

1. Agenda

Documents:

[CITY COUNCIL AGENDA 11 09 21.PDF](#)

2. Minutes

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[CITY COUNCIL MINUTES 11 09 21.PDF](#)

3. Meeting Materials

Documents:

[CITY COUNCIL PACKET 11 09 21.PDF](#)

**COUNCIL AGENDA
CITY OF CARTHAGE, MISSOURI
TUESDAY, NOVEMBER 9, 2021
6:30 P.M. – COUNCIL CHAMBERS**

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. 21-44** – 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. 21-46** - An Ordinance authorizing the Mayor to enter into a contract with WEX Health, Inc. for COBRA Administrative Services. (Insurance, Audit & Claims)
3. **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)
4. **C.B. 21-48** – An Ordinance changing Utility Cut Repair fees and establishing an after-hours inspection fee. (Public Works)

5. **C.B. 21-49** – An Ordinance to amend Section 17-56 of the Carthage Code by adding #21 Solar Panels. (Public Works)
6. **C.B. 21-50** – An Ordinance to amend Section 21-254 (e) (1), (2) and (3) of the Carthage Code, to change the rates to move any building or structure in the City of Carthage. (Public Works)

16. New Business

1. **C.B. 21-51** – An Ordinance to amend section 17-56 of the City of Carthage code by adding #22 Temporary Signs. (Planning, Zoning and Historic Preservation)
2. **C.B. 21-52** - An Ordinance granting a Special Use Permit for the operation of a One (1) licensed operator beauty shop to be located at 1422 W. Macon, as requested by Lacey M. Hensley in the City of Carthage, Jasper County, Missouri. (Planning, Zoning and Historic Preservation)
3. **C.B. 21-53** – An Ordinance authorizing the Mayor to enter into an agreement with Sprouls Construction for street and storm water improvements in the amount of \$700,828.00, on Garrison Ave. between Airport Drive and the Garrison, Fairlawn Roundabout, in the City of Carthage. (Public Works)
4. **C.B. 21-54** – An Ordinance authorizing the Mayor to enter into a contract with the Threads, Inc. for Performance Management Software. (Insurance, Audit and Claims)
5. **C.B. 21-55** – An Ordinance to amend Section 9-3 of the Code of Carthage to establish voting district boundaries pursuant to the 2020 decennial census. (Staff)
6. **C.B. 21-56** – An Ordinance to amend Section 9-5 Candidates for office; filing, to comply with RSMo 115.127 by changing the filing period for office. (Insurance, Audit and Claims)

17. Mayor's Appointments

18. Resolutions

1. **Resolution 1946** – A Resolution of the Council of the City of Carthage, Missouri authorizing the approval of Change Order No. 1 for the Garrison Ave. Improvement Project and increasing the project budget by an amount not to exceed \$349,563. (Public Works)
2. **Resolution 1947** – A Resolution providing authorization of amending the appropriation of funds from the Annual Operating and Capital Budget of the City of Carthage, Missouri for the Myers Park and Public Facilities Funds (Budget Ways & Means)
3. **Resolution 1948** – A Resolution of the Council of the City of Carthage, Missouri authorizing the approval of Change Order No. 3 for the Governor's Cost Share (Hazel St. Improvement) Project and increasing the project budget by an amount not to exceed \$126,214. (Public Works)

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

MINUTES OF THE MEETING OF THE CITY COUNCIL
CITY OF CARTHAGE, MISSOURI
November 9, 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: Mike Daugherty, Ceri Otero, Craig Diggs, Alan Snow, Seth Thompson, Ed Barlow, Juan Topete, Robin Harrison, and David Armstrong. City Administrator Tom Short, Assistant City Administrator Greg Dagnan and City Attorney Nate Dally were also present.

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. Diggs made a motion, seconded by Mr. Snow, to approve the minutes of the October 26, 2021 Council Meeting. Motion carried unanimously.

Mr. Diggs made a motion, seconded by Mr. Snow, to approve the minutes of the November 1, 2021 Special Council Meeting. Motion carried unanimously.

No citizens spoke during Citizen's Participation Period.

Mr. Snow reported the Budget Ways & Means Committee met on November 8 at 5:30 in Council Chambers. The budget adjustment Resolution was approved and forwarded to Council.

Ms. Otero reported the Committee on Insurance, Audit and Claims met on this date and approved the claims. A two-year contract for performance management software with Threads, Inc. was approved and appears in C.B. 21-54. Amendments to filing for office were also approved and appear in Council Bill 21-56. Redistricting of voter wards due to the 2020 census was discussed. Assistant City Administrator Dagnan is to look into the process before finalizing at the second reading.

Mr. Barlow reported that the Public Safety Committee is between meetings with the next meeting scheduled for November 15.

Mr. Topete reported that the Public Services Committee is between meetings with the next meeting scheduled for November 16.

Mr. Armstrong reported the Public Works Committee met on November 2. Parking lot improvements were discussed, and it was decided to tour the parking lots at the next meeting to look at costs and prioritize the needs.

Special Committee and Board Liaison reports were given by Mr. Barlow for the Planning, Zoning and Historic Preservation and Ms. Otero for the Carthage Humane Society.

Mayor Rife reported on his attendance at the Public Engagement meeting for the Parks Master Plan, a meeting of the Public Safety Hiring Committee, and an upcoming meeting with McCune Brooks Hospital Board regarding escrow funds. Mayor Rife read a letter of resignation from Ray West, Ward 2 Council Member. Mr. Barlow moved to accept Mr. West's resignation from the council with Mr. Daugherty seconding the motion. Motion carried.

During reports of Council Members, Mr. Armstrong thanked Mr. West for his public service. Mr. Topete commended the leaf pickup program.

City Attorney Nate Dally reported the deed had been updated for the transfer of Powers Museum to the school.

Fire Chief Roger Williams reported he will be retiring effective December 29.

Parks and Recreation Director Mark Peterson reported on the Public Engagement meeting for the Parks Master Plan.

Assistant City Administrator Greg Dagnan reported on meetings with Vision Carthage and CWEP to discuss parking lot improvements, his appointment to the Chamber Director Selection Committee, work to obtain a cost for the Salvation Army building, and working with the CVB to ensure future tourism grant funding.

City Administrator Tom Short reported on the following: a Zoom meeting with Baker Tilly regarding use of ARPA funds, a loan schedule from Baker Tilly for possible general obligation bonds or revenue bonds, Change Orders for Hazel and Garrison Street projects, sales tax revenues, financial statements, and the closing of city offices in observance of Veteran's Day.

The Committee on Claims filed a report in the amount of \$663,696.36 against the following funds: General Revenue \$105,011.30, Public Health \$18,297.74, Parks/Stormwater \$63,463.27, Golf \$2,356.55, Capital Improvements \$67,174.79, Myers Park \$2,022.00, Public Facilities \$1,764.00, Library \$25,000.00, and Payroll \$378,606.71. Ms. Otero made a motion, seconded by Mr. Armstrong to accept the report and allow the claims. Motion carried.

Under old business, C.B. 21-44 – 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) was placed on second reading followed by a roll call vote of 9 yeas and 0 nays. Ayes: Armstrong, Barlow,

Daugherty, Diggs, Harrison, Otero, Snow, Thompson and Topete. The Council Bill was approved and numbered Ordinance 21-47.

C.B. 21-46 -- An Ordinance authorizing the Mayor to enter into a contract with WEX Health, Inc. for COBRA Administrative Services was placed on second reading followed by a roll call vote of 9 yeas and 0 nays. Ayes: Armstrong, Barlow, Daugherty, Diggs, Harrison, Otero, Snow, Thompson and Topete. The Council Bill was approved and numbered Ordinance 21-48.

C.B. 21-47 – An Ordinance to amend Section 21-144 of the Carthage Code, to Change the Reimbursement rate of sidewalk improvements was placed on second reading followed by a roll call vote of 9 yeas and 0 nays. Ayes: Armstrong, Barlow, Daugherty, Diggs, Harrison, Otero, Snow, Thompson and Topete. The Council Bill was approved and numbered Ordinance 21-49.

C.B. 21-48 – An Ordinance changing Utility Cut Repair fees and establishing an after-hours inspection fee was placed on second reading followed by a roll call vote of 9 yeas and 0 nays. Ayes: Armstrong, Barlow, Daugherty, Diggs, Harrison, Otero, Snow, Thompson and Topete. The Council Bill was approved and numbered Ordinance 21-50.

C.B. 21-49 – An Ordinance to amend Section 17-56 of the Carthage Code by adding #21 Solar Panels was placed on second reading followed by a roll call vote of 9 yeas and 0 nays. Ayes: Armstrong, Barlow, Daugherty, Diggs, Harrison, Otero, Snow, Thompson and Topete. The Council Bill was approved and numbered Ordinance 21-51.

C.B. 21-50 – An Ordinance to amend Section 21-254 (e) (1), (2) and (3) of the Carthage Code to change the rates to move any building or structure in the City of Carthage was placed on second reading followed by a roll call vote of 9 yeas and 0 nays. Ayes: Armstrong, Barlow, Daugherty, Diggs, Harrison, Otero, Snow, Thompson and Topete. The Council Bill was approved and numbered Ordinance 21-52.

Under new business, C.B. 21-51 – An Ordinance to amend section 17-56 of the City of Carthage Code by adding #22 Temporary Signs was placed on first reading with no action taken.

C.B. 21-52 – An Ordinance granting a Special Use Permit for the operation of a One (1) licensed operator beauty shop to be located at 1422 W. Macon, as requested by Lacey M. Hensley in the City of Carthage, Jasper County, Missouri was placed on first reading with no action taken.

C.B. 21-53 – An Ordinance authorizing the Mayor to enter into an agreement with Sprouls Construction for street and storm water improvements in the amount of \$700,828.00 on Garrison Ave. between Airport Drive and the Garrison, Fairlawn Roundabout, in the City of Carthage was placed on first reading with no action taken.

C.B. 21-54 – An Ordinance authorizing the Mayor to enter into a contract with The Threads, Inc., for Performance Management Software was placed on first reading with no action taken.

C.B. 21-55 – An Ordinance to amend Section 9-3 of the Code of Carthage to establish voting district boundaries pursuant to the 2020 decennial census was placed on first reading with no action taken.

C.B. 21-56 – An Ordinance to amend Section 9-5 Candidates for office; filing, to comply with RSMo 115.127 by changing the filing period for office was placed on first reading with no action taken.

Mr. Daugherty made a motion, seconded by Mr. Armstrong, to approve Resolution 1946 – A Resolution of the Council of the City of Carthage, Missouri authorizing the approval of Change Order No. 1 for the Garrison Ave. Improvement Project and increasing the project budget by an amount not to exceed \$349,563.00. Resolution 1946 was adopted by a roll call vote of 9 yeas and 0 nays. Ayes: Armstrong, Barlow, Daugherty, Diggs, Harrison, Otero, Snow, Thompson and Topete.

Mr. Snow made a motion, seconded by Mr. Daugherty, to approve Resolution 1947 – A Resolution providing the authorization of amending the appropriation of funds from the Annual Operating and Capital Budget of the City of Carthage, Missouri for the Myers Park and Public Facilities Funds. Resolution 1947 was adopted by a roll call vote of 9 yeas and 0 nays. Ayes: Armstrong, Barlow, Daugherty, Diggs, Harrison, Otero, Snow, Thompson and Topete.

Mr. Daugherty made a motion, seconded by Ms. Otero, to approve Resolution 1948 – A Resolution of the Council of the City of Carthage, Missouri authorizing the approval of Change Order No. 3 for the Governor's Cost Share (Hazel St. Improvement) Project and increasing the project budget by an amount not to exceed \$126,214.00. Resolution 1948 was adopted by a roll call vote of 9 yeas and 0 nays. Ayes: Armstrong, Barlow, Daugherty, Diggs, Harrison, Otero, Snow, Thompson and Topete.

Closing Comments: Mr. Diggs thanked Fire Chief Williams for his service, Mr. Snow congratulated the soccer and football teams for their accomplishments, and Mr. Topete and Ms. Harrison commended Mark Peterson for his handling of discussions at the Public Engagement meeting.

Mr. Armstrong made a motion, seconded by Mr. Daugherty, to adjourn the regular session of the Council Meeting. Motion carried and meeting adjourned at 7:20 p.m.

Dan Rife, Mayor

Traci Cox, City Clerk

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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

MINUTES OF THE MEETING OF THE CITY COUNCIL
CITY OF CARTHAGE, MISSOURI
October 26, 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: David Armstrong, Ceri Otero, Craig Diggs, Seth Thompson, Ed Barlow, Juan Topete and Robin Harrison. Council Members Ray West, Mike Daugherty and Alan Snow were absent. City Administrator Tom Short, Assistant City Administrator Greg Dagnan and City Attorney Nate Dally were also present.

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.

Ms. Otero made a motion, seconded by Mr. Armstrong, to approve the minutes of the September 22, 2021 Council Meeting. Motion carried unanimously.

Ms. Otero made a motion, seconded by Mr. Diggs, to approve the minutes of the October 21, 2021 Special Council Meeting. Motion carried unanimously.

Mayor Rife reported he had signed a Proclamation declaring the month of October as Alpha Delta Kappa month.

There was no participation during Citizen's Participation Period.

Mr. Topete reported the Budget Ways & Means Committee is between meetings with the next meeting scheduled for November 8.

Ms. Otero reported the Committee on Insurance, Audit and Claims met on this date and approved the claims. Ms. Otero made a motion, seconded by Mr. Armstrong, to increase the incentive for the annual Employee Wellness Point Program from \$75 to \$150. Motion carried. Ms. Otero made a motion, seconded by Mr. Diggs, to approve the Anthem renewal rate of 2.45% increase for employee health insurance for the 2022 calendar year. Motion carried.

Mr. Barlow reported that the Public Safety Committee met on October 18. Mr. Barlow made a motion, seconded by Ms. Harrison, to approve street closures for the Christmas parade on Chestnut, 9th, 10th, 11th, Main Street and the Square on December 6 from 5:00 p.m. to 8:00 p.m. Motion carried. A donation from the Carthage Fire Protection District was approved and appears in Resolution 1945.

Mr. Topete reported that the Public Services Committee met on October 19. The Park Department is partnering with Carthage Water & Electric to light up Central Park for the holidays to create a festive environment that may be used for family and business activities through the holiday season. The initial lighting will be around Thanksgiving and continue through January 1.

Mr. Armstrong reported the Public Works Committee met on October 5. The agenda includes several items that alter fees for services. Solar panels installed on homes in the Historic District is addressed in C.B. 21-49.

Special Committee and Board Liaison reports were given by Mr. Thompson for Vision Carthage, Ms. Otero for the Carthage Humane Society, and Mr. Barlow for the Planning, Zoning and Historic Preservation.

Mayor Rife reported on a Selection Committee meeting for the fire chief and a meeting with Alpha Delta Kappa for the proclamation signing.

During reports of Council Members, Mr. Armstrong reported on meetings with SHPO regarding architect preservation and Mr. Barlow thanked all who attended the planning session and the productive conversations.

City Attorney Nate Dally reported on an administrative hearing for a dog that had been declared vicious and papers are out for service for the lawsuit against a previous employee.

Fire Chief Roger Williams discussed the donation from the Fire District.

Public Works Director Zeb Carney reported the annual leaf collection will begin on November 1.

Parks and Recreation Director Mark Peterson reported on the second Public Engagement meeting scheduled for November 4 and Christmas light installation at Central Park.

City Clerk Traci Cox reported on investments with the Police & Fire Pension Fund.

City Administrator Tom Short reported on the following: Powers Museum will be transferred to the Carthage Schools effective November 19, conversations with Gilmore Bell, discussions with a citizen requesting holiday schedules and senior citizen discounts with Republic Services to be posted, correspondence with Baker Tilly regarding ARPA funds, a meeting with McCune Brooks Hospital Trust, discussions regarding census data and redistricting, discussions on county donating property to city, packets for committee and council meetings will be published online, the purchase of the Baptist Church parking lot and additional information on the railroad lawsuit.

The Committee on Claims filed a report in the amount of \$5,575,575.46 against the following funds: General Revenue \$236,080.04, Public Health \$137,975.09,

Parks/Stormwater \$84,921.14, Fire Protection \$31,183.35, Golf \$11,169.53, Capital Improvements \$116,858.60, Parks & Recreation \$53.07, Myers Park \$2,817.00, Public Facilities \$136,972.05, Library \$25,000.00, Payroll \$792,545.60 and CWEP \$4,000,000.00. Ms. Otero made a motion, seconded by Mr. Armstrong to accept the report and allow the claims. Motion carried.

There was no old business to conduct.

Under new business, 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) was placed on first reading with no action taken.

C.B. 21-46 - An Ordinance authorizing the Mayor to enter into a contract with WEX Health, Inc. for COBRA Administrative Services was placed on first reading with no action taken.

C.B. 21-47 – An Ordinance to amend Section 21-144 of the Carthage Code, to Change the Reimbursement rate of sidewalk improvements was placed on first reading with no action taken.

C.B. 21-48 – An Ordinance changing Utility Cut Repair fees and establishing an after-hours inspection fee was placed on first reading with no action taken.

C.B. 21-49 – An Ordinance to amend Section 17-56 of the Carthage Code by adding #21 Solar Panels was placed on first reading with no action taken.

C.B. 21-50 – An Ordinance to amend Section 21-254 (e) (1), (2) and (3) of the Carthage Code to change the rates to move any building or structure in the City of Carthage was placed on first reading with no action taken.

Mr. Armstrong made a motion, seconded by Ms. Otero, to approve the Mayor's appointment of James Harrison to the Hospital Board until November 2025. Motion carried.

Mr. Armstrong made a motion, seconded by Ms. Otero, to approve 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. Resolution 1943 was adopted by a roll call vote of 7 yeas and 0 nays. Ayes: Armstrong, Barlow, Diggs, Harrison, Otero, Thompson and Topete.

Ms. Otero made a motion, seconded by Mr. Armstrong, to approve 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. Resolution 1944 was adopted by a roll call vote of 7 yeas and 0 nays. Ayes: Armstrong, Barlow, Diggs, Harrison, Otero, Thompson and Topete.

Mr. Barlow made a motion, seconded by Mr. Diggs, to approve Resolution 1945 – A Resolution providing for the formal acceptance of a donation to the City of Carthage's Fire Department by the City Council of the City of Carthage, Missouri pursuant to City policy. Resolution 1945 was adopted by a roll call vote of 7 yeas and 0 nays. Ayes: Armstrong, Barlow, Diggs, Harrison, Otero, Thompson and Topete.

Closing Comments, Mr. Diggs reported on discussions with the St. Lukes incoming board President.

Ms. Harrison made a motion, seconded by Ms. Otero, to adjourn the regular session of the Council Meeting. Motion carried and meeting adjourned at 7:09 p.m.

Dan Rife, Mayor

Traci Cox, City Clerk

MINUTES OF THE SPECIAL MEETING OF THE CITY COUNCIL
CITY OF CARTHAGE, MISSOURI
November 1, 2021

The Carthage City Council met in special session on the above date via video conference with Mayor Dan Rife presiding.

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

The following Department Heads were present: Fire Chief Roger Williams, Public Works Director Zeb Carney and City Clerk Traci Cox.

Mr. Snow made a motion, seconded by Mr. Armstrong, to close the meeting according to Section 610.021 (1) the Agenda includes the possibility of a vote to close part of the meeting to discuss legal actions, causes of action or litigation involving a public governmental body or its representatives and its attorneys followed by a roll call vote on the board of 6 yeas and no nays. Ayes: Armstrong, Barlow, Harrison, Otero, Snow and Topete. Motion carried at 5:05 p.m.

CLOSED SESSION

Mr. Snow made a motion, seconded by Ms. Otero, to return to the regular session of the Council Meeting at 5:08 p.m. followed by a roll call vote of 6 yeas and no nays. Ayes: Armstrong, Barlow, Harrison, Otero, Snow and Topete. Motion carried.

Mr. Snow made a motion, seconded by Mr. Armstrong, to adjourn the regular session of the Council Meeting. Motion carried and meeting adjourned at 5:09 p.m.

Dan Rife, Mayor

Traci Cox, City Clerk

***PRESENTATIONS/
PROCLAMATIONS***

***PUBLIC
HEARINGS***

***OLD
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

CCO Form: FS35G
Approved: 1/20 (MWH)
Revised: 3/20 (MWH)
Modified: 9/21 (MWH)

Entity: City of Carthage
Project: GOVCS08

**MISSOURI HIGHWAYS AND TRANSPORTATION COMMISSION
GOVERNOR'S TRANSPORTATION COST SHARE AGREEMENT**

THIS AGREEMENT is entered into by the Missouri Highways and Transportation Commission (hereinafter, "Commission") and the City of Carthage (hereinafter, "Entity").

WITNESSETH:

WHEREAS, pursuant to Section 4.430 of Truly Agreed to and Finally Passed House Bill 4 (hereinafter, "TAFP HB 4 2019") from the 2019 legislative session, the Missouri General Assembly (GA) has appropriated Fifty Million dollars (\$50,000,000) in general revenue funds to the Commission to be expended for road and bridge projects under the *Governor's Transportation Cost Share Program (Program)*; and

WHEREAS, pursuant to Section 4.435 of Truly Agreed to and Finally Passed House Bill 2004 (hereinafter, "TAFP HB 2004") from the 2020 legislative session, the Missouri GA re-appropriated thereby reducing the funds to Twenty-five Million dollars (\$25,000,000) in general revenue funds to the Commission to be expended for road and bridge projects under the Governor's Transportation Cost Share Program; and

WHEREAS, pursuant to Section 4.450 of Truly Agreed to and Finally Passed House Bill 4 (hereinafter, "TAFP HB 4 2021") from the 2021 legislative session, the Missouri GA re-appropriated thereby reducing the funds to Twenty-five Million dollars (\$25,000,000) in general revenue funds to the Commission to be expended for road and bridge projects under the Governor's Transportation Cost Share Program; and

WHEREAS, pursuant to the January 6, 2021 Commission meeting, the Commission to set aside Twenty-five million dollars (\$25,000,000) of state road funds to be expended for road and bridge projects under the Governor's Transportation Cost Share Program; and

WHEREAS, the Entity applied to the Commission for participation in the *Governor's Transportation Cost Share Program*; and

WHEREAS, on January 6, 2020, the Commission approved the Entity's application to the *Governor's Transportation Cost Share Program* subject to the terms and conditions of this Agreement; and

WHEREAS, on August 4, 2021, the Commission approved the Entity's modified application to the *Governor's Transportation Cost Share Program* subject to the terms and conditions of this Agreement; and

WHEREAS, the Commission will administer these Program funds to the Entity with the understanding that such funds will be used for the purpose of funding road and bridge improvement projects, as further described within TAFP HB 4 2019, TAFP HB 2004 and TAFP HB 4 2021 and within this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants, promises, and representations in this Agreement, the parties agree as follows:

(1) AMOUNT OF PROGRAM: The total amount of this Program, as provided within Section 4.430 of TAFP HB 4 2019, Section 4.435 of TAFP HB 2004, Section 4.450 of TAFP HB 4 2021 and the January 6, 2021 Commission meeting, is Fifty Million dollars (\$50,000,000). The parties to this Agreement agree that the Commission will administer funds from the Program in an amount not to exceed Fifty Million dollars (\$50,000,000). These funds made available from the Commission to the Entity are subject to appropriations made by the GA and gubernatorial release of such funds appropriated to the Commission. In the event state funds appropriated within Section 4.430 of TAFP HB 4 2019, Section 4.435 of TAFP HB 2004 and/or Section 4.450 of TAFP HB 4 2021 are reduced so that the Commission is incapable of completely satisfying its obligations to the Entity, the Commission may recompute and reduce this Program. The designation of this program does not create a lump sum quantity contract, but rather only represents the amount of funding available for eligible expenses. In no event will the Commission reimburse the Entity for improvements or work that are not actually performed. The release of all funding under this Agreement is subject to review and approval of all project expenses to ensure that they are qualifying expenses. These funds are for construction contract costs only. Preliminary engineering, environmental services, right of way services and acquisitions, utilities, construction inspection and other costs shall not receive the funds from HB 4 2019 Section 4.430, HB 2004 Section 4.435 or HB 4 2021 Section 4.450. The Entity shall be solely responsible for all ineligible costs.

(2) REQUEST FOR RE-APPROPRIATION OF FUNDS AND EXTENSION OF TIME FOR COMPLETION OF PROJECT: It is anticipated the Twenty-Five Million dollars (\$25,000,000) provided within Section 4.450 of TAFP HB 4 2021 will not be fully expended by June 30, 2022. Therefore, the Commission will request for the re-appropriation and extension of time. If the re-appropriation is not approved, the Entity has the discretion to complete the construction of the project at the Entity's expense and at no cost and expense whatsoever to the Commission.

(3) PROGRAM TIME PERIOD: This Agreement provides funding for expenditures for the *Governor's Transportation Cost Share Program* projects to the Entity for State Fiscal Year (SFY) 2022 (July 1, 2021 - June 30, 2022). In the event the funds are re-appropriated by the GA into another SFY, the Program Time Period will

automatically be adjusted to reflect the new SFY.

(4) PURPOSE: The purpose of this Agreement is to provide financial assistance to the Entity in accordance with Section 4.450 of TAFP HB 4 2021 and the January 6, 2021 Commission meeting and to coordinate the participation by the Commission in the cost of the Entity's project GOVCS08. The purpose is for a Cost Share Program with public and private entities for public road and bridge projects satisfying a transportation need, provided that these funds shall not supplant, and shall only supplement, the current planned allocation of road and bridge expenditures under the most recently adopted State Transportation and Improvement Plan (**STIP**), including all amendments thereto, as of the date of passage of this bill by the GA.

(5) LOCATION: The transportation improvement that is the subject of this Agreement is contemplated at the following location:

Hazel Street, from George Phelps Boulevard to Fir Road (Rte. HH). Length of improvement is approximately 1,483 feet.

The general location of the project is shown on the attachment marked as "Exhibit A" and is incorporated herein by reference.

(6) SCOPE OF WORK: The Entity shall undertake and complete the work described in the Entity's Scope of Work Statement, which is attached and marked as "Exhibit B" and is incorporated herein by reference. The project will be defined by the Entity's Scope of Work Statement.

(7) AMENDMENTS: Any change in this Agreement, whether by modification or supplementation, must be accomplished by a formal contract amendment signed and approved by the duly authorized representatives of the Entity and the Commission.

(8) COMMISSION REPRESENTATIVE: The Commission's Springfield District Engineer is designated as the Commission's representative for the purpose of administering the provisions of this Agreement. The Commission's representative may designate by written notice other persons having the authority to act on behalf of the Commission in furtherance of the performance of this Agreement.

(9) ENTITY REPRESENTATIVE: The Entity's Mayor is designated as the Entity's representative for the purpose of administering the provisions of this Agreement. The Entity's representative may designate by written notice other persons having the authority to act on behalf of the Entity in furtherance of the performance of this Agreement.

(10) PROJECT RESPONSIBILITIES: With regard to project responsibilities

under this agreement, the parties agree as follows:

(A) The Entity shall be responsible for the design, acquisition of right of way, letting of the Project, construction, and inspection of the Project. The Entity's responsibility to letting the work for this herein Project includes advertising the project for bids and awarding the construction contract. The Entity shall solicit bids for the herein improvement.

(B) The Commission shall not be responsible for the project design, acquisition of right of way, letting of the project, construction, or inspection of the Project.

(C) The Entity shall be responsible for construction of the herein improvement, which includes administration of the construction contract and inspection of the project work.

(D) The Entity shall commence work on the project upon receipt of written notice to proceed from the Commission.

(E) Project Efficiency: The Entity shall proceed with the project in a sound, economical and efficient manner in order to accomplish the items listed in the Scope of Work Statement, Exhibit B, within the prescribed Program Time Period.

(F) Project Inspection: The Commission shall have the right to inspect and review the work performed on this project.

(G) Notification of Change of Conditions: The Entity shall immediately notify Commission, in writing, of any change in conditions or law or of any event which may significantly impair its ability to carry out the project in accordance with the provisions of this Agreement.

(11) REIMBURSEMENT FOR ELIGIBLE EXPENSES: The Commission will reimburse the Entity for eligible construction contract expenses in accordance with Section 4.450 of TAFP HB 4 2021 based on actual construction contract costs.

(A) The Program funds are only eligible to be used for construction contract costs. All other project costs, including but not limited to preliminary engineering, environmental services, right-of-way services and acquisitions, utilities, construction administration and inspection shall be the responsibility of the Entity. The breakdown details of the estimated total project cost is shown in "Exhibit C," which is attached hereto and incorporated herein by reference. The current construction contract cost estimate is Three Hundred Eighty-One Thousand Seven Hundred Twenty-Six dollars (\$381,726.00).

(B) The Governor's Transportation Cost Share Program share of the project construction contract cost will be fifty percent (50%) not to exceed One Hundred Ninety

Thousand Eight Hundred Sixty-Three dollars (\$190,863.00).

(C) The Entity shall be responsible for the balance of the construction contract costs and all ineligible costs that are not the Commission's responsibility by the terms of this Agreement in excess of One Hundred Ninety Thousand Eight Hundred Sixty-Three dollars (\$190,863.00).

(D) The Entity may request reimbursement for eligible costs at any time subsequent to the execution of this Agreement by both parties. Requests for reimbursement shall be submitted to the Missouri Department of Transportation (**MoDOT**) monthly and shall be supported with invoices and documentation that its providers were paid in full for the work performed.

(E) The Entity's request for reimbursement must include a construction progress summary that includes an estimated percent complete, list of major items of work completed during the pay period and status of schedule.

(F) It is understood and agreed by and between the parties that the Commission shall make no reimbursement payment which could cause the aggregate of all payments under this Agreement to exceed 50% of construction contract costs up to One Hundred Ninety Thousand Eight Hundred Sixty-Three Dollars (\$190,863.00) as approved by the Commission.

(G) Within ninety (90) days of final inspection of the project funded under this Program, the Entity shall provide to the Commission a final payment request and all financial performance and other reports as required by this Agreement.

(H) If the Commission determines that the Entity was overpaid, the amount of overpayment shall be remitted to the Commission.

(I) Reimbursement requests must be submitted by May 31st of the Program Time Period to ensure reimbursement.

(12) EXPENDITURE OF PROGRAM FUNDS: All funds not expended by the Entity at the end of the Program Time Period within this Agreement may be redistributed to another Applicant at the discretion of the Commission.

(13) WITHDRAWAL OF PROGRAM OFFER: The Commission reserves the right to amend or withdraw this Program offer at any time prior to acceptance by the Entity.

(14) ENTITY TO MAINTAIN: Upon completion of construction of this improvement, the Entity shall accept maintenance of the improvements made by this project at no cost and expense whatsoever to the Commission. Any traffic signals installed on highways maintained by the Commission will be turned over to the

Commission upon completion of the project for maintenance. Any aesthetic improvements installed on highways maintained by the Commission upon completion of the project will be the sole responsibility of the Entity for maintenance. All obligations of the Commission under this Agreement shall cease upon completion of the improvement.

(15) CANCELLATION: The Commission may cancel this Agreement at any time for a material breach of contractual obligations by providing the Entity with written notice of cancellation. Should the Commission exercise its right to cancel the contract for such reasons, cancellation will become effective upon the date specified in the notice of cancellation sent to the Entity.

(16) ACQUISITION OF RIGHT OF WAY: With respect to the acquisition of right of way necessary for the completion of the project, Entity shall acquire any additional necessary right of way required for the project and in doing so agrees that it will comply with all applicable federal laws, rules and regulations, including 42 U.S.C. 4601-4655, the Uniform Relocation Assistance and Real Property Acquisition Act, as amended and any regulations promulgated in connection with the Act

(17) ENTITY'S PRELIMINARY PLANS: The Entity shall provide the Commission with plans setting forth the general analysis and explanation of reasons for design choices.

(18) REVIEW OF BIDS AND CONTRACT AWARD: The Entity shall award the contract to the lowest, responsive, responsible bidder. The Commission will review all contractors' bids and concur with the selection of the apparent successful low bidder prior to the Entity awarding the construction contract.

(19) NOTICE TO PROCEED: After the Commission receives copies of the executed construction contract between the Entity and the contractor, the performance and payment bonds, and any other documentation as required by this Agreement, the Commission will authorize the Entity to issue a notice to proceed with construction.

(20) CONSTRUCTION PROGRESS AND INSPECTION REPORTS: The Entity shall provide and maintain adequate, competent and qualified engineering supervision and construction inspection at the project site during all stages of the work to ensure that the completed work conforms with the project plans and specifications. Project oversight by other personnel does not relieve the Entity of this responsibility.

(21) PROMPT PAYMENT: The Commission and the Entity require all contractors to pay all subcontractors and suppliers for satisfactory performance of services in compliance with section 34.057 RSMo, Missouri's prompt payment statute. Pursuant to section 34.057 RSMo, the Commission and the Entity also require the prompt return of all retainage held on all subcontractors after the subcontractors' work is satisfactorily completed, as determined by the Entity and the Commission.

(22) AUDIT OF RECORDS: The Entity must maintain all records relating to this Agreement, including but not limited to invoices, payrolls, etc. These records must be available at all reasonable times at no charge to the Commission and/or its designees or representatives during the period of this Agreement and any extension thereof, and for three (3) years from the date of final payment made under this Agreement.

(23) NONDISCRIMINATION CLAUSE: The Entity shall comply with all state and federal statutes applicable to the Entity relating to nondiscrimination, including, but not limited to, Chapter 213, RSMo; Title VI and Title VII of the Civil Rights Act of 1964, as amended (42 U.S.C. Sections 2000d and 2000e, *et seq.*); and with any provision of the "Americans with Disabilities Act" (42 U.S.C. Section 12101, *et seq.*).

(24) PROJECT SCHEDULE: A project schedule shall be included as Exhibit D. Any lack of progress which significantly endangers substantial performance of the project within the specified time shall be deemed a violation of the terms of this Agreement. The determination of lack of progress shall be solely within the discretion of the Commission. The Commission shall notify the Entity in writing once such a determination is made.

(25) PROJECT ACCEPTANCE AND CERTIFICATION: The Entity shall certify in writing with a signature all applicable state and federal laws were followed with the completion of this project i.e. consultant selection, bidding, prevailing wage, uniform act, etc. (Exhibit E). This certification will be submitted during the project closeout phase of the project. Final payment will be held until certification is received.

(26) SOLE BENEFICIARY: This Agreement is made for the sole benefit of the parties hereto and nothing in this Agreement shall be construed to give any rights or benefits to anyone other than the Commission and the Entity.

(27) AUTHORITY TO EXECUTE: The signers of this Agreement warrant that they are acting officially and properly on behalf of their respective institutions and have been duly authorized, directed and empowered to execute this Agreement.

(28) SECTION HEADINGS: All section headings contained in this Agreement are for the convenience of reference only and are not intended to define or limit the scope of any provision of this Agreement.

(29) NO ADVERSE INFERENCE: This Agreement shall not be construed more strongly against one party or the other. The parties to this Agreement had equal access to, input with respect to, and influence over the provisions of this Agreement. Accordingly, no rule of construction which requires that any allegedly ambiguous provision be interpreted more strongly against one party than the other shall be used in interpreting this Agreement.

(30) ENTIRE AGREEMENT: This Agreement represents the entire understanding between the parties regarding this subject and supersedes all prior written or oral communications between the parties regarding this subject.

(31) VOLUNTARY NATURE OF AGREEMENT: Each party to this Agreement warrants and certifies that it enters into this transaction and executes this Agreement freely and voluntarily and without being in a state of duress or under threats or coercion.

(32) NOTICES: Any notice or other communication required or permitted to be given hereunder shall be in writing and shall be deemed given three (3) days after delivery by United States mail, regular mail postage prepaid, or immediately after delivery in person, or by facsimile or electronic mail addressed as follows:

Commission to: Missouri Department of Transportation
Attn: Steve Campbell
Springfield District Engineer
3025 E. Kearney Street
Springfield, MO 65803
Facsimile No.: 417-895-7637
Email: Steven.Campbell@modot.mo.gov

Entity to: Dan Rife
Mayor, City of Carthage
326 Grant Street
Carthage, MO 64836
Facsimile No.: 417-237-7005
Email: mayor.rife@carthagemo.gov

or to such other place as the parties may designate in accordance with this Agreement.

(33) VENUE: It is agreed by the parties that any action at law, suit in equity, or other judicial proceeding to enforce or construe this Agreement, or regarding its alleged breach, shall be instituted only in the Circuit Court of Cole County, Missouri.

(34) LAW OF MISSOURI TO GOVERN: This Agreement shall be construed according to the laws of the State of Missouri. The Entity shall comply with all local, state and federal laws and regulations relating to the performance of this Agreement.

(35) PERMITS: The Entity shall secure any necessary approvals or permits from the Federal Government and the State of Missouri as required to permit the construction and maintenance of the contemplated improvements.

(36) TRAFFIC CONTROL: The plans shall provide for handling traffic with signs, signal and marking in accordance with the Manual of Uniform Traffic Control Devices (**MUTCD**).

(37) WORK PRODUCT: All documents, reports, exhibits, etc. produced by the Entity at the direction of the Commission and information supplied by the Commission shall remain the property of the Commission.

(38) CONFIDENTIALITY: The Entity shall not disclose to third parties confidential factual matters provided by the Commission except as may be required by statute, ordinance or order of court, or as authorized by the Commission. The Entity shall notify the Commission immediately of any request for such information.

(39) NONSOLICITATION: The Entity warrants that it has not employed or retained any company or person, other than a bona fide employee working for the Entity, to solicit or secure this Agreement, and that it has not paid or agreed to pay any company or person, other than a bona fide employee, any fee, commission, percentage, brokerage fee, gift or any other consideration, contingent upon or resulting from the award or making of this Agreement. For breach or violation of this warranty, the Commission shall have the right to annul this Agreement without liability, or in its discretion, to deduct from this Agreement price or consideration, or otherwise recover, the full amount of such fee, commission, percentage, brokerage fee, gift or contingent fee.

(40) DISPUTES: Any disputes that arise under this Agreement shall be decided by the Commission or its representative.

(41) INDEMNIFICATION:

(A) To the extent allowed or imposed by law, the Entity shall defend, indemnify and hold harmless the Commission, including its members and the Missouri Department of Transportation (MoDOT or Department) employees, from any claim or liability whether based on a claim for damages to real or personal property or to a person for any matter relating to or arising out of the Entity's wrongful or negligent performance of its obligations under this Agreement.

(B) The Entity will require any contractor procured by the Entity to work under this Agreement:

1. To obtain a no cost permit from the Commission's District Engineer prior to working on the Commission's right-of-way, which shall be signed by an authorized contractor representative (a permit from the Commission's District Engineer will not be required for work outside of the Commission's right-of-way); and

2. To carry commercial general liability insurance and commercial automobile liability insurance from a company authorized to issue insurance in Missouri, and to name the Commission, and MoDOT and its employees, as additional named insureds in amounts sufficient to cover the sovereign immunity limits for Missouri public entities as calculated by the Missouri Department of Insurance, Financial Institutions and Professional Registration, and published annually in the *Missouri Register* pursuant to section 537.610 RSMo. The Entity shall cause insurer to increase the insurance amounts in accordance with those published annually in the *Missouri Register* pursuant to section 537.610 RSMo.

(C) In no event shall the language of this Agreement constitute or be construed as a waiver or limitation for either party's rights or defenses with regard to each party's applicable sovereign, governmental, or official immunities and protections as provided by federal and state constitution or law.

(42) NOTIFICATION OF CHANGE: The Entity shall immediately notify the Commission of any change in conditions or law which may significantly affect its ability to perform the project in accordance with the provisions of this Agreement.

(43) ASSIGNMENT: The Entity shall not assign, transfer or delegate any interest in this Agreement without the prior written consent of the Commission.

(44) BANKRUPTCY: Upon filing for any bankruptcy or insolvency proceeding by or against the Entity, whether voluntarily, or upon the appointment of a receiver, trustee, or assignee, for the benefit of creditors, the Commission reserves the right and sole discretion to either cancel this Agreement or affirm this Agreement and hold the Entity responsible for damages.

(45) OUTDOOR ADVERTISING: The Entity further agrees that the right of way provided for any improvement will be held and maintained inviolate for public highway or street purposes, and will enact and enforce any ordinances or regulations necessary to prohibit the presence of billboards or other advertising signs or devices and the vending or sale of merchandise on such right of way, and will remove or cause to be removed from such right of way any sign, private installation of any nature, or any privately owned object or thing which may interfere with the free flow of traffic or impair the full use and safety of the highway or street.

(46) STATE WAGE LAWS: The Entity's contractor and its subcontractors shall pay the prevailing hourly rate of wages for each craft or type of worker required to execute this project work as determined by the Department of Labor and Industrial Relations of Missouri, and they shall further comply in every respect with the minimum wage laws of Missouri. The Entity shall take those acts which may be required to fully inform itself of the terms of, and to comply with, any applicable state wage laws.

IN WITNESS WHEREOF, the parties have entered into this Agreement on the date last written below.

Executed by the Entity on _____.

Executed by the Commission on _____.

MISSOURI HIGHWAYS AND
TRANSPORTATION COMMISSION

CITY OF CARTHAGE

By _____

Title _____

Title _____

Attest:

Attest:

Secretary to the Commission

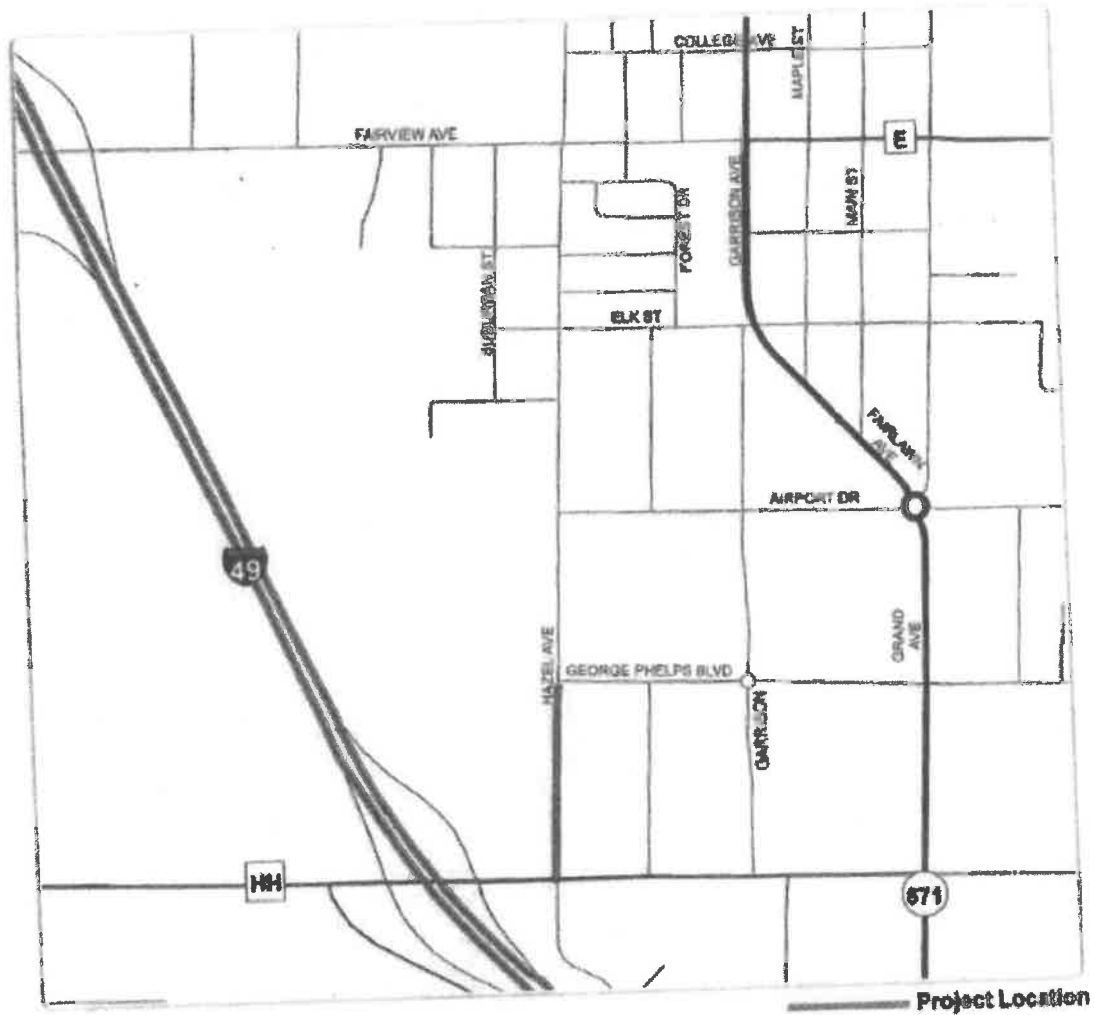
By _____

Title _____

Approved as to Form:

Commission Counsel

EXHIBIT A LOCATION



CITY OF CARTHAGE
HAZEL AVENUE
JASPER COUNTY

0 0.45 Miles



EXHIBIT B
SCOPE OF WORK

The project will widen and make improvements to Hazel Street from George Phelps Boulevard to Fir Road (Rte. HH).

EXHIBIT C

COST ESTIMATE

Project Name: Hazel Street Widening and Improvements

MoDOT Project Number: GOVCS08

Description: Hazel Street Widening and Improvement from George Phelps Boulevard to Fir Road (Rte. HH)

Local Entity: City of Carthage

<u>Element Breakdown</u>	<u>Costs</u>	<u>Responsible Entity</u>
PE:	\$53,442	City
PE Review:	\$0	
ROW:	\$0	
ROW Incidentals:	\$0	
ROW Review:	\$0	
Construction:	\$381,726	City/Governor's CS
Utilities:	\$10,000	City
CE:	\$42,753	City
CE Review:	\$0	
TOTAL:	\$487,922	

<u>Funding Breakdown</u>	<u>Costs</u>	<u>% Share</u>
Governor's Cost Share Contribution:	\$190,863	39%
MoDOT's Cost Share Contribution:	\$0	0%
MoDOT District Contribution:	\$0	0%
Funding From Other Sources (FFOS):	\$297,059	61%
STP/CMAQ funds:	\$0	0%
Total Project Costs:	\$487,922	
Construction Contract Cost:	\$381,726	
Governor's Cost Share Percent of Const. Contract:	50%	
FFOS Funding Source:	City of Carthage	

EXHIBIT D
PROJECT SCHEDULE

Design Phase	Proposed New Schedule
Commence Preliminary Plans	9/1/2020
Preliminary Plans Due	10/15/2020
Begin Environmental Assessment	10/31/2020
Right of Way Plans Due	N/A
Begin Right of Way Acquisition	N/A
100% Review Plans	3/1/2021
Complete Signed and Seal Plans	4/1/2021
Final PSE	4/30/2021
Advertise for Bids	5/10/2021
Bid Opening	6/2/2021
Award Construction Contract	6/22/2021
Commence Construction	8/10/2021
Complete Construction	11/10/2021
Project Completion	5/1/2022

EXHIBIT E



Missouri Department of Transportation

Certification for Acceptance

Governor's Transportation Cost Share Program

Funding Recipient:					
Address					
City		State		Zip	
Project Identification Number:					
County		Route		Completion Date	
Project Location					
Type of Improvement					
I hereby certify the Governor's Cost share project identified above has been completed in accordance with all state and federal laws and the following requirements have been met: 1. Project field tests were performed in conformity with the governing specifications and the results were in reasonably close conformity with the specifications. 2. The project was constructed substantially in conformity with the plans and specifications. 3. A copy of the Final Invoice and a Final List of Pay Quantities have been submitted to MoDOT. 4. The Funding Recipient has received certification from the Contractor that all lawful claims in connection with the project have been paid and discharged. 5. For projects exceeding \$75,000, all Missouri Prevailing Wage laws were followed and enforced (for a checklist, see Form PW-5 at https://labor.mo.gov/).					
Signed by an Authorized Representative of the Funding Recipient		 Signature (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.

N/A	Arrears Bill
X	COBRA
N/A	Direct Bill
N/A	Education Assistance Program
N/A	Health Savings Account
N/A	Premium Conversion Plan
N/A	Reimbursement Account
N/A	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>
COBRA - Monthly	\$0.70	\$85.00	Monthly	Customer
Fees per Covered Employee The 2% additional premium for administrative costs is retained by WEX If the 2% additional premium is not chargeable to COBRA Continuant due to state or local law, WEX will include the 2% additional premium on a monthly invoice to the Employer, and the 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 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.
- 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 Continuants, 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.

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 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

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

After Hours Inspection {Includes weekends and holidays):

\$75.00 per hour with a 2 hour minimum

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 BILL NO. 21-50

ORDINANCE NO. _____

An Ordinance to amend Section 21-254 (e) (1), (2) and (3) of the Carthage Code, to change the rates to move any building or structure in the City of Carthage.

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

SECTION I: Section 21-254 (e) (1), (2) and (3) of the Carthage Code is hereby repealed and replaced with a new section (e) (1) and (2) to read as follows:

(e) Before a permit is granted, the applicant shall pay to the city engineer, a fee therefor as follows:

- (1) For a one-story building twenty five dollars (\$25.00).
- (2) For any two-story building, fifty dollars (\$50.00).

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

***NEW
BUSINESS***

COUNCIL BILL NO. 21-51

ORDINANCE NO. _____

An Ordinance to amend Section 17-56 of the Carthage Code by adding #22 Temporary Signs.

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 #22 Temporary Signs:

(22) The Public Works Department may approve temporary signage for commercial property in the Historic District. Temporary signage must comply with zoning regulations and be comparable with the surrounding signage. Temporary signage must be removed within 60 days unless approved by the Planning, Zoning and Historic Preservation Commission.

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: Planning, Zoning and Historic Preservation Commission

COUNCIL BILL NO. 21-52

ORDINANCE NO. _____

An Ordinance authorizing a **special use permit** for the operation of a One (1) licensed operator beauty shop to be located at 1422 W. Macon, as requested by Lacey M. Hensley in the City of Carthage, Jasper County, Missouri.

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

SECTION I: A special use permit for the operation of a One (1) licensed operator beauty shop is hereby granted to Lacey M. Hensley to be located on real estate described as:

CARTHAGE HEIGHTS ADDITION LOT 30; commonly known as 1422 W. Macon, Carthage, MO, with the following restrictions;

- Hours of operations from 7:00 a.m. to 7:00 p.m.
- No “advertising” signs allowed on property. A small Open sign near the entrance of the door is appropriate and a yard sign in the dimensions of a “Garage Sale”.

SECTION II: Said special use permit is granted in accordance with Chapter 25-251 (16) of the Code of the City of Carthage.

SECTION III: 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: Planning & Zoning Commission

COUNCIL BILL NO. 21-53

ORDINANCE NO. _____

An Ordinance authorizing the Mayor to enter into an agreement with Sprouls Construction for street and storm water improvements in the amount of \$700,828.00, on Garrison Ave. Between Airport Drive and the Garrison, Fairlawn Roundabout, in the City of Carthage, Missouri.

BE IT ORDAINED BY THE PEOPLE 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 an agreement with Sprouls Construction for street and storm water improvements on Garrison Ave. Between Airport Drive and the Garrison, Fairlawn Roundabout in the City of Carthage, Missouri, a copy of which 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.

MAYOR

ATTEST:

CITY CLERK

Sponsored by: Public Works Committee

THIS AGREEMENT, made this _____ day of _____, 2021, by and between City of Carthage, Carthage, Missouri, hereinafter called "OWNER" and Sprouls Construction, Inc. doing business as (an individual), or (a partnership,) or (a corporation) hereinafter called "CONTRACTOR".

WITNESSETH: That for and in consideration of the payments and agreements hereinafter mentioned:

1. The CONTRACTOR will commence and complete the construction of Garrison Avenue Construction Stormwater & Widening Project, Carthage, Missouri.
2. The CONTRACTOR will furnish all of the materials, supplies, tools, equipment, labor and other services necessary for the construction and completion of the PROJECT described herein.
3. The CONTRACTOR will commence the work required by the CONTRACT DOCUMENTS on the date stipulated in the NOTICE TO PROCEED and will complete the same within **120 calendar days or no later than December 1, 2022** unless the period for completion is extended otherwise by the CONTRACT DOCUMENTS.
4. The CONTRACTOR understands that the specifications governing the work contemplated are attached to this proposal.
5. The CONTRACTOR agrees to pay, without condition or recourse, as liquidated damages to the sum of Five Hundred and 00/100 dollars (\$500.00) for each consecutive calendar day after the stated DATE OF COMPLETION or extension thereto that the CONTRACTOR shall be in default as provided in SECTION 15 OF THE General Conditions. CONTRACTOR further agrees to reimburse the subcontractors, suppliers, engineers, and other contractors of the OWNER for costs incurred and/or damages suffered by reason or reasons attributable to the CONTRACTOR'S failure to complete the CONTRACT by the completion date, or extensions thereof, as provided by section 15 of the General Conditions. Said liquidated damages and payments shall be withheld from the payments due the contractor. The CONTRACTOR agrees to perform all of the WORK described in the CONTRACT DOCUMENTS and comply with the terms therein for the sum of Seven Hundred Thousand Eight Hundred Twenty-Eight and 00/100 Dollars (\$700,828.00).
6. The term "CONTRACT DOCUMENTS" means and includes the following:
 - (A) Invitation to Bid
 - (B) Instructions to Bidders
 - (C) Bid
 - (D) Bid Bond
 - (E) Agreement Form
 - (F) Notice of Award
 - (G) Notice to Proceed
 - (H) Performance Bond
 - (I) Payment bond
 - (J) General Conditions of Contract
 - (K) Supplementary Conditions
 - (L) Specifications prepared by Anderson Engineering, Inc. and dated September, 2021.
 - (M) Drawings prepared by Anderson Engineering, Inc. and dated September, 2021.
 - (N) Addenda

No. <u>1</u>	dated <u>Oct. 14</u>	<u>20 21</u>
No. <u>2</u>	dated <u>Oct. 18</u>	<u>20 21</u>
No. _____	dated _____	<u>20</u>
No. _____	dated _____	<u>20</u>
No. _____	dated _____	<u>20</u>

7. The OWNER will pay to the CONTRACTOR in the manner and at such times as set forth in the General Conditions such amounts as required by the Contract Documents.

8. This Agreement shall be binding upon all parties hereto and their respective heirs, executors, administrators, successors, and assigns.

IN WITNESS WHEREOF, the parties hereto have executed, or caused to be executed by their duly authorized officials, this Agreement in three (3) copies each of which shall be deemed an original on the date first above written.

OWNER:

City of Carthage

(SEAL) _____

By _____

Attest _____

Name Dan Rife
(Please Type or Print)

Name Traci Cox

Title Mayor

Title City Clerk

CONTRACTOR:

(SEAL) _____

By _____

Attest _____

Name _____
(Please Type or Print)

Name _____

Title _____

Change Order No.

1

Owner: City of Carthage
Contractor: Sprouls Construction, Inc.
Contract Date: November 3, 2021

Project: Garrison Avenue Stormwater & Street
Widening, Carthage, Missouri
Date: November 3, 2021

This change order is issued to authorize a change in the scope of contractual obligations and to revise the contract price in accordance thereof. The following items are hereby deducted or added to the contract:

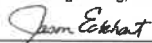
Description and Reason for Change:

Items #5 - #7 Alternate pipe, per Carthage Street Specifications.

Item No.	Description	Unit	Original Units	Add or Deduct Units	Revised Total Units	Unit Price	Extended Total
5	15" RCP	LF	48	-48	0	\$ 60.00	\$ (2,880.00)
CO1-1	15" ADS PIPE	LF	0	48	48	\$ 47.00	\$ 2,256.00
6	24" RCP	LF	144	-144	0	\$ 80.00	\$ (11,520.00)
CO1-2	24" ADS PIPE	LF	0	144	144	\$ 74.00	\$ 10,656.00
7	36" RCP	LF	1655	-1615	40	\$ 150.00	\$ (242,250.00)
CO1-3	36" ADS PIPE	LF	0	1615	1615	\$ 130.00	\$ 209,950.00
Total Amount							\$ (33,788.00)

Original Contract Amount	\$ 700,828.00
Net Deduct, per Change Order No. 1	\$ (33,788.00)
Revised Contract Amount, per Change Order No. 1	\$ 667,040.00

The terms of Settlement outlined above are hereby agreed to.

Accepted by Contractor: Sprouls Construction, Inc.	
By _____ Dwight Sprouls	Date: _____
Accepted by Engineer: Anderson Engineering, Inc.	
By  Jason Eckhart, P.E.	Date: 11/03/2021
Accepted by Owner: City of Carthage	
By _____ Dan Rife, Mayor	Date: _____

COUNCIL BILL NO. 21-54

ORDINANCE NO. _____

An Ordinance authorizing the Mayor to enter into a contract with The Threads, Inc. for Performance Management Software.

**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 Performance Management Software with The Threads, 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

CLIENT SUBSCRIPTION INFORMATION:

Client Name: City of Carthage Missouri	Product Name: Threads Culture Software 2 Year Subscription
Client Address: 326 Grant Street Carthage, MO 64836	Subscription Term Start Date: November 20, 2021 Subscription Term End Date: November 19, 2023
Client Billing Contact: Michael Miller m.miller@carthagemo.gov	Subscription Effective Date: November 20, 2021

This 2 Year Contract is governed by the Client Master Terms and Conditions last updated on November 15, 2019, which are incorporated by reference in this document.

PAYMENT TERMS:

Total Cost:	\$12,022.56 USD for 2 Years based on 110 full-time positions and 41 part time positions; a 10% non-profit discount, and a 20% discount for a two year commitment (total savings of \$4,675.44); position count adjusts at the Subscription Term End Date
Payment Terms:	Payment due on Subscription Term Start Date. Terms of Net 30 Days for wire transfer, ACH or check payments
Payment Frequency:	Every 2 Years on Subscription Term Start Date.
Subscription Term:	(2) Years. Notify Threads prior Subscription Term End Date to cancel or switch plans (Month-to-Month, Annual or 2 Year).

Recurring Cost is determined by the Client's Total Number of Positions at the time of the Monthly, Annual or 2 Year Subscription. Total Number of Positions is defined as all active employees, plus all to-be-hired-for positions ("Vacant Positions") on the Client's organization chart in the Threads Software. Payment is made up-front for the Subscription Term and the Recurring Cost is fixed for the duration of the Subscription Term.

SUBSCRIPTION PURCHASED:

Name	Description	Cost
Two Year	Threads Culture Software Subscription, including all available software features. A detailed description is included on page 2 of this contract.	\$12,022.56 USD, every two years for (151) Total Number of Positions
Employee & Manager Training	(1) Session of Employee Training and (1) Session of Manager Training delivered via webinar	Included

AGREED TO AND EXECUTED BY AUTHORIZED REPRESENTATIVES OF THE PARTIES:

The Threads, Inc., d/b/a THREADS CULTURE	City of Carthage Missouri
By:	By:
Name (Printed): Benjamin Abbas	Name (Printed):
Title: Director of Finance & Operations	Title:
Date:	Date:

THREADS CULTURE SOFTWARE SUBSCRIPTION INCLUDES:

- **Performance Reviews / Appraisals:** Unlimited appraisals for all positions scored against your organization's core values criteria and the specific performance objectives for the employee's job title.
- **Culture Analytics:** View the health of the culture in any area of your organization with unlimited comparisons of appraisal scores by department or manager, plus for individuals over time.
- **Self / Peer / 360 Feedback.** Capture Peer, Self & 360 feedback in real-time throughout the year. Always stay current on what's happening inside your organization throughout the year, not just at review time.
- **Feedback Leaderboards.** Increase feedback participation with leaderboards showing feedback statistics and trends for Self, Peer & 360 feedback.
- **Feedback Requests.** Request Peer, Self & 360 feedback on demand during the year. Manage your feedback process with functionality to create, track and send reminders on feedback requests.
- **Check-In Reviews.** Provide short versions of the Threads review that give your team a quick way to check-in with their Manager on a periodic schedule throughout the year.
- **Goal Measurement.** What gets measured is what gets done. Enter goals for employees and/or job titles to ensure transparency in expectations and accountability in producing results.
- **Check-Ins & Documentation.** Store check-ins and on-going documentation within employee profiles to increase clarity and accuracy when populating reviews.
- **Job Descriptions.** Create, print and export current job descriptions for all job titles that include both performance and core values responsibilities.
- **Desktop & Mobile.** Provide your team with a seamless experience on desktop, tablets and phones, with complete software access from however they choose to login.
- **Threads Knowledge Base.** Complete access to the Threads Knowledge Base of performance criteria, core values rating criteria, interview questions and job description templates.
- **Hiring & Interviewing.** Increase your ability to find and hire people that fit your culture. Track applicants and rate candidates based on their ability to do the job and how well they fit with the core values of your organization. Hire candidates that are the best cultural fit.
- **Organization Chart.** Keep your organization chart up-to-date for your team. Drag and drop functionality makes it easy to update your organizational structure. User permissions and responsibilities update automatically.
- **Success Manager and Help Desk.** You will be assigned a dedicated member of the Threads team to assist with your set-up and on-going success with the software. Your team will have access to an online help center and be able to ask questions from live support with a response time under 24 hours.
- **Preferred Access to Training.** Threads software clients get preferred access for scheduling Employee and Manager training with Threads Culture trainers.

OFFER EXPIRATION DATE:

November 20, 2021

STANDARD PAYMENT TERMS:

Threads Culture offers multiple payment options for Clients.

PAYMENT BY ACH / WIRE TRANSFER:

To send payment via ACH or wire transfer include the following:

<u>Beneficiary</u>	<u>Beneficiary Bank</u>
Name: The Threads, Inc. Address: 6601 Development Drive Cedar Falls, IA 50613 USA Bank Account Number: 196474413495	Bank Name: US Bank, N.A. ABA/Routing Number: 073000545 Address: 425 Cedar St. Waterloo, IA 50701 USA Swift Code: USBKUS44IMT

PAYMENT BY CHECK:

To send payment by check, please send signed check to:

The Threads, Inc. d/b/a THREADS CULTURE
6601 Development Drive
Cedar Falls, IA 50613
USA

CLIENT SUBSCRIPTION INFORMATION:

Client Name: City of Carthage Missouri	Product Name: Threads Culture Software 1 Year Subscription
Client Address: 326 Grant Street Carthage, MO 64836	Subscription Term Start Date: November 20, 2021 Subscription Term End Date: November 19, 2022
Client Billing Contact: Michael Miller m.miller@carthagemo.gov	Subscription Effective Date: November 20, 2021

This 1 Year Contract is governed by the Client Master Terms and Conditions last updated on November 15, 2019, which are incorporated by reference in this document.

PAYMENT TERMS:

Total Cost:	\$6,762.69 USD for 1 Year, based on 110 full-time positions and 41 part time positions; a 10% non-profit discount, and a 10% discount for a one year commitment (total savings of \$1,586.31); position count adjusts at the Subscription Term End Date
Payment Terms:	Payment due on Subscription Term Start Date. Terms of Net 30 Days for wire transfer, ACH or check payments
Payment Frequency:	Every 1 Year on Subscription Term Start Date.
Subscription Term:	(1) Year. Notify Threads prior Subscription Term End Date to cancel or switch plans (Month-to-Month, Annual or 2 Year).

Recurring Cost is determined by the Client's Total Number of Positions at the time of the Monthly, Annual or 2 Year Subscription. Total Number of Positions is defined as all active employees, plus all to-be-hired-for positions ("Vacant Positions") on the Client's organization chart in the Threads Software. Payment is made up-front for the Subscription Term and the Recurring Cost is fixed for the duration of the Subscription Term.

SUBSCRIPTION PURCHASED:

Name	Description	Cost
One Year	Threads Culture Software Subscription, including all available software features. A detailed description is included on page 2 of this contract.	\$6,762.69 USD, every one year for (151) Total Number of Positions
Employee & Manager Training	(1) Session of Employee Training and (1) Session of Manager Training delivered via webinar	Included

AGREED TO AND EXECUTED BY AUTHORIZED REPRESENTATIVES OF THE PARTIES:

The Threads, Inc., d/b/a THREADS CULTURE	City of Carthage Missouri
By:	By:
Name (Printed): Benjamin Abbas	Name (Printed):
Title: Director of Finance & Operations	Title:
Date:	Date:

THREADS CULTURE SOFTWARE SUBSCRIPTION INCLUDES:

- **Performance Reviews / Appraisals:** Unlimited appraisals for all positions scored against your organization's core values criteria and the specific performance objectives for the employee's job title.
- **Culture Analytics:** View the health of the culture in any area of your organization with unlimited comparisons of appraisal scores by department or manager, plus for individuals over time.
- **Self / Peer / 360 Feedback.** Capture Peer, Self & 360 feedback in real-time throughout the year. Always stay current on what's happening inside your organization throughout the year, not just at review time.
- **Feedback Leaderboards.** Increase feedback participation with leaderboards showing feedback statistics and trends for Self, Peer & 360 feedback.
- **Feedback Requests.** Request Peer, Self & 360 feedback on demand during the year. Manage your feedback process with functionality to create, track and send reminders on feedback requests.
- **Check-In Reviews.** Provide short versions of the Threads review that give your team a quick way to check-in with their Manager on a periodic schedule throughout the year.
- **Goal Measurement.** What gets measured is what gets done. Enter goals for employees and/or job titles to ensure transparency in expectations and accountability in producing results.
- **Check-Ins & Documentation.** Store check-ins and on-going documentation within employee profiles to increase clarity and accuracy when populating reviews.
- **Job Descriptions.** Create, print and export current job descriptions for all job titles that include both performance and core values responsibilities.
- **Desktop & Mobile.** Provide your team with a seamless experience on desktop, tablets and phones, with complete software access from however they choose to login.
- **Threads Knowledge Base.** Complete access to the Threads Knowledge Base of performance criteria, core values rating criteria, interview questions and job description templates.
- **Hiring & Interviewing.** Increase your ability to find and hire people that fit your culture. Track applicants and rate candidates based on their ability to do the job and how well they fit with the core values of your organization. Hire candidates that are the best cultural fit.
- **Organization Chart.** Keep your organization chart up-to-date for your team. Drag and drop functionality makes it easy to update your organizational structure. User permissions and responsibilities update automatically.
- **Success Manager and Help Desk.** You will be assigned a dedicated member of the Threads team to assist with your set-up and on-going success with the software. Your team will have access to an online help center and be able to ask questions from live support with a response time under 24 hours.
- **Preferred Access to Training.** Threads software clients get preferred access for scheduling Employee and Manager training with Threads Culture trainers.

OFFER EXPIRATION DATE:

November 20, 2021

STANDARD PAYMENT TERMS:

Threads Culture offers multiple payment options for Clients.

PAYMENT BY ACH / WIRE TRANSFER:

To send payment via ACH or wire transfer include the following:

<u>Beneficiary</u>	<u>Beneficiary Bank</u>
Name: The Threads, Inc. Address: 6601 Development Drive Cedar Falls, IA 50613 USA Bank Account Number: 196474413495	Bank Name: US Bank, N.A. ABA/Routing Number: 073000545 Address: 425 Cedar St. Waterloo, IA 50701 USA Swift Code: USBKUS44IMT

PAYMENT BY CHECK:

To send payment by check, please send signed check to:

The Threads, Inc. d/b/a THREADS CULTURE
6601 Development Drive
Cedar Falls, IA 50613
USA

Client Master Terms and Conditions

These Client Master Terms and Conditions (“Terms”) govern Your access to, and ongoing use of, the Threads Culture Offerings (“Offerings”) specified in a Contract Form (“Contract”) that incorporates these Terms by reference. The person that signs the Contract agrees to these Terms on behalf of his or her organization and represents that he or she has the authority to bind such entity and its affiliates to these Terms. “You” or “Your” refer to such entity and its affiliates and any of their respective agents, employees or other authorized user of the Offerings. If the person that signs the Contract that incorporates these Terms by reference does not have such authority, or if You do not agree with these Terms, You may not use the Offerings.

These Terms were last updated on November 15th, 2019. They are effective between You and The Threads, Inc. (d/b/a “Threads Culture” or “Threads”) as of the date You execute the Contract.

You agree as follows:

1. **THREADS CULTURE OFFERINGS.** If and to the extent specified in a Contract Form, Threads Culture hereby grants You a worldwide, non-exclusive, non-transferable, non-assignable license to access and use the Threads Culture Offerings.
2. **FEES AND PAYMENTS.** You will pay to Threads Culture all of the fees specified in the Contract. The first payment will be due on the Subscription Term Start Date of the Contract, and each subsequent payment will be due as specified in that Contract. The fees are based on Your number of total positions, including both filled positions and to-be-hired positions (“Vacant”) on Your organization chart in the Threads Culture Offerings on the Subscription Term Start Date or Renewal Date. The fees are fixed for one Subscription Term beginning on the Subscription Term Start Date but may be modified by Threads Culture thereafter by providing one month’s prior written notice to You. All fees are net of any taxes You may be required to pay, or Threads Culture may be required to pay in connection with Your payment, in Your taxing jurisdiction. Payments are due in advance of the period for which they apply, except as otherwise expressly stated in the Contract. Unpaid amounts or errors may be billed in subsequent invoices. If You provide Threads Culture with credit card, debit card or bank account information, You authorize Threads Culture to use such payment information to automatically charge You on a recurring basis to collect all fees due under the Contract Form. You represent that You are authorized to incur charges against the payment card or account used to purchase the Offerings.

3. **TERM AND TERMINATION.** The term for which You are entitled to receive the Offerings shall be as set out in the applicable Contract for those Offerings (“Offerings Term”). Upon termination of the Contract or expiration of the Offerings Term thereof, Your access to the Offerings will be terminated. Upon expiration, the Offerings Term shall automatically renew for an additional Offerings Term of the same length unless either You provide Threads Culture (via email to billing@threadsculture.com), or Threads Culture provides You, notice of non-renewal at least 30 days prior to the end of the expiring Offerings Term. Additionally, Threads Culture may terminate or change some or all of the Offerings at any time for any or no reason without liability, effective immediately, by providing written notice to You.
4. **DEFAULTS.** Threads Culture may terminate these Terms or Contracts governed by these Terms, and all rights granted hereunder for cause upon ten (10) days notice if You materially breach these Terms, and fail to cure the breach within the ten-day notice period. A material breach includes, but it not limited to, failure to pay the applicable fees when due.
5. **MODIFICATIONS.** The licenses granted hereunder do not include the right to modify or create derivative works based upon the Offerings. You may not use the Offerings for any purpose that violates applicable law or regulation or that is not expressly authorized under these Terms and/or the Contract.
6. **ASSIGNMENT.** Neither party may assign or delegate any of its rights or obligations in the Contract, whether by operation of law or otherwise, without the prior written consent of the other party (not to be unreasonably withheld). The parties agree to provide the requisite consent to an assignment in conjunction with a sale of assets by either party, provided the sale is not to a competitor of the party asked to consent to the assignment. Subject to the foregoing, the Contract shall bind and inure to the benefit of the parties and their respective permitted assigns.
7. **CONFIDENTIALITY.** As used herein, “Confidential Information” means all confidential information disclosed by a party (“Disclosing Party”) to the other party (“Receiving Party”), whether electronically, orally, or in writing, that is designated as confidential or that reasonably should be understood to be confidential given the nature of the information and the circumstances of disclosure. Confidential Information of Threads Culture includes these Terms, the Contract and information provided as part of the Offerings. Your Confidential Information includes employee information and employee documents provided to Threads Culture to set-up and use the Offerings. Confidential Information does not include any information that (a) is or becomes generally known to the public without breach of any obligation owed to the Disclosing

Party, (b) was known to the Receiving Party prior to its disclosure by the Disclosing Party without breach of any obligation owed to the Disclosing Party, (c) is received from a third party without breach of any obligation owed to the Disclosing Party, or (d) was independently developed by the Receiving Party without reference to, or reliance upon, the Confidential Information of the Disclosing Party. Except as otherwise permitted in writing by the Disclosing Party, (i) the Receiving Party shall use the same degree of care that it uses to protect the confidentiality of its own confidential information of like kind (but in no event less than reasonable care) not to disclose or use any Confidential Information of the Disclosing Party for any purpose outside the scope of these Terms, and (ii) the Receiving Party shall limit access to Confidential Information of the Disclosing Party to those of its employees, contractors, and agents who need such access for purposes consistent with these Terms.

8. **INDEMNIFICATION.** You will indemnify, defend, and hold Threads Culture and its officers, directors, agents, insurers, sub-licensees, and employees harmless from and against any and all claims, actions, losses, damages, liabilities, costs and expenses (including but not limited to attorneys' fees and court costs) brought by a third party (collectively a "Third Party Claim") arising out of or in connection with (a) Your negligence or willful misconduct or the negligence or willful misconduct of an authorized user of the Offerings (b) use of the Offerings in a manner not authorized or contemplated by Contract (c) the materials provided by You in connection with Your use of the Offerings, (d) modifications to the Offerings not made by Threads (e) Your breach of this Contract or Your representations or warranties in this Contract (c) Your violation of applicable law, rule, or regulation. Threads Culture will notify You promptly of any Third Party Claim for which it seeks indemnification. Threads will have the right, at its option, to defend itself against any such Third-Party Claim or to participate in the defense thereof by counsel of its own choice.

9. **LIMITED WARRANTY AND WARRANTY DISCLAIMER**

(a) Threads warrants that at the time of delivery, the Offerings do not contain any virus or other malicious code that would cause the Offerings to become inoperable or incapable of being used in accordance with the Contract.

(b) The limited warranty set forth in Section 9(a) does not apply and becomes null and void if You breach any provision of Contract, or if You, or any authorized user, or any other person provided access to the Offerings by You or any authorized user, whether or not in violation of this Contract: (i) installs or uses the Offerings on or in connection with any hardware or Offerings not specified in the Contract or expressly authorized by Threads in writing; (ii) modifies or damages the Offerings; or (iii) misuses the Offerings, including any use of the Offerings other than as specified in the Documentation or expressly authorized by Threads in writing.

(c) If any of the Offerings fail to comply with the warranty in Section 8(a), and such failure is not excluded from warranty pursuant to Section 8(b), Subject to You promptly notifying Threads in writing of such failure, Threads shall, at its sole option, either: (i) repair or replace the Offerings, provided that You provide Threads with all information Threads reasonably requests to resolve the reported failure, including sufficient information to enable Threads to recreate such failure; or (ii) refund the Fees paid for such Offerings, subject to You ceasing all use of the Offerings. If Threads repairs or replaces the Offerings, the warranty will continue to run from the Effective Date and not from Your receipt of the repair or replacement.

(d) EXCEPT FOR THE LIMITED WARRANTY SET FORTH IN SECTION 9(a), THE OFFERINGS AND DOCUMENTATION ARE PROVIDED "AS IS" AND THREADS HEREBY DISCLAIMS ALL OTHER WARRANTIES, WHETHER EXPRESS, IMPLIED, STATUTORY, OR OTHERWISE. THREADS SPECIFICALLY DISCLAIMS ALL IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, TITLE, AND NON-INFRINGEMENT, AND ALL WARRANTIES ARISING FROM COURSE OF DEALING, USAGE, OR TRADE PRACTICE. EXCEPT FOR THE LIMITED WARRANTY SET FORTH IN SECTION 9(a), THREADS MAKES NO WARRANTY OF ANY KIND THAT THE OFFERINGS, OR ANY PRODUCTS OR RESULTS OF THE USE THEREOF, WILL MEET YOUR OR ANY OTHER PERSON'S REQUIREMENTS, OPERATE WITHOUT INTERRUPTION, ACHIEVE ANY INTENDED RESULT, BE COMPATIBLE OR WORK WITH ANY OTHER SYSTEM OR OTHER SERVICES, OR BE SECURE, ACCURATE, COMPLETE, FREE OF HARMFUL CODE, OR ERROR FREE.

10. **LIMITATION OF LIABILITY.** Except for infringement or misappropriation of Thread's intellectual property rights in the Offerings, in no event shall either party's aggregate liability to the other party, whether in contract, tort or under any other theory of liability, exceed the total amount paid by You to Threads under the applicable Contract in the 12 months preceding the incident.
11. **EXCLUSION OF CONSEQUENTIAL AND RELATED DAMAGES.** Except for infringement or misappropriation of Threads Culture's intellectual property rights in the Offerings, in no event shall either party have any liability to the other party for any lost profits, revenues, or indirect, special, incidental, consequential, cover or punitive damages, whether an action is in contract or tort and regardless of the theory of liability, even if a party has been advised of the possibility of such damages. The foregoing disclaimer will not apply to the extent prohibited by law.
12. **ENTIRE AGREEMENT.** These Terms and each Contract Form contain the entire agreement of the parties with respect to the Offerings specified in each Contract Form, and there are no other promises or conditions in any other agreements, whether written or

oral. These Terms supersede any prior written or oral agreements between the parties with respect to those Offerings specified in each Contract Form referencing these Terms.

13. **AMENDMENT.** The Contract may be modified or amended, if the amendment is made in writing and is signed by both parties except that Threads shall have the right to unilaterally amend the Contract to provide for changes in the offering.
14. **SEVERABILITY.** If any provision of these Terms, or any Contract Form, shall be held to be invalid or unenforceable for any reason, the remaining provisions shall continue to be valid and enforceable. If a court finds that any provision of these Terms or any Contract Form is invalid or unenforceable, but that by limiting such provision it would become valid or enforceable, then such provision shall be deemed to be written, construed, and enforced as so limited.
15. **NOTICE.** The address of each party as set forth in the Contract Form shall be the appropriate address for the mailing of notices, checks, and statements, if any. All notices shall be sent certified or registered mail and shall not be deemed received or effective unless and until actually received. Either party may change its mailing address by written notice to the other.
16. **WAIVER OF CONTRACTUAL RIGHT.** The failure of either party to enforce any provision of these Terms shall not be construed as a waiver or limitation of that party's right to subsequently enforce and compel strict compliance with every provision of these Terms.
17. **APPLICABLE LAW.** These Terms shall be governed by the laws of the State of Iowa.

COUNCIL BILL NO. 21-55

ORDINANCE NO. _____

An Ordinance to amend Section 9-3 of the Code of Carthage to establish voting district boundaries pursuant to the 2020 decennial census.

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

SECTION I: Section 9-3 of the Code of Carthage is hereby repealed and the following enacted in lieu thereof:

Sec. 9-3 Precincts.

Each of the wards of the City shall be divided into voting precincts as follows:

(1) First Ward.

The boundary line between precinct one (1) and precinct two (2) of the first ward shall begin at the ...

(2) Second Ward.

The boundary line between precinct one (1) and precinct two (2) of the second ward shall begin at the ...

(3) Third Ward.

The boundary line between precinct one (1) and precinct two (2) of the third ward shall begin at the ...

(4) Fourth Ward.

The boundary line between precinct one (1) and precinct two (2) of the fourth ward shall begin at the ...

(5) Fifth Ward.

The boundary line between precinct one (1) and precinct two (2) of the fifth ward shall begin at the ...

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.

ATTEST:

Dan Rife, Mayor

Traci Cox, City Clerk

Sponsored by: Staff

COUNCIL BILL NO. 21-56

ORDINANCE NO. _____

An Ordinance to amend Section 9-5 Candidates for office; filing, to comply with RSMo 115.127 by changing the filing period for office.

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

SECTION I: Section 9-5 shall be amended to read as follows:

Sec 9-5 Candidates for office; filing.

- (a) All elections held for offices of the city shall be held without designation of party affiliation.
- (b) Each declaration of candidacy filed with the city clerk shall be accompanied by the payment of the fee of twenty-five dollars (\$25.00) to the city or by submitting to the city clerk the signatures of twenty-five (25) registered voters nominating the candidate who are residents of the district in which the candidate is running.
- (c) Those persons wishing to be candidates for office in the city, shall register and file all necessary documentation, in a timely manner as outline in the general election laws of the state of Missouri.

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: Insurance, Audit and Claims

***MAYOR'S
APPOINTMENTS***

RESOLUTIONS

RESOLUTION NO. 1946

A RESOLUTION OF THE COUNCIL OF THE CITY OF CARTHAGE, MISSOURI AUTHORIZING THE APPROVAL OF CHANGE ORDER NO. 1 FOR THE GARRISON AVE. IMPROVEMENT PROJECT AND INCREASING THE PROJECT BUDGET BY AN AMOUNT NOT TO EXCEED \$349,563.

WHEREAS, change orders which are revisions to a construction contract are an integral part of construction contracts administered by the City; and

WHEREAS, decisions on change orders must often be made in a timely manner to allow the contractor to continue with the work with a minimum of administrative delay; and

WHEREAS, no payment shall be made or obligation incurred against any allotment or appropriation except in accordance with appropriations duly made and unless there is a sufficient unencumbered balance in such allotment or appropriation and that sufficient funds therefrom are or will be available to cover the claim or meet the obligation when it becomes due and payable; and

WHEREAS, the City of Carthage has established a formal policy and procedure which allows the approval of change orders; and

WHEREAS, the proposed Change Order meets the policy guidelines and has been reviewed and recommended by the appropriate staff and parties to the contract;

NOW, THEREFORE BE IT RESOLVED, BY THE COUNCIL OF THE CITY OF CARTHAGE, JASPER COUNTY, MISSOURI, that Attachment, Change Order No. 1 is hereby approved.

PASSED AND APPROVED THIS ____ DAY OF _____, 2021.

Attest:

Dan Rife, Mayor

Traci Cox, City Clerk

Sponsored by Public Works Committee

CHANGE ORDER NO. 1					
Garrison Avenue, Carthage MO					
Oct 19th, 2021 10:00 AM					
Incl. Addendum 1 & 2					
	Item	No. Units	Unit	Unit Price	Extended Price
1	Mob	1	LS	48,000.00	48,000.00
2	Seed & Mulch	0.6	Acre	9,000.00	5,400.00
3	Removal of Improvements.	1	LS	35,000.00	35,000.00
4	Relocate signs/mailboxes	5	Ea	250.00	1,250.00
5	15" RCP	0	LF	60.00	-
5.1	15" HDPE	48		47.00	2,256.00
6	24" RCP	0	Lf	80.00	-
6.1	24" HDPE	144		74.00	10,656.00
7	36"RCP	40	LF	150.00	6,000.00
7.1	36" HDPE	1615	LF	130.00	209,950.00
8	Precast curb inlet 4x4	17	Ea	3,800.00	64,600.00
9	Precast curb inlet 7x4	2	Ea	5,000.00	10,000.00
10	Concrete driveway entrances 7" thick with base	233	SY	86.00	20,038.00
11	standard curb and gutter with 6" base	2132	LF	31.00	66,092.00
12	3" asphalt mill	2327	SY	3.50	8,144.50
13	3" asphalt surface course	148	Tons	94.00	13,912.00
14	2" asphalt surface course	384	Tons	85.00	32,640.00
15	4" asphalt base course	287	Tons	85.00	24,395.00
16	6" compacted crushed stone base	1315	SY	15.00	19,725.00
17	6" compacted earth (100% density)	1315	SY	10.00	13,150.00
18	Prime coat	270	GAL	3.15	850.50
19	Liquid asphalt tack coat (surface course)	300	GAL	2.50	750.00
20	Class 3 excavation	2738	CY	10.00	27,380.00
21	Unclassified excavation	614	CY	14.00	8,596.00
22	Compacted embankment	321	CY	16.00	5,136.00
23	Water line lowering 6" diameter	1	Ea	5,500.00	5,500.00
24	Manhole rim adjustment	3	Ea	1,500.00	4,500.00
25	High build acrylic waterborne pavement Marking	2733	LF	1.00	2,733.00
26	Turn arrow high build waterborne pavement mar	11	Ea	200.00	2,200.00
27	Sstop bar (same paint)	63	LF	2.00	126.00
28	Inlet check (sand bag sediment trap)	17	Ea	200.00	3,400.00
29	Silt fence	2132	LF	5.00	10,660.00
30	Traffic control	1	LS	4,000.00	4,000.00
				New Total	667,040.00
				Original bid	700,828.00
				Deduct	33,788.00

RESOLUTION NO. 1947

A RESOLUTION PROVIDING AUTHORIZATION OF AMENDING THE APPROPRIATION OF FUNDS FROM THE ANNUAL OPERATING AND CAPITAL BUDGET OF THE CITY OF CARTHAGE, MISSOURI FOR THE MYERS PARK AND PUBLIC FACILITIES FUNDS.

WHEREAS, the City of Carthage has, by ordinance, adopted its Annual Operating and Capital budget for the fiscal year ending June 30, 2022; and

WHEREAS, the City periodically needs to adjust its Annual Operating and Capital budgets for a variety of business related reasons; and

WHEREAS, the necessity of conducting City business in an efficient and timely manner sometimes does not lend itself to amending the budget by ordinance; and

WHEREAS, an ordinance amending the budget will be presented for Council consideration prior to the end of the fiscal year; and

WHEREAS, the Budget Ways & Means Committee has, or will consider all requested budget adjustments prior to Council consideration of an ordinance amending the budget.

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 Council hereby authorizes a supplemental appropriation of funds from the City's Annual Operating and Capital budget for the fiscal year ending June 30, 2022 as follows, and directs a budget adjustment ordinance be prepared and submitted to the Council for future action:

1. **Myers Park Fund**: The City of Carthage's 2021 - 2022 Myers Park Fund Budget is hereby amended to reflect a supplemental appropriation in an amount not to exceed \$349,563 to the Transfer from Other Funds line item, for a supplemental appropriation to the Capital Outlay line item for the Garrison Ave. Construction Project – Fairlawn to Airport - from a transfer from the Public Facilities Fund.
2. **Public Facilities Fund**: The City of Carthage's 2020 - 2021 Budget for the Public Facilities Fund is hereby amended to reflect supplemental appropriations not to exceed \$349,563 to the Transfer to Other Funds line item (to the Myers Park Fund for construction of the Garrison Ave. Construction Project); and an amount not to exceed \$126,214 for the Capital Projects line item (for change orders for the Hazel Street improvement project) from the unassigned fund balance.

PASSED AND APPROVED THIS _____ DAY OF _____, 2021.

Dan Rife, Mayor

ATTEST:

Traci Cox, City Clerk

Sponsored by: Budget Ways & Means Committee

RESOLUTION NO. 1948

A RESOLUTION OF THE COUNCIL OF THE CITY OF CARTHAGE, MISSOURI AUTHORIZING THE APPROVAL OF CHANGE ORDER NO. 3 FOR THE GOVERNOR'S COST SHARE (HAZEL ST. IMPROVEMENT) PROJECT AND INCREASING THE PROJECT BUDGET BY AN AMOUNT NOT TO EXCEED \$126,214.

WHEREAS, change orders which are revisions to a construction contract are an integral part of construction contracts administered by the City; and

WHEREAS, decisions on change orders must often be made in a timely manner to allow the contractor to continue with the work with a minimum of administrative delay; and

WHEREAS, no payment shall be made or obligation incurred against any allotment or appropriation except in accordance with appropriations duly made and unless there is a sufficient unencumbered balance in such allotment or appropriation and that sufficient funds therefrom are or will be available to cover the claim or meet the obligation when it becomes due and payable; and

WHEREAS, the City of Carthage has established a formal policy and procedure which allows the approval of change orders; and

WHEREAS, the proposed Change Order meets the policy guidelines and has been reviewed and recommended by the appropriate staff and parties to the contract;

NOW, THEREFORE BE IT RESOLVED, BY THE COUNCIL OF THE CITY OF CARTHAGE, JASPER COUNTY, MISSOURI, that Attachment, Change Order No. 3 is hereby approved.

PASSED AND APPROVED THIS ____ DAY OF _____, 2021.

Attest:

Dan Rife, Mayor

Traci Cox, City Clerk

Sponsored by Public Works Committee

Change Order No.

3

Owner: City of Carthage
 Contractor: Sprouts Construction, Inc.
 Contract Date: June 22, 2021

Project: Hazel St. Roadway Improvements
 Carthage, Missouri
 Date: October 27, 2021

This change order is issued to authorize a change in the scope of contractual obligations and to revise the contract price in accordance therewith. The following items are hereby deducted or added to the contract:

Description and Reason for Change:

4038905	Undertaken - The City made an administrative decision to substitute 8 inch concrete pavement for the planned 4 inch asphalt pavement at the intersection of George Phelps Blvd and Hazel Street. The City also decided to add additional pavement along George Phelps Blvd. See the attached drawing for details.
CO3-1 (5021308)	Extra Work: Settlement of costs based upon the agreed price of \$68.00 per square yard. See reason for item 4038905.

This change order is also to extend the contract completion date to accommodate the additional work as outlined in change orders No. 1, No. 2, and No. 3, and due to utility delays and weather delays encountered to date. The current contract completion date of November 1, 2021, is hereby revised to a new contract completion date of December 31, 2021.

Item No.	Description	Unit	Original Units	Add or Deduct Units	Revised Total Units	Unit Price	Extended Total
4038905	MISC. - 4 IN. FIBER REINFORCED ASPHALTIC PAVEMENT (PS&A 22, SP-1)	SY	5672.8	-617.8	5055.1	\$ 75.00	\$ 379,132.50
CO3-1 (5021308)	CONCRETE PAVEMENT (8 IN. NON-REINFORCED, 15 FT. JOINTS)	SY	0	762.6	762.6	\$ 68.00	\$ 51,856.80
Total Amount							\$ 42,096.40

Original Contract Amount	\$	470,093.60
Net ADD, per Change Order No. 3	\$	42,096.40
Net ADD, per Change Order No. 2	\$	6,915.20
Net ADD, per Change Order No. 1	\$	6,955.00
Revised Contract Amount, per Change Order No. 3	\$	526,059.20

The terms of Settlement outlined above are hereby agreed to.

Accepted by Contractor: Sprouts Construction, Inc.	
By: <u>Deight Sprouts</u>	Date: _____
Accepted by Engineer: Anderson Engineering, Inc.	
By: <u>Kevin H. Martin</u>	Date: 10/27/2021
Accepted by Owner: City of Carthage	
By: _____	Date: _____
Dan Rife, Mayor	

***MINUTES
STANDING
COMMITTEES***

COMMITTEE ON INSURANCE/AUDIT AND CLAIMS
TUESDAY, OCTOBER 26, 2021
5:00 p.m.

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

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

OTHERS PRESENT: City Administrator Tom Short, City Clerk Traci Cox, Abi Almandinger and Bren Flanigan.

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. Armstrong, the minutes of the October 12, 2021 meeting were approved 3-0.
2. **Review and approval of the Claims Report:** The Committee discussed items regarding the Claims Report. Ms. Harrison moved to approve the claims. Motion carried 3-0.

Mr. Diggs arrived at 5:06 p.m.

NEW BUSINESS:

1. **Consider and discuss employee health insurance renewals.** Ms. Cox reported Anthem had presented a proposal for a 2.45% increase in premiums for the 2022 calendar year. Mr. Diggs moved to approve the proposal from Anthem. Motion carried.
2. **Staff Reports:** Ms. Cox reported the employee Health Fair was well attended with 47 employees attending and 35 employees participated in lab work.
3. **Other Reports:** Mr. Armstrong discussed succession planning as mentioned during the planning session. No action was taken at this time.

ADJOURNMENT: Ms. Harrison made a motion to adjourn at 5:35 PM. Motion carried 4-0.

Traci Cox

PUBLIC WORKS COMMITTEE

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

"America's Maple Leaf City"



11-2-2021 PUBLIC WORKS COMMITTEE MEETING MINUTES

Committee Members present: David Armstrong, Craig Diggs, and Mike Daugherty

Staff Members present: Zeb Carney, Public Works Director, Chelsea Rives, Public Works Administrative Assistant, and Greg Dagnan, Assistant City Administrator

Citizens: Abi Almandinger, Bren Flanigan, and Ed Barlow

Chairman David Armstrong called the Public Works Committee meeting to order at 5:30 p.m.

A motion was made by Mike Daugherty to accept the minutes from the October 5, 2021 Committee meeting. All ayes, motion passed.

New Business: The committee considered and discussed several parking lots throughout the city of Carthage. After many discussions, the committee decided to table the discussion until next meeting. At the next meeting, the committee will take a tour of all city owned parking lots then meet and discuss plans for renovation.

The committee considered and discussed the contract with Sprouls Construction for the widening and storm water project on Garrison Ave. The bid came in at \$700,828.00. Mike Daugherty made a motion to accept the bid and forward the bill to City Council. All ayes, motion passed.

The committee considered and discussed change orders to the Hazel Street project. The change order included reinforcing the concrete to better support the weight of the trucks coming and going from Schreiber's. Craig Diggs made a motion to approve the change order and forward the bill to City Council. All ayes, motion passed.

Staff Reports:

Zeb reported on the following:

- Schreiber's construction is moving forward on schedule, they are currently pouring footings.
- Greg, Zeb, and Jason Eckhart met and went over the Salvation Army building.
- City Council has received the appraisal back for Myer's Park.
- The citywide leaf pickup program starts this month on November 8th.
- The sidewalk project on Central is nearing completion. Zeb estimates another two weeks.

Greg reported on the following:

- Greg reported to the committee that Ray West has turned in his resignation for City Council. He asked if the committee had any nominations for his spot to let him know.

Craig Diggs made a motion to adjourn the meeting at 6:40 p.m. All ayes, motion carried.

***MINUTES
SPECIAL
COMMITTEES
AND BOARDS***

Draft Copy of Minutes Subject to Approval at The Next Meeting

Planning, Zoning, and Historic Preservation Commission
Meeting 1 November 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 November meeting was held in City Council Chambers.

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

Also, present: Julie Tilley, Greg Dagnan, David Armstrong, Alan Snow, Lacey Hensley, Kim Plew 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 October 4, 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 a request for a Special Use Permit for the operation of a one licensed operator beauty shop at 1422 W. Macon. Staff recommended allowing the Special Use Permit with restriction of hours from 7:00 a.m. to 7:00 p.m. and no “advertising” signs be allowed on property. A small Open sign near the entrance of the door is appropriate and a yard sign in the dimensions of a “Garage Sale” sign would be appropriate. A motion to approve the Special Use Permit with the before mentioned restrictions was made by Abi Almandinger and seconded by Jim Swatsenbarg. On a voice vote, all ayes, the motion passed.

Third order of business was discussion of time limits on temporary banners and signs in the Historic District. Public Works Director Carney proposed that authority be given to the Public Works Department to approve a temporary banner/sign while a business is working on getting their business established and being able to promote their business between Planning, Zoning and Historic Preservation meetings when a permanent sign will be presented for approval. A motion to give authority to the Public Works Department to approve a temporary banner/sign for up to 60 days in the Historic District was made by Jim Swatsenbarg and seconded by Abi Almandinger. On a voice vote, all ayes, the motion passed.

Discussion was held regarding the CLG training and the date of November 10, 2021, noon in City Council Chambers was agreeable with the members of the Commission.

There were no further items on the agenda.

The next meeting is scheduled for Wednesday December 8, 2021 as the Christmas Parade is scheduled for Monday December 6th.

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***

--NOTICE OF MEETING--
PUBLIC WORKS COMMITTEE
November 2, 2021
5:30 PM
CITY HALL
326 GRANT STREET
2ND FLOOR CONFERENCE ROOM
-- AGENDA--

OLD BUSINESS

1. Consideration and approval of minutes from previous meeting

CITIZENS PARTICIPATION

None.

NEW BUSINESS

1. Consider and discuss parking lots.
2. Consider and discuss contract with Sprouls Construction for the widening and storm water project on Garrison Ave.
3. Consider and discuss change orders for Hazel St project.

OTHER BUSINESS

1. Discuss the 2020 Census Report.

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: 10/28/2021

BY: Chelsea Rives

--NOTICE OF MEETING--
COMMITTEE ON BUDGET/WAYS & MEANS
MONDAY, NOVEMBER 08, 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 a Resolution Amending the 2021 - 2022 Annual Operating and Capital Budget for the City of Carthage.

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

November 9, 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 The Threds, Inc. for Performance Management Software
2. Consider and Discuss Amending Section 9-5 Candidates for office; filing
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: _____

***AGENDAS
SPECIAL
COMMITTEES
AND BOARDS***

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 NOVEMBER 2, 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
 - **Jasper County Sheriff-Surplus Misc. Kitchen Equipment**
7. COMMISSIONER'S REPORTS
8. UNFINISHED BUSINESS
9. NEW BUSINESS
 - **Adopt 2022 County Holidays**
 - **Re-Appoint Resa Amos, Jim Haynes and Susan Ross to the Jasper County Mental Health Fund Board of Trustees**
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 29, 2021 AT 4:00 P.M.

(RSMO 610.020)

CARTHAGE PUBLIC LIBRARY BOARD OF TRUSTEES
Tuesday, November 9, 2021 5:15 p.m.

Steadley Family Legacy Center
612 S. Garrison Ave.

AGENDA

Roll Call of Members

Minutes from the Last Meeting

Financial Report

Director's Progress and Service Report

President's Message

Council Liaison's Report

Committee Reports

Building Committee

HVAC and humidity update

Budget Committee

Community Relations

By-Laws

Library Gardens

ADA Compliance

Communications

New Business/Cyber Insurance/Building Insurance

Payment of Bills

Adjournment

CORRESPONDENCE



401 W. CHESTNUT | 417.237.7100

Roger Williams, Fire Chief

October 25, 2021

Mayor Dan Rife,

This letter shall serve as my official notice of resignation and retirement from my position as Fire Chief of the Carthage Fire Department. My last day will be December 29, 2021. I respectfully request that any and all accumulated vacation that I have earned and accrued be included in my last paycheck. Also as I am retiring under the Policemen's and Firemen's pension plan, I would request that my accumulated sick leave be deposited into my VOYA retirement account. As per the personnel policy, I will bring proof of my first retirement payment to City Hall to confirm receipt of said payment. I will be working with City staff to insure my pension is set up with the provisions that are best suited for my future.

For over 43 years I have been employed as a firefighter with the Carthage Fire Department. Obviously I have seen a lot of changes in the department since coming to work in 1978. One thing that has never changed is the pride that I have in being a firefighter with the Carthage Fire Department. I can only hope that I leave this department as good as, or better than it was when I started. With the help of all those who came before me, have worked with me, and all who will be here in the future I know this department will continue to be one of the best.

Thank you to the City for having faith in me and allowing me to complete my career as the Chief of this great department. It has been an honor to have served the community I was born and raised in and love to call home. I am so proud of all the past and present members of this department who have worked with true dedication to help accomplish our mission. I wish a bright future for the Carthage Fire Department and the City of Carthage.

Respectfully,

Fire Chief Roger Williams

Carthage Fire Department

"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 by 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 and 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.