



CITY OF CAPE GIRARDEAU, MISSOURI

City Council Agenda

Bob Fox, Mayor
Dan Presson, Ward 1
Shelly Moore, Ward 2
Nate Thomas, Ward 3
Robbie Guard, Ward 4
Ryan Essex, Ward 5
Stacy Kinder, Ward 6

City Council Chambers
City Hall
401 Independence

Agenda Documents, Videos
Minutes, and Other Information:
www.cityofcape.org/citycouncil

September 3, 2019
5:00 PM

Invocation

Pastor Jim Rudolph of First General Baptist Church in Cape Girardeau

Pledge of Allegiance

Study Session

No action will be taken during the study session

Presentations

- City Council Ward 3 Oath of Office for Nate Thomas
- Recognition of Pump Station Operators for extraordinary duty during the 2019 Flooding Event
- Beautiful Business Property of the Month

Communications/Reports

- City Council
Staff

Items for Discussion

- Appearances regarding items not listed on the agenda
This is an opportunity for the City Council to listen to comments regarding items not listed on the agenda. The Mayor may refer any matter brought up to the City Council to the City Manager if action is needed. Individuals who wish to make comments must first be recognized by the Mayor or Mayor Pro Tem. Each speaker is allowed 5 minutes. The timer will buzz at the end of the speaker's time.
- Agenda review

Regular Session

Call to Order/Roll Call

Adoption of the Agenda

Public Hearings

Appearances regarding Items Listed on the Agenda

Individuals who wish to make comments regarding items listed on the agenda must first be recognized by the Mayor or Mayor Pro Tem. Each speaker is allowed 5 minutes and must stand at the public microphone and state his/her name and address for the record. The timer will buzz at the end of the speaker's time.

Consent Agenda

The Consent Agenda is a meeting method to make City Council meetings more efficient and meaningful to the members of the audience. All matters listed within the Consent Agenda have been distributed to each member of the Cape Girardeau City Council for reading and study, are considered to be routine, and will be enacted by one motion of the council with no separate discussion. Staff recommends approval of the Consent Agenda. If separate discussion is desired, that item may be removed from the Consent Agenda and placed on the Regular Agenda by request of a member of the City Council.

1. Approval of the August 19, 2019, City Council regular session and closed session minutes.
2. Bill No 19-129, an Ordinance amending Chapter 7 of the Code of Ordinances of the City of Cape Girardeau, Missouri, regarding Automatic Pool Covers. Second and Third Readings.
3. Bill No 19-130, an Ordinance amending Chapter 7 of the Code of Ordinances of the City of Cape Girardeau, Missouri, regarding Storm Shelters. Second and Third Readings.
4. Bill NO. 19-131, an Ordinance of the City of Cape Girardeau, Missouri, extending the imposition of the present one-quarter of one percent Capital Improvement Sales Tax from its expiration date of December 31, 2019 to December 31, 2034. Second and Third Readings.
5. BILL NO. 19-132, an Ordinance authorizing the Mayor to execute a Special Warranty Deed to Jerry Collins and Brenda Collins, for property located at 3207 Bernice Street, in the City of Cape Girardeau, Missouri. Second and Third Readings.
6. BILL NO. 19-133, an Ordinance accepting a Temporary Construction Easement from Terry and Cynthia McDowell, for the Hopper Road Box Culvert Project, in the City of Cape Girardeau, Missouri. Second and Third Readings.
7. BILL NO. 19-142, a Resolution authorizing the offering for sale of Waterworks System Refunding Revenue Bonds of the City of Cape Girardeau. Reading and Passage.

Items Removed from Consent Agenda

New Ordinances

8. BILL NO. 19-137, an Ordinance approving the Preliminary Development Plan of Ramsay's Run, for a proposed residential development in the City of Cape Girardeau, Missouri. First Reading.

9. BILL NO. 19-139, an Ordinance amending Chapter 30 of the Code of Ordinances of the City of Cape Girardeau, Missouri, by changing the zoning of property located on Bloomfield Road, in the City and County of Cape Girardeau, Missouri, from R-4 to PD. First Reading.
10. BILL NO. 19-138, an Ordinance authorizing the City Manager to execute Amendment #1 to a State Block Agreement with the Missouri Highways and Transportation Commission for a Snow Removal Equipment Vehicle, at the Cape Girardeau Regional Airport. First Reading.
11. BILL NO. 19-140, an Ordinance accepting a Permanent Utility Easement and Temporary Construction Easement from Mary Beth Kenkel, for 2574 Boutin Drive, in the City of Cape Girardeau, Missouri. First Reading.
12. BILL NO. 19-141, an Ordinance accepting a Collector's Deed from Cape Girardeau County, for property located at 0 North Main Street, in the City of Cape Girardeau, Missouri. First Reading.
13. BILL NO. 19-143, an Ordinance authorizing the issuance of Waterworks System Refunding Revenue Bonds, series 2019, of the City of Cape Girardeau, Missouri; prescribing the form and details of the bonds and the covenants and agreements to provide for the payment and security thereof; and authorizing certain actions and documents and prescribing other matters relating thereto. First Reading.

Appointments

14. Appointment to the Golf Course Advisory Board.
15. Appointment to the Convention & Visitors Bureau Executive Board

Other Business

Meeting Adjournment

Closed Session

The City Council of the City of Cape Girardeau, Missouri, may, as a part of a study session or regular or special City Council meeting, vote to hold a closed session to discuss issues listed in RSMo. Section 610.021, including but not limited to: legal actions, causes of legal action or litigation, leasing, purchasing or sale of real estate, hiring, firing, disciplining, personnel issues, or confidential or privileged communications with its attorneys.

- Personnel, pursuant to RSMo. Section 610.021(3).

Advisory Board Minutes

- [Advisory Board Minutes](#)

Staff: Bruce Taylor, Deputy City Clerk
Agenda: 9/3/2019

AGENDA REPORT
Cape Girardeau City Council

SUBJECT

Approval of the August 19, 2019, City Council regular session and closed session minutes.

ATTACHMENTS:

Name:	Description:
2019.08.19_RegularsessionMinutes.docx	Minutes 2019-08-19 Regular
2019.08.19_ClosedSessionMinutes1.docx	Minutes 2019-08-19 Closed

STUDY SESSION – August 19, 2019

NO ACTION TAKEN DURING THE STUDY SESSION

The Cape Girardeau City Council held a study session at the Cape Girardeau City Hall on Monday, August 19, 2019, starting at 5:00 p.m. with Mayor Bob Fox presiding and Council Members Ryan Essex, Robbie Guard, Stacy Kinder, Shelly Moore, and Dan Presson present.

REGULAR SESSION – August 19, 2019

CALL TO ORDER

The Cape Girardeau City Council convened in regular session at the Cape Girardeau City Hall on Monday, August 19, 2019, at 5:25 p.m., with Mayor Bob Fox presiding and Council Members Ryan Essex, Robbie Guard, Stacy Kinder, Shelly Moore, and Dan Presson present.

ADOPTION OF THE AGENDA

A Motion was made by Robbie Guard, Seconded by Shelly Moore, to approve and adopt the Agenda as amended with Bill No. 19-123 removed from the Consent Agenda. Motion passed. 6-0. Ayes: Essex, Fox, Guard, Kinder, Moore, Presson.

APPEARANCES

None.

CONSENT AGENDA

Approval of the August 5, 2019, City Council regular session and closed session minutes, and of the August 12, 2019, City Council special meeting minutes.

BILL NO. 19-118, an Ordinance authorizing the City Manager to execute a State Block Grant Agreement with the Missouri Highways and Transportation Commission to fund the Promotion of Scheduled Passenger Air Service at the Cape Girardeau Regional Airport. Second and Third Readings.

BILL NO. 19-119, an Ordinance approving the Record Plat of LaFont's First Amended. Second and Third Readings.

BILL NO. 19-120, an Ordinance approving the Record Plat of Sabella's First Subdivision. Second and Third Readings.

BILL NO. 19-124, an Ordinance amending Schedule F of Section 26-247 of the City Code, by establishing no parking anytime on the north side of Jim Drury Way. Second and Third Readings.

BILL NO. 19-125, an Ordinance amending Schedule A of Section 26-228 of the City Code, by repealing certain speed limits on South West End Boulevard and establishing new speed limits on South West End Boulevard, in the City of Cape Girardeau, Missouri. Second and Third Readings.

BILL NO. 19-121, a Resolution authorizing the City Manager to execute an Agreement with Koehler Engineering and Land Surveying, Inc., for general engineering and infrastructure projects, in the City of Cape Girardeau, Missouri. Reading and Passage.

BILL NO. 19-122, a Resolution authorizing the City Manager to execute an Agreement with Bowen Engineering and Land Surveying, Inc., for general engineering and infrastructure projects, in the City of Cape Girardeau, Missouri. Reading and Passage.

Bill No. 19-128, a Resolution authorizing application to the Edward Byrne Memorial Justice Assistance Grant (JAG) Program FY 2019 Local Solicitation, and authorizing the City Manager to execute all necessary grant program documents. Reading and Passage.

BILL NO. 19-134, a Resolution authorizing the City Manager to execute an Agreement with M-B Companies, Inc., for snow removal equipment at the Cape Girardeau Regional Airport, in the City of Cape Girardeau, Missouri. Reading and Passage.

BILL NO. 19-135, a Resolution of support for the proposal from MACO Development Company, LLC, for the Silver Springs II Apartments housing development. Reading and Passage.

Bill No. 19-136, a Resolution authorizing the City Manager to submit a letter of recommendation to the United States Department of Transportation for SkyWest Airlines to provide air carrier service under the Essential Air Service Program at the Cape Girardeau Regional Airport. Reading and Passage.

A Motion was made by Ryan Essex, Seconded by Dan Presson, to approve and adopt. Motion passed. 6-0. Ayes: Essex, Fox, Guard, Kinder, Moore, Presson.

BILL NO. 19-118 will be Ordinance No. 5214; BILL NO. 19-119 will be Ordinance No. 5215; BILL NO. 19-120 will be Ordinance No. 5216; BILL NO. 19-124 will be Ordinance No. 5217; BILL NO. 19-125 will be Ordinance No. 5218; BILL NO. 19-121 will be Resolution No. 3277; BILL NO. 19-122 will be Resolution No. 3278; BILL NO. 19-128 will be Resolution No. 3279; BILL NO. 19-134 will be Resolution No. 3280; BILL NO. 19-135 will be Resolution No. 3281; and BILL NO. 19-136 will be Resolution No. 3282.

ITEMS REMOVED FROM CONSENT AGENDA

BILL NO 19-123, an Ordinance providing for the levying of the annual City revenue tax; public health tax; Special Business District No. 2 tax; for the fiscal year ending on the 30th day of June, 2020. Second and Third Readings. (Council Report Amended)

City Council asked for an explanation of City staff's recommendation to amend the Ordinance from the First Reading. Finance Director Victor Brownlees spoke about the process required by State regulations, the assessment made by Cape Girardeau County, and the timing of the County's report to the City. He noted that the changes were marginal.

A Motion was made by Dan Presson, Seconded by Robbie Guard, to amend the Ordinance as recommended and to approve and adopt as amended.

Motion passed. 6-0. Ayes: Essex, Fox, Guard, Kinder, Moore, Presson.

BILL NO. 19-123 will be Ordinance No. 5219.

NEW ORDINANCES

Bill No 19-129, an Ordinance amending Chapter 7 of the Code of Ordinances of the City of Cape Girardeau, Missouri, regarding Automatic Pool Covers. First Reading.

Council Member Stacy Kinder asked when the automatic pool cover option was approved. Deputy City Manager Molly Mehner stated that automatic pool covers are allowed in the 2015 International Swimming Pool and Spa Code, which is referenced in the City Code. City staff and the Board of Appeals believe that the effectiveness of an automatic swimming pool cover depends on someone operating the device and having electricity. There have been no reported cases of faulty self-latching gates used with fences as pool barriers in the City. The proposed Ordinance prohibits the use of the automatic pool cover as the only barrier method.

A Motion was made by Robbie Guard, Seconded by Dan Presson, to approve.
Motion passed. 6-0. Ayes: Essex, Fox, Guard, Kinder, Moore, Presson.

Bill No 19-130, an Ordinance amending Chapter 7 of the Code of Ordinances of the City of Cape Girardeau, Missouri, regarding Storm Shelters. First Reading.

Council Member Ryan Essex asked staff to explain. City Manager Scott Meyer said that the School Board recently applied for a building addition, and with the current building code they would be required to provide a storm shelter with the addition. The School Board asked for a waiver of this requirement to the Board of Appeals based on undue hardship. Deputy City Manager Molly Mehner explained that this amendment would remove this requirement from the City's Building Code. Gary Hill added that this code amendment would also affect fire and police stations, and communication centers.

A Motion was made by Robbie Guard, Seconded by Stacy Kinder, to approve.
Motion passed. 6-0. Ayes: Essex, Fox, Guard, Kinder, Moore, Presson.

Bill NO. 19-131, an Ordinance of the City of Cape Girardeau, Missouri, extending the imposition of the present one-quarter of one percent Capital Improvement Sales Tax from its expiration date of December 31, 2019, to December 31, 2034. First Reading.

A Motion was made by Robbie Guard, Seconded by Dan Presson, to approve.
Motion passed. 6-0. Ayes: Essex, Fox, Guard, Kinder, Moore, Presson.

BILL NO. 19-132, an Ordinance authorizing the Mayor to execute a Special Warranty Deed to Jerry Collins and Brenda Collins, for property located at 3207 Bernice Street, in the City of Cape Girardeau, Missouri. First Reading.

A Motion was made by Ryan Essex, Seconded by Stacy Kinder, to approve.
Motion passed. 6-0. Ayes: Essex, Fox, Guard, Kinder, Moore, Presson.

BILL NO. 19-133, an Ordinance accepting a Temporary Construction Easement from Terry and Cynthia McDowell, for the Hopper Road Box Culvert Project, in the City of Cape Girardeau, Missouri. First Reading.

A Motion was made by Ryan Essex, Seconded by Robbie Guard, to approve.
Motion passed. 6-0. Ayes: Essex, Fox, Guard, Kinder, Moore, Presson.

OTHER BUSINESS

Consideration of Appeal of Denial for Liquor License Renewal Application for Ricky Lynn Werner, d/b/a River Valley Banquet Center, LLC 631 South Sprigg Street.

Mayor Bob Fox called for the appeal applicant to appear before the City Council. Ronald Garms appeared to represent Ricky Lynn Werner. Mr. Garms began his statement to rescind the denial for Liquor License Renewal for Ricky Lynn Werner, d/b/a River Valley Banquet Center, LLC. He argued that the City Code of Ordinance regulating Liquor Licenses, included the Liquor License Review Board, may violate State and Federal laws. He also disputed the facts present to the City Manager cited as the reason for denial. Mayor Fox called upon the Police Department representative to appear regarding the Department's recommendation to the City Manager to deny the Liquor License renewal. Lieutenant Bradley Smith appeared. He read the information that had been presented to the City Manager stating reasons that the department recommended the denial of liquor license renewal.

City Council discussed the information presented and asked clarifying questions of both parties that appeared. Mr. Garms noted that the City Council could direct issuance of a provisional license such as a six-month license to be re-evaluated at its expiration. City Attorney Eric Cunningham confirmed that the City Council could do something like the suggested provisional license, it could move to uphold the denial, or it could rescind the denial and direct that an annual license be issued.

A Motion was made by Dan Presson, Seconded by Shelly Moore, to direct the issuance of a six-month Liquor License so that Mr. Werner could correct the cited problems.

Motion failed roll call vote: 3-2. Ayes: Fox, Moore, Presson. Nays: Essex, Kinder. Abstain: Guard, for financial reasons, due to his employment with MRV Bank.

Mr. Cunningham pointed out that pursuant to Section 3.13 of the City Charter, all actions of the Council shall require an affirmative vote of at least four (4) members. City Attorney Eric Cunningham further advised the City Council that since the Motion for the provisional license had failed, the Council must act to either uphold or rescind the denial of Liquor License.

A Motion was made by Ryan Essex, Seconded by Stacy Kinder to uphold the denial for Liquor License.

Motion failed: 2-3. Ayes: Essex, Kinder. Nays: Fox, Moore, Presson. Abstain: Guard, for financial reasons, due to his employment with MRV Bank.

[Pursuant to City Charter, all actions of the Council shall require an affirmative vote of at least four (4) members.]

City Attorney Eric Cunningham explained that since the Motion to uphold the denial failed, the denial was reversed, and the Liquor License would be renewed.

Appointment of Ward 3 unexpired term

Mayor Bob Fox spoke about the process, and he discussed that they had received nine applicants that the Council had narrowed down to three finalists. Council Member Ryan Essex spoke about going through a similar process just last year, and that he could relate to them. He thanked them for putting themselves out for public service. The Mayor noted that in an informal tally vote, Christina Mershon and Nate Thomas had tied. City Attorney Eric Cunningham noted that a vote following a Motion and Second would determine who would be appointed.

A Motion was made by Robbie Guard, Seconded by Ryan Essex, to appoint Nate Thomas as Council Member Ward 3, for a term expiring April 2020.

After Council discussion, the Motion passed by roll call. 5-1. Ayes: Essex, Fox, Guard, Kinder, Moore. Nays: Presson.

MEETING ADJOURNMENT

A Motion was made by Ryan Essex, Seconded by Stacy Kinder to adjourn from regular session and to convene to closed session for legal actions and litigation, confidential communications with legal counsel, and property transactions, pursuant to RSMo. Sections 610.021(1), and (2).

Motion passed. 6-0. Ayes: Essex, Fox, Guard, Kinder, Moore, Presson.

The Regular Session ended at 6:30 p.m.

Bob Fox, Mayor

Bruce Taylor, Deputy City Clerk



Staff: Gary Hill, Building and Code
Agenda: Enforcement Manager
9/3/2019

AGENDA REPORT
Cape Girardeau City Council

19-189

SUBJECT

An Ordinance amending Chapter 7 of the Code of Ordinances of the City of Cape Girardeau, Missouri, relating to Automatic Pool Covers.

EXECUTIVE SUMMARY

This proposed Ordinance would repeal the provision which allows for an automatic pool cover to be provided as a substitution for a fence barrier.

BACKGROUND/DISCUSSION

Section 305.1(2) of the 2015 International Swimming Pool and Spa Code permits an automatic swimming pool cover that complies with American Society for Testing and Materials (ASTM) F1346 as a substitution for a fence barrier.

Since recently amended City Ordinance language now refers to the International Swimming Pool and Spa Code for barrier requirements, an automatic swimming pool cover is now permitted to be substituted for a fence barrier.

Inspections and the Board of Appeals believe the effectiveness of an automatic swimming pool cover is substantially dependent on the electrical and mechanical reliability of the cover. The effectiveness of an automatic swimming pool cover is also substantially dependent on the responsible behavior of the owner to consistently close the cover when the swimming pool is not in use.

As of this date, Inspections has had very few complaints regarding unsecured swimming pools due to defective fences, self-closing hinges, and self-latching gates. Inspections has serious concerns if an automatic swimming pool cover is permitted to be substituted for a fence barrier with self-closing hinges and self-latching gates; faulty equipment and irresponsible and inconsistent behavior of many pool owners will create numerous unsecured and unsafe swimming pools throughout the city.

On July 11, 2019 the Board of Appeals voted in support of Staff's recommendation to amend Section 7-93 (11) of City's Code of Ordinances to repeal the automatic swimming pool cover exception from the 2015 International Swimming Pool and Spa Code. Inspections and the Board of Appeals believe and experiences have shown, a fence barrier with self-closing hinges and self-latching gates is an effective, safe, and dependable way to secure swimming pools.

STAFF RECOMMENDATION

Staff recommends approval of an Ordinance amending Chapter 7 of the Code of Ordinances of the City of Cape Girardeau, Missouri, relating to Automatic Pool Covers.

BOARD OR COMMISSION RECOMMENDATION

On July 11, 2019 the Board of Appeals voted in support of Staff's recommendation to amend Section 7-93 (11) of City's Code of Ordinances to repeal the automatic swimming pool cover exception from the 2015 International Swimming Pool and Spa Code.

ATTACHMENTS:

Name:	Description:
Amending Ch 7 regarding automatic pool covers.docx	Ordinance
Sec. 7 257. Same Amendments..doc	Sec. 7-257 Same Amendments

AN ORDINANCE AMENDING CHAPTER 7 OF THE CODE
OF ORDINANCES OF THE CITY OF CAPE GIRARDEAU,
MISSOURI, REGARDING AUTOMATIC POOL COVERS

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF CAPE
GIRARDEAU, MISSOURI, AS FOLLOWS:

ARTICLE 1. Section 7-93, entitled "Same-Amendments", of
Article IIIa of Chapter 7 of the Code of Ordinances of the City
of Cape Girardeau, reading as follows:

Sec. 7-93. - Same-Amendments.

The 2015 International Swimming Pool and Spa Code adopted
by this article is hereby modified and amended in the
following respects.

(1) *Section 101.1* is amended to read as follows:

"Title. These regulations shall be known as the Swimming
Pool and Spa Code of the City of Cape Girardeau, Missouri,
hereinafter referred to, as "this code"."

(2) *Section 103* is amended to read: "Inspection Services
Division."

(3) *Section 103.1* is amended to read:

"Creation of enforcement agency. The Inspection Services
Division is hereby created and the official in charge
thereof shall be known as the code official."

(4) *Section 103.2* is hereby amended to read:

"The code official shall be appointed by the city manager."

(5) *Section 105.6.2, Fee Schedule*, is hereby amended to
read:

"The fees for work shall be as indicated in the following
schedule: City Fee Schedule."

(6) *Section 105.6.3, Fee Refunds*, is hereby amended to
read:

"Upon the applicant's request, any amount remaining from
the deposit which exceeds the cost of processing the
application will be refunded to the applicant."

(7) *Section 107.4, Violation Penalties*, is hereby amended
to read:

"Violation Penalties. Any person who shall violate a
provision of this code, or fail to comply therewith, or

with any of the requirements thereof, shall upon conviction thereof, be subject to a fine of not less than fifty dollars (\$50.00) per day nor more than five hundred dollars (\$500.00) per day for each day the violation exists or continues, or imprisonment for a term not to exceed ninety (90) days, or both, at the discretion of the court. Each day that a violation continues after due notice has been served shall be deemed as a separate offense."

(8) *Section 107.5, Stop work orders*, is hereby amended to read:

"Upon notice from the code official, work on any system that is being performed contrary to the provisions of this code or in a dangerous or unsafe manner shall immediately cease. Such notice shall be in writing and shall be given to the owner of the property, or to the owner's authorized agent, or to the person performing the work. The notice shall state the conditions under which work is authorized to resume. Where an emergency exists, the code official shall not be required to give a written notice prior to stopping the work. Any person who shall continue any work in or about the structure after having been served with a stop work order, except such work as that person is directed to perform to remove a violation or unsafe condition, shall upon conviction thereof, be subject to a fine of not less than fifty dollars (\$50.00) nor more than five hundred dollars (\$500.00) per day for each day the violation exists or continues, or imprisonment for a term not to exceed ninety (90) days, or both, at the discretion of the court. Each day that a violation continues after due notice has been served shall be deemed as a separate offense."

(9) *Section 108, Means of Appeal*, is hereby modified, changed and amended to read as per section 7-8 of the Code of Ordinances of the City of Cape Girardeau.

(10) *Section 305.2.11, Horizontal Balusters*, is hereby created to read:

"Horizontal balusters shall be prohibited in locations where guards or barriers are required."

is hereby repealed in its entirety and a new Section 7-93, entitled "Same-Amendments", is hereby enacted in lieu thereof, in words and figures, to read as follows, to-wit:

Sec. 7-93. - Same-Amendments.

The 2015 International Swimming Pool and Spa Code adopted by this article is hereby modified and amended in the following respects.

(1) *Section 101.1* is amended to read as follows:
"Title. These regulations shall be known as the Swimming Pool and Spa Code of the City of Cape Girardeau, Missouri, hereinafter referred to, as "this code"."

(2) *Section 103* is amended to read: "Inspection Services Division."

(3) *Section 103.1* is amended to read:
"Creation of enforcement agency. The Inspection Services Division is hereby created and the official in charge thereof shall be known as the code official."

(4) *Section 103.2* is hereby amended to read:
"The code official shall be appointed by the city manager."

(5) *Section 105.6.2, Fee Schedule*, is hereby amended to read:
"The fees for work shall be as indicated in the following schedule: City Fee Schedule."

(6) *Section 105.6.3, Fee Refunds*, is hereby amended to read:
"Upon the applicant's request, any amount remaining from the deposit which exceeds the cost of processing the application will be refunded to the applicant."

(7) *Section 107.4, Violation Penalties*, is hereby amended to read:
"Violation Penalties. Any person who shall violate a provision of this code, or fail to comply therewith, or with any of the requirements thereof, shall upon conviction thereof, be subject to a fine of not less than fifty dollars (\$50.00) per day nor more than five hundred dollars (\$500.00) per day for each day the violation exists or continues, or imprisonment for a term not to exceed ninety (90) days, or both, at the discretion of the court. Each day that a violation continues after due notice has been served shall be deemed as a separate offense."

(8) *Section 107.5, Stop work orders*, is hereby amended to read:
"Upon notice from the code official, work on any system that is being performed contrary to the provisions of this code or in a dangerous or unsafe manner shall immediately cease. Such notice shall be in writing and shall be given to the owner of the property, or to the owner's authorized agent, or to the person performing the work. The notice shall state the conditions under which work is authorized to resume. Where an emergency exists, the code official

shall not be required to give a written notice prior to stopping the work. Any person who shall continue any work in or about the structure after having been served with a stop work order, except such work as that person is directed to perform to remove a violation or unsafe condition, shall upon conviction thereof, be subject to a fine of not less than fifty dollars (\$50.00) nor more than five hundred dollars (\$500.00) per day for each day the violation exists or continues, or imprisonment for a term not to exceed ninety (90) days, or both, at the discretion of the court. Each day that a violation continues after due notice has been served shall be deemed as a separate offense."

(9) *Section 108, Means of Appeal*, is hereby modified, changed and amended to read as per section 7-8 of the Code of Ordinances of the City of Cape Girardeau.

(10) *Section 305.2.11, Horizontal Balusters*, is hereby created to read:
"Horizontal balusters shall be prohibited in locations where guards or barriers are required."

(11) *Section 305.1 General, Exceptions: 2.* "Swimming pools with a powered safety cover that complies with ASTM F1346" is hereby repealed in its entirety.

ARTICLE 2. If any section, subsection, sentence, clause, phrase or portion of this ordinance is for any reason held invalid or unconstitutional by any court of competent jurisdiction, such portion shall be deemed a separate, distinct and independent provision and such holding shall not affect the validity of the remaining portions hereof.

ARTICLE 3. It is the intention of the governing body and it is hereby ordained that the provisions of this ordinance shall become and be made a part of the Code of Ordinances of the City of Cape Girardeau, Missouri, and the sections of this Code may be renumbered to accomplish such intention.

PASSED AND APPROVED THIS 3rd DAY OF September, 2019.

Bob Fox, Mayor

ATTEST:

Gayle L. Conrad, City Clerk

Sec. 7-257. - Same—Amendments.

The 2015 edition of the International Fire Code adopted by the City of Cape Girardeau is hereby modified and amended in the following respects:

- (1) *Section 101.1* shall read as follows:

"Title. These regulations shall be known as the fire code of the City of Cape Girardeau, Missouri, and are herein referred to as the fire code or as "this code"."

- (2) *Section 108, Board of Appeals*, is hereby modified, changed and amended to read as per section 7-8 of the Code of Ordinances of the City of Cape Girardeau.

- (3) **Section 305.1.2 is hereby deleted**

- (4) *Section 307.3* is hereby modified, changed and amended by adding the following:

"or as otherwise provided by Chapter 3 "Air Pollution" in the Code of Ordinances of the City of Cape Girardeau."

- (5) *Section 307.4* is hereby modified, changed and amended by adding the following:

"or as otherwise provided by Chapter 3 "Air Pollution" in the Code of Ordinances of the City of Cape Girardeau."

- (6) Amend *Section 505.1* to read as per Section 24-1(a) of the Code of Ordinances of the City of Cape Girardeau.

- (7) *Section 912.2* is hereby amended to read as follows:

" *Location.* With respect to hydrants, driveways, buildings and landscaping, fire department connections shall be so located that fire apparatus and hose connected to supply the system will not obstruct access to the buildings for other fire apparatus. The location of fire department connections shall be approved by the fire chief and shall be located within 75 feet of a fire hydrant."

- (8) *Section 1015.4.1* is hereby created to read as follows:

"Horizontal balusters may not be used in guards."

- (9) *Section 5601.1.3* is hereby modified, changed and amended to read as follows:

" *General.* It shall be a violation of this code to store, offer for sale, expose for sale, sell at retail, or use or explode any fireworks, except as provided in Chapter 11, Articles I and II, sections 11-48 through 11-52 of the Code of Ordinances for the City of Cape Girardeau, and except as provided in the rules and regulations issued for the granting of permits for supervised public displays of fireworks by the City of Cape Girardeau, fair associations, amusement parks and other organizations. Every display shall be handled by an approved licensed competent operator. The fireworks shall be arranged, located, discharged or fired in a manner that, in the opinion of the code official, will not be hazard to property or endanger any person."

- (10) A new *Section 5701.1.1* shall be added which shall read as follows:

"Section 5701.1.1, Bulk, Processing and Industrial Plants Bulk, processing or industrial plants, refineries or other plants and distilleries and all buildings, tanks and equipment used for the storage, processing, distillation, refining or blending of flammable or combustible liquids shall be located, constructed and used in accordance with the building code and NFPA 30 listed in Appendix A and any other applicable law or ordinance of the City of Cape Girardeau."

- (11) *Section 5704.1* is hereby modified, changed and amended to read as follows:

"General. Above ground storage tanks for the storage of combustible or flammable liquids shall be prohibited except as specifically provided for in this code."

- (12) Appendix A is hereby deleted.

(Ord. No. 4702, art. 7, 6-1-15)

SUBJECT

An Ordinance amending Chapter 7 of the Code of Ordinances of the City of Cape Girardeau, Missouri, relating to Storm Shelters.

EXECUTIVE SUMMARY

This proposed Ordinance would repeal the provision which requires the addition of storm shelter facilities in certain occupancy classifications.

BACKGROUND/DISCUSSION

Architect Phillip Smith and Superintendent Neil Glass spoke to the Board of Appeals concerning the Storm Shelter requirements in Section 423 of the 2015 International Building Code. The Cape Girardeau School District has plans to renovate and construct additions on several of their school campuses in the near future. The school district requested guidance from the Board of Appeals if they would be required to incorporate storm shelters in their renovation plans. Phillip Smith shared construction costs meeting storm shelter standards are approximately 50% greater than conventional construction costs due to the 250 mph wind-load storm shelter standards versus the 115 mph wind-load conventional construction standards.

Inspections contacted the International Code Council for additional clarification on storm shelter requirements. Inspections was told the 2015 International Building Code required all occupied additions to school district facilities (including the proposed Aquatic Center) be constructed to storm shelter standards. Another option permitted in the building code is constructing a separate onsite storm shelter to house the occupant load of the school facility.

While it is acknowledged storm shelters provide valuable shelter for individuals seeking protection from unpredictable high-wind events, Inspections and the Board of Appeals believe it is unreasonable for a building code to create this unfunded mandate for Critical Emergency Operations and Educational Facilities. A better approach would be for community and private agencies to pool their efforts and resources to finance and construct storm shelters as a joint venture.

After discussion, Inspections and the Board of Appeals believe mandating the responsibility of constructing storm shelters to individual groups through building code requirements is neither a reasonable or practical approach. Inspections and Board of Appeals recommend Section 7-28 (14) of City Ordinance is amended to repeal Storm Shelter Sections 423.3 Critical emergency operations and 423.4 Group E occupancies from the 2015 International Building Code.

STAFF RECOMMENDATION

Staff recommends approval of an Ordinance amending Chapter 7 of the Code of Ordinances of the City of Cape Girardeau, Missouri, relating to Storm Shelters.

BOARD OR COMMISSION RECOMMENDATION

On July 11, 2019 the Board of Appeals voted in support of Staff's recommendation to amend Section 7-28 (14) of City's Code of Ordinances to repeal Storm Shelter Sections 423.3 Critical emergency operations and 423.4 Group E occupancies from the 2015 International Building Code.

ATTACHMENTS:

Name:	Description:
Amending Ch 7 regarding Storm Shelters.docx	Ordinance
Sec. 7 28. Same Amendments.doc	Sec. 7-28 Same Amendments

AN ORDINANCE AMENDING CHAPTER 7 OF THE CODE
OF ORDINANCES OF THE CITY OF CAPE GIRARDEAU,
MISSOURI, REGARDING STORM SHELTERS

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF CAPE GIRARDEAU, MISSOURI, AS FOLLOWS:

ARTICLE 1. Section 7-28, entitled "Same-Amendments", of Article II of Chapter 7 of the City Code, reading as follows:

Sec. 7-28. - Same-Amendments.

The 2015 International Building Code adopted by this article is hereby modified and amended in the following respects:

(1) *Section 101.1* is hereby modified, changed and amended to read as follows:

"Title. These regulations shall be known as the Building Code of the City of Cape Girardeau, Missouri, hereinafter referred to as "this code"."

(2) *Section 103.1* is hereby modified, changed and amended to read as follows:

"Creation of Enforcement Agency. The Division of Inspection Services is hereby created and the official in charge shall be known as the code official."

(3) *Section 103.2* is hereby modified, changed and amended to read as follows:

"Appointment. The code official shall be appointed by the city manager."

(4) *Section 105.1.1, Annual permit*, is hereby repealed in its entirety.

(5) *Section 105.1.2, Annual permit records*, is hereby repealed in its entirety.

(6) *[Section] 105.2, Work exempt from permit*, Building item 1 is hereby modified, changed and amended to read:

"One-story detached accessory structures used as tool and storage sheds, playhouses and similar uses, provided the floor area is not greater than 150 square feet."

(7) *[Section] 105.2, Work exempt from permit*, Building items 2, 4, and 6 are hereby deleted.

(8) *Section 109.7, Re-inspection Fee* , add "a re-inspection fee, as established in the City Fee Schedule, after the second inspection for similar inspections."

(9) *Section 111.2, Certificate Issued*, is hereby modified, changed and amended to read as follows: After the building official inspects the building or structure and does not find violations of the provisions of this code or other laws that are enforced by the Inspection Services Division, the building official shall issue a certificate of occupancy that contains the following:

(a) The building permit number and the date the permit was issued.

(b) The address of the structure and the name of the subdivision, the lot number and block number.

(c) The name and address of the owner or the owner's authorized agent.

(d) A description of that portion of the structure for which the certificate is issued.

(e) A statement that the described portion of the structure has been inspected for compliance with the requirements of this code for the occupancy and division of occupancy and the use for which the proposed occupancy is classified.

(f) The name of the building official.

(g) The edition of the code under which the permit was issued.

(h) The use and occupancy, in accordance with the provisions of Chapter 3.

(i) The type of construction as defined in Chapter 6.

(j) The design occupant load.

(k) If an automatic sprinkler system is provided, whether the sprinkler system is required.

(l) Any special stipulations and conditions of the building permit.

(m) The name of the architect.

(n) The name of the contractor.

(o) The square footage of that portion of the structure for which the certificate is issued.

(10) *Section 113.3, Qualifications*, is hereby repealed in its entirety and modified, changed and amended to read as per section 7-8 of the Code of Ordinances of the City of Cape Girardeau.

(11) *Section 114.4* is hereby modified, changed and amended to read as follows:

"Violation Penalties. Any person who shall violate a provision of this code, or fail to comply therewith, or with any of the requirements thereof, shall upon conviction

thereof, be subject to a fine of not less than fifty dollars (\$50.00) per day nor more than five hundred dollars (\$500.00) per day for each day the violation exists or continues, or imprisonment for a term not to exceed ninety (90) days, or both, at the discretion of the court. Each day that a violation continues after due notice has been served shall be deemed as a separate offense."

(12) *Section 115.3* is hereby modified, changed and amended to read as follows:

"Unlawful Continuance. The violation of this section shall be punished by a fine not exceeding five hundred dollars (\$500.00) per day for each day the unlawful continuance exists or by imprisonment not exceeding three (3) months, or by both such fine and imprisonment. Each day that a violation continues after due notice has been served shall be deemed as a separate offense."

(13) *Section 202, Definitions*, amend *Sleeping Unit* to [read] as follows:

"Sleeping Unit. Is defined to mean any room in the dwelling that is greater than seventy (70) square feet and has a built in closet space and typically could be used as a bedroom. This does not include rooms used for cooking, eating, family living or gathering and excludes bathrooms, toilet rooms, halls, storage, utility and workshop space and all unconditioned space. Such rooms and spaces that are also part of a dwelling unit are not sleeping units."

(14) *Section 423, Storm Shelters*, is hereby modified, changed and amended to read as per the 2009 International Building Code, on July 1, 2015:

"The provision of storm shelters pursuant to the 2015 International Building Code shall be voluntary. However, on and after July 1, 2018, this section on storm shelters shall be mandatory, and shall be in full force and effect as per the 2015 International Building Code."

(15) [*Section*] *501.2, Address identification*, is hereby amended to read as follows:

"New and existing buildings shall be provided with approved address identification. The address identification shall be legible and placed in a position that is visible from the street or road fronting the property. Address identification characters shall contrast with their background. Address numbers shall be Arabic numbers or alphabetical letters. Numbers shall not be spelled out. Each character shall be a minimum of 6 inches high with a minimum stroke width of ½ inch. Where required by the fire code official, address identification shall be provided in

additional approved locations to facilitate emergency response. Where access is by means of a private road and the building address cannot be viewed from the public way, a monument, pole or other approved sign or means shall be used to identify the structure. Address identification shall be maintained."

(16) Reserved.

(17) *Section 1612.3* is hereby created to read as follows:
"Establishment of Flood Hazard Areas. To establish flood hazard areas, the governing body shall adopt a flood hazard map and supporting data. The flood hazard map shall include, at a minimum, areas of special flood hazard as identified by the Federal Emergency Management Agency in an engineering report entitled "The Flood Insurance Study for the City of Cape Girardeau, Missouri," latest edition of the flood map, as amended or revised with the accompanying Flood Insurance Rate Map (FIRM) and flood Boundary and Floodway Map (FBFM) and related supporting data along with any revisions thereto. The adopted flood hazard map and supporting data are hereby adopted by reference and declared to be part of this section."

(18) Reserved.

(19) *Section R104. Duties and Powers of the building official.*

R104.11.2 Moratorium. All other provisions of this Code to the contrary notwithstanding, no building permit shall be issued for construction projects utilizing shipping containers as building materials until October 14, 2017, except on applications received by the City on or before April 7, 2017.

is hereby repealed in its entirety and a new Section 7-28, entitled "Same-Amendments", is hereby enacted in lieu thereof, in words and figures, to read as follows, to-wit:

Sec. 7-28. - Same-Amendments.

The 2015 International Building Code adopted by this article is hereby modified and amended in the following respects:

(1) *Section 101.1* is hereby modified, changed and amended to read as follows:

"Title. These regulations shall be known as the Building Code of the City of Cape Girardeau, Missouri, hereinafter referred to as "this code"."

(2) *Section 103.1* is hereby modified, changed and amended to read as follows:

"Creation of Enforcement Agency. The Division of Inspection Services is hereby created and the official in charge shall be known as the code official."

(3) *Section 103.2* is hereby modified, changed and amended to read as follows:

"Appointment. The code official shall be appointed by the city manager."

(4) *Section 105.1.1, Annual permit*, is hereby repealed in its entirety.

(5) *Section 105.1.2, Annual permit records*, is hereby repealed in its entirety.

(6) [*Section*] *105.2, Work exempt from permit*, Building item 1 is hereby modified, changed and amended to read:

"One-story detached accessory structures used as tool and storage sheds, playhouses and similar uses, provided the floor area is not greater than 150 square feet."

(7) [*Section*] *105.2, Work exempt from permit*, Building items 2, 4, and 6 are hereby deleted.

(8) *Section 109.7, Re-inspection Fee*, add "a re-inspection fee, as established in the City Fee Schedule, after the second inspection for similar inspections."

(9) *Section 111.2, Certificate Issued*, is hereby modified, changed and amended to read as follows: After the building official inspects the building or structure and does not find violations of the provisions of this code or other laws that are enforced by the Inspection Services Division, the building official shall issue a certificate of occupancy that contains the following:

(a) The building permit number and the date the permit was issued.

(b) The address of the structure and the name of the subdivision, the lot number and block number.

(c) The name and address of the owner or the owner's authorized agent.

(d) A description of that portion of the structure for which the certificate is issued.

(e) A statement that the described portion of the structure has been inspected for compliance with the requirements of this code for the occupancy and division of occupancy and the use for which the proposed occupancy is classified.

- (f) The name of the building official.
- (g) The edition of the code under which the permit was issued.
- (h) The use and occupancy, in accordance with the provisions of Chapter 3.
- (i) The type of construction as defined in Chapter 6.
- (j) The design occupant load.
- (k) If an automatic sprinkler system is provided, whether the sprinkler system is required.
- (l) Any special stipulations and conditions of the building permit.
- (m) The name of the architect.
- (n) The name of the contractor.
- (o) The square footage of that portion of the structure for which the certificate is issued.

(10) *Section 113.3, Qualifications*, is hereby repealed in its entirety and modified, changed and amended to read as per section 7-8 of the Code of Ordinances of the City of Cape Girardeau.

(11) *Section 114.4* is hereby modified, changed and amended to read as follows:

"Violation Penalties. Any person who shall violate a provision of this code, or fail to comply therewith, or with any of the requirements thereof, shall upon conviction thereof, be subject to a fine of not less than fifty dollars (\$50.00) per day nor more than five hundred dollars (\$500.00) per day for each day the violation exists or continues, or imprisonment for a term not to exceed ninety (90) days, or both, at the discretion of the court. Each day that a violation continues after due notice has been served shall be deemed as a separate offense."

(12) *Section 115.3* is hereby modified, changed and amended to read as follows:

"Unlawful Continuance. The violation of this section shall be punished by a fine not exceeding five hundred dollars (\$500.00) per day for each day the unlawful continuance exists or by imprisonment not exceeding three (3) months, or by both such fine and imprisonment. Each day that a violation continues after due notice has been served shall be deemed as a separate offense."

(13) *Section 202, Definitions*, amend Sleeping Unit to [read] as follows:

"Sleeping Unit. Is defined to mean any room in the dwelling that is greater than seventy (70) square feet and has a built in closet space and typically could be used as a bedroom. This does not include rooms used for cooking, eating, family living or gathering and excludes bathrooms, toilet rooms, halls, storage,

utility and workshop space and all unconditioned space. Such rooms and spaces that are also part of a dwelling unit are not sleeping units."

(14) *Section 423.3 Critical emergency operations and 423.4 Group E occupancies*, is hereby repealed in its entirety.

(15) *[Section] 501.2, Address identification*, is hereby amended to read as follows:

"New and existing buildings shall be provided with approved address identification. The address identification shall be legible and placed in a position that is visible from the street or road fronting the property. Address identification characters shall contrast with their background. Address numbers shall be Arabic numbers or alphabetical letters. Numbers shall not be spelled out. Each character shall be a minimum of 6 inches high with a minimum stroke width of ½ inch. Where required by the fire code official, address identification shall be provided in additional approved locations to facilitate emergency response. Where access is by means of a private road and the building address cannot be viewed from the public way, a monument, pole or other approved sign or means shall be used to identify the structure. Address identification shall be maintained."

(16) Reserved.

(17) *Section 1612.3* is hereby created to read as follows:

"Establishment of Flood Hazard Areas. To establish flood hazard areas, the governing body shall adopt a flood hazard map and supporting data. The flood hazard map shall include, at a minimum, areas of special flood hazard as identified by the Federal Emergency Management Agency in an engineering report entitled "The Flood Insurance Study for the City of Cape Girardeau, Missouri," latest edition of the flood map, as amended or revised with the accompanying Flood Insurance Rate Map (FIRM) and flood Boundary and Floodway Map (FBFM) and related supporting data along with any revisions thereto. The adopted flood hazard map and supporting data are hereby adopted by reference and declared to be part of this section."

(18) Reserved.

(19) *Section R104. Duties and Powers of the building official.*
R104.11.2 Moratorium. All other provisions of this Code to the contrary notwithstanding, no building permit shall be issued for construction projects utilizing shipping containers as building materials until October 14, 2017, except on applications received by the City on or before April 7, 2017.

ARTICLE 2. If any section, subsection, sentence, clause, phrase or portion of this ordinance is for any reason held invalid or unconstitutional by any court of competent jurisdiction, such portion shall be deemed a separate, distinct and independent provision and such holding shall not affect the validity of the remaining portions hereof.

ARTICLE 3. It is the intention of the governing body and it is hereby ordained that the provisions of this ordinance shall become and be made a part of the Code of Ordinances of the City of Cape Girardeau, Missouri, and the sections of this Code may be renumbered to accomplish such intention.

PASSED AND APPROVED THIS 3rd DAY OF September, 2019.

Bob Fox, Mayor

ATTEST:

Gayle L. Conrad, City Clerk

Sec. 7-28. - Same—Amendments.

The 2015 International Building Code adopted by this article is hereby modified and amended in the following respects:

- (1) *Section 101.1* is hereby modified, changed and amended to read as follows:
"Title. These regulations shall be known as the Building Code of the City of Cape Girardeau, Missouri, hereinafter referred to as "this code"."
- (2) *Section 103.1* is hereby modified, changed and amended to read as follows:
"Creation of Enforcement Agency. The Division of Inspection Services is hereby created and the official in charge shall be known as the code official."
- (3) *Section 103.2* is hereby modified, changed and amended to read as follows:
"Appointment. The code official shall be appointed by the city manager."
- (4) *Section 105.1.1, Annual permit*, is hereby repealed in its entirety.
- (5) *Section 105.1.2, Annual permit records*, is hereby repealed in its entirety.
- (6) *[Section] 105.2, Work exempt from permit*, Building item 1 is hereby modified, changed and amended to read:
"One-story detached accessory structures used as tool and storage sheds, playhouses and similar uses, provided the floor area is not greater than 150 square feet."
- (7) *[Section] 105.2, Work exempt from permit*, Building items 2, 4, and 6 are hereby deleted.
- (8) *Section 109.7, Re-inspection Fee*, add "a re-inspection fee, as established in the City Fee Schedule, after the second inspection for similar inspections."
- (9) *Section 111.2, Certificate Issued*, is hereby modified, changed and amended to read as follows: After the building official inspects the building or structure and does not find violations of the provisions of this code or other laws that are enforced by the Inspection Services Division, the building official shall issue a certificate of occupancy that contains the following:
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 - (b) The address of the structure and the name of the subdivision, the lot number and block number.
 - (c) The name and address of the owner or the owner's authorized agent.
 - (d) A description of that portion of the structure for which the certificate is issued.
 - (e) A statement that the described portion of the structure has been inspected for compliance with the requirements of this code for the occupancy and division of occupancy and the use for which the proposed occupancy is classified.
 - (f) The name of the building official.
 - (g) The edition of the code under which the permit was issued.
 - (h) The use and occupancy, in accordance with the provisions of Chapter 3.
 - (i) The type of construction as defined in Chapter 6.
 - (j) The design occupant load.
 - (k) If an automatic sprinkler system is provided, whether the sprinkler system is required.
 - (l) Any special stipulations and conditions of the building permit.
 - (m) The name of the architect.

- (n) The name of the contractor.
- (o) The square footage of that portion of the structure for which the certificate is issued.
- (10) *Section 113.3, Qualifications*, is hereby repealed in its entirety and modified, changed and amended to read as per section 7-8 of the Code of Ordinances of the City of Cape Girardeau.
- (11) *Section 114.4* is hereby modified, changed and amended to read as follows:

"Violation Penalties. Any person who shall violate a provision of this code, or fail to comply therewith, or with any of the requirements thereof, shall upon conviction thereof, be subject to a fine of not less than fifty dollars (\$50.00) per day nor more than five hundred dollars (\$500.00) per day for each day the violation exists or continues, or imprisonment for a term not to exceed ninety (90) days, or both, at the discretion of the court. Each day that a violation continues after due notice has been served shall be deemed as a separate offense."
- (12) *Section 115.3* is hereby modified, changed and amended to read as follows:

"Unlawful Continuance. The violation of this section shall be punished by a fine not exceeding five hundred dollars (\$500.00) per day for each day the unlawful continuance exists or by imprisonment not exceeding three (3) months, or by both such fine and imprisonment. Each day that a violation continues after due notice has been served shall be deemed as a separate offense."
- (13) *Section 202, Definitions*, amend Sleeping Unit to [read] as follows:

"Sleeping Unit. Is defined to mean any room in the dwelling that is greater than seventy (70) square feet and has a built in closet space and typically could be used as a bedroom. This does not include rooms used for cooking, eating, family living or gathering and excludes bathrooms, toilet rooms, halls, storage, utility and workshop space and all unconditioned space. Such rooms and spaces that are also part of a dwelling unit are not sleeping units."
- ~~(14) *Section 423, Storm Shelters*, is hereby modified, changed and amended to read as per the 2009 International Building Code, on July 1, 2015:

"The provision of storm shelters pursuant to the 2015 International Building Code shall be voluntary. However, on and after July 1, 2018, this section on storm shelters shall be mandatory, and shall be in full force and effect as per the 2015 International Building Code."~~
- (14) *Sections 423.3 Critical emergency operations and 423.4 Group E occupancies*, is hereby repealed in its entirety.
- (15) *[Section] 501.2, Address identification*, is hereby amended to read as follows:

"New and existing buildings shall be provided with approved address identification. The address identification shall be legible and placed in a position that is visible from the street or road fronting the property. Address identification characters shall contrast with their background. Address numbers shall be Arabic numbers or alphabetical letters. Numbers shall not be spelled out. Each character shall be a minimum of 6 inches high with a minimum stroke width of ½ inch. Where required by the fire code official, address identification shall be provided in additional approved locations to facilitate emergency response. Where access is by means of a private road and the building address cannot be viewed from the public way, a monument, pole or other approved sign or means shall be used to identify the structure. Address identification shall be maintained."
- (16) Reserved.
- (17) *Section 1612.3* is hereby created to read as follows:

"Establishment of Flood Hazard Areas. To establish flood hazard areas, the governing body shall adopt a flood hazard map and supporting data. The flood hazard map shall include, at a minimum, areas of special flood hazard as identified by the Federal Emergency Management Agency in an engineering report entitled "The Flood Insurance Study for the City of Cape Girardeau, Missouri," latest edition of the flood map, as amended or revised with the accompanying Flood Insurance Rate Map (FIRM) and flood Boundary and Floodway Map (FBFM) and related supporting data along with any revisions thereto. The adopted flood hazard map and supporting data are hereby adopted by reference and declared to be part of this section."

(18) Reserved.

(19) *Section R104. Duties and Powers of the building official.*

R104.11.2 Moratorium. All other provisions of this Code to the contrary notwithstanding, no building permit shall be issued for construction projects utilizing shipping containers as building materials until October 14, 2017, except on applications received by the City on or before April 7, 2017.

(Ord. No. 4702, art. 2, 6-1-15; Ord. No. 4954, art. 1, 4-17-17; Ord. No. 4989, art. 1, 7-10-17; Ord. No. 4995, arts. 2, 3, 8-7-17; Ord. No. [5079](#), art. 1, 5-21-18)

Staff: W. Eric Cunningham, City
Attorney
Agenda: 9/3/2019

AGENDA REPORT
Cape Girardeau City Council

19-191

SUBJECT

An Ordinance of the City of Cape Girardeau, Missouri, extending the imposition of the present one-quarter of one percent Capital Improvement Sales Tax from its expiration date of December 31, 2019, to December 31, 2034.

EXECUTIVE SUMMARY

On August 6, 2019, the voters of the City authorized the extension of this Capital Improvements Sales Tax. The attached Ordinance is necessary to impose that sales tax extension.

BACKGROUND/DISCUSSION

Normally, an Ordinance calling an election on a sales tax proposition includes language imposing the tax, subject to approval by the City voters. However, in order to avoid confusion in this situation, the Ordinance calling the election on the Capital Improvement Sales Tax on August 6, 2019, did not include that language. The City has two (2) Capital Improvements Sales Taxes, each with different beginning and ending dates, and only the tax extended by the voters on August 6, 2019, has been codified in the City Code. For that reason, the attached Ordinance clarifies the distinction between these two (2) taxes, and then imposes the extension of the tax that was just authorized by the voters. In addition, the Ordinance amends the language contained in the codified City Code in order to clarify which tax is being discussed, and it includes the new December 31, 2034, termination date of this tax.

STAFF RECOMMENDATION

Staff recommends that the City Council approve the attached ordinance.

ATTACHMENTS:

Name:	Description:
Imposing Capital Improvement Sales Tax 2019-2034.doc	Ordinance

BILL NO. 19-131

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY OF CAPE GIRARDEAU, MISSOURI, EXTENDING THE IMPOSITION OF THE PRESENT ONE-QUARTER OF ONE PERCENT CAPITAL IMPROVEMENT SALES TAX FROM ITS EXPIRATION DATE OF DECEMBER 31, 2019, TO DECEMBER 31, 2034

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF CAPE GIRARDEAU, MISSOURI, AS FOLLOWS:

WHEREAS, the City of Cape Girardeau, (the "City") currently imposes two (2) sales taxes of one-quarter of one percent (for a total of one-half of one percent) pursuant to Section 94.577 et seq. of the Revised Statutes of Missouri, as amended, for the purposed of funding capital improvements for the City and the retirement of debt under previously authorized bonded indebtedness for such purposes; and

WHEREAS, one of those two one-quarter of one percent Capital Improvement sales taxes has an expiration date of December 31, 2037; and

WHEREAS, the second of those two one-quarter of one percent Capital Improvement sales taxes had a scheduled expiration date of December 31, 2019; however, by an election held on August 6, 2019, the voters of the City of Cape Girardeau authorized the extension of the imposition of said second sales tax to December 31, 2034; and

WHEREAS, due to said approval by the voters, the City Council desires to enact this Ordinance to extend the imposition of this second Capital Improvement Sales Tax for the purposes set out herein to its new expiration date of December 31, 2034.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF CAPE GIRARDAU, MISSOURI, AS FOLLOWS:

ARTICLE 1. Due to its approval by the voters of the City in the election held on August 6, 2019, there is hereby extended the imposition of the existing sales tax authorized by Section 94.577 et seq. of the Revised Statutes of Missouri, as amended, in the amount of one-quarter of one percent on all retail sales made in the City which are subject to taxation under the provisions of Sections 144.010 to 144.525, inclusive, of the

Revised Statutes of Missouri, as amended, for the purpose of funding capital improvements for water system projects, airport improvements, street repairs, City facilities, and other capital projects to be approved by the City Council, from its previous expiration date of December 31, 2019, to its new expiration date of December 31, 2034.

ARTICLE 2. The tax referred to in Article 1 herein shall be in addition to any and all other sales taxes allowed by law.

ARTICLE 3. In order to accomplish the purposes set out in Article 1 of this Ordinance, and to correct the codification contained in the City Code, Chapter 15, Article IV, Sections 15-116 through 15-121 of the Code of Ordinances of the City of Cape Girardeau, referring to this second Capital Improvements Sales Tax, reading as follows:

Sec. 15-116. - Imposition; rules, regulations.

There is hereby imposed upon all sellers a tax for the privilege of engaging in the business of selling taxable personal property or rendering taxable services at retail to the extent and in the manner provided in RSMo 144.010-144.510, and the rules and regulations of the director of revenue issued pursuant thereto at the rate of one-fourth of one (1) percent on all retail sales made in the city which are subject to taxation under the provisions of RSMo 144.010-144.510. This tax is imposed pursuant to RSMo 94.577 and to the extent provided in RSMo 144.010-144.510 and the rules and regulations of the director of revenue issued pursuant thereto.

Sec. 15-117. - Purpose.

The tax imposed by this article is for the limited purpose of funding capital improvements for flood control, drainage improvement and storm- water control projects and may include the retirement of debt under previously authorized bonded indebtedness for such limited purposes. This tax shall be in addition to any and all other sales taxes allowed by law.

Sec. 15-118. - Trust fund.

There is hereby established a city capital improvements trust fund. All moneys received by the city from the capital improvements sales tax imposed

by this article shall be deposited by the finance director to the credit of this fund and used in accordance with state statute.

Sec. 15-119. - When effective, duration.

The tax authorized by this article shall become effective on the first day of January, 1990 and such tax shall continue for a period of ten (10) years from its date of inception and thereafter shall automatically terminate unless extended or renewed in accordance with law.

Sec. 15-120. - Condition precedent; use of proceeds.

This article shall become effective only in the event that the United States Congress appropriates construction funds for the Cape LaCroix-Walker Creek Flood Control Project previously authorized by the Water Resources Development Act of 1986 and described in the United States Army Corps of Engineers Cape Girardeau-Jackson Metropolitan Area Missouri Feasibility Report dated December, 1983. If the voters of this city approve this tax, and if the United States Congress appropriates construction funds as set out herein, the funds derived from the imposition of this tax shall be used primarily for the Cape LaCroix Creek-Walker Creek Flood Control Project but the use of the funds shall not be limited to such project but may be allocated to other flood control, drainage improvement and stormwater control projects as determined by the city council. Funds derived from the imposition of this tax may also be used for capital improvements for parks and recreational purposes but only to the extent that such parks and recreational purposes are directly related to and incidental to the Cape LaCroix Creek-Walker Creek Flood Control Project.

Sec. 15-121. - Tax extended.

Pursuant to section 15-119, and the election held on April 5, 1994, the tax authorized by this article is extended effective on the first day of January, 2000, with such tax to terminate on December 31, 2019, unless otherwise extended or renewed in accordance with law, for the purpose of funding capital improvements for flood control, drainage improvement, stormwater control projects, and for other capital

improvement projects to be designated by the Cape Girardeau City Council.

is hereby repealed in its entirety and a new Chapter 15, Article IV, Sections 15-116 through 15-119 is hereby enacted in lieu thereof, in words and figures, to read as follows, to-wit:

Sec. 15-116. - Imposition, extension; rules, regulations.

As approved by the voters of the City on August 6, 2019, there is hereby extended the imposition of a tax upon all sellers for the privilege of engaging in the business of selling taxable personal property or rendering taxable services at retail to the extent and in the manner provided in RSMo 144.010-144.525, and the rules and regulations of the director of revenue issued pursuant thereto at the rate of one-fourth of one (1) percent on all retail sales made in the city which are subject to taxation under the provisions of RSMo 144.010-144.525. This tax is imposed pursuant to RSMo 94.577 and to the extent provided in RSMo 144.010-144.525 and the rules and regulations of the director of revenue issued pursuant thereto.

Sec. 15-117. - Purpose.

The tax extension imposed by this article is for the limited purpose of funding capital improvements for airport improvements, street repairs, City facilities, and other water system projects, and may include the retirement of bonded indebtedness for such limited purposes. This tax shall be in addition to any and all other sales taxes allowed by law.

Sec. 15-118. - Trust fund.

There is hereby established a city capital improvements trust fund. All moneys received by the city from the capital improvements sales tax imposed by this article shall be deposited by the finance director to the credit of this fund and used in accordance with state statute.

Sec. 15-119. - When effective, duration.

The extension of the imposition of the tax authorized by this article shall become effective on the first day of January, 2020, and such tax shall continue for a period of fifteen (15) years from its date of

inception, and thereafter shall automatically terminate unless extended or renewed in accordance with law.

Secs. 15-120-15-121. - Reserved.

ARTICLE 4. If any section, subsection, sentence, clause, phrase or portion of this ordinance is for any reason held invalid or unconstitutional by any court of competent jurisdiction, such portion shall be deemed a separate, distinct and independent provision, and such holding shall not affect the validity of the remaining portions hereof.

ARTICLE 5. It is the intention of the governing body and it is hereby ordained that the provisions of Article 3 of this ordinance shall become and be made a part of the Code of Ordinances of the City of Cape Girardeau, Missouri, and the sections of this Code may be renumbered to accomplish such intention.

ARTICLE 6. This ordinance shall be in full force and effect ten days after its passage and approval.

PASSED AND APPROVED THIS 3rd DAY OF September, 2019.

Bob Fox, Mayor

ATTEST:

Gayle L. Conrad, City Clerk

SUBJECT

An Ordinance authorizing the Mayor to execute a Special Warranty Deed to Jerry Collins and Brenda Collins, a married couple for property located at 3207 Bernice Street in the City of Cape Girardeau, Missouri

EXECUTIVE SUMMARY

The attached ordinance conveys property at 3207 Bernice Street, Cape Girardeau to Jerry Collins and Brenda Collins, a married couple.

BACKGROUND/DISCUSSION

3207 Bernice Street was identified as surplus property that could be sold. A Special Warranty Deed has been prepared for this purpose and is attached. Mr. and Mrs. Collins' home is adjacent to this property.

FINANCIAL IMPACT

Jerry and Brenda Collins are paying \$6,600 for the property. The City will pay the recording fee.

STAFF RECOMMENDATION

Staff recommends approval of the ordinance authorizing the Mayor to execute a Special Warranty Deed to Jerry and Brenda Collins for property located at 3207 Bernice Street, in Cape Girardeau, Missouri.

ATTACHMENTS:

Name:	Description:
Collins_3207_Bernice_Street_Special_Warranty_Deed.doc	Ordinance
Bernice_3207_Sales_Agreement.doc	Agreement for the Sale
3027_Bernice_SWD.doc	SWD City to Collins

BILL NO. 19-132

ORDINANCE NO. _____

AN ORDINANCE AUTHORIZING THE MAYOR TO EXECUTE A SPECIAL WARRANTY DEED TO JERRY COLLINS AND BRENDA COLLINS, FOR PROPERTY LOCATED AT 3207 BERNICE STREET, IN THE CITY OF CAPE GIRARDEAU, MISSOURI

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF CAPE GIRARDEAU, MISSOURI, AS FOLLOWS:

ARTICLE 1. The Mayor, for and on behalf of the City of Cape Girardeau, Missouri, is hereby authorized to execute a Special Warranty Deed to Jerry Collins and Brenda Collins, a married couple, for property located at 3207 Bernice Street, in the City and County of Cape Girardeau, Missouri, more particularly described as follows:

Lot 4, Block 1 of Lakeview Estates Subdivision No. 3

In addition, the City Manager is authorized to execute all accompanying documents.

ARTICLE 2. This ordinance shall be in full force and effect ten days after its passage and approval.

PASSED AND APPROVED THIS 3rd DAY OF September, 2019.

Bob Fox, Mayor

ATTEST:

Gayle L. Conrad, City Clerk

AGREEMENT FOR THE SALE OF REAL PROPERTY

3207 Bernice Street
Cape Girardeau, Missouri 63701

The undersigned, **City of Cape Girardeau**, a Municipal Corporation organized and existing under the laws of the State of Missouri, in the County of Cape Girardeau in the State of Missouri, hereinafter called the “Seller”, in consideration of the mutual covenants and agreements herein set forth, agrees to sell and convey to Jerry Collins and Brenda Collins, a married couple, hereinafter called the “Buyer”, and the Buyer agrees to purchase, the fee simple title to the following described land, and all rights, hereditaments, easements and appurtenances thereunto belonging, located in the County of Cape Girardeau, State of Missouri, and more particularly described as:

Lot 4, Block 1 of Lakeview Estates Subdivision No. 3

The terms and conditions of this agreement are as follows:

1. Within 60 days of the full execution of this Agreement, Jerry Collins and Brenda Collins agree to pay the sum of \$6,600 to the City of Cape Girardeau for land described located at 3207 Bernice Street, Cape Girardeau, Missouri. The Seller shall execute and deliver a good and sufficient Special Warranty Deed conveying said land, with the hereditaments and appurtenances thereunto belonging to Jerry and Brenda Collins, A married couple in fee simple, free and clear from all liens and encumbrances. Closing to take place on or before September 30, 2019, unless the Seller and Buyer mutually agree to a different date.
2. It is agreed that the City will defray the expenses incident to the preparation and recordation of the deed and easements to the City.
3. The City of Cape Girardeau, Missouri represents that no elected City official or City employee shall be admitted to or share any part of this agreement, or to any benefits that may arise therefrom.
4. The terms and conditions aforesaid are to apply to and bind the heirs, executors, administrators, successors and assigns of the Owner.
5. All terms and conditions with respect to this agreement are expressly contained herein and the Owner agrees that no representative or agent of the City has made any representation or promise with respect to this agreement not expressly contained within.

Remainder of page left intentionally blank

SPECIAL WARRANTY DEED

KNOW ALL MEN BY THESE PRESENTS:

That on this ____ day of _____, 2019, **THE CITY OF CAPE GIRARDEAU, MISSOURI**, a **Municipal Corporation organized and existing under the laws of the State of Missouri**, of the County of Cape Girardeau in the State of Missouri, **GRANTOR**, in consideration of Ten Dollars (\$10.00) and other valuable consideration, to it paid by **Jerry Collins and Brenda Collins**, of the County of Cape Girardeau, in the State of Missouri, **GRANTEE**, (mailing address of said first named grantee is: 3037 Bernice Street, Cape Girardeau, MO the receipt whereof is hereby acknowledged, and by virtue and pursuance of an **ORDINANCE OF THE CITY COUNCIL OF SAID CITY**, does by these presents, **SELL AND CONVEY** unto the Grantee, its successors and assigns, the following described lots, tracts or parcels of land, lying, being and situate in the City and County of Cape Girardeau and State of Missouri, to-wit:

Lot 4, Block 1 of Lakeview Estates Subdivision No. 3

TO HAVE AND TO HOLD the same, together with all rights, privileges, appurtenances, and immunities thereto belonging or in anywise appertaining unto the said Grantee, and unto its successors and assigns, **FOREVER**, the said Grantor hereby covenanting that the above described premises are free and clear of all encumbrances done or suffered by the Grantor, and that it will Warrant and Defend the title to the said premises unto the Grantee and Grantee's successors and assigns, **FOREVER**, against the lawful claims of all persons claiming through the Grantor.

WITNESS the hand of the Grantor the day and year first above written.

THE CITY OF CAPE GIRARDEAU, MISSOURI

(Seal)

By: _____
Bob Fox, Mayor

ATTEST:

Gayle L. Conrad, City Clerk

STATE OF MISSOURI)
) ss.
COUNTY OF CAPE GIRARDEAU)

On this ____ day of _____, 2019, before me personally appeared **Bob Fox**, to me personally known, who being duly sworn did say that he is **Mayor of the City of Cape Girardeau, Missouri**, a municipal corporation of the State of Missouri, and that the seal affixed to this instrument is the official seal of said City, and that the said instrument was signed and sealed in behalf of said City by authority of its City Council, and acknowledged said instrument to be the free act and deed of said City.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal the day and year first above written.

Notary Public

My commission expires:

Staff: Stan Polivick, Public Works
Agenda: Director
9/3/2019

AGENDA REPORT
Cape Girardeau City Council

19-193

SUBJECT

An Ordinance accepting a Temporary Construction Easement from Terry and Cynthia McDowell, for the Hopper Road Box Culvert Project, in the City of Cape Girardeau, Missouri. First Reading.

EXECUTIVE SUMMARY

The attached Ordinance accepts a Temporary Construction Easement from Terry and Cynthia McDowell, which is necessary for the Hopper Road Box Culvert Project.

BACKGROUND/DISCUSSION

The City is currently completing the Hopper Road Box Culvert project. In negotiations with the McDowell's, the City has agreed to repair the concrete driveway for 2601 Hopper Road. A Temporary Construction Easement is needed to allow equipment to access the driveway for repair.

FINANCIAL IMPACT

Terry and Cynthia McDowell have donated the Temporary Construction Easement.

STAFF RECOMMENDATION

Staff recommends approval of the Ordinance accepting a Temporary Construction Easement from Terry and Cynthia McDowell.

ATTACHMENTS:

Name:	Description:
Temporary Construction Easement- McDowell s - 2601 Hopper Road - Hopper Road Box Culvert Project.doc	Ordinance
2601 Hopper Road TCE EXECUTED.pdf	2601 Hopper Road TCE
Agreement to Grant TCE - 2601 Hopper EXECUTED.pdf	2601 Hopper Road Agreement to Grant TCE

BILL NO. 19-133

ORDINANCE NO. _____

AN ORDINANCE ACCEPTING A TEMPORARY
CONSTRUCTION EASEMENT FROM TERRY AND
CYNTHIA MCDOWELL, FOR THE HOPPER ROAD
BOX CULVERT PROJECT, IN THE CITY OF
CAPE GIRARDEAU, MISSOURI

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF CAPE
GIRARDEAU, MISSOURI, AS FOLLOWS:

ARTICLE 1. The City of Cape Girardeau, Missouri,
hereby accepts, and agrees to accept a Temporary
Construction Easement from Terry and Cynthia McDowell, for
2601 Hopper Road, for the Hopper Road Box Culvert Project,
in the City of Cape Girardeau, Missouri, described as
follows:

A PART OF LOT NO. 6, PLEASANT ACRES AS RECORDED
IN PLAT BOOK NO. 5 AT PAGE NO. 11 OF THE LAND
RECORDS OF THE COUNTY RECORDER'S OFFICE; CITY AND
COUNTY OF CAPE GIRARDEAU, STATE OF MISSOURI.

ARTICLE 2. This ordinance shall be in full force and
effect ten days after its passage and approval.

PASSED AND APPROVED THIS 3rd DAY OF September, 2019.

Bob Fox, Mayor

ATTEST:

Gayle L. Conrad, City Clerk

TEMPORARY CONSTRUCTION EASEMENT
2601 Hopper Road
Cape Girardeau, Missouri

KNOW ALL PERSONS BY THESE PRESENTS: **TERRY AND CYNTHIA MCDOWELL**, Husband and Wife, herein referred to as **GRANTOR**, and the **CITY OF CAPE GIRARDEAU**, a Municipal Corporation of the County of Cape Girardeau, State of Missouri, herein referred to as **GRANTEE**:

WITNESSETH, that Grantor, in consideration of the sum of One Dollar (\$1.00), and other good and valuable consideration, to be paid by Grantee, the receipt of which is hereby acknowledged, do by these presents, remise and convey unto Grantee the following TEMPORARY CONSTRUCTION EASEMENT, described as follows:

A PART OF LOT NO. 6, PLEASANT ACRES AS RECORDED IN PLAT BOOK NO. 5 AT PAGE NO. 11 OF THE LAND RECORDS OF THE COUNTY RECORDER'S OFFICE; CITY AND COUNTY OF CAPE GIRARDEAU, STATE OF MISSOURI.

Said right, privilege, permission and authority to enter in and upon said property above described is granted for the purpose of enabling the City, its agents, servants, and assigns to use said property to excavate, build, and construct certain driveway improvements for the Hopper Road Box Culvert Project, in, on, upon, or across said described property, together with all the useful, necessary and proper adjuncts, appurtenances, and appliances in connection therewith, as shown on the plans and specification of file in the Office of the City Engineer. Said privilege is valid from the date this easement is executed by the Owners. The easement shall expire once the improvements are completed.

The undersigned covenants it is the owner in fee simple of the above described property, and has the legal right to convey the same.

[Remainder of page intentionally left blank. Signature page to follow.]

**AGREEMENT FOR THE GRANTING OF A
TEMPORARY CONSTRUCTION EASEMENT**

Hopper Road Box Culvert Project
2601 Hopper Road
Cape Girardeau, Missouri

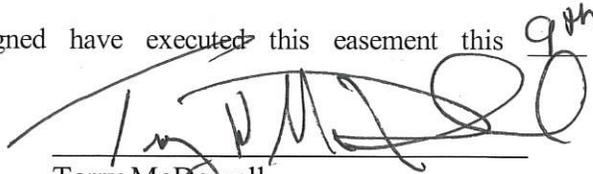
The undersigned, **TERRY AND CYNTHIA MCDOWELL**, Husband and Wife, hereinafter referred to as the "Owners", in consideration of the mutual covenants and agreements herein set forth, agree to grant and convey to the **CITY OF CAPE GIRARDEAU**, Missouri, a Municipal Corporation, hereinafter referred to as the "City", and the City agrees to accept, a **TEMPORARY CONSTRUCTION EASEMENT**, in, upon, over and across a certain tract of land described in Exhibit A, attached hereto and made a part hereof.

The terms and conditions of this agreement are as follows:

1. The City agrees to remove and replace the concrete driveway for 2601 Hopper Road. Specifically, the City will remove 50 feet by 47 feet of concrete driveway and replace it with 50 feet by 47 feet of 4,000 psi concrete 6 inches thick on compacted gravel.
2. It is agreed the City will provide access to 2601 Hopper Road in the interim between opening Hopper Road to traffic and removing and replacing the driveway. The removal and replacement of the driveway will take place at a mutually agreeable time for the Owners and Contractor.
3. The Owners agree to grant a Temporary Construction Easement for the removal and replacement of the driveway, as described in Exhibit A.
4. The Owners agree to hold the City harmless for all perceived or real damages in relation to the Hopper Road Box Culvert Project.
5. It is agreed the City will defray the expenses incident to the preparation and recordation of the easement.
6. The Owner represents no elected City official or City employee shall be admitted to or share any part of this agreement, or to any benefits that may arise therefrom.
7. The terms and conditions aforesaid shall apply to and bind the heirs, executors, administrators, successors and assigns of the Owner.
8. All terms and conditions with respect to this agreement are expressly contained herein and the Owner agrees that no representative or agent of the City has made any representation or promise with respect to this agreement not expressly contained within.

[Remainder of page intentionally left blank. Signature pages to follow.]

IN WITNESS WHEREOF, the undersigned have executed this easement this 9th day of August, 2019


Terry McDowell

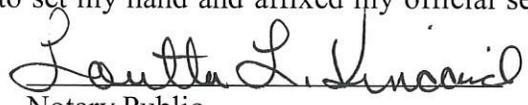
STATE OF Missouri)
COUNTY OF Cape Girardeau) ss.



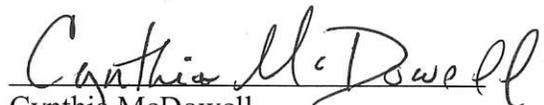
LORETTA L. KINCAID
My Commission Expires
November 28, 2021
Cape Girardeau County
Commission #13400043

BE IT REMEMBERED, That on this 9th day of August, 2019, before me, personally appeared Terry McDowell, to me known to be the person described in and who executed the foregoing instrument, and acknowledged that he executed the same as his free act and deed.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal, the date last above written.


Notary Public

My Commission Expires:
11-28-2021


Cynthia McDowell

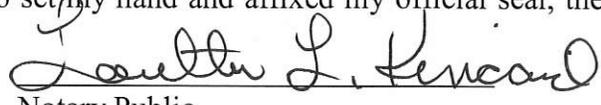
STATE OF Missouri)
COUNTY OF Cape Girardeau) ss.



LORETTA L. KINCAID
My Commission Expires
November 28, 2021
Cape Girardeau County
Commission #13400043

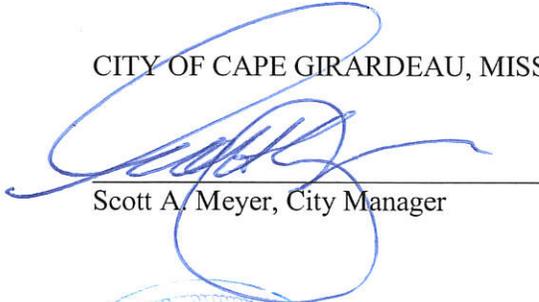
BE IT REMEMBERED, That on this 9th day of August, 2019, before me, personally appeared Cynthia McDowell, to me known to be the person described in and who executed the foregoing instrument, and acknowledged that she executed the same as her free act and deed.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal, the date last above written.


Notary Public

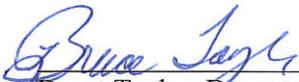
My Commission Expires:
11-28-2021

CITY OF CAPE GIRARDEAU, MISSOURI

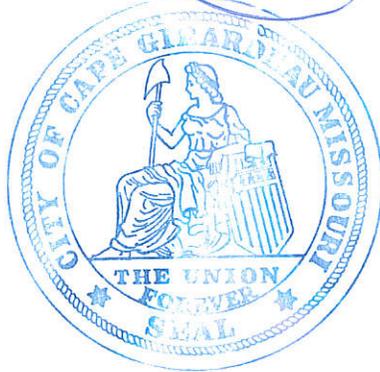


Scott A. Meyer, City Manager

ATTEST:



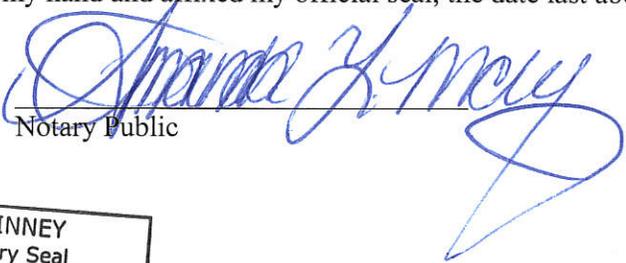
Bruce Taylor, Deputy City Clerk



STATE OF MISSOURI)
) ss.
COUNTY OF CAPE GIRARDEAU)

BE IT REMEMBERED, that on this 12th day of August, 2019, before me, the undersigned notary public, personally appeared Scott A. Meyer, who, being by me duly sworn, did state that he is the City Manager of the City of Cape Girardeau, Missouri, a Municipal Corporation, and that the seal affixed to the within instrument the is the official seal of said City, and that the within instrument was executed on behalf of said City by authority of its City Council, and that said instrument was executed as the free act and deed of said City.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal, the date last above written.



Notary Public

My Commission Expires:
3/3/2022



EXHIBIT A

Legal Description
2601 Hopper Road
Temporary Construction Easement

A PART OF LOT NO. 6, PLEASANT ACRES AS RECORDED IN PLAT BOOK NO. 5 AT PAGE NO. 11 OF THE LAND RECORDS OF THE COUNTY RECORDER'S OFFICE; CITY AND COUNTY OF CAPE GIRARDEAU, STATE OF MISSOURI.

Staff: W. Victor Brownlees, Finance
Agenda: Director.
9/3/2019

AGENDA REPORT
Cape Girardeau City Council

19-196

SUBJECT

A Resolution authorizing and approving certain actions in connection with the proposed issuance of Waterworks System Refunding Revenue Bonds.

EXECUTIVE SUMMARY

This resolution authorizes the City's financial adviser and bond counsel to begin the processes associated with issuing Waterworks System Refunding Revenue Bonds.

BACKGROUND/DISCUSSION

The proposed bonds are being issued to provide funds to repay a portion of existing Waterworks System Revenue Bonds, Series 2012A with an original value of \$9,285,000. It will also provide funding for the costs of issuing the bonds. The proposed bond issue will allow the City to take advantage of interest rate reductions.

FINANCIAL IMPACT

The repayments of the proposed bonds are to be made from the revenue generated by the rates charged to users of the waterworks system. Current projections show that future revenue from this repayment source will be adequate to repay these bonds.

With issuance of these bonds, based on current interest rates, the City will realize future debt service payment reductions with a net present value benefit of around \$725,000 (value of future reductions in today's dollars).

STAFF RECOMMENDATION

Staff recommends approval of this resolution.

ATTACHMENTS:

Name:	Description:
Waterworks Revenue Bonds (G_B Prepared).docx	Ordinance
Notice of Sale.docx	Notice of Sale
POS.docx	Preliminary Official Statement

**A RESOLUTION AUTHORIZING THE OFFERING FOR SALE
OF WATERWORKS SYSTEM REFUNDING REVENUE BONDS
OF THE CITY OF CAPE GIRARDEAU, MISSOURI**

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF CAPE GIRARDEAU, MISSOURI, AS FOLLOWS:

Section 1. The City of Cape Girardeau, Missouri (the “City”) is hereby authorized to offer at competitive public sale approximately \$8,735,000 principal amount of Waterworks System Refunding Revenue Bonds, Series 2019 (the “Bonds”), as described in the Notice of Bond Sale attached hereto as **Exhibit A**.

Section 2. The City Manager is hereby authorized and directed to receive electronic bids for the purchase of the Bonds at City Hall, 401 Independence Street, in Cape Girardeau, Missouri, until 10:30 a.m., Central Time, on September 16, 2019, upon the terms and conditions set forth in the Notice of Bond Sale. The City Council hereby authorizes the City Manager, after consultation with Piper Jaffray & Co., municipal advisor to the City (the “Municipal Advisor”), to cancel or postpone to a later date designated by the City Manager, the planned date for receiving electronic bids for the purchase of the Bonds if market conditions are expected to adversely impact the receipt of favorable bids for the purchase of the Bonds on the originally scheduled date.

Section 3. The Notice of Bond Sale is hereby approved in substantially the form attached hereto as **Exhibit A**. The City Manager is hereby authorized to execute the Notice of Bond Sale, with such changes and additions thereto as such official shall deem necessary or appropriate, and to use such document in connection with the public sale of the Bonds.

Section 4. The Preliminary Official Statement is hereby approved in substantially the form attached hereto as **Exhibit B**, with such changes and additions thereto as the City Manager shall deem necessary or appropriate, and the appropriate officers and representatives of the City are hereby authorized to use such document in connection with the public sale of the Bonds. The City hereby deems the Preliminary Official Statement to be “final” as of its date, except for the omission of such information as is permitted by Rule 15c2-12(b)(1) of the Securities and Exchange Commission (the “Rule”). For the purpose of enabling the purchaser of the Bonds (the “Original Purchaser”) to comply with the requirements of the Rule, the appropriate officers of the City are hereby authorized, if requested, to provide the Original Purchaser a letter or certification to that effect, and to take such other actions or execute such other documents as such officers in their reasonable judgment deem necessary to enable the Original Purchaser to comply with the requirements of the Rule.

Section 5. The City authorizes the Municipal Advisor to proceed with the use and distribution of the Notice of Bond Sale and the Preliminary Official Statement in connection with the public sale of the Bonds. The City further authorizes Gilmore & Bell, P.C., Bond Counsel, to proceed with the preparation of all legal proceedings necessary for the sale and issuance of the Bonds.

Section 6. The Mayor, the City Manager, the Finance Director, the City Clerk and other officers and representatives of the City are hereby authorized and directed to take such other action as may be necessary to carry out the purposes of this Resolution.

Section 7. This Resolution shall be in full force and effect from and after its passage by the City Council.

PASSED and ADOPTED by the City Council this 3rd day of September, 2019.

Bob Fox, Mayor

ATTEST:

Gayle L. Conrad, City Clerk

EXHIBIT A

NOTICE OF BOND SALE

[On file in the office of the City Clerk]

EXHIBIT B

PRELIMINARY OFFICIAL STATEMENT

[On file in the office of the City Clerk]

PRELIMINARY OFFICIAL STATEMENT DATED SEPTEMBER 4, 2019.

**NEW ISSUE
BOOK-ENTRY ONLY**

**S&P RATING: A+
See "BOND RATING" herein.**

In the opinion of Gilmore & Bell, P.C., Bond Counsel to the City, under existing law and assuming continued compliance with certain requirements of the Internal Revenue Code of 1986, as amended (the "Code"), the interest on the Bonds (including any original issue discount properly allocable to an owner thereof) (1) is excludable from gross income for federal income tax purposes, and is not an item of tax preference for purposes of the federal alternative minimum tax and (2) is exempt from income taxation by the State of Missouri. The Bonds are "qualified tax-exempt obligations" within the meaning of Section 265(b)(3) of the Code. See "TAX MATTERS" in this Official Statement.

**CITY OF CAPE GIRARDEAU, MISSOURI
\$8,735,000*
WATERWORKS SYSTEM REFUNDING REVENUE BONDS
SERIES 2019**

Dated: Date of Delivery

Due: January 1, as shown on the inside cover

The Waterworks System Refunding Revenue Bonds, Series 2019 (the "Bonds") will be issued by the City of Cape Girardeau, Missouri (the "City") for the purpose of providing funds, together with other legally available funds of the City, to (1) currently refund a portion of the City's outstanding Waterworks System Refunding Revenue Bonds, Series 2012A and (2) pay the costs of issuing the Bonds. The Bonds will be issued as fully-registered bonds in denominations of \$5,000 or any integral multiple thereof.

Principal will be payable annually on January 1, as shown on the inside cover. Interest will be payable semi-annually on January 1 and July 1 in each year, beginning on July 1, 2020.

The Bonds are subject to redemption prior to maturity as described herein. See "THE BONDS – Redemption Provisions" herein.

The Bonds are special limited obligations of the City, payable solely from the Net Revenues (as defined herein) derived by the City from the operation of its System (as defined herein). The Bonds are on a parity with two series of the City's outstanding waterworks system revenue bonds. The Bonds do not constitute a general obligation of the City and do not constitute an indebtedness of the City within the meaning of any constitutional, statutory or charter provision, limitation or restriction, and the taxing power of the City is not pledged to the payment of the Bonds or the interest thereon.

The Bonds are subject to certain risks. See "BONDHOLDERS' RISKS" herein.

The Bonds are offered when, as and if issued by the City, subject to the approval of legality by Gilmore & Bell, P.C., St. Louis, Missouri, Bond Counsel. Certain legal matters related to this Official Statement will be passed upon by Gilmore & Bell, P.C., St. Louis, Missouri. It is expected that the Bonds will be available for delivery through the facilities of The Depository Trust Company in New York, New York, on or about October 15, 2019.

The date of this Official Statement is September ___, 2019.

* Preliminary; subject to change.

CITY OF CAPE GIRARDEAU, MISSOURI

\$8,735,000*
WATERWORKS SYSTEM REFUNDING REVENUE BONDS
SERIES 2019

BASE CUSIP 139477

MATURITY SCHEDULE*

<u>Maturity</u> <u>(January 1)</u>	<u>Principal</u> <u>Amount</u>	<u>Interest</u> <u>Rate</u>	<u>Price</u>	<u>CUSIP</u>
2021	\$530,000	%	%	
2022	615,000			
2023	640,000			
2024	665,000			
2025	690,000			
2026	720,000			
2027	750,000			
2028	775,000			
2029	800,000			
2030	825,000			
2031	850,000			
2032	875,000			

* Preliminary; subject to change.

CITY OF CAPE GIRARDEAU, MISSOURI

401 Independence Street
P.O. Box 617
Cape Girardeau, Missouri 63702
(573) 339-6300

ELECTED OFFICIALS

Bob Fox, *Mayor*
Dan Presson, *Councilmember*
Shelly Moore, *Councilmember*
Robbie Guard, *Councilmember*
Ryan Essex, *Councilmember*
Stacy Kinder, *Councilmember*

CITY ADMINISTRATION

Scott A. Meyer, *City Manager*
Molly Mehner, *Deputy City Manager*
W. Eric Cunningham, *City Attorney*
W. Victor Brownlees, *Finance Director*
Gayle Conrad, *City Clerk*
Bruce Taylor, *Deputy City Clerk*

CERTIFIED PUBLIC ACCOUNTANTS

Beussink, Hey, Roe & Stroder, L.L.C.
Cape Girardeau, Missouri

BOND COUNSEL

Gilmore & Bell, P.C.
St. Louis, Missouri

MUNICIPAL ADVISOR

Piper Jaffray & Co.
Leawood, Kansas

PAYING AGENT

UMB Bank, N.A.
St. Louis, Missouri

REGARDING USE OF THIS OFFICIAL STATEMENT

No dealer, broker, salesman or other person has been authorized by the City or the Underwriter to give any information or to make any representations with respect to the Bonds other than those contained in this Official Statement, and, if given or made, such other information or representations must not be relied upon as having been authorized by any of the foregoing. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the Bonds by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale. The information set forth herein has been furnished by the City and other sources which are believed to be reliable, but such information is not guaranteed as to accuracy or completeness, and is not to be construed as a representation, by the Underwriter. The information and expressions of opinion herein are subject to change without notice and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the City since the date hereof.

The Underwriter has reviewed the information in this Official Statement in accordance with, and as part of, its responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriter does not guarantee the accuracy or completeness of that information.

In connection with this offering, the Underwriter may over-allot or effect transactions that stabilize or maintain the market price of the Bonds at a level above that which might otherwise prevail in the open market. Such stabilizing, if commenced, may be discontinued at any time.

The Bonds have not been registered with the Securities and Exchange Commission under the Securities Act of 1933, as amended, or under any state securities or "blue sky" laws. The Bonds are offered pursuant to an exemption from registration with the Securities and Exchange Commission.

CAUTIONARY STATEMENTS REGARDING FORWARD-LOOKING STATEMENTS IN THIS OFFICIAL STATEMENT

Certain statements included in or incorporated by reference in this Official Statement that are not purely historical are "forward-looking statements" within the meaning of the United States Private Securities Litigation Reform Act of 1995, Section 21E of the United States Securities Exchange Act of 1934, as amended, and Section 27A of the United States Securities Act of 1933, as amended, and reflect the City's current expectations, hopes, intentions, or strategies regarding the future. Such statements may be identifiable by the terminology used such as "plan," "expect," "estimate," "budget," "intend" or other similar words.

THE ACHIEVEMENT OF CERTAIN RESULTS OR OTHER EXPECTATIONS CONTAINED IN SUCH FORWARD-LOOKING STATEMENTS INVOLVE KNOWN AND UNKNOWN RISKS, UNCERTAINTIES AND OTHER FACTORS WHICH MAY CAUSE ACTUAL RESULTS, PERFORMANCE OR ACHIEVEMENTS DESCRIBED TO BE MATERIALLY DIFFERENT FROM ANY FUTURE RESULTS, PERFORMANCE OR ACHIEVEMENTS EXPRESSED OR IMPLIED BY SUCH FORWARD-LOOKING STATEMENTS. INCLUDED IN SUCH RISKS AND UNCERTAINTIES ARE (1) THOSE RELATING TO THE POSSIBLE INVALIDITY OF THE UNDERLYING ASSUMPTIONS AND ESTIMATES, (2) POSSIBLE CHANGES OR DEVELOPMENTS IN SOCIAL, ECONOMIC, BUSINESS, INDUSTRY, MARKET, LEGAL AND REGULATORY CIRCUMSTANCES, AND (3) CONDITIONS AND ACTIONS TAKEN OR OMITTED TO BE TAKEN BY THIRD PARTIES, INCLUDING CUSTOMERS, SUPPLIERS, BUSINESS PARTNERS AND COMPETITORS, AND LEGISLATIVE, JUDICIAL AND OTHER GOVERNMENTAL AUTHORITIES AND OFFICIALS. ASSUMPTIONS RELATED TO THE FOREGOING INVOLVE JUDGMENTS WITH RESPECT TO, AMONG OTHER THINGS, FUTURE ECONOMIC, COMPETITIVE, AND MARKET CONDITIONS AND FUTURE BUSINESS DECISIONS, ALL OF WHICH ARE DIFFICULT OR IMPOSSIBLE TO PREDICT ACCURATELY. FOR THESE REASONS, THERE CAN BE NO ASSURANCE THAT THE FORWARD-LOOKING STATEMENTS INCLUDED IN THIS OFFICIAL STATEMENT WILL PROVE TO BE ACCURATE.

UNDUE RELIANCE SHOULD NOT BE PLACED ON FORWARD-LOOKING STATEMENTS. ALL FORWARD-LOOKING STATEMENTS INCLUDED IN THIS OFFICIAL STATEMENT ARE BASED ON INFORMATION AVAILABLE TO THE CITY ON THE DATE HEREOF, AND THE CITY ASSUMES NO OBLIGATION TO UPDATE ANY SUCH FORWARD-LOOKING STATEMENTS IF OR WHEN ITS EXPECTATIONS OR EVENTS, CONDITIONS OR CIRCUMSTANCES ON WHICH SUCH STATEMENTS ARE BASED OCCUR OR FAIL TO OCCUR.

THIS PRELIMINARY OFFICIAL STATEMENT IS DEEMED TO BE FINAL (EXCEPT FOR PERMITTED OMISSIONS) BY THE CITY FOR PURPOSES OF COMPLYING WITH RULE 15c2-12 OF THE SECURITIES AND EXCHANGE COMMISSION.

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OFFICIAL STATEMENT

CITY OF CAPE GIRARDEAU, MISSOURI

\$8,735,000*

WATERWORKS SYSTEM REFUNDING REVENUE BONDS SERIES 2019

INTRODUCTION

This introduction is only a brief description and summary of certain information contained in this Official Statement and is qualified in its entirety by reference to the more complete and detailed information contained in the entire Official Statement, including the cover page and appendices hereto, and the documents summarized or described herein. Capitalized words and terms not defined in this Official Statement shall have the meanings as defined in the Bond Ordinance. A full review should be made of the entire Official Statement.

Purpose of the Official Statement

The purpose of this Official Statement is to furnish information relating to (1) the City of Cape Girardeau, Missouri (the “**City**”) and (2) the City’s Waterworks System Refunding Revenue Bonds, Series 2019, to be issued in the principal amount of \$8,735,000* (the “**Bonds**”).

The City

The City is a constitutional charter city and political subdivision duly created, organized and existing under and by virtue of its Charter and the laws of the State of Missouri. The City owns and operates a revenue-producing waterworks system for the collection, treatment and distribution of potable water, serving the City and its inhabitants (the “**System**”). See the captions “**GENERAL AND ECONOMIC INFORMATION CONCERNING THE CITY**” and “**THE SYSTEM**” herein for a general description of the City and the System.

The Bonds

The Bonds are being issued pursuant to an ordinance (the “**Bond Ordinance**”) expected to be adopted by the City Council of the City on September 16, 2019 for the purpose of providing funds, together with other legally available funds of the City, to (1) currently refund a portion of the City’s outstanding Waterworks System Refunding Revenue Bonds, Series 2012A, being those bonds maturing on January 1, 2021 and thereafter and outstanding in the aggregate principal amount of \$9,285,000 (the “**Refunded Bonds**”), and (2) pay the costs of issuing the Bonds. See the caption “**THE BONDS**” herein.

Security and Source of Payment

The Bonds will be special, limited obligations of the City payable solely from, and secured as to the payment of principal and interest by a pledge of, the net income and revenues derived by the City from the operation of the System after the payment of the costs of operation and maintenance thereof, including operating income, investment income, and other moneys made available to the City with respect to the System from sources other than funds raised by taxation (the “**Net Revenues**”). The City has pledged the Net Revenues to the payment of the principal of and interest on the Bonds.

* Preliminary; subject to change.

The City maintains a Depreciation and Replacement Account for the System, which is fully funded in the amount of \$150,000.

After the refunding of the Refunded Bonds, the City will have outstanding, in addition to the Bonds, the following obligations payable from System revenues: (1) \$592,100 aggregate principal amount of Waterworks System Revenue Bonds (State of Missouri – Direct Loan Program – ARRA), Series 2010 (the “**Series 2010 Bonds**”), which have a final maturity of January 1, 2030 and (2) \$645,000 principal amount of Waterworks System Refunding Revenue Bonds, Series 2012A (the “**Series 2012A Bonds**” and, together with the Series 2010 Bonds, the “**Prior Bonds**”), which have a final maturity of January 1, 2020. The City has the right under the Bond Ordinance to issue additional bonds on a parity with the Bonds, the Series 2010 Bonds and the Series 2012A Bonds payable from the same sources and secured by the same revenues as the Bonds and the Prior Bonds, but only in accordance with and subject to the terms and conditions set forth in the Bond Ordinance. See the caption “**SECURITY AND SOURCES OF PAYMENT FOR THE BONDS**” herein.

Financial Statements

Audited financial statements of the City for the fiscal year ended June 30, 2018, are included in the City’s Comprehensive Annual Financial Report in *Appendix A* to this Official Statement. The financial statements have been audited by Beussink, Hey, Roe & Stroder, L.L.C., independent auditors.

Bondholders’ Risks

Payment of the principal of and interest on the Bonds is dependent on Net Revenues to be derived by the City from the operation of the System. Certain risks inherent in the production of such Net Revenues are discussed herein. See the caption “**BONDHOLDERS’ RISKS**” herein.

Summary of the Bond Ordinance

A summary of the Bond Ordinance, including definitions of certain words and terms used herein and in the Bond Ordinance, is included herein and in *Appendix B* to this Official Statement. Such summary and definitions do not purport to be comprehensive or definitive. All references herein to the Bond Ordinance are qualified in their entirety by reference to the Bond Ordinance. Copies of the Bond Ordinance and this Official Statement may be viewed at the office of Piper Jaffray & Co., 11150 Rosewood Street, Leawood, Kansas 66211, or will be provided to any prospective purchaser requesting the same, upon payment by such prospective purchaser of the cost of complying with such request.

Continuing Disclosure Undertaking

The City has covenanted in the Continuing Disclosure Undertaking that it will provide a copy of its audited financial statements, certain operating data and notices of the occurrence of certain material events to the Municipal Securities Rulemaking Board, in compliance with Rule 15c2-12 promulgated by the Securities and Exchange Commission. See the caption “**CONTINUING DISCLOSURE UNDERTAKING**” herein.

PLAN OF FINANCING

Authorization of the Bonds

The Bonds are being issued pursuant to and in full compliance with the Constitution and statutes of the State of Missouri, including in particular Section 108.140 of the Revised Statutes of Missouri and the Bond Ordinance. The Bonds are being issued to provide funds, together with other legally available funds of the City, to refund the Refunded Bonds and pay the costs of issuing the Bonds.

The Refunding

The City will enter into an Escrow Trust Agreement dated as of October 1, 2019 (the “**Escrow Trust Agreement**”), with UMB Bank, N.A., St. Louis, Missouri, as escrow agent (the “**Escrow Agent**”). Pursuant to the Escrow Trust Agreement, the City will transfer a portion of the proceeds of the Bonds, together with other legally available funds of the City (all as shown below under the caption “**PLAN OF FINANCING – Sources and Uses of Funds**”) to the Escrow Agent for deposit in the Escrow Fund (the “**Escrow Fund**”) established under the Escrow Trust Agreement. Those moneys will be used to purchase direct obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by, the United States of America (the “**Escrowed Securities**”). The Escrowed Securities will mature in such amounts and at such times as shall be sufficient, together with interest to accrue thereon and any cash deposit to the Escrow Fund, to pay the principal of, redemption premium, if any, and interest on the Refunded Bonds on January 1, 2020 at a redemption price of 100% of the principal amount thereof, plus accrued interest thereon to the redemption date.

Sources and Uses of Funds

The following table itemizes the estimated sources of funds, including the proceeds from the sale of the Bonds, and the uses of such funds, in connection with the plan of financing:

Sources of Funds:

Par Amount of the Bonds	\$
Net Original Issue Premium	
Debt Service Fund for Refunded Bonds	_____
Total:	<u><u>\$</u></u>

Uses of Funds:

Deposit to the Escrow Fund	\$
Costs of Issuance (including underwriter’s discount)	_____
Total:	<u><u>\$</u></u>

THE BONDS

The following is a summary of certain terms and provisions of the Bonds. Reference is hereby made to the Bonds and the Bond Ordinance for the detailed terms and provisions thereof.

General Description

The Bonds will consist of fully-registered bonds in the denomination of \$5,000 or any integral multiple thereof. The Bonds will be dated as of the date of delivery thereof. The Bonds will mature, subject to redemption as described below, on January 1 in the years and in the principal amounts set forth on the inside cover page of this Official Statement. Interest on the Bonds will be payable semiannually on January 1 and July 1 in each year, beginning on July 1, 2020.

Principal will be payable upon presentation and surrender of the Bonds by the Registered Owners thereof at the principal payment office of UMB Bank, N.A., St. Louis, Missouri (the “**Paying Agent**”) or such other payment office designated by the Paying Agent. Interest shall be paid to the Registered Owners of the Bonds as shown on the Bond Register at the close of business on the Record Date for such interest by (1) check or draft mailed by the Paying Agent to the address of such Registered Owners shown on the Bond Register or (2) electronic transfer to such Registered Owner upon written notice signed by the Registered

Owner and given to the Paying Agent not less than 15 days prior to the Record Date for such interest, containing the electronic transfer instructions including the name and address of the bank, its ABA routing number and the account number to which such Registered Owner wishes to have such transfer directed, and an acknowledgment that an electronic transfer fee is payable.

Redemption Provisions

Optional Redemption. At the option of the City, the Bonds or portions thereof maturing on January 1, 2028 and thereafter may be called for redemption and payment prior to the Stated Maturity thereof on January 1, 2027 and thereafter, in whole or in part at any time, in such amounts for each Stated Maturity as shall be determined by the City, at the Redemption Price of 100% of the principal amount thereof, plus accrued interest thereon to the Redemption Date.

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

Notice and Effect of Call for Redemption. Unless waived by any Registered Owner of Bonds to be redeemed, official notice of any redemption shall be given by the Paying Agent on behalf of the City by mailing a copy of an official redemption notice by first class mail at least 30 days prior to the Redemption Date to each Registered Owner of the Bonds to be redeemed at the address shown on the Bond Register. Official notice of redemption having been given as provided in the Bond Ordinance, the Bonds or portions of the Bonds to be redeemed shall become due and payable on the Redemption Date, at the Redemption Price therein specified, and from and after the Redemption Date (unless the City defaults in the payment of the Redemption Price) such Bonds or portions of the Bonds shall cease to bear interest. Upon surrender of such Bonds for redemption in accordance with such notice, the Redemption Price of such Bonds shall be paid by the Paying Agent. Installments of interest due on or prior to the Redemption Date shall be payable as provided in the Bond Ordinance for payment of interest. Upon surrender for any partial redemption of any Bond, there shall be prepared for the Registered Owner a new Bond or Bonds of the same Stated Maturity in the amount of the unpaid principal.

So long as DTC (as defined herein) is affecting book-entry transfers of the Bonds, the Paying Agent shall provide the notices specified in the Bond Ordinance to DTC. It is expected that DTC will, in turn, notify its Participants and that the Participants, in turn, will notify or cause to be notified the Beneficial Owners. Any failure on the part of DTC or a Participant, or failure on the part of a nominee of a Beneficial Owner of a Bond (having been mailed notice from the Paying Agent, DTC, a Participant or otherwise) to notify the Beneficial Owner of the Bond so affected, will not affect the validity of the redemption of such Bond.

Book-Entry Only System

The Depository Trust Company (“DTC”), New York, New York, will act as securities depository for the Bonds. The Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC’s partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Bond certificate will be issued for each maturity of the Bonds, each in the aggregate principal amount of such maturity, and will be deposited with DTC.

DTC, the world’s largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a “banking organization” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code, and a “clearing agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over

100 countries) that DTC's participants ("**Direct Participants**") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("**DTCC**"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("**Indirect Participants**"). DTC has a Standard & Poor's rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchases of Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC's records. The ownership interest of each actual purchaser of each Bond ("**Beneficial Owner**") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Bond documents. For example, Beneficial Owners of Bonds may wish to ascertain that the nominee holding the Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Bonds within a maturity are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such maturity to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the City as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Payment of principal of and interest on the Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the City or the Paying Agent, on the payment date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Paying Agent, or the City, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal of and interest on the Bonds to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the City or the Paying Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the Bonds at any time by giving reasonable notice to the City or the Paying Agent. Under such circumstances, in the event that a successor depository is not obtained, Bond certificates are required to be printed and delivered.

The Direct Participants holding a majority position in the Bonds may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Bond certificates will be printed and delivered to DTC.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the City believes to be reliable, but the City takes no responsibility for the accuracy thereof.

Registration, Transfer and Exchange of Bonds

The City will cause the Bond Register to be kept at the principal payment office of the Paying Agent or such other office designated by the Paying Agent for the registration, transfer and exchange of Bonds. Upon surrender of any Bond at the principal payment office of the Paying Agent or such other office designated by the Paying Agent, the Paying Agent shall transfer or exchange such Bond as provided in the Bond Ordinance.

Any Bond may be transferred upon the Bond Register by the person in whose name it is registered and shall be accompanied by a written instrument or instruments of transfer or authorization for exchange, in a form and with guarantee of signature satisfactory to the Paying Agent, duly executed by the Registered Owner thereof or by the Registered Owner's duly authorized agent. The Owner requesting such transfer or exchange will be required to pay any additional costs or fees that might be incurred in the secondary market with respect to such exchange. In the event any Registered Owner fails to provide a correct taxpayer identification number to the Paying Agent, the Paying Agent may make a charge against such Registered Owner sufficient to pay any governmental charge required to be paid as a result of such failure.

SECURITY AND SOURCES OF PAYMENT FOR THE BONDS

Special Limited Obligations

The Bonds are special, limited obligations of the City payable solely from, and secured as to the payment of principal and interest by a pledge of, the Net Revenues of the System and the City has pledged such Net Revenues to the payment of the principal of and interest on the Bonds.

The Bonds will not be or constitute a general obligation of the City, nor will they constitute an indebtedness of the City within the meaning of any constitutional, statutory or charter provision,

limitation or restriction. The taxing power of the City is not pledged to the payment of the Bonds either as to principal or interest.

The Bond Ordinance

Pledge of Revenues. The Bonds are payable solely from, and secured as to the payment of principal and interest by a pledge of, the Net Revenues of the System. Pursuant to the Bond Ordinance, the City has pledged the Net Revenues to the payment of the principal of and interest on the Bonds. The Bonds shall not be or constitute a general obligation of the City, nor shall they constitute an indebtedness of the City within the meaning of any constitutional, statutory or charter provision, limitation or restriction, and the taxing power of the City is not pledged to the payment of the Bonds either as to principal or interest.

The covenants and agreements of the City contained in the Bond Ordinance and in the Bonds shall be for the equal benefit, protection and security of the legal Owners of any or all of the Bonds, all of which Bonds shall be of equal rank and without preference or priority of one Bond over any other Bond in the application of the funds pledged to the payment of the principal of and interest on the Bonds, or otherwise, except as to rate of interest, Stated Maturity and right of redemption prior to Stated Maturity as provided in the Bond Ordinance. The Bonds shall stand on a parity and be equally and ratably secured with respect to the payment of principal and interest from the Net Revenues and in all other respects with any Parity Bonds (except with respect to the Debt Service Reserve Account that secures only the Series 2010 Bonds). The Bonds shall not have any priority with respect to the payment of principal or interest from the Net Revenues or otherwise over Parity Bonds, and Parity Bonds shall not have any priority with respect to the payment of principal or interest from the Net Revenues or otherwise over the Bonds.

Parity Obligations. The Bonds will stand on a parity with the Series 2012A Bonds and the Series 2010 Bonds (except with respect to the Debt Service Reserve Account that secures only the Series 2010 Bonds). The City has the right under the Bond Ordinance to issue additional bonds on a parity with the Bonds, the Series 2012A Bonds and the Series 2010 Bonds (hereinafter referred to as “**Parity Bonds**”) payable from the same sources and secured by the same revenues as the Bonds, the Series 2012A Bonds and the Series 2010 Bonds, but only if the following conditions are met:

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

(2) The City either:

(a) Certifies that the average annual Net Revenues as set forth in the two most recent annual audits for fiscal years preceding the issuance of additional bonds have been equal to at least 110% of the average annual debt service required to be paid out of said revenues in any succeeding fiscal year on account of both principal (at maturity or upon mandatory redemption) and interest becoming due with respect to all System Revenue Bonds of the City, including the additional bonds proposed to be issued. In determining the Net Revenues for the purpose of this subsection, the City may retain a Consultant who may adjust said Net Revenues by adding thereto, in the event the City has made any increase in rates for the use and services of the System and such increase has been in effect at any time during the two fiscal years for which annual audits are available preceding the issuance of additional bonds, the amount, as estimated by the Consultant, of the additional Net Revenues which would have resulted from the operation of the System during said fiscal years had such rate increase been in effect for the entire period; or

(b) Obtains a certificate from a Consultant that the average annual Net Revenues projected to be derived by the City for the two fiscal years immediately following the fiscal year in which the improvements to the System, the cost of which is being financed by such additional bonds, are to be in commercial operation, shall be equal to at least 110% of the average annual debt service required to be paid out of said revenues in any succeeding fiscal year following such commercial operation on account of both principal (at maturity or upon mandatory redemption) and interest becoming due with respect to all System Revenue Bonds of the City, including the additional bonds proposed to be issued. In determining the projected Net Revenues for the purpose of this subsection, the Consultant may adjust said Net Revenues by adding thereto any estimated increase in Net Revenues resulting from any increase in rates for the use and services of the System which, in the opinion of the Consultant, are economically feasible and reasonably considered necessary based on projected operations of the System.

Depreciation and Replacement Account. The Bond Ordinance ratifies a Depreciation and Replacement Account that has been funded in the amount of \$150,000. Except as required to prevent a default in the payment of either principal of or interest on the Prior Bonds and the Bonds, moneys in the Depreciation and Replacement Account shall be expended and used by the City solely for the purpose of making emergency repairs and replacements in and to the System as may be necessary from time to time to keep the System in good repair and working order and to assure the continued effective and efficient operation thereof. So long as the Depreciation and Replacement Account aggregates the sum of \$150,000, no payments into said Account shall be required, but if the City shall ever be required to expend and use a part of the money in said Account for its authorized purposes and such expenditure reduces the amount of the Depreciation and Replacement Account below the sum of \$150,000, then the City shall make monthly payments into the Depreciation and Replacement Account in the amount of \$2,500 until said Account again aggregates the sum of \$150,000.

The amounts required to be paid and credited to the Depreciation and Replacement Account shall be inclusive of any amounts at the time required to be paid and credited to said Account under the provisions of the ordinances authorizing the Prior Bonds.

Rate Covenant. The City will fix, establish, maintain and collect such rates and charges for the use and services furnished by or through the System which, together with other Revenues, will be sufficient to:

- (1) pay the costs of the operation and maintenance of the System;
- (2) pay the principal of and interest on the Bonds as and when the same become due at the Maturity thereof or on any Interest Payment Date;
- (3) enable the City to have in each fiscal year Net Revenues not less than 110% of the actual Debt Service Requirements for such fiscal year; and
- (4) provide reasonable and adequate reserves for the payment of the Bonds and the interest thereon and for the protection and benefit of the system as provided in the Bond Ordinance.

The City will require the prompt payment of accounts for service rendered by or through the System and will promptly take whatever action is legally permissible to enforce and collect delinquent charges. The City will, from time to time as often as necessary, in accordance with and subject to applicable legal requirements, revise the rates and charges aforesaid in such manner as may be necessary or proper so that the Net Revenues will be sufficient to cover the obligations of the City under the Bond Ordinance.

If in any fiscal year Net Revenues are an amount less than as provided in the Bond Ordinance, the City will immediately employ a Consultant to make recommendations with respect to such rates and charges. A copy of the Consultant's report and recommendations shall be filed with the City Clerk and with the

Underwriter of the Bonds and shall be furnished to any Registered Owner of the Bonds requesting a copy of the same, at the cost of such Registered Owner. The City shall, to the extent feasible, follow the recommendations of the Consultant.

See *Appendix B* for a summary of certain other provisions of the Bond Ordinance.

BONDHOLDERS' RISKS

The following is a discussion of certain risks that could affect payments to be made by the City with respect to the Bonds. Such discussion is not, and is not intended to be, exhaustive and should not be considered as a complete description of all risks that could affect such payments. Prospective purchasers of the Bonds should analyze carefully all the information contained in this Official Statement, including the Appendices hereto, and additional information in the form of the complete documents summarized herein and in the Appendices hereto, copies of which are available as described herein.

Limited Obligations

The Bonds are special, limited obligations of the City and are payable solely out of the Net Revenues of the System. The Bonds do not constitute a general obligation of the City and do not constitute an indebtedness of the City within the meaning of any constitutional, statutory or charter provision, limitation or restriction. The Bonds are not payable by and have no recourse to the power of taxation. The Bondholders have no lien on or security interest in any of the physical assets of the City, including the System.

Although the City has agreed in the Bond Ordinance and is required by law to charge rates sufficient to pay, among other things, the principal of and interest on the Bonds (see the caption “**SECURITY AND SOURCES OF PAYMENT FOR THE BONDS – The Bond Ordinance – Rate Covenant**” herein), there is no assurance that, because of adverse economic conditions, unexpected repairs, replacements or improvements to the System, or other unanticipated circumstances, the City will be successful in collecting sufficient revenues to pay debt service on the Bonds on a timely basis.

Factors Affecting the Revenues of the System

One or more of the following factors or events, or the occurrence of other unanticipated factors or events, could adversely affect the operation and financial performance of the System to an extent that cannot be determined at this time:

(1) *Changes in Management.* Changes in key management personnel could affect the operations of the System. Since the City acquired the System in 1992, the City has contracted with Alliance Water Resources, Inc. (“**Alliance**”), a regional utility management firm, to operate and manage the System. Under its current agreement with the City, which expires on June 30, 2021, Alliance is responsible for providing the labor for all operation and maintenance services. However, in conjunction with the construction of its new wastewater treatment plant, the City plans to re-evaluate the scope of services to be provided by Alliance in the future. For more information regarding the City’s current agreement with Alliance, see the caption “**THE SYSTEM – History and Organization of the System**” herein.

(2) *Future Economic Conditions.* Increased unemployment or other adverse economic conditions or changes in demographics in the service area of the City; cost and availability of energy; an inability to control expenses in periods of inflation and difficulties in increasing charges.

(3) *Insurance Claims.* Increases in the cost of general liability insurance coverage and the amounts paid in settlement of liability claims not covered by insurance.

(4) *Organized Labor Efforts.* Efforts to organize employees of the City into collective bargaining units could result in adverse labor actions or increased labor costs.

(5) *Environmental Regulation.* Utilities are subject to continuing environmental regulation. Federal, state and local standards and procedures which regulate the environmental impact of utilities are subject to change. These changes may arise from continuing legislative, regulatory and judicial action regarding such standards and procedures. Consequently, there is no assurance that facilities in operation will remain subject to the regulations currently in effect, will always be in compliance with further regulations, or will always be able to obtain all required operating permits. An inability to comply with environmental standards could result in reduced operating levels or the complete shutdown of facilities not in compliance. Legislative, regulatory, administrative or enforcement action involving environmental controls could adversely affect the operation of the facilities of the City. For example, if property of the City is determined to be contaminated by hazardous materials, the City could be liable for significant clean-up costs even if it were not responsible for the contamination.

(6) *Natural Disasters.* The occurrence of natural disasters, such as floods or droughts, could damage the facilities of the City, interrupt services or otherwise impair operations and the ability of the City to produce revenues.

(7) *Variations in Weather.* Water usage is normally the highest in the hotter and dryer months of the year. Variations in rain and temperature patterns can adversely affect water usage and therefore, the revenues of the System.

(8) *Competing Providers.* Missouri law does not prohibit other providers of water and sewer services from operating within the boundaries of the City. For-profit providers of water and sewer services, however, are subject to regulation by the Missouri Public Service Commission (the “PSC”) and are limited to operations within certificated service areas. There are currently no other service providers in the area, and the City does not believe it would be cost-effective for another service provider to compete with the City. Although the City is not aware of any initiative by any other service provider to compete with the City, there can be no assurance that, at some time in the future, the PSC will not permit such competition. Increased competition within the City’s boundaries could adversely affect the City’s ability to impose rates or otherwise generate revenues at a level sufficient to meet its debt obligations.

(9) *Miscellaneous Factors.* The utility industry in general has experienced, or may in the future experience, problems including (a) the effects of inflation upon the costs of operation of facilities, (b) uncertainties in predicting future demand requirements, (c) increased financing requirements coupled with the increased cost and uncertain availability of capital, and (d) compliance with rapidly changing environmental, safety, rate and licensing regulations and requirements.

Factors Relating to Security for the Bonds

Enforcement of the remedies under the Bond Ordinance may be limited or restricted by state and federal laws relating to bankruptcy, fraudulent conveyances, and rights of creditors and by application of general principles of equity affecting the enforcement of creditors’ rights and liens securing such rights, and the exercise of judicial authority by state or federal courts, and may be subject to discretion and delay in the event of litigation or statutory remedy procedures. The various legal opinions to be delivered concurrently with the delivery of the Bonds will be qualified as to the enforceability of the various legal instruments by limitations imposed by state and federal laws, rulings and decisions affecting remedies, and by general principles of equity and by bankruptcy, reorganization, insolvency or other similar laws affecting the rights of creditors. In the event of a default, no assurance can be given that the exercise of remedies provided in the Bond Ordinance will provide proceeds sufficient to make timely payments of principal of, premium, if any and interest on the Bonds.

Market for the Bonds

There is no established secondary market for the Bonds, and there is no assurance that a secondary market will develop for the purchase and sale of the Bonds. It is the present practice of the Underwriter to make a secondary market as a dealer in issues of municipal bonds which the Underwriter distributes. The Underwriter intends to continue this practice with respect to the Bonds although it is not obligated to do so. However, prices of municipal bonds traded by the Underwriter in the secondary market are subject to adjustment upward and downward in response to changes in the credit markets and changes in operating performance of the entity operating facilities subject to bond indebtedness. From time to time it may be necessary for the Underwriter to suspend indefinitely secondary market trading in selected issues of municipal bonds as a result of the financial condition or market position of the Underwriter, prevailing market conditions, lack of adequate current financial information about the entity operating the subject facilities, or a material adverse change in the operations of that entity, whether or not the subject bonds are in default as to principal and interest payments, and other factors which, in the opinion of the Underwriter, may give rise to certainty concerning prudent secondary market practices.

Municipal bonds are generally viewed as long-term investments, subject to material unforeseen changes in the investor's circumstances, and may require commitment of the investor's funds for an indefinite period of time, perhaps until maturity.

Tax-Exempt Status of the Bonds

The failure of the City to comply with certain covenants of the City set forth in the Bond Ordinance (see the caption "TAX MATTERS" herein) could cause the interest on the Bonds to become includible in federal gross income for federal income tax purposes retroactive to the date of issuance of the Bonds. The Bond Ordinance does not provide for the payment of any additional interest or penalty in the event that the interest on the Bonds becomes includible in federal gross income for federal income tax purposes.

The Hancock Amendment

An amendment to the Missouri Constitution limiting taxation and government spending was approved by Missouri voters on November 4, 1980. This amendment limits the ability of the City to impose new or increased taxes to provide funding for the payment of the Bonds, or other governmental purposes of the City, without voter approval. The amendment (popularly known as the Hancock Amendment) limits the rate of increase and the total amount of taxes that may be imposed in any fiscal year, and the limit may not be exceeded without voter approval. Provisions are included in the amendment for rolling back property tax rates to produce an amount of revenue equal to that of the previous year if the definition of tax base is changed or if property is reassessed. The tax levy on the assessed valuation of new construction is exempt from this limitation. The limitation on local governmental units does not apply to taxes imposed for the payment of principal of and interest on general obligation bonds approved by the requisite percentage of voters.

The Hancock Amendment also requires political subdivisions of the State to obtain voter approval in order to increase any "tax, license or fee." The precise meaning and application of the phrase "tax, license or fee" is unclear, but decisions of the Missouri Supreme Court have indicated that it does not apply to traditionally set user fees, including rates imposed by the City's System. The limitations imposed by the Hancock Amendment restrict the City's ability to increase many but not all taxes, licenses and certain fees without obtaining voter approval.

The City believes that, based on the Missouri Supreme Court's decisions, volume-based increases in charges for users of the System are not subject to the voter approval requirement of the Hancock Amendment. Nevertheless, if the Missouri Supreme Court were to subsequently change its interpretation of the Hancock Amendment, or if future initiatives limited the ability of the City to raise its charges without voter approval, the City's ability to raise revenues to pay the Bonds could be adversely impacted.

Risk of Audit

The Internal Revenue Service (the “**Service**”) has established an ongoing program to audit tax-exempt obligations to determine whether interest on such obligations should be included in gross income for federal income tax purposes. No assurance can be given that the Service will not commence an audit of the Bonds. Owners of the Bonds are advised that, if an audit of the Bonds were commenced, in accordance with its current published procedures, the Service would likely treat the City as the taxpayer, and the Owners of the Bonds may not have a right to participate in such audit. Public awareness of any audit could adversely affect the market value and liquidity of the Bonds during the pendency of the audit, regardless of the ultimate outcome of the audit.

No Reserve Fund

The City has not established a reserve account to secure the payment of the principal of and interest on the Bonds. There is no assurance that the Net Revenues of the System will be sufficient or that the City will have other funds available for the timely payment of the principal of and interest on the Bonds. The Debt Service Reserve Account established in connection with the Series 2010 Bonds secures only those bonds.

Loss of Premium from Early Redemption

Any person who purchases a Bond at a price in excess of its principal amount or who holds such a Bond trading at a price in excess of par should consider the fact that the Bonds are subject to redemption at the redemption prices described herein in the event such Bonds are redeemed prior to maturity. See the caption “**THE BONDS – Redemption Provisions**” herein.

Investment Ratings

The lowering or withdrawal of the investment rating initially assigned to the Bonds could adversely affect the market price for and the marketability of the Bonds.

Defeasance Risks

When all of the Bonds are deemed paid as provided in the Bond Ordinance, the requirements contained in the Bond Ordinance and all other rights granted to bond owners thereby shall terminate. Bonds or scheduled interest payments thereon shall be deemed to have been paid and discharged within the meaning of the Bond Ordinance if there has been deposited with the Paying Agent, or other commercial bank or trust company and having full trust powers, at or prior to the stated maturity or redemption date of said Bonds or the interest payments thereon, in trust for and irrevocably appropriated thereto, moneys and Defeasance Obligations which, together with the interest to be earned on any such Defeasance Obligations, will be sufficient for the payment of the principal of said Bonds and interest accrued to the stated maturity or redemption date, or if default in such payment has occurred on such date, then to the date of the tender of such payments; provided, however, that if any such Bonds are to be redeemed prior to their stated maturity, (1) the City has elected to redeem such Bonds, and (2) either notice of such redemption shall have been given, or the City shall have given irrevocable instructions, or shall have provided for an escrow agent to give irrevocable instructions, to the Paying Agent to give such notice of redemption in compliance with the Bond Ordinance. Defeasance Obligations include, in addition to cash and obligations pre-refunded with cash, bonds, notes, certificates of indebtedness, treasury bills and other securities constituting direct obligations of, or obligations the principal of and interest on which are fully and unconditionally guaranteed as to full and timely payment by, the United States of America. There is no legal requirement in the Bond Ordinance that Defeasance Obligations consisting of such United States obligations be or remain rated in the highest rating category by any rating agency. Prices of municipal securities in the secondary market are subject to adjustment upward and downward in response to changes in the credit markets and that could include the rating of Bonds defeased with Defeasance Obligations to the extent the Defeasance Obligations have a change or downgrade in rating.

GENERAL AND ECONOMIC INFORMATION CONCERNING THE CITY

General Information

The City is located in the southeast portion of the State of Missouri, approximately 115 miles south of St. Louis, along the Mississippi River. The City encompasses approximately 28.49 square miles. According to the U.S. Census Bureau, the City's estimated population as of July 1, 2018 was 39,853.

Government and Organization of the City

The City was founded as a French trading post in 1793 and was incorporated in 1808. The City established a Council-Manager form of government in 1965. The City has operated as a constitutional charter city since 1981.

The City Charter provides for a non-partisan municipal government consisting of a Mayor, six Councilmembers and a City Manager. The Mayor is elected at large by the voters of the City once every four years. The City is divided into six wards, and one Councilmember is elected from each ward for a four-year term. City elections are held every other year on the first Tuesday in April, with a primary election to be held if more than two candidates seek the same seat on the Council. Citizen participation in City government is provided for in the Charter through initiative, referendum and recall.

The City Manager serves as the administrative head of the City and is selected by the Mayor and City Council on the basis of administrative qualifications and experience. Scott A. Meyer, P.E. was appointed the City Manager on July 1, 2009. Prior to becoming the City Manager, Mr. Meyer worked as the Director of Facilities Management at Southeast Missouri State University for five years and as the District Engineer for the Southeast District of the Missouri Department of Transportation for nine years.

The current Mayor and City Council members are as follows:

<u>Elected Officials</u> ⁽¹⁾	<u>Service Began</u>	<u>Current Term Expires</u>
Dr. Bob Fox, Mayor	4/18	4/22
Dan Presson, Ward 1	4/18	4/22
Shelly Moore, Ward 2	4/14	4/22
Robbie Guard, Ward 4	4/16	4/20
Ryan Essex, Ward 5	5/18	4/20
Stacy Kinder, Ward 6	4/18	4/22

⁽¹⁾ On July 8, 2019, Victor R. Gunn, Councilmember for Ward 3, resigned because he is moving out of the Ward. Gunn's replacement has not been named.

Employee Relations

The City currently has approximately 421 full-time and 498.77 full-time equivalent part-time employees. Benefits provided to full-time employees include health insurance and life insurance, a retirement plan (see the caption "**Pension and Employee Retirement Plans**" herein), paid vacation and sick leave. In May 2007, the Missouri Supreme Court held that public employees have a constitutional right to collectively bargain under Missouri's Constitution, but no City employees are covered by any collective bargaining agreements. The City has no record of any work stoppages or labor disputes.

Population

According to the U.S. Bureau of the Census, the population patterns for the City, Cape Girardeau County and the State of Missouri have been as follows:

<u>Year</u>	<u>City of Cape Girardeau</u>		<u>Cape Girardeau County</u>		<u>State of Missouri</u>	
	<u>Population</u>	<u>Percentage Change</u>	<u>Population</u>	<u>Percentage Change</u>	<u>Population</u>	<u>Percentage Change</u>
1980	34,361	--	58,837	--	4,916,686	--
1990	34,438	+0.2%	61,633	+4.8%	5,117,073	+4.1%
2000	35,349	+2.6	68,693	+11.5	5,595,211	+9.3
2010	37,941	+7.3	75,674	+10.2	5,988,927	+7.0
2018	39,853	+5.0	78,753	+4.1	6,126,452	+2.3

Source: U.S. Bureau of the Census.

The following table sets forth the population by age categories for the City, Cape Girardeau County and the State of Missouri:

<u>Age</u>	<u>City of Cape Girardeau</u>	<u>County of Cape Girardeau</u>	<u>State of Missouri</u>
Under 5	1,990	4,472	373,141
5-19 years	7,198	15,197	1,176,263
20-24 years	5,982	8,258	425,687
25-44 years	8,764	18,608	1,536,109
45-64 years	8,817	19,254	1,608,068
65 and over	<u>6,341</u>	<u>12,224</u>	<u>956,032</u>
Total	<u>39,092</u>	<u>78,013</u>	<u>6,075,300</u>

Source: U.S. Census Bureau, 2013-2017 American Community Survey 5-Year Estimates.

Risk Management

The City is exposed to various risks of loss from tort; theft of, damage to and destruction of assets; errors and omissions; natural disasters; and employee injuries and illnesses. Commercial insurance coverage is purchased for claims arising from such matters. For more details, see “**Note O – Risk Management**” to the City’s financial statements included in *Appendix A* to this Official Statement.

Pensions and Other Postemployment Benefits

The City contributes to the Missouri Local Government Employees Retirement System (“LAGERS”), an agent multiple-employer, statewide public employee pension plan for entities of local government which is legally separate and fiscally independent from the State of Missouri. The City also provides other postemployment benefits as part of the total compensation offered to attract and retain the services of qualified employees. Future required contribution increases beyond the current fiscal year may require the City to increase its revenues, reduce its expenditures, or some combination thereof, which may impact the City’s operations or limit the City’s ability to generate additional revenues in the future.

For more information specific to the City’s participation in LAGERS, including the City’s past contributions, net pension liability, and pension expense, see “**Note G – Pension Plan**” to the City’s financial

statements included in *Appendix A* to this Official Statement. For more information about other postemployment benefits for the City's employees, see "Note H – Postretirement Healthcare Benefits" to the City's financial statements included in *Appendix A* to this Official Statement.

Municipal Services and Utilities

The City provides its citizens with typical municipal services, such as police and fire protection, highway and street maintenance, water, sanitation, health and social services, parks and recreation, public improvements, engineering, planning and zoning, building inspections and other administrative services. These services are financed from general revenues of the City. The City library and health department are financed by their own separate tax levies.

The City owns and operates several enterprises and internal service operations. Enterprise operations derive their revenues from user fees and special property tax levies. The golf course, softball complex operations, waterworks system, sanitary sewer utility and solid waste operations are financed by self-sustaining usage charges. Internal service operations consist of fleet maintenance and data processing, which provide services to all City departments and assess charges to departments based upon usage in amounts sufficient to cover costs of operation.

Ameren Missouri, an investor-owned utility that is Missouri's largest electric utility, provides the City with electricity and natural gas. Ameren Missouri's operations are regulated by the Missouri Public Service Commission.

Transportation and Communication Facilities

The City is located along Interstate 55 and is bordered by the Mississippi River. The Bill Emerson Memorial Bridge, a four-lane suspension bridge, carries traffic across the Mississippi River from Illinois into the City and connects to Interstate 55. Other highways serving the City include U.S. Highway 61, Missouri Highways 34 and 177, and Illinois Highways 3 and 146. Regular bus service is available in the City.

The City owns the Cape Girardeau Regional Airport located approximately 7 miles from downtown. The airport, situated on 557 acres, consists of two runways, one terminal, an avionics shop, a pilots club and a growing industrial park. SkyWest Airlines serves the airport (on behalf of United) by providing two round-trip flights daily during the week from Cape Girardeau to Chicago O'Hare and two round-trip flights daily on the weekends.

Media coverage is provided by one local newspaper, four major network affiliate television stations, one independent television station and seven radio stations. The *Southeast Missourian*, the local newspaper, is published daily. Charter Communications and AT&T provide cable television service to the City.

Educational Institutions and Facilities

Cape Girardeau School District No. 63 provides education to the largest portion of the City. The Missouri Department of Elementary and Secondary Education awarded the school district "accredited" status, which is the highest accreditation status given. The school district has five elementary schools, one middle school, one junior high school, one senior high school, a vocational technical school, and an alternative education center. In addition, the Catholic, Lutheran and Assembly of God churches of the community operate parochial schools.

The Southeast Missouri State University (the "University") campus is located in the City and has an approximate enrollment of 11,000. The campus also includes the joint City-University owned and operated Show-Me Center, which has a total seating capacity of over 7,000. The University's facilities also include

various performing arts venues, such as a 950-seat performance hall, a 205-seat recital hall and a 200-seat theatre.

Medical and Health Facilities

The City has the largest regional medical centers between St. Louis and Memphis. Southeast Missouri Hospital, a 263-bed regional medical complex, and Saint Francis Medical Center, a 306-bed regional medical center, provide services for general health care and acute illnesses. SoutheastHEALTH provides numerous other services at various sites in the region, including Southeast Medical Plaza, Southeast Cancer Center, Southeast Hospice, Southeast Home Health and HealthPoint Fitness. Saint Francis Medical Center also provides other services at various sites in the region, including the Healing Arts Center, the Health and Wellness Center and the Heart Hospital and Cancer Institute. The Doctor's Park, a comprehensive health care complex, provides medical, dental, ambulatory and diagnostic services to the region as well.

Special services for physically and mentally disabled children and adults are offered by the Parkview State School for Severely Handicapped. Vocational and self-development training programs are also offered by Parkview. A variety of nursing and retirement facilities provide the City's elderly with care and medical assistance.

Recreation and Culture

Year-round activity programs are sponsored by the City's Parks and Recreation Department, which maintains 23 city and neighborhood parks covering 662.5 acres. Park facilities in the City include a fishing lake, picnic areas, playgrounds, year-round swimming facilities (indoor/outdoor pool), lighted tennis courts and a municipal golf course.

The Cape Girardeau SportsPlex is a state-of-the-art facility located along Interstate 55. The 121,000 square foot facility features 2 regulation indoor turf fields and 6 high school regulation hardwood basketball courts which convert to 12 regulation volleyball courts. It also has full-service concessions and multiuse space for team meetings, coach's clinics, and team parties. In recent years, the City has also completed construction of the Osage Community Centre, a multi-use recreational building, a softball/soccer complex, and a family aquatic center. Several other recent park facilities and improvements include the construction of a community center in the southern portion of the City, improvements to the Shawnee Sports Complex, and the renovation of the A.C. Brase Arena Building. The Trail of Tears State Park and county parks are also located within a few miles of the City limits.

The Discovery Play House, a children's museum, opened in the spring of 2010 in the downtown area of the City. The Discovery Play House has over 7,500 square feet of interactive learning exhibits for children.

Private clubs and commercial enterprises offer dance, bowling, gymnastics, tennis and golf. The University's recreational facilities are also open to the public when classes are not in session.

The Cape Girardeau Council on the Arts promotes the work of local artists in conjunction with its operation of the Cape Girardeau River Heritage Museum.

Both the Cape Girardeau Public Library and Kent Library at the University provide activities such as children's programs, art exhibits and community group meetings.

Employment Information

Major Employers. Listed below are the major employers located within approximately 20 miles of the City and the approximate number of employees employed by each:

<u>Name</u>	<u>Product or Service</u>	<u>Employment</u>
1. Saint Francis Healthcare Systems	Hospital	2,817
2. SoutheastHEALTH	Hospital	2,430
3. Procter & Gamble Paper Products	Paper products manufacturer	1,200
4. Southeast Missouri State University	Public university	1,107
5. Cape Girardeau School District No. 63	Public schools	713
6. Jackson R-II School District	Public schools	479
7. Robinson Construction	Construction	475
8. Isle Casino Cape Girardeau	Casino	450
9. Mondi Jackson, Inc.	Flexible film packaging	428
10. Delta Companies, Inc.	Stone and rock manufacturer	425

Source: Cape Girardeau Chamber of Commerce.

Unemployment. The following table sets forth estimates of the total labor force, number of employed and unemployed workers in the City and, for comparative purposes, the unemployment rates for the City, Cape Girardeau County, the State of Missouri and the United States for the years 2015 through 2019:

<u>Year</u>	<u>City of Cape Girardeau Labor Force</u>			<u>Unemployment Rates</u>			
	<u>Employed</u>	<u>Unemployed</u>	<u>Total</u>	<u>City of Cape Girardeau</u>	<u>Cape Girardeau County</u>	<u>State of Missouri</u>	<u>United States</u>
2015	19,194	934	20,128	4.6%	4.3%	5.0%	5.3%
2016	19,169	968	20,137	4.8	4.3	4.6	4.9
2017	18,854	735	19,589	3.8	3.5	3.8	4.4
2018	19,053	567	19,620	2.9	2.8	3.2	3.9
2019 ⁽¹⁾	19,169	578	19,747	2.9	2.8	3.1	3.4

⁽¹⁾ Figures are preliminary and for the month of May, not an annualized calculation.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

Income

Income Statistics. The following table presents certain income statistics from the American Community Survey for the City, Cape Girardeau County, State of Missouri and the United States of America:

	<u>Per Capita Income (dollars)</u>	<u>Median Family Income (dollars)</u>
City of Cape Girardeau	\$24,339	\$62,320
Cape Girardeau County	25,965	64,443
State of Missouri	28,282	64,776
United States	31,177	70,850

Source: U.S. Census Bureau, 2013-2017 American Community Survey 5-Year Estimates.

The following table presents per capita personal income⁽¹⁾ for Cape Girardeau County and the State of Missouri for the years 2013 through 2017, the latest date for which such information is available:

<u>Year</u>	<u>Cape Girardeau County Per Capita Income</u>	<u>State of Missouri Per Capita Income</u>
2013	\$38,751	\$40,152
2014	39,383	41,538
2015	41,601	42,839
2016	41,799	43,587
2017	43,556	44,978

⁽¹⁾ “Per Capita Personal Income” is the annual total personal income of residents divided by the resident population as of July 1. “Personal Income” is the sum of net earnings by place of residence, rental income of persons, personal dividend income, personal interest income, and transfer payments. “Net Earnings” is earnings by place of work - the sum of wage and salary disbursements (payrolls), other labor income, and proprietors’ income - less personal contributions for social insurance, plus an adjustment to convert earnings by place of work to a place-of-residence basis. Personal Income is measured before the deduction of personal income taxes and other personal taxes and is reported in current dollars (no adjustment is made for price changes).

Source: U.S. Department of Commerce, Bureau of Economic Analysis.

Housing

The following table sets forth information from the American Community Survey regarding the median (owner-occupied) house values for the City, Cape Girardeau County and the State of Missouri:

	<u>Median House Value</u>
City of Cape Girardeau	\$141,500
Cape Girardeau County	151,900
State of Missouri	145,400

Source: U.S. Census Bureau, 2013-2017 American Community Survey 5-Year Estimates.

Agriculture, Commerce and Industry

The Cape Girardeau area (which includes the City, Cape Girardeau County and an approximate 20-mile surrounding area) has 14 manufacturing firms with 100 or more employees and 40 non-manufacturing entities with 100 or more employees. The two largest employers are Saint Francis Healthcare Systems and SoutheastHEALTH, each employing 2,400 or more employees. Other major employers include Procter & Gamble Paper Products and Southeast Missouri State University, each employing 1,100 or more employees. Isle of Capri Casinos operates a casino along the City’s riverfront that employs approximately 450 people.

The City is a regional shopping center for Southeastern Missouri, Southern Illinois and Western Kentucky. There are three major shopping areas in the City: West Park Mall/Interstate 55 area, Town Plaza Shopping Center, and the downtown shopping district located along the Mississippi River.

The Cape Girardeau area is one of the most productive farming areas in the state. Major livestock includes cattle, hogs and poultry. Major crop production includes soybeans, wheat, milo, cotton and corn.

Building Construction

The following table indicates the number of building permits and total estimated valuation of these permits issued within the City in the past five fiscal years. These numbers reflect permits issued either for new construction or for major renovation.

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
<i>Residential</i>					
Number of Permits	254	127	240	119	96
Estimated Cost	\$76.7 million	\$24.1 million	\$37.2 million	\$16.4 million	\$19.3 million
<i>Non-Residential</i>					
Number of Permits	128	100	128	70	59
Estimated Cost	\$52.8 million	\$38.4 million	\$250.5 million	\$73.9 million	\$20.2 million

Source: The City.

THE SYSTEM

History and Organization of the System

The System was originally built in 1894 by the Cape Girardeau Water Works and Electric Light Company, which later became Missouri Utilities Company (“**Missouri Utilities**”). In 1931, Missouri Utilities constructed the main water treatment plant on Cape Rock Drive, which remains in service today. This plant was expanded in 1954, 1967 and 2002. In 1983, Union Electric Company (the predecessor of AmerenUE) acquired the System as part of a merger with Missouri Utilities, in which Union Electric Company was the major stockholder. The City acquired the System in 1992.

The System is operated as a division of the City’s Department of Public Works. The City has entered into an agreement with Alliance to operate and manage the System, although the City handles billings and collections. Alliance was founded in 1976 to provide specialty services to the water and wastewater industry. Its corporate office is located in Columbia, Missouri. Alliance’s clients include municipal water and wastewater operations, investor-owned utilities, water districts and not-for-profit utilities. Among the clients for which it provides complete operation and management services are: the Missouri cities of Bonne Terre, Troy, Bowling Green, Elsberry, Parkville, Cameron, Lake Ozark, Lexington and Ste. Genevieve; Public Water Supply District No. 1 of Lincoln County, Missouri; Public Water Supply District No. 2 of DeKalb County, Missouri; Public Water Supply District No. 3 of Franklin County, Missouri; Henry County Water Company; Public Water Supply District No. 1 of Ralls County, Missouri; Public Water Supply District No. 2 of Phelps County, Missouri; Public Water Supply No. 1 of Franklin County, Missouri; and the Iowa cities of Maquoketa and Tipton.

Pursuant to its agreement with the City, Alliance provides the labor for all operations and maintenance services of the City’s entire water supply and distribution system. Alliance’s duties include emergency response and repair, water testing, valve location and exercising and preventive maintenance. Alliance will receive a base fee of \$2,492,908 in the current fiscal year, which is subject to adjustment under certain circumstances described in the agreement. This fee includes all labor costs of operating and maintaining the System. The City’s current agreement with Alliance expires on June 30, 2021 unless it is further extended by its terms. See the caption “**BONDHOLDERS’ RISKS – Factors Affecting the Revenues of the System**” herein.

Description of Existing Facilities of the System

The System includes two water supply and treatment plants. The main plant on Cape Rock Drive has a capacity of 7.5 million gallons per day and an average daily flow of 6.5 million gallons per day, drawing from 4 alluvial wells. A second plant in the southern part of the City draws water from 3 alluvial wells and has a capacity of 2.8 million gallons per day. One additional well serves the Cape Rock Village subdivision and is part of the City System proper. Two additional wells serve the Greater Cape Girardeau Industrial Park, located outside of the City.

The System's 12 water storage tanks have a total capacity of 9.265 million gallons. The tanks range in capacity from 80,000 to 1.75 million gallons. The System also includes approximately 300 miles of water lines, 2,338 fire hydrants and 9 booster pumping stations.

The City Charter requires the City Manager to annually submit a five-year capital improvement plan (the "CIP") to the Council. The CIP is a comprehensive planning instrument that drives the evaluation of capital infrastructure projects in need of construction, renovation and/or repair. The Council adopted the most recent CIP on March 4, 2019, covering the five-year period from July 1, 2019 through June 30, 2024. It includes numerous improvements to the System, including upgrading water lines; constructing a booster pump station and installing a generator; rehabilitating the six existing filters and repairing the secondary settling basins at the main plant; and replacing the air conditioning units in the motor control center serving the main plant and four water wells. The City intends to fund these projects on a pay-as-you-go basis using a portion of the proceeds of a one-quarter of one percent capital improvement sales tax, which was renewed by the voters in August 2019 and will expire on December 31, 2034.

Description of Service Area

The System is divided into a main system and a smaller, separate service area. The main system serves the 24 square miles within the current City limits, plus an additional area of approximately one square mile to the immediate north of the City along State Route W, Old Sprigg Street and Cape Rock Drive in the Cape Rock Village/Tanglewood Subdivisions. The separate service area totals approximately one-half square mile and serves the Greater Cape Girardeau Industrial Park along Nash Road, which lies southwest of the City.

Customers and Usage

As of June 30, 2018, the System had 16,547 customers, consisting of 14,251 residential customers and 2,296 non-residential customers.

During the 2018 fiscal year, the City sold approximately 2,022,190 CCF (100 Cubic Feet, which equals 748 gallons) of water, consisting of 1,079,470 CCF for residential customers and 942,720 for non-residential customers.

Below is a list of the 10 largest customers of the System, on the basis of usage for the 2018 fiscal year.

<u>Customer</u>	<u>Water Usage</u>	<u>% of Total</u>
Southeast Missouri State University	109,054.50	5.40%
St. Francis Medical Center	85,247.80	4.22
Southeast Hospital	60,134.20	2.98
Lonestar Cement	37,780.30	1.87
Lutheran Home	23,606.50	1.17
Cape LaCroix Apartments	16,150.50	0.80
Tipton Linen	13,516.50	0.67
Cape Girardeau Public Schools	12,512.30	0.62
Missouri Veterans Home	11,449.20	0.57
Chateau Girardeau	<u>10,085.70</u>	<u>0.50</u>
TOTAL	<u>379,537.50</u>	<u>18.80%</u>

The following table sets forth the total number of customers of the System for the fiscal years ended June 30, 2016 through June 30, 2018:

<u>Year</u>	<u>Total Number of Customers</u>
2016	16,924
2017	16,500
2018	16,547

The following table sets forth total sales of water by the City for the fiscal years ended June 30, 2016 through June 30, 2018:

<u>Year</u>	<u>Gallons Sold</u>
2016	1,425,107,028
2017	1,435,433,692
2018	1,512,598,120

Water Rates

The following table shows the current monthly water rates:

<u>Meter Charge (5/8" meter)</u>	<u>Rate per CCF⁽¹⁾</u>
\$8.65	\$2.628

⁽¹⁾ One CCF equals 100 cubic feet or 748 gallons.

Prior to the beginning of each fiscal year, the City analyzes its water rates to determine whether increases are needed. In recent years the City imposed the following annual rate increases: 3% for the 2017 fiscal year; 2% for the 2018 fiscal year; 0% for the 2019 fiscal year; and 2% for the 2020 fiscal year. The City's Charter restricts the City from increasing water rates by more than 5% in any fiscal year except (1) as may be required by voter-approved revenue bonds, (2) as authorized by a simple majority voter approval or (3) in the event of an emergency.

Collections

The following table shows the amounts billed for water service and amounts collected by the City for the last five fiscal years:

<u>Year</u>	<u>Amount Billed</u>	<u>Amount Collected</u>	<u>Percentage Collected</u> ⁽¹⁾
2014	\$6,175,787.97	\$6,222,671.59	100.76%
2015	5,940,184.56	5,890,592.82	99.17
2016	6,251,287.16	6,214,769.40	99.42
2017	6,481,517.30	6,421,247.83	99.07
2018 ⁽²⁾	6,662,022.47	6,500,781.00	97.58

⁽¹⁾ Delinquent fees collected are shown in the year payment is actually received, which may cause the Percentage Collected to exceed 100%. The City sends a disconnect notice to all customers after they become delinquent for a second month.

⁽²⁾ The most recently completed fiscal year for which data is available.

FINANCIAL AND OPERATING INFORMATION CONCERNING THE SYSTEM

Accounting, Budgeting and Auditing Procedures

An annual budget of estimated receipts and disbursements for the System for the coming fiscal year is prepared by the Director of Public Works and is included in the City's budget. The budget is presented to the City Council in June for approval after a public hearing. The fiscal year of the System is July 1 through June 30. The budget lists estimated receipts by fund and sources and estimated disbursements by fund and purposes and includes a statement of the rates required to raise each amount shown on the budget as coming from System revenues.

Historical Debt Service Coverage

The following table shows historical debt service coverage for all obligations of the System prepared from audits of the City for the last three fiscal years for which audited financial information is available:

	<u>2016</u>	<u>2017</u>	<u>2018</u>
Total Operating Revenues	\$6,545,914	\$6,787,707	\$7,031,962
Total Non-Operating Revenues ⁽¹⁾	<u>\$2,683,328</u>	<u>\$2,202,347</u>	<u>\$ 22,795</u>
Total Revenues	<u>\$9,229,242</u>	<u>\$8,990,054</u>	<u>\$7,054,757</u>
Total Expenses ⁽²⁾	<u>\$5,169,381</u>	<u>\$5,274,369</u>	<u>\$5,445,716</u>
Net Revenues Available for Debt Service	<u>\$4,059,861</u>	<u>\$3,715,685</u>	<u>\$1,609,041</u>
Debt Service ⁽³⁾	<u>\$1,020,826</u>	<u>\$1,022,141</u>	<u>\$1,020,230</u>
Debt Service Coverage	3.98x	3.64x	1.58x

⁽¹⁾ Includes revenues from a one-quarter of one percent capital improvement sales tax available to pay the waterworks system revenue bonds. The tax was scheduled to expire in 2017; the City's voters extended the tax, but only to pay debt service on sewerage system revenue bonds. This figure does not include interest and handling costs or amortization.

⁽²⁾ Less depreciation and including payments on annual appropriation debt.

⁽³⁾ Represents debt service on the City's Series 2012A and the Series 2010 Bonds.

Source: City's Annual Report for the fiscal year ended June 30, 2018.

Summary of Balance Sheets

Shown below is a summary of revenues, expenditures and fund balance for the water operations portion of the Enterprise Fund (consisting of sewer, water, solid waste, golf course, and indoor sports complex funds) for the last three fiscal years for which audited financial information is available. Based on its monthly financial statements, the City believes the results for 2019 will not be materially different from 2018. With respect to the fiscal year ended June 30, 2018, the information shown below should be read in conjunction with the audited financial statements of the City contained in *Appendix A* hereto. Copies of the audited financial statements of the City for prior years are available upon request from the City.

**SUMMARY STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
Fiscal Years Ended June 30**

	<u>2016</u>	<u>2017</u>	<u>2018</u>
<u>Operating Revenues</u>			
Residential charges	\$ 3,765,899.97	\$ 3,887,741.98	\$ 4,081,216.00
Commercial charges	2,518,048.02	2,589,293.51	2,629,572.71
Other fees and charges	233,765.17	279,816.75	297,448.79
Miscellaneous	28,201.16	30,855.12	23,724.15
Total Operating Revenues	<u>\$ 6,545,914.32</u>	<u>\$ 6,787,707.36</u>	<u>\$ 7,031,961.65</u>
<u>Operating Expenses</u>			
Personnel services	\$ 257,590.31	\$ 256,449.06	\$ 252,706.08
Materials and supplies	1,072,393.83	1,095,124.99	1,408,358.51
Contractual services	2,912,056.80	2,959,678.61	3,051,397.58
General operating expenses	396,550.48	414,730.61	437,158.89
Special programs	354,057.02	371,217.08	139,368.45
Internal service expenses	176,732.49	177,168.57	156,726.29
Depreciation	1,676,418.61	1,762,708.06	1,825,123.66
Total Operating Expenses	<u>\$ 6,845,799.54</u>	<u>\$ 7,037,076.98</u>	<u>\$ 7,270,839.46</u>
<u>Operating Income (Loss)</u>	\$ (299,885.22)	\$ (249,369.62)	\$ (238,877.81)
<u>Non-Operating Revenues (Expenses)</u>			
Intergovernmental	\$ 7,692.30	\$ -	\$ -
Investment revenue	83,762.51	38,954.98	22,794.98
Gain from sale of assets	23,510.70	8,974.91	1,162.42
Compensation for damages	-	-	3,792.57
Interest and other costs	(394,358.68)	(385,530.47)	(373,161.77)
Total Non-Operating Revenue (Expenses)	<u>\$ (279,393.17)</u>	<u>\$ (337,600.58)</u>	<u>\$ (345,411.80)</u>
Income (loss) before contributions and transfers	\$ (579,278.39)	\$ (586,970.20)	\$ (584,289.61)
Contributed Capital:			
Developers	\$ 487,910.49	\$ 172,218.48	\$ 95,360.84
Government	3,617.79	184,762.20	-
Transfers In	\$ 3,084,593.69	\$ 474,063.35	\$ 1,610,040.59
Transfers Out	-	(8,000.00)	-
Change in Net Position	\$ 2,996,843.58	\$ 236,073.83	\$ 1,221,111.82
Total Net Assets - beginning	\$37,238,007.17	\$40,451,758.71	\$40,894,321.30
Prior Period Adjustment	216,907.96	206,488.76	(34,227.06)
Total Net Assets - ending	<u>\$40,451,758.71</u>	<u>\$40,894,321.30</u>	<u>\$42,081,206.06</u>

Source: Audited Financial Statements of the City for the fiscal years ended June 30, 2016-2018.

DEBT STRUCTURE OF THE CITY

Debt Ratios and Related Information

Population (2018):	39,853
Assessed Valuation (2018) ⁽¹⁾ :	\$653,404,065
Estimated Actual Value (2018):	\$2,662,670,464
Outstanding General Obligation Debt:	\$0
Outstanding Lease Obligations	\$3,238,522
Total Direct Debt (General Obligation Debt and Lease Obligations)	\$3,238,522
Overlapping General Obligation Debt ⁽²⁾ :	\$59,969,715
Total Direct and Overlapping Debt:	\$63,208,237
Per Capita Direct Debt:	\$81.26
Ratio of Direct Debt to Assessed Valuation:	0.50%
Ratio of Direct Debt to Estimated Actual Valuation:	0.12%
Per Capita Direct Debt and Overlapping General Obligation Debt:	\$1,586.03
Ratio of Direct Debt and Overlapping General Obligation Debt to Assessed Valuation:	9.67%
Ratio of Direct Debt and Overlapping General Obligation Debt to Estimated Actual Valuation:	2.37%

⁽¹⁾ Includes state and locally assessed real estate and personal property.

⁽²⁾ For further details see the caption “**DEBT STRUCTURE OF THE CITY – Overlapping Indebtedness.**”

Source: Cape Girardeau County Clerk’s Office.

General Obligation Indebtedness

The City has no general obligation bonds outstanding.

Overlapping Indebtedness

The following table sets forth the approximate overlapping indebtedness, excluding lease obligations, of political subdivisions with boundaries overlapping the City as of July 1, 2019 and the percentage attributable (on the basis of assessed valuation) to the City. The table was compiled from information furnished by the jurisdictions responsible for the debt, and the City has not independently verified the accuracy or completeness of such information. Furthermore, political subdivisions may have ongoing programs requiring the issuance of substantial additional bonds, the amounts of which cannot be determined at this time.

<u>Taxing Jurisdiction</u>	<u>Outstanding General Obligation Indebtedness</u>	<u>Approximate Percent Applicable to City</u>	<u>Amount Applicable to City</u>
Cape Girardeau School District No. 63	\$ 62,025,758	94.43%	\$58,570,923
Jackson R-II School District	<u>40,080,000</u>	3.49	<u>1,398,792</u>
Total	<u>\$102,105,758</u>		<u>\$59,969,715</u>

Source: Cape Girardeau County Assessor’s Office, taxing jurisdictions’ records and Municipal Securities Rulemaking Board (EMMA).

Special Obligation Bonds

The following table sets for the outstanding special obligations of the City as of July 1, 2019:

<u>Category of Indebtedness</u>	<u>Amount Authorized</u>	<u>Amount Outstanding</u>
Special Obligation Bonds, Series 2018	\$ 8,710,000	\$ 8,710,000
Special Obligation Bonds, Series 2016	27,350,000	18,590,000
Special Obligation Bonds, Series 2015A	<u>9,625,000</u>	<u>7,525,000</u>
Totals	<u>\$45,685,000</u>	<u>\$34,825,000</u>

Revenue Obligations

The following table sets forth the outstanding revenue obligations of the City as of July 1, 2019:

<u>Category of Indebtedness</u>	<u>Amount Authorized</u>	<u>Amount Outstanding</u>
Sewerage System Revenue Bonds (State Revolving Fund Program), Series 2000B	\$ 8,355,000	\$ 3,275,000
Waterworks System Revenue Bonds (State of Missouri – Direct Loan Program – ARRA) Series 2010	1,000,000	592,100
Sewerage System Revenue Bonds (State of Missouri – Direct Loan Program) Series 2012	31,000,000	25,097,000
Waterworks System Refunding Revenue Bonds, Series 2012A ⁽¹⁾	13,955,000	9,905,000
Sewerage System Revenue Bonds (State of Missouri – Direct Loan Program), Series 2013A	3,250,000	2,623,000
Sewerage System Revenue Bonds (State of Missouri – Direct Loan Program), Series 2013B	<u>35,750,000</u>	<u>28,850,000</u>
Totals	<u>\$93,310,000</u>	<u>\$70,342,100</u>

⁽¹⁾ As of January 1, 2020, none of these bonds will be outstanding. The City will pay the 2020 maturity on its stated maturity date, and the bonds maturing in 2021 and thereafter will be redeemed on their first optional redemption date with a portion of the proceeds of the Bonds.

Lease Obligations

The following table sets forth the outstanding lease obligations of the City as of June 30, 2019:

<u>Category of Indebtedness</u>	<u>Amount Issued</u>	<u>Amount Outstanding</u>
Southeast Missouri State Foundation (dated March 14, 2013 and amended during the fiscal year ended June 30, 2017)	<u>\$5,382,698.69</u>	<u>\$3,238,521.59</u>
Total	<u>\$5,382,698.69</u>	<u>\$3,238,521.59</u>

Debt Service Requirements of the System

The following table shows the annual debt service requirements of the System, including the Bonds and excluding the Refunded Bonds:

Fiscal Year Ending June 30	Outstanding Waterworks Revenue Bonds	The Bonds			TOTAL
		<u>Principal</u>	<u>Interest</u>	<u>Total</u>	
2020	\$ 866,473.43 ⁽¹⁾				
2021	59,357.59				
2022	59,791.72				
2023	60,207.99				
2024	60,606.36				
2025	60,986.87				
2026	61,449.48				
2027	61,891.99				
2028	62,415.13				
2029	62,818.14				
2030	63,301.05				
2031	0.00				
2032	<u>0.00</u>				
Totals	<u>\$1,479,299.75</u>				

⁽¹⁾ Includes the debt service paid on July 1, 2019 in the amount of \$204,462.28. The remaining debt service for the fiscal year ending June 30, 2020 is \$662,011.15.

Future Debt Plans

On August 6, 2019, the City's voters approved a 15-year extension of a one-quarter of one percent capital improvement sales tax that was scheduled to expire on December 31, 2019. The City intends to use the proceeds of the sales tax to fund approximately \$15-20 million of special obligation bonds to pay for critical infrastructure improvements, including the restoration of and additions to the Common Pleas Courthouse and annex for use as a City Hall and improvements to the Cape Girardeau Regional Airport. The City expects to issue those bonds in 2020.

No Prior Defaults

The City has never defaulted on any indebtedness.

FINANCIAL INFORMATION CONCERNING THE CITY

Accounting, Budgeting and Auditing Procedures

The financial statements of the City have been prepared in conformity with generally accepted accounting principles, as applied to government units. The Governmental Accounting Standards Board is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant accounting policies of the City are described below.

Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The various funds are grouped in the financial statements into fund types as described in “**Note A – Summary of Significant Accounting Policies**” to the City’s financial statements included in *Appendix A* to this Official Statement.

Government-Wide and Fund Financial Statements. The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. The effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation. The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. With the economic resources measurement focus, all assets and liabilities associated with operations are reflected in the statement of net assets.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis, revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 30 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under

accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. Those revenues susceptible to accrual are property taxes, franchise taxes, special assessments, licenses, interest revenue, and charges for services. Sales taxes collected and held by the state at year-end on behalf of the City are also recognized as revenue. Fines and permit revenues are not susceptible to accrual because, generally, they are not measurable until received in cash. With the current financial resources measurement focus, only current assets and current liabilities are generally included on the balance sheet.

An annual budget is prepared under the direction of the City Manager and submitted to the City Council for consideration prior to the commencement of each fiscal year. The operating budget includes proposed expenditures and revenue sources. Public hearings are conducted to obtain taxpayer comments. The budget is legally enacted through the adoption of an ordinance. The primary basis of budgetary control is at the departmental level. The City Manager is authorized to transfer budgeted amounts between programs within any department; however, any revisions that alter the total expenditures of any department must be approved by the City Council. Formal budgetary integration is employed as a management control device during the year for all funds. Budgets for all funds are adopted on a budgetary basis.

City budgeting is predicated upon the fundamental principle of prudential financial stewardship. Thus, a conservative approach is adopted in estimating future revenues, rigorous analysis is applied to expenditure estimates and there is regular reporting within departments as well as to the City Manager and City Council.

The financial records of the City are audited annually by a firm of independent certified public accountants in accordance with generally accepted governmental auditing standards.

Sources of Revenue

The City finances its general operations through sales taxes, local property taxes, license and permit fees and other miscellaneous sources as indicated below for the fiscal year ended June 30, 2020:

	<u>Amount</u>	<u>Percent of Total</u>
Property Tax	\$ 2,112,206	8.0%
Sales Tax	10,875,000	41.2
Franchise Tax	4,665,819	17.7
Cigarette Tax	150,000	0.6
Licenses and Permits	1,671,600	6.3
Intergovernmental	579,260	2.2
Service Charges	597,700	2.3
Fines and Forfeitures	687,600	2.6
Interest	115,325	0.4
Miscellaneous	393,225	1.5
Internal Service Charges	1,192,056	4.5
Motor Fuel Tax Transfer	1,431,045	5.4
Public Safety Trust Transfer	1,315,875	4.9
Other Transfers	<u>622,906</u>	<u>2.4</u>
Total	<u>\$26,409,617</u>	<u>100.0%</u>

Source: City's Budget for the fiscal year ending June 30, 2020.

The General Fund

In accordance with established accounting procedures of governmental units, the City records its financial transactions under various funds. The largest is the General Fund, from which all general operating expenses are paid and to which taxes and all other revenues not specifically allocated by law or contractual agreement to other funds are deposited. The following table sets forth the revenues, expenditures and fund balances for the City's General Fund for the last three fiscal years for which audited financial information is available. Based on its monthly financial statements, the City believes the results for 2019 will not be materially different from 2018.

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**GENERAL FUND
SUMMARY OF OPERATIONS
FISCAL YEARS ENDED JUNE 30**

	<u>2018</u>	<u>2017</u>	<u>2016</u>
REVENUES			
Taxes	\$17,866,334.64	\$17,193,712.47	\$17,232,591.39
Licenses and permits	1,649,227.01	1,613,500.38	1,609,166.00
Intergovernmental	911,897.94	828,689.59	610,556.93
Charges for services	364,749.57	285,614.21	237,337.05
Internal charges	1,145,715.50	1,161,341.29	1,023,643.58
Fines and forfeitures	600,446.25	712,267.50	687,997.00
Miscellaneous	538,537.30	335,287.26	328,174.89
Investment revenue	45,777.00	48,299.98	95,561.60
Special assessments	17,485.68	17,892.20	136,212.41
Total Revenues	<u>\$23,140,170.89</u>	<u>\$22,196,604.88</u>	<u>\$21,961,240.85</u>
EXPENDITURES			
Administrative services	\$ 2,776,743.88	\$ 2,631,588.26	\$ 2,591,612.76
Development services	2,488,862.56	2,347,504.72	2,346,079.65
Parks and recreation	1,656,263.04	1,703,900.49	1,655,656.64
Public safety	14,188,872.26	13,779,540.09	13,404,649.83
Public works	2,538,334.64	2,531,642.49	2,738,873.31
Debt service			
Interest	\$ 19,700.00	\$ 19,700.00	\$ 25,102.88
Principal	985,000.00	0.00	1,120,000.00
Administrative charges	583.00	318.00	291.50
Issuance cost	0.00	0.00	11,068.17
Capital outlay			
Administrative charges	\$ 0.00	\$ 0.00	\$ 0.00
Development services	1,527.45	30,683.08	0.00
Parks and recreation	8000.00	20,800.00	5,887.20
Public safety	93,256.36	27,780.29	12,495.27
Public works	3,637.35	8,023.25	27,082.32
Total Expenditures	<u>\$24,760,780.54</u>	<u>\$23,101,480.67</u>	<u>\$23,938,799.53</u>
EXCESS OF REVENUES OVER EXPENDITURES	\$(1,620,609.65)	\$ (904,875.79)	\$(1,977,558.68)
OTHER FINANCING SOURCES (USES)			
Operating transfers in	\$ 6,478,345.97	\$ 5,433,446.42	\$ 5,393,190.38
Operating transfers out	(5,728,300.26)	(4,628,089.03)	(4,494,065.67)
Asset disposition	354,605.99	111,601.20	94,828.64
Bond proceeds	0.00	0.00	1,008,039.15
Compensation for damages	461.87	17,834.13	0.00
Total Other Financing Sources (Uses)	<u>\$ 1,105,113.57</u>	<u>\$ 934,792.72</u>	<u>\$ 2,001,992.50</u>
REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	<u>\$ (515,496.08)</u>	<u>\$ 29,916.93</u>	<u>\$ 24,433.82</u>
FUND BALANCE -- BEGINNING OF YEAR	\$ 7,805,256.75	\$ 7,714,458.77	\$ 7,690,024.95
Prior period adjustment	597.36	60,881.05	0.00
FUND BALANCE -- END OF YEAR	<u>\$ 7,290,358.03</u>	<u>\$ 7,805,256.75</u>	<u>\$ 7,714,458.77</u>

Source: Audited Financial Statements of the City for the fiscal years ended June 30, 2016-2018.

Summary of General Fund Balances

The unappropriated General Fund balance on June 30 for each of the previous fiscal years was as follows:

<u>Year</u>	<u>General Fund Balance</u>
2014	\$8,405,608
2015	7,690,025
2016	7,714,459
2017	7,805,257
2018	7,290,358

Source: City's Annual Report for the fiscal year ended June 30, 2018.

BOND RATING

S&P Global Ratings, a division of S&P Global Inc. (the “**Rating Agency**”), has assigned the Bonds a rating of “A+” (Stable Outlook) based on the creditworthiness of the City. The rating reflects only the view of the Rating Agency at the time the rating is given, and the Underwriter and the City make no representation as to the appropriateness of such rating. An explanation of the significance of the rating may be obtained from the Rating Agency.

The City has furnished the Rating Agency with certain information and materials relating to the Bonds and the City that have not been included in this Official Statement. Generally, rating agencies base their ratings on the information and materials so furnished and on investigations, studies and assumptions made by the rating agencies. There is no assurance that a particular rating will be maintained for any given period of time or that it will not be lowered or withdrawn entirely if, in the judgment of the rating agency originally establishing the rating, circumstances warrant.

The Underwriter has not undertaken any responsibility to bring to the attention of the holders of the Bonds any proposed revision or withdrawal of any rating of the Bonds or to oppose any such proposed revision or withdrawal. Pursuant to the Continuing Disclosure Undertaking, the City is required to bring to the attention of the holders of the Bonds any rating changes but has not undertaken any responsibility to disclose any rating revisions proposed by the Rating Agency or to oppose any such proposed revision or withdrawal of the rating of the Bonds. See the caption “**CONTINUING DISCLOSURE UNDERTAKING**” herein. Any downward revision or withdrawal of the rating may have an adverse effect on the market price and marketability of the Bonds.

LEGAL MATTERS

General

There is not now pending or, to the City's knowledge, threatened any litigation (1) seeking to restrain or enjoin the delivery of the Bonds, (2) challenging the proceedings or authority under which the Bonds are to be issued, (3) materially affecting the security for the Bonds, (4) challenging or threatening the City's powers to enter into or carry out the transactions contemplated by the Bond Ordinance and this Official Statement, or (5) that would otherwise materially adversely affect the City's financial condition or its ability to repay the Bonds.

Approval of Legality

All legal matters incident to the authorization and issuance of the Bonds are subject to the approval of Gilmore & Bell, P.C., St. Louis, Missouri, Bond Counsel to the City. Bond Counsel has participated in the preparation of this Official Statement, but the factual and financial information appearing herein has been supplied or reviewed by certain officials of the City and certified public accountants, as referred to herein. Certain legal matters related to the Official Statement will be passed upon by Bond Counsel.

TAX MATTERS

The following is a summary of the material federal and State of Missouri income tax consequences of holding and disposing of the Bonds. This summary is based upon laws, regulations, rulings and judicial decisions now in effect, all of which are subject to change (possibly on a retroactive basis). This summary does not discuss all aspects of federal income taxation that may be relevant to investors in light of their personal investment circumstances or describe the tax consequences to certain types of owners subject to special treatment under the federal income tax laws (for example, dealers in securities or other persons who do not hold the Bonds as a capital asset, tax-exempt organizations, individual retirement accounts and other tax deferred accounts, and foreign taxpayers), and, except for the income tax laws of the State of Missouri, does not discuss the consequences to an owner under any state, local or foreign tax laws. The summary does not deal with the tax treatment of persons who purchase the Bonds in the secondary market. Prospective investors are advised to consult their own tax advisors regarding federal, state, local and other tax considerations of holding and disposing of the Bonds.

Opinion of Bond Counsel

In the opinion of Gilmore & Bell, P.C., Bond Counsel to the City, under the law existing as of the issue date of the Bonds:

Federal and State of Missouri Tax Exemption. The interest on the Bonds (including any original issue discount properly allocable to an owner thereof) is excludable from gross income for federal income tax purposes and is exempt from income taxation by the State of Missouri.

Alternative Minimum Tax. The interest on the Bonds is not an item of tax preference for purposes of computing the federal alternative minimum tax.

Bank Qualification. The Bonds are “qualified tax-exempt obligations” within the meaning of Section 265(b)(3) of the Code.

Bond Counsel’s opinions are provided as of the date of the original issue of the Bonds, subject to the condition that the City comply with all requirements of the Code that must be satisfied subsequent to the issuance of the Bonds in order that interest thereon be, or continue to be, excludable from gross income for federal income tax purposes. The City has covenanted to comply with all such requirements. Failure to comply with certain of such requirements may cause the inclusion of interest on the Bonds in gross income for federal and State of Missouri income tax purposes retroactive to the date of issuance of the Bonds. Bond Counsel is expressing no opinion regarding other federal, state or local tax consequences arising with respect to the Bonds but has reviewed the discussion under the heading “**TAX MATTERS.**”

Other Tax Consequences

Original Issue Discount. For federal income tax purposes, original issue discount is the excess of the stated redemption price at maturity of a Bond over its issue price. The issue price of a Bond is generally the first price at which a substantial amount of the Bonds of that maturity have been sold to the public. Under

Section 1288 of the Code, original issue discount on tax-exempt bonds accrues on a compound basis. The amount of original issue discount that accrues to an owner of a Bond during any accrual period generally equals (1) the issue price of that Bond, plus the amount of original issue discount accrued in all prior accrual periods, multiplied by (2) the yield to maturity on that Bond (determined on the basis of compounding at the close of each accrual period and properly adjusted for the length of the accrual period), minus (3) any interest payable on that Bond during that accrual period. The amount of original issue discount accrued in a particular accrual period will be considered to be received ratably on each day of the accrual period, will be excludable from gross income for federal income tax purposes, and will increase the owner's tax basis in that Bond. Prospective investors should consult their own tax advisors concerning the calculation and accrual of original issue discount.

Original Issue Premium. For federal income tax purposes, premium is the excess of the issue price of a Bond over its stated redemption price at maturity. The issue price of a Bond is generally the first price at which a substantial amount of the Bonds of that maturity have been sold to the public. Under Section 171 of the Code, premium on tax-exempt bonds amortizes over the term of the Bond using constant yield principles, based on the purchaser's yield to maturity. As premium is amortized, the owner's basis in the Bond and the amount of tax-exempt interest received will be reduced by the amount of amortizable premium properly allocable to the owner, which will result in an increase in the gain (or decrease in the loss) to be recognized for federal income tax purposes on sale or disposition of the Bond prior to its maturity. Even though the owner's basis is reduced, no federal income tax deduction is allowed. Prospective investors should consult their own tax advisors concerning the calculation and accrual of bond premium.

Sale, Exchange or Retirement of Bonds. Upon the sale, exchange or retirement (including redemption) of a Bond, an owner of the Bond generally will recognize gain or loss in an amount equal to the difference between the amount of cash and the fair market value of any property received on the sale, exchange or retirement of the Bond (other than in respect of accrued and unpaid interest) and such owner's adjusted tax basis in the Bond. To the extent a Bond is held as a capital asset, such gain or loss will be capital gain or loss and will be long-term capital gain or loss if the Bond has been held for more than 12 months at the time of sale, exchange or retirement.

Reporting Requirements. In general, information reporting requirements will apply to certain payments of principal, interest and premium paid on the Bonds, and to the proceeds paid on the sale of the Bonds, other than certain exempt recipients (such as corporations and foreign entities). A backup withholding tax will apply to such payments if the owner fails to provide a taxpayer identification number or certification of foreign or other exempt status or fails to report in full dividend and interest income. The amount of any backup withholding from a payment to an owner will be allowed as a credit against the owner's federal income tax liability.

Collateral Federal Income Tax Consequences. Prospective purchasers of the Bonds should be aware that ownership of the Bonds may result in collateral federal income tax consequences to certain taxpayers, including, without limitation, financial institutions, property and casualty insurance companies, individual recipients of Social Security or Railroad Retirement benefits, certain S corporations with "excess net passive income," foreign corporations subject to the branch profits tax, life insurance companies, and taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry or have paid or incurred certain expenses allocable to the Bonds. Bond Counsel expresses no opinion regarding these tax consequences. Purchasers of Bonds should consult their tax advisors as to the applicability of these tax consequences and other federal income tax consequences of the purchase, ownership and disposition of the Bonds, including the possible application of state, local, foreign and other tax laws.

CONTINUING DISCLOSURE UNDERTAKING

The City has covenanted in the Continuing Disclosure Undertaking to file certain financial information and operating data relating to the City as described herein. Not later than the last day of the sixth month after the end of the City's fiscal year, commencing with the fiscal year ending June 30, 2019, the City shall file with the Municipal Securities Rulemaking Board (the "MSRB"), through the Electronic Municipal Market Access system ("EMMA"), the following financial information and operating data (the "Annual Report") (unless the City changes its fiscal year, in which case the City shall file the Annual Report by the last day of the sixth month after the end of the new fiscal year):

Provision of Annual Reports

- (1) The audited financial statements of the City for the prior fiscal year, prepared in accordance with accounting principles generally accepted in the United States. If audited financial statements are not available by the time the Annual Report is required to be filed, the Annual Report shall contain unaudited financial statements in a format similar to the financial statements contained in this Official Statement, and the audited financial statements shall be filed in the same manner as the Annual Report promptly after they become available.
- (2) Updates as of the end of the most recent fiscal year of the financial information and operating data set forth in the tables contained in this Official Statement under the following captions: "THE SYSTEM – Customers and Usage," "– Water Rates" and "– Collections," "FINANCIAL AND OPERATING INFORMATION CONCERNING THE SYSTEM – Historical Debt Service Coverage," "DEBT STRUCTURE OF THE CITY – Special Obligation Bonds" and "– Revenue Obligations" and "FINANCIAL INFORMATION CONCERNING THE CITY – Sources of Revenue" and "– Summary of General Fund Balances."

Reporting of Material Events

Pursuant to the Continuing Disclosure Undertaking, within 10 business days after the occurrence of any of the following events, the City shall give, or cause to be given to the MSRB through EMMA, notice of the occurrence of any of the following events with respect to the Bonds ("Material Events"):

- (1) principal and interest payment delinquencies;
- (2) non-payment related defaults, if material;
- (3) unscheduled draws on debt service reserves reflecting financial difficulties;
- (4) unscheduled draws on credit enhancements reflecting financial difficulties;
- (5) substitution of credit or liquidity providers, or their failure to perform;
- (6) adverse tax opinions; the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;
- (7) modifications to rights of bondholders, if material;
- (8) bond calls, if material, and tender offers;
- (9) defeasances;
- (10) release, substitution or sale of property securing repayment of the Bonds, if material;
- (11) rating changes;
- (12) bankruptcy, insolvency, receivership or similar event of the City;
- (13) the consummation of a merger, consolidation or acquisition involving the City or the sale of all or substantially all of the assets of the City, other than in the ordinary course of business,

- the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
- (14) appointment of a successor or additional trustee or the change of name of the trustee, if material;
 - (15) incurrence of a financial obligation of the City, if material, or agreement to covenants, events of default, remedies, priority rights or other similar terms of a financial obligation of the City, any of which affect bondholders, if material; and
 - (16) default, event of acceleration, termination event, modification of terms or other similar events under the terms of a financial obligation of the City, any of which reflect financial difficulties.

Termination of Reporting Obligation

The City's obligations under the Continuing Disclosure Undertaking with respect to the Bonds will terminate upon the legal defeasance, prior redemption or payment in full of all of the Bonds.

Dissemination Agent

The City may, from time to time, appoint or engage a dissemination agent to assist it in carrying out its obligations under the Continuing Disclosure Undertaking and may discharge any such dissemination agent, with or without appointing a successor dissemination agent. The dissemination agent will not be responsible in any manner for the content of any notice or report prepared by the City pursuant to the Continuing Disclosure Undertaking.

Additional Information

Nothing in the Continuing Disclosure Undertaking will be deemed to prevent the City from disseminating any other information, using the means of dissemination set forth in the Continuing Disclosure Undertaking or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Material Event, in addition to that which is required by the Continuing Disclosure Undertaking. If the City chooses to include any information in any Annual Report or notice of occurrence of a Material Event in addition to that which is specifically required, the City will have no obligation to update such information or include it in any future Annual Report or notice of occurrence of a Material Event.

Default

If the City fails to comply with any provision of the Continuing Disclosure Undertaking, the Underwriter or any Beneficial Owner of the Bonds may take such actions as may be necessary and appropriate, including seeking mandamus or specific performance by court order, to cause the City to comply with its obligations under the Continuing Disclosure Undertaking. A default under the Continuing Disclosure Undertaking will not be deemed an event of default under the Bond Ordinance, and the sole remedy under the Continuing Disclosure Undertaking for the City's failure to comply is an action to compel performance.

Beneficiaries

The Continuing Disclosure Undertaking shall inure solely to the benefit of the City, the Underwriter and Beneficial Owners from time to time of the Bonds and shall create no rights in any other person or entity.

Electronic Municipal Market Access System (EMMA)

All Annual Reports and notices of Material Events required to be filed by the City pursuant to the Continuing Disclosure Undertaking must be submitted to the MSRB through EMMA. EMMA is an internet-based, online portal for free investor access to municipal bond information, including offering documents,

material event notices, real-time municipal securities trade prices and MSRB education resources, available at www.emma.msrb.org. Nothing contained on EMMA relating to the City or the Bonds is incorporated by reference in this Official Statement.

These covenants have been made in order to assist the Underwriter in complying with Rule 15c2-12 promulgated by the Securities and Exchange Commission (the “**Rule**”). The Continuing Disclosure Undertaking is being entered into by the City to enhance the efficiency of the administration of the City’s obligations, including the Bonds, and to promote timely secondary market disclosure by the City.

Prior Compliance

The City believes it has complied during the past five years with its prior undertakings under the Rule, except as follows:

- The City’s audited financial statements and operating data for the fiscal year ended June 30, 2015, were not properly linked to the City’s Special Obligation Refunding Bonds, Series 2015B.
- The City’s operating data for the fiscal year ended June 30, 2015 did not include the City’s restaurant license tax collections.
- Although the City timely filed its unaudited financial statements for the fiscal year ended June 30, 2016, the City did not promptly file its audited financial statements for that fiscal year after they became available (the audited financial statements were filed on December 22, 2017).
- Although the City timely filed its unaudited financial statements for the fiscal year ended June 30, 2017, the City did not promptly file its audited financial statements for that fiscal year after they became available (the audited financial statements were filed on July 23, 2018).

On September 4, 2018, the City engaged Gilmore & Bell, P.C. to assist the City with complying with the City’s continuing disclosure obligations.

MISCELLANEOUS

Financial Statements

Audited financial statements of the City, as of and for the fiscal year ended June 30, 2018, are included in *Appendix A* to this Official Statement. These financial statements have been audited by Beussink, Hey, Roe & Stroder, L.L.C., Cape Girardeau, Missouri.

Municipal Advisor

Piper Jaffray & Co., Leawood, Kansas, has been employed by the City as municipal advisor (the “**Municipal Advisor**”) to provide certain professional services in connection with the Bonds. The Municipal Advisor has not undertaken an independent investigation into the accuracy of the information presented in this Official Statement.

Underwriting

Based upon bids received by the City on September 16, 2019, the Bonds were awarded to _____ (the “**Underwriter**”). The Bonds are being purchased for reoffering by the Underwriter. The Underwriter has agreed to purchase the Bonds from the City at a price equal to \$_____ (representing the par amount of the Bonds, less an underwriter’s discount of \$_____, plus original issue

premium of \$_____). The Underwriter is purchasing the Bonds from the City for resale in the normal course of the Underwriter's business activities. The Underwriter may sell certain of the Bonds at a price greater than such purchase price, as shown on the inside cover page hereof. The Underwriter reserves the right to offer any of the Bonds to one or more purchasers on such terms and conditions and at such price or prices as the Underwriter, in its discretion, shall determine. The Underwriter reserves the right to join with dealers and other purchasers in offering the Bonds to the public. The Underwriter may offer and sell Bonds to certain dealers (including dealers depositing Bonds into investment trusts) at prices lower than the public offering prices.

Certification and Other Matters Regarding Official Statement

The references, excerpts and summaries of all documents referred to herein do not purport to be complete statements of the provisions of such documents, and reference is made to all such documents for full and complete statements of all matters of fact relating to the Bonds, the security for the payment of the Bonds and the rights of the Owners thereof. During the period of the offering, copies of drafts of such documents may be examined at the office of the Municipal Advisor; following delivery of the Bonds, copies of such documents may be examined at the principal payment office of the Paying Agent. The information contained in this Official Statement has been compiled from official and other sources that are deemed to be reliable, and while not guaranteed as to completeness or accuracy, is believed to be correct as of this date.

Any statement made in this Official Statement involving matters of opinion or of estimates, whether or not expressly so stated, are set forth as such and not as representations of fact, and no representation is made that any of the estimates will be realized. The information and expressions of opinion herein are subject to change without notice and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the information presented herein since the date hereof. This Official Statement is not to be construed as a contract or agreement between the City, the Paying Agent, or the Underwriter and the purchasers or Owners of any Bonds.

The form of this Official Statement, and its distribution and use by the Underwriter, have been approved by the City. Neither the City nor any of its officers, directors or employees, in either their official or personal capacities, has made any warranties, representations or guarantees regarding the financial condition of the City or the City's ability to make payments required of it; and further, neither the City nor its officers, directors or employees assumes any duties, responsibilities or obligations in relation to the issuance of the Bonds other than those either expressly or by fair implication imposed on the City by the Bond Ordinance.

CITY OF CAPE GIRARDEAU, MISSOURI

By: _____
City Manager

APPENDIX A
ANNUAL FINANCIAL REPORT

APPENDIX B

SUMMARY OF THE BOND ORDINANCE

SUBJECT

An Ordinance approving the Preliminary Development Plan of Ramsay's Run, for a proposed residential development in the City of Cape Girardeau, Missouri.

EXECUTIVE SUMMARY

The attached ordinance approves the preliminary development plan of Ramsay's Run in conjunction with an ordinance establishing a Planned Development District (PD) zoning designation for a 53.68 acre property on Bloomfield Road. The ordinance rezoning the property to PD is on this agenda as a separate item. A public hearing to consider the rezoning request was held on April 1, 2019.

BACKGROUND/DISCUSSION

An application has been submitted to rezone a 53.68 acre site, located on Bloomfield Road, from R-4 (Medium Density Multifamily Residential District) to PD (Planned Development District). As required for PD rezoning requests, a preliminary development plan has also been submitted. The site is north of and adjacent to the Dalhousie Golf Club. The adjacent properties are zoned R-1 (Single-Family Suburban Residential District) to the north and east, and R-4 (Medium Density Multifamily Residential District) to the south and west. One adjacent property, to the southeast, is not in the city limits and therefore is not zoned. Some of these properties contain single-family detached dwellings; the rest are undeveloped.

The proposed planned development, named Ramsay's Run, is a retirement community consisting of a mix of housing types, including single-family detached dwellings, duplexes, townhouses, and multifamily dwellings. The development will also include several amenities, including a clubhouse, a swimming pool, tennis and pickleball courts, community gardens, pavilions, walking trails, and several small lakes. For security purposes, the development will be fenced along the perimeter. Primary access to the development will be via a main entrance and exit on Bloomfield Road, which will be constructed as part of the first phase. A secondary access will be established as additional lots/units are sold. This access is proposed to connect to a future street on the adjacent Dalhousie property and out to Bloomfield Road. Depending on market demand, a third access may be established in the northwest corner of the development.

Ramsay's Run is proposed to be developed in six phases. The nature and timing of each phase will depend on market demand, so the preliminary development plan has been prepared to incorporate flexibility. The developer anticipates the ultimate buildout will contain approximately 123 dwelling units.

Two variances are being sought as part of the request for preliminary development plan approval. The first variance is for a reduction in the required amount of common open space area. Section 30-341(p) of the Zoning Code requires 20% of the gross area of the total development to be comprised of common open space. Staff supports the variance because over 3 acres of common area are being provided within the development and because the development is adjacent to the Dalhousie Golf Club which together meets the spirit and intent of the common open space requirement. The second variance is for the omission of the required bufferyard. Section 30-341(q) of the Zoning Code requires a 30 foot wide bufferyard where the development is adjacent to an existing residential area or an area zoned for residential uses. Staff supports the variance because in standard zoning districts, a bufferyard is not required for single-family detached, duplex, and townhouse uses and because a 20 foot wide bufferyard is already required for multifamily and clubhouse uses (per Section 25-805 of the Development Code).

In addition to the variances, there are several exceptions being sought, including: fence height, street tangent length, bay parking, street width, and street intersection radius. These exception requests are discussed in detail in the narrative document. Staff supports the exceptions due to the design intent of the development and the anticipated traffic volumes and speeds.

In considering a rezoning request, both the Planning and Zoning Commission and the City Council must determine if the proposed zoning district is reasonable and in reasonable conformity with the existing uses and value of the immediately surrounding properties. The proposed planned development, like the surrounding area, contains residential uses as well as open space and other amenities. As such, the proposed PD district is reasonable and in reasonable conformity with the surrounding properties.

An ordinance approving the preliminary development plan is attached, along with the plan itself. The plan consists of a narrative document and an exhibit (set of drawings).

A public hearing to consider the rezoning request was held on April 1, 2019.

SUSTAINABILITY: ECONOMIC, ENVIRONMENTAL AND SOCIAL IMPACTS

The Planned Development District provides for greater flexibility in the development of land that is not possible to achieve in conventional zoning districts. The proposed preliminary development plan offers a variety of housing options to meet the needs of seniors.

STAFF RECOMMENDATION

The staff report to the Planning and Zoning Commission recommended approval of the rezoning request and the preliminary development plan.

BOARD OR COMMISSION RECOMMENDATION

The Planning and Zoning Commission, at its March 13, 2019 meeting, held a public hearing and recommended approval of the rezoning request and the preliminary development plan with a vote of 9 in favor, 0 in opposition, and 0 abstaining.

PUBLIC OUTREACH

Notice of the City Council's public hearing was advertised in the Southeast Missourian on March 17, 2019. In addition, a sign containing the date, time, location, and subject of the public hearing was posted on the property.

ATTACHMENTS:

Name:	Description:
Preliminary_Development_Plan_Ramsay_s_Run.doc	Ordinance
Staff_Review-Referral-Action_Form.pdf	Ramsay's Run - Staff RRA Form
Map - Zoning - The Chateau at Ramsay s Runj.pdf	Ramsay's Run - Zoning Map
Map - FLU- The Chateau at Ramsay s Runj.pdf	Ramsay's Run - FLU Map
Application - The Chateau at Ramsay s Run PD Rezoning.pdf	Ramsay's Run - Application
37328 Planned Development (8-26-19) Document.pdf	Ramsay's Run - Narrative
37328 Chateau -Ramsay s Run 8-13-19 PD1.pdf	Ramsay's Run - PD-1.0
37328 Chateau -Ramsay s Run 8-26-19 PD-3.pdf	Ramsay's Run - PD-3.0

BILL NO. 19-137

ORDINANCE NO. _____

AN ORDINANCE APPROVING THE PRELIMINARY DEVELOPMENT PLAN OF RAMSAY'S RUN, FOR A PROPOSED RESIDENTIAL DEVELOPMENT IN THE CITY OF CAPE GIRARDEAU, MISSOURI

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF CAPE GIRARDEAU, MISSOURI, AS FOLLOWS:

ARTICLE 1. The Preliminary Development Plan of Ramsay's Run, for a proposed residential development in the City of Cape Girardeau, Missouri, is hereby approved. A copy of said Preliminary Development Plan is attached hereto, and is incorporated herein by reference.

ARTICLE 2. City Officials are hereby directed to sign the Preliminary Development Plan of Ramsay's Run, with the date of Council approval, and affix thereto the seal of the City of Cape Girardeau, Missouri.

ARTICLE 3. This ordinance shall be in full force and effect ten days after its passage and approval.

PASSED AND APPROVED THIS _____ DAY OF _____, 2019.

Bob Fox, Mayor

ATTEST:

Bruce Taylor, Deputy City Clerk

CITY OF CAPE GIRARDEAU, MISSOURI

City Staff Review, Referral and Action on Rezoning/Special Use Permit Application

FILE NO. 1382

LOCATION: Bloomfield Road north of Cords Way

STAFF REVIEW & COMMENTS:

Cape Retirement Community, Inc. is requesting to rezone property along Bloomfield Road north of Cords Way from the R-4 (Medium Density Multi-family Residential) district to a PD (Planned Development) district. SEE STAFF REPORT FOR FURTHER INFORMATION

[Signature]
City Planner

3/5/19
Date

W. (Rik) Linningsham
City Attorney

MARCH 5, 2019
Date

CITY MANAGER REFERRAL TO THE PLANNING AND ZONING COMMISSION:

[Signature]
City Manager

3-6-19
Date

Planning & Zoning Commission

Public Hearing Sign Posting Date: 3-1-19 Public Hearing Date: 12/12/18

RECOMMENDED ACTION:

	Favor	Oppose	Abstain		Favor	Oppose	Abstain
Larry Dowdy	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Bruce Skinner	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Jeff Glenn	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Doug Spooler	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Kevin Greaser	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Ed Thompson	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Derek Jackson	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Tom Welch	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Patrick Koetting	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				

VOTE COUNT: 9 Favor 0 Oppose 0 Abstain

COMMENTS:

CITIZENS COMMENTING AT MEETING:

[Signature]
Kevin Greaser
Planning & Zoning Commission Secretary

City Council Action

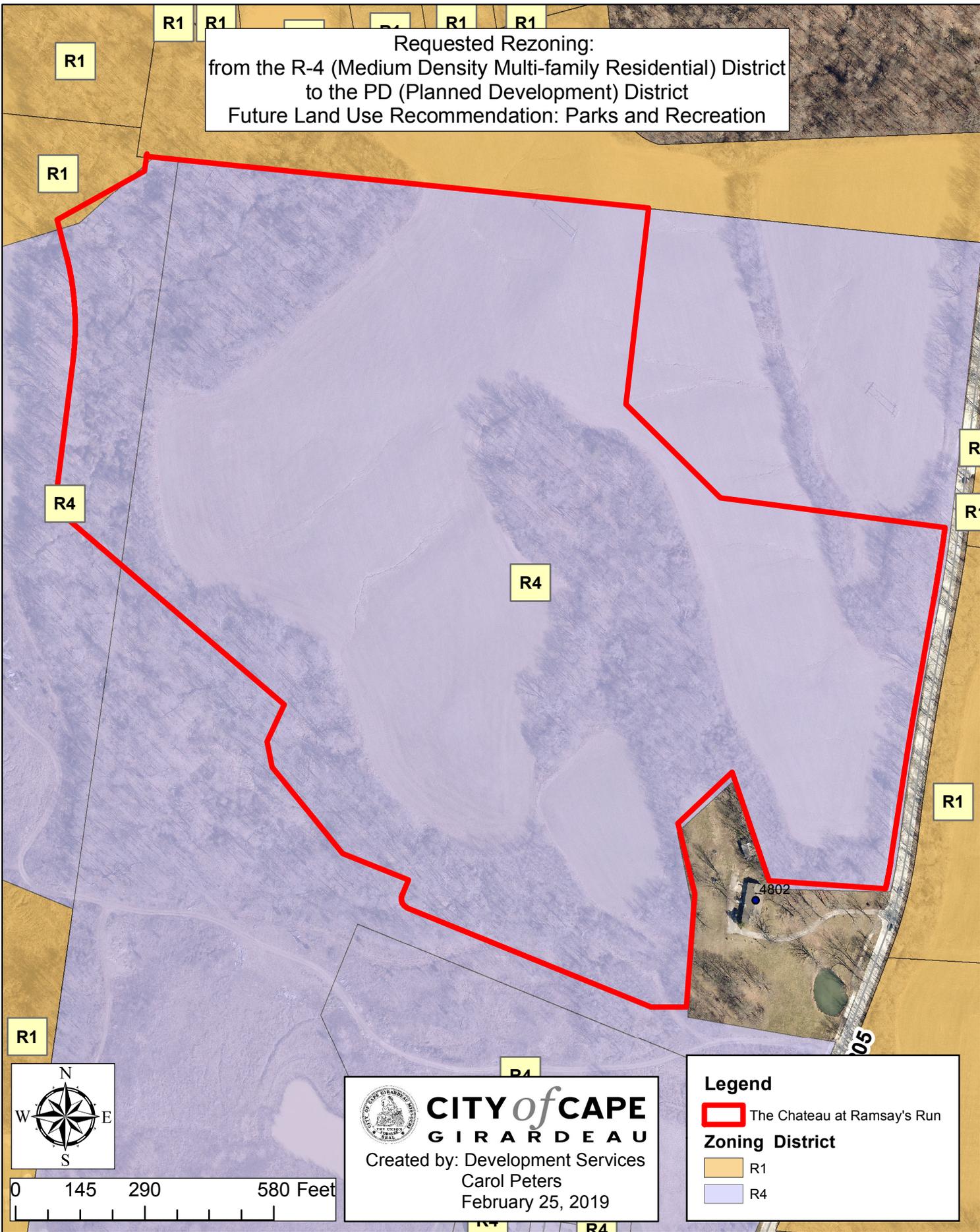
Posting Dates: Sign 3-14-19 Newspaper 3-17-19 Public Hearing Date: 4-4-19
Ordinance 1st Reading _____ Ordinance 2nd & 3rd Reading: _____

VOTE COUNT: _____ Favor _____ Oppose _____ Abstain

ORDINANCE # _____ **Effective Date:** _____

Rezoning Request Bloomfield Road north of Cord's Way

Requested Rezoning:
from the R-4 (Medium Density Multi-family Residential) District
to the PD (Planned Development) District
Future Land Use Recommendation: Parks and Recreation



R4

R4

R1

R1

R4



 **CITY of CAPE GIRARDEAU**
Created by: Development Services
Carol Peters
February 25, 2019

Legend

 The Chateau at Ramsay's Run

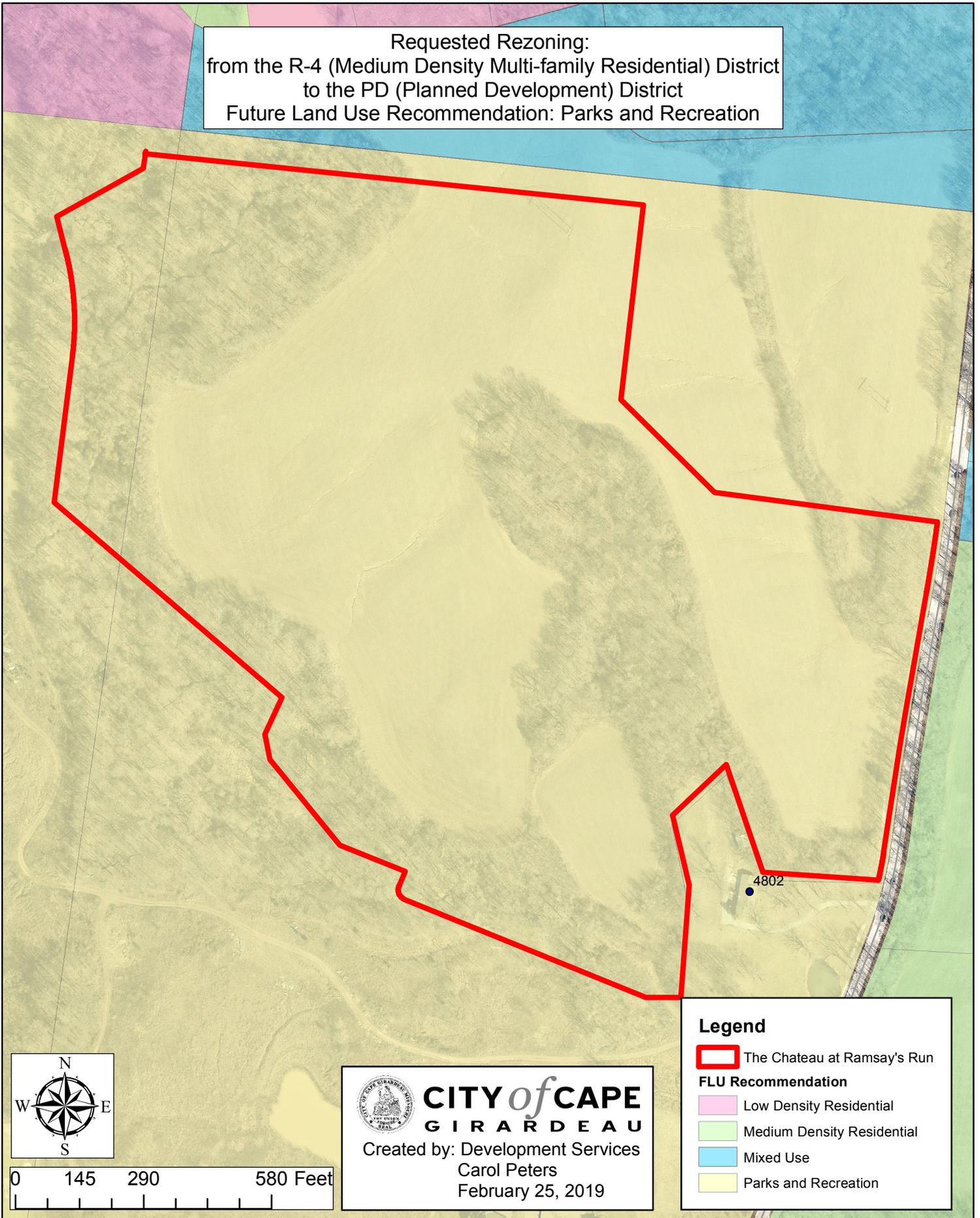
Zoning District

 R1

 R4

Rezoning Request Bloomfield Road north of Cord's Way

Requested Rezoning:
from the R-4 (Medium Density Multi-family Residential) District
to the PD (Planned Development) District
Future Land Use Recommendation: Parks and Recreation



Legend

-  The Chateau at Ramsay's Run
- FLU Recommendation**
-  Low Density Residential
-  Medium Density Residential
-  Mixed Use
-  Parks and Recreation



0 145 290 580 Feet



**CITY of CAPE
GIRARDEAU**

Created by: Development Services
Carol Peters
February 25, 2019



REZONING / SPECIAL USE PERMIT APPLICATION
CITY of CAPE GIRARDEAU

DEVELOPMENT SERVICES DEPARTMENT, 401 INDEPENDENCE ST, CAPE GIRARDEAU, MO 63703 (573) 339-6327

Property Address/Location

The Chateau at Ramsay's Run; Bloomfield Road north of Cord's Way, Cape Girardeau, MO

Applicant Cape Retirement Community, Inc.		Property Owner of Record (if other than Applicant)	
Mailing Address 3120 Independence Street		Mailing Address	
City, State, Zip Cape Girardeau, MO 63701		City, State, Zip	
Telephone (573) 651-8186	Email kboeller@chateaugir.com	Telephone	Email
Contact Person (If Applicant is a Business or Organization) Keith Boeller, President / CEO		(Attach additional owners information, if necessary)	
Type of Request: Rezoning, Special Use Permit, or Both Rezoning (Planned Development)			
Existing Zoning District R-1, Single Family Suburban Residential District		Proposed Zoning District (Rezoning requests only) PD - Planned Development	

R-4

Legal description of property to be rezoned and/or upon which the special use is to be conducted

Refer to attached Plat.

Describe the proposed use of the property.

Continuing Care Retirement Community (CCRC) providing a mixture of single family residences, duplex, triplexes, townhomes, and apartments, together with a community building, common areas, recreation spaces, and supporting facilities.

Application continues on next page

OFFICE USE ONLY			
Date Received & By	2-20-19	File No.	1382
		MUNIS Application No.	8562
Planning & Zoning Commission Recommendation		Date	
City Council Final Action		Date	

Special Use Criteria (Special Use Permit requests only)

Explain how the Special Use Permit request meets the criteria below. Attach additional sheets, if necessary.

- 1) The proposed special use will not substantially increase traffic hazards or congestion.
- 2) The proposed special use will not substantially increase fire hazards.
- 3) The proposed special use will not adversely affect the character of the neighborhood.
- 4) The proposed special use will not adversely affect the general welfare of the community.
- 5) The proposed special use will not overtax public utilities.

ADDITIONAL ITEMS REQUIRED

See Instructions for more information.

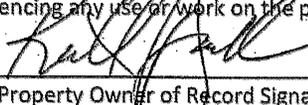
In addition to this completed application form, the following items must be submitted:

- Application fee (\$135.00 payable to City of Cape Girardeau + additional \$80 for Planned Development rezonings)
- One (1) list of names and mailing addresses of adjacent property owners
- One (1) set of mailing envelopes, stamped and addressed to adjacent property owners
- One (1) full size copy of a plat or survey of the property, if available
- One (1) full size set of plans, drawn to an appropriate scale, depicting existing features to be removed, existing features to remain, and all proposed features such as: buildings and structures, paved areas, curbing, driveways, parking stalls, trash enclosures, fences, retaining walls, light poles, detention basins, landscaping areas, freestanding signs, etc. (Planned Development rezonings and Special Use Permits only)
- Digital file of the plans in .pdf format (Planned Development rezonings and Special Use Permits only; can be emailed)
- One (1) set of Planned Development documents (Planned Development rezonings only)

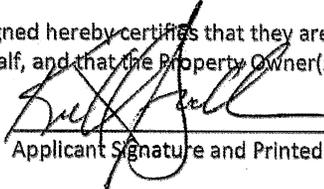
CERTIFICATIONS

The undersigned hereby certifies that:

- 1) They are the Property Owner(s) of Record for the property described in this application;
- 2) They acknowledge that an approved Special Use Permit becomes null and void if the use for which the permit was granted does not commence within twelve (12) months of the approval date, unless an extension has been granted; and
- 3) They acknowledge that they are responsible for ensuring that all required licenses and permits are obtained prior to commencing any use or work on the property.

 KEITH BOELLER 2-19-19
 Property Owner of Record Signature and Printed Name Date
 (Provide additional owners signatures and printed names in the space below, if applicable)

The undersigned hereby certifies that they are an agent duly authorized by the Property Owner(s) of Record to file this application on their behalf, and that the Property Owner(s) of Record hereby agree to the above certifications.

 KEITH BOELLER 2-19-19
 Applicant Signature and Printed Name Date

**CITY OF CAPE GIRARDEAU
REZONING / SPECIAL USE PERMIT APPLICATION
INSTRUCTIONS**

Due to the complex nature of zoning, it is strongly recommended that an applicant discuss their request with City staff prior to filing an application for a rezoning or a Special Use Permit. To speak with a staff member, contact the Development Services Department at (573) 339-6327. Applicants should also discuss their request with adjacent property owners, tenants, and other parties that may be affected should the request be approved.

As part of the application, a list of the property owner of record's name and tax mailing address for each adjacent property must be submitted. "Adjacent property" means a property that is next to, or across a street or alley from, the property for which the rezoning or Special Use Permit is being requested, including diagonal orientation. To obtain property information, contact Cape Girardeau County Mapping and Appraisal at (573) 243-3123 or visit the County's website at www.capecounty.us. In addition to the list, one (1) set of plain white, business size mailing envelopes properly affixed with first class U.S. postage and addressed to the adjacent property owners must be submitted. Do not include a return address; the City will add its return address to each envelope prior to mailing the public hearing notice.

For requests to rezone a property to PD (Planned Development), please refer to Section 30-341 of the Zoning Code for additional submission requirements.

Rezoning and Special Use Permit requests are reviewed by the Planning and Zoning Commission. The application deadline is three (3) weeks prior to the meeting date. The Planning and Zoning Commission meets on the second Wednesday of each month. Applications must be submitted in person or delivered to: City of Cape Girardeau, Development Services Department, 401 Independence Street, Cape Girardeau, MO 63703.

Staff will review each application for completeness. If additional information is needed, the applicant will be contacted. Incomplete applications will not be reviewed until the requested information is provided.

Once an application has been deemed complete, it will be placed on the Planning and Zoning Commission agenda. A notice of public hearing will be sent to the applicant and the property owners of record for the property pertaining to the request as well as the adjacent properties. In addition, a sign containing information about the public hearing will be posted on the property pertaining to the request.

The Planning and Zoning Commission will hold a public hearing on the request. The applicant, property owner(s) of record, or their representative must appear at the hearing and present the request to the Commission. If no one appears, the Commission may table the request.

If the Planning and Zoning Commission recommends approval of the request, a public hearing before the City Council will be scheduled. A notice of the public hearing will be advertised in the newspaper. An ordinance approving the request will be prepared for consideration by the Council (if a request involves both a rezoning and a Special Use Permit, two separate ordinances are prepared).

If the Planning and Zoning Commission recommends denial of the request, it will be forwarded to the City Council at its next meeting. The Council may either set a public hearing on the application, or file the application. If the application is filed, a letter will be sent to the applicant notifying them of the filing and their right to request a public hearing within ten (10) days. If the applicant fails to request a public hearing within the ten (10) day period, the application will be denied.

If the rezoning ordinance passes, it will become effective ten (10) days after the date of passage. If the Special Use Permit ordinance passes, staff, after the ten (10) day period, will submit the document to the Cape Girardeau County Recorder of Deeds Office for recording. A copy of the ordinance(s) and recorded document will be mailed to the applicant.

A Special Use Permit becomes null and void if the use for which the permit was granted does not commence within twelve (12) months of the approval date, unless an extension has been granted.

The Chateau at Ramsay's Run
Planned Development Supplemental Information

Property Owners adjacent to the Planned Development:

(Addressed Envelopes are provided with this submission as well).

1. Patrick Evans
898 Elmwood Lane
Cape Girardeau MO 63701

 2. Dalhousie LLC
c/o: Cordell Dombrowski
4751 Cords Way
Cape Girardeau, MO 63701

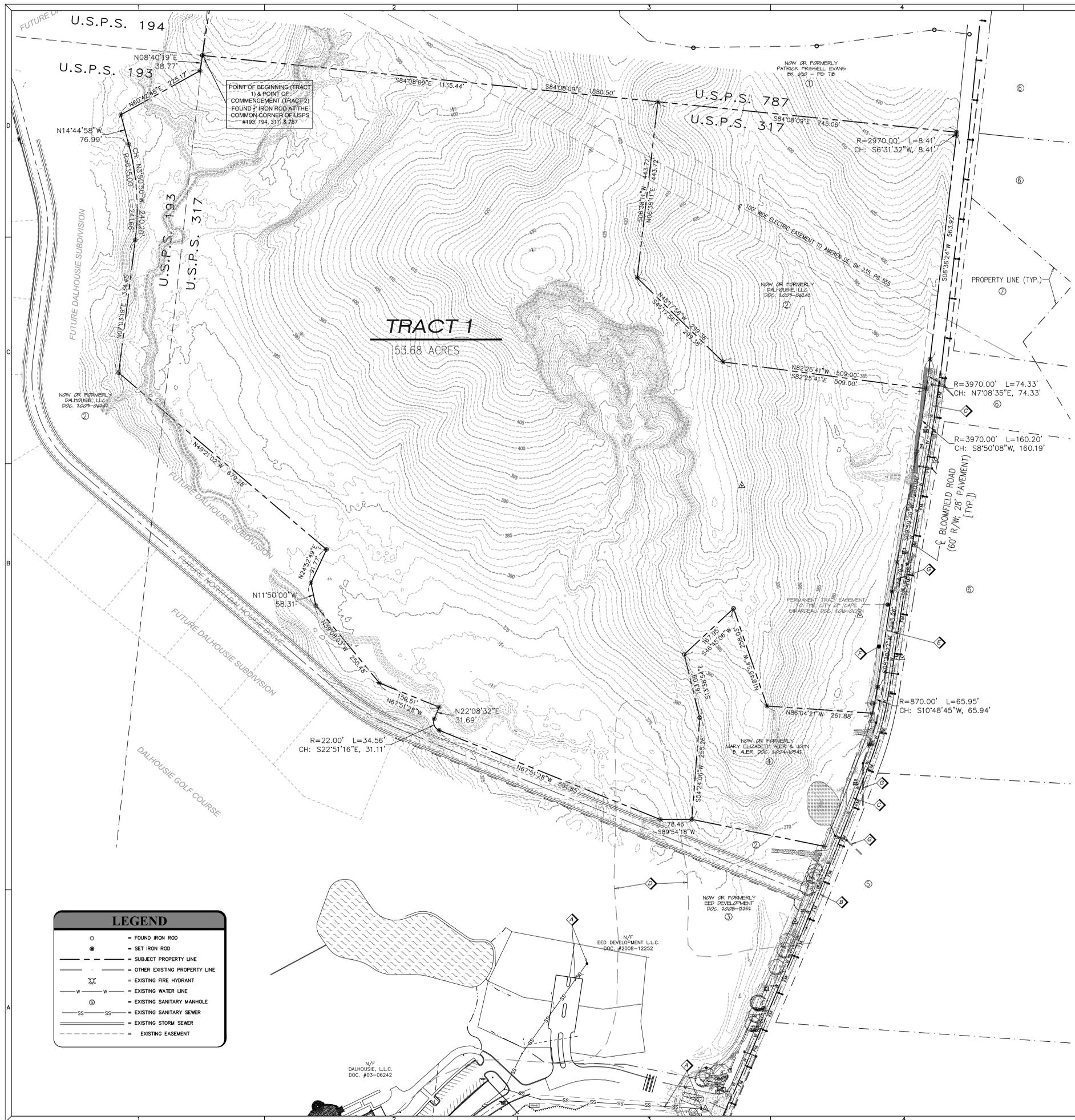
 3. EED Development, LLC
124 Cross Hill CT
Cape Girardeau, MO 63701

 4. Mary Elizabeth Auer
4802 County Road #205
Cape Girardeau, MO 63701

 5. Earl H. Norman Trust
276 S. Mt. Auburn Road
Cape Girardeau, MO 63703

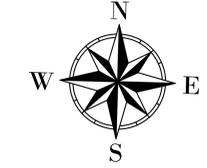
 6. Ruth Ann Norman Trust
276 S. Mt. Auburn Road
Cape Girardeau, MO 63703

 7. Earl H. & Ruth Ann Norman Trust
276 S. Mt. Auburn Road,
276 S. Mt. Auburn Road
Cape Girardeau, MO 63703
-

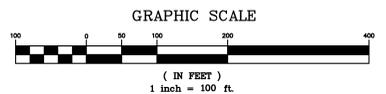


PLANNED DEVELOPMENT EXHIBIT OF RAMSAY'S RUN

PART OF UNITED STATES PRIVATE SURVEYS #193 AND #317, TOWNSHIP 30 NORTH, RANGE 13 EAST OF THE FIFTH PRINCIPAL MERIDIAN, CITY AND COUNTY OF CAPE GIRARDEAU, STATE OF MISSOURI.



North Orientation in Accordance with the Missouri State Plane Coordinate System Eastern Zone, Grid North, Derived from GPS Observations From the MoDOT Virtual Reference System (Convergence at the Point of Beginning = 0°32'50")



DEVELOPMENT DESCRIPTION

TRACT 1 (THE CHATEAU AT RAMSAY'S RUN)

ALL OF THAT PART UNITED STATES PRIVATE SURVEYS #193 AND #317, TOWNSHIP 30 NORTH, RANGE 13 EAST OF THE FIFTH PRINCIPAL MERIDIAN, IN THE CITY AND COUNTY OF CAPE GIRARDEAU, STATE OF MISSOURI, MORE PARTICULARLY DESCRIBED AS FOLLOWS: Begin at a found 1/2" dia. iron rod marking the common corner of United States Private Survey Numbers 193, 194, 317, and 787, thence South 84°08'09" East, with the North line of said USPS #317, 1135.44 feet; thence leaving said USPS line, South 06°38'11" West, 443.72 feet; thence South 45°17'56" East, 299.38 feet; thence South 82°25'41" East, 509.00 feet; to a set 1/2" diameter iron rod at a point on the west line of Bloomfield Road, thence with said west line, along the arc of a non-tangent curve concave to the west having a radius of 3,970.00 feet, a distance of 160.20 feet (the chord across said arc bears South 8°50'08" West, 160.19 feet; thence continuing southerly along the west line of Bloomfield Road, South 09°59'29" West, 280.36 feet; thence South 09°18'58" West, 73.79 feet; thence South 08°38'27" West, 243.26 feet; to the point of curvature of a curve to the right having a radius of 870.00 feet; thence along the arc of said curve, a distance of 65.95 feet; to the intersection of the west line of said Bloomfield Road and the North line of a tract now or formerly held in the name of Mary Elizabeth Auer and John B. Auer, conveyed in Document 2004-10542; thence leaving the west line of Bloomfield Road, and along the north and west lines of said Auer tract, North 86°04'21" West, 261.88 feet; thence North 18°45'54" West, 258.03 feet; thence South 46°45'06" West, 167.95 feet; thence South 13°38'54" East, 163.09 feet; thence South 04°24'06" West, 255.26 feet, to the most southwesterly corner of said Auer tract, and thence leaving the west line of said tract, South 89°54'18" West, 78.46 feet; thence North 67°51'28" West, 591.85 feet, to the point of curvature of a curve to the right having a radius of 22.00 feet; thence along the arc of said curve a distance of 34.56 feet; thence North 22°08'32" East, 31.69 feet; thence North 67°51'28" West, 159.51 feet; thence North 39°08'03" West, 250.48 feet; thence North 11°50'00" West, 58.31 feet; thence North 24°52'49" East, 91.77 feet; thence North 49°21'02" West, 679.28 feet, thence North 07°03'19" East, 334.45 feet to the point of curvature of a curve to the left having a radius of 635.00 feet, thence along the arc of said curve a distance of 241.66 feet, thence North 14°44'58" West, 76.99 feet, thence North 60°42'48" East, 225.17 feet, thence North 08°40'19" East, 38.77 feet, to the place of beginning and containing 53.68 acres, more or less, as shown on the accompanying plat, which is incorporated into and made a part of this description, and being subject to any easements of record.

This description creates a new parcel from a parent tract set out in a quitclaim deed dated 04/07/2003 recorded in Book 1319 at Page 770 as Document 06-06244 and by General Warranty Deed dated 04/07/2003 and recorded 04/11/2003 in Book 1319 at Page 757 as Document No. 03-06242, held in the name of Dalhousie, LLC, in the land records of Cape Girardeau County, MO.

SURVEY REFERENCES

- Record Deed(s) to the Subject Parcel, quitclaim deed dated 04/07/2003 recorded in Book 1319 at Page 770 as Document 06-06244 and by General Warranty Deed dated 04/07/2003 and recorded 04/11/2003 in Book 1319 at Page 757 as Document No. 03-06242, held in the name of Dalhousie, LLC, in the land records of Cape Girardeau County, MO.
- Price Survey of the parent tract to the surveyed parcels, conducted for Prestwick Group, prepared by Missouri PLS #1627, dated 4/28/2000.
- Deeds of Adjacent Properties as noted hereon.
- City of Cape Girardeau Ordinance #4650 dated 11-24-11, and #4802 recorded in document 2016-00779, acquiring right of way and easements for Bloomfield Road.
- Construction and Right of Way plans for Bloomfield Road, as prepared by BFA Consulting Engineers and Surveyors, Dated June 13, 2016.
- Cape Girardeau County Assessors file for Parcel Number 20-500-00-02-001-00-0000

LEGEND

- = FOUND IRON ROD
- = SET 1/2" IRON ROD

FLOODPLAIN NOTE

THE ENTIRE LIMITS OF THE SUBJECT PROPERTY FALLS WITHIN ZONE 'X', DEFINED AS BEING OUTSIDE THE 100 AND 500 YEAR FLOOD PLAINS WITH MINIMAL FLOODING; AS INDICATED ON THE FLOOD INSURANCE RATE MAP NUMBERS 290310263E & 290310264E WITH EFFECTIVE DATES OF SEPT. 29, 2011 EXCEPT FOR THE SMALL AREA INDICATED HEREON AT THE SOUTHERN LIMITS OF THE PROPERTY.

PLANNED DEVELOPMENT DOCUMENT NOTES

- ① = PROPERTY ADJOINER KEY (# MATCHES # IN PD SUBMISSION APPLICATION)
- ② = NEAREST EXISTING SANITARY SEWER GRAVITY MAINS / MANHOLES
- ③ = EXISTING 6" DIA. PVC SEWER FORCEMAIN
- ④ = EXISTING 12" DIA. PVC WATER MAIN
- ⑤ = LIMITS OF THE 100 YEAR FLOODPLAIN
- ⑥ = EXISTING NATURAL GAS MAIN
- ⑦ = EXISTING HIKING / BIKING TRAIL
- ⑧ = EXISTING STORM SEWER (TYP.)

LEGEND

- = FOUND IRON ROD
- = SET IRON ROD
- = SUBJECT PROPERTY LINE
- - - = OTHER EXISTING PROPERTY LINE
- ⊕ = EXISTING FIRE HYDRANT
- W — = EXISTING WATER LINE
- ⊙ = EXISTING SANITARY MANHOLE
- SS — = EXISTING SANITARY SEWER
- S — = EXISTING STORM SEWER
- - - = EXISTING EASEMENT

KE KOEHLER

ENGINEERING AND LAND SURVEYING, INC.

Civil Engineering and Surveying Services
194 Coker Lane - Cape Girardeau, MO 63701
Phone: 573.335.3026 - Fax: 573.335.3049
www.kekoehlerengineering.com
CORP. LS. CERT. #000262 - CORP. ENGR. CERT. #2003019634

PLANNED DEVELOPMENT EXHIBIT FOR:
RAMSAY'S RUN
IN C/O: CAPE GIRARDEAU RETIREMENT INC.
MR. KEITH BOELLER, CEO
3120 INDEPENDENCE STREET
CAPE GIRARDEAU, MO 63703

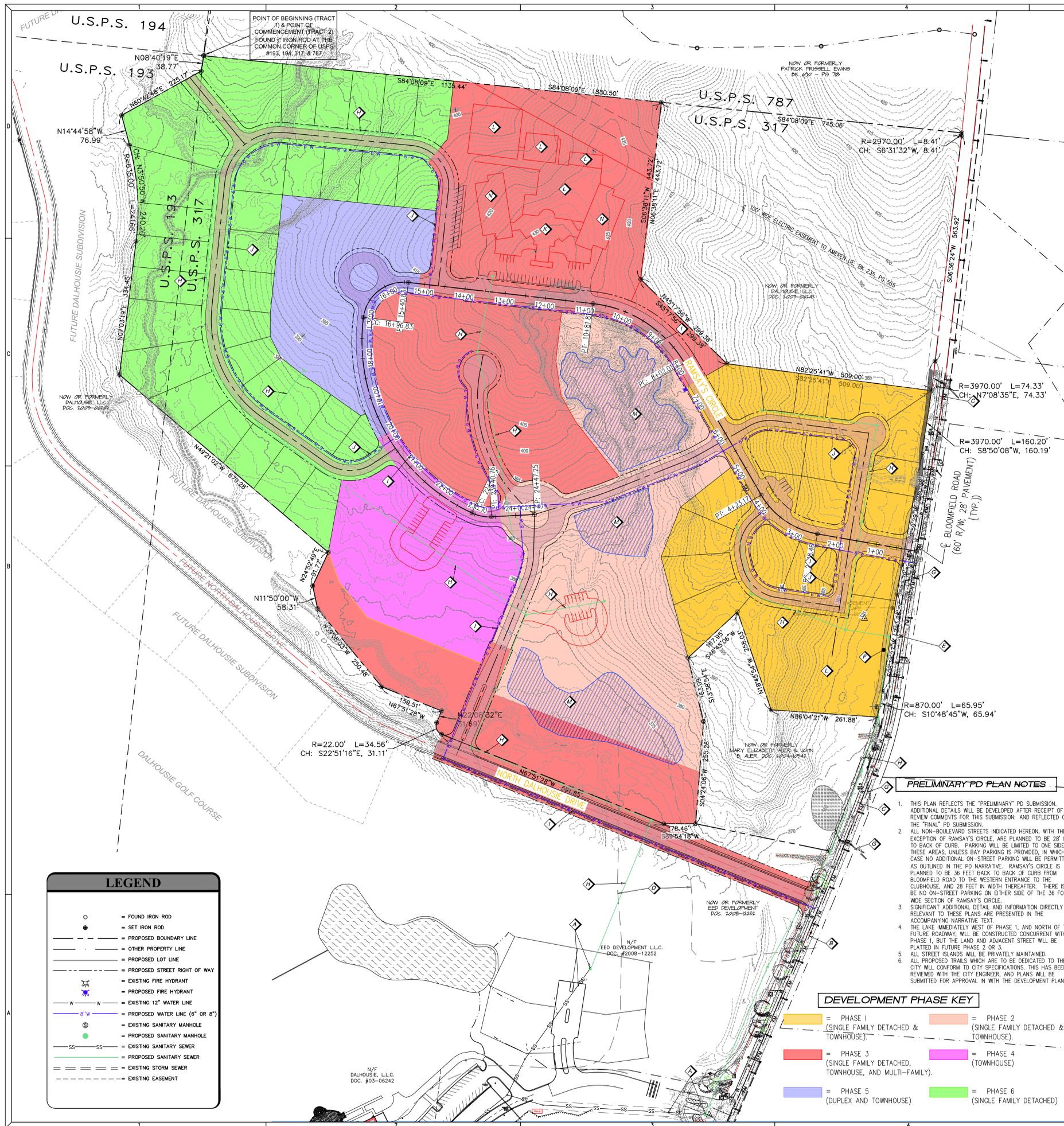
SEAL

REV	DATE	DESCRIPTION
01	7-1-19	Revised to Address City Comments
02	7-11-19	Revised to Address City Comments

PD EXHIBIT_EXISTING CONDITIONS: SHEET 1 OF 4

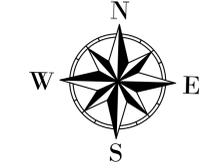
KELS PJCT NO. 37328
OWNR PJCT NO. 37328
DESIGNED BY CLK
DRAWN BY CLK
CHECKED BY CLK
PLAN DATE 4-01-19

PD-1.0



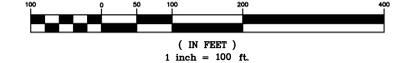
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PART OF UNITED STATES PRIVATE SURVEYS #193 AND #317
TOWNSHIP 30 NORTH, RANGE 13 EAST OF THE FIFTH PRINCIPAL MERIDIAN,
CITY AND COUNTY OF CAPE GIRARDEAU, STATE OF MISSOURI



North Orientation in Accordance with the Missouri State Plane Coordinate System Eastern Zone, Grid North, Derived from GPS Observations From the MoDOT Virtual Reference System (Convergence at the Point of Beginning = 0°32'50")

GRAPHIC SCALE



DEVELOPMENT DESCRIPTION

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FLOODPLAIN NOTE

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- ⊠ = EXISTING 6" DIA. PVC SEWER FORCEMAIN
- ⊠ = EXISTING 12" DIA. PVC WATER MAIN
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- ⊠ = EXISTING NATURAL GAS MAIN
- ⊠ = EXISTING HIKING / BIKING TRAIL
- ⊠ = EXISTING STORM SEWER (TYP.)
- ⊠ = PROPOSED 8" PVC SANITARY SEWER MAIN
- ⊠ = PROPOSED 8" C-900 PVC WATER MAIN
- ⊠ = PROPOSED 6" C-900 PVC WATER MAIN
- ⊠ = PROPOSED 10,000 SF CLUBHOUSE
- ⊠ = PROPOSED OUTDOOR ACTIVITY AREA (GENERAL LOCATION ONLY)
- ⊠ = PROPOSED LAKE / POND
- ⊠ = PROPOSED APARTMENT BUILDINGS

PRELIMINARY PD PLAN NOTES

- THIS PLAN REFLECTS THE "PRELIMINARY" PD SUBMISSION. ADDITIONAL DETAILS WILL BE DEVELOPED AFTER RECEIPT OF REVIEW COMMENTS FOR THIS SUBMISSION; AND REFLECTED ON THE "FINAL" PD SUBMISSION.
- ALL NON-BOULEVARD STREETS INDICATED HEREON, WITH THE EXCEPTION OF RAMSAY'S CIRCLE, ARE PLANNED TO BE 28' BACK TO BACK OF CURB. PARKING WILL BE LIMITED TO ONE SIDE IN THESE AREAS, UNLESS BAY PARKING IS PROVIDED, IN WHICH CASE NO ADDITIONAL ON-STREET PARKING WILL BE PERMITTED, AS OUTLINED IN THE PD NARRATIVE. RAMSAY'S CIRCLE IS PLANNED TO BE 36 FEET BACK TO BACK OF CURB FROM BLOOMFIELD ROAD TO THE WESTERN ENTRANCE TO THE CLUBHOUSE, AND 28 FEET IN WIDTH THEREAFTER. THERE IS TO BE NO ON-STREET PARKING ON EITHER SIDE OF THE 36 FOOT WIDE SECTION OF RAMSAY'S CIRCLE.
- SIGNIFICANT ADDITIONAL DETAIL AND INFORMATION DIRECTLY RELEVANT TO THESE PLANS ARE PRESENTED IN THE ACCOMPANYING NARRATIVE TEXT.
- THE LAKE IMMEDIATELY WEST OF PHASE 1, AND NORTH OF THE FUTURE ROADWAY, WILL BE CONSTRUCTED CONCURRENT WITH PHASE 1, BUT THE LAND AND ADJACENT STREET WILL BE PLATTED IN FUTURE PHASE 2 OR 3.
- ALL STREET ISLANDS WILL BE PRIVATELY MAINTAINED.
- ALL PROPOSED TRAILS WHICH ARE TO BE DEDICATED TO THE CITY WILL CONFORM TO CITY SPECIFICATIONS. THIS HAS BEEN REVIEWED WITH THE CITY ENGINEER, AND PLANS WILL BE SUBMITTED FOR APPROVAL IN WITH THE DEVELOPMENT PLANS.

DEVELOPMENT PHASE KEY

- Phase 1: (Single Family Detached & Townhouse)
- Phase 2: (Single Family Detached & Townhouse)
- Phase 3: (Single Family Detached, Townhouse, and Multi-Family)
- Phase 4: (Townhouse)
- Phase 5: (Duplex and Townhouse)
- Phase 6: (Single Family Detached)

LEGEND

- = FOUND IRON ROD
- = SET IRON ROD
- = PROPOSED BOUNDARY LINE
- = OTHER PROPERTY LINE
- = PROPOSED LOT LINE
- = PROPOSED STREET RIGHT OF WAY
- ⊠ = EXISTING FIRE HYDRANT
- ⊠ = PROPOSED FIRE HYDRANT
- = EXISTING 12" WATER LINE
- = PROPOSED WATER LINE (6" OR 8")
- ⊠ = EXISTING SANITARY MANHOLE
- ⊠ = PROPOSED SANITARY MANHOLE
- SS = EXISTING SANITARY SEWER
- SS = PROPOSED SANITARY SEWER
- = EXISTING STORM SEWER
- = EXISTING EASEMENT

KE KOEHLER
ENGINEERING AND LAND SURVEYING, INC.
Civil Engineering and Surveying Services
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Phone: 573.335.3026 - Fax: 573.335.3049
www.koehlerengineering.com
CORP. LS. CERT. #000262 - CORP. ENGR. CERT. #2003019634



PLANNED DEVELOPMENT EXHIBIT FOR:
RAMSAY'S RUN
IN C/O: CAPE GIRARDEAU RETIREMENT INC.
MR. KEITH BOELLER, CEO
3120 INDEPENDENCE STREET
CAPE GIRARDEAU, MO 63703

THIS DRAWING IS NOT TO BE REPRODUCED WITHOUT THE PERMISSION OF THE PROFESSIONAL ENGINEER UNLESS SPECIALLY NOTED OTHERWISE.

REV	DATE	DESCRIPTION
01	4-1-19	Revised to Address City Comments
02	7-1-19	Revised to Address City Comments
03	7-1-19	Revised to Address City Comments
04	8-26-19	Revised to Address City Comments

PD EXHIBIT, PROPOSED CONDITIONS - SHEET 3 OF 4
KELS PJCT NO. 37328
OWNR PJCT NO. 37328
DESIGNED BY CLK
DRAWN BY CLK
CHECKED BY CLK
PLAN DATE: PD-3.0
4-01-19

SUBJECT

An Ordinance amending Chapter 30 of the Code of Ordinances of the City of Cape Girardeau, Missouri, by changing the zoning of property located on Bloomfield Road, from R-4 to PD.

EXECUTIVE SUMMARY

The attached ordinance rezones property on Bloomfield Road from R-4 (Medium Density Multifamily Residential District) to PD (Planned Development District). A public hearing to consider the rezoning request was held on April 1, 2019.

BACKGROUND/DISCUSSION

An application has been submitted to rezone a 53.68 acre site, located on Bloomfield Road, from R-4 (Medium Density Multifamily Residential District) to PD (Planned Development District). As required for PD rezoning requests, a preliminary development plan has also been submitted. The site is north of and adjacent to the Dalhousie Golf Club. The adjacent properties are zoned R-1 (Single-Family Suburban Residential District) to the north and east, and R-4 (Medium Density Multifamily Residential District) to the south and west. One adjacent property, to the southeast, is not in the city limits and therefore is not zoned. Some of these properties contain single-family detached dwellings; the rest are undeveloped.

The proposed planned development, named Ramsay's Run, is a retirement community consisting of a mix of housing types, including single-family detached dwellings, duplexes, townhouses, and multifamily dwellings. The development will also include several amenities, including a clubhouse, a swimming pool, tennis and pickleball courts, community gardens, pavilions, walking trails, and several small lakes. For security purposes, the development will be fenced along the perimeter. Primary access to the development will be via a main entrance and exit on Bloomfield Road, which will be constructed as part of the first phase. A secondary access will be established as additional lots/units are sold. This access is proposed to connect to a future street on the adjacent Dalhousie property and out to Bloomfield Road. Depending on market demand, a third access may be established in the northwest corner of the development.

Ramsay's Run is proposed to be developed in six phases. The nature and timing of each phase will depend on market demand, so the preliminary development plan has been prepared to incorporate flexibility. The developer anticipates the ultimate buildout will contain approximately 123 dwelling units.

Two variances are being sought as part of the request for preliminary development plan approval. The first variance is for a reduction in the required amount of common open space area. Section 30-341(p) of the Zoning Code requires 20% of the gross area of the total development to be comprised of common open space. Staff supports the variance because over 3 acres of common area are being provided within the development and because the development is adjacent to the Dalhousie Golf Club which together meets the spirit and intent of the common open space requirement. The second variance is for the omission of the required bufferyard. Section 30-341(q) of the Zoning Code requires a 30 foot wide bufferyard where the development is adjacent to an existing residential area or an area zoned for residential uses. Staff supports the variance because in standard zoning districts, a bufferyard is not required for single-family detached, duplex, and townhouse uses and because a 20 foot wide bufferyard is already required for multifamily and clubhouse uses (per Section 25-805 of the Development Code).

In addition to the variances, there are several exceptions being sought, including: fence height, street tangent length, bay parking, street width, and street intersection radius. These exception requests are discussed in detail in the narrative document. Staff supports the exceptions due to the design intent of the development and the anticipated traffic volumes and speeds.

In considering a rezoning request, both the Planning and Zoning Commission and the City Council must determine if the proposed zoning district is reasonable and in reasonable conformity with the existing uses and value of the immediately surrounding properties. The proposed planned development, like the surrounding area, contains residential uses as well as open space and other amenities. As such, the proposed PD district is reasonable and in reasonable conformity with the surrounding properties.

The attached ordinance rezones the property from R-4 (Medium Density Multifamily Residential District) to PD (Planned Development District). Also attached is the preliminary development plan, which consists of a narrative document and an exhibit (set of drawings).

A public hearing to consider the rezoning request was held on April 1, 2019.

SUSTAINABILITY: ECONOMIC, ENVIRONMENTAL AND SOCIAL IMPACTS

The Planned Development District provides for greater flexibility in the development of land that is not possible to achieve in conventional zoning districts. The proposed preliminary development plan offers a variety of housing options to meet the needs of seniors.

STAFF RECOMMENDATION

The staff report to the Planning and Zoning Commission recommended approval of the rezoning request and the preliminary development plan.

BOARD OR COMMISSION RECOMMENDATION

The Planning and Zoning Commission, at its March 13, 2019 meeting, held a public hearing and recommended approval of the rezoning request and the preliminary development plan with a vote of 9 in favor, 0 in opposition, and 0 abstaining.

PUBLIC OUTREACH

Notice of the City Council's public hearing was advertised in the Southeast Missourian on March 17, 2019. In addition, a sign containing the date, time, location, and subject of the public hearing was posted on the property.

ATTACHMENTS:

Name:	Description:
Bloomfield Rd-Ramsay s Run Rezone.doc	Ordinance
Staff Review-Referral-Action Form.pdf	Ramsay's Run - Staff RRA Form
Map - Zoning - The Chateau at Ramsay s Runj.pdf	Ramsay's Run - Zoning Map
Map - FLU- The Chateau at Ramsay s Runj.pdf	Ramsay's Run - FLU Map
Application - The Chateau at Ramsay s Run PD Rezoning.pdf	Ramsay's Run - Application
37328 Planned Development (8-26-19) Document.pdf	Ramsay's Run - Narrative
37328 Chateau -Ramsay s Run 8-13-19 PD1.pdf	Ramsay's Run - PD-1.0
37328 Chateau -Ramsay s Run 8-26-19 PD-3.pdf	Ramsay's Run - PD-3.0

AN ORDINANCE AMENDING CHAPTER 30 OF THE CODE OF ORDINANCES OF THE CITY OF CAPE GIRARDEAU, MISSOURI, BY CHANGING THE ZONING OF PROPERTY LOCATED ON BLOOMFIELD ROAD, IN THE CITY AND COUNTY OF CAPE GIRARDEAU, MISSOURI, FROM R-4 TO PD

WHEREAS, the City Planning and Zoning Commission has recommended rezoning all of the property described in Article 1 of this Ordinance from R-4, Medium Density Multifamily Residential District, to PD, Planned Development District; and

WHEREAS, Public Notice of such change was given as prescribed in Chapter 30 of the Code of Ordinances of the City of Cape Girardeau, Missouri, and a public hearing was held on Monday, April 1, 2019; and

WHEREAS, the City Council of the City of Cape Girardeau, Missouri, has elected to rezone the property described in Article 1 from R-4, Medium Density Multifamily Residential District, to PD, Planned Development District.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF CAPE GIRARDEAU, MISSOURI, AS FOLLOWS:

ARTICLE 1. Chapter 30 of the Code of Ordinances of the City of Cape Girardeau, Missouri, is hereby amended to change the zoning from the present R-4, Medium Density Multifamily Residential District, to PD, Planned Development District, for the following described property:

ALL OF THAT PART OF UNITED STATES PRIVATE SURVEYS #193 AND #317, TOWNSHIP 30 NORTH, RANGE 13 EAST OF THE FIFTH PRINCIPAL MERIDIAN, IN THE CITY AND COUNTY OF CAPE GIRARDEAU, STATE OF MISSOURI, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

Begin at a found ½" dia. Iron rod marking the common corner of United States Private Survey Numbers 193, 194, 317 and 787, thence South 84°08'09" East, with the North line of said USPS #317, 1135.44 feet; thence leaving said USPS line, South 06°38'11" West, 443.72 feet; thence South 45°17'56" East, 299.38 feet; thence South 82°25'41" East, 509.00 feet; to a set ½"

diameter iron rod at a point on the west line of Bloomfield Road, thence with said west line, along the arc of a non-tangent curve concave to the west having a radius of 3,970.00 feet, a distance of 160.20 feet (the chord across said arc bears South 8°50'08" West, 160.19 feet; thence continuing southerly along the west line of Bloomfield Road, South 09°59'29" West, 280.36 feet; then South 09°18'58" West, 73.79 feet; thence South 08°38'27" West, 243.26 feet, to the point of a curvature of a curve to the right having a radius of 870.00 feet; thence along the arc of said curve, a distance of 65.95 feet; to the intersection of the west line of said Bloomfield Road and the North line of a tract now or formerly held in the name of Mary Elizabeth Auer and John B. Auer, conveyed in Document 2004-10542; thence leaving the west line of Bloomfield Road, and along the north and west lines of said Auer tract, North 86°04'21" West 261.88 feet, thence North 18°45'54" West , 258.03 feet; thence South 46°45'06" West, 167.95 feet; thence South 13°38'54" East, 163.09 feet; thence South 04°24'06" West, 255.26 feet, to the most southwesterly corner of said Auer tract, and thence leaving the west line of said tract, South 89°54'18" West, 78.46 feet; thence North 67°51'28" West, 591.85 feet, to the point of curvature of a curve to the right having a radius of 22.00 feet, thence along the arc of said curve a distance of 34.56 feet, thence North 22°08'32" East, 31.69 feet; thence North 67°51'28" West, 159.51 feet; thence North 39°08'03" West, 250.48 feet; thence North 11°50'00" West, 58.31 feet; thence North 24°52'49" East, 91.77 feet; thence North 49°21'02" West, 679.28 feet thence North 07°03'19" East, 334.45 feet to the point of curvature of a curve to the left having a radius of 635.00 feet, thence along the arc of said curve a distance of 241.66 feet, thence North 14°44'58" West, 76.99 feet, thence North 60°42'48" East, 225.17 feet, thence North 08°40'19" East, 38.77 feet, to the place of beginning and containing 53.68 acres, more or less, as shown on the accompanying plat, which is incorporated into and made a part of this description, and being subject to any easements of record.

ARTICLE 2. The City Council hereby finds and declares that the property described in Article 1 hereof is at the present time particularly suitable for the purposes and uses of the PD, Planned Development District, and that such changes authorized

hereby are reasonable and in reasonable conformity with the existing uses and value of the immediately surrounding properties.

ARTICLE 3. This ordinance shall be in full force and effect ten days after its passage and approval.

PASSED AND APPROVED THIS _____ DAY OF _____, 2019.

Bob Fox, Mayor

ATTEST:

Bruce Taylor, Deputy City Clerk



REZONING / SPECIAL USE PERMIT APPLICATION
CITY of CAPE GIRARDEAU

DEVELOPMENT SERVICES DEPARTMENT, 401 INDEPENDENCE ST, CAPE GIRARDEAU, MO 63703 (573) 339-6327

Property Address/Location

The Chateau at Ramsay's Run; Bloomfield Road north of Cord's Way, Cape Girardeau, MO

Applicant Cape Retirement Community, Inc.		Property Owner of Record (if other than Applicant)	
Mailing Address 3120 Independence Street		Mailing Address	
City, State, Zip Cape Girardeau, MO 63701		City, State, Zip	
Telephone (573) 651-8186	Email kboeller@chateaugir.com	Telephone	Email
Contact Person (If Applicant is a Business or Organization) Keith Boeller, President / CEO		(Attach additional owners information, if necessary)	
Type of Request: Rezoning, Special Use Permit, or Both Rezoning (Planned Development)			
Existing Zoning District R-1, Single Family Suburban Residential District		Proposed Zoning District (Rezoning requests only) PD - Planned Development	

R-4

Legal description of property to be rezoned and/or upon which the special use is to be conducted

Refer to attached Plat.

Describe the proposed use of the property.

Continuing Care Retirement Community (CCRC) providing a mixture of single family residences, duplex, triplexes, townhomes, and apartments, together with a community building, common areas, recreation spaces, and supporting facilities.

Application continues on next page

OFFICE USE ONLY			
Date Received & By	2-20-19	File No.	1382
		MUNIS Application No.	8562
Planning & Zoning Commission Recommendation		Date	
City Council Final Action		Date	

Special Use Criteria (Special Use Permit requests only)

Explain how the Special Use Permit request meets the criteria below. Attach additional sheets, if necessary.

- 1) The proposed special use will not substantially increase traffic hazards or congestion.
- 2) The proposed special use will not substantially increase fire hazards.
- 3) The proposed special use will not adversely affect the character of the neighborhood.
- 4) The proposed special use will not adversely affect the general welfare of the community.
- 5) The proposed special use will not overtax public utilities.

ADDITIONAL ITEMS REQUIRED

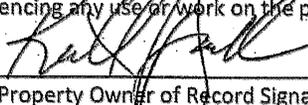
See Instructions for more information.

- In addition to this completed application form, the following items must be submitted:
- Application fee (\$135.00 payable to City of Cape Girardeau + additional \$80 for Planned Development rezonings)
 - One (1) list of names and mailing addresses of adjacent property owners
 - One (1) set of mailing envelopes, stamped and addressed to adjacent property owners
 - One (1) full size copy of a plat or survey of the property, if available
 - One (1) full size set of plans, drawn to an appropriate scale, depicting existing features to be removed, existing features to remain, and all proposed features such as: buildings and structures, paved areas, curbing, driveways, parking stalls, trash enclosures, fences, retaining walls, light poles, detention basins, landscaping areas, freestanding signs, etc. (Planned Development rezonings and Special Use Permits only)
 - Digital file of the plans in .pdf format (Planned Development rezonings and Special Use Permits only; can be emailed)
 - One (1) set of Planned Development documents (Planned Development rezonings only)

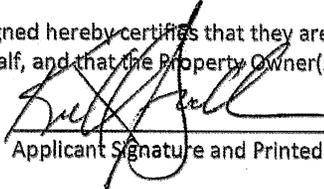
CERTIFICATIONS

The undersigned hereby certifies that:

- 1) They are the Property Owner(s) of Record for the property described in this application;
- 2) They acknowledge that an approved Special Use Permit becomes null and void if the use for which the permit was granted does not commence within twelve (12) months of the approval date, unless an extension has been granted; and
- 3) They acknowledge that they are responsible for ensuring that all required licenses and permits are obtained prior to commencing any use or work on the property.

 KEITH BOELLER 2-19-19
 Property Owner of Record Signature and Printed Name Date
 (Provide additional owners signatures and printed names in the space below, if applicable)

The undersigned hereby certifies that they are an agent duly authorized by the Property Owner(s) of Record to file this application on their behalf, and that the Property Owner(s) of Record hereby agree to the above certifications.

 KEITH BOELLER 2-19-19
 Applicant Signature and Printed Name Date

**CITY OF CAPE GIRARDEAU
REZONING / SPECIAL USE PERMIT APPLICATION
INSTRUCTIONS**

Due to the complex nature of zoning, it is strongly recommended that an applicant discuss their request with City staff prior to filing an application for a rezoning or a Special Use Permit. To speak with a staff member, contact the Development Services Department at (573) 339-6327. Applicants should also discuss their request with adjacent property owners, tenants, and other parties that may be affected should the request be approved.

As part of the application, a list of the property owner of record's name and tax mailing address for each adjacent property must be submitted. "Adjacent property" means a property that is next to, or across a street or alley from, the property for which the rezoning or Special Use Permit is being requested, including diagonal orientation. To obtain property information, contact Cape Girardeau County Mapping and Appraisal at (573) 243-3123 or visit the County's website at www.capecounty.us. In addition to the list, one (1) set of plain white, business size mailing envelopes properly affixed with first class U.S. postage and addressed to the adjacent property owners must be submitted. Do not include a return address; the City will add its return address to each envelope prior to mailing the public hearing notice.

For requests to rezone a property to PD (Planned Development), please refer to Section 30-341 of the Zoning Code for additional submission requirements.

Rezoning and Special Use Permit requests are reviewed by the Planning and Zoning Commission. The application deadline is three (3) weeks prior to the meeting date. The Planning and Zoning Commission meets on the second Wednesday of each month. Applications must be submitted in person or delivered to: City of Cape Girardeau, Development Services Department, 401 Independence Street, Cape Girardeau, MO 63703.

Staff will review each application for completeness. If additional information is needed, the applicant will be contacted. Incomplete applications will not be reviewed until the requested information is provided.

Once an application has been deemed complete, it will be placed on the Planning and Zoning Commission agenda. A notice of public hearing will be sent to the applicant and the property owners of record for the property pertaining to the request as well as the adjacent properties. In addition, a sign containing information about the public hearing will be posted on the property pertaining to the request.

The Planning and Zoning Commission will hold a public hearing on the request. The applicant, property owner(s) of record, or their representative must appear at the hearing and present the request to the Commission. If no one appears, the Commission may table the request.

If the Planning and Zoning Commission recommends approval of the request, a public hearing before the City Council will be scheduled. A notice of the public hearing will be advertised in the newspaper. An ordinance approving the request will be prepared for consideration by the Council (if a request involves both a rezoning and a Special Use Permit, two separate ordinances are prepared).

If the Planning and Zoning Commission recommends denial of the request, it will be forwarded to the City Council at its next meeting. The Council may either set a public hearing on the application, or file the application. If the application is filed, a letter will be sent to the applicant notifying them of the filing and their right to request a public hearing within ten (10) days. If the applicant fails to request a public hearing within the ten (10) day period, the application will be denied.

If the rezoning ordinance passes, it will become effective ten (10) days after the date of passage. If the Special Use Permit ordinance passes, staff, after the ten (10) day period, will submit the document to the Cape Girardeau County Recorder of Deeds Office for recording. A copy of the ordinance(s) and recorded document will be mailed to the applicant.

A Special Use Permit becomes null and void if the use for which the permit was granted does not commence within twelve (12) months of the approval date, unless an extension has been granted.

The Chateau at Ramsay's Run
Planned Development Supplemental Information

Property Owners adjacent to the Planned Development:

(Addressed Envelopes are provided with this submission as well).

1. Patrick Evans
898 Elmwood Lane
Cape Girardeau MO 63701

 2. Dalhousie LLC
c/o: Cordell Dombrowski
4751 Cords Way
Cape Girardeau, MO 63701

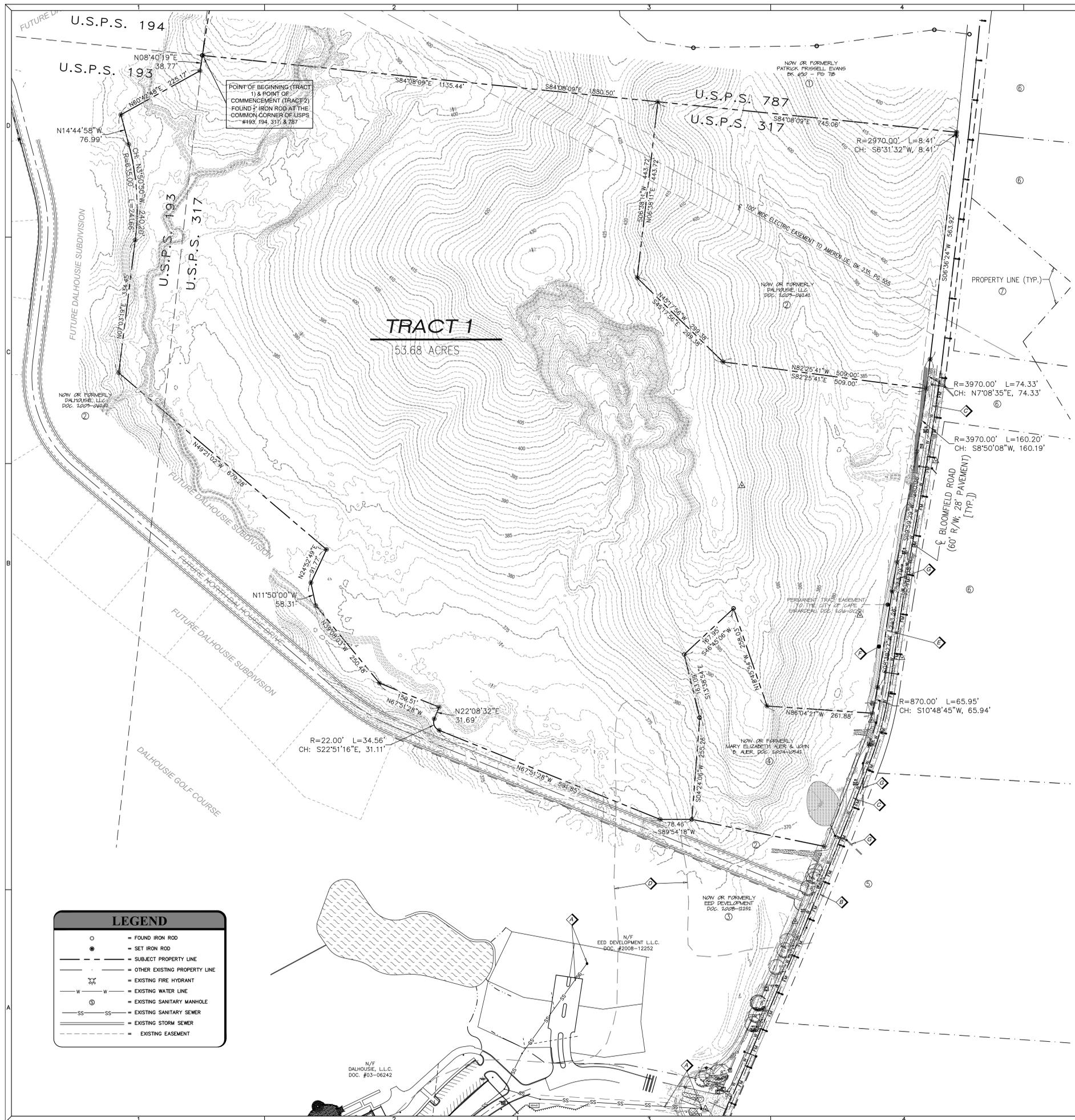
 3. EED Development, LLC
124 Cross Hill CT
Cape Girardeau, MO 63701

 4. Mary Elizabeth Auer
4802 County Road #205
Cape Girardeau, MO 63701

 5. Earl H. Norman Trust
276 S. Mt. Auburn Road
Cape Girardeau, MO 63703

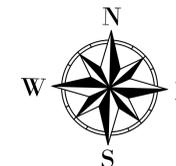
 6. Ruth Ann Norman Trust
276 S. Mt. Auburn Road
Cape Girardeau, MO 63703

 7. Earl H. & Ruth Ann Norman Trust
276 S. Mt. Auburn Road,
276 S. Mt. Auburn Road
Cape Girardeau, MO 63703
-

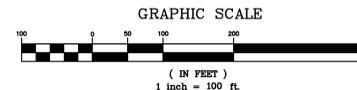


PLANNED DEVELOPMENT EXHIBIT OF RAMSAY'S RUN

PART OF UNITED STATES PRIVATE SURVEYS #193 AND #317, TOWNSHIP 30 NORTH, RANGE 13 EAST OF THE FIFTH PRINCIPAL MERIDIAN, CITY AND COUNTY OF CAPE GIRARDEAU, STATE OF MISSOURI.



North Orientation in Accordance with the Missouri State Plane Coordinate System Eastern Zone, Grid North, Derived from GPS Observations From the MoDOT Virtual Reference System (Convergence at the Point of Beginning = 0°32'50")



DEVELOPMENT DESCRIPTION

TRACT 1 (THE CHATEAU AT RAMSAY'S RUN)

ALL OF THAT PART UNITED STATES PRIVATE SURVEYS #193 AND #317, TOWNSHIP 30 NORTH, RANGE 13 EAST OF THE FIFTH PRINCIPAL MERIDIAN, IN THE CITY AND COUNTY OF CAPE GIRARDEAU, STATE OF MISSOURI, MORE PARTICULARLY DESCRIBED AS FOLLOWS: Begin at a found 1/2" dia. iron rod marking the common corner of United States Private Survey Numbers 193, 317, and 787, thence South 84°08'09" East, with the North line of said USPS #317, 1135.44 feet; thence leaving said USPS line, South 06°38'11" West, 443.72 feet; thence South 45°17'56" East, 299.38 feet; thence South 82°25'41" East, 509.00 feet; to a set 1/2" diameter iron rod at a point on the west line of Bloomfield Road, thence with said west line, along the arc of a non-tangent curve concave to the west having a radius of 3,970.00 feet, a distance of 160.20 feet (the chord across said arc bears South 8°50'08" West, 160.19 feet; thence continuing southerly along the west line of Bloomfield Road, South 09°59'29" West, 280.36 feet; thence South 09°18'58" West, 73.79 feet; thence South 08°38'27" West, 243.26 feet; to the point of curvature of a curve to the right having a radius of 870.00 feet; thence along the arc of said curve, a distance of 65.95 feet; to the intersection of the west line of said Bloomfield Road and the North line of a tract now or formerly held in the name of Mary Elizabeth Auer and John B. Auer, conveyed in Document 2004-10542; thence leaving the west line of Bloomfield Road, and along the north and west lines of said Auer tract, North 86°04'21" West, 261.88 feet; thence North 18°45'54" West, 258.03 feet; thence South 46°45'06" West, 167.95 feet; thence South 13°38'54" East, 163.09 feet; thence South 04°24'06" West, 255.26 feet, to the most southwesterly corner of said Auer tract, and thence leaving the west line of said tract, South 89°54'18" West, 78.46 feet; thence North 67°51'28" West, 591.85 feet, to the point of curvature of a curve to the right having a radius of 22.00 feet; thence along the arc of said curve a distance of 34.56 feet; thence North 22°08'32" East, 31.69 feet; thence North 67°51'28" West, 159.51 feet; thence North 39°08'03" West, 250.48 feet; thence North 11°50'00" West, 58.31 feet; thence North 24°52'49" East, 91.77 feet; thence North 49°21'02" West, 679.28 feet, thence North 07°03'19" East, 334.45 feet to the point of curvature of a curve to the left having a radius of 635.00 feet, thence along the arc of said curve a distance of 241.66 feet, thence North 14°44'58" West, 76.99 feet, thence North 60°42'48" East, 225.17 feet, thence North 08°40'19" East, 38.77 feet, to the place of beginning and containing 53.68 acres, more or less, as shown on the accompanying plat, which is incorporated into and made a part of this description, and being subject to any easements of record.

This description creates a new parcel from a parent tract set out in a quitclaim deed dated 04/07/2003 recorded in Book 1319 at Page 770 as Document 06-06244 and by General Warranty Deed dated 04/07/2003 and recorded 04/11/2003 in Book 1319 at Page 757 as Document No. 03-06242, held in the name of Dalhousie, LLC, in the land records of Cape Girardeau County, MO.

SURVEY REFERENCES

- Record Deed(s) to the Subject Parcel, quitclaim deed dated 04/07/2003 recorded in Book 1319 at Page 770 as Document 06-06244 and by General Warranty Deed dated 04/07/2003 and recorded 04/11/2003 in Book 1319 at Page 757 as Document No. 03-06242, held in the name of Dalhousie, LLC, in the land records of Cape Girardeau County, MO.
- Price Survey of the parent tract to the surveyed parcels, conducted for Prestwick Group, prepared by Missouri PLS #1627, dated 4/28/2000.
- Deeds of Adjacent Properties as noted hereon.
- City of Cape Girardeau Ordinance #4650 dated 11-24-11, and #4802 recorded in document 2016-00779, acquiring right of way and easements for Bloomfield Road.
- Construction and Right of Way plans for Bloomfield Road, as prepared by BFA Consulting Engineers and Surveyors, Dated June 13, 2016.
- Cape Girardeau County Assessors file for Parcel Number 20-500-00-02-001-00-0000

LEGEND

- = FOUND IRON ROD
- = SET 1/2" IRON ROD

FLOODPLAIN NOTE

THE ENTIRE LIMITS OF THE SUBJECT PROPERTY FALLS WITHIN ZONE 'X', DEFINED AS BEING OUTSIDE THE 100 AND 500 YEAR FLOOD PLAINS WITH MINIMAL FLOODING; AS INDICATED ON THE FLOOD INSURANCE RATE MAP NUMBERS 290310263E & 290310264E WITH EFFECTIVE DATES OF SEPT. 29, 2011 EXCEPT FOR THE SMALL AREA INDICATED HEREON AT THE SOUTHERN LIMITS OF THE PROPERTY.

PLANNED DEVELOPMENT DOCUMENT NOTES

- ① = PROPERTY ADJOINER KEY (# MATCHES # IN PD SUBMISSION APPLICATION)
- ② = NEAREST EXISTING SANITARY SEWER GRAVITY MAINS / MANHOLES
- ③ = EXISTING 6" DIA. PVC SEWER FORCEMAIN
- ④ = EXISTING 12" DIA. PVC WATER MAIN
- ⑤ = LIMITS OF THE 100 YEAR FLOODPLAIN
- ⑥ = EXISTING NATURAL GAS MAIN
- ⑦ = EXISTING HIKING / BIKING TRAIL
- ⑧ = EXISTING STORM SEWER (TYP.)

LEGEND

- = FOUND IRON ROD
- = SET IRON ROD
- = SUBJECT PROPERTY LINE
- - - = OTHER EXISTING PROPERTY LINE
- ⊕ = EXISTING FIRE HYDRANT
- W = EXISTING WATER LINE
- ⊙ = EXISTING SANITARY MANHOLE
- SS = EXISTING SANITARY SEWER
- = EXISTING STORM SEWER
- - - = EXISTING EASEMENT

KE KOEHLER
ENGINEERING AND LAND SURVEYING, INC.
Civil Engineering and Surveying Services
194 Coker Lane - Cape Girardeau, MO 63701
Phone: 573.335.3026 - Fax: 573.335.3049
www.kekoehlerengineering.com
CORP. LS. CERT. #000262 - CORP. ENGR. CERT. #2003019634



PLANNED DEVELOPMENT EXHIBIT FOR:
RAMSAY'S RUN
IN C/O: CAPE GIRARDEAU RETIREMENT INC.
MR. KEITH BOELLER, CEO
3120 INDEPENDENCE STREET
CAPE GIRARDEAU, MO 63703

SEAL

THE DRAWING IS NOT TO BE REPRODUCED WITHOUT THE PERMISSION OF THE PROFESSIONAL ENGINEER UNLESS SPECIALLY NOTED OTHERWISE.

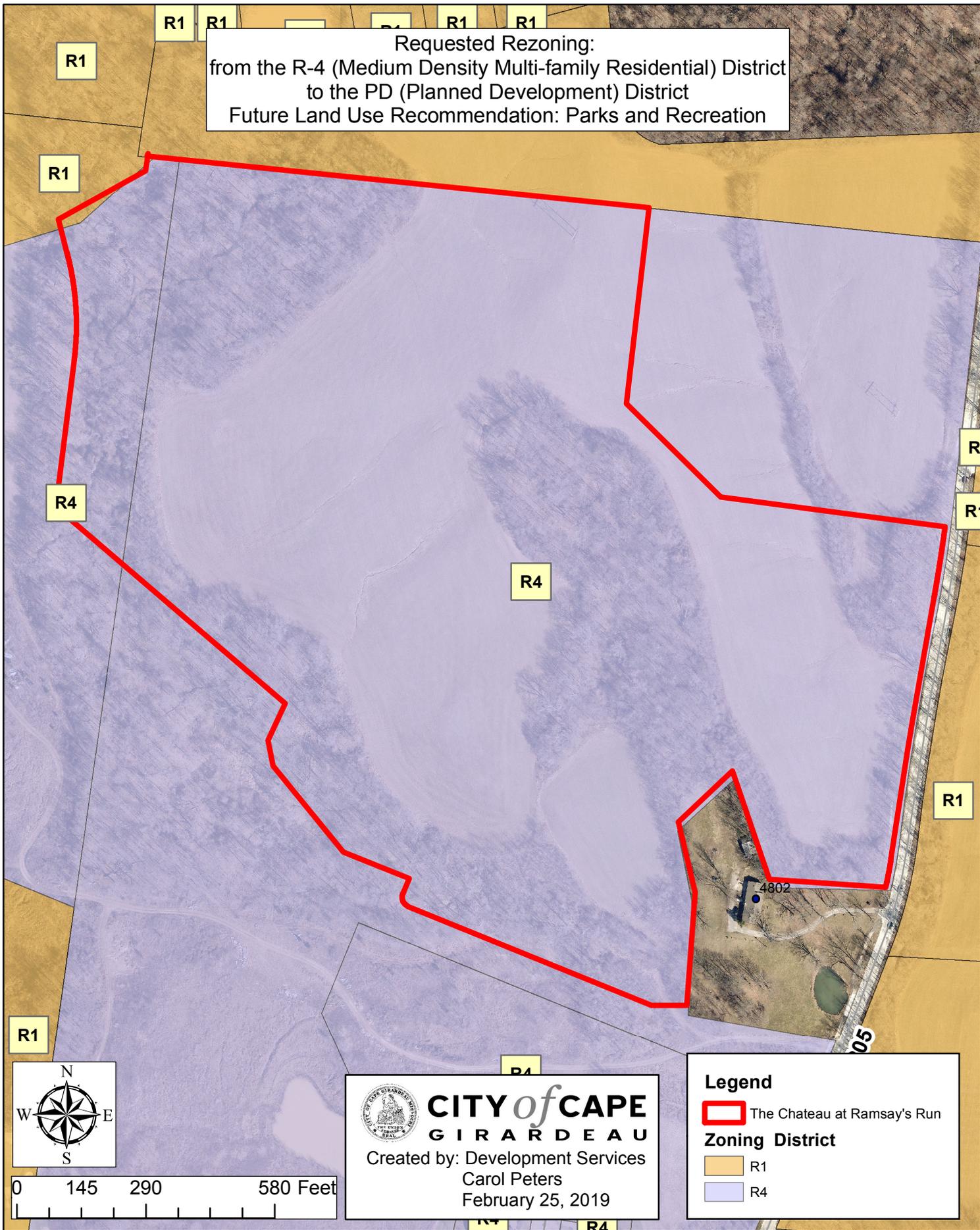
REV.	DATE	DESCRIPTION
01	7-1-19	Revised to Address City Comments
02	7-11-19	Revised to Address City Comments

PD EXHIBIT_EXISTING CONDITIONS: SHEET 1 OF 4	
KELS PJCT NO. 37328	OWNR PJCT NO.
DESIGNED BY CLK	SHEET NO.
DRAWN BY CLK	
CHECKED BY CLK	
PLAN DATE 4-01-19	PD-1.0

Rezoning Request

Bloomfield Road north of Cord's Way

Requested Rezoning:
from the R-4 (Medium Density Multi-family Residential) District
to the PD (Planned Development) District
Future Land Use Recommendation: Parks and Recreation



R4

R4

R1

R1

R4



0 145 290 580 Feet

**CITY of CAPE GIRARDEAU**
Created by: Development Services
Carol Peters
February 25, 2019

Legend

 The Chateau at Ramsay's Run

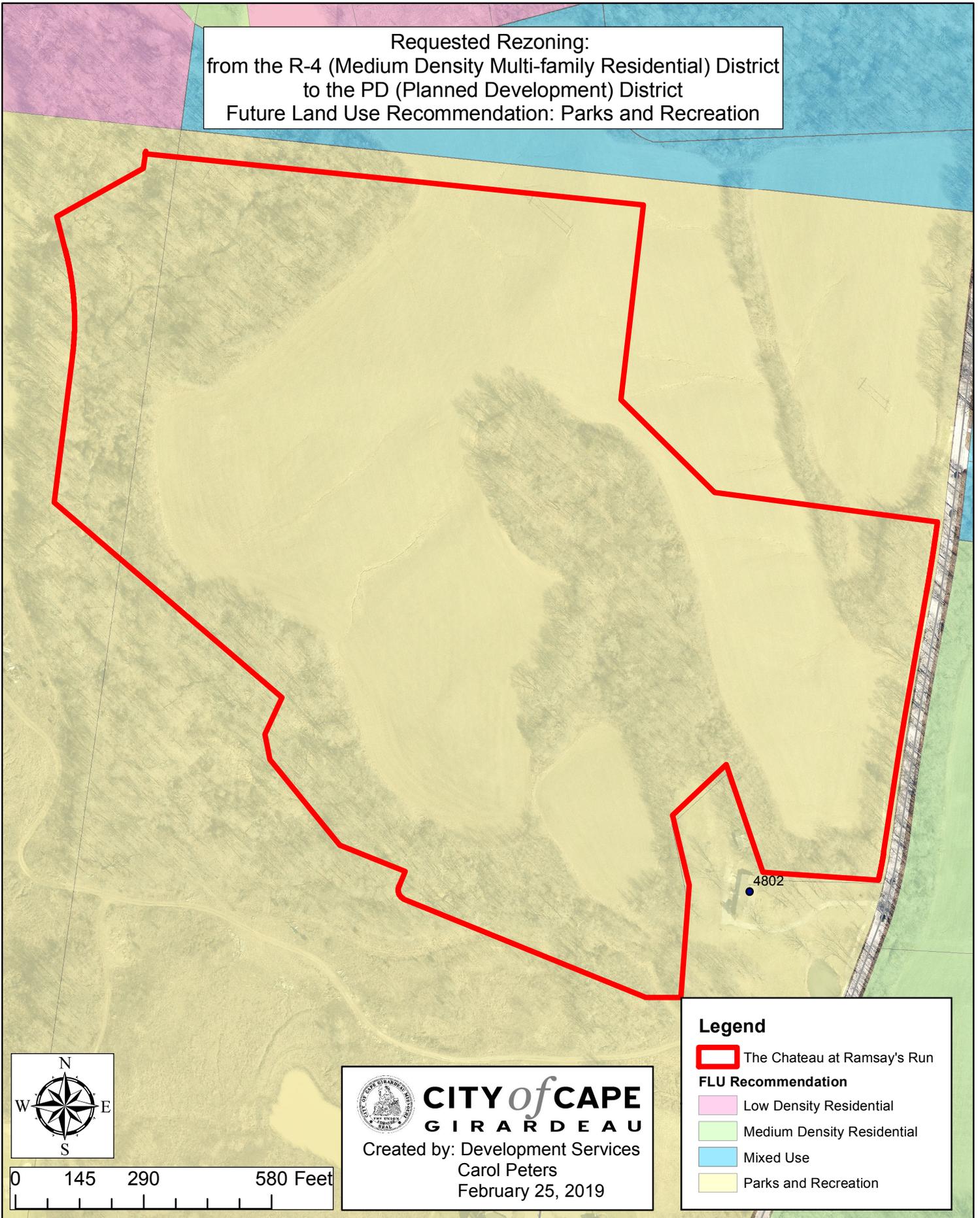
Zoning District

 R1

 R4

Rezoning Request Bloomfield Road north of Cord's Way

Requested Rezoning:
from the R-4 (Medium Density Multi-family Residential) District
to the PD (Planned Development) District
Future Land Use Recommendation: Parks and Recreation



Legend

-  The Chateau at Ramsay's Run
- FLU Recommendation**
-  Low Density Residential
-  Medium Density Residential
-  Mixed Use
-  Parks and Recreation



0 145 290 580 Feet



**CITY of CAPE
GIRARDEAU**

Created by: Development Services
Carol Peters
February 25, 2019

CITY OF CAPE GIRARDEAU, MISSOURI

City Staff Review, Referral and Action on Rezoning/Special Use Permit Application

FILE NO. 1382

LOCATION: Bloomfield Road north of Cords Way

STAFF REVIEW & COMMENTS:

Cape Retirement Community, Inc. is requesting to rezone property along Bloomfield Road north of Cords Way from the R-4 (Medium Density Multi-family Residential) district to a PD (Planned Development) district. SEE STAFF REPORT FOR FURTHER INFORMATION

[Signature]
City Planner

3/5/19
Date

W. (RICK) LUNNINGHAM
City Attorney

MARCH 5, 2019
Date

CITY MANAGER REFERRAL TO THE PLANNING AND ZONING COMMISSION:

[Signature]
City Manager

3-6-19
Date

Planning & Zoning Commission

Public Hearing Sign Posting Date: 3-1-19 Public Hearing Date: 12/12/18

RECOMMENDED ACTION:

	Favor	Oppose	Abstain		Favor	Oppose	Abstain
Larry Dowdy	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Bruce Skinner	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Jeff Glenn	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Doug Spooler	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Kevin Greaser	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Ed Thompson	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Derek Jackson	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Tom Welch	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Patrick Koetting	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				

VOTE COUNT: 9 Favor 0 Oppose 0 Abstain

COMMENTS:

CITIZENS COMMENTING AT MEETING:

[Signature]
Kevin Greaser
Planning & Zoning Commission Secretary

City Council Action

Posting Dates: Sign 3-14-19 Newspaper 3-17-19 Public Hearing Date: 4-4-19
Ordinance 1st Reading _____ Ordinance 2nd & 3rd Reading: _____

VOTE COUNT: _____ Favor _____ Oppose _____ Abstain

ORDINANCE # _____ **Effective Date:** _____

SUBJECT

Amendment #1 to State Block Grant Agreement with the Missouri Highways and Transportation Commission, Project 13-077A-2, to acquire Snow Removal Equipment at the Cape Girardeau Regional Airport.

EXECUTIVE SUMMARY

At the August 19, 2019 City Council Meeting, the Council approved the purchase of airport multi-tasking snow removal equipment consisting of one multi-tasking snow removal carrier vehicle, one high-speed rotary plow, one 16-foot wide runway broom and one 18-foot wide flared snow plow. The total purchase approved was for \$698,939.00. The 18-foot plow is to be purchased with 100% City funds, leaving \$666,786.00. The attached Amendment #1 to the original grant agreement with the Missouri Highways and Transportation Commission (MoDOT), (which funded a grant of \$28,655.00 on February 4, 2019, for the equipment design specifications), is a 95% grant agreement in the amount of \$633,446.00, leaving a City share of \$33,340.00.

BACKGROUND/DISCUSSION

For many years the Cape Girardeau Regional Airport has needed additional snow removal equipment, especially a snow blower to displace snow berms away from the runway edges after plowing. This equipment provides the airport with the necessary equipment to plow and sweep the snow more effectively and more timely and to finally blow the snow berms away from our runway and taxiway edges.

FINANCIAL IMPACT

This Amendment #1 agreement provides a 95% grant for snow removal equipment to be utilized at the Cape Girardeau Regional Airport for an amount of \$633,446.00, leaving a 5% City Share of \$33,340.00. Because the City is acquiring the 18-foot plow at a 100% cost of \$32,153.00, the City's total cost for the equipment is \$65,593.00

STAFF RECOMMENDATION

It is recommended the City Council authorize the City Manager to sign and execute the attached Amendment #1 to the original State Block Grant Agreement with the Missouri Highways and Transportation Commission in the amount of \$633,446.00, with a City match of \$33,340.00 to acquire one airport multi-tasking snow removal carrier vehicle and various multi-tasking attachments at the Cape Girardeau Regional Airport, Project No. 13-077A-2.

ATTACHMENTS:

Name:	Description:
MODOT Block Grant Amendment 1- AARF Airport.doc	Ordinance
Amend 1 to SBGA City of Cape Girardeau 13-077A-2.pdf	Block Grant Amend #1, Airport Snow Removal Equipment

BILL NO. 19-138

ORDINANCE NO. _____

AN ORDINANCE AUTHORIZING THE CITY MANAGER TO EXECUTE AMENDMENT #1 TO A STATE BLOCK GRANT AGREEMENT WITH THE MISSOURI HIGHWAYS AND TRANSPORTATION COMMISSION FOR A SNOW REMOVAL EQUIPMENT VEHICLE, AT THE CAPE GIRARDEAU REGIONAL AIRPORT

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF CAPE GIRARDEAU, MISSOURI, AS FOLLOWS:

Article 1. The City Manager is hereby authorized and directed to execute, on behalf of the City, Amendment #1 to a State Block Grant Agreement between the City of Cape Girardeau and the Missouri Highways and Transportation Commission, for additional funding to procure a new snow removal equipment vehicle (snow blower), Project No. 13-077A-2, at the Cape Girardeau Regional Airport. The City Clerk is hereby authorized and directed to attest to said document and to affix the seal of the City thereto. The Amendment shall be in substantially the form attached hereto, which document is hereby approved by the City Council, with such changes therein as shall be approved by the officers of the City executing the same.

Article 2. This Ordinance shall be in full force and effect ten days after its passage and approval.

PASSED AND APPROVED THIS _____ day of _____, 2019.

Bob Fox, Mayor

(SEAL)

ATTEST:

Bruce Taylor, Deputy City Clerk

CCO Form: MO18
Approved: 05/94 (MLH)
Revised: 03/17 (MWH)
Modified:

Sponsor: City of Cape Girardeau
Project No.: 13-077A-2

CFDA Number: CFDA #20.106
CFDA Title: Airport Improvement Program
Federal Agency: Federal Aviation Administration, Department of Transportation

**MISSOURI HIGHWAYS AND TRANSPORTATION COMMISSION
AMENDMENT TO STATE BLOCK GRANT AGREEMENT**

AMENDMENT #1

THIS AGREEMENT AMENDMENT is entered into by the Missouri Highways and Transportation Commission (hereinafter, "Commission") and the City of Cape Girardeau (hereinafter, "Sponsor").

WITNESSETH:

WHEREAS, the parties entered into an Original Agreement executed by the Commission on February 4, 2019, (hereinafter, "Original Agreement") under which the Commission granted the sum not to exceed Twenty-Eight Thousand Six Hundred Fifty-Five Dollars (\$28,655) to the Sponsor to assist with Acquire Snow Removal Equipment; and

WHEREAS, the Commission previously approved funds for Acquire Snow Removal Equipment; and

WHEREAS, the level of funding originally approved is not sufficient to cover the costs associated with Acquire Snow Removal Equipment.

WHEREAS, the Commission has sufficient funds to increase the grant amount for Acquire Snow Removal Equipment.

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

(1) **ADDITIONAL GRANT:** The Commission grants to the Sponsor an additional sum not to exceed Six Hundred Thirty-Three Thousand Four Hundred Forty-Six Dollars (\$633,446) for Acquire Snow Removal Equipment subject to the following conditions:

(A) The Sponsor shall provide matching funds of not less than Thirty-Three Thousand Three Hundred Forty Dollars (\$33,340) toward the project in addition to those previously committed by the Sponsor in the Original Agreement.

(B) The project will be carried out in accordance with the assurances (Exhibit 1) given by the Sponsor to the Commission as specified in the Original Agreement.

(C) This Amendment shall expire and the Commission shall not be obligated to pay any part of the costs of the project unless this grant amendment has been executed by the Sponsor on or before October 15, 2019, or such subsequent date as may be prescribed in writing by the Commission.

(D) Based upon the revised project schedule, the original project time period of November 30, 2020, will be extended to June 30, 2021, to allow for completion of the work. Paragraph (2) of the Original Agreement is hereby amended accordingly.

(E) All other terms and conditions of the Original Agreement entered into between the parties shall remain in full force and effect.

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

Executed by the Sponsor this ____ day of _____, 20__.

Executed by the Commission this ____ day of _____, 20__.

**MISSOURI HIGHWAYS AND
TRANSPORTATION COMMISSION**

CITY OF CAPE GIRARDEAU

By _____

Title _____

Title _____

Secretary to the Commission

By _____

Title _____

Approved as to Form:

Approved as to Form:

Commission Counsel

Title _____

Ordinance No. _____
(if applicable)

CERTIFICATE OF SPONSOR'S ATTORNEY

I, _____, acting as attorney for the Sponsor do hereby certify that in my opinion the Sponsor is empowered to enter into the foregoing grant Agreement under the laws of the State of Missouri. Further, I have examined the foregoing grant Agreement and the actions taken by said Sponsor and Sponsor's official representative have been duly authorized and that the execution thereof is in all respects due and proper and in accordance with the laws of the said state and the Airport and Airway Improvement Act of 1982, as amended. In addition, for grants involving projects to be carried out on property not owned by the Sponsor, there are no legal impediments that will prevent full performance by the Sponsor. Further, it is my opinion that the said grant constitutes a legal and binding obligation of the Sponsor in accordance with the terms thereof.

CITY OF CAPE GIRARDEAU

Name of Sponsor's Attorney (typed)

Signature of Sponsor's Attorney

Date _____

SUBJECT

An Ordinance accepting a Permanent Utility Easement and Temporary Construction Easement for 2574 Boutin Drive, from Mary Beth Kenkel, a single person, in the City of Cape Girardeau, Missouri.

BACKGROUND/DISCUSSION

The City will be constructing a water main extension for the Boutin Drive area. A Permanent Utility Easement and Temporary Construction Easement is needed to be able to access the water main area.

FINANCIAL IMPACT

Mary Beth Kenkel is selling to the City of Cape a Permanent Utility Easement for \$5,000. SkyValt, LLC the contractor performing the work is paying \$2,500 and the City of Cape Girardeau is responsible for the remainder \$2,500. Ms. Kenkel is donating the Temporary Construction Easement.

SUSTAINABILITY: ECONOMIC, ENVIRONMENTAL AND SOCIAL IMPACTS

The easements are necessary to grant the City the right to excavate, build, construct, operate, maintain, and repair the systems and its related components in the easement area.

STAFF RECOMMENDATION

Staff recommends Council approve the attached Ordinance accepting a Permanent Utility Easement and Temporary Construction Easement for 2574 Boutin Drive, from Mary Beth Kenkel, a single person, in the City of Cape Girardeau, Missouri.

ATTACHMENTS:

Name:	Description:
2574 Boutin signed PUE.pdf	Permanent Utility Easement
Perm Utility Temp Construction Easement 2574 Boutin Drive.doc	Ordinance
2574 Boutin signed TCE.pdf	Temporary Construction Easement

BILL NO. 19-140

ORDINANCE NO. _____

AN ORDINANCE ACCEPTING A PERMANENT UTILITY EASEMENT AND A TEMPORARY CONSTRUCTION EASEMENT FROM MARY BETH KENKEL, FOR 2574 BOUTIN DRIVE, IN THE CITY OF CAPE GIRARDEAU, MISSOURI

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF CAPE GIRARDEAU, MISSOURI, AS FOLLOWS:

ARTICLE 1. The City of Cape Girardeau, Missouri, hereby accepts, and agrees to accept a Permanent Utility Easement from Mary Beth Kenkel, a single person, for 2574 Boutin Drive, in the City of Cape Girardeau, Missouri, described as follows:

THOSE PORTIONS OF THE NORTH HALF OF THE NORTHWEST QUARTER AND THE NORTH HALF OF THE NORTHEAST QUARTER OF SECTION 23, TOWNSHIP 31 NORTH, RANGE 13 EAST, OF THE FIFTH PRINCIPAL MERIDIAN, COUNTY OF CAPE GIRARDEAU, STATE OF MISSOURI, DESCRIBED AS FOLLOWS:

COMMENCE a 1" Iron Pipe at the Southeast Corner of Lot 11 of The Amended LaCroix Industrial Park Plat, as shown in Plat Book 15 at Page 38 of the Land Records of the County Recorder's Office, said point being on the North Right of Way Line of Missouri State Route "W"; thence Southwesterly, along a Curve to the Left, having a Radius of 864.02 feet, a Length of 203.36 feet (the Chord of said Curve bears S 68°59'20" W, a distance of 202.89 feet to the Point of Beginning; thence continue, along said Curve, a Length of 70.22 feet; thence S 55°41'35" W, a distance of 117.88 feet to a point, thence departing from said Right of Way, N 34°42'59" W, a distance of 10.00 feet; thence N 55°17'50" E, a distance of 99.93 feet; thence N 57°38'27" E, a distance of 38.44 feet; thence N 59°40'16" E, 30.01 feet to a point on the North Line of a tract of Land found in Document Number 2014-09394 of the aforementioned Land Records, thence N 88°02'50" E, along the North Line thereof, 23.31 feet to the Point of Beginning containing 1837 square feet, more or less.

ARTICLE 2. The City of Cape Girardeau, Missouri, hereby accepts, and agrees to accept a Temporary Construction Easement from Mary Beth Kenkel, for 2574 Boutin Drive, in the City of Cape Girardeau, Missouri, described as follows:

THAT PART OF THE NORTHEAST QUARTER OF THE NORTHWEST QUARTER OF SECTION 23, TOWNSHIP 31 NORTH, RANGE 13 EAST OF THE FIFTH PRINCIPAL MERIDIAN COUNTY OF CAPE GIRARDEAU, STATE OF MISSOURI DESCRIBED AS FOLLOWS:

COMMENCE at the Southeast Corner of Lot 2 of Peaceable Acres as shown in Plat Book 17 at Page 24 of the Land Records of the County Recorder's Office; thence S 03°52'48" W, 40.99 feet to a point; thence S 07°18'23" W, 107.59 feet to a point; thence S 39°13'00" W, 33.63 feet to the POINT OF BEGINNING; thence continue, S 39°13'00" W, 47.63 feet to a point on the Northerly Right of Way Line of Missouri State Route "W" also known as Boutin Drive; thence along said Right of Way the following courses:
N 57°34'24" E, 30.92 feet to a point; N 66°06'14" E, 101.12 feet to a point; N 57°34'24" E, 150.00 feet to a point being 35 feet opposite and normal to station 442+50 of said highway; thence departing from said Right of Way, N 32°25'36" W, 30.00 feet; thence S 57°34'24" W, 235.71 feet to the POINT OF BEGINNING containing 6875 square feet, more or less.

ARTICLE 3. This ordinance shall be in full force and effect ten days after its passage and approval.

PASSED AND APPROVED THIS _____ DAY OF _____, 2019.

Bob Fox, Mayor

ATTEST:

Bruce Taylor, Deputy City Clerk

PERMANENT UTILITY EASEMENT
2574 Boutin Drive
Cape Girardeau MO

KNOW ALL PERSONS BY THESE PRESENTS: **Mary Beth Kenkel, a single person**, in consideration of the sum of One Dollar (\$1.00) and other good and valuable consideration, the receipt of which is hereby acknowledged, do hereby grant, bargain, sell and convey to the **CITY OF CAPE GIRARDEAU, MISSOURI**, a Municipal Corporation, hereinafter referred to as the "City", the right, privilege, permission and authority to enter on and upon the following described property, located at **2574 Boutin Drive**, which is solely owned by the undersigned located in the City and County of Cape Girardeau, Missouri, to-wit:

THOSE PORTIONS OF THE NORTH HALF OF THE NORTHWEST QUARTER AND THE NORTH HALF OF THE NORTHEAST QUARTER OF SECTION 23, TOWNSHIP 31 NORTH, RANGE 13 EAST, OF THE FIFTH PRINCIPAL MERIDIAN, COUNTY OF CAPE GIRARDEAU, STATE OF MISSOURI, DESCRIBED AS FOLLOWS:

COMMENCE a 1" Iron Pipe at the Southeast Corner of Lot 11 of The Amended LaCroix Industrial Park Plat, as shown in Plat Book 15 at Page 38 of the Land Records of the County Recorder's Office, said point being on the North Right of Way Line of Missouri State Route "W"; thence Southwesterly, along a Curve to the Left, having a Radius of 864.02 feet, a Length of 203.36 feet (the Chord of said Curve bears S 68°59'20" W, a distance of 202.89 feet to the **Point of Beginning**; thence continue, along said Curve, a Length of 70.22 feet; thence S 55°41'35" W, a distance of 117.88 feet to a point, thence departing from said Right of Way, N 34°42'59" W, a distance of 10.00 feet; thence N 55°17'50" E, a distance of 99.93 feet; thence N 57°38'27" E, a distance of 38.44 feet; thence N 59°40'16" E, 30.01 feet to a point on the North Line of a tract of Land found in Document Number 2014-09394 of the aforementioned Land Records, thence N 88°02'50" E, along the North Line thereof, 23.31 feet to the Point of Beginning containing 1837 square feet, more or less.

Said right, privilege, permission and authority to enter in and upon said property above described is granted for the purpose of enabling the City, its agents, servants, and assigns to use said property to excavate, build, and construct certain improvements, in, on, upon, or across said described property, together with all the useful, necessary and proper adjuncts, appurtenances, and appliances in connection therewith, as shown on the plans and specifications on file in the Office of the City Engineer. This easement and the right, privilege, permission and authority herein granted are perpetual and shall run with the land.

The undersigned covenant that they are the owners in fee simple of the above described property and have the legal right to convey the same.

TEMPORARY CONSTRUCTION EASEMENT

Boutin Water Main Extension
2574 Boutin Drive.
Cape Girardeau, MO 63701

KNOW ALL MEN BY THESE PRESENTS: **Mary Beth Kenkel**, hereinafter referred to as "Grantor", and the **CITY OF CAPE GIRARDEAU, MISSOURI**, a Municipal Corporation of the County of Cape Girardeau, State of Missouri, herein referred to as GRANTEE:

WITNESSETH, that Grantors, in consideration of the sum of One Dollar (\$1.00), and other good and valuable consideration, to be paid by Grantee, the receipt of which is hereby acknowledged, do by these presents, remise and convey unto Grantee the following **TEMPORARY CONSTRUCTION EASEMENT** on the property described as follows:

THAT PART OF THE NORTHEAST QUARTER OF THE NORTHWEST QUARTER OF SECTION 23, TOWNSHIP 31 NORTH, RANGE 13 EAST OF THE FIFTH PRINCIPAL MERIDIAN COUNTY OF CAPE GIRARDEAU, STATE OF MISSOURI DESCRIBED AS FOLLOWS:

COMMENCE at the Southeast Corner of Lot 2 of Peaceable Acres as shown in Plat Book 17 at Page 24 of the Land Records of the County Recorder's Office; thence S 03°52'48" W, 40.99 feet to a point; thence S 07°18'23" W, 107.59 feet to a point; thence S 39°13'00" W, 33.63 feet to the **POINT OF BEGINNING**; thence continue, S 39°13'00" W, 47.63 feet to a point on the Northerly Right of Way Line of Missouri State Route "W" also known as Boutin Drive; thence along said Right of Way the following courses:

N 57°34'24" E, 30.92 feet to a point; N 66°06'14" E, 101.12 feet to a point; N 57°34'24" E, 150.00 feet to a point being 35 feet opposite and normal to station 442+50 of said highway; thence departing from said Right of Way, N 32°25'36" W, 30.00 feet; thence S 57°34'24" W, 235.71 feet to the **POINT OF BEGINNING** containing 6,875 square feet, more or less.

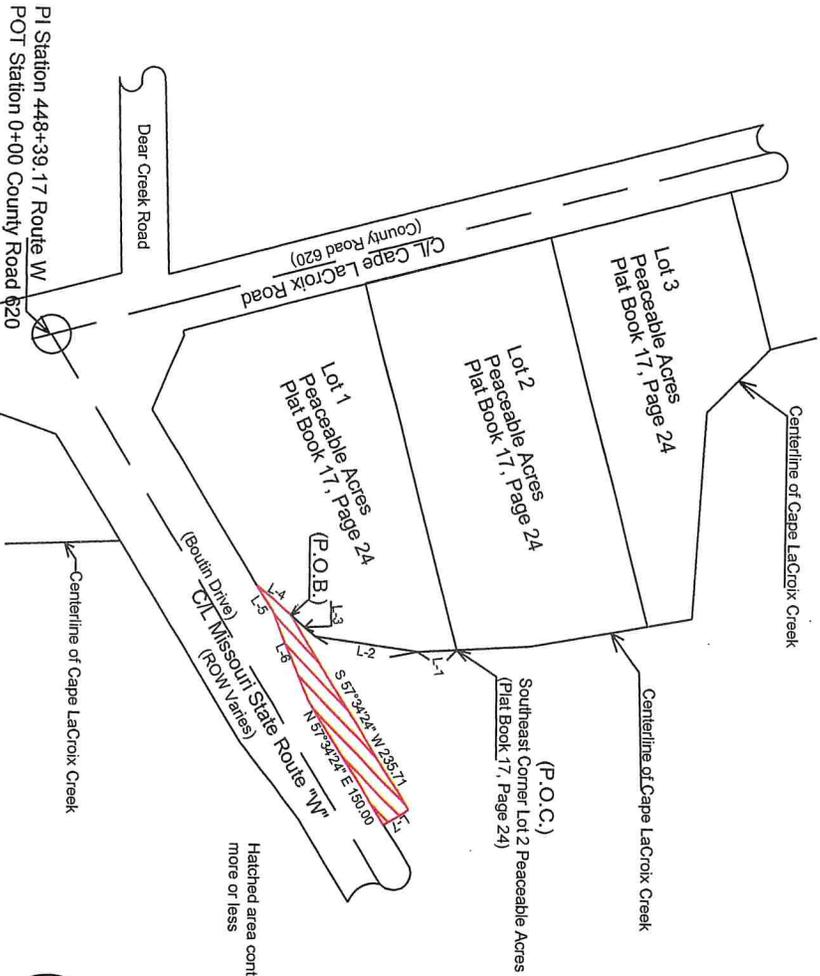
The above described parcel contains 6,875 sq. ft., more or less, of temporary easement for construction.

Said right, privilege, permission and authority to enter in and upon said property above described is granted for the purpose of enabling the City, its agents, servants, and assigns to use said property to excavate, build, and construct certain land improvements for the Boutin Water Main Extension, in, on, upon, or across said described property, together with all the useful, necessary and proper adjuncts, appurtenances, and appliances in connection therewith, as shown on the plans and specification of file in the Office of the City Engineer. Said privilege is valid from the date this easement is accepted by the City Council through the date those improvements are accepted by the City Council.

TRACT PART OF THE NORTHWEST QUARTER OF THE NORTHWEST QUARTER OF SECTION 23, TOWNSHIP 31 NORTH, RANGE 13 EAST OF THE FIFTH PRINCIPAL MERIDIAN COUNTY OF CAPE GIRARDEAU, STATE OF MISSOURI DESCRIBED AS FOLLOWS:

COMMENCE at the Southeast Corner of Lot 2 of Peaceable Acres as shown in Plat Book 17 at Page 24 of the Land Records of the County Recorder's Office; thence S 03°52'48" W, 40.99 feet to a point; thence S 07°18'23" W, 107.59 feet to a point; thence S 39°13'00" W, 33.63 feet to the **POINT OF BEGINNING**; thence continue, S 39°13'00" W, 47.63 feet to a point on the Northern Right of Way Line of Missouri State Route "W" also known as Boulton Drive; thence along said Right of Way the following courses:

N 57°34'24" E, 30.92 feet to a point; N 86°06'14" E, 101.12 feet to a point; N 57°34'24" E, 150.00 feet to a point being 35 feet opposite and normal to station 442+50 of said highway; thence departing from said Right of Way, N 32°25'36" W, 30.00 feet; thence S 57°34'24" W, 235.71 feet to the **POINT OF BEGINNING** containing 6875 square feet, more or less.



Drawn by the Surveyor General of Missouri by using the ANTI-CORRECTIONAL SYSTEM, IN ACCORDANCE WITH THE ACT OF APRIL 20, 1892, CHAP. 118, SECTION 1, R.S.M.

REFERENCES

1. Record Plat of Peaceable Acres Plat Book 17, Page 24
2. Aerial Photograph 15-600
3. Online Mapping Records for Cape Girardeau County

LINE TABLE

Line	Bearing	Distance
L-1	S 03°52'48" W	40.99
L-2	S 07°18'23" W	107.59
L-3	S 39°13'00" W	33.63

Staff: Kelly Green., City Engineer
Agenda: 9/3/2019

AGENDA REPORT
Cape Girardeau City Council

19-201

SUBJECT

An Ordinance accepting a Collector's Deed from the Cape Girardeau County Collector for Lands Sold for Delinquent Taxes at First Offering for property located on North Main Street in the City of Cape Girardeau, Missouri.

EXECUTIVE SUMMARY

The attached ordinance conveys a tract of land at 0 N. Main street from Cape Girardeau County Collector for Lands Sold for Delinquent Taxes at First Offering for property located at N. Main Street in the City of Cape Girardeau, Missouri.

BACKGROUND/DISCUSSION

The property located at 0 N. Main Street adjoins a tract of land already owned by the City of Cape Girardeau in the Red Star district. A Collectors Deed has been prepared for this purpose and is attached, along with a location map.

FINANCIAL IMPACT

The cost to the City for the land was \$160.38 for back taxes and \$200 for title search and \$60 in recording fees.

STAFF RECOMMENDATION

Staff recommends approval of the ordinance accepting the Collector's Deed from Cape Girardeau County Tax Collector for 0 N. Main Street, Cape Girardeau MO.

ATTACHMENTS:

Name:	Description:
Tax Collectors Deed 0 North Main Street.doc	Ordinance
Main N Tax Sale Deed.pdf	Deed
Map.0NMain.docx	map

BILL NO. 19-141

ORDINANCE NO. _____

AN ORDINANCE ACCEPTING A COLLECTOR'S DEED
FROM CAPE GIRARDEAU COUNTY, FOR PROPERTY
LOCATED AT 0 NORTH MAIN STREET, IN THE CITY
OF CAPE GIRARDEAU, MISSOURI

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF CAPE
GIRARDEAU, MISSOURI, AS FOLLOWS:

ARTICLE 1. The City of Cape Girardeau, Missouri, hereby
accepts, and agrees to accept, a Collector's Deed from Cape
Girardeau County for lands sold for delinquent taxes, for
property located at 0 North Main Street, in the City of Cape
Girardeau, Missouri, described as follows:

As described in Book #591 Page #256.
All of Lot Two (2) in block Twelve (12) of Robertson
and Gale's Addition in the City of Cape Girardeau,
Missouri.
County Parcel No16-716-00-20-00900-0000

ARTICLE 2. This ordinance shall be in full force and
effect ten days after its passage and approval.

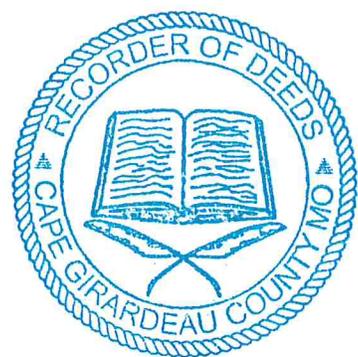
PASSED AND APPROVED THIS _____ DAY OF _____, 2019.

Bob Fox, Mayor

ATTEST:

Bruce Taylor, Deputy City Clerk

CL



DOCUMENT #
2019-08242

ANDREW DAVID BLATTNER
RECORDER OF DEEDS
CAPE GIRARDEAU COUNTY, MO
RECORDED ON
08/28/2019 12:53:10 PM
REC FEE: 30.00
PAGES: 3

COLLECTOR'S DEED FOR TAXES

Diane Diebold, former
Grantor: Barbara Gholson, current , Collector of Revenue **Document Date: August 28, 2019**
Grantor: Smith J D
Grantee: City of Cape Girardeau
Mailing Address: 401 Independence , Cape Girardeau MO 63703

Whereas on this 28th day of August, 2019, Barbara Gholson the undersigned Collector of the County of CAPE GIRARDEAU, State of Missouri, (known as "Grantor"), did receive from City of Cape Girardeau, whose mailing address is 401 Independence, Cape Girardeau MO 63703, of the county of CAPE GIRARDEAU, State of Missouri "known as "Grantee(s)", a certificate of purchase, in writing bearing the date, 27th day of August 2018, signed by Diane Diebold who at the last mentioned date was Collector of said county, from which it appears that the said City of Cape Girardeau did on the 27th day of August, 2018, purchase at public auction at the the County Administration Building, in Jackson, in said county, the tract, parcel or lot of land lastly in the indenture described, and which lot was sold to City of Cape Girardeau for the sum of \$ 101.98 One Hundred One Dollars and Ninety-Eight Cents being the amount due on the following tracts or lots of land, returned delinquent in the name of Smith J D Grantor(s) for the non-payment of taxes, costs and charges for the years: 2016, 2017

Witnesseth: That the said Grantor, for and in consideration of the premises, has granted, bargained and sold unto the said Grantee, successors and assigns, forever, the tract or parcel of land mentioned in said certificate, situated in the County of Cape Girardeau and State of Missouri, and described as follows:

Legal Description
LOT 2 BLK 12 ROBERTSON - GALE ADDN
See attached Exhibit "A" for full legal description

County Parcel Number: 16-716-00-20-00900-0000 Book # 591 Page # 256

Said lands have been recorded, among other tracts, in the office of said Collector as delinquent for the non-payment of taxes, costs and charges due for the year last aforesaid, and legal publication made of the sale of said lands, and it appearing that the said City of Cape Girardeau is the legal owner of said certificate of purchase and the time fixed by law for redeeming the land therein described having now expired, the said Smith J D nor any person in his/her/their behalf having paid or tendered the amount due the said Smith J D on account of the aforesaid purchase, and for the taxes by him/her/them since paid, and the said City of Cape Girardeau having demanded a deed for the tract of land last mentioned in said certificate, and which was the least

quantity of the tract above described that would sell for the amount due thereon for taxes, costs and charges, as above specified, and it appearing from the records of said County Collector's office that the aforesaid lands were legally liable for taxation, and had been duly assessed and properly charged on the tax book with taxes for the years: 2016 , 2017

To have and to hold the said last mentioned tract or parcel of land, with the appurtenances thereto belonging, to the said Grantee, successors and assigns forever, in as full and ample a manner as the Collector of said county is empowered by law to sell same.

In testimony Whereof, the said Barbara Gholson, Collector of said county of CAPE GIRARDEAU, has hereunto set his/her hand, the day and year last above written. (Document Date)



Barbara Gholson (L.S.)
Barbara Gholson
Collector of Cape Girardeau County

STATE OF MISSOURI }
County of Cape Girardeau } ss

Before me the undersigned, Patricia A. Schuette in and for said county, this day, personally came the above named, Barbara Gholson Collector of said county, and acknowledged that he/she executed the foregoing deed for the uses and purposes therein mentioned.

In Witness Whereof, I have hereunto set my hand and seal, this 28th day of August 2019

PATRICIA A. SCHUETTE
Notary Public - Notary Seal
State of Missouri
Commissioned for Cape Girardeau County
My Commission Expires: October 10, 2022
Commission Number: 18016291

My commission expires:

Patricia A. Schuette (L.S.)
Name of Notary Public

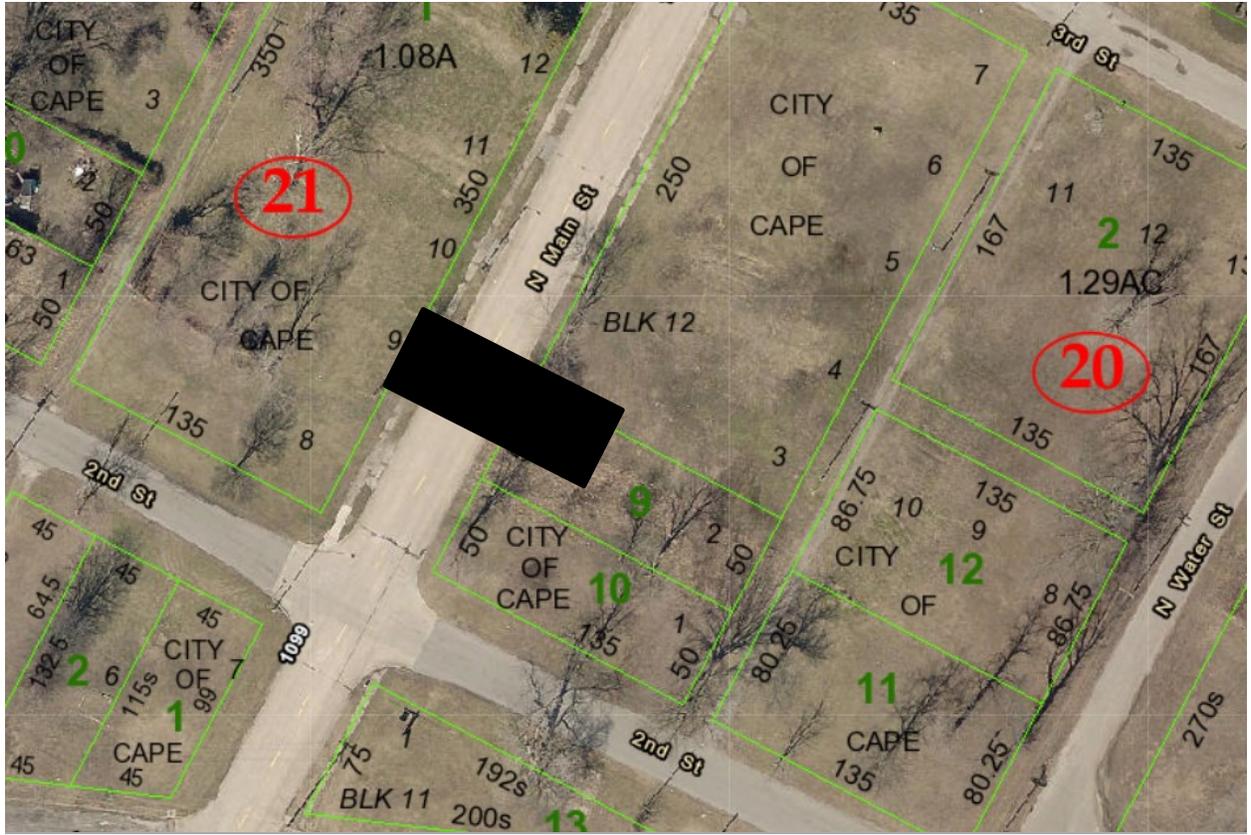
Exhibit A

**2018 TAX SALE ATTACHMENT
LEGAL DESCRIPTION**

AS DESCRIBED IN Book # 591 Page # 256

All of Lot two (2) in block Twelve (12) of Roberson and Gale's Addition in the City of
Cape Girardeau, Missouri

COUNTY PARCEL NO. 16-716-00-20-00900-0000



Staff: W. Victor Brownlees, Finance
Agenda: Director.
9/3/2019

AGENDA REPORT
Cape Girardeau City Council

19-202

SUBJECT

This ordinance approves the issuance and terms of approximately \$8,515,000 of Waterworks System Refunding Revenue Bonds currently planned on being sold on September 16, 2019.

EXECUTIVE SUMMARY

This ordinance approves the issuance and terms of approximately \$8,515,000 of Waterworks System Refunding Revenue Bonds currently planned on being sold on September 16, 2019. Final rates and terms will be included in the final readings of this ordinance at the Council meeting scheduled for September 16, 2019.

BACKGROUND/DISCUSSION

The proposed bonds are being issued to provide funds to repay a portion of existing Waterworks System Revenue Bonds, Series 2012A with an original value of \$9,285,000; it will also provide funding for the costs of issuing the Bonds. The proposed bond issue will allow us to take advantage of interest rate reductions.

FINANCIAL IMPACT

The repayments of the proposed bonds are to be made from the revenue generated by the rates charged to users of the waterworks system. Current projections show that future revenue from this repayment source will be adequate to repay these bonds. With issuance of these bonds, based on current interest rates, the City will realize future debt service payment reductions with a Net Present Value Benefit of around \$725,000 (value of future reductions in today's dollars).

STAFF RECOMMENDATION

Staff recommends approval of this ordinance.

ATTACHMENTS:

Name:	Description:
Ordinance.Waterworks Revenue Bonds (prepared by G B).doc	Ordinance
POS.docx	Preliminary Official Statement
CDU.docx	Continuing Disclosure Undertaking
FTC.doc	Federal Tax Certificate
ETA.docx	Escrow Trust Agreement

BILL NO. 19-143

ORDINANCE NO. _____

OF THE

CITY COUNCIL

OF THE

CITY OF CAPE GIRARDEAU, MISSOURI

PASSED

SEPTEMBER 16, 2019

AUTHORIZING

[\$PRINCIPAL AMOUNT**]
WATERWORKS SYSTEM REFUNDING REVENUE BONDS
SERIES 2019**

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AN ORDINANCE AUTHORIZING THE ISSUANCE OF WATERWORKS SYSTEM REFUNDING REVENUE BONDS, SERIES 2019, OF THE CITY OF CAPE GIRARDEAU, MISSOURI; PRESCRIBING THE FORM AND DETAILS OF THE BONDS AND THE COVENANTS AND AGREEMENTS TO PROVIDE FOR THE PAYMENT AND SECURITY THEREOF; AND AUTHORIZING CERTAIN ACTIONS AND DOCUMENTS AND PRESCRIBING OTHER MATTERS RELATING THERETO

RECITALS

1. The City of Cape Girardeau, Missouri (the “City”), is a constitutional charter city and political subdivision duly created, organized and existing under and by virtue of its Charter and the laws of the State of Missouri, and pursuant to Chapter 91 of the Revised Statutes of Missouri, as amended (the “Act”), owns and operates a revenue producing waterworks system serving the City and its inhabitants and others within its service area (the “System,” as hereinafter more fully defined).

2. The City has heretofore issued and has outstanding the following series of revenue bonds payable out of the revenues derived from the operation of the System:

<u>Series of Bonds</u>	<u>Date of Bonds</u>	<u>Amount Issued</u>	<u>Amount Outstanding</u>
Waterworks System Revenue Bonds (State of Missouri – Direct Loan Program – ARRA) Series 2010 (the “Series 2010 Bonds”)	January 15, 2010	\$ 1,000,000	\$ 592,100
Waterworks System Refunding Revenue Bonds, Series 2012A (the “Series 2012A Bonds”)	April 17, 2012	13,955,000	9,905,000

3. The City desires to refund the Series 2012A Bonds maturing on and after January 1, 2021 (the “Refunded Bonds”) and is authorized under the provisions of Section 108.140(2) of the Revised Statutes of Missouri, as amended (the “Refunding Law”), to issue and sell refunding revenue bonds for the purpose of refunding, in whole or in part, its valid outstanding revenue bonds, which refunding revenue bonds may be payable from the same sources as were pledged to the payment of the bonds refunded.

4. Upon the issuance of the Bonds, the City will not have outstanding any other bonds or obligations payable from the revenues derived from the operation of the System other than the Series 2010 Bonds and the Series 2012A Bonds that are not being refunded.

5. It is hereby found and determined that it is necessary and advisable and in the best interest of the City and of its inhabitants at this time to authorize the issuance and delivery of revenue bonds pursuant to the Act as herein provided to provide funds for such purposes.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF CAPE GIRARDEAU, MISSOURI, AS FOLLOWS:

ARTICLE I

DEFINITIONS

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

“Act” means Chapter 91 of the Revised Statutes of Missouri, as amended.

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

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

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

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

“Bonds” means the City’s Waterworks System Refunding Revenue Bonds, Series 2019, in the original aggregate principal amount of \$[**PRINCIPAL AMOUNT**], authorized and issued pursuant to this Ordinance.

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

“City” means the City of Cape Girardeau, Missouri, and any successors or assigns.

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

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

“Continuing Disclosure Undertaking” means the Continuing Disclosure Undertaking dated as of October 1, 2019, in substantially the form attached hereto as **Exhibit C**.

“Costs of Issuance Account” means the Costs of Issuance Account for the Bonds ratified by **Section 501** hereof.

“Debt Service Account” means the Debt Service Account for the Bonds created by **Section 501** hereof.

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

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

“Defeasance Obligations” means any of the following obligations:

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

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

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

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

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

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

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

(6) the obligations are rated in the same rating category or higher as United States Government Obligations by a nationally recognized rating service.

“Depreciation and Replacement Account” means the account by that name referred to in **Section 501** hereof.

“Escrow Agent” means UMB Bank, N.A., St. Louis, Missouri, and any successors or assigns.

“Escrow Agreement” means the Escrow Trust Agreement between the City and the Escrow Agent, in substantially the form attached hereto as **Exhibit E**.

“Escrow Fund” means the fund by that name referred to in **Section 501** hereof.

“Escrowed Securities” means the direct, noncallable obligations of the United States of America, as described in the Escrow Agreement.

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

“Federal Tax Certificate” means the Federal Tax Certificate, in substantially the form attached hereto as **Exhibit D**, executed by the City on the date of issuance of the Bonds, as the same may be amended or supplemented in accordance with the provisions thereof.

“Insurance Consultant” means an individual or firm selected by the City qualified to survey risks and to recommend insurance coverage for entities engaged in operations similar to those of the System and having a favorable reputation for skill and experience in making such surveys and recommendations.

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

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

“Net Revenues” means all Revenues less all Expenses.

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

“Ordinance” means this Ordinance, as it may be amended from time to time in accordance with the terms hereof.

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

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

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

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

“Parity Bonds” means the Series 2010 Bonds, the Series 2012A Bonds and any additional bonds or other obligations hereafter issued or incurred pursuant to **Section 902** hereof and standing on a parity and equality with the Bonds with respect to the payment of principal and interest from the Net Revenues of the System.

“Parity Ordinances” means the Series 2010 Ordinance, the Series 2012A Ordinance and any additional ordinance or ordinances under which any Parity Bonds are hereafter issued pursuant to **Section 902** hereof.

“Paying Agent” means UMB Bank, N.A., St. Louis, Missouri, and any successors and assigns.

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

(a) United States Government Obligations;

(b) bonds, notes or other obligations of the State of Missouri, or any political subdivision of the State of Missouri, that at the time of their purchase are rated in either of the two highest rating categories by a nationally recognized rating service;

(c) repurchase agreements with any bank, bank holding company, savings and loan association, trust company, or other financial institution organized under the laws of the United States or any state, that are continuously and fully secured by any one or more of the securities described in clause (a) or (b) above and have a market value, exclusive of accrued interest, at all times at least equal to the principal amount of such repurchase agreement and are held in a custodial or trust account for the benefit of the City;

(d) obligations of the Government National Mortgage Association, the Federal Financing Bank, the Federal Intermediate Credit Corporation, Federal Banks for Cooperatives, Federal Land Banks, Federal Home Loan Banks, Farmers Home Administration and Federal Home Loan Mortgage Corporation;

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

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

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

“Purchaser” means [****Original Purchaser****], _____, _____, the original purchaser of the Bonds.

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

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

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

“Refunded Bonds” means the Series 2012A Bonds maturing on and after January 1, 2021, aggregating the principal amount of \$9,285,000.

“Replacement Bonds” means Bonds issued to the beneficial owners of the Bonds in accordance with **Section 211(c)** hereof.

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

“Revenues” means all income and revenues derived from the operation of the System, including investment income, sales tax revenues which have been annually appropriated by the City or which are limited solely to the payment of improvements to or expenses of the System, and any amounts deposited in escrow in connection with the acquisition, construction, remodeling, renovation and equipping of facilities to be applied during the period of determination to pay interest on System Revenue Bonds, but excluding any profits or losses on the early extinguishment of debt or on the sale or other disposition, not in the ordinary course of business, of investments or fixed or capital assets and any other moneys of the City which have been appropriated by the City Council to pay expenses of the System or other Debt Service Requirements.

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

“Series 2010 Bonds” means the City’s Waterworks System Revenue Bonds (State of Missouri – Direct Loan Program – ARRA), Series 2010.

“Series 2010 Ordinance” means Ordinance No. 4096 of the City adopted on January 4, 2010, authorizing the issuance of the Series 2010 Bonds.

“Series 2012A Bonds” means the City’s Waterworks System Refunding Revenue Bonds, Series 2012A.

“Series 2012A Ordinance” means Ordinance No. 4305 of the City adopted on April 2, 2012, authorizing the issuance of the Series 2012A Bonds.

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

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

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

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

“**United States Government Obligations**” means bonds, notes, certificates of indebtedness, treasury bills or other securities constituting direct obligations of, or obligations the principal of and interest on which are fully and unconditionally guaranteed as to full and timely payment by, the United States of America, including evidences of a direct ownership interest in future interest or principal payments on obligations issued or guaranteed by the United States of America (including the interest component of obligations of the Resolution Funding Corporation), or securities which represent an undivided interest in such obligations, which obligations are rated in the same rating category or higher as the United States of America by a nationally recognized rating service and such obligations are held in a custodial account for the City’s benefit.

ARTICLE II

AUTHORIZATION OF BONDS

Section 201. Authorization of Bonds. The City is authorized and directed to issue a series of bonds of the City, designated “Waterworks System Refunding Revenue Bonds, Series 2019”, in the principal amount of \$[**PRINCIPAL AMOUNT**] (the “Bonds”), for the purpose of providing funds to refund the Refunded Bonds and pay the costs of issuing the Bonds.

Section 202. Description of Bonds.

(a) The Bonds shall consist of fully-registered bonds, numbered from **R-1** upward, in denominations of \$5,000 or any integral multiple thereof. The Bonds, as originally issued or issued upon transfer, exchange or substitution, shall be substantially in the form set forth in **Exhibit A** attached hereto, and shall be subject to registration, transfer and exchange as provided in **Section 205** hereof.

(b) The Bonds shall be dated the date of original delivery thereof, shall be due in the amounts on the Stated Maturities (subject to redemption prior to their Stated Maturities as provided in **Article III** hereof), and shall bear interest at the rates per annum, as follows:

SERIAL BONDS

<u>Stated Maturity (January 1)</u>	<u>Principal Amount</u>	<u>Annual Rate of Interest</u>
20__	\$	%
20__		
20__		
20__		
20__		
20__		
20__		
20__		
20__		
20__		
20__		
20__		
20__		

[TERM BONDS**]**

<u>Stated Maturity (January 1)</u>	<u>Principal Amount</u>	<u>Annual Rate of Interest</u>
20__	\$	%
20__		

(c) The Bonds shall bear interest at the above-specified rates (computed on the basis of a 360-day year of twelve 30-day months) from the dated date thereof or from the most recent Interest Payment Date to which interest has been paid or duly provided for, payable semiannually on January 1 and July 1 in each year, beginning on July 1, 2020.

Section 203. Designation of Paying Agent.

(a) UMB Bank, N.A., St. Louis, Missouri, is hereby designated as the City’s Paying Agent for the payment of principal of and interest on the Bonds and as bond registrar with respect to the registration, transfer and exchange of Bonds (herein called the “Paying Agent”).

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

(c) Every Paying Agent appointed hereunder shall at all times be a commercial banking association or corporation or trust company located in the State of Missouri, organized and in good standing and doing business under the laws of the United States of America or of the State of Missouri,

authorized under such laws to exercise trust powers and subject to supervision or examination by federal or state regulatory authority.

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

Section 204. Method and Place of Payment of Bonds.

(a) The principal or Redemption Price of and interest on the Bonds shall be payable in any coin or currency of the United States of America that, on the respective dates of payment thereof, is legal tender for the payment of public and private debts.

(b) The principal or Redemption Price of each Bond shall be paid at Maturity by check, draft or electronic transfer to the Person in whose name such Bond is registered on the Bond Register at the Maturity thereof, upon presentation and surrender of such Bond at the principal payment office of the Paying Agent or such other payment office designated by the Paying Agent.

(c) The interest payable on each Bond on any Interest Payment Date shall be paid to the Registered Owner of such Bond as shown on the Bond Register at the close of business on the Record Date for such interest (1) by check or draft mailed by the Paying Agent to such Registered Owner at the address shown on the Bond Register or (2) by electronic transfer to such Registered Owner upon written notice signed by such Registered Owner and given to the Paying Agent by such Registered Owner not less than 15 days prior to the Record Date for such interest, containing the electronic transfer instructions including the name and address of the bank, its ABA routing number and the account number to which such Registered Owner wishes to have such transfer directed and an acknowledgment that an electronic transfer fee is payable.

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

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

Section 205. Registration, Transfer and Exchange of Bonds.

(a) The City covenants that, as long as any of the Bonds remain Outstanding, it will cause the Bond Register to be kept at the principal payment office of the Paying Agent or such other payment office designated by the Paying Agent for the registration, transfer and exchange of Bonds as herein provided. Each Bond when issued shall be registered in the name of the owner thereof on the Bond Register.

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

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

(d) The City and the Paying Agent shall not be required (1) to register the transfer or exchange of any Bond after notice calling such Bond or portion thereof for redemption has been given or during the period of 15 days next preceding the first mailing of such notice of redemption, or (2) to register the transfer or exchange of any Bond during a period beginning at the opening of business on the day after receiving written notice from the City of its intent to pay Defaulted Interest and ending at the close of business on the date fixed for the payment of Defaulted Interest pursuant to **Section 204** hereof.

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

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

Section 206. Execution, Authentication and Delivery of Bonds.

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

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

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

Section 207. Mutilated, Destroyed, Lost and Stolen Bonds.

(a) If (1) any mutilated Bond is surrendered to the Paying Agent, or the Paying Agent receives evidence to its satisfaction of the destruction, loss or theft of any Bond, and (2) there is delivered to the City and the Paying Agent such security or indemnity as may be required by the Paying Agent, then, in the absence of notice to the City and the Paying Agent that such Bond has been acquired by a bona fide purchaser, the City shall execute and the Paying Agent shall authenticate and deliver, in exchange for or in lieu of any such mutilated, destroyed, lost or stolen Bond, a new Bond of the same Stated Maturity and of like tenor and principal amount.

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

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

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

Section 208. Cancellation and Destruction of Bonds Upon Payment. All Bonds that have been paid or redeemed or that otherwise have been surrendered to the Paying Agent, either at or before Maturity, shall be cancelled by the Paying Agent immediately upon the payment, redemption and

surrender thereof to the Paying Agent and subsequently destroyed in accordance with the customary practices of the Paying Agent. The Paying Agent shall execute a certificate in duplicate describing the Bonds so cancelled and shall file an executed counterpart of such certificate with the City.

Section 209. Preliminary and Final Official Statement.

(a) The Preliminary Official Statement, in the form attached hereto as **Exhibit B**, is hereby ratified and approved, and the final Official Statement is hereby authorized and approved by supplementing, amending, and completing the Preliminary Official Statement, with such changes and additions thereto as are necessary to conform to and describe the transaction. The Mayor or City Manager is hereby authorized to execute the final Official Statement as so supplemented, amended and completed, and the use and public distribution of the final Official Statement by the Purchaser in connection with the reoffering of the Bonds is hereby authorized. The proper officials of the City are hereby authorized to execute and deliver a certificate pertaining to such Official Statement as prescribed therein, dated as of the date of payment for and delivery of the Bonds.

(b) For the purpose of enabling the Purchaser to comply with the requirements of Rule 15c2-12(b)(1) of the Securities and Exchange Commission (the "Rule"), the City hereby deems the Preliminary Official Statement to be "final" as of its date, except for the omission of such information as is permitted by the Rule. The appropriate officers of the City are hereby authorized, if requested, to provide the Purchaser a letter or certification to such effect and to take such other actions or execute such other documents as such officers in their reasonable judgment deem necessary to enable the Purchaser to comply with the requirement of such Rule.

(c) The City agrees to provide to the Purchaser within seven Business Days of the date of the sale of the Bonds an electronic copy of the final Official Statement to enable the Purchaser to comply with the requirements of Rule 15c2-12(b)(4) of the Securities and Exchange Commission and with the requirements of Rule G-32 of the Municipal Securities Rulemaking Board.

Section 210. Sale of Bonds. The sale of the Bonds to the Purchaser at a purchase price of \$ _____ (representing the original principal amount of the Bonds, plus *****a net****) original issue premium of \$ _____ and less an underwriting discount of \$ _____), plus accrued interest to the date of delivery, if any, is hereby ratified and confirmed. The City shall deliver the Bonds to or upon the order of the Purchaser as soon as practicable after the adoption of this Ordinance, upon payment therefor in accordance with the terms of sale.

Section 211. Securities Depository.

(a) For purposes of this Section, the following terms shall have the following meanings:

"Beneficial Owner" means, whenever used with respect to a Bond, the person in whose name such Bond is recorded as the beneficial owner of such Bond by a Participant on the records of such Participant, or such person's subrogee.

"Cede & Co." means Cede & Co., the nominee of the Securities Depository, and any successor nominee of the Securities Depository with respect to the Bonds.

"Participant" means any broker-dealer, bank or other financial institution for which the Securities Depository holds Bonds as securities depository.

“Representation Letter” means, collectively, the Representation Letter from the City to the Securities Depository and the Representation Letter from the Paying Agent to the Securities Depository.

(b) The Bonds shall be initially issued as one single authenticated fully-registered bond for each Stated Maturity. Upon initial issuance, the ownership of such Bonds shall be registered in the Bond Register kept by the Paying Agent in the name of Cede & Co., as nominee of the Securities Depository. The Paying Agent and the City may treat the Securities Depository (or its nominee) as the sole and exclusive owner of the Bonds registered in its name for the purposes of payment of the principal or Redemption Price of and interest on the Bonds, selecting the Bonds or portions thereof to be redeemed, giving any notice permitted or required to be given to Registered Owners of Bonds under this Ordinance, registering the transfer of Bonds, and for all other purposes whatsoever; and neither the Paying Agent nor the City shall be affected by any notice to the contrary. Neither the Paying Agent nor the City shall have any responsibility or obligation to any Participant, any person claiming a beneficial ownership interest in the Bonds under or through the Securities Depository or any Participant, or any other person which is not shown on the Bond Register kept by the Paying Agent as being a Registered Owner of any Bonds, with respect to the accuracy of any records maintained by the Securities Depository or any Participant, with respect to the payment by the Securities Depository or any Participant of any amount with respect to the principal or Redemption Price of and interest on the Bonds, with respect to any notice which is permitted or required to be given to the Registered Owners of Bonds under this Ordinance, with respect to the selection by the Securities Depository or any Participant of any person to receive payment in the event of a partial redemption of the Bonds, or with respect to any consent given or other action taken by the Securities Depository as Registered Owner of the Bonds. The Paying Agent shall pay all principal or Redemption Price of and interest on the Bonds only to Cede & Co. in accordance with the Representation Letter, and all such payments shall be valid and effective to fully satisfy and discharge the City’s obligations with respect to the principal or Redemption Price of and interest on the Bonds to the extent of the sum or sums so paid. No person other than the Securities Depository (or the Paying Agent as “FAST Agent”) shall receive an authenticated Bond for each separate stated maturity evidencing the City’s obligation to make payments of principal and interest. Upon delivery by the Securities Depository to the Paying Agent of written notice to the effect that the Securities Depository has determined to substitute a new nominee in place of Cede & Co., the Bonds will be transferable to such new nominee in accordance with paragraph (e) hereof.

(c) If Participants holding a majority interest in the Bonds determine that it is in the best interest of the Beneficial Owners that they be able to obtain certificated Bonds, such Participants may notify the Securities Depository and the Paying Agent, whereupon the Securities Depository shall notify the Participants of the availability through the Securities Depository of Bond certificates. In such event, the Bonds will be transferable in accordance with paragraph (e) hereof. The Securities Depository may determine to discontinue providing its services with respect to the Bonds at any time by giving notice to the City and the Paying Agent and discharging its responsibilities with respect thereto under applicable law. In such event the Bonds will be transferable in accordance with paragraph (e) hereof.

(d) Notwithstanding any other provision of this Ordinance to the contrary, so long as any Bond is registered in the name of Cede & Co., as nominee of the Securities Depository, all payments with respect to the principal or Redemption Price of and interest on such Bond and all notices with respect to such Bond shall be made and given, respectively, to the Securities Depository as provided in the Representation Letter.

(e) If any transfer or exchange of Bonds is permitted under paragraph (b) or (c) hereof, such transfer or exchange shall be accomplished upon receipt by the Paying Agent from the Registered Owners thereof of the Bonds to be transferred or exchanged and appropriate instruments of transfer to the permitted transferee in accordance with the provisions of this Ordinance. If bonds are issued to holders

other than Cede & Co., its successor as nominee for the Securities Depository as holder of all the Bonds, or other securities depository as holder of all the Bonds, the provisions of this Ordinance shall also apply to all matters relating thereto, including, without limitation, the printing of such bonds and the method of payment of the principal or Redemption Price of and interest on such bonds. If Bonds are issued to holders other than the Securities Depository, the Paying Agent may rely on information provided by the Securities Depository or any Participant as to the names, addresses of and principal amounts held by the Beneficial Owners of the Bonds.

Section 212. Authorization of Escrow Agreement. The City is hereby authorized to enter into the Escrow Agreement between the City and the Escrow Agent, in substantially the form attached hereto as **Exhibit E**, and the Mayor or City Manager is hereby authorized and directed to execute the Escrow Agreement with such changes therein as such official may deem appropriate, for and on behalf of and as the act and deed of the City. The Escrow Agent is hereby authorized to carry out, on behalf of the City, the duties, terms and provisions of the Escrow Agreement. The Escrow Agent, the Purchaser and Bond Counsel are authorized to take all necessary actions for the acquisition of the Escrowed Securities described therein, if any.

ARTICLE III

REDEMPTION OF BONDS

Section 301. Redemption of Bonds.

(a) *Optional Redemption.* At the option of the City, the Bonds or portions thereof maturing on January 1, 20__ and thereafter may be called for redemption and payment prior to their Stated Maturities on January 1, 20__ and thereafter in whole or in part at any time in such amounts for each Stated Maturity as shall be determined by the City at the Redemption Price of 100% of the principal amount thereof, plus accrued interest thereon to the Redemption Date.

[**(b) *Mandatory Redemption.* The Bonds maturing in the years 20__ and 20__ (collectively, the “Term Bonds”) shall be subject to mandatory redemption and payment prior to their Stated Maturities pursuant to the mandatory redemption requirements of this Section at a Redemption Price equal to 100% of the principal amount thereof plus accrued interest to the Redemption Date. The payments specified in **Section 602(b)** hereof which are to be deposited into the Debt Service Account shall be sufficient to redeem, and the City shall redeem on January 1 in each year, the following principal amounts of the Term Bonds:

Term Bonds maturing January 1, 20__

<u>Year</u>	<u>Principal Amount</u>
20__	\$
20__ [†]	

[†] Final Maturity

Term Bonds maturing January 1, 20__

<u>Year</u>	<u>Principal Amount</u>
20__	\$
20__	
20__†	

† Final Maturity

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

Section 302. Selection of Bonds to Be Redeemed.

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

(b) Bonds shall be redeemed only in the principal amount of \$5,000 or any integral multiple thereof. When less than all of the Outstanding Bonds are to be redeemed, such Bonds shall be redeemed

from the Stated Maturities selected by the City, and Bonds of less than a full Stated Maturity shall be selected by the Paying Agent in \$5,000 units of principal amount by lot or in such other equitable manner as the Paying Agent may determine.

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

Section 303. Notice and Effect of Call for Redemption.

(a) Unless waived by any Registered Owner of Bonds to be redeemed, official notice of any redemption shall be given by the Paying Agent on behalf of the City by mailing a copy of an official redemption notice by first class mail at least 30 days prior to the Redemption Date to each Registered Owner of the Bonds to be redeemed at the address shown on the Bond Register.

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

(1) the Redemption Date;

(2) the Redemption Price;

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

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

(5) the place where such Bonds are to be surrendered for payment of the Redemption Price.

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

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

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

(f) In addition to the foregoing notice, further notice shall be given by the Paying Agent on behalf of the City as set out below, but no defect in said further notice nor any failure to give all or any portion of such further notice shall in any manner defeat the effectiveness of a call for redemption if official notice thereof is given as above prescribed.

(1) Each further notice of redemption given hereunder shall contain the information required above for an official notice of redemption plus (A) the CUSIP numbers of all Bonds being redeemed; (B) the date of issue of the Bonds as originally issued; (C) the rate of interest borne by each Bond being redeemed; (D) the Stated Maturity of each Bond being redeemed; and (E) any other descriptive information needed to identify accurately the Bonds being redeemed.

(2) Each further notice of redemption shall be sent at least one day before the mailing of notice to Bondowners by first class, registered or certified mail or overnight delivery as determined by the Paying Agent to all registered securities depositories then in the business of holding substantial amounts of obligations of types comprising the Bonds and to one or more national information services that disseminate notices of redemption of obligations such as the Bonds.

(3) Each check or other transfer of funds issued for the payment of the Redemption Price of Bonds being redeemed, shall bear or have enclosed the CUSIP number of the Bonds being redeemed with the proceeds of such check or other transfer.

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

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

(i) Any notice of optional redemptions may be conditioned upon moneys being on deposit with the Paying Agent on or prior to the Redemption Date in an amount sufficient to pay the Redemption Price on the Redemption Date. If such notice is conditional and either the Paying Agent receives written notice from the City that moneys sufficient to pay the Redemption Price will not be on deposit on the

Redemption Date, or such moneys are not received on the Redemption Date, then such notice shall be of no force and effect, the Paying Agent shall not redeem such Bonds and the Paying Agent shall give notice, in the same manner in which the notice of redemption was given, that such moneys were not or will not be so received and that such Bonds will not be redeemed.

ARTICLE IV

SECURITY FOR BONDS

Section 401. Security for Bonds.

(a) The Bonds shall be special obligations of the City payable solely from, and secured as to the payment of principal and interest by a pledge of, the Net Revenues of the System and the City hereby pledges said Net Revenues to the payment of the principal of and interest on the Bonds. The Bonds shall not be or constitute a general obligation of the City, nor shall they constitute an indebtedness of the City within the meaning of any constitutional, statutory or charter provision, limitation or restriction, and the taxing power of the City is not pledged to the payment of the Bonds, either as to principal or interest.

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

ARTICLE V

CREATION AND RATIFICATION OF FUNDS AND ACCOUNTS; DEPOSIT AND APPLICATION OF BOND PROCEEDS AND OTHER MONEY

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

- (a) Waterworks System Revenue Fund (the "Revenue Fund").
- (b) Waterworks System Operation and Maintenance Account (the "Operation and Maintenance Account").
- (c) Debt Service Account for Waterworks System Refunding Revenue Bonds, Series 2019 (the "Debt Service Account").
- (d) Waterworks System Depreciation and Replacement Account (the "Depreciation and Replacement Account").

(e) Waterworks System Costs of Issuance Account (the “Costs of Issuance Account”).

In addition to the funds described above, the Escrow Agreement establishes the Escrow Fund to be held and administered by the Escrow Agent in accordance with the provisions of the Escrow Agreement.

The funds and accounts referred to in paragraphs (a) through (e) of this Section shall be maintained and administered by the City solely for the purposes and in the manner as provided in the Act and in this Ordinance, the Series 2012A Ordinance and the Series 2010 Ordinance so long as any of the Bonds or the Series 2012A Bonds or the Series 2010 Bonds remain outstanding within the meaning of this Ordinance, the Series 2012A Ordinance and the Series 2010 Ordinance, respectively.

Section 502. Deposit of Bond Proceeds and Other Money. The net proceeds received from the sale of the Bonds, together with other legally available funds, shall be deposited simultaneously with the delivery of the Bonds as follows:

(a) Any accrued interest on the Bonds shall be deposited in the Debt Service Account and applied in accordance with **Section 602(b)** hereof.

(b) The sum of \$ _____ from the proceeds of the Bonds will be deposited in the Costs of Issuance Account to pay the costs and expenses incident to the issuance of the Bonds. Any such money not used to pay costs of issuing the Bonds by February 1, 2020, shall be transferred and deposited to the credit of the Debt Service Account.

(c) The sum of \$ _____ (consisting of \$ _____ from the debt service account for the Series 2012A Bonds and \$ _____ from the proceeds of the Bonds) will be transferred to the Escrow Agent for deposit in the Escrow Fund to be applied in accordance with the Escrow Agreement.

Section 503. Redemption of Refunded Bonds. The Refunded Bonds shall be called for redemption and payment prior to maturity on January 1, 2020. The Refunded Bonds shall be redeemed at the principal payment office of UMB Bank, N.A, the paying agent for the Refunded Bonds, by the payment on said redemption date of the principal thereof, together with any redemption premium and accrued interest thereon to the redemption date. In accordance with the requirements of the Series 2012A Ordinance, the City hereby ratifies and confirms the authorization to cause notice of the call for redemption and payment of the Refunded Bonds to be given in the manner provided in the Series 2012A Ordinance. The officers of the City and the paying agent for the Refunded Bonds are hereby authorized and directed to take such other action as may be necessary in order to effect the redemption and payment of the Refunded Bonds as herein provided.

Section 504. Application of Money in the Escrow Fund. Under the Escrow Agreement, the Escrow Agent will apply money in the Escrow Fund to purchase the Escrowed Securities and to establish an initial cash balance, if necessary, in accordance with the Escrow Agreement. The cash and Escrowed Securities held in the Escrow Fund will be applied by the Escrow Agent solely to the payment of the principal of, redemption premium, if any, and interest on the Refunded Bonds. All money deposited with the Escrow Agent shall be deemed to be deposited in accordance with and subject to all of the provisions contained in this Ordinance, the Series 2012A Ordinance and the Escrow Agreement.

ARTICLE VI

APPLICATION OF REVENUES

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

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

(a) *Operation and Maintenance.* There shall first be paid and credited from month to month as a first charge against the Revenue Fund the Expenses of the System as the same become due and payable.

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

(1) Beginning with the first of said monthly deposits and continuing on the first day of each month thereafter to and including June 1, 2020, an equal pro rata portion of the amount of interest becoming due on the Bonds on July 1, 2020, and thereafter, beginning on July 1, 2020, and continuing on the first day of each month thereafter so long as any of the Bonds remain Outstanding and unpaid, an amount not less than 1/6 of the amount of interest that will become due on the Bonds on the next succeeding Interest Payment Date; and

(2) Beginning with the first of said monthly deposits and continuing on the first day of each month thereafter to and including December 1, 2020, an equal pro rata portion of the amount of principal becoming due on the Bonds on January 1, 2021, and thereafter, beginning on January 1, 2021, and continuing on the first day of each month thereafter so long as any of the Bonds remain Outstanding and unpaid, an amount not less than 1/12 of the amount of principal that will become due on the Bonds on the next succeeding Maturity date.

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

Any amounts deposited in the Debt Service Account as accrued interest in accordance with **Section 502(a)** hereof shall be credited against the City's payment obligations as set forth in subsection (b)(1) of this Section.

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

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

(c) *Depreciation and Replacement Account.* Except as hereinafter provided in **Section 603**, moneys in the Depreciation and Replacement Account shall be expended and used by the City, if no other funds are available therefor, solely for the purpose of making emergency repairs and replacements in and to the System as may be necessary to keep the System in good repair and working order and to assure the continued effective and efficient operation thereof. So long as the Depreciation and Replacement Account aggregates the sum of \$150,000, no payments into said Account shall be required, but if the City is ever required to expend a part of the moneys in said Account for its authorized purposes and such expenditure reduces the amount of said Account below the sum of \$150,000, then the City shall make monthly payments of \$2,500 into said Account until said Account again aggregates the sum of \$150,000.

(d) *Surplus Moneys.* After all payments and credits required at the time to be made under the provisions of paragraphs (a), (b) and (c) of this Section have been made, all moneys remaining in the Revenue Fund may be expended and used for the following purposes as determined by the governing body of the City:

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

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

(3) Preventing default in, anticipating payments into or increasing the amounts in the Debt Service Account or the Depreciation and Replacement Account referred to in paragraphs (b) and (c) of this Section, or any one of them, or establishing or increasing the amount of any debt service account or debt service reserve account created by the City for the payment of the Parity Bonds;

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

(5) Any other lawful purpose in connection with the operation of the System and benefiting the System; or

(6) Any lawful purpose of the City.

(e) *Deficiency of Payments into Funds and Accounts.* If at any time the Revenues are insufficient to make any payment on the date or dates hereinbefore specified, the City will

make good the amount of such deficiency by making additional payments or credits out of the first available Revenues thereafter received from the operation of the System, such payments and credits being made and applied in the order hereinbefore specified in this Section.

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

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

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

ARTICLE VII

DEPOSIT AND INVESTMENT OF MONEYS

Section 701. Deposit and Investment of Moneys.

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

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

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

ARTICLE VIII

GENERAL COVENANTS AND PROVISIONS

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

Section 801. Efficient and Economical Operation. The City will continuously own and will operate the System as a revenue producing facility in an efficient and economical manner and will keep and maintain the same in good repair and working order. The City will establish and maintain such rules and regulations for the use of the System as may be necessary to assure maximum utilization and most efficient operation of the System.

Section 802. Rate Covenant. The City in accordance with and subject to applicable legal requirements will fix, establish, maintain and collect such rates and charges for the use and services furnished by or through the System which, together with other Revenues, will be sufficient to (a) pay the costs of the operation and maintenance of the System; (b) pay the principal of and interest on the Bonds as and when the same become due at the Maturity thereof or on any Interest Payment Date; (c) enable the City to have in each fiscal year Net Revenues not less than 110% of the actual Debt Service Requirements for such fiscal year; and (d) provide reasonable and adequate reserves for the payment of the Bonds and the interest thereon and for the protection and benefit of the System as provided in this Ordinance. The City will require the prompt payment of accounts for service rendered by or through the System and will promptly take whatever action is legally permissible to enforce and collect delinquent charges. The City will, from time to time as often as necessary, in accordance with and subject to applicable legal requirements, revise the rates and charges aforesaid in such manner as may be necessary or proper so that the Net Revenues will be sufficient to cover the obligations under this Section and otherwise under the provisions of this Ordinance. If in any fiscal year Net Revenues are an amount less than as hereinbefore provided, the City will immediately employ a Consultant to make recommendations with respect to such rates and charges. A copy of the Consultant's report and recommendations shall be filed with the City Clerk and the Purchaser of the Bonds and shall be furnished to any Registered Owner of the Bonds requesting a copy of the same, at the cost of such Registered Owner. The City shall, to the extent feasible, follow the recommendations of the Consultant.

Section 803. Reasonable Charges for all Services. None of the facilities or services provided by the System will be furnished to any user (excepting the City itself) without a reasonable

charge being made therefor. If the Revenues derived from the System are at any time insufficient to pay the reasonable Expenses of the System and also to pay all interest on and principal of the Bonds as and when the same become due, then the City will thereafter pay into the Revenue Fund a fair and reasonable payment in accordance with effective applicable rates and charges for all services furnished to the City or any of its departments by the System, and such payments will continue so long as the same may be necessary in order to prevent or reduce the amount of any default in the payment of the interest on or principal of the Bonds.

Section 804. Restrictions on Mortgage or Sale of System. The City will not mortgage, pledge or otherwise encumber the System or any part thereof, nor will it sell, lease or otherwise dispose of the System or any material part thereof; provided, however, the City may:

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

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

(c) lease, (1) as lessor, any real or personal property which is unused or unimproved, or which has become obsolete, nonproductive or otherwise unusable to the advantage of the City, or which is being acquired as a part of a lease/purchase financing for the acquisition and/or improvement of such property; and/or (2) as lessee, with an option of the City to purchase, any real or personal property for the extension and improvement of the System. Property being leased as lessor and/or lessee pursuant to this subparagraph (c) shall not be treated as part of the System for purposes of this **Section 804** and may be mortgaged, pledged or otherwise encumbered; and

(d) sell, lease or convey all or substantially all of the System to another entity or enter into a management contract with another entity if:

(1) The transferee entity is a political subdivision organized and existing under the laws of the State of Missouri, or instrumentality thereof, or an organization described in Section 501(c)(3) of the Code, and expressly assumes in writing the due and punctual payment of the principal of and premium, if any, and interest on all outstanding System Revenue Bonds according to their tenor, and the due and punctual performance and observance of all of the covenants and conditions of this Ordinance;

(2) If there remains unpaid any System Revenue Bond which bears interest that is not includable in gross income under the Code, the City receives an opinion of Bond Counsel, in form and substance satisfactory to the City, to the effect that under then existing law the consummation of such sale, lease or conveyance, whether or not contemplated on any date of the delivery of such System Revenue Bond, would not cause the interest payable on such System Revenue Bond to become includable in gross income under the Code;

(3) The City receives a certificate of the Consultant which demonstrates and certifies that immediately upon such sale or conveyance the transferee entity will not, as a

result thereof, be in default in the performance or observance of any covenant or agreement to be performed or observed by it under this Ordinance;

(4) Such transferee entity possesses such licenses to operate the System as may be required if it is to operate the System; and

(5) The City receives an opinion of Bond Counsel, in form and substance satisfactory to the City, as conclusive evidence that any such sale, lease or conveyance, and any such assumption, is permitted by law and complies with the provisions of this Section.

Section 805. Insurance. The City will carry and maintain insurance with respect to the System and its operations against such casualties, contingencies and risks (including but not limited to property and casualty, fire and extended coverage insurance upon all of the properties forming a part of the System insofar as the same are of an insurable nature, public liability, business interruption or workers' compensation and employee dishonesty insurance), such insurance to be of the character and coverage and in such amounts as would normally be carried by other enterprises engaged in similar activities of comparable size and similarly situated. In the event of loss or damage, the City, with reasonable dispatch, will use the proceeds of such insurance in reconstructing and replacing the property damaged or destroyed, or in paying the claims on account of which such proceeds were received, or if such reconstruction or replacement is unnecessary or impracticable, then the City will pay and deposit the proceeds of such insurance into the Revenue Fund. The City will annually review the insurance it maintains with respect to the System to determine that it is customary and adequate to protect its property and operations. The City may elect to be self-insured for all or any part of the foregoing requirements if (a) the City annually obtains a written evaluation with respect to such self-insurance program from an Insurance Consultant, (b) the evaluation is to the effect that the self-insurance program is actuarially sound, (c) unless the evaluation states that such reserves are not necessary, the City deposits and maintains adequate reserves for the self-insurance program with a corporate trustee, who may be the Paying Agent, and (d) in the case of workers' compensation, adequate reserves created by the City for such self-insurance program are deposited and maintained in such amount and manner as are acceptable to the State of Missouri. The City shall pay any fees and expenses of such Insurance Consultant in connection therewith. The cost of all insurance obtained pursuant to the requirements of this Section shall be paid as an Expense out of the Revenues.

Section 806. Books, Records and Accounts. The City will install and maintain proper books, records and accounts (entirely separate from all other records and accounts of the City) in which complete and correct entries will be made of all dealings and transactions of or in relation to the System. Such accounts shall show the amount of Revenues of the System, the application of such Revenues, and all financial transactions in connection therewith. Said books shall be kept by the City according to standard accounting practices as applicable to the operation of facilities comparable to the System.

Section 807. Annual Budget. Prior to the commencement of each fiscal year, the City will cause to be prepared and filed with the City Clerk a budget setting forth the estimated receipts and expenditures of the System for the next succeeding fiscal year. The City Clerk, promptly upon the filing of said budget in the City Clerk's office, will mail a copy of said budget to the Purchaser of the Bonds, upon request. Said annual budget shall be prepared in accordance with the requirements of the laws of Missouri and shall contain all information that is required by such laws.

Section 808. Annual Audit.

(a) Not later than the last day of the sixth month after the end of the fiscal year, the City will cause an audit to be made of the System for the preceding fiscal year by a certified public accountant or firm of certified public accountants to be employed for that purpose and paid from the Revenues. Said annual audit shall cover in reasonable detail the operation of the System during such fiscal year and shall evidence compliance with the rate covenant contained in **Section 802** hereof.

(b) Within 30 days after the completion of each such audit, a copy thereof shall be filed in the office of the City Clerk, and a duplicate copy of the audit shall be mailed to the Purchaser, upon request. Such audits shall at all times during the usual business hours be open to the examination and inspection by any taxpayer, any user of the services of the System, any Registered Owner of any of the Bonds, or by anyone acting for or on behalf of such taxpayer, user or Registered Owner.

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

Section 809. Right of Inspection. The Purchaser and any Registered Owner or Owners of not less than 10% of the principal amount of the Bonds then Outstanding shall have the right at all reasonable times to inspect the System and all records, accounts and data relating thereto, and shall be furnished all such information concerning the System and the operation thereof which the Purchaser or such Registered Owner or Owners may reasonably request.

Section 810. Administrative Personnel. The City shall use its best efforts to employ at all times administrative personnel experienced and well qualified to operate the System. The City further agrees that such administrative personnel shall be employed in sufficient numbers to ensure that the System will be operated in a prudent and efficient manner, following procedures generally accepted within the United States of America.

Section 811. Performance of Duties and Covenants. The City will faithfully and punctually perform all duties, covenants and obligations with respect to the operation of the System now or hereafter imposed upon the City by the Constitution and laws of the State of Missouri and by the provisions of this Ordinance.

Section 812. Tax Covenants.

(a) The City covenants and agrees that it will comply with all applicable provisions of the Code, including Sections 103 and 141 through 150, necessary to maintain the exclusion from federal gross income of the interest on the Bonds.

(b) The City also covenants and agrees to comply with all provisions and requirements of the Federal Tax Certificate, which is hereby approved, with such changes therein as shall be approved by the Mayor or City Manager, which officer is hereby authorized to execute the Federal Tax Certificate for and on behalf of the City, such officer's signature thereon being conclusive evidence of his approval thereof.

Section 813. Continuing Disclosure. The City hereby covenants and agrees that it will comply with and carry out all of the provisions of the Continuing Disclosure Undertaking (in substantially the same form attached hereto as **Exhibit C**), as originally executed and as it may be amended from time

to time in accordance with the terms thereof. Upon the City's failure to comply with the Continuing Disclosure Undertaking, any Registered Owner may take such actions as may be necessary and appropriate, including seeking mandamus or specific performance by court order, to cause the City to comply with its obligations under this Section.

Section 814. Parity Bond Certification. The City hereby represents and covenants that the Bonds directed to be issued by this Ordinance are so issued in full compliance with the restrictions and conditions upon which the City may issue additional bonds payable out of the revenues derived from the operation of the System and which stand on a parity with the Series 2012A Bonds and the Series 2010 Bonds heretofore issued and outstanding, as set forth and contained in the Series 2012A Ordinance and the Series 2010 Ordinance, and that the Bonds herein directed to be issued are so issued in all respects on a parity and equality with the Series 2012A Bonds and the Series 2010 Bonds.

ARTICLE IX

ADDITIONAL BONDS AND OBLIGATIONS

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

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

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

(b) The City shall either:

(1) Certify that the average annual Net Revenues as set forth in the two most recent annual audits for fiscal years preceding the issuance of additional bonds have been equal to at least 110% of the average annual debt service required to be paid out of said revenues in any succeeding fiscal year on account of both principal (at maturity or upon mandatory redemption) and interest becoming due with respect to all System Revenue Bonds of the City, including the additional bonds proposed to be issued. In determining the Net Revenues for the purpose of this subsection, the City may retain a Consultant who may adjust said Net Revenues by adding thereto, in the event the City has made any increase in rates for the use and services of the System and such increase has been in effect at any time during the two fiscal years for which annual audits are available preceding the issuance of additional bonds, the amount, as estimated by the Consultant, of the additional Net Revenues which would have resulted from the operation of the

System during said fiscal years had such rate increase been in effect for the entire period;
or

(2) Obtain a certificate from a Consultant that the average annual Net Revenues projected to be derived by the City for the two fiscal years immediately following the fiscal year in which the improvements to the System, the cost of which is being financed by such additional bonds, are to be in commercial operation, shall be equal to at least 110% of the average annual debt service required to be paid out of said revenues in any succeeding fiscal year following such commercial operation on account of both principal (at maturity or upon mandatory redemption) and interest becoming due with respect to all System Revenue Bonds of the City, including the additional bonds proposed to be issued. In determining the projected Net Revenues for the purpose of this subsection, the Consultant may adjust said Net Revenues by adding thereto any estimated increase in Net Revenues resulting from any increase in rates for the use and services of the System which, in the opinion of the Consultant, are economically feasible and reasonably considered necessary based on projected operations of the System.

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

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

Section 904. Refunding Bonds. The City shall have the right, without complying with the provisions of **Section 902** hereof, to refund any of the Bonds under the provisions of any law then available, and the refunding bonds so issued shall enjoy complete equality of pledge with any of the Bonds which are not refunded, if any, upon the Net Revenues; provided, however, that if only a portion of the Bonds are refunded and if said Bonds are refunded in such manner that the refunding bonds bear a higher average rate of interest or become due on a date earlier than that of the Bonds which are refunded, then said Bonds may be refunded without complying with the provisions of **Section 902** hereof only by and with the written consent of the Registered Owners of a majority in principal amount of the Bonds not refunded.

ARTICLE X

DEFAULT AND REMEDIES

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

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

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

Section 1003. Limitation on Rights of Bondowners. No one or more Bondowners secured hereby shall have any right in any manner whatever by his or their action to affect, disturb or prejudice the security granted and provided for herein, or to enforce any right hereunder, except in the manner herein provided, and all proceedings at law or in equity shall be instituted, had and maintained for the equal benefit of all Registered Owners of such Outstanding Bonds.

Section 1004. Remedies Cumulative. No remedy conferred herein upon the Bondowners is intended to be exclusive of any other remedy, but each such remedy shall be cumulative and in addition to every other remedy and may be exercised without exhausting and without regard to any other remedy

conferred herein. No waiver of any default or breach of duty or contract by the Registered Owner of any Bond shall extend to or affect any subsequent default or breach of duty or contract or shall impair any rights or remedies consequent thereon. No delay or omission of any Bondowner to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver of any such default or acquiescence therein. Every substantive right and every remedy conferred upon the Registered Owners of the Bonds by this Ordinance may be enforced and exercised from time to time and as often as may be deemed expedient. If any suit, action or proceedings taken by any Bondowner on account of any default or to enforce any right or exercise any remedy has been discontinued or abandoned for any reason, or has been determined adversely to such Bondowner, then, and in every such case, the City and the Registered Owners of the Bonds shall be restored to their former positions and rights hereunder, respectively, and all rights, remedies, powers and duties of the Bondowners shall continue as if no such suit, action or other proceedings had been brought or taken.

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

Section 1006. Exception for Continuing Disclosure. This **Article X** shall not apply to **Section 813** of this Ordinance regarding continuing disclosure requirements, and Bondowners or Beneficial Owners of Bonds shall have no remedies for enforcement of **Section 813** other than the remedies provided in **Section 813**.

ARTICLE XI

DEFEASANCE

Section 1101. Defeasance.

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

Obligations deposited with the Paying Agent or other bank or trust company shall be deemed to be deposited in accordance with and subject to all of the provisions contained in this Ordinance.

(b) In the event the Bonds are not redeemed within 90 days of the deposit referred to in (a) above, in order to accomplish defeasance of the Bonds, the City shall cause to be delivered to the Paying Agent (1) a report of an independent firm of nationally recognized certified public accountants verifying the sufficiency of the escrow established to pay the Bonds in full at Maturity (“Verification Report”), (2) an escrow trust agreement between the City and an escrow agent, and (3) an opinion of Bond Counsel to the effect that the Bonds are no longer “Outstanding” under this Ordinance; each Verification Report and defeasance opinion shall be acceptable in form and substance, and addressed to the City. Bonds shall be deemed “Outstanding” under this Ordinance unless and until they are in fact paid and retired or the criteria of this Section are met.

ARTICLE XII

MISCELLANEOUS PROVISIONS

Section 1201. Amendments.

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

- (1) extend the maturity of any payment of principal or interest due upon any Bond;
- (2) effect a reduction in the amount which the City is required to pay by way of principal of or interest on any Bond;
- (3) permit the creation of a lien on the Net Revenues of the System prior or equal to the lien of the Bonds or Parity Bonds;
- (4) permit preference or priority of any Bonds over any other Bonds;
- (5) alter the optional Redemption Date of any Bond; or
- (6) reduce the percentage in principal amount of Bonds required for the written consent to any modification or alteration of the provisions of this Ordinance.

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

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

(d) Every amendment or modification of the provisions of the Bonds or of this Ordinance to which the written consent of the Bondowners is given, as above provided, shall be expressed in an ordinance adopted by the governing body of the City amending or supplementing the provisions of this Ordinance and shall be deemed to be a part of this Ordinance. A certified copy of every such amendatory or supplemental ordinance, if any, and a certified copy of this Ordinance shall always be kept on file in the office of the City Clerk, and shall be made available for inspection by the Registered Owner of any Bond or a prospective purchaser or owner of any Bond authorized by this Ordinance, and upon payment of the reasonable cost of preparing the same, a certified copy of any such amendatory or supplemental ordinance or of this Ordinance will be sent by the City Clerk to any such Bondowner or prospective Bondowner.

(e) Any and all modifications made in the manner hereinabove provided shall not become effective until there has been filed with the City Clerk a copy of the ordinance of the City hereinabove provided for, duly certified, as well as proof of any required consent to such modification by the Registered Owners of the Bonds then Outstanding. It shall not be necessary to note on any of the Outstanding Bonds any reference to such amendment or modification.

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

Section 1202. Notices, Consents and Other Instruments by Bondowners.

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

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

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

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

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

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

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

Section 1206. Effective Date. This Ordinance shall take effect 10 days from and after its final passage.

[Remainder of Page Intentionally Left Blank.]

PASSED AND APPROVED by the City Council of the City of Cape Girardeau, Missouri, this 16th day of September, 2019.

(SEAL)

Bob Fox, Mayor

ATTEST:

Gayle Conrad, City Clerk

First reading: September 3, 2019.

EXHIBIT A TO ORDINANCE

(FORM OF BONDS)

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

**UNITED STATES OF AMERICA
STATE OF MISSOURI**

**Registered
No. R-___**

**Registered
\$ _____**

CITY OF CAPE GIRARDEAU, MISSOURI

WATERWORKS SYSTEM REFUNDING REVENUE BOND

SERIES 2019

Interest Rate Maturity Date Dated Date CUSIP Number

January 1, 20___ October 15, 2019

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: _____ DOLLARS

The **CITY OF CAPE GIRARDEAU, MISSOURI**, a constitutional charter city and a political subdivision of the State of Missouri (the "City"), for value received, promises to pay to the registered owner shown above, or registered assigns, but solely from the source and in the manner herein specified, the principal amount shown above on the maturity date shown above, unless called for redemption prior to said maturity date, and to pay interest thereon, but solely from the source and in the manner herein specified, at the interest rate per annum shown above (computed on the basis of a 360-day year of twelve 30-day months) from the Dated Date shown above or from the most recent interest payment date to which interest has been paid or duly provided for, payable semiannually on January 1 and July 1 in each year, beginning on July 1, 2020, until said principal amount has been paid.

The principal or redemption price of this Bond shall be paid at maturity by check, draft or electronic transfer or upon earlier redemption to the person in whose name this Bond is registered at the maturity or redemption date thereof, upon presentation and surrender of this Bond at the principal payment office of UMB Bank, N.A., in Kansas City, Missouri (the "Paying Agent") or any other payment

office designated by the Paying Agent. The interest payable on this Bond on any interest payment date shall be paid to the Person in whose name this Bond is registered on the Bond Register at the close of business on the Record Date for such interest by (a) check or draft mailed by the Paying Agent to such Registered Owner at the address shown on the Bond Register or at such other address as is furnished to the Paying Agent in writing by such Registered Owner or (b) by electronic transfer to such Registered Owner upon written notice signed by such Registered Owner and given to the Paying Agent by such Registered Owner not less than 15 days prior to the Record Date for such interest, containing the electronic transfer instructions including the name and address of the bank, its ABA routing number and the account number to which such Registered Owner wishes to have such transfer directed, and an acknowledgment that an electronic transfer fee is payable.

This Bond is one of a duly authorized series of bonds of the City designated “Waterworks System Refunding Revenue Bonds, Series 2019,” aggregating the principal amount of \$[**PRINCIPAL AMOUNT**] (the “Bonds”), issued by the City for the purpose of (a) refunding certain outstanding waterworks system revenue bonds of the City (said waterworks system, together with all future improvements and extensions thereto hereafter constructed or acquired by the City, being herein called the “System”), and (b) paying the costs of issuing the Bonds, all under authority of and in full compliance with the City’s Charter, the Constitution and laws of the State of Missouri, including particularly Chapter 108 and Chapter 91 of the Revised Statutes of Missouri, as amended, and an ordinance duly adopted by the governing body of the City (herein called the “Ordinance”). Capitalized terms used herein and not otherwise defined herein shall have the meanings assigned to such terms in the Ordinance.

At the option of the City, the Bonds or portions thereof maturing on January 1, 20__ and thereafter may be called for redemption and payment prior to their Stated Maturities on January 1, 20__ and thereafter in whole or in part at any time in such amounts for each Stated Maturity as shall be determined by the City (Bonds of less than a full maturity to be selected in multiples of \$5,000 principal amount by lot or in such other equitable manner as the Paying Agent shall designate) at the redemption price of 100% of the principal amount thereof, plus accrued interest thereon to the redemption date.

[**Bonds maturing on January 1, 20__, are subject to mandatory redemption and payment prior to maturity pursuant to the mandatory redemption requirements of the Ordinance on January 1, 20__, and on each January 1 thereafter prior to maturity, at a redemption price equal to 100% of the principal amount thereof plus accrued interest to the redemption date.

Bonds maturing on January 1, 20__, are subject to mandatory redemption and payment prior to maturity pursuant to the mandatory redemption requirements of the Ordinance on January 1, 20__, and on each January 1 thereafter prior to maturity, at a redemption price equal to 100% of the principal amount thereof plus accrued interest to the redemption date.**]

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

The Bonds are special obligations of the City payable solely from, and secured as to the payment of principal and interest by a pledge of, the Net Revenues of the System, and the taxing power of the City is not pledged to the payment of the Bonds either as to principal or interest. The Bonds shall not be or constitute a general obligation of the City, nor shall they constitute an indebtedness of the City within the

meaning of any constitutional, statutory or charter provision, limitation or restriction. The Bonds stand on a parity and are equally and ratably secured with respect to the payment of the principal and interest from the Net Revenues of the System and in all other respects with the City's (a) Waterworks System Revenue Bonds (State of Missouri – Direct Loan Program – ARRA), Series 2010 and (b) Waterworks System Refunding Revenue Bonds, Series 2012A. Under the conditions set forth in the Ordinance, the City has the right to issue additional parity bonds and other obligations payable from and secured by the Net Revenues; provided, however, that such additional bonds may be so issued only in accordance with and subject to the covenants, conditions and restrictions relating thereto set forth in the Ordinance.

The City hereby covenants and agrees with the Registered Owner of this Bond that it will keep and perform all covenants and agreements contained in the Ordinance, and will fix, establish, maintain and collect such rates, fees and charges for the use and services furnished by or through the System, as will produce revenues sufficient to pay the costs of operation and maintenance of the System, pay the principal of and interest on the Bonds as and when the same become due, and provide reasonable and adequate reserve funds. Reference is made to the Ordinance for a description of the covenants and agreements made by the City with respect to the collection, segregation and application of the Revenues, the nature and extent of the security for the Bonds, the rights, duties and obligations of the City with respect thereto, and the rights of the Registered Owners thereof.

The Bonds are issuable in the form of fully-registered Bonds in the denomination of \$5,000 or any integral multiple thereof.

The Bonds are being issued by means of a book-entry system with no physical distribution of bond certificates to be made except as provided in the Ordinance. One Bond certificate with respect to each date on which the Bonds are stated to mature, registered in the nominee name of the Securities Depository, is being issued and required to be deposited with the Securities Depository and immobilized in its custody or its agent's custody. The book-entry system will evidence positions held in the Bonds by the Securities Depository's participants, beneficial ownership of the Bonds in authorized denominations being evidenced in the records of such participants. Transfers of ownership shall be effected on the records of the Securities Depository and its participants. The Paying Agent and the City will recognize the Securities Depository nominee, while the Registered Owner of this Bond, as the owner of this Bond for all purposes, including (a) payments of the principal of, redemption premium, if any, and interest on, this Bond, (b) notices and (c) voting. Transfers of principal, interest and any redemption premium payments to participants of the Securities Depository will be the responsibility of such participants and other nominees of such beneficial owners. The Paying Agent and the City will not be responsible or liable for such transfers of payments or for maintaining, supervising or reviewing the records maintained by the Securities Depository, the Securities Depository nominee, its participants or persons acting through such participants. While the Securities Depository nominee is the owner of this Bond, notwithstanding the provision hereinabove contained, payments of the principal of and interest on this Bond shall be made in accordance with existing arrangements among the Securities Depository, the Paying Agent and the City.

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

This Bond may be transferred or exchanged, as provided in the Ordinance, only on the Bond Register kept for that purpose at the principal payment office of the Paying Agent or such other payment office designated by the Paying Agent, upon surrender of this Bond together with a written instrument of transfer or exchange satisfactory to the Paying Agent duly executed by the Registered Owner or the

Registered Owner's duly authorized agent, and thereupon a new Bond or Bonds in any authorized denomination of the same maturity and in the same aggregate principal amount shall be issued to the transferee in exchange therefor as provided in the Ordinance and upon payment of the charges therein prescribed. The City and the Paying Agent may deem and treat the Person in whose name this Bond is registered on the Bond Register as the absolute owner hereof for the purpose of receiving payment of, or on account of, the principal or redemption price hereof and interest due hereon and for all other purposes and neither the City nor the Paying Agent shall be affected by any notice to the contrary.

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

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

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

CERTIFICATE OF AUTHENTICATION

CITY OF CAPE GIRARDEAU, MISSOURI

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

By: _____
Scott A. Meyer, City Manager

Registration Date: _____

(Seal)

UMB BANK, N.A.,
Paying Agent

ATTEST:

By: _____
Authorized Signatory

Gayle Conrad, City Clerk

ASSIGNMENT

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

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

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

Dated: _____

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

Medallion Signature Guarantee:

**EXHIBIT B
TO ORDINANCE**

PRELIMINARY OFFICIAL STATEMENT

[On file in the Office of the City Clerk]

**EXHIBIT C
TO ORDINANCE**

CONTINUING DISCLOSURE UNDERTAKING

[On file in the Office of the City Clerk]

**EXHIBIT D
TO ORDINANCE**

FEDERAL TAX CERTIFICATE

[On file in the Office of the City Clerk]

**EXHIBIT E
TO ORDINANCE**

ESCROW TRUST AGREEMENT

[On file in the Office of the City Clerk]

CERTIFICATE

I, the undersigned, hereby certify that the above and foregoing is a true and correct copy of the Ordinance of the City of Cape Girardeau, Missouri, adopted by the City Council on September 16, 2019, authorizing the issuance of \$[**PRINCIPAL AMOUNT**] principal amount of Waterworks System Refunding Revenue Bonds, Series 2019, as the same appears of record in my office, and that said Ordinance has not been modified, amended or repealed and is in full force and effect as of this date.

DATED: October 15, 2019.

(Seal)

Gayle Conrad, City Clerk of the City of Cape
Girardeau, Missouri

PRELIMINARY OFFICIAL STATEMENT DATED SEPTEMBER 4, 2019.

**NEW ISSUE
BOOK-ENTRY ONLY**

**S&P RATING: A+
See “BOND RATING” herein.**

In the opinion of Gilmore & Bell, P.C., Bond Counsel to the City, under existing law and assuming continued compliance with certain requirements of the Internal Revenue Code of 1986, as amended (the “Code”), the interest on the Bonds (including any original issue discount properly allocable to an owner thereof) (1) is excludable from gross income for federal income tax purposes, and is not an item of tax preference for purposes of the federal alternative minimum tax and (2) is exempt from income taxation by the State of Missouri. The Bonds are “qualified tax-exempt obligations” within the meaning of Section 265(b)(3) of the Code. See “TAX MATTERS” in this Official Statement.

**CITY OF CAPE GIRARDEAU, MISSOURI
\$8,735,000*
WATERWORKS SYSTEM REFUNDING REVENUE BONDS
SERIES 2019**

Dated: Date of Delivery

Due: January 1, as shown on the inside cover

The Waterworks System Refunding Revenue Bonds, Series 2019 (the “Bonds”) will be issued by the City of Cape Girardeau, Missouri (the “City”) for the purpose of providing funds, together with other legally available funds of the City, to (1) currently refund a portion of the City’s outstanding Waterworks System Refunding Revenue Bonds, Series 2012A and (2) pay the costs of issuing the Bonds. The Bonds will be issued as fully-registered bonds in denominations of \$5,000 or any integral multiple thereof.

Principal will be payable annually on January 1, as shown on the inside cover. Interest will be payable semi-annually on January 1 and July 1 in each year, beginning on July 1, 2020.

The Bonds are subject to redemption prior to maturity as described herein. See “THE BONDS – Redemption Provisions” herein.

The Bonds are special limited obligations of the City, payable solely from the Net Revenues (as defined herein) derived by the City from the operation of its System (as defined herein). The Bonds are on a parity with two series of the City’s outstanding waterworks system revenue bonds. The Bonds do not constitute a general obligation of the City and do not constitute an indebtedness of the City within the meaning of any constitutional, statutory or charter provision, limitation or restriction, and the taxing power of the City is not pledged to the payment of the Bonds or the interest thereon.

The Bonds are subject to certain risks. See “BONDHOLDERS’ RISKS” herein.

The Bonds are offered when, as and if issued by the City, subject to the approval of legality by Gilmore & Bell, P.C., St. Louis, Missouri, Bond Counsel. Certain legal matters related to this Official Statement will be passed upon by Gilmore & Bell, P.C., St. Louis, Missouri. It is expected that the Bonds will be available for delivery through the facilities of The Depository Trust Company in New York, New York, on or about October 15, 2019.

The date of this Official Statement is September ____, 2019.

* Preliminary; subject to change.

CITY OF CAPE GIRARDEAU, MISSOURI

\$8,735,000*
WATERWORKS SYSTEM REFUNDING REVENUE BONDS
SERIES 2019

BASE CUSIP 139477

MATURITY SCHEDULE*

<u>Maturity</u> <u>(January 1)</u>	<u>Principal</u> <u>Amount</u>	<u>Interest</u> <u>Rate</u>	<u>Price</u>	<u>CUSIP</u>
2021	\$530,000	%	%	
2022	615,000			
2023	640,000			
2024	665,000			
2025	690,000			
2026	720,000			
2027	750,000			
2028	775,000			
2029	800,000			
2030	825,000			
2031	850,000			
2032	875,000			

* Preliminary; subject to change.

CITY OF CAPE GIRARDEAU, MISSOURI

401 Independence Street
P.O. Box 617
Cape Girardeau, Missouri 63702
(573) 339-6300

ELECTED OFFICIALS

Bob Fox, *Mayor*
Dan Presson, *Councilmember*
Shelly Moore, *Councilmember*
Robbie Guard, *Councilmember*
Ryan Essex, *Councilmember*
Stacy Kinder, *Councilmember*

CITY ADMINISTRATION

Scott A. Meyer, *City Manager*
Molly Mehner, *Deputy City Manager*
W. Eric Cunningham, *City Attorney*
W. Victor Brownlees, *Finance Director*
Gayle Conrad, *City Clerk*
Bruce Taylor, *Deputy City Clerk*

CERTIFIED PUBLIC ACCOUNTANTS

Beussink, Hey, Roe & Stroder, L.L.C.
Cape Girardeau, Missouri

BOND COUNSEL

Gilmore & Bell, P.C.
St. Louis, Missouri

MUNICIPAL ADVISOR

Piper Jaffray & Co.
Leawood, Kansas

PAYING AGENT

UMB Bank, N.A.
St. Louis, Missouri

REGARDING USE OF THIS OFFICIAL STATEMENT

No dealer, broker, salesman or other person has been authorized by the City or the Underwriter to give any information or to make any representations with respect to the Bonds other than those contained in this Official Statement, and, if given or made, such other information or representations must not be relied upon as having been authorized by any of the foregoing. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the Bonds by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale. The information set forth herein has been furnished by the City and other sources which are believed to be reliable, but such information is not guaranteed as to accuracy or completeness, and is not to be construed as a representation, by the Underwriter. The information and expressions of opinion herein are subject to change without notice and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the City since the date hereof.

The Underwriter has reviewed the information in this Official Statement in accordance with, and as part of, its responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriter does not guarantee the accuracy or completeness of that information.

In connection with this offering, the Underwriter may over-allot or effect transactions that stabilize or maintain the market price of the Bonds at a level above that which might otherwise prevail in the open market. Such stabilizing, if commenced, may be discontinued at any time.

The Bonds have not been registered with the Securities and Exchange Commission under the Securities Act of 1933, as amended, or under any state securities or "blue sky" laws. The Bonds are offered pursuant to an exemption from registration with the Securities and Exchange Commission.

CAUTIONARY STATEMENTS REGARDING FORWARD-LOOKING STATEMENTS IN THIS OFFICIAL STATEMENT

Certain statements included in or incorporated by reference in this Official Statement that are not purely historical are "forward-looking statements" within the meaning of the United States Private Securities Litigation Reform Act of 1995, Section 21E of the United States Securities Exchange Act of 1934, as amended, and Section 27A of the United States Securities Act of 1933, as amended, and reflect the City's current expectations, hopes, intentions, or strategies regarding the future. Such statements may be identifiable by the terminology used such as "plan," "expect," "estimate," "budget," "intend" or other similar words.

THE ACHIEVEMENT OF CERTAIN RESULTS OR OTHER EXPECTATIONS CONTAINED IN SUCH FORWARD-LOOKING STATEMENTS INVOLVE KNOWN AND UNKNOWN RISKS, UNCERTAINTIES AND OTHER FACTORS WHICH MAY CAUSE ACTUAL RESULTS, PERFORMANCE OR ACHIEVEMENTS DESCRIBED TO BE MATERIALLY DIFFERENT FROM ANY FUTURE RESULTS, PERFORMANCE OR ACHIEVEMENTS EXPRESSED OR IMPLIED BY SUCH FORWARD-LOOKING STATEMENTS. INCLUDED IN SUCH RISKS AND UNCERTAINTIES ARE (1) THOSE RELATING TO THE POSSIBLE INVALIDITY OF THE UNDERLYING ASSUMPTIONS AND ESTIMATES, (2) POSSIBLE CHANGES OR DEVELOPMENTS IN SOCIAL, ECONOMIC, BUSINESS, INDUSTRY, MARKET, LEGAL AND REGULATORY CIRCUMSTANCES, AND (3) CONDITIONS AND ACTIONS TAKEN OR OMITTED TO BE TAKEN BY THIRD PARTIES, INCLUDING CUSTOMERS, SUPPLIERS, BUSINESS PARTNERS AND COMPETITORS, AND LEGISLATIVE, JUDICIAL AND OTHER GOVERNMENTAL AUTHORITIES AND OFFICIALS. ASSUMPTIONS RELATED TO THE FOREGOING INVOLVE JUDGMENTS WITH RESPECT TO, AMONG OTHER THINGS, FUTURE ECONOMIC, COMPETITIVE, AND MARKET CONDITIONS AND FUTURE BUSINESS DECISIONS, ALL OF WHICH ARE DIFFICULT OR IMPOSSIBLE TO PREDICT ACCURATELY. FOR THESE REASONS, THERE CAN BE NO ASSURANCE THAT THE FORWARD-LOOKING STATEMENTS INCLUDED IN THIS OFFICIAL STATEMENT WILL PROVE TO BE ACCURATE.

UNDUE RELIANCE SHOULD NOT BE PLACED ON FORWARD-LOOKING STATEMENTS. ALL FORWARD-LOOKING STATEMENTS INCLUDED IN THIS OFFICIAL STATEMENT ARE BASED ON INFORMATION AVAILABLE TO THE CITY ON THE DATE HEREOF, AND THE CITY ASSUMES NO OBLIGATION TO UPDATE ANY SUCH FORWARD-LOOKING STATEMENTS IF OR WHEN ITS EXPECTATIONS OR EVENTS, CONDITIONS OR CIRCUMSTANCES ON WHICH SUCH STATEMENTS ARE BASED OCCUR OR FAIL TO OCCUR.

THIS PRELIMINARY OFFICIAL STATEMENT IS DEEMED TO BE FINAL (EXCEPT FOR PERMITTED OMISSIONS) BY THE CITY FOR PURPOSES OF COMPLYING WITH RULE 15c2-12 OF THE SECURITIES AND EXCHANGE COMMISSION.

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OFFICIAL STATEMENT

CITY OF CAPE GIRARDEAU, MISSOURI

\$8,735,000*

WATERWORKS SYSTEM REFUNDING REVENUE BONDS SERIES 2019

INTRODUCTION

This introduction is only a brief description and summary of certain information contained in this Official Statement and is qualified in its entirety by reference to the more complete and detailed information contained in the entire Official Statement, including the cover page and appendices hereto, and the documents summarized or described herein. Capitalized words and terms not defined in this Official Statement shall have the meanings as defined in the Bond Ordinance. A full review should be made of the entire Official Statement.

Purpose of the Official Statement

The purpose of this Official Statement is to furnish information relating to (1) the City of Cape Girardeau, Missouri (the “**City**”) and (2) the City’s Waterworks System Refunding Revenue Bonds, Series 2019, to be issued in the principal amount of \$8,735,000* (the “**Bonds**”).

The City

The City is a constitutional charter city and political subdivision duly created, organized and existing under and by virtue of its Charter and the laws of the State of Missouri. The City owns and operates a revenue-producing waterworks system for the collection, treatment and distribution of potable water, serving the City and its inhabitants (the “**System**”). See the captions “**GENERAL AND ECONOMIC INFORMATION CONCERNING THE CITY**” and “**THE SYSTEM**” herein for a general description of the City and the System.

The Bonds

The Bonds are being issued pursuant to an ordinance (the “**Bond Ordinance**”) expected to be adopted by the City Council of the City on September 16, 2019 for the purpose of providing funds, together with other legally available funds of the City, to (1) currently refund a portion of the City’s outstanding Waterworks System Refunding Revenue Bonds, Series 2012A, being those bonds maturing on January 1, 2021 and thereafter and outstanding in the aggregate principal amount of \$9,285,000 (the “**Refunded Bonds**”), and (2) pay the costs of issuing the Bonds. See the caption “**THE BONDS**” herein.

Security and Source of Payment

The Bonds will be special, limited obligations of the City payable solely from, and secured as to the payment of principal and interest by a pledge of, the net income and revenues derived by the City from the operation of the System after the payment of the costs of operation and maintenance thereof, including operating income, investment income, and other moneys made available to the City with respect to the System from sources other than funds raised by taxation (the “**Net Revenues**”). The City has pledged the Net Revenues to the payment of the principal of and interest on the Bonds.

* Preliminary; subject to change.

The City maintains a Depreciation and Replacement Account for the System, which is fully funded in the amount of \$150,000.

After the refunding of the Refunded Bonds, the City will have outstanding, in addition to the Bonds, the following obligations payable from System revenues: (1) \$592,100 aggregate principal amount of Waterworks System Revenue Bonds (State of Missouri – Direct Loan Program – ARRA), Series 2010 (the “**Series 2010 Bonds**”), which have a final maturity of January 1, 2030 and (2) \$645,000 principal amount of Waterworks System Refunding Revenue Bonds, Series 2012A (the “**Series 2012A Bonds**” and, together with the Series 2010 Bonds, the “**Prior Bonds**”), which have a final maturity of January 1, 2020. The City has the right under the Bond Ordinance to issue additional bonds on a parity with the Bonds, the Series 2010 Bonds and the Series 2012A Bonds payable from the same sources and secured by the same revenues as the Bonds and the Prior Bonds, but only in accordance with and subject to the terms and conditions set forth in the Bond Ordinance. See the caption “**SECURITY AND SOURCES OF PAYMENT FOR THE BONDS**” herein.

Financial Statements

Audited financial statements of the City for the fiscal year ended June 30, 2018, are included in the City’s Comprehensive Annual Financial Report in *Appendix A* to this Official Statement. The financial statements have been audited by Beussink, Hey, Roe & Stroder, L.L.C., independent auditors.

Bondholders’ Risks

Payment of the principal of and interest on the Bonds is dependent on Net Revenues to be derived by the City from the operation of the System. Certain risks inherent in the production of such Net Revenues are discussed herein. See the caption “**BONDHOLDERS’ RISKS**” herein.

Summary of the Bond Ordinance

A summary of the Bond Ordinance, including definitions of certain words and terms used herein and in the Bond Ordinance, is included herein and in *Appendix B* to this Official Statement. Such summary and definitions do not purport to be comprehensive or definitive. All references herein to the Bond Ordinance are qualified in their entirety by reference to the Bond Ordinance. Copies of the Bond Ordinance and this Official Statement may be viewed at the office of Piper Jaffray & Co., 11150 Rosewood Street, Leawood, Kansas 66211, or will be provided to any prospective purchaser requesting the same, upon payment by such prospective purchaser of the cost of complying with such request.

Continuing Disclosure Undertaking

The City has covenanted in the Continuing Disclosure Undertaking that it will provide a copy of its audited financial statements, certain operating data and notices of the occurrence of certain material events to the Municipal Securities Rulemaking Board, in compliance with Rule 15c2-12 promulgated by the Securities and Exchange Commission. See the caption “**CONTINUING DISCLOSURE UNDERTAKING**” herein.

PLAN OF FINANCING

Authorization of the Bonds

The Bonds are being issued pursuant to and in full compliance with the Constitution and statutes of the State of Missouri, including in particular Section 108.140 of the Revised Statutes of Missouri and the Bond Ordinance. The Bonds are being issued to provide funds, together with other legally available funds of the City, to refund the Refunded Bonds and pay the costs of issuing the Bonds.

The Refunding

The City will enter into an Escrow Trust Agreement dated as of October 1, 2019 (the “**Escrow Trust Agreement**”), with UMB Bank, N.A., St. Louis, Missouri, as escrow agent (the “**Escrow Agent**”). Pursuant to the Escrow Trust Agreement, the City will transfer a portion of the proceeds of the Bonds, together with other legally available funds of the City (all as shown below under the caption “**PLAN OF FINANCING – Sources and Uses of Funds**”) to the Escrow Agent for deposit in the Escrow Fund (the “**Escrow Fund**”) established under the Escrow Trust Agreement. Those moneys will be used to purchase direct obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by, the United States of America (the “**Escrowed Securities**”). The Escrowed Securities will mature in such amounts and at such times as shall be sufficient, together with interest to accrue thereon and any cash deposit to the Escrow Fund, to pay the principal of, redemption premium, if any, and interest on the Refunded Bonds on January 1, 2020 at a redemption price of 100% of the principal amount thereof, plus accrued interest thereon to the redemption date.

Sources and Uses of Funds

The following table itemizes the estimated sources of funds, including the proceeds from the sale of the Bonds, and the uses of such funds, in connection with the plan of financing:

Sources of Funds:

Par Amount of the Bonds	\$
Net Original Issue Premium	
Debt Service Fund for Refunded Bonds	
Total:	<u><u>\$</u></u>

Uses of Funds:

Deposit to the Escrow Fund	\$
Costs of Issuance (including underwriter’s discount)	
Total:	<u><u>\$</u></u>

THE BONDS

The following is a summary of certain terms and provisions of the Bonds. Reference is hereby made to the Bonds and the Bond Ordinance for the detailed terms and provisions thereof.

General Description

The Bonds will consist of fully-registered bonds in the denomination of \$5,000 or any integral multiple thereof. The Bonds will be dated as of the date of delivery thereof. The Bonds will mature, subject to redemption as described below, on January 1 in the years and in the principal amounts set forth on the inside cover page of this Official Statement. Interest on the Bonds will be payable semiannually on January 1 and July 1 in each year, beginning on July 1, 2020.

Principal will be payable upon presentation and surrender of the Bonds by the Registered Owners thereof at the principal payment office of UMB Bank, N.A., St. Louis, Missouri (the “**Paying Agent**”) or such other payment office designated by the Paying Agent. Interest shall be paid to the Registered Owners of the Bonds as shown on the Bond Register at the close of business on the Record Date for such interest by (1) check or draft mailed by the Paying Agent to the address of such Registered Owners shown on the Bond Register or (2) electronic transfer to such Registered Owner upon written notice signed by the Registered

Owner and given to the Paying Agent not less than 15 days prior to the Record Date for such interest, containing the electronic transfer instructions including the name and address of the bank, its ABA routing number and the account number to which such Registered Owner wishes to have such transfer directed, and an acknowledgment that an electronic transfer fee is payable.

Redemption Provisions

Optional Redemption. At the option of the City, the Bonds or portions thereof maturing on January 1, 2028 and thereafter may be called for redemption and payment prior to the Stated Maturity thereof on January 1, 2027 and thereafter, in whole or in part at any time, in such amounts for each Stated Maturity as shall be determined by the City, at the Redemption Price of 100% of the principal amount thereof, plus accrued interest thereon to the Redemption Date.

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

Notice and Effect of Call for Redemption. Unless waived by any Registered Owner of Bonds to be redeemed, official notice of any redemption shall be given by the Paying Agent on behalf of the City by mailing a copy of an official redemption notice by first class mail at least 30 days prior to the Redemption Date to each Registered Owner of the Bonds to be redeemed at the address shown on the Bond Register. Official notice of redemption having been given as provided in the Bond Ordinance, the Bonds or portions of the Bonds to be redeemed shall become due and payable on the Redemption Date, at the Redemption Price therein specified, and from and after the Redemption Date (unless the City defaults in the payment of the Redemption Price) such Bonds or portions of the Bonds shall cease to bear interest. Upon surrender of such Bonds for redemption in accordance with such notice, the Redemption Price of such Bonds shall be paid by the Paying Agent. Installments of interest due on or prior to the Redemption Date shall be payable as provided in the Bond Ordinance for payment of interest. Upon surrender for any partial redemption of any Bond, there shall be prepared for the Registered Owner a new Bond or Bonds of the same Stated Maturity in the amount of the unpaid principal.

So long as DTC (as defined herein) is affecting book-entry transfers of the Bonds, the Paying Agent shall provide the notices specified in the Bond Ordinance to DTC. It is expected that DTC will, in turn, notify its Participants and that the Participants, in turn, will notify or cause to be notified the Beneficial Owners. Any failure on the part of DTC or a Participant, or failure on the part of a nominee of a Beneficial Owner of a Bond (having been mailed notice from the Paying Agent, DTC, a Participant or otherwise) to notify the Beneficial Owner of the Bond so affected, will not affect the validity of the redemption of such Bond.

Book-Entry Only System

The Depository Trust Company (“**DTC**”), New York, New York, will act as securities depository for the Bonds. The Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC’s partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Bond certificate will be issued for each maturity of the Bonds, each in the aggregate principal amount of such maturity, and will be deposited with DTC.

DTC, the world’s largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a “banking organization” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code, and a “clearing agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over

100 countries) that DTC's participants ("**Direct Participants**") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("**DTCC**"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("**Indirect Participants**"). DTC has a Standard & Poor's rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchases of Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC's records. The ownership interest of each actual purchaser of each Bond ("**Beneficial Owner**") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Bond documents. For example, Beneficial Owners of Bonds may wish to ascertain that the nominee holding the Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Bonds within a maturity are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such maturity to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the City as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Payment of principal of and interest on the Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the City or the Paying Agent, on the payment date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Paying Agent, or the City, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal of and interest on the Bonds to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the City or the Paying Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the Bonds at any time by giving reasonable notice to the City or the Paying Agent. Under such circumstances, in the event that a successor depository is not obtained, Bond certificates are required to be printed and delivered.

The Direct Participants holding a majority position in the Bonds may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Bond certificates will be printed and delivered to DTC.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the City believes to be reliable, but the City takes no responsibility for the accuracy thereof.

Registration, Transfer and Exchange of Bonds

The City will cause the Bond Register to be kept at the principal payment office of the Paying Agent or such other office designated by the Paying Agent for the registration, transfer and exchange of Bonds. Upon surrender of any Bond at the principal payment office of the Paying Agent or such other office designated by the Paying Agent, the Paying Agent shall transfer or exchange such Bond as provided in the Bond Ordinance.

Any Bond may be transferred upon the Bond Register by the person in whose name it is registered and shall be accompanied by a written instrument or instruments of transfer or authorization for exchange, in a form and with guarantee of signature satisfactory to the Paying Agent, duly executed by the Registered Owner thereof or by the Registered Owner's duly authorized agent. The Owner requesting such transfer or exchange will be required to pay any additional costs or fees that might be incurred in the secondary market with respect to such exchange. In the event any Registered Owner fails to provide a correct taxpayer identification number to the Paying Agent, the Paying Agent may make a charge against such Registered Owner sufficient to pay any governmental charge required to be paid as a result of such failure.

SECURITY AND SOURCES OF PAYMENT FOR THE BONDS

Special Limited Obligations

The Bonds are special, limited obligations of the City payable solely from, and secured as to the payment of principal and interest by a pledge of, the Net Revenues of the System and the City has pledged such Net Revenues to the payment of the principal of and interest on the Bonds.

The Bonds will not be or constitute a general obligation of the City, nor will they constitute an indebtedness of the City within the meaning of any constitutional, statutory or charter provision,

limitation or restriction. The taxing power of the City is not pledged to the payment of the Bonds either as to principal or interest.

The Bond Ordinance

Pledge of Revenues. The Bonds are payable solely from, and secured as to the payment of principal and interest by a pledge of, the Net Revenues of the System. Pursuant to the Bond Ordinance, the City has pledged the Net Revenues to the payment of the principal of and interest on the Bonds. The Bonds shall not be or constitute a general obligation of the City, nor shall they constitute an indebtedness of the City within the meaning of any constitutional, statutory or charter provision, limitation or restriction, and the taxing power of the City is not pledged to the payment of the Bonds either as to principal or interest.

The covenants and agreements of the City contained in the Bond Ordinance and in the Bonds shall be for the equal benefit, protection and security of the legal Owners of any or all of the Bonds, all of which Bonds shall be of equal rank and without preference or priority of one Bond over any other Bond in the application of the funds pledged to the payment of the principal of and interest on the Bonds, or otherwise, except as to rate of interest, Stated Maturity and right of redemption prior to Stated Maturity as provided in the Bond Ordinance. The Bonds shall stand on a parity and be equally and ratably secured with respect to the payment of principal and interest from the Net Revenues and in all other respects with any Parity Bonds (except with respect to the Debt Service Reserve Account that secures only the Series 2010 Bonds). The Bonds shall not have any priority with respect to the payment of principal or interest from the Net Revenues or otherwise over Parity Bonds, and Parity Bonds shall not have any priority with respect to the payment of principal or interest from the Net Revenues or otherwise over the Bonds.

Parity Obligations. The Bonds will stand on a parity with the Series 2012A Bonds and the Series 2010 Bonds (except with respect to the Debt Service Reserve Account that secures only the Series 2010 Bonds). The City has the right under the Bond Ordinance to issue additional bonds on a parity with the Bonds, the Series 2012A Bonds and the Series 2010 Bonds (hereinafter referred to as “**Parity Bonds**”) payable from the same sources and secured by the same revenues as the Bonds, the Series 2012A Bonds and the Series 2010 Bonds, but only if the following conditions are met:

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

(2) The City either:

(a) Certifies that the average annual Net Revenues as set forth in the two most recent annual audits for fiscal years preceding the issuance of additional bonds have been equal to at least 110% of the average annual debt service required to be paid out of said revenues in any succeeding fiscal year on account of both principal (at maturity or upon mandatory redemption) and interest becoming due with respect to all System Revenue Bonds of the City, including the additional bonds proposed to be issued. In determining the Net Revenues for the purpose of this subsection, the City may retain a Consultant who may adjust said Net Revenues by adding thereto, in the event the City has made any increase in rates for the use and services of the System and such increase has been in effect at any time during the two fiscal years for which annual audits are available preceding the issuance of additional bonds, the amount, as estimated by the Consultant, of the additional Net Revenues which would have resulted from the operation of the System during said fiscal years had such rate increase been in effect for the entire period; or

(b) Obtains a certificate from a Consultant that the average annual Net Revenues projected to be derived by the City for the two fiscal years immediately following the fiscal year in which the improvements to the System, the cost of which is being financed by such additional bonds, are to be in commercial operation, shall be equal to at least 110% of the average annual debt service required to be paid out of said revenues in any succeeding fiscal year following such commercial operation on account of both principal (at maturity or upon mandatory redemption) and interest becoming due with respect to all System Revenue Bonds of the City, including the additional bonds proposed to be issued. In determining the projected Net Revenues for the purpose of this subsection, the Consultant may adjust said Net Revenues by adding thereto any estimated increase in Net Revenues resulting from any increase in rates for the use and services of the System which, in the opinion of the Consultant, are economically feasible and reasonably considered necessary based on projected operations of the System.

Depreciation and Replacement Account. The Bond Ordinance ratifies a Depreciation and Replacement Account that has been funded in the amount of \$150,000. Except as required to prevent a default in the payment of either principal of or interest on the Prior Bonds and the Bonds, moneys in the Depreciation and Replacement Account shall be expended and used by the City solely for the purpose of making emergency repairs and replacements in and to the System as may be necessary from time to time to keep the System in good repair and working order and to assure the continued effective and efficient operation thereof. So long as the Depreciation and Replacement Account aggregates the sum of \$150,000, no payments into said Account shall be required, but if the City shall ever be required to expend and use a part of the money in said Account for its authorized purposes and such expenditure reduces the amount of the Depreciation and Replacement Account below the sum of \$150,000, then the City shall make monthly payments into the Depreciation and Replacement Account in the amount of \$2,500 until said Account again aggregates the sum of \$150,000.

The amounts required to be paid and credited to the Depreciation and Replacement Account shall be inclusive of any amounts at the time required to be paid and credited to said Account under the provisions of the ordinances authorizing the Prior Bonds.

Rate Covenant. The City will fix, establish, maintain and collect such rates and charges for the use and services furnished by or through the System which, together with other Revenues, will be sufficient to:

- (1) pay the costs of the operation and maintenance of the System;
- (2) pay the principal of and interest on the Bonds as and when the same become due at the Maturity thereof or on any Interest Payment Date;
- (3) enable the City to have in each fiscal year Net Revenues not less than 110% of the actual Debt Service Requirements for such fiscal year; and
- (4) provide reasonable and adequate reserves for the payment of the Bonds and the interest thereon and for the protection and benefit of the system as provided in the Bond Ordinance.

The City will require the prompt payment of accounts for service rendered by or through the System and will promptly take whatever action is legally permissible to enforce and collect delinquent charges. The City will, from time to time as often as necessary, in accordance with and subject to applicable legal requirements, revise the rates and charges aforesaid in such manner as may be necessary or proper so that the Net Revenues will be sufficient to cover the obligations of the City under the Bond Ordinance.

If in any fiscal year Net Revenues are an amount less than as provided in the Bond Ordinance, the City will immediately employ a Consultant to make recommendations with respect to such rates and charges. A copy of the Consultant's report and recommendations shall be filed with the City Clerk and with the

Underwriter of the Bonds and shall be furnished to any Registered Owner of the Bonds requesting a copy of the same, at the cost of such Registered Owner. The City shall, to the extent feasible, follow the recommendations of the Consultant.

See *Appendix B* for a summary of certain other provisions of the Bond Ordinance.

BONDHOLDERS' RISKS

The following is a discussion of certain risks that could affect payments to be made by the City with respect to the Bonds. Such discussion is not, and is not intended to be, exhaustive and should not be considered as a complete description of all risks that could affect such payments. Prospective purchasers of the Bonds should analyze carefully all the information contained in this Official Statement, including the Appendices hereto, and additional information in the form of the complete documents summarized herein and in the Appendices hereto, copies of which are available as described herein.

Limited Obligations

The Bonds are special, limited obligations of the City and are payable solely out of the Net Revenues of the System. The Bonds do not constitute a general obligation of the City and do not constitute an indebtedness of the City within the meaning of any constitutional, statutory or charter provision, limitation or restriction. The Bonds are not payable by and have no recourse to the power of taxation. The Bondholders have no lien on or security interest in any of the physical assets of the City, including the System.

Although the City has agreed in the Bond Ordinance and is required by law to charge rates sufficient to pay, among other things, the principal of and interest on the Bonds (see the caption “**SECURITY AND SOURCES OF PAYMENT FOR THE BONDS – The Bond Ordinance – Rate Covenant**” herein), there is no assurance that, because of adverse economic conditions, unexpected repairs, replacements or improvements to the System, or other unanticipated circumstances, the City will be successful in collecting sufficient revenues to pay debt service on the Bonds on a timely basis.

Factors Affecting the Revenues of the System

One or more of the following factors or events, or the occurrence of other unanticipated factors or events, could adversely affect the operation and financial performance of the System to an extent that cannot be determined at this time:

(1) *Changes in Management.* Changes in key management personnel could affect the operations of the System. Since the City acquired the System in 1992, the City has contracted with Alliance Water Resources, Inc. (“**Alliance**”), a regional utility management firm, to operate and manage the System. Under its current agreement with the City, which expires on June 30, 2021, Alliance is responsible for providing the labor for all operation and maintenance services. However, in conjunction with the construction of its new wastewater treatment plant, the City plans to re-evaluate the scope of services to be provided by Alliance in the future. For more information regarding the City’s current agreement with Alliance, see the caption “**THE SYSTEM – History and Organization of the System**” herein.

(2) *Future Economic Conditions.* Increased unemployment or other adverse economic conditions or changes in demographics in the service area of the City; cost and availability of energy; an inability to control expenses in periods of inflation and difficulties in increasing charges.

(3) *Insurance Claims.* Increases in the cost of general liability insurance coverage and the amounts paid in settlement of liability claims not covered by insurance.

(4) *Organized Labor Efforts.* Efforts to organize employees of the City into collective bargaining units could result in adverse labor actions or increased labor costs.

(5) *Environmental Regulation.* Utilities are subject to continuing environmental regulation. Federal, state and local standards and procedures which regulate the environmental impact of utilities are subject to change. These changes may arise from continuing legislative, regulatory and judicial action regarding such standards and procedures. Consequently, there is no assurance that facilities in operation will remain subject to the regulations currently in effect, will always be in compliance with further regulations, or will always be able to obtain all required operating permits. An inability to comply with environmental standards could result in reduced operating levels or the complete shutdown of facilities not in compliance. Legislative, regulatory, administrative or enforcement action involving environmental controls could adversely affect the operation of the facilities of the City. For example, if property of the City is determined to be contaminated by hazardous materials, the City could be liable for significant clean-up costs even if it were not responsible for the contamination.

(6) *Natural Disasters.* The occurrence of natural disasters, such as floods or droughts, could damage the facilities of the City, interrupt services or otherwise impair operations and the ability of the City to produce revenues.

(7) *Variations in Weather.* Water usage is normally the highest in the hotter and dryer months of the year. Variations in rain and temperature patterns can adversely affect water usage and therefore, the revenues of the System.

(8) *Competing Providers.* Missouri law does not prohibit other providers of water and sewer services from operating within the boundaries of the City. For-profit providers of water and sewer services, however, are subject to regulation by the Missouri Public Service Commission (the “PSC”) and are limited to operations within certificated service areas. There are currently no other service providers in the area, and the City does not believe it would be cost-effective for another service provider to compete with the City. Although the City is not aware of any initiative by any other service provider to compete with the City, there can be no assurance that, at some time in the future, the PSC will not permit such competition. Increased competition within the City’s boundaries could adversely affect the City’s ability to impose rates or otherwise generate revenues at a level sufficient to meet its debt obligations.

(9) *Miscellaneous Factors.* The utility industry in general has experienced, or may in the future experience, problems including (a) the effects of inflation upon the costs of operation of facilities, (b) uncertainties in predicting future demand requirements, (c) increased financing requirements coupled with the increased cost and uncertain availability of capital, and (d) compliance with rapidly changing environmental, safety, rate and licensing regulations and requirements.

Factors Relating to Security for the Bonds

Enforcement of the remedies under the Bond Ordinance may be limited or restricted by state and federal laws relating to bankruptcy, fraudulent conveyances, and rights of creditors and by application of general principles of equity affecting the enforcement of creditors’ rights and liens securing such rights, and the exercise of judicial authority by state or federal courts, and may be subject to discretion and delay in the event of litigation or statutory remedy procedures. The various legal opinions to be delivered concurrently with the delivery of the Bonds will be qualified as to the enforceability of the various legal instruments by limitations imposed by state and federal laws, rulings and decisions affecting remedies, and by general principles of equity and by bankruptcy, reorganization, insolvency or other similar laws affecting the rights of creditors. In the event of a default, no assurance can be given that the exercise of remedies provided in the Bond Ordinance will provide proceeds sufficient to make timely payments of principal of, premium, if any and interest on the Bonds.

Market for the Bonds

There is no established secondary market for the Bonds, and there is no assurance that a secondary market will develop for the purchase and sale of the Bonds. It is the present practice of the Underwriter to make a secondary market as a dealer in issues of municipal bonds which the Underwriter distributes. The Underwriter intends to continue this practice with respect to the Bonds although it is not obligated to do so. However, prices of municipal bonds traded by the Underwriter in the secondary market are subject to adjustment upward and downward in response to changes in the credit markets and changes in operating performance of the entity operating facilities subject to bond indebtedness. From time to time it may be necessary for the Underwriter to suspend indefinitely secondary market trading in selected issues of municipal bonds as a result of the financial condition or market position of the Underwriter, prevailing market conditions, lack of adequate current financial information about the entity operating the subject facilities, or a material adverse change in the operations of that entity, whether or not the subject bonds are in default as to principal and interest payments, and other factors which, in the opinion of the Underwriter, may give rise to certainty concerning prudent secondary market practices.

Municipal bonds are generally viewed as long-term investments, subject to material unforeseen changes in the investor's circumstances, and may require commitment of the investor's funds for an indefinite period of time, perhaps until maturity.

Tax-Exempt Status of the Bonds

The failure of the City to comply with certain covenants of the City set forth in the Bond Ordinance (see the caption "TAX MATTERS" herein) could cause the interest on the Bonds to become includible in federal gross income for federal income tax purposes retroactive to the date of issuance of the Bonds. The Bond Ordinance does not provide for the payment of any additional interest or penalty in the event that the interest on the Bonds becomes includible in federal gross income for federal income tax purposes.

The Hancock Amendment

An amendment to the Missouri Constitution limiting taxation and government spending was approved by Missouri voters on November 4, 1980. This amendment limits the ability of the City to impose new or increased taxes to provide funding for the payment of the Bonds, or other governmental purposes of the City, without voter approval. The amendment (popularly known as the Hancock Amendment) limits the rate of increase and the total amount of taxes that may be imposed in any fiscal year, and the limit may not be exceeded without voter approval. Provisions are included in the amendment for rolling back property tax rates to produce an amount of revenue equal to that of the previous year if the definition of tax base is changed or if property is reassessed. The tax levy on the assessed valuation of new construction is exempt from this limitation. The limitation on local governmental units does not apply to taxes imposed for the payment of principal of and interest on general obligation bonds approved by the requisite percentage of voters.

The Hancock Amendment also requires political subdivisions of the State to obtain voter approval in order to increase any "tax, license or fee." The precise meaning and application of the phrase "tax, license or fee" is unclear, but decisions of the Missouri Supreme Court have indicated that it does not apply to traditionally set user fees, including rates imposed by the City's System. The limitations imposed by the Hancock Amendment restrict the City's ability to increase many but not all taxes, licenses and certain fees without obtaining voter approval.

The City believes that, based on the Missouri Supreme Court's decisions, volume-based increases in charges for users of the System are not subject to the voter approval requirement of the Hancock Amendment. Nevertheless, if the Missouri Supreme Court were to subsequently change its interpretation of the Hancock Amendment, or if future initiatives limited the ability of the City to raise its charges without voter approval, the City's ability to raise revenues to pay the Bonds could be adversely impacted.

Risk of Audit

The Internal Revenue Service (the “**Service**”) has established an ongoing program to audit tax-exempt obligations to determine whether interest on such obligations should be included in gross income for federal income tax purposes. No assurance can be given that the Service will not commence an audit of the Bonds. Owners of the Bonds are advised that, if an audit of the Bonds were commenced, in accordance with its current published procedures, the Service would likely treat the City as the taxpayer, and the Owners of the Bonds may not have a right to participate in such audit. Public awareness of any audit could adversely affect the market value and liquidity of the Bonds during the pendency of the audit, regardless of the ultimate outcome of the audit.

No Reserve Fund

The City has not established a reserve account to secure the payment of the principal of and interest on the Bonds. There is no assurance that the Net Revenues of the System will be sufficient or that the City will have other funds available for the timely payment of the principal of and interest on the Bonds. The Debt Service Reserve Account established in connection with the Series 2010 Bonds secures only those bonds.

Loss of Premium from Early Redemption

Any person who purchases a Bond at a price in excess of its principal amount or who holds such a Bond trading at a price in excess of par should consider the fact that the Bonds are subject to redemption at the redemption prices described herein in the event such Bonds are redeemed prior to maturity. See the caption “**THE BONDS – Redemption Provisions**” herein.

Investment Ratings

The lowering or withdrawal of the investment rating initially assigned to the Bonds could adversely affect the market price for and the marketability of the Bonds.

Defeasance Risks

When all of the Bonds are deemed paid as provided in the Bond Ordinance, the requirements contained in the Bond Ordinance and all other rights granted to bond owners thereby shall terminate. Bonds or scheduled interest payments thereon shall be deemed to have been paid and discharged within the meaning of the Bond Ordinance if there has been deposited with the Paying Agent, or other commercial bank or trust company and having full trust powers, at or prior to the stated maturity or redemption date of said Bonds or the interest payments thereon, in trust for and irrevocably appropriated thereto, moneys and Defeasance Obligations which, together with the interest to be earned on any such Defeasance Obligations, will be sufficient for the payment of the principal of said Bonds and interest accrued to the stated maturity or redemption date, or if default in such payment has occurred on such date, then to the date of the tender of such payments; provided, however, that if any such Bonds are to be redeemed prior to their stated maturity, (1) the City has elected to redeem such Bonds, and (2) either notice of such redemption shall have been given, or the City shall have given irrevocable instructions, or shall have provided for an escrow agent to give irrevocable instructions, to the Paying Agent to give such notice of redemption in compliance with the Bond Ordinance. Defeasance Obligations include, in addition to cash and obligations pre-refunded with cash, bonds, notes, certificates of indebtedness, treasury bills and other securities constituting direct obligations of, or obligations the principal of and interest on which are fully and unconditionally guaranteed as to full and timely payment by, the United States of America. There is no legal requirement in the Bond Ordinance that Defeasance Obligations consisting of such United States obligations be or remain rated in the highest rating category by any rating agency. Prices of municipal securities in the secondary market are subject to adjustment upward and downward in response to changes in the credit markets and that could include the rating of Bonds defeased with Defeasance Obligations to the extent the Defeasance Obligations have a change or downgrade in rating.

GENERAL AND ECONOMIC INFORMATION CONCERNING THE CITY

General Information

The City is located in the southeast portion of the State of Missouri, approximately 115 miles south of St. Louis, along the Mississippi River. The City encompasses approximately 28.49 square miles. According to the U.S. Census Bureau, the City's estimated population as of July 1, 2018 was 39,853.

Government and Organization of the City

The City was founded as a French trading post in 1793 and was incorporated in 1808. The City established a Council-Manager form of government in 1965. The City has operated as a constitutional charter city since 1981.

The City Charter provides for a non-partisan municipal government consisting of a Mayor, six Councilmembers and a City Manager. The Mayor is elected at large by the voters of the City once every four years. The City is divided into six wards, and one Councilmember is elected from each ward for a four-year term. City elections are held every other year on the first Tuesday in April, with a primary election to be held if more than two candidates seek the same seat on the Council. Citizen participation in City government is provided for in the Charter through initiative, referendum and recall.

The City Manager serves as the administrative head of the City and is selected by the Mayor and City Council on the basis of administrative qualifications and experience. Scott A. Meyer, P.E. was appointed the City Manager on July 1, 2009. Prior to becoming the City Manager, Mr. Meyer worked as the Director of Facilities Management at Southeast Missouri State University for five years and as the District Engineer for the Southeast District of the Missouri Department of Transportation for nine years.

The current Mayor and City Council members are as follows:

<u>Elected Officials</u> ⁽¹⁾	<u>Service Began</u>	<u>Current Term Expires</u>
Dr. Bob Fox, Mayor	4/18	4/22
Dan Presson, Ward 1	4/18	4/22
Shelly Moore, Ward 2	4/14	4/22
Robbie Guard, Ward 4	4/16	4/20
Ryan Essex, Ward 5	5/18	4/20
Stacy Kinder, Ward 6	4/18	4/22

⁽¹⁾ On July 8, 2019, Victor R. Gunn, Councilmember for Ward 3, resigned because he is moving out of the Ward. Gunn's replacement has not been named.

Employee Relations

The City currently has approximately 421 full-time and 498.77 full-time equivalent part-time employees. Benefits provided to full-time employees include health insurance and life insurance, a retirement plan (see the caption "**Pension and Employee Retirement Plans**" herein), paid vacation and sick leave. In May 2007, the Missouri Supreme Court held that public employees have a constitutional right to collectively bargain under Missouri's Constitution, but no City employees are covered by any collective bargaining agreements. The City has no record of any work stoppages or labor disputes.

Population

According to the U.S. Bureau of the Census, the population patterns for the City, Cape Girardeau County and the State of Missouri have been as follows:

<u>Year</u>	<u>City of Cape Girardeau</u>		<u>Cape Girardeau County</u>		<u>State of Missouri</u>	
	<u>Population</u>	<u>Percentage Change</u>	<u>Population</u>	<u>Percentage Change</u>	<u>Population</u>	<u>Percentage Change</u>
1980	34,361	--	58,837	--	4,916,686	--
1990	34,438	+0.2%	61,633	+4.8%	5,117,073	+4.1%
2000	35,349	+2.6	68,693	+11.5	5,595,211	+9.3
2010	37,941	+7.3	75,674	+10.2	5,988,927	+7.0
2018	39,853	+5.0	78,753	+4.1	6,126,452	+2.3

Source: U.S. Bureau of the Census.

The following table sets forth the population by age categories for the City, Cape Girardeau County and the State of Missouri:

<u>Age</u>	<u>City of Cape Girardeau</u>	<u>County of Cape Girardeau</u>	<u>State of Missouri</u>
Under 5	1,990	4,472	373,141
5-19 years	7,198	15,197	1,176,263
20-24 years	5,982	8,258	425,687
25-44 years	8,764	18,608	1,536,109
45-64 years	8,817	19,254	1,608,068
65 and over	<u>6,341</u>	<u>12,224</u>	<u>956,032</u>
Total	<u>39,092</u>	<u>78,013</u>	<u>6,075,300</u>

Source: U.S. Census Bureau, 2013-2017 American Community Survey 5-Year Estimates.

Risk Management

The City is exposed to various risks of loss from tort; theft of, damage to and destruction of assets; errors and omissions; natural disasters; and employee injuries and illnesses. Commercial insurance coverage is purchased for claims arising from such matters. For more details, see “**Note O – Risk Management**” to the City’s financial statements included in *Appendix A* to this Official Statement.

Pensions and Other Postemployment Benefits

The City contributes to the Missouri Local Government Employees Retirement System (“LAGERS”), an agent multiple-employer, statewide public employee pension plan for entities of local government which is legally separate and fiscally independent from the State of Missouri. The City also provides other postemployment benefits as part of the total compensation offered to attract and retain the services of qualified employees. Future required contribution increases beyond the current fiscal year may require the City to increase its revenues, reduce its expenditures, or some combination thereof, which may impact the City’s operations or limit the City’s ability to generate additional revenues in the future.

For more information specific to the City’s participation in LAGERS, including the City’s past contributions, net pension liability, and pension expense, see “**Note G – Pension Plan**” to the City’s financial

statements included in *Appendix A* to this Official Statement. For more information about other postemployment benefits for the City's employees, see "Note H – Postretirement Healthcare Benefits" to the City's financial statements included in *Appendix A* to this Official Statement.

Municipal Services and Utilities

The City provides its citizens with typical municipal services, such as police and fire protection, highway and street maintenance, water, sanitation, health and social services, parks and recreation, public improvements, engineering, planning and zoning, building inspections and other administrative services. These services are financed from general revenues of the City. The City library and health department are financed by their own separate tax levies.

The City owns and operates several enterprises and internal service operations. Enterprise operations derive their revenues from user fees and special property tax levies. The golf course, softball complex operations, waterworks system, sanitary sewer utility and solid waste operations are financed by self-sustaining usage charges. Internal service operations consist of fleet maintenance and data processing, which provide services to all City departments and assess charges to departments based upon usage in amounts sufficient to cover costs of operation.

Ameren Missouri, an investor-owned utility that is Missouri's largest electric utility, provides the City with electricity and natural gas. Ameren Missouri's operations are regulated by the Missouri Public Service Commission.

Transportation and Communication Facilities

The City is located along Interstate 55 and is bordered by the Mississippi River. The Bill Emerson Memorial Bridge, a four-lane suspension bridge, carries traffic across the Mississippi River from Illinois into the City and connects to Interstate 55. Other highways serving the City include U.S. Highway 61, Missouri Highways 34 and 177, and Illinois Highways 3 and 146. Regular bus service is available in the City.

The City owns the Cape Girardeau Regional Airport located approximately 7 miles from downtown. The airport, situated on 557 acres, consists of two runways, one terminal, an avionics shop, a pilots club and a growing industrial park. SkyWest Airlines serves the airport (on behalf of United) by providing two round-trip flights daily during the week from Cape Girardeau to Chicago O'Hare and two round-trip flights daily on the weekends.

Media coverage is provided by one local newspaper, four major network affiliate television stations, one independent television station and seven radio stations. The *Southeast Missourian*, the local newspaper, is published daily. Charter Communications and AT&T provide cable television service to the City.

Educational Institutions and Facilities

Cape Girardeau School District No. 63 provides education to the largest portion of the City. The Missouri Department of Elementary and Secondary Education awarded the school district "accredited" status, which is the highest accreditation status given. The school district has five elementary schools, one middle school, one junior high school, one senior high school, a vocational technical school, and an alternative education center. In addition, the Catholic, Lutheran and Assembly of God churches of the community operate parochial schools.

The Southeast Missouri State University (the "University") campus is located in the City and has an approximate enrollment of 11,000. The campus also includes the joint City-University owned and operated Show-Me Center, which has a total seating capacity of over 7,000. The University's facilities also include

various performing arts venues, such as a 950-seat performance hall, a 205-seat recital hall and a 200-seat theatre.

Medical and Health Facilities

The City has the largest regional medical centers between St. Louis and Memphis. Southeast Missouri Hospital, a 263-bed regional medical complex, and Saint Francis Medical Center, a 306-bed regional medical center, provide services for general health care and acute illnesses. SoutheastHEALTH provides numerous other services at various sites in the region, including Southeast Medical Plaza, Southeast Cancer Center, Southeast Hospice, Southeast Home Health and HealthPoint Fitness. Saint Francis Medical Center also provides other services at various sites in the region, including the Healing Arts Center, the Health and Wellness Center and the Heart Hospital and Cancer Institute. The Doctor's Park, a comprehensive health care complex, provides medical, dental, ambulatory and diagnostic services to the region as well.

Special services for physically and mentally disabled children and adults are offered by the Parkview State School for Severely Handicapped. Vocational and self-development training programs are also offered by Parkview. A variety of nursing and retirement facilities provide the City's elderly with care and medical assistance.

Recreation and Culture

Year-round activity programs are sponsored by the City's Parks and Recreation Department, which maintains 23 city and neighborhood parks covering 662.5 acres. Park facilities in the City include a fishing lake, picnic areas, playgrounds, year-round swimming facilities (indoor/outdoor pool), lighted tennis courts and a municipal golf course.

The Cape Girardeau SportsPlex is a state-of-the-art facility located along Interstate 55. The 121,000 square foot facility features 2 regulation indoor turf fields and 6 high school regulation hardwood basketball courts which convert to 12 regulation volleyball courts. It also has full-service concessions and multiuse space for team meetings, coach's clinics, and team parties. In recent years, the City has also completed construction of the Osage Community Centre, a multi-use recreational building, a softball/soccer complex, and a family aquatic center. Several other recent park facilities and improvements include the construction of a community center in the southern portion of the City, improvements to the Shawnee Sports Complex, and the renovation of the A.C. Brase Arena Building. The Trail of Tears State Park and county parks are also located within a few miles of the City limits.

The Discovery Play House, a children's museum, opened in the spring of 2010 in the downtown area of the City. The Discovery Play House has over 7,500 square feet of interactive learning exhibits for children.

Private clubs and commercial enterprises offer dance, bowling, gymnastics, tennis and golf. The University's recreational facilities are also open to the public when classes are not in session.

The Cape Girardeau Council on the Arts promotes the work of local artists in conjunction with its operation of the Cape Girardeau River Heritage Museum.

Both the Cape Girardeau Public Library and Kent Library at the University provide activities such as children's programs, art exhibits and community group meetings.

Employment Information

Major Employers. Listed below are the major employers located within approximately 20 miles of the City and the approximate number of employees employed by each:

<u>Name</u>	<u>Product or Service</u>	<u>Employment</u>
1. Saint Francis Healthcare Systems	Hospital	2,817
2. SoutheastHEALTH	Hospital	2,430
3. Procter & Gamble Paper Products	Paper products manufacturer	1,200
4. Southeast Missouri State University	Public university	1,107
5. Cape Girardeau School District No. 63	Public schools	713
6. Jackson R-II School District	Public schools	479
7. Robinson Construction	Construction	475
8. Isle Casino Cape Girardeau	Casino	450
9. Mondi Jackson, Inc.	Flexible film packaging	428
10. Delta Companies, Inc.	Stone and rock manufacturer	425

Source: Cape Girardeau Chamber of Commerce.

Unemployment. The following table sets forth estimates of the total labor force, number of employed and unemployed workers in the City and, for comparative purposes, the unemployment rates for the City, Cape Girardeau County, the State of Missouri and the United States for the years 2015 through 2019:

<u>Year</u>	<u>City of Cape Girardeau Labor Force</u>			<u>Unemployment Rates</u>			
	<u>Employed</u>	<u>Unemployed</u>	<u>Total</u>	<u>City of Cape Girardeau</u>	<u>Cape Girardeau County</u>	<u>State of Missouri</u>	<u>United States</u>
2015	19,194	934	20,128	4.6%	4.3%	5.0%	5.3%
2016	19,169	968	20,137	4.8	4.3	4.6	4.9
2017	18,854	735	19,589	3.8	3.5	3.8	4.4
2018	19,053	567	19,620	2.9	2.8	3.2	3.9
2019 ⁽¹⁾	19,169	578	19,747	2.9	2.8	3.1	3.4

⁽¹⁾ Figures are preliminary and for the month of May, not an annualized calculation.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

Income

Income Statistics. The following table presents certain income statistics from the American Community Survey for the City, Cape Girardeau County, State of Missouri and the United States of America:

	<u>Per Capita Income (dollars)</u>	<u>Median Family Income (dollars)</u>
City of Cape Girardeau	\$24,339	\$62,320
Cape Girardeau County	25,965	64,443
State of Missouri	28,282	64,776
United States	31,177	70,850

Source: U.S. Census Bureau, 2013-2017 American Community Survey 5-Year Estimates.

The following table presents per capita personal income⁽¹⁾ for Cape Girardeau County and the State of Missouri for the years 2013 through 2017, the latest date for which such information is available:

<u>Year</u>	<u>Cape Girardeau County Per Capita Income</u>	<u>State of Missouri Per Capita Income</u>
2013	\$38,751	\$40,152
2014	39,383	41,538
2015	41,601	42,839
2016	41,799	43,587
2017	43,556	44,978

⁽¹⁾ “Per Capita Personal Income” is the annual total personal income of residents divided by the resident population as of July 1. “Personal Income” is the sum of net earnings by place of residence, rental income of persons, personal dividend income, personal interest income, and transfer payments. “Net Earnings” is earnings by place of work - the sum of wage and salary disbursements (payrolls), other labor income, and proprietors’ income - less personal contributions for social insurance, plus an adjustment to convert earnings by place of work to a place-of-residence basis. Personal Income is measured before the deduction of personal income taxes and other personal taxes and is reported in current dollars (no adjustment is made for price changes).

Source: U.S. Department of Commerce, Bureau of Economic Analysis.

Housing

The following table sets forth information from the American Community Survey regarding the median (owner-occupied) house values for the City, Cape Girardeau County and the State of Missouri:

	<u>Median House Value</u>
City of Cape Girardeau	\$141,500
Cape Girardeau County	151,900
State of Missouri	145,400

Source: U.S. Census Bureau, 2013-2017 American Community Survey 5-Year Estimates.

Agriculture, Commerce and Industry

The Cape Girardeau area (which includes the City, Cape Girardeau County and an approximate 20-mile surrounding area) has 14 manufacturing firms with 100 or more employees and 40 non-manufacturing entities with 100 or more employees. The two largest employers are Saint Francis Healthcare Systems and SoutheastHEALTH, each employing 2,400 or more employees. Other major employers include Procter & Gamble Paper Products and Southeast Missouri State University, each employing 1,100 or more employees. Isle of Capri Casinos operates a casino along the City’s riverfront that employs approximately 450 people.

The City is a regional shopping center for Southeastern Missouri, Southern Illinois and Western Kentucky. There are three major shopping areas in the City: West Park Mall/Interstate 55 area, Town Plaza Shopping Center, and the downtown shopping district located along the Mississippi River.

The Cape Girardeau area is one of the most productive farming areas in the state. Major livestock includes cattle, hogs and poultry. Major crop production includes soybeans, wheat, milo, cotton and corn.

Building Construction

The following table indicates the number of building permits and total estimated valuation of these permits issued within the City in the past five fiscal years. These numbers reflect permits issued either for new construction or for major renovation.

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
<i>Residential</i>					
Number of Permits	254	127	240	119	96
Estimated Cost	\$76.7 million	\$24.1 million	\$37.2 million	\$16.4 million	\$19.3 million
<i>Non-Residential</i>					
Number of Permits	128	100	128	70	59
Estimated Cost	\$52.8 million	\$38.4 million	\$250.5 million	\$73.9 million	\$20.2 million

Source: The City.

THE SYSTEM

History and Organization of the System

The System was originally built in 1894 by the Cape Girardeau Water Works and Electric Light Company, which later became Missouri Utilities Company (“**Missouri Utilities**”). In 1931, Missouri Utilities constructed the main water treatment plant on Cape Rock Drive, which remains in service today. This plant was expanded in 1954, 1967 and 2002. In 1983, Union Electric Company (the predecessor of AmerenUE) acquired the System as part of a merger with Missouri Utilities, in which Union Electric Company was the major stockholder. The City acquired the System in 1992.

The System is operated as a division of the City’s Department of Public Works. The City has entered into an agreement with Alliance to operate and manage the System, although the City handles billings and collections. Alliance was founded in 1976 to provide specialty services to the water and wastewater industry. Its corporate office is located in Columbia, Missouri. Alliance’s clients include municipal water and wastewater operations, investor-owned utilities, water districts and not-for-profit utilities. Among the clients for which it provides complete operation and management services are: the Missouri cities of Bonne Terre, Troy, Bowling Green, Elsberry, Parkville, Cameron, Lake Ozark, Lexington and Ste. Genevieve; Public Water Supply District No. 1 of Lincoln County, Missouri; Public Water Supply District No. 2 of DeKalb County, Missouri; Public Water Supply District No. 3 of Franklin County, Missouri; Henry County Water Company; Public Water Supply District No. 1 of Ralls County, Missouri; Public Water Supply District No. 2 of Phelps County, Missouri; Public Water Supply No. 1 of Franklin County, Missouri; and the Iowa cities of Maquoketa and Tipton.

Pursuant to its agreement with the City, Alliance provides the labor for all operations and maintenance services of the City’s entire water supply and distribution system. Alliance’s duties include emergency response and repair, water testing, valve location and exercising and preventive maintenance. Alliance will receive a base fee of \$2,492,908 in the current fiscal year, which is subject to adjustment under certain circumstances described in the agreement. This fee includes all labor costs of operating and maintaining the System. The City’s current agreement with Alliance expires on June 30, 2021 unless it is further extended by its terms. See the caption “**BONDHOLDERS’ RISKS – Factors Affecting the Revenues of the System**” herein.

Description of Existing Facilities of the System

The System includes two water supply and treatment plants. The main plant on Cape Rock Drive has a capacity of 7.5 million gallons per day and an average daily flow of 6.5 million gallons per day, drawing from 4 alluvial wells. A second plant in the southern part of the City draws water from 3 alluvial wells and has a capacity of 2.8 million gallons per day. One additional well serves the Cape Rock Village subdivision and is part of the City System proper. Two additional wells serve the Greater Cape Girardeau Industrial Park, located outside of the City.

The System's 12 water storage tanks have a total capacity of 9.265 million gallons. The tanks range in capacity from 80,000 to 1.75 million gallons. The System also includes approximately 300 miles of water lines, 2,338 fire hydrants and 9 booster pumping stations.

The City Charter requires the City Manager to annually submit a five-year capital improvement plan (the "CIP") to the Council. The CIP is a comprehensive planning instrument that drives the evaluation of capital infrastructure projects in need of construction, renovation and/or repair. The Council adopted the most recent CIP on March 4, 2019, covering the five-year period from July 1, 2019 through June 30, 2024. It includes numerous improvements to the System, including upgrading water lines; constructing a booster pump station and installing a generator; rehabilitating the six existing filters and repairing the secondary settling basins at the main plant; and replacing the air conditioning units in the motor control center serving the main plant and four water wells. The City intends to fund these projects on a pay-as-you-go basis using a portion of the proceeds of a one-quarter of one percent capital improvement sales tax, which was renewed by the voters in August 2019 and will expire on December 31, 2034.

Description of Service Area

The System is divided into a main system and a smaller, separate service area. The main system serves the 24 square miles within the current City limits, plus an additional area of approximately one square mile to the immediate north of the City along State Route W, Old Sprigg Street and Cape Rock Drive in the Cape Rock Village/Tanglewood Subdivisions. The separate service area totals approximately one-half square mile and serves the Greater Cape Girardeau Industrial Park along Nash Road, which lies southwest of the City.

Customers and Usage

As of June 30, 2018, the System had 16,547 customers, consisting of 14,251 residential customers and 2,296 non-residential customers.

During the 2018 fiscal year, the City sold approximately 2,022,190 CCF (100 Cubic Feet, which equals 748 gallons) of water, consisting of 1,079,470 CCF for residential customers and 942,720 for non-residential customers.

Below is a list of the 10 largest customers of the System, on the basis of usage for the 2018 fiscal year.

<u>Customer</u>	<u>Water Usage</u>	<u>% of Total</u>
Southeast Missouri State University	109,054.50	5.40%
St. Francis Medical Center	85,247.80	4.22
Southeast Hospital	60,134.20	2.98
Lonestar Cement	37,780.30	1.87
Lutheran Home	23,606.50	1.17
Cape LaCroix Apartments	16,150.50	0.80
Tipton Linen	13,516.50	0.67
Cape Girardeau Public Schools	12,512.30	0.62
Missouri Veterans Home	11,449.20	0.57
Chateau Girardeau	<u>10,085.70</u>	<u>0.50</u>
TOTAL	<u>379,537.50</u>	<u>18.80%</u>

The following table sets forth the total number of customers of the System for the fiscal years ended June 30, 2016 through June 30, 2018:

<u>Year</u>	<u>Total Number of Customers</u>
2016	16,924
2017	16,500
2018	16,547

The following table sets forth total sales of water by the City for the fiscal years ended June 30, 2016 through June 30, 2018:

<u>Year</u>	<u>Gallons Sold</u>
2016	1,425,107,028
2017	1,435,433,692
2018	1,512,598,120

Water Rates

The following table shows the current monthly water rates:

<u>Meter Charge (5/8" meter)</u>	<u>Rate per CCF⁽¹⁾</u>
\$8.65	\$2.628

⁽¹⁾ One CCF equals 100 cubic feet or 748 gallons.

Prior to the beginning of each fiscal year, the City analyzes its water rates to determine whether increases are needed. In recent years the City imposed the following annual rate increases: 3% for the 2017 fiscal year; 2% for the 2018 fiscal year; 0% for the 2019 fiscal year; and 2% for the 2020 fiscal year. The City's Charter restricts the City from increasing water rates by more than 5% in any fiscal year except (1) as may be required by voter-approved revenue bonds, (2) as authorized by a simple majority voter approval or (3) in the event of an emergency.

Collections

The following table shows the amounts billed for water service and amounts collected by the City for the last five fiscal years:

<u>Year</u>	<u>Amount Billed</u>	<u>Amount Collected</u>	<u>Percentage Collected</u> ⁽¹⁾
2014	\$6,175,787.97	\$6,222,671.59	100.76%
2015	5,940,184.56	5,890,592.82	99.17
2016	6,251,287.16	6,214,769.40	99.42
2017	6,481,517.30	6,421,247.83	99.07
2018 ⁽²⁾	6,662,022.47	6,500,781.00	97.58

⁽¹⁾ Delinquent fees collected are shown in the year payment is actually received, which may cause the Percentage Collected to exceed 100%. The City sends a disconnect notice to all customers after they become delinquent for a second month.

⁽²⁾ The most recently completed fiscal year for which data is available.

FINANCIAL AND OPERATING INFORMATION CONCERNING THE SYSTEM

Accounting, Budgeting and Auditing Procedures

An annual budget of estimated receipts and disbursements for the System for the coming fiscal year is prepared by the Director of Public Works and is included in the City's budget. The budget is presented to the City Council in June for approval after a public hearing. The fiscal year of the System is July 1 through June 30. The budget lists estimated receipts by fund and sources and estimated disbursements by fund and purposes and includes a statement of the rates required to raise each amount shown on the budget as coming from System revenues.

Historical Debt Service Coverage

The following table shows historical debt service coverage for all obligations of the System prepared from audits of the City for the last three fiscal years for which audited financial information is available:

	<u>2016</u>	<u>2017</u>	<u>2018</u>
Total Operating Revenues	\$6,545,914	\$6,787,707	\$7,031,962
Total Non-Operating Revenues ⁽¹⁾	<u>\$2,683,328</u>	<u>\$2,202,347</u>	<u>\$ 22,795</u>
Total Revenues	<u>\$9,229,242</u>	<u>\$8,990,054</u>	<u>\$7,054,757</u>
Total Expenses ⁽²⁾	<u>\$5,169,381</u>	<u>\$5,274,369</u>	<u>\$5,445,716</u>
Net Revenues Available for Debt Service	<u>\$4,059,861</u>	<u>\$3,715,685</u>	<u>\$1,609,041</u>
Debt Service ⁽³⁾	<u>\$1,020,826</u>	<u>\$1,022,141</u>	<u>\$1,020,230</u>
Debt Service Coverage	3.98x	3.64x	1.58x

⁽¹⁾ Includes revenues from a one-quarter of one percent capital improvement sales tax available to pay the waterworks system revenue bonds. The tax was scheduled to expire in 2017; the City's voters extended the tax, but only to pay debt service on sewerage system revenue bonds. This figure does not include interest and handling costs or amortization.

⁽²⁾ Less depreciation and including payments on annual appropriation debt.

⁽³⁾ Represents debt service on the City's Series 2012A and the Series 2010 Bonds.

Source: City's Annual Report for the fiscal year ended June 30, 2018.

Summary of Balance Sheets

Shown below is a summary of revenues, expenditures and fund balance for the water operations portion of the Enterprise Fund (consisting of sewer, water, solid waste, golf course, and indoor sports complex funds) for the last three fiscal years for which audited financial information is available. Based on its monthly financial statements, the City believes the results for 2019 will not be materially different from 2018. With respect to the fiscal year ended June 30, 2018, the information shown below should be read in conjunction with the audited financial statements of the City contained in *Appendix A* hereto. Copies of the audited financial statements of the City for prior years are available upon request from the City.

**SUMMARY STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
Fiscal Years Ended June 30**

	<u>2016</u>	<u>2017</u>	<u>2018</u>
<u>Operating Revenues</u>			
Residential charges	\$ 3,765,899.97	\$ 3,887,741.98	\$ 4,081,216.00
Commercial charges	2,518,048.02	2,589,293.51	2,629,572.71
Other fees and charges	233,765.17	279,816.75	297,448.79
Miscellaneous	28,201.16	30,855.12	23,724.15
Total Operating Revenues	<u>\$ 6,545,914.32</u>	<u>\$ 6,787,707.36</u>	<u>\$ 7,031,961.65</u>
<u>Operating Expenses</u>			
Personnel services	\$ 257,590.31	\$ 256,449.06	\$ 252,706.08
Materials and supplies	1,072,393.83	1,095,124.99	1,408,358.51
Contractual services	2,912,056.80	2,959,678.61	3,051,397.58
General operating expenses	396,550.48	414,730.61	437,158.89
Special programs	354,057.02	371,217.08	139,368.45
Internal service expenses	176,732.49	177,168.57	156,726.29
Depreciation	1,676,418.61	1,762,708.06	1,825,123.66
Total Operating Expenses	<u>\$ 6,845,799.54</u>	<u>\$ 7,037,076.98</u>	<u>\$ 7,270,839.46</u>
<u>Operating Income (Loss)</u>	\$ (299,885.22)	\$ (249,369.62)	\$ (238,877.81)
<u>Non-Operating Revenues (Expenses)</u>			
Intergovernmental	\$ 7,692.30	\$ -	\$ -
Investment revenue	83,762.51	38,954.98	22,794.98
Gain from sale of assets	23,510.70	8,974.91	1,162.42
Compensation for damages	-	-	3,792.57
Interest and other costs	(394,358.68)	(385,530.47)	(373,161.77)
Total Non-Operating Revenue (Expenses)	<u>\$ (279,393.17)</u>	<u>\$ (337,600.58)</u>	<u>\$ (345,411.80)</u>
Income (loss) before contributions and transfers	\$ (579,278.39)	\$ (586,970.20)	\$ (584,289.61)
Contributed Capital:			
Developers	\$ 487,910.49	\$ 172,218.48	\$ 95,360.84
Government	3,617.79	184,762.20	-
Transfers In	\$ 3,084,593.69	\$ 474,063.35	\$ 1,610,040.59
Transfers Out	-	(8,000.00)	-
Change in Net Position	\$ 2,996,843.58	\$ 236,073.83	\$ 1,221,111.82
Total Net Assets - beginning	\$37,238,007.17	\$40,451,758.71	\$40,894,321.30
Prior Period Adjustment	216,907.96	206,488.76	(34,227.06)
Total Net Assets - ending	<u>\$40,451,758.71</u>	<u>\$40,894,321.30</u>	<u>\$42,081,206.06</u>

Source: Audited Financial Statements of the City for the fiscal years ended June 30, 2016-2018.

DEBT STRUCTURE OF THE CITY

Debt Ratios and Related Information

Population (2018):	39,853
Assessed Valuation (2018) ⁽¹⁾ :	\$653,404,065
Estimated Actual Value (2018):	\$2,662,670,464
Outstanding General Obligation Debt:	\$0
Outstanding Lease Obligations	\$3,238,522
Total Direct Debt (General Obligation Debt and Lease Obligations)	\$3,238,522
Overlapping General Obligation Debt ⁽²⁾ :	\$59,969,715
Total Direct and Overlapping Debt:	\$63,208,237
Per Capita Direct Debt:	\$81.26
Ratio of Direct Debt to Assessed Valuation:	0.50%
Ratio of Direct Debt to Estimated Actual Valuation:	0.12%
Per Capita Direct Debt and Overlapping General Obligation Debt:	\$1,586.03
Ratio of Direct Debt and Overlapping General Obligation Debt to Assessed Valuation:	9.67%
Ratio of Direct Debt and Overlapping General Obligation Debt to Estimated Actual Valuation:	2.37%

⁽¹⁾ Includes state and locally assessed real estate and personal property.

⁽²⁾ For further details see the caption “**DEBT STRUCTURE OF THE CITY – Overlapping Indebtedness.**”

Source: Cape Girardeau County Clerk’s Office.

General Obligation Indebtedness

The City has no general obligation bonds outstanding.

Overlapping Indebtedness

The following table sets forth the approximate overlapping indebtedness, excluding lease obligations, of political subdivisions with boundaries overlapping the City as of July 1, 2019 and the percentage attributable (on the basis of assessed valuation) to the City. The table was compiled from information furnished by the jurisdictions responsible for the debt, and the City has not independently verified the accuracy or completeness of such information. Furthermore, political subdivisions may have ongoing programs requiring the issuance of substantial additional bonds, the amounts of which cannot be determined at this time.

<u>Taxing Jurisdiction</u>	<u>Outstanding General Obligation Indebtedness</u>	<u>Approximate Percent Applicable to City</u>	<u>Amount Applicable to City</u>
Cape Girardeau School District No. 63	\$ 62,025,758	94.43%	\$58,570,923
Jackson R-II School District	<u>40,080,000</u>	3.49	<u>1,398,792</u>
Total	<u>\$102,105,758</u>		<u>\$59,969,715</u>

Source: Cape Girardeau County Assessor’s Office, taxing jurisdictions’ records and Municipal Securities Rulemaking Board (EMMA).

Special Obligation Bonds

The following table sets for the outstanding special obligations of the City as of July 1, 2019:

<u>Category of Indebtedness</u>	<u>Amount Authorized</u>	<u>Amount Outstanding</u>
Special Obligation Bonds, Series 2018	\$ 8,710,000	\$ 8,710,000
Special Obligation Bonds, Series 2016	27,350,000	18,590,000
Special Obligation Bonds, Series 2015A	<u>9,625,000</u>	<u>7,525,000</u>
Totals	<u>\$45,685,000</u>	<u>\$34,825,000</u>

Revenue Obligations

The following table sets forth the outstanding revenue obligations of the City as of July 1, 2019:

<u>Category of Indebtedness</u>	<u>Amount Authorized</u>	<u>Amount Outstanding</u>
Sewerage System Revenue Bonds (State Revolving Fund Program), Series 2000B	\$ 8,355,000	\$ 3,275,000
Waterworks System Revenue Bonds (State of Missouri – Direct Loan Program – ARRA) Series 2010	1,000,000	592,100
Sewerage System Revenue Bonds (State of Missouri – Direct Loan Program) Series 2012	31,000,000	25,097,000
Waterworks System Refunding Revenue Bonds, Series 2012A ⁽¹⁾	13,955,000	9,905,000
Sewerage System Revenue Bonds (State of Missouri – Direct Loan Program), Series 2013A	3,250,000	2,623,000
Sewerage System Revenue Bonds (State of Missouri – Direct Loan Program), Series 2013B	<u>35,750,000</u>	<u>28,850,000</u>
Totals	<u>\$93,310,000</u>	<u>\$70,342,100</u>

⁽¹⁾ As of January 1, 2020, none of these bonds will be outstanding. The City will pay the 2020 maturity on its stated maturity date, and the bonds maturing in 2021 and thereafter will be redeemed on their first optional redemption date with a portion of the proceeds of the Bonds.

Lease Obligations

The following table sets forth the outstanding lease obligations of the City as of June 30, 2019:

<u>Category of Indebtedness</u>	<u>Amount Issued</u>	<u>Amount Outstanding</u>
Southeast Missouri State Foundation (dated March 14, 2013 and amended during the fiscal year ended June 30, 2017)	<u>\$5,382,698.69</u>	<u>\$3,238,521.59</u>
Total	<u>\$5,382,698.69</u>	<u>\$3,238,521.59</u>

Debt Service Requirements of the System

The following table shows the annual debt service requirements of the System, including the Bonds and excluding the Refunded Bonds:

Fiscal Year Ending June 30	Outstanding Waterworks Revenue Bonds	<u>The Bonds</u>			<u>TOTAL</u>
		<u>Principal</u>	<u>Interest</u>	<u>Total</u>	
2020	\$ 866,473.43 ⁽¹⁾				
2021	59,357.59				
2022	59,791.72				
2023	60,207.99				
2024	60,606.36				
2025	60,986.87				
2026	61,449.48				
2027	61,891.99				
2028	62,415.13				
2029	62,818.14				
2030	63,301.05				
2031	0.00				
2032	<u>0.00</u>				
Totals	<u>\$1,479,299.75</u>				

⁽¹⁾ Includes the debt service paid on July 1, 2019 in the amount of \$204,462.28. The remaining debt service for the fiscal year ending June 30, 2020 is \$662,011.15.

Future Debt Plans

On August 6, 2019, the City’s voters approved a 15-year extension of a one-quarter of one percent capital improvement sales tax that was scheduled to expire on December 31, 2019. The City intends to use the proceeds of the sales tax to fund approximately \$15-20 million of special obligation bonds to pay for critical infrastructure improvements, including the restoration of and additions to the Common Pleas Courthouse and annex for use as a City Hall and improvements to the Cape Girardeau Regional Airport. The City expects to issue those bonds in 2020.

No Prior Defaults

The City has never defaulted on any indebtedness.

FINANCIAL INFORMATION CONCERNING THE CITY

Accounting, Budgeting and Auditing Procedures

The financial statements of the City have been prepared in conformity with generally accepted accounting principles, as applied to government units. The Governmental Accounting Standards Board is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant accounting policies of the City are described below.

Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The various funds are grouped in the financial statements into fund types as described in “**Note A – Summary of Significant Accounting Policies**” to the City’s financial statements included in *Appendix A* to this Official Statement.

Government-Wide and Fund Financial Statements. The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. The effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation. The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. With the economic resources measurement focus, all assets and liabilities associated with operations are reflected in the statement of net assets.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis, revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 30 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under

accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. Those revenues susceptible to accrual are property taxes, franchise taxes, special assessments, licenses, interest revenue, and charges for services. Sales taxes collected and held by the state at year-end on behalf of the City are also recognized as revenue. Fines and permit revenues are not susceptible to accrual because, generally, they are not measurable until received in cash. With the current financial resources measurement focus, only current assets and current liabilities are generally included on the balance sheet.

An annual budget is prepared under the direction of the City Manager and submitted to the City Council for consideration prior to the commencement of each fiscal year. The operating budget includes proposed expenditures and revenue sources. Public hearings are conducted to obtain taxpayer comments. The budget is legally enacted through the adoption of an ordinance. The primary basis of budgetary control is at the departmental level. The City Manager is authorized to transfer budgeted amounts between programs within any department; however, any revisions that alter the total expenditures of any department must be approved by the City Council. Formal budgetary integration is employed as a management control device during the year for all funds. Budgets for all funds are adopted on a budgetary basis.

City budgeting is predicated upon the fundamental principle of prudential financial stewardship. Thus, a conservative approach is adopted in estimating future revenues, rigorous analysis is applied to expenditure estimates and there is regular reporting within departments as well as to the City Manager and City Council.

The financial records of the City are audited annually by a firm of independent certified public accountants in accordance with generally accepted governmental auditing standards.

Sources of Revenue

The City finances its general operations through sales taxes, local property taxes, license and permit fees and other miscellaneous sources as indicated below for the fiscal year ended June 30, 2020:

	<u>Amount</u>	<u>Percent of Total</u>
Property Tax	\$ 2,112,206	8.0%
Sales Tax	10,875,000	41.2
Franchise Tax	4,665,819	17.7
Cigarette Tax	150,000	0.6
Licenses and Permits	1,671,600	6.3
Intergovernmental	579,260	2.2
Service Charges	597,700	2.3
Fines and Forfeitures	687,600	2.6
Interest	115,325	0.4
Miscellaneous	393,225	1.5
Internal Service Charges	1,192,056	4.5
Motor Fuel Tax Transfer	1,431,045	5.4
Public Safety Trust Transfer	1,315,875	4.9
Other Transfers	<u>622,906</u>	<u>2.4</u>
Total	<u>\$26,409,617</u>	<u>100.0%</u>

Source: City's Budget for the fiscal year ending June 30, 2020.

The General Fund

In accordance with established accounting procedures of governmental units, the City records its financial transactions under various funds. The largest is the General Fund, from which all general operating expenses are paid and to which taxes and all other revenues not specifically allocated by law or contractual agreement to other funds are deposited. The following table sets forth the revenues, expenditures and fund balances for the City's General Fund for the last three fiscal years for which audited financial information is available. Based on its monthly financial statements, the City believes the results for 2019 will not be materially different from 2018.

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**GENERAL FUND
SUMMARY OF OPERATIONS
FISCAL YEARS ENDED JUNE 30**

	<u>2018</u>	<u>2017</u>	<u>2016</u>
REVENUES			
Taxes	\$17,866,334.64	\$17,193,712.47	\$17,232,591.39
Licenses and permits	1,649,227.01	1,613,500.38	1,609,166.00
Intergovernmental	911,897.94	828,689.59	610,556.93
Charges for services	364,749.57	285,614.21	237,337.05
Internal charges	1,145,715.50	1,161,341.29	1,023,643.58
Fines and forfeitures	600,446.25	712,267.50	687,997.00
Miscellaneous	538,537.30	335,287.26	328,174.89
Investment revenue	45,777.00	48,299.98	95,561.60
Special assessments	17,485.68	17,892.20	136,212.41
Total Revenues	<u>\$23,140,170.89</u>	<u>\$22,196,604.88</u>	<u>\$21,961,240.85</u>
EXPENDITURES			
Administrative services	\$ 2,776,743.88	\$ 2,631,588.26	\$ 2,591,612.76
Development services	2,488,862.56	2,347,504.72	2,346,079.65
Parks and recreation	1,656,263.04	1,703,900.49	1,655,656.64
Public safety	14,188,872.26	13,779,540.09	13,404,649.83
Public works	2,538,334.64	2,531,642.49	2,738,873.31
Debt service			
Interest	\$ 19,700.00	\$ 19,700.00	\$ 25,102.88
Principal	985,000.00	0.00	1,120,000.00
Administrative charges	583.00	318.00	291.50
Issuance cost	0.00	0.00	11,068.17
Capital outlay			
Administrative charges	\$ 0.00	\$ 0.00	\$ 0.00
Development services	1,527.45	30,683.08	0.00
Parks and recreation	8000.00	20,800.00	5,887.20
Public safety	93,256.36	27,780.29	12,495.27
Public works	3,637.35	8,023.25	27,082.32
Total Expenditures	<u>\$24,760,780.54</u>	<u>\$23,101,480.67</u>	<u>\$23,938,799.53</u>
EXCESS OF REVENUES OVER EXPENDITURES	<u>\$(1,620,609.65)</u>	<u>\$ (904,875.79)</u>	<u>\$(1,977,558.68)</u>
OTHER FINANCING SOURCES (USES)			
Operating transfers in	\$ 6,478,345.97	\$ 5,433,446.42	\$ 5,393,190.38
Operating transfers out	(5,728,300.26)	(4,628,089.03)	(4,494,065.67)
Asset disposition	354,605.99	111,601.20	94,828.64
Bond proceeds	0.00	0.00	1,008,039.15
Compensation for damages	461.87	17,834.13	0.00
Total Other Financing Sources (Uses)	<u>\$ 1,105,113.57</u>	<u>\$ 934,792.72</u>	<u>\$ 2,001,992.50</u>
REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	<u>\$ (515,496.08)</u>	<u>\$ 29,916.93</u>	<u>\$ 24,433.82</u>
FUND BALANCE -- BEGINNING OF YEAR	\$ 7,805,256.75	\$ 7,714,458.77	\$ 7,690,024.95
Prior period adjustment	597.36	60,881.05	0.00
FUND BALANCE -- END OF YEAR	<u>\$ 7,290,358.03</u>	<u>\$ 7,805,256.75</u>	<u>\$ 7,714,458.77</u>

Source: Audited Financial Statements of the City for the fiscal years ended June 30, 2016-2018.

Summary of General Fund Balances

The unappropriated General Fund balance on June 30 for each of the previous fiscal years was as follows:

<u>Year</u>	<u>General Fund Balance</u>
2014	\$8,405,608
2015	7,690,025
2016	7,714,459
2017	7,805,257
2018	7,290,358

Source: City's Annual Report for the fiscal year ended June 30, 2018.

BOND RATING

S&P Global Ratings, a division of S&P Global Inc. (the “**Rating Agency**”), has assigned the Bonds a rating of “A+” (Stable Outlook) based on the creditworthiness of the City. The rating reflects only the view of the Rating Agency at the time the rating is given, and the Underwriter and the City make no representation as to the appropriateness of such rating. An explanation of the significance of the rating may be obtained from the Rating Agency.

The City has furnished the Rating Agency with certain information and materials relating to the Bonds and the City that have not been included in this Official Statement. Generally, rating agencies base their ratings on the information and materials so furnished and on investigations, studies and assumptions made by the rating agencies. There is no assurance that a particular rating will be maintained for any given period of time or that it will not be lowered or withdrawn entirely if, in the judgment of the rating agency originally establishing the rating, circumstances warrant.

The Underwriter has not undertaken any responsibility to bring to the attention of the holders of the Bonds any proposed revision or withdrawal of any rating of the Bonds or to oppose any such proposed revision or withdrawal. Pursuant to the Continuing Disclosure Undertaking, the City is required to bring to the attention of the holders of the Bonds any rating changes but has not undertaken any responsibility to disclose any rating revisions proposed by the Rating Agency or to oppose any such proposed revision or withdrawal of the rating of the Bonds. See the caption “**CONTINUING DISCLOSURE UNDERTAKING**” herein. Any downward revision or withdrawal of the rating may have an adverse effect on the market price and marketability of the Bonds.

LEGAL MATTERS

General

There is not now pending or, to the City's knowledge, threatened any litigation (1) seeking to restrain or enjoin the delivery of the Bonds, (2) challenging the proceedings or authority under which the Bonds are to be issued, (3) materially affecting the security for the Bonds, (4) challenging or threatening the City's powers to enter into or carry out the transactions contemplated by the Bond Ordinance and this Official Statement, or (5) that would otherwise materially adversely affect the City's financial condition or its ability to repay the Bonds.

Approval of Legality

All legal matters incident to the authorization and issuance of the Bonds are subject to the approval of Gilmore & Bell, P.C., St. Louis, Missouri, Bond Counsel to the City. Bond Counsel has participated in the preparation of this Official Statement, but the factual and financial information appearing herein has been supplied or reviewed by certain officials of the City and certified public accountants, as referred to herein. Certain legal matters related to the Official Statement will be passed upon by Bond Counsel.

TAX MATTERS

The following is a summary of the material federal and State of Missouri income tax consequences of holding and disposing of the Bonds. This summary is based upon laws, regulations, rulings and judicial decisions now in effect, all of which are subject to change (possibly on a retroactive basis). This summary does not discuss all aspects of federal income taxation that may be relevant to investors in light of their personal investment circumstances or describe the tax consequences to certain types of owners subject to special treatment under the federal income tax laws (for example, dealers in securities or other persons who do not hold the Bonds as a capital asset, tax-exempt organizations, individual retirement accounts and other tax deferred accounts, and foreign taxpayers), and, except for the income tax laws of the State of Missouri, does not discuss the consequences to an owner under any state, local or foreign tax laws. The summary does not deal with the tax treatment of persons who purchase the Bonds in the secondary market. Prospective investors are advised to consult their own tax advisors regarding federal, state, local and other tax considerations of holding and disposing of the Bonds.

Opinion of Bond Counsel

In the opinion of Gilmore & Bell, P.C., Bond Counsel to the City, under the law existing as of the issue date of the Bonds:

Federal and State of Missouri Tax Exemption. The interest on the Bonds (including any original issue discount properly allocable to an owner thereof) is excludable from gross income for federal income tax purposes and is exempt from income taxation by the State of Missouri.

Alternative Minimum Tax. The interest on the Bonds is not an item of tax preference for purposes of computing the federal alternative minimum tax.

Bank Qualification. The Bonds are “qualified tax-exempt obligations” within the meaning of Section 265(b)(3) of the Code.

Bond Counsel’s opinions are provided as of the date of the original issue of the Bonds, subject to the condition that the City comply with all requirements of the Code that must be satisfied subsequent to the issuance of the Bonds in order that interest thereon be, or continue to be, excludable from gross income for federal income tax purposes. The City has covenanted to comply with all such requirements. Failure to comply with certain of such requirements may cause the inclusion of interest on the Bonds in gross income for federal and State of Missouri income tax purposes retroactive to the date of issuance of the Bonds. Bond Counsel is expressing no opinion regarding other federal, state or local tax consequences arising with respect to the Bonds but has reviewed the discussion under the heading “TAX MATTERS.”

Other Tax Consequences

Original Issue Discount. For federal income tax purposes, original issue discount is the excess of the stated redemption price at maturity of a Bond over its issue price. The issue price of a Bond is generally the first price at which a substantial amount of the Bonds of that maturity have been sold to the public. Under

Section 1288 of the Code, original issue discount on tax-exempt bonds accrues on a compound basis. The amount of original issue discount that accrues to an owner of a Bond during any accrual period generally equals (1) the issue price of that Bond, plus the amount of original issue discount accrued in all prior accrual periods, multiplied by (2) the yield to maturity on that Bond (determined on the basis of compounding at the close of each accrual period and properly adjusted for the length of the accrual period), minus (3) any interest payable on that Bond during that accrual period. The amount of original issue discount accrued in a particular accrual period will be considered to be received ratably on each day of the accrual period, will be excludable from gross income for federal income tax purposes, and will increase the owner's tax basis in that Bond. Prospective investors should consult their own tax advisors concerning the calculation and accrual of original issue discount.

Original Issue Premium. For federal income tax purposes, premium is the excess of the issue price of a Bond over its stated redemption price at maturity. The issue price of a Bond is generally the first price at which a substantial amount of the Bonds of that maturity have been sold to the public. Under Section 171 of the Code, premium on tax-exempt bonds amortizes over the term of the Bond using constant yield principles, based on the purchaser's yield to maturity. As premium is amortized, the owner's basis in the Bond and the amount of tax-exempt interest received will be reduced by the amount of amortizable premium properly allocable to the owner, which will result in an increase in the gain (or decrease in the loss) to be recognized for federal income tax purposes on sale or disposition of the Bond prior to its maturity. Even though the owner's basis is reduced, no federal income tax deduction is allowed. Prospective investors should consult their own tax advisors concerning the calculation and accrual of bond premium.

Sale, Exchange or Retirement of Bonds. Upon the sale, exchange or retirement (including redemption) of a Bond, an owner of the Bond generally will recognize gain or loss in an amount equal to the difference between the amount of cash and the fair market value of any property received on the sale, exchange or retirement of the Bond (other than in respect of accrued and unpaid interest) and such owner's adjusted tax basis in the Bond. To the extent a Bond is held as a capital asset, such gain or loss will be capital gain or loss and will be long-term capital gain or loss if the Bond has been held for more than 12 months at the time of sale, exchange or retirement.

Reporting Requirements. In general, information reporting requirements will apply to certain payments of principal, interest and premium paid on the Bonds, and to the proceeds paid on the sale of the Bonds, other than certain exempt recipients (such as corporations and foreign entities). A backup withholding tax will apply to such payments if the owner fails to provide a taxpayer identification number or certification of foreign or other exempt status or fails to report in full dividend and interest income. The amount of any backup withholding from a payment to an owner will be allowed as a credit against the owner's federal income tax liability.

Collateral Federal Income Tax Consequences. Prospective purchasers of the Bonds should be aware that ownership of the Bonds may result in collateral federal income tax consequences to certain taxpayers, including, without limitation, financial institutions, property and casualty insurance companies, individual recipients of Social Security or Railroad Retirement benefits, certain S corporations with "excess net passive income," foreign corporations subject to the branch profits tax, life insurance companies, and taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry or have paid or incurred certain expenses allocable to the Bonds. Bond Counsel expresses no opinion regarding these tax consequences. Purchasers of Bonds should consult their tax advisors as to the applicability of these tax consequences and other federal income tax consequences of the purchase, ownership and disposition of the Bonds, including the possible application of state, local, foreign and other tax laws.

CONTINUING DISCLOSURE UNDERTAKING

The City has covenanted in the Continuing Disclosure Undertaking to file certain financial information and operating data relating to the City as described herein. Not later than the last day of the sixth month after the end of the City's fiscal year, commencing with the fiscal year ending June 30, 2019, the City shall file with the Municipal Securities Rulemaking Board (the "MSRB"), through the Electronic Municipal Market Access system ("EMMA"), the following financial information and operating data (the "Annual Report") (unless the City changes its fiscal year, in which case the City shall file the Annual Report by the last day of the sixth month after the end of the new fiscal year):

Provision of Annual Reports

- (1) The audited financial statements of the City for the prior fiscal year, prepared in accordance with accounting principles generally accepted in the United States. If audited financial statements are not available by the time the Annual Report is required to be filed, the Annual Report shall contain unaudited financial statements in a format similar to the financial statements contained in this Official Statement, and the audited financial statements shall be filed in the same manner as the Annual Report promptly after they become available.
- (2) Updates as of the end of the most recent fiscal year of the financial information and operating data set forth in the tables contained in this Official Statement under the following captions: "THE SYSTEM – Customers and Usage," "– Water Rates" and "– Collections," "FINANCIAL AND OPERATING INFORMATION CONCERNING THE SYSTEM – Historical Debt Service Coverage," "DEBT STRUCTURE OF THE CITY – Special Obligation Bonds" and "– Revenue Obligations" and "FINANCIAL INFORMATION CONCERNING THE CITY – Sources of Revenue" and "– Summary of General Fund Balances."

Reporting of Material Events

Pursuant to the Continuing Disclosure Undertaking, within 10 business days after the occurrence of any of the following events, the City shall give, or cause to be given to the MSRB through EMMA, notice of the occurrence of any of the following events with respect to the Bonds ("Material Events"):

- (1) principal and interest payment delinquencies;
- (2) non-payment related defaults, if material;
- (3) unscheduled draws on debt service reserves reflecting financial difficulties;
- (4) unscheduled draws on credit enhancements reflecting financial difficulties;
- (5) substitution of credit or liquidity providers, or their failure to perform;
- (6) adverse tax opinions; the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;
- (7) modifications to rights of bondholders, if material;
- (8) bond calls, if material, and tender offers;
- (9) defeasances;
- (10) release, substitution or sale of property securing repayment of the Bonds, if material;
- (11) rating changes;
- (12) bankruptcy, insolvency, receivership or similar event of the City;
- (13) the consummation of a merger, consolidation or acquisition involving the City or the sale of all or substantially all of the assets of the City, other than in the ordinary course of business,

- the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
- (14) appointment of a successor or additional trustee or the change of name of the trustee, if material;
 - (15) incurrence of a financial obligation of the City, if material, or agreement to covenants, events of default, remedies, priority rights or other similar terms of a financial obligation of the City, any of which affect bondholders, if material; and
 - (16) default, event of acceleration, termination event, modification of terms or other similar events under the terms of a financial obligation of the City, any of which reflect financial difficulties.

Termination of Reporting Obligation

The City's obligations under the Continuing Disclosure Undertaking with respect to the Bonds will terminate upon the legal defeasance, prior redemption or payment in full of all of the Bonds.

Dissemination Agent

The City may, from time to time, appoint or engage a dissemination agent to assist it in carrying out its obligations under the Continuing Disclosure Undertaking and may discharge any such dissemination agent, with or without appointing a successor dissemination agent. The dissemination agent will not be responsible in any manner for the content of any notice or report prepared by the City pursuant to the Continuing Disclosure Undertaking.

Additional Information

Nothing in the Continuing Disclosure Undertaking will be deemed to prevent the City from disseminating any other information, using the means of dissemination set forth in the Continuing Disclosure Undertaking or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Material Event, in addition to that which is required by the Continuing Disclosure Undertaking. If the City chooses to include any information in any Annual Report or notice of occurrence of a Material Event in addition to that which is specifically required, the City will have no obligation to update such information or include it in any future Annual Report or notice of occurrence of a Material Event.

Default

If the City fails to comply with any provision of the Continuing Disclosure Undertaking, the Underwriter or any Beneficial Owner of the Bonds may take such actions as may be necessary and appropriate, including seeking mandamus or specific performance by court order, to cause the City to comply with its obligations under the Continuing Disclosure Undertaking. A default under the Continuing Disclosure Undertaking will not be deemed an event of default under the Bond Ordinance, and the sole remedy under the Continuing Disclosure Undertaking for the City's failure to comply is an action to compel performance.

Beneficiaries

The Continuing Disclosure Undertaking shall inure solely to the benefit of the City, the Underwriter and Beneficial Owners from time to time of the Bonds and shall create no rights in any other person or entity.

Electronic Municipal Market Access System (EMMA)

All Annual Reports and notices of Material Events required to be filed by the City pursuant to the Continuing Disclosure Undertaking must be submitted to the MSRB through EMMA. EMMA is an internet-based, online portal for free investor access to municipal bond information, including offering documents,

material event notices, real-time municipal securities trade prices and MSRB education resources, available at www.emma.msrb.org. Nothing contained on EMMA relating to the City or the Bonds is incorporated by reference in this Official Statement.

These covenants have been made in order to assist the Underwriter in complying with Rule 15c2-12 promulgated by the Securities and Exchange Commission (the “**Rule**”). The Continuing Disclosure Undertaking is being entered into by the City to enhance the efficiency of the administration of the City’s obligations, including the Bonds, and to promote timely secondary market disclosure by the City.

Prior Compliance

The City believes it has complied during the past five years with its prior undertakings under the Rule, except as follows:

- The City’s audited financial statements and operating data for the fiscal year ended June 30, 2015, were not properly linked to the City’s Special Obligation Refunding Bonds, Series 2015B.
- The City’s operating data for the fiscal year ended June 30, 2015 did not include the City’s restaurant license tax collections.
- Although the City timely filed its unaudited financial statements for the fiscal year ended June 30, 2016, the City did not promptly file its audited financial statements for that fiscal year after they became available (the audited financial statements were filed on December 22, 2017).
- Although the City timely filed its unaudited financial statements for the fiscal year ended June 30, 2017, the City did not promptly file its audited financial statements for that fiscal year after they became available (the audited financial statements were filed on July 23, 2018).

On September 4, 2018, the City engaged Gilmore & Bell, P.C. to assist the City with complying with the City’s continuing disclosure obligations.

MISCELLANEOUS

Financial Statements

Audited financial statements of the City, as of and for the fiscal year ended June 30, 2018, are included in *Appendix A* to this Official Statement. These financial statements have been audited by Beussink, Hey, Roe & Stroder, L.L.C., Cape Girardeau, Missouri.

Municipal Advisor

Piper Jaffray & Co., Leawood, Kansas, has been employed by the City as municipal advisor (the “**Municipal Advisor**”) to provide certain professional services in connection with the Bonds. The Municipal Advisor has not undertaken an independent investigation into the accuracy of the information presented in this Official Statement.

Underwriting

Based upon bids received by the City on September 16, 2019, the Bonds were awarded to _____ (the “**Underwriter**”). The Bonds are being purchased for reoffering by the Underwriter. The Underwriter has agreed to purchase the Bonds from the City at a price equal to \$ _____ (representing the par amount of the Bonds, less an underwriter’s discount of \$ _____, plus original issue

premium of \$_____). The Underwriter is purchasing the Bonds from the City for resale in the normal course of the Underwriter's business activities. The Underwriter may sell certain of the Bonds at a price greater than such purchase price, as shown on the inside cover page hereof. The Underwriter reserves the right to offer any of the Bonds to one or more purchasers on such terms and conditions and at such price or prices as the Underwriter, in its discretion, shall determine. The Underwriter reserves the right to join with dealers and other purchasers in offering the Bonds to the public. The Underwriter may offer and sell Bonds to certain dealers (including dealers depositing Bonds into investment trusts) at prices lower than the public offering prices.

Certification and Other Matters Regarding Official Statement

The references, excerpts and summaries of all documents referred to herein do not purport to be complete statements of the provisions of such documents, and reference is made to all such documents for full and complete statements of all matters of fact relating to the Bonds, the security for the payment of the Bonds and the rights of the Owners thereof. During the period of the offering, copies of drafts of such documents may be examined at the office of the Municipal Advisor; following delivery of the Bonds, copies of such documents may be examined at the principal payment office of the Paying Agent. The information contained in this Official Statement has been compiled from official and other sources that are deemed to be reliable, and while not guaranteed as to completeness or accuracy, is believed to be correct as of this date.

Any statement made in this Official Statement involving matters of opinion or of estimates, whether or not expressly so stated, are set forth as such and not as representations of fact, and no representation is made that any of the estimates will be realized. The information and expressions of opinion herein are subject to change without notice and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the information presented herein since the date hereof. This Official Statement is not to be construed as a contract or agreement between the City, the Paying Agent, or the Underwriter and the purchasers or Owners of any Bonds.

The form of this Official Statement, and its distribution and use by the Underwriter, have been approved by the City. Neither the City nor any of its officers, directors or employees, in either their official or personal capacities, has made any warranties, representations or guarantees regarding the financial condition of the City or the City's ability to make payments required of it; and further, neither the City nor its officers, directors or employees assumes any duties, responsibilities or obligations in relation to the issuance of the Bonds other than those either expressly or by fair implication imposed on the City by the Bond Ordinance.

CITY OF CAPE GIRARDEAU, MISSOURI

By: _____
City Manager

APPENDIX A
ANNUAL FINANCIAL REPORT

APPENDIX B

SUMMARY OF THE BOND ORDINANCE

CONTINUING DISCLOSURE UNDERTAKING

Dated as of October 1, 2019

by the

CITY OF CAPE GIRARDEAU, MISSOURI

[\$PRINCIPAL AMOUNT**]
Waterworks System Refunding Revenue Bonds
Series 2019**

CONTINUING DISCLOSURE UNDERTAKING

This **CONTINUING DISCLOSURE UNDERTAKING** dated as of October 1, 2019 (this “*Undertaking*”), is executed and delivered by the **CITY OF CAPE GIRARDEAU, MISSOURI** (the “*City*”).

RECITALS

1. This Undertaking is executed and delivered in connection with the issuance by the City of \$[**PRINCIPAL AMOUNT**] aggregate principal amount of Waterworks System Refunding Revenue Bonds, Series 2019 (the “*Bonds*”), pursuant to Ordinance No. _____ adopted by the governing body of the City on September 16, 2019 (the “*Ordinance*”).

2. The City is entering into this Undertaking for the benefit of the Beneficial Owners of the Bonds and in order to assist the Participating Underwriter in complying with Rule 15c2-12 of the Securities and Exchange Commission under the Securities Exchange Act of 1934 (the “*Rule*”). The City is the only “*obligated person*” (as defined by the Rule) with responsibility for continuing disclosure hereunder.

In consideration of the foregoing, the City covenants and agrees as follows:

Section 1. Definitions. In addition to the definitions set forth in the Ordinance, which apply to any capitalized term used in this Undertaking unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

“*Annual Report*” means any Annual Report filed by the City pursuant to, and as described in, **Section 2** of this Undertaking.

“*Beneficial Owner*” means any registered owner of any Bonds and any person which (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries), or (b) is treated as the owner of any Bonds for federal income tax purposes.

“*Business Day*” means a day other than (a) a Saturday, Sunday or legal holiday, (b) a day on which banks located in any city in which the principal corporate trust office or designated payment office of the trustee, any paying agent or the Dissemination Agent, as applicable, is located are required or authorized by law to remain closed, or (c) a day on which the Securities Depository or the New York Stock Exchange is closed.

“*Dissemination Agent*” means any entity designated in writing by the City to serve as dissemination agent pursuant to this Undertaking and which has filed with the City a written acceptance of such designation.

“*EMMA*” means the Electronic Municipal Market Access system for municipal securities disclosures established and maintained by the MSRB, which can be accessed at www.emma.msrb.org.

“*Financial Obligation*” means a (a) debt obligation; (b) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation;

or (c) guarantee of (a) or (b) in this definition; *provided however*, the term Financial Obligation shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule.

“*Fiscal Year*” means the 12-month period beginning on **July 1** and ending on **June 30** or any other 12-month period selected by the City as its Fiscal Year for financial reporting purposes.

“*Material Events*” means any of the events listed in **Section 3** of this Undertaking.

“*MSRB*” means the Municipal Securities Rulemaking Board, or any successor repository designated as such by the Securities and Exchange Commission in accordance with the Rule.

“*Participating Underwriter*” means any of the original underwriter(s) of the Bonds required to comply with the Rule in connection with the offering of the Bonds.

Section 2. Provision of Annual Reports.

(a) The City shall, not later than the last day of the **sixth** month after the end of the City’s Fiscal Year, commencing with the Fiscal Year ending June 30, 2019, file with the MSRB, through EMMA, the following financial information and operating data (the “*Annual Report*”):

(1) The audited financial statements of the City for the prior Fiscal Year, prepared in accordance with accounting principles generally accepted in the United States. If audited financial statements are not available by the time the Annual Report is required to be filed pursuant to this Section, the Annual Report shall contain unaudited financial statements in a format similar to the audited financial statements contained in the final Official Statement relating to the Bonds, and the audited financial statements shall be filed in the same manner as the Annual Report promptly after they become available.

(2) Updates as of the end of the Fiscal Year of certain financial information and operating data contained in the final Official Statement relating to the Bonds, as described in **Exhibit A**, in substantially the same format contained in the final Official Statement with such adjustments to formatting or presentation determined to be reasonable by the City; provided, any substantive change to information provided shall be effected only in accordance with **Section 6**.

Any or all of the items listed above may be included by specific reference to other documents, including official statements of debt issues with respect to which the City is an “*obligated person*” (as defined by the Rule), which have been filed with the MSRB and are available through EMMA or the Securities and Exchange Commission. If the document included by reference is a final official statement, it must be available from the MSRB on EMMA. The City will clearly identify each such other document so included by reference.

In each case, the Annual Report may be submitted as a single document or as separate documents comprising a package and may cross-reference other information as provided in this Section; provided that the audited financial statements of the City may be submitted separately from the balance of the Annual Report and later than the date required above for the filing of the Annual Report if they are not available by that date. If the City’s Fiscal Year changes, it will give notice of the change in the same manner as for a Material Event under **Section 3**.

(b) The Annual Report will be filed with the MSRB in such manner and format as is prescribed by the MSRB.

(c) In addition to the foregoing requirements of this Section, the City agrees to provide copies of the most recent Annual Report to any requesting Beneficial Owner or prospective Beneficial Owner, but only after the same has been filed with the MSRB on EMMA.

Section 3. Reporting of Material Events.

Not later than **10 Business Days** after the occurrence of any of the following events, the City shall give, or cause to be given, to the MSRB, through EMMA, notice of the occurrence of any of the following events with respect to the Bonds ("*Material Events*"):

- (1) principal and interest payment delinquencies;
- (2) non-payment related defaults, if material;
- (3) unscheduled draws on debt service reserves reflecting financial difficulties;
- (4) unscheduled draws on credit enhancements reflecting financial difficulties;
- (5) substitution of credit or liquidity providers, or their failure to perform;
- (6) adverse tax opinions; the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;
- (7) modifications to rights of bondholders, if material;
- (8) bond calls, if material, and tender offers;
- (9) defeasances;
- (10) release, substitution or sale of property securing repayment of the Bonds, if material;
- (11) rating changes;
- (12) bankruptcy, insolvency, receivership or similar event of the obligated person;
- (13) the consummation of a merger, consolidation or acquisition involving the obligated person or the sale of all or substantially all of the assets of the obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
- (14) appointment of a successor or additional trustee or the change of name of the trustee, if material;

(15) incurrence of a Financial Obligation of the obligated person, if material, or agreement to covenants, events of default, remedies, priority rights or other similar terms of a Financial Obligation of the obligated person, any of which affect bondholders, if material; and

(16) default, event of acceleration, termination event, modification of terms or other similar events under the terms of a Financial Obligation of the obligated person, any of which reflect financial difficulties.

If the City has not submitted the Annual Report to the MSRB by the date required in **Section 2(a)**, the City shall send a notice to the MSRB of the City's failure to file the Annual Report on a timely basis, in accordance with this **Section 3**.

Section 4. Termination of Reporting Obligation. The City's obligations under this Undertaking shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Bonds. If the City's obligations under this Undertaking are assumed in full by some other entity, such entity shall be responsible for compliance with this Undertaking in the same manner as if it were the City, and the City shall have no further responsibility hereunder. If such assumption occurs prior to the final maturity of the Bonds, the City shall give notice of such assumption in the same manner as for a Material Event under **Section 3**.

Section 5. Dissemination Agent. The City may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Undertaking and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent. The Dissemination Agent may resign as dissemination agent hereunder at any time upon **30** days prior written notice to the City. The Dissemination Agent shall not be responsible in any manner for the content of any notice or report (including without limitation the Annual Report) prepared by the City pursuant to this Undertaking.

Section 6. Amendment; Waiver.

(a) Notwithstanding any other provision of this Undertaking, the City may amend this Undertaking and any provision of this Undertaking may be waived, provided that Bond Counsel or other counsel experienced in federal securities law matters provides the City with its written opinion that the undertaking of the City contained herein, as so amended or after giving effect to such waiver, is in compliance with the Rule and all current amendments thereto and interpretations thereof that are applicable to this Undertaking.

(b) In the event of any amendment or waiver of a provision of this Undertaking, the City shall describe such amendment or waiver in the next Annual Report, and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or, in the case of a change of accounting principles, on the presentation) of financial information or operating data being presented by the City. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements, (1) notice of such change shall be given in the same manner as for a Material Event under **Section 3**, and (2) the Annual Report for the year in which the change is made should present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

Section 7. Additional Information. Nothing in this Undertaking will be deemed to prevent the City from disseminating any other information, using the means of dissemination set forth in this Undertaking or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Material Event, in addition to that which is required by this Undertaking. If the City chooses to include any information in any Annual Report or notice of occurrence of a Material Event, in addition to that which is specifically required by this Undertaking, the City will have no obligation under this Undertaking to update such information or include it in any future Annual Report or notice of occurrence of a Material Event.

Section 8. Default. If the City fails to comply with any provision of this Undertaking, any Participating Underwriter or Beneficial Owner of the Bonds may take such actions as may be necessary and appropriate, including seeking mandamus or specific performance by court order, to cause the City to comply with its obligations under this Undertaking. A default under this Undertaking will not be deemed an event of default under the Ordinance or the Bonds, and the sole remedy under this Undertaking if there is any failure of the City to comply with this Undertaking will be an action to compel performance.

Section 9. Beneficiaries. This Undertaking shall inure solely to the benefit of the City, the Participating Underwriter and the Beneficial Owners from time to time of the Bonds and shall create no rights in any other person or entity.

Section 10. Severability. If any provision in this Undertaking, the Ordinance or the Bonds shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

Section 11. Electronic Transactions. The arrangement described herein may be conducted and related documents may be sent, received or stored by electronic means. Copies, telecopies, facsimiles, electronic files and other reproductions of original documents shall be deemed to be authentic and valid counterparts of such original documents for all purposes, including the filing of any claim, action or suit in the appropriate court of law.

Section 12. Governing Law. This Undertaking shall be governed by and construed in accordance with the laws of the State of Missouri.

[Remainder of Page Intentionally Left Blank.]

IN WITNESS WHEREOF, the City has caused this Undertaking to be executed as of the day and year first above written.

CITY OF CAPE GIRARDEAU, MISSOURI

By: _____
Title: Mayor

EXHIBIT A

REQUIRED CONTENT OF ANNUAL REPORT

- 1. Audited financial statements of the City for the Fiscal Year.**
- 2. Financial information and operating data set forth in the tables contained in the following-captioned sections of the Official Statement, updated as of the end of the Fiscal Year:**
 - (1) THE SYSTEM – Customers and Usage.**
 - (2) THE SYSTEM – Water Rates.**
 - (3) THE SYSTEM – Collections.**
 - (4) FINANCIAL AND OPERATING INFORMATION CONCERNING THE SYSTEM – Historical Debt Service Coverage.**
 - (5) DEBT STRUCTURE OF THE CITY – Special Obligation Bonds.**
 - (6) DEBT STRUCTURE OF THE CITY – Revenue Obligations.**
 - (7) FINANCIAL INFORMATION CONCERNING THE CITY – Sources of Revenue.**
 - (8) FINANCIAL INFORMATION CONCERNING THE CITY – Summary of General Fund Balances.**

FEDERAL TAX CERTIFICATE

Dated October 15, 2019

OF THE
CITY OF CAPE GIRARDEAU, MISSOURI

[\$PRINCIPAL AMOUNT**]**
Waterworks System Refunding Revenue Bonds
Series 2019

FEDERAL TAX CERTIFICATE

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Exhibit A – Debt Service Schedule and Proof of Bond Yield

Exhibit B – IRS Form 8038-G

Exhibit C – Sample Annual Compliance Checklist

Exhibit D – Final Written Allocation for the Original Obligations

* * *

FEDERAL TAX CERTIFICATE

THIS FEDERAL TAX CERTIFICATE (the “Tax Certificate”) is executed as of October 15, 2019, by the **CITY OF CAPE GIRARDEAU, MISSOURI**, a political subdivision organized and existing under the laws of the State of Missouri (the “Issuer”).

RECITALS

1. This Tax Certificate is being executed and delivered in connection with the issuance by the Issuer of \$[**PRINCIPAL AMOUNT**] principal amount of Waterworks System Refunding Revenue Bonds, Series 2019 (the “Bonds”), under an ordinance adopted by the governing body of the Issuer on September 16, 2019 (the “Ordinance”), for the purposes described in this Tax Certificate and in the Ordinance.

2. The Internal Revenue Code of 1986, as amended (the “Code”), and the applicable Regulations and rulings issued by the U.S. Treasury Department (the “Regulations”), impose certain limitations on the uses and Investment of the Bond proceeds and of certain other money relating to the Bonds and set forth the conditions under which the interest on the Bonds will be excluded from gross income for federal income tax purposes.

3. The Issuer is executing this Tax Certificate in order to set forth certain facts, covenants, representations, and expectations relating to the use of Bond proceeds and the property financed or refinanced with those proceeds and the Investment of the Bond proceeds and of certain other related money, in order to establish and maintain the exclusion of the interest on the Bonds from gross income for federal income tax purposes, and to provide guidance for complying with the arbitrage rebate and yield reduction amounts provisions of Code § 148(f).

4. The Issuer adopted a Bond Compliance Policy and Procedure on March 19, 2012, as it may from time to time be amended (the “Bond Compliance Procedure”) for the purpose of setting out general procedures for the Issuer to continuously monitor and comply with the federal income tax requirements set out in the Code and the Regulations.

5. This Tax Certificate is entered into as required by the Bond Compliance Procedure to set out specific tax compliance procedures applicable to the Bonds.

NOW, THEREFORE, the Issuer represents, covenants and agrees as follows:

ARTICLE I

DEFINITIONS

Section 1.1. Definitions of Words and Terms. Except as otherwise provided in this Tax Certificate or unless the context otherwise requires, capitalized words and terms used in this Tax Certificate have the same meanings as set forth in the Ordinance, and certain other words and phrases have the meanings assigned in Code §§ 103, 141-150 and the Regulations. The following words and terms used in this Tax Certificate have the following meanings:

“Bona Fide Debt Service Fund” means a fund, which may include Bond proceeds, that (a) is used primarily to achieve a proper matching of revenues with principal and interest payments within each Bond Year, and (b) is depleted at least once each Bond Year, except for a reasonable carryover amount not to exceed the greater of (1) the earnings on the fund for the immediately preceding Bond Year, or (2) one-twelfth of the principal and interest payments on the Bonds for the immediately preceding Bond Year.

“Bond” or **“Bonds”** means any Bond or Bonds described in the recitals, authenticated and delivered under the Ordinance.

“Bond Compliance Officer” means the Issuer’s Finance Director or other person named in the Bond Compliance Procedure.

“Bond Compliance Procedure” means the Issuer’s Bond Compliance Policy and Procedure, dated March 19, 2012, as it may from time to time be amended.

“Bond Counsel” means Gilmore & Bell, P.C., or other firm of nationally recognized bond counsel acceptable to the Issuer.

“Bond Year” means each one-year period (or shorter period for the first Bond Year) ending January 1, or another one-year period selected by the Issuer.

“Code” means the Internal Revenue Code of 1986, as amended.

“Escrow Agent” means UMB Bank, N.A., St. Louis, Missouri, and any successors or assigns.

“Escrow Agreement” means the Escrow Trust Agreement, dated as of October 1, 2019, between the Issuer and the Escrow Agent.

“Escrow Fund” means the fund by that name referred to in **Section 3.4** hereof.

“Final Written Allocation” means the written allocation of expenditures of proceeds of the Original Obligations as set forth on **Exhibit D**.

“Financed Facility” means the portion of the Project being financed or refinanced with the proceeds of the Original Obligations as described on **Exhibit D**.

“Gross Proceeds” means (a) sale proceeds (any amounts actually or constructively received by the Issuer from the sale of the Bonds, including amounts used to pay underwriting discount or fees, but excluding pre-issuance accrued interest), (b) Investment proceeds (any amounts received from investing sale proceeds, other Investment proceeds or transferred proceeds), (c) any amounts held in a sinking fund for the Bonds, (d) any amounts held in a pledged fund or reserve fund for the Bonds, (e) any other replacement proceeds, and (f) any transferred proceeds. Specifically, Gross Proceeds includes (but is not limited to) amounts held in the following funds and accounts:

(1) Waterworks System Costs of Issuance Account (the “Costs of Issuance Account”).

(2) Debt Service Account for Waterworks System Refunding Revenue Bonds, Series 2019 (the “Debt Service Account”).

(3) Escrow Fund.

“Guaranteed Investment Contract” is any Investment with specifically negotiated withdrawal or reinvestment provisions and a specifically negotiated interest rate, including any agreement to supply Investments on two or more future dates (*e.g.*, a forward supply contract).

“Investment” means any security, obligation, annuity contract or other investment-type property that is purchased directly with, or otherwise allocated to, Gross Proceeds. This term does not include a tax-exempt bond, except for “specified private activity bonds” as defined in Code § 57(a)(5)(C), but it does include the investment element of most interest rate caps.

“IRS” means the United States Internal Revenue Service.

“Issue Date” means October 15, 2019.

“Issuer” means the City of Cape Girardeau, Missouri, and its successors and assigns, or any body, agency or instrumentality of the State of Missouri succeeding to or charged with the powers, duties and functions of the Issuer.

“Management or Service Agreement” means a legal agreement defined in Regulations § 1.141-3(b) as a management, service, or incentive payment contract with an entity that provides services involving all or a portion of any function of the Financed Facility, such as a contract to manage the entire Financed Facility or a portion of the Financed Facility. Contracts for services that are solely incidental to the primary governmental function of the Financed Facility (for example, contracts for janitorial, office equipment repair, billing or similar services), however, are not treated as Management or Service Agreements.

“Measurement Period” means, with respect to each item of property financed as part of the Financed Facility with proceeds of the Original Obligations, the period beginning on the later of (a) the issue date of the Original Obligations or (b) the date the property was or will be placed in service, and ending on the earlier of (1) the final maturity date of the Bonds or (2) the end of the expected economic useful life of the property.

“Minor Portion” means the lesser of \$100,000 or 5% of the sale proceeds of the Bonds.

“Net Proceeds” means when used in reference to the Bonds, the sale proceeds (excluding pre-issuance accrued interest), less an allocable share of any proceeds deposited in a reasonably required reserve or replacement fund, plus an allocable share of all Investment earnings on such sale proceeds.

“Non-Qualified Use” means use of Bond proceeds or the Financed Facility in a trade or business carried on by any Non-Qualified User. The rules set out in Regulations § 1.141-3 determine whether Bond proceeds or the Financed Facility are “used” in a trade or business. Generally, ownership, a lease, or any other use that grants a Non-Qualified User a special legal right or entitlement with respect to the Financed Facility, will constitute use under Regulations § 1.141-3.

“Non-Qualified User” means any person or entity other than a Qualified User.

“Official Intent Date” means November 5, 1996 as described in **Section 2.1(j)**.

“Opinion of Bond Counsel” means the written opinion of Bond Counsel to the effect that the proposed action or the failure to act will not adversely affect the exclusion of the interest on the Bonds from gross income for federal income tax purposes.

“Ordinance” means the Ordinance adopted by the governing body of the Issuer on September 16, 2019, as amended and supplemented in accordance with the provisions of the Ordinance.

“Original Obligations” means the Issuer’s Waterworks System Refunding Revenue Bonds, Series 2012A, dated April 17, 2012, which was the first issue of tax-exempt governmental bonds that financed or refinanced a portion of the Financed Facility.

“Post-Issuance Tax Requirements” means those requirements related to the use of proceeds of the Bonds, the use of the Financed Facility and the investment of Gross Proceeds after the Issue Date.

“Project” means all of the property being acquired, developed, constructed, renovated, and equipped by the Issuer using Bond proceeds and Qualified Equity, all as described on **Exhibit D**.

“Qualified Equity” means funds that are not derived from proceeds of a tax-exempt financing that are spent on the Project at any time during the period beginning not earlier than the later of (a) 60 days prior to the Official Intent Date or (b) three years prior to the Issue Date, and ending not later than the date the Project is capable of and actually used at substantially its designed level. Qualified Equity excludes an ownership interest in real property or tangible personal property.

“Qualified Use Agreement” means any of the following:

(a) A lease or other short-term use by members of the general public who occupy the Financed Facility on a short-term basis in the ordinary course of the Issuer’s governmental purposes.

(b) Agreements with Qualified Users or Non-Qualified Users to use all or a portion of the Financed Facility for a period up to 200 days in length pursuant to an arrangement whereby (1) the use of the Financed Facility under the same or similar arrangements is predominantly by natural persons who are not engaged in a trade or business, and (2) the compensation for the use is determined based on generally applicable, fair market value rates that are in effect at the time the agreement is entered into or renewed. Any Qualified User or Non-Qualified User using all or any portion of the Financed Facility under this type of arrangement may have a right of first refusal to renew the agreement at rates generally in effect at the time of the renewal.

(c) Agreements with Qualified Users or Non-Qualified Users to use all or a portion of the Financed Facility for a period up to 100 days in length pursuant to arrangements whereby (1) the use of the property by the person would be general public use but for the fact that generally applicable and uniformly applied rates are not reasonably available to natural persons not engaged in a trade or business, (2) the compensation for the use under the arrangement is determined based on applicable, fair market value rates that are in effect at the time the agreement is entered into or renewed, and (3) the Financed Facility was not constructed for a principal purpose of providing the property for use by that Qualified User or Non-Qualified User. Any Qualified User or Non-Qualified User using all or any portion of the Financed Facility under this type of arrangement may have a right of first refusal to renew the agreement at rates generally in effect at the time of the renewal.

(d) Agreements with Qualified Users or Non-Qualified Users to use all or a portion of the Financed Facility for a period up to 50 days in length pursuant to a negotiated arm's-length arrangement at fair market value so long as the Financed Facility was not constructed for a principal purpose of providing the property for use by that person.

"Qualified User" means a State, territory, possession of the United States, the District of Columbia, or any political subdivision thereof, or any instrumentality of such entity, but it does not include the United States or any agency or instrumentality of the United States.

"Refunded Obligations" means the Original Obligations maturing on January 1, 2021 and thereafter, outstanding in the principal amount of \$9,285,000.

"Regulations" means all Regulations issued by the U.S. Treasury Department to implement the provisions of Code §§ 103 and 141 through 150 and applicable to the Bonds.

"Tax Certificate" means this Federal Tax Certificate as it may from time to time be amended and supplemented in accordance with its terms.

"Tax-Exempt Bond File" means documents and records for the Bonds and the Original Obligations maintained by the Bond Compliance Officer pursuant to the Bond Compliance Procedure.

"Transcript" means the Transcript of Proceedings relating to the authorization and issuance of the Bonds.

"Underwriter" means [****ORIGINAL PURCHASER****], _____, _____, underwriter of the Bonds.

"Yield" means yield on the Bonds, computed under Regulations § 1.148-4, and yield on an Investment, computed under Regulations § 1.148-5.

ARTICLE II

GENERAL REPRESENTATIONS AND COVENANTS

Section 2.1. Representations and Covenants of the Issuer. The Issuer represents and covenants as follows:

(a) *Organization and Authority.* The Issuer (1) is a political subdivision organized and existing under the laws of the State of Missouri, and (2) has lawful power and authority to issue the Bonds for the purposes set forth in the Ordinance, to enter into, execute and deliver the Ordinance, the Bonds, and this Tax Certificate and to carry out its obligations under the Ordinance, the Bonds and this Tax Certificate, and (3) by all necessary action has been duly authorized to execute and deliver the Ordinance, the Bonds, and this Tax Certificate, acting by and through its duly authorized officials.

(b) *Tax-Exempt Status of Bonds—General Covenant and Allocation of Proceeds to Project.*

(1) The Issuer (to the extent within its power or direction) will not use any money on deposit in any fund or account maintained in connection with the Bonds, whether or not such money was derived from the proceeds of the sale of the Bonds or from any other source, in a

manner that would cause the Bonds to be “arbitrage bonds,” within the meaning of Code § 148, and will not (to the extent within its power or direction) otherwise use or permit the use of any Bond proceeds or any other funds of the Issuer, directly or indirectly, in any manner, or take or permit to be taken any other action or actions, that would cause interest on the Bonds to be included in gross income for federal income tax purposes.

(2) The Issuer has and will account for the expenditure of the Bond proceeds and Qualified Equity for the Project as described in **Section 4.2**. For purposes of the following covenants related to the use of the Financed Facility portion of the Project, any Non-Qualified Use shall be treated as first allocated entirely to the portion of the Project financed with Qualified Equity.

(c) *Governmental Obligations–Use of Proceeds.* Throughout the Measurement Period (1) all of the Financed Facility has been and is expected to be owned by the Issuer or another Qualified User, (2) no portion of the Financed Facility has been or is expected to be used in a Non-Qualified Use and (3) the Issuer will not permit any Non-Qualified Use of the Financed Facility without first consulting with Bond Counsel.

(d) *Governmental Obligations–Private Security or Payment.* As of the Issue Date, the Issuer expects that none of the principal of and interest on the Bonds will be and the payment of principal of and interest on the Refunded Obligations and on all other obligations which directly or indirectly refinanced the Original Obligations has not been (under the terms of the Bonds or any underlying arrangement) directly or indirectly:

(1) secured by (A) any interest in property used or to be used for a Non-Qualified Use, or (B) any interest in payments in respect of such property; or

(2) derived from payments (whether or not such payments are made to the Issuer) in respect of property, or borrowed money, used or to be used for a Non-Qualified Use.

For purposes of the foregoing, taxes of general application, including payments in lieu of taxes, are not treated as private payments or as private security. The Issuer will not permit any private security or payment with respect to the Bonds without first consulting with Bond Counsel.

(e) *No Private Loan.* Not more than 5% of the net proceeds of the Bonds will be loaned directly or indirectly to any Non-Qualified User.

(f) *Management or Service Agreements.* Except for the Professional Service Agreement, dated **March 14, 2007**, between the Issuer and Alliance Water Resources, Inc. (which Bond Counsel has determined does not give rise to Non-Qualified Use of the Financed Facility), as of the Issue Date, the Issuer has no Management or Service Agreements with Non-Qualified Users. During the Measurement Period the Issuer will not enter into or renew any Management or Service Agreement with any Non-Qualified User without first consulting with Bond Counsel.

(g) *Leases.* As of the Issue Date, the Issuer has not entered into any leases of any portion of the Financed Facility other than Qualified Use Agreements during the Measurement Period. During the Measurement Period the Issuer will not enter into or renew any lease or similar agreement or arrangement other than a Qualified Use Agreement without first consulting with Bond Counsel.

(h) *Output Contracts.* As of the Issue Date, the Issuer does not have any “Output Contracts” (defined below). During the Measurement Period, the Issuer has not and will not enter into any Output Contract without first consulting with Bond Counsel. The term Output Contract is defined in Regulations § 1.141-7, and generally includes any contract with a Non-Qualified User that provides for the purchase of the output of the Financed Facility. A similar contract with a Qualified User is not an Output Contract.

(i) *Limit on Maturity of Bonds.* A list of the assets included in the Project and a computation of the “average reasonably expected economic life” is attached to this Tax Certificate as **Exhibit D**. Based on this computation, the “average maturity” of the Bonds, as computed by Bond Counsel, does not exceed the average reasonably expected economic life of the Financed Facility, as such terms are used in Code § 147(b). The “average reasonably expected economic life” of the Project was determined as follows: the average economic life of the Financed Facility as of the issue date of the Original Obligations was first multiplied by 120%, then reduced by the number of years elapsed from the issue date of the Original Obligations to the Issue Date.

(j) *Expenditure of Bond Proceeds.*

(1) The Issuer evidenced each allocation of the proceeds of the Original Obligations and Qualified Equity for the Project to an expenditure in writing. No allocation was made more than 18 months following the later of (A) the date of the expenditure or (B) the date the Financed Facility was placed in service.

(2) On November 5, 1996, the governing body of the Issuer adopted an ordinance declaring the intent of the Issuer to finance the Financed Facility with tax-exempt bonds and to reimburse the Issuer for expenditures made for the Financed Facility prior to the issuance of those bonds. No portion of the Net Proceeds of the Original Obligations was used to reimburse an expenditure paid by the Issuer more than 60 days prior to the date the ordinance was adopted, except as described in the Federal Tax Certificate for the Original Obligations.

(k) *Registered Bonds.* The Ordinance requires that all of the Bonds will be issued and held in registered form within the meaning of Code § 149(a).

(l) *Bonds Not Federally Guaranteed.* The Issuer will not take any action or permit any action to be taken which would cause any Bond to be “federally guaranteed” within the meaning of Code § 149(b).

(m) *IRS Form 8038-G.* Bond Counsel will prepare Form 8038-G (Information Return for Tax-Exempt Governmental Obligations) based on the representations and covenants of the Issuer contained in this Tax Certificate or otherwise provided by the Issuer. Bond Counsel will sign the return as a paid preparer following completion and will then deliver copies to the Issuer for execution and for the Issuer’s records. The Issuer agrees to timely execute and return to Bond Counsel the execution copy of Form 8038-G for filing with the IRS. A copy of the “as-filed” copy along with proof of filing will be included as **Exhibit B**.

(n) *Hedge Bonds.* At least 85% of the net sale proceeds (the sale proceeds of the Original Obligations less any sale proceeds invested in a reserve fund) of the Original Obligations were used to carry out the governmental purpose of the Original Obligations within three years after the issue date of the Original Obligations, and not more than 50% of the proceeds of the Original Obligations were invested in Investments having a substantially guaranteed Yield for four years or more.

(o) *Compliance with Future Tax Requirements.* The Issuer understands that the Code and the Regulations may impose new or different restrictions and requirements on the Issuer in the future. The Issuer will comply with such future restrictions that are necessary to maintain the exclusion of the interest on the Bonds from gross income for federal income tax purposes.

(p) *Single Issue; No Other Issues.* The Bonds constitute a single “issue” under Regulations § 1.150-1(c). No other debt obligations of the Issuer (1) are being sold within 15 days of the sale of the Bonds, (2) are being sold under the same plan of financing as the Bonds, and (3) are expected to be paid from substantially the same source of funds as the Bonds (disregarding guarantees from unrelated parties, such as bond insurance).

(q) *Interest Rate Swap.* As of the Issue Date, the Issuer has not entered into an interest rate swap agreement or any other similar arrangement designed to modify its interest rate risk with respect to the Bonds or the Refunded Obligations. The Issuer will not enter into any such arrangement in the future without first consulting with Bond Counsel.

(r) *Guaranteed Investment Contract.* As of the Issue Date, the Issuer does not expect to enter into a Guaranteed Investment Contract for any Gross Proceeds of the Bonds. The Issuer will be responsible for complying with **Section 4.4(d)** if it decides to enter into a Guaranteed Investment Contract at a later date.

(s) *Bank Qualified Tax-Exempt Obligations.* The Issuer designates the Bonds as “qualified tax-exempt obligations” under Code § 265(b)(3), and with respect to this designation certifies as follows:

(1) the Issuer reasonably anticipates that the amount of tax-exempt obligations (other than private activity bonds that are not qualified 501(c)(3) bonds) that will be issued by or on behalf of the Issuer (and all subordinate entities of the Issuer) during the calendar year that the Bonds are issued, including the Bonds, will not exceed \$10,000,000; and

(2) the Issuer (including all subordinate entities of the Issuer) will not issue tax-exempt obligations (other than private activity bonds that are not qualified 501(c)(3) bonds) during the calendar year that the Bonds are issued, including the Bonds, in an aggregate principal amount or aggregate issue price in excess of \$10,000,000, without first obtaining advice of Bond Counsel that the designation of the Bonds as “qualified tax-exempt obligations” will not be adversely affected.

Section 2.2. Survival of Representations and Covenants. All representations, covenants and certifications contained in this Tax Certificate or in any certificate or other instrument delivered by the Issuer under this Tax Certificate, will survive the execution and delivery of such documents and the issuance of the Bonds, as representations of facts existing as of the date of execution and delivery of the instruments containing such representations. The foregoing covenants of this Section will remain in full force and effect notwithstanding the defeasance of the Bonds.

ARTICLE III

ARBITRAGE CERTIFICATIONS AND COVENANTS

Section 3.1. General. The purpose of this **Article III** is to certify, under Regulations § 1.148-2(b), the Issuer's expectations as to the sources, uses and Investment of Bond proceeds and other money, in order to support the Issuer's conclusion that the Bonds are not arbitrage bonds. The individuals executing this Tax Certificate on behalf of the Issuer are officers of the Issuer responsible for issuing the Bonds.

Section 3.2. Reasonable Expectations. The facts, estimates and expectations set forth in this **Article III** are based upon and in reliance upon the Issuer's understanding of the documents and certificates that comprise the Transcript, and the representations, covenants and certifications of the parties contained therein. To the Issuer's knowledge, the facts and estimates set forth in this Tax Certificate are accurate, and the expectations of the Issuer set forth in this Tax Certificate are reasonable. The Issuer has no knowledge that would cause it to believe that the representations, warranties and certifications described in this Tax Certificate are unreasonable or inaccurate or may not be relied upon.

Section 3.3. Purposes of the Financing. The Bonds are being issued for the purpose of providing funds to (a) refund the Refunded Obligations, and (b) pay certain costs of issuing the Bonds. The purpose of refunding the Refunded Obligations is to (1) achieve interest cost savings through early redemption of the Refunded Obligations, and (2) provide an orderly plan of financing.

Section 3.4. Funds and Accounts. The following funds and accounts have been established or ratified under the Ordinance:

- (a) Waterworks System Revenue Fund.
- (b) Waterworks System Operation and Maintenance Account (the "Operation and Maintenance Account").
- (c) Debt Service Account.
- (d) Costs of Issuance Account.
- (e) Waterworks System Depreciation and Replacement Account (the "Depreciation and Replacement Account").

In addition, the Escrow Fund is established in the custody of the Escrow Agent under the Escrow Agreement.

Section 3.5. Amount and Use of Bond Proceeds and Other Money.

(a) *Amount of Bond Proceeds.* The total proceeds to be received by the Issuer from the sale of the Bonds will be as follows:

Principal Amount	\$[**PRINCIPAL AMOUNT**].00
[**Net**] Original Issue Premium	
Less Underwriting Discount	_____
Total Proceeds Received by Issuer	\$_____

(b) *Use of Bond Proceeds and Other Money.* The Bond proceeds and amounts held by the Issuer in accounts established for the Refunded Obligations are expected to be allocated to expenditures as follows:

(a) \$_____ from the proceeds of the Bonds shall be deposited in the Costs of Issuance Account to pay the costs and expenses incident to the issuance of the Bonds. Any such money not used to pay costs of issuing the Bonds by February 1, 2020, shall be transferred and deposited to the credit of the Debt Service Account.

(b) \$_____, representing the remaining sale proceeds of the Bonds, together with \$_____ from the funds and accounts held with respect to the Refunded Obligations, will be transferred to the Escrow Agent for deposit in the Escrow Fund to be applied as provided in the Escrow Agreement to accomplish a defeasance of the Refunded Obligations, and to pay the principal of, redemption premium, and interest on the Refunded Obligations on January 1, 2020, the redemption date of the Refunded Obligations.

Section 3.6. Multipurpose Issue. Pursuant to Regulations § 1.148-9(h), the Issuer is applying the arbitrage rules to separate financing purposes of the issue that have the same initial temporary period as if they constitute a single issue for purposes of applying the arbitrage rules.

Section 3.7. Current Refunding.

(a) *Proceeds Used for Current Refunding.* Proceeds of the Bonds will be used to pay principal of and interest on the Refunded Obligations. All such proceeds shall be spent not later than 90 days after the Issue Date.

(b) *Transferred Proceeds.* There are no unspent proceeds (sale proceeds, Investment proceeds or transferred proceeds) of the Refunded Obligations. Therefore, there are no transferred proceeds of the Bonds.

Section 3.8. Project Completion. The Financed Facility has previously been completed.

Section 3.9. Sinking Funds. The Issuer is required to make periodic payments in amounts sufficient to pay the principal of and interest on the Bonds. Such payments will be deposited into the Debt Service Account. Except for the Debt Service Account, no sinking fund or other similar fund that is expected to be used to pay principal of or interest on the Bonds has been established or is expected to be established. The Debt Service Account is used primarily to achieve a proper matching of revenues with principal and interest payments on the Bonds within each Bond Year, and the Issuer expects that the Debt Service Account will qualify as a Bona Fide Debt Service Fund.

Section 3.10. Reserve, Replacement and Pledged Funds.

(a) *Debt Service Reserve Fund.* No reserve or replacement fund has been established for the Bonds.

(b) *No Other Replacement or Pledged Funds.* None of the Bond proceeds will be used as a substitute for other funds that were intended or earmarked to pay costs of the Financed Facility or refund the Refunded Obligations, and that instead has been or will be used to acquire higher yielding Investments. Except for the Debt Service Account, there are no other funds pledged or committed in a manner that provides a reasonable assurance that such funds would be available for payment of the principal of or interest on the Bonds if the Issuer encounters financial difficulty.

(c) *Other Funds and Accounts.* The Operation and Maintenance Account and the Depreciation and Replacement Account are expected to be used for the following purposes: to operate and maintain the System (as defined in the Ordinance), to make improvements and repairs to the System, and for such other purposes relating to the System as the governing body of the Issuer determines. Therefore, amounts held in these funds and accounts are not pledged or committed in a manner that provides a reasonable assurance that such funds would be available for payment of the principal of or interest on the Bonds if the Issuer encounters financial difficulty.

Section 3.11. Purpose Investment Yield. The proceeds of the Bonds will not be used to purchase an Investment for the purpose of carrying out the governmental purpose of the financing.

Section 3.12. Issue Price and Yield on Bonds.

(a) *Issue Price.* Based on the Underwriter’s certifications in the Purchaser’s Receipt for Bonds and Closing Certificate and the Municipal Advisor’s certifications in the Municipal Advisor’s Closing Certificate, the Issuer hereby elects to establish the issue prices of the Bonds pursuant to Regulations § 1.148-1(f)(2)(iii) (relating to the so-called “competitive sales rule”). Therefore, the aggregate issue price of the Bonds for such purpose is \$_____.

(b) *Bond Yield.* Based on the issue price, the Yield on the Bonds is _____%, as computed by Bond Counsel and shown on **Exhibit A**. The Issuer has not entered into an interest rate swap agreement with respect to any portion of the proceeds of the Bonds.

Section 3.13. Miscellaneous Arbitrage Matters.

(a) *No Abusive Arbitrage Device.* The Bonds are not and will not be part of a transaction or series of transactions that has the effect of (1) enabling the Issuer to exploit the difference between tax-exempt and taxable interest rates to gain a material financial advantage, and (2) overburdening the tax-exempt bond market.

(b) *No Over-Issuance.* The sale proceeds of the Bonds, together with expected Investment earnings thereon and other money contributed by the Issuer, do not exceed the cost of the governmental purpose of the Bonds as described above.

Section 3.14. Conclusion. On the basis of the facts, estimates and circumstances set forth in this Tax Certificate, the Issuer does not expect that the Bond proceeds will be used in a manner that would cause any Bond to be an “arbitrage bond” within the meaning of Code § 148 and the Regulations.

ARTICLE IV

POST-ISSUANCE TAX REQUIREMENTS, POLICIES AND PROCEDURES

Section 4.1. General.

(a) *Purpose of Article.* The purpose of this Article is to supplement the Bond Compliance Procedure and to set out specific policies and procedures governing compliance with the federal income tax requirements that apply after the Bonds are issued. The Issuer recognizes that interest on the Bonds will remain excludable from gross income only if the Post-Issuance Tax Requirements are followed after the Issue Date. The Issuer further acknowledges that written evidence substantiating compliance with the Post-Issuance Tax Requirements must be retained in order to permit the Bonds to be refinanced with tax-exempt obligations and substantiate the position that interest on the Bonds is exempt from gross income in the event of an audit of the Bonds by the IRS.

(b) *Written Policies and Procedures of the Issuer.* The Issuer intends for the Bond Compliance Procedure, as supplemented by this Tax Certificate, to be its primary written policies and procedures for monitoring compliance with the Post-Issuance Tax Requirements for the Bonds and to supplement any other formal policies and procedures related to tax compliance that the Issuer has established. The provisions of this Tax Certificate are intended to be consistent with the Bond Compliance Procedure. In the event of any inconsistency between the Bond Compliance Procedure and this Tax Certificate, the terms of this Tax Certificate will govern.

(c) *Bond Compliance Officer.* The Issuer when necessary to fulfill its Post-Issuance Tax Requirements will, through its Bond Compliance Officer, sign Form 8038-T in connection with the payment of arbitrage rebate or yield reduction amounts, participate in any federal income tax audit of the Bonds or related proceedings under a voluntary compliance agreement procedure (VCAP) or undertake a remedial action procedure pursuant to Regulations § 1.141-12. In each case, all costs and expenses incurred by the Issuer shall be treated as a reasonable cost of administering the Bonds and the Issuer shall be entitled to reimbursement and recovery of its costs to the same extent as provided in the Ordinance or State law.

Section 4.2. Record Keeping, Use of Bond Proceeds and Use of Financed Facility.

(a) *Record Keeping.* The Bond Compliance Officer will maintain the Tax-Exempt Bond File for the Bonds in accordance with the Bond Compliance Procedure. Unless otherwise specifically instructed in advice or a written Opinion of Bond Counsel or to the extent otherwise provided in this Tax Certificate, the Bond Compliance Officer shall retain records related to the Post-Issuance Tax Requirements until three years following the final maturity of (1) the Bonds or (2) any obligation issued to refund the Bonds. Any records maintained electronically must comply with Section 4.01 of Revenue Procedure 97-22, which generally provides that an electronic storage system must (A) ensure an accurate and complete transfer of the hardcopy records which indexes, stores, preserves, retrieves and reproduces the electronic records, (B) include reasonable controls to ensure integrity, accuracy and reliability of the electronic storage system and to prevent unauthorized alteration or deterioration of electronic records, (C) exhibit a high degree of legibility and readability both electronically and in hardcopy, (D) provide support for other books and records of the Issuer, and (E) not be subject to any agreement that would limit the ability of the IRS to access and use the electronic storage system on the Issuer's premises.

(b) *Accounting and Allocation of Bond Proceeds and Qualified Equity to Expenditures.* Proceeds of the Bonds and other money will be used as described in **Sections 3.5** and **3.7**. The Bond

Compliance Officer will maintain accounting records showing the investment and expenditure of this money as part of the Tax-Exempt Bond File. The Bond Compliance Officer has prepared written substantiation records of the allocation of proceeds of the Original Obligations to the Financed Facility through requisitions from the construction account established under the indenture for the Original Obligations. This allocation is summarized on **Exhibit D** and is intended to constitute the Final Written Allocation for the Original Obligations.

(c) *Annual Compliance Checklist.* Attached as **Exhibit C** is a sample annual compliance checklist for the Bonds. The Bond Compliance Officer will prepare and complete an annual compliance checklist for the Financed Facility at least annually in accordance with the Bond Compliance Procedure. If the annual compliance checklist identifies a deficiency in compliance with the requirements of this Tax Certificate, the Bond Compliance Officer will take the actions identified in advice of Bond Counsel or as described in the Bond Compliance Procedure to correct any deficiency.

(d) *Opinions of Bond Counsel.* The Bond Compliance Officer is responsible for obtaining and delivering to the Issuer any advice or Opinion of Bond Counsel required by this Tax Certificate or the annual compliance checklist.

Section 4.3. Temporary Periods/Yield Restriction. Except as described below, the Issuer will not invest Gross Proceeds at a Yield greater than the Yield on the Bonds:

(a) *Costs of Issuance Account.* Amounts held in the Costs of Issuance Account may be invested without Yield restriction for 13 months.

(b) *Escrow Fund.* Since the Refunded Obligations will be redeemed within 90 days after the Issue Date, money in the Escrow Fund may be invested without Yield restrictions.

(c) *Debt Service Account.* To the extent that the Debt Service Account qualifies as a Bona Fide Debt Service Fund, money in such account may be invested without Yield restriction for 13 months after the date of deposit. Earnings on such amounts may be invested without Yield restriction for one year after the date of receipt of such earnings.

(d) *Minor Portion.* In addition to the amounts described above, Gross Proceeds not exceeding the Minor Portion may be invested without Yield restriction.

Section 4.4. Fair Market Value.

(a) *General.* No Investment may be acquired with Gross Proceeds for an amount (including transaction costs) in excess of the fair market value of such Investment, or sold or otherwise disposed of for an amount (including transaction costs) less than the fair market value of the Investment. The fair market value of any Investment is the price a willing buyer would pay to a willing seller to acquire the Investment in a bona fide, arm's-length transaction. Fair market value will be determined in accordance with Regulations § 1.148-5.

(b) *Established Securities Market.* Except for Investments purchased for a Yield-restricted defeasance escrow, if an Investment is purchased or sold in an arm's-length transaction on an established securities market (within the meaning of Code § 1273), the purchase or sale price constitutes the fair market value. Where there is no established securities market for an Investment, market value must be established using one of the paragraphs below. The fair market value of Investments purchased for a

Yield-restricted defeasance escrow must be determined in a bona fide solicitation for bids that complies with Regulations § 1.148-5.

(c) *Certificates of Deposit.* The purchase price of a certificate of deposit (a “CD”) is treated as its fair market value on the purchase date if (1) the CD has a fixed interest rate, a fixed payment schedule, and a substantial penalty for early withdrawal, (2) the Yield on the CD is not less than the Yield on reasonably comparable direct obligations of the United States, and (3) the Yield is not less than the highest Yield published or posted by the CD issuer to be currently available on reasonably comparable CDs offered to the public.

(d) *Guaranteed Investment Contracts.* The Issuer is applying Regulations § 1.148-5(d)(6)(iii)(A) to the Bonds. The purchase price of a Guaranteed Investment Contract is treated as its fair market value on the purchase date if all of the following requirements are met:

(1) Bona Fide Solicitation for Bids. The Issuer makes a bona fide solicitation for the Guaranteed Investment Contract, using the following procedures:

(A) The bid specifications are in writing and are timely forwarded to potential providers, or are made available on an internet website or other similar electronic media that is regularly used to post bid specifications to potential bidders. A writing includes a hard copy, a fax, or an electronic e-mail copy.

(B) The bid specifications include all “material” terms of the bid. A term is material if it may directly or indirectly affect the Yield or the cost of the Guaranteed Investment Contract.

(C) The bid specifications include a statement notifying potential providers that submission of a bid is a representation (i) that the potential provider did not consult with any other potential provider about its bid, (ii) that the bid was determined without regard to any other formal or informal agreement that the potential provider has with the Issuer or any other person (whether or not in connection with the bond issue), and (iii) that the bid is not being submitted solely as a courtesy to the Issuer or any other person, for purposes of satisfying the requirements of the Regulations.

(D) The terms of the bid specifications are “commercially reasonable.” A term is commercially reasonable if there is a legitimate business purpose for the term other than to increase the purchase price or reduce the yield of the Guaranteed Investment Contract.

(E) The terms of the solicitation take into account the Issuer’s reasonably expected deposit and draw-down schedule for the amounts to be invested.

(F) All potential providers have an equal opportunity to bid. If the bidding process affords any opportunity for a potential provider to review other bids before providing a bid, then providers have an equal opportunity to bid only if all potential providers have an equal opportunity to review other bids. Thus, no potential provider may be given an opportunity to review other bids that is not equally given to all potential providers (that is no exclusive “last look”).

(G) At least three “reasonably competitive providers” are solicited for bids. A reasonably competitive provider is a provider that has an established industry reputation as a competitive provider of the type of Investments being purchased.

(2) Bids Received. The bids received must meet all of the following requirements:

(A) At least three bids are received from providers that were solicited as described above and that do not have a “material financial interest” in the issue. For this purpose, (i) a lead underwriter in a negotiated underwriting transaction is deemed to have a material financial interest in the issue until 15 days after the Issue Date of the issue, (ii) any entity acting as a financial advisor with respect to the purchase of the Guaranteed Investment Contract at the time the bid specifications are forwarded to potential providers has a material financial interest in the issue, and (iii) a provider that is a related party to a provider that has a material financial interest in the issue is deemed to have a material financial interest in the issue.

(B) At least one of the three bids received is from a reasonably competitive provider, as defined above.

(C) If an agent or broker is used to conduct the bidding process, the agent or broker did not bid to provide the Guaranteed Investment Contract.

(3) Winning Bid. The winning bid is the highest yielding bona fide bid (determined net of any broker’s fees).

(4) Fees Paid. The obligor on the Guaranteed Investment Contract certifies the administrative costs that it pays (or expects to pay, if any) to third parties in connection with supplying the Guaranteed Investment Contract.

(5) Records. The Issuer retains the following records with the Bond documents until three years after the last outstanding Bond is redeemed:

(A) A copy of the Guaranteed Investment Contract.

(B) The receipt or other record of the amount actually paid for the Guaranteed Investment Contract, including a record of any administrative costs paid by the Issuer, and the certification as to fees paid, described in paragraph (d)(4) above.

(C) For each bid that is submitted, the name of the person and entity submitting the bid, the time and date of the bid, and the bid results.

(D) The bid solicitation form and, if the terms of the Guaranteed Investment Contract deviated from the bid solicitation form or a submitted bid is modified, a brief statement explaining the deviation and stating the purpose for the deviation.

(e) *Other Investments*. If an Investment is not described above, the fair market value may be established through a competitive bidding process, as follows:

(1) at least three bids on the Investment must be received from persons with no financial interest in the Bonds (*e.g.*, as underwriters or brokers); and

(2) the Yield on the Investment must be equal to or greater than the Yield offered under the highest bid.

Section 4.5. Rebate Instructions. All sale proceeds of the Bonds and Investment earnings thereon will be deposited in (a) the Escrow Fund and used to currently refund the Refunded Obligations on January 1, 2020, or (b) the Costs of Issuance Account and used to pay costs of issuance for the Bonds. Any amounts not used to pay the costs of issuance for the Bonds remaining in the Costs of Issuance Account after February 1, 2020 will be transferred to the Debt Service Account. Other than the Debt Service Account, no sinking, pledge, or reserve fund or other similar fund has been or is expected to be established for the Bonds. Additionally, the Issuer expects the Debt Service Account to qualify as a Bona Fide Debt Service Fund in each Bond Year. Based on these certifications, Bond Counsel has advised the Issuer that no rebate computations are necessary with respect to the Bonds, so long as the proceeds are spent for the purposes described in this paragraph. If the proceeds are not so spent, if the Debt Service Account fails to qualify as a Bona Fide Debt Service Fund in any Bond Year, or if the Issuer establishes any sinking, pledge, reserve or other similar fund, the Issuer is obligated to engage Bond Counsel, an independent certified public accountant or a rebate analyst to compute arbitrage rebate on the Bonds and to pay rebate to the United States at least once every five years, and within 60 days after the discharge of the last Bond, in accordance with Code § 148(f).

Section 4.6. Filing Requirements. The Issuer will file or cause to be filed with the IRS such reports or other documents as are required by the Code in accordance with advice of Bond Counsel.

Section 4.7. Survival after Defeasance. Notwithstanding anything in the Ordinance to the contrary, the obligation to pay arbitrage rebate and yield reduction amounts to the United States will survive the payment or defeasance of the Bonds.

ARTICLE V

MISCELLANEOUS PROVISIONS

Section 5.1. Term of Tax Certificate. This Tax Certificate will be effective concurrently with the issuance and delivery of the Bonds and will continue in force and effect until the principal of, redemption premium, if any, and interest on all Bonds have been fully paid and all such Bonds are cancelled; provided that, the provisions of **Article IV** of this Tax Certificate regarding payment of arbitrage rebate and yield reduction amounts and all related penalties and interest will remain in effect until all such amounts are paid to the United States and the provisions of **Section 4.2** relating to record keeping shall continue in force for the period described therein for records to be retained.

Section 5.2. Amendments. This Tax Certificate may be amended from time to time by the Issuer without notice to or the consent of any of the owners of the Bonds, but only if such amendment is in writing and is accompanied by an Opinion of Bond Counsel to the effect that, under then existing law, assuming compliance with this Tax Certificate as so amended such amendment will not cause interest on any Bond to be included in gross income for federal income tax purposes. No such amendment will become effective until the Issuer receives this Opinion of Bond Counsel.

Section 5.3. Opinion of Bond Counsel. The Issuer may deviate from the provisions of this Tax Certificate if furnished with an Opinion of Bond Counsel to the effect that the proposed deviation will not adversely affect the exclusion of interest on the Bonds from gross income for federal income tax purposes. The Issuer will comply with any further or different instructions provided in an Opinion of Bond Counsel to the effect that the further or different instructions need to be complied with in order to maintain the validity of the Bonds or the exclusion from gross income of interest on the Bonds.

Section 5.4. Reliance. In delivering this Tax Certificate the Issuer is making only those certifications, representations and agreements as are specifically attributed to it in this Tax Certificate. The Issuer is not aware of any facts or circumstances which would cause it to question the accuracy of the facts, circumstances, estimates or expectations of any other party providing certifications as part of this Tax Certificate and, to the best of its knowledge, those facts, circumstances, estimates and expectations are reasonable. The Issuer understands that its certifications will be relied upon by the law firm of Gilmore & Bell, P.C., in rendering its opinion as to the validity of the Bonds and the exclusion from federal gross income of the interest on the Bonds.

Section 5.5. Severability. If any provision in this Tax Certificate or in the Bonds is determined to be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions will not be affected or impaired.

Section 5.6. Benefit of Agreement. This Tax Certificate is binding upon the Issuer and its respective successors and assigns, and inures to the benefit of the owners of the Bonds. Nothing in this Tax Certificate or in the Ordinance or the Bonds, express or implied, gives to any person, other than the owners of the Bonds, any benefit or any legal or equitable right, remedy or claim under this Tax Certificate.

Section 5.7. Default, Breach and Enforcement. Any misrepresentation of the Issuer contained herein or any breach of a covenant or agreement contained in this Tax Certificate may be pursued by the owners of the Bonds pursuant to the terms of the Ordinance or any other document which references this Tax Certificate and gives remedies for a misrepresentation or breach thereof.

Section 5.8. Execution in Counterparts. This Tax Certificate may be executed in any number of counterparts, each of which so executed will be deemed to be an original, but all such counterparts will together constitute the same instrument.

Section 5.9. Governing Law. This Tax Certificate will be governed by and construed in accordance with the laws of the State of Missouri.

Section 5.10. Electronic Transactions. The transaction described in this Tax Certificate may be conducted, and related documents may be stored, by electronic means.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, the undersigned City Manager and Director of Finance of the Issuer, by their execution of this Tax Certificate hereby make the foregoing certifications, representations, and agreements contained in this Tax Certificate on behalf of the Issuer, as of the Issue Date of the Bonds.

CITY OF CAPE GIRARDEAU, MISSOURI

By: _____
Title: City Manager

By: _____
Title: Director of Finance

EXHIBIT A

DEBT SERVICE SCHEDULE AND PROOF OF BOND YIELD

EXHIBIT B

IRS FORM 8038-G

EXHIBIT C

SAMPLE ANNUAL COMPLIANCE CHECKLIST

Name of tax-exempt bonds (“Bonds”) financing Financed Asset:	Waterworks System Refunding Revenue Bonds, Series 2019
Issue Date of Bonds:	October 15, 2019
Placed in service date of Project Facility:	
Name of Bond Compliance Officer:	
Period covered by request (“Annual Period”):	

Item	Question	Response
1 Ownership	Was the entire Project Facility owned by the Issuer during the entire Annual Period?	<input type="checkbox"/> Yes <input type="checkbox"/> No
	If answer above was “No,” was advice of Bond Counsel obtained prior to the transfer? If Yes, include a description of the advice in the Tax-Exempt Bond File. If No, contact Bond Counsel and include description of resolution in the Tax-Exempt Bond File.	<input type="checkbox"/> Yes <input type="checkbox"/> No

2 Leases & Other Rights to Possession	During the Annual Period, was any part of the Project Facility leased at any time pursuant to a lease or similar agreement for more than 50 days?	<input type="checkbox"/> Yes <input type="checkbox"/> No
	If answer above was “Yes,” was advice of Bond Counsel obtained prior to entering into the lease or other arrangement? If Yes, include a description of the advice in the Tax-Exempt Bond File. If No, contact Bond Counsel and include description of resolution in the Tax-Exempt Bond File.	<input type="checkbox"/> Yes <input type="checkbox"/> No

Item	Question	Response
3 Management or Service Agreements	During the Annual Period, has the City amended or does the City plan to amend its contract with Alliance Water Resources, Inc., related to the management of all or any part of the operations of the Financed Asset? Or, does the City plan to enter into an agreement with another entity to manage the operations of the Financed Asset (e.g., does a private entity operate the waterworks system on behalf of the City, etc.)?	<input type="checkbox"/> Yes <input type="checkbox"/> No
	If answer above was “Yes,” was advice of Bond Counsel obtained prior to entering into the Management or Service Agreement? If Yes, include a description of the advice in the Tax-Exempt Bond File. If No, contact Bond Counsel and include description of resolution in the Tax-Exempt Bond File.	<input type="checkbox"/> Yes <input type="checkbox"/> No
4 Other Use	Was any other agreement entered into with an individual or entity that grants special legal rights to the Financed Asset?	<input type="checkbox"/> Yes <input type="checkbox"/> No
	If answer above was “Yes,” was advice of Bond Counsel obtained prior to entering into the agreement? If Yes, include a description of the advice in the Tax-Exempt Bond File. If No, contact Bond Counsel and include description of resolution in the Tax-Exempt Bond File.	<input type="checkbox"/> Yes <input type="checkbox"/> No
5 Arbitrage & Rebate	Have all rebate and yield reduction calculations mandated in the Federal Tax Certificate been prepared for the current year?	<input type="checkbox"/> Yes <input type="checkbox"/> No
	If No, contact a rebate analyst and incorporate report or include description of resolution in the Tax-Exempt Bond File.	
6 Continuing Disclosure Filings	Did the Issuer file its annual report (including audited financial statements and any other financial information and operating data required for the Bonds) with the MSRB on EMMA by December 31, 20__?	<input type="checkbox"/> Yes <input type="checkbox"/> No
	If No, file the appropriate failure to file notice required for the Bonds with the MSRB on EMMA. In addition, contact Bond Counsel and file the deficient material with the MSRB on EMMA and include a description of the reason for the delay in the Tax-Exempt Bond File.	

Item	Question	Response
<p style="text-align: center;">7</p> <p>Material Event Filings</p>	<p>Did any of the following events occur with respect to the Bonds?</p> <ul style="list-style-type: none"> • principal and interest payment delinquencies; • non-payment related defaults, if material; • unscheduled draws on debt service reserves reflecting financial difficulties; • unscheduled draws on credit enhancements reflecting financial difficulties; • substitution of credit or liquidity providers, or their failure to perform; • adverse tax opinions; the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds; • modifications to rights of bondholders, if material; • bond calls, if material, and tender offers; • defeasances; • release, substitution or sale of property securing repayment of the Bonds, if material; • rating changes; • bankruptcy, insolvency, receivership or similar event of the obligated person; • the consummation of a merger, consolidation or acquisition involving the obligated person or the sale of all or substantially all of the assets of the obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; • appointment of a successor or additional trustee or the change of name of the trustee, if material; • incurrence of a financial obligation of the obligated person, if material, or agreement to covenants, events of default, remedies, priority rights or other similar terms of a financial obligation of the obligated person, any of which affect bondholders, if material; and • default, event of acceleration, termination event, modification of terms or other similar events under the terms of a financial obligation of the obligated person, any of which reflect financial difficulties. 	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>
	<p>If “Yes,” was Bond Counsel contacted and notice of the material event filed with the MSRB on EMMA?</p> <p>If No, contact Bond Counsel immediately and prepare and file any required notice with the MSRB on EMMA.</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>

Bond Compliance Officer: _____

Date Completed: _____

EXHIBIT D

FINAL WRITTEN ALLOCATION FOR THE ORIGINAL OBLIGATIONS

ESCROW TRUST AGREEMENT

Dated as of October 1, 2019

Between the

CITY OF CAPE GIRARDEAU, MISSOURI

and

**UMB BANK, N.A.,
as Escrow Agent**

**Entered in Connection with the Refunding and/or Payment and Discharge
of Certain Maturities of the City's Waterworks System Refunding Revenue Bonds, Series 2012A**

ESCROW TRUST AGREEMENT

THIS ESCROW TRUST AGREEMENT dated as of October 1, 2019 (the “Agreement”), between the **CITY OF CAPE GIRARDEAU, MISSOURI** (the “City”), and **UMB BANK, N.A.**, a national banking association duly organized and existing under the laws of the United States of America, with a corporate trust office located in St. Louis, Missouri, and having full trust powers, as escrow agent (the “Escrow Agent”).

RECITALS:

1. The City has heretofore duly authorized and issued, among others, \$13,955,000 aggregate principal amount of Waterworks System Refunding Revenue Bonds, Series 2012A, dated April 17, 2012 (the “Series 2012A Bonds”), which are currently outstanding in the principal amount of \$9,905,000.

2. The City desires to currently refund all of the outstanding Series 2012A Bonds maturing on January 1, 2021 and thereafter, in the aggregate principal amount of \$9,285,000 (the “Refunded Bonds”).

3. The Refunded Bonds will mature (or will be subject to redemption prior to maturity) in the amounts and on the dates shown on **Schedule 1** attached hereto.

4. Pursuant to an ordinance adopted by the City on September 16, 2019 (the “Refunding Bond Ordinance”), the City has heretofore authorized the issuance and delivery of \$[**PRINCIPAL AMOUNT**] principal amount of Waterworks System Refunding Revenue Bonds, Series 2019 (the “Refunding Bonds”), a portion of the proceeds of which, together with other legally available funds of the City, will be used to refund the Refunded Bonds.

5. With a portion of the proceeds of the sale of the Refunding Bonds, the City intends to provide for the payment of the principal of and redemption premium, if any, on the Refunded Bonds through the purchase of non-callable United States Treasury Obligations described in **Schedule 2** attached hereto.

NOW, THEREFORE, in consideration of the foregoing and of the mutual covenants hereinafter set forth, the parties hereto agree as follows:

Section 1. Definitions. The following words and terms used in this Agreement shall have the following meanings:

“**Agreement**” means this Escrow Trust Agreement.

“**Bond Counsel**” means Gilmore & Bell, P.C., or other firm of attorneys nationally recognized on the subject of municipal bonds.

“**Bond Payment Date**” means any date on which any principal of the Refunded Bonds is due and payable, including the Redemption Date.

“**City**” means the City of Cape Girardeau, Missouri.

“**Code**” means the Internal Revenue Code of 1986, as amended.

“**Escrow Agent**” means UMB Bank, N.A., St. Louis, Missouri, and its successor or successors at the time acting as the Escrow Agent under this Agreement.

“**Escrow Fund**” means the fund by that name referred to in **Section 3** hereof.

“**Escrowed Securities**” means the direct non-callable obligations of the United States of America listed on **Schedule 2** attached hereto and any Substitute Escrowed Securities.

“**Paying Agent**” means UMB Bank, N.A., St. Louis, Missouri, and any successor or successors at the time acting as paying agent for the Refunded Bonds.

“**Redemption Date**” means January 1, 2020.

“**Refunded Bonds**” means the Series 2012A Bonds maturing in 2021 and thereafter, in the aggregate principal amount of \$9,285,000.

“**Refunding Bond Ordinance**” means the Ordinance adopted by the City Council on September 16, 2019, authorizing the issuance of the Refunding Bonds.

“**Refunding Bonds**” means the \$[**PRINCIPAL AMOUNT**] Waterworks System Refunding Revenue Bonds, Series 2019, authorized and issued by the City pursuant to the Refunding Bond Ordinance.

“**Series 2012A Bond Ordinance**” means Ordinance No. 4305 of the City passed on April 2, 2012, which authorized the issuance of the Series 2012A Bonds.

“**Series 2012A Bonds**” means the City’s \$13,955,000 original principal amount of Waterworks System Refunding Revenue Bonds, Series 2012A.

“**Substitute Escrowed Securities**” means non-callable direct obligations of the United States of America which have been acquired by the Escrow Agent and substituted for Escrowed Securities in accordance with **Section 7** hereof.

Section 2. Receipt of Documents. The Escrow Agent hereby acknowledges receipt of true and correct copies of the Refunding Bond Ordinance and the Series 2012A Bond Ordinance as certified by the City Clerk, and reference herein to or citation herein of any provisions of said documents shall be deemed to incorporate the same as a part hereof in the same manner and with the same effect as if they were fully set forth herein.

Section 3. Creation of Escrow Fund. There is hereby created and established with the Escrow Agent the following special and irrevocable trust fund to be held in the custody of the Escrow Agent and designated the “Escrow Fund for the City of Cape Girardeau, Missouri, Waterworks System Refunding Revenue Bonds, Series 2012A” (the “Escrow Fund”).

Section 4. Deposits to the Escrow Fund. Concurrently with the execution and delivery of this Agreement and pursuant to the provisions of the Refunding Bond Ordinance, the City herewith deposits with the Escrow Agent, and the Escrow Agent acknowledges receipt and deposit into the Escrow Fund \$_____ (consisting of \$_____ from the debt service account for the Series 2012A Bonds and \$_____ of proceeds of the sale of the Refunding Bonds). The Escrow Agent shall apply such amount as follows:

(a) \$ _____ shall be used to purchase the Escrowed Securities described in **Schedule 2** hereto, which shall be delivered to and deposited in the Escrow Fund.

(b) \$ _____ shall be held uninvested in the Escrow Fund as a beginning cash balance.

Section 5. Creation of Lien. The escrow created hereby shall be irrevocable. The holders of the Refunded Bonds are hereby given an express lien on and security interest in the Escrowed Securities and the cash in the Escrow Fund and all earnings thereon until used and applied in accordance with this Agreement. The matured principal of and earnings on the Escrowed Securities and any cash in the Escrow Fund are hereby pledged and assigned and except as otherwise provided herein shall be applied solely for the payment of the principal of and redemption premium, if any, on the Refunded Bonds.

Section 6. Application of Cash and Escrowed Securities in the Escrow Fund.

(a) Except as otherwise expressly provided in this Section or in **Section 7** hereof, the Escrow Agent shall have no power or duty to invest any cash held hereunder or to sell, transfer or otherwise dispose of any Escrowed Securities.

(b) On or prior to each Bond Payment Date, the Escrow Agent shall withdraw from the Escrow Fund an amount equal to the principal of and redemption premium, if any, on the Refunded Bonds becoming due and payable on such Bond Payment Date, as set forth in **Schedule 1** attached hereto, and shall forward such amount to the office of the Paying Agent, so that immediately available funds will reach the office of the Paying Agent on or before 12:00 Noon, Central Time, on such Bond Payment Date. In order to make the payments required by this subsection, the Escrow Agent is hereby authorized to redeem or otherwise dispose of Escrowed Securities in accordance with the maturity schedules in **Schedule 2** attached hereto. The liability of the Escrow Agent to make the payments required by this subsection shall be limited to the cash and Escrowed Securities in the Escrow Fund.

(c) Notwithstanding any other provisions of this Agreement, the City and the Escrow Agent hereby covenant that no part of the proceeds of the Refunding Bonds or of the money or funds in the Escrow Fund shall be used, at any time, directly or indirectly, in a manner which, if such use had been reasonably anticipated on the date of issuance of the Refunding Bonds would have caused any of the Refunding Bonds to be an "arbitrage bond" under Section 148 of the Code, provided, however, that the Escrow Agent shall be deemed in full compliance with this **Section 6(c)** upon following the direction of the City and the terms of this Agreement.

(d) Upon the payment in full of the principal of and redemption premium, if any, on the Refunded Bonds, all remaining cash and Escrowed Securities in the Escrow Fund, together with any interest thereon, shall be transferred by the Escrow Agent to the City for deposit in the Debt Service Fund.

(e) Cash held from time to time in the Escrow Fund shall be held uninvested.

Section 7. Substitute Escrowed Securities.

(a) If any of the Escrowed Securities are not available for delivery on the date of the issuance of the Refunding Bonds, the Escrow Agent is directed to accept substitute securities in lieu thereof, provided: (1) the substitute securities are non-callable direct obligations of the United States of America; (2) the maturing principal of and interest on such substitute securities is equal to or greater than the maturity value of such unavailable Escrowed Securities; (3) principal of and interest on the substitute

securities is payable on or before the maturity date of the unavailable Escrowed Securities; and (4) the City and Bond Counsel approve such substitution in writing. If the original Escrowed Securities become available and are tendered to the Escrow Agent by or on behalf of the original purchaser of the Refunding Bonds, the Escrow Agent shall accept such Escrowed Securities, shall return the substitute securities as directed in writing by such original purchaser and shall notify Bond Counsel and the City of the transaction.

(b) At the written request of the City and upon compliance with the conditions hereinafter stated, the Escrow Agent shall have the power to sell, transfer, request the redemption of or otherwise dispose of the Escrowed Securities and to substitute for the Escrowed Securities solely cash or Substitute Escrowed Securities. The Escrow Agent shall purchase such Substitute Escrowed Securities with the proceeds derived from the sale, transfer, disposition or redemption of the Escrowed Securities together with any other funds available for such purpose. The substitution may be effected only if: (1) the substitution of the Substitute Escrowed Securities for the original Escrowed Securities occurs simultaneously; (2) the Escrow Agent receives a certification from an independent certified public accountant to the effect that after such substitution, (A) the principal of and interest on the Escrowed Securities to be held in the Escrow Fund after giving effect to the substitution (including Substitute Escrowed Securities to be acquired), together with any other money to be held in the Escrow Fund after such transaction, will be sufficient to pay all remaining principal of and redemption premium, if any, on the Refunded Bonds as set forth on **Schedule 1** hereto, and (B) the amounts and dates of the anticipated transfers from the Escrow Fund to the Paying Agent for the Refunded Bonds will not be diminished or postponed thereby; and (3) the Escrow Agent receives a written opinion of Bond Counsel to the effect that such substitution is permitted under this Agreement and will not cause the interest on either the Refunding Bonds or the Refunded Bonds to become included in gross income for purposes of federal income taxation under then existing law. If any such substitution results in cash held in the Escrow Fund in excess of the amount required to fully fund the escrow, as certified in (2) above, the Escrow Agent shall, at the written request of the City, withdraw such excess from the Escrow Fund and pay such excess to the City for deposit in the Debt Service Fund, to be applied as provided by law; provided that, a written opinion of Bond Counsel shall be delivered to the Escrow Agent to the effect that such withdrawal and application will not be contrary to State law and will not cause the interest on the Refunding Bonds or the Refunded Bonds to become included in gross income for purposes of federal income taxation.

Section 8. Redemption of Refunded Bonds.

(a) Pursuant to the Series 2012A Bond Ordinance and the Refunding Bond Ordinance, the City has elected to call the Refunded Bonds for redemption and payment prior to maturity on the Redemption Date. In accordance with the provisions of the Series 2012A Bond Ordinance, the City has provided the Paying Agent with irrevocable instructions to provide notice of redemption of the Refunded Bonds as required by the Series 2012A Bond Ordinance.

(b) The City hereby directs the Escrow Agent to direct the Paying Agent in writing, not more than 90 days prior to the Redemption Date, to give additional notice of redemption of the Refunded Bonds as provided in the Series 2012A Bond Ordinance, said notice to be given not more than 60 days nor less than 30 days prior to the Redemption Date of the Refunded Bonds, it being understood, however, that said additional notice is for convenience in facilitating said redemption and failure to give any such notice shall not affect the validity of the call for redemption of the Refunded Bonds. The City hereby directs the Escrow Agent to take such further action as may be necessary under the Series 2012A Bond Ordinance to redeem the Refunded Bonds in the principal amounts and at the times set forth in **Schedule 1** hereof.

Section 9. Reports of the Escrow Agent. As long as any of the Refunded Bonds have not been paid in full, the Escrow Agent shall, at least 60 days prior to each Bond Payment Date, determine the amount of money which will be available in the Escrow Fund to pay the principal of and redemption premium, if any, on the Refunded Bonds on the next Bond Payment Date. If the Escrow Agent determines that sufficient funds will not be available on such Bond Payment Date to pay the principal of and redemption premium, if any, on the Refunded Bonds, then the Escrow Agent shall certify in writing to the City the amount so determined and shall provide a list of the money and Escrowed Securities held by it in the Escrow Fund on the date of such certification.

Section 10. Liability of Escrow Agent.

(a) The Escrow Agent shall not be liable for any loss resulting from any investment, sale, transfer or other disposition made pursuant to this Agreement in compliance with the provisions hereof. The Escrow Agent shall have no lien whatsoever on any of the money or Escrowed Securities on deposit in the Escrow Fund for the payment of fees and expenses for services rendered by the Escrow Agent under this Agreement or otherwise.

(b) The Escrow Agent shall not be liable for the accuracy of the calculations as to the sufficiency of the Escrowed Securities and money to pay the Refunded Bonds. So long as the Escrow Agent applies the Escrowed Securities and money as provided herein, the Escrow Agent shall not be liable for any deficiencies in the amounts necessary to pay the Refunded Bonds caused by such calculations. Notwithstanding the foregoing, the Escrow Agent shall not be relieved of liability arising from and proximate to its failure to comply fully with the terms of this Agreement.

(c) If the Escrow Agent fails to account for any of the Escrowed Securities or money received by it, said Escrowed Securities or money shall be and remain the property of the City in trust for the holders of the Refunded Bonds, and, if for any reason such Escrowed Securities or money are not applied as herein provided, the assets of the Escrow Agent shall be impressed with a trust for the amount thereof until the required application shall be made.

(d) The Escrow Agent shall not be responsible for any action or failure to take action on the part of the Paying Agent.

(e) The Escrow Agent may rely and shall be protected in acting upon or refraining from acting upon in good faith any ordinance, certificate, statement, instrument, opinion, report, notice, request, direction, consent, verification, order, bond, debenture or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or parties.

(f) The Escrow Agent undertakes to perform such duties and only such duties as are specifically set forth in this Agreement.

(g) No provision of this Agreement shall be construed to relieve the Escrow Agent from liability for its own negligent action, its own negligent failure to act, or its own willful misconduct, except that the Escrow Agent shall not be liable for any error of judgment made in good faith by an authorized officer, employee or agent of the Escrow Agent, unless it shall be proved that the Escrow Agent was negligent in ascertaining the pertinent facts.

(h) Whether or not therein expressly so provided, every provision of this Agreement relating to the conduct or affecting the liability of or affording protection to the Escrow Agent shall be subject to the provisions of this section.

Section 11. Fees and Costs of the Escrow Agent.

(a) The aggregate amount of the costs and fees of the Escrow Agent in connection with the creation of the escrow described in and created by this Agreement and in carrying out any of the duties, terms or provisions of this Agreement is \$___, which amount shall be paid by the City upon receipt of an invoice from the Escrow Agent.

(b) In addition, the Escrow Agent shall be entitled to reimbursement from the City of reasonable out-of-pocket, legal or extraordinary expenses incurred in carrying out the duties, terms or provisions of this Agreement. Claims for such reimbursement may be made to the City and in no event shall such reimbursement be made from funds held by the Escrow Agent pursuant to this Agreement.

Section 12. Resignation or Removal of Escrow Agent; Successor Escrow Agent.

(a) The Escrow Agent at the time acting hereunder may at any time resign and be discharged from its duties and responsibilities hereby created by giving written notice by registered or certified mail to the City and to the Paying Agent (who shall cause notice to be given to all of the owners of record of the Refunded Bonds) not less than 60 days prior to the date when the resignation is to take effect. Such resignation shall take effect immediately upon the City's acceptance of the resignation, the City's appointment of a successor Escrow Agent (which may be a temporary Escrow Agent), the acceptance of such successor Escrow Agent of the terms, covenants and conditions of this Agreement, the transfer of the Escrow Fund, including the cash and Escrowed Securities held therein, to such successor Escrow Agent and the completion of any other actions required for the principal of and interest on the Escrowed Securities to be made payable to such successor Escrow Agent rather than the resigning Escrow Agent.

(b) The Escrow Agent may be removed at any time by an instrument or concurrent instruments in writing, delivered to the Escrow Agent and the City and signed by the owners of a majority in principal amount of the Refunded Bonds then outstanding; provided that written notice thereof is mailed by or on behalf of the City on or before the date of such removal by registered or certified mail, postage prepaid, to all registered owners of such Refunded Bonds, who are not parties to such instruments. The Escrow Agent may also be removed by the City if the Escrow Agent fails to make timely payment on any Bond Payment Date to the Paying Agent of the amounts required to be paid by it on such Bond Payment Date by **Section 6(b)** hereof; provided that written notice thereof is mailed by or on behalf of the City on or before the date of such removal by registered or certified mail, postage prepaid, to the Paying Agent and to all registered owners of the Refunded Bonds then outstanding. Any removal pursuant to this paragraph shall become effective upon the appointment of a successor Escrow Agent (which may be a temporary successor Escrow Agent) by the City, the acceptance of such successor Escrow Agent of the terms, covenants and conditions of this Agreement, the transfer of the Escrow Fund, including the cash and Escrowed Securities held therein, to such successor Escrow Agent and the completion of any other actions required for the principal of and interest on the Escrowed Securities to be made payable to such successor Escrow Agent rather than the Escrow Agent being removed.

(c) If the Escrow Agent resigns or is removed, or is dissolved, or is in the course of dissolution or liquidation, or otherwise becomes incapable of acting hereunder, or if the Escrow Agent is taken under the control of any public officer or officers, or of a receiver appointed by a court, the City shall appoint a temporary Escrow Agent to fill such vacancy until a successor Escrow Agent is appointed by the City in the manner above provided, and any such temporary Escrow Agent so appointed by the City shall immediately and without further act be superseded by the successor Escrow Agent so appointed.

(d) If no appointment of a successor Escrow Agent or a temporary successor Escrow Agent has been made by such holders or the City pursuant to the foregoing provisions of this Section within 60 days after written notice of resignation of the Escrow Agent has been given to the City, the holder of any of the Refunded Bonds or any retiring Escrow Agent may apply to any court of competent jurisdiction for the appointment of a successor Escrow Agent, and such court may thereupon, after such notice, if any, as it shall deem proper, appoint a successor Escrow Agent.

(e) No successor Escrow Agent shall be appointed unless such successor Escrow Agent is a corporation with trust powers authorized to do business in the State of Missouri and organized under the banking laws of the United States or the State of Missouri and has at the time of appointment capital and surplus of not less than \$25,000,000.

(f) Every successor Escrow Agent appointed hereunder shall execute, acknowledge and deliver to its predecessor and to the City an instrument in writing accepting such appointment hereunder, and thereupon such successor Escrow Agent without any further act, deed or conveyance shall become fully vested with all the rights, immunities, powers, trusts, duties and obligations of its predecessor, but such predecessor shall, nevertheless, on the written request of such successor Escrow Agent or the City, execute and deliver an instrument transferring to such successor Escrow Agent all the estates, properties, rights, powers and trusts of such predecessor hereunder, and every predecessor Escrow Agent shall deliver all securities and money held by it to its successor. Should any transfer, assignment or instrument in writing from the City be required by any successor Escrow Agent for more fully and certainly vesting in such successor Escrow Agent the estates, rights, powers and duties hereby vested or intended to be vested in the predecessor Escrow Agent, any such transfer, assignment and instruments in writing shall, on request, be executed, acknowledged and delivered by the City.

(g) Any corporation into which the Escrow Agent, or any successor to it of the duties and responsibilities created by this Agreement, may be merged or converted or with which it or any successor to it may be consolidated, or any corporation resulting from any merger, conversion, consolidation or reorganization to which the Escrow Agent or any successor to it may be a party, or any entity to which the Escrow Agent may sell or transfer all or substantially all of its corporate trust business, shall, if satisfactory to the City, be the successor Escrow Agent under this Agreement without the execution or filing of any paper or any other act on the part of the parties hereto, anything herein to the contrary notwithstanding.

Section 13. Limitation on Liability of the City. The City shall not be liable (a) for any loss resulting from any investment made pursuant to this Agreement, (b) for the accuracy of the calculations as to the sufficiency of the Escrowed Securities and money in the Escrow Fund to pay the principal of and redemption premium, if any, on the Refunded Bonds, or (c) for any acts of the Escrow Agent.

Section 14. Amendments to this Agreement. This Agreement is made for the City's benefit and the holders from time to time of the Refunded Bonds, and it shall not be repealed, revoked, altered or amended without the written consent of all such holders, the Escrow Agent and the City; provided, however, that the City and the Escrow Agent may, without the consent of or notice to such holders, enter into agreements supplemental to this Agreement if such supplemental agreements do not adversely affect the rights of such holders and are not inconsistent with the terms and provisions of this Agreement, for any one or more of the following purposes:

(a) to cure any ambiguity or formal defect or omission in this Agreement;

(b) to grant to, or confer upon, the Escrow Agent for the benefit of the holders of the Refunded Bonds, any additional rights, remedies, powers or authority that may lawfully be granted to, or conferred upon, such holders or the Escrow Agent; and

(c) to subject to this Agreement additional funds, securities or properties.

The Escrow Agent shall be entitled to rely exclusively upon an unqualified written opinion of Bond Counsel with respect to compliance with this Section, including the extent, if any, to which any change, modification, addition or elimination affects the rights of the holders of the Refunded Bonds, or that any instrument executed hereunder complies with the conditions and provisions of this Section.

Section 15. Termination. This Agreement shall terminate when all transfers required to be made by the Escrow Agent under the provisions hereof shall have been made.

Section 16. Notices. Except as otherwise provided herein, it shall be sufficient service of any notice, request, complaint, demand or other paper required by the Refunding Bond Ordinance, the Series 2012A Bond Ordinance or this Agreement to be given to or filed with the following parties if the same is duly mailed by certified or registered mail (return receipt requested) addressed:

(a) To the City at:

City of Cape Girardeau, Missouri
401 Independence Street
P.O. Box 617
Cape Girardeau, Missouri 63702
Attention: Finance Director

(b) To the Paying Agent and Escrow Agent at:

UMB Bank, N.A.
2 South Broadway, Suite 600
St. Louis, Missouri 63102
Attention: Corporate Trust Department

Section 17. Indemnification.

(a) Except as provided in **Section 13** hereof, and only to the extent permitted by law, the City hereby assumes liability for and hereby agrees (whether or not any of the transactions contemplated hereby are consummated) to indemnify, protect, save and hold harmless the Escrow Agent and its respective successors, assigns, agents and servants from and against any and all liabilities, obligations, losses, damages, penalties, claims, actions, suits, costs, expenses and disbursements (including legal fees and disbursements) of whatsoever kind and nature which may be imposed on, incurred by, or asserted against, at any time, the Escrow Agent (whether or not also indemnified against the same by the City or any other person under any other agreement or instrument) and in any way relating to or arising out of the execution and delivery of this Agreement, the establishment of the Escrow Fund established hereunder, the acceptance of the cash and securities deposited therein, the purchase of the Escrowed Securities, the retention of the Escrowed Securities or the proceeds thereof and any payment, transfer or other application of cash or securities by the Escrow Agent in accordance with the provisions of this Agreement; provided however, that the City shall not be required to indemnify the Escrow Agent against its own negligence or willful misconduct. In no event shall the City be liable to any person by reason of

the transactions contemplated hereby other than to the Escrow Agent as set forth in this Section. The indemnities contained in this Section shall survive the termination of this Agreement.

(b) Except as provided in **Section 10** hereof, the Escrow Agent and its respective successors, assigns, agents, directors, officers, employees and servants shall not be held to any personal liability whatsoever, in tort, contract or otherwise, in connection with the execution and delivery of this Agreement, the establishment of the Escrow Fund, the acceptance of the money deposited therein, the purchase of the Escrowed Securities, the retention of the Escrowed Securities or the proceeds thereof or any payment, transfer or other application of the money or Escrowed Securities held by the Escrow Agent in accordance with the provisions of this Agreement or by reason of any non-negligent act, omission or error of the Escrow Agent made in good faith in the conduct of its duties. The duties and obligations of the Escrow Agent shall be determined by the express provisions of this Agreement. The Escrow Agent may consult with counsel who may or may not be counsel to the City and in reliance upon the opinions of such counsel shall have full and complete authorization and protection in respect of any action taken, suffered or omitted by it in good faith in accordance therewith. Whenever the Escrow Agent shall deem it necessary or desirable that a matter be proved or established prior to taking, suffering or omitting any action under this Agreement, such matter may be deemed to be conclusively established by a certificate signed by an authorized officer of the City.

Section 18. Severability. If any one or more of the covenants or agreements provided in this Agreement on the part of the City or the Escrow Agent to be performed should be determined by a court of competent jurisdiction to be contrary to law, such covenant or agreement shall be deemed and construed to be severable from the remaining covenants and agreements herein contained and shall in no way affect the validity of the remaining provisions of this Agreement.

Section 19. Successors and Assigns. All of the covenants, promises and agreements in this Agreement contained by or on behalf of the City or the Escrow Agent shall be binding upon and inure to the benefit of their respective successors and assigns whether so expressed or not.

Section 20. Electronic Storage. The transaction described herein may be conducted and related documents may be sent, received or stored by electronic means. Copies, telecopies, facsimiles, electronic files and other reproductions of original executed documents shall be deemed to be authentic and valid counterparts of such original documents for all purposes, including the filing of any claim, action or suit in the appropriate court of law.

Section 21. Governing Law. This Agreement shall be governed by the applicable law of the State of Missouri.

Section 22. Counterparts. This Agreement may be executed in several counterparts, all or any of which shall be regarded for all purposes as one original and shall constitute and be but one and the same instrument.

[Remainder of Page Intentionally Left Blank.]

IN WITNESS WHEREOF, the parties hereto have each caused this Agreement to be executed by their duly authorized officers or elected officials as of the date first above written.

CITY OF CAPE GIRARDEAU, MISSOURI

Mayor

(SEAL)

ATTEST:

City Clerk

UMB BANK, N.A.,
as Escrow Agent

By: _____
Title: _____

**SCHEDULE 1
TO ESCROW TRUST AGREEMENT**

BOND PAYMENT SCHEDULE FOR THE REFUNDED BONDS

<u>Bond Payment Date</u>	<u>Amount</u>
01/01/2020	\$9,285,000.00

**SCHEDULE 2
TO ESCROW TRUST AGREEMENT**

SCHEDULE OF ESCROWED SECURITIES

Staff: Bruce Taylor, Deputy City Clerk
Agenda: 9/3/2019

AGENDA REPORT
Cape Girardeau City Council

19-203

SUBJECT

Appointment of one member to the Golf Course Advisory Board for a term expiring January 18, 2020.

EXECUTIVE SUMMARY

One position on the Golf Course Advisory Board is set to expire January 18, 2020. This position was held by Callie Welker, who resigned August 13, 2019, due to other obligations that conflict with the board meeting schedule.

BACKGROUND/DISCUSSION

According to Section 18-53(a) of the City Code, *“A person appointed to the municipal golf course board shall be a taxpayer and qualified voter of the City. One (1) member of the municipal golf course advisory board shall be a member of Cape Jaycees and designated by that organization as its representative on the golf course advisory board.”* Mr. Joshua Schulz serves as the Jaycee representative. A copy of the board roster and attendance roster are attached for your reference.

The following individuals have expressed an interest in serving on the board, and their advisory board applications are attached.

Applicant	Ward	Citizen Academy Graduate
Mark Buerck	6	N
Richard Fehr	4	N
Cindy Gannon	4	N
Richard Gross	5	N
Claire Kneer	4	N
Thomas Meyer	2	N

STAFF RECOMMENDATION

It is recommended that one appointment is made to the Golf Course Advisory Board for a term expiring January 18, 2020.

BOARD OR COMMISSION RECOMMENDATION

The Golf Course Advisory Board recommends that Cindy Gannon be appointed for a term expiring January 18, 2020.

ATTACHMENTS:

Name:	Description:
roster_attendance.golf.pdf	Golf Board Attendance Roster
Golf Board roster.pdf	Golf Board Roster
Buerck.Mark.03-08-19.pdf	Buerck, Mark
Fehr.Rick.06-03-19.pdf	Fehr, Rick
Gannon.Cindy.08-20-19.pdf	Gannon, Cindy
Gross.Richard.08-19-19.pdf	Gross, Richard
Kneer_Claire.11-05-18.pdf	Kneer, Claire
Meyer.Thomas.1.31.19.pdf	Meyer, Thomas

GOLF COURSE ADVISORY BOARD Attendance Record

Ordinance effective 4/13/00

X = present, A = absent

2019	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	1st	2nd letter	3rd letter	appt'ed	termi- nated
4th Thursday		28		25		27		22		24		26					
Grim, Jerry	X	X	X	P	X	P	X	P	X		X	X				10/15/12	
House, Ken	X	X	X	P	X	P	X	A	X		X	X				09/18/17	
Matthews, Mark	X	X	X	P	X	A	X	P	X		X	X				12/03/18	
Sander, Keith	X	X	X	P	X	P	X	P	X		X	X				11/17/14	
Saverino, Nate	X	X	X	P	X	P	X	P	X		X	X	10/09/18	#####		09/18/17	
Schulz, Joshua J	X	X	X	A	X	P	X	A	X		X	X	10/09/18	#####		08/03/15	
Welker, Callie	X	X	X	A	X	P	Resigned 8/13/19					X	X		5/4/2015	#####	
Wittenborn, Brad	X	X	X	P	X	P	X	A	X		X	X				#####	
Wren, Gary	X	X	X	P	X	P	X	P	X		X	X				09/18/17	

2018	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	1st	2nd letter	3rd letter	appt'ed	termi- nated
4th Thursday		22		26		28		23		25		13					
Grim, Jerry	P	A	X	P	X	P	X	P	X	P	X	X				10/15/12	
House, Ken	P	A	X	P	X	P	X	A	X	P	X	X				09/18/17	
Matthews, Mark	Appointed 12/3/18													12/03/18			
Moore, Mark	P	P	X	P	X	A	X	P	X	Resigned 10/25/18		X				03/006/17	10/25/18
Sander, Keith	P	P	X	P	X	P	X	P	X	A	X	X				11/17/14	
Saverino, Nate	P	A	X	P	X	A	X	A	X	P	X	X	10/09/18			09/18/17	
Schulz, Joshua J	P	P	X	P	X	A	X	A	X	P	X	X	10/09/18			08/03/15	
Talley, Kent	P	P	X	P	X	P	X	P	X	Resigned 9/5/18		X				09/18/17	09/05/18
Welker, Callie	A	P	X	A	X	P	X	P	X	P	X	X				5/4/2015	
Wittenborn, Brad	Appointed 12/3/18													#####			
Wren, Gary	P	P	X	P	X	P	X	P	X	P	X	X				09/18/17	

CITY OF CAPE GIRARDEAU, MISSOURI
Roster of Advisory Boards and Committees
August 15, 2019

All members of Advisory boards must be residents of the City of Cape Girardeau unless otherwise noted.
Members may serve for only three consecutive full terms on the same board or commission effective with terms commencing January 8, 1996.

Golf Course Advisory Board

	<u>Date Appointed</u>	<u>Date Reappointed</u>	<u>Term Expires</u>
Council member, ex-officio			
Nate Saverino	September 18, 2017	---	November 12, 2019
Keith Sander	November 17, 2014	11/7/16	November 12, 2019
Vacant*			January 18, 2020
Mark Matthews	December 3, 2018	---	January 18, 2020
Gary Wren	September 18, 2017	---	September 4, 2020
Joshua J Schulz (Jaycees)	August 3, 2015	09/18/17	September 4, 2020
Ken House	September 18, 2017	11/06/17	November 12, 2020
Jerry Grim	October 15, 2012	11/2/15	November 12, 2021
Brad Wittenborn	December 3, 2018	---	November 12, 2021

Serve three year terms, appointed by City Council. One member shall be a member of Cape Jaycees and designated by that organization is its representative. Regular meetings held fourth Thursday at Noon at the A.C. Brase Arena. Parks and Recreation Director and Golf Course Superintendent meet with Board. A City Council Member may serve as liaison. Staff contact – Julia Jones, Parks & Recreation Director 339-6340.

Staff: Bruce Taylor, Deputy City Clerk
Agenda: 9/3/2019

AGENDA REPORT
Cape Girardeau City Council

19-204

SUBJECT

Appointment to the Convention & Visitors Bureau Executive Board

EXECUTIVE SUMMARY

The Agreement with the Cape Girardeau Area Chamber of Commerce for operation of the Convention and Visitors Bureau includes the creation of the Convention and Visitors Bureau Executive Board. The City Council appointed term held by the Joel Neikirk, is vacant. Due to no longer being a resident of Cape Girardeau, Mr. Neikirk resigned from his position on the Convention and Visitors Bureau Board August 15, 2019.

BACKGROUND/DISCUSSION

City Council authorized the execution of an Agreement between the Cape Girardeau Area Chamber of Commerce, Inc., and the City of Cape Girardeau, Missouri, for operation of the Convention and Visitors Bureau. The Agreement established a six-member Convention and Visitors Bureau Executive Board. Three members are appointed by the Chamber Board, one of which is the Chamber President. Three members are appointed by the City Council, one of which is the City Manager.

The Executive Board shall hold open meetings at least quarterly in each calendar year. The Director of the CVB will serve as liaison to the Board and will prepare, post and distribute the agenda for all meetings as required by the Missouri Open Meetings and Records Law. The posting shall include the date, time and location of the meeting, as well as a tentative agenda. Minutes of all meetings shall be prepared and submitted to the City Clerk.

The Board shall have the following duties:

1. Provide oversight on the operations of the CVB, including methods of promoting tourism, conventions, meetings and other activities and events.
2. Provide input for development of a long-term strategic plan for operations of the CVB, to be prepared by the CVB Director.
3. Provide input for the Annual Marketing and Business Plan, including short and long term goals, plans, policies, and proposed projects for the CVB, to be prepared by the CVB Director.
4. Provide input for the annual operating budget of the CVB and ensure that the annual operating budget clearly reflects the full cost of CVB operations.
5. Submit oversight and input recommendations to the Chamber Board of Directors for final approval.

The following individuals have expressed an interest in serving on the board, and their advisory board applications are attached.

Applicant	Ward	Citizen Academy Graduate
John Emovich	1	No
Whitney Quick	4	No
Mary Darby	2	No

STAFF RECOMMENDATION

It is recommended that the City Council appoint John Echimovich to the Convention and Visitors Bureau Executive Board for a term expiring December 31, 2019.

ATTACHMENTS:

Name:	Description:
Convention and Visitors Bureau Executive Board.pdf	Convention and Visitors Bureau Roster
Darby.Mary.06-27-18.pdf	Darby, Mary
cvb_application.pdf	Echimovich, John
Quick_Whitney.05-07-18.pdf	Quick, Whitney

Convention and Visitors Bureau Executive Board

	<u>Date Appointed</u>	<u>Date Reappointed</u>	<u>Current Term Expires</u>
<u>Members appointed by City Council</u>			
Vacant			December 31, 2019
Quantella Noto	1/9/2017	11/20/17	December 31, 2020
Scott Meyer (City Manager)	1/9/2017	12/03/18	December 31, 2021
<u>Members appointed by Cape Girardeau Area Chamber of Commerce Board of Directors</u>			
Chamber President John Mehner	1/3/2017		December 31, 2019
Adam Kidd	1/3/2017	12/01/17	December 31, 2020
Randy Kluge	1/3/2017		December 31, 2021

Serve three year terms, three, one of which is the City Manager, appointed by Council, three, one of which is the Chamber of Commerce President, by Cape Girardeau Area Chamber of Commerce Board of Directors. Meetings are held at least quarterly as called by the Convention and Visitors Bureau Director. Provide oversight on the operations of the CVB. Staff contact – Scott Meyer, City Manager, 339-6320.

Staff:
Agenda: 9/3/2019

AGENDA REPORT
Cape Girardeau City Council

SUBJECT

Advisory Board Minutes

- Airport Advisory Board, July 9, 2019
- Board of Adjustment Minutes, July 8, 2019
- Historic Preservation Commission Minutes, June 19, 2019
- Planning and Zoning Committee Minutes, July 10, 2019
- Red House Interpretive Center Minutes, July 11, 2019

ATTACHMENTS:

Name:	Description:
AirportBoard-Minutes_07-09-19.pdf	Airport Advisory Board Minutes
Board_of_Adjustment_Minutes_07-08-19_Draft.pdf	Board of Adjustment Minutes
Historic_Preservation_Commission_Minutes_06-19-19.pdf	Historic Preservation Commission Minutes
Planning_and_Zoning_Commission_Minutes_07-10-19_-_Draft.pdf	Planning and Zoning Commission Minutes
Red-House-Draft-Agenda_8-8-19.pdf	Red House Interpretive Center Minutes

AIRPORT BOARD MINUTES

July 9, 2019

Sandy's Place Restaurant

Members Present: Jeff Brune, Ryan Dewrock, Joe Hobbs, Richard Knote, Brian Ozark, Joe Uzoaru, Mark Welker

Others Present: Bruce Loy, Airport Manager; Katrina Amos, Deputy Airport Manager; Derrick Irwin, Flight Line Supervisor; Stacy Kinder, City Council Liaison; Molly Mehner, Deputy City Manager

I. Minutes of Previous Meeting:

The meeting was called to order at 11:35am. Mr. Knote moved and Mr. Brune seconded the motion to approve the minutes from the June 11, 2019 meeting. The motion was approved with a unanimous vote.

II. Appearances:

There were no appearances.

III. Old Business:

A. Airport Activity Report – Mr. Loy presented the June 2019 Airport Usage Report. The airline continues to do well, up 24% over the previous year. June enplanement numbers would be higher, if not for a major storm causing power outages to the airport and the weather reporting equipment. This resulted in three (3) canceled flights and loss of 75-100 passengers.

Mr. Loy noted itinerant traffic was down slightly for the month but up 5% for the year. Inclement weather has been a major factor in decreased traffic.

B. Cape Aviation Report – Mr. Loy presented the Cape Aviation Report to the Board. Mr. Irwin stated weather affected fuel sales as well, with corporate and business traffic being down for the month. It was reported that SkyWest fuel sales are only down 3,000 gallons for the year. Mr. Loy was pleased as he had anticipated a more significant decrease in fuel gallons pumped with the stops in Paducah, KY.

C. Project Update –

- **Snow Removal Equipment Update** – Mr. Loy informed the Board of the results from the snow removal bid. The low bidder appears to be M-B Equipment. Mr. Loy and staff are currently reviewing the bids with MoDOT and discussing the potential for purchasing additional equipment in an effort to utilize the equipment year-round and not just during the winter months. Ms. Kinder asked the benefits for having an extra plow in terms of efficiency. Mr. Loy replied it would be extremely helpful in clearing the airport faster to prevent disruption of airline service as well as general aviation traffic.
- **Fuel Distributor Request for Proposals** – Mr. Loy reported that Requests for Proposals have been sent out for fuel distributors. Interest has been expressed

from three (3) companies, including the current distributor, Titan Fuels formerly known as Eastern Aviation, AvFuel, and Phillips 66. There are several factors airport staff will consider when choosing a distributor, fuel pricing being one of them. Other key factors are maintaining the ability to have a self-service unit, fuel truck leasing options, and a FAA Part 139 training program for the flight line staff. Discussion continued on the topic.

- D. Air Service Grant Application Update** – Mr. Loy reported he is still waiting for a response from MoDOT concerning the application submitted for the Air Service Grant to promote air service. Mr. Loy discussed what some of the funds could be used for but didn't want to make any firm commitments until the grant has been awarded. Mr. Loy noted he was able to show success from the previous grant with increased enplanement numbers for 2018 as justification for this year's request. Discussion continued on the topic.

IV. New Business

- A. Capital Improvement Sales Tax Discussion** – Ms. Mehner informed the Board of the Capital Improvement Sales Tax extension placed on the August 6th voting ballot that would continue a ¼ cent sales tax to be used for various city improvements. For the first time, Ms. Mehner reported, the airport is being included in a tax initiative because the City Council and staff believe the airport has a lot of momentum they would like to capitalize on. Ms. Mehner continued the airport terminal and control tower have a lot of maintenance issues that have become costly. If approved, the tax funds combined with state and federal funding will be used to construct the new facilities. The proposed locations will be studied to determine the optimal location for both facilities. Ms. Mehner noted the City has decided to bond airport and city hall improvements to begin work on these critical needs sooner. Discussion continued on the topic.
- B. Planning/Engineering Consultant Selection** – Mr. Loy provided an update on the planning and engineering consultant selection. Two companies submitted proposal; Coffman and Associates submitted a planning only proposal, while Crawford, Murphy, and Tilly, Inc. submitted a proposal for both. Mr. Loy stated he plans to interview both consulting firms and make a decision soon after.
- C. Essential Air Service Update** – Mr. Loy asked the Board its opinion regarding the Essential Air Service proposals submitted to U.S. Department of Transportation to provide air service to CGI. Proposals were received from SkyWest, Boutique Air, and Air Choice One. The Board consensus was SkyWest is the only way to 10,000 annual enplanements. Mr. Loy noted he still interested in exploring alternate destination options, such as Nashville, TN or Destin, FL using charter services outside of EAS. Discussion continued on the topic.

Mr. Uzoaru presented a motion for the Airport Manager to recommend the Cape Girardeau City Council request the U.S. Department of Transportation award the Essential Air Service bid to SkyWest Airlines for scheduled air service at Cape Girardeau, MO for a two year period beginning December 2019. Mr. Knotte seconded the motion. All were in favor. The motion passed with a unanimous vote.

- D. Airport Foundation Discussion** – Mr. Hobbs reported the Board is interested in becoming more active with the airport foundation. Mr. Knotte asked if by-laws or rules had been established for the foundation. Mr. Loy stated by-laws have not been

established and then went into the history of the foundation, and previous Board members interest in building a patio adjacent to the restaurant. Discussion continued on the topic.

E. V. Non-Agenda

None.

Adjournment:

There being no other business, Mr. Welker moved to adjourn the meeting and Mr. Knote seconded the motion. All were in favor. The meeting was adjourned at 12:37pm.

Minutes prepared by:

Katrina Amos
Deputy Airport Manager

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BOARD OF ADJUSTMENT

MEETING MINUTES

July 8, 2019

City Hall – Council Chambers

Regular Members Present: Larry Caldwell, Skip Smallwood, William Whitlock

Regular Members Absent: Charles Haubold, Tim Kelley

Alternate Members Present: Ray Buhs, David Hinton

Alternate Members Absent: Ed Hart

Staff Present: Molly Mehner, Carol Peters, Ryan Shrimplin

Call to Order

Vice-Chairman Smallwood called the meeting to order at 7:00 p.m.

Approval of Minutes

The minutes of the April 4, 2019 Board of Adjustment meeting were unanimously approved upon motion made by Mr. Whitlock and seconded by Mr. Caldwell.

Capital Improvement Sales Tax Presentation

Molly Mehner, Deputy City Manager, gave a presentation on the Capital Improvement Sales Tax. She explained that the tax was originally approved in November 1996 and consisted of two parts. The first part, a ¼-cent sales tax, was used to upgrade the City's water system, including renovating the water treatment plant and switching from Mississippi River water to well water. The tax was renewed by voters in 2011 and will expire in 2037. The tax renewal funded the new wastewater treatment facility. The second part, also a ¼-cent sales tax, was used to eliminate combined (sanitary and storm) sewer pipes and make other improvements, which are now complete. The tax will expire this year unless voters approve a renewal, which is on the August 6, 2019 ballot. If approved, the tax will expire in 2034, and will be used for converting the Common Pleas Courthouse to a new City Hall, improvements at the Cape Girardeau Regional Airport, water system improvements and maintenance, and street repairs (as a supplement to the Transportation Trust Fund). She reiterated that the ballot issue is for a renewal of an existing tax rather than a new tax.

ZONING CODE VARIANCES

1. A public hearing was held on the request of Benjamin Froemling for a variance from Section 30-407(b)(2), nonconforming uses, for property at 2222 Good Hope Street. Mr. Froemling explained that the property contains a residence but is zoned commercial. He would like to enclose the carport and add a deck to the rear of the house, which would expand the nonconforming (residential) use of the property.

A staff report was submitted to the Board, containing the following findings of fact in reference to the variance request:

Criterion #1: The variance request arises from a condition which is unique to the property in question and which is not ordinarily found, and is not created by an action or actions of the property owner or the applicant.

Finding: The subject property is one of three properties on the north side of this block that are zoned commercial but contain a single-family dwelling and are used for residential purposes. The dwellings were constructed many years ago. Historically, there were several other dwellings on this block but they were demolished as the adjacent commercial developments (KFC and Ruler Foods) expanded. The location of the subject property in an area of commercial expansion is a unique condition that was not self-imposed.

Criterion #2: Approval of the variance request will not adversely affect the rights of adjacent property owners or tenants.

Finding: The properties across the street are zoned R-2 (Single-Family Urban Residential) and contain single-family dwellings. The existing residential use of the subject property is compatible with the uses across the street. Therefore, approval of the variance request to expand the residential use will not adversely affect the adjacent property owners or tenants.

Criterion #3: The strict application of the provisions of the Zoning Code from which the variance is requested will constitute unnecessary hardship upon the utilization of the property.

Finding: The proposed expansion of the residential use consists of enclosing the carport and adding a deck. These types of improvements are typical for a residential property and would be allowed for any of the residences across the street. Denial of the variance request will result in a "penalty" or unnecessary hardship against the subject property because it happens to be zoned commercial even though it has always been used for residential purposes. It should be noted that the proposed improvements would be suitable for a commercial use (such as a professional office) as well should the use of the property change in the future.

Criterion #4: Approval of the variance request will not adversely affect the public health, safety, morals, order, convenience, prosperity, or general welfare.

Finding: The proposed expansion is characteristic of the types of improvements made to other residences in the area. Thus, approval of the variance request will not adversely affect the public.

Criterion #5: Approval of the variance request is consistent with the general spirit and intent of the Zoning Code.

Finding: The unique condition of the subject property, the unnecessary hardship that will result if the request is denied, and the lack of an adverse effect on the adjacent

property owners, tenants, and the public form the basis for approving the variance request in keeping with the general spirit and intent of the Zoning Code.

Based on the above findings, staff recommended approval of the variance request.

Vice Chairman Smallwood opened the public hearing. Seeing no appearances to speak, he closed the public hearing. A motion was made by Mr. Caldwell and seconded by Mr. Buhs to approve the variance request. The motion passed by a vote of 5 in favor, 0 in opposition, and 0 abstaining (*Aye: Buhs, Caldwell, Hinton, Smallwood, Whitlock*). Vice Chairman Smallwood called for a motion to adopt the staff report as the Board's Findings of Fact and Conclusions of Law. Mr. Hinton made a motion to adopt, and Mr. Caldwell seconded the motion. The motion passed by a unanimous vote.

2. A public hearing was held on the request of Jesse and Patricia Williams for a variance from Section 30-322(e)(5)(b), R-1 (Single-Family Suburban Residential District) rear yard setback requirements, for property at 2554 Masters Drive. Ms. Williams explained that she and her husband would like to construct a detached garage in the rear yard, but the setback would force the garage to be very close to the house.

A staff report was submitted to the Board, containing the following findings of fact in reference to the variance request:

Criterion #1: The variance request arises from a condition which is unique to the property in question and which is not ordinarily found, and is not created by an action or actions of the property owner or the applicant.

Finding: The subject property is 119.53 feet deep. The existing house is approximately 30 feet from the front lot line (which is also the front yard setback). The house is approximately 32 feet in depth. Taking into account the front yard setback, the existing house depth, and the rear yard setback, this leaves just under 33 feet for the proposed detached garage. The depth of the proposed garage is 20 feet, leaving less than 13 feet between it and the house. These specific constraints constitute a unique condition, which is not self-imposed.

Criterion #2: Approval of the variance request will not adversely affect the rights of adjacent property owners or tenants.

Finding: Staff researched the surrounding properties and found several that contain structures encroaching on the rear yard setback. Most of these structures appear to have been constructed many years ago, prior to the establishment of the current setback requirements. Some of these structures are closer to the rear lot line than the proposed garage. Therefore, approval of the variance request will not adversely affect the adjacent property owners or tenants.

Criterion #3: The strict application of the provisions of the Zoning Code from which the variance is requested will constitute unnecessary hardship upon the utilization of the property.

Finding: Denial of the variance request will force the property owner to substantially shorten the garage in order to provide the necessary clearance for access to the

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garage. Given the unique condition of the subject property and the fact that several of the surrounding properties have structures encroaching on the rear yard setback, denial of the variance request will impose an unnecessary hardship upon the utilization of the property.

Criterion #4: Approval of the variance request will not adversely affect the public health, safety, morals, order, convenience, prosperity, or general welfare.

Finding: The proposed garage encroachment will not create any hazards or other problems affecting the neighborhood or the public at large. Thus, approval of the variance request will not adversely affect the public.

Criterion #5: Approval of the variance request is consistent with the general spirit and intent of the Zoning Code.

Finding: The unique condition of the subject property, the unnecessary hardship that will result if the request is denied, and the lack of an adverse effect on the adjacent property owners, tenants, and the public form the basis for approving the variance request in keeping with the general spirit and intent of the Zoning Code.

Based on the above findings, staff recommended approval of the variance request.

Vice Chairman Smallwood opened the public hearing. Seeing no appearances to speak, he closed the public hearing. A motion was made by Mr. Hinton and seconded by Mr. Buhs to approve the variance request. The motion passed by a vote of 5 in favor, 0 in opposition, and 0 abstaining (*Aye: Buhs, Caldwell, Hinton, Smallwood, Whitlock*). Vice Chairman Smallwood called for a motion to adopt the staff report as the Board's Findings of Fact and Conclusions of Law. Mr. Caldwell made a motion to adopt, and Mr. Whitlock seconded the motion. The motion passed by a unanimous vote.

OTHER ITEMS AND COMMUNICATION

Vice Chairman Smallwood asked if the City's new medical marijuana ordinance requires an applicant to obtain consent from the Board of Adjustment if the proposed medical marijuana facility does not meet the distance requirement. Mr. Shrimplin stated that the ordinance does not include such a provision, but because the medical marijuana regulations are in the Zoning Code (Chapter 30 of the City's Code of Ordinances), an applicant could apply for a variance, which would be reviewed and decided by the Board.

Adjournment

Upon motion made by Mr. Caldwell and seconded by Mr. Hinton, the meeting was adjourned unanimously at 7:15 p.m.

Respectfully submitted by:

William Whitlock, Secretary

Historic Preservation Commission

MEETING MINUTES

June 19, 2019

City Hall – Council Chambers

Present: Michael Cervantes, Lauren Clark, Brianna DeWitt, Michael McKeever, Ken Markin, Alyssa Phares

Absent: Anne Hendrix, Bonnie Kipper

Staff Present: Carol Peters, Ryan Shrimplin

Others Present: Felix Kinsley, Honorary Member

Call to Order

Chairman DeWitt called the meeting to order at 7:00 p.m.

Approval of Minutes

The minutes of the May 1, 2019 Historic Preservation Commission meeting were unanimously approved upon motion made by Ms. Phares and seconded by Mr. Cervantes.

APPEARANCES REGARDING ITEMS NOT ON THE AGENDA

Mr. Peter Reckling introduced himself and stated that he would like to be appointed to the Commission. The Commission acknowledged receipt of his Advisory Board application, which had been provided by the City staff.

OTHER BUSINESS

1. Commission Training

The Commission watched a training video entitled "Your Job as a Commissioner". The video was provided by the Missouri State Historic Preservation Office (SHPO) and featured Dr. Steven Hoffman, Historic Preservation Program Coordinator for Southeast Missouri State University.

2. Committee Reports and Assignments

None of the Commission members had any reports or assignments to discuss.

3. Commission Appointment Recommendations

The Commission reviewed two (2) Advisory Board applications to fill the seat recently vacated by Raeanne Spears, who moved out of the city limits. Ms. Phares noted that Mr. Reckling is currently a student at Southeast Missouri State University. She asked Mr. Reckling if he planned to stay in Cape Girardeau after graduation, to which he responded affirmatively. A motion was made by Ms. Phares and seconded by Mr. Markin to recommend that the City Council appoint Peter Reckling to the Commission. The motion passed unanimously.

4. Commission Communication

Chairman DeWitt commended Dr. Steven Hoffman, Historic Preservation Program Coordinator for Southeast Missouri State University, and Marla Mills, Old Town Cape Executive Director, for narrating the Historic Preservation Month Walking Tour. She estimated that over thirty (30) people participated in the tour.

Mr. Cervantes stated that the United States Colored Troop Memorial Statue unveiling and dedication ceremony was a success. He noted that a large number of people attended the event.

Ms. Phares stated that she attended the City Council meeting on Monday, June 17, 2019 to learn about the plans for City Hall. The City Council recently decided to move City Hall to the Common Pleas Courthouse and annex. The historic buildings will be renovated, and an addition will be constructed to connect them. The Council decided against the original proposal to demolish the current City Hall building (formerly the Lorimier School) and construct a new building in its place due to the costs involved with repairing the Common Pleas buildings in order to market them for sale or lease. Mr. Shrimplin added that City Hall is one of several projects proposed to be funded by the renewal of the Capital Improvement Sales Tax, which will be on the August 6, 2019 ballot.

Chairman DeWitt welcomed Mr. McKeever and Ms. Clark to the Commission.

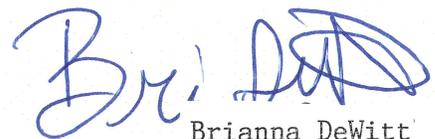
5. Staff Communication

Mr. Shrimplin stated that staff did not have any communication items to discuss.

6. Adjournment

Upon motion made by Ms. Phares and seconded by Mr. Markin, the Commission voted unanimously to adjourn the meeting at 8:10 p.m.

Respectfully submitted,


Brianna DeWitt
Chairman

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PLANNING & ZONING COMMISSION

MEETING MINUTES

July 10, 2019

City Hall – Council Chambers

Present: Larry Dowdy, Jeff Glenn, Kevin Greaser, Derek Jackson, Patrick Koetting, Bruce Skinner, Doug Spooler, Ed Thompson, Thomas J. Welch

Absent: None

Staff Present: Scott Meyer, Carol Peters, Ryan Shrimplin

Call to Order

Chairman Glenn called the meeting to order at 7:00 p.m.

Approval of Minutes

The minutes of the June 12, 2019 meeting were unanimously approved upon motion made by Mr. Koetting and seconded by Mr. Spooler.

Capital Improvement Sales Tax Presentation

Scott Meyer, City Manager, gave a presentation on the Capital Improvement Sales Tax. He explained that the tax was originally approved in November 1996 and consisted of two parts. The first part, a ¼-cent sales tax, was used to upgrade the City's water system, including renovating the water treatment plant and switching from Mississippi River water to well water. The tax was renewed by voters in 2011 and will expire in 2037. The tax renewal funded the new wastewater treatment facility. The second part, also a ¼-cent sales tax, was used to eliminate combined (sanitary and storm) sewer pipes and make other improvements, which are now complete. The tax will expire this year unless voters approve a renewal, which is on the August 6, 2019 ballot. If approved, the tax will expire in 2034, and will be used for converting the Common Pleas Courthouse to a new City Hall, improvements at the Cape Girardeau Regional Airport, water system improvements and maintenance, and street repairs (as a supplement to the Transportation Trust Fund). He reiterated that the ballot issue is for a renewal of an existing tax rather than a new tax.

REZONINGS, SPECIAL USE PERMITS, AND EXCEPTIONS

1. A public hearing was held on the request of the Clippard Family Trust for an exception from Development Code Section 25-604(a), fence height and surface requirements, at 1546 North Main Street. Johnathon Porzelt, Bootheel Fence Company, represented the applicant and was available for questions.

A staff report was submitted to the Commission, which contained the following findings of fact:

Criterion #1: As part of the exception request, a “substantial equivalent” is proposed. “Substantial equivalent” means an alternate design, method or feature that accomplishes the same purpose as the applicable Development Code requirement.

Finding: The applicant would like to replace the existing 4 foot high chain link fence along the south property line with the proposed 6 foot high aluminum picket fence. The purpose of the height and surface regulations in the Development Code is to prevent tall, solid fences along streets in residential areas for aesthetic and safety purposes. The decorative nature and the high open surface ratio of the fence qualify as a substantial equivalent.

Criterion #2: Approval of the exception request is consistent with the general spirit and intent of the Development Code.

Finding: The substantial equivalent proposed by the applicant ensures fairness among property owners and tenants, which makes approval of the exception request consistent with the general spirit and intent of the Development Code.

Based on the above findings, staff recommended approval of the exception request.

Chairman Glenn opened the public hearing. Seeing no appearances to speak, he closed the public hearing. A motion was made by Mr. Koetting and seconded by Mr. Greaser to approve the exception request. The motion passed with a roll call vote of 9 in favor, 0 in opposition, and 0 abstaining. (*Aye: Dowdy, Glenn, Greaser, Jackson, Koetting, Skinner, Spooler, Thompson, Welch*)

2. A public hearing was held on the request of Coast to Coast Signs for an exception from Development Code Section 25-506(j)(1), on-premises directional signs, at 150 South Mount Auburn Road. Ryan Shelton, representing Coast to Coast Signs, was in attendance and available for questions.

A staff report was submitted to the Commission, which contained the following findings of fact:

Criterion #1: As part of the exception request, a “substantial equivalent” is proposed. “Substantial equivalent” means an alternate design, method or feature that accomplishes the same purpose as the applicable Development Code requirement.

Finding: There is an existing 120 square foot freestanding sign located near the proposed directional sign. Per the Development Code, the existing freestanding sign is allowed up to 150 square feet in sign area. The applicant is proposing to transfer 4.5 square feet of the unused freestanding sign area to the proposed directional sign. This qualifies as a “substantial equivalent” because the applicant is staying with the total allowable sign area (including all sign types) for the subject property.

Criterion #2: Approval of the exception request is consistent with the general spirit and intent of the Development Code.

Finding: The “substantial equivalent” proposed by the applicant ensures fairness among property owners and tenants, which makes approval of the exception request consistent with the general spirit and intent of the Development Code. Staff noted

that the location of the proposed directional sign will need to be shifted further back from the right-of-way to avoid obstructing sight distance.

Based on the above findings, staff recommended approval of the exception request, with the following conditions:

1. The maximum sign area applicable to the existing freestanding sign (per the City's sign regulations) shall be reduced by 4.5 square feet.
2. The final location of the proposed directional sign shall be subject to approval by the City staff.

Mr. Skinner asked Mr. Shelton if he was aware of the recommended conditions of approval in the staff report. Mr. Shelton stated that he was not aware of the conditions. Mr. Shrimplin verbally read the conditions. Mr. Shelton then stated that he had no concerns with the conditions.

Chairman Glenn opened the public hearing. Seeing no appearances to speak, he closed the public hearing. A motion was made by Mr. Skinner and seconded by Mr. Koetting to approve the exception request, subject to the conditions in the staff report. The motion passed with a roll call vote of 9 in favor, 0 in opposition, and 0 abstaining. (*Aye: Dowdy, Glenn, Greaser, Jackson, Koetting, Skinner, Spooler, Thompson, Welch*)

3. A public hearing was held on the request of Piros Signs, Inc. for an exception from Development Code Section 25-506(b), freestanding signs, at 156 Vantage Drive. Mr. Greaser abstained from the discussion and vote for business reasons. Joe Phillips, representing Piros Signs, Inc., was in attendance and available for questions. He stated that his client, Bandana's Bar-B-Q, is proposing to transfer allowable wall sign area to the freestanding sign along Vantage Drive in order to exceed the maximum freestanding sign area per the Code.

A staff report was submitted to the Commission, which contained the following findings of fact:

Criterion #1: As part of the exception request, a "substantial equivalent" is proposed. "Substantial equivalent" means an alternate design, method or feature that accomplishes the same purpose as the applicable Development Code requirement.

Finding: The applicant is proposing two freestanding signs on the subject property (one along Vantage Drive and another along Farrar Drive). The area of the proposed freestanding sign along Vantage Drive exceeds the maximum area per the Development Code. In order to increase the maximum area to the proposed 251.88 square feet, the applicant is proposing to transfer 101.88 square feet of unused wall sign area to the freestanding sign. This qualifies as a "substantial equivalent" because the applicant is staying within the total sign area (freestanding + wall) allowed for the subject property.

Criterion #2: Approval of the exception request is consistent with the general spirit and intent of the Development Code.

Finding: The “substantial equivalent” proposed by the applicant ensures fairness among property owners and tenants, which makes approval of the exception request consistent with the general spirit and intent of the Development Code.

Based on the above findings, staff recommended approval of the exception request, with the following condition:

1. The maximum wall sign area for the subject property (per the City’s sign regulations) shall be reduced by 101.88 square feet.

Chairman Glenn opened the public hearing. Seeing no appearances to speak, he closed the public hearing. A motion was made by Mr. Koetting and seconded by Mr. Dowdy to approve the exception request, subject to the condition in the staff report. The motion passed with a roll call vote of 8 in favor, 0 in opposition, and 1 abstaining. (*Aye: Dowdy, Glenn, Jackson, Koetting, Skinner, Spooler, Thompson, Welch; Abstain: Greaser*)

SUBDIVISION PLATS

4. The record plat of Sabella’s First Subdivision was reviewed by the Commission. The plat combines three (3) tracts to form one (1) new lot. A staff report was submitted to the Commission, which recommended approval of the record plat. A motion was made by Mr. Koetting and seconded by Mr. Spooler to recommend approval of the record plat. The motion passed with a roll call vote of 9 in favor, 0 in opposition, and 0 abstaining. (*Aye: Dowdy, Glenn, Greaser, Jackson, Koetting, Skinner, Spooler, Thompson, Welch*)

OTHER ITEMS AND COMMUNICATION

Commission Communication

There were no communication items from the Commission.

Staff Communication

Mr. Shrimplin gave the following updates:

1. Update on items from previous Commission meetings going on to City Council

The City Council approved the following on June 17, 2019:

- 151 South Spanish Street Rezoning – 2nd & 3rd readings
- Ahrens First Subdivision Record Plat – 1st reading
- Midamerica Crossings Second Subdivision Record Plat – 1st reading
- Teresa Connell Subdivision Record Plat – 1st reading
- Randolph Subdivision Record Plat – 1st reading
- Chapter 25 Amendment Regarding Bicycle and Motorcycle Parking – 1st reading

The City Council approved the following on July 1, 2019:

- Ahrens First Subdivision Record Plat – 2nd & 3rd readings
- Midamerica Crossings Second Subdivision Record Plat – 2nd & 3rd readings

- Teresa Connell Subdivision Record Plat – 2nd & 3rd readings
- Randolph Subdivision Record Plat – 2nd & 3rd readings
- Chapter 25 Amendment Regarding Bicycle and Motorcycle Parking – 2nd & 3rd readings
- 4195 & 4196 Stone Crest and 4150 Thousand Oaks Lane Annexation, Zoning, and Ward Boundary Extension – 1st reading
- 3567/3569 & 3575/3577 Baldwin Drive Rezoning – 1st reading
- Chapter 30 Amendment Regarding Medical Marijuana Facilities and Personal Cultivation of Medical Marijuana – 1st reading

2. Update on Transportation Trust Fund (TTF) Projects

- Downtown Sidewalk Replacement – A change order was issued to the contract for this project to add work to replace the veneer on the Bloomfield Road retaining walls. The new veneer will be manufactured by the same company that manufactured the original veneer. Work will begin soon.
- 2019 LED Streetlight Conversion – The contract was awarded to KT Power Systems. Construction is ongoing.
- Sprigg Street Project – Staff is negotiating with the consultant.
- Main Street from Roberts Street to Cape Rock Drive – BFA is continuing to work on the conceptual design. The field survey is completed.
- West End Boulevard from Rose Street to Bertling Street – The consultant is working on the final plans. Construction will begin later this year.
- 2019 Concrete Street Repair – The contract was awarded to Nip Kelley Equipment Company.
- 2019 Sidewalk Gap – The contract was awarded to Lappe Concrete. A preconstruction meeting is scheduled for July 12.
- 2019 Asphalt Overlay – Construction is ongoing.

Mr. Shrimplin reported that the next TTF6 Committee meeting is scheduled for Monday, July 15, 2019 at 7:00 a.m.

Adjournment

There being no further business, the Commission voted unanimously to adjourn the meeting at 7:25 p.m. upon a motion made by Mr. Koetting and seconded by Mr. Greaser.

Respectfully submitted,

Kevin Greaser
Secretary

(DRAFT)

RED HOUSE INTREPRETIVE CENTER

July 11 2019

The Red House Interpretive Center Board met at the Osage Centre at 3:30 p.m. on July 11, 2019.

Present:

Brenda Schloss, Chairman	Debra Baughn, Board Member	Stan Baughn, Board Member
Stan Downs, Board Member	Beverly Hahs, Board Member	Dr. Frank Nickell, Board Member
Christy Mershon, Board Member	Julia Jones, P & R Director	Lisa Seyer, Adm. Secretary

Board Absenteeism:

Dana Deisher, Board Member (PN) Linda Nash, Board Member (PN)

Guest:

INTRODUCTIONS:

I. APPROVAL OF MINUTES:

The June 6, 2019 minutes were approved with a motion from Christy Mershon and seconded by Stan Baughn.

II. NEW BUSINESS:

1. Scouting and Lewis & Clark Historic Trails

Discussion on this was tabled until the August meeting when more information can be obtained from Paul Nenner regarding the merit badge requirements for scouts.

III. OLD BUSINESS

1. New Display Subcommittee

The hope was that the future intern would be involved in the implementation of the new displays, but since that has been put on hold indefinitely, discussion was held on what could be done now to change things up in the Red House. Brenda noted that Linda would like to be involved in whatever is planned/done. Board members discussed moving some of the furniture to open up windows that are now covered and moving some displays around in the rooms. Christy suggested adding some sensory items. Red House security concerns were raised with the discussion of exposing the windows by moving the furniture as there have been recent break-ins and an ongoing issue in the downtown area with homelessness, but Julia noted that the Red House has an existing alarm/security system in place. Brenda asked all Board Members to submit their new ideas for displays (including rotating exhibits) Linda before the August 8 meeting. Dr. Nickell asked to be on the committee or subcommittee for the new displays.

2. Traveling Trunks

Christy noted that an Adjunct Professor, Vickie McAllister is seeking student projects for outreach, communication, and marketing to promote education. The traveling trunks or interpretive cards for the docents could be a possible project. The professor will be back in August.

3. New and Prospective Docent & Board member Training Workshop

Christy suggested the Red House Board add two Student Board Members to the existing Board. It was suggested that these Student Board Members have equal Board Member status as those currently serving; serve a two-year term; be either a junior or senior in high school or a college student; and be chosen by the school administration as representatives for the Board. This will be added to the August 8 agenda. The hope is to begin building a docent group from these Student Board Members.

There was some discussion on putting together some social media to attract new docents too.

The new and prospective docent and Board Member training workshop with Karla has been tabled until the August 8 meeting.

RED HOUSE INTERPRETIVE CENTER MINUTES

JULY 11 2019

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4. **Paid Part-Time Site Manager/Internship Update**

There was some discussion about subcontracting a qualified site manager that could develop docent recruitment, oversee interns, and build a fundraising platform to help sustain the Red House into the future. Further discussion of possible candidate and funding was tabled until August 8 meeting when Lisa gets a current financial report for the Red House.

5. **Plaque Presentation and Tree Dedication**

The plaque presentation for Don Koehler was very nice. Thank you to all who came. Discussion on tree dedication was tabled.

IV. **REPORTS**

1. **July Staff Briefs**

The June/July/August Staff Briefs were distributed to the members' review.

2. **Historic Home Tour**

Christy sent an email to First Lady Parsons to visit the historic homes and sites in Cape Girardeau as she has expressed a passion for them in the state. If she accepts the invitation, we will need to follow up and take the lead for this tour.

3. **Docent Report**

The Baughns reported that there is still a lack of docents to cover events and low attendance at docent meetings.

6. **Rose Hill Garden Report**

Beverly reported that the wisteria is doing very well and the crepe myrtles are blooming. Also the vegetables are producing.

V. **OTHER BUSINESS**

Stan Downs motioned and Stan Baughn seconded to move the next Board Meeting to August 8, 2019 at 3:30 p.m. at the Cape County History Center in Jackson instead of the regularly scheduled August 1 meeting at the Osage Centre. All approved.

Christy suggested using the Red House as a venue for one of the upcoming First Friday Artist events. If we would elect to do so, we would need to invite an artist, advertise the event, and provide wine and food. We would be able to solicit sponsors for the wine, food and cost of advertisement to help cover the costs. It would bring in a whole new clientele that has not been at the Red House before.

Brenda noted we need to notify the Corvette Association regarding the parking situation at the Red House during their event. She will take the lead on this.

VI. **ADJOURNMENT**

There being no further discussion the meeting adjourned at 5:00 pm with a motion from Stan Downs and second from Linda Nash. Motion passed. The next meeting will be held on Thursday, August 8, 2019 at the Cape County History Center in Jackson at 3:30 p.m.

Respectfully submitted,

Lisa Seyer, Recording Secretary