

1. Agenda

Documents:

[CITY COUNCIL AGENDA 05 12 20.PDF](#)

2. Meeting Materials

Documents:

[COUNCIL PACKET 05 12 20.PDF](#)

**COUNCIL AGENDA
CITY OF CARTHAGE, MISSOURI
TUESDAY, MAY 12, 2020, 6:30 P.M.
BY VIDEO CONFERENCE**

In response to the Coronavirus pandemic and pursuant to the Declaration of Emergency within the City of Carthage, this meeting will be held by on-line video conference. If you would like to listen to the meeting, access information is provided below. For questions, contact City Clerk Traci Cox (417) 237-7000 or [fill out this form](#).

If you would like to listen to the meeting please call by telephone #346-248-7799. You will have to enter the ID# 876-1231-4818 with a password 460372. This will allow you to listen to the meeting.

1. Call to Order
2. Invocation
3. Pledge of Allegiance to Flag
4. Calling of the Roll
5. Reading and Consideration of Minutes of Previous Meeting
6. Presentations/Proclamations
7. Public Comments
(Citizens wishing to address the Council or Committee should notify the City in advance, and provide the item they wish to address in written format at least 24 hours prior to the meeting by [filling out this form](#). Residents who do not have internet service may call the Clerk's office at 417-237-7000.)
8. Reports of Standing Committees
9. Reports from Special Committees and Board Liaisons
10. Report of the Mayor
11. Reports/Remarks of Councilmembers
(Each Councilmember is limited to no more than two (2) minutes. The time may be extended by the Chair if deemed necessary. Once a Councilmember has had their say on a particular issue they are not permitted to once again speak on the issue unless permitted by the Chair)
12. Administrative Reports
13. Report of Claims Presented Against the City
14. Public Hearings
15. Old Business
 1. **C.B. 20-19** – An Ordinance to enter into a Memorandum of Understanding Agreement with Schreiber Foods Inc, for the completion of certain improvements to Hazel Street and cost share of a roundabout at Fir Road and Dr Russell Smith Way in the City of Carthage, Missouri. (Public Works)
 2. **C.B. 20-21** – An Ordinance authorizing the Mayor to enter into a Lease Agreement with Jason and Pam Graff for continued use of the pavilion in Municipal Park as a skating rink for a one year lease term. (Public Services)
 3. **C.B. 20-22** – An Ordinance authorizing the Mayor to enter into a contract with the Fair Acres Family YMCA, Inc., for Aquatic Facility Management at Municipal Park. (Public Services)

16. New Business

1. **C.B. 20-24** – An Ordinance authorizing a special use permit for the operation of a carnival to be located at the Fair Acres Sports Complex (East George Phelps Blvd.) in conjunction with the 2020 Carthage Maple Leaf Parade in the City of Carthage, Jasper County, Missouri. (Planning & Zoning)
2. **C.B. 20-25** – An Ordinance vacating portions of 5th Street, from Lincoln Street east approximately 432 feet toward Fulton Street and of Clinton Street, from 5th Street south, approximately 100 feet toward 6th Street, as further described below, in original town of Carthage, in the City of Carthage, Missouri. (Public Works)

17. Mayor's Appointments

18. Resolutions

1. **Resolution 1901** – A Resolution concerning annexation of property as requested by Jake Vaughn, Vaughn Property Inc., for property located at 3012 South Chapel Rd., Jasper County, Missouri, consisting of approximately 19.55 acres, for a single family residential subdivision. (Planning & Zoning)
2. **Resolution 1902** – A Resolution authorizing the Mayor to sign a Letter of Engagement for professional auditing services with KPM CPAs & Advisors for Fiscal 2020. (Budget Ways & Means)
3. **Resolution 1903** – A Resolution authorizing the Mayor to sign a United States Department of Energy Southwestern Power Administration amendatory agreement between United States of America and City of Carthage, Missouri. (Carthage Water & Electric Board)

19. Closing Comments

20. Executive Session

21. Adjournment

PERSONS WITH DISABILITIES WHO NEED SPECIAL ASSISTANCE CALL 417-237-7000 (VOICE) OR 1-800-735-2466 (TDD VIA RELAY MISSOURI) AT LEAST 24 HOURS PRIOR TO MEETING

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MINUTES OF THE SPECIAL MEETING OF THE CITY COUNCIL
CITY OF CARTHAGE, MISSOURI
MAY 1, 2020

The Carthage City Council met in Special session on the above date at 12:06 P.M. via video conference with Mayor Dan Rife presiding. Fire Chief Roger Williams gave the invocation and Police Chief Greg Dagnan led the flag salute.

The following Council Members answered roll call via Zoom video conference: Darren Collier, Alan Snow, Kirby Newport, Ed Barlow, Juan Topete, Ray West, David Armstrong, Mike Daugherty, and Ceri Otero. Council Member James Harrison was absent. City Administrator Tom Short and City Attorney Nate Dally were present.

The following Department Heads were present via Zoom video conference: Police Chief Greg Dagnan, Fire Chief Roger Williams, Public Works Director Zeb Carney and City Clerk Traci Cox.

Mr. Daugherty made a motion, seconded by Mr. Snow, to approve the minutes of the April 28, 2020 Council Meeting. Motion carried unanimously.

Mayor Rife presented a proclamation declaring May 7, 2020 as the National Day of Prayer.

Under New Business, C.B. 20-23 – An Ordinance of the City of Carthage, Missouri, regarding adoption of the Governor's Show Me Recovery Plan within the City of Carthage, Missouri, and surrounding areas was placed on first reading with no action taken.

Mr. Snow made a motion, seconded by Mr. Armstrong, to follow the emergency protocol and advance Council Bill 20-23 to the second reading. Motion passed.

C.B. 20-23 – An Ordinance of the City of Carthage, Missouri, regarding adoption of the Governor's Show Me Recovery Plan within the City of Carthage, Missouri, and surrounding areas was placed on second reading. Mayor Rife and council members stressed it was not a grand re-opening but wanted to do what was necessary to keep businesses open. Concerns were expressed regarding allowing use of fields when playgrounds remained closed, also creating difficulty in enforcing social distancing. Mr. Daugherty made a motion, seconded by Mr. Topete, to amend C.B. 20-23 to move use of athletic fields for organized sports to the same category and place under the same guidelines as playground equipment and not have them open at this time. City Attorney Dally stated the Governor's Order would be adopted in full with the exception noted. Chief Dagnan discussed the enforcement issues this would create by differentiating between organized and unorganized play when pick-up games were the problem before the Stay at Home Order went into place. Mr. Daugherty made a motion, seconded by Mr. Topete, to amend his motion to restrict organized sports and groups over 10. Chief Dagnan expressed enforcement concerns stating it would be easier to close use of the fields. Ms. Otero discussed making a motion to close fields to non-official use saying it was safer at the organized level. Mr. Daugherty made a motion, seconded by Mr. Topete, to amend

his amended motion to approve the Governor's Order with the exception of closing athletic fields to all group sports. Motion failed by a vote of 4-5. Aye: Topete, Daugherty, Snow and Newport. Nay: Armstrong, Barlow, Collier, Otero, and West. Ms. Otero made a motion, seconded by Mr. Snow, to amend C.B. 20-23 to keep the fields closed with the exception of the organized groups who are in contract with the City and under the purview of the Parks and Recreation Department. Chief Dagnan again discussed the challenges this would create in enforcement. Motion failed on a vote of 2-7. Aye: Otero and Snow. Nay: Armstrong, Barlow, Collier, Daugherty, Newport, Topete and West. Mr. Snow made a motion, seconded by Mr. Barlow, to call the question of C.B. 20-23. Motion carried unanimously. C.B. 20-23, as originally written, was adopted on a roll call vote of 9 yeas and 0 nays. Ayes: Armstrong, Barlow, Collier, Daugherty, Newport, Otero, Snow, Topete, and West. The Council Bill was approved and numbered Ordinance 20-19.

Mr. Armstrong made a motion, seconded by Mr. Newport, to amend the COVID-19 Leave Policy and include a termination clause not to exceed June 1 under the working guidelines of the Stay at Home Order. Motion carried.

Mr. Daugherty made a motion, seconded by Mr. Collier, to adjourn the regular session of the Council Meeting. Motion carried and meeting adjourned at 1:13 PM.

Dan Rife, Mayor

Traci Cox, City Clerk

***PRESENTATIONS/
PROCLAMATIONS***

***PUBLIC
HEARINGS***

***OLD
BUSINESS***

COUNCIL BILL NO. 20-19

ORDINANCE NO. _____

An Ordinance to enter into a Memorandum of Understanding Agreement with Schreiber Foods Inc, for the completion of certain improvements to Hazel Street and cost share of a roundabout at Fir Road and Dr Russell Smith Way in the City of Carthage, Missouri.

**BE IT ORDAINED BY THE COUNCIL OF THE CITY OF CARTHAGE,
JASPER COUNTY, MISSOURI** as follows:

SECTION I: The Mayor of the City of Carthage is hereby authorized to enter into a Memorandum of Understanding with Schreiber Foods Inc detailing the agreement to improve Hazel Street as well as the cost share of the roundabout at Fir Road and Dr. Russell Smith Way, a copy of which is attached hereto and incorporated herein as if set out in full.

SECTION II: This ordinance shall take effect and be in force from and after its passage and approval.

PASSED AND APPROVED THIS _____ DAY OF _____, 2020.

MAYOR

ATTEST:

CITY CLERK

Sponsored by: Public Works Committee

**MEMORANDUM OF UNDERSTANDING
BY AND BETWEEN
SCHREIBER FOODS INC.,
A WISCONSIN CORPORATION,
AND THE CITY OF CARTHAGE, MISSOURI,
A MUNICIPAL CORPORATION**

THIS MEMORANDUM OF UNDERSTANDING (this “**MOU**”) is agreed to and entered into this ____ day of _____ 2020 (the “**Effective Date**”), by and between Schreiber Foods, Inc., a Wisconsin corporation, hereinafter referred to as “**Schreiber**”, and the City of Carthage, a Municipal Corporation, hereinafter referred to as “**City**”.

WHEREAS, Schreiber desires to expand its operations in the City of Carthage, and has contracted or anticipates contracting with Hazel 49, LLC or such other developer as Schreiber may engage (the “**Developer**”) for the Developer to develop and construct a new facility with an approximately 420,000 rentable square foot manufacturing and distribution building (the “**New Facility**”) for Schreiber on property adjacent to Hazel Avenue near Myers Park; and

WHEREAS, transportation improvements have been deemed necessary from West E. Phelps Blvd. South to Missouri State Highway HH (a.k.a. West Fir Road) to accommodate the additional shipments to and from such New Facility on Hazel Avenue; and

WHEREAS, Hazel Avenue currently is not designated as a Truck Route, but as a result of this Memorandum of Understanding and associated improvements contained herein, Hazel Avenue from West George E. Phelps Blvd. to HH Highway will be designated as a Truck Route by the City Council; and

WHEREAS, a Transportation Improvement project has been approved by the Missouri Highways and Transportation Commission and the City of Carthage through the Commission's Cost Share Program consisting of the construction of a roundabout at the intersection of Missouri State Highway HH (West Fir Road) and the I-49 West Outer Road (Dr. Russell Smith Way), which proposed project would tie the ramps into a roundabout intersection (collectively, the “**Roundabout Improvements**”) at a total estimated project cost of two million six hundred eighty-seven thousand six hundred eighty-two and no/100 dollars (\$2,687,682.00); and

WHEREAS, the City and Schreiber have reached an agreement for cost sharing of the projects to be completed to accommodate the operations at this New Facility.

NOW THEREFORE, in consideration of these premises and the mutual covenants herein contained, the parties hereto agree as follows:

1. Hazel Avenue Improvements.

- a. The City will make the following improvements to Hazel Avenue from West George E. Phelps Boulevard South to Missouri State Highway HH (West Fir Road), all as more particularly described on Exhibit A-1 attached hereto (collectively, the “**Phase I Improvements**”):

- i. Widening from West George E. Phelps Boulevard South to Missouri State Highway HH (West Fir Road) approximately 420' to existing curb and gutter on west side of Hazel Avenue.
 - ii. Overlay from West George E. Phelps Boulevard South to Missouri State Highway HH (West Fir Road).
 - iii. Stormwater, utility relocations.
 - iv. Curb and Gutter installation.
 - b. The Phase I Improvements are estimated to cost two hundred seventy-seven thousand five hundred fourteen and 50/100 dollars (\$277,514.50) (as shown on Exhibit A-2 attached hereto). The City will pay for the Phase I Improvements with its own funds without reimbursement from Schreiber, its assignee, or any other third party. Moreover, if the City, in its sole discretion, elects to perform additional improvements to Hazel Avenue at any point thereof, the City acknowledges that neither Hazel 49, Schreiber, nor any other third party has any obligation to pay for or reimburse the City for any portion of the cost of such additional improvements.
 - c. The City shall complete the Phase I Improvements no later than February 15, 2021.
 - d. The City acknowledges that development of the New Facility will require the Developer to connect the New Facility to the water supply on the opposite of Hazel Avenue, and the City agrees that the Developer may accomplish such connection by cutting through the Hazel Avenue pavement, rather than boring underneath the Hazel Avenue pavement. The City will coordinate with the Developer on the timing of the Phase I Improvements to allow the Developer to make this connection and cut through the existing Hazel Avenue Surface before the Phase I Improvements are performed to the relevant portions of Hazel Avenue.
 - e. The City's construction of the Phase I Improvements shall not interfere with the Developer's development or construction of the New Facility.
2. Roundabout Improvements.
- a. The City shall complete the Roundabout Improvements at its own initial expense, subject to the reimbursement in Section 2.b below.
 - b. Schreiber will reimburse the City six hundred fifty-five thousand and no/100 dollars (\$655,000.00) (the "**Roundabout Reimbursement Amount**") as an agreed to amount to be used to offset the City's project cost of the Roundabout Improvements at the intersection of Missouri State Highway HH (West Fir Road) and the I-49 West Outer Road (Dr. Russell Smith Way). The City shall be solely responsible for all costs to complete the Roundabout Improvements in excess of the Roundabout Reimbursement Amount without further reimbursement from Hazel 49, Schreiber, or any other third party.

- c. Schreiber shall pay the Roundabout Reimbursement Amount to the City as follows:
 - i. Payments shall be made in three (3) equal installment payments of two hundred eighteen thousand three hundred thirty-three and 33/100 dollars (\$218,333.33).
 - ii. Such installments shall be due and payable as follows:
 - 1. The first installment shall be due and payable on or before the date (the “**First Installment Due Date**”) that is thirty (30) days following the later of: (A) City’s commencement of material and continuous onsite grading and earthwork for the construction of the Roundabout Improvements and the City’s delivery of notice thereof to Schreiber; and (B) April 1, 2021;
 - 2. the second installment shall be due and payable within twelve (12) months of the First Installment Due Date, and
 - 3. the third installment shall be due and payable within thirty (30) days following the City’s substantial completion of the Roundabout Improvements and the City’s delivery of notice thereof to Schreiber.

Notwithstanding the foregoing, in no event shall any installment payment from Schreiber become due or payable prior to the City’s substantial completion of the Phase I Improvements.

- 3. Access to New Facility. The City hereby confirms that there shall be no restriction or reduction on access, traffic volume or traffic type to and from the New Facility regardless of whether the Phase I Improvements or the Roundabout Improvements are complete. For clarification (and without limiting the foregoing), there shall be no restriction or reduction on access, traffic volume or traffic type even during the period of time before and during the construction of the Phase I Improvements and the Roundabout Improvements.
- 4. Assignment.
 - a. The City acknowledges that Schreiber may sell its interest in the New Facility or the real property upon which the New Facility is or will be located, and Schreiber may assign all of its rights and obligations hereunder to any successor to Schreiber’s interest in the New Facility or such property, provided, however, Schreiber will remain an intended third party beneficiary of this MOU and entitled to enforce the provisions hereof so long as Schreiber continues to lease or occupy the New Facility.
 - b. If Schreiber assigns this MOU and its assignee fails to pay any installment of the Roundabout Reimbursement Amount as and when due under Section 2 above, and such failure continues for fifteen (15) days after City gives notice thereof to Schreiber and its assignee, Schreiber Foods, Inc. (as distinguished from any assignee hereunder) shall be obligated to make such installment payment to the City.

5. Amendments. Any change in this MOU, whether by modification or supplementation, must be accomplished by a formal amendment signed and approved by the duly authorized representatives of the City and Schreiber.

IN WITNESS WHEREOF, the parties hereto have executed this MOU as of the day and year first above written.

SCHREIBER:

CITY:

SCHREIBER FOODS, INC.,
a Wisconsin corporation

CITY OF CARTHAGE, MISSOURI

By: _____

By: _____

Name: _____

Name: Dan Rife

Title: _____

Title: Mayor

AF
ANDERSON
ENGINEERING
EMPLOYER OWNED
800.875.2710 • 214.343.1100 • FAX 214.343.1101
www.anderson-engineering.com

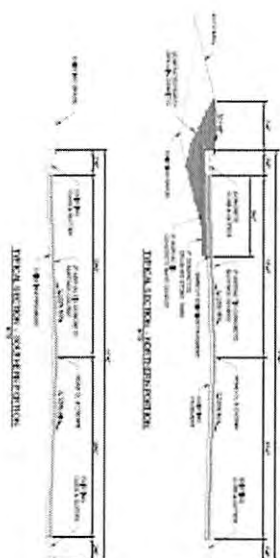
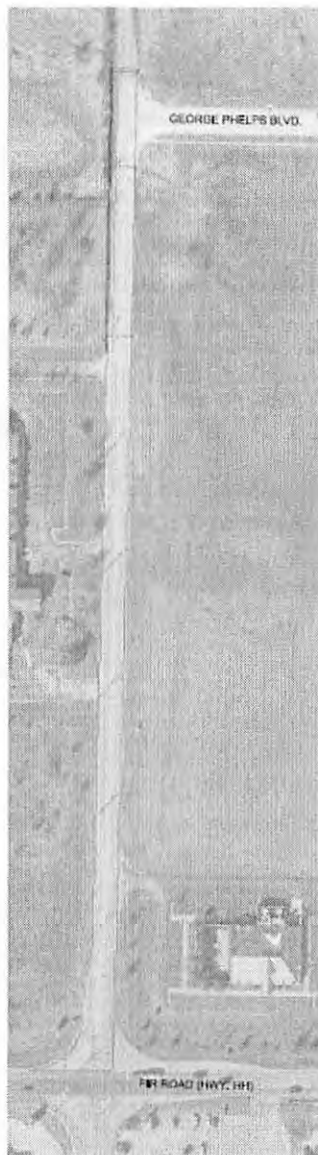


EXHIBIT A-2
PHASE I IMPROVEMENTS ESTIMATE

Hazel Street Improvements
Phase 1 - Fir Road to George Phelps Blvd.

Description	Unit	Quantity	Unit Cost	Extended Total
Mobilization	L.S.	1	\$ 8,560.00	\$ 8,560.00
Erosion Control	L.S.	1	\$ 5,000.00	\$ 5,000.00
Traffic Control	L.S.	1	\$ 10,000.00	\$ 10,000.00
Sawcut existing pavement	L.F.	430	\$ 2.00	\$ 860.00
Cold Milling (< 3")	S.Y.	5,825	\$ 4.50	\$ 26,212.50
Removal of Improvements	S.Y.	150	\$ 5.00	\$ 750.00
Relocation of Utilities	L.S.	1	\$ 10,000.00	\$ 10,000.00
Embankment in place	CY	520	\$ 20.00	\$ 10,400.00
Curb Inlet (4' x 8' precast box)	Each	3	\$ 3,500.00	\$ 10,500.00
15" RCP	L.F.	126	\$ 55.00	\$ 6,930.00
Connection of 15" RCP to existing inlet	Each	3	\$ 750.00	\$ 2,250.00
Type 5 Aggregate Base (4" thick)	S.Y.	504	\$ 6.00	\$ 3,024.00
Concrete Curb & Gutter	L.F.	420	\$ 25.00	\$ 10,500.00
Prime Coat (0.50 gal/sy)	Gal.	252	\$ 4.00	\$ 1,008.00
Asphaltic Concrete Base (6" thick)	S.Y.	375	\$ 30.00	\$ 11,250.00
Tack Coat (0.10 gal/sy)	Gal.	620	\$ 3.00	\$ 1,860.00
Asphaltic Concrete Surface Course (2" thick)	S.Y.	6,200	\$ 9.00	\$ 55,800.00
Striping (4" wide)	L.F.	4,950	\$ 4.00	\$ 19,800.00
Finish Grading, Seeding and Mulch	Acre	0.1	\$ 7,500.00	\$ 750.00
Estimated Construction Cost				\$ 195,454.50
Contingencies				\$ 29,320.00
Engineering				\$ 29,300.00
Construction Administration & Inspection				\$ 23,440.00
Total Estimated Project Cost				\$ 277,514.50

COUNCIL BILL NO. 20-21

ORDINANCE NO. _____

An Ordinance authorizing the Mayor to enter into a Lease Agreement with Jason and Pam Graff for continued use of the pavilion in Municipal Park as a skating rink for a one year lease term.

**BE IT ORDAINED BY THE COUNCIL OF THE CITY OF CARTHAGE,
JASPER COUNTY, MISSOURI** as follows:

SECTION I: The Mayor of the City of Carthage is hereby authorized to enter into a Lease Agreement with Jason and Pam Graff for continued use of the pavilion in Municipal Park as a skating rink for a one year term commencing January 1, 2020 and ending December 31, 2020, a copy of which Lease Agreement is attached hereto and incorporated herein as if set out in full.

SECTION II: This ordinance shall take effect and be in force from and after its passage and approval.

**PASSED AND APPROVED THIS _____ DAY OF _____
2020.**

ATTEST:

Dan Rife, Mayor

Traci Cox, City Clerk

Sponsored by: Public Services Committee

LEASE AGREEMENT

THIS AGREEMENT, made and entered into this ____ day of _____, 2020 by and between the City of Carthage, Jasper County, Missouri, a municipal corporation, hereinafter called Lessor, and Jason and Pam Graff, of Carthage, Missouri, hereinafter called the Lessee.

WITNESSETH, THAT THE Lessor, for and in consideration of the rents, covenants, and stipulations to be paid, kept and performed by the said Lessee does hereby lease and demise to the said Lessee a certain building located in the Municipal Park, Carthage, Missouri, which said building is owned by Lessor and commonly referred to as "pavilion" to be used by Lessee as a skating rink.

TO HAVE AND TO HOLD the above described building with all privileges thereto belonging unto the said lessee for a term of one year commencing January 1, 2020 and ending December 31, 2020. Lessee to use said premises as and for a skating rink with the approval of a majority of the members of the City Council, City of Carthage, Missouri.

Lessee does hereby agree to pay to lessor as and for rental for the above described premises the total sum of Zero Dollars (\$00.00) per year.

Lessee does hereby agree that the Lessor is to make no repairs to the facility, including but not limited to; water infiltration form surface water, resurfacing floor, painting, and exterior maintenance.

The Lessee shall hold the Lessor free and harmless from any and all costs, damages, expenses, mechanic liens, or any and all liability which may arise from any contract, tort, statute, or city ordinance growing out of the use of said premises by said Lessee.

The Lessee does hereby agree that he will not assign this lease nor shall he have the right to so assign the same to any person or persons howsoever without first having and obtaining the written consent of the Lessor to said proposed assignment.

The City will continue to maintain electrical, sewer, and water service to and from the building. Lessee to provide proper sanitation and illumination inside the building

The Lessee shall be responsible for all repairs to the interior of said pavilion and Lessee covenants to maintain said interior in as good repair as it was in at the commencement of this lease, ordinary wear and tear and acts of God excepted.

The Lessee assumes and agrees to pay all utility bills, including the water bill for the main floor of the building, incurred in connection with use of said building.

Lessee shall have the right at their option to operate legitimate concessions within said building in addition to the skating business carried on therein.

Lessee further covenants and agrees to prevent their patrons and others from parking their automobiles immediately adjacent to said pavilion, and Lessee agrees to use all reasonable means to prevent delivery trucks from crossing the sidewalk when making deliveries to the said pavilion.

Damage to the building by fire, wind, storm, and other casualty rendering the Pavilion untenable

shall, at the option of either party, work a termination of this lease.

The Lessee covenants and agrees to maintain and keep the toilets on the main floor in said building clean and in good repair, except for as above stated, and to keep the premises in a clean, neat, and orderly manner.

It is further agreed and understood by and between the parties hereto, that prior to the commencement of said skating rink business by Lessee on said premises, said Lessee shall at this own expense, obtain a policy of liability insurance in the amount of two million dollars (\$2,000,000.00) with the City of Carthage as an additional named insured, protecting Lessor from any claim of any person or persons whomsoever arising out of the use of said property as a skating rink by Lessee. Lessee shall provide the City Clerk with a copy of the insurance certificate no later than thirty days after signing of the agreement.

The alterations made by Lessee and all equipment installed for the purpose of winterizing the Pavilion shall be and remain the property of Lessor upon the termination of the Lease Agreement.

Violation of any above covenants contained herein by the Lessee shall, at the option of the Lessor, constitute a forfeiture of the lease, but shall in no way affect the obligation of the Lessee to pay the rental herein provided for.

In **WITNESS WHEREOF**, the parties hereunto set their hand and seal of this _____ day of _____, 2020.

CITY OF CARTHAGE

By: _____ Lessor
Mayor:

Pam Graff Lessee

Jason Graff Lessee

Attest:

City Clerk

COUNCIL BILL NO. 20-22

ORDINANCE NO. _____

An Ordinance authorizing the Mayor to enter into a contract with the Fair Acres Family YMCA, Inc., for Aquatic Facility Management at Municipal Park.

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF CARTHAGE, JASPER COUNTY, MISSOURI as follows:

SECTION I: The Mayor of the City of Carthage is hereby authorized to enter into a contract with the Fair Acres family YMCA, Inc., for Aquatic Facility Management at Municipal Park, a copy of which agreement is attached hereto and incorporated herein as if set out in full.

SECTION II: That all ordinances or parts of ordinances therefore enacted which are in conflict herewith are hereby repealed.

SECTION III: This ordinance shall take effect and be in force from and after its passage and approval.

PASSED AND APPROVED THIS _____ DAY OF _____, 2020.

Dan Rife, Mayor

ATTEST:

Traci Cox, City Clerk

To: Mayor & City Council

The Contract for the YMCA to manage the pool is not yet finished. The plan is to have it finalized before the Tuesday Council meeting and deliver it to the Council before the meeting. The only anticipated changes are those below.

But to dot all the i(s) and cross all the t(s) a more thorough review will take place and the final contract presented. The old contract is included FYI.

Tom

SCHEDULE B: Payment Schedule

The contract amount for the summer of 2020 is: \$55,000.00 Payments will

be divided as follows:

May: \$12,500.00 June:

\$12,500.00 July:

\$15,000.00

August: \$15,000.00

All swimming facility income should it be program, gate or other should go directly to the FAFY

Payments will be due on the 25th of each month. FAFY will provide an invoice to the City no later than the 10th of each month.

In addition any days closed for a COVID-19 related reason will reduce the monthly payment at a rate of \$600.00 per day

City of Carthage

2019

POOL MANAGEMENT CONTRACT

This agreement is entered into on this day _____, by and between the Fair Acres Family YMCA, Inc., a Missouri non-profit corporation (hereinafter, "FAFY"), and the City of Carthage (hereinafter, "The City").

WHEREAS, FAFY is engaged in the business of Aquatic Facility Management and,

WHEREAS, The city is the owner of two public swimming pool facilities located at 520 Roberts Ellis Young Dr., Carthage, Missouri and 714 S Garrison, Carthage, Missouri and,

WHEREAS, Owner desires to hire FAFY to manage and maintain the pool, upon the terms and conditions hereinafter set forth. The parties hereto intend that an independent contractor-employer relationship will be created by this contract. The City is interested only in the results to be achieved and the conduct and control of the work will lie solely with FAFY. FAFY is not to be considered an agent of the city for any purpose, and the employees of FAFY are not entitled to any of the benefits that the City provides for its employees, if any.

WHEREAS, it is the purpose of the City to provide, in the most efficient and effective manner, recreational facilities and programs to the residents of the City. The City believes that the scope and effectiveness of its programs can be improved by associating with the FAFY in order to utilize its training, experience and resources. The purpose of this Agreement is to outline the terms of a cooperative arrangement between the parties that is designed to increase, improve and enhance the City's recreational programs.

NOW, THEREFORE, in consideration of these premises and of the agreements hereinafter set forth, the parties agree as follows:

1. **ENGAGEMENT.** The owner hereby hires FAFY, and FAFY agrees to maintain and operate the pool upon the terms and conditions set forth in the Contract.

2. **STAFFING REQUIREMENT.** FAFY shall provide YMCA or Red Cross Certified Lifeguard(s), for the management of the pool pursuant to the terms of this contract. Pool manager will be on FAFY salary allowing a decrease in management fees. All personnel provided by FAFY shall be FAFY's employees. FAFY shall be responsible for all hiring and firing and scheduling decisions, paying the employees, providing workers compensation and unemployment insurance, and for adequate supervision and administration of the staff.

3. **SCHEDULE AND FEES.** The pool will be operated according to the times Set forth in Schedule A (Operational Schedule). The pool shall be opened during the hours specified unless the pool must be closed due to mechanical breakdown, unsafe weather conditions, or contamination as reasonably determined by the FAFY. In the event of unsafe weather conditions, the FAFY staff member on duty shall evacuate the pool and remain on station for 1 hour to determine if the pool may be re-opened that day. If it starts raining after 4:45pm, it will be within the lifeguard's discretion as to

whether to close or keep the pool open. The City will pay FAFY according to Schedule B (Payment schedule). Gate fees, individual and family passes, and all other special passes and fees, are set forth in Schedule C (Fee Schedule); however, The City and FAFY may modify or amend the gate and pass fees by mutually agreed upon written amendment to Schedule C.

4. INSPECTION. The FAFY administrative staff or lifeguards shall inspect the Pool on a daily basis to insure that the terms and provisions of this contract and the policies of FAFY are being properly executed.

5. POOL REGULATIONS. FAFY shall establish and enforce all pool operational procedures and regulations for safety and maintenance. FAFY shall also enforce additional regulations pertaining to the pool, as provided by the City. All FAFY personnel, the City's members, employees, and guests of the City using the pool and its environs shall follow these regulations. FAFY staff is hereby authorized to cause to be removed from the pool or its environs any individual(s) violating the pool regulations as reasonably determined by FAFY's employees, in their sole discretion. FAFY employees maintain the right to permanently remove from the pool any individual as a result of drinking/drug abuse or physical assault, etc.

The FAFY lifeguard has the last word on the pool deck and in the water. Both the FAFY and the lifeguard are held harmless with regard to any consequences arising from this termination or agreement and the lifeguard will immediately cease all activity and vacate the premises.

6. REPAIRS. If the pool must be closed while awaiting mechanical repair, the City's designated representative shall be advised as soon as practicable. FAFY's personnel will not open the pool unless all systems are operating properly. The City shall provide any reasonable repairs to the pool and the surrounding area. Any clean-up due to vandalism and/or repair due to vandalism shall be billed separately from contract and paid for by The City. FAFY shall contact the City's designated representative to arrange inspection prior to clean up. If the pool must be closed for mechanical repair that by no means does that obviate the City's duty to pay FAFY under the terms of schedule B.

7. ROUTINE MAINTENANCE. All necessary chemicals to properly maintain the pool will be supplied by FAFY. FAFY shall maintain the pool according to the regulations of the Missouri State Health. FAFY will provide paper products for the restrooms. The City will provide utilities services, including electric, sewer, trash, natural gas, and a functional, hard-wired telephone with 911 capability, and any additional fees relating to utilities for the duration of the contract to begin one week prior to pool opening. The City will remove water, clean and refill the pool with fresh city water the third week in May. FAFY will initiate the treatment and maintenance of the pool water following the City's initial spring clean-up no earlier than the third week in May.

8. HOLD HARMLESS AGREEMENT. To the fullest extent permitted by law, The FAFY agrees to indemnify, defend and hold harmless the City of Carthage, Missouri, its officers, agents, volunteers, and employees from and against all claims for bodily injuries or property damage or loss, including but not limited to attorney's fees, court costs, or other alternative dispute resolution costs, arising out of, or in any manner related to the use of the pool by the City and the City's residents, invitees, or trespassers, caused in whole or in part by the actual or alleged negligent acts, errors, or omissions of the FAFY, its officers, agents and volunteers, or anyone directly or indirectly employed or hired by the FAFY or anyone for whose acts FAFY may be liable.

To the fullest extent permitted by law, the City of Carthage agrees to indemnify, defend and hold harmless the Fair Acres Family YMCA, its officers, agents, volunteers, and employees from and against all claims for bodily injuries or property damage or loss, including but not limited to attorney's fees, court costs, or other alternative dispute resolution costs, arising out of, or in any manner related to the use of the pool by the City and the City's residents, invitees, or trespassers, caused in whole or in part by the actual or alleged negligent acts, errors, or omissions of the City of Carthage, Missouri, its officers, agents and volunteers, or anyone directly or indirectly employed or hired by the City of Carthage or anyone for whose acts the City of Carthage may be liable.

9. INSURANCE. The City shall maintain, in full force and effect during the term of this contract, a general liability insurance policy, to protect the City, in the face amount of not less than \$2,000,000. FAFY shall also maintain general liability insurance in the face amount of \$2,000,000, in full force for the duration of this contract and will provide the City with certificates of insurance, with the City of Carthage being listed as an additional insured and all proper endorsements being attached, for both general liability and workers' compensation insurance on request. In turn the City will provide the Fair Acres Family YMCA with certificates of insurance, with the Fair Acres Family YMCA being listed as an additional insured and all proper endorsements being attached, for both general liability and workers' compensation insurance on request.

10. PROGRAMMING. FAFY is solely authorized to conduct swimming instruction and water exercise programs on Mondays through Saturdays. Private parties will be scheduled by FAFY and staffed by FAFY personnel at the rate of \$125.00 for 2 hours. In general, the FAFY agrees to provide the personnel necessary to organize, publicize, manage and operate the City's swimming pool facilities. Also, the FAFY agrees to be liable for the operating costs incurred by these programs. Carthage summer Aquatic Swim Team will have access to the municipal pool for practices and meets. Times and dates will need to be agreed upon with FAFY staff.

11. TERMINATION. The City shall have the right to terminate this contract at any time for cause, and any of the following acts by FAFY shall constitute cause for termination of this contract:

- A. The assignment by FAFY of this Contract, or any rights there under, without the City's written consent, or
- B. The appointment of a receiver for FAFY, or an application therefore, or the filing of a petition by or against FAFY under the federal bankruptcy Act, or,
- C. The assignment for the benefit of creditors, or,
- D. Natural Disaster and/or acts of mother nature, or,
- E. The breach of any terms or conditions contained herein.

Cancellation of this contract by the City for any reason other than the Causes expressly stated above shall constitute a breach of this contract, in which case the balance of the Contract shall become immediately due and payable.

In the event of a litigation to enforce the payment terms of this contract, the prevailing party shall be entitled to a reasonable attorney's fee and costs, if any.

12. OWNER'S DESIGNATED REPRESENTATIVE. The City shall designate an Agent(s) who shall be an employee of the City, for the purpose of this contract. The FAFY Director of Aquatics shall address to and all patron complaints or suggestions. The City's designated agent may be changed from time to time at the discretion of the City.

Mayor Dan Rife
City of Carthage

Date_____

Tom Short
City of Carthage
Director

Date_____

Jonathan H Roberts
Executive Director
Fair Acres Family YMCA

Date_____

SCHEDULE A: Operational Schedule

Opening date: Saturday, May 25th

Closed Days: TBD

Last Day of Season: August 14th

SCHEDULE B: Payment Schedule

The contract amount for the summer of 2018 is: \$50,000.00

Payments will be divided as follows:

May: \$12,500.00

June: \$12,500.00

July: \$12,500.00

August: \$12,500.00

All swimming facility income should it be program, gate or other should go directly to the FAFY

Payments will be due on the 25th of each month. FAFY will provide an invoice to the City no later than the 10th of each month.

SCHEDULE C: Fee Schedule

Daily Pass

Central Pool

FREE – Ages 10 & under

Municipal Pool

Free - Age 3 & Under

\$2.00 - Age 4-15

\$3.00 – Age 16+

Rental

\$150 – Municipal Pool for 2hrs

\$50 – Central Pool for 2hrs

Admission to the pools at no additional costs will be included in Fair Acres Family YMCA memberships.

***NEW
BUSINESS***

COUNCIL BILL NO. 20-24

ORDINANCE NO. _____

AN ORDINANCE AUTHORIZING A SPECIAL USE PERMIT FOR THE OPERATION OF A CARNIVAL TO BE LOCATED AT THE FAIR ACRES SPORTS COMPLEX (EAST GEORGE PHELPS BLVD.) IN CONJUNCTION WITH THE 2020 CARTHAGE MAPLE LEAF PARADE IN THE CITY OF CARTHAGE, JASPER COUNTY, MISSOURI.

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF CARTHAGE, JASPER COUNTY, MISSOURI as follows:

SECTION I: A public hearing was held by the Planning, Zoning and Historic Preservation Commission May 04, 2020. The Commission determined that a Special Use Permit will conform to the intent and purpose of the Code of Carthage, that neighboring property will not be unnecessarily injured and that substantial justice will be done.

SECTION II: The Commission has recommended, and the City Council does hereby grant and issue a Special Use Permit for the operation of a Carnival in conjunction with the Carthage Maple Leaf Parade from Wednesday October 14, 2020 through Saturday October 17, 2020, located on real estate described as:

**CAR MISC S1/2 SW EX RDS & EX COM SW COR SW SW N 58.78' E 30.01' N
324.18' E 15.01' TO POB E 400.19' S 337.97' W 307.93' N 45 DEG W 130.32' N
243.88' TO POB.**

**Commonly known as The Fair Acres Sports Complex, East George Phelps Blvd.,
City of Carthage, Jasper County, Missouri.**

SECTION III: Said Special Use Permit is granted in accordance with Chapter 25-251 (1) of the Code of the City of Carthage. Said Special Use Permit granted under this section shall automatically terminate at the conclusion of the 2020 Maple Leaf activities. Failure to purchase a merchants license or business license, for those businesses required to purchase such a license, shall also be prima facia evidence of cessation of the permitted use.

SECTION IV: This Ordinance shall take effect and be in force from and after its passage and approval.

PASSED AND APPROVED THIS ____ DAY OF _____, 2020.

Dan Rife, MAYOR

ATTEST:

Traci Cox, CITY CLERK

SPECIAL USE PERMIT PETITION

You must provide all requested information on the application. Blanks may delay processing of your petition. (write 'n/a' if information is not applicable to proposal).



Date: 03/03/2020

Filing Fee: \$100.00

Type of Special Use: (be as specific as possible and cite Zoning Ordinance provision listing use as permitted special use)

Carnival for Annual Maple Leaf Festival

Note: The City's Zoning Ordinance and Comprehensive Plan may be viewed at the City Clerk's Office or the Public Works Department

Modification of previously issued Special Use Permit:

☐

Yes

☒

No

Property Address : Fair Acres Parking Lot (West lot next to YMCA)

Location/Legal description:

CAR MISC S1/2 SW EX RDS & EX COM SW COR SW SW N 58.78' E 30.01' N 324.18' E 15.01' TO POB E 400.19' S 337.97' W 307.93' N 45 DEG W 130.32' N 243.88' TO POB

Total site area: Approximately 77,131 sq. ft.

Zoning District(s) and land area within each:

General Business/817 feet to the west is First Dwelling

Present Land Use(s):

Parking lot and baseball fields

Owner: Jasper County (leased to City of Carthage)

Address: 302 S MAIN ST

Tele: 417-358-0416

City: CARTHAGE

State: MO

Zip Code: 64836

Email Address: _____

Fax: _____

Petitioner: Carthage Chamber of Commerce-Mark Elliff

Relationship to Owner: None

(person to whom all correspondence will be sent)

Address: 402 S. Garrison

Tele: 417-358-2373

City: Carthage

State: MO

Zip Code: 64836

Email Address: melliff@carthagechamber.com

Fax: 417-358-7479

Proposal: *(Attach Special Use Permit Petition Statement of Justification)*

Other information: _____
(additional relevant information about the site or proposal you wish to note or cite)

See Attached Page

The undersigned property owner(s) hereby authorize the filing of this petition (and any subsequent revisions thereto), and authorize(s) on-site review by authorized staff.

Signature: _____ Date: _____

Signature: _____ Date: _____

Signature: _____ Date: _____

The undersigned petitioner hereby certifies that, to the best of his or her knowledge and belief, all information supplied with this application is true and accurate.

Signature:  Date: 3/4/2020

Return form to: Public Works Department

Office Use Only:	Date Received: _____	Hearing date: _____	Approved: ☐ Yes ☐ No
Permit Required: ☐ Yes ☐ No	Permit type: _____ <i>(if applicable)</i>		

SPECIAL USE PERMIT PETITION

STATEMENT OF JUSTIFICATION

For each of the five criteria listed below, provide a statement that explains how any existing conditions, proposed development features, or other relevant facts would allow the Planning, Zoning and Historic Preservation Commission to reach a recommendation, and attach any additional documents or materials that provide supporting factual evidence. The considerations listed under each required criteria are simply suggestions. Applicant should address any additional considerations potentially raised by the proposed development.

Important: Applicant bears the burden of presenting sufficient factual evidence to support findings of fact that allow the Commission to reasonably reach a recommendation. If the applicant fails to meet that burden, the Commission has no choice but to recommend denying the petition.

1. The proposed development will not materially endanger the public health or safety.

Considerations:

- Traffic conditions in the vicinity, including the effect of additional traffic on streets and street intersections, and sight lines at street intersection and curb cuts.
- Provision of services and utilities, including sewer, water, electrical, garbage collection, and fire protection.
- Soil erosion and sedimentation.
- Protection of public, community, or private water supplies, including possible adverse effects on surface waters or groundwater

2. The proposed development will comply with all regulations and standards generally applicable within the zoning district and specifically applicable to the particular type of special use or class of special uses.

3. The proposed development will not substantially injure the value of adjoining property, or is a public necessity.

Considerations:

- The relationship of the proposed use and the character of development to surrounding uses and development, including possible conflicts between them and how these conflicts will be resolved.
- Whether the proposed development is so necessary to the public health, safety, and general welfare of the community as a whole as to justify it regardless of its impact on the value of adjoining property.

4. The proposed development will be in harmony with the area in which it is located.

Considerations:

- The relationship of the proposed use and the character of development to surrounding uses and development, including possible conflicts between them and how these conflicts will be resolved.

5. The proposed development will be consistent with the City's Comprehensive Plan.

Considerations:

- Consistency with the Plan's objectives for the various planning areas, its definitions of the various land use classifications and activity centers, and its locational standards.

Signature: _____



Date: _____

3/4/2020

Other Information Comments

We are asking to use this location to allow a carnival operation for the 2020 Maple Leaf Festival. Hours of operation will be as follows:

Wed 10/14/2020	5-10 p.m.
Thurs 10/15/2020	5-10 p.m.
Fri 10/16/2020	5-10 p.m.
Sat 10/17/2020	12 noon-10 p.m.

The setup is approximately 200'x300' for rides, games, and concessions and 150'x75' for support vehicles. Again, we are working with the YMCA and Arvest Bank to use their area for the parking of the support vehicles. Tentatively, the company would arrive on Sunday, October 11, 2020; we are requesting that they undergo inspections from Public Safety and Public Works on Monday, setup Monday and Tuesday, operate Wednesday through Saturday, and breakdown/cleanup Sunday morning. Customers can purchase all-access armbands or pay-as-you-go tickets. They provide their own electricity and trash cans, as well as purchase a City business license and obtain all necessary health permits and safety inspections. Their company sets a curfew for all their employees. Their generator is the only equipment that requires ground stakes, and it creates only two small holes according to the carnival owner. This would be placed off site of the paved parking lot. They also provide fencing around all their rides and do their own cleanup. The Chamber would provide water access. Trash service, and portable toilets will also be made available. Pride Amusements, LLC is the same company that has provided the Carnival since 2016 and we have not had any ill effects. Comments received are very favorable.

Statement of justification

1. The proposed development will not materially endanger the public health or safety.

Considerations: Inspections will be done by the Public Safety and Public Works Departments prior to the opening of the carnival for the safety of the participants. Additionally, the carnival company will provide fencing around all their rides.

- Traffic conditions in the vicinity, including the effect of additional traffic on streets and street intersections, and sight lines at street intersection and curb cuts.
- Provision of services and utilities, including sewer, water, electrical, garbage collection, and fire protection.
- Soil erosion and sedimentation.
- Protection of public, community, or private water supplies, including possible adverse effects on surface waters or groundwater

2. The proposed development will comply with all regulations and standards generally applicable within the zoning district and specifically applicable to the particular type of special use or class of special uses.

3. The proposed development will not substantially injure the value of adjoining property or is a public necessity.

Considerations: This is a temporary operation and will not have a lasting impact on the proposed site. The carnival company is required to clean up any trash that may result from an event.

- The relationship of the proposed use and the character of development to surrounding uses and development, including possible conflicts between them and how these conflicts will be resolved.
- Whether the proposed development is so necessary to the public health, safety, and general welfare of the community as a whole as to justify it regardless of its impact on the value of adjoining property.

4. The proposed development will be in harmony with the area in which it is located.

Considerations: We believe that this is an appropriate location to have a carnival as this is an area that hosts softball, baseball and soccer games. During this time, the majority of these events will not be occurring

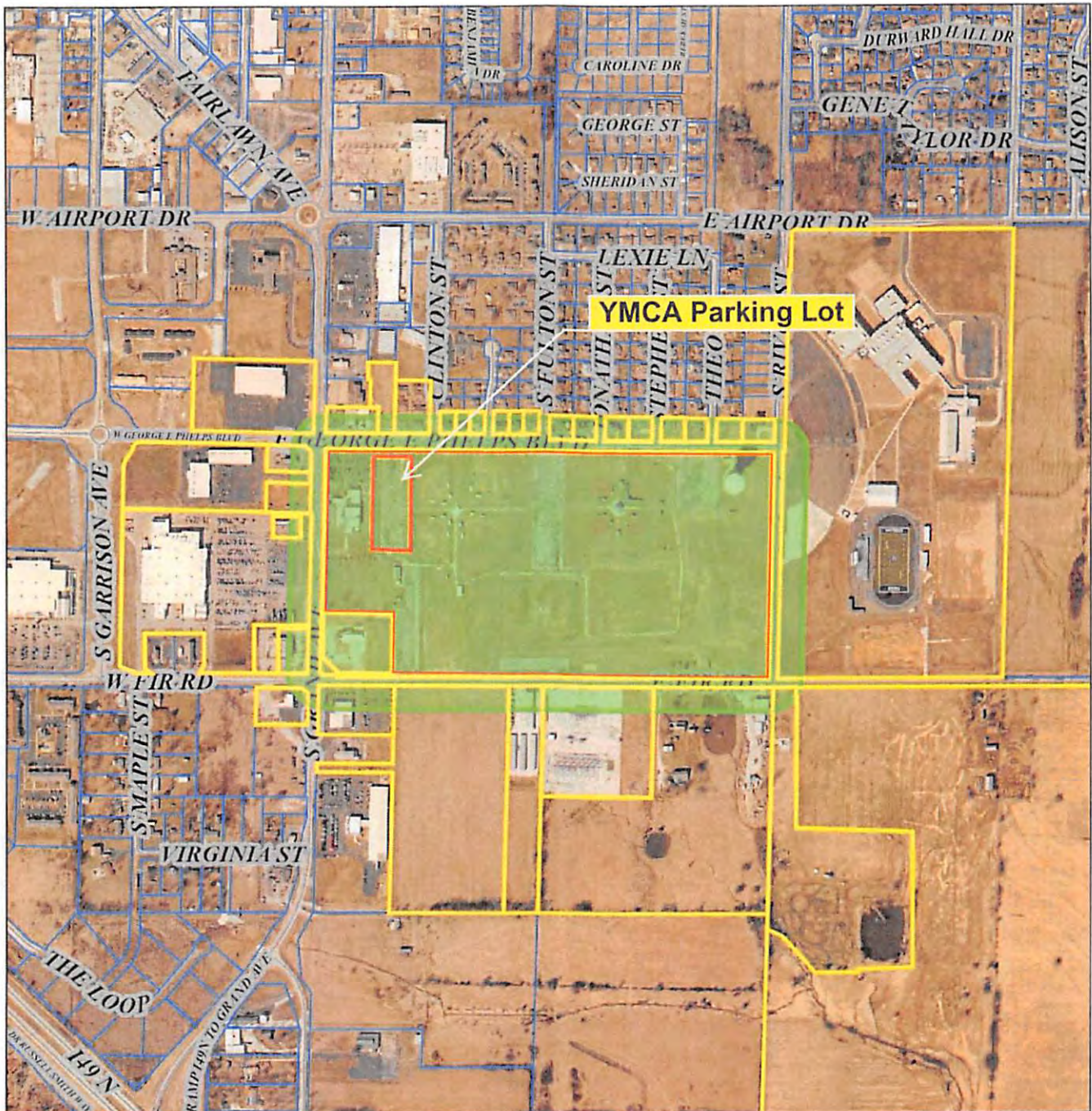
- The relationship of the proposed use and the character of development to surrounding uses and development, including possible conflicts between them and how these conflicts will be resolved.

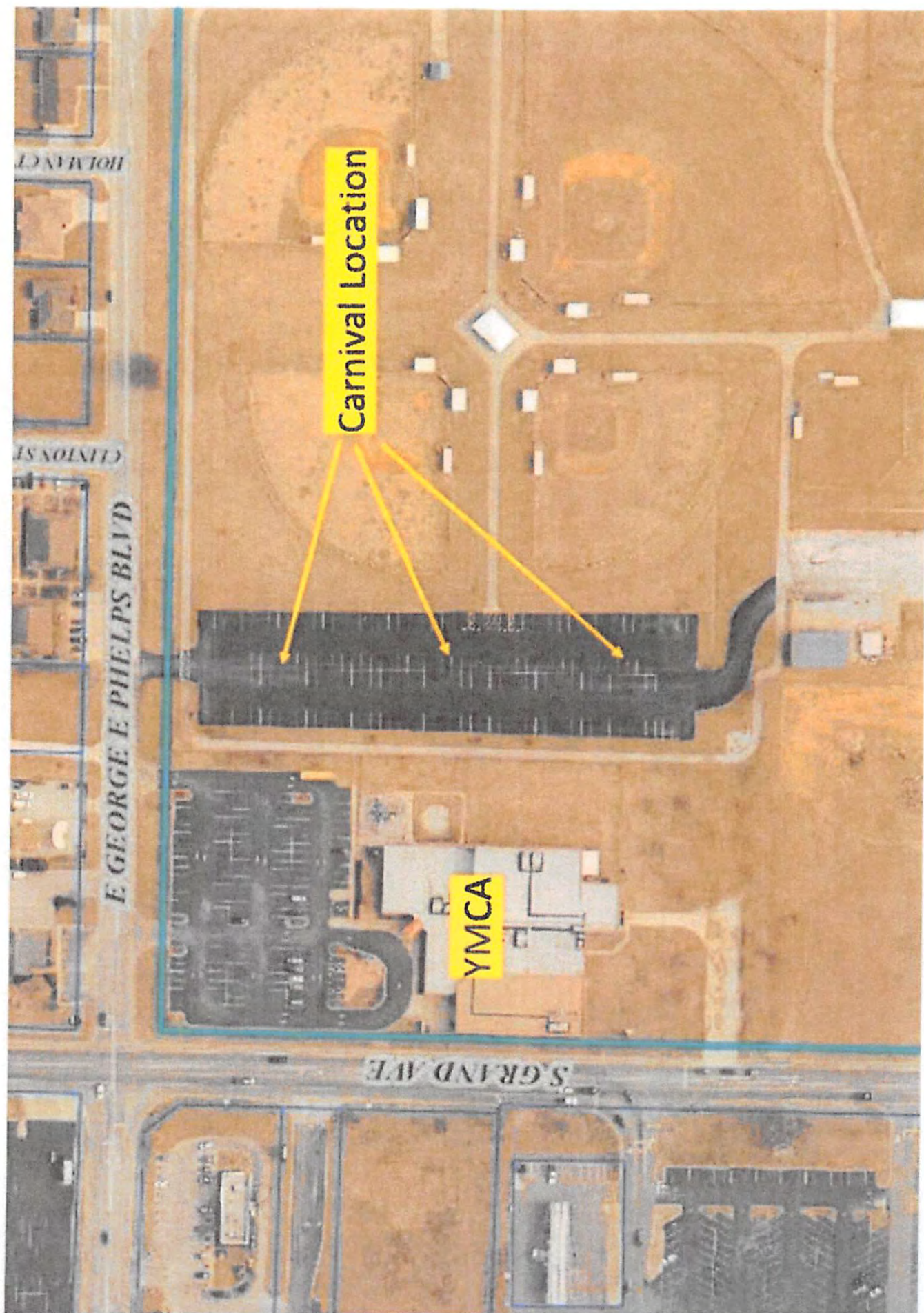
5. The proposed development will be consistent with the City's Comprehensive Plan.

Considerations: This event will provide community goodwill as well as attracting additional sales tax dollars into Carthage.

- Consistency with the Plan's objectives for the various planning areas, its definitions of the various land use classifications and activity centers, and its locational standards.

185' Property Ownership Map / YMCA Parking Lot





COUNCIL BILL NO. 20-25

ORDINANCE NO. _____

AN ORDINANCE VACATING PORTIONS OF 5TH STREET, FROM LINCOLN STREET EAST APPROXIMATELY 432 FEET TOWARD FULTON STREET AND OF CLINTON STREET, FROM 5TH STREET SOUTH, APPROXIMATELY 100 FEET TOWARD 6TH STREET, AS FURTHER DESCRIBED BELOW, IN ORIGINAL TOWN OF CARTHAGE, IN THE CITY OF CARTHAGE, MISSOURI.

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF CARTHAGE, JASPER COUNTY, MISSOURI as follows:

SECTION I: That portions of 5th Street, from Lincoln Street east approximately 432 feet toward Fulton Street and of Clinton Street, from 5th Street south, approximately 100 feet toward 6th Street, as more fully described below in Original Town of Carthage, in the City of Carthage, Missouri, are hereby vacated. The City is to retain a utility easement on and through the vacated streets in the same dimensions and size as the current streets.

BEGINNING AT THE SOUTHWEST CORNER OF LOT 127, THENCE SOUTH 88°27'34" EAST ALONG THE EXISTING NORTH RIGHT-OF-WAY LINE ON EAST 5TH STREET, 431.33 FEET, THENCE SOUTH 01°32'26"37 EAST, 38.00 FEET, TO THE NORTHEAST CORNER OF LOT 130, THENCE NORTH 88°41'22" WEST, ALONG THE NORTH LINE OF SAID LOT 130, ALSO BEING THE SOUTH RIGHT-OF-WAY LINE ON EAST 5TH STREET, 195.00 FEET, TO THE NORTHWEST CORNER OF SAID LOT 130, ALSO BEING THE NORTHEAST CORNER OF CLINTON STREET RIGHT-OF-WAY AT EAST 5TH STREET, THENCE SOUTH 01°26'28" WEST ALONG THE WEST LINE OF SAID LOT 130, ALSO BEING THE EAST LINE OF CLINTON STREET RIGHT-OF-WAY, 100.52 FEET, TO THE SOUTHWEST CORNER OF SAID LOT 130, THENCE NORTH 88°36'53" WEST, 36.63 FEET, TO THE SOUTHEAST CORNER OF LOT 129, THENCE NORTH 01°35'33" EAST, 100.62 FEET, ALONG THE EAST LINE OF SAID LOT 129, ALSO BEING THE WEST RIGHT-OF-WAY LINE FOR CLINTON STREET, TO THE NORTHEAST CORNER OF SAID LOT 129, THENCE NORTH 88°27'34" WEST, 200.00 FEET, ALONG THE NORTH LINE OF SAID LOT 129, ALSO BEING THE SOUTH RIGHT-OF-WAY LINE OF EAST 5TH STREET, THENCE NORTH 01°35'39" EAST, 38.00 FEET TO THE POINT OF BEGINNING.

SECTION II: This Ordinance shall take effect and be in force from and after its passage and approval.

PASSED AND APPROVED THIS ___ DAY OF _____, 2020.

Dan Rife, Mayor

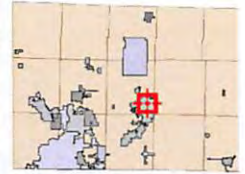
ATTEST:

Traci Cox, City Clerk

FIGURE A - RIGHT-OF-WAY VACATION FIGURE



Overview



Legend

-  Parcels
-  Local Roads

Date created: 2/27/2020
Last Data Uploaded: 2/26/2020 6:01:53 PM

Developed by  **Schneider**
GEOSPATIAL

FIGURE B – LEGAL DESCRIPTION

A PORTION OF EXISTING RIGHTS-OF-WAY FOR EAST 5TH STREET AND CLINTON STREET, AS SHOWN IN ORIGINAL TOWN OF CARTHAGE, IN CARTHAGE, JASPER COUNTY, MISSOURI, NOW DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHWEST CORNER OF LOT 127, THENCE SOUTH 88°27'34" EAST ALONG THE EXISTING NORTH RIGHT-OF-WAY LINE ON EAST 5TH STREET, 431.33 FEET, THENCE SOUTH 01°32'26"37 EAST, 38.00 FEET, TO THE NORTHEAST CORNER OF LOT 130, THENCE NORTH 88°41'22" WEST, ALONG THE NORTH LINE OF SAID LOT 130, ALSO BEING THE SOUTH RIGHT-OF-WAY LINE ON EAST 5TH STREET, 195.00 FEET, TO THE NORTHWEST CORNER OF SAID LOT 130, ALSO BEING THE NORTHEAST CORNER OF CLINTON STREET RIGHT-OF-WAY AT EAST 5TH STREET, THENCE SOUTH 01°26'28" WEST ALONG THE WEST LINE OF SAID LOT 130, ALSO BEING THE EAST LINE OF CLINTON STREET RIGHT-OF-WAY, 100.52 FEET, TO THE SOUTHWEST CORNER OF SAID LOT 130, THENCE NORTH 88°36'53" WEST, 36.63 FEET, TO THE SOUTHEAST CORNER OF LOT 129, THENCE NORTH 01°35'33" EAST, 100.62 FEET, ALONG THE EAST LINE OF SAID LOT 129, ALSO BEING THE WEST RIGHT-OF-WAY LINE FOR CLINTON STREET, TO THE NORTHEAST CORNER OF SAID LOT 129, THENCE NORTH 88°27'34" WEST, 200.00 FEET, ALONG THE NORTH LINE OF SAID LOT 129, ALSO BEING THE SOUTH RIGHT-OF-WAY LINE OF EAST 5TH STREET, THENCE NORTH 01°35'39" EAST, 38.00 FEET TO THE POINT OF BEGINNING.

STREET/ALLEY VACATION APPLICATION

Complete with required information (write 'n/a' if information not applicable to proposal)



Date: 04/15/2020

Filing Fee: \$100.00

☒ Street Vacation ☐ Alley Vacation

Other: _____

Applicant / Company Name: TreanorHL Tele: 816.221.0900
Address: 1811 Baltimore, Kansas City State: MO Zip: 64108

Contact: Brian Kemp Tele: 785.350.6517
Address: 1040 Vermont Street, Lawrence State: KS Zip: 66044

Commonly known as: Street right-of-way on 5th Street and Clinton Street adjacent to County properties south of Jail.

Legal Description:
See attached Figures A&B.

Applicant Signature

Office Use Only:

Date Received: _____ Public Works Meeting Date: _____ Filing Fee: _____

STREET/ALLEY VACATION REVIEW PROCESS

- Request a Street/Alley Vacation Application from the Public Works Department
- Application is completed and returned with filing fee to the Public Works Department
- Public Works staff reviews the application and directs any concerns to the applicant
- Street/Alley vacation request is placed on the next Public Works Committee Agenda
- City Clerk posts agenda no less than 24 hours prior to meeting
- Public Works Committee conducts meeting and votes on recommendation to the City Council regarding approval Or denial of application
- Once a request is approved and a recommendation made, a Council Bill is prepared for first reading at next Council meeting
- Council Bill goes through a second reading
- City Clerk notifies all agencies once the Council Bill is finalized

***MAYOR'S
APPOINTMENTS***

RESOLUTIONS

RESOLUTION NO. 1901

A RESOLUTION CONCERNING ANNEXATION OF PROPERTY AS REQUESTED BY JAKE VAUGHN, VAUGHN PROPERTY INC., FOR PROPERTY LOCATED AT 3012 SOUTH CHAPEL RD., JASPER COUNTY, MISSOURI, CONSISTING OF APPROXIMATELY 19.55 ACRES, FOR A SINGLE FAMILY RESIDENTIAL SUBDIVISION.

ALL OF THE NORTH ONE HALF (N 1/2) OF THE SOUTHEAST QUARTER (SE 1/4) OF THE NORTHEAST QUARTER (NE 1/4) OF SECTION 20, TOWNSHIP 28, RANGE 31, JASPER COUNTY, MISSOURI.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF CARTHAGE, JASPER COUNTY, MISSOURI, THE MAYOR CONCURRING HEREIN, AS FOLLOWS:

SECTION I: That there has been presented on May 12, 2020, to the City Council of the City of Carthage, a verified petition signed by the owners of all fee interest of record and all tracts of real property located within the area described in the petition, which area is proposed to be annexed to the City of Carthage; a copy of which petition is attached hereto and incorporated herein as if set out in full.

SECTION II: That no part of said real property is now included in any incorporated municipality.

SECTION III: That said real property is contiguous to the existing corporate limits of the City of Carthage, Missouri.

SECTION IV: That in accordance with section 71.012 Revised Statutes of Missouri, a public hearing shall be held concerning the matter, and this public hearing shall be held on the 9th day of June 2020 at 6:30 p.m., in the Council Chambers, at City Hall in Carthage, Missouri.

SECTION V: The City Clerk is authorized and directed to cause a notice of such hearing to be published in the Sarcoxie Record at least seven (7) days prior to the date of hearing.

PASSED AND APPROVED THIS _____ DAY OF _____, 2020.

Dan Rife, Mayor

ATTEST:

Traci Cox, City Clerk

3012 S Chapel Rd / Overall Site Location City Limit Boundary



Parcel ID	14402000000014000	Alternate ID	02-140647-0000	Owner Address	SWEARINGER PAUL TR & RONALD WYATT ETAL
Sec/Twp/Rng	20-28-31	Class	A	% PAUL SWEARINGER	
Property Address	3012 S CHAPEL RD	Acreage	19.55	4535 WIDGEON CT	
				MARION IA 52302	

District	143
Brief Tax Description	N1/2 SE NE EX CHAPEL RD R/W
	(Note: Not to be used on legal documents)

185' Property Ownership Map / 3012 S Chapel Rd Annexation Request

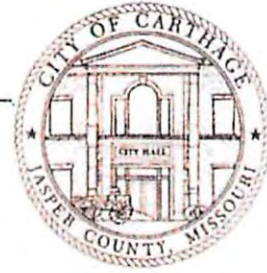


Date created: 3/2/2020
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Developed by  **Schneider**
GEOSPATIAL

PRE-DEVELOPMENT APPLICATION

Complete with required information (write 'n/a' if information not applicable to proposal)



Preliminary Plat

Filing Fee: \$200.00

Annexation

Filing Fee: \$100.00

Date: 2/19/2020

Applicant / Company Name: Jake Vaughn, Vaughn Company, Inc

Tele: 417-235-7700

Address: 22453 Highway H

City: Monett

State: MO Zip: 65708

Contact: Joshua Oathout, Anderson Engineering

Tele: 417-782-7399

Address: 811 East 3rd Street

City: Joplin

State: MO Zip: 64801

Project Name: Proposed Single Family Residential Subdivision

Land Use and Zoning abutting or adjacent to site:

Zoning:

North: Single Family Residential Subdivision

District A

South: Single Family Residence

Non Annexed

East: Vacant Field

Non Annexed

West: Single Family Residence

Non Annexed

Project Address / Location: 3012 South Chapel Road, Jasper County, Missouri

Property Owner: Jake Vaughn

Site acreage: 19.55

Subdivision / Tract Description: See Attached Legal Description

(Lot / Block / Tract Info)

If residential, estimated Number of Dwelling Units: Single family: 86

Multi-family:

Please provide an Overview of your Project:

Proposed Single Family Residential Subdivision will consist of 7,880 linear feet of new roadway containing 86 new residential lots. The proposed subdivision will contain two means of egress and include all necessary water and sewer main extensions to serve the proposed lots. Water Quality/Detention will be taken care of on the West side of the development with proposed detention basins.

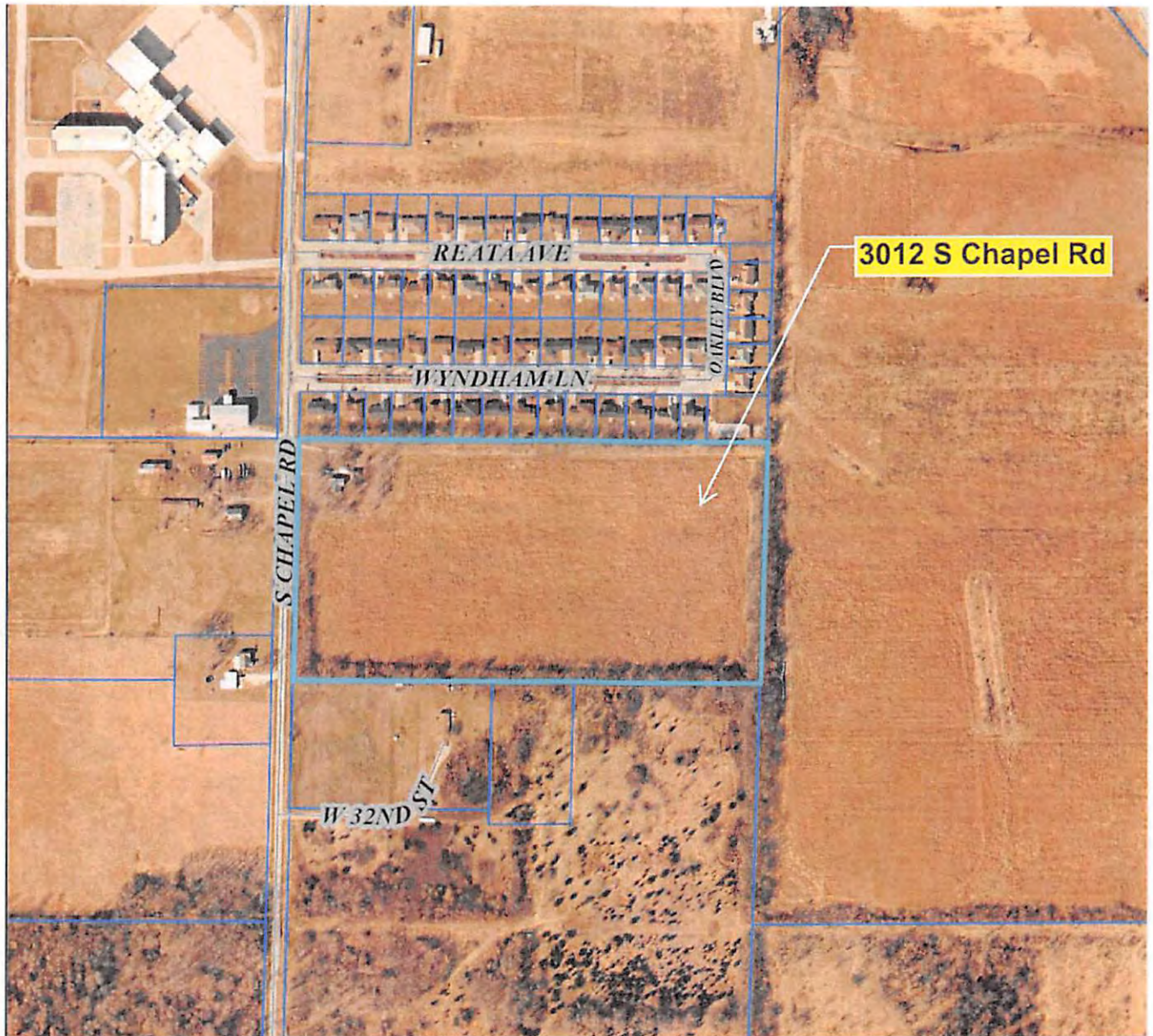
Upon completion, return to the Public Works Department.

Office Use Only:

Date Received: _____ Staff Meeting Date: _____ P & Z Meeting Date: _____

ALL OF THE NORTH ONE HALF (N 1/2) OF THE SOUTHEAST QUARTER (SE 1/4) OF THE NORTHEAST QUARTER (NE 1/4) OF SECTION 20, TOWNSHIP 28, RANGE 31, JASPER COUNTY, MISSOURI.

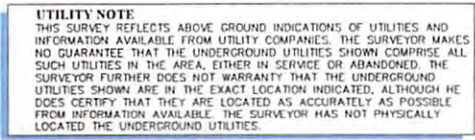
3012 S Chapel Rd / Preliminary Plat



Parcel ID	14402000000014000	Alternate ID	02-140647-0000	Owner Address	SWEARINGER PAUL TR & RONALD WYATT ETAL
Sec/Twp/Rng	20-28-31	Class	A		% PAUL SWEARINGER
Property Address	3012 S CHAPEL RD	Acreage	19.55		4535 WIDGEON CT
					MARION IA 52302
District	143				
Brief Tax Description	N1/2 SE NE EX CHAPEL RD R/W				
	(Note: Not to be used on legal documents)				

LOCATION SKETCH

SECTION 20
T 28 N., R 31 W
SCALE: 1"=2000'



FLOOD NOTE
BY GRAPHIC PLOTTING ONLY, THIS PROPERTY IS IN ZONE X OF THE FLOOD
INSURANCE RATE MAP, MAP NUMBER 25097C0140E, WHICH BEARS AN
EFFECTIVE DATE OF NOVEMBER 2, 2012 AND IS NOT IN A SPECIAL FLOOD
HAZARD AREA. NO FIELD SURVEYING WAS PERFORMED TO DETERMINE THIS
ZONE.

ALL OF THE NORTH ONE HALF (N 1/2) OF THE SOUTHEAST QUARTER (SE 1/4) OF THE NORTHEAST QUARTER (NE 1/4) OF SECTION 20, TOWNSHIP 28, RANGE 31, JASPER COUNTY, MISSOURI.

ENGINEER/LAND SURVEYOR
ANDERSON ENGINEERING, INC.
811 E. 3RD STREET
JOPLIN, MISSOURI 64801
JASON ECKHART, P.E.
GREGORY B. BOWERS, P.L.S.

KNOW ALL MEN BY THESE PRESENTS,
THAT I, GREGORY B. BOWERS, DO HEREBY DECLARE THAT THIS PRELIMINARY
PLAN WAS PREPARED UNDER MY SUPERVISION, AND THAT THE EXISTING AND
PROPOSED INFORMATION SHOWN HEREON IS ACCURATE AND COMPLETE TO THE
BEST OF MY KNOWLEDGE.

20

STATE OF MISSOURI
GREGORY B. BOWERS
NUMBER
LS 2672
REGISTERED LAND SURVEYOR

02-24
DATE

02-24-20
DATE

BUILDING SETBACK LINES:
FRONT: 25'
SIDE: 10% OF LOT WIDTH, NOT LESS
THAN 4', NO MORE THAN 6'.
SIDE CORNER LOT: 15'
REAR: 30% OF LOT DEPTH, NO MORE
THAN 30'.



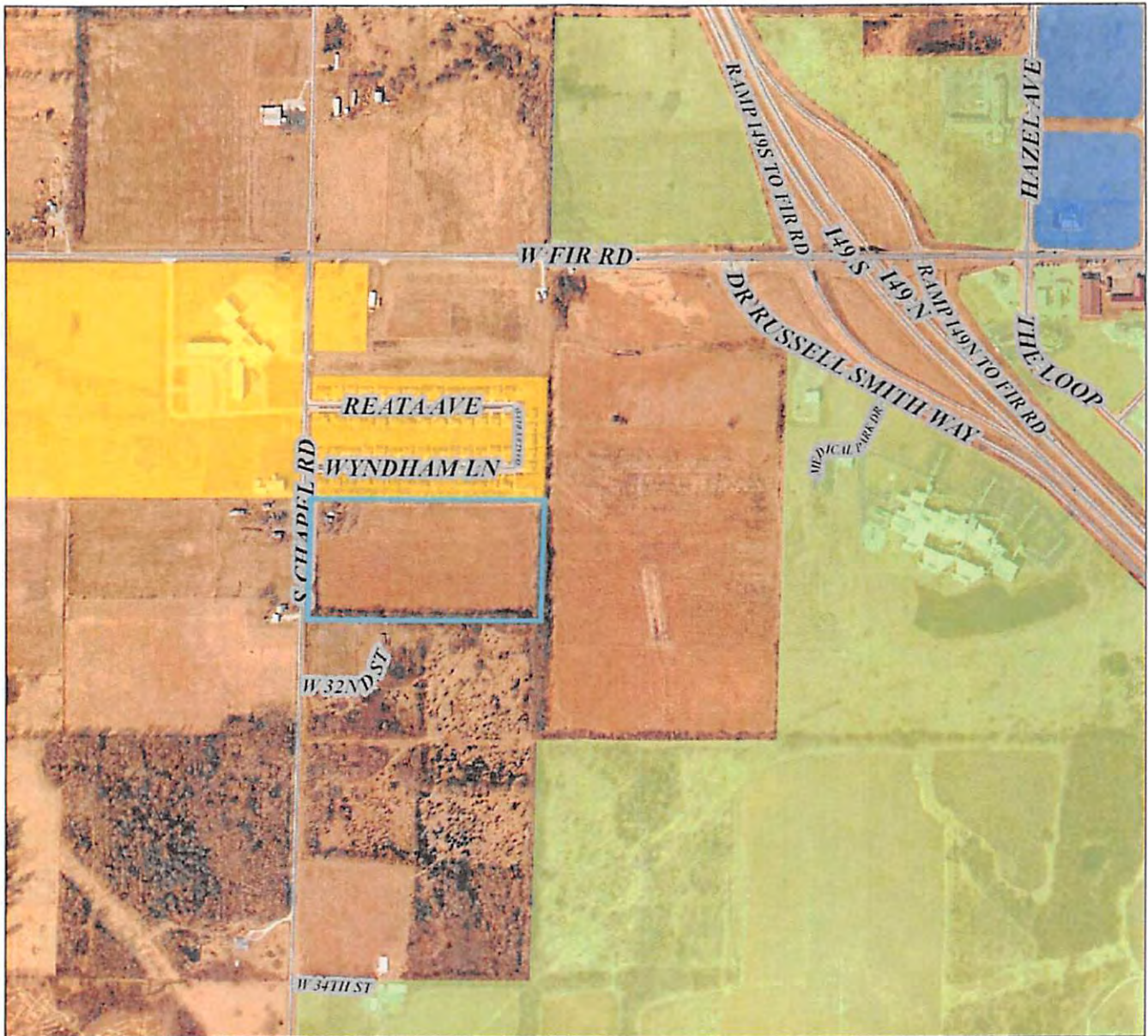
SYMBOL	DESCRIPTION	SYMBOL	DESCRIPTION
PP	POWER W/ GUY	—	PROPERTY LINE
CH	MANHOLE	—	PROP. SANITARY SEWER
SC	SEWER CLEANOUT	—	SANITARY SEWER
CM	GAS METER	—	TELEPHONE LINE
LP	LIGHT POLE	—	UNDERGROUND TELEPHONE
—	SIGN	—	GAS LINE
—	WATER METER	—	WATER LINE
—	WATER VALVE	—	PROP. WATER LINE
—	GAS VALVE	—	OVERHEAD ELECTRIC
—	FIRE HYDRANT	—	FIBER OPTIC
—	TELEPHONE RISER	—	FENCE LINE
—	GRATE INLET	—	PROP. STORM
—	ELECTRICAL RISER	—	TREELINE
—	ELECTRICAL METER	—	BUILDING SETBACK LINE
		—	UTILITY EASEMENT
		—	STORM DRAINAGE & UTILITY EASEMENT

TOTAL ACRES:	19.89±
TOTAL NO OF LOTS:	86
CURRENT ZONING:	NONE
PROPOSED USE:	SINGLE-FAMILY RESIDENTIAL
SOURCE OF WATER:	CITY OF CARTHAGE
SOURCE OF SEWER:	CITY OF CARTHAGE
SOURCE OF TITLE:	BOOK 1653, PAGE 882

811 E. 3RD STREET
JOPLIN, MISSOURI 64601
PHONE (417) 782-7399

JOP 100-5514

3012 S Chapel Rd / Surrounding Zoning



Parcel ID	14402000000014000	Alternate ID	02-140647-0000	Owner Address	SWEARINGER PAUL TR & RONALD WYATT ETAL
Sec/Twp/Rng	20-28-31	Class	A		% PAUL SWEARINGER
Property Address	3012 S CHAPEL RD	Acreage	19.55		4535 WIDGEON CT
					MARION IA 52302
District	143				
Brief Tax Description	N1/2 SE NE EX CHAPEL RD R/W				
	(Note: Not to be used on legal documents)				

RESOLUTION NO. 1902

A RESOLUTION AUTHORIZING THE MAYOR TO SIGN A LETTER OF ENGAGEMENT FOR PROFESSIONAL AUDITING SERVICES WITH KPM CPAS & ADVISORS FOR FISCAL 2020.

WHEREAS, the City of Carthage, Missouri (hereinafter "City") wishes to enter into an agreement with KPM CPAs & Advisors, concerning professional auditing services for the fiscal year ending June 30, 2020; and

WHEREAS, the City has received an Engagement Letter from KPM CPAs & Advisors concerning professional auditing services for the fiscal year ending on June 30, 2020, attached hereto and incorporated herein by reference.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF CARTHAGE, JASPER COUNTY, MISSOURI, THE MAYOR CONCURRING HEREIN, AS FOLLOWS:

The City Council of the City of Carthage hereby authorizes the Mayor to sign the Engagement Letter from KPM CPAs & Advisors concerning professional auditing services for the fiscal year ending on June 30, 2020, attached hereto and incorporated herein as if set out in full.

PASSED AND APPROVED THIS _____ DAY OF _____, 2020.

Dan Rife, Mayor

ATTEST:

Traci Cox, City Clerk



April 27, 2020

Honorable Mayor, City Council, and Management
City of Carthage,
326 Grant Street
Carthage, Missouri 64836

We are pleased to confirm our understanding of the services we are to provide the City of Carthage, Missouri, for the year ended June 30, 2020. We will audit the financial statements of the governmental activities, the business-type activities, and each major fund, including the related notes to the financial statements, which collectively comprise the basic financial statements of the City of Carthage, Missouri, as of and for the year ended June 30, 2020. We will also audit the financial statements of the discretely presented component unit as of and for the year ended April 30, 2020. Accounting standards generally accepted in the United States of America provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement the City of Carthage, Missouri's basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context.

As part of our engagement, we will apply certain limited procedures to the City of Carthage, Missouri's RSI in accordance with auditing standards generally accepted in the United States of America. These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. The following RSI is required by U.S. generally accepted accounting principles and will be subjected to certain limited procedures, but will not be audited:

1. Management's Discussion and Analysis
2. Pension schedules and notes
3. Budgetary comparison schedules and notes

www.kpmcpa.com

1445 E. Republic Road Springfield, MO 65804 | 417-882-4300 | fax 417-882-4343
500 W. Main Street, Suite 200 Branson, MO 65616 | 417-334-2987 | fax 417-336-3403

Member of The Leading Edge Alliance

Audit Objectives

The objective of our audit is the expression of opinions as to whether your financial statements are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles and to report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America and the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and will include tests of the accounting records of the City of Carthage, Missouri, and other procedures we consider necessary to enable us to express such opinions. We will issue a written report upon completion of our audit of the City of Carthage, Missouri's financial statements. Our report will be addressed to the City Council of the City of Carthage, Missouri. We cannot provide assurance that unmodified opinions will be expressed. Circumstances may arise in which it is necessary for us to modify our opinions or add emphasis-of-matter or other-matter paragraphs. If our opinions are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or issue reports, or may withdraw from this engagement.

We will also provide a report (that does not include an opinion) on internal control related to the financial statements and compliance with the provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a material effect on the financial statements as required by *Government Auditing Standards*. The report on internal control and on compliance and other matters will include a paragraph that states (1) that the purpose of the report is solely to describe the scope of testing of internal control and compliance, and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control on compliance, and (2) that the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. The paragraph will also state that the report is not suitable for any other purpose. If during our audit we become aware that the City of Carthage, Missouri, is subject to an audit requirement that is not encompassed in the terms of this engagement, we will communicate to management and those charged with governance that an audit in accordance with U.S. generally accepted auditing standards and the standards for financial audits contained in *Government Auditing Standards* may not satisfy the relevant legal, regulatory, or contractual requirements.

Audit Procedures—General

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the government or to acts by management or employees acting on behalf of the government. Because the determination of abuse is subjective, *Government Auditing Standards* do not expect auditors to provide reasonable assurance of detecting abuse.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is a risk that material misstatements may exist and not be detected by us, even though the audit is properly planned and performed in accordance with U.S. generally accepted auditing standards and *Government Auditing Standards*.

In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, we will inform the appropriate level of management of any material errors, fraudulent financial reporting, or misappropriation of assets that come to our attention.

We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential, and of any material abuse that comes to our attention. Our responsibility as auditors is limited to the period covered by our audit and does not extend to later periods for which we are not engaged as auditors.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and may include tests of the physical existence of inventories, and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions. We will request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our audit, we will require certain written representations from you about your responsibilities for the financial statements; compliance with laws, regulations, contracts, and grant agreements; and other responsibilities required by generally accepted auditing standards.

Audit Procedures—Internal Control

Our audit will include obtaining an understanding of the government and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*.

An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. Accordingly, we will express no such opinion. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards and *Government Auditing Standards*.

Audit Procedures—Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of the City of Carthage, Missouri's compliance with the provisions of applicable laws, regulations, contracts, agreements, and grants. However, the objective of our audit will not be to provide an opinion on overall compliance and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

Other Services

We will also assist in preparing the financial statements and related notes, depreciation schedules and cash to accrual conversion journal entries of the City of Carthage, Missouri, in conformity with U.S. generally accepted accounting principles based on information provided by you. These nonaudit services do not constitute an audit under *Government Auditing Standards* and such services will not be conducted in accordance with *Government Auditing Standards*. We will perform the services in accordance with applicable professional standards. The other services are limited to the financial statement services previously defined. We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.

Management Responsibilities

Management is responsible for designing, implementing, establishing, and maintaining effective internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, including evaluating and monitoring ongoing activities to help ensure that appropriate goals and objectives are met; following laws and regulations; and ensuring that management and financial information is reliable and properly reported. Management is also responsible for implementing systems designed to achieve compliance with applicable laws, regulations, contracts, and grant agreements. You are also responsible for the selection and application of accounting principles, for the preparation and fair presentation of the financial statements and all accompanying information in conformity with U.S. generally accepted accounting principles, and for compliance with applicable laws and regulations and the provisions of contracts and grant agreements.

Management is also responsible for making all financial records and related information available to us and for the accuracy and completeness of that information. You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, (2) additional information that we may request for the purpose of the audit, and (3) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence.

Your responsibilities include adjusting the financial statements to correct material misstatements and for confirming to us in the written representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the government complies with applicable laws, regulations, contracts, agreements, and grants and for taking timely and appropriate steps to remedy fraud and noncompliance with provisions of laws, regulations, contracts or grant agreements, or abuse that we report.

You are responsible for the preparation of the supplementary information, which we have been engaged to report on, in conformity with U.S. generally accepted accounting principles. You agree to include our report on the supplementary information in any document that contains and indicates that we have reported on the supplementary information. You also agree to include the audited financial statements with any presentation of the supplementary information that includes our report thereon.

Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the supplementary information in accordance with GAAP; (2) you believe the supplementary information, including its form and content, is fairly presented in accordance with GAAP; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying and providing report copies of previous financial audits, attestation engagements, performance audits or other studies related to the objectives discussed in the Audit Objectives section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits or other studies. You are also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions, for the report, and for the timing and format for providing that information.

You agree to assume all management responsibilities relating to the financial statements and related notes, depreciation schedules and cash to accrual conversion journal entries and any other nonaudit services we provide. You will be required to acknowledge in the management representation letter our assistance with preparation of the financial statements and related notes and depreciation schedules and that you have reviewed and approved the financial statements and related notes prior to their issuance and have accepted responsibility for them. Further, you agree to oversee the nonaudit services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of those services; and accept responsibility for them.

Engagement Administration, Fees, and Other

We may from time to time, and depending on the circumstances, use third-party service providers in serving your account. We may share confidential information about you with these service providers, but remain committed to maintaining the confidentiality and security of your information. Accordingly, we maintain internal policies, procedures, and safeguards to protect the confidentiality of your personal information. In addition, we will secure confidentiality agreements with all service providers to maintain the confidentiality of your information and we will take reasonable precautions to determine that they have appropriate procedures in place to prevent the unauthorized release of your confidential information to others. In the event that we are unable to secure an appropriate confidentiality agreement, you will be asked to provide your consent prior to the sharing of your confidential information with the third-party service provider. Furthermore, we will remain responsible for the work provided by any such third-party service providers.

You may request that we perform additional services not addressed in this engagement letter. If this occurs, we will communicate with you regarding the scope of the additional services and the estimated fees. We also may issue a separate engagement letter covering the additional services. In the absence of any other written communication from us documenting such additional services, our services will continue to be governed by the terms of this engagement letter.

We understand that your employees will prepare all cash, accounts receivable, or other confirmations we request and will locate any documents selected by us for testing.

We will provide copies of our reports to the City; however, management is responsible for distribution of the reports and the financial statements. Unless restricted by law or regulation, or containing privileged and confidential information, copies of our reports are to be made available for public inspection.

The audit documentation for this engagement is the property of KPM CPAs, PC and constitutes confidential information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request and in a timely manner to state agency providing direct or indirect funding or its designee, a federal agency providing direct or indirect funding, or the U.S. Government Accountability Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request.

If requested, access to such audit documentation will be provided under the supervision of KPM CPAs, PC personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

The audit documentation for this engagement will be retained for a minimum of five years after the report release date or for any additional period requested by the state agency providing direct or indirect funding or its designee. If we are aware that a federal awarding agency or auditee is contesting an audit finding, we will contact the party(ies) contesting the audit finding for guidance prior to destroying the audit documentation.

We expect to begin our audit in approximately June 2020, and to issue our reports no later than December 31, 2020. Rebecca Friedrich is the engagement partner and is responsible for supervising the engagement and signing the reports or authorizing another individual to sign them.

Our fee for these services will be at our standard hourly rates plus out-of-pocket costs (such as report reproduction, word processing, postage, travel, copies, telephone, etc.) and we agree that our gross fee, including expenses, will be \$27,300, which includes the City's three component units in the financial statement presentation. The fee for the audit of the discretely presented component unit financial statements as of April 30, 2020, will be billed to McCune Brooks Regional Hospital. If expenditures of federal awards exceed \$750,000, a substitute engagement letter will be issued and an additional fee of \$4,000 will become applicable. Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to your audit. Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. In accordance with our firm policies, work may be suspended if your account becomes 90 days or more overdue and may not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed our report. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket costs through the date of termination. The above fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs.

In the event of a dispute related in any way to our services, our firm and you agree to discuss the dispute and, if necessary, to promptly mediate in a good faith effort to resolve. We will agree on a mediator, but if we cannot, either of us may apply to a court having personal jurisdiction over the parties for appointment of a mediator. We will share the mediator's fees and expenses equally, but otherwise will bear our own attorneys' fees and mediation cost. Participation in such mediation shall be a condition to either of us initiating litigation. In order to allow time for the mediation, any applicable statute of limitations shall be tolled for a period not to exceed 120 days from the date either of us first requests in writing to mediate the dispute. The mediation shall be confidential in all respects, as allowed or required by law, except our final settlement positions at mediation shall be admissible in litigation to determine the prevailing party's identity for awarding attorneys' fees. We have the right to withdraw from this engagement, in our discretion, if you do not provide us with any information we request in a timely manner, refuse to cooperate with our reasonable requests or misrepresent any facts. Our withdrawal will complete our engagement. You agree to compensate us for our time and out-of-pocket expenses through the date of our withdrawal.

Government Auditing Standards require that we provide you with a copy of our most recent external peer review report and any letter of comment, and any subsequent peer review reports and letters of comment received during the period of the contract. Our 2017 peer review report accompanies this letter.

We appreciate the opportunity to be of service to the City of Carthage, Missouri, and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

Respectfully,

KPM CPAs, PC

KPM CPAs, PC

Response

This letter correctly sets forth the understanding of City of Carthage, Missouri.

Management Signature: _____

Title: _____

Date: _____

**PLEASE SIGN
& RETURN**



Report on the Firm's System of Quality Control

May 31, 2018

To the Shareholders of KPM CPAs, PC & the Peer Review Committee of the Missouri Society of CPAs

We have reviewed the system of quality control for the accounting and auditing practice of KPM CPAs, PC (the firm) in effect for the year ended November 30, 2017. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants (Standards).

A summary of the nature, objectives, scope, limitations of, and the procedures performed in a System Review as described in the Standards may be found at <http://www.aicpa.org/prsummary>. The summary also includes an explanation of how engagements identified as not performed or reported in conformity with applicable professional standards, if any, are evaluated by a peer reviewer to determine a peer review rating.

Firm's Responsibility

The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. The firm is also responsible for evaluating actions to promptly remediate engagements deemed as not performed or reported in conformity with professional standards, when appropriate, and for remediating weaknesses in its system of quality control, if any.

Peer Reviewer's Responsibility

Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based on our review.

Required Selections and Considerations

Engagements selected for review included engagements performed under Government Auditing Standards, including compliance audits under the Single Audit Act and audits of employee benefit plans.

As a part of our peer review, we considered reviews by regulatory entities as communicated by the firm, if applicable, in determining the nature and extent of our procedures.

Opinion

In our opinion, the system of quality control for the accounting and auditing practice of KPM CPAs, PC in effect for the year ended November 30, 2017, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of pass, pass with deficiency(ies), or fail. KPM CPAs, PC has received a peer review rating of pass.

ANDERS MINKLER HUBER & HELM LLP
Certified Public Accountants

RESOLUTION NO. 1903

A RESOLUTION AUTHORIZING THE MAYOR TO SIGN A UNITED STATES DEPARTMENT OF ENERGY SOUTHWESTERN POWER ADMINISTRATION AMENDATORY AGREEMENT BETWEEN UNITED STATES OF AMERICA AND CITY OF CARTHAGE, MISSOURI.

WHEREAS, on May 29, 1998, the parties entered into Contract No. DE-PM75-98SW00409, which has been amended from time to time (hereinafter "Contract-409") and which provides for, among other things, the sale and/or exchange of power and energy between Southwestern and Carthage; and

WHEREAS, Articles II, IV, IX, and XIII, and Section 2 of Article XI of Contract-409 are scheduled to expire June 30, 2020; and

WHEREAS, the parties hereto desire to extend Articles II, IV, IX, XIII, and Section 2 of Article XI of Contract-409;

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF CARTHAGE, JASPER COUNTY, MISSOURI, THE MAYOR CONCURRING HEREIN, AS FOLLOWS:

The City Council of the City of Carthage hereby authorizes the Mayor to sign the United States Department of Energy Southwestern Power Administration Amendatory Agreement between the United States of America and the City of Carthage, Missouri.

PASSED AND APPROVED THIS _____ DAY OF _____, 2020.

ATTEST:

Dan Rife, Mayor

Traci Cox, City Clerk

Contract No. DE-PM75-98SW00409-M005

UNITED STATES
DEPARTMENT OF ENERGY
SOUTHWESTERN POWER ADMINISTRATION

AMENDATORY AGREEMENT

BETWEEN

UNITED STATES OF AMERICA

AND

CITY OF CARTHAGE, MISSOURI

THIS AMENDATORY AGREEMENT, made and entered into this _____ day of _____, 2020, by and between the UNITED STATES OF AMERICA, represented by the Secretary of Energy, acting by and through the Administrator, Southwestern Power Administration (hereinafter "Southwestern"), an Administration within the Department of Energy, and the CITY OF CARTHAGE, MISSOURI (hereinafter "Carthage"), a municipal corporation organized and existing under the laws of the State of Missouri, acting through its duly authorized officials; WITNESSETH, That,

WHEREAS, on May 29, 1998, the parties entered into Contract No. DE-PM75-98SW00409, which has been amended from time to time (hereinafter "Contract-409") and which provides for, among other things, the sale and/or exchange of power and energy between Southwestern and Carthage; and

WHEREAS, Articles II, IV, IX, and XIII, and Section 2 of Article XI of Contract-409 are scheduled to expire June 30, 2020; and

WHEREAS, the parties hereto desire to extend Articles II, IV, IX, XIII, and Section 2 of Article XI of Contract-409;

NOW, THEREFORE, in consideration of the mutual covenants herein contained, the parties hereto agree that Contract-409, as amended, shall be and hereby is further amended as follows:

Part 1. Delete Section 1 of Article XI in its entirety and insert in lieu thereof a new Section 1 of Article XI to read as follows:

Section 1. Effective Date and Term of Contract. This Contract shall become effective at 12:01 a.m., on June 1, 1998. Articles II, IV, and IX, Section 2 of Article XI, and Article XIII shall remain in force and effect until 12:00 midnight, June 30, 2023, unless sooner terminated, in whole or in part, under the provisions set forth herein. Articles I, III, and X, and Sections 1, 3, and 4 of Article XI shall remain in force and effect until 12:00 midnight, June 30, 2030, unless sooner terminated, in whole or in part, under the provisions set forth herein.

IT IS FURTHER AGREED, that, this Amendatory Agreement shall become effective upon execution by the Administrator, Southwestern, or the Administrator's authorized representative; and

That, except as herein provided, all other provisions of Contract-409, as amended, are and shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have jointly executed this Amendatory Agreement in several counterparts as of the day and year first above written, each of which shall constitute an original.

UNITED STATES OF AMERICA

Fritha Ohlson
Senior Vice President/COO
Office of Corporate Operations
Southwestern Power Administration

CITY OF CARTHAGE, MISSOURI

By _____
Title _____

ATTEST:

I, _____, certify that I am the _____ of the CITY OF CARTHAGE, MISSOURI, and that _____, who signed this Amendatory Agreement on behalf of the said City, was then the _____ of said City, and that the said Amendatory Agreement was duly signed for and on behalf of the said City by authority of its governing body, which has within the scope of its corporate powers the authority to legally bind such City under the foregoing Amendatory Agreement.

(SEAL)

By _____

Contract No. DE-PM75-98SW00409-M004

UNITED STATES
DEPARTMENT OF ENERGY
SOUTHWESTERN POWER ADMINISTRATION

AMENDATORY AGREEMENT

BETWEEN

UNITED STATES OF AMERICA

AND

CITY OF CARTHAGE, MISSOURI

THIS AMENDATORY AGREEMENT, made and entered into this 31st day of July, 2015, by and between the UNITED STATES OF AMERICA, represented by the Secretary of Energy, acting by and through the Administrator, Southwestern Power Administration (hereinafter "Southwestern"), an Administration within the Department of Energy, and the CITY OF CARTHAGE, MISSOURI (hereinafter "Carthage"), a municipal corporation organized and existing under the laws of the State of Missouri, acting through its duly authorized officials; WITNESSETH, That,

WHEREAS, on May 29, 1998, the parties entered into Contract No. DE-PM75-98SW00409, which has been amended from time to time (hereinafter "Contract-409") and which provides, among other things, for the sale and/or exchange of power and energy between Southwestern and Carthage; and

WHEREAS, Carthage is directly connected to the System of Southwestern as defined in Contract-409; and

WHEREAS, on June 1, 2014, Carthage moved from Southwestern's Balancing Authority Area to the consolidated Balancing Authority Area (hereinafter "CBA") of the

Southwest Power Pool, Inc., Regional Transmission Organization (hereinafter "SPP") by creating a pseudo-tie to SPP; and

WHEREAS, Articles II, IV, V, VI, VII, VIII, and IX, and Section 2 of Article XI of Contract-409 are scheduled to expire July 31, 2015; and

WHEREAS, the parties hereto desire to extend Articles II, IV, and IX, and Section 2 of Article XI of Contract-409; provide for requirements related to the pseudo-tie between Carthage and SPP; update language related to the pseudo-tie, metering, and the sale of Federal power and Federal energy from Southwestern to Carthage; provide for transfer of title of equipment installed by Southwestern in 2013; and delete Articles V, VI, VII, and VIII, which are no longer applicable;

NOW, THEREFORE, in consideration of the mutual covenants herein contained, the parties hereto agree that Contract-409, as amended, shall be and hereby is further amended as follows:

Part 1. Insert new Sections 7, 8, 9, 10, 11, and 12 into Article I to read as follows:

Section 7. Demand Period. The term "Demand Period," as used in this Contract, shall be as defined in Southwestern's applicable Rate Schedule.

Section 8. Balancing Authority. The term "Balancing Authority," as used in this Contract, shall mean the responsible entity that integrates resource plans ahead of time, maintains load-interchange-generation balancing within its Balancing Authority Area, and supports interconnection frequency in real time.

Section 9. Balancing Authority Area. The term "Balancing Authority Area," as used in this Contract, shall mean the collection of generation, transmission, and loads within the metered boundaries of a Balancing Authority.

Section 10. Scheduling Agent. The term "Scheduling Agent," as used in this Contract, shall mean the entity which Carthage has designated in writing to Southwestern as its agent to act for and on behalf of Carthage in regard to matters arising under this Contract as designated by Carthage, other than matters pertaining to billing and payment.

Section 11. Communications System. The term "Communications System," as used in this Contract, shall mean the network of communications equipment owned by the identified party including but not limited to fiber optic, analog and digital microwave, and

VHF radio equipment such as cable, multiplexer(s), Remote Terminal Unit(s) (hereinafter "RTU(s)"), Local Terminal Unit(s) (hereinafter "LTU(s)"), radio(s), and Supervisory Control and Data Acquisition (hereinafter "SCADA") equipment, and/or the communications equipment owned by others, the use of which, by contract, is available to and utilized by the identified party to satisfy its obligations to the other party under this Contract.

Section 12. Good Utility Practice. The term "Good Utility Practice," as used in this Contract, shall mean any of the practices, methods, and acts engaged in or approved by a significant portion of the electric utility industry during the relevant time period, or any of the practices, methods, and acts which, in the exercise of reasonable judgment in light of the facts known at the time the decision was made, could have been expected to accomplish the desired result at a reasonable cost consistent with good business practices, reliability, safety, and expedition. Good Utility Practice is not intended to be limited to the optimum practice, method, or act to the exclusion of all others, but rather to be acceptable practices, methods, or acts generally accepted in the region in which the parties operate.

Part 2. Delete Article II in its entirety and insert in lieu thereof a new Article II to read as follows:

ARTICLE II

SALE OF HYDRO PEAKING POWER AND ASSOCIATED ENERGY BY SOUTHWESTERN

Section 1. Sale of Hydro Peaking Power. (a) Subject to the provisions of Section 1(b) of this Article II, Southwestern shall sell and make available and Carthage shall purchase 7,000 kilowatts of Federal power (hereinafter "Hydro Peaking Power") and shall receive or cause to be received associated Federal energy as set forth in this Article II.

(b) The parties understand and agree that the sale of such Federal power and Federal energy under this Article II is contingent upon the absence of all Uncontrollable Forces and other contingencies set forth herein which may make any part or all of these quantities unavailable for sale by Southwestern.

(c) Notwithstanding Section 1(b) of this Article II, Southwestern shall make reasonable efforts to perform its obligations in the event of an Uncontrollable Force.

Section 2. Peaking Contract Demand. The "Peaking Contract Demand" shall be the maximum rate in kilowatts at which Southwestern is obligated to deliver Federal energy associated with Hydro Peaking Power as set forth in Section 1 of this Article II. The Peaking Contract Demand shall be equal to the quantity of Hydro Peaking Power specified in Section 1(a) of this Article II.

Section 3. Sale of Peaking Energy by Southwestern. During each Contract Year, Southwestern shall sell and make available, and Carthage shall purchase and receive or cause to be received, a quantity of Federal energy to accompany Hydro Peaking Power (hereinafter "Peaking Energy") equal to 1,200 kilowatt-hours per kilowatt of Peaking Contract Demand.

Section 4. Utilization of Peaking Energy. (a) Peaking energy purchased by Carthage under Section 3 of this Article II shall be utilized by Carthage in quantities of:

- (i) Not less than 60 kilowatt-hours per kilowatt of Carthage's Peaking Contract Demand during any one month;
- (ii) Not greater than 200 kilowatt-hours per kilowatt of Carthage's Peaking Contract Demand during any one month; and
- (iii) Not greater than 600 kilowatt-hours per kilowatt of Carthage's Peaking Contract Demand during any four consecutive months, irrespective of Contract Year.

(b) If, during any month, Carthage or its Scheduling Agent fails to cause the utilization of the minimum quantity of Peaking Energy specified in Section 4(a)(i) of this Article II, Southwestern's invoice for service during such month shall include a charge for such minimum quantity of Peaking Energy.

(c) If, during any Contract Year, Carthage or its Scheduling Agent fails to cause the utilization of the quantity of Peaking Energy specified in Section 3 of this Article II, Southwestern's invoice for service during the last month of such Contract Year shall include a charge for the quantity of Peaking Energy which Carthage is obligated to purchase but which was not utilized in accordance with Section 3 of this Article II.

(d) Carthage understands that it forgoes entitlement to any quantity of Peaking Energy which was invoiced and which Carthage is obligated to pay for pursuant to Section 4(b) or 4(c) of this Article II, but which Carthage or its Scheduling Agent did not cause to be utilized.

(e) If, during any month or Contract Year, Carthage or its Scheduling Agent utilizes Peaking Energy in excess of the maximum quantities authorized pursuant to Section 3, 4(a)(ii), or 4(a)(iii) of this Article II, Carthage shall pay an overrun penalty on such Peaking Energy (hereinafter "Energy Overrun Penalty") in accordance with the then-effective Rate Schedule applicable to Hydro Peaking Power.

(f) The quantity of Peaking Energy purchased by Carthage under Section 3 of this Article II shall be subject to adjustment as follows:

- (i) If the sale of Hydro Peaking Power to Carthage is initiated on other than the beginning of a Contract Year, the total number of kilowatt-hours of Peaking Energy to be furnished and delivered by Southwestern during the remainder of such Contract Year shall be computed as follows:

$$\begin{array}{l} \text{Peaking Energy} \\ \text{During Remainder} \\ \text{of Contract Year} \\ \text{(kilowatt-hours)} \end{array} = 1200 \text{ hours} \times \text{Peaking Contract Demand (kilowatts)} \times \left(\frac{\text{\# of Months Remaining}}{12} \right)$$

Provided, That, sales of Peaking Energy made to Carthage under a preceding contract during a Contract Year combined with the sales of Peaking Energy to Carthage under this Contract shall not exceed 1,200 kilowatt-hours per kilowatt of Peaking Contract Demand for such Contract Year.

- (ii) If the Peaking Contract Demand is increased or decreased during any Contract Year, the quantity of Peaking Energy sold by Southwestern to Carthage during the remainder of such Contract Year shall be specified in an amendment to this Contract which will reflect the change in Carthage's Peaking Contract Demand.

Section 5. Scheduling of Peaking Energy. (a) Unless otherwise specified in Southwestern's then-effective Rate Schedule for Hydro Peaking Power, Carthage or its Scheduling Agent shall submit to Southwestern an hourly schedule on or before 2 p.m. of each day with all energy quantities expressed in whole megawatt-hours for the delivery of Peaking Energy during the following day for the account of Carthage.

(b) Subject to the provisions of Section 4 of this Article II, hourly schedules for Peaking Energy may be changed by Carthage or its Scheduling Agent at any time, and from time to time, upon notice to Southwestern prior to 2 p.m. of the day preceding the day when the new schedule will be in effect; Provided, That, in the event Southwestern adopts Rate Schedule provisions that are different than the provisions set forth in this Section 5(b), Carthage covenants and agrees that such Rate Schedule provisions shall apply and have precedence over the provisions of this Section 5. Such schedule changes shall be confirmed in writing at the request of Southwestern.

(c) Any specific terms applicable to scheduling of Peaking Energy that are set forth in Southwestern's then-effective Rate Schedules shall have precedence over any provision contained in this Contract to the extent consistent with statutes and regulations of the United States.

(d) Carthage or its Scheduling Agent may cause Peaking Energy for the account of Carthage to be utilized at a rate less than the Peaking Contract Demand for any particular Demand Period, subject to the provisions of Sections 3 and 4 of this Article II and the limitations and penalties identified therein.

Section 6. Sale and Scheduling of Supplemental Peaking Energy. From time to time, Southwestern may have Federal energy associated with Hydro Peaking Power available for purchase by Carthage in addition to the quantity of Peaking Energy purchased by Carthage under Section 3 of this Article II (hereinafter "Supplemental Peaking Energy"). When Southwestern, in its sole judgment and at its sole option, determines that Supplemental Peaking Energy will be available for utilization under this Contract, Southwestern shall, with as much notice as possible, notify Carthage or its Scheduling Agent of such availability of Supplemental Peaking Energy, the approximate rate at which Supplemental Peaking Energy may be delivered, and the period(s) of time during which such Supplemental Peaking Energy will be available. If Carthage exercises its option to purchase such Supplemental Peaking Energy, Southwestern will establish with Carthage or its Scheduling Agent an hourly schedule for the delivery of Supplemental Peaking Energy to be purchased by Carthage.

Section 7. Compensation by Carthage to Southwestern for Hydro Peaking Power and Associated Energy. (a) Carthage shall compensate Southwestern each month for Hydro Peaking Power, Peaking Energy, and Supplemental Peaking Energy purchased during the preceding month at the rates and under the terms and conditions set forth in Southwestern's Rate Schedule P-13, attached as Exhibit "2" and by this reference incorporated into this Contract. Carthage understands and agrees that the rates and/or

terms and conditions set forth in Southwestern's Rate Schedule P-13 may, upon confirmation and/or approval by the appropriate authority having responsibility to so confirm and/or approve Rate Schedules and whether on an interim basis or as finally confirmed and/or approved, be increased, decreased, modified, or superseded, at any time, and from time to time, and that if so increased, decreased, modified, or superseded, the rates and/or terms and conditions shall thereupon become effective and applicable to the purchase and sale under this Contract of Hydro Peaking Power, Peaking Energy, and Supplemental Peaking Energy, in accordance with and on the effective date specified in the order of the appropriate authority.

(b) Southwestern shall promptly notify Carthage in writing if the rates and/or terms and conditions set forth in Southwestern's Rate Schedule P-13, or the then-effective Rate Schedule for the sale of Hydro Peaking Power, Peaking Energy, and Supplemental Peaking Energy, have been increased, decreased, modified, or superseded.

(c) If the rates and/or terms and conditions in Southwestern's Rate Schedule P-13, or the then-effective Rate Schedule, are increased, decreased, modified, or superseded, as provided in Section 7(a) of this Article II, and if Carthage does not wish to continue the purchase of Hydro Peaking Power, Peaking Energy, and Supplemental Peaking Energy under this Contract, Carthage shall, within six (6) months after the date of the notice from Southwestern under Section 7(b) of this Article II, notify Southwestern in writing of its election to terminate this Contract, such termination to be effective as of midnight on the last day of the Contract Year specified by Carthage, but not earlier than six (6) months nor later than 36 months from the date of receipt by Southwestern of such notice from Carthage. Hydro Peaking Power, Peaking Energy, and Supplemental Peaking Energy purchased by Carthage during the period until the effective date of such termination shall be paid for at the then-effective rates and terms and conditions, whether in effect on an interim basis or as finally confirmed and/or approved by the appropriate authority.

Section 8. Point of Delivery. (a) The "Nominal Point of Delivery" shall mean the point of delivery associated with Hydro Peaking Power purchased by Carthage from Southwestern under this Contract, and such Nominal Point of Delivery shall be at the point where Carthage's existing 69-kV transmission lines terminate in Southwestern's Carthage Substation.

(b) Federal power and Federal energy furnished by Southwestern under this Contract, in the form of three-phase, approximately 60 Hertz alternating current, shall be delivered at the designated Nominal Point of Delivery as identified in Section 8(a) of this Article II.

(c) Federal power and Federal energy purchased under this Contract will be delivered from the System of Southwestern at the Nominal Point of Delivery into the System of Carthage, and Carthage expressly understands and agrees that title to and responsibility for such Federal power and Federal energy passes to and is vested in Carthage when such Federal power and Federal energy is delivered from the System of Southwestern at the Nominal Point of Delivery set forth in Section 8(a) of this Article II, and that Southwestern neither has nor assumes any responsibility or obligation under this Contract for the transmission or displacement of such Federal power and Federal energy from or beyond such Nominal Point of Delivery.

Part 3. Delete Article IV in its entirety and insert in lieu thereof a new Article IV to read as follows:

ARTICLE IV
SALE OF EXCESS ENERGY BY SOUTHWESTERN

Section 1. Sale of Excess Energy by Southwestern. From time to time, Southwestern may have Federal energy in addition to Peaking Energy and Supplemental Peaking Energy which is available for purchase by Carthage (hereinafter "Excess Energy"). Southwestern shall sell, and Carthage may purchase, from time to time, such quantities of Excess Energy as Southwestern, in its sole judgment and at its sole option, determines are available for sale under this Contract, and which Carthage determines it can utilize in lieu of other sources of non-Federal energy available to Carthage.

Section 2. Notice of Availability. If Excess Energy is available, Southwestern shall notify Carthage or its Scheduling Agent of the availability of Excess Energy, setting forth in such notice the period during which such Excess Energy is estimated to be available and the rate in kilowatts at which such Excess Energy may be scheduled. Southwestern shall, if possible, give notice as to the date and time of the termination of the availability of such Excess Energy. Southwestern reserves the right to reduce or terminate the delivery of Excess Energy at any time, without advance notice, to Carthage or its Scheduling Agent.

Section 3. Notice of Purchase by Carthage. After notice of availability from Southwestern under Section 2 of this Article IV, Carthage or its Scheduling Agent shall notify Southwestern of the quantity, if any, of Excess Energy Carthage desires to purchase and receive.

Section 4. Points of Delivery and Scheduling. Excess Energy purchased by Carthage shall be delivered by Southwestern at the Nominal Point of Delivery set forth in Section 8(a) of Article II of this Contract, in accordance with schedules developed and agreed upon by authorized representatives of Southwestern and Carthage, and subject to all conditions set forth in Southwestern's then-effective Rate Schedule applicable to such sale of Excess Energy.

Section 5. Compensation by Carthage to Southwestern for Excess Energy. Carthage shall compensate Southwestern each month for Excess Energy received during the preceding month at the rates and under the terms and conditions set forth in Southwestern's Rate Schedule EE-13, attached as Exhibit "5" and by this reference incorporated into this Contract. Carthage understands and agrees that the rates and/or terms and conditions set forth in Southwestern's Rate Schedule EE-13 may, upon confirmation and/or approval by the appropriate authority having responsibility to so confirm and/or approve Rate Schedules, and whether on an interim basis or as finally confirmed and/or approved, be increased, decreased, modified, or superseded, at any time and from time to time, and that if so increased, decreased, modified, or superseded, the rates and/or terms and conditions shall thereupon become effective and applicable to the purchase and sale of Excess Energy under this Article IV, in accordance with and on the effective date specified in the order of the appropriate authority.

Part 4. Delete Articles V, VI, VII, and VIII in their entirety.

Part 5. Add a new Section 5 to Article IX to read as follows:

Section 5. Transfer of Equipment Installed at Southwestern's Carthage Substation. In 2013, at the request of Carthage, Southwestern replaced a Coupling Capacitor Voltage Transformer (hereinafter "CCVT") in bay 142 at Southwestern's Carthage Substation. Carthage provided \$11,000 for the procurement and installation of the CCVT. The work has been completed, and remaining funds in the amount of \$61.86 have been transferred to Carthage's substation maintenance account per Carthage's request. Therefore, Southwestern does hereby grant, bargain, transfer, and convey, for the sum of \$10,938.14 the equipment listed in Exhibit "9," which is attached hereto and by this reference incorporated herein.

Part 6. Delete Article X in its entirety and insert in lieu thereof a new Article X to read as follows:

ARTICLE X

METERING AND ADJUSTMENTS

Section 1. Metering. Power and energy delivered under this Contract shall be measured through 69-kV metering equipment installed and owned by Southwestern on the 69-kV facilities in Southwestern's Carthage Substation. Southwestern shall operate and maintain all metering equipment used to measure power and energy delivered under this Contract at the Nominal Point of Delivery. Such metering shall also be used for the establishment of a Balancing Authority Area boundary at Southwestern's Carthage Substation between Associated Electric Cooperative, Inc./Tennessee Valley Authority (AECI/TVA) and the Southwest Power Pool (hereinafter "SPP"), and accordingly such interchange metering equipment and interchanges shall meet the Balancing Authority Area requirements of the North American Electric Reliability Corporation (hereinafter "NERC"), or its successor, and applicable SPP requirements.

Section 2. Meter Reading. Each meter installed or used pursuant to Section 1 of this Article X shall be read by an authorized representative of Southwestern as necessary each month, and may be simultaneously read by a representative of Carthage if Carthage so elects.

Section 3. Metering Testing. Metering equipment installed or used pursuant to Section 1 of this Article X shall be inspected and tested, or caused to be inspected and tested, at least once each year by Southwestern or its authorized representatives and at any reasonable time upon request by Carthage. If Carthage so requests, any such meter test shall be conducted jointly with a representative of Carthage and a representative of Carthage shall be notified to attend such meter test. Metering equipment found to be defective or inaccurate shall be repaired and readjusted or replaced by Southwestern. A meter shall be considered inaccurate if it is found to deviate from an accurate standard

meter in excess of 0.5 percent when tested at 100 percent of load or in excess of 1 percent when tested at 10 percent of load.

Section 4. Adjustments for Meter Errors. If any inspection or test discloses an error exceeding 2 percent, correction based upon the inaccuracy found shall be made on the Energy Record for service furnished since the beginning of the monthly billing period immediately preceding the billing period during which the test was made, and such correction when made shall constitute full adjustment of any claim between the parties hereto arising out of such inaccuracy of metering equipment.

Part 7. Delete Section 1 of Article XI in its entirety and insert in lieu thereof a new

Section 1 of Article XI to read as follows:

Section 1. Effective Date and Term of Contract. This Contract shall become effective at 12:01 a.m., on June 1, 1998. Articles II, IV, and IX, Section 2 of Article XI, and Article XIII shall remain in force and effect until 12:00 midnight, June 30, 2020, unless sooner terminated, in whole or in part, under the provisions set forth herein. Articles I, III, and X, and Sections 1, 3, and 4 of Article XI shall remain in force and effect until 12:00 midnight, June 30, 2030, unless sooner terminated, in whole or in part, under the provisions set forth herein.

Part 8. Delete the address for Southwestern in Section 2 of Article XI and insert in

lieu thereof the following address to read as follows:

Administrator
Southwestern Power Administration
1 W 3rd Street, Suite 1600
Tulsa, OK 74103-3502

Part 9. Delete Article XII in its entirety.

Part 10. Add a new Article XIII to read as follows:

ARTICLE XIII

SOUTHWESTERN FACILITIES CONNECTION REQUIREMENTS

Section 1. Purpose. Carthage's municipal load is directly connected with Southwestern's 69-kV facilities at Southwestern's Carthage Substation, and Southwestern's 69-kV facilities there are located in the Balancing Authority Area of AECI/TVA while the municipal load of Carthage is located in the Balancing Authority Area of SPP. A Balancing Authority Area boundary has been established between AECI/TVA and SPP using meters owned by Southwestern at Southwestern's Carthage Substation. Additional Balancing

Authority Area boundaries exist between Southwestern and SPP and between Southwestern and AECI/TVA on Southwestern's 161-kV facilities at Southwestern's Carthage Substation. Carthage covenants and agrees to abide by the terms of this Article XIII to provide for the municipal load of Carthage as directly interconnected with Southwestern's transmission facilities.

Section 2. System Operating Principles. (a) The parties shall design, construct, and operate their respective system facilities safely and efficiently within operating physical parameter ranges (voltage schedule, load power factor, and other parameters) in accordance with Southwestern criteria as communicated to Carthage, Good Utility Practice, requirements of NERC, or its successor, the NERC defined Regional Entity, or its successor, with which Southwestern participates, and applicable industry standards, criteria, and equipment specifications of the equipment manufacturer.

(b) Carthage shall not connect, telemeter, or pseudo-tie the System of Carthage or the Balancing Authority Area of Southwestern to the Balancing Authority Area of another entity, other than as identified in Section 1 of this Article XIII, without a written agreement between Southwestern and Carthage recognizing Southwestern's approval and identifying the technical details, schedule of work, and the ownership and operation requirements of each party's facilities for such connection, telemetering, or pseudo-tie addition or modification. There is no obligation in this Contract expressed or implied for Southwestern to agree to (1) connect, telemeter, or pseudo-tie the System of Carthage, Southwestern's Balancing Authority Area, and/or the System of Southwestern to another entity other than as identified in Section 1 of this Article XIII or (2) modify any of the Balancing Authority Areas identified in Section 1 of this Article XIII.

(c) Southwestern and Carthage shall operate their systems and the Nominal Point of Delivery in synchronism, such that the frequency of the System of Carthage is the same as and is synchronized with the frequency of the System of Southwestern with deviations permitted in accordance with Southwestern criteria as communicated to Carthage, requirements of NERC, or its successor, the NERC defined Regional Entity, or its successor, with which Southwestern participates, and applicable industry standards, criteria, and equipment specifications of the equipment manufacturer.

(d) Each party, to the extent it is able, shall exercise due diligence and reasonable care in maintaining and operating its facilities so as to maintain continuity of service. If the function of any party's facilities is impaired or the capacity of the Nominal Point of Delivery is reduced, or synchronous operation at the Nominal Point of Delivery becomes interrupted either manually or automatically as a result of, among other things, Uncontrollable Force or maintenance coordinated by the parties, the parties shall cooperate to remove the cause of such impairment, interruption, or reduction, so as to restore normal operating conditions expeditiously.

(e) Southwestern reserves the sole right to take any action necessary, in accordance with Good Utility Practice, during an actual, imminent, or perceived emergency at the sole judgment and sole option of Southwestern applied in accordance with Good Utility Practice to preserve the reliability and integrity of the System of Southwestern and the System of Carthage, limit or prevent damage, expedite restoration of service, ensure safe and reliable operation, avoid adverse effects on the quality of service, or preserve public safety.

(f) In an emergency, the sole judgment of Southwestern, in accordance with Good Utility Practice, shall be the sole determinant of whether the operation of Carthage's municipal load or equipment adversely affects the quality of service or interferes with the safe and reliable operation of the System of Southwestern. Southwestern may, at its sole option and discretion applied in accordance with Good Utility Practice, discontinue power and energy deliveries to Carthage until the power quality or interfering condition has been corrected. Southwestern shall provide notice and an opportunity to alleviate the condition by Carthage to the extent practicable.

(g) Carthage shall operate its generation resources, in accordance with Good Utility Practice, including those resources operated as "Behind the Meter Generation" and resources transmitted to Carthage's municipal load or other locations to meet Carthage's obligations, to avoid adverse disturbances or interference with the safe and reliable operation of the System of Southwestern.

Section 3. Maintenance of Facilities. (a) Carthage shall maintain the System of Carthage in a condition necessary to reliably receive capacity and energy from the System of Southwestern. Southwestern may curtail service under this Contract to limit or prevent damage to generation resources or transmission facilities caused by Carthage's failure to maintain its facilities.

(b) Carthage shall obtain concurrence from Southwestern before beginning any scheduled maintenance of facilities in Southwestern's Carthage Substation which could impact the operation of the System of Southwestern in accordance with Southwestern criteria as communicated to Carthage. Carthage shall notify Southwestern as soon as practicable at the time when any unscheduled or forced outages occur and again when such unscheduled or forced outages end. Each party hereto grants to the other permission, or will obtain such permission for the other party, to install, maintain, and operate, or cause to be installed, maintained, and operated, on the System of Southwestern and on the System of Carthage, at the Nominal Point of Delivery between the System of Southwestern and the System of Carthage described in this Contract, any and all terminal equipment and associated electrical apparatus and devices necessary in the performance of this Contract.

(c) Each party hereto shall permit, or shall obtain permission for, duly authorized representatives and employees of the other party to enter upon the System of Southwestern and the System of Carthage at the said Nominal Point of Delivery for the purpose of reading or checking meters; for inspecting, testing, repairing, renewing, or exchanging any or all of the equipment owned by the other party located on such premises; or for the purpose of performing any other work necessary in the performance of this Contract. Access for any work performed by one party under this Section 3 which may affect the other party's equipment shall normally be preceded by at least one day's notice to the affected party, except in the event of an emergency, in which case such notice shall be made as soon as possible after such emergency occurrence. Notice to Southwestern pursuant to this Section 3 shall be made to Southwestern's Dispatch Center.

(d) Carthage agrees that Southwestern shall be able to take planned outages to the System of Southwestern to maintain Southwestern's facilities and equipment, including those facilities in the vicinity of Southwestern's Carthage Substation. Southwestern shall give Carthage no less than seven (7) days' notice of any planned maintenance pursuant to this Section 3(d).

Section 4. Communications System(s) and Data Exchange. (a) The parties recognize that AECI/TVA and SPP have established a Balancing Authority Area boundary at Southwestern's Carthage Substation utilizing Southwestern's Communications System and the metering owned by Southwestern in Southwestern's Carthage Substation.

(b) Carthage, at its own expense, and at no cost or expense to Southwestern, shall furnish the following data for the interchange and facilities at the Balancing Authority Area boundary between AECI/TVA and SPP at Southwestern's Carthage Substation using Inter-Control Center Protocol (hereinafter "ICCP") to Southwestern and SPP via Communications System connections independent of Southwestern's Communication System infrastructure with SPP:

- (i) Analog megawatts (MW) from the primary and backup metering identified in Article X of this Contract;
- (ii) Analog megaVARs (MVAR) from the primary and backup metering identified in Article X of this Contract;
- (iii) End-of-hour accumulator values of in and out megawatt-hours and megaVAR-hours; and
- (iv) Analog 69-kV bus voltage.

(c) The parties agree that any metering installed by Carthage in Southwestern's Carthage Substation shall be solely for Carthage's use. The parties further agree that differences or discrepancies between measurements from Southwestern's metering and any metering installed by Carthage in Southwestern's Carthage Substation may occur, and should Carthage believe such differences or discrepancies are the result of a metering inaccuracy, Carthage may request a meter test and adjustment of the records of electric service pursuant to Article X of this Contract.

Section 5. Delivery of Non-Federal Energy by Carthage. (a) In the event Carthage or its Scheduling Agent causes quantities of non-Federal energy to be delivered to the System of Southwestern in order to satisfy the energy requirements of the municipal load of Carthage in addition to the delivery of the quantities of non-Federal energy made pursuant to Article III of this Contract, such deliveries of non-Federal energy shall be made in accordance with schedules established under Section 9 of this Article XIII, and pursuant to written agreements between:

- (i) Carthage and Southwestern;
- (ii) Carthage, Southwestern, and SPP; and/or
- (iii) Carthage and SPP.

(b) In the event that SPP requests Southwestern complete a modification and/or upgrade to its transmission system or any of the elements which support the System of Southwestern and such modifications and/or upgrades are directly attributable to the growth of the municipal load of Carthage or the use by Carthage of the System of Southwestern to deliver non-Federal energy, Carthage shall be responsible for any and all costs and expenses incurred by Southwestern in the completion of such modification and/or upgrade; Provided, That, subject to the approval of SPP and at Carthage's option, Carthage may

mitigate the need for such modification and/or upgrade or reduce its use of the System of Southwestern such that the modification and/or upgrade is no longer needed.

Section 6. Power Factor. (a) Carthage is expected to provide all volt amperes reactive (hereinafter "VARs") required for its municipal load at the Nominal Point of Delivery between the System of Southwestern and the System of Carthage specified in Section 8(a) of Article II of this Contract.

(b) Carthage shall not impose a reactive power loading on the System of Southwestern which will result in an impairment of the System of Southwestern or of the delivery of Federal power and Federal energy by Southwestern to its customers.

(c) If reactive power loading imposed at the Nominal Point of Delivery between the System of Southwestern and the System of Carthage impairs the System of Southwestern or service by Southwestern to its customers, Southwestern shall have the right to open, or cause Carthage to open, such interconnecting equipment between the systems as may be necessary to eliminate such impairment.

Section 7. Inadvertent Flow and Balancing Off. (a) The flow of Federal power and Federal energy to the Nominal Point of Delivery specified in Section 8(a) of Article II of this Contract will not be completely within the control of Southwestern but will be, in part, controlled by the electrical characteristics of the systems interconnected with Southwestern at such Nominal Point of Delivery and by the manner in which such systems are operated. By reason of such characteristics and operation, the delivery of Federal power and Federal energy may vary from scheduled deliveries, and such Federal power and Federal energy may flow inadvertently.

(b) Southwestern agrees to follow as closely as practicable the scheduled delivery and receipt of Federal power and Federal energy, but the inadvertent flow of Federal power and Federal energy in excess of, or less than, the amount scheduled shall not constitute a breach of this Contract.

(c) Such inadvertent deviations from schedule shall be balanced off between Southwestern and the Balancing Authority interconnected with Southwestern at the Nominal Point of Delivery as soon as practicable in the subsequent delivery and receipt of Federal power and Federal energy, and at a time of day as nearly as possible comparable to the time of day said inadvertent deviations occurred, and no charge shall be made for inadvertent flows of power and energy or for power and energy delivered to balance off the same.

(d) If any such inadvertent flow of power and energy causes an impairment to the System of Southwestern, the System of Carthage, or to the system(s) interconnected with Southwestern at the Nominal Point of Delivery, or if such inadvertent flow interferes with service rendered by either party to its customers, the party adversely affected shall have the right to open, or cause the other to open, such interconnecting equipment as may be necessary to eliminate such impairment or interference.

Section 8. Energy Accounting. Southwestern shall maintain an accurate record of the quantity of energy delivered into the System of Carthage pursuant to this Contract (hereinafter "Energy Record"). Upon request, Southwestern shall make the Energy Record available to Carthage at all reasonable times for inspection, audit, and reproduction.

Section 9. Scheduling Obligations. Carthage or its Scheduling Agent shall be responsible for the preparation of schedules of all resources available to Carthage to satisfy Carthage's obligations, including, but not limited to, serving the municipal load of Carthage, and Southwestern assumes no responsibility for deficiencies in capacity or energy needed to satisfy Carthage's schedules other than as set forth in this Contract.

Section 10. NERC Compliance. Southwestern assumes no liability expressed or implied for Carthage's compliance with a reliability standard or a successor program. Carthage does not assume any liability expressed or implied for Southwestern's compliance with a reliability standard or a successor program; Provided, That, if Southwestern incurs any costs or expenses whatsoever for NERC compliance, Southwestern may recover such costs or expenses through Southwestern's rates pursuant to Southwestern's Rate Schedules applicable to this Contract.

Section 12. Rights for Land Use to Be Acquired by Carthage. Southwestern's transmission system is constructed, operated, and maintained by Southwestern subject to and in accordance with the terms and conditions of certain transmission line right-of-way easements. Rights and privileges are granted thereunder to the United States and may not be available to Carthage. Carthage shall, therefore, acquire from the appropriate landowners any and all rights and privileges for land use by good and sufficient legal instruments to authorize and permit entry by Carthage and Southwestern upon and across tracts affected by such land use as may be necessary and appropriate for the establishment, operation, and maintenance of the interconnection between the System of Southwestern and the System of Carthage at Southwestern's Carthage Substation.

Section 13. Upgrades, Additions, and Modifications. Carthage agrees that no additions and/or modifications, such as transformer additions and line additions, may be made to Southwestern's Carthage Substation without Southwestern's agreement as evidenced by an amendment to this Contract. Carthage also agrees that any additional facilities or equipment required by Southwestern to facilitate changes made by Carthage at Southwestern's Carthage Substation shall be furnished at Carthage's sole expense and at no expense to Southwestern.

Section 14. Transformation Losses. (a) Carthage agrees that the amount of transformation losses that are incurred by the System of Southwestern during each month shall be determined by the following formula:

$$MTL = 0.01 \times [M - (PE + SPE + EE)]$$

with the factors defined as follows:

MTL = The total amount of calculated transformation losses, rounded to the nearest megawatthour, that the System of Southwestern incurred during the month.

0.01 = The factor "0.01" is the 1 percent transformation loss in Carthage's 161/69-kV transformer which is located in Southwestern's Carthage Substation.

M = The total amount of energy, rounded to the nearest megawatthour, metered to the System of Carthage from the System of Southwestern for the month as recorded at the metering points provided in Section 1 of Article X of this Contract.

PE = The total amount of Peaking Energy in megawatthours scheduled for receipt by Carthage during the month.

SPE = The total amount of Supplemental Peaking Energy in megawatthours scheduled for receipt by Carthage during the month.

EE = The total amount of Excess Energy in megawatthours scheduled for receipt by Carthage during the month.

(b) Carthage agrees that Southwestern shall include the transformation losses incurred by the System of Southwestern as part of the compensation for real power losses to the System of Southwestern in accordance with Article III of this Contract and in accordance with separate agreements for non-Federal power and energy that Carthage may have in place .

Section 15. Sale of Power and Energy by Carthage/SPP CBA to Southwestern.
The parties recognize that a firm, point-to-point transmission reservation for 20 MW exists on Southwestern's system from the Carthage/SPP CBA to Southwestern and is held by Southwestern for the purposes of supporting Federal power. Southwestern, at its sole option, reserves the right to redirect such transmission reservation as necessary.

Part 11. Delete Exhibits "1," "2," "4," and "5" in their entirety and insert in lieu thereof the following exhibits as attached:

Exhibit "1" – General Contract Provisions (041112, Power Sales)
Exhibit "2" – Rate Schedule P-13
Exhibit "4" – Rate Schedule NFTS-13
Exhibit "5" – Rate Schedule EE-13

Part 12. Delete Exhibit "6" in its entirety.

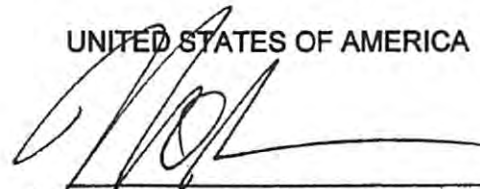
Part 13. Add a new Exhibit "9," "Equipment Transferred to Carthage for Bay 142 CCVT Replacement."

IT IS FURTHER AGREED, that, this Amendatory Agreement shall become effective upon execution by the Administrator, Southwestern, or the Administrator's authorized representative; and

That, except as herein provided, all other provisions of Contract-409, as amended, are and shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have jointly executed this Amendatory Agreement in several counterparts as of the day and year first above written, each of which shall constitute an original.

UNITED STATES OF AMERICA



Sr. Vice President, Office of Corporate Operations/COO
Southwestern Power Administration

COPY

CITY OF CARTHAGE, MISSOURI

By J. Michael Harris
Title Mayor

ATTEST:

I, Lynn Campbell, certify that I am the City Clerk of the CITY OF CARTHAGE, MISSOURI, and that J. Michael Harris, who signed this Amendatory Agreement on behalf of the said City, was then the Mayor of said City, and that the said Amendatory Agreement was duly signed for and on behalf of the said City by authority of its governing body, which has within the scope of its corporate powers the authority to legally bind such City under the foregoing Amendatory Agreement.

(SEAL)

By Lynn Campbell

Southwestern Power Administration
GENERAL CONTRACT PROVISIONS

POWER SALES CONTRACT

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A ACCOUNTING, BILLING, PAYMENT, AND LATE PAYMENT CHARGES

1. **Billing by Southwestern.** (a) Southwestern shall maintain an accurate record of power, energy, and any other services purchased by the Customer under this Contract.
(b) For each billing period in which the Customer makes one or more purchases under this Contract, Southwestern shall prepare an invoice in which such purchases are set forth in necessary detail, including the specific quantities of power, energy, and other services provided to the Customer during such billing period, and in which the compensation due Southwestern for such purchases is specified.
(c) Invoiced quantities may be based on estimates if actual quantities are not available. Adjustments, if any, due to a difference between estimated and actual quantities will be made on an invoice prepared during the billing cycle following the invoice which was based on estimated quantities.
2. **Payment Terms.** (a) Invoices shall be due and payable by the Customer on or before the close of business 20 calendar days after the invoice date, or shall be due and payable on the next business day thereafter if the said due date should fall on a Saturday, Sunday, or official Federal holiday.
(b) Payment of amounts due to Southwestern may be made through electronic funds transfer (EFT) or may be submitted as checks and mailed to:

Southwestern Power Administration
One West Third Street
Tulsa, Oklahoma 74103-3502

- (c) EFT payments shall conform to Southwestern protocols for electronic transfer of funds in effect at the time of the transaction.
 - (d) The designation of the address where payment is to be submitted may be changed by Southwestern upon 30 days' written notice to the Customer.
 - (e) Invoices shall be considered paid when payment is received into Southwestern's designated depository account or credited to Southwestern's depository account in the U.S. Treasury by the end of the business day; Provided, That payments received by mail are accepted as timely and will not be assessed late charges if a U.S. Postal Service postmark for first class mail shows that the payment was received by the Postal Service at least 2 calendar days before the due date; Provided Further, That payments received through EFT are accepted as timely and will not be assessed late charges if they are credited to Southwestern's depository account in the U.S. Treasury on or before the third day after the due date or on the next business day thereafter if said third day is a Saturday, Sunday, or official Federal holiday.
3. **Net Billing.** (a) Whenever the parties agree, payments due Southwestern by the Customer may be offset against payments due the Customer by Southwestern for the sale or exchange of electric power, energy, and other services.
(b) For services included in net billing procedures, payments due one party in any month shall be offset against payments due the other party in such month, and the resulting net balance shall be paid to the party in whose favor such balance exists.

- (c) The parties shall exchange such reports and information as either party requires for billing purposes.
 - (d) Net billing procedures shall not be used for any amounts which Southwestern determines, in its sole judgment, to be in dispute.
4. **Payments By Southwestern.** Any payment due the Customer not satisfied by the Net Billing provision of Section 3 of this Provision A, shall be made by Southwestern to the banking account of the Customer by Electronic Funds Transfer.
5. **Propriety of Rates.** (a) Southwestern shall bill the Customer for the Customer's purchases of power, energy, and other services in accordance with the rates placed in effect pursuant to statute.
- (b) The Customer hereby agrees to promptly pay Southwestern under such rate schedules, whether or not the Customer agrees with the propriety or the levels of the rates placed into effect pursuant to law, regulation, or the order of an appropriate authority.
 - (c) In the event that the U.S. Congress amends the manner in which Southwestern calculates or charges for its power sales, the Customer hereby agrees to promptly pay in such an amended manner, subject to the Customer's right to terminate.
6. **Late Payment Charge.** (a) Southwestern shall assess the Customer a Late Payment Charge for each instance in which the Customer is delinquent in making payment to Southwestern.
- (b) Such Late Payment Charge shall be computed by dividing by 12 the then-effective annual interest rate published in the Federal Register by the Department of Treasury, and multiplying the resultant monthly rate times the principal amount past due.
 - (c) Such Late Payment Charge shall be assessed only once for a particular invoiced amount which is past due, irrespective of the number of days between the due date and the final payment of such particular invoiced amount.
7. **Late Payment Interest Charge.** (a) In addition to the Late Payment Charge provided in Section 6 of this Provision A, a daily interest charge shall be assessed on the principal amount past due for each day after the due date until the said amount is paid in full.
- (b) Such daily interest rate shall be computed by recalculating the annual interest rate cited in Section 6(b) of this Provision A for a daily rate.
8. **Penalty Charge for Late Payment.** (a) In the event that the Customer should fail to pay Southwestern any portion of an invoiced amount for a period of more than 90 days past its due date, Southwestern shall assess a penalty charge of 6 percent per year on such outstanding amount.
- (b) This penalty charge shall accrue for the period from the date that the debt became past due until the date when such invoiced amount is paid, and shall be assessed in addition to other charges for late payment which are specified in this Provision A.
9. **Late Payment Administrative Charge.** (a) Southwestern shall assess charges to cover administrative costs incurred as a result of a collection action against the Customer to cover the additional costs incurred in processing and handling such debt collection.

- (b) Calculation of administrative costs shall be based upon actual costs incurred by Southwestern in processing and handling claims against other debtors in similar stages of delinquency.
- 10. Partial Payment.** In the event that an invoice is not paid in full, amounts received by Southwestern shall be applied first to outstanding Late Payment penalty and administrative charges; second to outstanding daily interest charges for late payments assessed on the principal; and finally to payment of the principal amount past due, unless a different rule is prescribed by Federal statute or regulation.
- 11. Discontinuance of Service.** (a) If the Customer fails to pay any amount due under this Contract, Southwestern may, at its option, cause the delivery of power, energy, and other services under this Contract to be discontinued upon 90 days' prior written notice to the Customer, unless payment of the amounts due is made by the Customer within such 90-day period.
- (b) Such discontinuance of the delivery of power, energy, and other services, as herein provided, shall not relieve the Customer of liability for any minimum Southwestern charges under rate schedules applicable to this Contract during the period of such discontinuance.
- (c) The rights granted Southwestern herein shall be in addition to all other remedies available to Southwestern, either by law or in equity, for the breach of any of the provisions of this Contract.

B STANDARD PROVISIONS

- 1. Officials Not to Benefit.** No Member of or Delegate to Congress or Resident Commissioner shall be admitted to any share or part of this Contract or to any benefit that may arise therefrom, but this restriction shall not be construed to extend to this Contract if made with a corporation or company for its general benefit.
- 2. Covenant Against Contingent Fees.** (a) The Customer warrants that no person or selling agency has been employed or retained to solicit or secure this Contract upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee, except bona fide employees or bona fide established commercial or selling agencies maintained by the Customer for the purpose of securing business.
- (b) For breach or violation of this warranty, the United States shall have the right to annul this Contract without liability, or, at its discretion, to add to the Contract price or consideration the full amount of such commission, percentage, brokerage, or contingent fee.
- 3. Convict Labor.** In connection with the performance of work under this Contract, the Customer agrees not to employ any person undergoing sentence of imprisonment except as provided by Public Law 89-176, September 10, 1965 (18 U.S.C. 4062 (c)(2)), and Executive Order 11755, December 29, 1973.
- 4. Equal Employment Opportunity.** During the performance of this Contract, the Customer agrees to abide by and to fulfill the nondiscrimination requirements of the "equal opportunity clause" contained in Section 202 of Executive Order 11246 dated September 24, 1965 (30 FF 12319), any Executive Order amending such order, and any other Executive Order superseding such order.

5. **Affirmative Action for Disabled Veterans and Veterans of the Vietnam Era.** During the performance of this Contract, the Customer agrees to comply with Section 402 of the Vietnam Era Veterans Readjustment Assistance Act of 1974, Public Law 93-508 as it amends Public Law 92-540, to take affirmative action to employ and advance in employment qualified disabled veterans and veterans of the Vietnam era, and to fulfill the requirements of the "affirmative action clause," 38 USCA Sections 2011 and 2012 (1979); 41 CFR 60-250 et seq.
6. **Affirmative Action for Handicapped Workers.** During the performance of this Contract, the Customer agrees to comply with Section 503 of the Rehabilitation Act of 1973, Public Law 93-516, to take affirmative action to employ and advance in employment qualified handicapped individuals, and to otherwise fulfill the requirements of the "affirmative action clause," 29 USCA Section 793 (1979); 41 CFR 60-741 et seq.
7. **Resale Rates.** The parties hereto understand and agree that the purpose of making federally generated power available is to encourage the most widespread use thereof, and the Customer therefore agrees that the benefits of federally generated power shall be made available at fair and reasonable terms to all of its consumers at the lowest possible rates consistent with sound business principles.
8. **Availability of Funds to Southwestern.** (a) This Contract and all rights and obligations hereunder, and the expenditure of funds by Southwestern under the provisions hereof, are expressly conditioned and contingent upon the Congress making available (through direct appropriation, authorization of a revolving fund, the authority to borrow funds, or through such other means as it may provide) the necessary funds or the authority to accept funds from others to enable Southwestern to carry out the provisions of this Contract, and if such funds or authorities are not available, this Contract shall terminate and have no further force or effect as of the last day for which funds or authorities were available, and the Customer hereby releases Southwestern from any and all liability for failure to perform and fulfill its obligations under this Contract for that reason.

(b) No obligation contained herein for the future payment of money by Southwestern, or liability on the part of Southwestern for breach of any of the provisions contained herein, shall be binding upon or enforceable against Southwestern unless and until funds, as provided in Section 8(a) of this Provision B, are available out of which such obligations or liability can be legally paid.

(c) Nothing in this Contract may be considered as implying that Congress will, at a later date, appropriate funds sufficient to meet any deficiencies or obligations incurred under this Contract.
9. **Termination for Breach.** (a) If either party hereto breaches a material provision of this Contract, the other party, at its option, may terminate this Contract upon 30 days' prior written notice of its intention to do so, and this Contract ipso facto shall terminate at the end of such 30-day period unless such violation is corrected within that period.

(b) Neither party hereto shall be considered to be in default or breach with respect to any obligation under this Contract if prevented from fulfilling such obligation by reason of an Uncontrollable Force as herein defined.
10. **Waivers.** Waiver at any time of rights with respect to a default or any other matter arising in connection with this Contract shall not be deemed to be a waiver with respect to any subsequent default or matter.

- 11. Reliability and Adequacy of Service.** (a) Electric service rendered by Southwestern under this Contract shall meet accepted standards of reliability and adequacy.
- (b) If questions are raised concerning the quality of service, factual data shall be obtained with respect to the character of such service, and appropriate corrective or remedial action shall be promptly taken by the party at fault.
- 12. Continuity of Service.** (a) Services provided by Southwestern to the Customer under this Contract shall be delivered by Southwestern as scheduled, except for interruptions or curtailments in delivery caused by an Uncontrollable Force as herein defined, by the operation of devices or dispatcher action for system protection, or by the necessary installation, maintenance, repair, and replacement of equipment.
- (b) Such interruptions or reductions in service, as hereinbefore set forth, shall not constitute a breach of this Contract, and neither party shall be liable to the other for damages resulting therefrom.
- (c) Except in case of an emergency, Southwestern shall give the Customer reasonable advance notice of temporary interruptions or curtailments in service necessary for such installation, maintenance, repair, and replacement of equipment, and shall, insofar as is practicable, schedule such interruptions or curtailments so as to cause the least inconvenience to the Customer.
- 13. Transfer of Interest by Customer.** (a) No voluntary transfer of this Contract or of the rights of the Customer hereunder shall be made without the written approval of the Administrator, Southwestern; Provided, That any successor to or assignee of the rights of the Customer, whether by voluntary transfer, judicial sale, foreclosure sale, or otherwise, shall be subject to all the provisions and conditions of this Contract to the same extent as though such successor or assignee were the original contractor hereunder; Provided Further, That the execution of a mortgage or trust deed, or judicial or foreclosure sale made thereunder, shall not be deemed voluntary transfers within the meaning of this Section 13.
- (b) The Customer will not sell, lease, or otherwise dispose of its electrical distribution system without giving Southwestern at least 120 days' prior written notice.
- (c) The Customer's rights to Federal power and concomitant services, as set forth in this Contract and in Southwestern's Final Power Allocations (1980-1988) 45 FF 19032 (1980), come by virtue of the Customer's status as an entity entitled to preference in Southwestern's marketing of Federal power pursuant to Section 5 of the Flood Control Act of 1944 (58 Stat. 887,890; 16 U.S.C. 825s). If the Administrator, Southwestern, determines, in his or her sole judgment, that actions taken by the Customer have abrogated the Customer's status as a "preference" entity, then the Administrator may, at his or her sole option, terminate this Contract, such termination to become effective on the date specified by Southwestern, in an official written notice to the Customer.
- 14. Uncontrollable Force.** The term "Uncontrollable Force," as used herein, shall mean any force which is not within the control of the party affected, including, but not limited to, failure of water supply, failure of facilities, flood, earthquake, storm, lightning, fire, epidemic, riot, civil disturbance, labor disturbance, sabotage, war, act of war, terrorist acts, or restraint by court of general jurisdiction, which by exercise of due diligence and foresight such party could not reasonably have been expected to avoid.

C FACILITIES AND CONDITIONS OF SERVICE

1. **Facilities to be Furnished by Southwestern and the Customer.** Southwestern and the Customer shall furnish, install, maintain, and operate, or cause to be furnished, installed, maintained, and operated, such facilities and equipment, including metering equipment, as may be necessary to fulfill their respective obligations under this Contract and to assure reasonable protection to the facilities of others.
2. **Reliability, Safety, Health, and Environmental Requirements in Regard to Construction, Operation, and Maintenance of Non-Federal Facilities on U.S. Government Property.** (a) The provisions of this Section 2 shall apply only if the Customer, its agents or contractors, or its member entities perform maintenance, operations, or construction on the property of the U.S. Government (Government), or on easements shared by the Government and the Customer.
 - (b) Such construction, maintenance, and operation shall be performed in accordance with standards at least equal to those provided by the National Electrical Safety Code and shall conform to safety, environmental, and security procedures identified by Southwestern as appropriate to each facility in which such work is performed. Southwestern provides such written procedures in each of the facilities it maintains and to affected customers.
 - (c) The Customer and/or its member entities shall take all reasonable precautions in the performance of such work to protect the public and the environment. The Customer and/or its member entities shall comply with all applicable local, state, and Federal regulations and requirements in the performance of such work, including, but not limited to, the National Environmental Policy Act, the Clean Air Act; the Clean Water Act; the Comprehensive Environmental Responsibility, Compensation, and Liability Act; the Toxic Substances Control Act; the Resource Conservation and Recovery Act; the Superfund Amendments and Reauthorization Act (SARA); SARA Title III (Emergency Planning and Community Right-to-Know Act of 1986); and the Occupational Safety and Health Act.
 - (d) In the event that Southwestern, at its sole option and in its sole judgment, determines that construction, maintenance, or operation of facilities which are performed under this Contract by the Customer, and/or one of its member entities, do not meet the standards and/or regulations and requirements specified in this Section 2, or if Southwestern determines, in its sole judgment, that a condition exists which provides a potentially adverse impact (1) on the reliability of services provided by Southwestern to its customers, (2) on the safety and/or health of the public or employees and agents of the parties hereto, and/or (3) on the environment, then Southwestern may provide written notice to the Customer and/or its member entity of the deficient condition; Provided, That if such condition, in Southwestern's sole judgment and at Southwestern's sole option, requires immediate attention and does not allow time for such notice, Southwestern will remedy the condition and, where appropriate, bill the Customer in accordance with Section 8(b) of this Provision C.
 - (e) Where, in Southwestern's sole judgment, remedy of the said deficient condition is not time critical, the Customer and/or its member entity shall provide a written plan and schedule to Southwestern within 30 days of receipt of the said written notice. Such plan and schedule shall provide for correction of the said deficiency at the earliest possible time available to the Customer and/or its member entity; Provided, That the maximum time allowed for the Customer and/or its member entity to correct any such deficiency shall not exceed 18 months from receipt of the said written notice. The Customer shall coordinate or, if applicable, cause its member entity to coordinate,

any work and outages which may involve Southwestern's facilities with Southwestern's Dispatch Center (Dispatch Center) in Springfield, Missouri.

- (f) Unless otherwise agreed in writing, correction of deficiencies pursuant to this Section 2 shall be at the expense of the Customer.
- (g) If the Customer and/or its member entity fails to correct the deficiency within the time provided pursuant to this Section 2, Southwestern shall have the right, at its sole option and in its sole discretion, to terminate service through the affected facilities until such deficiencies are corrected to the satisfaction of Southwestern.
- (h) If, within the time period provided pursuant to this Section 2, an emergency condition occurs which, in the sole judgment of Southwestern, may cause an adverse impact on the reliability of the System of Southwestern and/or on the environment, or which poses a hazard to the safety and/or health of the public or employees and agents of the parties hereto, then Southwestern may, at its sole option, remedy or repair such condition or equipment and bill the Customer in accordance with Section 8(b) of this Provision C, and the Customer agrees to render Southwestern reimbursement as provided in the said Section 8(b).

- 3. Right of Installation and Access.** (a) Each party hereto grants to the other permission, or will obtain such permission for the other party, to install, maintain, and operate, or cause to be installed, maintained, and operated, on the System of Southwestern and on the System of the Customer, at the points of delivery between the System of Southwestern and the System of the Customer described in this Contract, any and all terminal equipment and associated electrical apparatus and devices necessary in the performance of this Contract.
- (b) Each party hereto shall permit, or shall obtain permission for, duly authorized representatives and employees of the other party to enter upon the System of Southwestern and the System of the Customer at the said points of delivery for the purpose of reading or checking meters; for inspecting, testing, repairing, renewing, or exchanging any or all of the equipment owned by the other party located on such premises; or for the purpose of performing any other work necessary in the performance of this Contract.
 - (c) Access for any work performed by one party under this Section 3 which may affect the other party's equipment shall normally be preceded by at least one day's notice to the affected party, except in the event of an emergency, in which case such notice shall be made as soon as possible after such emergency occurrence. Notice to Southwestern pursuant to this Section 3 shall be made to the Dispatch Center.
 - (d) Any access to property controlled by Southwestern shall include notification to Southwestern at the time of entry. Any employee or agent of the Customer, or of its member entities, who enters a Southwestern facility is expected to call the Dispatch Center from a telephone located in the control building in that facility and to identify himself or herself. Security devices located in the control buildings at Southwestern facilities sound an alarm in the Dispatch Center when the building is entered. Local law enforcement officers may be asked to investigate any unidentified entry.
 - (e) Any equipment, apparatus, or devices installed on the System of Southwestern by the Customer, as provided under this Section 3, shall be clearly and permanently marked to indicate ownership, and, in addition, a detailed description of each item so installed (including, if applicable, manufacturer's name, serial number, model number, etc.) shall be transmitted to Southwestern to aid in maintenance of plant accounts.

- (f) In the event the equipment, apparatus, or devices are not marked in accordance with Section 3(e) of this Provision C, ownership of said equipment, apparatus, or devices shall be presumed to be vested in Southwestern.
 - (g) The Customer agrees that, if requested by Southwestern, the description required under Section 3(e) of this Provision C shall include a detailed analysis of all dielectrical oil, including, but not limited to, tests for polychlorinated biphenyls (PCBs). If such analysis indicates the presence of a known hazardous substance, which, in Southwestern's sole judgment, presents a significant hazard to the environment or to the health and safety of employees of the parties hereto, Southwestern may require, at its sole option, by written request, removal of any equipment containing such substance, and the Customer agrees to comply with such request for removal at no cost to Southwestern.
4. **Rights for Land Use Acquired by the Customer.** (a) The System of Southwestern is constructed, operated, and maintained by Southwestern subject to and in accordance with the terms and conditions of certain transmission line right-of-way easements. Rights and privileges granted thereunder to the Government may not be available to the Customer for operations connected with performance of this Contract.
- (b) The Customer is therefore responsible for acquiring, or causing to be acquired, from the appropriate landowners, any and all rights and privileges for land use, by good and sufficient legal instruments, to authorize and permit entry by the Customer upon and across tracts affected by such land use as may be necessary and appropriate for performance of this Contract.
5. **Right of Removal.** Any and all equipment, apparatus, or devices placed or installed or caused to be placed or installed by the parties hereto on or in the System of Southwestern or the System of the Customer shall be and shall remain the property of the party owning and installing such equipment, apparatus, devices, or facilities, regardless of the mode or manner of annexation or attachment to real property, and, upon the termination of this Contract, the owner thereof shall have the right to enter upon the premises or system of the other and shall, within a reasonable time, remove such equipment, apparatus, devices, or facilities, subject to the provisions of Section 3 of this Provision C.
6. **Right to Upgrade Facilities.** (a) Southwestern reserves the right to modify or upgrade its transmission system and any of the elements which support the Southwestern transmission system, including, but not limited to, changes in: (1) Southwestern's transmission voltages, (2) Southwestern's transmission system components, (3) Southwestern's communications system, (4) Southwestern's Supervisory Control and Data Acquisition (SCADA) System, and (5) other modifications necessary to comply with the standards and/or regulations and requirements mentioned in Section 2 of this Provision C.
- (b) If, during the term of this Contract, Southwestern determines, in its sole judgment and at its sole option, that modifications or upgrades to its transmission system and associated facilities are required, then, in that event, the Customer shall be responsible for any and all costs and expenses incurred by the Customer in order to continue to receive services provided under this Contract.
- (c) If the Customer elects not to make changes in its facilities which, in Southwestern's judgment, are required for the Customer to continue to receive reliable service from Southwestern's modified or upgraded facilities, then the Customer will discontinue receipt of the services provided under this Contract which are dependent on such

modified or upgraded facilities, and the provisions of this Contract which describe such services shall be terminated or, at Southwestern's sole option, suspended, until the Customer completes the changes in its facilities which Southwestern, in its sole judgment, deems necessary for reliable service to the Customer under the aforesaid provisions.

- (d) Southwestern shall notify the Customer of the specific sections or articles of the Contract which are to be terminated or suspended pursuant to Section 6(c) of this Provision C.
 - (e) The provisions of this Contract which are not specifically terminated or suspended pursuant to Section 6(d) of this Provision C shall not in any way be affected and shall remain in full force and effect except insofar as the services provided pursuant to the terminated or suspended provisions which are reflected in other provisions of this Contract will also be terminated or suspended.
 - (f) Termination or suspension of specific provisions of this Contract pursuant to Section 6(c) of this Provision C shall be without penalty to either of the parties hereto, except that the rights of the parties hereto, if any, which accrued prior to the date of such termination or suspension shall be and hereby are preserved.
7. **Limitation on Rights of Entry.** Southwestern reserves the right, upon notice to the Customer, to revoke or cancel the rights of entry granted under this Contract with regard to any particular representative of the Customer, if, in the sole judgment of Southwestern, such revocation or cancellation is required in the interest of national security.
8. **Assistance by Contracting Parties.** If assistance in maintenance and utilization of their respective systems is rendered by Southwestern and/or the Customer, the following terms and conditions shall apply:
- (a) If, in the maintenance or utilization of their respective transmission systems and related facilities for the purpose of this Contract, it becomes necessary by reason of any emergency or extraordinary condition for Southwestern or the Customer to request the other to furnish personnel, materials, tools, and equipment for the maintenance or modification of, or other work on, such transmission systems and related facilities to insure continuity of power and energy deliveries, the party requested shall cooperate with the other and render such assistance as the party requested may determine to be available.
 - (b) The party making such request, upon receipt of properly itemized bills, shall reimburse the party rendering such assistance, including overhead and administrative and general expenses. The Customer and Southwestern agree to account for any incurred costs under a Work Order accounting procedure and in accordance with the Uniform System of Accounts prescribed for public utilities by the Federal Energy Regulatory Commission. Billing statements rendered by the Customer and Southwestern for such reimbursement shall be due 20 days from the date thereof.
 - (c) No laborer or mechanic in the employ of the Customer, or its agents and contractors, for any of the work contemplated by this Section 8 shall be required or permitted to work in excess of 40 hours in any workweek except upon the condition that compensation is paid to such laborer or mechanic in accordance with the provisions of this Section 8.

- (d) The wages of each laborer or mechanic employed by the Customer, or its agents and contractors, in the performance of any of the work contemplated by this Section 8 shall be computed on the basis of a standard workweek of 40 hours, and work performed in excess of such standard workweek may be permitted only upon the condition that each laborer or mechanic receives compensation at a rate not less than 1.5 times that worker's basic rate of pay for all hours worked in excess of 40 hours in any such workweek.
- (e) For each violation of this Section 8, the Customer, or its agents and contractors, will be liable to the employee for his unpaid wages and, in addition, a penalty shall be imposed upon the Customer in the amount of ten dollars (\$10) for each laborer or mechanic for each calendar day in which such laborer or mechanic is required or permitted to work in excess of the standard workweek of 40 hours upon said work without receiving compensation computed in accordance with this Section 8, and all penalties thus imposed shall be withheld for the use and benefit of the Government; Provided, That this Section 8 is subject to the provisions of the Contract Work Hours and Safety Standards Act of 1962 (Public Law 87-581, 76 Stat. 357-360), as amended; Provided Further, That if, from time to time, there is a conflict or inconsistency between the terms and conditions hereinbefore set forth and the provisions of any contract between the Customer and a labor union, the provisions of the labor union contract shall prevail if determined to be in compliance with then-applicable statutes and regulations issued thereunder.

**UNITED STATES DEPARTMENT OF ENERGY
SOUTHWESTERN POWER ADMINISTRATION
RATE SCHEDULE P-13¹
WHOLESALE RATES FOR HYDRO PEAKING POWER**

¹ Supersedes Rate Schedule P-11.

Effective:

During the period October 1, 2013, through September 30, 2017, in accordance with interim approval from Rate Order No. SWPA-66 issued by the Deputy Secretary of Energy on September 30, 2013 and pursuant to final approval by the Federal Energy Regulatory Commission.

Available:

In the marketing area of Southwestern Power Administration (Southwestern), described generally as the States of Arkansas, Kansas, Louisiana, Missouri, Oklahoma, and Texas.

Applicable:

To wholesale Customers which have contractual rights from Southwestern to purchase Hydro Peaking Power and associated energy (Peaking Energy and Supplemental Peaking Energy).

Character and Conditions of Service:

Three-phase, alternating current, delivered at approximately 60 Hertz, at the nominal voltage(s), at the point(s) of delivery, and in such quantities as are specified by contract.

1. Definitions of Terms

1.1. Ancillary Services

The services necessary to support the transmission of capacity and energy from resources to loads while maintaining reliable operation of the System of Southwestern in accordance with good utility practice, which include the following:

1.1.1. Scheduling, System Control, and Dispatch Service

is provided by Southwestern as Balancing Authority Area operator and is in regard to interchange and load-match scheduling and related system control and dispatch functions.

1.1.2. Reactive Supply and Voltage Control from Generation Sources Service

is provided at transmission facilities in the System of Southwestern to produce or absorb reactive power and to maintain transmission voltages within specific limits.

1.1.3. Regulation and Frequency Response Service

is the continuous balancing of generation and interchange resources accomplished by raising or lowering the output of on-line generation as necessary to follow the moment-by-moment changes in load and to maintain frequency within a Balancing Authority Area.

1.1.4. Spinning Operating Reserve Service

maintains generating units on-line, but loaded at less than maximum output, which may be used to service load immediately when disturbance conditions are experienced due to a sudden loss of generation or load.

1.1.5. Supplemental Operating Reserve Service

provides an additional amount of operating reserve sufficient to reduce Area Control Error to zero within 10 minutes following loss of generating capacity which would result from the most severe single contingency.

1.1.6. Energy Imbalance Service

corrects for differences over a period of time between schedules and actual hourly deliveries of energy to a load. Energy delivered or received within the authorized bandwidth for this service is accounted for as an inadvertent flow and is returned to the providing party by the receiving party in accordance with standard utility practice or a contractual arrangement between the parties.

1.2. Customer

The entity which is utilizing and/or purchasing Federal Power and Federal Energy and services from Southwestern pursuant to this Rate Schedule.

1.3. Demand Period

The period of time used to determine maximum integrated rates of delivery for the purpose of power accounting which is the 60-minute period that begins with the change of hour.

1.4. Federal Power and Energy

The power and energy provided from the System of Southwestern.

1.5. Hydro Peaking Power

The Federal Power that Southwestern sells and makes available to the Customers through their respective Power Sales Contracts in accordance with this Rate Schedule.

1.6. Peaking Billing Demand

The quantity equal to the Peaking Contract Demand for any month unless otherwise provided by the Customer's Power Sales Contract.

1.7. Peaking Contract Demand

The maximum rate in kilowatts at which Southwestern is obligated to deliver Federal Energy associated with Hydro Peaking Power as set forth in the Customer's Power Sales Contract.

1.8. Peaking Energy

The Federal Energy associated with Hydro Peaking Power that Southwestern sells and makes available to the Customer in accordance with the terms and conditions of the Customer's Power Sales Contract.

1.9. Power Sales Contract

The Customer's contract with Southwestern for the sale of Federal Power and Federal Energy.

1.10. Supplemental Peaking Energy

The Federal Energy associated with Hydro Peaking Power that Southwestern sells and makes available to the Customer if determined by Southwestern to be available and that

is in addition to the quantity of Peaking Energy purchased by the Customer in accordance with the terms and conditions of the Customer's Power Sales Contract.

1.11. System of Southwestern

The transmission and related facilities owned by Southwestern, and/or the generation, transmission, and related facilities owned by others, the capacity of which, by contract, is available to and utilized by Southwestern to satisfy its contractual obligations to the Customer.

1.12. Uncontrollable Force

Any force which is not within the control of the party affected, including, but not limited to failure of water supply, failure of facilities, flood, earthquake, storm, lightning, fire, epidemic, riot, civil disturbance, labor disturbance, sabotage, war, act of war, terrorist acts, or restraint by court of general jurisdiction, which by exercise of due diligence and foresight such party could not reasonably have been expected to avoid.

2. Wholesale Rates, Terms, and Conditions for Hydro Peaking Power, Peaking Energy, Supplemental Peaking Energy, and Associated Services

Unless otherwise specified, this Section 2 is applicable to all sales under the Customer's Power Sales Contract.

2.1. Hydro Peaking Power Rates, Terms, and Conditions

2.1.1. Monthly Capacity Charge for Hydro Peaking Power

\$4.50 per kilowatt of Peaking Billing Demand.

2.1.2. Services Associated with Capacity Charge for Hydro Peaking Power

The capacity charge for Hydro Peaking Power includes such transmission services as are necessary to integrate Southwestern's resources in order to reliably deliver Hydro Peaking Power and associated energy to the Customer. This capacity charge also includes two Ancillary Services charges: Scheduling, System Control, and Dispatch Service; and Reactive Supply and Voltage Control from Generation Sources Service.

2.1.3. Secondary Transmission Service under Capacity Associated with Hydro Peaking Power

Customers may utilize the transmission capacity associated with Peaking Contract Demand for the transmission of non-Federal energy, on a non-firm, as-available basis, at no additional charge for such transmission service or associated Ancillary Services, under the following terms and conditions:

2.1.3.1. The sum of the capacity, for any hour, which is used for Peaking Energy, Supplemental Peaking Energy, and Secondary Transmission Service, may not exceed the Peaking Contract Demand;

2.1.3.2. The non-Federal energy transmitted under such secondary service is delivered to the Customer's point of delivery for Hydro Peaking Power;

2.1.3.3. The Customer commits to provide Real Power Losses associated with such deliveries of non-Federal energy; and

2.1.3.4. Sufficient transfer capability exists between the point of receipt into the System of Southwestern of such non-Federal energy and the Customer's point of delivery for Hydro Peaking Power for the time period that such secondary transmission service is requested.

2.1.4. Adjustment for Reduction in Service

If, during any month, the Peaking Contract Demand associated with a Power Sales Contract in which Southwestern has the obligation to provide 1,200

kilowatthours of Peaking Energy per kilowatt of Peaking Contract Demand is reduced by Southwestern for a period or periods of not less than two consecutive hours by reason of an outage caused by either an Uncontrollable Force or by the installation, maintenance, replacement or malfunction of generation, transmission and/or related facilities on the System of Southwestern, or insufficient pool levels, the Customer's capacity charges for such month will be reduced for each such reduction in service by an amount computed under the formula:

$$R = (C \times K \times H) \div S$$

with the factors defined as follows:

- R = The dollar amount of reduction in the monthly total capacity charges for a particular reduction of not less than two consecutive hours during any month, except that the total amount of any such reduction shall not exceed the product of the Customer's capacity charges associated with Hydro Peaking Power times the Peaking Billing Demand.
- C = The Customer's capacity charges associated with Hydro Peaking Power for the Peaking Billing Demand for such month.
- K = The reduction in kilowatts in Peaking Billing Demand for a particular event.
- H = The number of hours duration of such particular reduction.
- S = The number of hours that Peaking Energy is scheduled during such month, but not less than 60 hours times the Peaking Contract Demand.

Such reduction in charges shall fulfill Southwestern's obligation to deliver Hydro Peaking Power and Peaking Energy.

2.2. Peaking Energy and Supplemental Peaking Energy Rates, Terms, and Conditions

2.2.1. Peaking Energy Charge

\$0.0094 per kilowatthour of Peaking Energy delivered plus the Purchased Power Adder as defined in Section 2.2.3 of this Rate Schedule.

2.2.2. Supplemental Energy Charge

\$0.0094 per kilowatthour of Supplemental Peaking Energy delivered.

2.2.3. Purchased Power Adder

A purchased power adder of \$0.0059 per kilowatthour of Peaking Energy delivered, as adjusted by the Administrator, Southwestern, in accordance with the procedure within this Rate Schedule.

2.2.3.1. Applicability of Purchased Power Adder

The Purchased Power Adder shall apply to sales of Peaking Energy. The Purchased Power Adder shall not apply to sales of Supplemental Peaking Energy or sales to any Customer which, by contract, has assumed the obligation to supply energy to fulfill the minimum of 1,200 kilowatthours of Peaking Energy per kilowatt of Peaking Contract Demand during a contract year (hereinafter "Contract Support Arrangements").

2.2.3.2. Procedure for Determining Net Purchased Power Adder Adjustment

Not more than twice annually, the Purchased Power Adder of \$0.0059 (5.9 mills) per kilowatthour of Peaking Energy, as noted in this Rate Schedule, may be adjusted by the Administrator, Southwestern, by an amount up to a total of $\pm \$0.0059$ (5.9 mills) per kilowatthour per year, as calculated by the following formula:

$$ADJ = (PURCH - EST + DIF) \div SALES$$

with the factors defined as follows:

- ADJ = The dollar per kilowatthour amount of the total adjustment, plus or minus, to be applied to the net Purchased Power Adder, rounded to the nearest \$0.0001 per kilowatthour, provided that the total ADJ to be applied in any year shall not vary from the then-effective ADJ by more than \$0.0059 per kilowatthour;
- PURCH= The actual total dollar cost of Southwestern's System Direct Purchases as accounted for in the financial records of the Southwestern Federal Power System for the period;
- EST = The estimated total dollar cost (\$13,273,800 per year) of Southwestern's System Direct Purchases used as the basis for the Purchased Power Adder of \$0.0059 per kilowatthour of Peaking Energy;
- DIF = The accumulated remainder of the difference in the actual and estimated total dollar cost of Southwestern's System Direct Purchases since the effective date of the currently approved Purchased Power Adder set forth in this Rate Schedule, which remainder is not projected for recovery through the ADJ in any previous periods;
- SALES = The annual Total Peaking Energy sales projected to be

delivered (2,241,300,000 KWh per year) from the System of Southwestern, which total was used as the basis for the \$0.0059 per kilowatthour Purchased Power Adder.

2.3. Transformation Service Rates, Terms, and Conditions

2.3.1. Monthly Capacity Charge for Transformation Service

\$0.46 per kilowatt will be assessed for capacity used to deliver energy at any point of delivery at which Southwestern provides transformation service for deliveries at voltages of 69 kilovolts or less from higher voltage facilities.

2.3.2. Applicability of Capacity Charge for Transformation Service

Unless otherwise specified by contract, for any particular month, a charge for transformation service will be assessed on the greater of (1) that month's highest metered demand, or (2) the highest metered demand recorded during the previous 11 months, at any point of delivery. For the purpose of this Rate Schedule, the highest metered demand will be based on all deliveries, of both Federal and non-Federal energy, from the System of Southwestern, at such point during such month.

2.4. Ancillary Services Rates, Terms, and Conditions

2.4.1. Capacity Charges for Ancillary Services

2.4.1.1. Regulation and Frequency Response Service

Monthly rate of \$0.07 per kilowatt of Peaking Billing Demand plus the Regulation Purchased Adder as defined in Section 2.4.5 of this Rate Schedule.

2.4.1.2. Spinning Operating Reserve Service

Monthly rate of \$0.0146 per kilowatt of Peaking Billing Demand.

Daily rate of \$0.00066 per kilowatt for non-Federal generation inside Southwestern's Balancing Authority Area.

2.4.1.3. Supplemental Operating Reserve Service

Monthly rate of \$0.0146 per kilowatt of Peaking Billing Demand.

Daily rate of \$0.00066 per kilowatt for non-Federal generation inside Southwestern's Balancing Authority Area.

2.4.1.4. Energy Imbalance Service

\$0.0 per kilowatt for all reservation periods.

2.4.2. Availability of Ancillary Services

Regulation and Frequency Response Service and Energy Imbalance Service are available only for deliveries of power and energy to load within Southwestern's Balancing Authority Area. Spinning Operating Reserve Service and Supplemental Operating Reserve Service are available only for deliveries of non-Federal power and energy generated by resources located within Southwestern's Balancing Authority Area and for deliveries of all Hydro Peaking Power and associated energy from and within Southwestern's Balancing Authority Area. Where available, such Ancillary Services must be taken from Southwestern; unless, arrangements are made in accordance with Section 2.4.4 of this Rate Schedule.

2.4.3. Applicability of Charges for Ancillary Services

For any month, the charges for Ancillary Services for deliveries of Hydro Peaking Power shall be based on the Peaking Billing Demand.

The daily charge for Spinning Operating Reserve Service and Supplemental Operating Reserve Service for non-Federal generation inside Southwestern's Balancing Authority Area shall be applied to the greater of Southwestern's previous day's estimate of the peak, or the actual peak, in kilowatts, of the internal non-Federal generation.

2.4.4. Provision of Ancillary Services by Others

Customers for which Ancillary Services are made available as specified above, must inform Southwestern by written notice of the Ancillary Services which they do not intend to take and purchase from Southwestern, and of their election to provide all or part of such Ancillary Services from their own resources or from a third party.

Subject to Southwestern's approval of the ability of such resources or third parties to meet Southwestern's technical and operational requirements for provision of such Ancillary Services, the Customer may change the Ancillary Services which it takes from Southwestern and/or from other sources at the beginning of any month upon the greater of 60 days notice or upon completion of any necessary equipment modifications necessary to accommodate such change; Provided, That, if the Customer chooses not to take Regulation and Frequency Response Service, which includes the associated Regulation Purchased Adder, the Customer must pursue these services from a different host Balancing Authority; thereby moving all metered loads and resources from Southwestern's Balancing Authority Area to the Balancing Authority Area of the new host Balancing Authority. Until such time as that meter reconfiguration is accomplished, the Customer will be charged for the Regulation and Frequency Response Service and applicable Adder then in effect. The Customer must notify Southwestern by July 1 of this choice, to be effective the subsequent calendar year.

2.4.5. Regulation Purchased Adder

Southwestern has determined the amount of energy used from storage to provide Regulation and Frequency Response Service in order to meet Southwestern's Balancing Authority Area requirements. The replacement value of such energy used shall be recovered through the Regulation Purchased Adder. The Regulation Purchased Adder during the time period of January 1 through December 31 of the current calendar year is based on the average annual use of energy from storage¹ for Regulation and Frequency Response Service and Southwestern's estimated purchased power price for the corresponding year from the most currently approved Power Repayment Studies.

The Regulation Purchased Adder will be phased in over a period of four (4) years as follows:

Year	Regulation Purchased Adder for the Incremental Replacement Value of Energy Used from Storage
2014	$\frac{1}{4}$ of the average annual use of energy from storage × 2014 Purchased Power price
2015	$\frac{1}{2}$ of the average annual use of energy from storage × 2015 Purchased Power price
2016	$\frac{3}{4}$ of the average annual use of energy from storage × 2016 Purchased Power price
2017 and thereafter	The total average annual use of energy from storage × the applicable Purchased Power price

¹ The average annual use of energy from storage for Regulation and Frequency Response Service is based on Southwestern studies.

2.4.5.1. Applicability of Regulation Purchased Adder

The replacement value of the estimated annual use of energy from storage for Regulation and Frequency Response Service shall be recovered by Customers located within Southwestern's Balancing Authority Area on a non-coincident peak ratio share basis, divided into twelve equal monthly payments, in accordance with the formula in Section 2.4.5.2.

If the Regulation Purchased Adder is determined and applied under Southwestern's Rate Schedule NFTS-13, then it shall not be applied here.

2.4.5.2. Procedure for Determining Regulation Purchased Adder

Unless otherwise specified by contract, the Regulation Purchased Adder for an individual Customer shall be based on the following formula rate, calculated to include the replacement value of the estimated annual use of energy from storage by Southwestern for Regulation and Frequency Response Service.

RPA = The Regulation Purchased Adder for an individual

Customer per month, which is as follows:

$$[(L_{\text{Customer}} \div L_{\text{Total}}) \times RP_{\text{Total}}] \div 12$$

with the factors defined as follows:

L_{Customer} = The sum in MW of the following three factors:

- (1) The Customer's highest metered load plus generation used to serve the Customer's load that is accounted for through a reduction in the Customer's metered load (referred to as 'generation behind the meter') during the previous calendar year, and
- (2) The Customer's highest rate of Scheduled Exports² during the previous calendar year, and
- (3) The Customer's highest rate of Scheduled Imports² during the previous calendar year.

L_{Total} = The sum of all L_{Customer} factors for all Customers that were inside Southwestern's Balancing Authority Area at the beginning of the previous calendar year in MW.

RP_{Total} = The "net" cost in dollars and cents based on Southwestern's estimated purchased power price for the corresponding year from the most currently approved Power Repayment Studies multiplied by the average annual use of energy from storage, as provided for in the table in Section 2.4.5, to support Southwestern's ability to regulate within its Balancing Authority Area. The "net" cost in dollars and cents shall be adjusted by subtracting the product of the quantity of such average annual use of energy from storage in MWh and Southwestern's highest rate in dollars per MWh for Supplemental Peaking Energy during the previous calendar year.

² Scheduled Exports and Scheduled Imports are transactions, such as sales and purchases respectively, which are in addition to a Customer's metered load that contribute to Southwestern's Balancing Authority Area need for regulation.

For Customers that have aggregated their load, resources, and scheduling into a single node by contract within Southwestern's Balancing Authority Area, the individual Customer's respective Regulation Purchased Adder shall be that Customer's ratio share of the Regulation Purchased Adder established for the node. Such ratio share shall be determined for the Customer on a non-coincident basis and shall be calculated for the Customer from their highest metered load plus generation behind the meter.

2.4.6. Energy Imbalance Service Limitations

Energy Imbalance Service primarily applies to deliveries of power and energy which are required to satisfy a Customer's load. As Hydro Peaking Power and associated energy are limited by contract, the Energy Imbalance Service bandwidth specified for Non-Federal Transmission Service does not apply to deliveries of Hydro Peaking Power, and therefore Energy Imbalance Service is not charged on such deliveries. Customers who consume a capacity of Hydro Peaking Power greater than their Peaking Contract Demand may be subject to a Capacity Overrun Penalty.

3. Hydro Peaking Power Penalties, Terms, and Conditions

3.1. Capacity Overrun Penalty

3.1.1. Penalty Charge for Capacity Overrun

For each hour during which Hydro Peaking Power was provided at a rate greater than that to which the Customer is entitled, the Customer will be charged a Capacity Overrun Penalty at the following rates:

Months Associated With Charge	Rate per Kilowatt
March, April, May, October, November, December	\$0.15
January, February, June, July, August, September	\$0.30

3.1.2. Applicability of Capacity Overrun Penalty

Customers which have loads within Southwestern's Balancing Authority Area are obligated by contract to provide resources, over and above the Hydro Peaking Power and associated energy purchased from Southwestern, sufficient to meet their loads. A Capacity Overrun Penalty shall be applied only when the formulas provided in Customers' respective Power Sales Contracts indicate an overrun on Hydro Peaking Power, and investigation determines that all resources, both firm and non-firm, which were available at the time of the apparent overrun were insufficient to meet the Customer's load.

3.2. Energy Overrun Penalty

3.2.1. Penalty Charge for Energy Overrun

\$0.1034 per kilowatthour for each kilowatthour of overrun.

3.2.2. Applicability of Energy Overrun Penalty

By contract, the Customer is subject to limitations on the maximum amounts of Peaking Energy which may be scheduled under the Customer's Power Sales Contract. When the Customer schedules an amount in excess of such maximum amounts, such Customer is subject to the Energy Overrun Penalty.

3.3. Power Factor Penalty

3.3.1. Requirements Related to Power Factor

Any Customer served from facilities owned by or available by contract to Southwestern will be required to maintain a power factor of not less than 95 percent and will be subject to the following provisions.

3.3.2. Determination of Power Factor

The power factor will be determined for all Demand Periods and shall be calculated under the formula:

$$PF = (kWh) \div \sqrt{(kWh^2 + rkVAh^2)}$$

with the factors defined as follows:

PF = The power factor for any Demand Period of the month.

kWh = The total quantity of energy which is delivered during such Demand Period to the point of delivery or interconnection in accordance with Section 3.3.4.

rkVAh = The total quantity of reactive kilovolt-ampere-hours (kVARs) delivered during such Demand Period to the point of delivery or interconnection in accordance with Section 3.3.4.

3.3.3. Penalty Charge for Power Factor

The Customer shall be assessed a penalty for all Demand Periods of a month where the power factor is less than 95 percent lagging. For any Demand Period during a particular month such penalty shall be in accordance with the following formula:

$$C = D \times (0.95 - LPF) \times \$0.10$$

with the factors defined as follows:

C = The charge in dollars to be assessed for any particular Demand Period of such month that the determination of power factor "PF" is calculated to be less than 95 percent lagging.

D = The Customer's demand in kilowatts at the point of delivery for such Demand Period in which a low power factor was calculated.

LPF = The lagging power factor, if any, determined by the formula "PF" for such Demand Period.

If C is negative, then C = zero (0).

3.3.4. Applicability of Power Factor Penalty

The Power Factor Penalty is applicable to radial interconnections with the System of Southwestern. The total Power Factor Penalty for any month shall be the sum of all charges "C" for all Demand Periods of such month. No penalty is assessed

for leading power factor. Southwestern, in its sole judgment and at its sole option, may determine whether power factor calculations should be applied to (i) a single physical point of delivery, (ii) a combination of physical points of delivery where a Customer has a single, electrically integrated load, (iii) or interconnections. The general criteria for such decision shall be that, given the configuration of the Customer's and Southwestern's systems, Southwestern will determine, in its sole judgment and at its sole option, whether the power factor calculation more accurately assesses the detrimental impact on Southwestern's system when the above formula is calculated for a single physical point of delivery, a combination of physical points of delivery, or for an interconnection as specified by an Interconnection Agreement.

Southwestern, at its sole option, may reduce or waive Power Factor Penalties when, in Southwestern's sole judgment, low power factor conditions were not detrimental to the System of Southwestern due to particular loading and voltage conditions at the time the power factor dropped below 95 percent lagging.

4. Hydro Peaking Power Miscellaneous Rates, Terms, and Conditions

4.1. Real Power Losses

Customers are required to self-provide all Real Power Losses for non-Federal energy transmitted by Southwestern on behalf of such Customers under the provisions detailed below.

Real Power Losses are computed as four (4) percent of the total amount of non-Federal energy transmitted by Southwestern. The Customer's monthly Real Power Losses are computed each month on a megawatt-hour basis as follows:

$$ML = 0.04 \times NFE$$

with the factors defined as follows:

ML = The total monthly loss energy, rounded to the nearest megawatt-hour, to be scheduled by a Customer for receipt by Southwestern for Real Power Losses associated with non-Federal energy transmitted on behalf of such Customer; and

NFE = The amount of non-Federal energy that was transmitted by Southwestern on behalf of a Customer during a particular month.

The Customer must schedule or cause to be scheduled to Southwestern, Real Power Losses for which it is responsible subject to the following conditions:

- 4.1.1. The Customer shall schedule and deliver Real Power Losses back to Southwestern during the second month after they were incurred by Southwestern in the transmission of the Customer's non-Federal power and energy over the System of Southwestern unless such Customer has accounted for Real Power Losses as part of a metering arrangement with Southwestern.
- 4.1.2. On or before the twentieth day of each month, Southwestern shall determine the amount of non-Federal loss energy it provided on behalf of the Customer during the previous month and provide a written schedule to the Customer setting forth hour-by-hour the quantities of non-Federal energy to be delivered to Southwestern as losses during the next month.
- 4.1.3. Real Power Losses not delivered to Southwestern by the Customer, according to the schedule provided, during the month in which such losses are due shall be billed by Southwestern to the Customer to adjust the end-of-month loss energy balance to zero (0) megawatt-hours and the Customer shall be obliged to purchase such energy at the following rates:

Months Associated With Charge	Rate per Kilowatt-hour
March, April, May, October, November, December	\$0.15
January, February, June, July, August, September	\$0.30

- 4.1.4. Real Power Losses delivered to Southwestern by the Customer in excess of the losses due during the month shall be purchased by Southwestern from the Customer at a rate per megawatthour equal to Southwestern's rate per megawatthour for Supplemental Peaking Energy, as set forth in Southwestern's then-effective Rate Schedule for Hydro Peaking Power to adjust such hourly end-of-month loss energy balance to zero (0) megawatthours.

**UNITED STATES DEPARTMENT OF ENERGY
SOUTHWESTERN POWER ADMINISTRATION
RATE SCHEDULE NFTS-13¹
WHOLESALE RATES FOR NON-FEDERAL
TRANSMISSION/INTERCONNECTION FACILITIES SERVICE**

¹ Supersedes Rate Schedule NFTS-11.

Effective:

During the period October 1, 2013, through September 30, 2017, in accordance with interim approval from Rate Order No. SWPA-66 issued by the Deputy Secretary of Energy on September 30, 2013 and pursuant to final approval by the Federal Energy Regulatory Commission.

Available:

In the region of the System of Southwestern.

Applicable:

To Customers which have executed Service Agreements with Southwestern for the transmission of non-Federal power and energy over the System of Southwestern or for its use for interconnections. Southwestern will provide services over those portions of the System of Southwestern in which the Administrator, Southwestern, in his or her sole judgment, has determined that uncommitted transmission and transformation capacities in the System of Southwestern are and will be available in excess of the capacities required to market Federal power and energy pursuant to Section 5 of the Flood Control Act of 1944 (58 Stat. 887,890; 16 U.S.C. 825s).

Character and Conditions of Service:

Three-phase, alternating current, delivered at approximately 60 Hertz, at the nominal voltage(s), at the point(s) specified by Service Agreement or Transmission Service Transaction.

1. Definitions of Terms

1.1. Ancillary Services

The services necessary to support the transmission of capacity and energy from resources to loads while maintaining reliable operation of the System of Southwestern in accordance with good utility practice, which include the following:

1.1.1. Scheduling, System Control, and Dispatch Service

is provided by Southwestern as Balancing Authority Area operator and is in regard to interchange and load-match scheduling and related system control and dispatch functions.

1.1.2. Reactive Supply and Voltage Control from Generation Sources Service

is provided at transmission facilities in the System of Southwestern to produce or absorb reactive power and to maintain transmission voltages within specific limits.

1.1.3. Regulation and Frequency Response Service

is the continuous balancing of generation and interchange resources accomplished by raising or lowering the output of on-line generation as necessary to follow the moment-by-moment changes in load and to maintain frequency within a Balancing Authority Area.

1.1.4. Spinning Operating Reserve Service

maintains generating units on-line, but loaded at less than maximum output, which may be used to service load immediately when disturbance conditions are experienced due to a sudden loss of generation or load.

1.1.5. Supplemental Operating Reserve Service

provides an additional amount of operating reserve sufficient to reduce Area Control Error to zero within 10 minutes following loss of generating capacity which would result from the most severe single contingency.

1.1.6. Energy Imbalance Service

corrects for differences over a period of time between schedules and actual hourly deliveries of energy to a load. Energy delivered or received within the authorized bandwidth for this service is accounted for as an inadvertent flow and is returned to the providing party by the receiving party in accordance with standard utility practice or a contractual arrangement between the parties.

1.2. Customer

The entity which is utilizing and/or purchasing services from Southwestern pursuant to this Rate Schedule.

1.3. Demand Period

The period of time used to determine maximum integrated rates of delivery for the purpose of power accounting which is the 60-minute period that begins with the change of hour.

1.4. Firm Point-to-Point Transmission Service

Transmission service reserved on a firm basis between specific points of receipt and delivery pursuant to either a Firm Transmission Service Agreement or to a Transmission Service Transaction.

1.5. Interconnection Facilities Service

A service that provides for the use of the System of Southwestern to deliver energy and/or provide system support at an interconnection.

1.6. Network Integration Transmission Service

Transmission service provided under Part III of Southwestern's Open Access Transmission Service Tariff which provides the Customer with firm transmission service for the delivery of capacity and energy from the Customer's resources to the Customer's load.

1.7. Non-Firm Point-to-Point Transmission Service

Transmission service reserved on a non-firm basis between specific points of receipt and delivery pursuant to a Transmission Service Transaction.

1.8. Point of Delivery

Either a single physical point to which electric power and energy are delivered from the System of Southwestern, or a specified set of delivery points which together form a single, electrically integrated load.

1.9. Secondary Transmission Service

Service that is associated with Firm Point-to-Point Transmission Service and Network Integration Transmission Service. For Firm Point-to-Point Transmission Service, it consists of transmission service provided on an as-available, non-firm basis, scheduled within the limits of a particular capacity reservation for transmission service, and scheduled from points of receipt, or to points of delivery, other than those designated in a

Long-Term Firm Transmission Service Agreement or a Transmission Service Transaction for Firm Point-to-Point Transmission Service. For Network Integration Transmission Service, Secondary Transmission Service consists of transmission service provided on an as-available, non-firm basis, from resources other than the network resources designated in a Network Transmission Service Agreement, to meet the Customer's network load. The charges for Secondary Transmission Service, other than Ancillary Services, are included in the applicable capacity charges for Firm Point-to-Point Transmission Service and Network Integration Transmission Service.

1.10. Service Agreement

A contract executed between a Customer and Southwestern for the transmission of non-Federal power and energy over the System of Southwestern or for interconnections which include the following:

1.10.1. Firm Transmission Service Agreement

provides for reserved transmission capacity on a firm basis, for a particular point-to-point delivery path.

1.10.2. Interconnection Agreement

provides for the use of the System of Southwestern and recognizes the exchange of mutual benefits for such use or provides for application of a charge for Interconnection Facilities Service.

1.10.3. Network Transmission Service Agreement

provides for the Customer to request firm transmission service for the delivery of capacity and energy from the Customer's network resources to the Customer's network load, for a period of one year or more.

1.10.4. Non-Firm Transmission Service Agreement

provides for the Customer to request transmission service on a non-firm basis.

1.11. Service Request

The request made under a Transmission Service Agreement through the Southwest Power Pool, Inc. (hereinafter "SPP") Open Access Same-Time Information System (hereinafter "OASIS") for reservation of transmission capacity over a particular point-to-point delivery path for a particular period. The Customer must submit hourly schedules for actual service in addition to the Service Request.

1.12. System of Southwestern

The transmission and related facilities owned by Southwestern, and/or the generation, transmission, and related facilities owned by others, the capacity of which, by contract, is

available to and utilized by Southwestern to satisfy its contractual obligations to the Customer.

1.13. Transmission Service Transaction

A Service Request that has been approved by SPP.

1.14. Uncontrollable Force

Any force which is not within the control of the party affected, including, but not limited to failure of water supply, failure of facilities, flood, earthquake, storm, lightning, fire, epidemic, riot, civil disturbance, labor disturbance, sabotage, war, act of war, terrorist acts, or restraint by court of general jurisdiction, which by exercise of due diligence and foresight such party could not reasonably have been expected to avoid.

2. Wholesale Rates, Terms, and Conditions for Firm Point-to-Point Transmission Service, Non-Firm Point-to-Point Transmission Service, Network Integration Transmission Service, and Interconnection Facilities Service

2.1. Firm Point-to-Point Transmission Service Rates, Terms, and Conditions

2.1.1. Monthly Capacity Charge for Firm Point-to-Point Transmission Service

\$1.48 per kilowatt of transmission capacity reserved in increments of one month of service or invoiced in accordance with a longer term agreement.

2.1.2. Weekly Capacity Charge for Firm Point-to-Point Transmission Service

\$0.370 per kilowatt of transmission capacity reserved in increments of one week of service.

2.1.3. Daily Capacity Charge for Firm Point-to-Point Transmission Service

\$0.0673 per kilowatt of transmission capacity reserved in increments of one day of service.

2.1.4. Services Associated with Capacity Charge for Firm Point-to-Point Transmission Service

The capacity charge for Firm Point-to-Point Transmission Service includes Secondary Transmission Service, but does not include charges for Ancillary Services associated with actual schedules.

2.1.5. Applicability of Capacity Charge for Firm Point-to-Point Transmission Service

Capacity charges for Firm Point-to-Point Transmission Service are applied to quantities reserved by contract under a Firm Transmission Service Agreement or in accordance with a Transmission Service Transaction.

A Customer, unless otherwise specified by contract, will be assessed capacity charges on the greatest of (1) the highest metered demand at any particular Point of Delivery during a particular month, rounded up to the nearest whole megawatt, or (2) the highest metered demand recorded at such Point of Delivery during any of the previous 11 months, rounded up to the nearest whole megawatt, or (3) the capacity reserved by contract; which amount shall be considered such Customer's reserved capacity. Secondary Transmission Service for such Customer shall be limited during any month to the most recent metered demand on which that Customer is billed or to the capacity reserved by contract, whichever is greater.

2.2. Non-Firm Point-to-Point Transmission Service Rates, Terms, and Conditions

2.2.1. Monthly Capacity Charge for Non-Firm Point-to-Point Transmission Service

80 percent of the monthly capacity charge for Firm Point-to-Point Transmission Service reserved in increments of one month.

2.2.2. Weekly Capacity Charge for Non-Firm Point-to-Point Transmission Service

80 percent of the monthly capacity charge divided by 4 for Firm Point-to-Point Transmission Service reserved in increments of one week.

2.2.3. Daily Capacity Charge for Non-Firm Point-to-Point Transmission Service

80 percent of the monthly capacity charge divided by 22 for Firm Point-to-Point Transmission Service reserved in increments of one day.

2.2.4. Hourly Capacity Charge for Non-Firm Point-to-Point Transmission Service

80 percent of the monthly capacity charge divided by 352 for Firm Point-to-Point Transmission Service reserved in increments of one hour.

2.2.5. Applicability of Charges for Non-Firm Point-to-Point Transmission Service

Capacity charges for Non-Firm Point-to-Point Transmission Service are applied to quantities reserved under a Transmission Service Transaction, and do not include charges for Ancillary Services.

2.3. Network Integration Transmission Service Rates, Terms, and Conditions

2.3.1. Annual Revenue Requirement for Network Integration Transmission Service

\$15,533,800.

2.3.2. Monthly Revenue Requirement for Network Integration Transmission Service

\$1,294,483.

2.3.3. Net Capacity Available for Network Integration Transmission Service

872,000 kilowatts.

2.3.4. Monthly Capacity Charge for Network Integration Transmission Service

\$1.48 per kilowatt of Network Load (charge derived from $\$1,294,483 \div 872,000$ kilowatts).

2.3.5. Applicability of Charges for Network Integration Transmission Service

Network Integration Transmission Service is available only for deliveries of non-Federal power and energy, and is applied to the Customer utilizing such service exclusive of any deliveries of Federal power and energy. The capacity on which charges for any particular Customer utilizing this service is determined on the greatest of (1) the highest metered demand at any particular point of delivery during a particular month, rounded up to the nearest whole megawatt, or (2) the highest metered demand recorded at such point of delivery during any of the previous 11 months, rounded up to the nearest whole megawatt.

For a Customer taking Network Integration Transmission Service who is also taking delivery of Federal Power and Energy, the highest metered demand shall be determined by subtracting the energy scheduled for delivery of Federal Power and Energy for any hour from the metered demand for such hour.

Secondary transmission Service for a Customer shall be limited during any month to the most recent highest metered demand on which such Customer is billed. Charges for Ancillary Services shall also be assessed.

2.4. Interconnection Facilities Service Rates, Terms, and Conditions

2.4.1. Monthly Capacity Charge for Interconnection Facilities Service

\$1.48 per kilowatt.

2.4.2. Applicability of Capacity Charge for Interconnection Facilities Service

Any Customer that requests an interconnection from Southwestern which, in Southwestern's sole judgment and at its sole option, does not provide commensurate benefits or compensation to Southwestern for the use of its facilities shall be assessed a capacity charge for Interconnection Facilities Service. For any month, charges for Interconnection Facilities Service shall be assessed on the greater of (1) that month's actual highest metered demand, or (2) the highest metered demand recorded during the previous eleven months, as metered at the interconnection. The use of Interconnection Facilities Service will be subject to power factor provisions as specified in this Rate Schedule. The interconnection customer shall also schedule and deliver Real Power Losses pursuant to the provisions of this Rate Schedule based on metered flow through the interconnection where Interconnection Facilities Services is assessed.

2.5. Transformation Service Rates, Terms, and Conditions

2.5.1. Monthly Capacity Charge for Transformation Service

\$0.46 per kilowatt will be assessed for capacity used to deliver energy at any point of delivery at which Southwestern provides transformation service for deliveries at voltages of 69 kilovolts or less from higher voltage facilities.

2.5.2. Applicability of Capacity Charge for Transformation Service

Unless otherwise specified by contract, for any particular month, a charge for transformation service will be assessed on the greater of (1) that month's highest metered demand, or (2) the highest metered demand recorded during the previous 11 months, at any point of delivery. For the purpose of this Rate Schedule, the highest metered demand will be based on all deliveries, of both Federal and non-Federal energy, from the System of Southwestern, at such point during such month.

2.6. Ancillary Services Rates, Terms, and Conditions

2.6.1. Capacity Charges for Ancillary Services

2.6.1.1. Scheduling, System Control, and Dispatch Service

Monthly rate of \$0.09 per kilowatt of transmission capacity reserved in increments of one month of service or invoiced in accordance with a Long-Term Firm Transmission Service Agreement or Network Transmission Service Agreement.

Weekly rate of \$0.023 per kilowatt of transmission capacity reserved in increments of one week of service.

Daily rate of \$0.0041 per kilowatt of transmission capacity reserved in increments of one day of service.

Hourly rate of \$0.00026 per kilowatt of transmission energy delivered as non-firm transmission service.

2.6.1.2. Reactive Supply and Voltage Control from Generation Sources Service

Monthly rate of \$0.04 per kilowatt of transmission capacity reserved in increments of one month of service or invoiced in accordance with a Long-Term Firm Transmission Service Agreement or Network Transmission Service Agreement.

Weekly rate of \$0.010 per kilowatt of transmission capacity reserved in increments of one week of service.

Daily rate of \$0.0018 per kilowatt of transmission capacity reserved in increments of one day of service.

Hourly rate of \$0.00011 per kilowatt of transmission energy delivered as non-firm transmission service.

2.6.1.3. Regulation and Frequency Response Service

Monthly rate of \$0.07 per kilowatt of transmission capacity reserved in increments of one month of service or invoiced in accordance with a Long-Term Firm Transmission Service Agreement or Network Transmission Service Agreement plus the Regulation Purchased Adder as defined in Section 2.6.5 of this Rate Schedule.

Weekly rate of \$0.018 per kilowatt of transmission capacity reserved in increments of one week of service plus the Regulation Purchased Adder as defined in Section 2.6.5 of this Rate Schedule.

Daily rate of \$0.0032 per kilowatt of transmission capacity reserved in increments of one day of service plus the Regulation Purchased Adder as defined in Section 2.6.5 of this Rate Schedule.

Hourly rate of \$0.00020 per kilowatt of transmission energy delivered as non-firm transmission service plus the Regulation Purchased Adder as defined in Section 2.6.5 of this Rate Schedule.

2.6.1.4. Spinning Operating Reserve Service

Monthly rate of \$0.0146 per kilowatt of transmission capacity reserved in increments of one month of service or invoiced in accordance with a Long-Term Firm Transmission Service Agreement or Network Transmission Service Agreement.

Weekly rate of \$0.00365 per kilowatt of transmission capacity reserved in increments of one week of service.

Daily rate of \$0.00066 per kilowatt of transmission capacity reserved in increments of one day of service.

Hourly rate of \$0.00004 per kilowatt of transmission energy delivered as non-firm transmission service.

2.6.1.5. Supplemental Operating Reserve Service

Monthly rate of \$0.0146 per kilowatt of transmission capacity reserved in increments of one month of service or invoiced in accordance with a Long-Term Firm Transmission Service Agreement or Network Transmission Service Agreement.

Weekly rate of \$0.00365 per kilowatt of transmission capacity reserved in increments of one week of service.

Daily rate of \$0.00066 per kilowatt of transmission capacity reserved in increments of one day of service.

Hourly rate of \$0.00004 per kilowatt of transmission energy delivered as non-firm transmission service.

2.6.1.6. Energy Imbalance Service

\$0.0 per kilowatt for all reservation periods.

2.6.2. Availability of Ancillary Services

Scheduling, System Control, and Dispatch Service and Reactive Supply and Voltage Control from Generation Sources Service are available for all transmission services in and from the System of Southwestern and shall be provided by Southwestern. Regulation and Frequency Response Service and Energy Imbalance Service are available only for deliveries of power and energy to load within Southwestern's Balancing Authority Area, and shall be provided by Southwestern, unless, subject to Southwestern's approval, they are provided by others. Spinning Operating Reserve Service and Supplemental Operating Reserve Service are available only for deliveries of power and energy generated by resources located within Southwestern's Balancing Authority Area and shall be provided by Southwestern, unless, subject to Southwestern's approval, they are provided by others.

2.6.3. Applicability of Charges for Ancillary Services

Charges for all Ancillary Services are applied to the transmission capacity reserved or network transmission service taken by the Customer in accordance with the rates listed above when such services are provided by Southwestern.

The charges for Ancillary Services are considered to include Ancillary Services for any Secondary Transmission Service, except in cases where Ancillary Services identified in Sections 2.6.1.3 through 2.6.1.6 of this Rate Schedule are applicable to a Transmission Service Transaction of Secondary Transmission Service, but are not applicable to the transmission capacity reserved under which Secondary Transmission Service is provided. When charges for Ancillary Services are applicable to Secondary Transmission Service, the charge for the Ancillary Service shall be the hourly rate applied to all energy transmitted utilizing the Secondary Transmission Service.

2.6.4. Provision of Ancillary Services by Others

Customers for which Ancillary Services identified in Sections 2.6.1.3 through 2.6.1.6 of this Rate Schedule are made available as specified above must inform Southwestern by written notice of the Ancillary Services which they do not intend to take and purchase from Southwestern, and of their election to provide all or part of such Ancillary Services from their own resources or from a third party. Such notice requirements also apply to requests for Southwestern to provide Ancillary Services when such services are available as specified above.

Subject to Southwestern's approval of the ability of such resources or third parties to meet Southwestern's technical and operational requirements for provision of such Ancillary Services, the Customer may change the Ancillary Services which it takes from Southwestern and/or from other sources at the beginning of any month upon the greater of 60 days written notice or upon the completion of any necessary equipment modifications necessary to accommodate such change; Provided, That, if the Customer chooses not to take Regulation and Frequency Response Service, which includes the associated Regulation Purchased Adder, the Customer must pursue these services from a different host Balancing Authority; thereby moving all metered loads and resources from Southwestern's Balancing Authority Area to the Balancing Authority Area of the new host Balancing Authority. Until such time as that meter reconfiguration is accomplished, the Customer will be charged for the Regulation and Frequency Response Service and applicable Adder then in effect. The Customer must notify Southwestern by July 1 of this choice, to be effective the subsequent calendar year.

2.6.5. Regulation Purchased Adder

Southwestern has determined the amount of energy used from storage to provide Regulation and Frequency Response Service in order to meet Southwestern's Balancing Authority Area requirements. The replacement value of such energy used shall be recovered through the Regulation Purchased Adder. The Regulation Purchased Adder during the time period of January 1 through December 31 of the current calendar year is based on the average annual use of energy from storage¹ for Regulation and Frequency Response Service and Southwestern's estimated purchased power price for the corresponding year from the most currently approved Power Repayment Studies.

The Regulation Purchased Adder will be phased in over a period of four (4) years as follows:

Year	Regulation Purchased Adder for the Incremental Replacement Value of Energy Used from Storage
2014	$\frac{1}{4}$ of the average annual use of energy from storage × 2014 Purchased Power price
2015	$\frac{1}{2}$ of the average annual use of energy from storage × 2015 Purchased Power price
2016	$\frac{3}{4}$ of the average annual use of energy from storage × 2016 Purchased Power price
2017 and thereafter	The total average annual use of energy from storage × the applicable Purchased Power price

¹ The average annual use of energy from storage for Regulation and Frequency Response Service is based on Southwestern studies.

2.6.5.1. Applicability of Regulation Purchased Adder

The replacement value of the estimated annual use of energy from storage for Regulation and Frequency Response Service shall be

recovered by Customers located within Southwestern's Balancing Authority Area on a non-coincident peak ratio share basis, divided into twelve equal monthly payments, in accordance with the formula in Section 2.6.5.2.

If the Regulation Purchased Adder is determined and applied under Southwestern's Rate Schedule P-13, then it shall not be applied here.

2.6.5.2. Procedure for Determining Regulation Purchased Adder

Unless otherwise specified by contract, the Regulation Purchased Adder for an individual Customer shall be based on the following formula rate, calculated to include the replacement value of the estimated annual use of energy from storage by Southwestern for Regulation and Frequency Response Service.

RPA = The Regulation Purchased Adder for an individual Customer per month, which is as follows:

$$[(L_{\text{Customer}} \div L_{\text{Total}}) \times RP_{\text{Total}}] \div 12$$

with the factors defined as follows:

L_{Customer} = The sum in MW of the following three factors:

- (1) The Customer's highest metered load plus generation used to serve the Customer's load that is accounted for through a reduction in the Customer's metered load (referred to as 'generation behind the meter') during the previous calendar year, and
- (2) The Customer's highest rate of Scheduled Exports² during the previous calendar year, and
- (3) The Customer's highest rate of Scheduled Imports² during the previous calendar year.

L_{Total} = The sum of all L_{Customer} factors for all Customers that were inside Southwestern's Balancing Authority Area at the beginning of the previous calendar year in MW.

RP_{Total} = The "net" cost in dollars and cents based on Southwestern's estimated purchased power price for the corresponding year from the most currently approved Power Repayment Studies multiplied by the average annual use of energy from storage, as provided for in the table in Section 2.6.5, to support Southwestern's ability to regulate within its Balancing Authority Area. The "net" cost in dollars and cents shall be adjusted by subtracting the product of the quantity of such average annual use of energy from storage in MWh and Southwestern's highest rate in dollars per MWh for Supplemental Peaking

Energy during the previous calendar year.

² Scheduled Exports and Scheduled Imports are transactions, such as sales and purchases respectively, which are in addition to a Customer's metered load that contribute to Southwestern's Balancing Authority Area need for regulation.

For Customers that have aggregated their load, resources, and scheduling into a single node by contract within Southwestern's Balancing Authority Area, the individual Customer's respective Regulation Purchased Adder shall be that Customer's ratio share of the Regulation Purchased Adder established for the node. Such ratio share shall be determined for the Customer on a non-coincident basis and shall be calculated for the Customer from their highest metered load plus generation behind the meter.

2.6.6. Energy Imbalance Service Limitations

Energy Imbalance Service is authorized for use only within a bandwidth of ± 1.5 percent of the actual requirements of the load at a particular point of delivery, for any hour, compared to the resources scheduled to meet such load during such hour. Deviations which are greater than ± 1.5 percent, but which are less than $\pm 2,000$ kilowatts, are considered to be within the authorized bandwidth. Deviations outside the authorized bandwidth are subject to a Capacity Overrun Penalty.

Energy delivered or received within the authorized bandwidth for this service is accounted for as an inadvertent flow and will be netted against flows in the future. The inadvertent flow in any given hour will only be offset with the flows in the corresponding hour of a day in the same category. Unless otherwise specified by contract, the two categories of days are weekdays and weekend days/North American Electric Reliability Corporation holidays, and this process will result in a separate inadvertent accumulation for each hour of the two categories of days. The hourly accumulations in the current month will be added to the hourly inadvertent balances from the previous month, resulting in a month-end balance for each hour.

The Customer is required to adjust the scheduling of resources in such a way as to reduce the accumulation towards zero. It is recognized that the inadvertent hourly flows can be both negative and positive, and that offsetting flows should deter a significant accumulation of inadvertent. Unless otherwise specified by contract, in the event any hourly month-end balance exceeds 12 MWhs, the excess will be subject to Section 3.1 or Section 3.2 of this Rate Schedule, depending on the direction of the accumulation.

3. Non-Federal Transmission/Interconnection Facilities Service Penalties, Terms, and Conditions

3.1. Capacity Overrun Penalty

3.1.1. Penalty Charge for Capacity Overrun

For each hour during which energy flows outside the authorized bandwidth, the Customer will be obliged to purchase such energy at the following rates:

Months Associated With Charge	Rate per Kilowatt
March, April, May, October, November, December	\$0.15
January, February, June, July, August, September	\$0.30

3.1.2. Applicability of Capacity Overrun Penalty

Customers who receive deliveries within Southwestern's Balancing Authority Area are obligated to provide resources sufficient to meet their loads. Such obligation is not related to the amount of transmission capacity that such Customers may have reserved for transmission service to a particular load. In the event that a Customer underschedules its resources to serve its load, resulting in a difference between resources and actual metered load (adjusted for transformer losses as applicable) outside the authorized bandwidth for Energy Imbalance Service for any hour, then such Customer is subject to the Capacity Overrun Penalty.

3.2. Unauthorized Use of Energy Imbalance Service by Overscheduling of Resources

In the event that a Customer schedules greater resources than are needed to serve its load, such that energy flows at rates beyond the authorized bandwidth for the use of Energy Imbalance Service, Southwestern retains such energy at no cost to Southwestern and with no obligation to return such energy.

3.3. Power Factor Penalty

3.3.1. Requirements Related to Power Factor

Any Customer served from facilities owned by or available by contract to Southwestern will be required to maintain a power factor of not less than 95 percent and will be subject to the following provisions.

3.3.2. Determination of Power Factor

The power factor will be determined for all Demand Periods and shall be calculated under the formula:

$$PF = (kWh) \div \sqrt{(kWh^2 + rkVAh^2)}$$

with the factors defined as follows:

- PF = The power factor for any Demand Period of the month.
- kWh = The total quantity of energy which is delivered during such Demand Period to the point of delivery or interconnection in accordance with Section 3.3.4.
- rkVAh = The total quantity of reactive kilovolt-ampere-hours (kVARs) delivered during such Demand Period to the point of delivery or interconnection in accordance with Section 3.3.4.

3.3.3. Penalty Charge for Power Factor

The Customer shall be assessed a penalty for all Demand Periods of a month where the power factor is less than 95 percent lagging. For any Demand Period during a particular month such penalty shall be in accordance with the following formula:

$$C = D \times (0.95 - LPF) \times \$0.10$$

with the factors defined as follows:

- C = The charge in dollars to be assessed for any particular Demand Period of such month that the determination of power factor "PF" is calculated to be less than 95 percent lagging.
- D = The Customer's demand in kilowatts at the point of delivery for such Demand Period in which a low power factor was calculated.
- LPF = The lagging power factor, if any, determined by the formula "PF" for such Demand Period.

If C is negative, then C = zero (0).

3.3.4. Applicability of Power Factor Penalty

The Power Factor Penalty is applicable to radial interconnections with the System of Southwestern. The total Power Factor Penalty for any month shall be the sum of all charges "C" for all Demand Periods of such month. No penalty is assessed for leading power factor. Southwestern, in its sole judgment and at its sole option, may determine whether power factor calculations should be applied to (i) a single physical point of delivery, (ii) a combination of physical points of delivery

where a Customer has a single, electrically integrated load, (iii) or interconnections. The general criteria for such decision shall be that, given the configuration of the Customer's and Southwestern's systems, Southwestern will determine, in its sole judgment and at its sole option, whether the power factor calculation more accurately assesses the detrimental impact on Southwestern's system when the above formula is calculated for a single physical point of delivery, a combination of physical points of delivery, or for an interconnection as specified by an Interconnection Agreement.

Southwestern, at its sole option, may reduce or waive Power Factor Penalties when, in Southwestern's sole judgment, low power factor conditions were not detrimental to the System of Southwestern due to particular loading and voltage conditions at the time the power factor dropped below 95 percent lagging.

4. Non-Federal Transmission/Interconnection Facilities Service Miscellaneous Rates, Terms, and Conditions

4.1. Real Power Losses

Customers are required to self-provide all Real Power Losses for non-Federal energy transmitted by Southwestern on behalf of such Customers under the provisions detailed below.

Real Power Losses are computed as four (4) percent of the total amount of non-Federal energy transmitted by Southwestern. The Customer's monthly Real Power Losses are computed each month on a megawatt-hour basis as follows:

$$ML = 0.04 \times NFE$$

with the factors defined as follows:

- ML = The total monthly loss energy, rounded to the nearest megawatt-hour, to be scheduled by a Customer for receipt by Southwestern for Real Power Losses associated with non-Federal energy transmitted on behalf of such Customer; and
- NFE = The amount of non-Federal energy that was transmitted by Southwestern on behalf of a Customer during a particular month.

The Customer must schedule or cause to be scheduled to Southwestern, Real Power Losses for which it is responsible subject to the following conditions:

- 4.1.1. The Customer shall schedule and deliver Real Power Losses back to Southwestern during the second month after they were incurred by Southwestern in the transmission of the Customer's non-Federal power and energy over the System of Southwestern unless such Customer has accounted for Real Power Losses as part of a metering arrangement with Southwestern.
- 4.1.2. On or before the twentieth day of each month, Southwestern shall determine the amount of non-Federal loss energy it provided on behalf of the Customer during the previous month and provide a written schedule to the Customer setting forth hour-by-hour the quantities of non-Federal energy to be delivered to Southwestern as losses during the next month.
- 4.1.3. Real Power Losses not delivered to Southwestern by the Customer, according to the schedule provided, during the month in which such losses are due shall be billed by Southwestern to the Customer to adjust the end-of-month loss energy balance to zero (0) megawatt-hours and the Customer shall be obliged to purchase such energy at the following rates:

Months Associated With Charge	Rate per Kilowatt-hour
March, April, May, October, November, December	\$0.15

January, February, June, July, August, September	\$0.30
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- 4.1.4. Real Power Losses delivered to Southwestern by the Customer in excess of the losses due during the month shall be purchased by Southwestern from the Customer at a rate per megawatthour equal to Southwestern's rate per megawatthour for Supplemental Peaking Energy, as set forth in Southwestern's then-effective Rate Schedule for Hydro Peaking Power to adjust such hourly end-of-month loss energy balance to zero (0) megawatthours.

UNITED STATES DEPARTMENT OF ENERGY
SOUTHWESTERN POWER ADMINISTRATION
RATE SCHEDULE EE-13¹
WHOLESALE RATES FOR EXCESS ENERGY

¹ Supersedes Rate Schedule EE-11.

Effective:

During the period October 1, 2013, through September 30, 2017, in accordance with interim approval from Rate Order No. SWPA-66 issued by the Deputy Secretary of Energy on September 30, 2013 and pursuant to final approval by the Federal Energy Regulatory Commission.

Available:

In the marketing area of Southwestern Power Administration (Southwestern), described generally as the States of Arkansas, Kansas, Louisiana, Missouri, Oklahoma, and Texas.

Applicable:

To electric utilities which, by contract, may purchase Excess Energy from Southwestern.

Character and Conditions of Service:

Three-phase, alternating current, delivered at approximately 60 Hertz, at the nominal voltage(s) and at the point(s) of delivery specified by contract.

1. Wholesale Rates, Terms, and Conditions for Excess Energy

Excess Energy will be furnished at such times and in such amounts as Southwestern determines to be available.

1.1. Transmission and Related Ancillary Services

Transmission service for the delivery of Excess Energy shall be the sole responsibility of such customer purchasing Excess Energy.

1.2. Excess Energy Charge

\$0.0094 per kilowatthour of Excess Energy delivered.

Equipment Transferred to Carthage for the Bay 142 CCVT Replacement at Southwestern's Carthage Substation

Item Name	Quantity	Description	Manufacturer Name	Model No.	Serial No(s).	Cost
Single Phase 69kV CCVT	1	Single Phase 69kV CCVT CB Bay 142	Areva	OTCF-072-SR	711923201	\$10,938.14

***MINUTES
STANDING
COMMITTEES***

COMMITTEE ON INSURANCE/AUDIT AND CLAIMS
TUESDAY, APRIL 28, 2020
5:00 p.m.

This meeting was conducted by Zoom video conferencing due to CDC recommendations in response to COVID-19.

COMMITTEE MEMBERS PRESENT via VIDEO CONFERENCING: Ceri Otero, David Armstrong, Kirby Newport and Ed Barlow.

OTHER COUNCIL MEMBERS:

OTHERS PRESENT: City Administrator Tom Short and City Clerk Traci Cox via Video Conference

Chair Ceri Otero called the meeting to order at 5:00 P.M.

OLD BUSINESS:

Approval of minutes from previous meeting: On a motion by Mr. Newport, the minutes of the April 14, 2020 meeting were approved 4-0.

NEW BUSINESS:

1. **Staff Reports:** Mr. Short reported on filing a claim with MPR for potential recovery of losses due to tax interruption. A leave policy that will allow employees whose vacation usage was impacted by the COVID pandemic to carry over an additional five days of earned vacation leave to be used within ninety days of the employee's anniversary date was also discussed. Ms. Cox reported staff continue to work with Guaranty Bank to transition accounts. The transition should be completed by May 8.
2. **Member Reports:** Mr. Barlow discussed payments to the CVB. The payment for April is currently being held since the CVB is not meeting contractual requirements.

ADJOURNMENT: Mr. Armstrong made a motion to adjourn at 5:20 PM. Motion carried 4-0.

Traci Cox
City Clerk

PUBLIC WORKS COMMITTEE

Public Works Department 623 E 7th Carthage MO 64836
Tele: (417) 237-7010 Fax: (417) 237-7011

"America's Maple Leaf City"



05-05-20 PUBLIC WORKS COMMITTEE MEETING MINUTES

Committee Members present: Mike Daugherty, Ceri Otero, David Armstrong, Ray West

Staff Members present: Tom Short, City Administrator, Zeb Carney, Director, and Marcia Weng, Public Works Secretary

Citizens: An anonymous guest

The Public Works Committee meeting, via video conference, was called to order at 5:30 p.m. by Chairman Mike Daugherty.

A motion was made by David Armstrong to accept the minutes from the April 7, 2020 Committee meeting. All ayes, motion passed.

Citizen Participation: Mike Daugherty presented a letter he had received from Kim Smallwood regarding some water issues from heavy rains at his residence on Lyon Street. Zeb Carney told the committee he had already addressed the issue and even had Jason Eckhart, from Anderson Engineering, looking at a solution. The problem is going to be resolved with some larger scale storm water development. Ceri Otero also commented that Mr. Smallwood had reached out to her.

Old Business: None.

New Business:

The first item of business was the vacation of 5th Street for the expansion of the Jasper County Jail for parking. David Armstrong made a motion to forward the vacation of 5th Street to the council for approval. All ayes, motion carried.

Other Business:

None.

Staff Reports:

Zeb reported on the following:

Zeb reported that at the Planning & Zoning meeting on Monday evening there was an annexation request for a 124 to 148 lot subdivision south of Chapel Estates.

Zeb also reported that CWEP is putting a new water main in on Euclid in the Fulton/Clinton Street area. They will pay for the milling and overpaving of half of the street.

Wendy's will be building a new building at their present location in the near future.

The Recycle Center will open this Thursday through Saturday, taking tree limbs and yard waste only. We are hoping to transition to the recyclables during the week of May 18th.

Tom reported on the following:

Tom told the committee there has already been a council bill for the Jasper County Jail project so the first reading will be at next Tuesday's council meeting.

CWEP has been busy out at the Parks Department replacing a pole that was taken out during the storm earlier this week.

The city has been awarded a \$27,000.00 grant for the recycle center from Region M.

The I-49 roundabout cost/share program was started in the fall of 2018, so we are committed to finishing this project. It will greatly help the traffic flow with the new annexation and the intermediate center.

Ceri Otero made a motion to adjourn the meeting at 6:00 p.m. All ayes, motion carried.

***MINUTES
SPECIAL
COMMITTEES
AND BOARDS***

Draft Copy of Minutes Subject to Approval at the Next Meeting

Planning, Zoning, and Historic Preservation Commission
Meeting 04 May 2020

The Planning, Zoning, and Historic Preservation Commission consists of eleven members: Chairman Harry Rogers, Vice Chairman Abi Almandinger, Bill Barksdale, Jim Swatsenbarg, Levi Utter, and Mark Elliff. Non-Voting Members include Mayor Dan Rife, City Administrator Tom Short and Council Member Liaison Ed Barlow. Staff includes Public Works Director Zeb Carney. There is currently one vacancy on the board.

In response to the coronavirus pandemic and pursuant to the Declaration of Emergency within the City of Carthage, this meeting was held by On-line video conferencing.

Commission Members Present: Harry Rogers, Abi Almandinger, Jim Swatsenbarg, Zeb Carney, Mark Elliff, Tom Short, and Bill Barksdale.

Also, present Julie Tilley, Jake Vaughn, Todd McDonald, Dan Mitchell, Joshua Oathout, Micah Souder, Kevin Kinsey, and Trent Walker.

A quorum was present.

Chairman Harry Rogers called the meeting to order at 5:34 p.m.

First order of business involved the minutes of the January 2020 meeting. Minutes were available for review in the packet prior to the meeting. Abi Almandinger made a motion to accept the minutes as presented. Mark Elliff gave a second to that motion. Motion passed on a voice vote.

Second order of business was a Request for Annexation located on East Airport Drive. Anna Wisdom notified Julie Tilley on Friday, May 1 that due to COVID issues, they have been delayed in getting documentation ready, so she asked to be removed from the Agenda. The project is still moving forward just delayed.

Third order of business was a request for annexation of 19.55 acres located at 3012 S. Chapel Road. The request was made by Jake Vaughn / Vaughn Company Inc. Abi Almandinger made a motion to approve the request for annexation and forward it to City Council for approval. Jim Swatsenbarg gave the motion a second. On a voice vote, the motion passed.

The fourth order of business was a request for a Preliminary Plat for a proposed Single-Family Subdivision. The request was made by Jake Vaughn / Vaughn Company Inc. It involves the property at 3012 South Chapel Road. A motion to approve the Preliminary Plat for Single Family Subdivision and forward to City Council for approval was made by Jim Swatsenbarg. It was given a second by Abi Almandinger. On a voice vote, the motion passed.

The fifth order of business was a request for a Special Use Permit made by the Carthage Chamber of Commerce. This permit would be for the operation of a Carnival in conjunction with the annual Maple Leaf Celebration. The location would be at the Fair Acres Parking Lot (West lot next to YMCA). Bill Barksdale made a motion to approve the Special Use Permit. That motion was given a second by Abi Almandinger. On a voice vote, the motion passed. Board Member Mark Elliff abstained from voting.

The sixth order of business was for a Certificate of Appropriateness for the construction of a 24' X 28' room addition at 1101 Grand Avenue. The request was made by Caleb and Stacey Stiles. A motion to approve the Certificate of Appropriateness was made by Abi Almandinger. The motion was given a second by Jim Swatsenbarg. On a voice vote, the motion passes.

The seventh order of business was a request for a Certificate of Appropriateness for exterior improvements and the construction of an 18' X 15' addition. The request was made by Jeffry Hodkin for property located at 800 S Garrison. A motion to approve the Certificate of Appropriateness was made by Abi Almandinger. Jim Swatsenbarg gave that motion a second. On a voice vote, the motion passed.

There were no further items on the agenda.

Jim Swatsenbarg made a motion to adjourn. Mark Elliff seconded that motion. Motion passed and meeting adjourned.

Respectfully submitted,
Bill Barksdale

***AGENDAS
STANDING
COMMITTEES***

--NOTICE OF MEETING--
PUBLIC WORKS COMMITTEE

May 5, 2020

5:30 PM

BY VIDEO CONFERENCE

-- AGENDA --

In response to the Coronavirus pandemic and pursuant to the Declaration of Emergency within the City of Carthage, this meeting will be held by on-line video conference. If you would like to listen to the meeting, access information is provided below. For questions, contact City Clerk Traci Cox (417) 237-7000 or staff@carthagemo.gov. If you would like to listen to the meeting please call by telephone #346-248-7799. You will have to enter the ID# 8240283507191 with a password of 933827. This will allow you to listen to the meeting.

OLD BUSINESS

1. Consideration and approval of minutes from previous meeting

CITIZENS PARTICIPATION

(Citizens wishing to address the Council or Committee should notify the City in advance, and provide the item they wish to address in written format at least 24 hours prior to the meeting to staff@carthagemo.gov. Residents who do not have internet service may call the Clerk's office at 417-237-7000.)

NEW BUSINESS

1. Consider and discuss right of way vacation for the Jasper County Jail project.

OTHER BUSINESS

None

STAFF REPORTS - Zeb Carney & Tom Short

ADJOURNMENT

PERSONS WITH DISABILITIES WHO NEED SPECIAL ASSISTANCE CALL 417-237-7000 (VOICE) OR 1-800-735-2466 (TDD VIA RELAY MISSOURI) AT LEAST 24 HOURS PRIOR TO MEETING.

POSTED: 4/3/2020

BY: Marcia Weng

--NOTICE OF MEETING--
BUDGET WAYS & MEANS COMMITTEE
MONDAY, MAY 11, 2020
5:30 P.M.
BY VIDEO CONFERENCE

--TENTATIVE AGENDA--

In response to the Coronavirus pandemic and pursuant to the Declaration of Emergency within the City of Carthage, this meeting will be held by on-line video conference. If you would like to listen to the meeting, access information is provided below. For questions, contact City Clerk Traci Cox (417) 237-7000 or staff@carthagemo.gov.

If you would like to listen to the meeting please call by telephone #346-248-7799. You will have to enter the ID# 643 525 931 with a password of 676488. This will allow you to listen to the meeting.

OLD BUSINESS

1. Consideration and approval of minutes from previous meeting.

CITIZENS PARTICIPATION

(Citizens wishing to address the Council or Committee should notify the City in advance, and provide the item they wish to address in written format at least 24 hours prior to the meeting to staff@carthagemo.gov. Residents who do not have internet service may call the Clerk's office at 417-237-7000.)

NEW BUSINESS

1. Consider and discuss Audit engagement letter with KPM for annual audit.
2. Consider and discuss Draft Budget Calendar for fiscal 2021.
3. Staff Reports.
4. Other Business.

ADJOURNMENT

PERSONS WITH DISABILITIES WHO NEED SPECIAL ASSISTANCE CALL 417-237-7000 (VOICE) OF 1-800-735-2466 (TDD VIA RELAY MISSOURI) AT LEAST 24 HOURS PRIOR TO MEETING.

POSTED: _____

BY: _____

COMMITTEE ON INSURANCE/AUDIT AND CLAIMS
May 12, 2020
5:00 PM
BY VIDEO CONFERENCE

In response to the Coronavirus pandemic and pursuant to the Declaration of Emergency within the City of Carthage, this meeting will be held by on-line video conference. If you would like to listen to the meeting, access information is provided below. For questions, contact City Clerk Traci Cox (417) 237-7000 or [fill out this form](#).

If you would like to listen to the meeting please call by telephone #346-248-7799. You will have to enter the ID# 880-3600-8965 with a password 984745. This will allow you to listen to the meeting.

Old Business

1. Consideration and Approval of Minutes from Previous Meeting
2. Review and Approval of the Claims Report

Citizens Participation

(Citizens wishing to speak should notify Department Head or Committee Chair in advance)

New Business

1. Staff Reports

Adjournment

PERSONS WITH DISABILITIES WHO NEED SPECIAL ASSISTANCE CALL 417-237-7000 (VOICE) OR 1-800-735-2466 (TDD VIA RELAY MISSOURI) AT LEAST 24 HOURS PRIOR TO MEETING.

Posted _____

***AGENDAS
SPECIAL
COMMITTEES
AND BOARDS***

John Bartosh
Presiding Commissioner

Tom Flanigan
Eastern District Commissioner

Daricus K. Adams
Western District Commissioner

JASPER COUNTY COMMISSION



302 S. Main ST
Carthage, MO 64836

Carthage: 417-358-0421
Joplin: 417-625-4350

Toll Free: 800-404-0421
Fax: 417-358-0483

COMMISSION AGENDA
MAY 5, 2020
9:00 A.M.
JASPER COUNTY COURTHOUSE ROOM 101

1. CALL TO ORDER
PRAYER
PLEDGE OF ALLEGIANCE
2. ROLL CALL
3. APPROVAL OF MINUTES
4. PRESENTATIONS
5. REPORTS AND COMMUNICATIONS
6. ELECTED OFFICIALS/CITIZENS REQUESTS
7. COMMISSIONER'S REPORTS
8. UNFINISHED BUSINESS
9. NEW BUSINESS
10. PUBLIC HEARINGS

PUBLIC PARTICIPATION FROM AUDIENCE WHEN ADDRESSED YOU WILL BE ALLOWED THREE MINUTES TO SPEAK.

ELECTED OFFICIALS/CITIZENS WISHING TO BE HEARD UNDER ELECTED OFFICIALS/CITIZENS REQUEST MUST REQUEST TO SPEAK TO COMMISSION BY 4:00 P.M. ON THE FRIDAY PRIOR TO THE COMMISSION MEETING ON TUESDAY. CITIZENS SPEAKING TIME WILL BE LIMITED TO FIVE MINUTES.

THE NEWS MEDIA MAY OBTAIN COPIES OF THIS NOTICE BY CONTACTING:
COMMISSION OFFICE, 302 S. MAIN, COURTHOUSE, ROOM 101, CARTHAGE 417-358-0421

NOTICE POSTED MAY 1, 2020 AT 4:00 P.M.

(RSMO 610.020)

CARTHAGE PUBLIC LIBRARY BOARD OF TRUSTEES

Tuesday, May 12, 2020 5:15 PM

Carthage Public Library Board Room

612 S. Garrison, Carthage, Missouri

AGENDA

Roll Call of Members

Minutes of the last meeting

Financial Report

March and April

Approve the move of library accounts from Simmons Bank to Guarantee
Bank/per City of Carthage

Director's Progress and Service Report

President's Message

Council Liaison Report

Committee Reports

Building Committee

Update on new building, roof leak update

Budget Committee

Draft Budget 2020-21

Community Relations

By-Laws

Update by-laws

Gardens

Ada Compliance

Communications

New Business- Approve Re-opening of Library Procedures

Payment of Bills

Adjournment

CORRESPONDENCE

Department Head - Fire District Board Report
2020

January			
Type of Incident	District	City	Total
Residential Structure Fire	0	0	0
Commercial Structure Fire	0	0	0
Vehicle Fire	3	0	3
Natural Cover Fire	3	6	9
Motor Vehicle Accident	5	6	11
Medical Call	20	78	98
Hazardous Materials	0	1	1
Automatic/Mutual Aid	3	0	3
Miscellaneous	10	25	35
Total Month to Date:	44	116	160
Total Year to Date:	44	116	160
Previous Month to Date:	46	109	155
Previous Year to Date:	46	109	155

February			
Type of Incident	District	City	Total
Residential Structure Fire	2	2	4
Commercial Structure Fire	0	0	0
Vehicle Fire	0	0	0
Natural Cover Fire	1	2	3
Motor Vehicle Accident	11	9	20
Medical Call	13	52	65
Hazardous Materials	0	1	1
Automatic/Mutual Aid	3	0	3
Miscellaneous	7	24	31
Total Month to Date:	37	90	127
Total Year to Date:	81	206	287
Previous Month to Date:	83	199	282
Previous Year to Date:	129	308	437

March			
Type of Incident	District	City	Total
Residential Structure Fire	1	2	3
Commercial Structure Fire	0	0	0
Vehicle Fire	2	0	2
Natural Cover Fire	1	1	2
Motor Vehicle Accident	3	5	8
Medical Call	14	63	77
Hazardous Materials	1	0	1
Automatic/Mutual Aid	3	0	3
Miscellaneous	9	40	49
Total Month to Date:	34	111	145
Total Year to Date:	115	317	432
Previous Month to Date:	117	310	427
Previous Year to Date:	246	618	864

April			
Type of Incident	District	City	Total
Residential Structure Fire	3	4	7
Commercial Structure Fire	1	0	1
Vehicle Fire	1	1	2
Natural Cover Fire	3	1	4
Motor Vehicle Accident	7	6	13
Medical Call	14	51	65
Hazardous Materials	1	0	1
Automatic/Mutual Aid	1	0	1
Miscellaneous	9	28	37
Total Month to Date:	40	91	131
Total Year to Date:	155	408	563
Previous Month to Date:	157	401	558
Previous Year to Date:	403	1019	1422

May			
Type of Incident	District	City	Total
Residential Structure Fire			0
Commercial Structure Fire			0
Vehicle Fire			0
Natural Cover Fire			0
Motor Vehicle Accident			0
Medical Call			0
Hazardous Materials			0
Automatic/Mutual Aid			0
Miscellaneous			0
Total Month to Date:	0	0	0
Total Year to Date:	155	408	563
Previous Month to Date:	157	401	558
Previous Year to Date:	560	1420	1980

June			
Type of Incident	District	City	Total
Residential Structure Fire			0
Commercial Structure Fire			0
Vehicle Fire			0
Natural Cover Fire			0
Motor Vehicle Accident			0
Medical Call			0
Hazardous Materials			0
Automatic/Mutual Aid			0
Miscellaneous			0
Total Month to Date:	0	0	0
Total Year to Date:	155	408	563
Previous Month to Date:	157	401	558
Previous Year to Date:	717	1821	2538

Department Head - Fire District Board Report
2020

July			
Type of Incident	District	City	Total
Residential Structure Fire			0
Commercial Structure Fire			0
Vehicle Fire			0
Natural Cover Fire			0
Motor Vehicle Accident			0
Medical Call			0
Hazardous Materials			0
Automatic/Mutual Aid			0
Miscellaneous			0
Total Month to Date:	0	0	0
Total Year to Date:	155	408	563
Previous Month to Date:	157	401	558
Previous Year to Date:	874	2222	3096

August			
Type of Incident	District	City	Total
Residential Structure Fire			0
Commercial Structure Fire			0
Vehicle Fire			0
Natural Cover Fire			0
Motor Vehicle Accident			0
Medical Call			0
Hazardous Materials			0
Automatic/Mutual Aid			0
Miscellaneous			0
Total Month to Date:	0	0	0
Total Year to Date:	155	408	563
Previous Month to Date:	157	401	558
Previous Year to Date:	1031	2623	3654

September			
Type of Incident	District	City	Total
Residential Structure Fire			0
Commercial Structure Fire			0
Vehicle Fire			0
Natural Cover Fire			0
Motor Vehicle Accident			0
Medical Call			0
Hazardous Materials			0
Automatic/Mutual Aid			0
Miscellaneous			0
Total Month to Date:	0	0	0
Total Year to Date:	155	408	563
Previous Month to Date:	157	401	558
Previous Year to Date:	1188	3024	4212

October			
Type of Incident	District	City	Total
Residential Structure Fire			0
Commercial Structure Fire			0
Vehicle Fire			0
Natural Cover Fire			0
Motor Vehicle Accident			0
Medical Call			0
Hazardous Materials			0
Automatic/Mutual Aid			0
Miscellaneous			0
Total Month to Date:	0	0	0
Total Year to Date:	155	408	563
Previous Month to Date:	157	401	558
Previous Year to Date:	1345	3425	4770

November			
Type of Incident	District	City	Total
Residential Structure Fire			0
Commercial Structure Fire			0
Vehicle Fire			0
Natural Cover Fire			0
Motor Vehicle Accident			0
Medical Call			0
Hazardous Materials			0
Automatic/Mutual Aid			0
Miscellaneous			0
Total Month to Date:	0	0	0
Total Year to Date:	155	408	563
Previous Month to Date:	157	401	558
Previous Year to Date:	1502	3826	5328

December			
Type of Incident	District	City	Total
Residential Structure Fire			0
Commercial Structure Fire			0
Vehicle Fire			0
Natural Cover Fire			0
Motor Vehicle Accident			0
Medical Call			0
Hazardous Materials			0
Automatic/Mutual Aid			0
Miscellaneous			0
Total Month to Date:	0	0	0
Total Year to Date:	155	408	563
Previous Month to Date:	157	401	558
Previous Year to Date:	1659	4227	5886

2020 Year Totals			
Type of Incident	District	City	Total
Residential Structure Fire	6	8	14
Commercial Structure Fire	1	0	1
Vehicle Fire	6	1	7
Natural Cover Fire	8	10	18
Motor Vehicle Accident	26	26	52
Medical Call	61	244	305
Hazardous Materials	2	2	4
Automatic/Mutual Aid	10	0	10
Miscellaneous	35	117	152
Total:	155	408	563

"Rosenberg's Rules of Order"

(Simple Rules of Parliamentary Procedure for the 21st Century)

Introduction

The rules of procedure at meetings should be simple enough for most people to understand. Unfortunately, that has not always been the case. Virtually all clubs, associations, boards, councils and bodies follow a set of rules - "Robert's Rules of Order" - which are embodied in a small, but complex, book. Virtually no one I know has actually read this book cover to cover. Worse yet, the book was written for another time, and for another purpose. If one is chairing or running a Parliament, then "Robert's Rules of Order" is a dandy and quite useful handbook for procedure in that complex setting. On the other hand, if one is running a meeting of, say, a 5-member body with a few members of the public in attendance, a simplified version of the rules of parliamentary procedure is in order.

Hence, the birth of "Rosenberg's Rules of Order."

What follows is my version of the rules of parliamentary procedure, based on my 20 years of experience chairing meetings in state and local government. These rules have been simplified for the smaller bodies we chair or in which we participate, slimmed down for the 21st Century, yet retaining the basic tenets of order to which we have grown accustomed.

This treatise on modern parliamentary procedure is built on a foundation supported by the following four pillars: (1) Rules should establish order. The first purpose of rules of parliamentary procedure is to establish a framework for the orderly conduct of meetings. (2) Rules should be clear. Simple rules lead to wider understanding and participation. Complex rules create two classes: those who understand and participate; and those who do not fully understand and do not fully participate. (3) Rules should be user friendly. That is, the rules must be simple enough that the public is invited into the body and feels that it has participated in the process. (4) Rules should enforce the will of the majority while protecting the rights of the minority. The ultimate purpose of rules of procedure is to encourage discussion and to facilitate decision-making by the body. In a democracy, majority rules. The rules must enable the majority to express itself and fashion a result, while permitting the minority to also express itself, but not dominate, and fully participate in the process.

The Role of the Chair

While all members of the body should know and understand the rules of parliamentary procedure, it is the Chair of the body who is charged with applying the rules in the conduct of the meeting. The Chair should be well versed in those rules. The Chair, for all intents and purposes, makes the final ruling on the rules every time the Chair states an action. In fact, all decisions by the Chair are final unless overruled by the body itself.

Since the Chair runs the conduct of the meeting, it is usual courtesy for the Chair to play a less active role in the debate and discussion than other members of the body. This does not mean that the Chair should not participate in the debate or discussion. To the contrary, the Chair as a member of the body has the full right to participate in the debate, discussion and decision-making of the body. What the Chair should do, however, is strive to be the last to speak at the discussion and debate stage, and the Chair should not make or second a motion unless the Chair is convinced that no other member of the body will do so at that point in time.

The Basic Format for an Agenda Item Discussion

Formal meetings normally have a written, often published agenda. Informal meetings may have only an oral or understood agenda. In either case, the meeting is governed by the agenda and the agenda constitutes the body's agreed-upon roadmap for the meeting. And each agenda item can be handled by the Chair in the following basic format:

First, the Chair should clearly announce the agenda item number and should clearly state what the agenda item subject is. The Chair should then announce the format (which follows) that will be followed in considering the agenda item.

Second, following that agenda format, the Chair should invite the appropriate person or persons to report on the item, including any recommendation that they might have. The appropriate person or persons may be the Chair, a member of the body, a staff person, or a committee chair charged with providing input on the agenda item.

Third, the Chair should ask members of the body if they have any technical questions of clarification. At this point, members of the body may ask clarifying questions to the person or persons who reported on the item, and that person or persons should be given time to respond.

Fourth, the Chair should invite public comments, or if appropriate at a formal meeting, should open the public meeting for public input. If numerous members of the public indicate a desire to speak to the subject, the Chair may limit the time of public speakers. At the conclusion of the public comments, the Chair should announce that public input has concluded (or the public hearing as the case may be is closed).

Fifth, the Chair should invite a motion. The Chair should announce the name of the member of the body who makes the motion.

Sixth, the Chair should determine if any member of the body wishes to second the motion. The Chair should announce the name of the member of the body who seconds the motion. (It is normally good practice for a motion to require a second before proceeding with it, to ensure that it is not just one member of the body who is interested in a particular approach. However, a second is not an absolute requirement, and the Chair can proceed with consideration and vote on a motion even when there is no second. This is a matter left to the discretion of the Chair.)

Seventh, if the motion is made and seconded, the Chair should make sure everyone understands the motion. This is done in one of three ways: (1) The Chair can ask the maker of the motion to repeat it. (2) The Chair can repeat the motion. (3) The Chair can ask the secretary or the clerk of the body to repeat the motion.

Eighth, the Chair should now invite discussion of the motion by the body. If there is no desired discussion, or after the discussion has ended, the Chair should announce that the body will vote on the motion. If there has been no discussion or very brief discussion, then the vote on the motion should proceed immediately and there is no need to repeat the motion. If there has been substantial discussion, then it is normally best to make sure everyone understands the motion by repeating it.

Ninth, the Chair takes a vote. Simply asking for the "ayes", and then asking for the "nays" normally does this. If members of the body do not vote, then they "abstain". Unless the rules of the body provide otherwise (or unless a super-majority is required as delineated later in these rules) then a simple majority determines whether the motion passes or is defeated.

Tenth, the Chair should announce the result of the vote and should announce what action (if any) the body has taken. In announcing the result, the Chair should indicate the names of the members of the body, if any, who voted in the minority on the motion. This announcement might take the following form: "The motion passes by a vote of 3-2, with Smith and Jones dissenting. We have passed the motion requiring 10 days notice for all future meetings of this body."

Motions in General

Motions are the vehicles for decision-making by a body. It is usually best to have a motion before the body prior to commencing discussion of an agenda item. This helps the body focus.

Motions are made in a simple two-step process. First, the Chair should recognize the member of the body. Second, the member of the body makes a motion by preceding the member's desired approach with the words: "I move" So, a typical motion might be: "I move that we give 10-day's notice in the future for all our meetings."

The Chair usually initiates the motion by either (1) Inviting the members of the body to make a motion. "A motion at this time would be in order." (2) Suggesting a motion to the members of the body. "A motion would be in order that we give 10-day's notice in the future for all our meetings." (3) Making the motion. As noted, the Chair has every right as a member of the body to make a motion, but should normally do so only if the Chair wishes to make a motion on an item but is convinced that no other member of the body is willing to step forward to do so at a particular time.

The Three Basic Motions

There are three motions that are the most common and recur often at meetings:

The basic motion. The basic motion is the one that puts forward a decision for the body's consideration. A basic motion might be: "I move that we create a 5-member committee to plan and put on our annual fundraiser."

The motion to amend. If a member wants to change a basic motion that is before the body, they would move to amend it. A motion to amend might be: "I move that we amend the motion to have a 10-member committee." A motion to amend takes the basic motion which is before the body and seeks to change it in some way.

The substitute motion. If a member wants to completely do away with the basic motion that is before the body, and put a new motion before the body, they would move a substitute motion. A substitute motion might be: "I move a substitute motion that we cancel the annual fundraiser this year."

"Motions to amend" and "substitute motions" are often confused. But they are quite different, and their effect (if passed) is quite different. A motion to amend seeks to retain the basic motion on the floor, but modify it in some way. A substitute motion seeks to throw out the basic motion on the floor, and substitute a new and different motion for it. The decision as to whether a motion is really a "motion to amend" or a "substitute motion" is left to the chair. So that if a member makes what that member calls a "motion to amend", but the Chair determines that it is really a "substitute motion", then the Chair's designation governs.

Multiple Motions Before the Body

There can be up to three motions on the floor at the same time. The Chair can reject a fourth motion until the Chair has dealt with the three that are on the floor and has resolved them.

When there are two or three motions on the floor (after motions and seconds) at the same time, the vote should proceed first on the last motion that is made. So, for example, assume the first motion is a basic "motion to have a 5-member committee to plan and put on our annual fundraiser." During the discussion of this motion, a member might make a second motion to "amend the main motion to have a 10-member committee, not a 5-member committee to plan and put

on our annual fundraiser." And perhaps, during that discussion, a member makes yet a third motion as a "substitute motion that we not have an annual fundraiser this year." The proper procedure would be as follows:

First, the Chair would deal with the third (the last) motion on the floor, the substitute motion. After discussion and debate, a vote would be taken first on the third motion. If the substitute motion passed, it would be a substitute for the basic motion and would eliminate it. The first motion would be moot, as would the second motion (which sought to amend the first motion), and the action on the agenda item would be completed on the passage by the body of the third motion (the substitute motion). No vote would be taken on the first or second motions. On the other hand, if the substitute motion (the third motion) failed then the Chair would proceed to consideration of the second (now, the last) motion on the floor, the motion to amend.

Second, if the substitute motion failed, the Chair would now deal with the second (now, the last) motion on the floor, the motion to amend. The discussion and debate would focus strictly on the amendment (should the committee be 5 members or 10 members). If the motion to amend passed the Chair would now move to consider the main motion (the first motion) as amended. If the motion to amend failed the Chair would now move to consider the main motion (the first motion) in its original format, not amended.

Third, the Chair would now deal with the first motion that was placed on the floor. The original motion would either be in its original format (5-member committee), or, if amended, would be in its amended format (10-member committee). And the question on the floor for discussion and decision would be whether a committee should plan and put on the annual fundraiser.

To Debate or Not to Debate

The basic rule of motions is that they are subject to discussion and debate. Accordingly, basic motions, motions to amend, and substitute motions are all eligible, each in their turn, for full discussion before and by the body. The debate can continue as long as members of the body wish to discuss an item, subject to the decision of the Chair that it is time to move on and take action.

There are exceptions to the general rule of free and open debate on motions. The exceptions all apply when there is a desire of the body to move on. The following motions are not debatable (that is, when the following motions are made and seconded, the Chair must immediately call for a vote of the body without debate on the motion):

A motion to adjourn. This motion, if passed, requires the body to immediately adjourn to its next regularly scheduled meeting. It requires a simple majority vote.

A motion to recess. This motion, if passed, requires the body to immediately take a recess. Normally, the Chair determines the length of the recess which may be a few minutes or an hour. It requires a simple majority vote.

A motion to fix the time to adjourn. This motion, if passed, requires the body to adjourn the meeting at the specific time set in the motion. For example, the motion might be: "I move we adjourn this meeting at midnight." It requires a simple majority vote.

A motion to table. This motion, if passed, requires discussion of the agenda item to be halted and the agenda item to be placed on "hold". The motion can contain a specific time in which the item can come back to the body: "I move we table this item until our regular meeting in October." Or the motion can contain no specific time for the return of the item, in which case a motion to take the item off the table and bring it back to the body will have to be taken at a future meeting. A motion to table an item (or to bring it back to the body) requires a simple majority vote.

A motion to limit debate. The most common form of this motion is to say: "I move the previous question" or "I move the question" or "I call the question." When a member of the body makes such a motion, the member is really saying: "I've had enough debate. Let's get on with the vote". When such a motion is made, the Chair should ask for a second, stop debate, and vote on the motion to limit debate. The motion to limit debate requires a 2/3 vote of the body. Note: that a motion to limit debate could include a time limit. For example: "I move we limit debate on this agenda item to 15 minutes." Even in this format, the motion to limit debate requires a 2/3 vote of the body. A similar motion is a motion to object to consideration of an item. This motion is not debatable, and if passed, precludes the body from even considering an item on the agenda. It also requires a 2/3 vote.

Majority and Super-Majority Votes

In a democracy, a simple majority vote determines a question. A tie vote means the motion fails. So in a 7-member body, a vote of 4-3 passes the motion. A vote of 3-3 with one abstention means the motion fails. If one member is absent and the vote is 3-3, the motion still fails.

All motions require a simple majority, but there are a few exceptions. The exceptions come up when the body is taking an action which, effectively, cuts off the ability of a minority of the body to take an action or discuss an item. These extraordinary motions require a 2/3 majority (a super-majority) to pass:

Motion to limit debate. Whether a member says "I move the previous question" or "I move the question" or "I call the question" or "I move to limit debate", it all amounts to an attempt to cut off the ability of the minority to discuss an item, and it requires a 2/3 vote to pass.

Motion to close nominations. When choosing officers of the body (like the Chair) nominations are in order either from a nominating committee or from the floor of the body. A motion to close nominations effectively cuts off the right of the minority to nominate officers, and it requires a 2/3 vote to pass.

Motion to object to the consideration of a question. Normally, such a motion is unnecessary since the objectionable item can be tabled, or defeated straight up. However, when members of a body do not even want an item on the agenda to be considered, then such a motion is in order. It is not debatable, and it requires a 2/3 vote to pass.

Motion to suspend the rules. This motion is debatable, but requires a 2/3 vote to pass. If the body has its own rules of order, conduct or procedure, this motion allows the body to suspend the rules for a particular purpose. For example, the body (a private club) might have a rule prohibiting the attendance at meetings by non-club members. A motion to suspend the rules would be in order to allow a non-club member to attend a meeting of the club on a particular date or on a particular agenda item.

The Motion to Reconsider

There is a special and unique motion that requires a bit of explanation all by itself: the motion to reconsider. A tenet of parliamentary procedure is finality. After vigorous discussion, debate, perhaps disagreement and a vote, there must be some closure to the issue. And so, after a vote is taken, the matter is deemed closed, subject only to a re-opener if a proper motion to reconsider is made.

A motion to reconsider requires a majority vote to pass, but there are two special rules that apply only to the motion to reconsider. First, is timing. A motion to reconsider must be made at the meeting where the item was first voted upon or at the very next meeting of the body. A motion to reconsider made at a later time is untimely. (The body, however, can always vote to suspend the rules and by a 2/3 majority, can allow a motion to reconsider to be made at another time.) Second, a motion to reconsider can only be made by certain members of the body. Accordingly, a motion to reconsider can only be made by a member who voted in the majority on the original motion. If such a member has a change of heart, he or she can make the motion to reconsider (any other member of the body may second the motion). If a member who voted in the minority seeks to make the motion to reconsider, it must be ruled out of order. The purpose of this rule is finality. If a member of the minority could make a motion to reconsider, then the item could be brought back to the body again and again. That would defeat the purpose of finality.

If the motion to reconsider passes, then the original matter is back before the body, and a new original motion is then in order. The matter can be discussed and debated as if it were on the floor for the first time.

Courtesy and Decorum

The rules of order are meant to create an atmosphere where the members of the body and the members of the public can attend to business efficiently, fairly and with full participation. At the same time, it is up to the Chair and the members of the body to maintain common courtesy and decorum. Unless the setting is very informal, it is always best for only one person at a time to have the floor, and it is always best for every speaker to be first recognized by the Chair before proceeding to speak.

The Chair should always ensure that debate and discussion of an agenda item focuses on the item and the policy in question, not the personalities of the members of the body. Debate on policy is healthy, debate on personalities is not. The Chair has the right to cut off discussion that is too personal, is too loud, or is too crude.

Debate and discussion should be focused, but free and open. In the interest of time, the Chair may, however, limit the time allotted to speakers, including members of the body.

Can a member of the body interrupt the speaker? The general rule is "no." There are, however, exceptions. A speaker may be interrupted for the following reasons:

Privilege. The proper interruption would be: "point of privilege." The Chair would then ask the interrupter to "state your point." Appropriate points of privilege relate to anything that would interfere with the normal comfort of the meeting. For example, the room may be too hot or too cold, or a blowing fan might interfere with a person's ability to hear.

Order. The proper interruption would be: "point of order." Again, the Chair would ask the interrupter to "state your point." Appropriate points of order relate to anything that would not be considered appropriate conduct of the meeting. For example, if the Chair moved on to a vote on a motion that permits debate without allowing that discussion or debate.

Appeal. If the Chair makes a ruling that a member of the body disagrees with, that member may appeal the ruling of the chair. If the motion is seconded, and after debate, if it passes by a simple majority vote, then the ruling of the Chair is deemed reversed.

Call for orders of the day. This is simply another way of saying, "Let's return to the agenda." If a member believes that the body has drifted from the agreed-upon agenda, such a call may be made. It does not require a vote, and when the Chair discovers that the agenda has not been followed, the Chair simply reminds the body to return to the agenda item properly before them. If the Chair fails to do so, the Chair's determination may be appealed.

Withdraw a motion. During debate and discussion of a motion, the maker of the motion on the floor, at any time, may interrupt a speaker to withdraw his or her motion from the floor. The motion is immediately deemed withdrawn, although the Chair may ask the person who seconded the motion if he or she wishes to make the motion, and any other member may make the motion if properly recognized.

Special Notes About Public Input

The rules outlined above will help make meetings very public-friendly. But in addition, and particularly for the Chair, it is wise to remember three special rules that apply to each agenda item:

Rule One: Tell the public what the body will be doing.

Rule Two: Keep the public informed while the body is doing it.

Rule Three: When the body has acted, tell the public what the body did.