfully do so, permit the Company to litigate in any such proceeding in the name and on behalf of the City. In no event will the City voluntarily settle or consent to the settlement of any prospective or pending condemnation proceedings with respect to the Project or any part thereof without the prior written consent of the Company and the Lender.

Section 9.3. Bondowner Approval. Notwithstanding anything to the contrary contained in this **Article IX**, and subject to the rights of the Lender, the proceeds of any insurance received subsequent to a casualty or of any condemnation proceedings (or threats thereof) may prior to the application thereof by the City or the Trustee be applied as directed by the Owners of 100% of the principal amount of Bonds Outstanding, subject and subordinate to (a) the terms and conditions of the Mortgage; (b) the rights of the City and the Trustee to be paid all their expenses (including attorneys' fees, trustee's fees and any extraordinary expenses of the City and the Trustee) incurred in the collection of such gross proceeds.

ARTICLE X

SPECIAL COVENANTS

Section 10.1. No Warranty of Condition or Suitability by the City; Exculpation and Indemnification. The City makes no warranty, either express or implied, as to the condition of the Project or that it will be suitable for the Company's purposes or needs. The Company releases the City and the Trustee from, agrees that the City and the Trustee shall not be liable for and agrees to hold the City and the Trustee harmless against, any loss or damage to property or any injury to or death of any

Person that may be occasioned by any cause whatsoever pertaining to the Project or the Company's use thereof, unless such loss is the result of the City's or the Trustee's gross negligence or willful misconduct. This provision shall survive termination of this Lease.

Section 10.2. Surrender of Possession. Upon accrual of the City's right of re-entry to the extent provided in **Section 12.2(b)** hereof, the Company shall peacefully surrender possession of the Project to the City in good condition and repair, ordinary wear and tear excepted; provided, however, the Company may within 90 days (or such later date as the City may agree to) after the termination of this Lease remove from the Project Site any buildings, improvements, furniture, trade fixtures, machinery and equipment owned by the Company and not constituting part of the Project. All repairs to and restorations of the Project required to be made because of such removal shall be made by and at the sole cost and expense of the Company, and during said 90-day (or extended) period the Company shall bear the sole responsibility for and bear the sole risk of loss for said buildings, improvements, furniture, trade fixtures, machinery and equipment owned by the Company and not constituting part of the Project. All buildings, improvements, furniture, trade fixtures, machinery and equipment owned by the Company and which are not so removed from the Project before the expiration of said period shall be the separate and absolute property of the City.

Section 10.3. City's Right of Access to the Project. The Company agrees that the City and the Trustee and their duly authorized agents shall have the right at reasonable times during business hours, subject to 24 hours' advance written notice and the Company's usual safety and security requirements, to enter upon the Project Site (a) to examine and inspect the Project without interference or prejudice to the Company's operations, (b) as may be reasonably necessary to cause to be completed the purchase and installation provided for in **Section 4.2** hereof, (c) performing such work in and about the Project Site made necessary by reason of the Company's default under any of the provisions of this Lease, and (d) exhibiting the Project to prospective purchasers, lessees or trustees subsequent to an Event of Default.

Section 10.4. Granting of Easements; Mortgages and Financing Arrangements.

(a) Subject to **Sections 10.4(b)** and (c), if no Event of Default under this Lease has happened and is continuing, the Company may at any time or times (i) grant subleases (as permitted in **Section 13.1(b)** hereof), easements, licenses, rights-of-way (including the dedication of public highways) and other rights or privileges in the nature of easements that are for the direct use of the Project, or part thereof, by the grantee, (ii) release or terminate existing subleases, easements, licenses, rights-of-way and other rights or privileges, all with or without consideration and upon such terms and conditions as the Company shall determine, or (iii) incur Permitted Encumbrances. The Company may take such actions and may execute any applicable documents in the Company's own name. No separate signature of or authorization from the City shall be required for the execution and delivery of any such document, although the City agrees to execute and deliver such confirming documents as are described below, under the procedures described below, if the Company chooses to make such a request, provided that no such document shall impose any obligation (monetary or otherwise) on the City or require any representations by the City. All third parties entering into agreements with the Company or receiving delivery of or the benefit of such agreements or documents shall be entitled to rely upon the same as having been executed and delivered by the City, unless such third party has actual or constructive notice, expressly in writing, that the agency herein granted by the City to the Company has been terminated by the City because of an uncured Event of Default hereunder. The City agrees that it will execute and deliver and will cause and direct the Trustee to execute and deliver any instrument necessary or appropriate to confirm and grant, release or terminate any such sublease, easement, license, right-of-way or other right or privilege or any such agreement or other arrangement, upon receipt by the City and the Trustee of: (i) a copy of the

instrument of grant, release or termination or of the agreement or other arrangement, (ii) a written application signed by an Authorized Company Representative requesting such instrument, and (iii) a certificate executed by an Authorized Company Representative stating that such grant or release is not detrimental to the proper conduct of the business of the Company, will not impair the effective use or interfere with the efficient and economical operation of the Project, will not materially adversely affect the security intended to be given by or under the Indenture and will be a Permitted Encumbrance; *provided that* the City shall not be required to undertake any duties or payment obligations under such instruments and shall make only such representations as it deems appropriate in its sole discretion. If no Event of Default has happened and is continuing beyond any applicable grace period, any payments or other consideration received by the Company for any such grant or with respect to or under any such agreement or other arrangement shall be and remain the property of the Company; but, subject to **Sections 10.4(b) and (c)**, upon (i) termination of this Lease for any reason other than the redemption of the Bonds and/or the purchase of the Project by the Company or (ii) the occurrence and continuance of an Event of Default by the Company, all rights then existing of the Company with respect to or under such grant shall inure to the benefit of and be exercisable by the City and the Trustee.

(b) The City acknowledges and agrees that the Company may finance and refinance its rights and interests in the Project, this Lease, and the leasehold estate created hereby with prior notice to but without the consent of the City, provided and upon condition that a duplicate original or certified copy or photostatic copy of each Mortgage, and the note or other obligation secured thereby, is delivered to the City within thirty (30) days after the execution thereof. The Company may mortgage the fee estate held by the City with the consent of the City, not to be unreasonably withheld, conditioned, or delayed. In either case, in connection therewith, the Company shall have the right to assign this Lease, the leasehold estate, any sublease, and any rights in connection therewith, and/or grant liens or security interests therein, to any Lender. Any further sublease or assignment by any Lender shall be subject to the provisions of **Section 13.1(c)**.

(c) With respect to a future Mortgage, upon notice by the Company to the City in writing that it has executed a Mortgage under which it has granted rights in this Lease to a Lender which includes the name and address of such Lender, the following provisions shall apply in respect of each such Lender:

(1) there shall be no merger of this Lease or of the leasehold estate created hereby with the fee title to the Project, notwithstanding that this Lease or said leasehold estate and said fee title shall be owned by the same Person or Persons, without the prior written consent of such Lender;

(2) the City shall serve upon each such Lender (at the address, if any, provided to the City) a copy of each notice of the occurrence of an Event of Default and each notice of termination given to the Company under this Lease, at the same time as such notice is served upon the Company. No such notice to the Company shall be effective unless a copy thereof is thus served upon each Lender (at the address, if any, provided to the City);

(3) each Lender shall have the same period of time which the Company has, after the service of any required notice upon it, within which to remedy or cause to be remedied any payment default under this Lease which is the basis of the notice plus thirty (30) days, and the City shall accept performance by such Lender as timely performance by the Company;

(4) the City may exercise any of its rights or remedies with respect to any other Event of Default by the Company, subject to the rights of each Lender under this **Section 10.4(c)** as to such other events of default. Without limiting the generality of the foregoing, any Lender

holding a Mortgage of the fee simple interest or leasehold interest in the Project may cause the sale of the fee simple interest or any leasehold interest of the Company, as applicable, to be sold at foreclosure sale conducted in accordance with applicable law and the terms of the Mortgage, may accept assignment of this Lease in lieu of foreclosure and may appoint a receiver for the Project, all without obtaining the prior written consent of the City (provided that the City's right to exercise remedies under this Lease against any successor in interest shall not be reduced by virtue of such transfer);

(5) upon the occurrence and continuance of an Event of Default by the Company under this Lease, other than a default in the payment of money, the City shall take no action to effect a termination of this Lease by service of a notice or otherwise, without first giving notice thereof to each such Lender and permitting such Lender (or its designee, nominee, assignee, or transferee) a reasonable time within which to remedy such default in the case of an Event of Default which is susceptible of being cured (provided that the period to remedy such event of default shall continue beyond any period set forth in the Lease to effect said cure so long as the Lender (or its designee, nominee, assignee, or transferee) is diligently prosecuting such cure); provided that the Lender (or its designee, nominee, assignee, or transferee) shall pay or cause to be paid to the City and the Trustee all expenses, including reasonable counsel fees, court costs and disbursements incurred by the City or the Trustee in connection with any such default;

(6) such Lenders (and their designees, nominees, assignees, or transferees) shall have the right to enter, possess and use the Project at such reasonable times and manner as are necessary or desirable to effectuate the remedies and enforce their respective rights under the Mortgage(s); and

(7) Any notice sent by the Company to the City and the Trustee pursuant to any provision of this Lease shall also be sent to the Lender.

(d) In connection with the execution of one or more Mortgages, upon the request of the Company, the City agrees to execute such documents as shall be reasonably requested by a Lender and which are usual and customary in connection with the closing of the financing or refinancing pursuant to the Mortgage, provided that the City shall not be required to undertake any duties or payment obligations under such documents and shall make only such representations as it deems appropriate in its sole discretion. The Company agrees to reimburse the City for any and all costs and expenses incurred by the City pursuant to this Section, including reasonable attorneys' fees and expenses, in complying with such request.

(e) Notwithstanding anything contained to the contrary in this Lease, (a) the Company shall have the right to assign this Lease and any subleases to a Lender or to the designee or nominee of a Lender, without the consent of the City, and (b) if a Lender or its designee or nominee shall acquire ownership of the leasehold estate, either following foreclosure of the applicable Mortgage or in liquidation of the indebtedness and in lieu of foreclosure thereof, said Lender or its designee or nominee shall have the further right to further assign this Lease and any subleases and any purchase money mortgage accepted in connection therewith, without the consent of the City and such assignee shall enjoy all rights, powers and privileges granted herein to said Lender; provided, however, that such Lender or its assignee or nominee, or their assignee or nominee, shall assume in writing all rights, duties and obligations of the Company under this Lease.

(f) During the term of any Mortgage, the following provisions shall apply:

(i) this Lease may not be modified, amended, canceled or surrendered by agreement between the City and the Company, without the prior written consent of the applicable Lender;

(ii) if this Lease shall terminate prior to the expiration of the Lease Term, the City shall enter into a new lease for the Project with the applicable Lender or its designee or nominee, for the remainder of the Lease Term, effective as of the date of such termination, at the same rent and upon the same terms, covenants and conditions contained herein, except that such new lease shall not guarantee possession of the Project to the new tenant as against the Company and/or anyone claiming under the Company, and the City, simultaneously with the execution and delivery of such new lease, shall turn over to the new tenant all monies, if any, then held by the City under the Lease on behalf of the Company, on condition that:

(A) The applicable Lender shall make written request for such new lease within thirty (30) days after the date of such termination, and

(B) on the commencement date of the term of the new lease, the applicable Lender shall cure all defaults of the Company under the Lease (susceptible of being cured by such Lender) which remain uncured on that date, and shall pay or cause to be paid all unpaid sums which at such time would have been payable under this Lease but for such termination, and shall pay or cause to be paid to the City on that date all fees, costs, charges and expenses, including, without limitation, reasonable counsel fees, court costs and disbursements, incurred by the City or the Trustee in connection with any such default and termination as well as in connection with the execution and delivery of such new lease;

(iii) if a Lender or its designee or nominee shall become the owner of this Lease either following foreclosure of a Mortgage or in liquidation of the indebtedness and in lieu of foreclosure thereof and said Lender or its designee or nominee shall have assigned this Lease, said Lender or its designee or nominee so assigning shall be released from all liability accruing from and after the date of such assignment.

(g) The City agrees that any requested consent or signature of the City to any Mortgage under this Section (including any related document, including but not limited to documents subordinating the City's fee interest in the Project Site or any portion thereof to a Mortgage) may be given by the (Interim) City Manager, in his or her discretion, without further approval of the City Council. The City agrees that if a Mortgage on the fee interest in the Project Site is granted that this Lease shall be subject to, and subordinate to, any such Mortgage and that the Lender will not be required to grant any rights of nondisturbance with respect to this Lease.

Section 10.5. Indemnification of City and Trustee. The Company shall indemnify and save and hold harmless the City and the Trustee and their governing body members, officers, agents and employees (collectively, the "Indemnified Parties") from and against all claims, demands, costs, liabilities, damages or expenses, including attorneys' fees, by or on behalf of any person, firm or corporation arising from the issuance of the Bonds and the execution of this Lease, the Indenture or any other documents entered into in connection with the Bonds and from the conduct or management of, or from any work or thing done in or on the Project during the Lease Term, and against and from all claims, demands, costs, liabilities, damages or expenses, including attorneys' fees, arising during the Lease Term from (a) any condition of the Project, (b) any breach or default on the part of the Company in the performance of any of its obligations under this Lease or any related document, (c) any contract entered into by the Company in connection with the purchase, renovation, construction, extension or

improvement of the Project (including any failure to comply with Section 107.170 of the Missouri Revised Statutes, as amended, with respect to such contract), (d) any act of negligence of the Company or of any of its agents, contractors, servants, employees or licensees, (e) unless the Company has been released from liability pursuant to **Section 13.1(c)**, any act of negligence of any assignee or sublessee of the Company, or of any agents, contractors, servants, employees or licensees of any assignee or sublessee of the Company, (f) obtaining any applicable state and local sales and use tax exemptions for materials or goods that become part of the Project, and (g) any claim relating to the presence on, escape or removal from the Project during the term of the Lease of any hazardous substance or other material regulated by any applicable Environmental Law, or compliance with any applicable Environmental Law, whether such claim arises before, during or after the term of this Lease, including claims relating to personal injury or damage to property; provided, however, the indemnification contained in this **Section 10.5** shall not (i) extend to the City if such claims, demands, costs, liabilities, damages or expenses, including attorneys' fees, are the result of work being performed at the Project by employees of the City or the result of negligence or willful misconduct by the City (unless relating to a failure to comply with Section 107.170 of the Missouri Revised Statutes, as amended), or (ii) extend to the Trustee if such claims, demands, costs, liabilities, damages or expenses, including attorneys' fees, are the result of the negligence or willful misconduct of the Trustee or (iii) the performance or failure to perform by the City or the Trustee of its obligations under this Lease or any related documents. Upon notice from the City or the Trustee, the Company shall defend them or either of them in any such action or proceeding. This **Section 10.5** shall survive any termination of this Lease or the satisfaction and discharge of the Indenture.

In case any action shall be brought against one or more of the Indemnified Parties based upon the foregoing indemnification and in respect of which indemnity may be sought against the Company, the Indemnified Parties shall promptly notify the Company in writing and the Company shall promptly assume the defense thereof, including the employment of counsel, the payment of all reasonable expenses and the right to negotiate and consent to settlement. If the Company shall have wrongfully failed to assume the defense of such action, the reasonable fees and expenses of counsel retained by the Indemnified Party shall be paid by the Company. If any of the Indemnified Parties is advised by counsel retained by the Company to defend such action that there may be legal defenses available to it which are adverse to or in conflict with those available to the Company or any other Indemnified Party, and that the defense of such Indemnified Party should be handled by separate counsel, the Company shall not have the right to assume the defense of such Indemnified Party, but shall be responsible for the reasonable fees and expenses of counsel retained by such Indemnified Party in assuming its own defense, provided, such counsel shall be acceptable to the Company. Any one or more of the Indemnified Parties shall have the right to employ separate counsel in any such action and to participate in the defense thereof, but the fees and expenses of such counsel shall be at the expense of such Indemnified Party or Indemnified Parties unless employment of such counsel has been specifically authorized by the Company. The Company shall not be liable for any settlement of any such action effected without its consent by any of the Indemnified Parties, but if settled with the consent of the Company or if there be a final judgment for the plaintiff in any such action against the Company or any of the Indemnified Parties, with or without the consent of the Company, the provided that the Company was given prompt written notice and the ability to assume the defense thereof as required by this paragraph, the Company agrees to indemnify and hold harmless the Indemnified Parties to the extent provided herein.

Section 10.6. Depreciation, Investment Tax Credit and Other Tax Benefits. The City agrees that any depreciation, investment tax credit or any other tax benefits with respect to the Project or any part thereof shall be made available to the Company, and the City will fully cooperate with the Company in any effort by the Company to avail itself of any such depreciation, investment tax credit or other tax benefits.

Section 10.7. Company to Maintain its Corporate Existence. The Company agrees that until the Bonds are paid or payment is provided for in accordance with the terms of the Indenture, it will maintain its corporate existence, and will not dissolve or otherwise dispose of all or substantially all of its assets; provided, however, that the Company may, without violating the agreement contained in this Section, consolidate with or merge into another domestic corporation (i.e., a corporation incorporated and existing under the laws of one of the states of the United States) or permit one or more other domestic corporations to consolidate with or merge into it, or may sell or otherwise transfer to another domestic corporation all or substantially all of its assets as an entirety and thereafter dissolve, provided, the surviving, resulting or transferee corporation either (A) becomes, in connection with the consolidation, merger or sale of assets becomes the Owner of 100% in principal amount of the Bonds outstanding and expressly assumes in writing all of the obligations of the Company contained in this Lease, or (B) if not the Owner of 100% in principal amount of the Bonds outstanding, expressly assumes in writing all the obligations of the Company contained in this Lease; and, further provided, that if not the Owner of 100% in principal amount of the Bonds outstanding, the surviving, resulting or transferee corporation, as the case may be, has a consolidated net worth (after giving effect to said consolidation, merger or transfer) at least (i) equal to or greater than that of the Company immediately prior to said consolidation, merger or transfer, or (ii) \$10,000,000. The term “net worth,” as used in this Section, shall mean the difference obtained by subtracting total liabilities (not including as a liability any capital or surplus item) from total assets of the Company and all of its subsidiaries. In any such consolidation, merger or transfer the Company shall comply with the provisions of **Section 13** hereof to the extent applicable.

Section 10.8. Security Interests. At the written request of the Owner of the Bonds, the City and the Company agree to enter into all instruments (including financing statements and statements of continuation) necessary for perfection of and continuance of the perfection of the security interests of the City and the Trustee in the Project. Upon the written instructions of the Owner of the Bonds, the Trustee, at the Company’s expense, shall file all instruments the Owner of the Bonds shall deem necessary to be filed and shall continue or cause to be continued the liens of such instruments for so long as the Bonds shall be Outstanding. The City and the Company shall cooperate with the Trustee in this regard by executing such continuation statements and providing such information as the Trustee may require to renew such liens.

ARTICLE XI

OPTION AND OBLIGATION TO PURCHASE THE PROJECT

Section 11.1. Option to Purchase the Project. The Company shall have, and is hereby granted, the option to purchase the Project at any time, upon payment in full of all Bonds then outstanding or provision for their payment having been made pursuant to **Article XIII** of the Indenture. To exercise such option the Company shall give written notice to the City and to the Trustee, and shall specify therein the date of closing such purchase, which date shall be not less than 15 nor more than 90 days from the date such notice is mailed unless otherwise agreed by the Company, the City and the Trustee, and in case of a redemption of the Bonds in accordance with the provisions of the Indenture, the Company shall make arrangements satisfactory to the Trustee for the giving of the required notice of redemption. Notwithstanding the forgoing, if the City or the Trustee provides notice of its intent to exercise its remedies hereunder (a “Remedies Notice”), the Company shall be deemed to have exercised its repurchase option under this subsection on the 29th day following the issuance of the Remedies Notice without any further action by the Company; provided said notice has not been rescinded by such date (such option to take place on the 29th day following the issuance of the Remedies Notice). The Company may rescind such exercise by providing written notice to the City and the Trustee on or prior to the 29th

day following the issuance of the Remedies Notice and by taking such action as may be required to cure the default that led to the giving of the Remedies Notice. The purchase price payable by the Company in the event of its exercise of the option granted in this subsection shall be the sum of the following:

- (1) an amount of money which, when added to the amount then on deposit in the Bond Fund, will be sufficient to redeem all the then outstanding Bonds on the earliest redemption date next succeeding the closing date, including, without limitation, principal and interest to accrue to said redemption date and redemption expense; plus
- (2) an amount of money equal to the Trustee's agreed to and reasonable fees, charges and expenses under the Indenture accrued and to accrue until such redemption of the Bonds; plus
- (3) an amount of money equal to all PILOT Payments due and payable through the end of the calendar year in which the date of purchase occurs; plus
- (4) the sum of \$100.00.

At its option, to be exercised at least 5 days prior to the date of closing such purchase, the Company may deliver to the Trustee for cancellation Bonds not previously paid, and the Company shall receive a credit against the purchase price payable by the Company in an amount equal to 100% of the principal amount of the Bonds so delivered for cancellation, plus the accrued interest thereon.

Section 11.2. Conveyance of the Project. At the closing of the purchase of the Project pursuant to this Article, the City will upon receipt of the purchase price deliver to the Company the following:

- (a) If the Indenture shall not at the time have been satisfied in full, a release from the Trustee of the Project from the lien and/or security interest of the Indenture and this Lease and appropriate termination of financing statements as required under the Uniform Commercial Code; and
- (b) Documents, including without limitation a deed as to the Project Site, conveying to the Company legal title to the Project, as it then exists, in recordable form, subject to the following: (i) those liens and encumbrances, if any, to which title to the Project was subject when conveyed to the City; (ii) those liens and encumbrances created by the Company or to the creation or suffering of which the Company consented; (iii) those liens and encumbrances resulting from the failure of the Company to perform or observe any of the agreements on its part contained in this Lease; (iv) Permitted Encumbrances other than the Indenture and this Lease; and (v) if the Project or any part thereof is being condemned, the rights and title of any condemning authority.

Section 11.3. Relative Position of Option and Indenture. The options and obligation to purchase the Project granted to the Company in this Article shall be and remain prior and superior to the Indenture and may be exercised whether or not the Company is in default under this Lease, provided that such default will not result in nonfulfillment of any condition to the exercise of any such option and further provided that all options herein granted shall terminate upon the termination of this Lease.

Section 11.4. Obligation to Purchase the Project. As additional consideration for the Company's use of the Project, the Company hereby agrees to purchase, and the City hereby agrees to sell, the Project upon the occurrence of (a) the expiration of the Lease Term following full payment of the Bonds or provision for payment thereof having been made in accordance with the provisions of the

Indenture, and (b) the final PILOT Payment due hereunder. The amount of the purchase price under this Section shall be \$100 plus an amount sufficient to redeem all the then Outstanding Bonds, plus accrued interest and the reasonable fees and expenses of the City and the Trustee. If the Company fails to complete the purchase of the Project at the time required by this Section, the City is specifically authorized to convey the Project back to the Company with or without terminating this Lease and, in such case, may unilaterally terminate this Lease by an instrument signed by the City alone.

ARTICLE XII

DEFAULTS AND REMEDIES

Section 12.1. Events of Default. If any one or more of the following events shall occur and be continuing, it is hereby defined as and declared to be and to constitute an “Event of Default” or “default” under this Lease:

(a) Default in the due and punctual payment of Basic Rent for a period of 5 days following written notice to the Company by the City or the Trustee; or

(b) Default in the due and punctual payment of Additional Rent for a period of 30 days following written notice to the Company by the City or the Trustee; or

(c) Default in the due observance or performance of any other covenant, agreement, obligation or provision of this Lease on the Company’s part to be observed or performed, and such default shall continue for 60 days after the City or the Trustee has given the Company written notice specifying such default (or such longer period as shall be reasonably required to cure such default; provided that (1) the Company has commenced such cure within said 60 day period, and (2) the Company diligently prosecutes such cure to completion); or

(d) The Company: (1) admits in writing its inability to pay its debts as they become due; or (2) files a petition in bankruptcy or for reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under the Bankruptcy Code as now or in the future amended or any other similar present or future federal or state statute or regulation, or files a pleading asking for such relief; or (3) make an assignment for the benefit of creditors; or (4) consents to the appointment of a trustee, receiver or liquidator for all or a major portion of its property or fails to have the appointment of any trustee, receiver or liquidator made without the Company’s consent or acquiescence, vacated or set aside; or (5) is finally adjudicated as bankrupt or insolvent under any federal or state law; or (6) is subject to any proceeding, or suffers the entry of a final and non-appealable court order, under any federal or state law appointing a trustee, receiver or liquidator for all or a major part of its property or ordering the winding-up or liquidation of its affairs, or approving a petition filed against it under the Bankruptcy Code, as now or in the future amended, which order or proceeding, if not consented to by it, is not dismissed, vacated, denied, set aside or stayed within 90 days after the day of entry or commencement; or (7) suffers a writ or warrant of attachment or any similar process to be issued by any court against all or any substantial portion of its property, and such writ or warrant of attachment or any similar process is not contested, stayed, or is not released within 60 days after the final entry, or levy or after any contest is finally adjudicated or any stay is vacated or set aside; or

(e) the Company vacates, abandons, ceases operations, fails to occupy or is ejected from the Project Site or any material portion thereof, and the same remains uncared for or abandoned for a period of 180 days; or

(f) the Project is operated for a purpose other than as an ambulatory surgery center offering oral surgery under general anesthesia to Medicaid and Medicare patients, as well as hospital-grade pediatric dentistry, for a period of 180 days.

Section 12.2. Remedies on Default. If any Event of Default referred to in **Section 12.1** hereof has occurred and continues beyond the period provided to cure, then the City may at the City's election (subject, however, to any restrictions against acceleration of the maturity of the Bonds or termination of this Lease in the Indenture), then or at any time thereafter, and while such default continues, take any one or more of the following actions:

(a) cause all amounts payable with respect to the Bonds for the remainder of the term of this Lease to become due and payable after giving ten (10) days prior written notice thereof to the Company, as provided in the Indenture; or

(b) give the Company written notice of the City's intention to terminate this Lease on a date specified therein, which date shall not be earlier than 30 days after such notice is given, and if all defaults have not then been cured, on the date so specified, the Owners shall tender or be deemed to have tendered the outstanding principal amount of the Bonds for cancellation with instruction that such tender is in lieu of payment in accordance with **Section 11.1** hereof and this Lease shall thereupon be terminated, and the City will promptly convey the Project in accordance with **Section 11.2** hereof.

Section 12.3. Survival of Obligations. The Company covenants and agrees with the City and Owners that those of its obligations under this Lease which by their nature require performance after the end of the term of this Lease, or which are expressly stated herein as intended to survive expiration or termination of this Lease, shall survive the cancellation and termination of this Lease, for any cause.

Section 12.4. Performance of the Company's Obligations by the City. If an Event of Default occurs as a result of any failure by the Company, then the City, or the Trustee in the City's name, may (but shall not be obligated so to do) upon the continuance of such failure on the Company's part for 30 days after written notice of such failure is given to the Company by the City or the Trustee, and without waiving or releasing the Company from any obligation hereunder, as an additional but not exclusive remedy, make any such payment or perform any such obligation, and all reasonable sums so paid by the City or the Trustee and all necessary incidental reasonable costs and expenses incurred by the City or the Trustee (including, without limitation, attorneys' fees and expenses incurred by the City or the Trustee) in performing such obligations shall be deemed Additional Rent and shall be paid to the City or the Trustee on demand, and if not so paid by the Company, the City or the Trustee shall have the same rights and remedies provided for in **Section 12.2** hereof in the case of default by the Company in the payment of Basic Rent.

Section 12.5. Rights and Remedies Cumulative. The rights and remedies reserved by the Trustee, the City and the Company hereunder and those provided by law shall be construed as cumulative and continuing rights. No one of them shall be exhausted by the exercise thereof on one or more occasions. The Trustee, the City and the Company shall each be entitled to specific performance and injunctive or other equitable relief for any breach or threatened breach of any of the provisions of this

Lease, notwithstanding availability of an adequate remedy at law, and each party hereby waives the right to raise such defense in any proceeding in equity.

Section 12.6. Waiver of Breach. No waiver of any breach of any covenant or agreement herein contained shall operate as a waiver of any subsequent breach of the same covenant or agreement or as a waiver of any breach of any other covenant or agreement, and in case of a breach by the Company of any covenant, agreement or undertaking by the Company, the Trustee or the City may nevertheless accept from the Company any payment or payments hereunder without in any way waiving the Trustee or the City's right to exercise any of its rights and remedies provided for herein with respect to any such breach or breaches of the Company which were in existence at the time such payment or payments were accepted by the Trustee or the City.

Section 12.7. Trustee's Exercise of the City's Remedies. Whenever any Event of Default shall have occurred and be continuing, the Trustee may, but except as otherwise provided in the Indenture shall not be obliged to, exercise any or all of the rights of the City under this Article, upon notice as required of the City unless the City has already given the required notice. In addition, the Trustee shall have available to it all of the remedies prescribed by the Indenture.

ARTICLE XIII

ASSIGNMENT AND SUBLEASE

Section 13.1. Assignment; Sublease.

(a) The Company may assign, transfer, encumber or dispose of this Lease or any interest therein or part thereof for any lawful purpose under the Act. With respect to any assignment, the Company shall comply with the following conditions:

(1) The Company shall obtain the prior written consent of the City, which consent shall not be unreasonably withheld, conditioned or delayed, to each assignment, unless such sale, transfer or assignment is to an entity controlled by or under common control with or controlling the Company, or such sale, transfer or assignment is otherwise permitted under **Section 10.7** hereof, in which event no written consent of the City shall be required, but, in such event, the Company shall provide the City with advance written notice of such assignment;

(2) Such assignment shall be in writing, duly executed and acknowledged by the assignor and in proper form for recording;

(3) Such assignment shall include the entire then unexpired term of this Lease; and

(4) A duplicate original of such assignment shall be delivered to the City and the Trustee within 10 days after the execution thereof, together with an assumption agreement, duly executed and acknowledged by the assignee in proper form for recording, by which the assignee shall assume all of the terms, covenants and conditions of this Lease on the part of the Company to be performed and observed.

(b) The Company shall have the right to sublet all or any part of the Project to a single entity for any lawful purpose under the Act. The Company shall, within 10 days after the delivery thereof, furnish or cause to be furnished to the City and the Trustee a true and correct copy of each such sublease.

Any sublease may provide, at the Company's option, that the City's consent shall not be required in respect of any further subletting thereunder if such further subletting is for a similar purpose as the original sublease and is for a purpose permissible under the Act. Nothing in this Lease shall allow the City to disturb the rights of a sublessee to use the Project under the terms and conditions as set forth in such sublessee's sublease with the Company, provided that this sentence shall not limit any remedy that the City may seek to impose on the Company in case of an Event of Default including but not limited to termination of this Lease.

(c) Any assignee of all the rights of the Company shall agree to be bound by the terms of this Lease and any other documents related to the issuance of the Bonds. Upon such assignment of all the rights of the Company and agreement by the assignee to be bound by the terms of this Lease and any other documents related to the Bonds, the Company shall be released from and have no further obligations under this Lease or any agreement related to the issuance of the Bonds.

Section 13.2. Assignment of Revenues by City. The City shall assign and pledge any rents, revenues and receipts receivable under this Lease, to the Trustee pursuant to the Indenture as security for payment of the principal of, interest and premium, if any, on the Bonds and the Company hereby consents to such pledge and assignment. The City and the Company recognize that the Trustee is a third party creditor beneficiary of this Lease.

Section 13.3. Prohibition Against Fee Mortgage of Project. Except as otherwise set forth in **Section 10.4**, the City shall not mortgage its fee interest in the Project, but may assign its interest in and pledge any moneys receivable under this Lease to the Trustee pursuant to the Indenture as security for payment of the principal of and interest on the Bonds.

Section 13.4. Restrictions on Sale or Encumbrance of Project by City. During this Lease Term, the City agrees that, except to secure the Bonds to be issued pursuant to the Indenture, it will not sell, assign, encumber, transfer or convey the Project or any interest therein, but may assign its interest in and pledge any moneys receivable under this Lease to the Trustee pursuant to the Indenture as security for payment of the principal of and interest on the Bonds.

ARTICLE XIV

AMENDMENTS, CHANGES AND MODIFICATIONS

Section 14.1. Amendments, Changes and Modifications. Except as otherwise provided in this Lease or in the Indenture, subsequent to the issuance of Bonds and prior to the payment in full of the Bonds (or provision for the payment thereof having been made in accordance with the provisions of the Indenture), this Lease may not be effectively amended, changed, modified, altered or terminated without the prior written consent of the Trustee, given in accordance with the provisions of the Indenture.

ARTICLE XV

MISCELLANEOUS PROVISIONS

Section 15.1. Notices. All notices, certificates or other communications required or desired to be given hereunder shall be in writing and shall be governed by **Section 1403** of the Indenture.

Section 15.2. City Shall Not Unreasonably Withhold Consents and Approvals. Wherever in this Lease it is provided that the City shall, may or must give its approval or consent, or execute supplemental agreements or schedules, the City shall not unreasonably, arbitrarily or unnecessarily withhold or refuse to give such approvals or consents or refuse to execute such supplemental agreements or schedules; provided, however, that nothing in this Lease shall be interpreted to affect the City's rights to approve or deny any additional project or matter unrelated to the Project subject to zoning, building permit or other regulatory approvals by the City.

Section 15.3. Net Lease. The parties hereto agree (a) that this Lease shall be deemed and construed to be a net lease, (b) that the payments of Basic Rent are designed to provide the City and the Trustee funds adequate in amount to pay all principal of and interest accruing on the Bonds as the same become due and payable, (c) that to the extent that the payments of Basic Rent are not sufficient to provide the City and the Trustee with funds sufficient for the purposes aforesaid, the Company shall be obligated to pay, and it does hereby covenant and agree to pay, upon demand therefor, as Additional Rent, such further sums of money, in cash, as may from time to time be required for such purposes, and (d) that if after the principal of and interest on the Bonds and all costs incident to the payment of the Bonds (including the fees and expenses of the City and the Trustee) have been paid in full the Trustee or the City holds unexpended funds received in accordance with the terms hereof such unexpended funds shall, after payment therefrom of all sums then due and owing by the Company under the terms of this Lease, and except as otherwise provided in this Lease and the Indenture, become the absolute property of and be paid over forthwith to the Company.

Section 15.4. Limitation on Liability of City. No provision, covenant or agreement contained in this Lease, the Indenture or the Bonds, or any obligation herein or therein imposed upon the City, or the breach thereof, shall constitute or give rise to or impose upon the City a pecuniary liability or a charge upon the general credit or taxing powers of the City or the State of Missouri.

Section 15.5. Governing Law. This Lease shall be construed in accordance with and governed by the laws of the State of Missouri.

Section 15.6. Binding Effect. This Lease shall be binding upon and shall inure to the benefit of the City and the Company and their respective successors and assigns.

Section 15.7. Severability. If for any reason any provision of this Lease shall be determined to be invalid or unenforceable, the validity and enforceability of the other provisions hereof shall not be affected thereby.

Section 15.8. Execution in Counterparts. This Lease may be executed in several counterparts, each of which shall be deemed to be an original and all of which shall constitute but one and the same instrument.

Section 15.9. Electronic Storage and Notice. The parties hereto agree that the transaction described herein may be conducted and related documents may be stored by electronic means. Copies, telecopies, facsimiles, electronic files and other reproductions of original executed documents shall be deemed to be authentic and valid counterparts of such original documents for all purposes, including the filing of any claim, action or suit in the appropriate court of law. If the Company elects to give instructions by electronic notice to the Trustee, the Trustee may deem such instructions controlling. The Trustee shall not be liable for any losses, costs or expenses arising directly or indirectly from the Trustee's reliance upon and compliance with such instructions notwithstanding such instructions conflict or are inconsistent with a subsequent written instruction. The Company agrees to assume all risks arising

out of the use of such electronic notice to submit instructions and directions to the Trustee, including without limitation the risk of the Trustee acting on unauthorized instructions, and the risk or interception and misuse by third parties.

Section 15.10. Satisfaction of the Company's Obligations. Any obligation of the Company under this Lease, including, but not limited to, the obligations of the Company to pay Basic Rent, Additional Rent and to maintain insurance as required herein, may be performed by a member of the Company, and such performance by a member of the Company shall be treated as though the obligation were performed by the Company.

Section 15.11 Complete Agreement. THE COMPANY AND THE CITY UNDERSTAND THAT ORAL OR UNEXECUTED AGREEMENTS OR COMMITMENTS TO LOAN MONEY, EXTEND CREDIT OR TO FORBEAR FROM ENFORCING REPAYMENT OF A DEBT INCLUDING PROMISES TO EXTEND OR RENEW SUCH DEBT ARE NOT ENFORCEABLE. TO PROTECT THE COMPANY AND THE CITY FROM MISUNDERSTANDING OR DISAPPOINTMENT, ANY AGREEMENTS THE COMPANY AND THE CITY REACH COVERING SUCH MATTERS ARE CONTAINED IN THIS LEASE, WHICH ARE THE COMPLETE AND EXCLUSIVE STATEMENTS OF THE AGREEMENT BETWEEN THE COMPANY AND THE CITY, EXCEPT AS THE COMPANY AND THE CITY MAY LATER AGREE IN WRITING TO MODIFY THIS LEASE.

Section 15.12. Employee Verification. The Company will comply with and satisfy the requirements of Section 285.530.2, RSMo., as amended, which requires (1) 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 (2) 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 Company shall provide such affidavits and documentation to the City on or before December 1 of each year during the term of this Lease, beginning December 1, 2026, and also upon execution of this Lease.

[Remainder of this page intentionally left blank]

IN WITNESS WHEREOF, the parties hereto have caused this Lease to be executed in their respective names by their duly authorized signatories, all as of the date first above written.

CITY OF INDEPENDENCE, MISSOURI

By: _____
Name: Lisa Reynolds
Title: Interim City Manager

[SEAL]

ATTEST:

By: _____
Name: Susanne Holland
Title: City Clerk

MKEL HOLDINGS, LLC,
a Missouri limited liability company

By: _____
Name:
Title:

Lease Agreement
Independence (Surgery Center Project)

EXHIBIT A

PROJECT SITE

The following described real estate located in Jackson County, Missouri:

All of Lot 4, "HARTMAN HERITAGE CENTER FIFTH PLAT, LOTS 4 AND 4A", a subdivision in Independence, Jackson County, Missouri recorded January 14, 2008 as Document No. 2001I0001898, in Plat Book I-68, Page 68.

EXHIBIT B

PROJECT IMPROVEMENTS

The Project Improvements consist of the following, to the extent paid for in whole with Bond proceeds:

Renovating, improving and expanding an abandoned restaurant facility of approximately 5,500 square feet into a private ambulatory surgery center offering oral surgery under general anesthesia to Medicaid and Medicare patients, as well as hospital-grade pediatric dentistry. The expansion will add approximately 3,000 square feet to the existing facility.

EXHIBIT C

FORM OF REQUISITION CERTIFICATE

Requisition No. _____
Date: _____

REQUISITION CERTIFICATE

TO: BOKF, N.A., AS TRUSTEE UNDER A TRUST INDENTURE DATED AS OF FEBRUARY 1, 2026, BETWEEN CITY OF INDEPENDENCE, MISSOURI, AND THE TRUSTEE, AND THE LEASE AGREEMENT DATED AS OF FEBRUARY 1, 2026, BETWEEN CITY OF INDEPENDENCE, MISSOURI AND MKEL HOLDINGS, LLC.

The undersigned Authorized Company Representative hereby states and certifies that:

1. A total of \$_____ is requested to pay for Project Costs (as defined in the Indenture) of the Project Improvements. The total amount of this requisition and all prior requisitions are as follows:

<u><i>Date of Project Costs</i></u>	<u><i>Amount Submitted in this Requisition</i></u>	<u><i>Requisitions Submitted to Date (Including this Requisition)</i></u>

2. Said Project Costs shall be paid in whole from Bond proceeds in such amounts, to such payees and for such purposes as set forth on **Schedule 1** hereto.

3. Each of the items for which payment is requested are or were desirable and appropriate in connection with the renovation, construction and improvement of the Project (as defined in the Trust Indenture), have been properly incurred and are a proper charge against the Project Fund, and have been paid by the Company or are justly due to the Persons whose names and addresses are stated on **Schedule 1**, and have not been the basis of any previous requisition from the Project Fund.

4. As of this date, except for the amounts referred to above, to the best of my knowledge there are no outstanding disputed statements for which payment is requested for labor, wages, materials, supplies or services in connection with the renovation, construction and improvement of the Project which, if unpaid, might become the basis of a vendors', mechanics', laborers' or materialmen's statutory or similar lien upon the Project or any part thereof.

With respect to this disbursement, the undersigned (i) certifies it has reviewed any wire instructions set forth herein to confirm such wire instructions are accurate, (ii) agrees to indemnify and hold harmless the Trustee from and against any and all claim, demand, loss, liability, or expense sustained, including but not

limited to attorney fees, and expenses resulting directly or indirectly as a result of making the disbursement requested hereunder, and (iii) agrees it will not seek recourse from the Trustee as a result of losses incurred by it for making the disbursement in accordance with its instructions herein.

MKEL HOLDINGS, LLC

By: _____
Authorized Company Representative

SCHEDULE 1 TO REQUISITION CERTIFICATE

PROJECT COSTS

<u>Payee and Address</u>	<u>Description</u>	<u>Amount</u>
--------------------------	--------------------	---------------

EXHIBIT D

FORM OF CERTIFICATE OF INSURANCE COMPLIANCE

The undersigned, being the Authorized Company Representative for MKEL Holdings, LLC, as tenant (the “Company”), under a certain Lease Agreement dated as of February 1, 2026, between the City of Independence, Missouri (the “City”), and the Company (the “Lease”), and as beneficiary of the City’s Taxable Industrial Development Revenue Bonds (Surgery Center Project), Series 2026, issued pursuant to a certain Trust Indenture dated as of February 1, 2026 (the “Indenture”), hereby certifies pursuant to Article VII of Lease:

1. All capitalized terms used in this Certificate and not otherwise defined herein shall have the meanings set forth in the Lease.

2. The policies of insurance required to in place pursuant to Article VII of the Lease are effective and the premiums with respect thereto have been paid in full as of the date set forth below. Such policies comply with the terms and provisions set forth in Article VII, and the Company is in compliance with the provisions of Article VII.

3. The undersigned will notify the Trustee 10 days prior to any cancellation or material change to such policies; the policies currently in effect have an expiration date of _____, 20__.

4. The Trustee may conclusively rely on this Certificate of Insurance Compliance without further investigation.

5. Attached hereto are insurance certificates showing compliance with the liability and casualty insurance requirements of Article VII of the Lease.

IN WITNESS WHEREOF, the undersigned Authorized Company Representative has signed this Certificate, and the statements of fact made in this Certificate are true and correct.

Authorized Company Representative

Date: _____

ATTACHMENTS:

1. Liability insurance certificate(s)
2. Casualty insurance certificate(s)

Note: all insurance certificates must show the City and the Trustee as additional insureds.

APPENDIX I

PILOT PAYMENT SCHEDULE

<u>Year</u>	<u>Payment</u>
2026	\$31,859
2027	32,815
2028	32,815
2029	33,800
2030	33,800
2031	34,814
2032	34,814
2033	35,858
2034	35,858
2035	36,934
2036	44,344

\$3,530,000
(AGGREGATE MAXIMUM PRINCIPAL AMOUNT)
CITY OF INDEPENDENCE, MISSOURI
TAXABLE INDUSTRIAL DEVELOPMENT REVENUE BONDS
(SURGERY CENTER PROJECT)
SERIES 2026

DATED AS OF FEBRUARY 1, 2026

BOND PURCHASE AGREEMENT

Mayor and City Council
Independence, Missouri

Ladies and Gentlemen:

On January ___, 2026, the City of Independence, Missouri (the “City”) published a notice of sale for the above-referenced series of Taxable Industrial Development Revenue Bonds (the “Bonds”). The winning bidder was MKEL Holdings, LLC, a Missouri limited liability company (the “Company”).

On the basis of the representations, and covenants and upon the terms and conditions contained in this Bond Purchase Agreement, MKEL Holdings, LLC, a Missouri limited liability company (the “Purchaser”), offers to purchase the Bonds from the City, to be issued by the City, under and pursuant to an ordinance passed by the governing body of the City on February ___, 2026 (the “Ordinance”) and a Trust Indenture dated as of February 1, 2026 (the “Indenture”), by and between the City and BOKF, N.A., Kansas City, Missouri, as trustee (the “Trustee”). Capitalized terms not otherwise defined herein shall have the meanings set forth in **Section 101** of the Indenture.

SECTION 1. REPRESENTATIONS AND AGREEMENTS

(a) By the City’s acceptance hereof, the City hereby represents to the Purchaser that:

(1) The City is a constitutional charter city and municipal corporation duly organized and validly existing under the laws of the State of Missouri. The City is authorized under Article VI, Section 27(b) of the Missouri Constitution and Sections 100.010 through 100.200 of the Revised Statutes of Missouri, as amended, and its Charter to authorize, issue and deliver the Bonds and to consummate all transactions contemplated by this Bond Purchase Agreement, the Ordinance, the Indenture, the Lease and any and all other agreements relating thereto. The proceeds of the Bonds shall be used to finance the Project for MKEL Holdings, LLC, a Missouri limited liability company (the “Company”), and to pay for the costs incurred in connection with the issuance of the Bonds;

(2) There is no controversy, suit or other proceeding of any kind pending or threatened wherein or whereby any question is raised or may be raised, questioning, disputing or affecting in any way the legal organization of the City or its boundaries, or the right or title of any of its officers to their respective offices, or the legality of any official act leading up to the

issuance of the Bonds or the constitutionality or validity of the obligation represented by the Bonds or the validity of the Bonds, the Ordinance, the Lease or the Indenture; and

(3) Any certificate signed by an authorized representative of the City and delivered to the Purchaser shall be deemed a representation and warranty by the City to such party as to the statements made therein.

(b) The Purchaser represents as follows:

(1) The Purchaser is a limited liability company duly organized, validly existing and in good standing under the laws of the State of Missouri and is authorized to do business in the State of Missouri;

(2) The execution, delivery and performance of this Bond Purchase Agreement by the Purchaser has been duly authorized by all necessary action of the Purchaser and does not and will not conflict with or result in the breach of any of the terms, conditions or provisions of, or constitute a default under, its organizational documents, any law, court or administrative regulation, decree or order applicable to or binding upon the Purchaser, or, to the best of its knowledge, any agreement, indenture, mortgage, lease or instrument to which the Purchaser is a party or by which it is bound;

(3) When executed and delivered by the Purchaser, this Bond Purchase Agreement will be, and is, a legal, valid and binding obligation, enforceable in accordance with its terms, subject, as to enforcement, to any applicable bankruptcy, reorganization, insolvency, moratorium or other laws affecting the enforcement of creditors' rights generally and further subject to the availability of equitable remedies; and

(4) Any certificate signed by an authorized officer or agent of the Purchaser and delivered to the City shall be deemed a representation and warranty by the Purchaser to such party as to the statements made therein.

SECTION 2. PURCHASE, SALE AND DELIVERY OF THE BONDS

On the basis of the representations and covenants contained herein and in the other agreements referred to herein, and subject to the terms and conditions herein set forth and in the Indenture, the Purchaser agrees to purchase from the City and the City agrees to sell to the Purchaser the Bonds on the terms and conditions set forth herein.

The Bonds shall be sold to the Purchaser by the City on the Closing Date (hereinafter defined) upon payment of an amount equal to the Closing Price (hereinafter defined) for the Bonds, which amount shall be deposited in the Project Fund as provided in **Section 502** of the Indenture and shall thereafter on the Closing Date immediately be applied to the payment of Project Costs as provided in **Section 4.4** of the Lease. From time to time after the Closing Date as additional Project Costs are incurred, the Purchaser may make additional payments with respect to the Bonds ("Additional Payments") to the Trustee, which Additional Payments shall be deposited in the Project Fund and applied to the payment of Project Costs and the outstanding principal amount of the Bonds shall increase by each such Additional Payment; provided that the sum of the Closing Price and all such Additional Payments for the Bonds shall not, in the aggregate, exceed \$3,530,000.

As used herein, the term "Closing Date" shall mean February __, 2026, or such other date as shall be mutually agreed upon by the City and the Purchaser; the term "Closing Price" shall mean, with

respect to the Bonds, that certain amount specified in writing by the Purchaser and agreed to by the City as the amount required to fund the initial disbursement from the Project Fund on the Closing Date.

The Bonds shall be issued under and secured as provided in the Ordinance, the Indenture and the Lease authorized thereby and the Bonds shall have the maturity, interest rate and shall be subject to redemption as set forth therein. The delivery of the Bonds shall be made in definitive form as a fully registered bond in the maximum aggregate principal denomination of \$3,530,000; provided, that the principal amount of the Bonds outstanding at any time shall be that amount recorded in the official bond registration records of the Trustee and further provided that interest shall be payable on the Bonds only on the outstanding principal amount of the Bonds, as more fully provided in the Indenture.

The Company agrees to indemnify and hold harmless the City, the Trustee, and any member, officer, official or employee of the City or of the Trustee and any person controlling the Trustee within the meaning of Section 15 of the Securities Act of 1933, as amended (collectively, the "Indemnified Parties"), against any and all losses, claims, damages, liabilities or expenses whatsoever to the extent caused by any violation by the Company of, or failure by the Company to comply with, any federal or state securities laws in connection with the Bonds; provided, however, the indemnification contained in this paragraph shall not extend to such Indemnified Party if such loss, claim, damage, liability or expense is (a) the result of the Indemnified Party's negligence or willful misconduct, or (b) the Indemnified Party is not following the written instructions of the Owner of the Bonds.

In case any action shall be brought against one or more of the Indemnified Parties based upon the foregoing indemnification and in respect of which indemnity may be sought against the Company, the Indemnified Parties shall promptly notify the Company in writing and the Company shall promptly assume the defense thereof, including the employment of counsel, the payment of all expenses and the right to negotiate and consent to settlement. Any one or more of the Indemnified Parties shall have the right to employ separate counsel in any such action and to participate in the defense thereof, but the fees and expenses of such counsel shall be at the expense of such Indemnified Party or Indemnified Parties unless employment of such counsel has been specifically authorized by the Company. The Company shall not be liable for any settlement of any such action effected without its consent by any of the Indemnified Parties, but if settled with the consent of the Company or if there be a final judgment for the plaintiff in any such action against the Company or any of the Indemnified Parties, with or without the consent of the Company, then provided that the Company was given prompt written notice and the ability to assume the defense thereof as required by this paragraph, the Company agrees to indemnify and hold harmless the Indemnified Parties to the extent provided herein.

SECTION 3. CONDITIONS TO THE PURCHASER'S OBLIGATIONS

The Purchaser's obligations hereunder shall be subject to the due performance by the City of the City's obligations and agreements to be performed hereunder on or prior to the Closing Date and to the accuracy of and compliance with the City's representations contained herein, as of the date hereof and as of the Closing Date, and are also subject to the following conditions:

(a) There shall be delivered to the Purchaser on or prior to the Closing Date a duly executed copy of the Ordinance, the Indenture, this Agreement and the Lease and any other instrument contemplated thereby shall be in full force and effect and shall not have been modified or changed except as may have been agreed to in writing by the Purchaser;

(b) The City shall confirm on the Closing Date by a certificate that at and as of the Closing Date the City has taken all action necessary to issue the Bonds and that there is no controversy, suit or other proceeding of any kind pending or threatened wherein any question is

raised affecting in any way the legal organization of the City or the legality of any official act shown to have been done in the transcript of proceedings leading up to the issuance of the Bonds, or the constitutionality or validity of the indebtedness represented by the Bonds or the validity of the Bonds or any proceedings in relation to the issuance or sale thereof;

(c) The Company shall execute a certificate, dated the Closing Date, to the effect that (i) no litigation, proceeding or investigation is pending against the Company or its affiliates or, to the knowledge of the Company, threatened which would (A) contest, affect, restrain or enjoin the issuance, validity, execution, delivery or performance of the Bonds, or (B) in any way contest the existence or powers of the Company, (ii) no litigation, proceeding or investigation is pending or, to the knowledge of the Company, threatened against the Company that could reasonably be expected to adversely affect its ability to perform its obligations hereunder, (iii) the representations and warranties of the Company herein were and are true and correct in all material respects and not misleading as of the date made and as of the Closing Date, and (iv) such other matters as are reasonably requested by the other parties in connection with the issuance of the Bonds; and

(d) Receipt by the Purchaser and the Company of an approving opinion from Gilmore & Bell, P.C., in form and substance satisfactory to the Purchaser and the Company.

SECTION 4. THE PURCHASER'S RIGHT TO CANCEL

The Purchaser shall have the right to cancel its obligation hereunder to purchase the Bonds by notifying the City in writing of its election to make such cancellation at any time prior to the Closing Date.

SECTION 5. CONDITIONS OF OBLIGATIONS

The obligations of the parties hereto are subject to the receipt of the approving opinion of Gilmore & Bell, P.C., Bond Counsel, with respect to the validity of the authorization and issuance of the Bonds.

SECTION 6. REPRESENTATIONS AND AGREEMENTS TO SURVIVE DELIVERY

All of the representations and agreements by either party shall remain operative and in full force and effect, and shall survive delivery of the Bonds to the Purchaser.

SECTION 7. PAYMENT OF EXPENSES

The Company shall pay all reasonable expenses and costs to effect the authorization, preparation, issuance, delivery and sale of the Bonds.

SECTION 8. NOTICE

Any notice or other communication to be given to the City under this Agreement may be given by mailing or delivering the same in writing to the address of the City as provided in the Indenture for notices to the City required thereunder; any notice or other communication to be given to the Purchaser or the Company under this Agreement may be given by delivering the same in writing to the address of the Company as provided in the Indenture for notices to the Company thereunder.

SECTION 9. APPLICABLE LAW; ASSIGNABILITY

This Bond Purchase Agreement shall be governed by the laws of the State of Missouri and may be assigned by the Purchaser to any party to which the Lease is assigned, or otherwise may be assigned with the written consent of the City, which consent shall not be unreasonably withheld, conditioned or delayed.

SECTION 10. EXECUTION OF COUNTERPARTS; ELECTRONIC STORAGE

This Bond Purchase Agreement may be executed in several counterparts, each of which shall be regarded as an original and all of which shall constitute one and the same document. The parties agree that the transaction described herein may be conducted and related documents may be sent, received or stored by electronic means. Copies, telecopies, facsimiles, electronic files and other reproductions of original executed documents shall be deemed to be authentic and valid counterparts of such original documents for all purposes, including the filing of any claim, action or suit in the appropriate court of law.

[Remainder of this page intentionally left blank]

Very truly yours,

MKEL HOLDINGS, LLC,
a Missouri limited liability company

By: _____
Name:
Title:

Accepted and Agreed to:

CITY OF INDEPENDENCE, MISSOURI

By: _____
Name: Lisa Reynolds
Title: Interim City Manager

[SEAL]

ATTEST:

By: _____
Name: Susanne Holland
Title: City Clerk

City of Independence

AGENDA ITEM COVER SHEET

Agenda Title:

26-014 **1R** An ordinance approving a rezoning from District C-2 (General Commercial) to District R-12 (Two-Family Residential) for the properties located at 724 and 726 North Noland Road. **1R Read**

Recommendations:

Commissioner Ashbaugh made a motion to recommend approval to rezone 724-726 N Noland Rd from C-2 (General Commercial) to R-12 (Two-Family Residential). A second was made by Commissioner Nesbitt. The Independence Planning Commission voted as follows:

Commissioner Nesbitt – Yes

Commissioner Ferguson – Yes

Commissioner Ashbaugh – Yes

Commissioner O'Neill – Yes

Commissioner Torres – Yes

Commissioner Young – Yes

Commissioner Wiley – Yes

The motion passed, and such application is forwarded to the City Council for its consideration. Staff recommends approval of this application.

Background:

A request by Matthew Brown to rezone the property from C-2 (General Commercial) to R-12 (Two-Family Residential).

PROPERTY'S HISTORY:

The subject site is comprised of two tax parcels defined as a portion of Lot 21 and 23 of Flournoy's Addition recorded in 1879. The area was annexed to Independence in 1851. Jackson County property records indicate the subject site was developed in 1954.

Upon adoption of the Zoning Ordinance in 1965, the city assigned a C-3 (Commercial) zoning district designation to the subject site. Since the adoption of the Zoning Ordinance, the subject site has been assigned a commercial zoning district classification.

PROPOSAL:

The applicant has submitted a separate application for a minor subdivision to replat the two properties part of this rezoning request. Prior to approval of a minor subdivision, the zoning district classification will need to match the land use.

PHYSICAL CHARACTERISTICS OF THE PROPERTY:

The two properties part of this request consist of +/-13,880 ft² in area. The existing duplexes contain +/-1,230 ft² of building area each and feature stone facades and gable roofs.

CHARACTERISTICS OF THE AREA:

The subject site is located at the intersection of Noland Road and Nettleton Avenue. They are part of a mixed-use corridor along Noland Road, containing a variety of zoning district classifications and land uses, including various residential uses, medical services, personal services, and food establishments.

Consistency with *Independence for All*, Strategic Plan:

The proposed rezoning is supported by the Independence for All Strategic Plan to stabilize and revitalize neighborhoods. Rezoning the property to match its current land use will ensure its continued maintenance.

Comprehensive Plan Tools and Policies for the Current Designation:

Imagine Independence 2040 designates a residential future land use classification for the subject site. This future land use classification matches the current land and proposed land use. Additionally, this rezoning proposal is supported by Imagine Independence 2040's guiding principle to, "Improve and maintain housing stock in established neighborhoods."

Sub-Area Plans:

The subject site is not located within any sub-area plans.

Zoning:

The subject site does not conform with its zoning district designation and was developed before the city adopted the Zoning Ordinance. This proposed rezoning will correct the existing nonconformity.

Historic and Archeological Sites:

There are no apparent historic or archeological issues with this property.

Public Utilities:

Utilities already exist and are available on the subject site.

Floodplain/Stream Buffer:

The subject site is not affected by floodplains or stream buffers.

CIP Investments:

The city's Noland Multimodal Corridor project is scheduled for the 2026-2027 and 2027-2028 fiscal years. It will create 1.7 miles of multimodal transportation corridor along Noland Road from 24 Highway to Fair Street. This project includes adding dedicated North and South bound bike lanes, upgrading more than three miles of derelict sidewalks into ADA compliance, and adding updated push pedestrian signals buttons.

1. Conformance of the requested zoning with the Comprehensive Plan.

The Comprehensive Plan envisions residential uses for the area. Imagine Independence 2040 provides a guiding principle to, "Improve and maintain housing stock in established

neighborhoods.” Approval of this rezoning request will ensure the maintenance of housing stock.

- 2. Conformance of the requested zoning with any adopted neighborhood or sub-area plans in which the property is located or abuts.**

The subject site is not located within any sub area plans.

- 3. The compatibility of the proposed zoning with the zoning and use of nearby property, including any overlay zoning.**

A variety of zoning district classifications and land characterize the corridor. The proposed rezoning is compatible with the zoning and use of nearby properties.

- 4. The compatibility of the proposed zoning and allowed uses with the character of the neighborhood.**

The proposed R-12 zoning is compatible with the area’s existing neighborhoods to west and east.

- 5. The suitability of the subject property for the uses to which it has been restricted under the existing zoning regulations.**

The subject site historically has been occupied as two-family dwellings. This corrective rezoning will correct the contradiction between land use and zoning classification.

- 6. The length of time the subject property has remained vacant as zoned.**

The subject site is currently occupied.

- 7. The extent to which approving the rezoning will detrimentally affect nearby properties.**

The rezoning should have no detrimental effect on area properties. This rezoning aims to correct the contradictory land use and zoning classification.

- 8. The gain, if any, to the public health, safety, and welfare due to denial of the application, as compared to the hardship imposed upon the landowner, if any, as a result of denial of the application.**

If rezoning is denied, the nonconformity will remain.

Draft Planning Commission minutes are attached.

Emergency Justification:

Fiscal Impact:

Council Action:

Department / Contact	Community Development /
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REVIEWERS

Tom Scannell
Jeremy Cover
Lisa Reynolds
Susanne Holland

ATTACHMENTS:

1. Draft Ordinance 26-100-01
2. Rezoning Staff Report-26-100-01
3. Cover Letter
4. Application_Redacted
5. Notification Letter
6. Notification Addresses
7. Notification Area Map
8. Affidavit
9. Comprehensive Plan
10. Zoning Map
11. Draft Minutes

BILL NO. _____

ORDINANCE NO. _____

AN ORDINANCE APPROVING A REZONING FROM DISTRICT C-2 (GENERAL COMMERCIAL) TO DISTRICT R-12 (TWO-FAMILY RESIDENTIAL) FOR THE PROPERTIES LOCATED AT 724 AND 726 NORTH NOLAND ROAD.

WHEREAS, a request by the City of Independence to rezone the properties located at 724 and 726 North Noland Road from District C-2 (General Commercial) to District R-12 (Two-Family Residential) was referred to the Planning Commission as required by the Unified Development Ordinance; and,

WHEREAS, the Unified Development Ordinance provides for the approval of a rezoning following public hearings by the Planning Commission and City Council; and,

WHEREAS, after due public notice in the manner prescribed by law, the Planning Commission held a public hearing for the consideration of the request on January 13, 2026, and rendered a report to the City Council recommending the rezoning be approved by a vote of 7-0; and,

WHEREAS, in accordance with the Unified Development Ordinance, it was determined that the rezoning was consistent with the review criteria in Section 14-701-02; and,

WHEREAS, after due public notice in the manner prescribed by law, the City Council held a public hearing and rendered approval for the Rezoning of the said property; and,

WHEREAS, no legal protests were signed, acknowledged, and presented for the application.

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

SECTION 1. That the following legally described property is hereby rezoned from District C-2 (General Commercial) to District R-12 (Two-Family Residential) and shall be subject to the regulations of said district:

FLOURNOYS ADD S 36.34' OF E 150' OF LOT 21; AND
FLOURNOYS ADD E 150' LOT 23 (EX NOLAND RD ROW)

SECTION 2. Nonseverability. All provisions of this ordinance are so essentially, and inseparable connected with, and so dependent upon, each other that no such provision would be enacted without all others. If a court of competent jurisdiction enters a final judgement on the merits that is not subject to appeal and that declares any provision or part of this ordinance void, unconstitutional, or unenforceable, then this ordinance, in its collective entirety, is invalid and

shall have no legal effect as of the date of such judgement.

SECTION 3. Scrivener's Errors. Typographical errors and other matters of a similar nature that do not affect the intent of this ordinance, as determined by the City Clerk and City Counselor, may be corrected with the endorsement of the City Manager without the need to come before City Council.

SECTION 4. That failure to comply with all the provisions contained in this ordinance shall constitute violations of both this ordinance and Chapter 14, the Unified Development Ordinance, of the Code of the City of Independence, Missouri.

PASSED THIS _____ DAY OF _____, 2026, BY THE CITY COUNCIL
OF THE CITY OF INDEPENDENCE, MISSOURI.

Presiding Officer of the City Council
of the City of Independence, Missouri

ATTEST:

City Clerk

APPROVED AS TO FORM AND LEGALITY:

City Counselor

REVIEWED BY:

Interim City Manager

MEETING DATE: January 13, 2026

STAFF: Gabe Glaser, Planner

PROJECT NAME: Rezoning – 724-726 N. Noland Road

CASE NUMBER/REQUEST: Case 26-100-01 – Rezoning – 724 and 726 N. Noland Road - A request to rezone property from C-2 (General Commercial) to R-12 (Two-Family Residential).

APPLICANT: Matthew Brown

PROPERTY LOCATION: 724-726 N Noland Rd

SURROUNDING ZONING/LAND USE:

North: C-2 (General Commercial) / Vacant
East: C-2 (General Commercial / Residential, Personal Services, Medical Services, and Day Care
South: C-2 (General Commercial) and R-30/PUD (High Density Residential/Planned Unit Development) / Apartments
West: C-2 (General Commercial) and R-12 (Two-Family Residential) / Religious Assembly

PUBLIC NOTICE:

- Letters to property owners – December 9, 2025
- Public Notice published in the Independence Examiner – December 27, 2025
- Signs posted on property – December 26, 2025

FURTHER ACTION:

Following action by the Planning Commission, this rezoning request is scheduled for first reading by the City Council on February 4, 2026 and the public hearing/second reading on February 16, 2026

RECOMMENDATION

Staff recommends **APPROVAL** of this rezoning request.

PROJECT DESCRIPTION & BACKGROUND INFORMATION

PROJECT DESCRIPTION: A request by Matthew Brown to rezone the property from C-2 (General Commercial) to R-12 (Two-Family Residential).

Current Zoning: C-2 (General Commercial) **Proposed Zoning:** R-12 (Two-Family Residential)

Current Use: Duplex **Proposed Use:** Duplex

Zoning History: 1965 – 1980: C-3 (Commercial)

1980 - 2009: C-2 (General Commercial)

2009 - Present: C-2 (General Commercial)

Property History:

The subject site is comprised of two tax parcels defined as a portion of Lot 21 and 23 of Flourney's Addition recorded in 1879. The area was annexed to Independence in 1851. Jackson County property records indicate the subject site was developed in 1954.

Upon adoption of the Zoning Ordinance in 1965, the city assigned a C-3 (Commercial) zoning district designation to the subject site. Since the adoption of the Zoning Ordinance, the subject site has been assigned a commercial zoning district classification.

Proposal:

The applicant has submitted a separate application for a minor subdivision to replat the two properties part of this rezoning request. Prior to approval of a minor subdivision, the zoning district classification will need to match the land use.

Physical Characteristics of Property:

The two properties part of this request consist of +/-13,880 ft² in area. The existing duplexes contain +/-1,230 ft² of building area each and feature stone facades and gable roofs.

Characteristics of the Area:

The subject site is located at the intersection of Noland Road and Nettleton Avenue. They are part of a mixed-use corridor along Noland Road, containing a variety of zoning district classifications and land uses, including various residential uses, medical services, personal services, and food establishments.

ANALYSIS

Consistency with *Independence for All*, Strategic Plan:

The proposed rezoning is supported by the Independence for All Strategic Plan to stabilize and revitalize neighborhoods. Rezoning the property to match its current land use will ensure its continued maintenance.

Comprehensive Plan Tools and Policies for the Current Designation:

Imagine Independence 2040 designates a residential future land use classification for the subject site. This future land use classification matches the current land and proposed land use.

Additionally, this rezoning proposal is supported by Imagine Independence 2040's guiding principle to, "Improve and maintain housing stock in established neighborhoods."

Sub-Area Plans:

The subject site is not located within any sub-area plans.

Zoning:

The subject site does not conform with its zoning district designation and was developed before the city adopted the Zoning Ordinance. This proposed rezoning will correct the existing nonconformity.

Public Utilities:

Utilities already exist and are available to the subject site.

Floodplain/Stream Buffer:

The subject site is not affected by floodplains or stream buffers.

CIP Investments:

The city's Noland Multimodal Corridor project is scheduled for the 2026-2027 and 2027-2028 fiscal years. It will create 1.7 miles of multimodal transportation corridor along Noland Road from 24 Highway to Fair Street. This project includes adding dedicated North and South bound bike lanes, upgrading more than three miles of derelict sidewalks into ADA compliance, and adding updated push pedestrian signals buttons.

REVIEW CRITERIA

Recommendations and decisions on rezoning applications must be based on consideration of all the following criteria:

1. Conformance of the requested zoning with the Comprehensive Plan.

The Comprehensive Plan envisions residential uses for the area. Imagine Independence 2040 provides a guiding principle to, "Improve and maintain housing stock in established neighborhoods." Approval of this rezoning request will ensure the maintenance of housing stock.

2. Conformance of the requested zoning with any adopted neighborhood or sub-area plans in which the property is located or abuts.

The subject site is not located within any sub area plans.

3. The compatibility of the proposed zoning with the zoning and use of nearby property, including any overlay zoning.

A variety of zoning district classifications and land characterize the corridor. The proposed rezoning is compatible with the zoning and use of nearby properties.

4. The compatibility of the proposed zoning and allowed uses with the character of the neighborhood.

The proposed R-12 zoning is compatible with the area's existing neighborhoods to west and east.

5. The suitability of the subject property for the uses to which it has been restricted under the existing zoning regulations.

The subject site historically has been occupied as two-family dwellings. This corrective rezoning will correct the contradiction between land use and zoning classification.

6. The length of time the subject property has remained vacant as zoned.

The subject site is currently occupied.

7. The extent to which approving the rezoning will detrimentally affect nearby properties.

The rezoning should have no detrimental effect on area properties. This rezoning aims to correct the contradictory land use and zoning classification.

8. The gain, if any, to the public health, safety, and welfare due to denial of the application, as compared to the hardship imposed upon the landowner, if any, as a result of denial of the application.

If rezoning is denied, the nonconformity will remain.

EXHIBITS

1. Cover Letter
2. Application
3. Notification letter
4. Address List
5. Notification Area Map
6. Affidavit
7. Comprehensive Plan map
8. Zoning map

To Whom It May Concern,

I have lived here in this city my whole life. I have bought a couple rentals now and then and managed to fix them up and help better the city. I bought the properties at 724 to 726 N Noland Road while overseas for Military. I cleaned them up and had to kick some unsavory tenants out. My original intent was to be able to get them cleaned up which I did and then look at selling one or both of them in the future. I managed to get some tenants in to the property one I even went to High School with now. These properties are clearly intended to be duplexes and with the intent to hopefully sell one day down the road I am asking for it to be rezoned to residential and also have the two plats split.

I appreciate your assistance and please let me know if there are any other questions, thank you.



Matthew Brown

Property Owner Notification Letter

City of Independence, Missouri

Date: 12/09/2025

Case No. 26-100-01

Dear Property Owner:

This letter is to notify you that an application has been submitted for consideration by the Planning Commission and City Council. A full public hearing will be held by the Planning Commission and the City Council will consider new information on the dates and times below.

Proposed Case Type (Check One):

- ☒ Rezoning ☐ Rezoning/PUD ☐ Special Use Permit
☐ Preliminary Development Plan

Proposed project description: Rezoning from Commercial to Residential to better conform to the existing land use

Applicant: Matthew Brown

Location of Property: 724-726 N Noland Rd

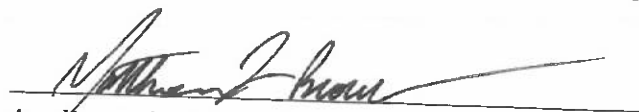
Planning Commission Meeting Date: January 13, 2026, at 6:00 p.m.

City Council Meeting Date: February 16, 2026, at 6:00 p.m.

Location of public hearings: City Council Chambers, City Hall
111 E Maple Ave, Independence, Missouri, 64050

All interested persons are invited to attend and will have an opportunity to be heard at the full public hearing (Planning Commission).

REZONINGS ONLY: You may file a protest petition with the Community Development Department. For more information or to get copies of a petition, please contact Planning staff at 816-325-7421.


Applicant (or Owner/Agent)

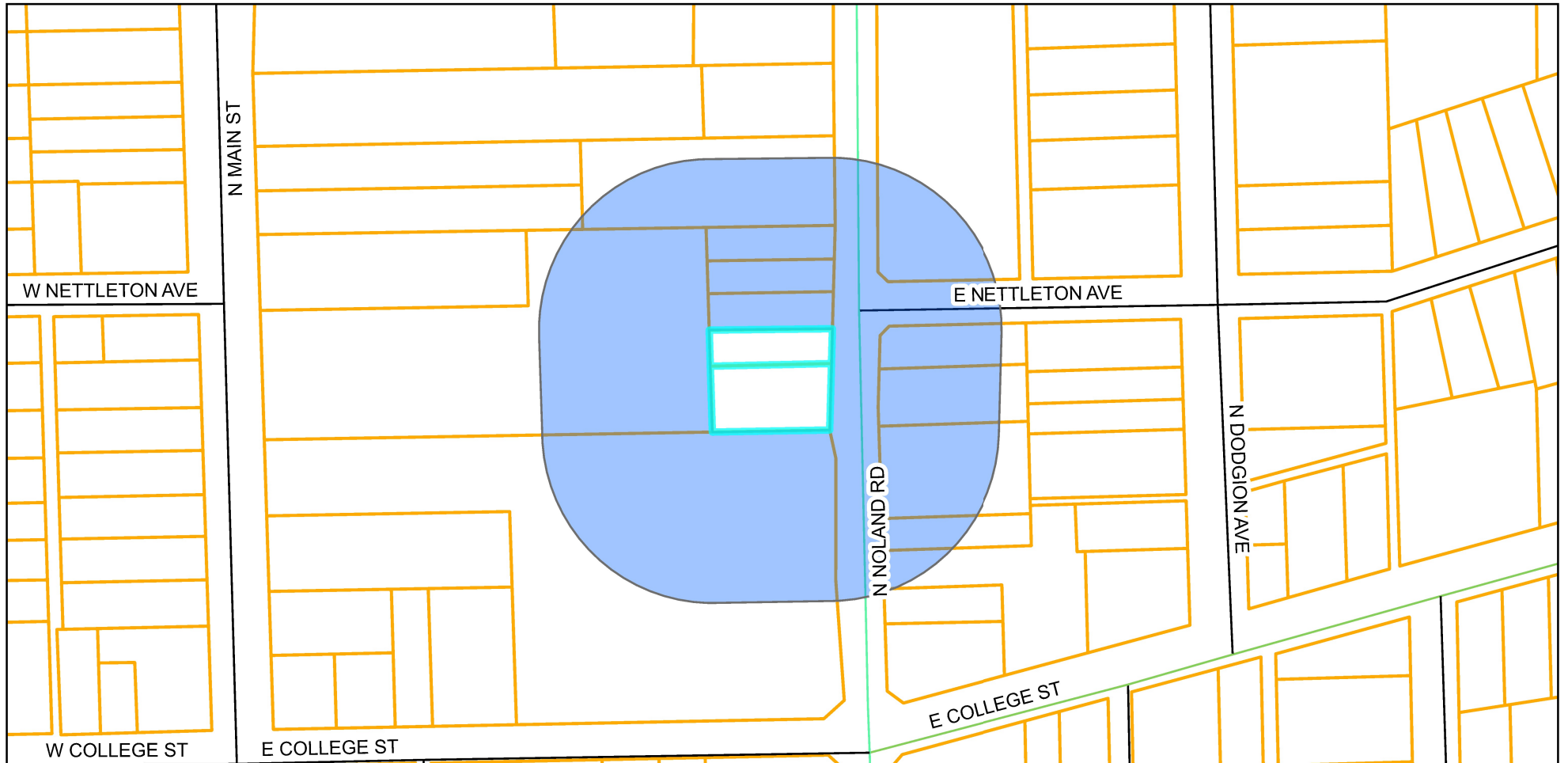
For more information, contact the Community Development Department at 816-325-7421.

Property Address	Property Owner	Owner Address	City	State	ZIP Code
130 E COLLEGE AVE APT 151	SAMANTHA HEIGHTS LP	250 NE MULBERRY ST STE 201	LEES SUMMIT	MO	64086
210 E COLLEGE ST	RAYNOR NICCOLAS	91-807 KAUWILI ST	EWA BEACH	HI	96706
701 N NOLAND RD	CHURCHS FRIED CHICKEN INC	980 HAMMOND DR NE STE 1100	ALTANTA	GA	30328
711 N NOLAND RD	VAN LEEUWEN FELIX F & WANDA K	6405 PROCTOR AVE	KANSAS CITY	MO	64133
724 N NOLAND RD APT B	EMB REAL ESTATE VENTURES LLC	724 N NOLAND RD APT B	INDEPENDENCE	MO	64050
727 N MAIN ST	UNITED CHURCH OF CHRIST	727 N MAIN	INDEPENDENCE	MO	64050
805 N MAIN ST	BATES JONAH & MORGAN	805 N MAIN ST	INDEPENDENCE	MO	64050
808 N NOLAND RD	SLOAN KELLY	734 N NOLAND RD	INDEPENDENCE	MO	64050
815 N NOLAND RD 1	NOLAND SHOPS LLC	7500 NW 25TH ST UNIT 257	MIAMI	FL	33122

Notification Area Map

724-726 N Noland Rd

Case #26-100-01



Legend

-  Notification Area
-  Parcels

0 125 250 500 US Feet

Prepared For: Planning Commission
Meeting Date: January 13, 2026



Property Owner Notification Affidavit

STATE OF MISSOURI

COUNTY OF JACKSON

Case No. 26-100-01

I, Matthew L Brown, of lawful age being first duly sworn upon oath, state:

That I am the (agent, owner, attorney) for the property for which the application was filed and did, not later than fifteen (15) days prior to the date of the public hearing scheduled before the Planning Commission, mail notices to all persons owning property within 185 feet of the subject property. **The list of property owners to whom notice has been mailed is attached.**

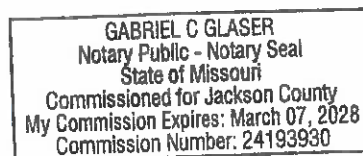
These notices were mailed on the 9th day of Dec, 2025.

[Signature]
Signature of Agent, Owner or Attorney

Subscribed and sworn to before me this 12th day of December, 2025.

[Signature]
Notary Public

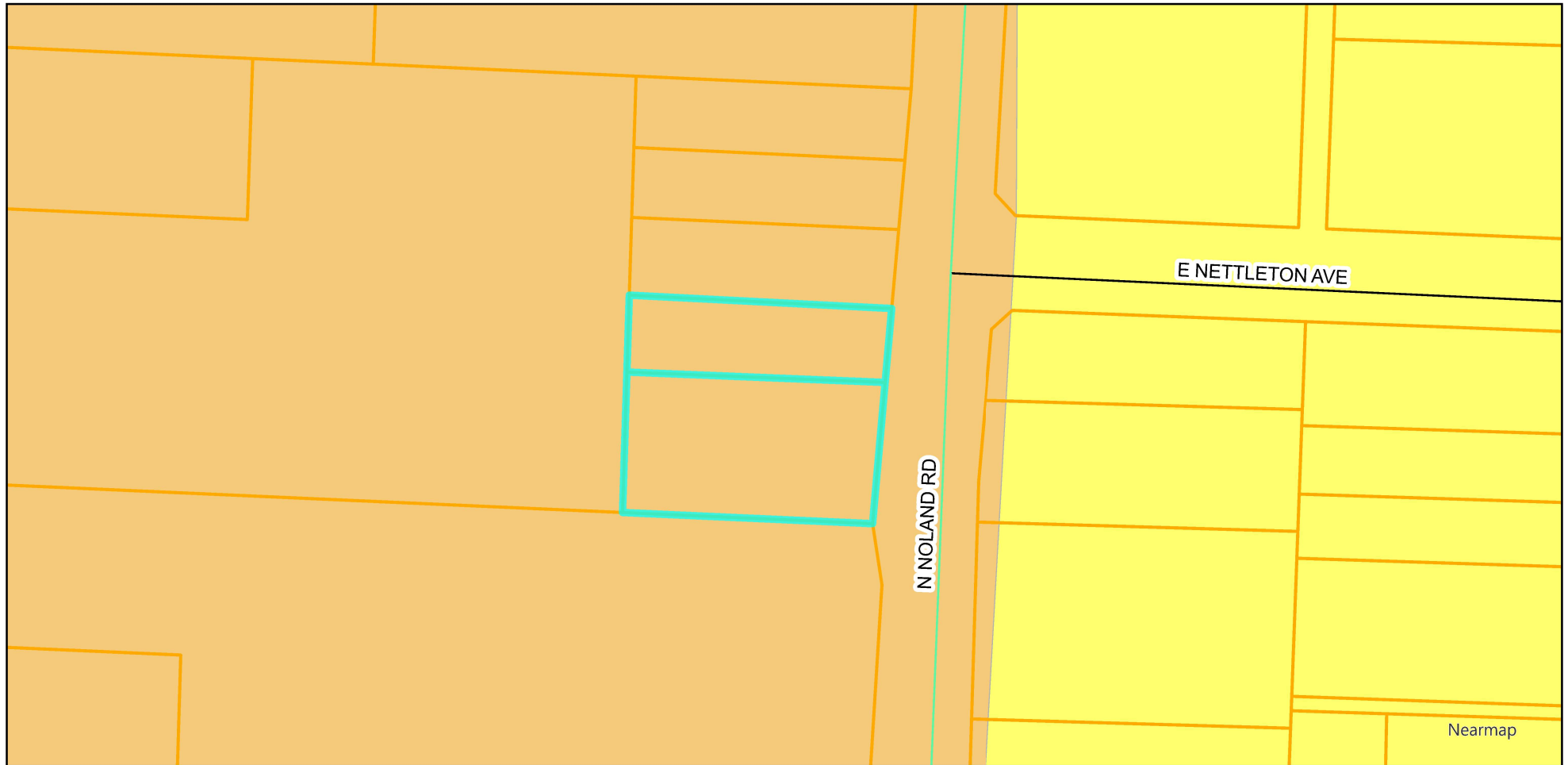
03/07/2028
Commission Expiration Date



Comprehensive Plan

724-726 N Noland Rd

Case #26-100-01



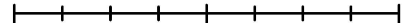
Legend

 Parcels

Comprehensive
Plan

 Residential
Neighborhoods

 Residential
Urban
Neighborhoods

0 50 100 200 US Feet


Prepared For: Planning Commission
Meeting Date: January 13, 2026



Zoning Map

724-726 N Noland Rd

Case #26-100-01



Legend

Parcels

Zoning District

C-2
R-12

R-30/PUD
R-6

0 50 100 200 US Feet

Prepared For: Planning Commission
Meeting Date: January 13, 2026



PUBLIC HEARINGS

1. **Case 26-100-01 – Rezoning – 724 and 726 N. Noland Road** - A request to rezone property from C-2 (General Commercial) to R-6 (Single-Family Residential).

Staff Presentation

Gabe Glaser presented the case. Mr. Glaser presented the Commission with a vicinity map, noting the area and surrounding zoning. He presented the Commission with an aerial map indicating the project area and explained the surrounding land uses. In response to Chairwoman Wiley's question, Mr. Glaser stated this is a corrective rezoning.

In response to Commissioner Nesbitt's question, Mr. Arroyo stated the street project is only in the design phase and the City wouldn't know if this property would be affected.

Applicant Comments

Matthew Brown, 2709 S. Maybrook, purchased this house while in the military and his intent is to fix up the property. Mr. Brown stated he was not aware of the CIP project planned.

Public Comments

No public comments.

Motion

Commissioner Eric Ashbaugh made a motion to approve the case. Commissioner Edward Nesbitt seconded the motion. The motion was approved Yes 7, No 0, Abstained 0.

City of Independence

AGENDA ITEM COVER SHEET

Agenda Title:

26-015 **1R** An ordinance approving the Cooperative Agreement among the City of Independence, Missouri, the Blue Ridge Crossing-East Community Improvement District, and MBS Mall Investor-98, LLC. **1R Read**

Recommendations:

Staff recommends approval.

Background:

The City Council approved the CID by ordinance on February 4, 2025. The approving ordinance provides that approval of the CID is subject to the execution of a cooperative agreement. This ordinance will approve a cooperative agreement between the City, the Blue Ridge Crossing-East Community Improvement District (the "CID"), and MBS Mall Investor-98, LLC (the "Developer") to implement the CID.

The CID will impose a 1% sales tax within the boundaries of the CID for up to 20 years. The sales tax revenues will be used to reimburse Developer for the eligible reimbursable project costs associated with the redevelopment of the site, including certain improvements and services, which include security, lighting upgrades, trash removal, landscaping, snow removal, and other costs.

The CID revenues must be expended on CID-eligible costs as detailed in the Petition to Establish the Blue Ridge Crossing-East Community Improvement District.

Emergency Justification:**Fiscal Impact:**

The CID will impose a 1% sales tax within the boundaries of the CID and revenues generated from the sales tax will be used to pay project costs. The applicant does not request the appropriation of any City revenues for the project.

Council Action:

Department / Contact	Community Development /
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REVIEWERS

Tom Scannell
Melissa Cabrera
Jeremy Cover
Lisa Reynolds
Susanne Holland

ATTACHMENTS:

1. Ordinance
2. Ordinance Exhibit A - Plan

Bill No. _____

Ordinance No. _____

AN ORDINANCE APPROVING THE COOPERATIVE AGREEMENT AMONG THE CITY OF INDEPENDENCE, MISSOURI, THE BLUE RIDGE CROSSING-EAST COMMUNITY IMPROVEMENT DISTRICT, AND MBS MALL INVESTOR-98, LLC.

WHEREAS, the City Council of the City of Independence, Missouri (the “City Council”), did on February 4, 2025 pass Ordinance No. 19651 which approved the formation of the Blue Ridge Crossing-East Community Improvement District (the “District”) and the Petition to Establish the Blue Ridge Crossing – East Community Improvement District (the “Petition”); and

WHEREAS, the ordinance requires that the District enter into a cooperative agreement with the City to implement the goals and objectives of the Petition, including the administration of the District Revenue; and

WHEREAS, the City now desires to enter into a cooperative agreement with the District and MBS Mall Investor-98, LLC (the “Developer”) to set forth their respective duties and obligations with respect to the administration, enforcement, and operation of the Sales Tax and the use of the District Revenue; and

WHEREAS, the City Council hereby determines that it is in the best interest of the City to enter into a cooperative agreement with the District and the Developer in substantially the form attached hereto.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF INDEPENDENCE, MISSOURI, as follows:

SECTION 1. The City Council hereby approves, and the Mayor is hereby authorized to execute the Cooperative Agreement which shall be substantially in the form attached hereto as **Exhibit A**, with such changes therein as shall be approved by the Mayor, the Mayor’s signature thereon being conclusive evidence of his approval thereof.

SECTION 2. City officers and agents of the City are each hereby authorized and directed to take such actions, execute such other documents, certificates and instruments and engage such consultants as may be necessary or desirable to carry out and comply with the intent of this Ordinance.

SECTION 3. All ordinances or parts of ordinances in conflict with this Ordinance are hereby repealed.

SECTION 4. This ordinance shall be in full force and effect ten (10) days after the date of its passage and approval.

PASSED THIS ____ DAY OF _____ 2026, BY THE CITY COUNCIL OF
THE CITY OF INDEPENDENCE, MISSOURI.

Presiding Office of the City Council of the
City of Independence, Missouri

ATTEST:

City Clerk

APPROVED AS TO FORM AND LEGALITY:

City Counselor

REVIEWED BY:

Interim City Manager

Exhibit A
Cooperative Agreement

[Attached]

COOPERATIVE AGREEMENT

among the

CITY OF INDEPENDENCE, MISSOURI,

the

BLUE RIDGE CROSSING-EAST COMMUNITY IMPROVEMENT DISTRICT,

and

MBS MALL INVESTOR-98, LLC

dated as of

_____, 2026

COOPERATIVE AGREEMENT

THIS COOPERATIVE AGREEMENT (“**Agreement**”), entered into as of _____, 2026, by and among the **CITY OF INDEPENDENCE, MISSOURI**, a constitutional charter city and political subdivision of the State of Missouri (the “**City**”), the **BLUE RIDGE CROSSING-EAST COMMUNITY IMPROVEMENT DISTRICT**, a community improvement district and political subdivision of the State of Missouri (“**District**” or “**CID**”), and **MBS MALL INVESTOR-98, LLC**, a Missouri limited liability company (the “**Developer**”) (the City, the District and the Developer being sometimes collectively referred to herein as the “**Parties**”, and individually as a “**Party**”, as the context so requires).

WITNESSETH:

WHEREAS, the City Council of the City of Independence, Missouri (the “**City Council**”), did on February 4, 2025, pass Ordinance No. 19651 (“**Ordinance**”), which approved the formation of the District and the Petition to Establish the Blue Ridge Crossing-East Community Improvement District (the “**Petition**”); and

WHEREAS, the City has subsequently approved the execution of this Agreement by ordinance; and

WHEREAS, the District is authorized under the CID Act to impose a district-wide sales tax at the maximum rate of one percent (1.0%) (the “**District Sales Tax**”) and to enter into this Agreement for the collection, payment, and administration of the proceeds of the District Sales Tax;

WHEREAS, the Parties desire to set forth through this Agreement their respective duties and obligations with respect to the administration, enforcement, and operation of the District Sales Tax and the use of the revenues collected by such tax.

NOW, THEREFORE, for and in consideration of the premises, and the mutual covenants herein contained, the Parties agree as follows:

ARTICLE 1: DEFINITIONS, RECITALS AND EXHIBITS

Section 1.1. Recitals and Exhibits. The representations, covenants and recitations set forth in the foregoing recitals and the exhibits attached to this Agreement are material to this Agreement and are hereby incorporated into and made a part of this Agreement as though they were fully set forth in this Section, and the appropriate exhibits are incorporated into each Section of this Agreement that makes reference to an exhibit.

Section 1.2. Definitions. Words and terms defined elsewhere in this Agreement shall have the meanings assigned therein. Whenever used in this Agreement, the following words and phrases, unless the context otherwise requires, shall have the following meanings:

“**Applicable Laws and Requirements**” means any applicable constitution, treaty, statute, rule, regulation, ordinance, order, directive, code, interpretation, judgment, decree, injunction, writ, determination, award, permit, license, authorization, directive, requirement or decision of or agreement with or by any unit of government.

“**Board**” or “**Board of Directors**” means the governing body of the District.

“Budget” shall have the meaning set forth in Section 4.4.

“CID Act” means the Missouri Community Improvement District Act, Sections 67.1401, *et seq.*, RSMo, as amended.

“CID Improvements” means those improvements described in **Exhibit A**.

“CID Project” means the CID Improvements and the CID Services.

“CID Services” means those services described in **Exhibit A** and the Petition, along with any other CID Services that may be approved by the City and the District in accordance with the Petition, the CID Act, and this Agreement.

“City” means the City of Independence, Missouri, a constitutional charter city and political subdivision under applicable Missouri laws.

“City Council” means the governing body of the City.

“Director” means a director of the District.

“District Sales Tax” means the sales tax levied by the District on the receipts from the sale at retail of all tangible personal property or taxable services at retail within its boundaries pursuant to the CID Act in the maximum amount of one percent (1.0%), as established by resolution of the District and approved by the qualified voters of the District, in accordance with this Agreement.

“District Sales Tax Revenues” means the monies actually collected, pursuant to this Agreement and the CID Act, from the imposition of the District Sales Tax.

“Event of Default” means any event specified in Section 7.1 of this Agreement.

“Excusable Delays” means delays due to acts of terrorism, acts of war or civil insurrection, strikes, riots, floods, earthquakes, fires, tornadoes, casualties, acts of God, labor disputes, governmental restrictions or priorities, embargoes, national or regional material shortages, failure to obtain regulatory approval from any Federal or State regulatory body, unforeseen site conditions, material litigation by parties other than the Parties not caused by the Parties’ failure to perform, or any other condition or circumstances beyond the reasonable or foreseeable control of the applicable party using reasonable diligence to overcome which prevents such party from performing its specific duties or obligation hereunder in a timely manner.

“Fiscal Year” means July 1 through June 30 of each year, which Fiscal Year coincides with the City’s fiscal year.

“Operating Costs” means the actual, reasonable expenses which are necessary for the operation of the District which shall include, but is not limited to, costs associated with notices, publications, meetings, supplies, equipment, photocopying, insurance, the engagement of accountants, special legal counsel, financial auditing services, and other consultants or services including companies engaged by the District (or the City or IPL on behalf of the District) to review applications for reimbursement for payment of Reimbursable Project Costs, and shall also include costs, including reasonable attorneys’ fees, for the formation of the District.

“Ordinance” means Ordinance No. 19651 adopted by the City Council on February 4, 2025, establishing the District in accordance with the CID Act.

“Parties” or “Party” means the City, the District and the Developer, as the context requires.

“Petition” means the Petition to Establish the Blue Ridge Crossing-East Community Improvement District, approved by Ordinance 19651 on February 4, 2025.

“Private Improvements” means that portion of the CID Project designated as “Private” on **Exhibit A** hereto.

“Project Costs” means all actual and reasonable costs and expenses which are incurred by or at the direction of the District with respect to construction of the CID Project described on **Exhibit A**, including the actual and reasonable cost of labor and materials payable to contractors, builders, suppliers, vendors and materialmen in connection with the construction contracts awarded in connection with the CID Project that are constructed or undertaken, plus all actual and reasonable costs to plan, develop, design and acquire the CID Project, including but not limited to the following:

A. actual and reasonable fees and expenses of architects, appraisers, attorneys, surveyors and engineers for estimates, surveys, soil borings and soil tests and other preliminary investigations and items necessary to the commencement of construction, preparation of plans, drawings and specifications and supervision of construction, as well as for the performance of all other duties of architects, appraisers, attorneys, surveyors and engineers in relation to the construction of the CID Project and all actual and reasonable costs for the oversight of the completion of the CID Project including overhead expenses for administration, supervision and inspection incurred in connection with the CID Project; and

B. all other items of expense not elsewhere specified in this definition which may be necessary or incidental to the review, approval, acquisition and construction of the CID Project and which may lawfully be paid or incurred by the District under the CID Act.

“Public Improvements” means that portion of the CID Project designated as “Public” on **Exhibit A** hereto.

“Reimbursable Project Costs” means Project Costs approved by the City pursuant to the cost certification process set out in Section 4.6, in the maximum total amount shown on **Exhibit A**, as adjusted pursuant to Section 4.6.

“Report” shall have the meaning set forth in Section 4.4.

“Secured Lender” means a bank, financial institution or other person or entity from which Developer has borrowed funds to finance all or a portion of the CID Project and in whose favor Developer has agreed to provide a security interest as collateral for such loan.

ARTICLE 2: REPRESENTATIONS

Section 2.1. Representations by the District. The District represents that:

A. The District is a community improvement district and political subdivision, duly organized and existing under the laws of the State of Missouri, including particularly the CID Act.

B. The District has authority to enter into this Agreement and to carry out its obligations under this Agreement. By proper action of its Board of Directors, the District has been duly authorized to execute and deliver this Agreement, acting by and through its duly authorized officers.

C. The CID Project is authorized in the Petition.

D. The execution and delivery of this Agreement, the consummation of the transactions contemplated by this Agreement and the performance of or compliance with the terms and conditions of this Agreement by the District will not conflict with or result in a breach of any of the terms, conditions or provisions of, or constitute a default under, any mortgage, deed of trust, lease or any other restriction or any agreement or instrument to which the District is a party or by which it or any of its property is bound, or any order, rule or regulation of any court or governmental body applicable to the District or any of its property, or result in the creation or imposition of any prohibited lien, charge or encumbrance of any nature whatsoever upon any of the property or assets of the District under the terms of any instrument or agreements to which the District is a party.

E. Consideration and public benefit: The District acknowledges that construction of the CID Project is of significant value to the District, the property within the District and the general public. Further, the District finds that the CID Project conforms to the purposes of the CID Act.

F. There is no litigation or proceeding pending or threatened against the District affecting the right of the District to execute or deliver this Agreement or the ability of the District to comply with its obligations under this Agreement or which would materially adversely affect its financial condition.

G. The District acknowledges that Section 285.530, RSMo, 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. District therefore covenants that it will not knowingly violate subsection 1 of Section 285.530, RSMo, and that it will not knowingly employ, hire for employment, or continue to employ any unauthorized aliens to perform work related to this Agreement, and that its employees are lawfully eligible to work in the United States.

Section 2.2. Representations by the City. The City represents that:

A. The City is duly organized and existing under the Constitution and laws of the State of Missouri as a constitutional charter city.

B. The City has authority to enter into this Agreement and to carry out its obligations under this Agreement, and the Mayor of the City is duly authorized to execute and deliver this Agreement.

C. The execution and delivery of this Agreement, the consummation of the transactions contemplated by this Agreement, and the performance of or compliance with the terms and conditions of this Agreement by the City will not conflict with or result in a breach of any of the terms, conditions or provisions of, or constitute a default under, any mortgage, deed of trust, lease or any other restriction or any agreement or instrument to which the City is a party or by which it or any of its property is bound, or any order, rule or regulation of any court or governmental body applicable to the City or any of its property, or result in the creation or imposition of any prohibited lien, charge or encumbrance of any nature whatsoever upon any of the property or assets of the City under the terms of any instrument or agreement to which the City is a party.

D. There is no litigation or proceeding pending or threatened against the City affecting the right of the City to execute or deliver this Agreement or the ability of the City to comply with its obligations under this Agreement.

Section 2.3. Representations by the Developer. Developer represents that:

A. 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. 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 now a party, and do not and will not constitute a default under any of the foregoing.

C. No litigation, proceedings or investigations are pending or, to the knowledge of the Developer, threatened against the Developer or any member of the Developer or the CID Project, which litigation, proceedings or investigations would in any manner challenge or adversely affect the existence or powers 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 of the terms and provisions of this Agreement, or that would materially adversely affect the financial condition of the Developer.

D. The Developer acknowledges that Section 285.530, RSMo, 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. Developer therefore covenants that it will not knowingly violate subsection 1 of Section 285.530, RSMo, and that it will not knowingly employ, hire for employment, or continue to employ any unauthorized aliens to perform work related to this Agreement, and that its employees are lawfully eligible to work in the United States.

E. The Developer acknowledges that the funding and implementation of the CID Project is of significant value to the property within the District and the general public.

ARTICLE 3: DISTRICT SALES TAX

Section 3.1. Imposition of the District Sales Tax. The Board of Directors has adopted a resolution imposing the District Sales Tax. The qualified voters within the District have approved the District Sales Tax as evidenced by the election results certified by the Jackson County Election Board on May 20, 2025. The District Sales Tax shall be imposed at a rate of 1.0% for the purpose of funding costs of the CID Project as desired by the District and approved by the City. By letter dated May 20, 2025, the District notified the Missouri Department of Revenue of the District Sales Tax imposition and that the District Sales Tax will become effective on October 1, 2025. The District shall annually appropriate all District Sales Tax Revenues by resolution in accordance with this Agreement.

Section 3.2. Collection and Administration of the District Sales Tax

A. The District has adopted a resolution that (i) imposes the District Sales Tax (subject to qualified voter approval) and (ii) prescribes any required forms and administrative rules and regulations for reporting and collecting the District Sales Tax.

B. The District Sales Tax shall be collected by the Missouri Department of Revenue as provided in the CID Act. The District shall receive the District Sales Tax Revenues from the Missouri Department of Revenue, which shall be disbursed in accordance with this Agreement.

Section 3.3. Operating Costs. The District shall pay for the Operating Costs of the District from District Sales Tax Revenues. The Operating Costs shall be included in the District's annual budget, as provided in Section 4.4. Developer shall fund the Operating Costs and be reimbursed for such advances until sufficient revenues are available to fund Operating Costs from District Sales Tax Revenues on an annual basis.

Section 3.4. Distribution of the District Sales Tax Revenue. Beginning in the first month following the effective date of the District Sales Tax and continuing each month thereafter until the expiration or repeal of the District Sales Tax, the District shall distribute the District Sales Tax Revenues received in the preceding month in the following order of priority:

1. Reimburse the City for any Operating Costs or other costs incurred by the City in connection with the performance of any function related to the District.
2. Pay the Operating Costs of the District.
3. Pay the costs of the CID Project that have been approved as Reimbursable Project Costs.
4. Pay the CID Services of the District, provided that no CID Services shall be funded by the District until all costs of the CID Project have been fully reimbursed.

Section 3.5. Records of the District Sales Tax. The District, shall keep accurate records of the District Sales Tax due and collected and copies of such records shall be made available to the District on a monthly basis. Any records pertaining to the District Sales Tax shall be provided to the City upon written request.

Section 3.6. Repeal of the District Sales Tax. The qualified voters of the District approved the District Sales Tax for a period of twenty (20) years after from the effective date of the Ordinance, or for such other shorter period to coincide with the termination of the District. However, unless extended by mutual agreement of the Parties and in accordance with the CID Act, the District shall, and the Developer shall cooperate with the District as necessary to, implement the procedures in the CID Act for repeal of the District Sales Tax and abolishment of the District as provided in Section 6.4 below. Upon repeal of the District Sales Tax, the District shall:

- A. Pay all outstanding Operating Costs and Reimbursable Project Costs, in that order.
- B. Retain any remaining District Sales Tax until such time as the District is abolished and the District has provided for the transfer of any funds remaining in a manner permitted by the CID Act.

ARTICLE 4: FINANCING DISTRICT PROJECTS

Section 4.1. Design and Construction of CID Improvements. The CID Improvements shall be designed and constructed by or at the direction of the Developer. The CID Improvements shall be designed and constructed in accordance with applicable City-approved zoning and subdivision ordinances and associated plans and specifications. The Developer shall comply with all Applicable Laws and Requirements, including (with respect to the Public Improvements) laws related to the construction of public improvements, such as the payment of prevailing wages to contractors or subcontractors of Developer for construction of the Public Improvements and obtaining a payment bond in compliance with Section 107.170, RSMo; provided that this Agreement shall not be deemed to impose such requirements if not otherwise required by Applicable Laws and Requirements. Developer shall indemnify and hold

harmless the City and the District for any damage resulting to it from failure of either Developer or its contractor or subcontractors to comply with any such requirements. Notwithstanding the foregoing, to the extent Developer fails to perform the CID Improvements, whether fully or partially, the sole remedy hereunder shall be that the Developer shall not be entitled to reimbursement of Reimbursable Project Costs, and in no event shall Developer be required to perform such obligations or expend money in furtherance thereof in excess of what may be reimbursed to Developer hereunder.

Section 4.2. Financing the CID Project. The District shall impose the District Sales Tax within the boundaries of the District to fund the CID Project and other costs authorized by this Agreement. The District shall not use or impose any taxes other than a District Sales Tax or impose any other funding mechanisms unless the City Council, by ordinance, modifies the limitations on the District's authority as set forth in the Petition. All revenues generated by the District Sales Tax shall be used to fund costs of the CID Project and other costs authorized by this Agreement within the boundaries of the District.

Section 4.3. Ownership and Maintenance of CID Improvements. Neither the City nor the District shall have ownership of the CID Improvements, and the Developer shall at all times be responsible for maintenance of the CID Improvements, except as certain improvements are dedicated to and accepted by the City in accordance with Applicable Laws and Requirements. The Developer shall be responsible for obtaining and maintaining insurance for the design, construction, operation and maintenance of the CID Improvements, except as certain improvements are dedicated to and accepted by the City in accordance with Applicable Laws and Requirements.

Section 4.4. Annual Budget. The District shall annually prepare or cause to be prepared a budget (the "**Budget**") and an annual report (the "**Report**") describing the major activities of the District during the preceding year and upcoming year. The Budget and Report shall be submitted to and reviewed by appropriate City staff and officials, as determined by the City in accordance with the CID Act, not less than ninety (90) days prior to the intended date of approval of the Budget by the District. Not later than the first day of each Fiscal Year of the District, the Board of Directors shall adopt a Budget for the District for the ensuing budget year, for every fund of the District of any kind, in such a manner as may be provided by law. If the Board of Directors fails to adopt a Budget by the first day of a Fiscal Year, the District shall be deemed to have adopted for such Fiscal Year a Budget, which provides for application of the District Sales Tax Revenues collected in such Fiscal Year in accordance with the budget for the prior Fiscal Year.

Section 4.5. New CID Projects. The District shall not undertake new District projects, aside from the improvements shown on the attached **Exhibit A** and in the amount shown on **Exhibit A**, without the prior approval of the City Council.

Section 4.6. Certification of Reimbursable Project Costs. From time to time, the Developer may submit a certification of reimbursable project costs by the Developer in substantially the form attached to this Agreement as **Exhibit B** (a "Cost Certification"). Upon receipt by the City and the District of an executed and completed Cost Certification (together with supporting invoices), the City and the District shall have thirty calendar days to inform the Developer of any inadequacy of the Cost Certification, based on the determination that the Cost Certification requests payment for costs that either are not reimbursable under this Agreement or have already been the subject of a Cost Certification. If the City or the District has no such reason to contest the Cost Certification, or if the thirty-day time period passes without such notification, the District and the City shall approve the Cost Certification by signature.

ARTICLE 5: DISTRICT OPERATIONS AND MANAGEMENT

Section 5.1. Composition of the Board of Directors and Officers.

A. In accordance with the Petition, the Board of Directors shall be composed of five (5) directors. The Board of Directors shall consist of representatives of the owners of property within the District. Replacement directors shall be appointed in the manner set out in the Petition.

B. All directors shall meet all qualifications of the CID Act and the Missouri Constitution.

C. Successor Directors shall be appointed by the Mayor with the consent of the City Council as provided in the Petition and in compliance with Section 67.1451.5, RSMo.

Section 5.2. District Meetings. The Parties agree that the Board of Directors shall not meet and conduct District business unless all Directors receive notice of the meeting and are provided with the opportunity to participate in all District meetings, either in person or by phone. The Parties agree that the District bylaws shall contain the requirements of this Section, and shall include other safeguards as mutually agreed by the Parties to provide for participation of all Directors in all matters coming before the Board of Directors.

ARTICLE 6: SPECIAL COVENANTS

Section 6.1. Records of the District. The District shall designate an appropriate official to be the official record keeper of the District, who shall keep proper books of record and account on behalf of the District in which full, true, and correct entries will be made of all dealings or transactions of or in relation to its business affairs in accordance with accounting principles generally accepted in the United States and consistently applied. The District shall furnish annual financial statements for each Fiscal Year no later than one hundred eighty (180) days following the end of such Fiscal Year. The District shall prepare, or cause to be prepared, an annual financial report of the District's financial transactions which may be either an un-audited report or an audited report prepared by a certified public accountant. All pertinent books, documents, and vouchers relating to District business, affairs, and properties shall at all times during regular business hours be open to the inspection of such accountant or other agent (who may make copies of all or any part thereof provided that the confidentiality of all records shall be maintained pursuant to such confidentiality agreements as reasonably required) as shall from time to time be designated and compensated by the inspecting party.

Section 6.2. Consent by Developer, Tenants and Transferees.

A. Developer will use commercially reasonable efforts to cause all leases of property in the District entered into after the date of this Agreement to contain a provision that is in substantial compliance with the following:

Community Improvement District: Tenant acknowledges and consents that the Leased Premises are a part of the Blue Ridge Crossing-East Community Improvement District ("District") created by ordinance of the City of Independence, Missouri ("City"), that the District imposes a sales tax on Tenant's eligible retail sales that will be applied toward the costs of CID Project that will provide a generalized benefit to the development. Upon written request of the District or the City, Tenant shall forward to the District and City copies of Tenant's State of Missouri sales tax returns for its property located in the District as filed with the Missouri Department of Revenue for such period(s) as the District or the City may request. Tenant hereby acknowledges and agrees that the City and the District are third party beneficiaries of the

obligations in this paragraph and shall have a separate and independent right to enforce these reporting requirements.

B. Developer, or any third party, may transfer real property within the CID area. Developer shall insert in any document transferring any interest in real property within the CID area, and shall use commercially reasonable efforts to cause any transferee to insert language reasonably similar to the following, and shall use commercially reasonable efforts to have such document signed by the transferee indicating acknowledgment and agreement to the following provision:

Community Improvement District: Grantee acknowledges and consents that the property is a part of the Blue Ridge Crossing-East Community Improvement District ("District") created by ordinance of the City of Independence, Missouri ("City"), and that the District imposes a sales tax on eligible retail sales conducted within the District that will be applied toward the costs of CID Project that provide a generalized benefit to all property within the District. Upon written request of the District or the City, Grantee shall, or shall cause any applicable tenant of Grantee, to forward to the District and the City copies of its State of Missouri sales tax returns for the Property as filed with the Missouri Department of Revenue for such period(s) as the District or the City may request. Grantee hereby acknowledges and agrees that the City and the District are third party beneficiaries of the obligations in this paragraph and shall have a separate and independent right to enforce these reporting requirements.

C. Failure of the Developer to require that such language be placed in any such lease/sales contract shall in not form the basis of a default on the part of the Developer hereunder.

Section 6.3. Collateral Assignment.

A. Developer and its successors and assigns shall have the right, without the City's consent, to collaterally assign to any Secured Lender as collateral any and all of Developer's rights and/or obligations under this Agreement, and such Secured Lender shall have the right to perform any term, covenant, condition or agreement and to remedy, in accordance with the terms of this Agreement, any default by Developer under this Agreement, and City shall accept such performance by any such Secured Lender with the same force and effect as if furnished by Developer. No Secured Lender shall be personally liable or obligated to perform the obligations of Developer under the Agreement unless and until such Secured Lender takes possession of the property as a mortgagee or by a receiver appointed at the request of mortgagee or becomes the owner of the fee estate of property within the District by foreclosure, or deed in lieu of foreclosure or otherwise.

B. Before a Secured Lender may exercise any rights of the Developer under the Agreement, the City shall receive: (a) within thirty (30) days following the date of such collateral assignment, a notice from the Developer that it has entered into a collateral assignment with a Secured Lender in connection with the property, which shall specify the name, address and telephone number of the Secured Lender, as well as the title, date and parties to the collateral assignment agreement; and (b) not less than ten (10) days' notice of the Secured Lender's intent to exercise its right to become the assignee of the Developer under the Agreement, which notice shall include the effective date of the collateral assignment, and the title, date and parties to such collateral assignment agreement. The City is entitled to rely upon representations made in the notices described in this paragraph without further investigation or inquiry.

C. Provided that the Developer has provided the City with notice of a collateral assignment as described in this Section, the City agrees to provide the Secured Lender with the same notice of default at the same time such notice is given to the Developer, and the Secured Lender shall have the same rights (but shall have no obligation) to cure, correct or remedy a default as are provided to the Developer.

Section 6.4. District Termination. Notwithstanding anything in this Agreement to the contrary, the District shall terminate twenty (20) years after the date of the Ordinance, or such earlier date in accordance with the provisions of the CID Act and Petition, upon payment of all costs described hereunder, unless such termination date is extended by action of the City Council.

ARTICLE 7: DEFAULTS AND REMEDIES

Section 7.1. Default and Remedies. An Event of Default shall occur upon the failure by either Party in the performance of any covenant, agreement or obligation imposed or created by this Agreement and the continuance of such failure for fifteen (15) days after the other Party has given written notice to such Party specifying such failure.

If any Event of Default has occurred and is continuing, then any non-defaulting party may, upon its election or at any time after its election while such default continues, by mandamus or other suit, action or proceedings at law or in equity, enforce its rights against the defaulting party and its officers, agents and employees, and require and compel duties and obligations required by the provisions of this Agreement.

Section 7.2. Rights and Remedies Cumulative. The rights and remedies maintained by any Party under this Agreement and those provided by law shall be construed as cumulative and continuing rights. No one of them shall be exhausted by the exercise thereof on one or more occasions. Any Party shall be entitled to specific performance and injunctive or other equitable relief for any breach or threatened breach of any of the provisions of this Agreement, notwithstanding availability of an adequate remedy at law, and any Party hereby waives the right to raise such defense in any proceeding in equity.

Section 7.3. Waiver of Breach. No waiver of any breach of any covenant or agreement contained in this Agreement shall operate as a waiver of any subsequent breach of the same covenant or agreement or as a waiver of any breach of any other covenant or agreement, and in case of an Event of Default, a non-defaulting Party may nevertheless accept from the defaulting party, any payment or payments without in any way waiving the non-defaulting party's right to exercise any of its rights and remedies as provided herein with respect to any such default or defaults in existence at the time when such payment or payments were accepted by the non-defaulting party.

Section 7.4. Excusable Delays. No Party shall be deemed to be in default of this Agreement because of Excusable Delays. Excusable Delays shall extend the time of performance for the period of such Excusable Delay.

ARTICLE 8: MISCELLANEOUS

Section 8.1. Effective Date and Term. This Agreement shall become effective on the date this Agreement has been fully executed by the Parties. This Agreement shall remain in effect for as long as the District is legally in existence.

Section 8.2. Immunities. No recourse shall be had for any claim based thereon or upon any representation, obligation, covenant or agreement in this Agreement contained against any past, present or future officer, member, employee, director or agent of the City or the District, or of any successor thereto, as such, either directly or through the City or the District, or any successor thereto, under any rule of law or equity, statute or constitution or by the enforcement of any assessment or penalty or otherwise, and all such liability of any such officers, members, employees, directors or agents as such is hereby expressly waived and released as a condition of and consideration for the execution of this Agreement.

The Developer shall indemnify, release, defend, be responsible for and forever hold harmless the City and the District, their officers, agents, employees, elected officials, and attorneys, each in their official and individual capacities, from and against all lawsuits, suits, actions, costs, claims, demands, damages, disability, losses, expenses, including reasonable attorney's fees and other defense costs or liabilities of any character and from any cause whatsoever, brought because of loss or damage received or sustained, by any person, persons, property owners or property arising out of or resulting from any act, error, omission, or intentional act of the Developer or its agents, employees, or subcontractors, to the extent conducted pursuant to this Agreement and/or in connection with the ownership, design, development, redevelopment, use or occupancy of the property within the District or a portion thereof and the CID Project.

Section 8.3. Modification. The terms, conditions, and provisions of this Agreement can be neither modified nor eliminated except in writing and by mutual agreement among the City, the District and the Developer. Any modification to this Agreement as approved shall be attached hereto and incorporated herein by reference.

Section 8.4. Jointly Drafted. The Parties agree that this Agreement has been jointly drafted and shall not be construed more strongly against another Party.

Section 8.5. Applicable Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Missouri.

Section 8.6. Validity and Severability. It is the intention of the Parties that the provisions of this Agreement shall be enforced to the fullest extent permissible under the laws and public policies of State of Missouri, and that the unenforceability (or modification to conform with such laws or public policies) of any provision hereof shall not render unenforceable, or impair, the remainder of this Agreement. Accordingly, if any provision of this Agreement shall be deemed invalid or unenforceable in whole or in part, this Agreement shall be deemed amended to delete or modify, in whole or in part, if necessary, the invalid or unenforceable provision or provisions, or portions thereof, and to alter the balance of this Agreement in order to render the same valid and enforceable.

Section 8.7. Execution of Counterparts. This Agreement may be executed simultaneously in two or more counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same instrument.

Section 8.8. City Approvals. Unless specifically provided to the contrary herein, all approvals of the City hereunder may be given by the Mayor or his or her designee without the necessity of any action by the City Council. The Mayor may seek the input from the City Council before granting any approval.

Section 8.9. District Approvals. Unless specifically provided to the contrary herein, all approvals of the District hereunder may be given by the Chairman of the District or his or her designee without the necessity of any action by the Board of Directors.

Section 8.10. Electronic Storage. The parties agree that the transactions described herein may be conducted and related documents may be received, sent or stored by electronic means. Copies, telecopies, facsimiles, electronic files and other reproductions of original executed documents shall be deemed to be authentic and valid counterparts of such original documents for all purposes, including the filing of any claim, action, or suit in the appropriate court of law.

Section 8.11. Reserved.

Section 8.12. Notices. Any notice, demand, or other communication required by this Agreement to be given by either party hereto to the other shall be in writing and shall be sufficiently given or delivered if dispatched by certified United States First Class Mail, postage prepaid, or delivered personally or by a reputable overnight delivery service to all parties listed below. Mailed notices shall be deemed effective on the third day after mailing and all other notices shall be effective when delivered.

To the City:

City of Independence, Missouri
111 E. Maple Ave
Independence, MO 64050
Attn: Tom Scannell
tscannell@indepmo.org

with copy to:

Gilmore & Bell, P.C.
2405 Grand Blvd., Suite 1100
Kansas City, MO 64108
Attn: Megan Miller
mmiller@gilmorebell.com

To the District:

Blue Ridge Crossing-East Community
Improvement District
Attn: Dan Horn
470 NW Legacy Drive
Kansas City, MO 64155

with copy to:

Rouse Frets White Goss Gentile Rhodes, P.C.
Attn. William B. Moore
801 W. 47th Street, Suite 500
Kansas City, MO 64112

To the Developer:

MBS Mall Investor-98, LLC
Attn: Dan Horn
470 NW Legacy Drive
Kansas City, MO 64155

with copy to:

Rouse Frets White Goss Gentile Rhodes, P.C.
Attn. William B. Moore
801 W. 47th Street, Suite 500
Kansas City, MO 64112

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.

Section 8.13. Anti-Discrimination. The Developer hereby certifies and agrees that, to the extent that the “Anti -discrimination Against Israel Act,” Section 34.600, Revised Statutes of Missouri (the “Israel Act”), is applicable to this Agreement, the Developer is not currently engaged in and shall not, for the duration of this Agreement, engage in a boycott of goods or services from the State of Israel (“Israel”), companies doing business in or with Israel or authorized by, licensed by or organized under the laws of Israel or persons or entities doing business with Israel, in all respects within the meaning of the Israel Act. The foregoing certification shall not be deemed an admission or agreement that the Israel Act is applicable to this Agreement but the foregoing certification is enforceable if the Israel Act is applicable. If the Israel Act is determined not to apply to this Agreement for any reason including the repeal or amendment of the Israel Act or any ruling of a court of competent jurisdiction as to the unenforceability or invalidity of the Israel Act, then the certification shall be of no effect.

[Remainder of this page intentionally left blank]

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

CITY OF INDEPENDENCE, MISSOURI

[SEAL]

By: _____
Rory Rowland
Mayor

ATTEST:

Susanne Holland
City Clerk

STATE OF MISSOURI)
) **SS.**
COUNTY OF JACKSON)

On this ____ day of _____, 2026 before me appeared, Rory Rowland, who being, by me duly sworn, did say that she is the Mayor of the **CITY OF INDEPENDENCE, MISSOURI**, a constitutional charter city and political subdivision of the State of Missouri, and did say that the seal affixed to the foregoing instrument is the seal of said City, and that said instrument was signed and sealed on behalf of said City, by authority of its City Council, and said Mayor 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.

Notary Public

(SEAL)

My commission expires: _____

**BLUE RIDGE CROSSING-EAST
COMMUNITY IMPROVEMENT
DISTRICT**

[SEAL]

By: _____
BJ Craig, Chair

ATTEST:

Secretary

STATE OF MISSOURI)
) SS.
COUNTY OF JACKSON)

On this _____ day of _____, 2026, before me appeared BJ Craig, who being by me duly sworn, did say that he is the Chair of the Board of Directors of the **BLUE RIDGE CROSSING-EAST COMMUNITY IMPROVEMENT DISTRICT**, a community improvement district organized and existing under the laws of the State of Missouri, and that said instrument was signed in behalf of said District by authority of its Board of Directors and said individual acknowledged said instrument to be the free act and deed of said District.

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: _____

MBS MALL INVESTOR-98, LLC

By: _____
_____, Authorized Signatory

STATE OF MISSOURI)
) **SS.**
COUNTY OF JACKSON)

On this _____ day of _____, 2026, before me appeared _____, who being by me duly sworn, did say that s/he is the Authorized Signatory of **MBS MALL INVESTOR-98, LLC**, a Missouri limited liability company organized and existing under the laws of the State of Missouri, and that said instrument was signed in behalf of said limited liability company by authority of its members and said individual acknowledged said instrument to be the free act and deed of said limited liability company.

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: _____

EXHIBIT A
CID PROJECT

CID Project	Budget
Maintenance wages	\$10,000
Management fee	\$10,000
Electricity	\$3,000
Water Sewer	\$3,000
LED lighting upgrades	\$10,000
Security	\$55,000
Landscaping	\$15,000
Snow removal	\$5,000
Trash removal	\$10,000
Sign/Entrance maintenance	\$15,000
Sweeping	\$5,000
Repair driveways/sidewalks	\$15,000
Maintenance - misc	\$5,000

The cost of services funded by the CID will be included in annual budgets and adjusted as needed.

EXHIBIT B

FORM OF COST CERTIFICATION

Date: _____

CERTIFICATION OF PROJECT COSTS PURSUANT TO THE COOPERATIVE AGREEMENT
RELATING TO THE BLUE RIDGE CROSSING-EAST COMMUNITY IMPROVEMENT
DISTRICT

To: City of Independence, Missouri (the “City”) and the Blue Ridge Crossing-East Community Improvement District (the “District”)

MBS Mall Investor-98, LLC (the “Developer”) hereby requests reimbursement from District Sales Tax Revenues in accordance with this request and the Cooperative Agreement (the “Cooperative Agreement”) among the City, the Developer, and the District, and hereby states and certifies as follows:

1. Capitalized terms used but not defined in this Cost Certification have the meanings given in the Cooperative Agreement.
2. The following costs (the “Certified Costs”) have been paid by the Developer and are hereby submitted for reimbursement from District Sales Tax Revenues:

<i>Cost Description</i>	<i>Contractor or Service Provider</i>	<i>Amount</i>

3. Each item included as a Certified Cost in this Cost Certification is a valid cost of implementing the CID Project authorized under CID Act and described in the Petition and the Cooperative Agreement or is a valid cost of formation of the District.
4. The Certified Costs included in this Cost Certification are reasonable costs that are payable under the Petition and reimbursable to the Developer under the Cooperative Agreement.
5. No item included in the above request has previously been paid or reimbursed from District Sales Tax Revenues and no part thereof has been included in any other Cost Certification previously filed by the Developer.
6. The Developer is not in material default of any provision of the Cooperative Agreement.

SIGNATURE PAGE TO COST CERTIFICATION

Certified by:

MBS MALL INVESTOR-98, LLC

By: _____,
_____, Authorized Signatory

Approved and Accepted:

**BLUE RIDGE CROSSING-EAST
COMMUNITY IMPROVEMENT
DISTRICT**

By: _____
Name: _____
Title: _____

**CITY OF INDEPENDENCE,
MISSOURI**

By: _____
Name: _____
Title: _____

City of Independence

AGENDA ITEM COVER SHEET

Agenda Title:

26-016 **1R** An ordinance amending Chapter 4 Article 11 Landlord Tenant Code and Article 15 Rental Ready of the City Code. **1R Read**

Recommendations:

Staff recommends approval.

Background:

The City's current Rental Ready Ordinance applies the same inspection schedule to all rental housing types, regardless of size, density or operational complexity. This includes large multifamily apartment buildings as well as single-family homes and duplexes.

The proposed ordinance creates a seven-year inspection cycle for single-family and duplex rental units, while preserving the City's authority to require inspections when public health or safety concerns exist.

Under the amendment:

- A rental dwelling unit inspection for a single-family or duplex property would be valid for seven (7) years from the date of the most recent inspection, or upon a change of tenant, whichever occurs first.
- No single-family or duplex rental unit may exceed seven (7) years between inspections, unless the City determines that an earlier inspection is necessary due to documented complaints or observed code violations affecting public health, safety, or welfare.

All other rental housing types would remain subject to the City's existing inspection requirements.

The City will continue to:

- Investigate landlord tenant complaints,
- Conduct inspections of violations, and
- Enforce all applicable building, housing and property maintenance codes.

As part of this amendment, the penalty section of the Landlord Tenant code is being updated to comply with Missouri State Statutes.

Emergency Justification:

Fiscal Impact:

Council Action:

Department / Contact	Community Development /
---------------------------------	-------------------------

REVIEWERS

Tom Scannell
Jeremy Cover
Lisa Reynolds
Susanne Holland

ATTACHMENTS:

1. Ordinance - Landlord Tenant and Rental Ready Amendment 2026
2. Ordinance - Landlord Tenant and Rental Ready Amendment 2026 - Word

BILL NO. _____

ORDINANCE NO. _____

AN ORDINANCE AMENDING CHAPTER 4 ARTICLE 11 LANDLORD
TENANT CODE AND ARTICLE 15 RENTAL READY OF THE CITY
CODE.

WHEREAS, in 1989 the City adopted Article 11 of Chapter 4 Landlord Tenant Code outlining basic landlord and tenant requirements; and,

WHEREAS, minor amendments to this article occurred in the 1990's however, there have been no other amendments since; and,

WHEREAS, in September 2016, the City Council adopted a new program called "Rental Ready" which established an interior rental dwelling unit inspection program, which began on June 1, 2017; and,

WHEREAS, the Rental Ready program applies to all rental dwelling units in the city and requires all rental properties to be licensed and pass a basic health and safety inspection every two years; and,

WHEREAS, the City's Landlord Tenant Code is integral to protecting the public health, safety and general welfare of residents in rental dwellings; and,

WHEREAS, the City Council desires to amend the Landlord Tenant section to amend the penalty section and Rental Ready section to update the timing of inspections for certain rental dwelling types.

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

SECTION 1. That Section 4.11.009 of the City Code is hereby amended as follows:

Sec. 4.11.009. Penalty.

Any person, firm or corporation who shall violate a provision of this article shall, upon conviction thereof, be subject to a fine of not less than \$150.00 for the first conviction, a fine of not less than \$300.00 for the second conviction, and a fine of not less than \$500.00 for the third and subsequent convictions ~~or to imprisonment not exceeding a period of six months, or both such fine and imprisonment. In addition to or in lieu of such fines, such person may be required to complete a training course regarding property maintenance, and may be required to provide community service.~~

SECTION 2. That Section 4.15.006.D of the City Code is hereby amended as follows:

“Sec. 4.15.006. Rental dwelling unit inspection required.

- A. A valid rental unit inspection form shall be submitted to the City in the form and manner prescribed by the City for all rental units.
 - 1. The qualified rental housing inspector shall submit all inspection records to the City upon completion of rental inspection and payment by the property owner. The City shall retain all records in accordance with the Missouri Sunshine Law and the Local Government Records Retention Schedule.
- B. The qualified rental housing inspector hired by the property owner shall make an inspection of the dwelling or dwelling units for which a satisfactorily completed and executed application for a rental ready certificate is filed. In accordance with Section 4.11.002 of the Independence City Code, the landlord shall give reasonable notice before entering and allowing inspection of the leased premises.
- C. Any rental dwelling unit that has been inspected for any reason may submit that inspection report provided the inspection is no older than 12 months.
- D. During the initial implementation, the rental dwelling unit inspection shall be valid for up to two years from the date the City issues the business license for the rental dwelling unit(s). After the initial implementation, the rental dwelling unit inspection shall be valid for two years from the date the City issues the business license or upon a change of tenant for the rental dwelling unit(s), whichever occurs later. In no case shall a rental dwelling unit exceed four years between inspections.

Notwithstanding the foregoing, single-family dwelling units and duplex dwelling units used as rental housing shall be subject to a modified inspection cycle. For such properties, a rental dwelling unit inspection shall be valid for seven (7) years from the date of the most recent inspection or upon a change of tenant, whichever occurs first. In no case shall a single-family or duplex rental dwelling unit exceed seven (7) years between inspections unless the City determines, based on documented complaints or observed code violations, that an earlier inspection is necessary to protect the public health, safety, or welfare. It shall be the responsibility of the landlord of said single-family and/or duplex dwelling units to notify the City when a new rental agreement with a new tenant has been entered into, triggering the City's right to have the unit(s) inspected by a qualified rental housing inspector before the occupancy of the new tenant.

SECTION 3. That all other parts and provisions of the City Code not in conflict herewith shall remain in full force and effect unless previously or subsequently amended or repealed.

SECTION 4. That correction of any scriveners' errors identified within these articles are hereby authorized by this ordinance.

PASSED THIS _____ DAY OF _____, 2026, BY THE CITY COUNCIL OF THE CITY OF INDEPENDENCE, MISSOURI.

Presiding Officer of the City Council
of the City of Independence, Missouri

ATTEST:

City Clerk

APPROVED AS TO FORM AND LEGALITY:

City Counselor

REVIEWED BY:

City Manager

NOTE: Words struck through and bolded are being removed by this ordinance and words underscored and bolded are being added by this ordinance.

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- C. Any rental dwelling unit that has been inspected for any reason may submit that inspection report provided the inspection is no older than 12 months.
- D. During the initial implementation, the rental dwelling unit inspection shall be valid for up two years from the date the City issues the business license for the rental dwelling unit(s). After the initial implementation, the rental dwelling unit inspection shall be valid for two years from the date the City issues the business license or upon a change of tenant for the rental dwelling unit(s), whichever occurs later. In no case shall a rental dwelling unit exceed four years between inspections.

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City Clerk

APPROVED AS TO FORM AND LEGALITY:

City Counselor

REVIEWED BY:

City Manager

NOTE: Words struck through and bolded are being removed by this ordinance and words underscored and bolded are being added by this ordinance.

BLUE RIDGE CROSSING-EAST COMMUNITY IMPROVEMENT DISTRICT				
BUDGET				
FISCAL YEAR BEGINNING JULY 1, 2026 AND ENDING JUNE 30, 2027				
BUDGET				
	Operating Fund Budget	Debt Service Budget	Project Funds Budget	Fiscal Year Ending 6/30/2027
REVENUES:				
Revenue Funds:				
CID Sales Tax Revenues*	190,000	-	-	190,000
TOTAL REVENUES	<u>190,000</u>	<u>-</u>	<u>-</u>	<u>190,000</u>
EXPENDITURES:				
Project expenditures:				
Maintenance wages	10,000			10,000
Management fee	10,000	-	-	10,000
Electricity	3,000			3,000
Water Sewer	3,000			3,000
LED lighting upgrades	10,000			10,000
Security	55,000			55,000
Landscaping	19,600			19,600
Snow removal	5,000			5,000
Trash removal	10,000			10,000
Sign/Entrance maintenance	15,000			15,000
Sweeping	5,000			5,000
Repair driveways/sidewalks	15,000			15,000
Maintenance - misc	5,000			5,000
Operating expenditures:				
Accounting fees	2,500	-	-	2,500
Legal fees	20,000	-	-	20,000
Insurance costs	1,400	-	-	1,400
Bank	-	-	-	-
Misc	500	-	-	500
TOTAL EXPENDITURES	<u>190,000</u>	<u>-</u>	<u>-</u>	<u>190,000</u>
TRANSFERS TO/(FROM) OTHER FUNDS	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXCESS OF REVENUES OVER EXPENDITURES AND TRANSFERS	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
*CID sales tax became effective October 1, 2025.				
Note 1: The Developer has incurred approximately \$40,000 in expenses after the date of CID adoption for CID related expenses that are eligible for reimbursement (legal fees, security, snow removal, etc.) The board will reimburse the Developer for these Advances as funds are made available by district revenues. Timing and amounts of reimbursements will be at the Board's discretion.				



INDEPENDENCE

Advisory Board of Health Members

*Interim Chair
Dr. Terry Morris*

Dr. Peter Muelleman

Dr. David Suchman

Dr. Larry Legler

Lori Halsey

Jason White

Joseph Keary

Genesis Rivera

January 14, 2026

RE: Recommendations Concerning the Independence Health
Department

Mayor and Members of the Council,

During the December 2025 meeting of the Board of Health, the Board created a sub-committee to prepare a letter to submit to the Mayor and Council regarding the current discussions related to the services currently provided by the Health Department, the functions that might be needed by the residents that are not currently provided, the financial aspects of the Health Department, and considerations related to the organization needed to meet the needs of the community.

The City of Independence needs to consider the diversity of functions needed by a health department serving Independence due to the nature of our community.

Independence has a significant density of elderly, families with young children, a diverse population by race and ethnicity, and challenging socio-economic issues. These are not topics that challenge some of the more homogeneous communities that constitute Eastern Jackson County.

Independence is challenged with a primary school system serving an extremely large population of children requiring free- or reduced-price lunches; an indication of the economic status of the community and an expectation of the needs of the community for some time into the future.



INDEPENDENCE

The Board of Health is excited about participating in a discussion about the future of the Health Department as we all seek to both ensure that we are providing the services needed in our community and offering these services in a cost-effective and efficient fashion.

The Board of Health recommends that the City procure the services of a consultant in the field of local public health to assist the Board of Health, City Council, and community with considering these questions and providing some thoughtful recommendations.

1. We should take a moment to consider the available information such as local, county, and state health assessment data in order to consider what services our community needs from a local public health agency. We are not proposing that we conduct additional health evaluations, but instead we review available data from reasonable sources.
2. We should consider what services the City health department now provides as well as what services the county health department or other area agencies might currently or potentially offer in the future to the citizens of Independence. This review will allow us to consider what, if anything, is not being provided and that should be considered.
3. The Board recommends part of the evaluation include the cost of the services currently provided and the estimated cost of any services which might be considered. The Board recognizes that the provision of public health services is not devoid of a relationship to the financial ability to offer the services and the financial priorities of the City.
4. The Board recognizes that there are various sources of revenue that presently support the City health department. We also propose that we should consider if there are other possible sources of revenue.
5. The Board of Health respects that some of the typical funding sources for public health agencies are changing and, in some cases, deteriorating. We should not only consider the impact of these changes with regards to our City health department but also any other agency or organization that we might wish to affiliate with to provide the services our community requires. We request that the current tax levy be evaluated as part of this discussion related to how we should best finance a public health department.



INDEPENDENCE

6. The evaluation of the City health department should include a comparison of costs, functions and organization with other similar communities. We should remain open to the opportunity to make changes that will improve the services we provide through improved efficiency related to the method of organizing the services.

7. The evaluation of the Health Department by the Board and City Council should be done in a transparent fashion to allow input from members of the community and entities with an interest in the topic.

8. We strongly recommend that the City procure the services of qualified consultants to assist with collecting the information mentioned and facilitating the necessary conversations with the Board and key City parties and finally assisting the Board with providing the City Council with recommendations regarding this important issue.

The Board of Health is assigned by the City Charter the obligation to advise the City Council regarding these matters. We are prepared to work with a qualified consultant to bring forward recommendations in a timely fashion.