

CITY OF CENTRALIA, MISSOURI

Board of Aldermen

Special Meeting

Monday, May 21, 2018

7:00 P. M.

City Hall Council Chambers

- I. PLEDGE OF ALLEGIANCE
- II. ROLL CALL
- III. CONSENT AGENDA (Approved as a group unless separated by request of one or more Aldermen)
 - A. Minutes of Prior Meetings – *April 16, 2018 & May 7, 2018*
 - B. Minutes of Public Works and Public Utilities Committee Meeting – *May 7, 2018*
 - C. Minutes of General Government and Public Safety Committee Meeting – *May 14, 2018*
 - D. Minutes of the Planning and Zoning Commission Meeting – *April 26, 2018*
 - E. Reports
 - 1. Treasurer's & Collector's Reports
 - 2. Activity Reports
- IV. ACCOUNTS PAYABLE OVER \$1,250 = ***\$450,696.67***
- V. COMMENTS FROM CITIZENS
- VI. PRESENTATION TO HAROLD WARD, PARK BOARD MEMBER
- VII. REQUEST FROM PARK BOARD TO RENAME CENTRALIA RECREATION CENTER
- VIII. ACTION AGENDA
 - A. Finance – None
 - B. Permits and Licensing – None
 - C. Legal –
 - 1. Authorizing the Mayor of Centralia, Missouri to Enter into an Energy Performance Contract with Energy Solutions Professionals of Overland Park, Kansas – Ordinance Bill _____ Ordinance _____
 - 2. Fixing the Compensation of Certain Employees of the City of Centralia, Missouri - Ordinance Bill _____ Ordinance _____
 - 3. Renumbering ordinances passed from March 19, 2018 through April 16, 2018
 - 4. Electing Changes under the Missouri Local Government Employees Retirement System (LAGERS) to Adopt L-7 (Rule of 80) - Ordinance Bill _____ Ordinance _____
 - D. Purchasing –
 - 1. Approving Task Orders with Engineering Surveys and Services for Engineering of Randolph Road (Motion)
 - 2. Accepting best bid for an Irrigation Pump for Marty Bowne's Farm (Motion)
 - 3. Accepting Task Orders CEN-19-TO-W01 and CEN-19-TO-W02 with Bartlett & West Engineering for Work Associated with Water & Sewer Improvements (Motion)
 - 4. Authorizing Cummins of Columbia, Missouri to service the generators at the Police Dept., Sewer Lift Station, and Sewer Lagoon (Motion)
 - 5. Accepting best bid for MDT Installation (Motion)
- VII. OLD BUSINESS
- VIII. CLOSED SESSION
- VII. NEW BUSINESS
 - A. Action on Personnel Items
 - B. Mayor
 - 1. Appointments

- a) Park Board – three appointments
- b) Library Board – one appointments
- 2. City Administrator Search Committee

- C. City Administrator
 - 1. Monthly Report – April 2018
- C. City Attorney
- D. City Clerk

IX. CLOSED MEETING*

X. AS MAY ARISE

XI. ADJOURN

*During the meeting, the Board of Aldermen may elect to go into closed session and hold a closed vote, and the purpose of such closed session and closed vote shall be as provided for under Section 610.021 (2) Leasing, purchase or sale of real estate by a public governmental body where public knowledge of the transaction might adversely affect the legal consideration therefore; and Section 610.021(3) of the Revised Statutes of Missouri for hiring, firing, disciplining or promoting of particular employees by a public governmental body; and (13) Individually identifiable personnel records, performance ratings or records pertaining to employees or applicants for employment.

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Tim Grenke, Mayor
City of Centralia
573/682-2139 office
573/682-5956 fax



114 S Rollins
Centralia MO 65240
mayor@centraliamo.org

City of Centralia

PROCLAMATION

WHEREAS the Congress of the United States of America has designated May 30th, Memorial Day, to honor our Veterans, and

WHEREAS the Veterans of the United States have been the guardians of our fundamental rights to life, liberty, and the pursuit of happiness, the City of Centralia sincerely desires to honor the valor, service, dedication and heroism of its veterans, and those Missing in Action.

I, THEREFORE, proclaim May 30th, our day to call upon all citizens in this community to especially honor and show their sincere appreciation to all veterans and to especially honor our men and women who made the supreme sacrifice. I wish to call on all citizens to make an extra effort to express their gratitude and give their prayers, to and for, the men and women who have made it possible for all people of this country to live in such a free society, that we are so fortunate to have in our great nation.

With my most profound feelings I have signed, this day, this proclamation at the City of Centralia, State of Missouri in witness thereof the seal and signature of the City are affixed.

Tim Grenke, Mayor

Mayor Grenke called the special meeting to order at 7:00 p.m.

Roll Call: Aldermen Robert Hudson, James Lee, Landon Magley, Don Rodgers, Andrea Vollrath, and David Wilkins answered roll call.

Absent:

Also present were City Administrator Matt Harline, City Attorney Cydney Mayfield, Police Chief Larry Dudgeon, James Smith with the Centralia Fireside Guard

Pledge of Allegiance:

Mayor Grenke led everyone in the pledge of allegiance.

COMMENTS FROM CITIZENS:

The Comments from Citizens portion of the meeting was opened at 7:01 p.m. by Mayor Grenke.

Hearing no further comments, the Comments from Citizens portion of the meeting was closed at 7:01 p.m. by Mayor Grenke.

Certification of Municipal Election Results:

Copies of the certified election results for the April 3rd municipal elections from Boone County Clerk Wendy Noren were made available at the meeting. The votes were as follows:

Question

Shall the City of Centralia, Missouri, issue its combined waterworks and sewerage system revenue bonds in the amount of \$7,800,000 for the purpose of extending and improving the combined waterworks and sewerage system of the City, the cost of operation and maintenance of said combined waterworks and sewerage system and the principal of and interest on said revenue bonds to be payable solely from the revenues derived by the City from the operation of its combined waterworks and sewerage system including all future improvements and extensions thereto?

YES	520
NO	79

Alderman, Ward I	
DON BORMANN	128
Alderman, Ward II, 2 year term	
DON RODGERS	254
Alderman, Ward II, 1 year unexpired term	
ROBERT HUDSON	238
Alderman, Ward III	
LANDON MAGLEY	107
ART DOLLENS	35

Alderman Wilkins made the motion to approve the certified elections results for the April 3rd municipal election. Alderman Vollrath seconded the motion. On a call by the Mayor for ayes and nays, the motion passed unanimously.

ORDINANCE: Vacating ten fee of right-of-way on East Southgate and Vacating ten fee of right-of-way on North Collier of Block 3 of the Original Town now Centralia, Missouri

Alderman Vollrath presented a bill marked and designated as bill no. 2220 to create an ordinance entitled "AN ORDINANCE VACATING A PORTION OF NORTH COLLIER STREET ADJACENT TO THE NORTH LINE OF BLOCK THREE (3) AND A PORTION OF SOUTHGATE STREET ADJACENT TO THE NORTH LINE OF BLOCK THREE (3) OF THE ORIGINAL TOWN NOW CITY OF CENTRALIA, MISSOURI." Alderman Vollrath moved that it be placed on its first reading by title only. Before the bill was

introduced copies of the bill were made available for public inspection. Motion was seconded by Alderman Wilkins and motion carried unanimously. The bill was then read by title only. Alderman Vollrath moved the bill be placed on its second reading. Motion was seconded by Alderman Wilkins and motion carried unanimously. The bill was then read the second time by title only. The Mayor then called for discussion on the bill and after some discussion Alderman Vollrath moved the final passage of the bill. Alderman Wilkins seconded the motion.

Harline said the issue has advanced from Planning & Zoning with a unanimous denial. He pointed out that there is discussion in the minutes from Planning & Zoning. The staff recommendation is that this not be passed to keep with the P & Z recommendations. Harline said the ordinance is drafted in the positive, because you can't take negative action. Hudson said that he and Alderman Rodgers had received an email from Jon Angell to recommend following the P & Z recommendation.

Gibler, owner of the property at 425 N Collier, asked if it would pass if he did not do the north part along Southgate Street and got rid of the request for the north part. Grenke said that at this point he did not think it would change anything, but could be a request later on. Harline said the ordinance is drafted in such a way that it could be amended, but that would need to be brought to another meeting. He said it's the same argument for both streets, and it's about giving away 10 feet on one side and seeing if there is a reason to give equal parts on the other side. He said the Collier street would make more sense, but would recommend voting the whole ordinance down instead of making an amendment.

Bormann said the reason he was at the meeting was he recommended Gibler ask for 10 foot right of way on Southgate, but did not recommend he ask for it on Collier St. He stated that even though he did doing the survey, his survey fee has nothing to do with this request. He said that the reason he told Gibler it would make sense is because the ordinance says the right-of-way is recommended for 60 feet and this is an 80 foot right of way. He said he wouldn't recommend it in most cases, but in this case the road dead ends at railroad and the 80 foot right of way doesn't make sense. He said this is the only street going north that he'd recommend going to a 60 foot right of way. He said that whether the Board does it or not is up to them, but a business owner has requested the change.

Dennis Whitaker said he has been on both sides of this issue in the past. His business, D & D Tire, is located on the other side of the street. He said that once you give it away, you don't get it back. He said he could have built out there, and actually bought another lot to build a bigger building. With regard to dealing with the fence on north Rollins, Whitaker said he's dealt with it for 25 years and it has been a problem.

Bormann said the other lying title is in the adjacent landowner's name. He said the Board is not really giving anything away, but giving back the rights and the City already has an easement there for right-of-way.

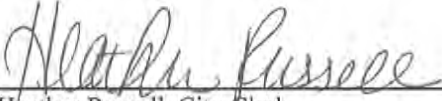
Rodgers said that Planning & Zoning is going to do some studies and get back with us. Grenke said that staff is going to figure out how many 80 foot streets there are. Harline said that most of the old town, original streets – Columbia to Bradford – are 60 feet wide. Hickman Street is 80 feet wide, and the back of the sidewalk on each side is the City right-of-way. It wouldn't make sense to get rid of the right-of-way because it's in use.

The Mayor called for a roll call vote and the ordinance failed with the following vote. Aldermen voting FOR: None. Voting AGAINST: Hudson, Lee, Magley, Rodgers, Vollrath, and Wilkins. The Mayor declared the bill failed.

Adjourn Sine Die:

Alderman Wilkins made the motion to adjourn sine die. Alderman Vollrath seconded the motion. On a call by the Mayor for ayes and nays, the motion passed unanimously.

The meeting was adjourned sine and die at 7:18 p.m.


Heather Russell, City Clerk

Mayor Grenke called the organizational meeting to order at 7:20 p.m.

Roll Call: Aldermen Robert Hudson, James Lee, Landon Magley, Don Rodgers, Andrea Vollrath, and David Wilkins answered roll call.

Absent: None

Also present were City Administrator Matt Harline, City Attorney Cydney Mayfield, Police Chief Larry Dudgeon, James Smith with the Centralia Fireside Guard

Grenke presented a plaque of appreciation for her service as Alderman from 2014 to 2018.

SWEAR IN NEWLY ELECTED OFFICIALS

City Clerk Russell administered the oath of office to the newly elected officials as follows: Alderman Ward I – Don Bormann, Alderman Ward II – Don Rodgers, Alderman Ward II (1-year term) Robert Hudson, and Alderman Ward III – Landon Magley.

ELECTION OF PRESIDENT OF THE BOARD OF ALDERMEN (MAYOR PRO TEM) BY ALDERMEN:

Alderman Wilkins nominated Alderman Lee to be elected as Mayor Protempore. Alderman Magley seconded the motion. There being no other nominations, the Mayor called for ayes and nays, the motion passed unanimously.

ELECTION OF CITY CLERK BY ALDERMEN:

Alderman Wilkins made the motion to elect Heather Russell as City Clerk. Alderman Lee seconded the motion. On a call by the Mayor for ayes and nays, the motion passed unanimously.

Mayor Grenke administered the oath of office to Heather Russell as City Clerk.

NOMINATION OF COMMITTEE CHAIRMEN:

Mayor Grenke appointed Alderman Lee as Chairman of the Public Works & Public Utilities Committee.

Mayor Grenke appointed Alderman Wilkins as Chairman of the General Government & Public Safety Committee.

There being no further business to discuss, Alderman Wilkins made the motion to adjourn the meeting. Alderman Magley seconded the motion. On a call by the Mayor for ayes and nays the motion carried unanimously.

Meeting adjourned at 7:26 p.m.



Heather Russell, City Clerk

Mayor Grenke called the regular meeting to order at 7:26 p.m.

Roll Call: Aldermen Don Bormann, Robert Hudson, James Lee, Landon Magley, Don Rodgers, and David Wilkins answered roll call.

Absent: None

Also present were City Administrator Matt Harline, City Attorney Cydney Mayfield, Police Chief Larry Dudgeon, James Smith with the Centralia Fireside Guard, Lynn Behrns, Linda Bormann, LeeAllen Smith, David Whitaker, Bride Gibler, Robert Paben

CONSENT AGENDA:

Mayor Grenke asked for approval of the Consent Agenda in its entirety or any items to be pulled for comment or correction.

CONSENT AGENDA:

- A. Minutes of Prior Meetings – March 19, 2018 & March 29, 2018
- B. Minutes of Public Works and Public Utilities Committee Meeting – April 2, 2018
- C. Minutes of General Government and Public Safety Committee Meeting – April 9, 2018
- D. Minutes of the Planning and Zoning Commission Meeting – March 22, 2018
- E. Reports
 - 1. Treasurer's & Collector's Reports
 - 2. Activity Reports

Motion was made by Alderman Hudson to accept the consent agenda in its entirety. Alderman Wilkins seconded the motion. On a call by the Mayor for ayes and nays, the motion passed unanimously.

Accounts Payable over \$1250 was presented in the amount of \$268,221.72 as follows:

ACCOUNTS PAYABLE OVER \$1250

April 16, 2018

Ameren (Transmission Chgs)	\$20,734.72
Ameren UE (Heating Bill)	\$2,484.87
Big Rivers Electric (Capacity)	\$24,250.00
Columbia Freightliner (Unit # 29 Parts/ Repairs)	\$2,038.83
Lauber Municipal Law (Legal Services)	\$2,000.00
MFA Oil (Fuel)	\$3,526.45
Midland GIS Solutions (Website Hosting)	\$4,800.00
MJMEUC (Prairie State Charges)	\$83,877.83
Nextera	\$97,555.19
Ozark Applicators (Annual Inspection of towers)	\$1,800.00
Premier Pyrotechnics, Inc (2018 Fireworks)	\$4,500.01
Progressive Landscaping (Cemetery Mowing)	\$2,821.43
S & S Electric (Sims Motor Rep)	\$1,965.00
UMB Bank (MAMU)	\$12,384.85
Wilkerson Bro (Rock)	\$3,482.54
TOTAL	\$268,221.72

GRAND TOTAL

\$268,221.72

Grenke asked if Ozark Applicators found any issues with their inspections. Harline said he will get a report from Mike Forsee.

Alderman Wilkins made the motion to approve the Accounts Payable over \$1250 in the amount of \$268,221.72. Alderman Lee seconded the motion. On a call by the Mayor for ayes and nays, the motion passed unanimously.

COMMENTS FROM CITIZENS:

The Comments from Citizens portion of the meeting was opened at 7:28 p.m. by Mayor Grenke.

Hearing no comments, the Comments from Citizens portion of the meeting was closed at 7:29 p.m. by Mayor Grenke.

ECONOMIC DEVELOPMENT REPORT FROM CHAMBER OF COMMERCE

The report from the Chamber of Commerce was provided in the meeting packet.

Harline said that Ginny will be at the May 7th meeting to discuss the beautification project they are working on. He said that Alderman Jim Lee has been working on that. Grenke said the annual banquet is coming up on April 26th.

ACTION AGENDA:

Finance:

City Collector's Report on Delinquent Property Taxes:

The Delinquent Tax Report as of March 31, 2018 from the Boone County Collector was included in the packet with a report on the comparison of 2016 taxes versus 2017 by City Collector Russell. Alderman Wilkins made the motion to approve the Delinquent Tax Report as of March 31, 2018 and the Tax Comparison Report as submitted. Alderman Bormann seconded the motion. On a call by the Mayor for ayes and nays, the motion passed unanimously.

Report on County Tax Abatements:

The Boone County Collector had submitted a report to the City Collector for the abatement of 2012 personal property taxes that are considered to be uncollectible in the amount of \$191.81 for the General Fund and Parks & Recreation Revenue and \$73.92 for the Library funds for a grand total of \$265.73. Alderman Wilkins made the motion to accept the Boone County Collector's Report on 2012 Tax Abatement for personal property taxes. Alderman Hudson seconded the motion. On a call by the Mayor for ayes and nays, the motion passed unanimously.

Utility Bills Bad Debt Charge-offs as of 3/31/2018

Harline said that the women in the City Clerk's office are pretty outstanding at remembering people who move back to town and trying to collect the money. We get criticized for turning electric off so quickly, about a month after it's due, but it does cut down on the amount that we write off each year.

A report of the utility bills to be charged off as bad debts was presented in the amount of \$10,694.33. Alderman Wilkins made a motion to approve the bad debt charge-offs in the amount of \$10,694.33. Alderman Lee seconded the motion. On a call by the Mayor for ayes and nays, the motion passed unanimously.

Approving Budgeted Inter-Fund Transfers

Harline said the budgeted inter-fund transfers include \$50,000 from the Water Fund to the General Fund in two payments on April 30, 2018 and October 31, 2018, \$150,000 from the Electric Fund to the General Fund in two payments on April 30, 2018 and October 31, 2018, and \$30,000 from the Electric Fund to the Cemetery Fund in one payment on April 30, 2018. Alderman Wilkins made a motion to approve the budgeted transfers on of \$50,000 from the Water Fund to the General Fund, \$150,000 from the Electric Fund to the General Fund and \$30,000 from the

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Electric Fund to the Cemetery Fund. Alderman Hudson seconded the motion. On a call by the Mayor for ayes and nays, the motion passed unanimously.

Permits & Licensing: None

Legal:

ORDINANCE: Authorizing the Mayor to Enter into a Professional Administration Services Agreement with the Mid-Missouri Regional Planning Commission

Alderman Wilkins presented a bill marked and designated as bill no. 2221 to create an ordinance entitled “AN ORDINANCE AUTHORIZING THE MAYOR OF THE CITY OF CENTRALIA, MISSOURI TO ENTER INTO A PROFESSIONAL ADMINISTRATION SERVICES AGREEMENT WITH THE MID-MISSOURI REGIONAL PLANNING COMMISSION.” Alderman Wilkins moved that it be placed on its first reading by title only. Before the bill was introduced copies of the bill were made available for public inspection. Motion was seconded by Alderman Lee and motion carried unanimously. The bill was then read by title only. Alderman Wilkins moved the bill be placed on its second reading. Motion was seconded by Alderman Lee and motion carried unanimously. The bill was then read the second time by title only. The Mayor then called for discussion on the bill and after some discussion Alderman Wilkins moved the final passage of the bill. Alderman Lee seconded the motion. The Mayor called for a roll call vote and the ordinance passed with the following vote. Aldermen voting FOR: Bormann, Hudson, Lee, Magley, Rodgers, Wilkins. Voting AGAINST: None. The Mayor declared the bill passed and thereupon signed the same as passed. The bill was approved by the Mayor and signed by the Mayor as approved and was returned to the City Clerk who attested to the signature of the Mayor, affixed the city seal and the Ordinance was designated as Ordinance 2954.

ORDINANCE: Amending Chapter 22 of the City of Centralia, Missouri to reflect changes in the personnel compensation for the employees of the City of Centralia, Missouri

Harline said that there is a memo in the packet. In the negotiations with collective bargaining unit they asked for accelerated advancement for reaching professional certifications. Right now a new employee gets a raise at 6 months, then 2 years then 5 years. This would advance the last increase to 4 years. Changes in chapter 22 to allow for what is in the collective bargaining agreement for 6:30 a.m. start time in the summer, and that the union is now the Local 773 instead of Local 45. It also addresses a couple of other things. The agreement typically ran for two years. at the request of the union we are extending the agreement to three years. We have talked to the union and they have no objection to requiring all employees to have direct deposit for their pay checks.

Alderman Rodgers presented a bill marked and designated as bill no. 2222 to create an ordinance entitled “AN ORDINANCE AMENDING CHAPTER 22 SECTIONS 22-2, 22-40, 22-44, AND 22-45 OF THE CENTRALIA CITY CODE CONCERNING EMPLOYEES.” Alderman Rodgers moved that it be placed on its first reading by title only. Before the bill was introduced copies of the bill were made available for public inspection. Motion was seconded by Alderman Wilkins and motion carried unanimously. The bill was then read by title only. Alderman Rodgers moved the bill be placed on its second reading. Motion was seconded by Alderman Wilkins and motion carried unanimously. The bill was then read the second time by title only. The Mayor then called for discussion on the bill and after some discussion Alderman Rodgers moved the final passage of the bill. Alderman Bormann seconded the motion. The Mayor called for a roll call vote and the ordinance passed with the following vote. Aldermen voting FOR: Bormann, Hudson, Lee, Magley, Rodgers, Wilkins. Voting AGAINST: None. The Mayor declared the bill passed and thereupon signed the same as passed. The bill was approved by the Mayor and signed by the Mayor as approved and was returned to the City Clerk who attested to the signature of the Mayor, affixed the city seal and the Ordinance was designated as Ordinance 2955.

Whitaker and Paben left the meeting at 7:40 p.m.

ORDINANCE: Authorizing the Mayor to enter into a revised Collective Bargaining Agreement with Laborer's Local International Union, Local #773

Alderman Lee presented a bill marked and designated as bill no. 2223 to create an ordinance entitled “AN ORDINANCE AUTHORIZING THE RATIFICATION AND APPROVAL OF A REVISED COLLECTIVE

BARGAINING AGREEMENT WITH LABORERS' INTERNATIONAL UNION OF NORTH AMERICA LOCAL 773 AND TO AMEND THE PAY SCALE." Alderman Lee moved that it be placed on its first reading by title only. Before the bill was introduced copies of the bill were made available for public inspection. Motion was seconded by Alderman Wilkins and motion carried unanimously. The bill was then read by title only. Alderman Lee moved the bill be placed on its second reading. Motion was seconded by Alderman Wilkins and motion carried unanimously. The bill was then read the second time by title only. The Mayor then called for discussion on the bill and after some discussion Alderman Lee moved the final passage of the bill. Alderman Wilkins seconded the motion. The Mayor called for a roll call vote and the ordinance passed with the following vote. Aldermen voting FOR: Bormann, Hudson, Lee, Magley, Rodgers, Wilkins. Voting AGAINST: None. The Mayor declared the bill passed and thereupon signed the same as passed. The bill was approved by the Mayor and signed by the Mayor as approved and was returned to the City Clerk who attested to the signature of the Mayor, affixed the city seal and the Ordinance was designated as Ordinance 2956.

ORDINANCE: Authorizing the Mayor to enter into a Tax Collection Agreement with Boone County

Harline said he received a report from Brian McCullom last week, and this is the ordinance that goes with it.

Alderman Bormann presented a bill marked and designated as bill no. 2224 to create an ordinance entitled "AN ORDINANCE AUTHORIZING THE MAYOR OF THE CITY OF CENTRALIA, MISSOURI TO ENTER INTO A TAX COLLECTION AGREEMENT WITH BOONE COUNTY, MISSOURI, THROUGH THE BOONE COUNTY COMMISSION." Alderman Bormann moved that it be placed on its first reading by title only. Before the bill was introduced copies of the bill were made available for public inspection. Motion was seconded by Alderman Wilkins and motion carried unanimously. The bill was then read by title only. Alderman Bormann moved the bill be placed on its second reading. Motion was seconded by Alderman Wilkins and motion carried unanimously. The bill was then read the second time by title only. The Mayor then called for discussion on the bill and after some discussion Alderman Bormann moved the final passage of the bill. Alderman Wilkins seconded the motion. The Mayor called for a roll call vote and the ordinance passed with the following vote. Aldermen voting FOR: Bormann, Hudson, Lee, Magley, Rodgers, Wilkins. Voting AGAINST: None. The Mayor declared the bill passed and thereupon signed the same as passed. The bill was approved by the Mayor and signed by the Mayor as approved and was returned to the City Clerk who attested to the signature of the Mayor, affixed the city seal and the Ordinance was designated as Ordinance 2957.

Purchasing:

ORDINANCE: Amending the Contract with Bartlett & West, Inc. to Amend the Existing Agreement for On-Call Services

Harline said the agreement with Bartlett & West includes a note. He said they typically do their adjustment in January so this is dated through January 2019, and they promise no more than a 5% increase after January 1, 2019.

Alderman Hudson presented a bill marked and designated as bill no. 2225 to create an ordinance entitled "AN ORDINANCE AUTHORIZING THE CITY ADMINISTRATOR OF CENTRALIA, MISSOURI TO AMEND THE EXISTING AGREEMENT FOR ON-CALL ENGINEERING SERVICES WITH BARTLETT & WEST, INC." Alderman Hudson moved that it be placed on its first reading by title only. Before the bill was introduced copies of the bill were made available for public inspection. Motion was seconded by Alderman Wilkins and motion carried unanimously. The bill was then read by title only. Alderman Hudson moved the bill be placed on its second reading. Motion was seconded by Alderman Wilkins and motion carried unanimously. The bill was then read the second time by title only. The Mayor then called for discussion on the bill and after some discussion Alderman Hudson moved the final passage of the bill. Alderman Wilkins seconded the motion. The Mayor called for a roll call vote and the ordinance passed with the following vote. Aldermen voting FOR: Bormann, Hudson, Lee, Magley, Rodgers, Wilkins. Voting AGAINST: None. The Mayor declared the bill passed and thereupon signed the same as passed. The bill was approved by the Mayor and signed by the Mayor as approved and was returned to the City Clerk who attested to the signature of the Mayor, affixed the city seal and the Ordinance was designated as Ordinance 2958.

ORDINANCE: Amending the Contract with Engineering Surveys & Services to Amend the Existing Agreement for On-Call Services

Alderman Magley presented a bill marked and designated as bill no. 2226 to create an ordinance entitled “**AN ORDINANCE AUTHORIZING THE CITY ADMINISTRATOR OF CENTRALIA, MISSOURI TO AMEND THE EXISTING AGREEMENT FOR ON-CALL ENGINEERING SERVICES WITH ENGINEERING SURVEYS AND SERVICES, LLC.**” Alderman Magley moved that it be placed on its first reading by title only. Before the bill was introduced copies of the bill were made available for public inspection. Motion was seconded by Alderman Wilkins and motion carried unanimously. The bill was then read by title only. Alderman Magley moved the bill be placed on its second reading. Motion was seconded by Alderman Wilkins and motion carried unanimously. The bill was then read the second time by title only. The Mayor then called for discussion on the bill and after some discussion Alderman Magley moved the final passage of the bill. Alderman Wilkins seconded the motion. The Mayor called for a roll call vote and the ordinance passed with the following vote. Aldermen voting FOR: Bormann, Hudson, Lee, Magley, Rodgers, Wilkins. Voting AGAINST: None. The Mayor declared the bill passed and thereupon signed the same as passed. The bill was approved by the Mayor and signed by the Mayor as approved and was returned to the City Clerk who attested to the signature of the Mayor, affixed the city seal and the Ordinance was designated as Ordinance 2959.

Amending the Contract with Engineering Surveys & Services to accept the new price list for April 1, 2018 – March 31, 2019

Alderman Wilkins made a motion to amend the contract with Engineering Surveys & Services to accept the new price list for April 1, 2018 – March 31, 2019. Alderman Hudson seconded the motion. Aldermen voting FOR: Hudson, Lee, Magley, Rodgers, Wilkins. Voting AGAINST: None. Abstaining: Bormann

OLD BUSINESS:

A. Report on Police Vehicle Expenses

B. Purchase of Narragansett Building

1. Payment of Frank Love

Harline said we are very close and we have an actual lien release. Once we write a check to Frank Love and a check to the county for the taxes, we will need approval to write the check but not deliver unless we have everything together before May 7th. He said he would report on May 7th with the progress. DeLaRosa will not get the check until we have everything together. Bormann asked if the taxes had already been paid. Harline said they have not been paid yet.

2. Paying Property Taxes for 110 E. Railroad

Harline said that if we don't make the tax payment before May 1st, there will be more fees assessed. He said he was asking the Board to allow him to go ahead and take care of this. We have the lien release from Frank Love and have been in contact with Myrtle Wright. DeLaRosa is waiting to receive the lien release from Wright, and we've been told the bill has been paid the lien release is on its way. The City's agreement with DeLaRosa was to pay the taxes.

Hudson questioned if the taxes would come out of his portion of the payment. Bormann asked if the demolition the grant had been approved. Harline said that the grant is not formally approved, but the City has a have very good chance to receive it based on conversations with the people who are scoring the grant. Rodgers said the City would own the building whether or not we get the grant. Harline said the grants are in and we have a very good chance of getting this money based on letters from Congressmen, agreements with Cornett, and the shape of the building.

Alderman Hudson made a motion to prepare checks with all of the agreements and pay the taxes before the end of April 2018 in the amount of \$2,520.75. Alderman Lee seconded the motion. On a call by the Mayor for ayes and nays the motion carried unanimously.

NEW BUSINESS:

Mayor:

Appointments:

City of Centralia
Board Minutes – April 16, 2018

Mayor Grenke reappointed John Kottwitz and Thelma Chandler to Cemetery Board for three year term. Alderman Wilkins made motion to accept the Mayor's reappointments of John Kottwitz and Thelma Chandler to Cemetery Board for three year term. Alderman Hudson seconded the motion. On a call by the Mayor for ayes and nays the motion carried unanimously.

City Administrator:

Monthly Report – March 2018

The report was provided in the meeting packet.

Harline said that after talking with Todd Goffay and Mike Watson for the ESP Energy Savings project, and Kent Clow, they have determined that it is not ready to go. To keep it on the schedule we would have to come up with a plan to move on the operations of City Hall in about 6 weeks. Clow recommends putting the project on hold until late summer, early fall. Harline said the Board does not have to do anything unless they disagree. Harline said that the cost of the repairs of the City Hall building are \$80,000 – \$85,000, which includes the community room improvements and bathrooms accessible to the public to open with a gate. That part of the project does not gain any saved energy. He said the water plant portion was taken out out. Goffay suggested looking at it in the fall with financing, or pay in cash from the Electric fund. Harline said we did the tuck pointing and roof repairs for about \$80,000. He said that an excellent point was made last week, which the appearance of asking for an increase in water and sewer rates then renovating City Hall might not be good timing. The contractor they are going use, Nick Bryson, wouldn't mind doing it in the colder months when he isn't building houses.

Hudson questioned if we were talking about putting the whole thing on hold or just the renovation of City Hall. Harline said we could bring that back in May to discuss the energy savings portion, and he would hate to lose that piece because that's pretty important. Hudson asked if we could move forward with the energy savings projects without the renovation project. Harline said that theoretically we are saving that money anyway. Grenke said he would like to bring it back for discussion on May 7th. Bormann questioned how much of the project the City crews could do. Harline said they could do the lighting, but it would pull them off of other projects. Bormann said it appears the City will pay a management fee, and asked why the City couldn't manage it ourselves.

Mayfield said she would like the opportunity to look over the contract before there is any vote taken on it.

There was some discussion regarding the contract and who would be managing the projects.

Harline said he would recommend calling a special meeting for May 7th for the utility ordinances.

Alderman Hudson made a motion to call a special meeting on May 7, 2018 at 7 p.m. Alderman Bormann seconded the motion. On a call by the Mayor for ayes and nays the motion carried unanimously.

City Attorney:

Mayfield referred to a copy of the Sunshine Law and the importance of government transparency, which she said is critical. She said that should the Board decide to call a closed session, it is important that the Board know that there are repercussions for taking information outside of a closed session. She said that if there is concrete proof someone did that, it could be grounds for impeachment.

City Clerk:

Russell said that the Central Regional meeting for MML would be held in Higginsville on May 23, 2018. She told the Board that if anyone planned to attend to let her know and she would submit the registration. Grenke said he would like to attend the meeting.

LeeAllen Smith said he had a question about when the agenda changed. Harline said there were some changes to the schedule and changes to the Smith questioned how the City would notify everyone when it changed. Mayfield questioned if he was are you talking about the vacation on the agenda. Grenke said that in the past, we get the agenda out the Friday before the meeting, but minor changes happen over the weekend. Wilkins said that with the website redesign, if you signed up to get updates you would receive electronic notice.

Mayfield said that a Board of Aldermen has control of the agenda and can make changes up until the time of the meeting. The control of the agenda is at the discretion of the Board. According to the

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Sunshine Law, the full title of the ordinance needs to be posted at least 24 hours before the meeting. The agenda can change even during the night of the Board of Aldermen meeting.

Grenke said that he had planned to give Matt Harline his evaluation but has already given that to him verbally, so there was no need to go into closed session tonight.

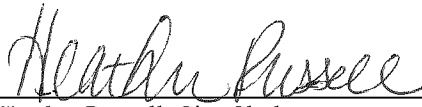
AS MAY ARISE

Harline announced that he has accepted new employment as the City Administrator of Holts Summit, and he will bring some options to the Board for an interim City Administrator. Bormann suggested to get an advertisement out to MML for the position.

ADJOURN

There being no further business to discuss, Alderman Wilkins made the motion to adjourn the meeting. Alderman Lee seconded the motion. On a call by the Mayor for ayes and nays the motion carried unanimously.

The meeting was adjourned at 8:32 p.m.

A handwritten signature in cursive script, reading "Heather Russell", written over a horizontal line.

Heather Russell, City Clerk

Mayor Grenke called the regular meeting to order at 7:00 p.m.

Roll Call: Aldermen Don Bormann, Robert Hudson, Landon Magley, and Don Rodgers answered roll call.

Absent: Aldermen James Lee and David Wilkins

Also present were City Administrator Matt Harline, Police Chief Larry Dudgeon, Water & Sewer Dept. Foreman Mike Forsee, Street Dept. Foreman Phil Hoffman, Electric Dept. Foreman Jeff Armontrout, Deputy City Clerk Donna Stephens, Asst. City Clerk II Phyllis Brown, James Smith with the Centralia Fireside Guard

Pledge of Allegiance:

Mayor Grenke led everyone in the pledge of allegiance.

COMMENTS FROM CITIZENS:

The Comments from Citizens portion of the meeting was opened at 7:01 p.m. by Mayor Grenke.

Donna Stephens, Deputy City Clerk. Mexico, MO

Stephens said she had a citizen ask what would happen if there is not someone hired before Matt Harline leaves. Donna said she did not know the answer, so she asked Heather Russell who said she really didn't know but did say Russell had expressed interest in serving as the interim. Stephens said she was not asked to come before the Board but wanted to say that Russell would do a good job for the City in that position.

Phyllis Brown, Asst. City Clerk II. 802 Southland, Centralia, MO

Brown said she has worked with Heather for 10 years and thinks Heather would do a great service in the interim position.

Hudson said that he has received two communications from constituents, one was signed "Concerned Citizen" that ended up in the trash can since it wasn't signed with an actual name. He said he got a call from Amanda who said she had spoken with Matt Harline. Amanda lives at 440 S Miles and said the ditch has been deteriorating and is asking for the City to do something about it. Harline said there was some money budgeted last year and some this year, but we ran over budget on some other things last year. He said he thinks we could do something with it this year, and one of the engineered set of plans include to continue a concrete of the Miles street ditch. Hoffman said the plan is to do the chunk from the curb to the ditch to get it straightened up. To fix it, Hoffman said he would need to rent a jackhammer to go through the concrete, and it is in the plans for this summer.

Hearing no further comments, the Comments from Citizens portion of the meeting was closed at 7:06 p.m. by Mayor Grenke.

ACTION AGENDA:

Legal:

ORDINANCE: Repealing and Replacing Sections 26-118 of the City of Centralia Code to Set Service Charges for Water Provided by the City of Centralia

Harline said the City increased water rates 5% last year and costs were going up faster than usage. This is a proposed increase of 10% that was discussed in an earlier meeting. This increase would help the City go down the pathway to request bonds. We have seen a reduction in the amount of water used, so we believe a 10% increase this year and a 5% increase next year is sufficient. Bormann questioned where the City will end up to pay off these bonds. Harline said the 10% increase and 5% increase should be enough for a state revolving fund bond. Hudson asked if this was in alignment with what we published in the flyer. Harline said it is exactly what we published in the flyer. Bormann questioned what the state recommends for what water rates should be. Harline said it would be standard to have 2% of annual income for water and 2% for sewer, which equals about a \$70 water and sewer bill each.

Alderman Hudson presented a bill marked and designated as bill no. 2229 to create an ordinance entitled “**AN ORDINANCE REPEALING SECTION 26-118 OF THE CENTRALIA CITY CODE AND REPLACING IT WITH A NEW SUBSECTION SECTION 26-118 OF THE CENTRALIA CITY CODE TO SET SERVICE CHARGES FOR WATER PROVIDED BY THE CITY OF CENTRALIA, MISSOURI.**” Alderman Hudson moved that it be placed on its first reading by title only. Before the bill was introduced copies of the bill were made available for public inspection. Motion was seconded by Alderman Magley and motion carried unanimously. The bill was then read by title only. Alderman Hudson moved the bill be placed on its second reading. Motion was seconded by Alderman Magley and motion carried unanimously. The bill was then read the second time by title only. The Mayor then called for discussion on the bill and after some discussion Alderman Hudson moved the final passage of the bill. Alderman Magley seconded the motion.

Bormann said his only concern is that we have said we are looking at getting money from DNR on the revolving fund. He said the problem with borrowing money from them is that we have to follow their rules. Their rules say they have a say in what we set our rates and how we do the maintenance. Bormann said he’s not opposed to this bill, but is concerned about DNR telling us how to set our rates in the future. Harline said DNR will require an analysis of our rates and they will make suggestions. Hudson said this will be a risk regardless what we do with this bill. Bormann said he is concerned that in the future that this could be well more than what we want to set our rates. Harline asked for an example of when they have done that, but Bormann said he didn’t know of an example. Harline said the engineers we have worked with have not seen that problem, but we will ask that question.

The Mayor called for a roll call vote and the ordinance passed with the following vote. Aldermen voting FOR: Bormann, Hudson, Magley, and Rodgers. Voting AGAINST: None. The Mayor declared the bill passed and thereupon signed the same as passed. The bill was approved by the Mayor and signed by the Mayor as approved and was returned to the City Clerk who attested to the signature of the Mayor, affixed the city seal and the Ordinance was designated as Ordinance 2963.

ORDINANCE: Repealing and Replacing Sections 26-125 and Subsection 26-134 of the City of Centralia Code to Increase Charges for Users of the Sewerage System Provided by the City of Centralia

Harline said that we need to defeat this ordinance, and per City Attorney Cydney Mayfield, we are required to have advertised a public hearing 30 days prior to the passage of the ordinance to change the rates.

Alderman Bormann made a motion to take no action on this agenda item. Alderman Hudson seconded the motion. On a call by the Mayor for ayes and nays the motion carried unanimously.

ORDINANCE: Repealing and Replacing Subsections A and B of Section 26-115 of the City of Centralia Code to Set Service Charges for Electricity Provided by the City of Centralia

Alderman Bormann presented a bill marked and designated as bill no. 2230 to create an ordinance entitled “**AN ORDINANCE REPEALING SUBSECTIONS A AND B OF SECTION 26-115 OF THE CENTRALIA CITY CODE AND REPLACING IT WITH NEW SUBSECTIONS A AND B OF SECTION 26-115 TO SET SERVICE CHARGES FOR ELECTRICITY PROVIDED BY THE CITY OF CENTRALIA, MISSOURI.**” Alderman Bormann moved that it be placed on its first reading by title only. Before the bill was introduced copies of the bill were made available for public inspection. Motion was seconded by Alderman Hudson and motion carried unanimously. The bill was then read by title only. Alderman Bormann moved the bill be placed on its second reading. Motion was seconded by Alderman Magley and motion carried unanimously. The bill was then read the second time by title only. The Mayor then called for discussion on the bill and after some discussion Alderman Bormann moved the final passage of the bill. Alderman Hudson seconded the motion.

Harline said that Alderman Lee is not here, but he did make the comment that we may not want to consider reducing the electric rates. It is about \$90,000 the City would be foregoing in revenue. Harline said that when we increased the rates by 5% last year it was to offset the costs from the storm damage. Based on that, we are still 2.5% higher than they were 2 years ago. It covers the cost to renovations to City hall, or ½ of the digger Derrick truck. Bormann questioned if the electric fund recovered from the damage. Harline said it has recovered and we are slightly ahead. He said we budgeted for a backyard machine, but the cost was significantly higher than the budgeted amount.

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Hudson noted that we said we would decrease it at the time we passed the 5% increase, and he thinks it is reasonable to reduce half the amount. Bormann said he thinks we should do what we said we would do.

The Mayor called for a roll call vote and the ordinance passed with the following vote. Aldermen voting FOR: Bormann, Hudson, Magley, and Rodgers. Voting AGAINST: None. The Mayor declared the bill passed and thereupon signed the same as passed. The bill was approved by the Mayor and signed by the Mayor as approved and was returned to the City Clerk who attested to the signature of the Mayor, affixed the city seal and the Ordinance was designated as Ordinance 2964.

Purchasing:

Authorizing the Mayor to sign Task Orders for Engineering work in Association with the Water Plant Upgrades

Harline said there are four task orders; two will be in the next fiscal year CEN20-TO-W01 and CEN20-TO-W02, but the other two need action today. He said that for CEN19-T-W01 there is significant money in the budget, and for CEN19-T-W02 will be reimbursed with money from the bonds, but there is enough in reserves to cover this amount.

Bormann said this is where he has a problem. He stated that he doesn't have a problem with design work but asked what we are doing design work for. He said that if we take state money for this, we are limited on what the city can self-inspect, and if we have to hire the engineering company the engineering fees go up. He said he would like to know what the cost would be if we deal with state funds vs non-state funds.

Harline said Todd Goffay thinks the savings would not as much. There is more work, there are limits to what you can charge for engineers through the state revolving funds. He said there are advantages and disadvantages. He said you are talking one full percent on \$5 million bonds. These task orders don't determine the way we have to go with bonds.

There was some discussion regarding the difference in costs if the Water & Sewer Dept. did the inspections versus having Bartlett & West doing the inspections, and which inspections the City Staff would be allowed to do. Magley said that if there is not much difference in the costs, he would prefer to hire Bartlett & West to do it and allow Mike's staff to work on their own work. Grenke questioned if the person in the water plant would be qualified to do the inspections. Forsee said he thought he would have to do them himself. Rodgers asked if there was a way Bartlett & West could come in and tell us what the city could do vs what they should do. Bormann asked if we could get them in this month. Harline said he thought they could come in this month.

The task orders were tabled to the May 21, 2018 meeting, and Harline said he would talk to Bartlett & West to see if someone could explain them in more detail.

Accepting the bid for a refurbished 2017 Ford Police Interceptor Vehicle with Equipment

A proposal from Joe Watt Auto Sales, Inc. in the amount of \$32,000 (minus \$1500 for a trade in) was provided in the meeting packet for the purchase of a 2017 used Ford Taurus Sedan police car.

Dudgeon said that we have not bought a vehicle through this Joe Watt Auto Sales. This proposal is for a 2017 Ford Taurus with 12 month / 12,000 mile warranty. Watts would offer \$1500 for a trade in, which is a 2011 Crown Victoria with 112,000 miles which was purchased in April 2015. With the trade in, it brings the total price to \$30,500. It has the camera system and all will have to do is put the decals on it.

Hudson questioned if this car was ready, and Dudgeon said it is ready and we won't have to spend a whole week getting this car ready. Dudgeon said he thinks it is smart to trade in vehicle #823.

Hudson said that looking at proposals from a few weeks ago, which was \$50,000 plus interest. One year's lease on the other one would be the equivalent to the purchase price of this one.

Magley asked what we got out of the last car we sold. Harline said it brought a little over \$2000.

Dudgeon said this car would be assigned to Bellamy.

Harline questioned how much detail they gave about the accident it was in. Dudgeon said it took on some damage during an arrest procedure, but was not in an accident.

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Alderman Magley made a motion to accept the bid from Joe Watt Auto Sales, Inc. in the amount of \$30,500 with \$1500 for a trade in) for the purchase of a 2017 used Ford Taurus Sedan police car. Alderman Hudson seconded the motion. On a call by the Mayor for ayes and nays, the motion passed unanimously.

OLD BUSINESS:

NEW BUSINESS:

Declaring Surplus Property

Police Car 828

Harline said this is the one we are getting rid of because we got the K-9 car.

Dudgeon said that right now the car is sitting there ready to sell, but we've been using it to go back and forth to training. Harline questioned how many officers don't have their own car. Dudgeon said there are 3 or 4.

Smith asked if it is this a Crown Vic. Dudgeon said it was.

Hudson asked if Dudgeon wanted to keep vehicle 828.

Harline said the strategy to buy new cars is based on getting rid of something else. This car was to be gotten rid of in 2014, but it was kept in the fleet.

Dudgeon argued that the car is being used currently

Harline questioned if there would be no more repairs done on this car. Dudgeon asked what they should do if take the car to Jeff City for training and the transmission falls out. Several Aldermen said to leave the car there. There was some discussion regarding the cost for keeping the car.

Hudson questioned if it would be okay to table it for 6 months as long as we don't spend any money on it other than light maintenance, not major repairs. Magley suggested that when the guy brings the new car, he might be able to give us a rough estimate of what he might give us for it in September.

Harline said we can still declare it surplus property and keep the insurance on it. Bormann asked if we could declare it surplus and then sell it in November

Alderman Hudson made a motion to declare police car #828 (Blue Crown Victoria) as surplus property with the intention of disposing it by the end of November 2018 unless something major goes wrong with the car or a reasonable offer is submitted for the sale of the car. Alderman Bormann seconded the motion. On a call by the Mayor for ayes and nays, the motion passed unanimously.

Street Dept. Gilchrist Paver

Harline said we haven't used the paver since at least 2014 and can put it on govdeals.com to sell it. Bormann asked when it was used last. Hoffman said that we don't have enough guys to use it, no roller, etc. to make it useful. He said that the road district won't use it anymore either.

Magley what the paver is worth. Hoffman said he wasn't not really sure, and he hasn't found a good comparable. Magley questioned what we will list it for. Hoffman said he has seen them in the \$20,000 to \$30,000 range, but don't know if those are really comparable.

Alderman Bormann made a motion to declare the Gilchrist paver in the Street Dept. as surplus property to sell on govdeals.com. Alderman Magley seconded the motion. On a call by the Mayor for ayes and nays, the motion passed unanimously.

Office Chairs

Russell said that some office chairs were donated to the City from Brian Maenner's company that was remodeling. There were two office chairs left from the old chairs at City Hall, as the others have been distributed to other departments.

AS MAY ARISE

Dudgeon said he wanted to give kuddos to Lt. Kribbs, his wife and Officer Davenport for their Project Prom at the Rec Center. They had about 35-40 kids attend, and they will do it again next year. Also Kribbs and Davenport did a good job putting together the Docudrama at the high school last week.

Harline – the lien release from Merle Wright has arrived and has been filed, and we need to set a closing date. The remaining amount is \$7795, and Harline said he thinks we can approve that next Monday, but it's part of the

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contract. We have the check ready for Frank Love but won't release it until we get the final paperwork. The only thing the City has paid is the taxes.

Bormann asked when they will make a decision on the grant. Harline said it should be decided in June. Bormann questioned if we need to have it in our name when the grant is approved. Harline said we don't have to, but it would be a good thing.

Grenke said he would be at annual training next Monday – Friday, so will be out of town all next week.

Dudgeon asked where we are with respect to 119 N Barr. Harline said that we can remove stuff from our right of way and are proceeding with that. Dudgeon asked where the city right of way is. Forsee said there is a right of way straight back. Dudgeon asked if there is anything more we can do. Harline said we can seek an administrative search warrant and remove stuff from his property, but if we remove anything of value and dispose of it we could be liable. Dudgeon asked if that is a City Attorney thing as opposed to an April Wilson thing. Harline said that either one could do the search warrant.

Magley asked if we charge them for clean-up. Harline said we would have to cover the cost to clean up our right of way.

Dudgeon requested for Harline to talk with Cydney Mayfield to see what we need to do about starting the process for an administrative search warrant.

There being no further business to discuss, Alderman Bormann made the motion to adjourn. Alderman Rodgers seconded the motion. On a call by the Mayor for ayes and nays the motion carried unanimously.

The meeting adjourned at 8:12 p.m.

A handwritten signature in blue ink, appearing to read "Heather Russell", is written over a horizontal cyan line.

Heather Russell, City Clerk

Minutes of the Public Works and Public Utilities Committee for Monday, May 7, 2018.

Immediately Following Board of Aldermen Recessed meeting.

The meeting was called to order by Mayor, Tim Grenke at 8:12 p.m.

I. Present.

Present also were Aldermen Robert Hudson, Landon Magley, Don Bormann and Don Rodgers. Also attending were City Administrator, Matt Harline, Street & Sanitation Foreman Phil Hoffman, Water & Wastewater Foreman, Mike Forsee Electric Foreman Jeff Armontrout. Citizens present were Deputy City Clerk Donna Stephens, Asst. City Clerk II Phyllis Brown, and James Smith of the Fireside Guard.

II. Pledge of Allegiance

The pledge of Allegiance was said during the Special Board of Alderman meeting immediately preceding the committee meeting.

III. Comments from Citizens.

None

IV. Public Works

A. Activity Report

Grenke asked for comments and questions on the Activity Report and there were no comments.

B. Streets

1. Handicap Parking at the Middle School

A diagram of the handicapped spaces as discussed with Harline, Hoffman and CBMS Principal, Nathan Gordon was provided in the packet. There are no handicapped spaces at the middle school now.

Hoffman explained that this option is best because the spaces are near the crosswalk. Hudson questioned if the spaces were better than spaces on the north side of the school. Harline said the north spaces would be up to the school since they are on school property. He said the spaces in the diagram are on City property, and during morning drop off the school has that pretty well monitored. During the rest of the day crossing the street is a bit of a risk.

Grenke said there will be an ordinance needed for May 21st. Harline said he will have the ordinance ready.

2. Report requested on the Jefferson Street Sidewalk and Mayes Meadows projects

Harline said this was the request of Alderman Bormann, who needed more time to go through it.

C. Distribution

1. Spring Cleanup Report

Hoffman said that most of the stuff collected during spring clean-up could have just put it out with their regular trash throughout the year. He said the second weekend all six dumpsters were full. There was some discussion regarding people being able to put out one

large, bulky item per week in their regular trash.

Brown said that City Hall received calls from disabled or elderly people who need help getting their trash out and members of Kiwanis did help with that.

D. Storm Water

1. Mayes Meadows

Harline said they have started the project, and they are getting into the point to be able to do the work. Hudson said he had received the aerial view from MECO, but of the flags they put out they've only hit about half of the area that marked. Harline said they wouldn't be getting to all of the flags but have marked the area.

E. Other

1. Design Standards Task Order with Engineering Surveys and Services

Harline said the original estimate was for review water, sewer, street, storm water standards with Boone County and the biggest one we can't just copy and paste is storm water. Our standards are significantly less, but the ideal would be to have rules that are consistent with Boone County for developers and standards on the construction of city streets. He said the cost is higher than he was hoping, the original was \$40,000, and they cut out some costs and which brought the cost down to \$36,000.

Bormann questioned if we could just have the summer intern work on it this summer. Harline said he didn't budget for a summer intern this year, but that might be a cheaper way to do this.

Hudson asked if this cost is in our budget or if it would be an addition. Harline said there is about 10,000 budgeted. Bormann asked if we could find a summer intern. Harline said he could not find one in 2 weeks. Bormann offered to work with someone.

Hudson said he has a hard time dropping \$30,000 on something like this. Harline said he would talk with them to see if there are any other options. Bormann said he would also do some checking. Harline said the intern needs to work for a city employee. Magley said the city doesn't need another intern, or another employee.

V. Water and Sewer Department

A. Activity Report

Grenke asked for comments and questions on the Activity Report.

Bormann questioned what kind of meetings Harline and Forsee had with the farmers. Forsee said Harline is going to talk about the land acquisition in a few minutes. Harline said it will be discussed during closed session.

B. Water

C. Sewer

Forsee said he is hoping to have some prices on the pump for Marty Bowne's irrigation system before they start irrigating.

D. Other

VI. Electric Department

A. Activity Report

Grenke asked for comments and questions on the Activity Report.

There were no comments.

B. Generation/Purchase

C. Distribution

D. Other

1. Financing the Energy Savings project

Harline said the last decision would be to finance or pay cash for the energy savings project. He said he talked to Todd Goffay at the GFOA meeting and the total cost of the project for all city buildings is \$250,000. The additional cost for financing is about \$78,000 over 15 years, assuming an interest rate of 3.9%. He said the Electric Department will see the most benefit because we will be buying less electricity. With any of these projects, it makes sense to install it all up front to get as much benefit as possible. He said it has been paired down to be a project with the most payback and the repairs for City Hall have been taken out of the total, but the savings should equal about half of the cost of the repairs. If we do not achieve these savings, because we did an investment grade audit we would be eligible to get a check back from ESP. Hudson said he thought the savings estimate presented is a low estimate. Harline said that Todd Goffay thinks the City should pay cash, and not finance the project. Bormann said that some of that money comes back to that fund every year. Harline said that after talking to Goffay it would be a lot cleaner to pay for the project outright instead of financing it. Hudson agreed that if the City has the reserves then we should fund it ourselves.

Harline said that there will an ordinance on May 21st.

VII. OTHER

A. Closing 100 Block of South Rollins St. at 1:00 p.m. to 4:00 p.m. on Wednesday, May 23rd

Russell explained that May 20th – 26th was National Public Works week, and that we would like to have an event similar to “Touch a Truck” where kids could come and meet our Public Works and Public Utilities crews and see the equipment that they use. There will be some small promotional items for the crews to hand out.

Rodgers made a motion to allow the closing of the 100 block of South Rollins from 1 p.m. – 4 p.m. on Wednesday, May 23rd. Hudson seconded the motion. Hearing no objections, the motion passed.

B. Closed Meeting*

1. Land Acquisition
2. Hiring an Interim City Administrator

CLOSED SESSION:

Alderman Hudson moved the Board of Aldermen of the City of Centralia, Missouri hold a closed meeting and a closed vote, and the specific reason for closing the meeting and having a closed vote was: for leasing, purchase or sale of real estate by a public governmental body where public knowledge of the transaction might adversely affect the legal consideration therefor; such closed session and closed vote shall be for as provided for under Section 610.021 (2) of the Revised Statutes of Missouri, and as provided for under Section 610.021(3) of the Revised Statutes of Missouri for hiring, firing, disciplining or promoting of

particular employees by a public government body. Alderman Hudson asked that this motion be adopted by roll call vote. The motion was seconded by Alderman Bormann. The motion passed with the following vote. Aldermen voting FOR: Bormann, Hudson, Magley, and Rodgers. Voting AGAINST: None.

The meeting went into closed session at 8:45 p.m.

During the closed session, only real estate matters and personnel matters were discussed, and no vote was taken.

Alderman Borman made a motion to return to open session and asked that it be adopted by roll call vote. Alderman Magley seconded the motion. The motion passed with the following vote. Aldermen voting FOR: Bormann, Hudson, Lee, Magley, Rodgers and Wilkins. Voting AGAINST: None.

Returned to open session at 9:40 p.m.

VII. AS MAY RISE.

Harline said he doesn't think there is any need for a special meeting but will probably need another closed session at the next meeting.

VIII. ADJOURN.

Hudson made a motion to adjourn the meeting that was seconded by Bormann and approved by unanimous voice vote.

The Committee adjourned at 9:43 p.m.

Minutes of the General Government and Public Safety Committee meeting of Monday, May 14, 2018.

The meeting was called to order by Alderman Wilkins, Chairperson at 7:00 p.m.

I. ATTENDANCE.

Present were Aldermen Don Bormann, Robert Hudson, Jim Lee, Landon Magley, Donald Rodgers, and David Wilkins, Also attending were City Administrator Matt Harline, Fire Chief Denny Rusch, and Police Chief Larry Dudgeon. Others present included: Deputy City Clerk Donna Stephens, Asst. City Clerk II Phyllis Brown, Kyle Te with Bartlett and West

II. PLEDGE OF ALLEGIANCE

Alderman Wilkins led everyone in the Pledge of Allegiance

III. COMMENTS FROM CITIZENS.

Comments from citizens was opened at 7:00 p.m.

Hearing no comments, comments from citizens was closed at 7:00 p.m.

IV. PRESENTATION BY BARTLETT & WEST ABOUT STATE REVOLVING FUND

Kyle Te with Bartlett & West presented information about the state revolving fund. Familiar with the wastewater side of the projects, and came to talk about the additional fees, which equal \$20,000 additional fees with State Revolving Fund (SRF), but if we go through SRF for both sides of the project it will streamline the funding process. The basic information is already there with DNR and would help streamline the project a little bit.

Harline asked about the cost of inspections for the water plant vs SRF. Te said that (SRF) doesn't specifically require the 100% observation, but does require as-built plans. He explained that Bartlett & West have been doing part-time observation, and have found that doing partial observation works well. They can be there when pipe is being laid down, which gives assurance that it was built the way it was supposed to be and gives City assurance that there was a third party there to observe.

Harline questioned if we could have city staff there to observe and take pictures. Bormann asked if, on the sewer side, is the observation required. Te said that yes, there will be a facility plan.

Rodgers asked how we will know what types of inspections the can do or that Bartlett & West would need to do. Te said that would be a good conversation to have while going through the project plan.

Rodgers questioned if we would meet maybe once a week. Te said we will have a weekly or daily report that we would send to the city that will include the plans.

Bormann asked what savings the City would be looking at by using SRF. Harline said about \$1.2 million, and the latest rate would be 1.8%. Te said there is a .5% that is the administrative portion for DNR.

Bormann asked Harline if DNR would require us to pay it off faster. Harline said that there is a point at which 2% of the median family income you are eligible for grants. There is no requirement that says you have to get your rates up to that point. You have to use their rate calculator and show that the rates you are going to charge will cover the bonds. For cities that don't have technical expertise available, they have assistance to help them figure what the rates should be.

Bormann clarified that we wouldn't be eligible for the grant because we don't meet that requirement. Harline conformed that is correct.

Harline said we won't have the financing in place before we buy land if we do it during this calendar year. He said he talked to Goffay, and we can sell tax exempt municipal bonds. We are able to buy or lease land with SRF, but Harline said that what he didn't know if we can refinance land. Bormann asked when will SRF funds would come into play. Harline said we need to submit our information by August and need to have tight definition on how much land will cost. Te said that 18 months is the standard time frame. Harline asked that if we move forward, some parts would be reimbursable from the SRF. Te said he was not sure about that.

Bormann asked if it is doable to get this done by August. Te said yes, now we're doing the SCEAP grant so we can use that because it goes to the same people they'll get the review done ahead of time.

Bormann asked that if plans are done by August, when would the construction start. Te said August is just to get

the application in and get the City on the fundable list then the plans will be submitted.

There was some discussion regarding when construction could begin, and if the City needed to wait until the money was in hand before beginning the construction.

Harline asked Te's opinion on what the best funding source would be, and Te said that SRF would cost you time, but I think you have the time.

There was some discussion regarding whether or not that the City could have the projects completed within the four-year time frame.

Te left the meeting at 7:19 p.m.

V. PUBLIC SAFETY

- A. City Prosecutor Report
Not provided in packet.

- B. Police Department

1. Activity Report: Wilkins asked if there were any questions or comments on the Activity Report.

Wilkins asked if there was anything Chief Dudgeon would like to point out. He indicated that he did not have any comments.

Hudson noted that the report was from March and not April.

2. Other

Wilkins – said he was going over bills over \$1250 and asked if there was an expiration date on the Narcan purchased by the CPD.

Dudgeon said he wasn't sure, but Rusch said there is an expiration date.

Wilkins said the Police Dept. mileage information was in the packet. Harline said the formula has the PD paying \$35000 annually on vehicles. Hudson noted that cost includes insurance and carwashes and tires.

Harline said he is taking out what he's actually putting into the equipment use fund.

Dudgeon said he wanted to remind everyone that he's driving 8 – 10 year old cars.

Harline said the point of the report was to see if the cost of maintenance was high, and to decide if it would it be worth it to purchase new cars.

Hudson said that after taking out the general things you would need for any car, it sounds like we're spending about \$20,000 annually on repairs.

Dudgeon left the meeting at 7:25 p.m.

- C. Fire Department.

1. Activity Report: Wilkins asked if there were any questions or comments on the Activity Report.

Rusch said the Fire Dept. is getting ready for Anchor Fest, and they have all of the equipment and tools fixed and ready to be used again. They were able to fix an extrication tool on our own.

Harline said the tool was it was purchased in 2014, and Rusch said this was the first time we had any trouble with it

2. Other:

- D. Emergency Management

Harline said he has a call into SEMA about a complaint we have from a resident where there is standing water in a ditch behind their house due to a certain project. The person he spoke with said he didn't think the project was done exactly as he remembered it. Not saying anyone did anything wrong, just waiting to hear back about the permit. Bormann clarified that it wasn't the city who did the work. Harline confirmed that it was a private company.

- E. Protective Inspection

VI. GENERAL GOVERNMENT AND FINANCE.

A. Economic Development:

Chamber minutes were provided in the packet.

Bormann said that Anchor Fest is coming up, and the Chamber still needs people to sign up to work the ticket booths.

1. Randolph Road scope of work

Harline said that during the application process for the CDBG, he sent the 2004-2005 plans to Engineering Surveys & Services. He said he looked at the file and sent them some information about lowering the gas line. The bid from 2005 was for about \$100,000 to build the street. That was 13 years ago. I have no idea what the bid from Marshall Engineering was.

Bormann said the bid from Marshall Engineering was not to exceed \$9,214. That was when the fence row was wooded. He said it is open and easier to survey, but the cost is now \$72,000. He said he is wondering why the cost is 6.5 times higher.

Harline said the plans from Lynn's file were sent the ES & S. He said they are developing the plans and developing the traffic control at the intersection at Hwy 22.

Bormann said he has a problem with the price on it, considering we already have plans on this.

Harline said that if there are a complete set of plans, we can send them on to see if they are buildable.

Wilkins said first step is to send the electronic copy.

Magley questioned if there is enough road easement to go through there.

Harline said we will need to get the right-of-way and that he has talked to the land owner.

Bormann said he can get the plans here the end of this week or the first of last week.

Harline said we have one side secure for the right-of-way.

B. Park Board:

The agendas for the May meeting and the April meeting were provided in the packet.

C. Cemetery Report: None

D. Tree Board Report: None

E. Library Board:

Meeting minutes were provided in the packet.

Tim Grenke – via telephone conference – said that the Library has requested Larry Dorman be appointed to the library board. He said this will be on the agenda from next week's meeting.

F. April 2018 Financial Statements

Harline said he just recently got the budget numbers to Heather, so will have the comparison in the next month's financial statements.

G. Bills over \$1250

Harline this includes a check for the last part of the land purchase to De La Rosa, the \$33,000 check to Frank Love will be issued at the closing. Bormann noted a payment of \$7,000 to him, and the city paid the taxes of \$2500. Rodgers asked if the grant been submitted for the demo. Harline said it has been submitted and having the deed will help.

H. Other General Government

1. Construction and Utility Installation Standards

Harline said this is a project with an original cost of \$40,000 and \$36,000 is also high. Talked with ES & S, and they agree that if we can do a hunt, find and replace and make sure it makes sense, can have city staff handle this. The items that will take a little more are the storm sewer regulations. He said it wouldn't be a bad idea for us to discourage dirt on the city streets during the home building process. He said we can look to see if they are over two acres, and make sure we get the information in the file for new subdivisions/roads. Before they go to DNR, the plans would require an engineer's seal.

Harline said we have a contract with the 3 different firms. Bormann said he would like to see what we can come up with. Harline pointed out that searching for engineers by price is illegal.

2. Mid-Missouri Solid Waste Management Drop-off Event

Harline said the flyer in the packet for this was just informational.

VII. OTHER

Wilkins questioned where are we at with Socket. Harline said they are ready to come in. The project should be ready to go by June. Harline asked how soon the CAD would be ready. Wilkins said he didn't have an updated date, and there was a need to discuss some of the technical networking things.

Grenke – via telephone – said he had received an email reminding him that tomorrow is peace officers' Memorial Day, and he said he would like to take a moment to say thank you to the peace officers and law enforcement officers for their dedication to the community. He asked that the City fly the American flags at half-staff. He asked the community to recognize the police officers for the work they do and the job they are doing for our citizens. Also, he said thank you to everyone involved in relocating the carport on Central Street.

VIII. CLOSED MEETING

Alderman Lee moved the Board of Aldermen of the City of Centralia, Missouri hold a closed meeting and a closed vote, and the specific reason for closing the meeting and having a closed vote was: as provided for under Section 610.021 (2) of the Revised Statutes of Missouri for leasing, purchase or sale of real estate by a public governmental body where public knowledge of the transaction might adversely affect the legal consideration therefor; such closed session and closed vote shall be for, and as provided for under Section 610.021(3) of the Revised Statutes of Missouri for hiring, firing, disciplining or promoting of particular employees by a public government body. Alderman Lee asked that this motion be adopted by roll call vote. The motion was seconded by Alderman Rodgers. The motion passed with the following vote. Aldermen voting FOR: Bormann, Hudson, Lee, Magley, Rodgers, and Wilkins. Voting AGAINST: None.

The meeting went into closed session at 7:47 p.m.

Rusch left the meeting at 7:47 p.m.

Returned to open session at 8:48 p.m.

IX. AS MAY ARISE

Magley asked if we'd made any motion to talk to someone about the red Jeep on south Allen Street. Harline said that nothing has been done at this time.

X. ADJOURN

Bormann made a motion to adjourn the Committee meeting, Magley seconded the motion which was then approved by unanimous voice vote at 8:49 p.m.

Minutes of the City of Centralia, Missouri Planning and Zoning Commission Meeting of Thursday, April 12, 2018.

The meeting was called to order at 6:00 p.m. by Chairman, LeeAllen Smith presiding.

ROLL CALL – Commissioners Present: LeeAllen Smith (Chair), Don Bagley (Vice-Chair), Mayor Tim Grenke (arrived late), Brian Maenner, Harvey Million (left early), Dale Hughes, Alderman Jim Lee and Street Foreman, Phil Hoffman. Absent: Alderman David Wilkins. Also present were City Administrator Matt Harline, Kati Conyers, Jon Conyers III, Meghan Dawson, Shannon Dawson, Kiersten Dotson, Jackie Stelzer, Russell Stelzer, Del Stuermann, Beverly Moffat, William Bolick, Cyndi Chick, JoAnn Peyton, Dianne Lee, Jennifer Loyd, Lynn Behrns, Don Bormann, Don Rodgers and James Smith of the Centralia Fireside Guard.

Pledge of Allegiance

Chairman Smith led those present in reciting the Pledge of Allegiance.

Minutes

Minutes from the previous meeting (March 22, 2018) were presented to the Commission. **Bagley made a motion to approve the minutes as written. The motion was seconded by Hughes and approved by unanimous voice vote.**

Request for a conditional use permit for an in-home day care center at 919 Mystic Drive

Public Hearing: Smith opened the public hearing for comment at 6:05p.m. Kati Conyers of 919 Mystic Drive (applicant) spoke in favor of the application. She was working with the State to get her unlicensed day care facility licensed. She reported that her neighbors had voiced concerns with her about traffic, noise and resale value of their homes. Ms. Conyers said that Bev Moffat had expressed concerns about traffic. Ms. Conyers stated that the street is currently a dead end but the plan is to continue it west with development. Conyers then described how she would manage the day with the kids being outside 10 -11am in the morning and two hours in the afternoon. As far as resale value that they are not real estate experts but that they recently sold a house right across from a licensed day care and they made \$20,000 on the sale. Conyers stated that they are good conscientious neighbors and would do everything they could to take care of the concerns of the neighbors. Harline asked if they were in the process of getting licensed. Conyers said they were in the process which would allow them up to 10, but she planned to only take 6 – 8 children. Since currently she watches siblings so that would mean maximum of four cars per day. Harline asked if she would be willing to accept a limit of six children in addition to her own. She said that she would be willing to accept that limitation. In answer to Bagley's question she said that there is a six foot privacy fence around her lot. She said that they were trying to meet the mission of the City to promote safe and prosperous lives. Million said that this is really about two additional kids. In answer to a question from Jackie Stelzer of 457 S. Adams, Conyers replied that her hours of operation were Monday through Friday, 7 am to 5:30 pm, with drop off typically from 7 to 9am. Conyers stated that she reminds the parents that are clients to drive safely and respectfully.

Beverly Moffat of 923 Mystic Drive spoke in opposition to the proposal. Moffat stated that Mr. Sapp stated that Mystic Drive would not be built any time soon. Moffat said that regardless of how this goes she feels that she can be good neighbors with the Conyers. Moffat said that she was okay with six, but the State would give her the license to take up to 10. Moffat said that

despite the claim that drop off would be in the morning there was a drop off in the middle of the day recently. Moffat said that she is concerned about resale value. Moffat stated that as the owner of the home at the end of the street where people turned around she worried about traffic and the noise as well. Moffat said that she felt that this was a violation of the covenants for the neighborhood that states on page two that the only uses would be single family home uses. Moffat said that she felt her reasonable expectation was that there would not be a day care on her street.

Jon Conyers 919 Mystic Drive spoke in favor of the proposal. Mr. Conyers said that his wife had always said 6 to 8 kids and that he could not see how traffic that was already there should not be a consideration about approving the proposed day care. Hughes asked what ages would be under care at the house. Ms. Conyers replied that she typically watches 1 to 5 year old children. JoAnn Peyton 901 Mystic Dr asked where the kids would be playing. Ms. Conyers said that there own kids would play in the front yard, but the day care play could be kept in the rear yard. She added that the drop off in the middle of the day was due to a kid that goes to Jack-in-the-Box once a week. Chairman Smith reminded the

William Bolick 907 Mystic Drive spoke in opposition to the proposal. Bostick said that he bought that house he bought it to be in a quiet location and because he was assured that it would only be single-family homes. He said that he has owned three businesses and he did not want to interfere with anyone's attempt to be an entrepreneur but he bought that house to live in a quiet place where he could sit on his front porch. He is retired military and retired federal service and he thinks the proposal could cause friction in the neighborhood.

Jared Dotson 913 Briarwood Drive spoke in favor of the proposal. Dotson said that he as a parent of one of the kids the Conyers watched. Dotson said he had never heard of covenants in the City of Centralia and in fact the police chief had told him that there were none. Dotson said that he worked for the Sheriff in the traffic division and that he understood about traffic. Dotson said it was a street and that maybe the City could help with a "No Outlet" sign, to cut down on the traffic trying to find an outlet to MO HWY 124. Dotson said that there are currently sounds of kids in the neighborhood and that he heard noises from the high school at his house. Dotson added that there was a need for day cares in Centralia. Harline said that it is common, especially in newer subdivisions, have covenants that govern the use of the property in the subdivision. Harline noted that these are not typically enforced by cities and that the City of Centralia does not enforce covenants. Harline said that the covenants would have to be enforced in civil court by the homeowner's association. Harline added that there are uses, like group homes, that have been defined by courts as being single-family uses and that could not be banned by covenants. In answer to a question from the audience Harline replied that the City has a copy of most covenants in newer subdivisions but does not enforce them.

JoAnn Peyton 902 Mystic Drive spoke in opposition to the proposal. Peyton stated that the covenants were filed with the Boone County Recorder of Deeds. Peyton said that on nice days the kids might want to play outside of a fenced area on a nice day and she doesn't want her property to become liable for kids getting hurt on her property. Peyton said that a majority of the people on the street were retired and although she is not yet retired, she hoped to retire in her house in peace.

Meghan Dawson 201 S Reed Street spoke in favor of the proposal. Dawson said that she feels so blessed to have Kati in her kids' lives because her kids were learning and thriving with Kati. She added that she knew about the resale value issue because she used to own property out by the highway across from a day care. Dawson liked that there were people at home during the

day in the home across the street. Dawson reported that they sold their house at a profit of \$50,000 and the person who purchased the property knew about the day care across the street. She said it was her kid that was being picked up during the middle of the day and that he would graduate soon from his preschool and that would not be an issue much longer. Dawson said she would love to introduce her kids to the people in the neighborhood even door-to-door. Dawson noted that the rec center and park were close to the neighborhood. She said she was getting emotional because she knew that she was able to work and go to night school because she knows her little ones are being taken care of.

Moffat – 923 Mystic Dr. Moffat said that she has no issue with the kids coming there now. But if there would be ten kids that would increase traffic and it does change things and she has concerns about that. Moffat added that Conyers had specifically mentioned eight children.

Jennifer Loyd 906 Mystic Drive. Loyd spoke in opposition to the proposal. Loyd stated that they had bought their house earlier this year. Loyd said that she had four grown children and two grandchildren and she loves kids. Loyd said that if this were a through street she would be in favor of it but it is a nice quiet street and that is why she bought her house there. She says that she is sure that they are lovely people and the families are lovely people but she didn't think that was going to be a through street any time in the near future.

Cyndi Chick 902 Mystic spoke in opposition to the proposal. Chick said that she lives in one of the oldest houses in the neighborhood. Chick said that she had a nine year-old and was very aware how hard it is to find day care. Chick said that she had put up her own no outlet sign and her own children playing sign and her kid played with an eight year-old across the street. Chick said that she felt comfortable with them playing near the street, but not in the street and so she is concerned about added traffic since her kids would be playing outside during pick up time.

Jon Conyers – 919 Mystic Dr. Conyers said that this is the city and it has traffic. Conyers said that if you wanted a place away from traffic you should buy in the country. Conyers said that he was aware that there was a need for day care in Centralia because he had been approached at work in Mexico about finding day care.

Jennifer Loyd – 906 Mystic Dr. Loyd stated that she knew that she wasn't buying her house in the country but they bought it with the expectation it was only single family uses on a dead end road. Loyd said that there was no way the City could assure that there wouldn't be a lot of additional traffic. Loyd and Mr. Conyers exchanged comments about traffic.

Smith closed the public hearing at 6:38 p.m.

Discussion and decision;

Harline read from the Centralia City Code about the Conditional Use Request for in-home day care from Chapter 31-19 B. 4. Harline noted that the property owners had checked and there was no licensed day care within 800 feet. Hoffman said that he had a daycare near him and there would be teenagers on the street at some point. There was a discussion about whether there would be or were teenagers on Mystic.

Smith said that he felt that the City should be careful about approving a variance that runs counter to the neighborhood covenants even though he realized the City did not enforce them. Shannon Dawson of 201 S. Reed St, was allowed to speak by Smith and stated that would mean that no one could have a home-based business in that neighborhood if you agree to that interpretation of

the covenants. Million asked to what extent the City gets involved in covenants. Harline said that there are rare cases when the City takes a position on covenants such as in Cobblestone Lake Estates where the City required the covenants to be on file with the Secretary of State so that there was an organization capable of maintaining the lake. Million asked if the City was involved in the drafting of these covenants. Lynn Behrns, 705 Emerald (City Administrator at the time of the subdivisions approval) said that the City rarely gets involved and he did not recall any involvement in these covenants. Million said that his reason for asking was that if the City was not involved in drafting the covenants, they are not a good reason for denying the request. Bagley said that regardless of the covenants that people buy property with certain expectations and that the Commission needs to think about that really hard when considering the proposal. Bagley said that he felt that if people did not think they would have a day care prior to purchasing that would make a difference.

Ms. Conyers said that there had not been problems to date. Million asked if the Conyers had received a copy of the covenants upon purchase and she replied that they did. Ms. Conyers added that they asked their real estate agent if adding a day care would be a problem and the agent told them it would not be. Bagley said that he said he felt that we have zoning so people knew where things were at and that to change that after they moved in would not be fair. A comment from the audience said that they moved to Centralia because it looked like they had zoning as opposed to Fayette. Lee said that he felt very conflicted by the issue. He said that did feel comfortable ignoring the neighborhood covenants. Someone from the audience asked if there was a count of neighbors in favor or opposed and Harline said that that they didn't make that count. A member of the audience asked if they cared that another neighbor was also opposed and Smith said that he didn't feel this was an issue of numbers. Million asked if this was a precedent.

Russell Stelzer 457 Adams was allowed to approach in opposition. Stelzer said that he had received the covenants a little while after he bought his house abstained from a couple of projects on his house because of the covenants.

Harline read the grounds for granting a conditional use from the City Code Section 31-65 C. 11. Million said that if he heard that correctly that we could allow the conditional use with certain restrictions. Harline replied that Million was correct and the Commission could make restrictions. Million said that he did not want to do that, but if the neighborhood could reach a consensus then he could support that. At this point he was inclined to vote against the proposal. He suggested they discuss it amongst themselves and bring back a decision that works. Mr. Conyers spoke again pointing out what he thought were violations of the covenants that were in existence. Smith reminded him that they City did not enforce covenants. Hughes asked if the Commission do impose additional restrictions and Harline said that was correct, but the applicant could withdraw the application if the restrictions were not acceptable. Harline replied to a question from Conyers that even though the State allowed up to ten children, the City could impose a zoning restriction of a smaller number in this case. Harline attempted to explain permitted uses and conditional uses.

Kati Conyers – 919 Mystic spoke again. Conyers said that they did not want to make enemies of their neighbors. Conyers said that they love people and they are nice people. She asked if there was a compromise number. There was a discussion between Conyers and the neighbors present about reaching a compromise. Bolick – 907 Mystic said his problem was the traffic not the kids. Bolick said that if he didn't speak out and a child was run over and killed he couldn't live with

himself and then suggested speed bumps to slow the traffic down. Smith closed the open discussion.

Smith asked if there was a compromise number would that be okay. Harline said that the Commission had that authority. Million said that he wanted the neighborhood to make that decision. Harline said that the Commission made a decision and that was final unless the applicant made a revised application to the P&Z Commission, or appealed to the Board of Alderman

Million made a motion to deny the request. Lee seconded the motion and it was and approved unanimously by voice vote. Request denied 7-0

[Grenke arrived and Million left]

Request for a Conditional Use Permit for Self-Service Storage Facility for 212 West Singleton Street

Smith said a public hearing was advertised the City should allow any comments to be made during a public hearing. Smith asked about the applicants and the proposal. Harline said the applicants could not be present and no actual plan had been submitted. Harline said it could be tabled because it would be hard to approve it with so little information. Smith said that he needed to open the public hearing.

Public Hearing: Chairman Smith opened the public hearing at 7:06 p.m. There were no comments made. Smith closed the public hearing at 7:06 p.m.

Hughes asked if they should table it. Harline said tabling it would require advertising. Harline said that there had been no notice given for the first hearing because he had been told by the applicant that they would deliver the notices, but they did not. Harline said that this time the notices went out with the wrong date but were followed by a second notice with the correct date and a sign had been posted on the site each time. There was additional discussion about tabling versus defeating the proposal and allowing them to bring back a second proposal. Maenner asked about public input. Harline said that while they received the four letters in opposition to the previous proposal, he had received no formal opposition although he had been approached in person and received a phone call with some concerns. Harline said there has to be a plan for the Commission to make a decision. Harline said that he would be comfortable with a denial and the applicant could reapply. Lee asked if there was any scenario where the City could avoid advertising. Harline replied that he could not imagine any such scenario. Harline said he told them that they needed to have plans approved by the County at the time of building. Maenner said that until they had a plan before them they had no way to make a decision and so he felt a denial was the best way to go.

Don Bormann 800 Jason Court asked from the audience how long would they have to wait to reapply. Harline said it was more an issue about how soon they had to proceed with an appeal. Harline quickly reviewed the City Code for the length of time for an appeal and said that he could not seem to find a deadline for appeal. Bormann noted that since there was no plan any plan would be essentially a new application.

Maenner made a motion to deny the request until a plan of action was presented. Hughes seconded the motion and it was and approved unanimously by voice vote. Request denied 7-0.

Comprehensive Plan Update

Smith said that everyone had received a hard copy of the Plan and everyone had received one, but Hoffman had not had a chance to review his. Smith read from the minutes of the meeting of March 22 and noted that the Commission had discussed having the City Administrator, the Mayor and himself should gather and discuss the document and make suggestions for changes and how to adopt the Plan. Smith suggested making page by page edits is a small group, with a larger discussion after those changes have been made. Grenke said that any other small edits should could mention them.

The full discussion on content should follow. Harline noted that there is a version on line. Harline said that we did not want to print 50 copies of this draft and then another fifty copies of the next draft. Maenner said that he agreed with the idea of small edits followed by discussion on the bigger idea. Smith said that previous minutes should be available for review for about a month before adoption. Harline said that the big ideas are not lost in the typographical errors, but that we should have an additional public hearing at that next meeting. Bormann said that he felt it would take longer. He asked if it had been sent out to the committee participants electronically. Harline said that an additional month would not increase the amount of discussion, but we might add comments from the Planning and Zoning Commission.

Harline reminded the Commission what Ed Siegmund had said about the possibility of adopting it all at once, but that it was vitally important to adopt the main parts like the Future Land Use Plan and the Transportation Plan (Major Roadway Plan) and then follow up with the Sidewalk Plan and other parts. There was additional discussion about how to proceed. Hughes asked if there was value in going through page by page. Harline suggested that in the next week that the Mayor, Chairman and himself go through this document page by page and then send it out to all the members of the committees. There was additional discussion.

Small Cell Tower Downtown

Harline said this was informational only and that in the memo there was a description of the apparatus that they were suggesting. Harline reviewed the recent cell tower proposals that had come to them by Mobilitie that included a steel pole over 100 feet tall near Prenger's and a wooden pole in front of Martinsburg Bank. Sprint is now partnering with this new company (ExteNet) and are looking Hughes asked why not to use the tower near MO HWY 124 and Gano Chance. Harline replied that the new technology did not need the same height, and they were tubes and wires and not the old fashioned towers. Harline added that they were working in Jefferson City to restrict the City's rights for restricting this small cell technology. Because it was being discussed in Jefferson City we chose not to address it in our recently adopted Telecommunication tower ordinance. Harline said that they may have to have them go through the Conditional Use process as specified by our Code. Hughes asked about

the suggested location and Harline said that they were looking over by Oliver Funeral Home. Harline said that he was discussing other options with the company. Harline asked if we could get Sprint phones as part of the deal. Maenner stated that this technology is coming and that his company had been approached by a company to be located on a building he was working on to give students better cell service. Grenke said that he had told the legislature, we want the technology mentioned that we want the technology but we don't want municipal authority restricted. Hughes said that there were changes coming in the area of emergency response radio communication as well. Hoffman asked if they wanted to put these all over town. Harline said they were looking at maybe two and Lee asked why this is not a scale drawing and worried that the actual equipment would be much bigger. Hughes said that the communication equipment on the top of the Fire Station was a small box and an antenna about 2 feet long. Smith asked if there was additional discussion.

As May Arise

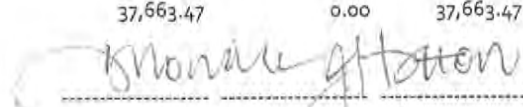
Harline said that we need to schedule the next meeting for a plat and annexation. Smith asked when people would be notified about the updated plan. Harline said it would be in time for the next meeting. After a great deal of discussion it was decided that June 7th would be the date of the next meeting. Harline noted that at the meeting of June 7th there would Plat 5 of Southwest Country Estates and an annexation. Bormann at the request of Harline described the land for annexation was where the Romine house had burned and been demolished. With a view of the zoning map the Commison gained a better understanding of the area in question.

Adjourn

Hughes made a motion to adjourn that was seconded by Grenke and approved unanimously by voice vote. The meeting adjourned at 7:45 p.m.

CITY OF CENTRALIA, MISSOURI
TREASURER'S REPORT
CASH - CHECKING ACCOUNTS
FOR THE MONTH OF APRIL 2018

	BEGINNING BALANCE	RECEIPTS	DISBURSEMENTS	ENDING BALANCE	INVESTMENTS	TOTAL
GENERAL FUND	194,636.36	205,178.77	(127,922.48)	271,892.65	200,000.00	471,892.65
POOL	15,070.09	2,045.00	(5,087.10)	12,027.99		12,027.99
PARK	192,567.24	13,529.56	(23,667.17)	182,429.63		182,429.63
RECREATION CENTER	145,964.84	23,196.93	(29,231.11)	139,930.66	0.00	139,930.66
LIBRARY	0.00	3,139.42	(19,522.27)	(16,382.86)	0.00	(16,382.86)
LIBRARY DEBT SERVICE	0.00	73.43	(73.43)	0.00	10,311.50	10,311.50
CEMETERY	305,399.85	32,285.99	(3,681.48)	334,004.36	200,000.00	534,004.36
AVENUE OF FLAGS	9,441.01	140.03		9,581.04	0.00	9,581.04
TRAN. SALES TAX REVENUE	398,166.52	20,421.37		418,587.89	0.00	418,587.89
PARK SALES TAX	131,534.98	20,630.72		152,165.70	0.00	152,165.70
WATER-OPERATING	428,446.34	50,275.70	(82,354.56)	396,367.48	0.00	396,367.48
WATER-SECURITY DEPOSITS	15,636.45	846.55	(750.00)	15,733.00	0.00	15,733.00
SANITATION (LANDFILL)	354,793.57	38,436.32	(41,057.14)	352,172.75	0.00	352,172.75
SEWER	348,422.68	22,443.70	(14,436.01)	356,430.37	0.00	356,430.37
ELECTRIC-OPERATING	693,176.17	324,359.57	(428,710.78)	588,824.96	600,000.00	1,188,824.96
ELECT.-SECURITY DEPOSITS	35,910.16	2,061.22	(1,773.38)	36,198.00	0.00	36,198.00
CAPITAL PROJECTS	85,162.22	253.69		85,415.91	0.00	85,415.91
INTERNAL SERVICE:	0.00			0.00		
PERSONNEL	0.00			0.00		0.00
FINANCIAL	0.00	11,293.76	(11,293.76)	0.00		0.00
EQUIPMENT USE	444,045.12	11,532.36	(11,858.24)	443,719.24		443,719.24
TOTAL	3,798,373.60			3,779,098.77	1,010,311.50	4,789,410.27
A. B. Chance Memorial	2,882.41	153,574.51		156,456.92	230,612.26	387,069.18
Library Debt Service	10,493.79	88.06		10,581.85	0.00	10,581.85
MAMU 08 Electric Substation						
COP Project Fund	0.00			0.00	0.00	0.00
COP Int. Reserve Acct.	37,663.47			37,663.47	0.00	37,663.47


Rhoni Hatton, City Treasurer

CITY COLLECTOR'S REPORT

April, 2018

Real Estate Tax Collections	\$3,051.05
Personal Property Tax Collections	\$5,055.88
Dog Tax	\$36.00
Cat Tax	\$2.00
Merchant's License	\$186.00
Penalties	\$833.75
Collector's Interest	
Railroad/Utility Tax	
Financial Institution Tax	
Sur Tax	
Total	\$9,164.68

Deposited in the Following Funds

General Fund	\$4,180.25
Park Fund	\$1,771.59
Library Revenue Fund	\$3,139.41
Library Bond (Tsfr to Library Debt Service Acct)	\$73.43
Total	\$9,164.68

Submitted by:



Heather Russell, City Collector

City of Centralia Activity Reports

April 2018

Prepared By: Phyllis Brown

BUILDING ADMINISTRATION

Permit Data	Apr-18	Apr 2018 - Mar 2019 Totals
New Residential & Duplex	12	12
Residential - Additions, Alterations, Repairs, Porch/Decks, Elec Upgrade, Solar	2	2
Residential - Storage Buildings/Fences/Carport/Swimming Pools/Detached Garage	2	2
Residential - Pole Barn		
New Commercial Buildings		
Non Residential - Additions, Alterations, Repairs, Elec Upgrade, New Sign		
Courtesy Inspections - New Trailers/Gas Lines		
Renewal		
New Institutional		
Institutional - Additions, Alterations, Repairs, New Sign		
New Community Recreation Center		
Commerical Electrical Inspection		
Building Permit Summary		
<i>Number of Permits Issued</i>	16	16
<i>Permit Valuation</i>	\$ 1,269,750.00	\$ 1,269,750.00

ACTIVITY REPORT

		Apr-18							
		Pay Date							
		04/06/18		04/20/18		APR TOTAL		FYTD TOTALS	
		HOURS		HOURS		HOURS			
Cost Center #	DESCRIPTION	REG	OT	REG	OT	REG	OT	REG	OT
Office	1121 Court	3.00	0.00	0.00	0.00	3.00	0.00	3.00	0.00
	1141 Admin Asst Payroll - Intern	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	1142 Clerical	43.50	0.00	40.75	3.75	84.25	3.75	84.25	3.75
	1162 Payroll	9.00	0.00	15.75	1.25	24.75	1.25	24.75	1.25
	1163 Purchasing	12.00	0.00	16.00	0.50	28.00	0.50	28.00	0.50
	1165 Accounting	37.00	0.00	42.50	1.75	79.50	1.75	79.50	1.75
	1421 Economic Development - Intern	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	6121 Cashier & Collecting	254.75	0.00	204.50	7.50	459.25	7.50	459.25	7.50
	Central Office Monthly Total	359.25	0.00	319.50	14.75	678.75	14.75	678.75	14.75

Street	1311 Administrative - Street	11.50	0.00	16.50	2.00	28.00	2.00	28.00	2.00
	1312 Street Maintenance	13.00	0.00	12.50	5.00	25.50	5.00	25.50	5.00
	1313 Alley Maintenance	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	1314 Parking Lots/Sidewalks	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	1315 Buildings/Grounds	4.00	0.00	4.00	0.00	8.00	0.00	8.00	0.00
	1316 Snow/Ice Removal	0.00	0.00	12.00	0.00	12.00	0.00	12.00	0.00
	1317 Pavement Markings	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	1318 Culverts	96.50	0.00	77.00	0.00	173.50	0.00	173.50	0.00
	1319 Brush/Tree Control	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	1331 Streets & Alleys; City Property	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	2211 Cemetery	6.00	0.00	1.50	2.00	7.50	2.00	7.50	2.00
	Street Department Monthly Total	131.00	0.00	123.50	9.00	254.50	9.00	254.50	9.00

Water	3111 Administrative - Water	0.00	0.00	56.00	8.00	56.00	8.00	56.00	8.00
	3112 Customer Service - Water	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	3113 Water Wells - Maintenance	2.00	0.00	0.00	0.00	2.00	0.00	2.00	0.00
	3116 Water Service	81.00	0.00	133.00	6.00	214.00	6.00	214.00	6.00
	3117 Water Plant	84.00	0.00	98.00	2.00	182.00	2.00	182.00	2.00
	3119 Water Wells - Buildings/Grounds	2.00	0.00	2.00	0.00	4.00	0.00	4.00	0.00
	3121 Administrative - Sewer	19.00	0.00	0.00	0.00	19.00	0.00	19.00	0.00
	3123 Sewer	24.00	0.00	10.00	5.00	34.00	5.00	34.00	5.00
	3125 Lift Stations	32.00	0.00	18.00	0.00	50.00	0.00	50.00	0.00
	3127 Lagoons	21.00	0.00	9.00	0.00	30.00	0.00	30.00	0.00
	3128 Land Application	18.00	0.00	37.00	0.50	55.00	0.50	55.00	0.50
	Water Department Monthly Total	283.00	0.00	363.00	21.50	646.00	21.50	646.00	21.50

Electric	3131 Administrative - Electric	49.50	0.00	33.00	5.00	82.50	5.00	82.50	5.00
	3132 Customer Service - Electric	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	3133 Buildings/Grounds	48.00	0.00	50.00	6.00	98.00	6.00	98.00	6.00
	3134 Electric Distribution	210.00	0.00	285.00	2.00	495.00	2.00	495.00	2.00
	3138 Brush/Trees	57.00	0.00	6.00	0.00	63.00	0.00	63.00	0.00
	3139 Street Lights	14.00	0.00	2.00	0.00	16.00	0.00	16.00	0.00
	Electric Department Monthly Total	378.50	0.00	376.00	13.00	754.50	13.00	754.50	13.00

ACTIVITY REPORT

		Apr-18							
		Pay Date							
		04/06/18		04/20/18		APR TOTAL		FYTD TOTALS	
		HOURS		HOURS		HOURS			
Cost Center #	DESCRIPTION	REG	OT	REG	OT	REG	OT	REG	OT
Sanitation	3322 Sanitation	4.50	0.00	11.50	22.00	16.00	22.00	16.00	22.00
	3323 Landfill	1.50	0.00	2.50	0.25	4.00	0.25	4.00	0.25
	Sanitation Department Monthly Total	6.00	0.00	14.00	22.25	20.00	22.25	20.00	22.25

Holiday/Sick/Vacation/Funeral

6111	Holiday	24.00	0.00	14.00	0.00	38.00	0.00	38.00	0.00
6112	Sick Time	5.50	0.00	0.00	0.00	5.50	0.00	5.50	0.00
6113	Vacation	103.75	0.00	91.00	0.00	194.75	0.00	194.75	0.00
6119	Funeral Leave	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Holiday/Sick/Vacation/Funeral Leave Monthly Total		133.25	0.00	105.00	0.00	238.25	0.00	238.25	0.00

Equipment Use:

6212	Equipment/Vehicle Maintenance	21.50	0.00	41.00	0.00	62.50	0.00	62.50	0.00
		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Equipment Use Monthly Total		21.50	0.00	41.00	0.00	62.50	0.00	62.50	0.00

Total Hours Worked		1,312.50	0.00	1,342.00	80.50	2,654.50	80.50	2,654.50	80.50
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Assistance For The Month (Hours are already included above)	Administration	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Electric Dept Assisted The Fire Dept	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Electric Dept Assisted The Park Dept	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Electric Dept Assisted The Police Dept	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Electric Dept Assisted The Sanitation Dept	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Electric Dept Assisted The Street Dept	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Electric Dept Assisted The Water Dept	0.00	0.00	3.00	0.00	3.00	0.00	3.00	0.00
	Police Dept Assisted The Sanitation Dept	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Street Dept Assisted City Hall	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Street Dept Assisted The Electric Dept	0.50	0.00	4.00	0.00	4.50	0.00	4.50	0.00
	Street Dept Assisted The Fire Dept	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Street Dept Assisted The Park Dept	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Street Dept Assisted The Police Dept	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Street Dept Assisted The Water Dept	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Water Dept Assisted City Hall	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Water Dept Assisted The Electric Dept	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Water Dept Assisted The Fire Dept	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Water Dept Assisted The Park Dept	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Water Dept Assisted The Sanitation Dept	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Water Dept Assisted The Street Dept	0.00	6.75	10.00	0.00	10.00	6.75	10.00	6.75
		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Total Hours Assisted	0.50	6.75	17.00	0.00	17.50	6.75	17.50	6.75

WATER DEPARTMENT EQUIPMENT USE

		Apr-18		TOTAL USAGE	
EQUIPMENT USAGE		MILEAGE	HOURS	MILEAGE	HOURS
# 4 2002 Freightliner Dump Tuck		31.0		65936.0	
# 6 2006 Chev Silverado Pickup		0.0		109824.0	
# 19 2011 Chev Silverado Pickup		763.0		72618.0	
# 40 Sewer Machine			1.1		400.3
# 42 1984 Homelite Trash Pump			0.0		1251.9
# 74 Sewer Camera Van			24.1		3283.4
# 82 1992 UMC Sewer Van		0.0		89795.3	
# 83 Vac Trailer (Feb 2013 Water Dept reporting now; not Elec Dept)			2.3		261.4
# 87 2013 Chevy 1/2 Ton		1427.0		78495.0	
# 206 2018 Chevy 1/2 Ton (added 11/29/2017)		613.0		3585.0	
WELL PERFORMANCE REPORT		75 H.P. WELL #3		125 H.P. WELL #4	
1. Static Level-Average			356 FT		362 FT
2. Pumping Level			406 FT		377 FT
3. Drawdown			50 FT		15 FT
4. G.P.M.			433		730
5. Total Hours Pumping			0.0		424.7
WELL PERFORMANCE REPORT		125 H.P. WELL #6			
1. Static Level-Average			368 FT		
2. Pumping Level			383 FT		
3. Drawdown			15 FT		
4. G.P.M.			730		
5. Total Hours Pumping			0.0		
WATER		Apr-18		Mar-18	
1. Monthly Well Water Processed (Raw Water #3, #4 & #6)			4,480,000.0		1,332,600.0
2. Total Well Water Process Apr 2018- Mar 2019					
3. Monthly Recycled Water Processed			0.0		0.0
4. Total Recycled Water Processed Apr 2018 - Mar 2019			0.0		0.0
5. Total Water Processed for Month			4,480,000.0		1,332,600.0
6. Average Daily Processed			149,333.3		42,987.1
a. High Day Raw Water			663,000.0		663,000.0
b. Low Day Raw Water			415,000.0		464,000.0
7. Total Water Processed Apr 2018 - Mar 2019			4,480,000.0		118,899,709.0
8. Finished Water to Towers for Month			12,805,000.0		13,521,000.0
9. Finished Water to Towers Apr 2018 - Mar 2019			12,805,000.0		162,762,000.0
NORTHEAST LAGOON PERFORMANCE		Apr-18		Mar-18	
1. Influent BOD (MG/L)					
2. Effluent BOD (MG/L)					
3. % BOD Removal					
4. Influent Suspended Solids (MG/L)					
5. Effluent Suspended Solids (MG/L)					
6. % Suspended Solids Removal					
7. Effluent Discharge to Creek			NO		NO
8. Monthly Gallons Treated			77,000,000.0		19,730,000.0
9. Yearly Gallons Treated Apr 2018 - Mar 2019			77,000,000.0		64,046,667.0
10. Monthly Irrigation Water Pumped			0.0		0.0
11. Yearly Irrigation Water Pumped Apr 2018 - Mar 2019			0.0		0.0
NORTHWEST LAGOON PERFORMANCE		Apr-18		Mar-18	
1. Influent BOD (MG/L)					
2. Effluent BOD (MG/L)					
3. % BOD Removal					
4. Influent Suspended Solids					
5. Effluent Suspended Solids					
6. % Suspended Solids Removal					
7. Effluent Discharge to Creek			NO		NO
8. Monthly Gallons Treated			0.0		1,133,300.0
9. Yearly Gallons Treated Apr 2018 - Mar 2019			0.0		227,255,300.0
10. Monthly Irrigation Water Pumped			0.0		0.0
11. Yearly Irrigation Water Pumped Apr 2018 - Mar 2019			0.0		0.0

STREET EQUIPMENT USE

EQUIPMENT USE	Apr-18		Apr 2018 - Mar 2019 Totals	
	MILEAGE	HOURS	MILEAGE	HOURS
#1 - 1989 John Deer 670B Motor Grader		2.0		3,095.0
#10 - 2008 1-Ton Chevrolet	117.0		43,200.0	
#15 - 1990 Case Model 1550 Long Track Dozer		2.0		3,582.0
#18 - 2001 Dodge 2500 Pickup	2.0		75,780.0	
#25 - 2010 Chevy Pickup Silverado	496.0		43,937.0	
#50 - 1997 Gilcrest Propaver		0.0		587.0
#76 - 2008 International Dump Truck	84.0		33,241.0	
#77 - 2013 International Dump Truck	211.0		19,383.0	
#81 - 2009 John Deere Tractor w/Mower		0.0		2,837.0
#85 - 1997 Ford Truck Street Sweeper		6.0		6,751.0
#90 - 2014 New Holland B95C Backhoe <i>Purchd Feb 2014</i>		22.0		915.0
#91 - 2015 Chevy 3/4 Ton Pickup <i>Purchd 05/21/2014</i>	157.0		12,487.0	
#104 - 2016 White International Dump Truck <i>Purchd 11/03/2016</i>		12.0		3,438.0
#123 - 2015 John deere 524 Wheel Loader <i>Purchd 04/20/2015</i>		8.0		1,080.0

ELECTRIC EQUIPMENT USE

EQUIPMENT USE	Apr-18			APR 2018 - MAR 2019 TOTALS	
	MILEAGE	HOURS		MILEAGE	HOURS
#26 - 2003 International/Altec Digger Derrick		14.0			4322.0
#27 - 2009 Ford F-550 w/Altec AT40M Aerial Lift Device		0.0			6571.0
#29 - 2001 Ford Altec		25.0			6690.0
#34 - 2000 Chevrolet 1 Ton Truck	4.0			71372.0	
#38 - 2010 Chevy Pickup 3/4-Ton w/Tool Bed	305.0			48770.0	
#75 - 2008 Kubota Mini Ex		4.0			2175.0
#84 - 2011 Bobcat A770		10.0			1258.0
#88 - 2012 Altec DC1317 Series Chipper		0.0			581.0
#332 - 2017 Chevy Pickup 1/2 Ton w/Tool Box	785.0			11100.0	

BILL NO. _____

ORDINANCE NO. _____

A BILL TO CREATE AN ORDINANCE ENTITLED:

“AN ORDINANCE AUTHORIZING THE MAYOR OF THE CITY OF CENTRALIA, MISSOURI TO ENTER INTO AN ENERGY PERFORMANCE CONTRACT WITH ENERGY SOLUTIONS PROFESSIONALS OF OVERLAND PARK, KANSAS.”

BE IT ORDAINED BY THE BOARD OF ALDERMEN OF THE CITY OF CENTRALIA, MISSOURI, as follows:

- SECTION 1. The Mayor of the City of Centralia, Missouri is hereby authorized to enter into an Energy Performance Contract with Energy Solutions Professionals of Overland Park, Kansas on behalf of the City of Centralia, Missouri.
- SECTION 2. The terms and conditions shall be as generally described in the contract, “Exhibit “A,” which is attached and hereby made a part of this ordinance.
- SECTION 3. This ordinance shall take effect and be in full force and effect from and after the date of its passage and approval.

PASSED by the Board of Aldermen this _____ day of _____, 2018.

Alderman Wilkins _____
Alderman Hudson _____
Alderman Lee _____

Alderman Bormann _____
Alderman Rodgers _____
Alderman Magley _____

Presiding Officer

ATTEST:

City Clerk, Heather Russell

This ordinance approved by the Mayor this _____ day of _____, 2018.

Mayor, Tim Grenke

ATTEST:

City Clerk, Heather Russell

ACCOUNTS PAYABLE OVER \$1250

May 21, 2018

Ameren (Transmission Charges) March 2015	\$23,385.62
Ameren UE (Heating)	\$2,534.31
Bank of New York Mellon (postage)	\$2,500.00
Bankcard (Heather) St Dept welder \$1208.95)	\$1,762.79
Bartlett & West (SCEAP expenses/Bond Issue Mgt)	\$32,092.55
Big Rivers Electric (Capacity)	\$24,250.00
Boone County Collector (DeLaRosa Taxes)	\$2,520.75
Boone County Resource Management (Bldg. Permits April/May)	\$9,555.03
Boone Electric Cooperative	\$2,829.44
Clifford DeLaRosa (Purchase Land)	\$7,479.25
Core & Main (Water Dept Supplies)	\$11,591.13
Dayne's Waste Disposal (Spring Clean-up Roll off Dumpsters)	\$36,176.06
Frank Love (Payment for 110 E Railroad Purchase)	\$33,000.00
Huber & Associates (Enterpol Annual Maintenance \$6273.00)	\$6,818.00
Kribbs Family Pharmacy (Narcain Spray)	\$1,426.80
MARC (Weed Killer)	\$2,222.00
MFA Oil (Fuel)	\$2,772.98
MJMEUC (Prairie State Charges)	\$78,879.79
Ozark Applicators (Annual Tower Inspection)	\$1,800.00
Progressive Landscaping (Cemetery Mowing)	\$2,821.43
S & D	\$3,258.33
S & S Electric (Sims Motor Repair)	\$1,965.00
Spectrum Business St/Water/Elec/Fire/RC/CH Internet & PD Phones)	\$1,412.40
Spiegel & McDiarmid (Legal services PPA)	\$1,376.45
Wilkerson Bro Quarry (Rock)	\$3,482.54
TOTAL:	\$297,912.65

ADDED AFTER GGFC MEETING

Border States (Primary Wire)	\$4,746.04
TOTAL:	\$4,746.04

ADDED TODAY

Joe Watt Auto Sales (2017 Taurus PD Veh # 838)	\$30,500.00
L & B Electronics (PD radio/installation)	\$1,980.00
MECO (Progressive billing # 1)	\$6,151.50
Nextera	\$97,026.38
UMB Bank (MAMU)	\$12,380.10
	\$148,037.98

GRAND TOTAL

\$450,696.67

ENERGY PERFORMANCE CONTRACT

This Energy Performance Contract (“Contract”) is made and entered into by and between **Energy Solutions Professionals, LLC** (“ESCO”), a Kansas company, having its principal offices at 6400 W. 95th Street, Suite 202, Overland Park, KS 66212, and the **City of Centralia, Missouri** (“Client”) for the purpose of providing comprehensive energy services designed to save energy, water and other operating costs.

This Contract shall be effective immediately upon execution by both parties.

ESCO has prepared and the Client has approved and accepted the Schedules as set forth below, copies of which are attached hereto and made a part of this Contract by reference.

Schedule A	Terms and Conditions
Schedule B	Client Premises
Schedule C	Scope of Work
Schedule D	Compensation to ESCO
Schedule E	Baseline Utility Consumption
Schedule F	Savings Guarantee
Schedule G	Savings Measurement, Calculation Formulae, and Baseline Adjustments
Schedule H	Funding
Schedule I	Standards of Comfort / Operating Parameters
Schedule J	Construction and Installation Schedule
Schedule K	Training Responsibilities
Schedule L	Maintenance Responsibilities
Schedule M	Certificates of Completion
Schedule N	Project Closeout Documents
Schedule O	Warranty
Schedule P	Investment Grade Audit

IN WITNESS WHEREOF, and intending to be legally bound, the parties hereto subscribe their names to this Contract by their duly authorized officers.

ESCO:
Energy Solutions Professionals, LLC

CLIENT:
City of Centralia, Missouri

By: _____

By: _____

Print Name: _____

Print Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

SCHEDULE A

TERMS AND CONDITIONS

RECITALS

WHEREAS, Client owns and operates the facilities described in *Schedule B (Client Premises)* (“Premises”), and is in need of energy saving and facility improvement services designed to reduce utility consumption and associated costs at said Premises;

WHEREAS, ESCO has completed a comprehensive study (the “Investment Grade Audit” which is attached hereto as *Schedule P*) of the Premises under a separate contract and is willing to design and install certain facility improvement measures (the “Equipment”), and measure their performance;

WHEREAS, Client desires to retain ESCO to provide services for the design and installation of certain equipment of the type or class described in *Schedule C (Scope of Work)*, and to provide other services for the purpose of achieving cost reductions within Premises, as more fully set forth herein; and

NOW, THEREFORE, in consideration of the mutual promises and covenants contained herein, and intending to be legally bound hereby, Client and ESCO hereto covenant and agree as follows:

SECTION 1. DEFINITIONS

- 1.1 “**Actual Utility Savings**” shall mean the amount of annual Utility Savings accruing to the Client after the Guarantee Commencement Date as calculated by the ESCO using the processes and procedures described in Schedule G.
- 1.2 “**Baseline**” shall mean the representative energy use during a twelve (12) calendar month period of the Premises' pre-retrofit energy consumption and the variables that contribute to that consumption as specified in *Schedule E (Baseline Energy Consumption)*.
- 1.3 “**Change Order**” shall mean a document signed by ESCO and Client reflecting an agreement between the parties changing the Work, the Contract Sum, or adjusting the schedule set forth in Schedule J.
- 1.4 “**Client**” shall mean the owner and its duly authorized agents and employees. The address of Client is 114 South Rollins, Centralia, MO 65240
- 1.5 “**Construction Period**” is the period beginning with the first day that Equipment is first installed and continuing until the Guarantee Commencement Date.
- 1.6 “**Construction Period Savings**” shall mean the Total Actual Savings that occurs during the Construction Period.
- 1.7 “**Contract**” shall mean the Energy Performance Contract and shall include all schedules attached thereto.
- 1.8 “**Contract Start Date**” shall mean the date the Contract is fully executed and is in full force and effect.
- 1.9 “**Contract Sum**” shall mean the total contract price(s) payable to ESCO as detailed in *Schedule D (Compensation to ESCO)*.

- 1.10 “**Day**” or “**days**”, unless otherwise expressly defined in the Contract, shall mean a calendar day or days of twenty-four (24) hours each.
- 1.11 “**Debt Service**” shall mean the Client’s total annualized cost for the Work spread over the Term as more fully described in Section 3.1, including, if applicable, all interest and principal payments, or all lease payments, as stated on an annual basis in Schedule H.
- 1.12 “**Equipment**” shall be the equipment to be installed on the Premises as described in ***Schedule C (Scope of Work)***.
- 1.13 “**ESCO**” shall mean Energy Solutions Professionals, LLC, and its duly authorized agents, contractors and employees. The mailing address of Energy Solutions Professionals, LLC is 9218 Metcalf Ave, Suite 274, Overland Park, KS 66212.
- 1.14 “**Final Completion**” shall mean the date the Project is fully completed including completion of all punch list items, and the documents identified in ***Schedule N (Project Closeout Documents)*** have been delivered to Client as mutually agreed by Client and ESCO, all of which is evidenced by the execution of a Certificate of Final Completion per ***Schedule M (Certificates of Completion)***.
- 1.15 “**Guarantee Commencement Date**” shall mean the first day of the first month following the date of Final Completion.
- 1.16 “**Guarantee Year**” is each successive one year period following the Guarantee Commencement Date, plus, if applicable, the Construction Period which is noted as Guarantee Year 0 on Schedule F), which period may be longer than 12 months.
- 1.17 “**Guaranteed Utility Savings**” shall mean the amount of annual Utility Savings calculated by the ESCO and shown on Schedule F.
- 1.18 “**Lease Agreement**” shall mean the agreement between the Client and the third party financier/leasing company, if any.
- 1.19 “**Operational Savings**” shall mean those non-utility savings resulting from the implementation of energy conservation measures at the Premises (e.g., costs for parts, outsourced repair/maintenance, service agreements, etc.) and/or those non-utility savings resulting from the Client not incurring those costs at a later date by having the cost of those improvements included in this Contract, and/or planned or budgeted expenses for the replacement or addition of systems or equipment that would have occurred had the Work not been performed, and are agreed to at contract execution. Operational Savings, if any, are shown in ***Schedule F, Energy Savings Guarantee***.
- 1.20 “**Premises**” shall mean the property upon which the Project is being constructed as identified in ***Schedule B***.
- 1.21 “**Project**” shall be the construction and installation of Equipment described in the Scope of Work as set out in ***Schedule C*** for the facilities described in ***Schedule B (Premises)***.
- 1.22 “**Savings Guarantee**” is an amount each year equal to the lesser of the annual Total Guaranteed Savings for that year as shown on Schedule F, or Client’s annual Debt Service for that year as shown on Schedule H. If the Debt Service on Schedule H is shown as zero, the Savings Guarantee shall be the Total Guaranteed Savings.

- 1.23 “**Substantial Completion**” shall mean the date determined by the ESCO and mutually agreed to by Client when the Work or designated portion thereof is complete in accordance with the Contract, so the Client may beneficially utilize the equipment and occupy the Premises or designated portion thereof for its intended use. Execution of a Certificate of Substantial Completion per **Schedule M (Certificates of Completion)** shall signify Substantial Completion.
- 1.24 “**Term**” shall mean the duration of the Contract as stated in Schedule F, commencing on the Guarantee Commencement Date.
- 1.25 “**Total Actual Savings**” shall mean the total of all Actual Utility Savings and Operational Savings.
- 1.26 “**Total Guaranteed Savings**” shall mean the total of all Guaranteed Utility Savings and Operational Savings.
- 1.27 “**Work**” shall mean the labor, materials, equipment, and services furnished by the ESCO under the Contract to complete the ESCO’s obligations detailed in **Schedule C (Scope of Work)**.
- 1.28 “**Utility Savings**” shall mean electric energy reduction, fossil fuel energy reduction (e.g., natural gas, propane, fuel oil, etc.) and water and sewer reduction, etc., as calculated per Schedule G.

SECTION 2. **PRINCIPAL TERMS**

ESCO agrees to perform the Work described herein and guarantee the savings described herein in exchange for Client's agreement to pay ESCO the compensation described in **Schedule D** hereto in the amounts and manner described in **Schedule D**.

SECTION 3. **FINANCIAL INFORMATION**

- 3.1 It is hereby agreed by ESCO and the Client that ESCO’s obligation to perform under this Contract is expressly contingent upon the Client securing financing or furnishing reasonable evidence satisfactory to ESCO that the Client has adequate funds available and allocated to fulfill Client’s obligations under the Contract. Upon execution of this Contract, the Client will have thirty (30) days to furnish evidence of such financing or funds. If financing is not secured within such period, this Contract may be terminated by ESCO or the Client and the Client shall immediately pay the cost of the Investment Grade Audit unless the Parties mutually agree in writing to extend such period. The annual payments due on such financing, or the total annual lease payments if financing is obtained through a Lease Agreement, shall be stated on Schedule H as the Debt Service.
- 3.2 If Client is entering into a Lease Agreement to finance the Work, a copy of the Lease Agreement shall be attached to this Contract as part of **Schedule H (Funding)**. In the event the Lease Agreement is terminated because of Client’s default or non-payment of the same, this Contract shall immediately terminate and ESCO will have no further obligations to Client hereunder.

SECTION 4. **DUTIES**

4.1 **ESCO Duties.**

(a)**Performance of the Work.** ESCO shall install the Equipment and perform the Work in the manner set forth herein. ESCO shall proceed in accordance with the construction schedule set out in **Schedule J**.

(b)**Training by ESCO.** ESCO shall deliver detailed operations and maintenance manuals and also conduct the training program described in **Schedule K**, which shall be completed prior to acceptance of the Work by Client. ESCO agrees that Client may video or otherwise record any training for its own use.

4.2 Client Duties.

(a) Service by Client. Except for any maintenance obligations reserved to the ESCO as stated in ***Schedule L (Maintenance Responsibilities)***, Client shall be responsible for maintaining the Equipment. Client shall operate service and maintain the Equipment in the manner required by the ESCO and in the manner required by the manufacturer of the Equipment as set out in the Operations and Maintenance manuals delivered to Client. Client shall notify ESCO as soon as reasonably possible if it knows of (a) any material malfunction in the operation of the Equipment, (b) the existence of any emergency or dangerous condition affecting the Equipment, or (c) any interruption or alteration of the energy supply to the Premises.

(b) Client shall ensure that the Equipment is operated in a manner that results in the Premises conforming to the Standards of Comfort in Schedule I and otherwise in accordance with the energy conservation procedures established by the ESCO.

(c) Maintenance of Premises and Existing Systems. Client agrees to maintain the Premises and all existing mechanical systems, equipment and other energy consuming systems located on the Premises in good repair, in the same condition or better condition, reasonable wear and tear excepted, as existed prior to construction of the Project, and to protect and preserve the building envelope and the operating condition and standard of performance of all mechanical systems, equipment and other energy consuming systems located on the Premises. Client's maintenance obligations under this Section 4.2(c) shall include, but not be limited to, the specific requirements set out on Schedule L, if any. Client may not remove, alter or change in any material way the Equipment, or any part thereof, without first consulting ESCO, except in an emergency.

(d) Client agrees that ESCO shall have the right to periodically, with prior notice, inspect the Premises to determine if Client is complying with its obligations as set forth above in this Section 4.2. Client shall make the Premises available to ESCO for and during each inspection, and shall have the right to witness each inspection or record any inspection and any measurements taken or records made.

SECTION 5. ESCO GUARANTEE

5.1 Guarantee. The ESCO guarantees to Client that the Total Actual Savings each year will exceed the Savings Guarantee after all adjustments allowed in this Contract. Client agrees that the amount by which the Total Actual Savings in any year exceeds the Savings Guarantee for that year shall be carried forward to the succeeding year such that the Savings Guarantee for the succeeding year shall be reduced by that amount. If there is no Savings Guarantee for the Construction Period, the Total Actual Savings for the Construction Period shall be added to the Total Actual Savings for year 1 in determining whether the Savings Guarantee has been met in year 1.

5.2 Measurement and Verification of Savings. The ESCO will determine the annual Total Actual Savings. ESCO will utilize the processes and procedures described in Schedule G to calculate the annual Total Actual Savings. The rates identified in Schedule F are then applied to these savings values to determine the associated dollar savings amount, which will then be compared to the Savings Guarantee – on an individual energy conservation measure and aggregate savings basis. The measured parameter(s), the number of times and/or duration of measurements, and the quantity of devices to be measured are specified in Schedule G.

1. If the calculation that is based upon measured criteria demonstrates that the Savings Guarantee has been met or exceeded for each individual measure, then no further calculations are necessary. In this case, ESCO will tabulate the measurements and computed savings into a report and deliver the same to Client.
2. In the event that the measurement-based computations indicate that the Savings Guarantee has not been achieved for an individual energy conservation measure, the ESCO will calculate an aggregate savings for all measures, and determine whether the aggregate savings meets or exceeds the Savings Guarantee. If the aggregate savings meets or exceeds the Savings Guarantee the ESCO will tabulate all measurements and calculations into a report and deliver the same to Client.
3. In the event that measurement-based calculated aggregate savings does not meet or exceed the Savings

Guarantee, the ESCO shall pay the Client the amount of the savings shortfall on an annual basis at the anniversary of the Guarantee Commencement Date for as long as the savings shortfall persists; said payment to be made within 60-days of the anniversary of the Guarantee Commencement Date.

- a. Client, at its discretion, may elect to have ESCO provide services, in lieu of receiving a payment for the savings shortfall.
 - b. ESCO, at its discretion, may:
 1. Implement field adjustments and/or equipment modifications or replacements (at the ESCOs cost) that facilitate bringing the field measurement calculations to a level that ensures the Savings Guarantee is achieved in future years
 - a) ESCO will, at its cost, take additional measurements and readings to prove the results of any such adjustments, modifications or replacements, and Client may witness the measurements.
 - b) Any adjustments, modifications and/or equipment replacements will meet the Standards of Comfort in ***Schedule I***, and may not adversely affect the operation of the Client equipment or facilities.
 2. Or, in lieu of making adjustments and taking additional measurements, ESCO may present-value the savings shortfall for the Term and make one payment to finalize all of ESCO's Contract obligations.
- 5.3 If Client fails to materially comply with its duties under Section 4.2 hereof or Client takes other action for which the Savings Guarantee may be changed hereunder, the Savings Guarantee shall be reduced by the cost of the excess energy consumed by Client as a result of its failure. The amount of the reduction shall be determined by the ESCO. ESCO will not be responsible under the Savings Guarantee for any loss of Total Actual Savings due to a material malfunction in the operation of the Equipment, an alteration of energy supply to the Premises, or any failure of Client to fulfill all terms of this Contract.
- 5.4 Independent Audit. If Client disputes any calculation by the ESCO in determining the Total Actual Savings or any adjustments to the Savings Guarantee under this Section 5, Client shall be required to obtain an independent audit of the calculations used by the ESCO in making such determinations. In such case, the Client and ESCO shall mutually agree upon an independent auditor to complete the audit. The audit shall follow all methods, procedures, calculations and formulas identified in this Contract, and the auditor shall submit its findings to the parties in a written report, which findings shall be deemed final for purposes of determining the annual Total Actual Savings and any Savings Guarantee adjustment. If the audit determines that the Total Actual Savings are equal to or greater than those calculated by the ESCO, then the Client shall pay the cost of the audit. If the audit determines that the Total Actual Savings are less than those calculated by the ESCO, then the ESCO shall pay the cost of the audit. If either party disputes the results of the audit, they may use the remedies identified in Section 16.

SECTION 6. ESCO COMPENSATION AND FEES.

- 6.1 The Client agrees to pay compensation to ESCO for the Work and any other energy services provided through this Contract in the amount set forth in ***Schedule D (Compensation to ESCO)***.
- 6.2 Billing Information Procedure. Payments due to ESCO shall be calculated in accordance with the completion of the Work in this Contract and compensated as defined in ***Schedule D (Compensation to ESCO)*** in the following manner:
- (a) Payment for the IGA. Payment for the IGA will be invoiced upon the signing of this Contract and the Client shall have 30 days to provide payment to ESCO for the IGA.

- (b) Progress Payment Application. By no later than the 5th day of each month, ESCO shall submit an application for payment (the "Payment Application") to the Client; each application will represent the amount of Equipment purchased by ESCO and the Work completed through the end of the previous month less the amounts requested in previous Payment Applications. The Payment Application shall subtract the correct amount of Retainage. Each Application for Payment shall be accompanied by partial lien waivers from ESCO and its subcontractors.
 - (c) Final Payment Application. Upon execution of Final Completion, ESCO shall submit a final application for payment (the "Final Payment Application") to the Client; Final Payment Application will represent the amount of all Equipment purchased by ESCO and the Work completed that was not included in previous Payment Applications as well as the amount of Retainage that has not been billed in previous Payment Applications. The Application for Final Payment shall be accompanied by final lien waivers from the ESCO and its subcontractors.
- 6.3 Payment. The ESCO's invoice shall be due and payable within thirty days of Client's receipt of the same.
- (a) If Client reasonably disputes some or all of the ESCO's invoice, Client must pay the undisputed portion of the invoice per above and notify ESCO in writing, within seven (7) days of receipt of the invoice, of its disagreement with the invoice and describe to ESCO with reasonable detail its basis for its disagreement. Within seven (7) days of Client's notification of disagreement with an invoice, Client and ESCO shall meet at the site or other agreeable location to discuss and resolve issues concerning the invoice. Payment shall be due within 20 days of resolution of the disputed portion of the invoice.
 - (b) Client is not in breach of its obligations to make payment to ESCO if the basis for non-payment is the lender's failure to fund due to inadequacies in the Work performed by ESCO or the failure to provide lien waivers, and not due to the act or omission of the Client.
- 6.4 Retainage. Client shall retain five (5%) percent of each progress payment application. Upon Substantial Completion, Retainage will be reduced to one-half (1/2%) percent of the Contract Sum, and ESCO will invoice and Client will pay all Retainage in excess of one-half (1/2%) percent of the Contract Sum. Client will pay ESCO the final one-half (1/2%) percent Retainage upon Final Completion.
- 6.5 Late Payment. Amounts not paid to ESCO when due will accrue interest at the rate of 12% per annum from the due date until the amount due is paid in full.

SECTION 7. PERMITS AND APPROVALS; COORDINATION

- 7.1 Permits and Approvals. Client shall use its best efforts to assist ESCO in obtaining all necessary permits and approvals for installation of the Equipment. In no event shall Client be responsible for payment of any permits. The equipment installed by ESCO shall conform to all federal, state and local code requirements. ESCO shall furnish copies of each permit or license which is required to perform the Work to the Client before ESCO commences the portion of the Work requiring such permit or license.
- 7.2 Coordination. Client and ESCO shall coordinate the activities of ESCO's equipment installers with those of the Client, its employees, and agents. ESCO shall not commit or permit any act which will interfere with the performance of business activities conducted by the Client or its employees without prior written approval of the Client.

SECTION 8. EQUIPMENT

- 8.1 Ownership of Existing Equipment Ownership of the equipment and materials existing at the Premises at the time of execution of this Contract shall remain the property of the Client even if it is replaced or its operation made unnecessary by work performed by ESCO pursuant to this Contract. If applicable, ESCO shall advise the Client in writing of all equipment and materials to be replaced at the Premises and the Client shall have thirty days to designate in writing to ESCO which equipment and materials that are not to be disposed of off-

site by ESCO. It is understood and agreed to by both Parties that the Client shall be responsible for and designate the location and storage for any equipment and materials that are not be disposed of off-site. ESCO shall be responsible for the disposal of all equipment and materials not designated by the Client for retention in accordance with all applicable laws and regulations regarding such disposal. If Client fails to make any designation regarding disposal of equipment and materials within the required thirty days, the ESCO may dispose of all equipment and materials off-site.

- 8.2 New Equipment. All Equipment and materials incorporated in the Work shall become the property of the Client upon installation. The ESCO warrants to the Client that materials and equipment furnished under the Contract will be of good quality and new unless the Contract Documents require or permit otherwise. The ESCO further warrants that the Equipment will conform to the requirements of the Contract Documents and will be free from defects.
- 8.3 Startup and Equipment Commissioning. At Substantial Completion, the ESCO shall conduct a thorough and systematic performance test of each element of the installed Equipment to ensure that the Equipment operates in the manner necessary to achieve the Standards of Comfort in ***Schedule I***. The ESCO shall provide notice to the Client of the scheduled test(s) and the Client and/or its designees shall have the right to be present at any or all such tests conducted by ESCO and/or manufacturers of the Equipment, as well as to video or otherwise record the testing. ESCO shall be responsible for correcting and/or adjusting all deficiencies in the Equipment that may be observed during Equipment commissioning procedures.
- 8.4 Storage, location, and access. Client shall provide mutually satisfactory rent-free space for storing the Equipment and materials, for installation and operation of the Equipment, and for completing the Work. Client shall protect the Equipment and materials in the same careful manner that Client protects its own property, and Client shall be responsible for any loss or damage to the same caused by the Client or its agents. Client shall provide access to the Premises for ESCO and its contractors or subcontractors during regular business hours, or such other hours as may be requested by ESCO and reasonably acceptable to Client, to adjust, inspect, maintain and repair the Equipment and to otherwise complete the Work and other duties and responsibilities under this Contract. ESCO shall have free access to the Premises to correct any emergency condition.
- 8.5 Service by ESCO. If Client requests ESCO to perform maintenance or repairs for any reason other than ESCO's failure to perform its duties and obligations under the Contract, including but not limited to any act, error, omission, negligence or willful misconduct of Client or any employee or other agent of Client, ESCO has the right to charge Client for the reasonable and customary time and materials cost of maintenance or repair.
- 8.6 Upgrading or Altering of Equipment by ESCO. ESCO shall have the right at all times during construction and measurement & verification period, subject to Customer's prior written approval which shall not be unreasonably withheld, to change the Equipment, revise any procedures for the operation of the Equipment, or implement other energy saving actions in the Premises, provided that:
 - such replacements, modifications, or additions to the Equipment, and any operational changes or new procedures implemented, are necessary to enable the ESCO to achieve the Savings Guarantee at the Premises and;
 - after any such changes, the Equipment will operate in the manner necessary to achieve the Standards of Comfort set forth in ***Schedule I (Standards of Comfort / Operating Parameters)***.

All replacements, deletions, substantial alterations, or additions of equipment or revisions to the prescribed procedures shall be described in an additional schedule to be attached hereto and identified as Schedule C-2 or C-3, and so forth. Replacements, substantial alterations, or additions of Equipment shall belong to and become the property of Client upon installation, and shall be part of the Equipment for purposes of this Contract. Any cost incurred relative to such modifications, additions or replacement of the Equipment, or operational changes or new procedures shall be the responsibility of the ESCO unless they are required by either unforeseen conditions or Client requested changes to the Scope of Work, in which case the Contract

Sum will be adjusted by Change Order. No modifications, additions or replacements of the Equipment shall occur without Client's reasonable consent.

- 8.7 **Damage or Destruction of Equipment.** If after installation any significant item of Equipment or part of the Work is irreparably damaged by casualty or by the negligence or willful misconduct of the Client, its agents, employees, invitees, or guests, Client shall repair or replace said item within a reasonable period of time, not to exceed 120 days, and ESCO will not be responsible for lost Total Actual Savings. If Client fails to repair or replace such damaged Equipment, ESCO may elect to: a) adjust the Savings Guarantee to reflect any reduction in savings associated with the missing or damaged Equipment, or b) terminate this Contract by delivery of a written notice to Client, whereupon both parties shall have no further liability to each other.

SECTION 9. WARRANTIES

ESCO shall provide a one year full parts and labor warranty on the Equipment and the Work from the Substantial Completion Date. Client may have longer warranties on the Equipment as provided in ***Schedule O***. Warranty start and end dates shall be documented and provided to the Client by ESCO at the completion of construction. All manufacturer warranties on the Equipment shall be transferred to and extend to the Client. The warranties shall specify that only new, and not reconditioned parts, may be used and installed when repair is necessitated by malfunction.

SECTION 10. PERFORMANCE BY ESCO

- 10.1 **Performance by ESCO.** ESCO shall complete the Work in such a manner so as not to harm the structural integrity of the Premises or its operating systems. ESCO shall repair and restore to its original condition any area of damage caused by ESCO's performance under this Contract. All costs to repair damage caused by ESCO's performance of the Work shall be borne by ESCO. ESCO shall remain responsible for the professional and technical accuracy of all services performed, whether by the ESCO or its contractors, subcontractors, or others on its behalf, throughout the term of this Contract.
- 10.2 **Standards of Comfort.** The Equipment, when installed, shall perform in the manner necessary to achieve the Standards of Comfort as set forth in ***Schedule I***.

SECTION 11. MATERIAL CHANGE

- 11.1 **Material Change Defined.** A Material Change shall be defined as any change in or to the Premises or the use thereof, whether structural, operational or otherwise in nature, which reasonably could be expected, in the reasonable judgment of the ESCO, to increase or decrease annual energy consumption ("Material Change"). If a Material Change occurs, ESCO shall determine, in its sole discretion, whether the Material Change is temporary ("Temporary Material Change") or permanent ("Permanent Material Change") in nature. Material Change includes but is not limited to, the following changes:
- (a) manner of use of the Premises by the Client;
 - (b) hours of operation for the Premises or for any equipment or energy using systems operating at the Premises;
 - (c) changes in the operation of the Equipment such that the Standards of Comfort set forth in ***Schedule I (Standards of Comfort / Operating Parameters)*** are not complied with;
 - (d) occupancy of the Premises;
 - (e) structure of the Premises;
 - (f) types and quantities of equipment used at the Premises;
 - (g) modification, renovation or construction at the Premises;
 - (h) the Client's failure to properly maintain and repair to the Equipment as required;

- (i) the information provided by Client to the ESCO for use in determining the Baseline is not accurate, as determined by the ESCO; or
 - (j) any other conditions other than climate affecting energy use at the Premises.
- 11.2 Reported Material Changes; Notice by Client: The Client shall use its best efforts to deliver to ESCO a written notice describing all actual or proposed Material Changes in the Premises or in the operations of the Premises which could reasonably be expected to affect energy consumption within the Premises or ESCO's determination of the Baseline. The written notice shall be delivered to the ESCO at least thirty (30) days before any actual or proposed Material Change is implemented, or as soon as practicable after an emergency or other unplanned event or error in the information provided to ESCO for the Baseline is discovered. Notice to ESCO of Material Changes resulting from a bona fide emergency or other situation which precludes advance notification shall be deemed sufficient if given by the Client within thirty (30) days after having actual knowledge that the event constituting the Material Change occurred or was discovered by the Client to have occurred.
- 11.3 Unreported Material Change. If there is a material increase in energy use at the Premises and Client has not reported a Material Change, the increased energy use shall be deemed to be caused by a Material Change, unless Client can establish to the ESCO's satisfaction otherwise.
- 11.4 Effect of Material Changes: ESCO shall determine the excess energy usage caused by the Material Change in accordance with Schedule G, and the Savings Guarantee shall be reduced in an amount determined by ESCO. If in the ESCO's discretion the Material Change is a Temporary Material Change, then an appropriate adjustment will be made to the Savings Guarantee for the current year only. If in the ESCO's discretion the Material Change is a Permanent Material Change, then ESCO will make an appropriate adjustment to the Savings Guarantee for the current year and all future years. If Client disagrees with ESCO's adjustments resulting from a Material Change, Client shall utilize the Independent Audit procedure described in Section 5.4 to contest the same.

SECTION 12. INDEMNIFICATION / LIMITED LIABILITY / INSURANCE / BONDS

12.1 (Intentionally left blank)

12.2 Limited Liability. To the extent Client has a claim against ESCO not otherwise covered by insurance, ESCO's total liability to Client for damages or injury to persons or property that may be caused by or arise through performing any obligation under the Contract shall be limited only to losses proximately caused by ESCO's negligence. Notwithstanding any provision in this Contract to the contrary, neither party, nor its officers, employees, agents, or affiliates shall be liable to the other party, its officers, employees, agents, partners, affiliates or contractors, for incidental, indirect, consequential, exemplary, punitive or other special damages, including but not limited to damages for loss of anticipated profits (except as derived from payment or other compensation due for performance hereunder), loss of use or revenue, losses by reason of cost of capital connected with or resulting from any performance or lack of performance hereunder regardless whether a claim is based on contract, tort (including negligence) or theory of strict liability. Neither party shall have any remedy at law or in equity which is inconsistent with any provision of this Contract, and neither party shall have a right to terminate this Contract except as specifically and explicitly set forth in this Contract.

12.3 Insurance

- (a) At all times during the term of this Contract, ESCO shall maintain coverage in full force and effect at its expense, as identified in (1) through (4) below:
 - (1) General Liability Insurance, with Client named as an additional insured: \$2,000,000 aggregate, \$1,000,000 per occurrence.
 - (2) Installation Floater on Equipment on premises: \$2,000,000 limit per location and per disaster.

- (3) Workmen's Compensation Insurance sufficient to cover all of the employees of ESCO working to fulfill this Contract.
 - (4) Professional Liability Insurance (Errors & Omissions Insurance): \$1,000,000 aggregate, \$1,000,000 per occurrence.
- (b) Prior to commencement of the Work under this Contract, ESCO will be required to provide Client with current certificates of insurance specified above.
 - (c) ESCO shall notify client at least thirty (30) days prior to any change or cancelation of the coverage afforded under the policies.
 - (d) Upon Substantial Completion, Client shall provide ESCO with evidence of insurance on the property installed.
 - (1) In the event of a casualty that damages or destroys installed Equipment or completed Work, Client shall utilize proceeds from Client's own insurance to pay the ESCO to restore the damaged Work and replace the damaged Equipment.
 - (2) In such case, the parties shall execute a mutually agreed Change Order extending the completion date in Schedule J, and increasing the Contract Sum in an amount to cover the ESCO's cost in performing such work.
- 12.4 **Performance and Payment Bonds:** Prior to commencing the Work, ESCO shall provide a Performance Bond and a statutory/public works Payment Bond each in the sum of one hundred percent (100%) of the Contract Sum. The Performance Bond shall apply to the performance of the Work, and the Payment Bond shall apply to and cover those providing labor, materials, equipment, supplies and services in connection with the performance of the Work. The Bonds shall be maintained in full force and effect until Final Completion. The bonds are not being furnished to cover the performance of any energy guaranty or guaranteed savings under this Contract, and exclude any work, warranties, performance guarantees, etc. not identified in this Contract. Client agrees that upon Final Completion, the Performance and Payment Bonds shall be released and all obligations arising thereunder shall be terminated.

SECTION 13. HAZARDOUS MATERIALS; DIFFERING SITE CONDITIONS

- 13.1 **Hazardous Materials.** Client recognizes that in connection with the Work, ESCO may encounter, but is not responsible for, (a) asbestos and materials containing asbestos, (b) pollutants, petroleum, urea formaldehyde, hazardous wastes, hazardous materials or contaminants, (c) lamps and ballasts containing PCB's & DEHP, (collectively, clauses (a), (b) and (c) constitute "Hazardous Materials"), and (d) the storage, handling, use, transportation, treatment, or the disposal, discharge, leakage, detection, removal or containment thereof. The materials and activities listed in the foregoing sentence are referred to as "Excluded Materials and Activities." Client acknowledges that Client is the sole generator of any Excluded Materials and Activities and is solely responsible for every aspect of the Excluded Materials and Activities. Client agrees that if performance of Work involves any Excluded Materials and Activities, ESCO may perform or arrange for the performance of such Work but Client shall bear the sole risk and responsibility therefore. Furthermore, in handling any of Client's property, including, without limitation, Client's lighting ballasts that may contain PCBs or DEHP and Clients fluorescent tubes, ESCO does not take title to any such property, nor does ESCO assume any responsibility for the storage, handling, use, transportation, treatment, disposal, discharge, leakage, detection, removal or containment of such property. Client shall be solely responsible for disposing of its Hazardous Materials in a timely manner and in accordance with all federal, state and local laws, statutes and regulations applicable thereto. At ESCO's option, certain costs associated with Work related to Excluded Materials and Activities necessary for the implementation of the Equipment may be included in the Contract Sum, notwithstanding the fact that such costs are the responsibility of Client and shall be incurred by Client. In furtherance of the foregoing Client agrees to release, indemnify, defend and hold harmless ESCO, its

directors, consultants, contractors, and officers, agents, assignees and employees of and from all costs, claims, damages and liability arising out of or relating to Excluded Materials and Activities, acts or omissions of ESCO or third parties relating thereto, or injury caused thereby, excepting only such costs, claims, damages or liability as are the direct result of any gross negligence or willful misconduct of ESCO. Upon disposition of Hazardous Materials by Client, Client shall provide to ESCO copies of all manifests or other evidence or confirmation of removal of such Hazardous Materials showing Client as the sole generator of such Hazardous Materials upon ESCO's request for the same.

- 13.2 Differing Site Conditions. ESCO shall promptly notify Client in writing upon discovery of any: (a) subsurface or latent physical conditions at the Premises differing materially from those indicated in the Contract or Investment Grade Audit, or (b) theretofore unknown physical conditions at the Premises, of an unusual nature, differing materially from those ordinarily encountered and generally recognized as inherent in the Scope of Work of the character provided for in the Contract. Client shall investigate the conditions, and if it finds that such conditions do so materially differ and cause an increase or decrease in the Client's cost of, or the time required for, performance of any part of the Work, and which could not have reasonably been anticipated by ESCO, whether or not changed as a result of such conditions, an equitable adjustment shall be made in the Contract Sum, time of completion and/or other terms and conditions of the Contract, and the Contract shall be modified in writing accordingly by Change Order.

SECTION 14. CONDITIONS BEYOND CONTROL OF THE PARTIES

If a party ("performing party") shall be unable to reasonably perform any of its obligations under this Contract due to acts of God, insurrections or riots, or similar events, this Contract shall at the other party's option (i) remain in effect but said performing party's obligations shall be suspended until the said events shall have ended; or, (ii) be terminated upon ten (10) days' notice to the performing party, in which event neither party shall have any further liability to the other with the exception of payments as defined in **Schedule D** for Services completed up to the time of termination.

SECTION 15. EVENTS OF DEFAULT

- 15.1 Events of Default by Client. Each of the following events or conditions shall constitute an "Event of Default" by Client:
- (a) any failure by Client to pay ESCO any undisputed sum due within ten days after written notification by ESCO that Client is delinquent in making payment and provided that ESCO is not in default in its performance under the terms of this Contract; or
 - (b) any other failure by Client to perform or comply with the terms and conditions of this Contract, including breach of any covenant contained herein, provided that such failure continues for thirty days after written notice to Client demanding that such failures to perform be cured or if such cure cannot be effected in thirty days, Client shall be deemed to have cured default upon the commencement of a cure within thirty days and diligent subsequent completion thereof;
 - (c) any representation or warranty furnished by Client in this Contract which was false or misleading in any material respect when made.
- 15.2 Events of Default by ESCO. Each of the following events or conditions shall constitute an "Event of Default" by ESCO:
- (a) the Standards of Comfort set forth in **Schedule I (Standards of Comfort / Operating Parameters)** are not provided due to failure of ESCO to properly design, maintain, repair or adjust the Equipment per the terms of this Contract except that such failure, if corrected or cured within thirty days after written notice by Client to ESCO demanding that such failure be cured, shall be deemed cured for purposes of this Contract.

- (b) any representation or warranty furnished by ESCO in this Contract is false or misleading in any material respect when made;
- (c) any other failure by ESCO to perform or comply with the terms and conditions of this Contract, including breach of any covenant contained herein except that such failure, if corrected or cured within thirty days after written notice by the Client to ESCO demanding that such failure to perform be cured;
- (d) the filing of a bankruptcy petition whether by ESCO or its creditors against ESCO which proceeding shall not have been dismissed within sixty days of its filing, or an involuntary assignment for the benefit of all creditors or the liquidation of ESCO;
- (e) any failure by ESCO to pay Client any sum due within ten days after written notification by Client that ESCO is delinquent in making payment and provided that Client is not in default in its performance under the terms of this Contract

SECTION 16.

SECTION 17. ASSIGNMENT

- 17.1 Assignment by ESCO. ESCO acknowledges that the Client is induced to enter into this Contract by, among other things, the professional qualifications of the ESCO. The ESCO agrees that neither this Contract nor any right or obligations hereunder may be assigned in whole or in part to another firm, without the prior written approval of the Client. Notwithstanding the forgoing, ESCO may, with prior written approval of the Client, which consent shall not be unreasonably withheld, delegate its duties and performance under this Contract, and/or utilize contractors, provided that any assignee(s), delegate(s), or contractor(s) shall fully comply with the terms of this Contract. ESCO shall remain jointly and severally liable with its assignees(s), or transferee(s) to the Client for all of its obligations under this Contract.
- 17.2 Assignment by Client. Client may transfer or assign this Contract and its rights and obligations herein to a successor or purchaser of the Premises or an interest therein so long as the successor or purchaser assumes Client's obligation hereunder in writing.

SECTION 18. REPRESENTATIONS AND WARRANTIES

Each party warrants and represents to the other that:

- (a) it has all requisite power, authority, licenses, permits, and franchises, corporate or otherwise, to execute and deliver this Contract and perform its obligations hereunder;
- (b) its execution, delivery, and performance of this Contract have been duly authorized by, or are in accordance with, its organizational instruments, and this Contract has been duly executed and delivered for it by the signatories so authorized, and it constitutes its legal, valid, and binding obligation;
- (c) its execution, delivery, and performance of this Contract will not breach or violate, or constitute a default under any Contract, lease or instrument to which it is a party or by which it or its properties may be bound or affected; or
- (d) it has not received any notice, nor to the best of its knowledge is there pending or threatened any notice, of any violation of any applicable laws, ordinances, regulations, rules, decrees, awards, permits or orders which would materially and adversely affect its ability to perform hereunder

SECTION 19. ADDITIONAL REPRESENTATIONS OF THE PARTIES

- 19.1 Client hereby warrants, represents and promises that it has provided or shall provide timely to ESCO, all records relating to energy usage and energy-related maintenance of Premises requested by ESCO, including all information provided to the ESCO during the Investment Grade Audit, and the information set forth therein is, and all information in other records to be subsequently provided pursuant to this Contract will be true and accurate in all material respects.
- 19.2 ESCO hereby warrants, represents and promises that:
- a. it shall have provided proof and documentation of required insurance pursuant to Section 12.3 of this Contract;
 - b. it shall make available, upon reasonable request, all documents relating to its performance under this Contract, including all contracts and subcontracts entered into;
 - c. that ESCO is authorized and licensed to perform all Work under this contract that that it shall use qualified subcontractors and delegates, licensed and bonded in this state to perform the work so subcontracted or delegated pursuant to the terms hereof;
 - d. that it is financially solvent, able to pay its debts as they mature and possessed of sufficient working capital to complete the Work and perform its obligations under this Contract.
 - e. it shall complete the Work in compliance with the Contract and without any liens attaching to the Premises.

SECTION 20. APPLICABLE LAW

This Contract and the construction and enforceability thereof shall be interpreted under the laws of the State where the Premises is located.

SECTION 21. COMPLIANCE WITH LAW AND STANDARD PRACTICES

ESCO shall perform its obligations hereunder in compliance with any and all applicable federal, state, and local laws, rules, and regulations, in accordance with sound engineering and safety practices, and in compliance with any and all reasonable rules of Client relative to the Premises. ESCO shall be responsible for obtaining all governmental permits, consents, and authorizations as may be required to perform its obligations hereunder.

SECTION 22. INDEPENDENT CAPACITY OF THE ESCO

The parties hereto agree that ESCO, and any agents and employees of ESCO, in the performance of this Contract, shall act in an independent capacity and not as officers, employees, or agents of the Client.

SECTION 23 NO WAIVER

The failure of ESCO or Client to insist upon the strict performance of the terms and conditions hereof shall not constitute or be construed as a waiver or relinquishment of either party's right to thereafter enforce the same in accordance with this Contract in the event of a continuing or subsequent default on the part of ESCO or Client.

SECTION 24 SEVERABILITY

In the event that any clause or provision of this Contract or any part thereof shall be declared invalid, void, or unenforceable by any court having jurisdiction, such invalidity shall not affect the validity or enforceability of the remaining portions of this Contract unless the result would be manifestly inequitable or unconscionable

SECTION 25 COMPLETE CONTRACT

This Contract, when executed, together with all Schedules attached hereto or to be attached hereto, as provided for by this Contract shall constitute the entire Contract between both parties and this Contract may not be amended, modified, or terminated except by a written Change Order or Contract signed by the parties hereto.

SECTION 26 FURTHER DOCUMENTS

The parties shall execute and deliver all documents and perform all further acts that may be reasonably necessary to effectuate the provisions of this Contract

SECTION 27 NOTICE

Any notice required or permitted hereunder shall be deemed sufficient if given in writing and delivered personally or sent by registered or certified mail or telefax (Fax), return receipt requested, postage prepaid, or delivered to a nationally recognized express mail service, charges prepaid, receipt obtained, to the address shown below or to such other persons or addresses as are specified by similar notice.

TO ESCO: **Energy Solutions Professionals, LLC**
 Attn: Jeff Flathman
 9218 Metcalf Avenue, Suite 274
 Overland Park, KS 66212
 (913) 273-1499
 jeff@energypesp.com

TO CLIENT: **City of Centralia, Missouri**
 Attn: Matt Harline, City Administrator
 114 South Rollins
 Centralia, Missouri 65240
 (573) 682-2139
 cityadmin@centraliamo.org

SCHEDULE B

CLIENT PREMISES

Description of Premises

The following buildings are included as part of this contract. The buildings affected are listed below.

CITY OF CENTRALIA MO BUILDINGS	ADDRESS
City Hall & Community Room	114 South Rollins
Fire Station	West Sneed Street
Police Department	1 East Sneed Street
Rec Center	802 W. Lakeview Street

SCHEDULE C

SCOPE OF WORK

General notes to all scope:

1. Work hours shall consist of Monday – Friday from 8:00 AM – 5:00 PM.
2. Comply with all local codes and regulations.
3. Acquire all required permits necessary to complete the work.
4. For the purposes of low voltage control wiring, plenum rate cable may be used in concealed areas provided it is tied up to avoid sagging. In exposed areas, conduit or wiremold must be used as consistent with raceway currently existing in the room/building.
5. Asbestos abatement if necessary will be completed by others and is not included in this scope. ESCO will however assist in identifying specific locations that need to be abated by others to complete ESCO's work. (No monies have been included in the price of the project to cover abatement)

ECM'S #1, 2, 4 - LIGHTING IMPROVEMENTS - LED:

ECM #	BUILDING
01	CITY HALL / POLICE DEPARTMENT
02	FIRE STATION
04	REC CENTER

1. Provide and install new lamps, ballasts, fixtures in the quantities and locations described in the attached lighting construction plan (Table C-1).
2. Remove all existing lamps and ballasts (per attached lighting construction plan Table C-1) and properly recycle. Provide official certificate of recycling on all recycled lighting components. The Client may retain any existing ballasts if they desire.
3. Remove and properly dispose of all other materials not being recycled as described above. Provide dumpsters as necessary.
4. Provide storage containers for all materials on site during installation.
5. Replacement of wiring and circuits is NOT included unless specifically noted in the lighting construction table.
6. Replacement of lenses / diffusers is NOT included unless specifically noted in the lighting construction plan.

ECM'S #6 - EXTERIOR STREET LIGHTING IMPROVEMENTS:

ECM #	BUILDING
06	CITY WIDE

1. Provide and install new lamps, ballasts, fixtures in the quantities and location described in the attached lighting construction plan (Table C-1).
2. Remove all existing lamps and ballasts (per attached lighting construction plan Table C-1) and properly recycle. Provide official certificate of recycling on all recycled lighting components. The Client may retain any existing ballasts if they desire.
3. Remove and properly dispose of all other materials not being recycled as described above. Provide dumpsters as necessary.
4. Provide storage containers for all materials on site during installation.
5. Replacement of wiring and circuits is NOT included unless specifically noted in the lighting construction table.
6. Replacement of lenses / diffusers is NOT included unless specifically noted in the lighting construction plan.

ECM'S #14, 15, 17 BUILDING INFILTRATION IMPROVEMENTS

1. Provide and install the materials necessary to perform the work noted in (Table C-2).

TABLE C-2

ECM #	BUILDING	A	B	C	D
14	CITYHALL / POLICE DEPARTMENT	600	57	5	1
15	FIRE STATION	-	4	2	4
17	REC CENTER	-	-	4	1

A – Seal roof / wall joint with 2 part foam (linear feet)

B – Caulk windows (quantity)

C – Weather strip and seal exterior doors (quantity)

D – Seal over-head doors (quantity)

ECM'S #20, 21, 23, 24 - WIFI PROGRAMMABLE THERMOSTATS:**TABLE C-3**

ECM #	BUILDING	HVAC DESCRIPTION	QTY
20	CITY HALL	SPLIT AC / FURNACE	5
21	FIRE STATION	SPLIT AC / FURNACE	1
		UNIT HEATER	2
23	POLICE DEPARTMENT	SPLIT AC / FURNACE	1
24	REC CENTER	SPLIT AC / FURNACE	2
		PACKAGED RTU	3

[Electrical/Controls]

1. Provide and install programmable thermostats for the equipment identified in (Table C-3).
2. Remove all existing thermostats and dispose of properly. The Client may retain any existing thermostats if they desire.

ECM #26 - AIR DESTRATIFICATION IMPROVEMENTS - (REC CENTER):

1. Provide and install six de-stratification fans (Air Pear Fans or ESCO approved equal) in the gymnasium in the Rec Center.
2. Provide and install electrical and controls necessary to power and control the new de-stratification fans.

ECM #28 - CITY HALL RETROCOMMISSIONING:**TABLE C-4**

ECM #	BUILDING	HVAC DESCRIPTION	QTY
20	CITY HALL	SPLIT AC / FURNACE	5

[Mechanical]

1. Perform the following list of retrocommissioning actions where applicable for the equipment identified in (Table C-4).
 - Clean evaporator and condenser coils.
 - Clean fan wheel on supply fans.
 - Straighten/comb coil fins.
 - Grease bearings.
 - Clean damper seals.
 - Change filters.
 - Remove debris and dust in equipment rooms.
 - Clean and clear condensate drains/traps.
 - Clean burners.
 - Clean flues.
 - Center/replace belts as applicable.

LIGHTING CONSTRUCTION TABLE C-1

LINE ID	City Hall	Floor	ROOM DESCRIPTION	AUDIT NOTES	FIXT QTY	EXISTING FIXTURE	ECM	SENSOR QTY	SENSOR TYPE
1	City Hall	1	Hall		3	2x4 3 lamp T8	Retrofit with LED lamps	0	Ceiling
2	City Hall	1	R/R		1	22 watt Circuline Fixture	New Surface Mount LED	1	Wall
3	City Hall	1	R/R		1	1x2 2 lamp T8	Retrofit with LED lamps	1	Wall
3	City Hall	1	Council Chambers		14	2x4 3 lamp T8	Retrofit with LED lamps	0	Wall
4	City Hall	1	Council Chambers	Replace Dimmer	8	60 watt Incandescent	LED Lamp	0	Wall
5	City Hall	1	City Administration		22	2x4 3 lamp T8	Retrofit with LED lamps	0	Wall
6	City Hall	1	Mens R/R		1	22 watt Circuline Fixture	New Surface Mount LED	1	Wall
7	City Hall	1	Mens R/R		1	1x2 2 lamp T8	Retrofit with LED lamps	0	Wall
8	City Hall	1	Womens R/R		1	22 watt Circuline Fixture	New Surface Mount LED	1	Wall
9	City Hall	1	Womens R/R		1	1x2 2 lamp T8	Retrofit with LED lamps	0	Wall
10	City Hall	1	Storage		1	2x4 3 lamp T8	Retrofit with LED lamps	0	Wall
11	City Hall	1	Storage		3	22 watt Circuline Fixture	New Surface Mount LED	0	Wall
12	City Hall	1	City Administrator		3	2x4 3 lamp T8	Retrofit with LED lamps	1	Wall
13	City Hall	1	Mayor		3	2x4 3 lamp T8	Retrofit with LED lamps	2	Wall
14	City Hall	1	Mayor		1	2x60 watt Incandescent Fixture	New Surface Mount LED	0	Wall
15	City Hall	1	Community Room		5	2x4 4 lamp T8	Retrofit with LED lamps	1	Wall
16	City Hall	1	Community Room	Entrance	1	2x4 4 lamp T8	Retrofit with LED lamps	0	Wall
17	City Hall	1	Community Room	Entrance	2	2x60 watt Incandescent Fixture	New Surface Mount LED	0	Wall
18	City Hall	1	Community Room	15'	6	2x4 4 lamp T8	Retrofit with LED lamps	0	Wall
19	City Hall	1	Community Room	20'	3	400 Mercury Vapor Recessed Can	Bypass the lamp and install new LED Lamp	0	Wall
20	City Hall	1	Womens R/R		2	2x4 3 lamp T8	Retrofit with LED lamps	1	Ceiling
21	City Hall	1	Mens R/R		2	2x4 3 lamp T8	Retrofit with LED lamps	1	Ceiling
22	City Hall	1	Janitor		1	22 watt Circuline Fixture	New Surface Mount LED	0	Wall
23	City Hall	1	Kitchen		1	22 watt Circuline Fixture	New Surface Mount LED	0	Wall
24	City Hall	1	Kitchen		3	2x4 4 lamp T8	Retrofit with LED lamps	2	Wall
25	City Hall	1	Kitchen	Electrical Room	2	2x4 4 lamp T8	Retrofit with LED lamps	1	Wall
26	City Hall	1	Stairs		3	2x4 4 lamp T8	Retrofit with LED lamps	0	Wall
27	City Hall	2	Second Floor		1	1x4 2 lamp T12	Retrofit with LED lamps	0	Wall
28	City Hall	2	Second Floor		7	60 watt Incandescent	LED Lamp	0	Wall
29	City Hall	2	Storage		1	60 watt Incandescent	LED Lamp	0	Wall
30	City Hall	2	Mechanical Room		2	1x4 2 lamp T12	Retrofit with LED lamps	0	Wall
31	City Hall	2	Mechanical Room		1	60 watt Incandescent	LED Lamp	0	Wall
32	City Hall	2	Mechanical Room		3	1x4 2 lamp T12	Retrofit with LED lamps	0	Wall
33	City Hall	2	Mechanical Room		2	1x4 2 lamp T12	Retrofit with LED lamps	0	Wall
34	City Hall	2	Exits		2	2x20 watt Exit	New LED Exit	0	Wall
35	City Hall	1	Police Station	Dispatch	3	2x4 4 lamp T8	Retrofit with LED lamps	0	Wall
36	City Hall	1	Police Station	Office	3	2x4 4 lamp T8	Retrofit with LED lamps	0	Wall
37	City Hall	1	Police Station	Picture Room	1	1x4 2 lamp T8	Retrofit with LED lamps	0	Wall
38	City Hall	1	Police Station	R/R	1	1x4 2 lamp T8	Retrofit with LED lamps	0	Wall
39	City Hall	1	Police Station	Chief	2	2x4 4 lamp T8	Retrofit with LED lamps	1	Wall
40	City Hall	1	Police Station	Uniform Storage	2	60 watt Incandescent	LED Lamp	0	Wall
41	City Hall	1	Police Station	Jail Cell	1	65 watt Incandescent recessed can	New LED BR30	0	Wall
42	City Hall	1	Police Station	Evidence Room	1	65 watt Incandescent recessed can	New LED BR30	0	Wall
43	City Hall	1	Police Station	Hall	4	1x4 2 lamp T8	Retrofit with LED lamps	0	Wall
44	City Hall	1	Police Station	Hall	1	1x2 2 lamp T12	Retrofit with LED lamps	0	Wall
45	City Hall	1	Police Station	Garage	1	2x4 4 lamp T8	Retrofit with LED lamps	0	Wall
46	City Hall	1	Police Station	Garage	2	1x4 2 lamp T8	Retrofit with LED lamps	0	Wall
47	City Hall	1	Police Station	Garage	1	60 watt Incandescent	LED Lamp	0	Wall
48	City Hall	1	Police Station	Lobby	2	2x4 4 lamp T8	Retrofit with LED lamps	0	Wall
49	City Hall	1	Police Station	Lobby	1	2x20 watt Exit	New LED Exit	0	Wall
50	City Hall	1	Exterior	Front Porch	2	13 watt CFL	New LED lamp	0	Wall
51	City Hall	1	Exterior	Back Entrance City Hall	1	60 watt Incandescent	LED Lamp	0	Wall
52	City Hall	1	Exterior	Front Entrance City Hall	6	60 watt Incandescent	LED Lamp	0	Ceiling
53	City Hall	1	Exterior	Snead Entrance City Hall	1	60 watt Incandescent	LED Lamp	0	Wall
54	Fire Station	1	Bays		16	1x8 4 lamp T8	Retrofit with LED lamps	0	Wall
55	Fire Station	1	Office Area		21	1x4 2 lamp T8	Retrofit with LED lamps	0	Wall
56	Fire Station	1	R/R		1	1x4 2 lamp T8	Retrofit with LED lamps	0	Wall
57	Fire Station	1	Exterior	Front of Building	1	100 watt Metal Halide Wall Pack	New LED Wall Pack	0	Wall
58	Fire Station	1	Exterior	Front of Building	1	500 watt Quartz Knuckle Mount	New LED Spot	0	Wall
59	Fire Station	1	Exterior	Front of Building	3	250 watt HPS Dusk to Dawn	New LED Yard Light w/Photo	0	Ceiling
60	Fire Station	1	Exterior	Back of Building	1	60 watt Incandescent	LED Lamp	0	Wall
61	Rec Center	1	Front Lobby		8	2x4 3 lamp T8	Retrofit with LED lamps	0	Wall
62	Rec Center	1	Front Counter		5	2x4 3 lamp T8	Retrofit with LED lamps	0	Wall
63	Rec Center	1	Office		2	2x4 3 lamp T8	Retrofit with LED lamps	1	Wall
64	Rec Center	1	Conference Room		3	2x4 3 lamp T8	Retrofit with LED lamps	0	Wall
65	Rec Center	1	Court	8' Cord	26	2x4 6 lamp T8	New LED Highbay	0	Wall
66	Rec Center	1	Court		1	Additional Charge	Lift Rental Fee	1	Wall
67	Rec Center	1	Storage		2	1x8 4 lamp T8	Retrofit with LED lamps	0	Ceiling
68	Rec Center	1	Mens R/R		5	2x4 3 lamp T8	Retrofit with LED lamps	0	Wall
69	Rec Center	1	Mens R/R		4	60 watt Incandescent	LED Lamp	0	Wall
70	Rec Center	1	Womens R/R		5	2x4 3 lamp T8	Retrofit with LED lamps	0	Wall
71	Rec Center	1	Womens R/R		4	60 watt Incandescent	LED Lamp	0	Wall
72	Rec Center	1	Workout Room		14	2x4 3 lamp T8	Retrofit with LED lamps	0	Wall
73	Rec Center	1	Electrical Room		1	1x8 4 lamp T8	Retrofit with LED lamps	0	Wall
74	Rec Center	1	Ball Storage		1	2x4 3 lamp T8	Retrofit with LED lamps	0	Wall
75	Rec Center	1	Weights Area		15	1x4 2 lamp T8	Retrofit with LED lamps	0	Wall
76	Rec Center	1	Kids Room		4	1x4 2 lamp T8	Retrofit with LED lamps	0	Wall
77	Rec Center	1	Back Hall		3	2x4 3 lamp T8	Retrofit with LED lamps	0	Wall
78	Rec Center	1	Game Room		2	1x4 2 lamp T8	Retrofit with LED lamps	0	Wall
79	Rec Center	1	Hall		9	1x4 2 lamp T8	Retrofit with LED lamps	0	Wall
80	Rec Center	1	Foyer		2	26 watt CFL Recessed Can	New LED Can 6"	0	Wall
81	Rec Center	1	Exterior		2	26 watt CFL Recessed Can	New LED Can 6"	0	Wall
82	Rec Center	1	Exterior		3	LED	Do Nothing	0	Wall

LIGHTING CONSTRUCTION TABLE C-1

LINE ID	City Hall	Floor	ROOM DESCRIPTION	AUDIT NOTES	FIXT QTY	EXISTING FIXTURE	ECM	SENSOR QTY	SENSOR TYPE
83	Rec Center	1	Exterior	South Side	1	65 watt Incandescent recessed can	New LED BR30	0	Wall
84	Rec Center	1	Exterior	South Side	1	250 watt HPS Wall Pack	New LED Wall Pack	0	Wall
85	Rec Center	1	Exterior	North Side	2	LED	Do Nothing	0	Ceiling
86	Rec Center	1	Exterior	Skate Park	4	1000 watt Metal Halide Spot	New LED Spot Knuckle	0	Wall
87	Rec Center	1	Exterior	Parking Lot	6	400 watt Metal Halide Pole Light	New LED pole light	0	Wall
88	Pole Lights	1	Cobra		236	100 watt HPS Dusk to Dawn	New LED Dusk to Dawn w/photo	0	Wall
89	Pole Lights	1	Cobra		72	250 watt HPS Dusk to Dawn	New LED Dusk to Dawn w/photo	0	Wall
90	Pole Lights	1	Pole Lights		5	Additional Charge	Lift Rental Fee	1	Wall
91	Pole Lights	1	Acorn Style		184	150 watt HPS Acorn Style Pole Light	Bypass the lamp and install new LED Lamp	0	Wall
92	Pole Lights	1	Acorn Style	By Middle School	14	250 watt HPS Acorn Style Pole Light	Bypass the lamp and install new LED Lamp	0	Wall

SCHEDULE D**COMPENSATION to ESCO**

Following is a table showing the total installed cost for each individual Energy Conservation Measure (ECM) included in Schedule C – Scope of Work. The ECM Summary table below provides a synopsis of the measures included in the scope of work and identifies what the total cost will be for each scope item included. The total cost is the Contract Sum which is due and payable to the ESCO under the terms set out in Section 6 of Schedule A. The Investment Grade Audit fee is included in the financing calculation in Schedule H and will be billed separately upon signing of this Contract.

City of Centralia: Summary Table - HOLISTIC PROJECT ECM Description	Turnkey Installed Cost
<i>LIGHTING IMPROVEMENTS - LED INTERIOR</i>	\$40,893
City Hall	\$14,354
Fire Station	\$4,758
Rec Center	\$21,781
<i>LIGHTING IMPROVEMENTS - STREET LIGHTING</i>	\$134,150
<i>BUILDING INFILTRATION IMPROVEMENTS</i>	\$29,565
CityHall/PoliceDepartment	\$18,372
Fire Station	\$8,315
Rec Center	\$2,878
<i>WIFI THERMOSTATS</i>	\$8,694
City Hall	\$3,105
Fire Station	\$1,863
Police Department	\$621
Rec Center	\$3,105
<i>DESTRATIFICATION FANS</i>	\$18,185
Rec Center	\$18,185
<i>RETROCOMMISSIONING</i>	\$9,494
City Hall	\$9,494
Project Contingency (2.5% for Unforeseen Conditions)	\$6,025
Payment & Performance Bonds	\$7,229
CONTRACT SUM	\$254,235

NOTES:

1. The Turnkey Installed Cost includes all Construction Costs (Labor, Material, associated installation costs), Design and Energy Engineering, onsite Construction Management, Project Management, System Commissioning, Training, as well as Measurement & Verification to quantify and prove savings are achieved. The table above identifies costs for each individual scope of work included in Schedule C.
2. The Turnkey Installed Cost is a Guaranteed Max price that ensures no ESCO or Subcontractor-initiated change-orders. Any overage in the Total Installed Cost for the selected energy conservation measures; with scope of work as defined in Schedule C, shall be the responsibility of the ESCO.
3. The Project Contingency amount is to address any potential unforeseen conditions or scope gaps that arise on the project. ESCO will use a Project Scope Change Log to track all scope changes during construction. Any unused Project Contingency funds will be split evenly between the Client and the ESCO.
4. ESCO will provide Payment and Performance Bonds for 100% of the Contract Sum.
5. This project pricing was put together based on the Scope of Work being tax exempt, so taxes have not been included in the above pricing.

SCHEDULE E**BASELINE ENERGY CONSUMPTION**

The ESCO has completed a detailed utility analysis of the Client's facilities and established a baseline for each individual building. Refer to Utility Analysis of Schedule P – Investment Grade Audit Report for comprehensive analysis regarding the utility consumption, graphical depiction of historical consumption and detailed information on each individual site.

Baseline

CITY OF CENTRALIA				
Jan 2017 - Dec 2017				
BASELINE ENERGY USAGE \$ COST				
	ELECTRIC	NATURAL		
Month	kWh	GAS MCF	WATER kgals	\$ Cost
JAN	60,405	163	16	\$ 7,576.15
FEB	66,457	90	16	\$ 7,604.09
MAR	72,933	81	14	\$ 7,964.34
APR	71,596	55	16	\$ 7,769.55
MAY	69,548	22	14	\$ 7,308.73
JUN	76,446	8	18	\$ 7,917.21
JUL	75,326	7	12	\$ 7,959.55
AUG	68,380	7	11	\$ 7,250.98
SEP	65,303	7	11	\$ 6,932.05
OCT	52,814	7	11	\$ 5,665.48
NOV	53,975	64	11	\$ 6,280.31
DEC	54,701	116	13	\$ 6,807.48
TOTALS	787,884	627	164	\$87,035.92

SCHEDULE F

SAVINGS GUARANTEE

A. Magnitude of Savings Guarantee

The table below identifies the amount of the annual Savings Guarantee in units of energy and associated dollar savings. The amounts identified for Operational Savings have been agreed to by Client and ESCO.

CITY OF CENTRALIA - GUARANTEED SAVINGS SUMMARY										
ECM	PROJECTED ENERGY SAVINGS				GUARANTEED ENERGY SAVINGS				O&M SAVINGS	TOTAL SAVINGS
	kW	kWh	MCF	\$	kW	kWh	MCF	\$	\$	\$
Lighting Improvements - LED retrofit	173	38,660	-	\$ 2,900	165	36,727	-	\$ 2,755	\$ 435	\$ 3,189
Exterior Street Lighting Improvements	-	168,264	-	\$ 12,620	-	159,851	-	\$ 11,989	\$ 1,893	\$ 13,882
Building Infiltration Improvements	-	8,473	317	\$ 3,155	-	8,049	301	\$ 2,997	\$ -	\$ 2,997
WIFI Thermostats	-	23,770	153	\$ 2,996	-	22,582	145	\$ 2,846	\$ -	\$ 2,846
Destratification Fans	-	(630)	224	\$ 1,734	-	(630)	213	\$ 1,648	\$ -	\$ 1,648
TOTALS	173	238,537	694	\$ 23,404	165	226,579	659	\$ 22,234	\$ 2,328	\$ 24,562

B. Term of Guarantee

The term of the Energy Savings Guarantee is 15 Years.

C. Utility Rates Used to Calculate Utility Savings

The dollar savings values have been derived by applying average utility rates costs for each building to the calculated units of energy savings in each building.

The average rates that have been applied for calculating the dollar magnitude of savings are as follows:

CITY OF CENTRALIA	Electric Consumption (\$/kWh)	Natural Gas (\$/MCF)	Water (\$/kgal)	Sewer (\$/kgal)
City Hall	\$0.075	\$7.950	\$3.220	\$0.690
Police Department			\$3.500	
Fire Station			\$3.070	
Rec Center				

These energy rates reflect the current utility costs for the Client.

SCHEDULE G

SAVINGS MEASUREMENT AND CALCULATION FORMULAE; METHODOLOGY TO ADJUST BASELINE

A. Savings Measurement & Methodology

The Measurement & Verification of all measures installed as part of this Project will follow either:

1. Federal Energy Management Program *M&V Guidelines: Measurement and Verification for Federal Energy Projects, Version 2.2.*, or
2. International Performance Measurement and Verification Protocol (*IPMVP Volume I EVO 10000-1:2012*), or
3. Engineering Calculations based on industry accepted standards, manufacturer data, and stipulated and/or measured values agreed to by the Client and ESCO.

The specific types of measurement and verification to be included in the Project are defined below:

- Engineering Calculations – savings have been calculated using standard engineering methods, manufacturer data, and stipulated and/or measured values during the Investment Grade Audit, and are agreed to by Client and ESCO. These savings are agreed to by the Client and ESCO for each measure listed as “Calculated”.
- IPMVP Option A – For each measure identified as using IPMVP Option A, the ESCO will utilize field measurements of the parameters that impact the savings for the given energy conservation measure. The ESCO will clearly identify the parameters to be measured, time of measurement and the number of measurements to be taken (i.e., verify the quantity of measurements that will be taken) to obtain an acceptable cross-sectional-percentage for each ECM. Both Client and ESCO will agree on an acceptable confidence and precision criteria.

(Note: All field measurements will be taken in the presence of Client and ESCO personnel and will be mutually signed-off on by both Client and ESCO staff.)

The table below provides a summary of the ECMs to be measured, the specific M&V methodology that will be utilized to verify the savings, the measured parameter(s), the number of times and/or duration of measurements, and the quantity of devices to be measured:

Table G.1: *Measurement & Verification Methodology by Energy Conservation Measure*

ECM Description	M&V Methodology	Measured Parameter	Number of times and/or duration measured
Lighting Improvements			
Fixture replacement	Option A	kW	1 time
LED lamp retrofit			1 time
WIFI Programmable Thermostats			
Scheduling	Option A	Programming	1 time
Setpoints			
Air De-stratification Improvements			
Recreational Center Gym	Calculated	N/A	N/A
Building Envelope			
Infiltration Reduction	Calculated	N/A	N/A

B. Measurement & Verification Reporting

The ESCO shall prepare and deliver a Measurement & Verification Report within 60-days following the signing of the Certificate of Final Completion in Schedule M. If there are seasonal items (i.e., boilers, chillers, etc.) that require a heating or cooling load for proper operation and measurement that the ESCO is unable to measure within the 60-day time period, ESCO will note those items in the report and submit a revised report when seasonal conditions allow for measurements.

The M&V Report will clearly identify the Guaranteed and Achieved savings levels for both the Construction Period (which may not necessarily be a one-year period) and Year 1, based on the M&V Plan identified here-in.

ESCO shall include a summary of all baseline adjustments, including calculations and assumptions used to derive each adjustment.

C. ECM Specific Measurement Methods

The ESCO will utilize the methods and formulae identified on the following pages to measure, calculate and verify savings for each ECM identified above as “Measured”.

The formulae and measurement parameters for each Measured ECM are as follows:

a. Lighting

Lighting savings will be verified by directly measuring the actual wattage consumption for a representative cross-sectional percentage of the retrofits. These

measured values will then be compared to the values that were used for calculating the savings. When the average measured wattage value (for each representative fixture type measured) is less than the value used for savings calculations, the guaranteed savings values are being achieved.

There are numerous different retrofit applications for the Customer project (reference the lighting scope in the Construction Contract). The ESCO will identify the retrofit type that represents the vast majority of the energy savings, and will focus measurement endeavors on those fixture types. Savings for the measures that represent a very small percentage of the total lighting savings will be agreed to by the Customer and ESCO.

We will take M&V measurements of 10% of the fixtures that produce 90% of the lighting savings. Locations will be determined during the design & submittal phase.

Some criteria for the measurements:

- Where applicable – when multiple fixtures of the same type are on one switch, the power may be measured at the switch and then divided by the number of fixtures on the switch circuit to determine the wattage per fixture.
- If there are voltage swings of a magnitude to necessitate adjustments, the readings will be scaled (using standard engineering calculations) back to a nominal value.
- The measured values will then be averaged and compared to the target wattage (i.e. the value used for the savings calculations). If the average measured wattage is less than the target wattage, the savings are achieved. If the average wattage is higher than the target value, then the steps identified in Schedule C – Guarantee – “Plan for Reconciling Savings Discrepancies” (Item D) will be followed.

b. WIFI Programmable Thermostats

- The ESCO has calculated the magnitude of savings that is achievable through setback of temperature when a space is unoccupied. The most practical way of verifying the savings are achieved is to ensure that the schedule, set-point and other operating parameters are programmed and functioning per design intent.
- The system functionality, temperature set-points, and operating schedules have been reviewed and agreed to by the Customer and ESCO. It is understood by both parties that the operating schedules and set-points are a dynamic feature within facilities. Special events and/or needs may arise that cause the operating parameters to be changed from time to time. The ESCO will help the Customer develop time-effective methods for checking these parameters on a regular basis so that Customer can return to “optimal” operating conditions in terms of generating energy savings. The temperature set-points and schedules identified in Schedule K have been agreed to as the “target” conditions, and these represent the values at which the savings calculations have been based (with some conservatism adjustments to account for operational variations).
- The ESCO will perform a review of the WIFI thermostat operation to verify that programming matches the design intent upon which savings calculations are

based. This diagnostic will include checking all schedules and set-points and confirming that mechanical systems actually respond as desired and/or expected in order to achieve energy savings.

D. Measurement & Verification Templates

LIGHTING EFFICIENCY MEASUREMENT & VERIFICATION FORM										
	Existing Fixture Type	Retrofit Fixture	Building	Location	Fixture Count	Estimated - Pre Retrofit Usage (watts / fixt)	Measured - Pre Retrofit Usage (watts)	Goal (watts/fixture)	Measured Post Retrofit Usage (watts)	Notes
1	150 Watt HPS Acorn Style Pole Light	Bypass the Lamp and Install New 36 Watt LED Lamp	Pole Lights	Acorn	184	185.0		43.5		
			[Measure Min. of 19]	TOTAL =	184			= AVG =		
2	100 Watt HPS Dust to Dawn	New 41 Watt LED Dusk to Dawn	Pole Lights	Cobra	236	126		45.3		
			[Measure Min. of 24]	TOTAL =	236			= AVG =		
3	250 Watt HPS Dusk to Dawn	New 58 Watt LED	Fire Station	Exterior	3	285		69.4		
			Pole Lights	Cobra	72					
			[Measure Min. of 8]	TOTAL =	75			= AVG =		
4	2x4 3 Lamp T8	Retrofit with 15 Watt LED Lamps	City Hall	Council Chambers	14	86		47.1		
			Rec Center	Front Lobby	8					
			[Measure Min. of 10]	TOTAL =	22			= AVG =		
5	250 Watt HPS Acorn Style Pole Light	Bypass the Lamp and Install New 36 Watt LED Lamp	Pole Lights	Acorn	14	285		48.5		
			[Measure Min. of 2]	TOTAL =	14			= AVG =		
6	400 Watt Metal Halide Pole Light	New 169 Watt LED Pole Light	Rec Center	Exterior	6	485		184.8		
			[Measure Min. of 1]	TOTAL =	6			= AVG =		
7	2x4 4 Lamp T8	Retrofit with 15 Watt LED Lamps	City Hall	Community Room	5	112		62.6		
			Police Station		3					
			[Measure Min. of 4]	TOTAL =	8			= AVG =		
CLIENT							ESCO			
NAME (PRINT)							NAME (PRINT)			
TITLE							TITLE			
SIGNATURE							SIGNATURE			

SCHEDULE H

FUNDING

The Client intends to sign, within 30 days of the date of signing the EPC agreement, a Lease Agreement, Escrow Agreement and other required documents with the Lessor that offers the best-value for the Client. The total annual lease payments under the Lease for purposes of Debt Service is \$22,907. These documents will be attached to this Energy Performance Contract as an addition to this Schedule H.

SAMPLE Cash Flow Table for Project

The Cash Flow table on the following page is provided as a reference to give the Client an understanding of how the financial parameters of the Energy Performance Contract will work. Actual Debt Service payment amounts will be per the Final Amortization Schedule in the Lease Agreement between Client and Lessor. The Final Amortization schedule must be structured such that annual Debt Service payments are less than the Total Funds Available for the project. If the rate and resulting Debt Service amount is LOWER than estimated in the Potential Cash Flow table then the Savings Guarantee will be reduced accordingly. If the rate is higher than estimated, the Term may need to be extended beyond the Financing Term reflected below, or perhaps a balloon payment plan may be utilized.

SCHEDULE H

FUNDING

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SAMPLE Cash Flow Table for Project

The Cash Flow table on the following page is provided as a reference to give the Client an understanding of how the financial parameters of the Energy Performance Contract will work. Actual Debt Service payment amounts will be per the Final Amortization Schedule in the Lease Agreement between Client and Lessor. The Final Amortization schedule must be structured such that annual Debt Service payments are less than the Total Funds Available for the project. If the rate and resulting Debt Service amount is LOWER than estimated in the Potential Cash Flow table then the Savings Guarantee will be reduced accordingly. If the rate is higher than estimated, the Term may need to be extended beyond the Financing Term reflected below, or perhaps a balloon payment plan may be utilized.

City of Centralia - Potential Cash Flow for Energy Performance Contract Project (Holistic Project)

Project Costs				Projected Annual Savings			
Energy Measures Installed Cost	\$	254,235		Utility Cost Savings	\$	23,404	
Investment Grade Audit Fee	\$	2,247		O&M Svgs	\$	2,328	
Conduit Closing Costs / Legal Fees	\$	-					
Capital Contribution	\$	-		Total Annual Savings	\$	25,732	
Net Capitalized Costs							
	\$	256,482					
Annual Costs				Finance Factors			
Avoided Future Costs	\$	-		Term		15.0	years
On-Going Technical Services &/or E	\$	-		Rate (Range 3% - 4%)		3.90%	
				Escalation Rate		2.0%	
				Energy Escalation Rate		2.0%	

YEAR	PROJECTED UTILITY COST SAVINGS	GUARANTEED UTILITY COST SAVINGS	OPER & MAINT / AVOID. FUTURE COST SAVINGS	TOTAL FUNDS AVAILABLE	DEBT SERVICE	ON-GOING TECHNICAL SERVICE FEE	GUARANTEED PROGRAM COST	ACCUMULATED CASH FLOW
Interim	TBD	TBD	TBD	TBD	TBD	TBD	TBD	\$0
1	\$23,404	\$22,234	\$2,328	\$24,562	\$22,907	\$0	\$22,907	\$2,825
2	\$23,873	\$22,679	\$2,374	\$25,053	\$22,907	\$0	\$22,907	\$6,165
3	\$24,350	\$23,133	\$2,421	\$25,554	\$22,907	\$0	\$22,907	\$10,028
4	\$24,837	\$23,596	\$2,469	\$26,065	\$22,907	\$0	\$22,907	\$14,427
5	\$25,334	\$24,068	\$2,518	\$26,586	\$22,907	\$0	\$22,907	\$19,372
6	\$25,841	\$24,549	\$2,568	\$27,117	\$22,907	\$0	\$22,907	\$24,874
7	\$26,358	\$25,040	\$2,619	\$27,659	\$22,907	\$0	\$22,907	\$30,943
8	\$26,885	\$25,541	\$2,671	\$28,212	\$22,907	\$0	\$22,907	\$37,592
9	\$27,423	\$26,052	\$2,724	\$28,776	\$22,907	\$0	\$22,907	\$44,832
10	\$27,971	\$26,573	\$2,778	\$29,351	\$22,907	\$0	\$22,907	\$52,673
11	\$28,530	\$27,104	\$2,834	\$29,938	\$22,907	\$0	\$22,907	\$61,130
12	\$29,101	\$27,646	\$2,891	\$30,537	\$22,907	\$0	\$22,907	\$70,215
13	\$29,683	\$28,199	\$2,949	\$31,148	\$22,907	\$0	\$22,907	\$79,940
14	\$30,277	\$28,763	\$3,008	\$31,771	\$22,907	\$0	\$22,907	\$90,317
15	\$30,883	\$29,338	\$3,068	\$32,406	\$22,907	\$0	\$22,907	\$101,361
16	\$31,501	\$29,925	\$0	\$29,925	\$0	\$0	\$0	\$132,862
17	\$32,131	\$30,524	\$0	\$30,524	\$0	\$0	\$0	\$164,993
18	\$32,774	\$31,134	\$0	\$31,134	\$0	\$0	\$0	\$197,767
19	\$33,429	\$31,757	\$0	\$31,757	\$0	\$0	\$0	\$231,196
20	\$34,098	\$32,392	\$0	\$32,392	\$0	\$0	\$0	\$265,294
TOTALS:	\$568,683	\$540,247	\$40,220	\$580,467	\$343,609	\$0	\$343,609	\$265,294

Notes:

- 1) ESP guarantees savings will be available to cover total annual program costs, 100% of excess savings used at Client's discretion
- 2) Escalation rates are conservative estimates to reflect increased utility and maintenance costs/savings over time.
- 3) Maintenance savings represent reduced replacement for lighting/mechanical equip. & outsourced maintenance.

SCHEDULE I**STANDARDS OF COMFORT / OPERATING PARAMETERS**

Listed below are the standards of comfort / operating parameters at which the savings calculations and the subsequent guaranteed energy savings are based upon.

Temperature Set Points	Heating	Cooling
Occupied	70°F	74°F
Unoccupied	60°F	85°F

Occupied schedules:

LOCATION	MON - FRI	SAT	SUN	HOLIDAY
City Hall – admin offices	7am – 6pm	Unoccupied	Unoccupied	Unoccupied
City Hall – community center				
City Hall – council chambers*	7am – 10pm	Unoccupied	Unoccupied	Unoccupied
Fire Station**	7am – 10pm	Unoccupied	Unoccupied	Unoccupied
Police Station	5am – 12am			
Recreation Center	7am – 10pm		10am – 6pm	Unoccupied

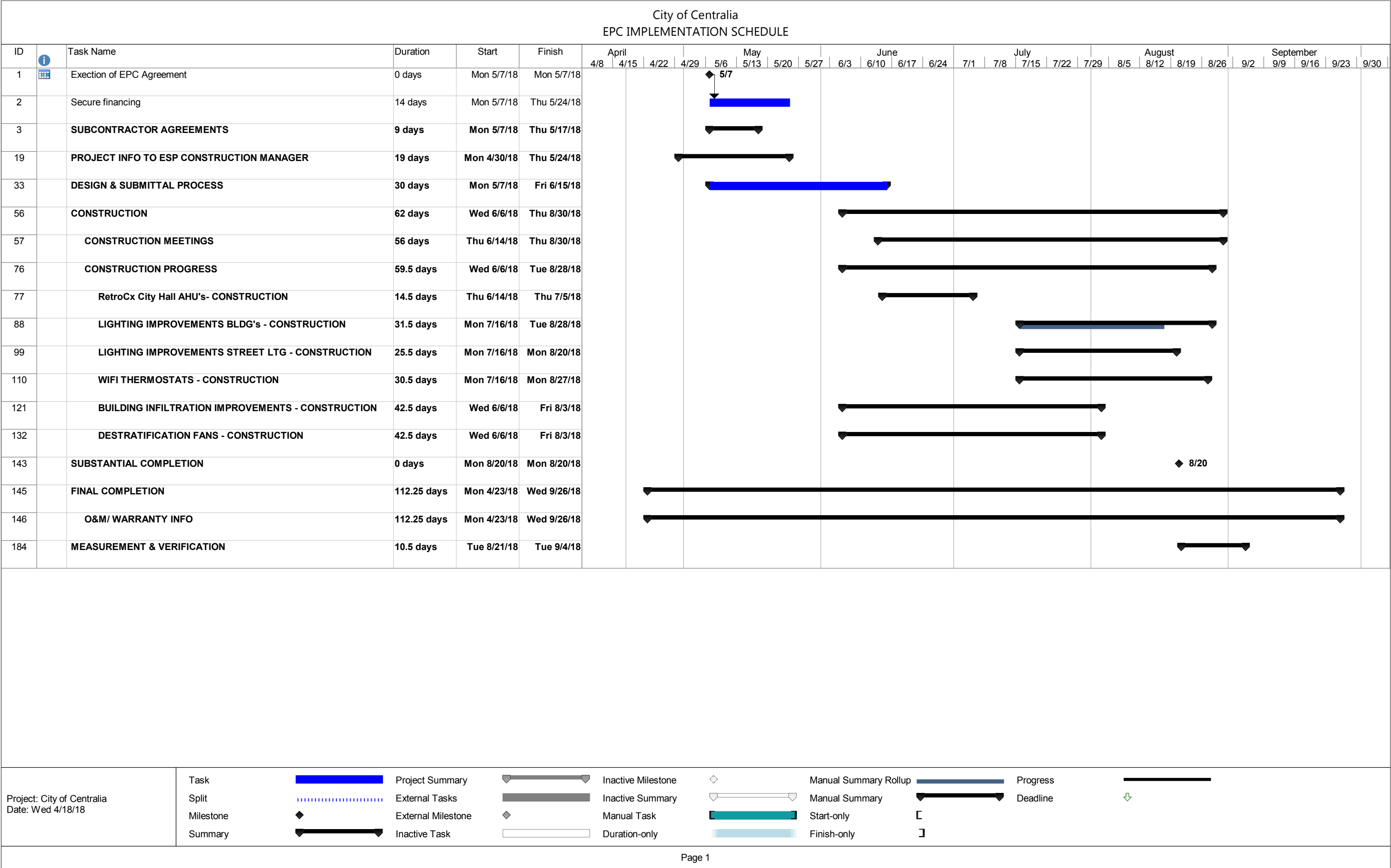
*Council chambers is based upon three days per week occupied on weekdays

**Fire station is based upon three days per week occupied

SCHEDULE J

CONSTRUCTION & INSTALLATION SCHEDULE

See next page for full construction schedule. The actual start date of the schedule will be adjusted to match the Contract Start Date and/or the date that proof of financing or funding is in place.



SCHEDULE K

TRAINING RESPONSIBILITIES

ESCO will provide Client with the following training in order to ensure that Client staff fully understands how to operate and maintain the equipment for optimal energy efficiency.

WIFI Programmable Thermostats

1. Up to one hour of training in one session.

SCHEDULE L

MAINTENANCE RESPONSIBILITIES

ESCO Maintenance Responsibilities

The Client has elected not to have ESCO provide any on-going maintenance services as part of this Contract, so ESCO does not have any responsibilities with respect to maintaining the equipment over time.

SCHEDULE M

CERTIFICATES OF COMPLETION

The Certificates of Completion presented in this schedule will serve as templates for approval and sign-off by Client and ESCO for Substantial Completion and Final Completion.

CERTIFICATE OF SUBSTANTIAL COMPLETION

LOCATION	SCOPE OF WORK	SUBSTANTIAL COMPLETION DATE	SIGN-OFF (INITIALS)	
			CLIENT	ESCO

The Scope of Work to which this Certificate applies has been inspected by authorized representatives of the Client and ESCO and found as itemized and dated above to be substantially complete.

A "Punch-List" of items to be completed or corrected is attached hereto. This list may not be all-inclusive, and the failure to include an item in it does not alter the responsibility of the ESCO to complete all of the Scope of Work in accordance with this Contract. The items in the tentative list shall be completed or corrected by the ESCO within _____ days of the above date of Substantial Completion.

ESCO:

Date

By _____
Print Name: _____
Title: _____

CLIENT:

Date

By: _____
Print Name: _____
Title: _____

CERTIFICATE OF FINAL COMPLETION

The undersigned hereby certifies:

1. All work including work required under change order(s) has been performed in accordance with the terms of this Contract.
2. All changes to the work (except minor modifications and field adjustments) have been authorized in writing by the Client.
3. The Punch List items as agreed upon at Substantial Completion have all been remedied.
4. The Project Closeout Documents as defined in Schedule N have been provided to the Client.

ESCO:

Date

By _____
Print Name: _____
Title: _____

CLIENT:

Date

By: _____
Print Name: _____
Title: _____

SCHEDULE N**PROJECT CLOSEOUT DOCUMENTS**

1. ESCO shall provide to the Client an electronic copy of the items identified in the table below:

PROJECT CLOSEOUT DOCUMENTATION					
	Approved Submittals	O&M Manuals	Warranty Information	Sequence of Operation	As Builts / Record Information
ECM					
Lighting	X	X	X		X
Building Infiltration Improvements	X	X	X		X
WIFI Thermostats	X	X	X		X
Destratification Fans	X	X	X		X

2. ESCO shall provide a summarized ECM matrix that details all the start and end dates for the warranties as well as the associated contractors and manufacturers that apply.
3. Complete printed sets of the documentation can be provided to the Client at a cost of \$500 per set.

SCHEDULE O**WARRANTIES**

The following items carry warranties beyond the first year and are detailed as follows:

ECM	Components	Extended Manufacturer's Warranty (beyond 1 st year)
Lighting Improvements	Linear T8 LED lamps	4 years (parts only)
	LED new fixtures	4 years (limited)
	LED EXIT fixtures	4 years (limited)
	LED lamps	3 years (limited)

*Spare lamp material provided by ESCO at the completion of the Scope of Work shall be utilized to fulfill warranty requirements. In the event of failed lamps during warranty, Client shall collect multiple failed lamps prior to sending directly to the distributor for warranty replacements.

SCHEDULE P

INVESTMENT GRADE AUDIT

The ESCO has completed a comprehensive Investment Grade Audit of Client facilities. The findings of this report are included as support documentation for the Energy Performance Contract, and the IGA Report is submitted under separate cover.