

1. Agenda

Documents:

[CITY COUNCIL AMENDED AGENDA 10 12 21.PDF](#)

2. Meeting Materials

Documents:

[COUNCIL PACKET 10 12 21.PDF](#)

**COUNCIL AGENDA  
CITY OF CARTHAGE, MISSOURI  
TUESDAY, OCTOBER 12, 2021  
6:30 P.M. – COUNCIL CHAMBERS**

**\*AMENDED\***

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

(Each person addressing the Council shall state their name and address or the organization or firm represented and is limited to no more than five (5) minutes. The time may be extended by the chair if deemed necessary. Once a person has had their say on a particular issue they are not permitted to once again speak on the issue unless called to answer any further questions by the Council or Chair)

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. 21-39** – An Ordinance to amend Section 400 Benefits (405-406) of the Personnel Policy Manual of the City of Carthage. (Insurance, Audit and Claims)
2. **C.B. 21-41** – An Ordinance amending the Annual Operating and Capital Budget of the City of Carthage for Fiscal Year 2021-2022 for specified funds (General Fund, Fire Protection Tax Fund, Parks/Stormwater Sales Tax Fund). (Budget Ways & Means)
3. **C.B. 21-42** - An Ordinance authorizing the Mayor to execute a Real Estate Purchase Agreement for the purchase of land at 705 S Garrison Avenue, Carthage, MO 64836 (Lot 15 in Cassil's Addition) between the City of Carthage, Missouri and First Baptist Church, 631 S. Garrison Ave., Carthage, Missouri 64836.

## 16. New Business

1. **C.B. 21-44** – An Ordinance authorizing the Mayor to execute an Agreement between the Missouri Highways and Transportation Commission and the City of Carthage, Missouri (Governor's Cost Share Agreement GOVCS0S) providing for transportation improvements to Hazel Street, from George Phelps Boulevard to Fir Road (Rte. HH). Length of improvement is (approximately 1,483 feet). (Public Works)
2. **C.B. 21-45** – An Ordinance authorizing the Mayor of the City of Carthage, to execute an Engagement Letter between Baker Tilly US, LLP ("Baker Tilly") and the City of Carthage, Missouri ("Client") to assist the Client with advisory services regarding ARPA requirements. (Budget Ways & Means)
3. **C.B. 21-46** - An Ordinance authorizing the Mayor to enter into a contract with WEX Health, Inc. for COBRA Administrative Services. (Insurance, Audit & Claims)
4. **C.B. 21-47** – An Ordinance to amend Section 21-144 of the Carthage Code, to Change the Reimbursement rate of sidewalk improvements. (Public Works)
5. **C.B. 21-48** – An Ordinance changing Utility Cut Repair fees and establishing an after hours inspection fee. (Public Works)
6. **C.B. 21-49** – An Ordinance to amend Section 17-56 of the Carthage Code by adding #21 Solar Panels. (Public Works)

## 17. Mayor's Appointments

## 18. Resolutions

1. **Resolution 1943** – A Resolution authorizing the Parks & Recreation Director (Director) to accept and execute a proposal from Clear Creek Golf Car and Utility Vehicles Company, regarding golf cars. (Public Services)
2. **Resolution 1944** – A Resolution providing for the formal acceptance of a donation to the City of Carthage's Parks & Recreation Department by the City Council of the City of Carthage, Missouri pursuant to City policy. (Public Services)

## 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**

**COUNCIL BILL NO. 21-47**

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

An Ordinance to amend Section 21-144 of the Carthage Code, to Change the Reimbursement rate of sidewalk improvements.

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

**SECTION I:** Section 21-144(1) of the Carthage Code is hereby amended to read:

(1) The city shall reimburse, subject to the availability of funds in the fiscal year construction is completed, a portion of the costs, to the owner of any lot or tract, who shall construct, rebuild, or reconstruct in compliance with this article, a sidewalk lying along and adjacent to his said property. Reimbursement to said owners shall be made as follows: Four dollars (\$4.00) per square foot of new sidewalk constructed and Five dollars (\$5.00) per square foot of new monolithic sidewalk and curb, in accordance with city specifications as defined in section 21-125(a), (b), (c), (d), and (e) provided that all work has been accepted and reimbursement approved by the public works director. Any one (1) owner or owners shall not receive more than three thousand dollars (\$3,000.00) reimbursement per fiscal year, except where said owners meet all requirements for reimbursement for additional tracts of land and providing that reimbursement for said additional tracts of land shall not be made until reimbursement has been made during the current fiscal year to all owners entitled to reimbursement under this section as to one (1) tract of land.

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

**PASSED AND APPROVED THIS \_\_\_\_\_ DAY OF \_\_\_\_\_, 2021.**

\_\_\_\_\_  
**MAYOR**

**ATTEST:**

\_\_\_\_\_  
**CITY CLERK**

**Sponsored by: Public Works Committee**

**COUNCIL BILL NO. 21-48**

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

An Ordinance changing Utility Cut Repair fees and establishing an after hours inspection fee.

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

**SECTION I:** Fee changes are hereby established for the Carthage Public Works Department in accordance with the schedule, which is attached hereto and incorporated herein by reference, the new the new fees shall begin upon passage. The fee schedule is attached as exhibit A.

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

**PASSED AND APPROVED THIS \_\_\_\_\_ DAY OF \_\_\_\_\_, 2021.**

\_\_\_\_\_  
**MAYOR**

**ATTEST:**

\_\_\_\_\_  
**CITY CLERK**

**Sponsored by: Public Works Committee**

## **CITY OF CARTHAGE, PUBLIC WORKS**

### **FEE SCHEDULE**

#### **Plumbing Permit:**

|                              |                                           |
|------------------------------|-------------------------------------------|
| Sewer                        | \$25.00                                   |
| Rough-In (Up to 3 restrooms) | \$25.00 - \$10.00 per additional restroom |
| Finish (Up to 3 restrooms)   | \$25.00 - \$10.00 per additional restroom |
| Sewer Main Connect           | \$75.00                                   |

#### **Utility Cut Repairs:**

|                  |                                  |
|------------------|----------------------------------|
| Asphalt          | \$8.81 Sq. Ft -- \$10.75 Sq. Ft  |
| Concrete         | \$8.84 Sq. Ft -- \$11.00 Sq. Ft  |
| Concrete/Asphalt | \$9.92 Sq. Ft -- \$13.50 Sq. Ft  |
| Curb/Gutter      | \$25.50 Ln. Ft -- \$30.50 Ln. Ft |

#### **Site Development:**

|                  |                                                   |
|------------------|---------------------------------------------------|
| Driveway         | \$25.00                                           |
| Excavating       | \$25.00                                           |
| Demolition       | \$25.00                                           |
| Land Disturbance | \$50.00 First Acre - \$10.00 each additional acre |

#### **House Moving Fee:**

|           |         |
|-----------|---------|
| One-Story | \$25.00 |
| Two-Story | \$50.00 |

#### **Certificate of Occupancy (Residential & Commercial):**

|                   |         |
|-------------------|---------|
| Change of Use Fee | \$25.00 |
|-------------------|---------|

#### **Building (Includes Signs & Swimming Pools):**

|                        |                             |
|------------------------|-----------------------------|
| \$0-\$5,000.00         | \$20.00                     |
| Every \$1,000.00 after | \$2.00 (Or Portion Thereof) |

#### **After Hours Inspection (Includes weekends and holidays):**

**\$75.00 per hour with a 2 hour minimum**

**Misc. Permit Fees:**

|                         |                                                                                           |
|-------------------------|-------------------------------------------------------------------------------------------|
| Blasting                | \$100.00                                                                                  |
| Floodplain Development  | \$25.00                                                                                   |
| Privacy Fence           | \$25.00                                                                                   |
| Roofing                 | \$25.00                                                                                   |
| Siding                  | \$25.00                                                                                   |
| Sidewalk, Curb & Gutter | \$25.00                                                                                   |
| Culvert Installation    | \$10.00 per Ln. Ft. of pipe (asphalt and base rock not included) - Owner MUST supply pipe |
|                         | \$5.00 per Ln. Ft. of pipe (base rock) - Owner MUST supply pipe                           |
| Right-of-Way Asphalt    | \$5.00 per Sq. Ft.                                                                        |

**Penalties:** *(Work commencing without applicable permit will be subject to a penalty.)*

|     |                                                                                                                        |
|-----|------------------------------------------------------------------------------------------------------------------------|
| Fee | 1 <sup>st</sup> offense \$25.00 plus cost of applicable permit                                                         |
|     | 2 <sup>nd</sup> offense \$100.00 plus cost of applicable permit                                                        |
|     | 3 <sup>rd</sup> offense \$250.00 plus cost of applicable permit                                                        |
|     | 4 <sup>th</sup> offense and each subsequent offense \$250.00 and subject to loss of Contractor's License for one year. |

**Other Fees:**

|                      |                              |
|----------------------|------------------------------|
| Plan Review Fees     | Fee based on cost of project |
| Archive Research Fee | \$40.00                      |
| Copies               | 8 ½ x 11 - \$.40 each        |
|                      | 8 ½ x 14 - \$.50 each        |
|                      | 11 x 17 - \$1.30 each        |
| Maps                 |                              |
| Street Index Map     | 24" x 36" - \$10.00          |
|                      | 36" x 62" - \$15.00          |
| Zoning Map           | 24" x 36" - \$20.00          |
|                      | 36" x 62" - \$30.00          |

**COUNCIL BILL NO. 21-49**

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

An Ordinance to amend Section 17-56 of the Carthage Code by adding #21 Solar Panels.

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

**SECTION I:** Section 17-56 of the Carthage Code is hereby amended by adding #21  
Solar Panels:

(21) Solar Panels must be installed on rear slopes or other locations not highly visible from the  
public right-of-way. Panels must be installed flat and not alter the slope of the roof. Installation  
of panels must be reversible.

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

**PASSED AND APPROVED THIS \_\_\_\_\_ DAY OF \_\_\_\_\_, 2021.**

\_\_\_\_\_  
**MAYOR**

**ATTEST:**

\_\_\_\_\_  
**CITY CLERK**

**Sponsored by: Public Works Committee**



**COUNCIL AGENDA  
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MINUTES OF THE MEETING OF THE CITY COUNCIL  
CITY OF CARTHAGE, MISSOURI  
September 22, 2021

The Carthage City Council met in regular session on the above date in City Hall Council Chambers at 6:30 P.M. with Mayor Dan Rife presiding. Fire Chief Roger Williams gave the invocation and Police Captain Bill Hawkins led the flag salute.

The following Council Members answered roll call: Juan Topete, Robin Harrison, Ray West, David Armstrong, Mike Daugherty, Ceri Otero, Craig Diggs, Seth Thompson, and Ed Barlow. Council Member Alan Snow was absent. Assistant City Administrator Greg Dagnan and City Attorney Nate Dally were also present. City Administrator Tom Short was absent.

The following Department Heads were present: Police Captain Bill Hawkins, Fire Chief Roger Williams, Public Works Director Zeb Carney, Parks & Recreation Director Mark Peterson and City Clerk Traci Cox.

Mr. West made a motion, seconded by Ms. Otero, to approve the minutes of the August 24, 2021 Council Meeting. Motion carried unanimously.

During Citizen's Participation Period: Neely Myers, Carthage Chamber of Commerce, gave an update on Maple Leaf festivities.

Mr. Barlow reported the Budget Ways & Means Committee met on September 13. The Budget Adjustment Ordinance was approved and forwarded to Council. Approval was given to proceed with negotiating a contract with Baker Tilly for Municipal Advisory Services for guidance in compliance and reporting requirements of the ARPA funds. A form similar to the 5 year capital requests will be used for requesting use of ARPA funds. Resolution 1942 was approved and forwarded to Council.

Ms. Otero reported the Committee on Insurance, Audit and Claims met on this date and approved the claims. Changes to the Benefits section of the Personnel Policy Manual presented in C.B. 21-39 were reviewed and approved. Ms. Otero made a motion, seconded by Mr. Armstrong, to open a money market account at Guaranty Bank with Mayor Dan Rife, City Clerk Traci Cox and Deputy City Clerk Miranda Deal listed as signers for the account. The ARPA funds will be transferred into this account until expended. Motion carried. Ms. Otero made a motion, seconded by Mrs. Harrison, to approve the job description for a Firefighter in Training position. Motion carried.

Mr. Barlow reported that the Public Safety Committee met on September 20. Cherri Babcock is holding a Harvest Party on October 30 with a band performing on stage in the street. Mr. Barlow made a motion, seconded by Mrs. Harrison, to close Main Street from 3<sup>rd</sup> to 4<sup>th</sup> on October 30, 5:00 p.m. to 10:00 p.m. Motion carried. The Firefighter in Training position was approved and forwarded to the Insurance, Audit and Claims Committee. The Committee also agreed to withdraw from the Tri-State Fire Alliance

testing. This has been a prerequisite for individuals who want to apply for a firefighter position and has created difficulties in hiring as most individuals who have passed the training live outside the living requirements and are unwilling to relocate. The Fire Department will begin their own testing to screen applicants. The EMPG grant has been awarded in the amount of \$46,045.48. Mr. Barlow made a motion, seconded by Mrs. Harrison, to accept the EMPG grant award. Motion carried. A closed session was held to discuss succession planning. Internal applications will be accepted for the position of Fire Chief.

Mr. Topete reported that the Public Services Committee met on September 21. Clear Creek Golf Company presented a proposal to purchase the existing golf cart fleet. Jerry Marti, owner of Clear Creek Golf Company, lives in Lamar. He would like to be able to showcase his product to interested parties. Due to the inventory demand in the U.S., the value for used carts has increased. Therefore, Clear Creek is offering to purchase our current fleet of Yamaha Golf Carts for \$275,000 and sell the city 50 new Club Cars for \$251,050. The city will net a profit of \$23,950. The city will continue with the existing lease and the normal golf cart rotation will be extended by a year. This will be presented at the October 12 Council Meeting. The Kellogg Lake Advisory Board has presented a plan to construct an arch bridge over the rearing pond at Kellogg Lake. The Advisory Board will pay for the bridge and city staff will assist with the installation.

Mr. Armstrong reported the Public Works Committee met on September 7. Vision Carthage's request to stake a tent on City property for the Hometown Holidays Event was approved, and the City will repair the asphalt when the tent is removed. Mr. Armstrong made a motion, seconded by Mr. Diggs, to approve revisions to the Governor's Cost Share Program decreasing the amount to \$190,863. Motion carried. The intersection at 4<sup>th</sup> and Garrison was discussed as a potential project for a TEAP application. A new study for this project will be conducted for a cost of \$12,000 with MoDOT paying 80%.

Special Committee and Board Liaison reports were given by Mrs. Harrison for the McCune Brooks Hospital Trust Fund Board, Ms. Otero for the Carthage Humane Society, and Mr. Barlow for the Planning, Zoning and Historic Preservation.

Mayor Rife reported on the annual MML Conference scheduled for next week and private citizens have purchased the Boots Motel in hopes of keeping the CVB project alive.

During reports of Council Members, Mr. Armstrong approved of the title for the budget adjustment included in C.B. 21-41.

Fire Chief Roger Williams thanked the Council for approval of the new Firefighter in Training position.

Parks & Recreation Director Mark Peterson discussed the Hispanic Heritage event scheduled for September 25 and the public engagement for the Parks Master Plan on September 30.

Assistant City Administrator Greg Dagnan reported on the following: the auditor is on site this week conducting the annual audit, the Strategic Planning Session is tentatively scheduled for October 21, a meeting with Special Committee leaders to try to get on the same page with the same mission, an EEOC complaint that is being investigated by the HR Coordinator, a tour of the Salvation Army building as a potential future training center, conversations with McCune Brooks Hospital Trust Fund Board to resolve issues with the recent application for funds by the City, the HR Coordinator is working to determine the internal application process for the Fire Chief position, and the ARPA application process for distribution of funds.

The Committee on Claims filed a report in the amount of \$5,080,996.55 against the following funds: General Revenue \$188,761.55, Public Health \$145,711.83, Lodging \$5,000.00, Public Safety \$2,415.56, Parks/Stormwater \$263,974.66, Golf \$14,559.49, Capital Improvements \$319,731.53, Parks & Recreation \$13.24, Myers Park \$253.50, Public Facilities \$1,829.00, Library \$50,000.00, Payroll \$588,746.19 and CWEP \$3,500,000.00. Ms. Otero made a motion, seconded by Mr. Armstrong to accept the report and allow the claims. Motion carried.

Under old business, C.B. 21-40 - An Ordinance authorizing the Mayor to enter into a contract with the Maple Leaf Car Show Committee for use of Kellogg Lake Park on October 15 and 16, 2021, in the City of Carthage Missouri was placed on second reading followed by a roll call vote of 9 yeas and 0 nays. Ayes: Armstrong, Barlow, Daugherty, Diggs, Harrison, Otero, Thompson, Topete and West. The Council Bill was approved and numbered Ordinance 21-41.

Under new business, C.B. 21-39 – An Ordinance to amend Section 400 Benefits (405-406) of the Personnel Policy Manual of the City of Carthage was placed on first reading with no action taken.

C.B. 21-41 – An Ordinance amending the Annual Operating and Capital Budget of the City of Carthage for Fiscal Year 2021-2022 for specified funds (General Fund, Fire Protection Tax Fund, Parks/Stormwater Sales Tax Fund) was placed on first reading with no action taken.

C.B. 21-42 – An Ordinance authorizing the Mayor to execute a Real Estate Purchase Agreement for the purchase of land at 705 S Garrison Avenue, Carthage, MO 64836 (Lot 15 in Cassil's Addition) between the City of Carthage, Missouri and First Baptist Church, 631 S. Garrison Ave., Carthage, Missouri 64836 was placed on first reading with no action taken.

C.B. 21-43 – An Ordinance adjusting the solid waste collection rates in the City of Carthage pursuant to the Contract Agreement entered into the 1<sup>st</sup> day of October 1, 2019, and terminating September 30, 2024, by and between the City of Carthage, Missouri, a municipal corporation, and Republic Services of Galena, Kansas; and to be considered an Emergency Ordinance due to unforeseen circumstances which delay would hinder the effective delivery of municipal service was placed on first reading.

Mr. Armstrong made a motion, seconded by Mr. Daugherty, to follow the emergency protocol and advance Council Bill 21-43 to the second reading.

C.B. 21-43 – An Ordinance adjusting the solid waste collection rates in the City of Carthage pursuant to the Contract Agreement entered into the 1<sup>st</sup> day of October 1, 2019, and terminating September 30, 2024, by and between the City of Carthage, Missouri, a municipal corporation, and Republic Services of Galena, Kansas; and to be considered an Emergency Ordinance due to unforeseen circumstances which delay would hinder the effective delivery of municipal service was placed on second reading second reading followed by a roll call vote of 9 yeas and 0 nays. Ayes: Armstrong, Barlow, Daugherty, Diggs, Harrison, Otero, Thompson, Topete and West. The Council Bill was approved and numbered Ordinance 21-42.

Mr. Barlow made a motion, seconded by Ms. Otero, to approve Resolution 1941 – A Resolution approving the recommendation of the McCune Brooks Regional Hospital Trust for the distribution of funds (\$75,000.00 per year for five years) from the restricted trust fund to Joplin Regional Medical School Alliance. Resolution 1941 was adopted by a roll call vote of 9 yeas and 0 nays. Ayes: Armstrong, Barlow, Daugherty, Diggs, Harrison, Otero, Thompson, Topete and West.

Ms. Otero made a motion, seconded by Mr. Barlow, to approve Resolution 1942 – A Resolution approving the declaration as surplus to the City's needs and authorizing the disposition of office furniture (An executive style desk from the Assistant City Administrator's office Asset #001222). Resolution 1942 was adopted by a roll call vote of 9 yeas and 0 nays. Ayes: Armstrong, Barlow, Daugherty, Diggs, Harrison, Otero, Thompson, Topete and West.

Closing Comments, Mr. Diggs and Mr. Thompson thanked our emergency services for their work.

Mr. Barlow made a motion, seconded by Mr. Daugherty, to adjourn the regular session of the Council Meeting. Motion carried and meeting adjourned at 7:15 p.m.

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Dan Rife, Mayor

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Traci Cox, City Clerk

***PRESENTATIONS/  
PROCLAMATIONS***

# PROCLAMATION

**WHEREAS**, We the citizens of the community of Carthage, Missouri, have chosen to establish Carthage Water & Electric Plant (CWEP), a community, not for profit municipal electric utility; and

**WHEREAS**, CWEP provides reliable, efficient, and cost effective electricity in the community, employing sound business practices designed to ensure the best possible service at not-for-profit rates; and

**WHEREAS**, CWEP is part of a community of over 2,000 public power systems in the United States that through consumer ownership ensure cost-cutting competition in the electrical energy industry to the benefit of electricity consumers everywhere; and

**WHEREAS**, Public Power Week has proven to be positive means to educate consumers and the general public about public power's public service mission; and

**NOW THEREFORE, BE IT RESOLVED**, that the week of October 3rd through October 9th, 2021 be designated

## PUBLIC POWER WEEK

in order to honor CWEP, its consumer owners, and employees who work together to provide quality electric service to the community; and

**BE IT FURTHER RESOLVED**, that our community joins hands with other public power communities across the nation and celebrate the public benefits of public power for our local and national progress.

---

Dan Rife  
Mayor



***PUBLIC  
HEARINGS***

***OLD  
BUSINESS***

An Ordinance to amend Section 400 - Benefits (405-406) of the Personnel Policy Manual of the City of Carthage.

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

**SECTION I:** Section 400 - **Benefits** (405-406) of the Personnel Policy Manual is hereby amended and the following enacted in lieu thereof:

**405. Light Duty Policy:**

**01. Transitional Duty Assignments:** In some cases, an injured, disabled, or pregnant employee may be able to continue in his/her regular job with only minimal modifications. However, at times, a totally different work assignment is necessary to accommodate the prescribed restrictions identified by the employee's physician or a Worker's Compensation physician. This temporary accommodation is referred to as a transitional or "light" duty assignment. This is not a long-term solution nor is it intended to accommodate permanent restrictions resulting from an injury or inability to complete specified job duties. For hours worked during transitional duty, the employee is paid at 100%. The objectives of the transitional duty assignment are to:

1. Return an injured, disabled, or pregnant employee to productive employment who might otherwise be on leave.
2. Assist the injured, disabled, or pregnant employee in the transition from disability to work.
3. Control the cost of a claim and thereby reduce the overall cost of Worker's Compensation.

An employee who is injured as a result of a work-related accident and is unable to return to work immediately due to the medical restrictions placed upon him or her by a Worker's Compensation physician (i.e., unable to do the essential functions of the job without a direct threat or undue hardship) may be assigned a transitional duty position until he is able to return to regular duty. Other requests that are the result of non-work related injuries, disabilities, or other medical diagnoses that would require a transitional duty assignment must be accompanied by detailed restrictions from the employee's physician. The Worker's Compensation physician or employee's physician will be required to determine if modified duty would pose a hindrance to recuperation or an increased risk of re-injury or harm to the employee. The provider will also determine if the employee's condition would pose a safety or health hazard to fellow employees and/or the general public.

**02. Identification of Transitional Duty:** Department Heads will be responsible for identifying transitional duty positions in each department and reporting those to the City Administrator. Every effort shall be made to assign employees to positions consistent with their position. However, transitional duty employees may be assigned to positions within other departments until the employee is released to full duty work status.

**03. Requesting Transitional or Light Duty:** If an employee needs to be exempt from some portion of their job duties or needs to be restricted in how they perform some their duties, the employee must submit a written request to their immediate supervisor. The request must include a medical note from the employee's treating physician indicating the temporary exemption/restriction from performing certain duties. This documentation will be submitted to the Department Head for review, consideration, and final

decision. If the employee is also taking prescribed medications that may affect the employee's ability to perform assigned work, this must be reported to the immediate supervisor and Department Head for consideration of the overall request.

**04. Granting or Denying Transitional or Light Duty Requests:** The Department Head for the employee will review the request in consultation with Human Resources and respond in writing to the employee. If a department has work available qualifying as "light duty", the Department Head may assign said work to any employee. The Department Head is not required to allow any employee who cannot perform all of the essential functions of the position to return to work. If the request is approved, the employee will be informed of their assignment, location, hours, etc. The modified or light duty assignment will be reviewed every 30 days by the Department Head with oversight from Human Resources. If the request for modified or light duty is denied, the employee will also be informed of this in writing by the Department Head. If a transitional or light-duty assignment is offered by the employer and approved by the employee's physician, an employee's refusal to accept the offer of light-duty may affect the employee's right to workers' compensation benefits under applicable law.

**05. Conditions while on Transitional or Light Duty:** Any time a department approves an employee's request for light or limited duty, the following conditions will apply:

1. The employee will be exempted from working overtime until medical restrictions are rescinded.
2. The employee may be assigned to another position without a reduction in pay. The employee may be assigned to work in jobs not directly reflected in the employee's current position.
3. The employee may be required to submit to medical evaluations by City selected physicians to provide additional medical information.

**06. Transitional Duty Duration:** The transitional duty assignment will be for a period not to exceed 90 days. Throughout the 90-day period of recovery, the Department Head will be responsible for monitoring the employee's status. At the end of the 90-day period, if the employee has still not fully recovered from the work-related injury, the Department Head will direct the Worker's Compensation physician or employee's physician to provide a written prognosis of the duration of recovery and proposed treatment. Based on the Worker's Compensation or employee's physician's response, the City may choose to continue the transitional duty position, request a second opinion from another Worker's Compensation or licensed physician or terminate the transitional duty position. There are no permanent transitional or light duty assignments.

**07. Transitional Duty Termination:** At that time the Department Head, along with the City Administrator and Mayor concurring, may offer to another individual a full-time appointment after the original individual in the position has been off more than 90 days who has not worked due to the injury. Prior to making a full-time appointment, the Department Head shall review the medical file to determine the prognosis for early recovery. The final decision concerning offering a regular appointment to another person shall be based on the good of the service. If a full-time replacement has been made, the employee on leave can return only to a vacant position and may not displace a full-time employee.

**08. Returning to Full Duty:** Prior to the employee's return to full and unrestricted duty, the employee must submit a medical authorization to do so. The medical documentation must indicate a return to work date and state the employee can perform all duties of the position with no restrictions. The Department Head retains the right to require any employee to submit to a fit for duty examination as deemed necessary to ascertain whether the employee is able to fulfill all essential job functions with or without reasonable accommodation.

**406. Section 125 Plan:** Presently, employees electing to be covered under the City's group health family

coverage must contribute a pre-determined amount established by the City Council toward the costs of the premiums. This cost to the employee may be paid into the City's Section 125 plan which may reduce the employee's taxable income. Employee's who are interested in participating in this program must fill out a form in the City Clerk's Office.

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

**PASSED AND APPROVED THIS \_\_\_\_\_ DAY OF \_\_\_\_\_, 2021.**

\_\_\_\_\_  
**Dan Rife, Mayor**

**ATTEST:**

\_\_\_\_\_  
**Traci Cox, City Clerk**

COUNCIL BILL NO. 21-41

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

**AN ORDINANCE AMENDING THE ANNUAL OPERATING AND CAPITAL BUDGET OF THE CITY OF CARTHAGE FOR FISCAL YEAR 2021-2022 FOR SPECIFIED FUNDS (GENERAL FUND, FIRE PROTECTION TAX FUND, PARKS/STORMWATER SALES TAX FUND).**

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

**SECTION I:** The City of Carthage's 2021 – 2022 Annual Operating and Capital Budget for the **General Fund**, is hereby amended to reflect supplemental appropriations from the unallocated and unappropriated Fund Balance, for:

**a.) the CMA Department;**

- Main Street line item in an amount not to exceed \$25,000 for the approved Agreement with Vision Carthage; and
- The Economic Development Services line item in an amount not to exceed \$34,500 for participation with CWEP on a contract for the development of an Economic Development Strategic Plan.

**b.) the Capital Improvements Department** for an amount not to exceed \$99,426 to, Capital line item for CivicPlus website software;

**c.) the Police Department**, Computer Services line item for the outstanding Omnigo bill for an amount not to exceed of \$16,000;

**d.) the Parks & Recreation Department** is hereby amended to reflect a supplemental appropriation of an amount not to exceed \$4,500 to the Capital Outlay line item, as a carry-over from Fiscal Year 2021 for fencing replacement/repair for Rock Stadium due to vandalism; and

**e.) the Fire Department** in an amount not to exceed \$30,000 to the Capital Outlay line item, for the purchase of the adjoining parking lot property from First Baptist Church.

**SECTION II:** The City of Carthage's 2021 – 2022 Annual Operating and Capital Budget for the **Fire Protection Sales Tax Fund**, is hereby amended to reflect supplemental appropriations from the unallocated and undesignated and unallocated fund balance, for;

- An amount not to exceed \$140,000, to the **Capital Projects** line item for (Carry-Over project; Brush Truck, (\$85,000) and (Carry-Over project; Furnishings, for Station #2, \$55,000); and
- An amount not to exceed \$579,790.29 to the **Capital Outlay** line item for Lease Purchase payments from Lease Proceeds of \$579,790.29 pursuant to a year end journal entry; and
- An amount not to exceed \$6,900 to the **Miscellaneous** line item for emergency repair/replacement of the damaged bay door at Fire Station #2.

**SECTION III:** The City of Carthage's 2021 – 2022 Annual Operating and Capital Budget for the **Parks Storm Water Sales Tax Fund**, is hereby amended to reflect supplemental appropriations from the unallocated and unappropriated Fund Balance, for:

- An amount not to exceed \$80,000 to the **Capital Outlay line item**, for carry-over funds/project for the Golf Course Bunker Renovation; and
- an amount not to exceed, \$125,000 to the **Capital Outlay line item** for carry-over funds/project for the Tree Inventory and Maintenance for the Parks & Recreation System project; and
- an amount not to exceed, \$1,554 to the **Capital Outlay line item** for carry-over funds/project for the Griggs Park Pickle Ball Courts; and
- an amount not to exceed, \$95,750 to the **Capital Outlay line item** for carry-over funds/project for the Parks Master Plan, from the unallocated and unappropriated Fund Balance; and
- an amount not to exceed, \$258,524.13 to the **Capital Outlay line item** for Lease Purchase payments from Lease Proceeds of \$258,524.13, pursuant to a year end journal entry.

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

**PASSED AND APPROVED THIS \_\_\_\_\_ DAY OF \_\_\_\_\_, 2021.**

**ATTEST:**

\_\_\_\_\_  
**Dan Rife, Mayor**

\_\_\_\_\_  
**Traci Cox, City Clerk**

**COUNCIL BILL NO. 21-42**

**ORDINANCE NO.**

An Ordinance authorizing the Mayor to execute a Real Estate Purchase Agreement for the purchase of land at 705 S Garrison Avenue, Carthage, MO 64836 (Lot 15 in Cassil's Addition) between the City of Carthage, Missouri and First Baptist Church, 631 S. Garrison Ave., Carthage, Missouri 64836.

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

**SECTION I:** The Mayor of the City of Carthage is hereby authorized to execute on behalf of the City of Carthage, a Real Estate Purchase Agreement for the purchase of land at 705 S Garrison Avenue, Carthage, MO 64836 (Lot 15 in Cassil's Addition) from First Baptist Church, 631 S. Garrison Ave., Carthage, Missouri 64836, a copy of which Real Estate Purchase 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 \_\_\_\_\_, 2021.**

\_\_\_\_\_  
**Dan Rife, Mayor**

**ATTEST:**

\_\_\_\_\_  
**Traci Cox, City Clerk**



## REAL ESTATE PURCHASE AGREEMENT

This Real Estate Purchase Agreement ("Agreement") is entered into on this \_\_\_\_ day of \_\_\_\_\_, 2021 (the "Effective Date") by and between First Baptist Church ("Seller") and The City of Carthage, Missouri ("Buyer").

**WHEREAS**, Buyer desires to purchase certain property located at 705 South Garrison in the City of Carthage, Jasper County, Missouri (the "Property").

**NOW, THEREFORE**, for and in consideration of the sum of Thirty Thousand Dollars (\$30,000.00) and other good and valuable consideration hereinafter specified, the sufficiency of which is thereby acknowledged, Seller this date agrees to sell and Buyer agrees to purchase under the terms and conditions herein set out, real estate located in Carthage, Jasper County, Missouri, which is legally described as follows:

ALL OF LOT NUMBERED FIFTEEN (15) IN CASSILS' ADDITION TO THE CITY OF CARTHAGE, JASPER COUNTY, MISSOURI.

1. **Purchase Price.** The purchase price of the property shall be Thirty Thousand Dollars (\$30,000.00), which Buyer shall pay to Seller by certified or cashier's check at the closing of this transaction.
2. **Title and Deed.**
  - A. Condition of property. It is understood and agreed that the Buyer, or its representative, has made an inspection of the property prior to the execution of this Agreement, and based on that inspection and information which may have been provided by the Seller as to the condition of the property, has entered into this Agreement. Seller hereby warrants and guarantees that the property will remain in its present condition, as of the execution of this Agreement to and including the day that title to said property is transferred to Buyer, subject to the remaining terms and conditions of this Agreement.
  - B. At closing, Seller shall deliver a general warranty deed to Buyer conveying marketable fee simple title free and clear of all liens and encumbrances except for parties, deliver to Buyer a commitment to issue an Owner's policy of title insurance in the amount of \$\_\_\_\_\_ naming Buyer as the insured, written by a title insurance company licensed to insure titles in Missouri, which policy shall easements of record and any other easements, public or private, which are clearly apparent to the ordinary person ordinary inspection of the premises.
  - C. Seller shall within fifteen (15) days after the signing of this Contract by both insure Buyer's title to be marketable in fact and free and clear of all liens and encumbrances except for easements of record and any other easements, public or private, which are clearly apparent to the ordinary person on ordinary inspection of the premises, and which commitment shall provide that the policy shall be issued after the Sellers' warranty deed shall be placed of record.
  - D. After delivery of the title insurance commitment, Buyer shall have fifteen (15) days in which to examine the said commitment and notify Seller in writing of any objection. If there are any objections to Seller's title to the property as disclosed by the commitment,

Seller shall furnish to Buyer, within a reasonable time, a new or amended title insurance commitment satisfying any such objections, but if such commitment satisfying any such objections shall not be furnished within thirty (30) days after said notice, Buyer shall have the option of terminating this Contract.

- E. It is understood and agreed that the title required to be furnished is marketable title as set forth in Title Standard 4 of the Missouri Bar Association. It is also agreed that any encumbrance or defect in the title which is not within the scope of any of the title standards of the Missouri Bar shall not constitute a valid objection on the part of Buyer, providing Seller furnish the affidavits, or other title papers, if any, described in the applicable standard.
3. **Closing.** The closing for the sale of the said property shall be held on or before \_\_\_\_\_, 2021, or at such earlier date as the parties shall agree. The closing shall be held at such place and time as the parties shall agree.
4. **Property sold "As Is".** The parties agree and acknowledge that the property is being sold "as is" and seller does not make representations or give any warranties as to the condition of the premises.
5. **Right of Entry.** Buyer or its authorized representative(s) shall have the right, at any time after the execution by both parties of this Agreement and at Buyer's sole cost and expense, to enter on the Property for any lawful purpose, including but not limited to making such surveys and site analyses, including soil bearings and soil tests, wetland studies, water and sewer location availability other engineering or environmental studies, and erecting such signs as Buyer may deem necessary.
6. **Closing Costs, Expenses and Adjustments.** The following costs shall be paid by Seller: Expenses of placing title in proper condition, unless agreed to otherwise; and The following costs shall be paid by Buyer: (A) Title insurance premium; (B) Recording fees; (C) the escrow fee; and (D) Preparation of Warranty Deed and all other closing costs.
7. **Risk of Loss.** Pending closing of this transaction, the risk of loss or damage to the Property by fire or other casualty or its taking or damage by condemnation shall be on Seller. If any loss or damage occurs during such period, then Buyer shall have the option of (i) canceling and rescinding this Agreement and receiving a refund of all Earnest Money(s), or (ii) accepting the Property with abatement of the Purchase Price in the amount of the cost of replacement or repair.
8. **Cooperation.** The parties agree to cooperate and to execute and deliver such instruments and to do all such other acts as the other parties may be reasonably requested to do from time to time by the other parties in order to consummate this Contract.
9. **Possession of the Property.** Possession of the property shall be delivered to Buyer on the date of closing.
10. **Miscellaneous.** All notices, consents and approvals required by this agreement shall be either personally delivered or placed in the United States Mail, properly addressed and with certified or registered postage prepaid. Said notices, consents and approvals shall be sent to the parties at the following addresses, unless otherwise notified in writing: to Buyer at 326 Grant Street, Carthage, Missouri, 64836, and to Seller 421 West Chestnut Street Carthage, Missouri 64836.

11. **Assignment and succession.** This Agreement shall be binding upon and inure to the benefit of the heirs, successors, administrators, executors, and assigns of the respective parties. All rights hereunder may be assigned without restriction, provided that notice of each assignment shall be given in writing to the other party.
12. **Modification.** No modification of this Agreement shall be valid or binding unless such modification is in writing, duly dated and signed by both parties. This constitutes the entire agreement between the parties. Neither party shall be bound by any terms, conditions, statements, or representations, oral or written, not herein contained. It is mutually understood and specifically agreed that this Agreement is binding upon the respective heirs, successors, administrators, executors, and assigns of the parties hereto.

**IN WITNESS WHEREOF**, the parties have executed this Contract in duplicate originals this \_\_\_\_ day of \_\_\_\_\_, 2021.

**BUYER:**

(SEAL)

**THE CITY OF CARTHAGE, MISSOURI**, a Municipal Corporation:

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

Name: Dan Rife

Title: Mayor, City of Carthage, Missouri

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

**ATTEST**

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

Name: Traci Cox

Title: City Clerk

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

**SELLER:**

\_\_\_\_\_

\_\_\_\_\_

Printed Name and Title

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

**EXHIBIT A**

**All of E ½ of lots 19 & 20 Cassil's Addn to the City of Carthage, Jasper County, MO**

***NEW  
BUSINESS***

**COUNCIL BILL NO.     21-44**

**ORDINANCE NO.     \_\_\_\_\_**

An Ordinance authorizing the Mayor to execute an Agreement between the Missouri Highways and Transportation Commission and the City of Carthage, Missouri (Governor's Cost Share Agreement GOVCS0S) providing for transportation improvements to Hazel Street, from George Phelps Boulevard to Fir Road (Rte. HH). Length of improvement is (approximately 1,483 feet).

**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 execute on behalf of the City of Carthage, Missouri an Agreement between the Missouri Highways and Transportation Commission and the City of Carthage, Missouri (Governor's Cost Share Agreement GOVCS0S) providing for transportation improvements to Hazel Street, from George Phelps Boulevard to Fir Road (Rte. HH). Length of improvement is (approximately 1,483 feet), a true 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 \_\_\_\_\_, 2021.**

\_\_\_\_\_  
**Dan Rife, Mayor**

**ATTEST:**

\_\_\_\_\_  
**Traci Cox, City Clerk**

**Sponsored by: Public Works Committee**

**COUNCIL BILL NO. 21-45**

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

An Ordinance authorizing the Mayor of the City of Carthage, to execute an Engagement Letter between Baker Tilly US, LLP ("Baker Tilly") and the City of Carthage, Missouri ("Client") to assist the Client with advisory services regarding ARPA requirements.

**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 execute on behalf of the City of Carthage, Missouri an Engagement Letter between Baker Tilly US, LLP ("Baker Tilly") and the City of Carthage, Missouri ("Client") to assist the Client with advisory services regarding ARPA requirements, a true 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 \_\_\_\_\_, 2021.**

\_\_\_\_\_  
**Dan Rife, Mayor**

**ATTEST:**

\_\_\_\_\_  
**Traci Cox, City Clerk**

**Sponsored by: Budget Ways & Means Committee**



Baker Tilly US, LLP  
5440 West 100<sup>th</sup> Street, Suite  
300  
Overland Park, KS  
66211 United States of  
America

[bakertilly.com](http://bakertilly.com)

September 28, 2021

City of Carthage, MO  
Tom Short  
326 Grant Street  
Carthage, MO 64836

RE: Engagement Letter Agreement Related to Services

This letter agreement (the "Engagement Letter") is to confirm our understanding of the basis upon which Baker Tilly US, LLP ("Baker Tilly") and its affiliates are being engaged by the City of Carthage, Missouri, (the "Client") to assist the Client with advisory services.

#### **Scope, Objectives and Approach**

It is anticipated that projects undertaken in accordance with this Engagement Letter will be at the request of the Client. The scope of services, additional terms and associated fee for individual engagements will be contained in a Scope Appendix or Appendices to this Engagement Letter. Authorization to provide services will commence upon execution and return of this Engagement Letter and one or more Appendices.

#### **Management's Responsibilities**

It is understood that Baker Tilly will serve in an advisory capacity with the Client. The Client is responsible for management decisions and functions, and for designating an individual with suitable skill, knowledge or experience to oversee the services we provide. The Client is responsible for evaluating the adequacy and results of the services performed and accepting responsibility for such services. The



Client is responsible for establishing and maintaining internal controls, including monitoring ongoing activities.

The procedures we perform in our engagement will be heavily influenced by the representations that we receive from Client personnel. Accordingly, false representations could cause material errors to go undetected. The Client, therefore, agrees that Baker Tilly will have no liability in connection with claims based upon our failure to detect material errors resulting from false representations made to us by any Client personnel and our failure to provide an acceptable level of service due to those false representations.

The ability to provide service according to timelines established and at fees indicated will rely in part on receiving timely responses from the Client. The Client will provide information and responses to deliverables within the timeframes established in a Scope Appendix unless subsequently agreed otherwise in writing.

The responsibility for auditing the records of the Client rests with the Client's separately retained auditor and the work performed by Baker Tilly shall not include an audit or review of the records or the expression of an opinion on financial data.

City of Carthage, Missouri, Engagement Letter, dated September 21, 2021

Page 1 of 6

(MSAv20200825)

**RE: Proposed Municipal Advisory Services – Consulting Services Related to the American Rescue Plan (“ARP”)**

**DATE:**

This Scope Appendix is attached by reference to the above-named engagement letter (the “Engagement Letter”) between the City of Carthage, Missouri, (the “Client”) and Baker Tilly US, LLP and relates to services to be provided by Baker Tilly Municipal Advisors, LLC.

**SCOPE OF WORK**

Baker Tilly Municipal Advisors (“BTMA”) will perform the following services:

**A. American Rescue Plan Funding Overview**

1. Educate Client on the eligible uses of the American Rescue Plan via orientation session.

**B. Fiscal Recovery Fund of the American Rescue Plan ("FRF") Program Support**

1. Assist Client in preparation to receive and effectively deploy the allocated FRF.
2. Develop clear understanding of eligible uses and limitations of the FRF.
3. Assist Client to systematically assemble community priorities including computation of lost revenues.
4. Assist Client with cash flow management plan.
5. Assist Client to develop and communicate a strategy to match community priorities to available funding.
6. Assist Client to prepare budgets and appropriations of FRF.
7. Assist Client to develop a plan for transparency and stakeholder inclusion.
8. Support Client with accounting and reporting compliance matters.
9. Attend meetings with Client and stakeholders (as needed).

**C. Other Elements of American Rescue Plan and Other Potential State and/or Federal Funding**

1. Assist Client to evaluate and pursue additional and/or competitive funding included in the ARP.
2. Assist Client to coordinate additional and/or competitive funding with FRF to achieve strategic objectives.
3. Assist Client to establish procedures, mechanisms, and administration for fund distribution to business and/or individuals.
4. Assist Client to develop programs for pass through funding opportunities.
5. Monitor and communicate updates on potential funding from the State and Federal agencies.
6. Update reports, strategies and communication as circumstances dictate.
7. Consult with client regarding process for Single Audit (if necessary).

### Nonattest Services

As part of this engagement, we will perform certain nonattest services. For purposes of the Engagement Letter and this Scope Appendix, nonattest services include services that the *Government Auditing Standards* refers to as nonaudit services.

We will not perform any management functions or make management decisions on your behalf with respect to any nonattest services we provide.

In connection with our performance of any nonattest services, you agree that you will:

- > Continue to make all management decisions and perform all management functions, including approving all journal entries and general ledger classifications when they are submitted to you.
- > Designate an employee with suitable skill, knowledge, and/or experience, preferably within senior management, to oversee the services we perform.
- > Evaluate the adequacy and results of the nonattest services we perform.
- > Accept responsibility for the results of our nonattest services.
- > Establish and maintain internal controls, including monitoring ongoing activities related to the nonattest function.

### Compensation and Invoicing

BTMA's fees for services set forth in the Scope Appendix will be billed at BTMA's billing rates based upon the actual time and expenses incurred.

| Title                       | 2021 Hourly Rate |
|-----------------------------|------------------|
| Principal and Partner       | \$300            |
| Director and Senior Manager | \$260            |
| Manager and Senior Staff    | \$215            |
| Staff                       | \$165            |
| Associates                  | \$75             |

The above fees shall include all expenses incurred by BTMA with the exception of expenses incurred for travel, which will be billed on a separate line item. We recommend the value of this contract not to exceed **\$15,000**, without the written authorization of the Client to proceed further. It is understood this fee is an eligible use of Client's FRF dollars.

Conflicts of Interest

Attachment A to the Engagement Letter contains important disclosure information that is applicable to this Scope Appendix.

We are unaware of any additional conflicts of interest related to this Scope Appendix that exist at this time.

Termination

This Scope Appendix will terminate according to the terms of the Engagement Letter.

If this Scope Appendix is acceptable, please sign below and return one copy to us for our files. We look forward to working with you on this important project.

Sincerely,

BAKER TILLY MUNICIPAL ADVISORS, LLC

**Signature Section:**

The services and terms as set forth in this Scope Appendix are agreed to on behalf of the Client by:

Name: \_\_\_\_\_

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

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

**COUNCIL BILL NO. 21-46**

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

An Ordinance authorizing the Mayor to enter into a contract with WEX Health, Inc. for COBRA Administrative Services.

**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 service agreement for COBRA administration with WEX Health, Inc., 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 \_\_\_\_\_, 2021.**

\_\_\_\_\_  
**DAN RIFE, MAYOR**

**ATTEST:**

\_\_\_\_\_  
**TRACI COX, CITY CLERK**

**Sponsored by: Insurance, Audit and Claims**

## ADMINISTRATIVE SERVICES APPLICATION

**CITY OF CARTHAGE** ("Employer") hereby requests the administrative services indicated below from WEX Health, Inc. d/b/a WEX, formerly known as Discovery Benefits, LLC ("WEX"). If not signed below prior to the Effective Date, Employer's consent to the terms and conditions set forth in the attached agreements will be presumed and deemed to have been obtained upon submission of Employer data through the DBI portal, the DBI design guide or any other DBI authorized format.

|            |                                         |
|------------|-----------------------------------------|
| <b>N/A</b> | Arrears Bill                            |
| <b>X</b>   | COBRA                                   |
| <b>N/A</b> | Direct Bill                             |
| <b>N/A</b> | Education Assistance Program            |
| <b>N/A</b> | Health Savings Account                  |
| <b>N/A</b> | Premium Conversion Plan                 |
| <b>N/A</b> | Reimbursement Account                   |
| <b>N/A</b> | Non-Discrimination Testing Subscription |

---

**X**      HIPAA Business Associate (acknowledged by the Employer as the sponsor on behalf of and as an authorized representative of the group health plan or plans)

### SIGNATURE

The services shall be subject to the corresponding terms and conditions set forth in the attached agreements, accepted and entered into as of **10/01/2021** ("Effective Date").

---

Employer Authorized Signature

TRACI COX

---

Name

**Fee Schedule**

Effective Date 10/01/2021 or later if services start different months

|                                                                                                                                                                                                                                                                                                                                                                           | <u>Fee Amount</u> | <u>Fee Minimum</u> | <u>Frequency</u> | <u>Bill To</u> |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------|--------------------|------------------|----------------|
| <b>COBRA - Monthly</b>                                                                                                                                                                                                                                                                                                                                                    | \$0.70            | \$85.00            | Monthly          | Customer       |
| Fees per Covered Employee<br>The 2% additional premium for administrative costs is retained by WEX<br>If the 2% additional premium is not chargeable to COBRA Continuant due to state or local law,<br>WEX will include the 2% additional premium on a monthly invoice to the Employer, and the<br>Employer will pay such amount as part of the COBRA administrative fee. |                   |                    |                  |                |

Fees are guaranteed until 10/01/2026 ("Rate Expiration Date").

Printing and postage are included for standard material and mailings.

Additional charges/fees will apply for non-standard mailings and/or expedited requests.

WebEx meetings are included at no additional fee.

Enrollment meetings (optional) are \$350 per day plus travel expenses.

If Employer/Customer has contracted with a third party whereby the third party pays WEX's fees on Employer's behalf, WEX's fees will be invoiced to that third party and are due within thirty (30) days after the date the invoice is received. If the third party fails to pay WEX, Employer remains responsible to pay WEX's fees. Fee rates may be based on a third-party discount. If WEX's fees are no longer to be paid by the third party on Employer's behalf, guarantees could be voided and the fee schedule revised.

## COBRA ADMINISTRATIVE SERVICES AGREEMENT

### RECITALS

Employer has established one or more health plans that include medical, dental, vision, employee assistance plan, health flexible spending arrangement, and/or health reimbursement arrangement benefits (such plans, individually and collectively as the context may require, are herein referred to as the "Plan") for its employees.

Employer desires to retain WEX as an independent contractor to administer certain elements of its obligations under COBRA and WEX desires to assist Employer in the administration of such COBRA obligations.

"COBRA" means the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended, and the related regulation and interpretations by the Department of Labor and the Internal Revenue Service.

WEX and Employer agree that WEX shall assist in the administration of Employer's COBRA obligations based on the terms and conditions set forth in this COBRA Administrative Services Agreement ("this Agreement"), including, without limitation that:

- Employer is the administrator of the Plan.
- WEX is an independent contractor in relation to Employer and to the Plan and may act as an agent and/or designee on behalf of Employer.
- Employer remains responsible for maintaining the Plan, including the establishment of eligibility and the payment of the benefits owed or established under the Plan to its participants.
- WEX is to provide the agreed upon services without assuming any liability for the performance of any other services beyond those set forth below.

The above-stated recitals are accurate, true, and correct and are incorporated herein and made a part hereof by this reference.

Now, therefore, for good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, the parties agree as follows.

### ARTICLE 1 WEX ADMINISTRATIVE SERVICES

- 1.1 Except for those obligations that are Employer's responsibility under this Agreement, WEX shall assume responsibility for the proper interpretation, application, and administration of COBRA rules and regulations for the Plan for COBRA administration under WEX's control.
- 1.2 WEX services under this Agreement are limited to the benefit plans selected for services by Employer via the WEX portal or design guide.
- 1.3 WEX shall have no responsibility or duty with respect to any plan where complete information about that plan is not provided.
- 1.4 WEX's responsibilities and duties with respect to the Plan are limited to those expressly provided in this Agreement.
- 1.5 WEX shall consult with Employer regarding the interpretation and application of regulations concerning COBRA administration as they apply to the Plan.
- 1.6 Upon timely receipt of the required information from Employer and within the applicable time frame required by COBRA or upon the effective date of coverage, whichever is later, WEX shall send, via "Accountable Mail" WEX's standard initial rights notification letter (also known as the general rights notice or the initial notice) to newly Covered employees and spouses informing them of their rights under COBRA.

"Accountable Mail" means mail that provides documented proof that the letter or notice was mailed and the date of such mailing to the recipient at the recipient's last known address and meets COBRA regulation requirements, but does not mean that delivery is tracked.



"Covered" means participating in any plan offered by Employer that is subject to COBRA and selected by Employer for services under this Agreement.

If information is not timely received from Employer, WEX shall send the notice described in this Section 1.6 as soon as administratively practicable after receiving the information. Consequently, however, such notice may not be provided within the time frame required by COBRA. If complete information is not provided, such notice also may be incomplete.

1.7 Upon commencement of the services provided herein, if requested by Employer, WEX will mail its standard initial rights notification letter to all Covered employees and spouses. In order for WEX to complete this mailing, Employer must provide the information requested by WEX in a timely manner.

1.8 Upon timely receipt of complete information from Employer, WEX shall send via Accountable Mail within the applicable time frame required by COBRA, WEX's standard qualifying event eligibility and election notice to all qualified beneficiaries who have a qualifying event. If complete information is not timely received from Employer, WEX shall send the notice described in the preceding sentence as soon as administratively practicable after receiving complete information, however, such notice may not be provided within the applicable time frame required by COBRA.

The terms "qualifying event" and "qualified beneficiary" shall have the meanings given to them under COBRA.

1.9 Except to the extent prohibited by state or local law, COBRA continuation coverage premiums will include an additional 2% for administrative costs. In addition to the monthly administrative fee per Covered employee under this Agreement, WEX will retain the 2% additional premium allowed by COBRA for administrative costs charged to qualified beneficiaries electing or participating in COBRA continuation coverage ("COBRA Continuant").

1.10 WEX shall mail WEX's portal login notice and standard payment coupons to COBRA Continuant after COBRA continuation coverage is elected and the first COBRA premium payment has been received.

1.11 WEX shall provide COBRA Continuant the option to make their COBRA premium payments by check or via automatic recurring ACH (automated clearing house electronic funds-transfer system) at no additional charge.

1.12 WEX shall provide COBRA Continuant the option to make their COBRA premium payments online with a credit card or by a single-occurrence ACH request. To the extent permitted by law and the applicable credit card operating rules and regulations, an additional online convenience processing fee charged by the online third-party vendor and payable by the third-party beneficiaries (or Employer, if Employer so elects) will apply to these payment methods. The convenience processing fee is collected by WEX and remitted to the third-party vendor.

1.13 WEX shall deposit COBRA premium payments in a custodial account for the benefit of Employer in the manner described in Article 3.

1.14 WEX shall collect, track, process, and remit to Employer (or remit to the third party designated by Employer to act in the place of Employer for the purpose of remittance) the COBRA premium payments paid by COBRA Continuant, Employer or a third party.

1.15 A remit to carrier option ("Remit to Carrier") is available at the option of Employer. In order for WEX to implement this option, Employer must submit a completed WEX COBRA ACH direct payments form to WEX. In addition, each applicable carrier must submit a completed WEX COBRA carrier remittance form to WEX. WEX will reserve the right to discontinue Remit to Carrier if the separate billing statement that includes only COBRA Continuant is not received from the carrier. Section 2.8 addresses Employer responsibilities for this option.

1.16 WEX shall coordinate with Employer and its insurers and third party administrators (collectively "carrier" or "carriers") to answer questions pertaining to COBRA continuation coverage eligibility and COBRA premium payment status.

- 1.17 Using WEX's standard forms and letters, WEX shall communicate with COBRA Continuant's concerning change of address, premium rate and benefit changes, COBRA continuation coverage eligibility status, Medicare eligibility, advance-termination notice for the individual conversion, individual conversion and private insurance options, and verification of termination.
- 1.18 WEX shall provide Employer real-time, online access to information related to the status of qualified beneficiaries and COBRA Continuant's.
- 1.19 WEX shall provide this information required in the event of an IRS or other third-party audit:
- The written compliance procedures used by WEX in the administration of COBRA.
  - Samples of WEX forms and notices.
  - WEX records that pertain to a qualified beneficiary's actual qualifying event or election or COBRA Continuant's continuation of coverage.
  - A description of how WEX administers COBRA coverage.
- 1.20 WEX shall provide Employer with the web portal login information so that Employer may notify WEX when an employee, spouse or dependent is initially added to coverage under the Plan and when an employee, spouse or dependent has experienced a qualifying event and is eligible for COBRA continuation coverage under the Plan.
- 1.21 WEX shall provide Employer with the file format required by WEX so that Employer may upload employee demographic, benefit, and qualifying event information using the employer web portal.
- 1.22 WEX shall provide a customer service line toll-free number for use during WEX normal business hours to answer questions and address issues concerning COBRA regulation, COBRA compliance, and COBRA premium payments.

Monday through Friday Central Time Zone  
Employers 7:00 a.m. to 7:00 p.m.  
Qualified Beneficiaries 6:00 a.m. to 9:00 p.m.

In compliance with applicable federal and state law, WEX may monitor and/or record calls that are made to and from the customer service line for quality assurance and training purposes and/or to ensure that WEX's services fully comply with the terms of this Agreement.

- 1.23 WEX shall notify a COBRA Continuant if COBRA coverage terminates earlier than the end of the maximum period of coverage applicable to the qualifying event that entitled the individual to COBRA continuation coverage. The notice will be provided as soon as administratively practicable after WEX determines that the COBRA continuation coverage will be terminated early.
- 1.24 WEX shall extend the maximum COBRA continuation coverage period in cases of disability and second qualifying events as allowed under COBRA.
- 1.25 WEX shall provide its standard system generated open enrollment/premium rate change letter during open enrollment. If requested by Employer, WEX will provide qualified beneficiaries with a link to additional plan and benefit description materials provided by Employer through the web portal for qualified beneficiary and COBRA Continuant viewing and printing.
- 1.26 Plan Records and Data
- (a) Written and electronic records containing personal information are securely destroyed or deleted consistent with business needs or legal retention requirements.
  - (b) Per business records needs and associated retention and secure destruction periods, WEX shall retain a copy of all information (as information is defined in Section 2.22, excluding emails or similar electronic communications destroyed in the ordinary course of business pursuant to WEX policy) for

at least seven (7) years from the date the record is created at WEX, including, without limitation, a record of all assets and transactions involving the Custodial Account (defined in Article 3).

- (c) Following the termination of this Agreement, WEX shall cooperate with Employer or Employer's subsequent service provider to effect an orderly transition of services provided under this Agreement and, within a reasonable time, will release to Employer a copy of data, records, and files in WEX's standard format.
- (d) Upon termination of this Agreement, WEX shall be entitled to retain a copy of all information, including any data, records, and files released by WEX pursuant to this Section 1.26 and continue to use and disclose such information for claims, audits, and legal and contractual compliance purposes to the extent permitted by law and any executed or applicable business associate agreement between the parties.

#### 1.27 Information Security Program

WEX represents and warrants that it has implemented and maintains a written and comprehensive information security program, and complies with all applicable domestic law and regulation, including without limitation, any privacy and data security law and regulatory requirements under applicable state law.

#### 1.28 Subcontracting

WEX may delegate or subcontract any portion of WEX services. For those WEX services that are delegated or subcontracted, WEX shall remain fully responsible to Employer for compliance with all applicable provisions of this Agreement or of any executed or applicable business associate agreement between the parties. No portion of WEX administrative services shall be delegated or subcontracted to an entity located outside the United States.

#### 1.29 Audit Rights

Employer may audit or inspect any transactions, procedures, records, and participant files relating to Covered employees or COBRA Continuant, at WEX's offices and at a time reasonably acceptable to WEX, upon providing ten (10) business days' advance written notice to WEX and at Employer's expense. Unless otherwise required by legal and/or regulatory compliance, audits must be completed within six (6) months following the date the audit begins.

#### 1.30 Confidentiality of Plan Information

WEX shall keep confidential all information that it obtains concerning the Plan. Other than in the due course of business, such information shall not be disclosed to a third party without prior approval of Employer or as otherwise provided in Article 4.

Employer may request that WEX share Plan information and other data with a vendor of the Plan or Employer. WEX shall consider all reasonable requests, however, prior to releasing or sharing any Plan information or other data, Employer represents that it will enter into a business associate agreement and/or confidentiality and data sharing agreement with the vendor.

For confidential or protected information transmitted by a vendor of the Plan to WEX, Employer must enter into a business associate agreement and/or confidentiality and data sharing agreement with the vendor.

#### 1.31 Benchmarks

WEX may, in its discretion, prepare and deliver to Employer benchmarks or other metrics showing the experience of Employer and its participants with the services provided herein as compared to other employers. WEX will develop any such benchmarks or metrics through the use of data that has been aggregated and de-identified consistent with any executed or applicable business associate agreement between the parties.

### 1.32 Limited Warranty

WEX represents and warrants to Employer that the WEX Services shall be performed in a professional manner consistent with generally accepted industry standards and applicable law.

### 1.33 Disclaimer

WEX does not insure or underwrite Employer's liability to provide benefits under the Plan. WEX shall not be liable or obligated to use its funds for payment of benefits under the Plan, including, without limitation, where such payment of benefits is sought as damages in an action against Employer, WEX or the Plan. Employer shall promptly reimburse WEX for any benefit payments made using WEX funds.

### 1.34 Non-Discrimination Testing and Additional Product and Service Solutions

Employer may subscribe to WEX's non-discrimination testing and request additional products and services solutions from WEX.

## **ARTICLE 2 EMPLOYER RESPONSIBILITIES**

- 2.1 Employer shall provide accurate Covered employee counts to WEX on a monthly basis or as requested by WEX. Employer shall have thirty (30) days from the date of the invoice to correct a Covered employee count for credit or refund. Employer represents and warrants the accuracy of any information Employer provides to WEX regarding Covered employee counts.
- 2.2 Employer shall provide complete demographic and benefit information to WEX for its current COBRA Continuant on or by the date agreed upon during the implementation process.
- 2.3 Employer shall enter or upload an electronic file via the employer web portal containing complete demographic and benefit election information within seven (7) days of employees, their spouses, and/or dependents obtaining coverage under the Plan.
- 2.4 Employer shall notify WEX within seven (7) days of any initial qualifying event or the date coverage is lost due to the qualifying event once Employer is notified with respect to an employee, spouse or dependent.
- 2.5 Employer shall notify WEX within seven (7) days of a second qualifying event should Employer be notified of a second qualifying event that occurs with respect to an employee, spouse or dependent.
- 2.6 The foregoing seven (7) day notice timelines address all potential notice requirements. However, notwithstanding the foregoing, no matter when received, WEX will process the notice.
- 2.7 Unless directed otherwise by WEX, Employer shall provide notice of a qualifying event by entering the required qualifying event information directly into the employer web portal or by uploading an electronic file via the employer web portal. Employer is solely responsible for determining whether an employee, spouse or dependent has experienced an initial qualifying event under the Plan and the date of the qualifying event.
- 2.8 For Remit to Carrier, Employer shall be solely responsible for its carrier to send a separate billing statement to WEX that includes only COBRA Continuant.
- 2.9 For Remit to Carrier, Employer shall submit a completed WEX COBRA ACH Direct Payments form to WEX. Failure to submit a completed WEX COBRA ACH Direct Payments form will result in WEX remitting COBRA premium payments to Employer. Employer is at all times responsible to pay to WEX its portion of the premium, where applicable, prior to WEX remitting premiums to the carrier.
- 2.10 Employer (or the third party designated by Employer to act in the place of Employer for the purpose of remittance) shall be responsible for reconciling carrier billings with the online reports provided by WEX through the employer web portal. The parties acknowledge that carriers often restrict the ability to retroactively terminate COBRA coverage (even in cases of non-payment of premiums by the COBRA Continuant). WEX



shall not be liable for paying any loss or damage (including premiums) to Employer with respect to any retroactive termination of COBRA coverage, provided that WEX has performed in accordance with this Agreement. WEX reserves the right to decline to implement any retroactive changes in premium rates requested by Employer, retroactive beyond thirty (30) days.

- 2.11 Employer shall be responsible for selecting a determination period and establishing and advising WEX of the applicable premium rates to be charged for COBRA continuation coverage. Employer must notify WEX in writing at least forty-five (45) days in advance of the applicable billing date of: (a) any changes in premium rates affecting COBRA coverage under the Plan; and (b) any changes in premium rates during an open enrollment period, so that WEX has time to process the changes prior to the effective date.
- 2.12 WEX acknowledges that carriers may not always provide information about premium rate changes in a timely manner. If Employer is unable to notify WEX in writing at least forty-five (45) days in advance of the applicable billing date of any changes in premium rates, WEX will make commercially reasonable efforts to process the changes prior to the effective date.
- 2.13 Employer shall be solely responsible for any differences in premium payments when notification of a premium rate change is not provided to WEX at least forty-five (45) days in advance, causing payments made by COBRA Continuant to be incorrect for the new determination period.
- 2.14 Employer shall advise WEX of any material changes in the benefits and options provided by the Plan.
- 2.15 Employer shall be responsible for its compliance with the Patient Protection and Affordable Care Act of 2010 ("PPACA"), the Employee Retirement Income Security Act of 1974 ("ERISA"), the Health Insurance Portability and Accountability Act of 1996 ("HIPAA"), the Internal Revenue Code (the "Code"), each as amended from time-to-time, and other applicable law and regulation.
- 2.16 Employer agrees to hold WEX harmless from and against all liability, damages, costs, losses, and expenses (including reasonable attorney fees) and expressly releases all claims against WEX in connection with any claim or cause of action arising out of any activity or occurrence prior to the commencement of services under this Agreement that results from the failure or alleged failure of Employer, its officers and employees, and any other entity related to or performing services on behalf of Employer (other than WEX) to comply with the PPACA, COBRA, ERISA, HIPAA, the Code or any other applicable law or regulation.
- 2.17 Employer shall review and be responsible for the payment of all claims under the Plan and ERISA, including, without limitation, claims and appeals for benefits and claims and appeals for eligibility determinations under the Plan. WEX is not responsible to receive or review claims for benefits under the Plan and shall not be liable for the payment of any claims for benefits in connection with the Plan, including, without limitation, where sought as damages in an action against Employer or the Plan or for any activity or occurrences prior to the Effective Date of this Agreement, provided that such activity or occurrence did not result from the services performed by WEX in accordance with this Agreement.
- 2.18 Employer shall maintain and provide written internal compliance procedures used for notifying WEX of a newly covered employee, spouse or dependent, a qualifying event, a report of terminations for each tax year, or when there are premium rate and benefit changes in the event of an IRS or any third-party audit.
- 2.19 Employer shall provide for the release of information necessary for COBRA compliance and administration under this Agreement.
- 2.20 Employer shall provide plan and benefit descriptions (e.g., Summary of Benefits and Coverage (SBC), Summary Plan Description (SPD), and benefit plan booklets, etc.) to qualified beneficiaries during open enrollment. WEX's standard process is to provide a link to these additional materials through the qualified beneficiary web portal for viewing and printing. If requested by Employer, WEX may include these additional materials with its standard open enrollment/rate change letter as long as Employer provides WEX with an electronic PDF image of the additional open enrollment materials. A handling fee of \$1.50 per page (duplex) will apply for these additional materials. WEX will allow up to twenty-five (25) duplexed pages, including the standard open enrollment/rate change letter.

**2.21** Employer acknowledges and agrees that WEX shall:

- (a) Have no duty with respect to the funding of premiums by Employer or qualified beneficiaries who elect COBRA;
- (b) Not be liable for paying any premiums of a qualified beneficiary to a carrier or Employer to the extent that WEX did not receive the corresponding payment from the qualified beneficiary, Employer or third party;
- (c) Not be liable for any failure of Employer to remit to a carrier any funds Employer receives from WEX;
- (d) Not be liable for any failure of Employer to reconcile its carrier billings to online reports provided by WEX through the employer web portal;
- (e) Not be liable for any retroactive premium rate changes requested by Employer;
- (f) Not be liable for any failure of Employer to modify its carrier billings and notify carriers of a COBRA Continuant's termination from COBRA coverage when WEX remits premiums paid by COBRA Continuant to Employer;
- (g) Not be responsible for failure of delivery of any notice mailed by WEX using the qualified beneficiary information provided to WEX by Employer, which failure is due to the use of said information; and
- (h) Not be responsible for any loss or damage suffered by any participant, COBRA Continuant, Employer or Plan, should WEX fail to give a required notice or a complete notice because WEX did not receive notice of an event for which a notice was required, WEX did not receive complete information, or WEX received incorrect information.

**2.22** Employer Information and Instructions

- (a) WEX shall be fully protected in relying upon representations and communications made by or on behalf of Employer in effecting its obligations under this Agreement.
- (b) WEX is entitled to rely on the most current information in its possession when providing services under this Agreement.
- (c) WEX shall provide the services in accordance with this Agreement based on information that is provided to WEX by Employer, Covered employee or qualified beneficiary. For this purpose, "information" means all data, records and other information supplied to WEX, obtained by WEX or produced by WEX (based on data, records or other information supplied to, or obtained by, WEX) in connection with performing the services pursuant to this Agreement, regardless of the form of the information or the manner in which the information is provided to WEX.
- (d) In engaging WEX to perform the services under this Agreement, Employer has authorized and instructed WEX in this Agreement to implement WEX's standard administrative forms and procedures.
- (e) WEX is not responsible for any acts or omissions it makes in reliance upon the direction or consent of Employer, Covered employee or a qualified beneficiary or inaccurate, misleading or incomplete information from Employer or any third party.
- (f) If Employer instructs WEX with a specific written request (in a format acceptable to WEX) to provide services in a manner other than in accordance with WEX's standard forms and procedures, WEX may (but need not) comply with such an instruction. This would include, but is not limited to, any Employer instruction to add a vendor link to the consumer portal. To the extent that WEX complies with such an instruction, Employer and not WEX shall be solely responsible for WEX's action so taken, and Employer agrees to hold WEX harmless from and against all liability, damages, costs, losses and expenses (including reasonable attorney fees) and expressly releases all claims against WEX in connection with any claim or cause of action, which results from or in connection with WEX complying

with Employer's specific written instruction to provide services in a manner other than in accordance with WEX's standard procedures.

- (g) Employer is responsible for the integrity of data in the files. Therefore, complete and accurate information from Employer is required in order for WEX to perform the services set forth herein.
- (h) Employer agrees not to use the full social security number in the employee identification number field.

## 2.23 Employer's Electronic Account

For access to the services provided by WEX via an online account or other electronic means ("Employer's Electronic Account"), Employer is solely responsible for:

- (a) Designating who is authorized to have access to Employer's Electronic Account;
- (b) Safeguarding all of Employer's passwords, usernames, logins or other security features used to access Employer's Electronic Account ("Electronic Account Access");
- (c) Employer's use of Employer's Electronic Account under any usernames, logins or passwords;
- (d) Ensuring that use of Employer's Electronic Account complies fully with the provisions of this Agreement;
- (e) Any unauthorized access of Employer's Electronic Account due to Employer's actions or inactions, including, without limitation, Employer's failure to safeguard Employer's Electronic Account or Electronic Account Access; and
- (f) The maintenance and routine review of its computing and electronic system usage records (i.e., log files) and the security of its own data, data storage, computing devices, other electronic systems, and network connectivity.

## 2.24 Plan Tax Obligations

The Plan and/or Employer on behalf of the Plan is responsible for any state or federal tax, fee, assessment, surcharge and/or penalty imposed, assessed or levied against or with respect to the Plan and/or WEX relating to the Plan or the services provided by WEX pursuant to this Agreement, including those imposed pursuant to PPACA. This includes the funding, remittance, and determination of the amount due for PPACA required taxes and fees. In the event that WEX is required to pay or elects to pay any such tax, fee, assessment, surcharge and/or penalty on behalf of Employer, WEX shall report the payment to Employer along with documentation of the payment and Employer shall promptly reimburse WEX for the full amount or for Employer's proportionate share of such amount, as determined by WEX, except as provided in Section 7.3. This reimbursement would be in addition to the fees described in Section 6.1. Employer is at all times responsible for the tax consequences of the establishment and operation of the Plan. Further, the parties agree that WEX does not provide any legal, tax or accounting advice to the Plan and/or Employer. WEX is at all times responsible for all the taxes based upon its net income and its property ownership.

## 2.25 Enumeration System Identifier

If required, Employer is solely responsible to the Plan to obtain or assign the standard unique Health Plan Identifier ("HPID") or Other Entity Identifier ("OEID") or to update the enumeration system per 45 CFR § 162.508.

## 2.26 Acknowledgement

Employer acknowledges and agrees that the services provided by WEX pursuant to this Agreement relate to enrollment and disenrollment in the Plan and that these services to the extent permitted under HIPAA shall be deemed to be performed by WEX on behalf of Employer in its capacity as the sponsor of the Plan.

## 2.27 Carrier Notifications

WEX's standard practice is to notify the applicable carrier of a qualified beneficiary's enrollment in, changes to or termination from COBRA coverage. However, if instead, Employer instructs WEX to send all such notifications to Employer or to a third party other than the applicable carrier, Employer: (a) is responsible to ensure the carrier is updated in a timely manner; (b) is responsible to provide urgent updates to the carriers in a timely manner as necessary; (c) accepts all responsibility and liability for the carrier notifications; and (d) expressly releases all claims against WEX in connection with the carrier notifications and agrees to hold WEX harmless from and against all liability, damages, costs, losses and expenses (including reasonable attorney fees) that result from the failure or alleged failure of Employer, its officers and employees, and any other entity (other than WEX) in connection with such carrier notifications.

## 2.28 Coverage Eligibility

Employer shall be solely responsible for its carrier compliance with COBRA continuation coverage regulatory guidelines that allow for retroactive changes or terminations for qualified beneficiary or COBRA Continuant coverage eligibility beyond sixty (60) days.

# **ARTICLE 3 CUSTODIAL ACCOUNT**

## 3.1 Appointment and Acceptance of Custodian

By signing this Agreement, Employer appoints WEX as custodian of Employer funds for the purposes and upon the terms and conditions set forth in this Agreement, and WEX accepts such appointment and agrees to act as custodian hereunder and to hold any Employer funds received hereunder in accordance with the terms and conditions set forth in this Agreement.

## 3.2 Custodial Account

WEX maintains one or more depository accounts (the "Custodial Account") at a bank designated by WEX and holds in such Custodial Account all COBRA continuation premiums received from COBRA Continuant or on their behalf from third parties, less any portion of the premium payment that constitutes administrative fees payable by the COBRA Continuant. Upon deposit, such premiums shall become Employer funds (less any applicable fees or other costs as set forth in this Agreement). For administrative convenience and to reduce costs, WEX shall hold Employer funds together with similar funds from other employers in a single Custodial Account (or one or more Custodial Accounts as determined by WEX). WEX shall maintain records as to the exact amount of funds allocated to each employer. Each employer has a legal right to the specific amount of its funds held in the Custodial Account for such employer.

At all times, the assets comprising each employer's funds in the Custodial Account shall be considered a separate subaccount for purposes of this Agreement.

Depending upon the context, the term "Custodial Account" as used herein shall refer to either the separate subaccount for Employer or all of the subaccounts for all employers in the aggregate.

## 3.3 Employer Funds

Employer and WEX intend and agree that the funds transferred to the Custodial Account shall be comprised of and shall remain the general assets of Employer. The COBRA continuation premiums received from COBRA Continuant are after-tax contributions relieved from the ERISA trust requirements. Except to the extent that outstanding checks have been written or withdrawals made against the Custodial Account balance on behalf of Employer, and subject to Section 6.3, Employer funds may be withdrawn by Employer at any time (less



any applicable fees or other costs as set forth in this Agreement) and are subject to Employer's general creditors in the same manner as funds deposited in Employer's ordinary checking accounts.

### 3.4 Disbursements

WEX shall forward the COBRA continuation premiums (less the 2% additional premium allowed by COBRA for administrative costs charged to COBRA Continuant) from the Custodial Account to the applicable carrier or to Employer or Employer's designee as directed by Employer and in accordance with this Agreement. WEX shall neither have nor shall be deemed to have any discretion, control or authority with respect to the disposition of Employer Funds.

### 3.5 Interest Earned

Employer acknowledges and understands that from time to time, WEX may receive earnings and interest on the funds held in the Custodial Account and that any such earnings or interest shall be part of WEX's compensation.

Employer acknowledges and understands that fees otherwise charged by WEX for services under this Agreement may be greater if WEX did not retain such earnings and interest on these funds.

The period during which interest may be earned begins on the date Employer funds are deposited into the Custodial Account and continues for as long as Employer funds remain in the Custodial Account.

Funds shall be disbursed on a first-in, first-out basis.

WEX does not track nor can it report interest earned for a single employer. WEX absorbs other bank charges, such as transmission charges, within the fees.

### 3.6 Maintenance of Records

Upon Employer's written request, WEX shall provide Employer with an accounting of all Employer assets, transfers, and transactions activity involving the Custodial Account, including a description of all receipts, disbursements, and other transactions.

## **ARTICLE 4 CONFIDENTIAL BUSINESS INFORMATION AND INTELLECTUAL PROPERTY**

### 4.1 General Obligations

For purposes of this Article 4, "confidential business information" shall mean any business information identified by either party as "confidential" and/or "proprietary", or which, under the circumstances, ought to be treated as confidential or proprietary, including non-public information related to the disclosing party's business, service methods, software, documentation, financial information, prices, and product plans. Neither WEX nor Employer shall disclose confidential business information of the other party. The receiving party shall use reasonable care to protect the confidential business information and ensure it is maintained in confidence, and in no event use less than the same degree of care as it employs to safeguard its own confidential business information of like kind.

The foregoing obligation shall not apply to any information that: (a) is at the time of disclosure, or thereafter becomes, part of the public domain through a source other than the receiving party; (b) is subsequently learned from a third party that does not impose an obligation of confidentiality on the receiving party; (c) was known to the receiving party at the time of disclosure; (d) was generated independently by the receiving party; or (e) is required to be disclosed by law, subpoena or other process.

WEX may disclose Employer's or the Plan's confidential business information to a governmental agency or other third party to the extent necessary for WEX to perform its obligations under this Agreement or if Employer has given WEX written authorization to do so.

Although WEX may have confidential business information processed, managed, and/or stored with subcontractors or third parties, it remains fully responsible to Employer for the confidentiality obligations set forth herein.

#### 4.2 Financial Statements and Audit Information

If Employer requests access to certain financial statements and/or service organization control audit reports or other audit information of WEX for the purpose of reviewing the financial, operating, and business condition of WEX, and WEX agrees to provide such information, Employer's acceptance of or access to such confidential information shall constitute its agreement with the following:

- Employer shall maintain the information (whether communicated by means of oral, electronic or written disclosures) in confidence and shall not use the same for its own benefit, or for any purpose other than the furtherance of its review, or disclose the same to any third party.
- Employer may disclose the information to its own officers, employees, and agents on a need-to-know basis for the purposes of its review.
- Employer shall use reasonable care to protect the information and to ensure that it is maintained in confidence, and in no event use less than the same degree of care as Employer uses to safeguard its own confidential information.
- If Employer is a state agency or otherwise subject to a freedom of information type statute, the information shall be treated as confidential and exempt from disclosure in accordance with applicable law, as the information contains sensitive proprietary business information and data defined as trade secret information that would not otherwise be publicly available and that disclosure of this information to the public, including WEX's competitors, would likely result in substantial harm to WEX's competitive positions and also contains confidential supervisory information and personal information relating to directors, officers, and major shareholders of WEX, the disclosure of which would constitute an unwarranted invasion of personal privacy.

#### 4.3 Intellectual Property

All materials, including, without limitation, documents, forms (including data collection forms provided by WEX), brochures, and online content ("Materials") furnished by WEX to Employer are licensed, not sold. Employer is granted a personal, non-transferable, and nonexclusive license to use Materials solely for Employer's own internal business use. Employer does not have the right to copy, distribute, reproduce, alter, display or use these Materials or any WEX trademarks for any other purpose other than its own internal business use. Employer shall use commercially reasonable efforts to prevent and protect the content of Materials from unauthorized use. Employer's license to use Materials ends on the termination date of this Agreement.

Upon termination, Employer agrees to destroy Materials or, if requested by WEX, to return them to WEX, except to the extent Employer is required by law to maintain copies of such Materials.

WEX retains exclusive ownership rights to and reserves the right to independently use its experience and know-how, including processes, ideas, concepts, techniques, and software acquired prior to or developed in the course of performing services under this Agreement.

#### 4.4 Application

Each party agrees that its obligations contained in this Article 4 apply also to its parent, subsidiary, and affiliated companies, if any, and to similarly bind all successors, employees, and representatives.

## **ARTICLE 5 TERM AND TERMINATION**

- 5.1** The term of this Agreement shall commence as of the Effective Date and shall continue for a period of twelve (12) months (the "Initial Term").
- 5.2** This Agreement shall automatically renew for another twelve (12) months at the end of the Initial Term and every twelve (12) months thereafter unless terminated pursuant to Section 5.3 or Section 5.4 or Section 5.5.
- 5.3** Notwithstanding the foregoing, this Agreement may be terminated at any time during the Initial Term or any renewal term by Employer or by WEX without cause and without liability with written notice of the intention to terminate to be effective as of a date certain set forth in the written notice, not fewer than sixty (60) days following the date of such notice.
- 5.4** This Agreement may be terminated upon written notice:
- (a) If any law is enacted or interpreted to prohibit the continuance of this Agreement, upon the effective date of such law or interpretation;
  - (b) If any fee (to the extent not subject to a good faith dispute) for any service provided by WEX to Employer remains unpaid to WEX beyond thirty (30) days past the due date, upon written notification by WEX to Employer that WEX intends to exercise its option to enforce this provision; or
  - (c) Due to (i) a party's filing for bankruptcy, (ii) a party's making any assignment for the benefit of creditors, (iii) a party's consenting to the appointment of a trustee or receiver, (iv) a party's insolvency, as defined by Applicable Law, or (v) the filing of an involuntary petition against Employer under the Federal Bankruptcy Code or any similar state or federal law which remains un-dismissed for a period of forty-five (45) days.
- 5.5** If a party is in default under any provision of this Agreement other than a payment default, the other party may give written notice to the defaulting party of such default. If the defaulting party has not used good faith efforts to cure such breach or default within thirty (30) days after it receives such notice or if good faith efforts to cure have begun within thirty (30) days but such cure is not completed within sixty (60) days after receipt of the notice, the other party shall have the right by further written notice to terminate this Agreement as of any future date designated in the notice.
- 5.6** Employer shall pay all fees not subject to a good faith dispute that have accrued up to the date of the termination of this Agreement within thirty (30) days after the date of the termination.
- 5.7** Upon termination of this Agreement, any funds in the Custodial Account that have not been disbursed in accordance with the terms and conditions of this Agreement shall be returned to Employer less any applicable undisputed unpaid fees, costs or expenses as set forth in this Agreement.
- 5.8** If this Agreement is terminated under Sections 5.3 or 5.4, WEX will cease the performance of any further services under this Agreement unless both parties agree in writing that certain services shall continue for an additional period. Upon prepayment, if requested by WEX, of the fees for this additional period or upon continued monthly invoicing, WEX will continue the processing of qualifying events, initial notices, the collection and tracking of COBRA premium payments, forwarding premiums to Employer and processing and reporting of COBRA elections and terminations with respect to those qualified beneficiaries who incurred a qualifying event prior to the date of termination of this Agreement.
- 5.9** Upon the completion of the later of the Agreement, or any period of further services, WEX will cease the performance of these COBRA administration services and Employer shall be immediately responsible for all aspects of COBRA administration. WEX shall return to Employer any Employer funds in the Custodial Account. However, the return of such funds shall remain subject to the completion of a final accounting of all account activities, as well as the deduction of undisputed unpaid fees and other expenses under this Agreement or any other agreement between the parties. As necessary, WEX shall have the immediate right to demand and pursue collection of any unpaid fees, reimbursements or other amounts that are due and owing to WEX as of the date of termination pursuant to the terms of this Agreement or any other agreement between the parties.

## **ARTICLE 6 COST OF SERVICES**

### **6.1 Administrative Services Fees**

- (a) Employer shall pay WEX a fee for its services under this Agreement. This fee shall be payable in accordance with the fee schedule attached hereto. Fees are invoiced monthly and are due within thirty (30) days of the invoice date. If Employer disputes in good faith any portion of the fees invoiced, Employer shall provide WEX with written notice of any disputed fees together with a complete written explanation of the reasons for the dispute (the "Dispute Notice") within thirty (30) days of the invoice date. The parties shall work together in good faith to reach a mutually agreeable resolution of the dispute identified in the Dispute Notice for a period of ten (10) days following the date of the Dispute Notice.
- (b) As part of the administrative fees under this Agreement, WEX shall also retain the 2% additional premium allowed by COBRA for administrative costs charged to COBRA Continuant. If state or local law prevents COBRA Continuant from being charged the additional 2% premium, then the additional 2% premium shall become a fee paid by the Employer to WEX for its services under this Agreement. This fee shall be payable in accordance with the fee schedule attached hereto. Such fee will be invoiced monthly and will be due within thirty (30) days of the invoice date.
- (c) Notwithstanding the foregoing, WEX reserves the right to:
- Charge for the provision of additional services that were neither included in nor contemplated by this Agreement on the Effective Date;
  - Charge for proprietary technology and services;
  - Increase fees based on additional costs imposed on WEX, such as significant postal rate or bank fee increases or substantiated increased costs due to legislative or regulatory changes, domestic or foreign, actually incurred in performing its services; and
  - Pass through any fees charged to WEX by a vendor of Employer.
- WEX shall provide Employer with reasonable prior written notice of such charges or increases.
- (d) On or after the rate expiration date indicated on the fee schedule, WEX reserves the right to amend the fee schedule with at least sixty (60) days' advance written notice. If Employer is unwilling to accept the changes to the fee schedule, Employer may terminate this Agreement by providing notice to WEX no later than the effective date of the fee schedule amendment.
- (e) Fees quoted assume that WEX's standard software and systems will be compatible with Employer's software and systems and with any prior service provider's software and systems so that the services can be readily performed without any modifications or alterations of WEX's software and systems. In the unusual event that costs are incurred by WEX to integrate the WEX services with Employer's software and systems and/or in migrating the data from the prior service provider to WEX's systems, those costs may be charged separately on a time and materials basis or as otherwise provided under a separate agreement between the parties.

### **6.2 Non-Party Payment on Behalf of Employer and Compliance with Anti-Rebating Law**

Employer represents and warrants that if someone other than Employer is paying WEX's fees on behalf of Employer, the making of such payment shall not violate any applicable anti-rebating law and agrees to hold WEX harmless (including reasonable attorney's fees) from all losses that result from Employer's breach of this provision.



### **6.3 Past Due Fees**

Notwithstanding anything in this Agreement or any other agreement between the parties to the contrary, if Employer fails to pay WEX any amount (except for amounts subject to a good faith dispute) that is due as a result of the services provided by WEX to Employer under this Agreement or any other agreement between the parties, WEX shall be permitted to deduct the undisputed amount from any funds held by WEX that were received from Employer. This right of offset shall be in addition to any other remedies that WEX may have in this Agreement or any other agreement between the parties with respect to such non-payment, including, without limitation, any right to terminate this Agreement or a right of recoupment, regardless of whether the past due amount is paid in full as a result of the offset or recoupment rights provided herein.

## **ARTICLE 7 GENERAL**

### **7.1 Limitations of Liability**

Notwithstanding any other provision in this Agreement to the contrary, the total cumulative liability of WEX to Employer for all claims, actions, or suits however caused arising out of or in connection with this Agreement shall be limited to direct damages and shall not exceed the greater of: (a) the amount of fees received by WEX from Employer under this Agreement for the twelve (12) months prior to the occurrence of the event giving rise to any such claims, actions or suits; or (b) amounts payable and actually paid to Employer or WEX resulting from Employer's claim, as applicable, under the insurance policies provided for under Section 7.2 of this Agreement.

In no event shall either party be liable to the other for consequential, special, exemplary, punitive, indirect or incidental damages, including, but not limited to, any damages resulting from loss of use, or loss of profits arising out of or in connection with this Agreement, whether in an action based on contract, tort (including negligence) or any other legal theory whether existing as of the Effective Date or subsequently developed, even if the party has been advised of the possibility or foreseeability of such damages.

No action under this Agreement may be brought by either party more than two (2) years after the cause of action has accrued.

WEX and Employer expressly agree that the limitations of liability in this Section 7.1 represent an agreed allocation of the risks of this Agreement between the parties. This allocation is reflected in the pricing offered by WEX to Employer and is an essential element of the basis of the bargain between the parties.

### **7.2 Insurance**

During the term of this Agreement, WEX shall maintain general liability insurance and professional/cyber liability insurance with policy limits of not less than \$5,000,000 per occurrence and in the aggregate.

WEX maintains commercial crime insurance, including employee dishonesty coverage with policy limits of not less than \$5,000,000.

Upon request, WEX shall provide Employer with a certificate or certificates of insurance reflecting such insurance coverages.

### **7.3 Indemnification**

- (a) Subject to the limitations in Section 7.1, WEX will indemnify, defend and hold harmless Employer (and its respective officers, directors, employees, authorized representatives, successors, and permitted assigns) from and against all Charges, liability, damages, costs, losses, penalties, expenses and reasonable attorney's fees (collectively, "Losses") incurred by Employer in connection with any threatened, pending or adjudicated claim, demand, action, suit or proceeding by any third party (including an action brought by or on behalf of an employee or a participant) to the extent arising out of WEX's (i) fraudulent or criminal actions or omissions or (ii) material breach of this Agreement or of any executed or applicable business associate agreement between the parties.

- (b) In addition to Sections 2.16, 2.22, 2.27, and 6.2, Employer will indemnify, defend and hold harmless WEX (and its respective officers, directors, employees, authorized representatives, successors, and permitted assigns) from and against all Losses incurred by WEX in connection with any threatened, pending or adjudicated claim, demand, action, suit or proceeding by any third party (including an action brought by or on behalf of an employee or a participant) to the extent arising out of Employer's (i) fraudulent or criminal actions or omissions or (ii) material breach of this Agreement or of any executed or applicable business associate agreement between the parties.

If Employer is a state agency or otherwise subject to a public entity/political subunit non-indemnification type statute and therefore unable to indemnify under this subsection, Employer agrees that WEX shall not be responsible for any injury or damage that occurs as a result of any negligent act or omission committed by Employer, including its employees or assigns.

- (c) The party seeking indemnification under Sections 7.3(a) or 7.3(b) above must notify the indemnifying party within thirty (30) days in writing of any actual or threatened claim, demand, action, suit or proceeding to which it claims such indemnification applies. Failure to so notify the indemnifying party shall not be deemed a waiver of the right to seek indemnification, unless the actions of the indemnifying party have been materially prejudiced by the failure of the other party to provide notice within the required time period.

The indemnifying party may (but is not required to) take steps to be joined as a party to any proceeding in which indemnification has been claimed, and the party seeking indemnification shall not oppose any such joinder. Whether or not such joinder takes place, the indemnifying party shall provide the defense with respect to Losses to which this Section 7.3 applies and in doing so shall have the right to control the defense and settlement with respect to such claims to the extent that the defense and settlement relates to the payment of monetary compensation.

The party seeking indemnification may assume responsibility for the direction of its own defense at any time, in whole or in part, in which case the costs and expenses, including reasonable attorney fees, of the defense shall become Losses subject to indemnification under this Section 7.3 by the indemnifying party.

The party seeking indemnification may assume at any time, in whole or in part, the right to settle or compromise any Losses against it with the reasonable consent of the indemnifying party, and such settlement or compromise that relates to monetary compensation shall become Losses subject to indemnification under this Section 7.3 by the indemnifying party.

- (d) For purposes of this Section 7.3, "Charges" means: (i) excise taxes imposed under Code Section 4980B (26 USC § 4980B), subject to the provisions of the aggregate limitations set forth in Code Section 4980B and the right of the assessed party to challenge the Internal Revenue Service with respect to all or part of the imposition of such excise taxes; and/or (ii) penalties (in an amount up to \$110 per day) that are imposed by a court under Section 502(c)(1) of ERISA (29 USC § 1132) and that are paid. Charges shall not include the payment of the claims for benefits under the terms of the Plan.

## ARTICLE 8 MISCELLANEOUS

### 8.1 Number

Where the context of this Agreement requires, the singular shall include the plural and vice versa.

### 8.2 Force Majeure

Notwithstanding anything to the contrary contained herein, neither party shall be responsible or liable if the performance of its obligations hereunder is hindered or adversely affected or becomes impossible or impracticable, as a result of an event or effect that the party could not have anticipated or controlled or for any failure or delay in the performance of its obligations hereunder arising out of or caused by, directly or indirectly, forces beyond its reasonable control, including, without limitation, lockouts, strikes, work stoppages

or other labor disruption, accidents, epidemics, pandemics, quarantines, war (whether declared or undeclared), acts of war or terrorism (whether foreign or domestic in origin), insurrection, sabotage, riot, a decree of health emergency, national emergencies or other man-made emergency, civil or military disturbances including any law, regulation, order or other action by any governmental authority, nuclear or natural disasters or acts of God, interruptions, loss or malfunctions of utility, transportation, communications or computer (software and hardware) services, including the disruption or outage of the Internet, or disruption of financial markets or banking functions (a "Force Majeure Event").

A party affected by a Force Majeure Event shall as soon as reasonably practicable after the occurrence of the Force Majeure Event or the occurrence of harm resulting from such a Force Majeure Event that causes the party to be unable to perform: (a) provide written notice to the other party of the nature and extent of any such Force Majeure Event; and (b) use commercially reasonable efforts to remedy any inability to perform due to such a Force Majeure Event.

### 8.3 Waiver

If either party fails to enforce any right or remedy under this Agreement, that failure is not a waiver of the right or remedy for any other breach or failure by the other party.

### 8.4 Severability

If any provision of this Agreement is determined to be unenforceable or invalid, such determination shall not affect any other provision, each of which shall be construed and enforced as if such invalid or unenforceable provision were not contained herein.

### 8.5 Governing Law

This Agreement and the legal relations between the parties hereto shall be governed by and construed in accordance with the internal laws of the State of North Dakota (without regard to the laws of conflict that might otherwise apply) as to all matters, including without limitation, matters of validity, interpretation, construction, effect, performance, enforcement and remedies.

### 8.6 Dispute Resolution

Excluding all matters pertaining to the collection of amounts due to WEX arising out of the services provided, any claim, controversy or dispute arising out of, or relating to, this Agreement, in addition to disputes about invoices per Section 6.1, first promptly shall be settled by managers with direct day-to-day responsibility under this Agreement, and if not so settled, promptly shall be addressed by executives of the parties who have authority to settle the dispute. A party wishing to raise a dispute shall give prompt written notice to the other party, and the good faith attempt to resolve the dispute, as described in the foregoing sentence, shall take place within thirty (30) days thereafter. Engaging in the dispute resolution process described in this Section 8.6 shall be a condition precedent to proceeding with litigation.

Notwithstanding the foregoing, this provision shall not prevent either party from seeking injunctive relief (or any other provisional remedy) from any court having jurisdiction over the parties and the subject matter of their dispute relating to this Agreement.

To the extent this Agreement must be enforced in a court of law, the parties agree that it can only be brought in the United States District Court for the District of North Dakota, and both parties consent to such jurisdiction and venue.

### 8.7 Waiver of Jury Trial

To the extent this Agreement must be enforced in a court of law, each party hereto irrevocably waives all right to trial by jury in any legal proceeding arising out of or relating to this Agreement or the transactions contemplated hereby, provided, however, that for judicial economy purposes, if a party desires to implead or otherwise add the other party to a third-party claim and such third-party claim is already a jury trial, the

foregoing waiver of jury trial shall not apply. The waiver may not apply in any criminal case without the written consent of the defendant.

#### **8.8 Notice**

Any notice required or permitted to be given under this Agreement shall be deemed delivered to the address set forth in this Agreement or such other physical or electronic address as specified by the party: (a) when received if delivered by hand; (b) the next business day if placed with a reputable express carrier for delivery during the morning of the following business day; (c) three (3) days after deposit in the U.S. mail for delivery, postage prepaid; or (d) when received if delivered electronically. WEX: 82 Hopmeadow Street, Simsbury, CT 06089, Attention: General Counsel.

#### **8.9 Entire Agreement**

This Agreement constitutes the entire agreement between the parties with respect to the subject matter hereof, and supersedes all prior or contemporaneous agreements and understandings, whether written or verbal. In the event of a conflict between the terms and conditions of this Agreement and the terms and conditions of any purchase order, payment processing agreement, or other document relating to the services provided by WEX herein, the terms and conditions of this Agreement shall control. Further, the terms and conditions of this Agreement shall prevail over any additional terms contained in any such purchase order, payment processing agreement, or other document. Any amendment to this Agreement must be in writing and consented to by authorized representatives of both parties. The provisions of this Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their heirs, permitted assigns, and successors in interest. Unless expressly set forth in this Agreement, nothing in this Agreement is intended to confer, and nothing herein shall confer upon any person other than the parties hereto, any rights, remedies, obligations or liabilities whatsoever.

#### **8.10 Assignment**

This Agreement may not be assigned by either party without the prior written consent of the other unless to an affiliate or in connection with a change in control, merger, acquisition or sale of all or substantially all of the party's assets and provided that the surviving entity has agreed to be bound by this Agreement and has notified the other party in writing within thirty (30) days following the date of the assignment. If consent is required, the parties shall not unreasonably withhold or delay consent.

#### **8.11 Survival**

Those provisions that by their nature are intended to survive termination or expiration of this Agreement shall so survive.

#### **8.12 Relationship of the Parties**

Employer and WEX acknowledge and agree that WEX is retained under this Agreement as an independent contractor of Employer to assist Employer with its obligations to comply with the continuation coverage provisions of COBRA, and that WEX is not a fiduciary under ERISA and lacks any discretion hereunder. Employer agrees that use of or offset of amounts in the Custodial Account to pay for fees or other amounts due to WEX under this Agreement shall constitute an Employer action that is authorized by Employer under this Agreement. Employer agrees that such actions are not discretionary acts of WEX and do not create fiduciary status for WEX. This Agreement is not intended to create, nor does it create and shall not be construed to create, a relationship of partner or joint venture or any association for profit between Employer and WEX.

#### **8.13 Authority**

Neither WEX nor Employer, when dealing with the other party in relation to the Plan, shall be obliged to determine the other party's authority to act pursuant to this Agreement.



## **BUSINESS ASSOCIATE AGREEMENT**

### **RECITALS**

WHEREAS, WEX provides certain administrative services, activities or functions in connection with the Plan ("Services") pursuant to a services agreement ("Services Agreement") between WEX and Employer (also "Sponsor"); and

WHEREAS, the parties desire to enter into this Business Associate Agreement (this "Agreement"), effective upon the earlier of the respective Services Agreement effective date or the date of first receipt of PHI from the Plan or Sponsor by WEX, as set forth below for the purpose of addressing the following law, as amended and clarified by the HIPAA Omnibus Rule or any regulation, rule or guidance that may be issued after the effective date of this Agreement:

- The Health Information Technology for Economic and Clinical Health Act ("HITECH Act") enacted as part of the American Recovery and Reinvestment Act of 2009 and the regulations promulgated thereunder relating to the privacy and security of protected health information;
- The "Standards for Privacy of Individually Identifiable Health Information," 45 CFR Part 160 (specifically recognizing here 45 CFR Part 160, Subparts C, D, and E ("Enforcement Rule")) and Part 164, Subparts A and E ("Privacy Rule");
- The "Standards for Electronic Transactions," 45 CFR Part 160, Subpart A and Part 162, Subpart A and Subparts I through R ("Electronic Transaction Rule");
- The "Security Standards for the Protection of Electronic Protected Health Information," 45 CFR Part 160 and Part 164, Subparts A and C ("Security Rule"); and
- The "Standards for Breach Notification for Unsecured Protected Health Information," 45 CFR Part 160 and Part 164, Subparts A and D ("Breach Notification Rule").

NOW, THEREFORE, in consideration of the premises and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Plan and WEX agree as follows:

### **ARTICLE 1 DEFINITIONS**

**1.1** "Agent" shall have the meaning given to it in Section 2.5. As provided by the Health Insurance Portability and Accountability Act, as amended ("HIPAA"), an Agent and a Subcontractor are two separate types of arrangements.

**1.2** "Breach" shall have the meaning given to it by 45 CFR § 164.402.

**1.3** "Business Associate" shall have the meaning given to it by 45 CFR § 160.103.

**1.4** "Designated Record Set" shall have the meaning given to it by 45 CFR § 164.501.

**1.5** "Health Care Operations" shall have the same meaning given to it in 45 CFR § 164.501.

**1.6** "HIPAA" shall mean, collectively, the Privacy Rule, the Electronic Transaction Rule, the Security Rule, and/or the Breach Notification Rule, each as amended and clarified by the HIPAA Omnibus Rule.

**1.7** "HIPAA Omnibus Rule" shall mean the "Modifications to the HIPAA Privacy, Security, Enforcement, and Breach Notification Rules under the Health Information Technology for Economic and Clinical Health Act (the HITECH Act) and the Genetic Information Nondiscrimination Act (GINA)," 78 Federal Register 5566 (January 25, 2013).

**1.8** "Individual" shall mean the person who is the subject of PHI and shall include a person who qualifies as a personal representative in accordance with 45 CFR § 164.502(g).

1.9 "Individual Rights Requests" shall mean requests under Article 3.

1.10 "Payment" shall have the same meaning given to it in 45 CFR § 164.501.

1.11 "PHI" or "protected health information", defined at 45 CFR § 160.103, shall mean any information, whether oral or recorded in any form or medium, that: (i) relates to the past, present or future physical or mental health or condition of an Individual; the provision of health care to an Individual; or the past, present or future payment for the provision of health care to an Individual; and (ii) identifies the Individual or with respect to which there is a reasonable basis to believe the information can be used to identify the Individual.

1.12 "Plan" shall have the same meaning given to it as the group health plan or plans of the Sponsor as set forth in 45 CFR § 160.103.

1.13 "Plan Administration Functions" shall have the same meaning given to it in 45 CFR § 164.504.

1.14 "Plan Administrator" shall mean the entity, individual, group or committee appointed by the Sponsor, or its successor or successors with the authority to administer the Plan.

1.15 "Privacy Official" shall mean the person designated by the Plan to serve as its privacy official within the meaning of 45 CFR § 164.530(a), and any person to whom the Privacy Official has delegated any of his or her duties or responsibilities.

1.16 "Protected Information" shall mean PHI received from the Plan or created, received, maintained or transmitted by WEX on behalf of the Plan.

1.17 "Required by Law" shall have the same meaning given to it in 45 CFR § 164.103.

1.18 "Secretary" shall mean the Secretary of the United States Department of Health and Human Services.

1.19 "Services" shall mean the activities, functions, and/or services that WEX from time to time renders to or on behalf of the Plan to the extent that those activities, functions, and/or services are covered by HIPAA.

1.20 "Subcontractor" shall have the same meaning given to it in 45 CFR § 160.103.

1.21 "Unsecured PHI" shall mean Protected Information that is not secured through the use of a technology or methodology that renders such Protected Information unusable, unreadable or indecipherable to unauthorized individuals as specified in 45 CFR § 164.402.

## **ARTICLE 2 OBLIGATIONS AND ACTIVITIES OF WEX**

2.1 Status of WEX. WEX acknowledges and agrees that it is a Business Associate of the Plan for purposes of the Privacy Rule.

2.2 Permitted Uses and Disclosures of Protected Information.

(a) Permitted Uses. WEX shall not use Protected Information other than as permitted by this Agreement. WEX may use Protected Information: (i) in connection with the performance, management and administration of the Services; (ii) for the proper business management and administration of WEX; (iii) to carry out WEX's legal responsibilities; (iv) to report violations of law consistent with 45 CFR § 164.502(j); (v) to the extent and for any purpose authorized by an Individual under 45 CFR § 164.508; and (vi) for any purpose provided that no data is identifiable and data has been de-identified pursuant to 45 CFR § 164.514(b) (including the separate de-identification guidance issued by the Secretary on November 26, 2012). Notwithstanding the foregoing sentence, WEX shall not use Protected Information in any manner that violates the Privacy Rule, or that would violate the Privacy Rule if so used by the Plan (except for the purposes specified under 45 CFR § 164.504(e)(2)(i)(A) and (B)).

(b) Permitted Disclosures. WEX shall not disclose Protected Information other than as permitted by this Agreement. WEX may disclose Protected Information: (i) in connection with the performance,

management and administration of the Services; (ii) to report violations of law consistent with 45 CFR § 164.502(j); (iii) to the extent and for any purpose authorized by an Individual under 45 CFR § 164.508; and (iv) for any purpose provided that no data is identifiable and data has been de-identified pursuant to 45 CFR § 164.514(b) (including the separate de-identification guidance issued by the Secretary on November 26, 2012). In addition, WEX may also disclose Protected Information to a third party for the proper business management and administration of WEX and to carry out WEX's legal responsibilities, provided that the disclosure is Required by Law or WEX obtains, prior to the disclosure: (i) reasonable assurances from the third party that the Protected Information will be held confidentially and used or further disclosed only as Required by Law or for the purpose for which it was disclosed to the third party; and (ii) an agreement from the third party that the third party will notify WEX immediately of any instances in which it knows the confidentiality of the information has been breached. Further, WEX shall disclose, upon request, Protected Information to the Sponsor for Plan Administration Functions and to designated Sponsor employees (or designated Business Associates of the Plan) who are working for or on behalf of the Plan for purposes of Payment and Health Care Operations (including claims assistance activities) consistent with 45 CFR § 164.506(c)(1). Notwithstanding the foregoing, WEX shall not disclose Protected Information in any manner that violates the Privacy Rule, or that would violate the Privacy Rule if so disclosed by the Plan (except for the purposes specified under 45 CFR § 164.504(e)(2)(i)(A) and (B)).

(c) Minimum Necessary. To the extent required by the Privacy Rule, WEX shall only request, use, and/or disclose the minimum amount of Protected Information necessary to accomplish the purpose of the request, use, and/or disclosure. For this purpose, the determination of what constitutes the minimum necessary amount of Protected Information shall be determined in accordance with Section 164.502(b) of the Privacy Rule.

(d) Direct Application of Privacy Rules. WEX shall not use and/or disclose Protected Information or provide any Services that require the use and/or disclosure of Protected Information unless such use and/or disclosure directly complies with this Section 2.2 and Sections 164.502(a)(3) and 164.504(e) of the Privacy Rule.

(e) GINA Provisions. Notwithstanding subsections (a) through (c) above, WEX shall not use and/or disclose Protected Information that is genetic information for underwriting purposes, as set forth in 45 CFR § 164.502(a)(5).

2.3 Safeguards. WEX shall maintain and use appropriate and commercially reasonable safeguards to prevent use and/or disclosure of Protected Information other than as permitted or required in this Agreement.

2.4 Report of Prohibited Use or Disclosure. If WEX becomes aware of a prohibited use or disclosure of an Individual's Protected Information by WEX and the use or disclosure violated the provisions of this Agreement, WEX must inform the Privacy Official regarding the prohibited use or disclosure of the Individual's Protected Information. To the extent that a use or disclosure described in this Section 2.4 also constitutes a Breach of Unsecured PHI, the provisions of this Section 2.4 shall not apply, but rather the provisions of Section 2.8 shall apply.

2.5 Agents and Subcontractors. WEX shall require each of its authorized representatives, agents, and entities (collectively, "Agents") to whom WEX provides Protected Information on behalf of the Plan to agree to observe the restrictions on use and disclosure of the Protected Information imposed upon WEX by this Agreement and the Privacy Rule. In addition, WEX shall enter into a business associate agreement with each of its Subcontractors which meets the requirements of the Privacy Rule, including the requirements set forth in 45 CFR § 164.504(e).

2.6 Access by Secretary. WEX shall make available to the Secretary WEX's internal practices, books, and records (including its policies and procedures) relating to WEX's use and disclosure of Protected Information for the purpose of enabling the Secretary to assess the Plan's and/or WEX's compliance with HIPAA. WEX shall inform the Privacy Official of any request sent by the Secretary on behalf of the Plan that is received by WEX, unless it is prohibited by applicable law from doing so.

2.7 Mitigation. WEX agrees to mitigate, to the extent practicable, any harmful effect that is known to WEX of a use or disclosure of Protected Information by WEX in violation of the requirements of this Agreement and provide any notice and remediation that either WEX or the Plan is required to provide by any applicable law in connection with such actual or suspected Breach. Where a Breach involves PHI data elements that reasonably could lead to identity theft, WEX shall provide credit monitoring or other commercially-reasonable identity theft mitigation service for the affected individuals for one year.

## 2.8 Notice of Breach of Unsecured PHI.

- (a) WEX Requirements. Upon WEX's discovery of a Breach of Unsecured PHI by WEX, WEX shall –

(1) Pursuant to the requirements set forth in subsection (c) below, provide written notice of the Breach to the Privacy Official, as soon as administratively practicable, but no later than ten (10) business days after the Breach is discovered, and

(2) Pursuant to the requirements set forth in subsection (b) below, provide written notice of the Breach, on behalf of the Plan, without unreasonable delay and in no case later than sixty (60) calendar days after discovery of a Breach as authorized under 45 CFR § 164.404 or such later date as is authorized under 45 CFR § 164.412 to:

(i) each Individual whose Unsecured PHI has been, or is reasonably believed by WEX to have been, accessed, acquired, used or disclosed as a result of the Breach;

(ii) the media to the extent required under 45 CFR § 164.406; and

(iii) the Secretary to the extent required under 45 CFR § 164.408 (unless the Plan has elected to provide this notification and has informed WEX); and

(3) If the Breach involves less than 500 individuals, maintain a log or other documentation of the Breach which contains such information as would be required to be included if the log were maintained by the Plan pursuant to 45 CFR § 164.408, and provide such log to the Plan within five (5) business days of the Plan's written request.

- (b) Notice Requirements. This subsection (b) provides the following special rules that shall each be applicable to the provisions of Section 2.8(a)(2) –

(1) The date that a Breach is discovered shall be determined by WEX, in its sole discretion, in accordance with the Breach Notification Rule.

(2) The content, form, and delivery of each of the notices required by Section 2.8(a)(2) shall comply in all respects with the breach notification provisions applicable to the Plan, as set forth in the Breach Notification Rule.

(3) WEX shall send the notices described in Section 2.8(a)(2)(i) to each Individual using the address on file with WEX (or as may be otherwise provided by the Plan). If the notice to any Individual is returned as undeliverable, WEX shall make one additional attempt to deliver the notice to the Individual using such information as is reasonably available to it, or shall take other action required by the Breach Notification Rule.

(4) With respect to notices required under Section 2.8(a)(2)(i) and (ii), WEX and the Privacy Official shall cooperate in all respects regarding the drafting and the content of the notices. To that end, before sending any notice to any Individual or the media under Section 2.8(a)(2)(i) or (ii), WEX shall first provide a draft of the notice to the Privacy Official. The Privacy Official shall have ten (10) business days (plus any reasonable extensions) to either approve WEX's draft of the notice or revise the language of the notice. Alternatively, the Privacy Official may elect to draft the notice for review by WEX. Once WEX and the Privacy Official agree on the final content of the notice, WEX shall send the notice to the Individuals and/or the media based on the requirements of the Breach Notification Rule.

(c) Privacy Official Notice. The notice to the Privacy Official pursuant to Section 2.8(a)(1) shall include any information available to WEX that is required to be included in a notification to an Individual under 45 CFR § 164.404(c). To the extent that WEX does not have the information to be provided in the prior sentence when it is required to notify the Privacy Official, WEX shall provide such information as soon as administratively practicable after such information becomes available. Upon the Plan's written request, WEX shall provide such additional information regarding the Breach as may be reasonably requested from time-to-time by the Plan.



(d) Notice Fees. WEX reserves the right to charge reasonable, cost based fees for sending the notices required by this Section 2.8 should a Breach be due to actions on the part of the Sponsor, the Plan or any other entity (other than WEX, its Agents or Subcontractors).

(e) Remuneration. WEX shall not directly or indirectly receive any remuneration in exchange for PHI or Use or Disclose PHI for marketing or fundraising purposes.

### **ARTICLE 3 INDIVIDUAL RIGHTS REQUIREMENTS**

#### **3.1 Designated Record Sets.**

(a) General. WEX agrees to maintain a Designated Record Set for the Plan in a manner and form that will allow the Plan to provide access and amendment rights to an Individual with respect to the Individual's Protected Information in conformance with 45 CFR §§ 164.524 and 164.526.

(b) Access to Protected Information. Upon request from the Plan, WEX shall process and respond to a request by an Individual for access to an Individual's Protected Information that is maintained by WEX in a Designated Record Set pursuant to 45 CFR § 164.524 (an "Access Request"). WEX shall respond to such Access Request by furnishing such Protected Information to the Plan within a timeframe that reasonably allows the Plan to satisfy the timeframes required by 45 CFR § 164.524. If the Protected Information that is requested is maintained electronically and the Individual requests an electronic copy of such information, WEX will provide access to the information in an electronic format that complies with 45 CFR § 164.524(c)(2)(ii). Thereafter, the Plan will be responsible for sending such information to the Individual.

(c) Amendment to Protected Information. Upon request from the Plan, WEX shall process a request by an Individual for amendment to an Individual's Protected Information that is maintained by WEX in a Designated Record Set pursuant to 45 CFR § 164.526 (an "Amendment Request"). WEX shall process such Amendment Request within a timeframe that reasonably allows the Plan to satisfy the timeframes required by 45 CFR § 164.526.

(d) Coordination with Privacy Official. WEX shall coordinate and cooperate with the Privacy Official (or any other person designated by the Plan Administrator for this purpose) regarding all processing, recordkeeping, and documentation issues relating to Access Requests and Amendment Requests. Notwithstanding the foregoing, WEX shall not be obligated to coordinate with the Privacy Official if an Individual files an Access Request or an Amendment Request with WEX and such request is directed solely to WEX.

#### **3.2 Accounting of Disclosures of Protected Information.**

(a) Documentation of Disclosures. WEX agrees to document and maintain a log of any and all disclosures from and after the date or dates required by 45 CFR § 164.528 made by WEX of Protected Information in a manner and form that will allow the Plan to provide to an Individual an accounting of disclosures or other applicable report of the Individual's Protected Information in compliance with and based on the requirements of 45 CFR § 164.528.

(b) Accounting Requests. Upon request from the Plan, WEX shall process and respond to a request by an Individual for an accounting of disclosures or other applicable report of an Individual's Protected Information pursuant to the requirements of 45 CFR § 164.528 (an "Accounting Request"). WEX shall furnish such accounting relating to the Accounting Request to the Plan within a timeframe that reasonably allows the Plan to satisfy the timeframes required by 45 CFR § 164.528. Thereafter, the Plan will be responsible for sending such information to the Individual.

(c) Coordination with Privacy Official. WEX shall coordinate and cooperate with the Privacy Official (or any other person designated by the Plan Administrator for this purpose) regarding all processing, recordkeeping, and documentation issues relating to Accounting Requests. Notwithstanding the foregoing, WEX shall not be obligated to coordinate with the Privacy Official if an Individual files an Accounting Request with WEX and such request is directed solely to WEX.

### **3.3 Privacy Protection Requests.**

(a) **Restriction Requests on Uses and Disclosures.** The Plan and WEX on behalf of the Plan shall not agree to a restriction on the use or disclosure of Protected Information pursuant to 45 CFR § 164.522(a) without first consulting with the other party. WEX is not obligated to implement any restriction, if such restriction would hinder Health Care Operations or the Services WEX provides to the Plan, unless such restriction would otherwise be required by 45 CFR § 164.522(a).

(b) **Confidential Communication Requests.** WEX shall implement any reasonable requests by Individuals relating to a request to receive communications of Protected Information by alternative means or at alternative locations to the extent required by 45 CFR § 164.522(b).

(c) **Coordination with Privacy Official.** WEX shall coordinate and cooperate with the Privacy Official (or any other person designated by the Plan Administrator for this purpose) regarding all processing, recordkeeping, and documentation issues relating to requests under this Section 3.3.

## **ARTICLE 4 ELECTRONIC TRANSACTION RULE**

**4.1 Business Associate Requirements.** WEX acknowledges that it is a Business Associate of the Plan for purposes of the Electronic Transaction Rule. WEX agrees that it shall comply with all Electronic Transaction Rule requirements that may be applicable to WEX with respect to the Services it provides to and on behalf of the Plan. WEX shall also require each of its Agents and Subcontractors to whom WEX provides Protected Information that is received from, or created or received by WEX on behalf of the Plan, to provide assurances, in writing, that they will comply with the applicable requirements of the Electronic Transaction Rule.

**4.2 Sponsor Transmissions.** The Sponsor hereby represents and warrants that all electronic transmissions with respect to the Plan between the Sponsor (either directly or through its designated agent) and WEX relating to enrollment and disenrollment information and premium payment information as each are covered by the Electronic Transaction Rule are sent or received by the Sponsor (either directly or through its designated agent) in the Sponsor's capacity as an employer and are not sent or received by the Plan or are not subject to HIPAA for other reasons, such as that the information is an employment record and not PHI.

## **ARTICLE 5 OBLIGATIONS OF PLAN**

**5.1 Privacy Notice.** Upon request, the Plan will provide WEX with a copy of its notice of privacy practices pursuant to 45 CFR § 164.520.

**5.2 Authorizations.** The Plan will notify WEX of any changes in or revocations of Individual authorizations for use or disclosure of Protected Information to the extent that such changes or revocations may affect WEX's use or disclosure of Protected Information.

**5.3 Officials.** The Plan will notify WEX of the current name and contact information of the Plan Administrator, the Privacy Official, and any other person that has the authority to act on behalf of the Plan with respect to the provisions contained in this Agreement.

**5.4 Plan.** Sponsor represents that its Plan documents include specific provisions to restrict the use or disclosure of PHI and to ensure adequate procedural safeguards and accounting mechanisms for such uses or disclosures, in accordance with the Privacy Rule.

**5.5 Standard Requirements for Group Health Plans.** The Plan represents and warrants that: (a) its plan documents, in accordance with 45 CFR § 164.504(f), allow the Plan to receive Protected Information; (b) it has received a certification from the Sponsor in accordance with 45 CFR § 164.504(f)(2)(ii) and will provide a copy of such certification to WEX upon request; (c) the plan document amendments permit the Plan to receive Protected Information (including detailed invoices, reports, and statements from WEX); and (d) the Plan has determined, through its own policies and procedures and in compliance with 45 CFR § 164.502(b), that the Protected Information that it receives from WEX (including the detailed invoices, reports, and statements) contains the minimum information necessary for the Plan to carry out its Payment and Health Care Operations activities.

**5.6** Sponsor agrees and understands that the Plan is independently responsible for the security of all PHI in its possession (electronic or otherwise), including all PHI that it receives from outside sources including WEX.

## **ARTICLE 6 AMENDMENT AND TERMINATION**

**6.1 Amendment.** No change, modification or attempted waiver of any of the provisions of this Agreement shall be binding upon any party hereto unless reduced to writing and signed by both parties. WEX agrees to take such action as is necessary to amend this Agreement from time to time as the Plan reasonably determines necessary to comply with HIPAA, or any other applicable law, rule or regulation.

**6.2 Term.** The Term of this Agreement shall be effective on the Effective Date (unless otherwise noted herein) and shall terminate when all of the Protected Information received from the Plan, or created or received by WEX on behalf of the Plan, is destroyed in accordance with the Plan's authorization or is returned to the Plan (or its designated agents) pursuant to Section 6.4.

**6.3 Termination.** If one party to this Agreement ("Non-Breaching Party") has knowledge of a material violation of this Agreement by the other party to this Agreement ("Breaching Party"), as determined in good faith by the Non-Breaching Party, the Non-Breaching Party must promptly:

(a) Provide an opportunity for the Breaching Party to end and to cure the material violation within a reasonable time specified by the Non-Breaching Party, and if the Breaching Party does not end and cure the material violation within such time (including reasonable extensions that the Non-Breaching Party determines are necessary) to the satisfaction of the Non-Breaching Party, the Non-Breaching Party shall immediately terminate the Services rendered by WEX and any agreement or contract related thereto; or

(b) If a cure is not possible as determined by the Non-Breaching Party in its sole discretion, the Non-Breaching Party shall immediately terminate the Services rendered by WEX and any agreement or contract related thereto.

**6.4 Effect of Termination.** Upon termination pursuant to Section 6.3, the Plan within a reasonable time thereafter must inform WEX to either destroy or return to the Plan (or any agents designated by the Plan) the Protected Information that WEX and its Agents and Subcontractors maintain in any form, and WEX and its Agents and Subcontractors shall retain no copies of the Protected Information.

However, in many situations WEX maintains one or more backup copies of Protected Information for auditing, data management, and other related purposes and WEX has determined that destruction of all copies of Protected Information that it maintains is infeasible.

Therefore, after termination of the Services and pursuant to 45 CFR § 164.504(e)(2)(ii)(J), this Agreement shall remain in effect, and WEX shall continue to observe and shall ensure that its Agents and Subcontractors continue to observe its obligations under this Agreement to the extent copies of the Protected Information are retained by WEX and shall limit further uses and disclosures of Protected Information to the purposes that make its return or destruction infeasible and that are consistent with the Privacy Rule.

## **ARTICLE 7 ELECTRONIC SECURITY STANDARDS**

**7.1 Definitions.** When used in this Article, the following terms shall have the meanings set forth as follows:

(a) "Electronic Media" shall have the meaning given to it in 45 CFR § 160.103.

(b) "Electronic Protected Information" shall mean Protected Information received from the Plan or created, received, maintained or transmitted by WEX on behalf of the Plan that is transmitted by Electronic Media or maintained in Electronic Media.

(c) "Security Incident" shall have the meaning given to it in 45 CFR § 164.304.

**7.2 Requirements.** Pursuant to 45 CFR § 164.314(a)(2)(i), WEX shall:

- (a) Comply with the applicable requirements of the Security Rule, including the requirement that WEX implement, maintain and document administrative, physical, and technical safeguards that reasonably and appropriately protect the confidentiality, integrity, and availability of Electronic Protected Information to the extent required by the Security Rule;
- (b) Report (pursuant to the terms and conditions of Section 7.3) to the Privacy Official (or such other person designated for this purpose) any Security Incident of which WEX becomes aware and which occurred during the applicable reporting period;
- (c) Require each of its Agents to whom WEX provides Electronic Protected Information to agree to implement administrative, physical, and technical safeguards that reasonably and appropriately protect the confidentiality, integrity, and availability of the Electronic Protected Information that is provided to the Agent to the extent required by the Security Rule; and
- (d) Enter into a contract or other arrangement with each of its Subcontractors that create, receive, maintain or transmit Electronic Protected Information on behalf of WEX pursuant to which the Subcontractor agrees to comply with the applicable requirements of the Security Rule.

**7.3 Reporting Protocols.** All reports required by Section 7.2(b) shall be provided pursuant to the terms and conditions specified in this section.

(a) **Attempted Security Incidents.** Reporting for any Security Incident involving the attempted unauthorized access, use, disclosure, modification or destruction of Electronic Protected Information (collectively, an "Attempted Security Incident") shall be provided pursuant to the standard reporting protocols of WEX (as determined by WEX).

(b) **Successful Security Incident.** Reporting for any Security Incident involving the successful unauthorized access, use, disclosure, modification or destruction of Electronic Protected Information (collectively, a "Successful Security Incident") shall be provided to the Plan pursuant to the standard reporting protocols of WEX (as determined by WEX), provided that: (i) the reports shall at a minimum include the date of the incident, the parties involved (if known, including the names of Individuals affected), a description of the Successful Security Incident, a description of the Electronic Protected Information involved in the incident, and any action taken to mitigate the impact of the Successful Security Incident and/or prevent its future recurrence; and (ii) the reports shall satisfy the minimum requirements for Security Incident reporting that may be required from time to time by the Secretary. In addition, Successful Security Incidents shall be reported to the Plan as soon as administratively practicable after the occurrence of the incident taking into account the severity and nature of the incident. Notwithstanding the foregoing, the Plan may request details about one or more Successful Security Incidents, and WEX shall have thirty (30) days thereafter to furnish the requested information.

(c) **Breach of Unsecured PHI.** To the extent that a Security Incident described in this Section 7.3 also constitutes a Breach of Unsecured PHI, the provisions of this Section 7.3 shall not apply, but rather the provisions of Section 2.8 shall apply.

**7.4 Mitigation.** WEX agrees to mitigate, to the extent practicable, any harmful effect that is known to WEX relating to any Successful Security Incident and provide any notice and remediation that either WEX or the Plan is required to provide by any applicable law in connection with such Security Incident. Where the Security Incident involves data elements that reasonably could lead to identity theft, WEX shall provide credit monitoring or other commercially-reasonable identity theft mitigation service for the affected individuals for one year.

**7.5 Access by Secretary.** WEX shall make available to the Secretary WEX's internal practices, books and records (including its policies and procedures) relating to the safeguards established by WEX with respect to Electronic Protected Information for the purpose of enabling the Secretary to assess WEX and/or the Plan's compliance with the Security Rule. WEX shall inform the Privacy Official of any request sent by the Secretary on behalf of the Plan that is received by WEX, unless WEX is prevented by applicable law from doing so.



## ARTICLE 8 GENERAL

**8.1 Other Agreements.** The Plan and WEX acknowledge and affirm that this Agreement is in no way intended to address or cover all aspects of the relationship of the Plan and WEX and of the Services that are rendered by WEX to and on behalf of the Plan. Rather, this Agreement deals only with those matters that are specifically addressed herein. Further, this Agreement supersedes any prior business associate agreements entered into by WEX and the Plan (or any predecessor to the Plan), and shall apply to all Protected Information existing as of the effective date of this Agreement or created or received thereafter while this Agreement is in effect.

**8.2 Indemnification.** Any indemnification relating to violations of this Agreement by WEX or the Plan (or the Sponsor on behalf of the Plan) shall be addressed to the extent applicable by the respective Services Agreement.

**8.3 Severability.** The provisions of this Agreement shall be severable, and the invalidity or unenforceability of any provision (or part thereof) of this Agreement shall in no way affect the validity or enforceability of any other provisions (or remaining part thereof). If any part of any provision contained in this Agreement is determined by a court of competent jurisdiction, or by any administrative tribunal, to be invalid, illegal or incapable of being enforced, then the court or tribunal shall interpret such provisions in a manner so as to enforce them to the fullest extent of the law.

**8.4 Interpretation.** The provisions of this Agreement shall be interpreted in a manner intended to achieve compliance with HIPAA. Whenever the Agreement uses the term "including" followed by a specific item or items, or there is a passage having a similar effect, such passages of the Agreement shall be construed as if the phrase "without limitation" followed such term (or otherwise applied to such passage in a manner that avoids limitations on its breadth of application). Where the term "and/or" is used in this Agreement, the provision that includes the term shall have the meaning the provision would have if "and" replaced "and/or," but it shall also have the meaning the provision would have if "or" replaced "and/or." Any reference to a section or provision of HIPAA shall include any amendment or clarification of such section or provision contained in the HIPAA Omnibus Rule and any regulation, rule or guidance issued by the Secretary following the effective date of this Agreement.

**8.5 Binding Effect.** The provisions of this Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their heirs, assigns and successors in interest. The Plan shall have the right to assign this Agreement to any successor or surviving health plan, and all covenants and agreements hereunder shall inure to the benefit of and be enforceable by any such assignee.

**8.6 No Third-Party Beneficiaries.** Nothing express or implied in this Agreement is intended to confer, and nothing herein shall confer, upon any person other than the parties hereto any rights, remedies, obligations or liabilities whatsoever.

**8.7 Applicable Law and Disputes.** The provisions of this Agreement shall be construed and administered to, and its validity and enforceability determined under HIPAA. To the extent that HIPAA is not applicable in a particular circumstance, the provisions of this Agreement shall be construed and administered to, and its validity and enforceability determined under the Employee Retirement Income Security Act of 1974, as amended ("ERISA"). In the event that HIPAA and ERISA do not preempt state law in a particular circumstance, the laws of the State of North Dakota shall govern. In the event of any conflict of state laws, the laws of the State of North Dakota shall prevail. The parties agree that any claim or action arising from this Agreement can only be brought in the United States District Court for the District of North Dakota, and both parties consent to such jurisdiction and venue. Any disputes between the parties arising under this Agreement shall be resolved in accordance with the dispute resolution procedures, if any, set forth in the respective Services Agreement.

### **8.8 State Privacy and Security Laws.**

(a) **General.** Pursuant to 45 CFR § 160.203, WEX and the Plan acknowledge that HIPAA only preempts state laws which are contrary to a HIPAA standard, requirement or implementation specification, provided that state laws which relate to the privacy of Protected Information and are more stringent than the Privacy Rule are not preempted. Accordingly, the parties acknowledge that certain State Privacy Laws affecting the privacy and/or security of personally identifiable information (e.g., name, address, age, and social security number) relating to a Plan participant or beneficiary ("Privacy Restricted Data") may apply to the Services provided by WEX to the extent such State Privacy Laws are not preempted by HIPAA. For purposes of this Section 8.8, "State Privacy Laws" shall mean

any applicable state and local privacy laws governing the creation, collection, storage, maintenance, access, modification, transmission, use or disclosure of Privacy Restricted Data.

(b) State Privacy Laws. All Privacy Restricted Data created, collected, received or obtained by or on behalf of WEX in the course of performing its Services shall be created, collected, received, obtained, stored, maintained, accessed, modified, transmitted, used, and disclosed in accordance with any and all applicable State Privacy Laws. WEX shall at all times perform the Services in accordance with the State Privacy Laws and as not to cause the Sponsor or the Plan to be in violation of the State Privacy Laws. WEX shall be fully responsible for any creation, collection, receipt, access, storage, maintenance, modification, transmission, use, and disclosure of Privacy Restricted Data performed by or on behalf of WEX that is in violation of any State Privacy Laws. WEX shall remedy and mitigate the damages of any breach of privacy, security, integrity or confidentiality with respect to the unauthorized creation, collection, receipt, storage, maintenance, access, modification, transmission, use or disclosure (a "State Breach") of Privacy Restricted Data that is or may be in violation of any State Privacy Laws.

(c) Notification. WEX shall notify the Privacy Official (using the procedures that apply to Breaches of Unsecured PHI under Section 2.8(c)) of any State Breaches by or on behalf of WEX of Privacy Restricted Data that is or may be in violation of any State Privacy Laws. In addition, WEX shall also notify the affected Plan participants and beneficiaries (using the procedures that apply to Breaches of Unsecured PHI under Section 2.8(b)) of any State Breaches by or on behalf of WEX of Privacy Restricted Data that is in violation of any State Privacy Laws and any state or local governmental agencies, authorities or other entities, but only to the extent required by such State Privacy Laws.

(d) HIPAA Coordination. The parties acknowledge that in certain situations the provisions of both Section 2.8 and this Section 8.8 shall apply. If both Sections 2.8 and 8.8 apply in a given situation, WEX shall comply with both Sections 2.8 and 8.8 to the extent applicable.

8.9 Obligation of Plan and WEX. To the extent that WEX carries out the HIPAA obligations of the Plan (including the obligations set forth in Section 2.8 and Article 3), WEX shall comply with the applicable requirements of HIPAA as they apply to the Plan in the performance of such obligations on behalf of the Plan.

***MAYOR'S  
APPOINTMENTS***

# ***RESOLUTIONS***

**RESOLUTION NO. 1943**

**A RESOLUTION AUTHORIZING THE PARKS & RECREATION DIRECTOR (DIRECTOR) TO ACCEPT AND EXECUTE A PROPOSAL FROM CLEAR CREEK GOLF CAR AND UTILITY VEHICLES COMPANY, REGARDING GOLF CARS.**

**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 September 21<sup>st</sup>, 2021, to the City's Public Services Committee and recommended to the City Council of the City of Carthage, a proposal to execute the City's current golf car fleet for a new fleet; a copy of which proposal is attached hereto and incorporated herein as if set out in full as Exhibit "A".

**SECTION II:** That the Parks & Recreation Director is hereby authorized to accept and execute the proposal as attached hereto and incorporated herein as if set out in full, concerning the golf car fleet.

**PASSED AND APPROVED THIS \_\_\_\_\_ DAY OF \_\_\_\_\_, 2021.**

\_\_\_\_\_  
**Dan Rife, Mayor**

**ATTEST:**

\_\_\_\_\_  
**Traci Cox, City Clerk**

## EXHIBIT "A"

- Clear Creek Golf Car and Utility Vehicles Company would purchase our current fleet at \$5,500.00 per car.
- Delivery of new cars would be in November 2021 and our current fleet would be picked up at that time. We would not be left without our current number of golf cars.
- Clear Creek Golf Car and Utility Vehicles Company would sell us new cars at the same price we paid for our current fleet, \$5,021.00 per car.
- Golf car warranty would be extended to 5 years from delivery of new fleet.
- The new cars would be:
  - Black cars, which is a premium color that normally costs \$100 more
  - Camello premium seats
  - Dual USB ports
  - Number decals
  - Wheel covers
  - Fold-down windshield
  - Info holder
  - Two sand bottles per car.
- We net \$23,950.
- No change to our current lease-purchase other than collateralizing with the new golf car fleet and confirmed with Community National Bank & Trust.

**RESOLUTION NO. 1944**

**A RESOLUTION PROVIDING FOR THE FORMAL ACCEPTANCE OF A DONATION TO THE CITY OF CARTHAGE'S PARK & RECREATION DEPARTMENT BY THE CITY COUNCIL OF THE CITY OF CARTHAGE, MISSOURI PURSUANT TO CITY POLICY.**

**WHEREAS**, periodically, private individuals and agencies would like to make donations and grants to the City of Carthage for general or specific purposes; and

**WHEREAS**, the City has adopted a policy to formalize the conditions and procedures to be followed by the City in accepting said donations and grants, and to assist the City Council in evaluating the impact of proposed donations and grants on the resources of the City of Carthage; and

**WHEREAS**, This policy also establishes guidelines that ensure donations occur at arm's length from any City decision-making process, and provide criteria and process for the acceptance of donations; and

**WHEREAS**, The City's Public Service Committee has unanimously recommended to allow the bridge to be placed at Kellogg Lake at the specified rearing pond location to enhance accessibility and recreation opportunities at Kellogg Lake.

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

That the City of Carthage, Missouri accepts a donation of a Steel Arch Bridge for the Kellogg Lake Rearing Pond from the Kellogg Lake Advisory Committee to enhance accessibility and recreation opportunities at Kellogg Lake.

**PASSED AND APPROVED THIS \_\_\_\_\_ DAY OF \_\_\_\_\_, 2021.**

\_\_\_\_\_  
**Dan Rife, Mayor**

**ATTEST:**

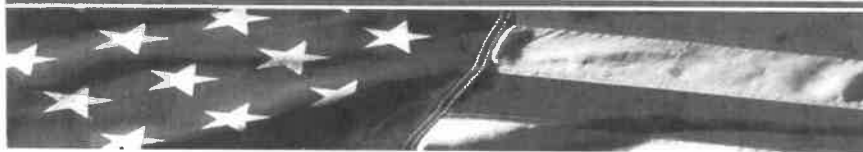
\_\_\_\_\_  
**Traci Cox, City Clerk**

***MINUTES***  
***STANDING***  
***COMMITTEES***



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# City of Carthage



## Public Safety Committee – Minutes

**Meeting Date September 20, 2021**

**Meeting Location:** City Hall- Council Chambers

**Call to Order:** Chairman Barlow

**Time Called to Order:** 5:30pm

**Attendance:**

Chairman Barlow, Councilman Harrison, Councilman Thompson, Captain Hawkins, Chief Williams, Greg Dagnan, Morgan Housh, Deputy Chief Huntley, Cherry Babcock, Abi Almandinger, Ceri Otero

### OLD BUSINESS

1. Councilman Thompson made the motion to accept the minutes from the previous meeting as written. Motion passed.
2. Councilman Thompson made a motion to amend the agenda to add a closed session at the conclusion of the meeting. Motion passed.

### CITIZEN PARTICIPATION

1. Cherry Babcock spoke with committee on a Harvest Party that she is holding on October 30, 2021. She is requesting Main street be closed from 3<sup>rd</sup> to 4<sup>th</sup> from 5:00pm to 10:00pm. They will be having a band performing on stage in the street. Councilman Thompson made a motion to close Main Street from 3<sup>rd</sup> to 4<sup>th</sup> on October 30<sup>th</sup> from 5:00pm to 10:00pm for the Harvest Party. Motion passed.

### NEW BUSINESS

1. Chief Williams spoke with the committee on the new FIT(Firefighter in Training) job description. Attached is a copy of the job description
2. . This position is a revised job description of the start out firefighter position. The CFD would like to add this position to the department in hopes of getting potential local new hire prospects. The CFD would screen the FIT trainees/ sponsor them while completing their Firefighter I and II requirements while working at the CFD as a full time Firefighter in Training. The Firefighter in Training position requires that the trainee attain Firefighter I and II (IFSAC approved) certification within one year of employment. Extensions may be at the discretion of the Fire Chief. Councilman Harrison made a motion to move the job description to the CIAC. Motion passed.

***Persons with disabilities who need special assistance – please contact the Fire Department at 417-237-7100, or the Police Department at 417-237-7200 at least 24 hours prior to the meeting.***

3. Chief Williams spoke with the committee about the Tri-State Fire Alliance testing. The CFD has been involved with the Tri-State Alliance testing for a few years. This is a physical agility/written test that has been required before being able to be employed with the Carthage Fire Department. Chief Williams is asking to submit a resignation from the alliance due to the strains it has put on the Carthage Fire Department in hiring new firefighters. Most of these candidates on the alliance test are not local and live outside of the living requirements and not willing to move. The CFD would provide their own testing for potential incoming firefighters that would have to pass in order to be employed at the CFD. There was no motion needed.
4. Staff Reports:
  - a. Fire Department
    - Chief Williams spoke with the committee on the EMPG grant that had been awarded to the CFD for \$46,045.48. Councilman Harrison made a motion to accept the EMPG award of \$46,045.48. Motion passed.
  - b. Police Department
    - i. Captain Hawkins gave committee a department update on the SRO position.
  - c. Greg Dagnan spoke with the committee briefly on Halloween in Carthage.
  - d. Greg Dagnan updated the committee on the City of Carthage website.

Councilman Thompson made a motion to adjourn. Motion passed.

**Next Meeting Date: October 18, 2021**

**Next Meeting Location: City Hall Council Chambers**

***Persons with disabilities who need special assistance – please contact the Fire Department at 417-237-7100, or the Police Department at 417-237-7200 at least 24 hours prior to the meeting.***

**COMMITTEE ON INSURANCE/AUDIT AND CLAIMS**  
**TUESDAY, September 22, 2021**  
**5:00 p.m.**

**COMMITTEE MEMBERS PRESENT:** Ceri Otero, David Armstrong, Craig Diggs and Robin Harrison.

**OTHER COUNCIL MEMBERS:** Mayor Dan Rife and Council Member Ed Barlow.

**OTHERS PRESENT:** City Clerk Traci Cox, Assistant City Administrator Greg Dagnan, Fire Chief Roger Williams and Assistant Fire Chief Ryan Huntley.

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

**OLD BUSINESS:**

1. **Approval of minutes from previous meeting:** On a motion by Mr. Diggs, the minutes of the August 24, 2021 meeting were approved 4-0.
2. **Review and approval of the Claims Report:** The Committee discussed items regarding the Claims Report. Mr. Armstrong moved to approve the claims. Motion carried 4-0.
3. **Consider and discuss C.B. 21-39., changes to Section 400 Benefits of the Personnel Policy Manual.** Mr. Dagnan explained the changes to the policy to incorporate light duty. Mr. Armstrong made a motion to forward to council. Motion carried.

**NEW BUSINESS:**

1. **Consider and discuss investments in a money market account.** Ms. Cox explained a money market account could be set up at Guaranty Bank for use of the ARPA funds. A money market account is currently paying higher interest rates than the regular checking account and CD's. Mr. Diggs moved to open a money market account at Guaranty Bank with Mayor Dan Rife, City Clerk Traci Cox and Deputy City Clerk Miranda Deal listed as signers. Motion carried.
2. **Consider and discuss Firefighter in Training job description.** Fire Chief Williams discussed the need to create the position. It will allow an individual to be hired to learn the duties of a firefighter while working toward the Firefighter I & II certifications. Mr. Armstrong moved to forward the job description to Council for approval. Motion carried.
3. **Staff Reports:** Ms. Cox reported the auditors are currently on site for the annual audit, Courtney Walker is the new Accounts Payable Accounting Specialist, and the MML Annual Conference is scheduled for next week.

**ADJOURNMENT:** Mr. Armstrong made a motion to adjourn at 5:32 PM. Motion carried 4-0.

Traci Cox

## PUBLIC SERVICES COMMITTEE

September 21st, 2021  
City Hall Council Chambers  
5:30 pm

Public Services Committee Members Present; Ceri Otero, Juan Topete, Seth Thompson, Mike Daugherty

Members Absent:

Staff Present: Mark Peterson, Kailey Williams

Non-Members: Abi Almandinger, Craig Diggs, David Lawhon

Meeting was called to order at 5:30 pm.

### Old Business:

1. Consider and approve minutes from the previous meeting.  
**Ceri Otero made a motion to approve July minutes.**  
**Motion Passed.**

### NEW BUSINESS:

1. **Consider and Discuss Golf Car Fleet Proposal from Clear Creek Golf.**  
Mr. Peterson presented an opportunity from Clear Creek Golf Company. Clear Creek will purchase our current 50 car Yamaha Golf Car Fleet at \$5,500 per car and sell us 50 new Club Cars at \$5,021 per car. The exact price we paid Yamaha for our current fleet. Our net result is \$23,950.
  - Clear Creek Golf Car Company would purchase our current fleet at \$5,500.00 per car.
  - Deliver new cars in November and take our current fleet.
  - Clear Creek would sell us new cars at the same price we paid for our current fleet, \$5,021.00 per car.
  - Golf car warranty would be extended to 5 years from delivery of new fleet.
  - The new cars would be:
    - Black cars, which is a premium color that normally costs \$100 more
    - Camello premium seats
    - Dual USB ports
    - Number decals
    - Wheel covers
    - Fold-down windshield
    - Info holder
    - Two sand bottles per car.
  - We net \$23,950.
  - No change to our current lease-purchase other than collateralizing with the new golf car fleet.

- Extend our regular golf car fleet rotation one season.

**Mr. Daugherty motioned to present a resolution to the council to sell the current fleet and buy the new fleet of golf carts from Clear Creek Golf Car Company.**

**Motion Passed.**

## **2. Consider and Discuss Kellogg Lake Rearing Pond Bridge Proposal.**

David Lawhon, President of the Kellogg Lake Advisory Board, presented an arch bridge plan at the Rearing Pond at Kellogg Lake. Since 2016, the Kellogg Lake Board has been collecting donations to direct towards the bridge. Mr. Lawhon shared a drawing of the bridge structure. The bridge would be made of sturdy steel painted with an implement paint to prevent rust and last longer in all weather conditions. The bridge will have a plated walking surface of five feet wide, with the bridge's total length at 40 feet long. Concrete pillars will be set for the bridge to set on. The weight of the bridge will be around seven thousand pounds. The bridge design has been presented to Zeb Carney and Anderson Engineering with approval as designed.

**Mr. Daugherty motioned to present a resolution to the council to allow the bridge to be placed at Kellogg Lake at the specified rearing pond location.**

**Motion Passed.**

## **STAFF REPORTS**

**Heritage Day-** Mark Peterson and Brian Bradley met with Luis Rangel to finalize preparation for the Heritage Day event at Central Park on September 25<sup>th</sup>. Everything is ready to go. Memorial Hall will used a staging location for the performers to change and have restroom facilities available. We are hoping for a great turnout.

**Golf Course-** Golf numbers are still excellent. We have seen significant growth through the last 13 months. We anticipate a slight reduction in rounds over the next several months. This aligns with all of the data from the National Golf Foundation.

**Master Plan-** Mr. Peterson and Dick Horton are preparing for the first Public Engagement meeting on September 30<sup>th</sup> at Memorial Hall starting at 6:00 pm. Stations will be set up around the auditorium with the concept designs for each park. Mr. Peterson will lead the opening comments. Mr. Horton will facilitate discussion on the idea presented. This is an opportunity for the public to discuss the ideas presented. We will host an additional meeting in October, most likely occurring on a Sunday afternoon at Carter Park. This would be an additional opportunity for the public to review ideas and provide feedback.

Mr. Peterson and Dick Horton are meeting with Precious Moments Wednesday, September 22<sup>nd</sup>, to continue discussions related to the potential acquisition of Precious Moment's property for additional parkland.

**Meeting adjourned at 6:15 pm.**

***MINUTES  
SPECIAL  
COMMITTEES  
AND BOARDS***

*Draft Copy of Minutes Subject to Approval at The Next Meeting*

Planning, Zoning, and Historic Preservation Commission  
Meeting 4 October 2021

The Planning, Zoning, and Historic Preservation Commission consists of eleven members: Chairman Mark Elliff, Vice Chairman Abi Almandinger, Bill Barksdale, Jim Swatsenbarg, Jim Hunter, and Harry Rogers. 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.

The October meeting was held in City Council Chambers.

Commission Members Present: Mark Elliff, Abi Almandinger, Jim Swatsenbarg, Jim Hunter, Zeb Carney, Tom Short, Ed Barlow, and Harry Rogers.

Also, present: Julie Tilley, Greg Dagnan and Bren Flanigan.

A quorum was present.

Chairman Mark Elliff called the meeting to order at 5:30 p.m.

First order of business involved the minutes of the September 23, 2021, meeting. Minutes were available for review in the packet prior to the meeting. A motion to approve the minutes as written was made by Abi Almandinger and was seconded by Jim Swatsenbarg. On a voice vote, all ayes, the motion passed.

Second order of business was to select material and a time and date for the annual CLG training which needs to occur before November 30, 2021. Chair Elliff suggested a noon meeting at Council Chambers where members of the Commission would bring their own lunch and view a training video entitled "Historic Preservation Funding in Your Community." Commissioners agreed and a date and time will be set before November 30<sup>th</sup>, 2021.

Third order of business was a review of the City Charter, Article XV and the various sub-sections of the Ordinance pertaining to the duties of the Planning, Zoning and Historic Preservation Commission. Questions were asked by Commissioners as well as discussion pertaining to the Ordinance.

Chair Mark Elliff asked that an item be added to the next meeting Agenda for the Commission to review regarding Banners in the Historic District, setting a time limit that they could be used and approved by the Public Works staff. This would allow a new business opening to promote themselves and not have to wait for approval from the Commission if it occurs between meetings of the Commission.

Fourth order of business was to amend Section 17-56 of the Carthage City Code to include Solar Panels as the 21<sup>st</sup> exception. Motion was made by Abi Almandinger to approve the draft language with a second by Harry Rogers. There was discussion regarding the language and the intent of enforcement. An Amended motion was offered by Abi Almandinger that the language read as follows:

"Solar panels must be installed on rear slopes or other locations not highly visible from the public right-of-way. Panels must be installed flat and not alter the slope of the roof. Installation of panels must be reversible." Jim Swatsenbarg second the motion. After discussion, on a voice vote, all ayes, the amended motion passed.

There were no further items on the agenda.



The next meeting is scheduled for November 1, 2021

Harry Rogers made a motion to adjourn. That motion was seconded by Jim Hunter. Motion passed and the meeting adjourned.

Respectfully submitted,  
Mark Elliff

***AGENDAS  
STANDING  
COMMITTEES***

COMMITTEE ON INSURANCE/AUDIT AND CLAIMS

September 22, 2021

5:00 PM

Carthage City Hall Council Chambers

**Old Business**

1. Consideration and Approval of Minutes from Previous Meeting
2. Review and Approval of the Claims Report
3. Consider and discuss C.B. 21-39, changes to Section 400 Benefits (405-406) of the Personnel Policy Manual.

**Citizens Participation**

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

**New Business**

1. Consider and discuss investments in a money market account.
2. Consider and discuss Firefighter in Training job description.
3. 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: \_\_\_\_\_

**--NOTICE OF MEETING--**  
**PUBLIC WORKS COMMITTEE**

**October 5, 2021**

**5:30 PM**

**CITY HALL**

**326 GRANT STREET**

**COUNCIL CHAMBERS**

**-- AGENDA--**

**OLD BUSINESS**

1. Consideration and approval of minutes from previous meeting

**CITIZENS PARTICIPATION**

None.

**NEW BUSINESS**

1. Consider and discuss increase in utility cut repair rates.
2. Consider and discuss after hour inspection rates.
3. Consider and discuss sidewalk incentive reimbursement increase.
4. Discuss upcoming agenda items for the strategic planning meeting.

**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: 9/30/2021**

**BY: Chelsea Rives**

**--NOTICE OF MEETING--**  
**COMMITTEE ON BUDGET/WAYS & MEANS**  
**MONDAY, OCTOBER 11, 2021**  
**5:30 P.M.**  
**CITY COUNCIL CHAMBERS, CITY HALL**  
**326 GRANT ST., CARTHAGE, MISSOURI**  
**--TENTATIVE AGENDA--**

**CITIZENS PARTICIPATION**

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

**OLD BUSINESS**

1. Consideration and approval of minutes from previous meeting.
2. Consider and discuss engagement of Baker Tilly: Proposed Municipal Advisory Services – Consulting Services Related to the American Rescue Plan (“ARP”).

**NEW BUSINESS**

1. Staff Reports
2. 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  
October 12, 2021  
5:00 PM  
Carthage City Hall Council Chambers

**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. Consider and discuss contract with WEX Health, Inc. for COBRA administrative services.
2. 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

SEPTEMBER 28, 2021

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
  - **Approve Contract with BKD for managing American Rescue Plan Grant Funds.**
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 SEPTEMBER 24, 2021 AT 4:00 P.M.

(RSMO 610.020)





## AGENDA

Planning, Zoning, and Historic Preservation Commission  
Monday, October 4, 2021, 5:30pm  
City Hall Chambers  
326 Grant St / Carthage MO 64836

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### Call to Order

**Approval of the Minutes from Meeting:** September 23, 2021

### Public Hearings

### New Business

1. CLG Training Options
2. Overview of City Ordinance pertaining to the Planning, Zoning and Historic Preservation Commission and City Comprehensive Plan - Staff

### Old Business

1. Consider and Discuss amending Sec. 17-56 of the Carthage City Code to include #21 Solar Panels.

### Staff Reports

**Next Meeting:** November 1, 2021

### Adjourn

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#### Commission Members

|                     |                          |                 |                 |              |
|---------------------|--------------------------|-----------------|-----------------|--------------|
| Voting Members:     | Chairman                 | Mark Elliff     | 1511 Grand      | 417-358-3613 |
|                     | Vice Chairman            | Abi Almandinger | 1220 S Main     | 417-793-6589 |
|                     | Secretary                | Bill Barksdale  | 1314 S Garrison | 417-388-2464 |
|                     | Member                   | Harry Rogers    | 1350 S Main St  | 417-358-4527 |
|                     | Member                   | Jim Hunter      | 1514 S River    | 417-850-5355 |
|                     | Member                   | Jim Swatsenbarg | 601 Howard      | 417-358-1690 |
|                     | Member                   | Vacant          |                 |              |
| Non-Voting Members: | Mayor                    | Dan Rife        | City Hall       | 417-237-7003 |
|                     | Councilmember            | Ed Barlow       |                 |              |
|                     | City Administrator       | Tom Short       | City Hall       | 417-237-7300 |
|                     | Asst. City Administrator | Greg Dagnan     | City Hall       | 417-237-7300 |
| Staff:              | Public Works Director    | Zeb Carney      | Public Works    | 417-237-7010 |

**John Bartosh**  
*Presiding Commissioner*

**Tom Flanigan**  
*Eastern District Commissioner*

**Darieux 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

OCTOBER 5, 2021

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
  - **Award Bid for Digitizing/Scanning/ Indexing Services for the Jasper County Recorder of Deeds**
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 OCTOBER 1, 2021 AT 4:00 P.M.

(RSMO 610.020)

**CARTHAGE TREE BOARD**  
**TUESDAY, October 5, 2021**  
**4:00 P.M.**  
**CARTHAGE PARK DEPARTMENT**  
**521 Robert Ellis Young Dr. Carthage, MO 64836**

## **Old Business**

1. Consider and approve minutes from the previous meeting.

## **Citizens Participation**

(Citizens wishing to address the Council or Committee should notify the City in advance and provide the item they want to address in written format at least 24 hours before the meeting. Please call Kailey Williams at the Parks & Recreation office at 417-237-7035.)

## **New Business**

1. Consider and Discuss Tree Photo Competition for Facebook.

## **Staff Reports**

## **Other Business**

## **Adjournment**

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

**POSTED:**

**BY:**

**John Bartosh**  
*Presiding Commissioner*

**Tom Flanigan**  
*Eastern District Commissioner*

**Darieux K. Adams**  
*Western District Commissioner*

# JASPER COUNTY COMMISSION



302 S. Main ST  
Carthage, MO 64836

Carthage: 417-358-0421  
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Fax: 417+358-0483

**COMMISSION AGENDA**  
**OCTOBER 12, 2021**  
**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
  - **Discuss Setting Speed Limit on County Road 284**
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 OCTOBER 8, 2021 AT 4:00 P.M.

(RSMO 610.020)

# ***CORRESPONDENCE***

# **"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.