

**BOA Meeting Agenda  
Peculiar City Board of Aldermen  
Meeting and Public Hearing  
City Hall – 250 S. Main St  
Monday November 18, 2013 6:30 p.m.**

**Notice is hereby given that the Board of Aldermen of the City of Peculiar will hold a regularly scheduled meeting on Monday, November 18, 2013 at 6:30 pm, in the Council Chambers at 250 S. Main St. Representatives of the news media may obtain copies of this notice by contacting the City Clerk at City Hall, 250 S. Main St Peculiar, MO 64078 or by calling 816-779-2221. All proposed Ordinances and Resolutions will be available for viewing prior to the meeting in the Council Chambers.**

1. Call to Order
2. Pledge of Allegiance
3. Roll Call
4. City Clerk – Read the Board of Alderman Statement
5. Consent Agenda
  - A. Approval of the Agenda
  - B. Approval of the Draft Minutes of October 21, 2013 BOA Meeting.
  - C. Approval of the Draft Minutes of November 4, 2013 Work Session Meeting.
6. Unfinished Business
  - A. **Bill No 2013-20 - AN ORDINANCE AUTHORIZING THE ISSUANCE OF \$1,245,000 PRINCIPAL AMOUNT OF COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2013, OF THE CITY OF PECULIAR, MISSOURI; PRESCRIBING THE FORM AND DETAILS OF SAID BONDS AND THE COVENANTS AND AGREEMENTS TO PROVIDE FOR THE PAYMENT AND SECURITY THEREOF; AND AUTHORIZING CERTAIN ACTIONS AND DOCUMENTS AND PRESCRIBING OTHER MATTERS RELATING THERETO.**  
*\*2<sup>nd</sup> Reading*
7. New Business
  - A. **Bill No. 2013-21 AN ORDINANCE TO ENABLE THE CITY OF PECULIAR, MISSOURI TO JOIN THE MISSOURI CLEAN ENERGY DISTRICT PURSUANT TO SECTIONS §67.2800 TO §67.2835, INCLUSIVE, RSMO., THE “PROPERTY ASSESSED CLEAN ENERGY ACT,” AND STATING THE TERMS UNDER WHICH THE CITY WILL CONDUCT ACTIVITIES WITHIN THE CITY AS A MEMBER OF SUCH DISTRICT.**  
*\*1<sup>st</sup> Reading*
  - B. **Bill No. 2013-22 - AN ORDINANCE OF THE CITY OF PECULIAR, MISSOURI CALLING FOR A GENERAL MUNICIPAL ELECTION ON APRIL 8, 2014 AND ESTABLISHING FILING DATES FOR SAID ELECTION**  
*\*1<sup>st</sup> Reading*
8. City Administrator Report
9. Aldermen Directives
10. Adjournment



**Board of Aldermen Regular Meeting Minutes  
Monday October 21, 2013**

A regular meeting and public hearing of the Board of Aldermen of the City of Peculiar, Missouri, was held in the Council Chambers in City Hall at 6:30 p.m. on Monday October 21, 2013. Mayor Ernest Jungmeyer called the meeting to order and all who were present joined in reciting the Pledge of Allegiance.

The following aldermen responded to roll call: Michael Gallagher, Holly Stark, Bob Fines, Donald Turner, Homer Dunsworth and Veronika Ray.

City Staff present for the meeting were City Administrator Brad Ratliff, City Attorney Reid Holbrook, City Engineer Carl Brooks, Chief of Police Harry Gurin, City Clerk Nick Jacobs, Business Office Manager Trudy Prickett.

**Consent Agenda**

- A. Approval of the Agenda**
- B. Approval of the Draft Minutes of September 16, 2013 BOA Meeting.**
- C. Approval of the Draft Minutes of September 26, 2013 Special Meeting.**
- D. Approval of the Draft Minutes of October 7, 2013 BOA Work Session Meeting.**

The Mayor commented that there was a request from staff to rearrange items B and C on the agenda.

On a motion made by Alderman Stark and seconded by Alderman Dunsworth the amended consent agenda was approved by a unanimous voice vote.

**Employee of the Quarter – David Shrout**

City Administrator Brad Ratliff commented about how much of an asset David has been for the last year. He said he has improved the business operations of the water department. He has also worked hard to lower the monthly water loss percentage.

David Shrout spoke about how it was not just him who did the things Brad spoke about but it was his three employees Chris Sollazzo, Tom Ephland and Amiee Boyd who deserve just as much credit.

**New Business**

- A. Bill No. 2013-19 and Public Hearing - AN ORDINANCE AMENDING CHAPTER 250 AND CHAPTER 415 AND ESTABLISHING CHAPTERS 420, 425 AND 430 OF THE PECULIAR MUNICIPAL CODE TO ALIGN LAND-USE REQUIREMENTS IN THE CITY'S MUNICIPAL CODE.**

City Planner Cliff McDonald addressed the Board pertaining to the proposed Bill. He stated that it may look like a lot but it only adds one new chapter which is for the Illicit Discharge requirements. This Bill moves all other references of storm water to one central location. This is part of the requirements of the MS4 Permit.

Alderman Stark made a motion to have the first reading of Bill No. 2013-19 and read one time by title only. The motion was seconded by Alderman Turner and was accepted by a 6-0 voice vote. Alderman Stark moved to accept the first reading of bill No. 2013-19, seconded by Alderman Turner and was accepted by the following voice vote.

Alderman Gallagher	Aye	Alderman Ray	Aye
Alderman Dunsworth	Aye	Alderman Stark	Aye
Alderman Fines	Aye	Alderman Turner	Aye

- B. RESOLUTION 2013-44 - A RESOLUTION OF THE BOARD OF ALDERMEN OF THE CITY OF PECULIAR, MISSOURI APPROVING THE INTERLOCAL AGREEMENT WITH THE CITY OF BELTON PERTAINING TO OUTLINING BOUNDARIES FOR FUTURE ANNEXATIONS.**

Brad Ratliff spoke about the previous agreement between the City of Peculiar and the City of Belton. He stated that the original agreement expired last October and that he sent a revised agreement to them that the Board approved. They have responded back with a non-aggression agreement. He stated that Belton will bring this agreement to their Council tomorrow night.

Alderman Stark made a motion to adopt Resolution 2013-44. The motion was seconded by Alderman Turner and was accepted by a 6-0 roll call vote.

Alderman Gallagher	Aye	Alderman Ray	Aye
Alderman Dunsworth	Aye	Alderman Stark	Aye
Alderman Fines	Aye	Alderman Turner	Aye

- C. RESOLUTION 2013-43 - A RESOLUTION OF THE BOARD OF ALDERMEN OF THE CITY OF PECULIAR, MISSOURI TO APPROVE AND ADOPT THE ATTACHED 3, 8 AND 13 YEAR ANNEXATION PLAN AS THE ANNEXATION PLAN FOR THE CITY OF PECULIAR**

Cliff McDonald addressed the Board pertaining to the 3, 8 and 13 year annexation plan. He stated that this would be a guide and a map for the City to follow pertaining to increasing the City's boundaries. He stated that he asked the Mayor to change

the order of the Business items tonight so they would not have to amend this Annexation Plan after adopting it to reflect the agreement with Belton.

Alderman Stark made a motion to adopt Resolution 2013-43 amended to reflect the boundaries included in Resolution 2013-44. The motion was seconded by Alderman Turner and was accepted by a 6-0 roll call vote.

Alderman Gallagher	Aye	Alderman Ray	Aye
Alderman Dunsworth	Aye	Alderman Stark	Aye
Alderman Fines	Aye	Alderman Turner	Aye

### **City Administrator Report**

Harvest Moon Festival is this Saturday from 12-7. The Mayor's Christmas Tree Lighting is December 7 at 6:30 pm. Recently the City Contracted with Molly McGovern to certify the northwest quadrant of the City as a Certified Industrial Site. Several businesses are in and nosing around the City. One of the Mayor's goals for this year was to potentially annex Sioux Chief and there has been one meeting with them that turned out positive. Codes is still going strong with 41 violation notices sent out. The Planning Commission is still working on the land use matrix and hope to have it before the Board at a work session in the near future. The new Police Fleet is currently being equipped and should deploy next month. There are five new trucks coming to the Public Works Fleet and hope to be here by the end of year. The SEMA/FEMA grant fell through because the Bank did not have flood insurance so it made it ineligible. The City is 99.7% complete with the Sanitary Sewer Project.

### **Alderman Directives**

Alderman Dunsworth addressed the Board regarding the Park Board. He stated that he believes it is "fractured and dysfunctional." He outlined some of the events that led to his belief of it being dysfunctional.

Alderman Fines asked if he thought the Park Board should be moved up under the Board of Aldermen. Alderman Dunsworth agreed.

Alderman Stark asked if the Engineer's that the Park Board hired knew anything about the necessary permits to work on Raisbeck Park because it is in a flood plain. Alderman Dunsworth stated that he requested to get moving on the project in March of this year so there would be ample time.

Further discussion ensued with many of the Aldermen sharing various opinions.

Alderman Dunsworth asked that the other Aldermen watch the Park Board meeting videos which are currently online.

The Mayor commented that there have been 6 staff members assigned as the liaison to the Park Board and have not been able to get along with them.

The Mayor asked The City Attorney if the Board could dissolve the Park Board. Reid stated that a City of the 4<sup>th</sup> Class Board of Aldermen can dissolve any and all Sub-Boards.

The Mayor asked that staff place the Park Board on the next work session as a topic of discussion.

Alderman Gallagher asked about the travel trailer at the old Conoco station. Staff commented that they will look into it.

Alderman Stark asked about any vandalism in the area. Staff commented that there hasn't been anything recently.

### **Adjournment**

On a motion from Alderman Stark, second from Alderman Turner, the meeting was adjourned at 7:30pm with a 6-0 voice vote.

Regular session minutes were taken and transcribed by Nick Jacobs, City Clerk.

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Nick Jacobs, City Clerk

Approved by the Board of Aldermen:

**Board of Aldermen Regular Meeting Minutes  
Monday November 4, 2013**

A regular work session meeting and public hearing of the Board of Aldermen of the City of Peculiar, Missouri, was held in the Council Chambers in City Hall at 6:30 p.m. on Monday November 4, 2013. Mayor Ernest Jungmeyer called the meeting to order and all who were present joined in reciting the Pledge of Allegiance.

The following aldermen responded to roll call: Michael Gallagher, Veronika Ray, Donald Turner, Bob Fines, Holly Stark and Homer Dunsworth

City Staff present for the meeting were City Administrator Brad Ratliff, City Attorney Reid Holbrook, City Engineer Carl Brooks, Chief of Police Harry Gurin, City Clerk Nick Jacobs, City Planner Clifford McDonald, and Business Office Manager Trudy Prickett.

**Public Comment – Robert Elliott – Liquor Permit Requirements**

Mr. Robert Elliott addressed the Board pertaining to the code that limits felons from receiving a permit to serve liquor. He stated that the State Statutes have changed and our Code is too restrictive. He stated that due to his previous record he is unable to obtain a liquor permit and has lost his job. He requests that the Code be changed.

There was further discussion amongst the Board and it was ultimately decided to bring it before the Board to change the Code.

**Public Comment – Jennifer Bedford – Twin Oaks Home Owners Association  
Topic for Discussion – Twin Oaks Home Owners Association**

The Mayor laid a few ground rules prior to the beginning of the Public Comment.

Jennifer Bedford addressed the Board pertaining to the Twin Oaks Home Owners Association. They requested that the topic be placed on the agenda so all the owners in Twin Oaks could have a voice in the matter. She stated that the Home Owners had a meeting the prior Monday and the consensus was that a compromise could be reached amongst the Home Owners. She requested that the Board postpone any further action and allow the neighborhood to work it out.

Bryan Blessing spoke in support of the Board postponing any action.

Alderman Stark commented that an HOA was promised to be in existence when the development was approved.

Alderman Fines stated that he would do what a majority of the Home Owners want to do.

Several residents spoke against the Boards involvement. Those resident's names were James Green, Richard Robertson, Cindy Keesler, Phillip Ware, and Greg Vincent

Several Residents spoke for the Boards involvement. Those resident's names were Rudy Ford, Tina Elsworth, Jerry Ford, Nancy Mclendon, Debra Southerd and Sarah Mercer.

There was further discussion amongst the Board and it was determined to give the Home Owners 90 days to show significant progress. The two pieces that the Board would like to see done in the 90 days is for the Home Owners to form a corporation and transfer the powers of the CCR's to the corporation.

**Business**

**A. Bill No. 2013-19 - AN ORDINANCE AMENDING CHAPTER 250 AND CHAPTER 415 AND ESTABLISHING CHAPTERS 420, 425 AND 430 OF THE PECULIAR MUNICIPAL CODE TO ALIGN LAND-USE REQUIREMENTS IN THE CITY'S MUNICIPAL CODE.**

City Planner Cliff McDonald addressed the Board pertaining to the second reading of Bill No. 2013-19. He stated that there have been no changes since the first reading and that staff recommends approval.

Alderman Stark moved to have the second reading of Bill No. 2013-19 by title only, seconded by Alderman Turner and was approved by a 6-0 voice vote. Alderman Stark moved to accept the second reading of the bill and place on final passage as Ordinance number 11042013, seconded by Alderman Turner and approved by the following 6-0 roll call vote.

Alderman Gallagher	Aye	Alderman Ray	Aye
Alderman Dunsworth	Aye	Alderman Stark	Aye
Alderman Fines	Aye	Alderman Turner	Aye

**B. Bill No 2013-20 - AN ORDINANCE AUTHORIZING THE ISSUANCE OF \$1,245,000 PRINCIPAL AMOUNT OF COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2013, OF THE CITY OF PECULIAR, MISSOURI; PRESCRIBING THE FORM AND DETAILS OF SAID BONDS AND THE COVENANTS AND AGREEMENTS TO PROVIDE FOR THE PAYMENT AND SECURITY THEREOF; AND AUTHORIZING CERTAIN ACTIONS AND DOCUMENTS AND PRESCRIBING OTHER MATTERS RELATING THERETO.**

City Engineer Carl Brooks addressed the Board pertaining to the projects that this Bond issuance would pay for. He stated that the money would go towards the renovations of the ground water storage tank, an upgraded line along Peculiar Drive between Sutters Creek and Willow, an upgraded line from Arena to Broadway along Peculiar Drive, an upgraded line on Harr-Grove from J Highway to Elm and an upgraded line on Broadway from Main Street to E 3<sup>rd</sup> Street.

Financial Advisor Joey McLIney addressed the Board pertaining to the issuance of the Bonds giving them what he believed as the current interest rates.

Brad asked if the City is considered average or above average based on its size and debt. Joey responded that the City is doing very well.

Alderman Stark moved to have the first reading of Bill No. 2013-20 by title only, seconded by Alderman Turner and was approved by a 6-0 voice vote. Alderman Stark moved to accept the first reading of the bill, seconded by Alderman Turner and approved by the following 6-0 voice vote.

Alderman Gallagher	Aye	Alderman Ray	Aye
Alderman Dunsworth	Aye	Alderman Stark	Aye
Alderman Fines	Aye	Alderman Turner	Aye

## Topics for Discussion

### A. Ordinance to join the Missouri Clean Energy District (MCED)

Joey Mcliney addressed the Board pertaining to joining the Missouri Clean Energy District (MCED). The MCED is an organization that allows municipalities to join and allow business access to funding for energy efficient projects. He states that there is no liability to the City.

Alderman Stark asked if this would affect the City's Bonding capacity. Joey answered that no this would have no bearing.

Alderman Stark asked about what type of projects would be acceptable. Joey responded that projects such as Solar Panels would be acceptable.

### Alderman Concerns or Additional Topics for Discussion by Aldermen

Alderman Ray asked about the J/C Interchange if MoDOT would be installing guard rails. Staff commented that MoDOT has completed the project.

Alderman Fines asked about the pothole on Hurley and School Road. Staff commented that the truck used to fix potholes has been out of service but it is back now and is on the list to be done.

### Aldermen Directives Reported by City Administrator

Change the Ordinance regarding Liquor Permits  
Twin Oaks has 90 day allowance on the HOA  
Sign Bill No. 2013-19  
Have 2<sup>nd</sup> reading of Bill No. 2013-20  
Ask MoDOT about guardrails on J/C Interchange  
Pothole on School Road at Hurley  
November 16<sup>th</sup> Yard Waste Pick Up  
Mayor's Tree Lighting December 7<sup>th</sup> at 6:30  
City Staff Christmas Party December 13<sup>th</sup> at 7:00

Alderman Gallagher asked about the School Road Bridge. Brad answered that some preliminary drawings were sent to Carl but nothing formal.

### Adjournment

On a motion from Alderman Stark, second from Alderman Gallagher, the meeting was adjourned at 8:34pm with a 6-0 voice vote.

Regular session minutes were taken and transcribed by Nick Jacobs, City Clerk.

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Nick Jacobs, City Clerk

Approved by the Board of Aldermen:

Memo to the Mayor and Board of Aldermen

*The Ordinance is the first reading to authorize the issuance of 1,245,000 in waterworks and sewerage system bonds*

*If passed, we'll solicit bids for the purchase of our bonds and return on the 18th with the final interest rate terms and conditions for the board's consideration.*

If you need anything else, let me know.

Joey

G. Joseph McLiney

President

[McLiney And Company](#)

Investment Bankers

2800 McGee Trafficway  
Kansas City, Missouri 64108

[\(816\) 221.4042](tel:8162214042)

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**ORDINANCE NO. \_\_\_\_\_**

**OF**

**CITY OF PECULIAR, MISSOURI**

**PASSED NOVEMBER 18, 2013**

**AUTHORIZING**

**\$1,245,000**

**COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS**

**SERIES 2013**

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**BILL NO. 2013-20**  
**ORDINANCE NO. \_\_\_\_\_**

**AN ORDINANCE AUTHORIZING THE ISSUANCE OF \$1,245,000 PRINCIPAL AMOUNT OF COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2013, OF THE CITY OF PECULIAR, MISSOURI; PRESCRIBING THE FORM AND DETAILS OF SAID BONDS AND THE COVENANTS AND AGREEMENTS TO PROVIDE FOR THE PAYMENT AND SECURITY THEREOF; AND AUTHORIZING CERTAIN ACTIONS AND DOCUMENTS AND PRESCRIBING OTHER MATTERS RELATING THERETO.**

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**WHEREAS**, the City of Peculiar, Missouri (the “City”), is a city of the fourth class and political subdivision duly organized and existing under the laws of the State of Missouri, and pursuant to Chapter 250, RSMo (the “Act”), now owns and operates a revenue producing combined waterworks and sewerage system serving the City and its inhabitants and others within its service area (the “System,” as hereinafter more fully defined); and

**WHEREAS**, the City has no bonds or other obligations outstanding payable from the Net Revenues (as hereinafter more fully defined) of the System save and except the following:

<u>Series of Bonds</u>	<u>Dated</u>	<u>Amount Issued</u>	<u>Amount Outstanding</u>
Combined Waterworks and Sewerage System Refunding and Improvement Revenue Bonds (State Revolving Fund Program), Series 1994A	08/01/1994	\$2,605,000	\$ 383,000
Combined Waterworks and Sewerage System Revenue Bonds (State Revolving Fund Program), Series 1999	06/01/1999	1,365,000	600,000
Combined Waterworks and Sewerage System Refunding and Improvement Revenue Bonds, Series 2007	11/14/2007	605,000	605,000
Combined Waterworks and Sewerage System Revenue Bonds, Series 2011	02/24/2011	3,125,000	2,940,000

**WHEREAS**, the City is authorized under the provisions of the Act to issue and sell revenue bonds for the purpose of providing funds for purchasing, constructing, extending and improving the System upon obtaining the required voter approval and provided that the principal of and interest on such revenue bonds shall be payable solely from the revenues derived from the operation of the System; and

**WHEREAS**, pursuant to such authority, a special bond election was duly held in the City on April 7, 2009, on the question whether to issue the combined waterworks and sewerage system revenue bonds in the principal amount of \$48,000,000 for the purpose of extending and improving the combined waterworks and sewerage system of the City, and it was found and determined that a simple majority of the qualified electors of the City voting on the question had voted in favor of the issuance of said revenue

bonds for the purpose aforesaid, the vote on said question having been 223 votes for said question to 111 votes against said question; and

**WHEREAS**, \$3,125,000 of the bonds so authorized have heretofore been issued and the City proposes to issue an additional \$1,245,000 of the bonds so authorized to provide funds for said purpose (the “Project”); and

**WHEREAS**, plans and specifications for the Project and an estimate of the cost thereof have been prepared and made by a Consultant (as hereinafter defined) to the City and the same are hereby accepted and approved and are on file in the office of the City Clerk; and

**WHEREAS**, it is hereby found and determined that it is necessary and advisable and in the best interest of the City and of its inhabitants that revenue bonds be issued and secured in the form and manner as hereinafter provided to provide funds for the Project;

**NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF ALDERMEN OF THE CITY OF PECULIAR, MISSOURI, AS FOLLOWS:**

## **ARTICLE I**

### **DEFINITIONS**

**Section 101. Definitions of Words and Terms.** In addition to words and terms defined elsewhere herein, the following capitalized words and terms as used in this Ordinance shall have the following meanings:

**“Accountant”** means an independent certified public accountant or firm of certified public accountants.

**“Act”** means Chapter 250, RSMo.

**“Average Annual Debt Service”** means the average of the Debt Service Requirements as computed for the then current and all future fiscal years.

**“Bond Counsel”** means Gilmore & Bell, P.C., Kansas City, Missouri, or any other attorney or firm of attorneys with a nationally recognized standing in the field of municipal bond financing selected by the City.

**“Bond Payment Date”** means any date on which principal of or interest on any Bond is payable at the Maturity thereof or on any Interest Payment Date.

**“Bond Purchase Agreement”** means the Bond Purchase Agreement between the City and the Purchaser, in substantially the form attached to this Ordinance as **Exhibit B**.

**“Bond Register”** means the books for the registration, transfer and exchange of Bonds kept at the office of the Paying Agent.

**“Bondowner,” “Owner” or “Registered Owner”** when used with respect to any Bond means the Person in whose name such Bond is registered on the Bond Register.

**“Bonds”** means the Combined Waterworks and Sewerage System Revenue Bonds, Series 2013, of the City, in the aggregate principal amount of \$1,245,000, authorized and issued pursuant to this Ordinance.

**“Business Day”** means a day, other than a Saturday, Sunday or holiday, on which the Paying Agent is scheduled in the normal course of its operations to be open to the public for conduct of its banking operations.

**“Cede & Co.”** means Cede & Co., as nominee name of The Depository Trust Company, New York, New York, and any successor nominee with respect to the Bonds.

**“City”** means the City of Peculiar, Missouri, and any successors or assigns.

**“Code”** means the Internal Revenue Code of 1986, as amended, and the applicable regulations of the Treasury Department proposed or promulgated thereunder.

**“Consultant”** means an independent engineer or engineering firm having a favorable reputation for skill and experience in the construction, financing and operation of public utilities and the preparation of management studies and financial feasibility studies in connection therewith, selected by the City for the purpose of carrying out the duties imposed on the Consultant by this Ordinance.

**“Continuing Disclosure Agreement”** means the Continuing Disclosure Agreement attached to this Ordinance as **Exhibit C**.

**“Debt Service Account”** means the Debt Service Account for Combined Waterworks and Sewerage System Revenue Bonds, Series 2013, created by **Section 501** hereof.

**“Debt Service Requirements”** means the aggregate principal payments (including scheduled mandatory redemption requirements) and net interest or interest-like payments (net of any Subsidy Payments) on all System Revenue Bonds for the period of time for which calculated; provided, however, that for purposes of calculating such amount, principal and interest shall be excluded from the determination of Debt Service Requirements to the extent that such principal or interest is payable from amounts deposited in trust, escrowed or otherwise set aside for the payment thereof with the Paying Agent or other commercial bank or trust company located in the State of Missouri and having full trust powers.

**“Debt Service Reserve Account”** means the Debt Service Reserve Account for Combined Waterworks and Sewerage System Revenue Bonds, Series 2013, created by **Section 501** hereof.

**“Debt Service Reserve Requirement”** means the sum of \$87,933.00.

**“Defaulted Interest”** means interest on any Bond which is payable but not paid on any Interest Payment Date.

**“Defeasance Obligations”** means any of the following obligations:

(a) United States Government Obligations that are not subject to redemption in advance of their maturity dates; or

(b) obligations of any state or political subdivision of any state, the interest on which is excluded from gross income for federal income tax purposes and which meet the following conditions:

(1) the obligations are (i) not subject to redemption prior to maturity or (ii) the trustee for such obligations has been given irrevocable instructions concerning their calling and redemption and the issuer of such obligations has covenanted not to redeem such obligations other than as set forth in such instructions;

(2) the obligations are secured by cash or United States Government Obligations that may be applied only to principal of, premium, if any, and interest payments on such obligations;

(3) such cash and the principal of and interest on such United States Government Obligations (plus any cash in the escrow fund) are sufficient to meet the liabilities of the obligations;

(4) such cash and United States Government Obligations serving as security for the obligations are held in an escrow fund by an escrow agent or a trustee irrevocably in trust;

(5) such cash and United States Government Obligations are not available to satisfy any other claims, including those against the trustee or escrow agent; and

(6) the obligations are rated in a rating category by Moody's or Standard & Poor's Ratings Group that is no lower than the rating category then assigned by that rating agency to United States Government Obligations.

**“Depreciation and Replacement Account”** means the account by that name ratified and confirmed by **Section 501** hereof.

**“Dissemination Agent”** means First Bank of Missouri, Gladstone, Missouri, and any successors or assigns.

**“Expenses”** means all reasonable and necessary expenses of operation, maintenance and repair of the System and keeping the System in good repair and working order (other than interest paid on System Revenue Bonds and depreciation and amortization charges during the period of determination), determined in accordance with generally accepted accounting principles, including without limiting the generality of the foregoing, current maintenance charges, expenses of reasonable upkeep and repairs, salaries, wages, costs of materials and supplies, Paying Agent fees and expenses, annual audits, properly allocated share of charges for insurance, the cost of purchased water, gas and power, if any, obligations (other than for borrowed money or for rents payable under capital leases) incurred in the ordinary course of business, liabilities incurred by endorsement for collection or deposit of checks or drafts received in the ordinary course of business, short-term indebtedness incurred and payable within a particular fiscal year, other obligations or indebtedness incurred for the purpose of leasing (pursuant to a true or operating lease) equipment, fixtures, inventory or other personal property, and all other expenses incident to the operation of the System, but shall exclude all general administrative expenses of the City not related to the operation of the System.

**“Federal Tax Certificate”** means the City's Federal Tax Certificate relating to the Bonds, as the same may be amended or supplemented in accordance with the provisions thereof.

**“Interest Payment Date”** means the Stated Maturity of an installment of interest on any Bond.

**“Maturity”** when used with respect to any Bond means the date on which the principal of such Bond becomes due and payable as therein and herein provided, whether at the Stated Maturity thereof or by call for redemption or otherwise.

**“Net Revenues”** means all Revenues less all Expenses.

**“Operation and Maintenance Account”** means the account by that name ratified and confirmed by **Section 501** hereof.

**“Ordinance”** means this Ordinance as from time to time amended in accordance with the terms hereof.

**“Outstanding,”** when used with reference to Bonds, means, as of any particular date of determination, all Bonds theretofore issued and delivered hereunder, except the following Bonds:

(a) Bonds theretofore cancelled by the Paying Agent or delivered to the Paying Agent for cancellation;

(b) Bonds deemed to be paid in accordance with the provisions of **Section 1101** hereof; and

(c) Bonds in exchange for or in lieu of which other Bonds have been registered and delivered hereunder.

**“Parity Bonds”** means the Previously Issued Parity Bonds and any additional bonds or other obligations hereafter issued or incurred pursuant to **Section 902** hereof and standing on a parity and equality with the Bonds with respect to the payment of principal and interest from the Net Revenues of the System.

**“Parity Ordinances”** means the Previously Issued Parity Ordinances and the ordinance or ordinances under which any additional Parity Bonds are hereafter issued pursuant to **Section 902** hereof.

**“Participants”** means those financial institutions for whom the Securities Depository effects book-entry transfers and pledges of securities deposited with the Securities Depository, as such listing of Participants exists at the time of such reference.

**“Paying Agent”** means First Bank of Missouri, Gladstone, Missouri, and any successors and assigns.

**“Permitted Investments”** means any of the following securities and obligations, if and to the extent the same are at the time legal for investment of the moneys held in the funds and accounts listed in **Section 501** hereof:

(a) United States Government Obligations;

(b) certificates of deposit or time deposits, whether negotiable or nonnegotiable, issued by any bank or trust company organized under the laws of the United States or any state, provided that such certificates of deposit or time deposits shall be either (1) continuously and fully insured by the Federal Deposit Insurance Corporation, or (2) continuously and fully secured by United States Government Obligations which shall have a market value, exclusive of accrued interest, at all times at least equal to the principal amount of such certificates of deposit or time deposits; and

(c) any other securities or investments that are lawful for the investment of moneys held in such funds or accounts under the laws of the State of Missouri.

**“Person”** means any natural person, corporation, partnership, firm, joint venture, association, joint-stock company, trust, unincorporated organization, or government or any agency or political subdivision thereof or other public body.

**“Previously Issued Parity Bonds”** means the outstanding (i) Combined Waterworks and Sewerage System Revenue Bonds (State Revolving Fund Program), Series 1999, (ii) Combined Waterworks and Sewerage System Refunding and Improvement Revenue Bonds, Series 2007 and (iii) Combined Waterworks and Sewerage System Revenue Bonds, Series 2011, described in the Recitals to this Ordinance.

**“Previously Issued Parity Ordinances”** means Ordinance No. 99-15 of the City passed on May 19, 1999, Ordinance No. 101607A of the City passed on October 16, 2007, and Ordinance No. 02022011A of the City passed on February 2, 2011, respectively, under which the Previously Issued Parity Bonds have been issued.

**“Project”** means extending and improving the combined waterworks and sewerage system of the City.

**“Project Fund”** means the fund by that name created by **Section 501** hereof.

**“Purchase Price”** means the principal amount of the Bonds, less a discount of \$12,450, together with accrued interest thereon to the date of delivery and payment.

**“Purchaser”** means First Bankers’ Banc Securities, Inc., St. Louis, Missouri, the original purchaser of the Bonds.

**“Record Date”** for the interest payable on any Interest Payment Date means the 15th day (whether or not a Business Day) of the calendar month next preceding such Interest Payment Date.

**“Redemption Date”** when used with respect to any Bond to be redeemed means the date fixed for such redemption pursuant to the terms of this Ordinance.

**“Redemption Price”** when used with respect to any Bond to be redeemed means the price at which such Bond is to be redeemed pursuant to the terms of this Ordinance, including the applicable redemption premium, if any, but excluding installments of interest whose Stated Maturity is on or before the Redemption Date.

**“Replacement Bonds”** means Bonds issued to the beneficial owners of the Bonds in accordance with **Section 210(b)** hereof.

**“Revenue Fund”** means the fund by that name ratified and confirmed by **Section 501** hereof.

**“Revenues”** means all income and revenues derived from the ownership and operation of the System, including investment and rental income, net proceeds from business interruption insurance, and any amounts deposited in escrow in connection with the acquisition, construction, remodeling, renovation and equipping of System facilities to be applied during the period of determination to pay interest on System Revenue Bonds, but excluding any profits or losses on the early extinguishment of debt or on the sale or other disposition, not in the ordinary course of business, of investments or fixed or capital assets.

**“Securities Depository”** means, initially, The Depository Trust Company, New York, New York, and its successors and assigns.

**“Senior Lien Bonds”** means the outstanding Combined Waterworks and Sewerage System Refunding and Improvement Revenue Bonds (State Revolving Fund Program), Series 1994A, described in the recitals to this Ordinance.

**“Senior Lien Ordinance”** means Ordinance No. 080294 of the City passed on August 2, 1994, under which the Senior Lien Bonds have been issued.

**“Series 1999 Bonds”** means the outstanding Combined Waterworks and Sewerage System Revenue Bonds (State Revolving Fund Program) Series 1999, of the City, dated June 1, 1999.

**“Series 2007 Bonds”** means the outstanding Combined Waterworks and Sewerage System Refunding and Improvement Revenue Bonds, Series 2007, of the City, dated November 14, 2007.

**“Series 2011 Bonds”** means the outstanding Combined Waterworks and Sewerage System Revenue Bonds, Series 2011, of the City, dated February 24, 2011.

**“Series 1999 Ordinance”** means Ordinance No. 99-14 of the City passed on May 19, 1999, authorizing the issuance of the Series 1999 Bonds.

**“Series 2007 Ordinance”** means Ordinance No. 101607A of the City passed on October 16, 2007, authorizing the issuance of the Series 2007 Bonds.

**“Series 2011 Ordinance”** means Ordinance No. 02022011A of the City passed on February 2, 2011, authorizing the issuance of the Series 2011 Bonds.

**“Special Record Date”** means the date fixed by the Paying Agent pursuant to **Section 204** hereof for the payment of Defaulted Interest.

**“Stated Maturity”** when used with respect to any Bond or any installment of interest thereon means the date specified in such Bond and this Ordinance as the fixed date on which the principal of such Bond or such installment of interest is due and payable.

**“Subsidy Payments”** means funds received by the City that either (1) must be used, or (2) have been and are expected to continue to be used, to reduce the interest or principal payments on System Revenue Bonds. Such Subsidy Payments would include, but are not limited to (a) payments received by the City through a federal or State of Missouri program, or (b) payments related to an interest rate swap, exchange, hedge or similar agreement.

“**Surplus Account**” means the account by that name ratified and confirmed by **Section 501** hereof.

“**System**” means the entire combined waterworks plant and system and sewerage plant and system owned and operated by the City for the production, storage, treatment and distribution of water, and for the collection, treatment and disposal of sewage, to serve the needs of the City and its inhabitants and others, including all appurtenances and facilities connected therewith or relating thereto, together with all extensions, improvements, additions and enlargements thereto hereafter made or acquired by the City.

“**System Revenue Bonds**” means collectively the Bonds and all other revenue bonds or other obligations which are payable out of, or secured by an interest in, the Net Revenues of the System.

“**United States Government Obligations**” means bonds, notes, certificates of indebtedness, treasury bills or other securities constituting direct obligations of, or obligations the principal of and interest on which are fully and unconditionally guaranteed as to full and timely payment by, the United States of America, including evidences of a direct ownership interest in future interest or principal payments on obligations issued or guaranteed by the United States of America (including the interest component of obligations of the Resolution Funding Corporation).

“**Valuation Date**” means the first business day of each fiscal year of the System.

## ARTICLE II

### AUTHORIZATION OF BONDS

**Section 201. Authorization of Bonds.** There is hereby authorized and directed to be issued a series of bonds of the City, designated “Combined Waterworks and Sewerage System Revenue Bonds, Series 2013,” in the principal amount of \$1,245,000 (the “Bonds”) for the purpose of providing funds for the Project.

**Section 202. Description of Bonds.** The Bonds shall consist of fully registered bonds without coupons, numbered in a manner determined by the Paying Agent, in denominations of \$5,000 or any integral multiple thereof. The Bonds, as originally issued or issued upon transfer, exchange or substitution, shall be substantially in the form set forth in **Exhibit A** attached hereto, and shall be subject to registration, transfer and exchange as provided in **Section 205** hereof. The Bonds shall be dated as of the date of delivery and payment therefor, shall become due in the amounts on the Stated Maturities (subject to redemption prior to Stated Maturity as provided in **Article III** hereof), and shall bear interest at the rates per annum, as follows:

## TERM BONDS

<u>Stated Maturity</u> <u>November 1</u>	<u>Principal</u> <u>Amount</u>	<u>Annual Rate</u> <u>of Interest</u>
2016	\$135,000	1.00%
2018	100,000	1.40%
2020	105,000	2.10%
2022	110,000	2.60%
2024	120,000	3.10%
2026	125,000	3.50%
2028	140,000	3.75%
2033	410,000	4.25%

The Bonds shall bear interest at the above-specified rates (computed on the basis of a 360-day year of twelve 30-day months) from the dated date thereof or from the most recent Interest Payment Date to which interest has been paid or duly provided for, payable semiannually on May 1 and November 1 in each year, beginning on May 1, 2014.

**Section 203. Designation of Paying Agent.** First Bank of Missouri, Gladstone, Missouri, is hereby designated as the City's Paying Agent for the payment of principal of and interest on the Bonds and as bond registrar with respect to the registration, transfer and exchange of Bonds (herein called the "Paying Agent").

The City will at all times maintain a Paying Agent meeting the qualifications herein described for the performance of the duties hereunder. The City reserves the right to appoint a successor Paying Agent by (1) filing with the Paying Agent then performing such function a certified copy of the proceedings giving notice of the termination of such Paying Agent and appointing a successor, and (2) causing notice of the appointment of the successor Paying Agent to be given by first class mail to each Bondowner. The Paying Agent may resign upon giving written notice by first class mail to the City and the Bondowners not less than 60 days prior to the date such resignation is to take effect. No resignation or removal of the Paying Agent shall become effective until a successor has been appointed and has accepted the duties of the Paying Agent.

Every Paying Agent appointed hereunder shall at all times be a commercial banking association or corporation or trust company located in the State of Missouri organized and in good standing and doing business under the laws of the United States of America or of the State of Missouri and subject to supervision or examination by federal or state regulatory authority.

The Paying Agent shall be paid its fees and expenses for its services in connection herewith, which fees and expenses shall be paid as other Expenses are paid.

**Section 204. Method and Place of Payment of Bonds.** The principal or Redemption Price of and interest on the Bonds shall be payable in any coin or currency of the United States of America that, on the respective dates of payment thereof, is legal tender for the payment of public and private debts.

The principal or Redemption Price of each Bond shall be paid at Maturity by check or draft to the Person in whose name such Bond is registered on the Bond Register at the Maturity thereof, upon presentation and surrender of such Bond at the principal corporate trust office of the Paying Agent.

The interest payable on each Bond on any Interest Payment Date shall be paid to the Registered Owner of such Bond as shown on the Bond Register at the close of business on the Record Date for such interest by check or draft mailed by the Paying Agent to such Registered Owner at the address shown on the Bond Register by electronic transfer to such Registered Owner.

Notwithstanding the foregoing provisions of this Section, any Defaulted Interest with respect to any Bond shall cease to be payable to the Registered Owner of such Bond on the relevant Record Date and shall be payable to the Registered Owner in whose name such Bond is registered at the close of business on the Special Record Date for the payment of such Defaulted Interest, which Special Record Date shall be fixed as hereinafter specified in this paragraph. The City shall notify the Paying Agent in writing of the amount of Defaulted Interest proposed to be paid on each Bond and the date of the proposed payment (which date shall be at least 30 days after receipt of such notice by the Paying Agent) and shall deposit with the Paying Agent at the time of such notice an amount of money equal to the aggregate amount proposed to be paid in respect of such Defaulted Interest or shall make arrangements satisfactory to the Paying Agent for such deposit prior to the date of the proposed payment. Following receipt of such funds the Paying Agent shall fix a Special Record Date for the payment of such Defaulted Interest which shall be not more than 15 nor less than 10 days prior to the date of the proposed payment. The Paying Agent shall promptly notify the City of such Special Record Date and, in the name and at the expense of the City, shall cause notice of the proposed payment of such Defaulted Interest and the Special Record Date therefor to be mailed, by first class mail, postage prepaid, to each Registered Owner of a Bond entitled to such notice at the address of such Registered Owner as it appears on the Bond Register not less than 10 days prior to such Special Record Date.

The Paying Agent shall keep a record of payment of principal and Redemption Price of and interest on all Bonds and shall upon the written request of the City at least annually forward a copy or summary of such records to the City.

**Section 205. Registration, Transfer and Exchange of Bonds.** The City covenants that, as long as any of the Bonds remain Outstanding, it will cause the Bond Register to be kept at the office of the Paying Agent for the registration, transfer and exchange of Bonds as herein provided. Each Bond when issued shall be registered in the name of the owner thereof on the Bond Register.

Bonds may be transferred and exchanged only on the Bond Register as provided in this Section. Upon surrender of any Bond at the principal payment office of the Paying Agent, the Paying Agent shall transfer or exchange such Bond for a new Bond or Bonds in any authorized denomination of the same Stated Maturity and in the same aggregate principal amount as the Bond that was presented for transfer or exchange. Bonds presented for transfer or exchange shall be accompanied by a written instrument or instruments of transfer or authorization for exchange, in a form and with guarantee of signature satisfactory to the Paying Agent, duly executed by the Registered Owner thereof or by the Registered Owner's duly authorized agent.

In all cases in which the privilege of transferring or exchanging Bonds is exercised, the Paying Agent shall authenticate and deliver Bonds in accordance with the provisions of this Ordinance. The City shall pay the fees and expenses of the Paying Agent for the registration, transfer and exchange of Bonds provided for by this Ordinance and the cost of printing a reasonable supply of registered bond blanks. Any additional costs or fees that might be incurred in the secondary market, other than fees of the Paying Agent, are the responsibility of the Registered Owners of the Bonds. In the event any Registered Owner fails to provide a correct taxpayer identification number to the Paying Agent, the Paying Agent may make a charge against such Registered Owner sufficient to pay any governmental charge required to be paid as a result of such failure. In compliance with Section 3406 of the Code, such amount may be deducted by

the Paying Agent from amounts otherwise payable to such Registered Owner hereunder or under the Bonds.

The City and the Paying Agent shall not be required (a) to register the transfer or exchange of any Bond after notice calling such Bond or portion thereof for redemption has been given or during the period of fifteen days next preceding the first mailing of such notice of redemption; or (b) to register the transfer or exchange of any Bond during a period beginning at the opening of business on the day after receiving written notice from the City of its intent to pay Defaulted Interest and ending at the close of business on the date fixed for the payment of Defaulted Interest pursuant to **Section 204** hereof.

The City and the Paying Agent may deem and treat the Person in whose name any Bond is registered in the Bond Register as the absolute owner of such Bond, whether such Bond is overdue or not, for the purpose of receiving payment of, or on account of, the principal or Redemption Price of and interest on said Bond and for all other purposes. All payments so made to any such Registered Owner or upon the Registered Owner's order shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid, and neither the City nor the Paying Agent shall be affected by any notice to the contrary.

At reasonable times and under reasonable regulations established by the Paying Agent, the Bond Register may be inspected and copied by the Registered Owners of 10% or more in principal amount of the Bonds then Outstanding or any designated representative of such Registered Owners whose authority is evidenced to the satisfaction of the Paying Agent.

**Section 206. Execution, Authentication and Delivery of Bonds.** Each of the Bonds, including any Bonds issued in exchange or as substitution for the Bonds initially delivered, shall be signed by the manual or facsimile signature of the Mayor, attested by the manual or facsimile signature of the City Clerk, and shall have the official seal of the City affixed thereto or imprinted thereon. In case any officer whose signature appears on any Bond ceases to be such officer before the delivery of such Bond, such signature shall nevertheless be valid and sufficient for all purposes, as if such person had remained in office until delivery. Any Bond may be signed by such persons who at the actual time of the execution of such Bond shall be the proper officers to sign such Bond although at the date of such Bond such persons may not have been such officers.

The Mayor and City Clerk are hereby authorized and directed to prepare and execute the Bonds as herein specified, and when duly executed, to deliver the Bonds to the Paying Agent for authentication.

The Bonds shall have endorsed thereon a certificate of authentication substantially in the form set forth in **Exhibit A** attached hereto, which shall be manually executed by an authorized signatory of the Paying Agent, but it shall not be necessary that the same signatory sign the certificate of authentication on all of the Bonds that may be issued hereunder at any one time. No Bond shall be entitled to any security or benefit under this Ordinance or be valid or obligatory for any purpose unless and until such certificate of authentication has been duly executed by the Paying Agent. Such executed certificate of authentication upon any Bond shall be conclusive evidence that such Bond has been duly authenticated and delivered under this Ordinance. Upon authentication, the Paying Agent shall deliver the Bonds to or upon the order of the Purchaser of the Bonds upon payment of the Purchase Price to the City.

**Section 207. Mutilated, Destroyed, Lost and Stolen Bonds.** If (a) any mutilated Bond is surrendered to the Paying Agent or the Paying Agent receives evidence to its satisfaction of the destruction, loss or theft of any Bond, and (b) there is delivered to the City and the Paying Agent such security or indemnity as may be required by the Paying Agent, then, in the absence of notice to the City

and the Paying Agent that such Bond has been acquired by a bona fide purchaser, the City shall execute and the Paying Agent shall authenticate and deliver, in exchange for or in lieu of any such mutilated, destroyed, lost or stolen Bond, a new Bond of the same Stated Maturity and of like tenor and principal amount.

If any such mutilated, destroyed, lost or stolen Bond has become or is about to become due and payable, the Paying Agent, in its discretion may pay such Bond instead of delivering a new Bond.

Upon the issuance of any new Bond under this Section, the City or the Paying Agent may require the payment by the Registered Owner of a sum sufficient to cover any tax or other governmental charge that may be imposed in relation thereto and any other expenses (including the fees and expenses of the Paying Agent) connected therewith.

Every new Bond issued pursuant to this Section shall constitute a replacement of the prior obligation of the City, and shall be entitled to all the benefits of this Ordinance equally and ratably with all other Outstanding Bonds.

**Section 208. Cancellation and Destruction of Bonds Upon Payment.** All Bonds that have been paid or redeemed or that otherwise have been surrendered to the Paying Agent, either at or before Maturity, shall be cancelled by the Paying Agent immediately upon the payment, redemption and surrender thereof to the Paying Agent and subsequently destroyed in accordance with the customary practices of the Paying Agent. The Paying Agent shall execute a certificate in duplicate describing the Bonds so cancelled and shall file an executed counterpart of such certificate with the City.

**Section 209. Sale of Bonds.** The Mayor is hereby authorized to enter into the Bond Purchase Agreement between the City and the Purchaser in substantially the form attached hereto as **Exhibit B**, under which the City agrees to sell the Bonds to the Purchaser at the Purchase Price upon the terms and conditions set forth therein and with such changes therein as shall be approved by the Mayor, which officer is authorized to execute the Bond Purchase Agreement for and on behalf of the City, such officer's signature thereon being conclusive evidence of his or her approval thereof.

**Section 210. Book-Entry Bonds; Securities Depository.**

(a) The Bonds shall initially be registered to Cede & Co., the nominee for the Securities Depository, and no beneficial owner will receive certificates representing their respective interests in the Bonds, except in the event the Paying Agent issues Replacement Bonds as provided in subsection (b) hereof. It is anticipated that during the term of the Bonds, the Securities Depository will make book-entry transfers among its Participants and receive and transmit payment of principal of, premium, if any, and interest on, the Bonds to the Participants until and unless the Paying Agent authenticates and delivers Replacement Bonds to the beneficial owners as described in subsection (b).

(b) (1) If the City determines (A) that the Securities Depository is unable to properly discharge its responsibilities, or (B) that the Securities Depository is no longer qualified to act as a securities depository and registered clearing agency under the Securities and Exchange Act of 1934, as amended, or (C) that the continuation of a book-entry system to the exclusion of any Bonds being issued to any Owner other than Cede & Co. is no longer in the best interests of the beneficial owners of the Bonds, or (2) if the Paying Agent receives written notice from Participants having interests in not less than 50% of the Bonds Outstanding, as shown on the records of the Securities Depository (and certified to such effect by the Securities Depository), that the continuation of a book-entry system to the exclusion of any Bonds being issued to any Owner other than Cede & Co. is no longer in the best interests of the

beneficial owners of the Bonds, then the Paying Agent shall notify the Owners of such determination or such notice and of the availability of certificates to Owners requesting the same, and the Paying Agent shall register in the name of and authenticate and deliver Replacement Bonds to the beneficial owners or their nominees in principal amounts representing the interest of each, making such adjustments as it may find necessary or appropriate as to accrued interest and previous calls for redemption; provided, that in the case of a determination under (1)(A) or (1)(B) of this subsection (b), the City, with the consent of the Paying Agent, may select a successor securities depository in accordance with **Section 210(c)** hereof to effect book-entry transfers. In such event, all references to the Securities Depository herein shall relate to the period of time when at least one Bond is registered in the name of the Securities Depository or its nominee. Upon the issuance of Replacement Bonds, all references herein to obligations imposed upon or to be performed by the Securities Depository shall be deemed to be imposed upon and performed by the Paying Agent, to the extent applicable with respect to such Replacement Bonds. If the Securities Depository resigns and the City, the Paying Agent or Owners are unable to locate a qualified successor of the Securities Depository in accordance with **Section 210(c)** hereof, then the Paying Agent shall authenticate and cause delivery of Replacement Bonds to Owners, as provided herein. The Paying Agent may rely on information from the Securities Depository and its Participants as to the names and addresses of and principal amounts held by the beneficial owners of the Bonds. The cost of printing, registration, authentication and delivery of Replacement Bonds shall be paid for by the City.

(c) In the event the Securities Depository resigns, is unable to properly discharge its responsibilities, or is no longer qualified to act as a securities depository and registered clearing agency under the Securities and Exchange Act of 1934, as amended, the City may appoint a successor Securities Depository provided the Paying Agent and the City receive written evidence with respect to the ability of the successor Securities Depository to discharge its responsibilities. Any such successor Securities Depository shall be a securities depository which is a registered clearing agency under the Securities and Exchange Act of 1934, as amended, or other applicable statute or regulation that operates a securities depository upon reasonable and customary terms. The Paying Agent upon its receipt of a Bond or Bonds for cancellation shall cause the delivery of Bonds to the successor Securities Depository in appropriate denominations and form as provided herein.

### ARTICLE III

#### REDEMPTION OF BONDS

##### **Section 301. Optional and Mandatory Redemption of Bonds.**

(a) ***Optional Redemption by City.*** At the option of the City, Bonds maturing after November 1, 2019, may be called for redemption and payment prior to their Stated Maturity on November 1, 2018, and at any time thereafter in whole or in part in such amounts for each Stated Maturity as shall be determined by the City at the Redemption Prices set forth below (expressed as percentages of principal amount), plus accrued interest thereon to the Redemption Date:

<u>Redemption Dates</u>	<u>Redemption Prices</u>
November 1, 2018 to October 31, 2021	101%
November 1, 2021 and thereafter	100%

(b) ***Mandatory Redemption.*** The Term Bonds shall be subject to mandatory redemption and payment prior to Stated Maturity pursuant to the mandatory redemption requirements of this Section at a Redemption Price equal to 100% of the principal amount thereof plus accrued interest to the Redemption

Date. The payments specified in **Section 602** hereof which are to be deposited into the Debt Service Account shall be sufficient to redeem, and the City shall redeem on November 1 in each year, the following principal amounts of such Bonds:

**Term Bonds Maturing on November 1, 2016**

<u>Year</u>	<u>Principal Amount</u>
2014	\$35,000
2015	50,000
2016*	50,000

**Term Bonds Maturing on November 1, 2018**

<u>Year</u>	<u>Principal Amount</u>
2017	\$50,000
2018*	50,000

**Term Bonds Maturing on November 1, 2020**

<u>Year</u>	<u>Principal Amount</u>
2019	\$50,000
2020*	55,000

**Term Bonds Maturing on November 1, 2022**

<u>Year</u>	<u>Principal Amount</u>
2021	\$55,000
2022*	55,000

**Term Bonds Maturing on November 1, 2024**

<u>Year</u>	<u>Principal Amount</u>
2023	\$60,000
2024*	60,000

**Term Bonds Maturing on November 1, 2026**

<u>Year</u>	<u>Principal Amount</u>
2025	\$60,000
2026*	65,000

**Term Bonds Maturing on November 1, 2028**

<u>Year</u>	<u>Principal Amount</u>
2027	\$70,000
2028*	70,000

**Term Bonds Maturing on November 1, 2033**

<u>Year</u>	<u>Principal Amount</u>
2029	\$75,000
2030	80,000
2031	80,000
2032	85,000
2033*	90,000

\*Final Maturity

At its option, to be exercised on or before the 45th day next preceding any mandatory Redemption Date, the City may: (1) deliver to the Paying Agent for cancellation Term Bonds subject to mandatory redemption on said mandatory Redemption Date, in any aggregate principal amount desired; or (2) furnish the Paying Agent funds, together with appropriate instructions, for the purpose of purchasing any Term Bonds subject to mandatory redemption on said mandatory Redemption Date from any Registered Owner thereof, whereupon the Paying Agent shall expend such funds for such purpose to such extent as may be practical; or (3) receive a credit with respect to the mandatory redemption obligation of the City under this Section for any Term Bonds subject to mandatory redemption on said mandatory Redemption Date which, prior to such date, have been redeemed (other than through the operation of the mandatory redemption requirements of this subsection (b)) and cancelled by the Paying Agent and not theretofore applied as a credit against any redemption obligation under this subsection (b). Each Term Bond so delivered or previously purchased or redeemed shall be credited at 100% of the principal amount thereof on the obligation of the City to redeem Term Bonds of the same Stated Maturity on such mandatory Redemption Date, and any excess of such amount shall be credited on future mandatory redemption obligations for Term Bonds of the same Stated Maturity in chronological order, and the principal amount of Term Bonds of the same Stated Maturity to be redeemed by operation of the requirements of this Section shall be accordingly reduced. If the City intends to exercise any option granted by the provisions of clauses (1), (2) or (3) above, the City will, on or before the 45th day next

preceding each mandatory Redemption Date, furnish the Paying Agent a written certificate indicating to what extent the provisions of said clauses (1), (2) and (3) are to be complied with with respect to such mandatory redemption payment.

**Section 302. Selection of Bonds to Be Redeemed.**

(a) The Paying Agent shall call Bonds for redemption and payment and shall give notice of such redemption as herein provided upon receipt by the Paying Agent at least 45 days prior to the Redemption Date of written instructions from the City specifying the principal amount, Stated Maturities, Redemption Date and Redemption Prices of the Bonds to be called for redemption. If any Bonds are refunded more than 90 days in advance of such Redemption Date, any escrow agreement entered into by the City in connection with such refunding shall provide that such written instructions to the Paying Agent shall be given by the escrow agent on behalf of the City not less than 45 days prior to the Redemption Date. The Paying Agent may in its discretion waive such notice period so long as the notice requirements set forth in **Section 303** are met. The foregoing provisions of this paragraph shall not apply to the mandatory redemption of Bonds hereunder, and Bonds shall be called by the Paying Agent for redemption pursuant to such mandatory redemption requirements without the necessity of any action by the City and whether or not the Paying Agent shall hold in the Debt Service Fund moneys available and sufficient to effect the required redemption.

(b) Bonds shall be redeemed only in the principal amount of \$5,000 or any integral multiple thereof. Bonds of less than a full Stated Maturity shall be selected by the Paying Agent in \$5,000 units of principal amount in such equitable manner as the Paying Agent may determine.

(c) In the case of a partial redemption of Bonds at the time Outstanding in denominations greater than \$5,000, then for all purposes in connection with such redemption each \$5,000 of face value shall be treated as though it were a separate Bond of the denomination of \$5,000. If it is determined that one or more, but not all, of the \$5,000 units of face value represented by any Bond are selected for redemption, then upon notice of intention to redeem such \$5,000 unit or units, the Registered Owner of such Bond or the Registered Owner's duly authorized agent shall present and surrender such Bond to the Paying Agent (1) for payment of the Redemption Price and interest to the Redemption Date of such \$5,000 unit or units of face value called for redemption, and (2) for exchange, without charge to the Registered Owner thereof, for a new Bond or Bonds of the aggregate principal amount of the unredeemed portion of the principal amount of such Bond. If the Registered Owner of any such Bond fails to present such Bond to the Paying Agent for payment and exchange as aforesaid, such Bond shall, nevertheless, become due and payable on the Redemption Date to the extent of the \$5,000 unit or units of face value called for redemption (and to that extent only).

**Section 303. Notice and Effect of Call for Redemption.** Unless waived by any Registered Owner of Bonds to be redeemed, official notice of any redemption shall be given by the Paying Agent on behalf of the City by mailing a copy of an official redemption notice by first class mail at least 30 days prior to the Redemption Date to the Purchaser of the Bonds and each Registered Owner of the Bonds to be redeemed at the address shown on the Bond Register.

All official notices of redemption shall be dated and shall contain the following information:

- (a) the Redemption Date;
- (b) the Redemption Price;

(c) if less than all Outstanding Bonds of a maturity are to be redeemed, the identification number, Stated Maturity, and, in the case of partial redemption of any Bonds, the respective principal amounts of the Bonds to be redeemed;

(d) a statement that on the Redemption Date the Redemption Price will become due and payable upon each such Bond or portion thereof called for redemption and that interest thereon shall cease to accrue from and after the Redemption Date; and

(e) the place where such Bonds are to be surrendered for payment of the Redemption Price, which shall be the principal corporate office of the Paying Agent.

The failure of any Registered Owner to receive notice given as heretofore provided or any defect therein shall not invalidate any redemption.

On or prior to any Redemption Date, the City shall deposit with the Paying Agent an amount of money sufficient to pay the Redemption Price of all the Bonds or portions of Bonds that are to be redeemed on that date.

Official notice of redemption having been given as aforesaid, the Bonds or portions of Bonds to be redeemed shall become due and payable on the Redemption Date at the Redemption Price therein specified, and from and after the Redemption Date (unless the City defaults in the payment of the Redemption Price) such Bonds or portion of Bonds shall cease to bear interest. Upon surrender of such Bonds for redemption in accordance with such notice, the Redemption Price of such Bonds shall be paid by the Paying Agent. Installments of interest due on or prior to the Redemption Date shall be payable as herein provided for payment of interest. Upon surrender for any partial redemption of any Bond, there shall be prepared for the Registered Owner a new Bond or Bonds of the same Stated Maturity in the amount of the unpaid principal as provided herein. All Bonds that have been redeemed shall be cancelled and destroyed by the Paying Agent as provided herein and shall not be reissued.

The Paying Agent is also directed to comply with any mandatory standards established by the Securities and Exchange Commission and then in effect for processing redemptions of municipal securities. Failure to comply with such standards shall not affect or invalidate the redemption of any Bond.

For so long as the Securities Depository is effecting book-entry transfers of the Bonds, the Paying Agent shall provide the notices specified in this Section to the Securities Depository. It is expected that the Securities Depository shall, in turn, notify its Participants and that the Participants, in turn, will notify or cause to be notified the beneficial owners. Any failure on the part of the Securities Depository or a Participant, or failure on the part of a nominee of a beneficial owner of a Bond (having been mailed notice from the Paying Agent, the Securities Depository, a Participant or otherwise) to notify the beneficial owner of the Bond so affected, shall not affect the validity of the redemption of such Bond.

## ARTICLE IV

### SECURITY FOR BONDS

**Section 401. Security for Bonds.** The Bonds shall be special obligations of the City payable solely from, and secured as to the payment of principal and interest by a pledge of, the Net Revenues of the System, and the City hereby pledges said Net Revenues to the payment of the principal of and interest

on the Bonds. The Bonds shall not be or constitute a general obligation of the City, nor shall they constitute an indebtedness of the City within the meaning of any constitutional or statutory provision, limitation or restriction, and the taxing power of the City is not pledged to the payment of the Bonds either as to principal or interest.

The covenants and agreements of the City contained herein and in the Bonds shall be for the equal benefit, protection and security of the legal Owners of any or all of the Bonds, all of which Bonds shall be of equal rank and without preference or priority of one Bond over any other Bond in the application of the funds herein pledged to the payment of the principal of and the interest on the Bonds, or otherwise, except as to rate of interest, Stated Maturity and right of redemption prior to Stated Maturity as provided in this Ordinance. The Bonds shall stand on a parity and be equally and ratably secured with respect to the payment of principal and interest from the Net Revenues of the System and in all other respects with any Parity Bonds. The Bonds shall not have any priority with respect to the payment of principal or interest from said Net Revenues or otherwise over Parity Bonds and Parity Bonds shall not have any priority with respect to the payment of principal or interest from said Net Revenues or otherwise over the Bonds.

The Bonds shall be junior and subordinate with respect to the payment of principal and interest from the Net Revenues of the System and in all other respects to the Senior Lien Bonds and, in the event of any default in the payment of either principal of or interest on any of the Senior Lien Bonds, all of the Net Revenues of the System will be applied solely to the payment of the principal of and interest on the Senior Lien Bonds until such default is cured.

## ARTICLE V

### CREATION AND RATIFICATION OF FUNDS AND ACCOUNTS; DEPOSIT AND APPLICATION OF BOND PROCEEDS

**Section 501. Establishment of Funds and Accounts.** There are hereby created or ratified and ordered to be established and maintained in the treasury of the City the following separate funds and accounts to be known respectively as the:

- (a) Combined Waterworks and Sewerage System 2013 Project Fund (the “Project Fund”);
- (b) Combined Waterworks and Sewerage System Revenue Fund (the “Revenue Fund”);
- (c) Combined Waterworks and Sewerage System Operation and Maintenance Account (the “Operation and Maintenance Account”);
- (d) Debt Service Account for Combined Waterworks and Sewerage System Refunding and Improvement Revenue Bonds, Series 2007 (the “Series 2007 Debt Service Account”);
- (e) Debt Service Reserve Account for Combined Waterworks and Sewerage System Refunding and Improvement Revenue Bonds, Series 2007 (the “Series 2007 Debt Service Reserve Account”);
- (f) Debt Service Account for Combined Waterworks and Sewerage System Revenue Bonds, Series 2011 (the “Series 2011 Debt Service Account”);

- (g) Debt Service Reserve Account for Combined Waterworks and Sewerage System Revenue Bonds, Series 2011 (the “Series 2011 Debt Service Reserve Account”);
- (h) Debt Service Account for Combined Waterworks and Sewerage System Revenue Bonds, Series 2013 (the “Debt Service Account”);
- (i) Debt Service Reserve Account for Combined Waterworks and Sewerage System Revenue Bonds, Series 2013 (the “Debt Service Reserve Account”);
- (j) Combined Waterworks and Sewerage System Depreciation and Replacement Account (the “Depreciation and Replacement Account”); and
- (k) Combined Waterworks and Sewerage System Surplus Account (the “Surplus Account”).

The City acknowledges the creation and continuing existence of the following accounts for the Senior Lien Bonds and the Previously Issued Parity Bonds:

- For the Senior Lien Bonds:
  - (1) the Debt Service Account, the Principal Account and the Interest Account (hereinafter referred to collectively as the “Senior Lien Debt Service Account”), and
  - (2) the Reserve Account (the “Senior Lien Debt Service Reserve Account”).
- For the Series 1999 Bonds:
  - (3) the Debt Service Account, the Principal Account and the Interest Account (hereinafter referred to collectively as the “Series 1999 Debt Service Account”), and
  - (4) the Reserve Account (the “Series 1999 Debt Service Reserve Account”).

The funds and accounts referred to in paragraphs (b), (c), (j) and (k) of this Section shall be maintained and administered by the City solely for the purposes and in the manner as provided in the Act and in this Ordinance, in the Senior Lien Ordinance and in the Previously Issued Parity Ordinances so long as any of the Bonds, the Senior Lien Bond or the Previously Issued Parity Bonds remain outstanding within the meaning of this Ordinance, said Senior Lien Ordinance or said Previously Issued Parity Ordinances, respectively. The funds and accounts referred to in paragraphs (a), (h) and (i) of this Section shall be maintained and administered by the City so long as any of the Bonds remain outstanding. The funds and accounts referred to in paragraphs (d) and (e) of this Section shall be maintained and administered by or on behalf of the City so long as any of the Series 2007 Bonds remain outstanding. The funds and accounts referred to in paragraphs (f) and (g) of this Section shall be maintained and administered by or on behalf of the City so long as any of the Series 2011 Bonds remain outstanding.

**Section 502. Deposit of Bond Proceeds.** The net proceeds received from the sale of the Bonds, including any premium or accrued interest thereon, shall be deposited simultaneously with the delivery of the Bonds, as follows:

- (a) Any amount received on account of accrued interest on the Bonds shall be paid and credited to the Debt Service Account and applied in accordance with **Section 602** hereof.
- (b) The sum of \$87,933.00 from the proceeds of the Bonds shall be paid and credited to the Debt Service Reserve Account and applied in accordance with **Section 602** hereof.
- (c) The remaining balance of the proceeds of the Bonds shall be deposited in the Project Fund and applied in accordance with **Section 503** hereof.

**Section 503. Application of Moneys in the Project Fund.** Moneys in the Project Fund shall be used solely for the purpose of (a) paying the cost of the Project as hereinbefore provided, in accordance with the plans and specifications therefor prepared by the City's Consultant for the Project, as heretofore approved by the Board of Aldermen of the City and on file in the office of the City Clerk, including any alterations in or amendments to said plans and specifications deemed advisable by the Consultant and approved by the Board of Aldermen of the City, and (b) paying the costs and expenses incident to the issuance of the Bonds.

Withdrawals from the Project Fund shall be made only when authorized by the Board of Aldermen and only on duly authorized and executed warrants or vouchers therefor accompanied by a certificate executed by the Consultant that such payment is being made for a purpose within the scope of this Ordinance and that the amount of such payment represents only the contract price of the property, equipment, labor, materials or service being paid for or, if such payment is not being made pursuant to an express contract, that such payment is not in excess of the reasonable value thereof. Nothing hereinbefore contained shall prevent the payment out of the Project Fund of all costs and expenses incident to the issuance of the Bonds or withdrawals of sums for investment or reinvestment purposes under the terms of this Ordinance without a certificate from the Consultant.

Upon completion of the Project as hereinbefore provided, any surplus moneys remaining in the Project Fund and not required for the payment of unpaid costs thereof shall be deposited in the Debt Service Account and applied to the payment of the next installment of interest due on the Bonds.

## ARTICLE VI

### APPLICATION OF REVENUES

**Section 601. Revenue Fund.** The City covenants and agrees that from and after the delivery of the Bonds, and continuing as long as any of the Bonds remain Outstanding hereunder, all of the Revenues shall as and when received be paid and deposited into the Revenue Fund unless otherwise specifically provided by this Ordinance. Said Revenues shall be segregated and kept separate and apart from all other moneys, revenues, funds and accounts of the City and shall not be commingled with any other moneys, revenues, funds and accounts of the City. The Revenue Fund shall be administered and applied solely for the purposes and in the manner provided in this Ordinance.

**Section 602. Application of Moneys in Funds and Accounts.** The City covenants and agrees that from and after the delivery of the Bonds and continuing so long as any of the Bonds shall remain Outstanding, it will on the first day of each month administer and allocate all of the moneys then held in the Revenue Fund as follows:

(a) **Operation and Maintenance Account.** There shall first be paid and credited to the Operation and Maintenance Account an amount sufficient to pay the estimated Expenses during the ensuing month. All amounts paid and credited to the Operation and Maintenance Account shall be expended and used by the City solely for the purpose of paying the Expenses of the System.

(b) **Senior Lien Debt Service Account.** There shall next be paid and credited to the debt service account for the Senior Lien Bonds the amount required to be so paid and credited by the Senior Lien Ordinance.

(c) **Senior Lien Debt Service Reserve Account.** There shall next be paid and credited to the debt service reserve account for the Senior Lien Bonds the amount required to be so paid and credited by the Senior Lien Ordinance.

(d) **Debt Service Account.** There shall next be paid and credited to the Debt Service Account, to the extent necessary to meet on each Bond Payment Date the payment of all interest on and principal of the Bonds, the following sums:

(1) Beginning with the first of said deposits and continuing on the first day of each month thereafter to and including April 1, 2014, an equal pro rata portion of the amount of interest becoming due on the Bonds on May 1, 2014; and thereafter, beginning on May 1, 2014, and continuing on the first day of each month thereafter so long as any of the Bonds shall remain outstanding and unpaid, an amount not less than 1/6 of the amount of interest that will become due on the Bonds on the next succeeding Interest Payment Date; and

(2) Beginning with the first of said deposits and continuing on the first day of each month thereafter to and including October 1, 2014, an equal pro rata portion of the amount of principal becoming due on the Bonds on November 1, 2014; and thereafter, beginning on November 1, 2014, and continuing on the first day of each month thereafter so long as any of the Bonds shall remain outstanding and unpaid, an amount not less than 1/12 of the amount of principal that will become due on the Bonds on the next succeeding Maturity.

The amounts required to be paid and credited to the Debt Service Account pursuant to this Section shall be so paid at the same time and on a parity with the amounts at the time required to be paid and credited to the debt service accounts established for the payment of principal and interest on Parity Bonds under the provisions of the Parity Ordinances.

Any Subsidy Payments received by the City and applied to debt service or amounts deposited in the Debt Service Account as accrued interest in accordance with **Section 502** hereof or as unused proceeds in accordance with **Section 503** hereof shall be credited against the City's payment obligations as set forth in this Section.

If at any time the moneys in the Revenue Fund are insufficient to make in full the payments and credits at the time required to be made to the Debt Service Account and to the debt service accounts established to pay the principal of and interest on any Parity Bonds, the available moneys in the Revenue Fund shall, unless otherwise directed by the Previously Issued Parity Ordinances, be divided among such debt service accounts in proportion to the respective principal amounts of said series of bonds at the time outstanding which are payable from the moneys in said debt service accounts.

All amounts paid and credited to the Debt Service Account shall be expended and used by the City for the sole purpose of paying the interest on and principal of the Bonds as and when the same become due on each Bond Payment Date.

(e) **Debt Service Reserve Account.** There shall next be paid and credited to the Debt Service Reserve Account the amount required by this subsection (e). Except as hereinafter provided in this section, moneys in the Debt Service Reserve Account shall be expended and used by the City solely to prevent any default in the payment of interest on or principal of the Bonds

on any Bond Payment Date if the moneys in the Debt Service Account are insufficient to pay the interest on or principal of said Bonds as they become due. So long as the Debt Service Reserve Account aggregates the Debt Service Reserve Requirement, no payments into said Account shall be required, but if the City shall ever be required to expend and use a part of the moneys in said Account for the purpose herein authorized and such expenditure shall reduce the amount of said Account below the Debt Service Reserve Requirement, the City shall begin or resume and continue monthly payments of one-twelfth (1/12) of such deficiency each month into said Account until said Account shall again aggregate the Debt Service Reserve Requirement.

The amounts required to be paid and credited to the Debt Service Reserve Account pursuant to this Section shall be so paid at the same time and on a parity with the amounts at the time required to be paid and credited to the debt service reserve accounts established for Parity Bonds under the provisions of the Parity Ordinances.

If at any time the moneys in the Revenue Fund are insufficient to make in full the payments and credits at the time required to be made to the Debt Service Reserve Account and to the debt service reserve accounts established to protect the payment of any Parity Bonds, the available moneys in the Revenue Fund shall, unless otherwise directed by the Previously Issued Parity Ordinances, be divided among such debt service reserve accounts in proportion to the respective principal amounts of said series of bonds at the time outstanding which are payable from the moneys in such debt service reserve accounts.

Moneys in the Debt Service Reserve Account may be used to call the Bonds for redemption and payment prior to their Stated Maturity, provided all of the Bonds at the time Outstanding are called for payment and funds are available to pay the same according to their terms. Moneys in the Debt Service Reserve Account shall be used to pay and retire the last Outstanding Bonds unless such Bonds and all interest thereon are otherwise paid. Any amounts in the Debt Service Reserve Account in excess of the Debt Service Reserve Requirement on any Valuation Date shall be transferred to the Revenue Fund.

**(f) *Depreciation and Replacement Account.*** There shall next be paid and credited to the Depreciation and Replacement Account the amounts required to be so paid and deposited therein pursuant to the Senior Lien Ordinance and the Previously Issued Parity Ordinances. Except as hereinafter provided in **Section 603**, moneys in the Depreciation and Replacement Account shall be expended and used by the City, if no other funds are available therefor, solely for the purpose of making unusual or extraordinary replacements and repairs in and to the System as may be necessary to keep the System in good repair and working order and to assure the continued effective and efficient operation thereof, including replacing or repairing portions of the System or major items of any plant or equipment which either have been fully depreciated and are worn out or have become obsolete, inefficient or uneconomical, or for the purpose of extending, improving or enlarging the System.

**(g) *Surplus Account.*** After all payments and credits required at the time to be made under the provisions of the foregoing paragraphs of this Section have been made, all moneys remaining in the Revenue Fund shall be paid and credited to the Surplus Account. Moneys in the Surplus Account may be expended and used for the following purposes as determined by the Board of Aldermen of the City:

(1) Paying Expenses of the System to the extent that may be necessary after the application of the moneys held in the Operation and Maintenance Account under the provisions of paragraph (a) of this Section;

(2) Paying the cost of extending, enlarging or improving the System;

(3) Preventing default in, anticipating payments into or increasing the amounts in the debt service accounts or debt service reserve accounts for System Revenue Bonds or the Depreciation and Replacement Account, or any one of them, said payments made to prevent default to be made in the order prescribed in this **Section 602** of this Ordinance or in the applicable sections of ordinances authorizing additional System Revenue Bonds hereafter issued, or establishing or increasing the amount of any debt service account or debt service reserve account created by the City for the payment of any additional System Revenue Bonds; or

(4) Calling, redeeming and paying prior to Stated Maturity, or, at the option of the City, purchasing in the open market at the best price obtainable not exceeding the redemption price (if any bonds are callable), the Bonds or any other System Revenue Bonds, including principal, interest and redemption premium, if any; or

(5) Any other lawful purpose in connection with the operation of the System and benefitting the System.

So long as any of the Bonds remain Outstanding, no moneys derived from the operation of the System shall be diverted to the general governmental or municipal functions of the City.

**(h) *Deficiency of Payments into Funds and Accounts.*** If at any time the Revenues shall be insufficient to make any payment on the date or dates hereinbefore specified, the City will make good the amount of such deficiency by making additional payments or credits out of the first available Revenues thereafter received by the City, such payments and credits being made and applied in the order hereinbefore specified in this Section.

**Section 603. Transfer of Funds to Paying Agent.** The Treasurer or other authorized officer of the City is hereby authorized and directed to withdraw from the Debt Service Account, and, to the extent necessary to prevent a default in the payment of either principal of or interest on the Bonds, from the Debt Service Reserve Account, the Surplus Account and the Depreciation and Replacement Account as provided in **Section 602** hereof, sums sufficient to pay the principal of and interest on the Bonds as and when the same become due on any Bond Payment Date, and to forward such sums to the Paying Agent in a manner which ensures the Paying Agent will have available funds in such amounts on or before the Business Day immediately preceding each Bond Payment Date. If, through lapse of time, or otherwise, the Registered Owners of Bonds shall no longer be entitled to enforce payment of their obligations, it shall be the duty of the Paying Agent forthwith to return said funds to the City as provided in **Section 605** hereof. All moneys deposited with the Paying Agent shall be deemed to be deposited in accordance with and subject to all of the provisions contained in this Ordinance.

**Section 604. Payments Due on Saturdays, Sundays and Holidays.** In any case where a Bond Payment Date is not a Business Day, then payment of principal, Redemption Price or interest need not be made on such Bond Payment Date but may be made on the next succeeding Business Day with the same force and effect as if made on such Bond Payment Date, and no interest shall accrue for the period after such Bond Payment Date.

**Section 605. Nonpresentment of Bonds.** In the event any Bond shall not be presented for payment when the principal thereof becomes due at Maturity, if funds sufficient to pay such Bond shall have been made available to the Paying Agent all liability of the City to the Registered Owner thereof for the payment of such Bond shall forthwith cease, determine and be completely discharged, and thereupon it shall be the duty of the Paying Agent to hold such funds, without liability for interest thereon, for the benefit of the Registered Owner of such Bond, who shall thereafter be restricted exclusively to such funds for any claim of whatever nature on his part under this Ordinance or on, or with respect to, said Bond. If any Bond is not presented for payment within one year following the date when such Bond becomes due at Maturity, the Paying Agent shall repay to the City without liability for interest thereon the funds theretofore held by it for payment of such Bond, and such Bond shall, subject to the defense of any applicable statute of limitation, thereafter be an unsecured obligation of the City, and the Registered Owner thereof shall be entitled to look only to the City for payment, and then only to the extent of the amount so repaid to it by the Paying Agent, and the City shall not be liable for any interest thereon and shall not be regarded as a trustee of such money.

## ARTICLE VII

### DEPOSIT AND INVESTMENT OF MONEYS

#### **Section 701. Deposit and Investment of Moneys.**

(a) Moneys in each of the funds and accounts created by and referred to in this Ordinance shall be deposited in a bank or banks or other legally permitted financial institutions located in the State of Missouri that are members of the Federal Deposit Insurance Corporation. All such deposits shall be continuously and adequately secured by the banks or financial institutions holding such deposits as provided by the laws of the State of Missouri.

(b) Moneys held in any fund or account referred to in this Ordinance may be invested in Permitted Investments; provided, however, that no such investment shall be made for a period extending longer than the date when the moneys invested may be needed for the purpose for which such fund or account was created. All earnings on any investments held in any fund or account shall accrue to and become a part of the Revenue Fund; provided that, (a) during the period of construction of the Project, all earnings on the investment of moneys in the Project Fund shall be credited to the Project Fund, and (b) at any time that the balance on hand in the Debt Service Reserve Account is less than the Debt Service Reserve Requirement, all earnings on investments held in the Debt Service Reserve Account shall accrue to and become a part of such Account until the amount on deposit in such Account shall aggregate the Debt Service Reserve Requirement. In determining the amount held in any fund or account under any of the provisions of this Ordinance, obligations shall be valued at the lower of the cost or the market value thereof; provided, however, that investments held in the Debt Service Reserve Account shall be valued at market value only. If and when the amount held in any fund or account shall be in excess of the amount required by the provisions of this Ordinance, the City shall direct that such excess be paid and credited to the Revenue Fund.

(c) So long as any of the Senior Lien Bonds or the Previously Issued Parity Bonds remain outstanding and unpaid, any investments made pursuant to this Section shall be subject to any restrictions in the Senior Lien Ordinance or the Previously Issued Parity Ordinances with respect to the funds and accounts created or ratified by and referred to in the Senior Lien Ordinance or the Previously Issued Parity Ordinances.

## ARTICLE VIII

### GENERAL COVENANTS AND PROVISIONS

The City covenants and agrees with each of the Registered Owners of the Bonds that so long as any of the Bonds remain Outstanding it will comply with each of the following covenants:

**Section 801. Efficient and Economical Operation.** The City will continuously own and will operate the System as a revenue producing System in an efficient and economical manner and will keep and maintain the same in good repair and working order.

**Section 802. Continuing Disclosure Agreement.** The City is authorized to enter into the Continuing Disclosure Agreement in substantially the form attached hereto as **Exhibit C**. The Mayor is authorized to execute the Continuing Disclosure Agreement with such changes, omissions, insertions and revisions therein, as such official deems advisable. The execution of the Continuing Disclosure Agreement by the Mayor shall be conclusive evidence of such approval. The Continuing Disclosure Agreement is subject to amendment and modification only as provided therein. Notwithstanding any other provision of this Ordinance, failure of the City to comply with the Continuing Disclosure Agreement shall not be considered a default under this Ordinance. Remedies for a default under the Continuing Disclosure Agreement shall be limited to those set forth in the Continuing Disclosure Agreement.

**Section 803. Rate Covenant.** The City will fix, establish, maintain and collect such rates and charges for the use and services furnished by or through the System as will produce Revenues sufficient to (a) pay the Expenses of the System; (b) pay the principal of and interest on the Bonds as and when the same become due; and (c) provide reasonable and adequate reserves for the payment of the Bonds and the interest thereon and for the protection and benefit of the System as provided in this Ordinance. The City further covenants and agrees that such rates and charges will be sufficient to enable the City to have in each fiscal year Net Revenues not less than 110% of the Debt Service Requirements for such fiscal year. The City will require the prompt payment of accounts for service rendered by or through the System and will promptly take whatever action is legally permissible to enforce and collect delinquent charges. The City will, from time to time as often as necessary, in accordance with and subject to applicable legal requirements, revise the rates and charges aforesaid in such manner as may be necessary or proper so that the Net Revenues will be sufficient to cover the obligations of the City under this Section and otherwise under the provisions of this Ordinance.

**Section 804. Reasonable Charges for all Services.** None of the facilities or services provided by the System will be furnished to any user (excepting the City itself) without a reasonable charge being made therefor. If the Revenues are at any time insufficient to pay the Expenses of the System and also to pay all interest on and principal of the Bonds as and when the same become due, then the City will thereafter pay into the Revenue Fund a fair and reasonable payment in accordance with effective applicable rates and charges for all use and services furnished to the City by the System, and such payments will continue so long as the same may be necessary in order to prevent or reduce the amount of any default in the payment of the interest on or principal of the Bonds.

**Section 805. Corporate Existence.** The City will maintain its corporate identity and existence so long as any of the Bonds remain Outstanding, unless another body corporate and politic by operation of law succeeds to the powers, privileges, rights, liabilities, disabilities and duties of the City

and is obligated by law to comply with the terms and provisions of this Ordinance without materially adversely affecting at any time the privileges and rights of any Owner of any Outstanding Bond.

**Section 806. Restrictions on Mortgage or Sale of System.** The City will not mortgage, pledge or otherwise encumber the System or any part thereof, nor will it sell, lease or otherwise dispose of the System or any material part thereof; provided, however, the City may:

(a) sell at fair market value any portion of the System which shall have been replaced by other similar property of at least equal value, or which shall cease to be necessary for the efficient operation of the System, and in the event of sale, the City will apply the proceeds to either (1) redemption of Outstanding Bonds in accordance with the provisions governing redemption of Bonds in advance of Stated Maturity, or (2) replacement of the property so disposed of by other property the Revenues of which shall be incorporated into the System as hereinbefore provided;

(b) cease to operate, abandon or otherwise dispose of any property which has become obsolete, nonproductive or otherwise unusable to the advantage of the City; or

(c) lease, (1) as lessor, any real or personal property which is unused or unimproved, or which has become obsolete, nonproductive or otherwise unusable to the advantage of the City, or which is being acquired as a part of a lease/purchase financing for the acquisition and/or improvement of such property; and/or (2) as lessee, with an option of the City to purchase, any real or personal property for the extension and improvement of the System. Property being leased as lessor and/or lessee pursuant to this subparagraph (c) shall not be treated as part of the System for purposes of this **Section 806** and may be mortgaged, pledged or otherwise encumbered.

**Section 807. Insurance.** The City will carry and maintain insurance with respect to the System and its operations against casualties, contingencies and risks (including but not limited to property and casualty, fire and extended coverage insurance upon all of the properties forming a part of the System insofar as the same are of an insurable nature, public liability insurance, business interruption insurance, worker's compensation and employee dishonesty insurance), such insurance to be of the character and coverage and in such amounts as would normally be carried by other municipalities or public entities engaged in similar activities of comparable size and similarly situated. In the event of loss or damage, the City, with reasonable dispatch, will use the proceeds of such insurance in reconstructing and replacing the property damaged or destroyed, or in paying the claims on account of which such proceeds were received, or if such reconstruction or replacement is unnecessary or impracticable, then the City will pay and deposit the proceeds of such insurance into the Revenue Fund. The City will annually review the insurance it maintains with respect to the System to determine that such insurance is customary and adequate to protect its property and operations. The cost of all insurance obtained pursuant to the requirements of this Section shall be paid as an Expense out of the Revenues.

**Section 808. Books, Records and Accounts.** The City will install and maintain proper books, records and accounts (entirely separate from all other records and accounts of the City) in which complete and correct entries will be made of all dealings and transactions of or in relation to the System. Such accounts shall show the amount of Revenues of the System, the application of such Revenues, and all financial transactions in connection therewith. Said books shall be kept by the City according to standard accounting practices as applicable to the operation of facilities comparable to the System.

**Section 809. Annual Audit.** Annually, promptly after the end of the fiscal year, the City will cause an audit of the System to be made for the preceding fiscal year by an Accountant to be employed

for that purpose and paid from the Revenues. Said annual audit shall cover in reasonable detail the operation of the System during such fiscal year.

Within 30 days after the completion of each such audit, a copy thereof shall be filed in the office of the City Clerk, and a duplicate copy of said audit shall be mailed to the Purchaser of the Bonds. Such audits shall at all times during the usual business hours be open to the examination and inspection by any taxpayer, any user of the services of the System, any Registered Owner of any of the Bonds, or by anyone acting for or on behalf of such taxpayer, user or Registered Owner. A copy of any such audit will, upon request and upon receipt by the City of payment of the reasonable cost of preparing and mailing the same, be sent to any Bondowner or prospective Bondowner.

As soon as possible after the completion of the annual audit, the governing body of the City shall review such audit, and if any audit shall disclose that proper provision has not been made for all of the requirements of this Ordinance, the City will promptly cure such deficiency and will promptly proceed to increase the rates and charges to be charged for the use and services furnished by the System as may be necessary to adequately provide for such requirements.

**Section 810. Right of Inspection.** The Purchaser of the Bonds or any Registered Owner or Owners of 10% of the principal amount of the Bonds then Outstanding shall have the right at all reasonable times to inspect the System and all records, accounts and data relating thereto, and shall be furnished all such information concerning the System and the operation thereof which the Purchaser or such Registered Owner or Owners may reasonably request.

**Section 811. Sanitary Sewer Hook-on Requirements.** The City will, to the extent permitted by law, require that the owners of all houses, buildings or properties used for human occupancy, employment, recreation or other purposes, situated within the City and abutting on any street, alley, or right-of-way in which there is now located or may in the future be located a public sanitary or combined sanitary and storm sewer of the City, must, at the owner's expense, install suitable toilet facilities therein and connect such facilities directly with the proper part of the System within such reasonable time and pursuant to such regulations as shall be provided by the City.

**Section 812. Performance of Duties and Covenants.** The City will faithfully and punctually perform all duties, covenants and obligations with respect to the operation of the System now or hereafter imposed upon the City by the Constitution and laws of the State of Missouri and by the provisions of this Ordinance.

**Section 813. Parity Bond Certification.** The City hereby represents and covenants that the Bonds directed to be issued by this Ordinance are so issued in full compliance with the restrictions and conditions upon which the City may issue additional bonds payable out of the Net Revenues of the System and which stand on a parity with the Previously Issued Parity Bonds now outstanding, as set forth and contained in the Previously Issued Parity Ordinances, and that the Bonds herein directed to be issued are so issued in all respects on a parity and equality with the Previously Issued Parity Bonds now outstanding.

**Section 814. Junior Lien Bond Certification.** The City hereby represents and covenants that the Bonds directed to be issued by this Ordinance are so issued in full compliance with the restrictions and conditions upon which the City may issue additional bonds payable out of the Net Revenues of the System and which are junior and subordinate to the Senior Lien Bonds, as set forth and contained in the Senior Lien Ordinance, and that the Bonds herein directed to be issued are so issued as junior and subordinate in all respects to the Senior Lien Bonds.

**Section 815. Tax Covenants.**

(a) The City covenants and agrees that (1) it will comply with all applicable provisions of the Code necessary to maintain the exclusion from federal gross income of the interest on the Bonds and (2) comply with all provisions and requirements of the Federal Tax Certificate. The Mayor is hereby authorized to execute the Federal Tax Certificate in a form approved by Bond Counsel, for and on behalf of and as the act and deed of the City. The City will also pass such other ordinances or resolutions and take such other actions as may be necessary to comply with the Code and with all other applicable future laws, regulations, published rulings and judicial decisions in order to ensure that the interest on the Bonds will remain excluded from federal gross income, to the extent any such actions can be taken by the City.

(b) The covenants contained in this Section and in the Federal Tax Certificate shall remain in full force and effect notwithstanding the defeasance of the Bonds pursuant to **Article XI** of this Ordinance or any other provision of this Ordinance until the final Maturity of all Bonds Outstanding.

**ARTICLE IX**

**ADDITIONAL BONDS AND OBLIGATIONS**

**Section 901. Senior Lien Bonds.** The City covenants and agrees that so long as any of the Bonds remain Outstanding, the City will not issue any additional bonds or incur or assume any other debt obligations appearing as liabilities on the balance sheet of the System for the payment of moneys determined in accordance with generally accepted accounting principles consistently applied, including capital leases as defined by generally accepted accounting principles, payable out of the Net Revenues of the System or any part thereof which are superior to the Bonds.

**Section 902. Parity Bonds and Other Obligations.** The City covenants and agrees that so long as any of the Bonds remain Outstanding, it will not issue any additional bonds or other long-term obligations payable out of the Net Revenues of the System or any part thereof which stand on a parity or equality with the Bonds (“Parity Bonds”) unless the following conditions are met:

(a) The City shall not be in default in the payment of principal of or interest on any Bonds or any Parity Bonds at the time outstanding or in making any payment at the time required to be made into the respective funds and accounts created by and referred to in this Ordinance or any Parity Ordinance for Parity Bonds at the time outstanding (unless such additional revenue bonds or obligations are being issued to provide funds to cure such default); and

(b) Either of the following:

(1) The average annual Net Revenues as set forth in the two most recent annual audits for the fiscal years preceding the issuance of additional bonds, as determined by an Accountant, are equal to at least 110% of the Average Annual Debt Service required to be paid out of Net Revenues in fiscal years succeeding the issuance of such additional bonds on account of both principal (at maturity or upon mandatory redemption) and interest becoming due with respect to all System Revenue Bonds of the City, including the additional bonds proposed to be issued. In determining the Net Revenues for the purpose of this subsection, the City may adjust said Net Revenues by adding thereto, in the event the City shall have made any increase in rates for the use and services of the System and such increase shall not have been in effect during all of

the two fiscal years immediately preceding the issuance of additional bonds, the amount of the additional Net Revenues which would have resulted from the operation of the System during said two preceding fiscal years had such rate increase been in effect for the entire period, as certified by an Accountant or Consultant; or

(2) The estimated average annual Net Revenues for the two fiscal years immediately following the fiscal year in which the improvements to the System, the cost of which is being financed by such additional bonds, are to be in commercial operation, as certified by a Consultant, is at least 110% of the average annual Debt Service Requirements to be paid out of said Net Revenues in succeeding fiscal years following the commencement of such commercial operation on account of both principal (at maturity or upon mandatory redemption) and interest becoming due with respect to all System Revenue Bonds of the City, including the additional bonds proposed to be issued. In determining the amount of estimated Net Revenues for the purpose of this subsection, a Consultant may adjust said estimated Net Revenues by adding thereto any estimated increase in Net Revenues resulting from any increase in rates for the use and services of the System which have been approved by the City.

Additional combined waterworks and sewerage system revenue bonds of the City issued under the conditions set forth in this Section shall stand on a parity with the Bonds and shall enjoy complete equality of lien on and claim against the Net Revenues with the Bonds, and the City may make equal provision for paying said bonds and the interest thereon out of the Revenue Fund and may likewise provide for the creation of reasonable debt service accounts and debt service reserve accounts for the payment of such additional bonds and the interest thereon out of moneys in the Revenue Fund.

**Section 903. Junior Lien Bonds and Other Obligations.** Nothing in this Section contained shall prohibit or restrict the right of the City to issue additional revenue bonds or other revenue obligations for any lawful purpose in connection with the operation of the System and to provide that the principal of and interest on said revenue bonds or obligations shall be payable out of the Net Revenues of the System, provided at the time of the issuance of such additional revenue bonds or obligations the City shall not be in default in the performance of any covenant or agreement contained in this Ordinance (unless such additional revenue bonds or obligations are being issued to provide funds to cure such default), and provided further that such additional revenue bonds or obligations shall be junior and subordinate to the Bonds so that if at any time the City shall be in default in paying either interest on or principal of the Bonds, or if the City shall be in default in making any payments required to be made by it under the provisions of paragraphs (a), (b), (c), (d) and (e) of **Section 602** of this Ordinance, the City shall make no payments of either principal of or interest on said junior and subordinate revenue bonds or obligations until said default or defaults be cured. In the event of the issuance of any such junior and subordinate revenue bonds or obligations, the City, subject to the provisions aforesaid, may make provision for paying the principal of and interest on said revenue bonds or for paying said obligations out of moneys in the Revenue Fund.

**Section 904. Refunding Bonds.** The City shall have the right, without complying with the provisions of **Section 902** hereof, to refund any of the Bonds under the provisions of any law then available, and the refunding bonds so issued shall enjoy complete equality of pledge with any of the Bonds which are not refunded, if any, upon the Net Revenues of the System; provided, however, that if only a portion of the Bonds are refunded and if said Bonds are refunded in such manner that the aggregate amount of principal and interest scheduled to become due on the refunding bonds in any fiscal year (taking into account scheduled mandatory redemptions) exceeds the aggregate amount of principal and interest scheduled to become due on the refunded Bonds in said fiscal year (taking into account scheduled mandatory redemptions), then said Bonds may be refunded without complying with the provisions of

**Section 902** hereof only by and with the written consent of the Registered Owners of a majority in principal amount of the Bonds not refunded.

## **ARTICLE X**

### **DEFAULT AND REMEDIES**

**Section 1001. Acceleration of Maturity Upon Default.** The City covenants and agrees that if it defaults in the payment of the principal of or interest on any of the Bonds as the same shall become due on any Bond Payment Date, or if the City or its governing body or any of the officers, agents or employees thereof fail or refuse to comply with any of the provisions of this Ordinance or of the constitution or statutes of the State of Missouri, and such default continues for a period of 60 days after written notice specifying such default has been given to the City by the Registered Owner of any Bond then Outstanding, then, at any time thereafter and while such default continues, the Registered Owners of 25% in principal amount of the Bonds then Outstanding may, by written notice to the City filed in the office of the City Clerk or delivered in person to said City Clerk, declare the principal of all Bonds then Outstanding to be due and payable immediately, and upon any such declaration given as aforesaid, all of said Bonds shall become and be immediately due and payable, anything in this Ordinance or in the Bonds contained to the contrary notwithstanding. This provision, however, is subject to the condition that if at any time after the principal of said Outstanding Bonds has been so declared to be due and payable, all arrears of interest upon all of said Bonds, except interest accrued but not yet due on such Bonds, and all arrears of principal upon all of said Bonds has been paid in full and all other defaults, if any, by the City under the provisions of this Ordinance and under the provisions of the statutes of the State of Missouri have been cured, then and in every such case the Registered Owners of a majority in principal amount of the Bonds then Outstanding, by written notice to the City given as hereinbefore specified, may rescind and annul such declaration and its consequences, but no such rescission or annulment shall extend to or affect any subsequent default or impair any rights consequent thereon.

**Section 1002. Other Remedies.** The provisions of this Ordinance, including the covenants and agreements herein contained, shall constitute a contract between the City and the Registered Owners of the Bonds, and the Registered Owner or Owners of not less than 10% in principal amount of the Bonds at the time Outstanding shall have the right for the equal benefit and protection of all Registered Owners of Bonds similarly situated:

- (a) by mandamus or other suit, action or proceedings at law or in equity to enforce the rights of such Registered Owner or Owners against the City and its officers, agents and employees, and to require and compel duties and obligations required by the provisions of this Ordinance or by the constitution and laws of the State of Missouri;
- (b) by suit, action or other proceedings in equity or at law to require the City, its officers, agents and employees to account as if they were the trustees of an express trust; and
- (c) by suit, action or other proceedings in equity or at law to enjoin any acts or things which may be unlawful or in violation of the rights of the Registered Owners of the Bonds.

**Section 1003. Limitation on Rights of Bondowners.** No one or more Bondowners secured hereby shall have any right in any manner whatever by his or their action to affect, disturb or prejudice the security granted and provided for herein, or to enforce any right hereunder, except in the manner

herein provided, and all proceedings at law or in equity shall be instituted, had and maintained for the equal benefit of all Registered Owners of such Outstanding Bonds.

**Section 1004. Remedies Cumulative.** No remedy conferred herein upon the Bondowners is intended to be exclusive of any other remedy, but each such remedy shall be cumulative and in addition to every other remedy and may be exercised without exhausting and without regard to any other remedy conferred herein. No waiver of any default or breach of duty or contract by the Registered Owner of any Bond shall extend to or affect any subsequent default or breach of duty or contract or shall impair any rights or remedies consequent thereon. No delay or omission of any Bondowner to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver of any such default or acquiescence therein. Every substantive right and every remedy conferred upon the Registered Owners of the Bonds by this Ordinance may be enforced and exercised from time to time and as often as may be deemed expedient. If any suit, action or proceedings taken by any Bondowner on account of any default or to enforce any right or exercise any remedy has been discontinued or abandoned for any reason, or shall have been determined adversely to such Bondowner, then, and in every such case, the City and the Registered Owners of the Bonds shall be restored to their former positions and rights hereunder, respectively, and all rights, remedies, powers and duties of the Bondowners shall continue as if no such suit, action or other proceedings had been brought or taken.

**Section 1005. No Obligation to Levy Taxes.** Nothing contained in this Ordinance shall be construed as imposing on the City any duty or obligation to levy any taxes either to meet any obligation incurred herein or to pay the principal of or interest on the Bonds.

**Section 1006. Exception for Continuing Disclosure.** This **Article X** shall not apply to **Section 802** of this Ordinance regarding continuing disclosure requirements, and Bondowners or Beneficial Owners of Bonds shall have no remedies for enforcement of said **Section 802** other than the remedies provided in said **Section 802**.

## ARTICLE XI

### DEFEASANCE

**Section 1101. Defeasance.** When any or all of the Bonds or the interest payments thereon shall have been paid and discharged, then the requirements contained in this Ordinance and the pledge of Net Revenues made hereunder and all other rights granted hereby shall terminate with respect to the Bonds or interest payments so paid and discharged. Bonds or the interest payments thereon shall be deemed to have been paid and discharged within the meaning of this Ordinance if there has been deposited with the Paying Agent or other commercial bank or trust company located in the State of Missouri and having full trust powers, at or prior to the Stated Maturity or Redemption Date of said Bonds or the interest payments thereon, in trust for and irrevocably appropriated thereto, moneys and/or Defeasance Obligations which, together with the interest to be earned thereon, will be sufficient for the payment of the principal or Redemption Price of said Bonds, and/or interest to accrue on such Bonds to the Stated Maturity or Redemption Date, as the case may be, or if default in such payment shall have occurred on such date, then to the date of the tender of such payments; provided, however, that if any such Bonds shall be redeemed prior to the Stated Maturity thereof, (1) the City shall have elected to redeem such Bonds, and (2) either notice of such redemption shall have been given, or the City shall have given irrevocable instructions, or shall have provided for an escrow agent to give irrevocable instructions, to the Paying Agent to redeem such Bonds in compliance with **Section 302(a)** of this Ordinance. Any moneys and Defeasance Obligations that at any time shall be deposited with the Paying Agent or other commercial bank or trust company by or on behalf of the City, for the purpose of paying and discharging any of the Bonds or the

interest payments thereon, shall be and are hereby assigned, transferred and set over to the Paying Agent or other bank or trust company in trust for the respective Registered Owners of such Bonds, and such moneys shall be and are hereby irrevocably appropriated to the payment and discharge thereof. All moneys and Defeasance Obligations deposited with the Paying Agent or other bank or trust company shall be deemed to be deposited in accordance with and subject to all of the provisions contained in this Ordinance.

## ARTICLE XII

### MISCELLANEOUS PROVISIONS

**Section 1201. Amendments.** The rights and duties of the City and the Bondowners, and the terms and provisions of the Bonds or of this Ordinance, may be amended or modified at any time in any respect by ordinance of the City with the written consent of the Registered Owners of not less than a majority in principal amount of the Bonds then Outstanding, such consent to be evidenced by an instrument or instruments executed by such Registered Owners and duly acknowledged or proved in the manner of a deed to be recorded, and such instrument or instruments shall be filed with the City Clerk, but no such modification or alteration shall:

- (a) extend the maturity of any payment of principal or interest due upon any Bond;
- (b) effect a reduction in the amount which the City is required to pay by way of principal of or interest on any Bond;
- (c) permit the creation of a lien on the Net Revenues of the System prior or equal to the lien of the Bonds or Parity Bonds;
- (d) permit preference or priority of any Bonds over any other Bonds; or
- (e) reduce the percentage in principal amount of Bonds required for the written consent to any modification or alteration of the provisions of this Ordinance.

Any provision of the Bonds or of this Ordinance may, however, be amended or modified by ordinance duly adopted by the governing body of the City at any time in any respect with the written consent of the Registered Owners of all of the Bonds at the time Outstanding.

Without notice to or the consent of any Bondowners, the City may amend or supplement the Ordinance for the purpose of curing any formal defect, omission, inconsistency or ambiguity therein or in connection with any other change therein which is not materially adverse to the interests of the Bondowners.

Every amendment or modification of the provisions of the Bonds or of this Ordinance to which the written consent of the Bondowners is given, as above provided, shall be expressed in an ordinance passed by the governing body of the City amending or supplementing the provisions of this Ordinance and shall be deemed to be a part of this Ordinance. Any and all modifications made in the manner hereinabove provided shall not become effective until there has been filed with the City Clerk a copy of the ordinance of the City herein provided for, duly certified, as well as proof of any required consent to such modification by the Registered Owners of the Bonds then Outstanding. It shall not be necessary to note on any of the Outstanding Bonds any reference to such amendment or modification. A certified copy of every such amendatory or supplemental proceedings and a certified copy of this Ordinance shall be

made available for inspection by the Registered Owner of any Bond or a prospective purchaser or owner of any Bond authorized by this Ordinance, and upon payment of the reasonable cost of preparing the same, a certified copy of any such amendatory or supplemental proceedings or of this Ordinance will be sent by the City Clerk to any such Bondowner or prospective Bondowner.

The City shall furnish to the Paying Agent a copy of any amendment to the Bonds or this Ordinance made hereunder which affects the duties or obligations of the Paying Agent under this Ordinance.

**Section 1202. Notices, Consents and Other Instruments by Bondowners.** Any notice, consent, request, direction, approval, objection or other instrument required by this Ordinance to be signed and executed by the Bondowners may be in any number of concurrent writings of similar tenor and may be signed or executed by such Bondowners in person or by agent appointed in writing. Proof of the execution of any such instrument or of the writing appointing any such agent and of the ownership of Bonds (except for the assignment of ownership of a Bond as provided for in the form of Bond set forth in **Exhibit A** hereto), if made in the following manner, shall be sufficient for any of the purposes of this Ordinance, and shall be conclusive in favor of the City and the Paying Agent with regard to any action taken, suffered or omitted under any such instrument, namely:

(a) The fact and date of the execution by any person of any such instrument may be proved by a certificate of any officer in any jurisdiction who by law has power to take acknowledgments within such jurisdiction that the person signing such instrument acknowledged before such officer the execution thereof, or by affidavit of any witness to such execution.

(b) The fact of ownership of Bonds, the amount or amounts, numbers and other identification of Bonds, and the date of holding the same shall be proved by the Bond Register.

In determining whether the Registered Owners of the requisite principal amount of Bonds Outstanding have given any request, demand, authorization, direction, notice, consent or waiver under this Ordinance, Bonds owned by the City shall be disregarded and deemed not to be Outstanding under this Ordinance, except that, in determining whether the Bondowners shall be protected in relying upon any such request, demand, authorization, direction, notice, consent or waiver, only Bonds which the Bondowners know to be so owned shall be so disregarded. Notwithstanding the foregoing, Bonds so owned which have been pledged in good faith shall not be disregarded as aforesaid if the pledgee establishes to the satisfaction of the Bondowners the pledgee's right so to act with respect to such Bonds and that the pledgee is not the City.

**Section 1203. Further Authority.** The officers of the City, including the Mayor and City Clerk, shall be, and they hereby are, authorized and directed to execute all documents and take such actions as they may deem necessary or advisable in order to carry out and perform the purposes of this Ordinance and to make ministerial alterations, changes or additions in the foregoing agreements, statements, instruments and other documents herein approved, authorized and confirmed which they may approve and the execution or taking of such action shall be conclusive evidence of such necessity or advisability.

**Section 1204. Severability.** If any section or other part of this Ordinance, whether large or small, shall for any reason be held invalid, the invalidity thereof shall not affect the validity of the other provisions of this Ordinance.

**Section 1205. Governing Law.** This Ordinance shall be governed exclusively by and constructed in accordance with the applicable laws of the State of Missouri.

**Section 1206. Effective Date.** This Ordinance shall take effect and be in full force from and after its passage by the Board of Aldermen and approval by the Mayor.

**Section 1207. Electronic Transactions.** The parties agree that the transaction described herein may be conducted and related documents may be stored by electronic means.

**BE IT REMEMBERED THE PRECEDING ORDINANCE WAS ADOPTED ON ITS SECOND READING THIS 18TH DAY OF NOVEMBER, 2013, BY THE FOLLOWING VOTE:**

**Alderman Gallagher** \_\_\_\_\_  
**Alderman Fines** \_\_\_\_\_  
**Alderman Ray** \_\_\_\_\_

**Alderman Dunsworth** \_\_\_\_\_  
**Alderman Turner** \_\_\_\_\_  
**Alderman Stark** \_\_\_\_\_

**Approved:**

**Attest:**

\_\_\_\_\_  
**Ernest Jungmeyer, Mayor**

\_\_\_\_\_  
**Nick Jacobs, City Clerk**



This Bond is one of a duly authorized series of bonds of the City designated “Combined Waterworks and Sewerage System Revenue Bonds, Series 2013,” aggregating the principal amount of \$1,245,000 (the “Bonds”), issued by the City for the purpose of extending and improving the combined waterworks and sewerage system of the City (said combined waterworks and sewerage system, together with all future improvements and extensions thereto hereafter constructed or acquired by the City, being herein called the “System”), under the authority of and in full compliance with the Constitution and laws of the State of Missouri, including particularly Chapter 250, RSMo, and pursuant to an election duly held in the City and an ordinance duly passed by the Board of Aldermen of the City (herein called the “Ordinance”). Capitalized terms used herein and not otherwise defined herein shall have the meanings assigned to such terms in the Ordinance.

At the option of the City, Bonds or portions thereof maturing after November 1, 2019, and thereafter may be called for redemption and payment prior to maturity on November 1, 2018, and at any time thereafter in whole or in part in such amounts for each maturity as shall be determined by the City (Bonds of less than a full maturity to be selected in multiples of \$5,000 principal amount in such equitable manner as the Paying Agent shall designate) at the Redemption Prices set forth below (expressed as percentages of principal amount), plus accrued interest thereon to the Redemption Date:

<u>Redemption Dates</u>	<u>Redemption Prices</u>
November 1, 2018 to October 31, 2021	101%
November 1, 2021 and thereafter	100%

The Bonds are subject to mandatory redemption and payment prior to maturity pursuant to the mandatory redemption requirements of the Ordinance at a redemption price equal to 100% of the Principal Amount thereof plus accrued interest to the Redemption Date.

Notice of redemption, unless waived, is to be given by the Paying Agent by mailing an official redemption notice by first class mail at least 30 days prior to the Redemption Date, to the original Purchaser of the Bonds and to each Registered Owner of each of the Bonds to be redeemed at the address shown on the Bond Register. Notice of redemption having been given as aforesaid, the Bonds or portions of Bonds to be redeemed shall, on the Redemption Date, become due and payable at the Redemption Price therein specified, and from and after such date (unless the City defaults in the payment of the Redemption Price) such Bonds or portions of Bonds shall cease to bear interest.

The Bonds are being issued by means of a book-entry system with no physical distribution of bond certificates to be made except as provided in the Ordinance. One Bond certificate with respect to each date on which the Bonds are stated to mature, registered in the nominee name of the Securities Depository, is being issued and required to be deposited with the Securities Depository and immobilized in its custody. The book-entry system will evidence positions held in the Bonds by the Securities Depository's participants, beneficial ownership of the Bonds in authorized denominations being evidenced in the records of such participants. Transfers of ownership shall be effected on the records of the Securities Depository and its participants pursuant to rules and procedures established by the Securities Depository and its participants. The City and the Paying Agent will recognize the Securities Depository nominee, while the registered owner of this Bond, as the owner of this Bond for all purposes, including (i) payments of principal of, and redemption premium, if any, and interest on, this Bond, (ii) notices and (iii) voting. Transfers of principal, interest and any redemption premium payments to participants of the Securities Depository, and transfers of principal, interest and any redemption premium payments to beneficial owners of the Bonds by participants of the Securities Depository will be the responsibility of such participants and other nominees of such beneficial owners. The City and the Paying Agent will not be responsible or liable for such transfers of payments or for maintaining,

supervising or reviewing the records maintained by the Securities Depository, the Securities Depository nominee, its participants or persons acting through such participants. While the Securities Depository nominee is the owner of this Bond, notwithstanding the provision hereinabove contained, payments of principal of and interest on this Bond shall be made in accordance with existing arrangements among the City, the Paying Agent and the Securities Depository.

**EXCEPT AS OTHERWISE PROVIDED IN THE ORDINANCE, THIS GLOBAL BOND MAY BE TRANSFERRED, IN WHOLE BUT NOT IN PART, ONLY TO ANOTHER NOMINEE OF THE SECURITIES DEPOSITORY OR TO A SUCCESSOR SECURITIES DEPOSITORY OR TO A NOMINEE OF A SUCCESSOR SECURITIES DEPOSITORY.**

The Bonds are issued in fully registered form in the denomination of \$5,000 or any integral multiple thereof. This Bond may be exchanged at the office of the Paying Agent for a like aggregate principal amount of Bonds of the same maturity of other authorized denominations upon the terms provided in the Ordinance.

This Bond is transferable by the Registered Owner hereof in person or by the Registered Owner's agent duly authorized in writing, at the office of the Paying Agent, but only in the manner, subject to the limitations and upon payment of the charges provided in the Ordinance and upon surrender and cancellation of this Bond. The City shall pay all costs incurred in connection with the issuance, payment and initial registration of the Bonds and the cost of a reasonable supply of bond blanks.

The Bonds are special obligations of the City payable solely from, and secured as to the payment of principal and interest by a pledge of, the Net Revenues of the System, and the taxing power of the City is not pledged to the payment of the Bonds either as to principal or interest. The Bonds shall not be or constitute a general obligation of the City, nor shall they constitute an indebtedness of the City within the meaning of any constitutional, statutory or charter provision, limitation or restriction. The Bonds stand on a parity and are equally and ratably secured with respect to the payment of principal and interest from the Net Revenues and in all other respects with (i) an issue of Combined Waterworks and Sewerage System Revenue Bonds (State Revolving Fund Program) Series 1999 of the City, dated June 1, 1999, originally issued in the principal amount of \$1,365,000 (the "Series 1999 Bonds"), (ii) an issue of Combined Waterworks and Sewerage System Refunding and Improvement Revenue Bonds, Series 2007, of the City, dated November 14, 2007, originally issued in the principal amount of \$605,000 (the "Series 2007 Bonds") and (iii) an issue of Combined Waterworks and Sewerage System Revenue Bonds, Series 2011, of the City, dated February 24, 2011, originally issued in the principal amount of \$3,125,000 (the "Series 2011 Bonds"). The Bonds, the Series 1999 Bonds, the Series 2007 Bonds and the Series 2011 Bonds are junior and subordinate with respect to the payment of principal and interest from the Net Revenues and in all other respects to an issue of Combined Waterworks and Sewerage System Refunding and Improvement Revenue Bonds (State Revolving Fund Program), Series 1994A, of the City dated August 1, 1994, originally issued in the principal amount of \$2,605,000 (the "Series 1994A Bonds") and, in the event of any default in the payment of either principal of or interest on the Series 1994A Bonds, all of the Net Revenues will be applied solely to the payment of the principal of and interest on the Series 1994A Bonds until such default is cured. Under the conditions set forth in the Ordinance, the City has the right to issue additional parity bonds and other obligations payable from and secured by the Net Revenues; provided, however, that such additional bonds may be so issued only in accordance with and subject to the covenants, conditions and restrictions relating thereto set forth in the Ordinance.

The City hereby covenants and agrees with the Registered Owner of this Bond that it will keep and perform all covenants and agreements contained in the Ordinance, and will fix, establish, maintain and collect such rates, fees and charges for the use and services furnished by or through the System as

will produce Revenues sufficient to pay the costs of operation and maintenance of the System, pay the principal of and interest on the Bonds as and when the same become due, and provide reasonable and adequate reserve funds. Reference is made to the Ordinance for a description of the covenants and agreements made by the City with respect to the collection, segregation and application of the Revenues of the System, the nature and extent of the security of the Bonds, the rights, duties and obligations of the City with respect thereto, and the rights of the Registered Owners thereof.

This Bond may be transferred or exchanged, as provided in the Ordinance, only on the Bond Register kept for that purpose at the principal payment office of the Paying Agent, upon surrender of this Bond together with a written instrument of transfer or exchange satisfactory to the Paying Agent duly executed by the Registered Owner or the Registered Owner's duly authorized agent, and thereupon a new Bond or Bonds in any authorized denomination having the same Maturity Date and in the same aggregate principal amount shall be issued to the transferee in exchange therefor as provided in the Ordinance and upon payment of the charges therein prescribed. The City and the Paying Agent may deem and treat the Person in whose name this Bond is registered on the Bond Register as the absolute owner hereof for the purpose of receiving payment of, or on account of, the principal or redemption price hereof and interest due hereon and for all other purposes and neither the City nor the Paying Agent shall be affected by any notice to the contrary.

This Bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Ordinance until the Certificate of Authentication hereon has been executed by the Paying Agent.

**IT IS HEREBY CERTIFIED AND DECLARED** that all acts, conditions and things required to exist, happen and be performed precedent to and in the issuance of the Bonds have existed, happened and been performed in due time, form and manner as required by law, and that before the issuance of the Bonds, provision has been duly made for the collection and segregation of the Revenues of the System and for the application of the same as provided in the Ordinance.

**IN WITNESS WHEREOF, THE CITY OF PECULIAR, MISSOURI**, has executed this Bond by causing it to be signed by the manual or facsimile signature of its Mayor and attested by the manual or facsimile signature of its City Clerk and its official seal to be affixed hereto or imprinted hereon.

**CERTIFICATE OF AUTHENTICATION**

**CITY OF PECULIAR, MISSOURI**

This Bond is one of the Bonds of the issue described in the within-mentioned Ordinance.

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

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

**FIRST BANK OF MISSOURI,**  
Paying Agent

(SEAL)

ATTEST:

By: \_\_\_\_\_  
Authorized Signatory

\_\_\_\_\_  
City Clerk

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**ASSIGNMENT**

**FOR VALUE RECEIVED**, the undersigned hereby sells, assigns and transfers unto

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Print or Type Name, Address and Social Security Number  
or other Taxpayer Identification Number of Transferee

the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints \_\_\_\_\_ agent to transfer the within Bond on the Bond Register kept by the Paying Agent for the registration thereof, with full power of substitution in the premises.

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

\_\_\_\_\_  
NOTICE: The signature to this assignment must correspond with the name of the Registered Owner as it appears upon the face of the within Bond in every particular.

Signature Guaranteed By:

\_\_\_\_\_  
(Name of Eligible Guarantor Institution as defined by SEC Rule 17 Ad-15 (17 CFR 240.17 Ad-15))

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

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**EXHIBIT B  
TO ORDINANCE**

**FORM OF BOND PURCHASE AGREEMENT**

**EXHIBIT C  
TO ORDINANCE**

**FORM OF CONTINUING DISCLOSURE AGREEMENT**

## Memo to Mayor and Board of Aldermen

The energy / solar resolution is an economic development tool to offer business already inside the city as well as to help attract additional businesses. It is a tool that will not burden or obligate the city. However, you must join the state wide district to be eligible for your community to participate.

Here are a few details:

**Local Governments in Missouri may provide access to unlimited capital for citizens and businesses within their community -- at no cost and without liability to the sponsoring municipality.**

**The Mid Missouri Clean Energy Development Board was established for the purpose of providing funding to private property owners of qualifying energy efficiency and renewable energy projects.**

The Mid-Missouri Clean Energy Development Board was created as a state political subdivision. In 2010 the Missouri legislature passed the PACE Act providing authority for Clean Energy Development Boards to provide land based funding of qualifying projects.

The board has established its operating guidelines within the framework of the federal PACE Act. Applications, when received by the board or its administrator, will be reviewed for compliance with funding guidelines.

Once approved, the applicant is notified and the project may be undertaken. Once the project is completed, the property owner receives funds to pay for the projects costs and enters into a special property tax assessment contract with the board.

G. Joseph McLiney  
President

[McLiney And Company](#)  
Investment Bankers

2800 McGee Trafficway  
Kansas City, Missouri 64108  
[\*\*\(816\) 221.4042\*\*](tel:8162214042)

**BILL NO. 2013-21**  
**ORDINANCE NO. \_\_\_\_\_**

**AN ORDINANCE TO ENABLE THE CITY OF PECULIAR, MISSOURI TO JOIN THE MISSOURI CLEAN ENERGY DISTRICT PURSUANT TO SECTIONS §67.2800 TO §67.2835, INCLUSIVE, RSMO., THE “PROPERTY ASSESSED CLEAN ENERGY ACT,” AND STATING THE TERMS UNDER WHICH THE CITY WILL CONDUCT ACTIVITIES WITHIN THE CITY AS A MEMBER OF SUCH DISTRICT.**

**WHEREAS**, the 95<sup>th</sup> General Assembly of Missouri has enacted Sections §67.2800 to §67.2835, inclusive, RSMo., the “Property Assessment Clean Energy Act” (the “Act”); and

**WHEREAS**, the development, production, and efficient use of clean energy and renewable energy, as well as the installation of energy efficiency improvements to publicly and privately owned real property, will create jobs for residents of the City of Peculiar, Missouri, advance the economic well-being and public and environmental health of the City of Peculiar, Missouri, and contribute to the energy independence of our nation; and

**WHEREAS**, the primary intent of funding energy efficiency and renewable energy improvements pursuant to the Act is to promote the public purposes described above; and

**WHEREAS**, Section §67.2810.1 authorizes one or more Municipalities (as defined in Section §67.2800.7) to establish a Clean Energy Development Board to initiate and administer a Property Assessed Clean Energy (“PACE”) Program so that owners of qualifying property can access funding for energy efficiency improvements to their properties located in such Municipalities; and

**WHEREAS**, on January 3, 2011, a clean energy development board now named the Missouri Clean Energy District was created with the intention that all Municipalities within the State of Missouri would be eligible to join and participate by approving an appropriate ordinance or resolution; and

**WHEREAS**, it is in the best interests of the City of Peculiar, Missouri and for the benefit of its residents to join and participate in the District.

**NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF ALDERMEN OF THE CITY OF PECULIAR, MISSOURI AS FOLLOWS:**

**SECTION ONE:** The City hereby approves and authorizes joining and participation in the Missouri Clean Energy District.

**SECTION TWO:** The City declares its intent that the provisions of this Ordinance shall be in conformity with federal and state laws. The City enacts this Ordinance pursuant to Sections 67.2800 to 67.2835 of the Missouri Revised Statutes (2000), as amended.

Subsection One. Title and Definitions.

A. Title. This Ordinance shall be known and may be cited as “The City of Peculiar, Missouri Property Assessed Clean Energy (PACE) Ordinance.”

B. Definitions. Except as specifically defined below, word and phrases used in this Ordinance shall have their customary meanings. Words and phrases defined in Section 67.2800.2 of the Missouri Revised Statutes (2000), as amended, shall have their defined meanings when used in this Ordinance. As used in this Ordinance, the following words and phrases shall have the meanings indicated.

“Missouri Clean Energy District” or “District” means the Missouri Clean Energy District.

“PACE Assessment” means a special assessment made against qualifying property in consideration of PACE Funding.

“PACE Funding” means funds provided to the owner(s) of qualified property by the District for an energy efficiency improvement.

“Qualifying Property” means real property located in The City of Peculiar, Missouri.

Subsection Two. Program Administration.

The Missouri Clean Energy District shall administer the functions of the PACE Program within the City by

- A. providing property owners with an application in order to apply for PACE Funds;
- B. developing standards for the approval of projects submitted by property owners;
- C. reviewing applications and select qualified projects;
- D. entering into Assessment Contracts with property owners;
- E. providing a copy of each executed Notice of Assessment to the County Assessor and causing a copy of each such Notice of Assessment to be recorded in the real estate records of the Recorder of Deeds for the County;
- F. authorizing and disbursing the PACE Funds to the property owners;
- G. receiving the PACE Assessment from the County Collector; and
- H. recording any lien, if needed, due to nonpayment of a PACE Assessment.

Subsection Three. Liability of City Officials; Liability of City.

Notwithstanding any other provision of law to the contrary, officers and other officials of the City, the District and the County in which the City is located, including, without limitation, tax assessors and tax collectors, shall not be personally liable to any person for claims, of whatever kind or nature, under or related to the City's PACE Program, including, without limitation, claims for or related to uncollected PACE Assessments. The City has no liability to a property owner for or related to energy savings improvements funded under a PACE Program. The District shall for all purposes be considered an independent entity and shall not be considered a subdivision of the City of Peculiar.

**SECTION THREE:** The Mayor of the City is hereby authorized to deliver a duly executed copy of this Ordinance to the Board of Directors of the District or its designee in accordance with section 7-632(c) of the CEDB Ordinance as amended, together with the jurisdictional and geographic boundaries of The City for addition to the District (as defined in the CEDB Ordinance as amended).

**SECTION FOUR:** The City does hereby request that \_\_\_\_\_ be approved by the Board of Directors of the District as a duly authorized member of the Advisory Board of Missouri Clean Energy District.

**Effective Date.** The effective date of this ordinance shall be the \_\_\_\_ day of \_\_\_\_\_, 2013.

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

**BE IT REMEMBERED THE PRECEDING ORDINANCE WAS ADOPTED ON ITS SECOND READING THIS \_\_\_\_ DAY OF \_\_\_\_\_, 2013, BY THE FOLLOWING VOTE:**

Alderman Gallagher _____	Alderman Ray _____
Alderman Dunsworth _____	Alderman Stark _____
Alderman Fines _____	Alderman Turner _____

APPROVED:

ATTEST:

\_\_\_\_\_  
Ernest Jungmeyer, Mayor

\_\_\_\_\_  
Nick Jacobs, City Clerk

**City Administrator**  
*Brad Ratliff*

**City Clerk**  
*Nick Jacobs*

**City Attorney**  
*Reid Holbrook*



**City Engineer**  
*Carl Brooks*

**Chief of Police**  
*Harry Gurin*

**City Planner**  
*Cliff McDonald*

**Municipal Offices – 250 South Main St, Peculiar, MO 64078**  
**Phone: 816.779.5212 Facsimile: 816.779.1004**

**Business Office**  
*Trudy Prickett*

**To:** Board of Alderman  
**From:** Nick Jacobs  
**Date:** November 13, 2013  
**Re:** General Municipal Election April 8, 2014

**GENERAL INFORMATION**

**Applicant:** Nick Jacobs  
**Status of Applicant:** City Clerk  
**Requested Actions:** Passage of Bill #2013-22 Calling for a General Municipal Election  
**Date of Application:**  
**Purpose:** Approve the Request for a General Municipal Election and establish filing dates for said election.  
**Property Location (if applicable):**

**PROPOSAL**

Approve Bill No. 2013-22

**PREVIOUS ACTIONS**

**KEY ISSUES**

The Mayor and (3) Alderman terms will expire in April, 2014. One from Ward #1, one from Ward #2 and one from Ward #3. An ordinance is required to hold a Municipal Election for the purpose of filling these terms.

**STAFF COMMENTS AND SUGGESTIONS**

A General Municipal Election will be required on April 8, 2014 for the purpose of filling the Mayor and 3 Aldermen terms that will expire in April, 2014. The filing and closing dates have been determined by the Missouri Secretary of State's office.

**STAFF RECOMMENDATION**

Approval of first reading of Bill #2013-23 calling for a General Municipal Election on April 8, 2014 for the purpose of electing the Mayor for a 2-year term, one Alderman from Ward #1 for a 2-year term, one Alderman from Ward #2 for a 2-year term, and one Alderman from Ward #3 for a 2-year term. Also establish the filing dates for said election.

**ATTACHMENTS**

Bill #2013-22

**BILL NO. 2013-22**  
**ORDINANCE NO. \_\_\_\_\_**

**AN ORDINANCE OF THE CITY OF PECULIAR, MISSOURI CALLING FOR A GENERAL MUNICIPAL ELECTION ON APRIL 8, 2014 AND ESTABLISHING FILING DATES FOR SAID ELECTION**

**WHEREAS**, the General Municipal Election Day in Missouri has been determined to be April 8, 2014; and

**WHEREAS**, the term of the Mayor and three aldermen will expire in April, 2014; and

**WHEREAS**. The filing and closing dates for such election have been determined by the State of Missouri

**NOW, THEREFORE BE IT ORDAINED BY THE BOARD OF ALDERMEN OF THE CITY OF PECULIAR**

**Section 1.** A Municipal Election will be held on April 8, 2014 for the purpose of electing the following:

- A Mayor of a term of two (2) years
- One Alderman from Ward #1 for a term of two (2) years
- One Alderman from Ward #2 for a term of two (2) years
- One Alderman from Ward #3 for a term of two (2) years

**Section 2.** Qualified candidates may file with the City Clerk beginning at 8:00 a.m. on December 17, 2013. Filing will close at 5:00 p.m. on January 21, 2014.

**Section 3.** The effective date of this ordinance shall be the \_\_\_\_ day of December, 2013.

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

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

BE IT REMEMBERED THE PRECEDING ORDINANCE WAS ADOPTED UPON ITS SECOND READING THIS \_\_\_\_ DAY OF DECEMBER, 2013 by the following vote:

Alderman Gallagher \_\_\_\_\_  
Alderman Dunsworth \_\_\_\_\_  
Alderman Fines \_\_\_\_\_

Alderman Ray \_\_\_\_\_  
Alderman Stark \_\_\_\_\_  
Alderman Turner \_\_\_\_\_

APPROVED:

ATTEST:

\_\_\_\_\_  
Ernest Jungmeyer, Mayor

\_\_\_\_\_  
Nick Jacobs, City Clerk