



**CITY OF BELTON
CITY COUNCIL
REGULAR MEETING
TUESDAY, JUNE 23, 2015 – 7:00 P.M.
CITY HALL ANNEX
520 MAIN STREET
AGENDA**

I. CALL REGULAR MEETING TO ORDER

II. PLEDGE OF ALLEGIANCE

III. ROLL CALL

IV. CONSENT AGENDA

One motion, non-debatable, to approve the “recommendations” noted. Any member of the Council may ask for an item to be taken from the consent agenda for discussion and separate action.

A. Motion approving the minutes of the June 6, 2015, City Council regular meeting.

Page 7

B. Motion approving the May 2015 Police Judge’s Report.

Page 15

V. PERSONAL APPEARANCES

**2014 Belton Fire Department
Firefighter of the Year**

VI. ORDINANCES

A. Motion approving *final* reading of Bill No. 2015-39:

AN ORDINANCE APPROVING A FINAL DEVELOPMENT PLAN FOR AUTUMN WOODS, A MULTI-UNIT TOWNHOUSE DEVELOPMENT, ON A 9.81-ACRE TRACT OF LAND, LOCATED ON THE NORTH SIDE OF MARKEY ROAD, DIRECTLY NORTH OF BELTON, AVENUE, CITY OF BELTON, CASS COUNTY, MISSOURI.

First reading of this ordinance was on May 26, 2015. The final reading was postponed until a development plan was presented. The development plan is included.

Ordinance and development plan attached

Page 29

- B. Motion approving *final* reading of Bill No. 2015-44:
AN ORDINANCE APPROVING THE AGREEMENT AMENDMENT WITH CARTEGRAPH TO PROVIDE FIFTEEN (15) ADVANCED USER LICENSES AND ABILITY TO TRACK BRIDGES, WATER METERS, AND TRAFFIC SIGNALS TO THE CITY OF BELTON WITH A ONE-TIME COST OF \$6,100 FOR THESE ASSETS TO BE ADDED TO THE SYSTEM AND BEGINNING JUNE OF 2016 THE ANNUAL FEE WILL BE \$21,375.

Ordinance previously distributed

- C. Motion approving *final* reading of Bill No. 2015-45:
AN ORDINANCE APPROVING THE AGREEMENT AMENDMENT WITH MIDLAND GIS TO PROVIDE ACCESS TO ARCGIS FOR SERVER TO SYNC WITH CARTEGRAPH DATA WITH A ONE-TIME SETUP FEE OF \$2,500 PLUS AN ANNUAL FEE OF \$1,800.

Ordinance previously distributed

- D. Motion approving *both* readings of Bill No. 2015-46:
AN ORDINANCE APPROVING AN AGREEMENT FOR THE CITY'S SECTION 125 TAX SAVINGS PLAN WITH BASIC.

BASIC purchased Community Bank of Pleasant Hill DBA: First Trust of Mid-America in May 2015, and has taken over the administration of the city's Section 125 Cafeteria Plan. The Section 125 Cafeteria Plan is an employee benefit tax savings plan for health care & dependent care benefits.

Ordinance and agreement attached

Page 43

- E. Motion approving *first* reading of Bill No. 2015-47:
AN ORDINANCE APPROVING A PROFESSIONAL SERVICE AGREEMENT WITH OLSSON ASSOCIATES FOR SITE DILIGENCE AND MASTER PLANNING OF MARKEY BUSINESS PARK.

Ordinance and agreement attached

Page 99

VII. RESOLUTIONS

- A. Motion approving Resolution R2015-30:
A RESOLUTION APPROVING CHANGE ORDER NO. 1 TO THE INSITUFORM TECHNOLOGIES CONTRACT.

Resolution attached

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VIII. CITY COUNCIL LIAISON REPORTS

IX. MAYOR'S COMMUNICATIONS

X. CITY MANAGER'S REPORT

XI. MOTIONS

XII. OTHER BUSINESS

A. May 2015 budget report

XIII. ADJOURN

SECTION IV
A

**MINUTES OF THE BELTON
CITY COUNCIL
REGULAR MEETING
JUNE 9, 2015
CITY HALL ANNEX
520 MAIN STREET, BELTON, MISSOURI**

Mayor Davis called the regular meeting to order at 7:00 P.M.

Councilman Savage led the Pledge of Allegiance to the flag.

Councilmen present: Mayor Jeff Davis, Councilmen Jeff Fletcher, Gary Lathrop, Bob Newell, Tim Savage, Chet Trutzel, Dean VanWinkle, and Scott Von Behren; Absent: Councilman Al Hoag. Also present were: Brad Foster, Assistant City Manager; Aaron March, City Attorney; and Patti Ledford, City Clerk.

CONSENT AGENDA:

Councilman Savage moved to approve the consent agenda consisting of **a motion approving the minutes of the May 26, 2015, City Council regular meeting; a motion approving the purchase of one new International 7400 truck from International Truck and Engine Corporation in the amount of \$146,749.15 for the Transportation division and disposing of one Ford L8000 truck by way of auction; and a Motion approving of the police department's continuing education contract for FY16 in the amount of \$6,825.00.** Councilman Lathrop seconded. Councilman Lathrop asked for Item B to be removed for discussion and separate action. **A motion approving the purchase of one new International 7400 truck from International Truck and Engine Corporation in the amount of \$146,749.15 for the Transportation division and disposing of one Ford L8000 truck by way of auction.** Vote on the remaining items on the consent agenda were approved by all voting in favor. Councilman Hoag absent.

The Council then discussed Item B, **a motion approving the purchase of one new International 7400 truck from International Truck and Engine Corporation in the amount of \$146,749.15 for the Transportation division and disposing of one Ford L8000 truck by way of auction.** Councilman Lathrop had some questions on the bids. Dave Frazier, Street Superintendent, explained the bid process and bids. The prices are retail price and then they take the Missouri Department of Transportation Department (MODOT) prices and warranties. He explained although it does look odd they take the rebates and list prices to get to the bid price. MODOT recommended Navistar and it is the low bid.

Councilman Lathrop moved to approve the **purchase of one new International 7400 truck from International Truck and Engine Corporation in the amount of \$146,749.15 for the Transportation division and disposing of one Ford L8000 truck by way of auction.** Councilman Trutzel seconded. Vote on the motion was recorded with all present voting in favor. Councilman Hoag absent. Motion carried.

PERSONAL APPEARANCES:

Saralyn Hayes, ENP, 9-1-1 Manager for the Mid-America Regional Council (MARC) recognized

Ryan Vaughan, GIS Specialist, for his contributions to the MARC 9-1-1 Program. She said Ryan is our new point of contact. He hit the ground running. He is our go to person for Belton. She asked her staff to make a list of people who have helped with this program and Ryan was at the top of the list. Ryan is very professional and eager to work. He always provides maps and whatever is asked of him. Some of the comments from her staff on Ryan is he is stellar, a hard worker and dedicated. The city exceeds the national standards. She said she appreciates all of his work and presented him with a certificate and small token of appreciation. Mr. Vaughn said it has been a pleasure working with MARC and he said he is honored to be able to help and do my part. He said it also got him out of the office.

Mayor Davis said he is very proud and he does an outstanding job. When we hire good people we see what they can do. Police Chief James Person said prior to his involvement the County Assessor did all mapping for county for 911. When the emergency service board took over the mapping went out to municipalities. Ryan has done the mapping and technology throughout the city. It is more accurate now than when it was through county. His efforts and the technology invested in it is why we have what we have. Mayor Davis said that is why we are in 21st century.

ORDINANCES:

Ms. Ledford gave the final reading of Bill No. 2015-40: **AN ORDINANCE ACCEPTING A COOPERATIVE AGREEMENT WITH THE MID-AMERICA REGIONAL COUNCIL FOR FUNDING OPERATIONS OF OPERATION GREEN LIGHT TRAFFIC CONTROL SYSTEM IN THE AMOUNT OF \$4,800.** Presented by Councilman Trutzel, seconded by Councilman Lathrop. The Council was polled and the following vote recorded; Ayes: 8, Councilmen Trutzel, Von Behren, Mayor Davis, Councilmen Lathrop, Fletcher, Newell, VanWinkle, and Savage; Noes: None; Absent: 1, Councilman Hoag. Bill No. 2015-40, was declared passed and in full force and effect as Ordinance No. 2015-4103, subject to Mayoral veto.

Ms. Ledford read Motion Bill No. 2015-42: **AN ORDINANCE APPROVING A PUBLIC SERVICE AGREEMENT WITH BELTON COMMUNITY PROJECTS INC. REGARDING "COMMUNITY DAYS."** Presented by Councilman Lathrop, seconded by Councilman Trutzel. Vote on the first reading was recorded; Ayes: 8, Councilmen Newell, Trutzel, VanWinkle, Von Behren, Fletcher, Lathrop, Mayor Davis, and Councilman Savage; Noes: None; Absent: 1, Councilman Hoag. **Councilman Von Behren moved to hear the final reading.** Councilman Lathrop seconded. All presented voted in favor. The final reading was read. Presented by Councilman Trutzel, seconded by Councilman Von Behren. The Council was polled and the following vote recorded; Ayes: 8, Councilman Savage, Trutzel, Mayor Davis, Councilmen Lathrop, Von Behren, Fletcher, VanWinkle, and Newell; Noes: None; Absent: 1, Councilman Hoag. Bill No. 2015-42 was declared passed and in full force and effect as Ordinance No. 2015-4104, subject to Mayoral veto.

Ms. Ledford read Bill No. 2015-43: **AN ORDINANCE AUTHORIZING THE ISSUANCE OF TAX INCREMENT REFUNDING REVENUE BONDS (BELTON TOWN CENTRE PROJECT), SERIES 2015 OF THE CITY OF BELTON, MISSOURI, AND AUTHORIZING CERTAIN DOCUMENTS AND ACTIONS IN CONNECTION WITH THE EXECUTION AND DELIVERY OF THE BONDS.** Presented by Councilman Trutzel, seconded by Councilman Lathrop. Mayor Davis asked Sheila Ernzen, Finance Director, how much the city is saving. Ms. Ernzen said the interest rate was locked at 3.21%. We are saving about a \$3.1 million dollars in interest costs and about a \$1.3 million in net savings. Vote on the first reading was recorded; Ayes: 8, Mayor Davis, Councilmen Savage, Newell, Von Behren,

Fletcher, Lathrop, Trutzel, and VanWinkle; Noes: None; Absent: 1, Councilman Hoag. **Councilman Lathrop moved to hear the final reading.** Councilman Savage seconded. All present voted in favor. The final reading was read. Presented by Councilman Lathrop, seconded by Councilman Von Behren. The Council was polled and the following vote recorded; Ayes: 8, Councilmen Savage, Trutzel, Mayor Davis, Councilmen Lathrop, Von Behren, Fletcher Van Winkle, and Newell; Noes: None; Absent: 1, Councilman Hoag. Bill No. 2015-43, was declared passed and in full force and effect as Ordinance No. 2015-4105, subject to Mayoral veto.

Ms. Ledford read Bill No. 2015-44: **AN ORDINANCE APPROVING THE AGREEMENT AMENDMENT WITH CARTEGRAPH TO PROVIDE FIFTEEN (15) ADVANCED USER LICENSES AND ABILITY TO TRACK BRIDGES, WATER METERS, AND TRAFFIC SIGNALS TO THE CITY OF BELTON WITH A ONE-TIME COST OF \$6,100 FOR THESE ASSETS TO BE ADDED TO THE SYSTEM AND BEGINNING JUNE OF 2016 THE ANNUAL FEE WILL BE \$21,375.** Presented by Councilman Trutzel, seconded by Councilman Lathrop. Councilman Savage asked what the length of the agreement is. Jeff Fisher, Public Works Director said three years. Councilman Lathrop had some questions and Mr. Fisher said Cartegraph tracks everything. It gives us the capability to manage replacements of meters, and it tracks installation, repair and maintenance. Vote on the first reading was recorded; Ayes: 8, Councilmen Lathrop, Newell, Von Behren, Savage, Fletcher, Mayor Davis, Councilmen Trutzel and VanWinkle; Noes: None; Absent: 1, Councilman Hoag. First reading passed.

Ms. Ledford read Bill No. 2015-45: **AN ORDINANCE APPROVING THE AGREEMENT AMENDMENT WITH MIDLAND GIS TO PROVIDE ACCESS TO ARCGIS FOR SERVER TO SYNC WITH CARTEGRAPH DATA WITH A ONE-TIME SETUP FEE OF \$2,500 PLUS AN ANNUAL FEE OF \$1,800.** Presented by Councilman Trutzel, seconded by Councilman Lathrop. Vote on the first reading was recorded; Ayes: 8, Councilmen Lathrop, Newell, Von Behren, Savage, Fletcher, Mayor Davis, Councilmen Trutzel and VanWinkle; Noes: None; Absent: 1, Councilman Hoag. First reading passed.

RESOLUTIONS:

Ms. Ledford read Resolution R2015-27: **A RESOLUTION AMENDING THE FY2016 CITY BUDGET REGARDING THE POLICE REORGANIZATION PLAN.** Presented by Councilman Lathrop, seconded by Councilman Von Behren. Vote on the resolution was recorded with all voting in favor. Resolution passed.

Motion approving Resolution R2015-28: **A RESOLUTION APPROVING SUPPLEMENTAL AGREEMENT NO. 1 WITH OLSSON ASSOCIATES FOR THE MULLEN ROAD AND NORTH CASS PARKWAY PROJECT.** Present and second: Trutzel and Savage. There were some questions pertaining to the amount of money. Mr. Fisher said it is a not to exceed. It doesn't mean we will spend it at but it is possible. It is a big project with a lot of property owners. Councilman Trutzel said there is a lot going on down in that area. We are trying to move ahead expeditiously and get a head of the ball and be proactive not reactive. Vote on the resolution was recorded with all voting in favor. Councilman Hoag absent. Resolution approved.

Ms. Ledford read Resolution R2015-29: **A RESOLUTION FORMALLY ACCEPTING THE INFRASTRUCTURE CONSISTING OF WATERLINE ON NORTH SCOTT ASSOCIATED WITH THE PEACEFUL HOMES DEVELOPMENT.** Presented by Councilman Savage, seconded by Councilman Von Behren. Councilman Trutzel said the report

mentioned city supervision on the waterline. Mr. Fisher said that is correct. We do not have an acceptable list of people to do this, but staff will be looking at options and work with the city attorney's office on this. We had a contractor very willing to do the work but with no experience in doing this. In the future we will make sure they are bonded and watch them closely. Councilman Savage said we need to make it detailed so we know that they know what they are doing. Vote on the resolution was recorded with all voting in favor. Councilman Hoag absent. Resolution passed.

CITY COUNCIL LIAISON REPORTS:

Councilman Lathrop reported on the MARC annual regional assembly that he and Ron Trivitt, City Manager attended. One speaker was our former Mayor and now County Commissioner Jimmy Odom.

MAYOR'S COMMUNICATIONS:

Dave Frazier, Street Superintendent, reported on the City wide collection last weekend and thanked all that participated. We served 362 vehicles - one less than last year. We collected 68 tires; electronic were recycled. It's great program. He will compile a report of the event and alternatives to make it better and not cost the city any more money and thanked the Council for the opportunity to serve the community. Councilman Newell thanked staff and appreciated the work they did.

Mayor Davis said BCPI is looking for volunteers to help with community days. Contact Becky Neitch if you would like to volunteer.

Fire Chief Norman Larkey reported on a few fires – Taco Bueno and Subway both started by a cigarette in the mulch. Also, there was a suspicious fire on North Scott behind the gas station which is under investigation.

Sgt. Mical Stewart will be retiring from the Police Department on Thursday. He began his employment with the city in August, 1988. Chief Person said he is the first person he hired after he became chief. There will be a retirement reception beginning at noon.

Mayor Davis mentioned that Bill Rosser passed away. Mr. Rosser ran against Bob Newell in the April election. Thoughts and prayers are with the Rosser family.

CITY MANAGER'S REPORT:

Brad Foster, Assistant City Manager, said the city has been a participant in the Household Hazardous Waste (HHW). This year it will be hosted by Raymore on September 12th at Eagle Glen School. We will get information out to residents when we get closer.


OTHER BUSINESS:

Sheila Ernzen, Finance Director, said she is working on the May financials and reminded everyone it is early in the fiscal year. We can look at snap shots in time but it doesn't indicate how the fiscal year will end. today working on May financial report

Councilman Fletcher mentioned there was a change of command at the air base. Colonel Polosio of the 481st Command is being transferred to Chicago. He is going to be missed. If you have never seen a changing of the guard it is really neat and a site to see.

Police Chief James Person said the DARE golf tournament will be June 18 at Eagles Landing Golf Course. If anyone wants to play contact Detective Mary Bruegge.

Being no further business, Councilman Lathrop moved to adjourn at 7:39. Councilman Von Behren seconded. All voted in favor. Councilman Hoag absent. Meeting adjourned.


Patti Ledford, City Clerk

Jeff Davis, Mayor

SECTION IV
B

THE ATTACHED REPORT REPRESENTS A TRUE AND ACCURATE COPY OF COURT PROCEEDINGS HELD

COURT DATES: 5/6/15; 5/13/15; 5/27/15


MUNICIPAL JUDGE

6/1/15

DATE

IN ACCORDANCE WITH COURT OPERATING RULE 4.29 THE ATTACHED MUNICIPAL DIVISION SUMMARY REPORT FOR MONTH OF MAY 2015 WAS PRESENTED AND REVIEWED BY CITY COUNCIL AS REQUIRED.

CITY CLERK

DATE



My Filed Or Closed Cases Listing

Belton

6/1/2015 3:39:23 PM

Totals For Filed Date From 05/01/2015 To 05/31/2015

Posted Fee Totals For Transaction Date From 05/01/2015 To 05/31/2015

Violations By Filed Date

City Ordinance	173
IPMC CODE	1
MOVING TRAFFIC	370
Parking	5
Traffic	101
UNIFIED DEVELOPMENT CODE	2
Total Violations Filed:	652

Violations Completed-Paid Fines By Filed Date

CL-CLOSED FOUND GUILTY

City Ordinance	23
MOVING TRAFFIC	97
Parking	1
Traffic	49
CL	170
Total Violations Completed-Paid Fines:	170

Violations Completed-Before Judge By Filed Date

CL-CLOSED FOUND GUILTY

City Ordinance	83
IPMC CODE	2
MOVING TRAFFIC	63
Traffic	102
UNUSED	4
CL	254

DC-Dismissed by Complainant



My Filed Or Closed Cases Listing

Belton

6/1/2015 3:39:23 PM

Totals For Filed Date From 05/01/2015 To 05/31/2015

Posted Fee Totals For Transaction Date From 05/01/2015 To 05/31/2015

Violations Completed-Before Judge By Filed Date

City Ordinance	5	
DC		5

DI-CLOSED BY SIS

City Ordinance	7	
IPMC CODE	2	
MOVING TRAFFIC	6	
UNUSED	1	
DI		16

DP-Dismissed by Prosecutor

City Ordinance	23	
MOVING TRAFFIC	34	
Traffic	4	
DP		61

DW-DISMISSED NO WITNESS

City Ordinance	2	
DW		2

DX-FOUND NOT GUILTY AT TRIAL

City Ordinance	2	
MOVING TRAFFIC	52	
Traffic	3	
DX		57

Total Violations Completed-Before Judge:	395	
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My Filed Or Closed Cases Listing

Belton

6/1/2015 3:39:23 PM

Totals For Filed Date From 05/01/2015 To 05/31/2015

Posted Fee Totals For Transaction Date From 05/01/2015 To 05/31/2015

Violations Completed-Other By Filed Date

DO-DISMISSED BY OFFICER

City Ordinance	11
IPMC CODE	2
MOVING TRAFFIC	1
DO	14

DS-DISMISSED STATE CHARGES

City Ordinance	2
MOVING TRAFFIC	8
DS	10

Total Violations Completed-Paid Fines: 24

Total Violations Completed-Paid Fines:	170
Total Violations Completed-Before Judge:	395
Total Violations Completed-Before Jury:	0
Total Violations Completed-Before Teen Court:	0
Total Violations Completed-Other:	24
Total Violations Completed:	589
Total Violations Filed:	652
Net Difference Filed - Completed:	63

Warrants Issued

City Ordinance	110		
MOVING TRAFFIC	56		
Traffic	29		
Total Warrants Issued:	195	Total Violations:	195



My Filed Or Closed Cases Listing

Belton

6/1/2015 3:39:23 PM

Totals For Filed Date From 05/01/2015 To 05/31/2015

Posted Fee Totals For Transaction Date From 05/01/2015 To 05/31/2015

Warrants Cleared

City Ordinance	91		
MOVING TRAFFIC	74		
Traffic	33		
Total Warrants Cleared:	198	Total Violations:	198
Total Warrants Issued:	195		
Total Warrants Cleared:	198		
Net Difference:	-3		

Violations Completed-Other Paid By Filed Date

AJ-SUSPENDED IMPOSITION OF SENTEN

City Ordinance	1		
IPMC CODE	1		
MOVING TRAFFIC	1		
AJ		3	

AP-Appealed

City Ordinance	3		
MOVING TRAFFIC	1		
AP		4	

BW-FTA ISSUED

MOVING TRAFFIC	1		
BW		1	

CD-Completion date for school(s)

MOVING TRAFFIC	2		
CD		2	



My Filed Or Closed Cases Listing

Belton

6/1/2015 3:39:23 PM

Totals For Filed Date From 05/01/2015 To 05/31/2015

Posted Fee Totals For Transaction Date From 05/01/2015 To 05/31/2015

Violations Completed-Other Paid By Filed Date

CN-Continued Arraignment

MOVING TRAFFIC	8	
Traffic	2	
CN		10

IA-Initial Arraignment

City Ordinance	1	
MOVING TRAFFIC	4	
IA		5

PP-Payment plan

City Ordinance	3	
IPMC CODE	1	
MOVING TRAFFIC	12	
Traffic	4	
PP		20

VS-DIVERSION

City Ordinance	7	
MOVING TRAFFIC	1	
VS		8

Total Violations Completed-Other Paid:	53	
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My Filed Or Closed Cases Listing

Belton

6/1/2015 3:39:23 PM

Posted Fee Totals For Transaction Date From 05/01/2015 To 05/31/2015

Fee Code	Fee Description	Paid
BF (84)	BOND FORFEITURE	\$702.00
CC (76)	COURT COSTS	\$3,167.30
CN (CA)	COURT NOTIFCATION AUTOMATION	\$622.44
CVC2 (74)	CRIME VICTIMS CITY	\$117.29
CVS2 (CV)	CRIME VICTIMS STATE	\$2,280.25
DM (82)	DOMESTIC VIOLENCE	\$634.00
DWI (77)	DWI RECOVERY COST	\$200.00
FINE (76)	FINE	\$41,555.87
ILFC (83)	ILF- CITY	\$632.13
IS (IS)	INMATE SECURITY FUND	\$628.03
OP	Overpayment	\$1.97
RST (RS)	RESTITUTION	\$394.79
RTNCK (CRF)	RETURN CHECK FEE	\$40.00
SR (SR)	SHERIFF RETIREMENT	\$959.42
TFC (78)	TRAINING FUND CITY	\$632.00
TFS (81)	TRAINING FUND STATE	\$319.80
WRNTFE (76)	WARRANT FINE	\$50.00

\$2.00 COPIES

Report Totals: \$52,937.29

\$ 52939.29

MUNICIPAL DIVISION SUMMARY REPORTING FORM

Refer to instructions for directions and term definitions. Complete a report each month even if there has not been any court activity.

I. COURT INFORMATION		Contact information same as last report <input type="checkbox"/>	
Municipality:	Belton	Reporting Period: 5/2015	
Mailing Address: 7001 E. 163rd St. Belton 64012		Software Vendor: Tyler Technologies	
Physical Address: 7001 E. 163rd St. Belton 64012		County: CASS COUNTY	Circuit: 17
Telephone Number (816) 331-2798		Fax Number: (816) 348-4439	
Prepared by: Laura Ellis	E-mail Address: beltoncourts@beltonpd.org		iNotes[X]
Municipal Judge(s) CHARLES C. CURRY		Prosecuting Attorney: WILLIAM MARSHALL III	
II. MONTHLY CASELOAD INFORMATION		Alcohol and Drug Related Traffic	Other Traffic
		Non-Traffic Ordinance	
A. cases (citations / informations) pending at start of month		68	2,555
B. cases (citations / informations) filed		10	448
C. cases (citations / informations) disposed			
1. jury trial (Springfield, Jefferson County, and St. Louis County only)			
2. court / bench trial - GUILTY		0	3
3. court / bench trial - NOT GUILTY		0	55
4. plea of GUILTY in court		3	143
5. Violations Bureau Citations (i.e., written plea of guilty) and bond forfeitures by court order (as payment of fines / costs)		0	140
6. dismissed by court		0	0
7. nolle prosequi		0	46
8. certified for jury trial (not heard in the Municipal Division)		0	0
9. TOTAL CASE DISPOSITIONS		3	387
D. cases (citations / informations) pending at end of month [pending caseload = (A + B) - C9]		75	2,616
E. Trial de Novo and / or appeal applications filed		0	0
III. WARRANT INFORMATION (Pre and Post Disposition)		IV. PARKING TICKETS	
1. # issued during reporting period	195	# issued during period	0
2. # served/withdrawn during reporting period	198	<input checked="" type="checkbox"/> Court staff does not process parking tickets	
3. # outstanding at end of reporting period	1,385		
V. NET DISBURSEMENTS			
Fines	\$42,230.28	Restitution	\$394.79
Clerk/Court Fee (costs)	\$3,799.43	Parking ticket revenue (including penalties)	\$0.00
Judicial Education Fund (JEF) <input type="checkbox"/> Court does not retain funds for JEF	\$0.00	Bond forfeitures (paid to city)	\$702.00
Peace Officer Standards and Training (POST) Commission surcharge	\$319.80	Bond refunds	\$0.00
Crime Victims Compensation (CVC) Fund surcharge	\$2,397.54	Total Other disbursements Use the Supplemental to itemize and enter the total here	\$240.00
Law Enforcement Training (LET) Fund surcharge	\$632.00		
Domestic Violence Shelter surcharge	\$634.00	Total Disbursements	\$52,937.29
Inmate Prisoner Detainee Security Fund surcharge	\$628.03		
Sheriffs' Retirement Fund surcharge	\$959.42		

**MUNICIPAL DIVISION SUMMARY REPORTING FORM
Supplemental**

Section V. NET DISBURSEMENTS

Total Other disbursements. Enter additional surcharges and/or fees disbursed by the court not listed on the MUNICIPAL DIVISION SUMMARY REPORTING FORM. Use additional forms if necessary and enter the total on the Total Other disbursements line on the MUNICIPAL DIVISION SUMMARY REPORTING FORM. (Examples include, but are not limited to, arrest costs, witness fees, and board bill/jail costs.)

Other Disbursements	\$	\$ Amount
RETURN CHECK FEE	\$	\$40.00
DWI RECOVERY COST	\$	\$200.00
Total for Other Disbursements	\$	\$240.00
<p>Include this total amount under total Other disbursements on Municipal Division Summary Report</p>		



BELTON MUNICIPAL COURT
7001 E 163RD ST
BELTON, MO 64012
816-331-2798 phone
816-331-3179 fax

facsimile transmittal

To: STATISTICS SECTION **Fax:** 573-526-0338

From: Laura Ellis **Date:** 6/1/2015

Re: MUN DIV REPORTING FORM **Pages:** 3 INCL THIS PAGE

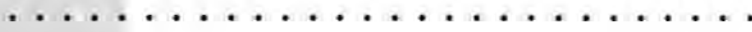
CC:

- Urgent For Review Please Comment Please Reply Please Recycle
-

ATTACHED IS THE MAY 2015 MUNICIPAL DIVISION REPORTING FORM FOR THE PERIOD MAY1, 2015 THROUGH MAY 30, 2015 FOR THE BELTON MUNICIPAL COURT.

IF YOU HAVE ANY QUESTIONS, PLEASE CONTACT THE COURT OFFICE AT (816)331-2798

**THANK YOU,
LAURA ELLIS**



MEMORY TRANSMISSION REPORT

TIME : 06-01-'15 14:21
FAX NO.1 : 816-331-3179
NAME : Belton Mun. Court

FILE NO. : 385
DATE : 06.01 14:20
TO : OSCA STATE RPT
DOCUMENT PAGES : 3
START TIME : 06.01 14:20
END TIME : 06.01 14:21
PAGES SENT : 3
STATUS : OK

*** SUCCESSFUL TX NOTICE ***

BELTON MUNICIPAL COURT
7001 E 163RD ST
BELTON, MO 64012
816-331-2708 phone
816-331-3179 fax

To:	STATISTICS SECTION	Fax:	573-526-0338
From:	Laura Ellis	Date:	6/1/2015
Re:	MUN DIV REPORTING FORM	Pages:	3 INCL THIS PAGE
CC:			
<input type="checkbox"/> Urgent <input type="checkbox"/> For Review <input type="checkbox"/> Please Comment <input type="checkbox"/> Please Reply <input type="checkbox"/> Please Recycle			

ATTACHED IS THE MAY 2015 MUNICIPAL DIVISION REPORTING FORM FOR THE PERIOD MAY1, 2015 THROUGH MAY 30, 2016 FOR THE BELTON MUNICIPAL COURT.

IF YOU HAVE ANY QUESTIONS, PLEASE CONTACT THE COURT OFFICE AT (816)331-2798

THANK YOU,
LAURA ELLIS

CONFIDENTIAL

SECTION VI
A

BILL NO. 2015-39

ORDINANCE NO. 2015-

AN ORDINANCE APPROVING A FINAL DEVELOPMENT PLAN FOR AUTUMN WOODS, A MULTI-UNIT TOWNHOUSE DEVELOPMENT, ON A 9.81-ACRE TRACT OF LAND, LOCATED ON THE NORTH SIDE OF MARKEY ROAD, DIRECTLY NORTH OF BELTON AVENUE, CITY OF BELTON, CASS COUNTY, MISSOURI.

WHEREAS, it is the Planning Commission's responsibility to review and approve, approve conditionally or disapprove development plans within a reasonable time after submission; and

WHEREAS, the Final Development Plan was hereby reviewed by staff and duly presented to the Belton Planning Commission at a regular meeting held on May 18, 2015; and

WHEREAS, the Belton Planning Commission voted unanimously to recommend approval of the Final Development Plan for Autumn Woods, a multi-unit townhouse development, to the City Council.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF BELTON, CASS COUNTY, MISSOURI, AS FOLLOWS:

Section 1. That the Final Development Plan for Autumn Woods, a multi-unit townhouse development, located on the north side of Markey Road, just north of Belton Avenue, in the City of Belton, Cass County, Missouri, is hereby accepted and approved and that the appropriate city officials are hereby authorized to execute same.

Section 2. That all ordinances or parts of ordinances in conflict with the provisions hereof are hereby repealed.

Section 3. That this ordinance shall be in full force and effect upon the execution and recording of a development agreement between the city and developer.

Duly read two (2) times and passed this ____ day of May, 2015.

Mayor Jeff Davis

Approved this ____ day of May, 2015.

Mayor Jeff Davis

ATTEST:

Patricia A. Ledford, City Clerk
of the City of Belton, Missouri

STATE OF MISSOURI)
CITY OF BELTON)SS
COUNTY OF CASS)

I, Patricia A. Ledford, City Clerk, do hereby certify that I have been duly appointed City Clerk of the City of Belton and that the foregoing ordinance was regularly introduced for first reading at a meeting of the City Council held on the 26th day of May, 2015, and thereafter adopted as Ordinance No. 2015-_____ of the City of Belton, Missouri, at a regular meeting of the City Council held on the _____ day of _____, 2015, after the second reading thereof by the following vote, to-wit:

AYES: COUNCILMEN:

NOES: COUNCILMEN:

ABSENT: COUNCILMEN:

Patricia A. Ledford, City Clerk
of the City of Belton, Missouri

DEVELOPMENT AND MAINTENANCE AGREEMENT

This DEVELOPMENT AND MAINTENANCE AGREEMENT (this "Agreement") is made and entered into as of the _____ day of _____, 2015 by and between THE CITY OF BELTON, MISSOURI (the "City") and _____ ("Developer").

WHEREAS, Developer is the owner of certain real property located at _____ and as more particularly described on **Exhibit A**, attached hereto (the Property), and known as the Autumn Woods subdivision; and

WHEREAS, Developer intends to develop the Property in accordance with the Belton Municipal Code and Belton Unified Development Code (the "Development"); and

WHEREAS, the parties desire the responsibilities of each party with respect to the construction and maintenance of certain infrastructure and specifically:

1. On-site storm water management systems ("Storm Water Management Systems") and best management practices facilities to be constructed and maintained on the Property("BMP Facilities".)
2. Developer-constructed and maintained private street (the "Private Street".)
3. The installation of a master water meter for the Development to regulate water usage("Water Meter".)
4. The construction of sanitary sewers for the Development ("Sanitary Sewers")

(collectively the " Infrastructure") be set out in this Agreement..

NOW THEREFORE, the City and Developer, in consideration of the terms, covenants and conditions herein set forth, hereby agree as follows:

1. Initial Construction. The Storm Water Management System, BMP Facilities, Private Streets, distribution systems for drinking water and the Sanitary Sewers shall be constructed by the Developer, its successors and assigns, in accordance with the plans and specifications (the "Plans") approved by the City and in accordance with the Belton Municipal Code, the Belton Unified Development Code and any and all other applicable regulations. The drinking water master meter shall be installed by the City on property dedicated as public access/ easement by the Developer.
2. On-Site Stormwater Management System and BMP Facilities.
 - a. The Developer and its successors and assigns, including any homeowners and/or subdivision association, shall, at all times, adequately maintain the Storm Water Management System and the BMP facilities as approved for the development in the

approved Plans. The facilities to be maintained shall include all pipes and channels built to convey storm water to the BMP Facilities, as well as all structures, improvements and vegetation provided to control the quantity and quality of the storm water. Adequate maintenance is herein defined as maintained in good working condition so that the Storm Water Management System and the BMP Facilities: 1) fully and completely perform and function as designed; 2) do not adversely affect other elements of the overall storm water system; 3) comply with the approved plans and specifications, Belton Municipal Code, Belton Unified Development Code and any and all other applicable regulations. Storm water pipes marked on the approved plans and specifications as “private” are to be maintained by the Developer. Storm water pipes which are marked on the approved plans and specifications as “public” are not the responsibility of the Developer; however, the Developer shall take no action to cause damage or adversely affect the public systems and, furthermore, landowner shall continue to maintain the “private” facilities so as not to adversely affect the “public” facilities.

- b. Annual Inspections. The Developer, its successors and assigns, shall inspect the Storm Water Management System and the BMP Facility and submit an inspection report to the City’s Public Works Director annually. The purpose of the inspection is to ensure safe and proper functioning of the facilities. The inspection shall cover all components of the Storm Water Management System and the BMP Facility including but not limited to berms, outlet structure, retention/detention and pond areas, access roads, etc. Deficiencies shall be noted in the inspection report together with Developer's plan and timeline to remedy any such deficiencies..
- c. City Authorized to Enter Property. The Developer hereby grants its consent to the City to enter upon the Property, from time to time, and to inspect the Storm Water Management System and the BMP Facilities whenever the City deems necessary. The purpose of inspection is to follow up on reported deficiencies, to verify the annual reports submitted by Developer and/or to respond to citizen concerns or possible nuisance conditions. The City shall provide the Developer, its successors and assigns, copies of the inspection findings and a directive to commence with repairs if necessary.
- d. Maintenance Schedule. The Developer, its successors and assigns, will perform the work necessary to keep the Storm Water Management System and the BMP Facilities in good working order as appropriate. In the event a maintenance schedule for the Storm Water Management System and the BMP Facilities (including sediment and debris removal) is outlined on the approved plans and specifications, or as part of this Agreement, the schedule will be followed. In addition to the actions outlined on the maintenance schedule, the Developer and its successors and assigns shall take further action in order to keep the Storm Water Management System and the BMP Facilities in good working order. Developer acknowledges that following an agreed upon maintenance schedule, alone, will not relieve the Developer of any responsibility to take further actions to ensure proper operation and maintenance of the Storm Water Management System and the BMP Facilities.
- e. The Storm Water Infrastructure marked on the approved plans and specifications as private shall remain private in perpetuity

3. Private Street.

- a. The Private Street will be constructed to public street standards and meet all other requirements as set forth in Section 36-108 of the UDC.
- b. The City shall install a standard "private street" sign at each private street connection to a public street at the Developer's expense.
- c. Street lights and/or sidewalks shall be installed and maintained by Developer to a standard at least equal to that of public street lights and sidewalks. All maintenance costs shall be paid by the Developer in perpetuity
- d. The Developer, and its successors and assigns, including any homeowners and/or subdivision association, shall, at all times, adequately maintain the Private Street as approved for the development in the approved plans and specifications. Maintenance shall include snow removal and repair of street pavement and curbs and gutters of the Private Street, as well as maintenance and repair of street lights and sidewalks.
- e. The Private Street must be entirely self-contained within the Property and the development of same pursuant to approved plans and specifications.
- f. The Private Street cannot function as a private street if it is designed or planned by the Developer to handle traffic from one subdivision, cluster or development through another subdivision, cluster or development, or if the City determines the alignment of the Private Street will encourage "short cutting" or "detouring" from one public street to another.
- g. The Private Street shall remain as a private street in perpetuity.
- h. The Private Street shall be subject to a perpetual, nonexclusive public utility easement for the purpose of permitting above and below ground public utilities to be installed and maintained.
- i. No machinery, trailers, vehicles or other property may be stored or parked upon the Private Street except the parking of vehicles for limited periods of time, not to exceed 48 continuous hours. Parking shall be limited to one side of the Private Street only, at all times, and the Developer shall post signs to this effect. Enforcement of parking restrictions shall be the responsibility of the Developer.
- j. Snow and ice removal of the private street shall be performed by the Developer in an expeditious manner with each event to provide safe and efficient travel for residents. Snow and ice removal shall be performed in a manner that does not impede access to public infrastructure such as water line valves and fire hydrants.

4. Public Infrastructure.

- a. All drinking water and sanitary sewer infrastructure marked public on the Plans will be constructed by the Developer according to the current City of Belton Design and Construction Manual, and maintained by the City. All service lines to both the drinking water infrastructure and the Sanitary sewer infrastructure are private in perpetuity, and shall be maintained by Developer according to the Belton Municipal Code and other applicable city regulations.
- b. There shall be one, six-inch drinking water meter (the "Master Meter") that will serve the subdivision and be installed and maintained by the City. The costs for

the Master Meter itself will be paid by Developer along with all other permit costs. The City will bill the Developer each month as a typical customer for water and sanitary sewer usage and will be administered according to the Belton Municipal Code and other applicable city regulations.

- c. The drinking water and sanitary sewer infrastructure shall not be obstructed in any way to inhibit or prevent maintenance of public assets. All maintenance of public infrastructure that requires excavation, will be restored by the City according to the Belton Unified Development Code, the Belton Municipal Code and city and industry standards and practices.
5. **Building Permits.** No building permits shall be issued until the Infrastructure, including the Storm Water Management System and BMP Facilities, the Private Street, drinking water and Sanitary Sewers have been installed by the Developer in accordance with approved Plans and all grading work completed. In the alternative, the Developer may guarantee and financially secure the completion of construction of the Improvements by posting a bond, letter of credit or other security approved by the City Council in an amount equivalent to or larger than one-hundred and twenty percent (120%) of the projected cost of the Infrastructure at the date of the expiration of the guarantee.
6. **No Agency or Partnership.** This Agreement is not intended and shall not be construed to create the relationship of agent, servant, employee, partnership, joint venture or association as between the City and Developer, nor between the City and any officer, employee, contractor or representative of Developer. No joint employment is intended or created by this Agreement for any purpose. Developer agrees to so inform its employees, agents, contractors and subcontractors who are involved in the implementation of or construction under this Agreement.
7. **Failure to Maintain.** In the event the Developer, its successors and/or assigns, fails to maintain the storm water management/BMP facilities and/or Private Street in good working condition, the City will notify Developer, its successors and/or assigns, of deficiencies by letter. The Developer will have ten (10) days from the date of the letter to respond to the City with an adequate plan to make repairs. If adequate repairs are not made by Developer in a timely manner, Developer hereby consents and agrees that City may enter upon the Property and take whatever steps necessary to correct deficiencies identified in the inspection report. There shall be a five-hundred dollar (\$500.00) penalty for each day the Developer does not make adequate repairs. All costs of such repairs shall be assessed to the Developer, its successors and/or assigns, including administrative costs, materials, personnel, attorneys fees and any penalties. The assessment may be accomplished by placing a special assessment on the property(ies), which may be placed on the tax bill and collected in the same manner as ordinary taxes. It is expressly understood and agreed that the City is under no obligation to routinely maintain or repair said facilities, and in no event shall this Agreement be construed to impose any such obligation on the City.
8. **Indemnification.** Developer agrees to indemnify, defend, and hold harmless the City, its respective employees, officials, agents, representatives and volunteers from and against any and all liabilities, damages, injuries (including death), property damage (including loss of use), claims, liens, judgments, costs, expenses, suits, actions or proceedings and reasonable attorney's fees, and actual damages of any kind or nature, arising out of the gross negligence or willful misconduct of Developer, its employees, agents, officers,

contractors or subcontractors, or Developer's performance or failure to perform under the terms and conditions of this Agreement. Such indemnification, hold harmless and defense obligation shall exclude liability arising out of acts, omissions, or the negligence or willful misconduct of the City. The indemnification and defense obligations set forth herein shall survive the termination of this Agreement.

9. Governing Law. This Agreement shall be construed under the laws of the state of Missouri.
10. Entire Agreement. This Agreement constitutes the entire agreement between the parties hereto.
11. Notices. All notices hereunder must be in writing and shall be deemed validly given if sent by certified mail, return receipt requested, addressed as follows:

CITY:

City of Belton
City Administrator
506 Main Street
Belton, Mo 64012

DEVELOPER:

12. Counterparts. This Agreement may be executed in any number of identical counterparts, each of which for all purposes shall be deemed an original, and all of which shall constitute collectively one agreement.
13. Binding Effect. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and assigns.
14. Severability. The provisions of this Agreement shall be deemed severable. If any part of this Agreement shall be held invalid, illegal or unenforceable, the remainder shall remain in full force and effect, and such invalid, illegal or unenforceable provision shall be reformed by such court so as to give maximum legal effect to the intention of the parties as expressed therein.
15. Recording. This Agreement shall be recorded among the land records of Cass County, Missouri by the Developer and shall constitute a covenant running with the land, and shall be binding on the Developer, its administrators, executors, assigns, heirs and any other successors in interest, including any homeowner's and/or subdivision association. This agreement shall be recorded with the record plat of any development of the Property.
16. Amendments. This Agreement shall not be amended or modified in any way without the prior written approval of the City and that approval must be indicated on the face of any subsequently recorded document amending or modifying this Agreement.

CITY OF BELTON

Mayor Jeff Davis

ATTEST:

Patti Ledford, City Clerk

DEVELOPER

Signature

Print Name

STATE OF MISSOURI)
) ss.
COUNTY OF _____)

On this ____ day of June, 2015, before me, the undersigned Notary Public, in and for said state, personally appeared _____, _____ of _____, known to me to be the person described in and who executed the within Development and Maintenance Agreement on behalf of said corporation, and acknowledged to me that _____ executed the same for the purposes therein stated and that the foregoing instrument was authorized by the board of directors of said corporation, and _____ acknowledged execution thereof to be on behalf of and the free act and deed of said corporation.

Subscribed and sworn to me the day and year above written.

Notary Public:

My commission expires:

EXHIBIT A

Final Plat of the Autumn Woods Subdivision
Legal Description

SECTION 02	TOWNSHIP 46 NORTH
RANGE 33 WEST	LOT 2, 3, 4 & 5
SOUTH EAST QUARTER	
BELTON, MISSOURI	

DESEIGNED BY:
HUFFMAN LAND SURVEYORS, LLC
 6000 N. STATE ST. SUITE 100
 BELTON, MISSOURI 64012
 PHONE: (816) 322-4544
 FAX: (816) 331-4030
 EMAIL: huffmanm@swbell.net

DATE OF SURVEY:
 05/11/2011

PROJECT:
 AUTUMN WOODS / R-3 P.U.D.

TITLE COMMITMENT:
 A TRACT OF LAND LOCATED IN THE SOUTHWEST QUARTER AND THE SOUTHEAST QUARTER OF SECTION 02, TOWNSHIP 46 NORTH, RANGE 33 WEST BELTON, CASS COUNTY, MISSOURI

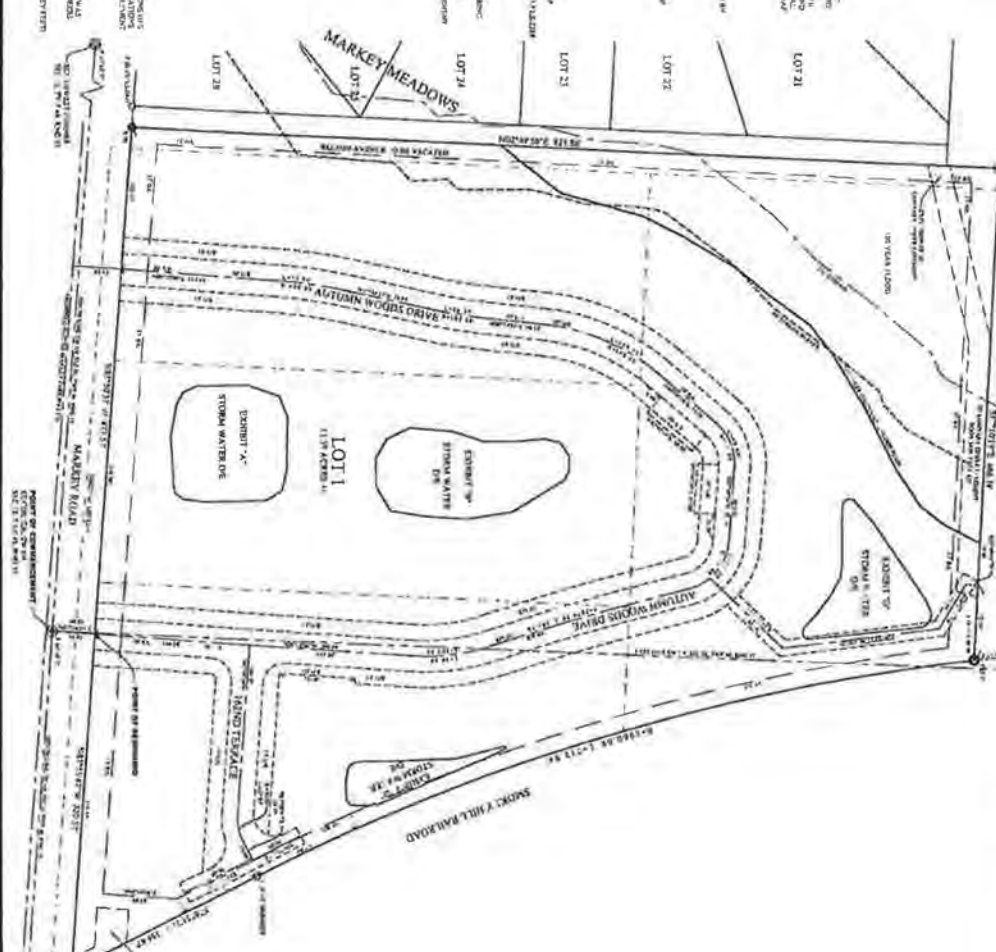
- LEGEND**
- 1. Proposed Subdivision
 - 2. Proposed Road
 - 3. Proposed Right-of-Way
 - 4. Proposed Easement
 - 5. Proposed Utility Easement
 - 6. Proposed Water Easement
 - 7. Proposed Storm Water Easement
 - 8. Proposed Storm Water Pond
 - 9. Proposed Storm Water Pond
 - 10. Proposed Storm Water Pond
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 - 50. Proposed Storm Water Pond



MASS OF LAND:
 11.97 ACRES ±

COMMISSIONER'S CERTIFICATE:
 I, _____, Commissioner of the State of Missouri, do hereby certify that the above described land is a tract of land located in the southwest quarter and the southeast quarter of section 02, township 46 north, range 33 west, belton, cass county, missouri.

FINAL PLAT OF
AUTUMN WOODS / R-3 P.U.D.
 A TRACT OF LAND LOCATED IN THE SOUTHWEST QUARTER AND THE SOUTHEAST QUARTER OF SECTION 02, TOWNSHIP 46 NORTH, RANGE 33 WEST BELTON, CASS COUNTY, MISSOURI



ASSURANCE:
 I, the undersigned, being a duly qualified and licensed land surveyor in the State of Missouri, do hereby certify that the above described land is a tract of land located in the southwest quarter and the southeast quarter of section 02, township 46 north, range 33 west, belton, cass county, missouri.

ACCEPTANCE:
 I, _____, being a duly qualified and licensed land surveyor in the State of Missouri, do hereby certify that the above described land is a tract of land located in the southwest quarter and the southeast quarter of section 02, township 46 north, range 33 west, belton, cass county, missouri.

NOTICE:
 This plat is subject to the provisions of the Missouri Subdivision Act, Chapter 145, R.S.Mo., and the provisions of the Missouri Subdivision Act, Chapter 145, R.S.Mo., and the provisions of the Missouri Subdivision Act, Chapter 145, R.S.Mo.

STIPULATIONS:
 The undersigned hereby stipulates that the above described land is a tract of land located in the southwest quarter and the southeast quarter of section 02, township 46 north, range 33 west, belton, cass county, missouri.

EXHIBITS:
 The undersigned hereby stipulates that the above described land is a tract of land located in the southwest quarter and the southeast quarter of section 02, township 46 north, range 33 west, belton, cass county, missouri.

HUFFMAN LAND SURVEYORS, LLC PO Box 661 Raymore, MO 64083 Office: (816) 322-4544 Fax: (816) 331-4030 Email: huffmanm@swbell.net															
FINAL PLAT AUTUMN WOODS MARKEY ROAD BELTON, MO 64012	<table border="1"> <tr> <td>DATE</td> <td>05/11/2011</td> </tr> <tr> <td>BY</td> <td>[Signature]</td> </tr> <tr> <td>TITLE</td> <td>Final Plat</td> </tr> <tr> <td>PROJECT</td> <td>Autumn Woods</td> </tr> <tr> <td>CLIENT</td> <td>[Client Name]</td> </tr> <tr> <td>SCALE</td> <td>As Shown</td> </tr> <tr> <td>STATUS</td> <td>Final</td> </tr> </table>	DATE	05/11/2011	BY	[Signature]	TITLE	Final Plat	PROJECT	Autumn Woods	CLIENT	[Client Name]	SCALE	As Shown	STATUS	Final
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BY	[Signature]														
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CLIENT	[Client Name]														
SCALE	As Shown														
STATUS	Final														

SECTION VI
D

BILL NO. 2015-46

ORDINANCE NO. 2015-

AN ORDINANCE APPROVING AN AGREEMENT FOR THE CITY'S SECTION 125 TAX SAVINGS PLAN WITH BASIC.

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

Section 1. That the Mayor is hereby authorized and directed on behalf of the city to execute the Agreement attached herewith between the City of Belton and BASIC establishing for city employees a Tax Saving Plan and a Dependent Care Assistance Plan pursuant to the provisions of Section 125 and paragraph (2) through (6) of subsection (d) of the Section 129 of the Internal Revenue Code of 1986 as amended.

Section 2. That this ordinance shall be in full force and effect from and after its passage and approval.

Duly read two (2) times and passed this 23rd day of June, 2015.

Mayor Jeff Davis

Approved this 23rd day of June, 2015.

Mayor Jeff Davis

ATTEST:

Patricia A. Ledford, City Clerk
of the City of Belton, Missouri

STATE OF MISSOURI)
CITY OF BELTON)SS
COUNTY OF CASS)

I, Patricia A. Ledford, City Clerk, do hereby certify that I have been duly appointed City Clerk of the City of Belton and that the foregoing ordinance was regularly introduced for first reading at a meeting of the City Council held on the 23rd day of June, 2015, and thereafter adopted as Ordinance No. 2015- of the City of Belton, Missouri, at a regular meeting of the City Council held on 23rd day of June, 2015, after the second reading thereof by the following vote, to-wit:

AYES: COUNCILMEN:

NOES: COUNCILMEN:

ABSENT: COUNCILMEN:

Patricia A. Ledford, City Clerk
of the City of Belton, Missouri

City of Belton Cafeteria Plan

DATAIR CAFETERIA PLAN DOCUMENT SYSTEM PLAN SPECIFICATIONS

***** Plan Definition *****

Plan Type: Cafeteria Plan

Funding Type: Salary Reduction

Cafeteria Plan Name: City of Belton Cafeteria Plan

***** General Information *****

Three Digit Plan Number: 501

Employer Information: City of Belton
506 Main Street
Belton, MO 64012
(816) 331-4331

Tax ID#: 44-6000137

State of Legal Construction: Missouri

Type of Legal Entity: Church or Government Plan (Exempt from ERISA)

Benefits Coordinator: Patti Ledford

Document Provider: BASIC

Legal Representative: City of Belton
506 Main Street
Belton, MO 64012
(816) 331-4331

Plan Administrator: City of Belton
506 Main Street
Belton, MO 64012
(816) 331-4331

Plan Administered by Third Party Administrator: Yes

Employer Representatives/Named Fiduciary: The Employer

Plan Dates:

- * *Effective Date:* July 1, 2015
- * *Plan Year Begin:* July 1st
- * *Plan Year End:* June 30th

***** Administrative Provisions *****

Allow all applicable Change in Status options: Yes

Days until forfeiture: 3 months

Appeal & Review:

- * *Days until Denial Notice:* 30
- * *Days to Return Additional Information:* 45
- * *Days Employee has to Request Review:* 180
- * *Additional days to Process Claim:* 15
- * *Days until Review Decision:* 60

Maximum Employee Contribution:

- * Sum of costs of most expensive benefit choices

Provide COBRA continuation coverage: COBRA Continuation Coverage is offered. Coverage is suspended during grace period (late COBRA payment) for non-payment.

Note: COBRA Coverage is not required for calendar years in which the Employer has 20 or fewer Employees.

- * *Day of the Month COBRA payment due:* 1
- * *Days to Notify Administrator of other Qualifying Event:* 60
- * COBRA coverage is suspended during grace period

Continuing Plan Participation Under FMLA: FMLA Coverage is provided regardless of Employee count.

- * Pre-pay with Salary Reduction pre-tax
- * Pay-as-you-go
- * Catch-up-option

Treatment of Rehires:

- * *Terminate and Rehire in less than 30 days:* Participant will immediately rejoin the Plan and be reinstated with the same elections that the individual had before termination.
- * *Terminate and Rehire 30 days or more:* Participant will be treated as a new hire and must resatisfy (complete the waiting period) Plan eligibility requirements to rejoin the Plan.

HIPAA:

- * *The HIPAA Effective date is:* November 1, 1989
- * *The Employer shall allow the following persons access to PHI:* the Human Resource Manager, Human Resource and payroll staff performing Health FSA functions, the Benefits Manager, and the Plan Administrator.
- * HIPAA Privacy Officer is City of Belton

Plan Expenses are paid completely by the Employer.

Forfeitures: All forfeitures under this Plan shall be used to offset losses, administration of the Plan, or applied toward Benefits for subsequent Plan Years.

***** Contribution & Allocation Formula *****

Funding Method: Salary Reduction

Funding Assets are held: Amounts payable may be paid from the general assets of the Employer, but

Premium Payment Benefits are paid as provided in the applicable insurance policy.

******* Eligibility - Exclusions - Entry Dates *******

Eligibility Requirements: Requirements are same as group medical insurance plan.

- * *Failure to File.* The Employee is considered to have elected not to participate for the first Plan Year.
- * *Benefits terminate as of the date of termination of Employee.*

Exclusions: Employees covered by a collective bargaining agreement as to which retirement benefits were the subject of good faith bargaining, unless such agreement expressly provides for participation in the Plan, and self-employed individuals, partners in a partnership, or more-than-2% shareholders in a Subchapter S corporation.

Entry Date: On the date the eligibility requirements have been met.

******* Benefits Offered *******

Basic Health and Dental options.

Health FSA Reimbursement Plan:

- * *Eligibility Requirements are:* Requirements are same as group medical insurance plan.
- * *Entry Date:* On the date the eligibility requirements have been met.
- * *Health FSA Coverage:* General-Purpose Option - Participant or his or her Spouse or Dependents for medical care. Limited Option - Participant or his or her Spouse or Dependents for Participant or his or her Spouse or Dependents for vision/dental/preventative care.
- * *Maximum Annual Salary Reduction Limit for the General-Purpose Health FSA:* \$2,550
- * *Maximum Annual Salary Reduction Limit for the Limited-Purpose Health FSA:* \$2,550
- * *Over-the-Counter drugs are covered under the Reimbursement Program:* Yes
- * *Grace period of 2.5 months applies.*
- * *Allow all applicable Change in Status options:* All of the events constituting a Change in Status under the regulations shall be allowed.
- * *Health FSA falls under ERISA*
- * *Health FSA COBRA Coverage applies for:* All Participants, whether they have positive or negative Health FSA Account balances.
- * *Debit Card Availability:* Yes

Dependent Care Assistance Plan:

- * *Eligibility Requirements are:* Requirements are same as group medical insurance plan.
- * *Entry Date:* On the date the eligibility requirements have been met.
- * *Maximum Annual Salary Reduction Limit:* \$5,000.00.
- * *Grace period of 2.5 months applies.*
- * *Allow all applicable Change in Status options:* All of the events constituting a Change in Status under the regulations shall be allowed.
- * *Reimbursements of DCAP expenses include timeframe:* During the Period of Coverage following termination - that is, through the balance of the Plan Year if such expenses are otherwise qualifying expenses under the Code.
- * *Debit Card Availability:* Yes

Health Savings Account Plan: Eligible participants may elect to make contributions to a Health Savings Account (HSA) on a pre-tax basis through the Cafeteria section 125 plan.

- The HSA is funded: Solely with Employee's pre-tax salary reductions.

CITY OF BELTON CAFETERIA PLAN
With Premium Payment, Health FSA, DCAP and HSA Components

Effective: July 1, 2015

CITY OF BELTON CAFETERIA PLAN
With Premium Payment, Health FSA, DCAP and HSA Components

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City of Belton Cafeteria Plan

(With Premium Payment, Health FSA, DCAP and HSA Components)

ARTICLE I

Introduction

1.1 Amendment and Restatement of Plan

City of Belton, ("the Employer") hereby amends and restates the provisions of the City of Belton Cafeteria Plan ("the Plan"), as amended, effective as of July 1, 2015. The Plan was originally effective November 1, 1989. Capitalized terms used in this Plan that are not otherwise defined shall have the meanings set forth in Article II, Definitions.

This Plan is designed to permit an Eligible Employee to pay for his or her share of Contributions on a pre-tax salary reduction basis under the Premium Component, and contribute to the reimbursement benefit(s) on a pre-tax salary reduction basis.

1.2 Legal Status

This Plan is intended to qualify as a "cafeteria plan" under Code section 125 and the regulations issued thereunder and shall be interpreted to accomplish that objective.

The Health FSA Component is intended to qualify as a "self-insured medical reimbursement plan" under Code section 105, and the Medical Care Expenses reimbursed thereunder are intended to be eligible for exclusion from participating Employees' gross income under Code section 105(b). Although reprinted within this document, the Health FSA Component is a separate plan for purposes of administration and all reporting and nondiscrimination requirements imposed by Code section 105. The Health FSA Component is also a separate plan for purposes of applicable provisions of COBRA.

The DCAP Component is intended to qualify as a "dependent care assistance program" under Code section 129, and the Dependent Care Expenses reimbursed thereunder are intended to be eligible for exclusion from participating Employees' gross income under Code section 129(a). Although reprinted within this document, the DCAP Component is a separate plan for purposes of administration and all reporting and nondiscrimination requirements imposed by Code section 129.

The HSA funding feature described in the HSA Component is not intended to establish an ERISA plan.

ARTICLE II

Definitions

"Account(s)" means the Health FSA Accounts described in Article VII, and the DCAP Accounts described in Article IX, in some contexts, may also include the recording of HSA Contributions described in Article VIII.

"Appeals Committee" means the Committee appointed by the Employer that acts on behalf of the Plan Administrator with respect to appeals. An external review is available if required by law. The documents assume that no claim under the Cafeteria Plan would constitute a claim for urgent care, so a 24-hour response procedure is not needed.

"Benefits" mean cash, flex credits and the various qualified benefits under Section 125(f) of the Code sponsored by the Employer and made available by the Employer through the Plan, including, but not limited to, premium insurance benefits as described in Section 6.1, medical reimbursement as described in Section 7.1 and dependent care reimbursement as described in Section 9.1.

"Benefit Package Option" means a qualified benefit under Code section 125(f) that is offered under a cafeteria plan or an option for coverage under an underlying accident or health plan.

"Change in Status" has the meaning described in Section 11.3.

"COBRA" means the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended.

"Code" means the Internal Revenue Code of 1986, as amended.

"Compensation" means all the earned income, salary, wages and other earnings paid by the Employer to a Participant during a Plan Year, including any amounts contributed by the Employer pursuant to a salary reduction agreement which are not includable in gross income under sections 125, 132(f)(4), 401(k), 403(b), 408(k) or 457(b) of the Code.

"Contributions" means the amount contributed to pay for the cost of Benefits (including self-funded Benefits as well as those that are insured), as calculated under Section 6.2 for Premium Payment Benefits, Section 7.2 for Health FSA Benefits, Section 8.2 for HSA Benefits and Section 9.2 for DCAP Benefits.

"DCAP" means dependent care assistance program.

"DCAP Component" means the benefits of this Plan described in Article IX.

"Dependent" means for purposes of accident or health coverage, to the extent funded under the Premium Payment Component, and for purposes of the Health FSA Component, (1) a dependent as defined as in Code section 152, determined without regard to subsections (b)(1), (b)(2), and (d)(1)(B) thereof, (2) any child (as defined in Code section 152(f)(1)) of the Participant who as of the end of the taxable year has not attained age 27, and (3) any child of the Participant to whom IRS Rev. Proc. 2008-48 applies (regarding certain children of divorced or separated parents who receive more than half of their support for the calendar year from one or both parents and are in the custody of one or both parents for more than half of the calendar year).

For purposes of the new income exclusions under Code sections 105(b) and 106, the term "child" includes adult children under the age of 27 that is the employee's son, daughter, stepson, stepdaughter, legally adopted individual (or an individual placed with the employee for adoption), and eligible foster child. Under Notice 2010-38, such a child does not have to satisfy the age limits, residency, support and other tests described in Section 152 of the Code in order to be considered an employee's child for purposes of these new income exclusions.

For purposes of the DCAP component, a dependent means a qualifying individual as defined elsewhere.

Notwithstanding the foregoing, the Health FSA Component will provide benefits in accordance with the applicable requirements of any QMCSO, even if the child does not meet the definition of "Dependent."

"Dependent Care Expenses" has the meaning described in Section 9.3.

"Earned Income" means all income derived from wages, salaries, tips, self-employment, and other Compensation (such as disability or wage continuation benefits), but only if such amounts are includible in gross income for the taxable year. Earned income does not include (a) any amounts received pursuant to any DCAP established under Code section 129; or (b) any other amounts excluded from earned income under Code section 32(c)(2), such as amounts received under a pension or annuity or pursuant to workers' compensation.

"Effective Date" of this Plan has the meaning described in Section 1.1.

"Election Form/Salary Reduction Agreement" means the agreement by an Employee authorizing the Employer to reduce the Employee's Compensation while a Participant during the Plan Year for purposes of obtaining Benefits under the Plan.

"Electronic Payment Card" means a debit card, stored value card, or credit card that allows a Participant to access funds in a flexible reimbursement arrangement to pay the service provider at the point-of-sale (i.e., the time a service or item is provided).

"Electronic Protected Health Information" has the meaning described in 45 C.F.R. Section 160.103 and generally includes Protected Health Information that is transmitted by electronic media or maintained in electronic media. Unless otherwise specifically noted, Electronic Protected Health Information shall not include enrollment/disenrollment information and summary health information.

"Eligible Employee" means any Employee who is employed by a participating Employer other than:

- (a) An Employee covered by a collective bargaining agreement as to which retirement benefits were the subject of good faith bargaining, unless such agreement expressly provides for participation in the Plan;
- (b) Employees who are self-employed individuals as defined in section 401(c) of the Internal Revenue Code (including sole proprietors and partners in a partnership);
- (c) Employees who own (or are considered to own within the meaning of section 318 of the Internal Revenue Code) more than two percent (2%) of the outstanding stock of an S corporation or stock possessing more than two percent (2%) of the total combined voting power of all stock of such corporation.

In the event an individual who is not characterized or treated by the Participating Employer as a common law employee of a Participating Employer is reclassified as a common law employee of a Participating Employer who meets the definition of an Eligible Employee, the individual shall continue to be excluded from the Plan until the Plan is amended to classify such individual as an Eligible Employee (to the extent such individual otherwise qualifies as an Eligible Employee hereunder). In no event shall such individual be eligible to participate in the Plan prior to the effective date of such Amendment.

The Plan Administrator shall have full and complete discretion to determine eligibility for participation and benefits under this Plan, including, without limitation, the determination of those individuals who are deemed Employees of the Employer (or any controlled group member.) The Plan Administrator's decision shall be final, binding, and conclusive on all parties having or claiming a benefit under this Plan. This Plan is to be construed to exclude, and the Plan Administrator is authorized to exclude, all individuals who are not considered Employees for purposes of the Employer's payroll system.

"Employee" means a person who is currently or hereafter employed by the Employer and any Related

Employers that have adopted the Plan. Former Employees are also considered "Employees" of the Employer strictly for the limited purpose of allowing continued eligibility for benefits under the Plan for the remainder of the Plan Year in which an Employee ceases to be employed by the Employer, but only to the extent specifically provided elsewhere under this Plan.

"Employer" means City of Belton.

"Employment Commencement Date" means the first regularly-scheduled working day on which the Employee first performs an hour of service for the Employer for Compensation.

"Entry Date" means the date that an Eligible Employee actually becomes a Participant in the Plan. Eligibility requirements are defined in Section 3.1 and the specific Entry Dates for the Plan are listed in Section 3.1.

"FMLA" means the Family and Medical Leave Act of 1993, as amended.

"General-Purpose Health FSA Option" has the meaning described in Section 7.3(b).

"Grace Period" means the period that begins immediately following the close of a Plan Year and ends on the day specified under the Component plan's Grace Period provision.

"Health FSA" means health flexible spending arrangement which consists of two (2) options: the General-Purpose Health FSA Option and the Limited (Vision/Dental/Preventive Care) Health FSA Option.

"Health FSA Component" means the benefits of this Plan described in Article VII.

"Health Savings Account" or "HSA" means a health savings account established under Code section 223. Such arrangements are individual trusts or custodial accounts, each separately established and maintained by an Employee with a qualified trustee/custodian.

"High Deductible Health Plan" means the high deductible health plan offered by the Employer that is intended to qualify as a high deductible health plan under Code section 223(c)(2), as described in materials provided separately by the Employer. The High Deductible Health Plan may or may not be the sole Medical Insurance Plan eligible for pre-tax salary reduction funding hereunder.

"HIPAA" means the Health Insurance Portability and Accountability Act of 1996, as amended.

"HITECH" means the Health Information Technology for Economic and Clinical Health Act.

"HSA-Eligible Individual" means an individual who is eligible to contribute to an HSA under Code section 223 and who has elected qualifying High Deductible Health Plan coverage offered by the Employer and who has not elected any disqualifying non-High Deductible Health Plan coverage offered by the Employer.

"Limited-Purpose (Vision/Dental/Preventive Care) Health FSA Option" has the meaning described in Section 7.3(b).

"Medical Care Expenses" has the meaning defined in Section 7.3.

"Medical Insurance Plan" means the plan(s) that the Employer maintains for its Employees (and for their Spouses and Dependents that may be eligible under the terms of such plan), providing major medical type benefits through a group insurance policy or policies, dental care, vision care, etc. The Employer may substitute, add, subtract, or revise at any time the menu of such plans and/or the benefits, terms, and conditions of any such plans. Any such substitution, addition, subtraction, or revision will be communicated to Participants and will automatically be incorporated by reference under this Plan.

"MHPA" means the Mental Health Parity Act.

"MHPAEA" means the Mental Health Parity Addiction Equity Act.

"Michelle's Law" means the law that requires group health plans to allow seriously ill or injured college students who are covered dependents to continue coverage for up to one year while on medically necessary leaves of absence.

"National Medical Support Notice" means a standardized medical child support order that is used by state child support enforcement agencies to obtain group health coverage for children.

"NMHPA" means the Newborns' and Mothers' Health Protection Act of 1996, as amended.

"Open Enrollment Period" means with respect to a Plan Year the month preceding the Plan Year, or such other period as may be prescribed by the Plan Administrator.

"Participant" means a person who is an Eligible Employee and who enters the Plan after meeting the eligibility requirements of Section 3.1. Participants include those who elect any benefit(s) offered under the Plan including those covered through COBRA and their respective beneficiaries.

"Participating Employer" means City of Belton and any Related Employer that adopts the Plan.

"Period of Coverage" means the Plan Year, with the following exceptions: (a) for Employees who first become eligible to participate, it shall mean the portion of the Plan Year following the date on which participation commences, as described in Section 3.1; and (b) for Employees who terminate participation, it shall mean the portion of the Plan Year prior to the date on which participation terminates, as described in Section 3.2.

"PHSA" means the federal Public Health Service Act, which contains the provisions of COBRA that govern continuation coverage under government-sponsored Group Health Plans, as well as certain provisions of HIPAA and other federal group health plan mandates that are part of health care reform.

"Plan" means the City of Belton Cafeteria Plan as set forth herein and as amended from time to time.

"Plan Administrator" means City of Belton or such other person or committee as may be appointed by the Employer to administer the Plan.

"Plan Year" means the 12-month period commencing July 1st and ending on June 30th.

"Premium Payment Component" means the benefits of this Plan described in Article VI.

"Protected Health Information" (PHI) shall have the meaning described in 45 C.F.R. Section 160.103 and generally includes individually identifiable health information held by, or on behalf of, the Plan.

"Qualified Reservist Distribution" means a distribution of all or a portion of the balance in the employee's account under such arrangement if: (A) such individual is a member of a "reserve component" (as defined in section 101 of title 37, United States Code, which means a member of the Army National Guard; U.S. Army, Navy, Marine Corps, Air Force, or Coast Guard Reserve; Air National Guard of the United States; or the Reserve Corps of the Public Health Service); (B) has been ordered or called to active duty for a period in excess of 179 days or for an indefinite period; (C) the amount of the distribution must be for "all or a portion of the balance in the employee's account"; and (D) the distribution must be made within a certain timeframe. The period for making a qualified reservist distribution begins on the date the reservist is called or ordered to duty and ends on the last day that reimbursements could otherwise be made for the plan year that includes the first day of the distribution period.

"Qualifying Dependent Care Services" has the meaning described in Section 9.3.

"Qualifying Individual" has the meaning described in Section 9.3.

"Related Employer" means any employer affiliated with City of Belton that, under Code Sections 414(b), (c), or (m), is treated as a single employer with City of Belton for purposes of Code section 125(g)(4).

"Run-Out Period" means a period after the close of a Plan Year or other period during which Participants in a flexible spending arrangement (FSA) may request reimbursement for expenses incurred during the Period of Coverage.

"Salary Reduction" means the amount by which the Participant's Compensation is reduced and applied by the Employer under this Plan to pay for one or more of the Benefits, as permitted for the applicable Component, before any applicable state and/or federal taxes have been deducted from the Participant's Compensation (i.e., on a pre-tax basis).

"Spouse" means an individual who is legally married to a Participant as determined under the laws of the state or sovereign Country where the place of ceremony occurred and who is treated as a spouse for federal income tax purposes pursuant to Revenue Ruling 2013-17.

Notwithstanding the above, for purposes of the DCAP Component the term "Spouse" shall not include (a) an individual legally separated from the Participant under a divorce or separate maintenance decree; or (b) an individual who, although married to the Participant, files a separate federal income tax return, maintains a principal residence separate from the Participant during the last six months of the taxable year, and does not furnish more than half of the cost of maintaining the principal place of abode of the Participant.

"Timely Submitted" means, unless the Plan Administrator has specific and special cause to alter the definition of this phrase, within 30 calendar days of event that has triggered the Change in Status as described in Section 11.2(a).

"USERRA" means the Uniformed Services Employment and Reemployment Rights Act of 1994, as amended.

ARTICLE III

Eligibility and Participation

3.1 Eligibility to Participate

An individual is eligible to participate in this Plan, including the Premium Payment Component, the Health FSA Component, the DCAP Component, and the HSA Component, if the individual satisfies all of the following:

- (a) is an Eligible Employee; and
- (b) is eligible to participate in the Employer's group medical insurance.

To participate in the HSA Component, the individual must be an HSA-Eligible Individual and shall also be subject to the additional requirements, if any, specified in the High Deductible Health Plan.

Once an Employee has met the Plan's eligibility requirements, the Eligible Employee may commence participation on the date the eligibility requirements have been met or for any subsequent Plan Year, in accordance with the procedures described in Article IV, Method and Timing of Elections.

3.2 Termination of Participation

A Participant will cease to be a Participant in this Plan upon the earlier of:

- the date on which the Plan terminates;
- the date on which the Employee ceases (because of retirement, termination of employment, layoff, reduction of hours, or any other reason) to be an Eligible Employee;
- the date on which the Employee fails to make a contribution required under the terms of the Plan; or
- the end of the Plan Year, as extended by the Grace Period coverage, for Eligible Employees;

Termination of participation in this Plan will automatically revoke the Participant's elections.

The Premium Insurance Benefits will terminate as of the date specified in the Premium Plan.

Reimbursements from the Health FSA Account after termination of participation will be made pursuant to Section 7.10 for Health FSA Benefits.

Reimbursements from the DCAP Account after termination of participation will be made pursuant to Section 9.10 for DCAP Benefits.

If applicable, Distributions from a Participant's HSA (whether before or after termination of employment) and all other matters relating to a Participant's HSA are outside of this Plan and are to be handled by the Participant and his or her trustee/custodian in accordance with the agreement between them.

3.3 Participation Following Termination of Employment or Loss of Eligibility

If a Participant terminates his or her employment for any reason, including, but not limited to, disability, retirement, layoff, or voluntary resignation, and then is rehired within 30 days or less after the date of termination of employment, and is otherwise eligible to participate in the Plan, the Employee will immediately rejoin the Plan and be reinstated with the same elections that the individual had before termination.

If a former Participant is rehired more than 30 days following termination of employment and is otherwise eligible to participate in the Plan, then the Employee will be treated as a new hire and must resatisfy (complete the waiting period) Plan eligibility requirements to rejoin the Plan.

Notwithstanding the above, an election to participate in the Premium Payment Component will be reinstated only to the extent that coverage under the Premium Insurance Benefits is reinstated.

Likewise, an HSA Benefit election will only be reinstated if an individual is an HSA-Eligible Individual.

If an Employee (whether or not a Participant) ceases to be an Eligible Employee for any reason (other than for termination of employment), including, but not limited to, a reduction of hours, and then becomes an Eligible Employee again, the Employee may rejoin the Plan without having to re-satisfy (complete the waiting period) Plan eligibility requirements as described in Section 3.1.

3.4 FMLA Leaves of Absence

The Family and Medical Leave Act ('the FMLA') requires employers with 50 or more employees to permit eligible employees to take up to 12 weeks of unpaid, job-protected leave each year because of the birth of a child or the placement of a child for adoption or foster care, to care for an immediate family member who has a serious health condition, or because of the employee's own serious health condition. The FMLA also permits an eligible employee to take up to 12 workweeks of leave during any 12-month period for a "qualifying exigency" arising because the employee's spouse, son, daughter, or parent is on active duty (or has been notified of a call or order to active duty) in the Armed Forces in support of a "contingency operation." In addition, an eligible employee who is the spouse, son, daughter, parent, or next of kin of a covered service member is entitled to take up to 26 workweeks of leave during a 12-month period to care for the service member. These FMLA provisions have been further amended regarding qualifying exigency leave and covered service member leave for employees who are relatives of veterans and members of the Armed Forces.

(a) Health Benefits. Notwithstanding any provision to the contrary in this Plan, if a Participant goes on a qualifying leave under the FMLA, then to the extent required by the FMLA, the Employer will continue to maintain the Participant's Premium Insurance Benefits and Health FSA Benefits on the same terms and conditions as if the Participant were still an active Employee. That is, if the Participant elects to continue his or her coverage while on leave, the Employer will continue to pay its share of the Contributions. An Employer may require participants to continue all Premium Insurance Benefits and Health FSA Benefits coverage for Participants while they are on paid leave, provided that Participants on non-FMLA paid leave are required to continue coverage. If so, the Participant's share of the Contributions shall be paid by the method normally used during any paid leave (e.g., on a pre-tax salary reduction basis). In the event of unpaid FMLA leave (or paid FMLA leave where coverage is not required to be continued), a Participant may elect to continue his or her Premium Insurance Benefits or Health FSA Benefits during the leave. If the Participant elects to continue coverage while on FMLA leave, then the Participant may pay his or her share of the Contributions in one of the following ways:

- Pre-Pay with pre-tax dollars, by having such amounts withheld from the Participant's ongoing Compensation, if any, including unused sick days and vacation days, or pre-paying all or a portion of the Contributions for the expected duration of the leave on a pre-tax salary reduction basis out of pre-leave Compensation. To pre-pay the Contributions, the Participant must make a special election to that effect prior to the date that such Compensation would normally be made available (pre-tax dollars may not be used to fund coverage during the next Plan Year);
- Pay-as-you-go with their share of premium payments on the same schedule as payments would be made if the Employee were not on leave, or under another schedule permitted under Department of Labor regulations and in a manner approved by the Plan Administrator; or
- under another arrangement agreed upon between the Participant and the Plan Administrator (e.g., the Plan Administrator may fund coverage during the leave and withhold "catch-up" amounts from the Participant's Compensation on a pre-tax or after-tax basis) upon the Participant's return.

If the Employer requires all Participants to continue Premium Insurance Benefits or Health FSA Benefits during an unpaid FMLA leave, then the Participant may elect to discontinue payment of the Participant's required Contributions until the Participant returns from leave. Upon returning from leave, the Participant will be required to repay the Contributions not paid by the Participant during the

leave. Payment shall be withheld from the Participant's Compensation either on a pre-tax or after-tax basis, as agreed to by the Plan Administrator and the Participant through a written notice to the Employer.

If a Participant's Premium Insurance Benefits or Health FSA Benefits coverage ceases while on FMLA leave (e.g., for non-payment of required contributions), then the Participant is permitted to re-enter the Premium Insurance Benefits or Health FSA Benefits as applicable, upon return from such leave on the same basis as when the Participant was participating in the Plan prior to the leave, or as otherwise required by the FMLA. In addition, the Plan may require Participants whose Premium Insurance Benefits or Health FSA Benefits coverage terminated during the leave to be reinstated in such coverage upon return from a period of unpaid leave, provided that Participants who return from a period of unpaid, non-FMLA leave are required to be reinstated in such coverage.

Notwithstanding the preceding sentence, with regard to Health FSA Benefits a Participant whose coverage ceased will be permitted to elect whether to be reinstated in the Health FSA Benefits at the same coverage level as was in effect before the FMLA leave (with increased contributions for the remaining Period of Coverage) or at a coverage level that is reduced pro rata for the period of FMLA leave during which the Participant did not pay Contributions. If a Participant elects a coverage level that is reduced pro rata for the period of FMLA leave, then the amount withheld from a Participant's Compensation on a pay-period-by-pay-period basis for the purpose of paying for reinstated Health FSA Benefits will be equal to the amount withheld prior to the period of FMLA leave.

(b) Non-Health Benefits. If a Participant goes on a qualifying leave under the FMLA, then entitlement to non-health benefits (such as DCAP Benefits) is to be determined by the Employer's policy for providing such Benefits when the Participant is on non-FMLA leave, as described in Section 3.5.

3.5 Non-FMLA Leaves of Absence

If a Participant goes on an unpaid leave of absence that does not affect eligibility, then the Participant will continue to participate and the Contributions due for the Participant will be paid in one of the following ways:

- with pre-tax dollars, by having such amounts withheld from the Participant's ongoing Compensation, if any, including unused sick days and vacation days, or pre-paying all or a portion of the Contributions for the expected duration of the leave on a pre-tax salary reduction basis out of pre-leave Compensation. To pre-pay the Contributions, the Participant must make a special election to that effect prior to the date that such Compensation would normally be made available (pre-tax dollars may not be used to fund coverage during the next Plan Year);
- with their share of premium payments on the same schedule as payments would be made if the Employee were not on leave, or under another schedule permitted under Department of Labor regulations; or
- under another arrangement agreed upon between the Participant and the Plan Administrator (e.g., the Plan Administrator may fund coverage during the leave and withhold "catch-up" amounts from the Participant's Compensation on a pre-tax or after-tax basis) upon the Participant's return.

If a Participant goes on an unpaid leave that affects eligibility, then the election change rules in Section 11.3 will apply.

ARTICLE IV

Method and Timing of Elections

4.1 Elections When First Eligible

Once an Employee has met the Plan's eligibility requirements, the Employee may enter the plan on the date the eligibility requirements have been met provided that an Election Form/Salary Reduction Agreement is submitted to the Plan Administrator before the first day of the month in which participation will commence.

Eligibility for Premium Payment Benefits shall be subject to the additional requirements, if any, as specified by the insurance benefits provider(s). The provisions of this Plan are not intended to override any exclusions, eligibility requirements, or waiting periods specified by the insurance benefits provider(s).

4.2 Elections During Open Enrollment Period

During each Open Enrollment Period with respect to a Plan Year, the Plan Administrator shall provide an Election Form/Salary Reduction Agreement to each Eligible Employee. The Election Form/Salary Reduction Agreement shall enable the Employee to elect to participate in the various Components of this Plan for the next Plan Year and to authorize the necessary salary reductions to pay for the Benefits elected. The Election Form/Salary Reduction Agreement must be returned to the Plan Administrator on or before the last day of the Open Enrollment Period, and it shall become effective on the first day of the next Plan Year.

4.3 Failure of Eligible Employee to File an Election Form/Salary Reduction Agreement

If an Eligible Employee fails to file an Election Form/Salary Reduction Agreement (or waiver of pre-tax premiums) within the time period described in Method and Timing of Elections for the first plan year, then the Employee is considered to have elected not to participate for the initial Plan Year and may not elect any Benefits under the Plan (a) until the next Open Enrollment Period; or (b) until an event occurs that would justify a mid-year election change, as described under Section 11.3 or 11.4.

If an Eligible Employee fails to file an Election Form/Salary Reduction Agreement for subsequent Plan Years, then the Employee shall continue with same elections as prior year for insured/premium benefits.

If an Employee who fails to file an Election Form/Salary Reduction Agreement is eligible for Premium Insurance Benefits and has made an effective election for such Benefits, then the Employee's share of the Contributions for such Benefits will be paid with after-tax dollars outside of this Plan until such time as the Employee files, during a subsequent Open Enrollment Period (or after an event occurs that would justify a mid-year election change as described under Section 11.3), a timely Election Form/Salary Reduction Agreement to elect Premium Payment Benefits. Until the Employee files such an election, the Employer's portion of the Contribution will also be paid outside of this Plan.

4.4 Irrevocability of Elections

Unless an exception applies, as described in Article XI, a Participant's election under the Plan is irrevocable for the duration of the Period of Coverage to which it relates.

ARTICLE V

Benefits Offered and Method of Funding

5.1 Benefits Offered

When first eligible or during the Open Enrollment Period as described under Article IV, Participants will be given the opportunity to elect specific Benefits offered under this Plan:

- (a) Premium Payment Benefits, as described in Article VI;
- (b) Health FSA Benefits, as described in Article VII;
- (c) HSA Benefits, as described in Article VIII; and
- (d) DCAP Benefits, as described in Article IX.

In no event shall Benefits under the Plan be provided in the form of deferred compensation.

5.2 Participant Contributions

Participants who elect Benefits under the Plan may pay for the cost of that coverage on a pre-tax salary reduction basis by completing an Election Form/Salary Reduction Agreement.

(a) Salary Reductions. The salary reduction for a pay period for a Participant is, for the Benefits elected, an amount equal to (1) the annual Contributions for such Benefits (elected under the Plan as applicable), divided by the number of pay periods in the Period of Coverage; (2) an amount otherwise agreed upon between the Employer and the Participant; or (3) an amount deemed appropriate by the Plan Administrator (i.e., in the event of shortage in reducible Compensation, amounts withheld and the Benefits to which salary reductions are applied may fluctuate). If a Participant increases his or her election under the benefits elected under the Plan to the extent permitted under Section 11.4, the salary reductions per pay period will be, for the Benefits affected, an amount equal to: (1) the new reimbursement limit elected pursuant to Section 11.4, less the salary reductions made prior to such election change, divided by the number of pay periods in the balance of the Period of Coverage commencing with the election change; (2) an amount otherwise agreed upon between the Employer and the Participant; or (3) an amount deemed appropriate by the Plan Administrator (i.e., in the event of shortage of reducible Compensation, amounts withheld and the benefits to which salary reductions are applied may fluctuate).

(b) Considered Employer Contributions for Certain Purposes. Salary reductions are applied by the Employer to pay for the Participant's share of the Contributions for the benefits elected under the Plan and, for the purposes of this Plan and the Code, are considered to be Employer contributions.

(c) After-Tax Contributions for Premium Payment Benefits. For those Participants who elect to pay their share of the Contributions for any of the Premium Insurance Benefits with after-tax deductions, both the Employee and Employer portions of such Contributions will be paid outside of this Plan.

5.3 Funding This Plan

All of the amounts payable under this Plan may be paid from the general assets of the Employer, but Premium Payment Benefits are paid as provided in the applicable insurance policy. Nothing herein will be construed to require the Employer or the Plan Administrator to maintain any fund or to segregate any amount for the benefit of any Participant, and no Participant or other person shall have any claim against, right to, or security or other interest in any fund, account, or asset of the Employer from which any payment under this Plan may be made. There is no trust or other fund from which Benefits are paid. While the Employer has complete responsibility for the payment of Benefits out of its general assets (except for Premium Payment Benefits paid as provided in the applicable insurance policy), it may hire an unrelated third-party paying agent to make Benefit payments on its behalf.

5.4 Maximum Contribution

The maximum contribution that may be made under this Plan for a Participant is the total of the maximums that may be elected as Employer and Participant Contributions, as described under each Component.

ARTICLE VI

Premium Payment Component

6.1 Benefits

The premium insurance benefits that may be offered under the Premium Payment Component for premium-type benefits pursuant to an insurance policy issued by an insurance company, or a contract with a point of service organization are medical, dental, vision, or other qualified benefits under Section 125.

Notwithstanding any other provision in this Plan, the premium insurance benefits are subject to the terms and conditions of the respective insurance policy. No changes can be made with respect to such premium insurance benefits under this Plan (such as mid-year changes in election) if such changes are not permitted under the applicable insurance policy. Unless an exception applies, as described in Article XI, such election is irrevocable for the duration of the Period of Coverage to which it relates.

6.2 Contributions for Cost of Coverage

The annual Contribution for a Participant's Premium Payment Benefits is equal to the amount as set by the Employer, which may or may not be the same amount charged by the insurance provider.

6.3 Events Permitting Exception to Irrevocability Rule

A Participant may make a new election upon the occurrence of certain events, including a Change in Status as described in Section 11.3, but only if such election change is made on account of and corresponds with a Change in Status that affects eligibility for coverage under a plan of the Employer or a plan of the Spouse's or Dependent's employer (referred to as the general consistency requirement). A Change in Status that affects eligibility for coverage under a plan of the Employer or a plan of the Spouse's or Dependent's employer includes a Change in Status that results in an increase or decrease in the number of an Employee's family members (i.e., a Spouse and/or Dependents) who may benefit from the coverage.

Change in Status means any of the events described below, as well as any other events included under subsequent changes to Code section 125 or regulations issued thereunder, which the Plan Administrator, in its sole discretion and on a uniform and consistent basis, determines are permitted under IRS regulations and under this Plan.

A Participant may change an election under the regulations for the Premium Component of this Plan as described below upon the occurrence of the stated events:

- (a) Open Enrollment Period
- (b) Change in Status:
 - (b.1) Change in Employee's Legal Marital Status
 - (b.2) Change in the Number of Employee's Dependents
 - (b.3) Change in Employment Status of Employee, Spouse or Dependent that Affects Eligibility
 - (b.4) Event Causing Employee's Dependent to Satisfy or Cease to Satisfy Eligibility Requirements
 - (b.5) Change in Place of Residence
- (c) Cost Changes with Automatic Increase/Decrease in Elective Contributions
- (d) Significant Cost Increase or Significant Cost Decrease
- (e) Significant Curtailment of Coverage (With or Without Loss of Coverage)
- (f) Addition or Significant Improvement of a Benefit Package Option
- (g) Change in Coverage Under Another Employer Cafeteria Plan or Qualified Benefits Plan
- (h) Loss of Coverage Under Other Group Health Coverage
- (i) COBRA Qualifying Events
- (j) Certain Judgments, Decrees and Orders (QMCSO)
- (k) Medicare and Medicaid Eligibility
- (l) FMLA Leaves of Absence

6.4 Insurance Benefits Provided Under the Plan

Insurance benefits will be provided by the insurance provider(s), not this Plan. The types and amounts of insurance benefits, the requirements for participating in each insurance plan, and the other terms and conditions of coverage and benefits of the insurance plan(s) are set forth by the insurance provider. All claims to receive benefits under the insurance plan shall be subject to and governed by the terms and conditions of the insurance plan and the rules, regulations, policies, and procedures adopted in accordance therewith, as may be amended from time to time.

6.5 Medical Insurance Benefits: COBRA

Notwithstanding any provision to the contrary in this Plan, to the extent required by COBRA, a Participant and his or her Spouse and Dependents, as applicable, whose coverage terminates under the medical insurance plan because of a COBRA qualifying event (and who is a qualified beneficiary as defined under COBRA), shall be given the opportunity to continue on a self-pay basis the same coverage that he or she had under the medical insurance plan the day before the qualifying event for the periods prescribed by COBRA. Such continuation coverage shall be subject to all conditions and limitations under COBRA. Contributions for COBRA coverage for medical insurance benefits may be paid on a pre-tax basis for current Employees receiving taxable compensation (as may be permitted by the Plan Administrator on a uniform and consistent basis, but may not be prepaid from contributions in one Plan Year to provide coverage that extends into a subsequent Plan Year) where COBRA coverage arises either (a) because the Employee ceases to be eligible because of a reduction in hours; or (b) because the Employee's Dependent ceases to satisfy the eligibility requirements for coverage. For all other individuals (e.g., Employees who cease to be eligible because of retirement, termination of employment, or layoff), Contributions for COBRA coverage for medical insurance benefits shall be paid on an after-tax basis (unless may be otherwise permitted by the Plan Administrator on a uniform and consistent basis, but may not be prepaid from contributions in one Plan Year to provide coverage that extends into a subsequent Plan Year).

6.6 Premium Insurance Benefits Grace Period

No grace period applies to the Premium Component of this Plan.

ARTICLE VII

Health FSA Component

7.1 Health FSA Benefits

An Eligible Employee can elect to participate in the Health FSA Component by electing (a) to receive benefits in the form of reimbursements for Medical Care Expenses from the Health FSA (Health FSA Benefits); and (b) to pay the Contribution for such Health FSA Benefits on a pre-tax salary reduction basis. Unless an exception applies (as described in Article XI), any such election is irrevocable for the duration of the Period of Coverage to which it relates.

Once an Employee has met the Plan's eligibility requirements, the Eligible Employee may commence participation on the date the eligibility requirements have been met.

7.2 Contributions for Cost of Coverage of Health FSA Benefits

The annual Contribution for a Participant's Health FSA Benefits is equal to the annual benefit amount elected by the Participant, if applicable.

7.3 Eligible Medical Care Expenses for Health FSA

Under the Health FSA Component, a Participant may receive reimbursement for Medical Care Expenses incurred during the Period of Coverage for which an election is in force.

(a) Incurred. A Medical Care Expense is incurred at the time the medical care or service giving rise to the expense is furnished and not when the Participant is formally billed for, is charged for, or pays for the medical care.

(b) Medical Care Expenses. "Medical Care Expenses" will vary depending on which Health FSA coverage option the Participant has elected.

- *General-Purpose Health FSA Option.* For purposes of this Option, "Medical Care Expenses" means expenses incurred by a Participant or his or her Spouse or Dependents for medical care, as described in Code section 213(d), and shall include amounts paid for medicines or drugs only if (1) the medicine or drug requires a prescription, (2) is available without a prescription (an over-the-counter medicine or drug) and the individual obtains a prescription, or (3) is insulin, as described in Code section 106(f). Additionally, this term does not include expenses that are excluded under Appendix A to this Plan, nor any expenses for which the Participant is reimbursed for the expense through the Medical Insurance Plan, other insurance, or any other accident or health plan. If only a portion of a Medical Care Expense has been reimbursed elsewhere (e.g., because the Medical Insurance Plan imposes co-payment or deductible limitations), then the Health FSA can reimburse the remaining portion of such Expense if it otherwise meets the requirements of this Article.
- *Limited-Purpose Health FSA Option.* For purposes of this Option, "Medical Care Expenses" means expenses incurred by a Participant or his or her Spouse or Dependents for permitted coverage benefits (as defined in section 223(c)(2)(C)), such as vision, or dental (as defined for purposes of section 223(c)(2)(C)), and provided that this term does not include expenses that are excluded under Appendix A to this Plan, nor any expenses for which the Participant is reimbursed for the expense through the Medical Insurance Plan, other insurance, or any other accident or health plan. If only a portion of a Medical Care Expense has been reimbursed elsewhere (e.g., because the Medical Insurance Plan imposes co-payment or deductible limitations), then the Health FSA can reimburse the remaining portion of such Expense if it otherwise meets the requirements of this Article.

HSA Benefits cannot be elected with a General-Purpose Health FSA.

In addition, a Participant who has an election for a General-Purpose Health FSA that is in effect on the last day of a Plan Year can elect HSA Benefits provided that the Employee is an eligible individual and that the Health FSA balance meets the applicable requirements.

7.4 Events Permitting Exception to Irrevocability Rule

A Participant may make a new election upon the occurrence of certain events, including a Change in Status as described in Section 11.3, but only if such election change is made on account of and corresponds with a Change in Status that affects eligibility for coverage under a plan of the Employer or a plan of the Spouse's or Dependent's employer (referred to as the general consistency requirement). A Change in Status that affects eligibility for coverage under a plan of the Employer or a plan of the Spouse's or Dependent's employer includes a Change in Status that results in an increase or decrease in the number of an Employee's family members (i.e., a Spouse and/or Dependents) who may benefit from the coverage.

"Change in Status" means any of the events described below, as well as any other events included under subsequent changes to Code section 125 or regulations issued thereunder, which the Plan Administrator, in its sole discretion and on a uniform and consistent basis, determines are permitted under IRS regulations and under this Plan.

A Participant may change an election under the regulations for the Health FSA Component of this Plan as described below upon the occurrence of the stated events:

- (a) Open Enrollment Period
- (b) Change in Status:
 - (b.1) Change in Employee's Legal Marital Status
 - (b.2) Change in the Number of Employee's Dependents
 - (b.3) Change in Employment Status of Employee, Spouse or Dependent that Affects Eligibility
 - (b.4) Event Causing Employee's Dependent to Satisfy or Cease to Satisfy Eligibility Requirements
- (c) COBRA Qualifying Events
- (d) Certain Judgments, Decrees and Orders (QMCSO)
- (e) Medicare and Medicaid Eligibility
- (f) FMLA Leaves of Absence

7.5 Maximum Benefits for Health FSA

(a) Maximum Annual Salary Reduction Contributions Limit; Uniform Coverage. The maximum dollar amount elected by the Participant for reimbursement of Medical Care Expenses incurred during a Period of Coverage (reduced by prior reimbursements during the Period of Coverage) shall be available at all times during the Period of Coverage, regardless of the actual amounts credited to the Participant's Health FSA Account pursuant to Section 7.7. Notwithstanding the foregoing, no reimbursements will be available for Medical Care Expenses incurred after coverage under this Plan has terminated, unless the Participant has elected COBRA as provided in Section 7.10, or is entitled to submit expenses incurred during a Grace Period as provided in Section 7.6. Payment shall be made to the Participant in cash as reimbursement for Medical Care Expenses incurred during the Period of Coverage for which the Participant's election is effective (or during a Grace Period, if applicable under Section 7.6), provided that the other requirements of this Article have been satisfied.

(b) Maximum Annual Salary Reduction Contributions Limit. The maximum annual salary reduction contribution that a Participant may elect to receive under this Plan in the form of reimbursements for Medical Care Expenses incurred in any Period of Coverage for the General-Purpose Health FSA shall be \$2,550, subject to Section 7.7(c).

(c) Maximum Annual Salary Reduction Contributions Limit. The maximum annual salary reduction contribution that a Participant may elect to receive under this Plan in the form of reimbursements for Medical Care Expenses incurred in any Period of Coverage for the Limited-Purpose Health FSA shall be \$2,550, subject to Section 7.7(c).

Reimbursements due for Medical Care Expenses incurred by the Participant's Spouse or Dependents shall be charged against the Participant's Health FSA Account.

(d) Changes to Dollar Limits. For subsequent Plan Years, the maximum dollar limit may be changed by the Plan Administrator and shall be communicated to Employees through the Election Form/Salary Reduction Agreement or another document. If a Participant enters the Health FSA Component mid-year or wishes to increase his or her election mid-year as permitted under Section 7.4, then the Participant may elect coverage up to the maximum dollar limit or may increase coverage to the maximum dollar limit, as applicable.

7.6 Health FSA Benefit Grace Period

Special Rules for Claims Incurred During a Grace Period. The Health FSA Component has a grace period which allows for an additional period of time of 2.5 month(s) following the end of each Plan Year to incur expenses before the "use it or lose it" forfeiture rule applies. Thus, expenses incurred within 2.5 month(s) after the close of the Plan Year can be reimbursed with funds carried over from the prior Plan Year. However, any unused amounts from the prior Plan Year that are not used to reimburse expenses by the end of the run-out-period remain subject to the "use it or lose it" rule and must be forfeited.

A Participant who has an election for a General-Purpose Health FSA that is in effect on the last day of a Plan Year cannot elect HSA Benefits for any of the first three calendar months following the close of that Plan Year, unless the balance in the Participant's Health FSA Account is \$0 as of the last day of that Plan Year.

Notwithstanding any contrary provision in this Plan and subject to the conditions of Section 7.5(b), an individual may be reimbursed for Medical Care Expenses incurred during a Grace Period from amounts remaining in his or her Health FSA Account at the end of the Plan Year to which that Grace Period relates ("Prior Plan Year Health FSA Amounts") if he or she is either: (1) a Participant with Health FSA coverage that is in effect on the last day of that Plan Year; or (2) a qualified beneficiary (as defined under COBRA [or State Continuation Coverage]) who has COBRA [or State Continuation Coverage] coverage under the Health FSA Component on the last day of that Plan Year.

7.7 Establishment of Health FSA Account

The Plan Administrator will establish and maintain a Health FSA Account with respect to each Participant for each Plan Year or other Period of Coverage who has elected to participate in the Health FSA Component, but it will not create a separate fund or otherwise segregate assets for this purpose. The Account so established will merely be a recordkeeping account with the purpose of keeping track of contributions and determining forfeitures under Section 7.8.

(a) Crediting of Accounts. A Participant's Health FSA Account for a Plan Year or other Period of Coverage will be credited periodically during such period with an amount equal to the Participant's salary reductions elected to be allocated to such Account.

(b) Debiting of Accounts. A Participant's Health FSA Account for a Plan Year or other Period of Coverage will be debited for any reimbursement of Medical Care Expenses incurred during such period (or for reimbursement of Medical Care Expenses incurred during any Grace Period to which he or she is entitled as provided in Section 7.6).

(c) Available Amount Not Based on Credited Amount. As described in Section 7.5, the amount available for reimbursement of Medical Care Expenses is the Participant's annual salary reduction contributions (in addition to nonelective employer contributions to a health FSA, if any), reduced by prior reimbursements for Medical Care Expenses incurred during the Plan Year or other Period of Coverage (or during the Grace Period, if applicable); it is not based on the amount credited to the Health FSA Account at a particular point in time except as provided in Section 7.6. Thus, a Participant's Health FSA Account may have a negative balance during a Plan Year or other Period of Coverage, but the aggregate amount of reimbursement shall in no event exceed the maximum dollar amount elected by the Participant under this Plan.

7.8 FSA Carryover Rule and Use of Forfeiture

(a) Use-it-or-Lose-It Rule. Except as otherwise provided in Section 7.6 (regarding certain individuals who may be reimbursed from Prior Plan Year Health FSA Amounts for expenses incurred during a Grace Period), if any balance remains in the Participant's Health FSA Account for a Period of Coverage after all reimbursements have been made for the Period of Coverage, then such balance shall not be carried over to reimburse the Participant for Medical Care Expenses incurred during a subsequent Plan Year. The Participant shall forfeit all rights with respect to such balance.

(b) Use of Forfeitures. All forfeitures under this Plan shall be used as follows: first, to offset any losses experienced by the Employer during the Plan Year as a result of making reimbursements (i.e., providing Health FSA Benefits) with respect to all Participants in excess of the Contributions paid by such Participants through salary reductions; second, to reduce the cost of administering the Health FSA Component during the Plan Year or the subsequent Plan Year (all such administrative costs shall be documented by the Plan Administrator); and third, to provide increased benefits or compensation to Participants in subsequent years in any weighted or uniform fashion that the Plan Administrator deems appropriate, consistent with applicable regulations. In addition, any Health FSA Account benefit payments that are unclaimed (e.g., uncashed benefit checks) by the close of the Plan Year following the Run-Out Period in which the Medical Care Expense was incurred shall be forfeited and applied as described above.

7.9 Reimbursement Claims Procedure for Health FSA

(a) Claims Substantiation. A Participant who has elected to receive Health FSA Benefits for a Period of Coverage may apply for reimbursement by submitting a request in writing to the Plan Administrator in such form as the Plan Administrator may prescribe, by no later than the 3rd month following the close of the Plan Year in which the Medical Care Expense was incurred (except that for a Participant who ceases to be eligible to participate, this must be done no later than 3 months after the date that eligibility ceases, as described in Section 7.10) setting forth:

- the person(s) on whose behalf Medical Care Expenses have been incurred;
- the nature and date of the Expenses so incurred;
- the amount of the requested reimbursement;
- a statement that such Expenses have not otherwise been reimbursed and that the Participant will not seek reimbursement through any other source; and
- other such details about the expenses that may be requested by the Plan Administrator in the reimbursement request form or otherwise (e.g., a statement from a medical practitioner that the expense is to treat a specific medical condition, or a more detailed certification from the Participant).

The request shall be accompanied by bills, invoices, or other statements from an independent third party showing that the Medical Care Expenses have been incurred and showing the amounts of such Expenses, along with any additional documentation that the Plan Administrator may request.

If the Health FSA is accessible by an electronic payment card (e.g., debit card, credit card, or similar arrangement), the Participant will be required to comply with substantiation procedures established by the Plan Administrator in accordance with Rev. Rul. 2003-43, IRS Notice 2006-69, or other IRS guidance.

(b) Timing. Within 30 days after receipt by the Plan Administrator of a reimbursement claim from a Participant, the Employer will reimburse the Participant for the Participant's Medical Care Expenses (if the Plan Administrator approves the claim), or the Plan Administrator will notify the Participant that his or her claim has been denied. This time period may be extended by an additional 15 days for matters beyond the control of the Plan Administrator, including in cases where a reimbursement claim is incomplete. The Plan Administrator will provide written notice of any extension, including the reasons for the extension, and will allow the Participant 45 days in which to complete the previously

incomplete reimbursement claim.

(c) Claims Denied. For reimbursement claims that are denied, see the appeals procedure in Article XII.

(d) Claims Ordering.

Medical Care Expenses incurred during a Grace Period and approved for reimbursement in accordance with the Claims Substantiation procedures will be reimbursed first from any available Prior Plan Year Health FSA Amounts and then from any amounts that are available to reimburse expenses that are incurred during the current Plan Year.

If a claim is made for Medical Care Expenses incurred during a Grace Period, and approved for reimbursement in accordance with the Claims Substantiation procedures, the claim shall be paid in the order in which it is adjudicated and shall be irrevocable, except that if the Health FSA is accessible by an electronic payment card (e.g., debit card, credit card, or similar arrangement), Medical Care Expenses incurred during the Grace Period may need to be submitted manually in order to be reimbursed from Prior Plan Year Health FSA Amounts if the card is unavailable for such reimbursement.

7.10 Reimbursements From Health FSA After Termination of Participation: COBRA

When a Participant ceases to be a Participant under Section 3.2, the Participant's salary reductions and election to participate will terminate. Except as otherwise provided in Section 7.6 (regarding certain individuals who may be reimbursed from Prior Plan Year Health FSA Amounts for expenses incurred during a Grace Period), the Participant will not be able to receive reimbursements for Medical Care Expenses incurred after the end of the day on which the Participant's employment terminates or the Participant otherwise ceases to be eligible. However, such Participant (or the Participant's estate) may claim reimbursement for any Medical Care Expenses incurred during the Period of Coverage prior to the date that the Participant ceases to be eligible (or during any Grace Period to which he or she is entitled as provided in Section 7.6), provided that the Participant (or the Participant's estate) files a claim within 3 months after the date that the Participant ceases to be a Participant.

Notwithstanding any provision to the contrary in this Plan, to the extent required by COBRA, a Participant and his or her Spouse and Dependents, as applicable, whose coverage terminates under the Health FSA Component because of a COBRA qualifying event (and who is a qualified beneficiary as defined under COBRA) shall be given the opportunity to continue on a self-pay basis the same coverage that he or she had under the Health FSA Component the day before the qualifying event for the periods prescribed by COBRA.

Specifically, such individuals will be eligible for COBRA continuation coverage regardless of the Health FSA Account balance at the end of the applicable Period of Coverage (taking into account all claims submitted before the date of the qualifying event).

Such individuals will be notified if they are eligible for COBRA continuation coverage. If COBRA is elected, it will be available only for the remainder of the applicable Period of Coverage; such COBRA coverage for the Health FSA Component will cease at the end of the Plan Year and cannot be continued for the next Plan Year. Such continuation coverage shall be subject to all conditions and limitations under COBRA. Notwithstanding the foregoing, a qualified beneficiary (as defined under COBRA) who has COBRA coverage under the Health FSA Component on the last day of a Plan Year may be entitled to reimbursement of Medical Care Expenses incurred during the Grace Period following that Plan Year in accordance with the provisions of Section 7.6.

Contributions for coverage for Health FSA Benefits may be paid on a pre-tax basis for current Employees receiving taxable compensation (as may be permitted by the Plan Administrator on a uniform and consistent basis, but may not be prepaid from contributions in one Plan Year to provide coverage that extends into a subsequent Plan Year) where COBRA coverage arises either (a) because the Employee ceases to be eligible because of a reduction of hours or (b) because the Employee's Dependent ceases to satisfy the eligibility requirements for coverage. For all other individuals (e.g., Employees who cease to be eligible

because of retirement, termination of employment, or layoff), Contributions for COBRA coverage for Health FSA Benefits shall be paid on an after-tax basis (unless permitted otherwise by the Plan Administrator on a uniform and consistent basis, but may not be prepaid from contributions in one Plan Year to provide coverage that extends into a subsequent Plan Year).

7.11 Qualified Reservist Distribution

Under the Health FSA Component, a Participant may receive a distribution of all or a portion of the balance in the employee's account if the distribution qualifies as a "Qualified Reservist Distribution".

"Qualified Reservist Distribution". In order for a distribution to be a "qualified reservist distribution", a number of requirements must be satisfied. First, a "qualified reservist distribution" can be made only to a member of a "reserve component" (as defined in section 101 of title 37 of the United States Code), which means a member of the Army National Guard; U.S. Army, Navy, Marine Corps, Air Force, or Coast Guard Reserve; Air National Guard of the United States; or the Reserve Corps of the Public Health Service. Second, the distributions can be made only to a reservist that, by reason of being a member of a "reserve component", has been ordered or called into active duty (i) in excess of 179 days or more or (ii) for an indefinite period. Third, the amount of the distribution must be for "all or a portion of the balance in the employee's account". Fourth, the distribution must be made within a certain timeframe. The period for making a qualified reservist distribution must be made on or before the last day of the coverage period that includes the date of the reservist's call to active duty and ends on the last day that reimbursements could otherwise be made for the plan year that includes the first day of the distribution period.

A Qualified Reservist will be allowed to cash out the unused benefits and not forfeit them under the "use it or lose it" rule that applies to health FSAs. Specifically, the HEART Act allows for a taxable, penalty-free "qualified reservist distributions" from a health FSA without subjecting other amounts in the cafeteria plan or health FSA to immediate taxation.

7.12 Coordination of Benefits with Other Plans

Health FSA Benefits are intended to pay benefits solely for Medical Care Expenses for which Participants have not been previously reimbursed and will not seek reimbursement elsewhere. Accordingly, the Health FSA shall not be considered to be a group health plan for coordination of benefits purposes, and Health FSA Benefits shall not be taken into account when determining benefits payable under any other plan.

ARTICLE VIII

HSA Component

8.1 HSA Benefits

An HSA Eligible Employee can elect to participate in the HSA Component by electing to pay the Contributions on a pre-tax salary reduction basis to the Employee's HSA established and maintained outside the Plan by a trustee/custodian to which the Employer can forward contributions to be deposited (this funding feature constitutes the HSA Benefits offered under this Plan). As described in Article XI, such election can be increased, decreased or revoked prospectively at any time during the Plan Year, effective no later than the first day of the next calendar month following the date that the election change was filed. HSA Benefits cannot be elected with Health FSA Benefits unless the Limited (Vision/Dental/Preventive Care) Health FSA Option is selected.

In addition, if grace period applies, a Participant who has an election for a General-Purpose Health FSA Benefits that is in effect on the last day of a Plan Year, and has funds remaining in the Participant's Health FSA Account, cannot elect HSA Benefits until after the grace period has ended.

8.2 Contributions for Cost of Coverage for HSA; Maximum Limits

In no event shall the annual Contribution for a Participant's HSA Benefits of:

- (a) an individual with self-only coverage under a high deductible health plan exceed the inflation-indexed statutory amount as governed under Code section 223(b)(2)(A);
- (b) an individual with family coverage under a high deductible health plan exceed the inflation-indexed statutory amount as governed under Code section 223(b)(2)(B);

An additional catch-up Contribution may be made for Participants who are age 55 or older.

In addition, the maximum annual contribution shall be reduced by any matching (or other) Contribution made on the Participant's behalf (other than pre-tax salary reductions) made under the Plan.

8.3 Recording Contributions for HSA

The Plan Administrator will maintain records to keep track of HSA Contributions an Employee makes via pre-tax salary reductions, but it will not create a separate fund or otherwise segregate assets for this purpose. The Employer has no authority or control over the funds deposited in a HSA as specified in the HSA Plan Document.

8.4 Tax Treatment of HSA Contributions and Distributions

The tax treatment of the HSA (including contributions and distributions) is governed by Code section 223.

8.5 Trust/Custodial Agreement, HSA Not Intended to Be an ERISA Plan

HSA Benefits under this Plan consist solely of the ability to make Contributions to the HSA on a pre-tax salary reduction basis. Terms and conditions of coverage and benefits (e.g., eligible medical expenses, claims procedures, etc.) will be provided by and are set forth in the HSA, not this Plan. The terms and conditions of each Participant's HSA trust or custodial account are described in the HSA trust or custodial agreement provided by the applicable trustee/custodian to each electing Participant and are not a part of this Plan. The HSA is not an employer-sponsored employee benefits plan. It is a savings account that is established and maintained by an HSA trustee/custodian outside this Plan to be used primarily for reimbursement of "qualified eligible medical expenses" as set forth in Code section 223(d)(2). The Employer has no authority or control over the funds deposited in an HSA. Even though this Plan may allow pre-tax salary reduction contributions to an HSA, the HSA is not intended to be an ERISA benefit plan sponsored or maintained by the Employer.

ARTICLE IX

DCAP Component

9.1 DCAP Benefits

An Eligible Employee can elect to participate in the DCAP Component by electing to receive benefits in the form of reimbursements for Dependent Care Expenses and to pay the Contribution for such benefits on a pre-tax salary reduction basis. Unless an exception applies (as described in Article XI), such election of DCAP Benefits is irrevocable for the duration of the Period of Coverage to which it relates.

Once an Employee has met the Plan's eligibility requirements, the Eligible Employee may commence participation on the date the eligibility requirements have been met.

9.2 Contributions for Cost of Coverage for DCAP Benefits

The annual Contribution for a Participant's DCAP Benefits is equal to the annual benefit amount elected by the Participant subject to the dollar limits set forth in Section 9.5(b).

9.3 Eligible Dependent Care Expenses

Under the DCAP Component, a Participant may receive reimbursement for Dependent Care Expenses incurred during the Period of Coverage for which an election is in force.

(a) Incurred. A Dependent Care Expense is incurred at the time the Qualifying Dependent Care Services giving rise to the expense is furnished, not when the Participant is formally billed for, is charged for, or pays for the Qualifying Dependent Care Services (e.g., services rendered for the month of June are not fully incurred until June 30 and cannot be reimbursed in full until then).

(b) Dependent Care Expenses. "Dependent Care Expenses" are expenses that are considered to be employment-related expenses under Code section 21(b)(2) (relating to expenses for the care of a Qualifying Individual necessary for gainful employment of the Employee and Spouse, if any), and expenses for incidental household services, if paid for by the Eligible Employee to obtain Qualifying Dependent Care Services, provided, however, that this term shall not include any expenses for which the Participant or other person incurring the expense is reimbursed for the expense through insurance or any other plan. If only a portion of a Dependent Care Expense has been reimbursed elsewhere (e.g., because the Spouse's DCAP imposes maximum benefit limitations), the DCAP can reimburse the remaining portion of such expense if it otherwise meets the requirements of this Article.

(c) Qualifying Individual. "Qualifying Individual" means:

- a tax dependent of the Participant as defined in Code section 152 who is under the age of 13 and who is the Participant's qualifying child as defined in Code section 152(a)(1);
- a tax dependent of the Participant as defined in Code section 152 who is physically or mentally incapable of self-care and who has the same principal place of abode as the Participant for more than half of the year; or
- a Participant's Spouse who is physically or mentally incapable of self-care, and who has the same principal place of abode as the Participant for more than half of the year.

Notwithstanding the foregoing, in the case of divorced parents, a Qualifying Individual who is a child shall, as provided in Code section 21(e)(5), be treated as a Qualifying Individual of the custodial parent (within the meaning of Code section 152(e)(3)(A)) and shall not be treated as a Qualifying Individual with respect to the non-custodial parent.

(d) Qualifying Dependent Care Services. "Qualifying Dependent Care Services" means the following: services that both (1) relate to the care of a Qualifying Individual that enable the Participant

and his or her Spouse to remain gainfully employed after the date of participation in the DCAP Component and during the Period of Coverage; and (2) are performed:

- in the Participant's home; or
- outside the Participant's home for (1) the care of a Participant's qualifying child who is under age 13; or (2) the care of any other Qualifying Individual who regularly spends at least eight hours per day in the Participant's household. In addition, if the expenses are incurred for services provided by a dependent care center (i.e., a facility that provides care for more than six individuals not residing at the facility and that receives a fee, payment, or grant for such services), then the center must comply with all applicable state and local laws and regulations.

(e) Exclusions. Dependent Care Expenses do not include amounts paid to:

- an individual with respect to whom a personal exemption is allowable under Code section 151(c) to a Participant or his or her Spouse;
- a Participant's Spouse; or
- a Participant's child (as defined in Code section 152(f)(1)) who is under 19 years of age at the end of the year in which the expenses were incurred.

9.4 Events Permitting Exception to Irrevocability Rule

A Participant may make a new election upon the occurrence of certain events, including a Change in Status as described in Section 11.3, but only if such election change is made on account of and corresponds with a Change in Status that affects eligibility for coverage under a plan of the Employer or a plan of the Spouse's or Dependent's employer (referred to as the general consistency requirement). A Change in Status that affects eligibility for coverage under a plan of the Employer or a plan of the Spouse's or Dependent's employer includes a Change in Status that results in an increase or decrease in the number of an Employee's family members (i.e., a Spouse and/or Dependents) who may benefit from the coverage.

"Change in Status" means any of the events described below, as well as any other events included under subsequent changes to Code section 125 or regulations issued thereunder, which the Plan Administrator, in its sole discretion and on a uniform and consistent basis, determines are permitted under IRS regulations and under this Plan.

A Participant may change an election under the regulations for the DCAP Component of this Plan as described below upon the occurrence of the stated events:

- (a)** Open Enrollment Period
- (b)** Change in Status:
 - (b.1)** Change in Employee's Legal Marital Status
 - (b.2)** Change in the Number of Employee's Dependents
 - (b.3)** Change in Employment Status of Employee, Spouse or Dependent that Affects Eligibility
 - (b.4)** Event Causing Employee's Dependent to Satisfy or Cease to Satisfy Eligibility Requirements
- (c)** Significant Cost Changes: Significant Cost Increase or Significant Cost Decrease
- (d)** Significant Curtailment of Coverage (With or Without Loss of Coverage)
- (e)** Addition or Significant Improvement of a Benefit Package Option
- (f)** Change in Coverage Under Another Employer Cafeteria Plan or Qualified Benefits Plan
- (g)** FMLA Leaves of Absence

9.5 Maximum Benefits for DCAP

(a) Maximum Reimbursement Available. The maximum dollar amount elected by the Participant for reimbursement of Dependent Care Expenses incurred during a Period of Coverage (reduced by prior reimbursements during the Period of Coverage) shall only be available during the Period of Coverage to the extent of the actual amounts credited to the Participant's DCAP Account pursuant to Section 9.6. No reimbursement will be made to the extent that such reimbursement would exceed the balance in the Participant's Account (that is, the year-to-date amount that has been withheld from the Participant's Compensation for reimbursement for Dependent Care Expenses for the Period of

Coverage, less any prior reimbursements). Payment shall be made to the Participant in cash as reimbursement for Dependent Care Expenses incurred during the Period of Coverage for which the Participant's election is effective, provided that the other requirements of this Article IX have been satisfied.

(b) Maximum Dollar Limits. The maximum annual benefit amount that a Participant may elect to receive under this Plan in the form of reimbursements for Dependent Care Expenses incurred in any Period of Coverage shall be the maximum limit as indexed under Code section 129(a)(2). Or if lower, the maximum amount that the Participant has reason to believe will be excludable from his or her income at the time the election is made as a result of the applicable statutory limit for the Participant. The applicable statutory limit for a Participant is the smallest of the following amounts:

- the Participant's Earned Income for the calendar year;
- the Earned Income of the Participant's Spouse for the calendar year (Note: A Spouse who (1) is not employed during a month in which the Participant incurs a Dependent Care Expense; and (2) is either physically or mentally incapable of self-care or a Student shall be deemed to have Earned Income in the amount indexed under Code section 129(b)(2) per Qualifying Individual for whom the Participant incurs Dependent Care Expenses, up to a maximum amount indexed under Code section 129(b)(2)); or
- either the maximum statutory limit indexed under Code section 129(a)(2) for the calendar year, as applicable:

(1) Statutory maximum amount as indexed under Code section 129(a)(2) for the calendar year if one of the following applies:

- the Participant is married and files a joint federal income tax return;
 - the Participant is married, files a separate federal income tax return, and meets the following conditions: (1) the Participant maintains as his or her home a household that constitutes (for more than half of the taxable year) the principal abode of a Qualifying Individual (i.e., the Dependent for whom the Participant is eligible to receive reimbursements under the DCAP); (2) the Participant furnishes over half of the cost of maintaining such household during the taxable year; and (3) during the last six months of the taxable year, the Participant's Spouse is not a member of such household (i.e., the Spouse maintained a separate residence); or
 - the Participant is single or is the head of the household for federal income tax purposes; or
- (2) Statutory maximum amount indexed under Code section 129(a)(2) for the calendar year if the Participant is married and resides with the Spouse but files a separate federal income tax return.

(c) Changes. For subsequent Plan Years, the maximum dollar limit may be changed by the Plan Administrator and shall be communicated to Employees through the Election Form/Salary Reduction Agreement or another document. If a Participant enters the DCAP Component mid-year or wishes to increase his or her election mid-year as permitted under Section 9.4, then the Participant may elect coverage up to the maximum dollar limit or may increase coverage up to the maximum dollar limit, as applicable.

9.6 Establishment of DCAP Account

The Plan Administrator will establish and maintain a DCAP Account with respect to each Participant for each Plan Year or other Period of Coverage who has elected to participate in the DCAP Component, but it will not create a separate fund or otherwise segregate assets for this purpose. The Account so established will merely be a recordkeeping account with the purpose of keeping track of contributions and determining forfeitures under Section 9.8.

(a) Crediting of Accounts. A Participant's DCAP Account for a Plan Year or other Period of Coverage will be credited periodically during such period with an amount equal to the Participant's salary reductions elected to be allocated to such Account.

(b) Debiting of Accounts. A Participant's DCAP Account will be debited during each Period of Coverage for any reimbursement of Dependent Care Expenses incurred during the Period of Coverage.

(c) Available Amount Is Based on Credited Amount. As described in Section 9.5, the amount available for reimbursement of Dependent Care Expenses may not exceed the year-to-date amount credited to the Participant's DCAP Account, less any prior reimbursements (i.e., it is based on the amount credited to the DCAP Account at a particular point in time). Thus, a Participant's DCAP Account may not have a negative balance during a Period of Coverage.

9.7 DCAP Benefits Grace Period

This benefit has a grace period which allows for an additional period of time of 2.5 month(s) following the end of each Plan Year to incur expenses before the "use it or lose it" forfeiture rule applies. Thus, expenses incurred within 2.5 month(s) after the close of the Plan Year can be reimbursed with funds carried over from the prior Plan Year. However, any unused amounts from the prior Plan Year that are not used to reimburse expenses by the end of the grace period remain subject to the "use it or lose it" rule and must be forfeited.

9.8 Forfeiture of DCAP Accounts; Use-It-or-Lose-It Rule

If any balance remains in the Participant's DCAP Account for a Period of Coverage after all reimbursements have been made for the Period of Coverage, then such balance shall not be carried over to reimburse the Participant for Dependent Care Expenses incurred during a subsequent Plan Year. The Participant shall forfeit all rights with respect to such balance. All forfeitures under this Plan shall be used as follows: first, to offset any losses experienced by the Employer during the Plan Year as a result of making reimbursements (i.e., providing DCAP Benefits) with respect to all Participants in excess of the Contributions paid by such Participants through salary reductions; second, to reduce the cost of administering the DCAP during the Plan Year or the subsequent Plan Year (all such administrative costs shall be documented by the Plan Administrator); and third, to provide increased benefits or compensation to Participants in subsequent years in any weighted or uniform fashion the Plan Administrator deems appropriate, consistent with applicable regulations. In addition, any DCAP Account benefit payments that are unclaimed (e.g., uncashed benefit checks) by the close of the Plan Year following the Period of Coverage in which the Dependent Care Expense was incurred shall be forfeited and applied as described above.

9.9 Reimbursement Claims Procedure for DCAP

(a) Claims Substantiation. A Participant who has elected to receive DCAP Benefits for a Period of Coverage may apply for reimbursement by submitting a request for reimbursement in writing to the Plan Administrator in such form as the Plan Administrator may prescribe, by no later than the 3rd month following the close of the Plan Year in which the Dependent Care Expense was incurred (except for a Participant who ceases to be eligible to participate, by no later than 3 months after the date that eligibility ceases, as described in Section 9.10), setting forth:

- the person(s) on whose behalf Dependent Care Expenses have been incurred;
- the nature and date of the Expenses so incurred;
- the amount of the requested reimbursement;
- the name of the person, organization or entity to whom the Expense was or is to be paid, and taxpayer identification number (Social Security number, if the recipient is a person);
- a statement that such Expenses have not otherwise been reimbursed and that the Participant will not seek reimbursement through any other source;
- the Participant's certification that he or she has no reason to believe that the reimbursement requested, added to his or her other reimbursements to date for Dependent Care Expenses incurred during the same calendar year, will exceed the applicable statutory limit for the Participant as described in Section 9.5(b); and
- other such details about the expenses that may be requested by the Plan Administrator in the reimbursement request form or otherwise (e.g., a more detailed certification from the Participant).

The request shall be accompanied by bills, invoices, or other statements from an independent third party showing that the Dependent Care Expenses have been incurred and showing the amounts of such Expenses, along with any additional documentation that the Plan Administrator may request.

(b) Timing. Within 30 days after receipt by the Plan Administrator of a reimbursement claim from a Participant, the Employer will reimburse the Participant for the Participant's Dependent Care Expenses (if the Plan Administrator approves the claim), or the Plan Administrator will notify the Participant that his or her claim has been denied. This time period may be extended by an additional 15 days for matters beyond the control of the Plan Administrator, including in cases where a reimbursement claim is incomplete. The Plan Administrator will provide written notice of any extension, including the reasons for the extension, and will allow the Participant 45 days in which to complete the previously incomplete reimbursement claim.

(c) Claims Denied. For reimbursement claims that are denied, see the appeals procedure in Article XII.

(d) Claims Ordering. Dependent Care Expenses incurred during a Grace Period and approved for reimbursement in accordance with the Claims Substantiation procedures will be reimbursed first from any available Prior Plan Year Dependent Care Amounts and then from any amounts that are available to reimburse expenses that are incurred during the current Plan Year.

If a claim is made for Dependent Care Expenses incurred during a Grace Period, and approved for reimbursement in accordance with the Claims Substantiation procedures, the claim shall be paid in the order in which it is adjudicated and shall be irrevocable, except that if the Dependent Care is accessible by an electronic payment card (e.g., debit card, credit card, or similar arrangement), Dependent Care Expenses incurred during the Grace Period may need to be submitted manually in order to be reimbursed from Prior Plan Year Dependent Care Amounts if the card is unavailable for such reimbursement.

9.10 Reimbursements From DCAP After Termination of Participation

When a Participant ceases to be a Participant under Section 3.2, the Participant's salary reductions and election to participate will terminate.

The Participant will be able to receive reimbursements for Dependent Care Expenses incurred during the Period of Coverage following termination through the end of the Plan Year.

9.11 Report to DCAP Participants

On or before January 31 of each year, the Plan Administrator shall furnish to each Participant who has received reimbursement for Dependent Care Expenses during the prior calendar year a written statement showing the Dependent Care Expenses paid during such year with respect to the Participant, or showing the salary reductions for the year for the DCAP Component, as the Plan Administrator deems appropriate.

ARTICLE X

HIPAA Provisions

10.1 Provision of Protected Health Information to Employer

Members of the Employer's workforce have access to the individually identifiable health information of Plan participants for administrative functions of the Health FSA and Premium. When this health information is provided from the Health FSA and Premium to the Employer, it is Protected Health Information (PHI). The Health Insurance Portability and Accountability Act of 1996 (HIPAA) and its implementing regulations restrict the Employer's ability to use and disclose PHI. The following HIPAA definition of PHI applies for purposes of this Article:

Protected Health Information. Protected health information means information that is created or received by the Plan and relates to the past, present, or future physical or mental health or condition of a participant; the provision of health care to a participant; or the past, present, or future payment for the provision of health care to a participant; and that identifies the participant or for which there is a reasonable basis to believe the information can be used to identify the participant. Protected health information includes information of persons living or deceased. The Employer shall have access to PHI from the Health FSA and Premium only as permitted under this Article or as otherwise required or permitted by HIPAA.

The Health Information Technology for Economic and Clinical Health Act passed as part of the American Recovery and Reinvestment Act of 2009 to strengthen the privacy and security protection of health information, and to improve the workability and effectiveness of HIPAA Rules. HITECH defines an EHR as "electronic record of health-related information on an individual that is created, gathered, managed, and consulted by authorized health care clinicians and staff."

10.2 Permitted Disclosure of Enrollment/Disenrollment Information

The Health FSA and Premium may disclose to the Employer information on whether the individual is participating in the Plan.

10.3 Permitted Uses and Disclosure of Summary Health Information

The Health FSA and Premium may disclose Summary Health Information to the Employer, provided that the Employer requests the Summary Health Information for the purpose of modifying, amending, or terminating the Health FSA and Premium.

"Summary Health Information" means information (a) that summarizes the claims history, claims expenses, or type of claims experienced by individuals for whom a plan sponsor had provided health benefits under a health plan; and (b) from which the information described at 42 CFR Section 164.514(b)(2)(i) has been deleted, except that the geographic information described in 42 CFR Section 164.514(b)(2)(i)(B) need only be aggregated to the level of a five-digit ZIP code.

10.4 Permitted and Required Uses and Disclosure of PHI for Plan Administration Purposes

Unless otherwise permitted by law, and subject to the conditions of disclosure described in Section 10.5 and obtaining written certification pursuant to Section 10.7, the Health FSA and Premium may disclose PHI to the Employer, provided that the Employer uses or discloses such PHI only for Plan administration purposes. "Plan administration purposes" means administration functions performed by the Employer on behalf of the Health FSA and Premium, such as quality assurance, claims processing, auditing, and monitoring. Plan administration functions do not include functions performed by the Employer in connection with any other benefit or benefit plan of the Employer, and they do not include any employment-related functions. Notwithstanding the provisions of this Plan to the contrary, in no event shall the Employer be permitted to use or disclose PHI in a manner that is inconsistent with 45 CFR Section 164.504(f).

10.5 Conditions of Disclosure for Plan Administration Purposes

The Employer agrees that with respect to any PHI (other than enrollment/disenrollment information and Summary Health Information, which are not subject to these restrictions) disclosed to it by the Health FSA and Premium, the Employer shall:

- not use or further disclose the PHI other than as permitted or required by the Plan or as required by law;
- ensure that any agent, including a subcontractor, to whom it provides PHI received from the Health FSA and Premium agrees to the same restrictions and conditions that apply to the Employer with respect to PHI;
- not use or disclose the PHI for employment-related actions and decisions or in connection with any other benefit or employee benefit plan of the Employer;
- report to the Plan any use or disclosure of the information that is inconsistent with the uses or disclosures provided for of which it becomes aware;
- make available PHI to comply with HIPAA's right to access in accordance with 45 CFR Section 164.524;
- make available PHI for amendment and incorporate any amendments to PHI in accordance with 45 CFR Section 164.526;
- make available the information required to provide an accounting of disclosures in accordance with 45 CFR Section 164.528;
- make its internal practices, books, and records relating to the use and disclosure of PHI received from the Health FSA and Premium available to the Secretary of Health and Human Services for purposes of determining compliance by the Health FSA and Premium with HIPAA's privacy requirements;
- if feasible, return or destroy all PHI received from the Health FSA and Premium that the Employer still maintains in any form and retain no copies of such information when no longer needed for the purpose for which disclosure was made, except that, if such return or destruction is not feasible, limit further uses and disclosures to those purposes that make the return or destruction of the information infeasible; and
- ensure that the adequate separation between the Health FSA and Premium and the Employer (i.e., the "firewall"), required in 45 CFR Section 504(f)(2)(iii), is satisfied.

The Employer further agrees that if it creates, receives, maintains, or transmits any electronic PHI (other than enrollment/disenrollment information and Summary Health Information, which are not subject to these restrictions) on behalf of the Health FSA and Premium, it will implement administrative, physical, and technical safeguards that reasonably and appropriately protect the confidentiality, integrity, and availability of the electronic PHI, and it will ensure that any agents (including subcontractors) to whom it provides such electronic PHI agrees to implement reasonable and appropriate security measures to protect the information. The Employer will report to the Health FSA and Premium any security incident of which it becomes aware.

10.6 Adequate Separation Between Plan and Employer

The Employer shall allow the following persons access to PHI: the Human Resource Manager, Human Resource and payroll staff performing Health FSA functions, the Benefits Manager, the Plan Administrator, and any other Employee who needs access to PHI in order to perform Plan administration functions that the Employer performs for the Health FSA and Premium (such as quality assurance, claims processing, auditing, monitoring, payroll, and appeals). No other persons shall have access to PHI. These specified employees (or classes of employees) shall only have access to and use PHI to the extent necessary to perform the plan administration functions that the Employer performs for the Health FSA and Premium. In the event that any of these specified employees does not comply with the provisions of this Section, that employee shall be subject to disciplinary action by the Employer for non-compliance pursuant to the Employer's employee discipline and termination procedures.

The Employer will ensure that the provisions of this Section are supported by reasonable and appropriate security measures to the extent that the designees have access to electronic PHI.

10.7 Certification of Plan Sponsor

The Health FSA and Premium shall disclose PHI to the Employer only upon the receipt of a certification by

the Employer that the Plan has been amended to incorporate the provisions of 45 CFR Section 164.504(f)(2)(ii), and that the Employer agrees to the conditions of disclosure set forth in Section 10.5.

ARTICLE XI

Irrevocability of Elections; Exceptions

11.1 Irrevocability of Elections

Except as described in this Article, a Participant's election under the Plan is irrevocable for the duration of the Period of Coverage to which it relates. In other words, unless an exception applies, the Participant may not change any elections for the duration of the Period of Coverage regarding:

- participation in this Plan;
- salary reduction amounts; or
- election of particular Benefit Package Options (including the various Health FSA Options).

However, as described further in Section 11.4, an election to make a Contribution to an HSA can be changed at any time on a prospective basis.

11.2 Procedure for Making New Election If Exception to Irrevocability Applies

(a) Timeframe for Making New Election. A Participant (or an Eligible Employee who, when first eligible under Section 3.1 or during the Open Enrollment Period under Section 4.2, declined to be a Participant) may make a new election within 30 days of the occurrence of an event described in Section 11.3, as applicable, but only if the election under the new Election Form/Salary Reduction Agreement is made on account of and is consistent with the event and if the election is made within any specified time period. Notwithstanding the foregoing, a Change in Status (e.g., a divorce) that results in a beneficiary becoming ineligible for coverage under the Medical Insurance Plan shall automatically result in a corresponding election change, whether or not requested by the Participant within the normal 30-day period.

(b) Effective Date of New Election. Elections made pursuant to this Section shall be effective for the balance of the Period of Coverage following the change of election unless a subsequent event allows for a further election change. All election changes shall be effective the date the new election is made.

(c) Effect of New Election Upon Amount of Benefits. For the effect of a changed election upon the maximum and minimum benefits under the Health FSA, see Section 7.5 and DCAP Component, see Section 9.5.

11.3 Change in Status Defined

A Participant may make a new election upon the occurrence of certain events as described below, including a Change in Status, for the applicable Component, but only if such election change is made on account of and corresponds with a Change in Status that affects eligibility for coverage under a plan of the Employer or a plan of the Spouse's or Dependent's employer (referred to as the general consistency requirement). A Change in Status that affects eligibility for coverage under a plan of the Employer or a plan of the Spouse's or Dependent's employer includes a Change in Status that results in an increase or decrease in the number of an Employee's family members (i.e., a Spouse and/or Dependents) who may benefit from the coverage.

"Change in Status" means any of the events described below, as well as any other events included under subsequent changes to Code section 125 or regulations issued thereunder, which the Plan Administrator, in its sole discretion and on a uniform and consistent basis, determines are permitted under IRS regulations and under this Plan:

(a) Open Enrollment Period. A Participant may change an election during the Open Enrollment Period in accordance with Section 4.2.

(b) Termination of Employment. A Participant's election will terminate under the Plan upon termination of employment in accordance with Sections 3.2 and 3.3, as applicable.

(c) Legal Marital Status. A change in a Participant's legal marital status, including marriage, death of a Spouse, divorce, legal separation, or annulment;

(d) Number of Dependents. Events that change a Participant's number of Dependents, including birth, death, adoption, and placement for adoption;

(e) Employment Status. Any of the following events that change the employment status of the Participant or his or her Spouse or Dependents: (1) a termination or commencement of employment; (2) a strike or lockout; (3) a commencement of or return from an unpaid leave of absence; (4) a change in worksite; and (5) if the eligibility conditions of this Plan or other employee benefits plan of the Participant or his or her Spouse or Dependents depend on the employment status of that individual and there is a change in that individual's status with the consequence that the individual becomes (or ceases to be) eligible under this Plan or other employee benefits plan, such as if a plan only applies to salaried employees and an employee switches from salaried to hourly-paid, union to non-union, or full-time to part-time (or vice versa), with the consequence that the employee ceases to be eligible for the Plan;

(f) Dependent Eligibility Requirements. An event that causes a Dependent to satisfy or cease to satisfy the Dependent eligibility requirements for a particular benefit, such as attaining a specified age, or any similar circumstance; and

(g) Change in Residence. A change in the place of residence of the Participant or his or her Spouse or Dependents that causes the gain or loss of eligibility for coverage option.

(h) Leaves of Absence. A Participant may change an election under the Plan upon FMLA leave in accordance with Section 3.4 and upon non-FMLA leave in accordance with Section 3.5.

Assuming that the general consistency requirement is satisfied, a requested election change must also satisfy the following specific consistency requirements in order for a Participant to be able to alter his or her election based on the specified Change in Status:

(h.1) Loss of Spouse or Dependent Eligibility; Special COBRA Rules. For a Change in Status involving a Participant's divorce, annulment or legal separation from a Spouse, the death of a Spouse or a Dependent, or a Dependent's ceasing to satisfy the eligibility requirements for coverage, a Participant may only elect to cancel accident or health insurance coverage for (a) the Spouse involved in the divorce, annulment, or legal separation; (b) the deceased Spouse or Dependent; or (c) the Dependent that ceased to satisfy the eligibility requirements. Canceling coverage for any other individual under these circumstances would fail to correspond with that Change in Status. Notwithstanding the foregoing, if the Participant or his or her Spouse or Dependent becomes eligible for COBRA (or similar health plan continuation coverage under state law) under the Employer's plan (and the Participant remains a Participant under this Plan in accordance with Section 3.2), then the Participant may increase his or her election to pay for such coverage (this rule does not apply to a Participant's Spouse who becomes eligible for COBRA or similar coverage as a result of divorce, annulment, or legal separation).

(h.2) Gain of Coverage Eligibility Under Another Employer's Plan. For a Change in Status in which a Participant or his or her Spouse or Dependent gains eligibility for coverage under a cafeteria plan or qualified benefit plan of the employer of the Participant's Spouse or Dependent as a result of a change in marital status or a change in employment status, a Participant may elect to cease or decrease coverage for that individual only if coverage for that individual becomes effective or is increased under the Spouse's or Dependent's employer's plan. The Plan Administrator may rely on a Participant's certification that the Participant has obtained or will obtain coverage under the Spouse's or Dependent's employer's plan, unless the Plan Administrator has reason to believe that the Participant's certification is incorrect.

(i) Certain Judgments, Decrees and Orders. If a judgment, decree, or order (collectively, an "Order") resulting from a divorce, legal separation, annulment, or change in legal custody (including a QMCSO) requires accident or health coverage for a Participant's child (including a foster child who is a Dependent of the Participant), then a Participant may (1) change his or her election to provide coverage for the child (provided that the Order requires the Participant to provide coverage); or (2) change his or her election to revoke coverage for the child if the Order requires that another individual (including the Participant's Spouse or former Spouse) provide coverage under that individual's plan and such coverage is actually provided.

(j) Medicare and Medicaid. If a Participant or his or her Spouse or Dependent who is enrolled in a health or accident plan under this Plan becomes entitled to (i.e., becomes enrolled in) Medicare or Medicaid (other than coverage consisting solely of benefits under Section 1928 of the Social Security Act providing for pediatric vaccines), then the Participant may prospectively reduce or cancel the health or accident coverage of the person becoming entitled to Medicare or Medicaid.

(k) Change in Cost. For purposes of this Section, "similar coverage" means coverage for the same category of benefits for the same individuals (e.g., family to family or single to single). For example, two plans that provide major medical coverage are considered to be similar coverage. For purposes of this definition, (1) a health FSA is not similar coverage with respect to an accident or health plan that is not a health FSA; (2) an HMO and a PPO are considered to be similar coverage; and (3) coverage by another employer, such as a Spouse's or Dependent's employer, may be treated as similar coverage if it otherwise meets the requirements of similar coverage.

(k.1) Increase or Decrease for Insignificant Cost Changes. Participants are required to increase their elective contributions (by increasing salary reductions) to reflect insignificant increases in their required contribution for their Benefit Package Option(s), and to decrease their elective contributions to reflect insignificant decreases in their required contribution. The Plan Administrator will determine whether an increase or decrease is insignificant based upon all the surrounding facts and circumstances, including but not limited to the dollar amount or percentage of the cost change. The Plan Administrator, on a reasonable and consistent basis, will automatically effectuate this increase or decrease in affected employees' elective contributions on a prospective basis.

(k.2) Significant Cost Increases. If the Plan Administrator determines that the cost charged to an Employee of a Participant's Benefit Package Option(s) significantly increases during a Period of Coverage, then the Participant may (a) make a corresponding prospective increase in his or her elective contributions (by increasing salary reductions); (b) revoke his or her election for that coverage, and in lieu thereof, receive on a prospective basis coverage under another Benefit Package Option that provides similar coverage (such as an HMO, but not the Health FSA); or (c) drop coverage prospectively if there is no other Benefit Package Option available that provides similar coverage.

(k.3) Significant Cost Decreases. If the Plan Administrator determines that the cost of any Benefit Package Option significantly decreases during a Period of Coverage, then the Plan Administrator may permit the following election changes: (a) Participants who are enrolled in a Benefit Package Option (such as an HMO, but not the Health FSA) other than the Benefit Package Option that has decreased in cost may change their election on a prospective basis to elect the Benefit Package Option that has decreased in cost (such as the PPO for the Medical Insurance Plan); and (b) Employees who are otherwise eligible under Section 3.1 may elect the Benefit Package Option that has decreased in cost (such as the PPO) on a prospective basis, subject to the terms and limitations of the Benefit Package Option.

(k.4) Limitation on Change in Cost Provisions for DCAP Benefits. The "Change in Cost" provisions apply to DCAP Benefits only if the cost change is imposed by a dependent care provider who is not a "relative" of the Employee. For this purpose, a relative is an individual who is related as described in Code section 152(d)(2)(A) through (G), incorporating the rules of Code

section 152(f)(1) and 152(f)(4).

(l) Change in Coverage. For purposes of this Section, "similar coverage" means coverage for the same category of benefits for the same individuals (e.g., family to family or single to single). For example, two plans that provide major medical coverage are considered to be similar coverage. For purposes of this definition, (1) a health FSA is not similar coverage with respect to an accident or health plan that is not a health FSA; (2) an HMO and a PPO are considered to be similar coverage; and (3) coverage by another employer, such as a Spouse's or Dependent's employer, may be treated as similar coverage if it otherwise meets the requirements of similar coverage.

(m) Significant Curtailment. If coverage is "significantly curtailed" (as defined below), Participants may elect coverage under another Benefit Package Option that provides similar coverage. In addition, as set forth below, if the coverage curtailment results in a "Loss of Coverage" (as defined below), then Participants may drop coverage if no similar coverage is offered by the Employer.

(m.1) Significant Curtailment Without Loss of Coverage. If the Plan Administrator determines that a Participant's coverage under a Benefit Package Option under this Plan (or the Participant's Spouse's or Dependent's coverage under his or her employer's plan) is significantly curtailed without a Loss of Coverage during a Period of Coverage, the Participant may revoke his or her election for the affected coverage, and in lieu thereof, prospectively elect coverage under another Benefit Package Option that provides similar coverage (such as the HMO, but not the Health FSA). Coverage under a plan is deemed to be "significantly curtailed" only if there is an overall reduction in coverage provided under the plan so as to constitute reduced coverage generally.

(m.2) Significant Curtailment With a Loss of Coverage. If the Plan Administrator determines that a Participant's Benefit Package Option coverage under this Plan (or the Participant's Spouse's or Dependent's coverage under his or her employer's plan) is significantly curtailed, and if such curtailment results in a Loss of Coverage during a Period of Coverage, then the Participant may revoke his or her election for the affected coverage and may either prospectively elect coverage under another Benefit Package Option that provides similar coverage (such as the HMO, but not the Health FSA) or drop coverage if no other Benefit Package Option providing similar coverage is offered by the Employer.

(m.3) Definition of Loss of Coverage. For purposes of this Section, a "Loss of Coverage" means a complete loss of coverage (including the elimination of a Benefit Package Option, an HMO ceasing to be available where the Participant or his or her Spouse or Dependent resides, or a Participant or his or her Spouse or Dependent losing all coverage under the Benefit Package Option by reason of an overall lifetime or annual limitation). In addition, the Plan Administrator may treat the following as a Loss of Coverage:

- a substantial decrease in the medical care providers available under the Benefit Package Option (such as a major hospital ceasing to be a member of a preferred provider network or a substantial decrease in the number of physicians participating in the PPO for the Medical Insurance Plan or in an HMO);
- a reduction in benefits for a specific type of medical condition or treatment with respect to which the Participant or his or her Spouse or Dependent is currently in a course of treatment; or
- any other similar fundamental loss of coverage.

(n) Addition or Significant Improvement of a Benefit Package Option. If during a Period of Coverage the Plan adds a new Benefit Package Option or significantly improves an existing Benefit Package Option, the Plan Administrator may permit the following election changes: (a) Participants who are enrolled in a Benefit Package Option other than the newly added or significantly improved Benefit Package Option may change their elections on a prospective basis to elect the newly added or significantly improved Benefit Package Option; and (b) Employees who are otherwise eligible

under Section 3.1 may elect the newly added or significantly improved Benefit Package Option on a prospective basis, subject to the terms and limitations of the Benefit Package Option.

(o) Loss of Coverage Under Other Group Health Coverage. A Participant may prospectively change his or her election to add group health coverage for the Participant or his or her Spouse or Dependent, if such individual(s) loses coverage under any group health coverage sponsored by a governmental or educational institution, including (but not limited to) the following: a state children's health insurance program (SCHIP) under Title XXI of the Social Security Act; a medical care program of an Indian Tribal government (as defined in Code §7701(a)(40)), the Indian Health Service, or a tribal organization; a state health benefits risk pool; or a foreign government group health plan, subject to the terms and limitations of the applicable Benefit Package Option(s).

(p) Change in Coverage Under Another Employer Plan. A Participant may make a prospective election change that is on account of and corresponds with a change made under an employer plan (including a plan of the Employer or a plan of the Spouse's or Dependent's employer), so long as (a) the other cafeteria plan or qualified benefits plan permits its participants to make an election change that would be permitted under applicable IRS regulations; or (b) the Plan permits Participants to make an election for a Period of Coverage that is different from the Plan Year under the other cafeteria plan or qualified benefits plan.

11.4 Election Modifications for HSA Benefits May Be Changed Prospectively at Any Time

As set forth in Section 8.1, an election to make a Contribution to an HSA can be increased, decreased or revoked at any time on a prospective basis. Such election changes shall be effective no later than the first day of the next calendar month following the date that the election change was filed. No Benefit Package Option election changes can occur as a result of a change in HSA election except as otherwise described in this Article.

A Participant generally would not be able to terminate an election under the Health FSA in order to be eligible for the HSA, unless one of the exceptions described in Section 11.3 for Health FSAs otherwise applied (such as for change in status). A Participant entitled to change an election as described in this Section must do so in accordance with the procedures described in Section 11.2.

11.5 Election Modifications Required by Plan Administrator

The Plan Administrator may, at any time, require any Participant or class of Participants to amend the amount of their salary reductions (including salary reductions for HSA Benefits) for a Period of Coverage if the Plan Administrator determines that such action is necessary or advisable in order to (a) satisfy any of the Code's nondiscrimination requirements applicable to this Plan or other cafeteria plan; (b) prevent any Employee or class of Employees from having to recognize more income for federal income tax purposes from the receipt of benefits hereunder than would otherwise be recognized; (c) maintain the qualified status of benefits received under this Plan; or (d) satisfy Code nondiscrimination requirements or other limitations applicable to the Employer's qualified plans. In the event that contributions need to be reduced for a class of Participants, the Plan Administrator will reduce the salary reduction amounts for each affected Participant, beginning with the Participant in the class who had elected the highest salary reduction amount and continuing with the Participant in the class who had elected the next-highest salary reduction amount, and so forth, until the defect is corrected.

ARTICLE XII

Appeals Procedure

12.1 Procedure If Benefits Are Denied Under This Plan

If a claim for reimbursement or benefit under this Plan is wholly or partially denied, such claim shall be administered in accordance with the procedure set forth below and in the summary plan description of this Plan. The Appeals Committee, separate and distinct from the individual(s) that adjudicate the claims, shall act on behalf of the Plan Administrator with respect to appeals. An external review process shall be provided as legally required and as further set forth below.

HSA Claims Not Involving Issues Relating to Salary Reductions

Claims relating in any way to the HSA established and maintained by the Participant outside of the Plan with their HSA trustee/custodian shall be administered by their HSA trustee/custodian in accordance with the HSA trust or custodial document between the Participant and such trustee/custodian.

Claims Under the Health FSA or DCAP Components

If (a) a claim for reimbursement under the Health FSA or DCAP Components of the Cafeteria Plan is wholly or partially denied, or (b) Participant is denied a benefit under the Plan due to an issue germane to said coverage under the Plan, then the procedure described below will apply.

If a claim is denied in whole or in part, Participant will be notified in writing by the Plan Administrator within 30 days after the date the Plan Administrator received the claim. (This time period may be extended for an additional 15 days for matters beyond the control of the Plan Administrator, including in cases where a claim is incomplete. The Plan Administrator will provide written notice of any extension, including the reasons for the extension and the date by which a decision by the Plan Administrator is expected to be made. Where a claim is incomplete, the extension notice will also specifically describe the required information, will allow the Participant 45 days from receipt of the notice in which to provide the specified information and will have the effect of suspending the time for a decision on the claim until the specified information is provided.)

Notification of a denied claim will include:

- a statement of the specific reason(s) for the denial;
- reference(s) to the specific Plan provision(s) on which the denial is based;
- a description of any additional material or information necessary for Participant to validate the claim and an explanation of why such material or information is necessary;
- appropriate information on the steps to be taken if Participant wishes to appeal the Plan Administrator's decision, including their right to submit written comments and have them considered, their right to review (upon request and at no charge) relevant documents and other information, and their right to file suit (where applicable) with respect to any adverse determination after appeal of their claim.

Appeals

If a claim is denied in whole or in part, then the Participant (or authorized representative) may request review upon written application to the Appeals Committee. The appeal must be made in writing within 180 days after Participant's receipt of the notice that the claim was denied. If Participant does not appeal on time, Participant will lose the right to appeal the denial and the right to file suit in court. Participant's written appeal should state the reasons that they feel their claim should not have been denied. It should include any additional facts and/or documents that they feel support their claim. Participant will have the opportunity to ask additional questions and make written comments, and Participant may review (upon request and at no charge) documents and other information relevant to their appeal.

Participant will not be allowed to take legal action against the Plan, the Employer, the Administrator, or any

other entity to whom administrative or claims processing functions have been delegated unless they exhaust the internal appeal rights. A Participant does not have to pursue external review in order to preserve the right to file a lawsuit; however, a Participant may be unable to take further legal action if they pursue an external appeal because the external appeal process results in a binding determination.

Decision on Review of Internal Appeal

Participant's internal appeal will be reviewed and decided by the Appeals Committee within a reasonable time not later than 60 days after the Appeals Committee receives Participant's request for review. The Appeals Committee may, in its discretion, hold a hearing on the denied claim. Any medical expert consulted in connection with their internal appeal will be different from and not subordinate to any expert consulted in connection with the initial claim denial. The identity of a medical expert consulted in connection with the internal appeal will be provided. If the decision on review affirms the initial denial of the claim, Participant will be furnished with a notice of adverse benefit determination on review setting forth:

- a statement of the specific reason(s) for the decision on review;
- reference(s) to the specific Plan provision(s) on which the decision is based;
- a statement of Participant's right to review (upon request and at no charge) relevant documents and other information;
- if an "internal rule, guideline, protocol, or other similar criterion" is relied on in making the decision on review, then a description of the specific rule, guideline, protocol, or other similar criterion or a statement that such a rule, guideline, protocol, or other similar criterion was relied on and that a copy of such rule, guideline, protocol, or other criterion will be provided free of charge to Participant upon request; and
- a statement of Participant's right to bring an external appeal or a civil action (where applicable).

Participant may have the right to an external review of the Administrator's denial of the internal appeal of the Health FSA claim unless the Benefit denial was based on the Participant's (or their Spouse's or Dependent's) failure to meet the Plan's eligibility requirements.

Requirements for an External Appeal

Participant may request an external appeal by completing the form provided by the Administrator which must include the following information:

- Participant's name, address, daytime telephone number and email address; and
- A brief description of why the Participant disagrees with the decision, along with any additional information, such as a physician's letter, bills, medical records, or other documents to support their claim.

Deadline for filing an External Appeal

Participant's external appeal must be filed with the external reviewer within four (4) months of the date the Participant was served with the Administrator's response to their internal appeal request. If Participant does not file an external appeal within this 4-month period, the Participant shall lose the right to appeal. For example, if Participant received the internal appeal decision on January 3, 2012, they must appeal the decision by May 3, 2012 (or, if that is not a business day, the next business day thereafter).

The plan must complete a preliminary review within five (5) business days upon receipt of the external review request to determine if the claimant was covered under the plan, the claimant provided all of the necessary information to process the external review and that the claimant has exhausted the internal appeals process. The plan must provide the claimant written notice of its preliminary review determination within one (1) business day after completing its review. If the request is complete, but not eligible for external review, the notice must state the reasons for the ineligibility and provide EBSA contact information. If the request is incomplete, the notice must describe the information or materials needed to complete the request. The plan must permit the claimant to "perfect" (i.e., complete) the external review request within the four-month filing period or, if later, 48 hours after receipt of the notice.

Decision on Review of External Appeal

The plan must assign an accredited Independent Review Organization (IRO) to perform the external review.

The external reviewer must notify you and the Administrator of its decision on your external appeal within 45 days after its receipt of your request for external review. The external reviewer's decision is binding upon the parties unless other State or Federal law remedies are available. Such remedies may or may not exist. Therefore, unless another legal right exists under your claim, use of the external review process may terminate your right to bring a lawsuit on your claim.

Duty of Beneficiary/Third Party Recoveries

Any Beneficiary under the Plan that receives a payment, whether by lawsuit, settlement, or otherwise, from third parties for costs associated with sickness or injury resulting from the acts or omissions of another person or party must reimburse the Plan to the extent the Beneficiary has received payments from the Plan for such sickness or injury. The Plan has a first lien upon any such recovery. Any recovery by the Plan Administrator from such payments is subject to a deduction for reasonable attorney fees and court costs incurred by the Beneficiaries in securing the third-party payments, and shall be prorated, to reflect that portion of the total recovery reimbursed to the Plan Administrator for the benefits it had paid from the Plan. However, the Plan's share of the recovery will not be reduced because the Beneficiary has not received the full damages claimed, unless the Plan Administrator agrees in writing to such a reduction.

The Plan further requires covered Beneficiaries promptly advise the Plan Administrator of third-party claims and to execute any assignments, liens, or other documents the Plan Administrator requests. The Plan may withhold Benefits until such documents are received.

Subrogation/Acts of Third Parties

The Plan Administrator, on behalf of the Plan, has the right to recover any payments made to Beneficiaries, whether by lawsuit, settlement, or otherwise, by third parties for costs associated with sickness or injury resulting from the acts or omissions of another person or party. The Plan has a first lien upon any such recovery. Any recovery by the Plan Administrator from such payments is subject to a deduction for reasonable attorney fees and court costs incurred by the Beneficiaries in securing the third-party payments, and shall be prorated, to reflect that portion of the total recovery reimbursed to the Plan Administrator for the benefits it had paid from the Plan. However, the Plan's share of the recovery will not be reduced because the Beneficiary has not received the full damages claimed, unless the Plan Administrator agrees in writing to such a reduction.

12.2 Claims Procedures for Medical Insurance Benefits

Claims and reimbursement for Medical Insurance Benefits shall be administered in accordance with the claims procedures for the Medical Insurance Benefits, as set forth by the provider.

ARTICLE XIII

Recordkeeping and Administration

13.1 Plan Administrator

The administration of this Plan shall be under the supervision of the Plan Administrator. It is the principal duty of the Plan Administrator to see that this Plan is carried out, in accordance with its terms, for the exclusive benefit of persons entitled to participate in this Plan without discrimination among them.

13.2 Powers of the Plan Administrator

The Plan Administrator shall have such duties and powers as it considers necessary or appropriate to discharge its duties. It shall have the exclusive right to interpret the Plan and to decide all matters thereunder, and all determinations of the Plan Administrator with respect to any matter hereunder shall be conclusive and binding on all persons. Without limiting the generality of the foregoing, the Plan Administrator shall have the following discretionary authority:

- (a) to construe and interpret this Plan, including all possible ambiguities, inconsistencies, and omissions in the Plan and related documents, and to decide all questions of fact, questions relating to eligibility and participation, and questions of benefits under this Plan (provided that, notwithstanding the first paragraph in this Section the Appeals Committee shall exercise such exclusive power with respect to an appeal of a claim as outlined in the Appeals Procedure Section);
- (b) to prescribe procedures to be followed and the forms to be used by Employees and Participants to make elections pursuant to this Plan;
- (c) to prepare and distribute information explaining this Plan and the benefits under this Plan in such manner as the Plan Administrator determines to be appropriate;
- (d) to request and receive from all Employees and Participants such information as the Plan Administrator shall from time to time determine to be necessary for the proper administration of this Plan;
- (e) to furnish each Employee and Participant with such reports with respect to the administration of this Plan as the Plan Administrator determines to be reasonable and appropriate, including appropriate statements setting forth the amounts by which a Participant's Compensation has been reduced in order to provide benefits under this Plan;
- (f) to provide the Employer with such tax or other information it may require in connection with the Plan;
- (g) to receive, review, and keep on file such reports and information regarding the benefits covered by this Plan as the Plan Administrator determines from time to time to be necessary and proper;
- (h) to employ any agents, attorneys, accountants or other parties (who may also be employed by the Employer) and to allocate or delegate to them such powers or duties as is necessary to assist in the proper and efficient administration of the Plan, provided that such allocation or delegation and the acceptance thereof is in writing;
- (i) to appoint and employ such individuals or entities to assist in the administration of this Plan as it determines to be necessary or advisable, including legal counsel and benefit consultants;
- (j) to sign documents for the purposes of administering this Plan, or to designate an individual or individuals to sign documents for the purposes of administering this Plan;

(k) to secure independent medical or other advice and require such evidence as it deems necessary to decide any claim or appeal; and

(l) to maintain the books of accounts, records, and other data in the manner necessary for proper administration of this Plan and to meet any applicable disclosure and reporting requirements.

(m) to report to the Employer, or any party designated by the Employer, after the end of each Plan Year regarding the administration of the Plan, and to report any significant problems as to the administration of the Plan and to make recommendations for modifications as to procedures and benefits, or any other change which might ensure the efficient administration of the Plan.

However, nothing in this Section is meant to confer upon the Plan Administrator any powers to amend the Plan or change any administrative procedure or adopt any other procedure involving the Plan without the express written approval of the Employer regarding any amendment or change in administrative procedure, or Benefit Provider. Notwithstanding the preceding sentence, the Plan Administrator is empowered to take any actions he or she sees fit to assure that the Plan complies with the nondiscrimination requirements of Section 125 of the Code.

13.3 Reliance on Participant, Tables, etc.

The Plan Administrator may rely upon the direction, information, or election of a Participant as being proper under the Plan and shall not be responsible for any act or failure to act because of a direction or lack of direction by a Participant. The Plan Administrator will also be entitled, to the extent permitted by law, to rely conclusively on all tables, valuations, certificates, opinions, and reports that are furnished by accountants, attorneys, or other experts employed or engaged by the Plan Administrator.

13.4 Provision for Third-Party Plan Service Providers

The Plan Administrator, subject to approval of the Employer, may employ the services of such persons as it may deem necessary or desirable in connection with the operation of the Plan. Unless otherwise provided in the service agreement, obligations under this Plan shall remain the obligation of the Employer.

13.5 Fiduciary Liability

To the extent permitted by law, the Plan Administrator shall not incur any liability for any acts or for failure to act except for their own willful misconduct or willful breach of this Plan.

13.6 Compensation of Plan Administrator

Unless otherwise determined by the Employer and permitted by law, any Plan Administrator that is also an Employee of the Employer shall serve without compensation for services rendered in such capacity, but all reasonable expenses incurred in the performance of their duties shall be paid by the Employer.

13.8 Insurance Contracts

The Employer shall have the right to: (a) enter into a contract with one or more insurance companies for the purpose of providing any benefits under the Plan; and (b) replace any of such insurance companies or contracts. Any dividends, retroactive rate adjustments, or other refunds of any type that may become payable under any such insurance contract shall not be assets of the Plan but shall be the property of and be retained by the Employer, to the extent that such amounts are less than aggregate Employer contributions toward such insurance.

13.9 Inability to Locate Payee

If the Plan Administrator is unable to make payment to any Participant or other person to whom a payment is due under the Plan because it cannot ascertain the identity or whereabouts of such Participant or other person after reasonable efforts have been made to identify or locate such person, then such payment and all subsequent payments otherwise due to such Participant or other person shall be forfeited following a reasonable time after the date any such payment first became due.

13.10 Effect of Mistake

In the event of a mistake as to the eligibility or participation of an Employee, the allocations made to the account of any Participant, or the amount of benefits paid or to be paid to a Participant or other person, the

Plan Administrator shall, to the extent that it deems administratively possible and otherwise permissible under Code section 125 or the regulations issued thereunder, cause to be allocated or cause to be withheld or accelerated, or otherwise make adjustment of, such amounts as it will in its judgment accord to such Participant or other person the credits to the account or distributions to which he or she is properly entitled under the Plan. Such action by the Plan Administrator may include withholding of any amounts due to the Plan or the Employer from Compensation paid by the Employer.

ARTICLE XIV

General Provisions

14.1 Plan Expenses

All reasonable expenses incurred in administering the Plan are currently paid by the Employer. The Employer has the discretion to decide upon an appropriate expense amount to offset experience gains.

For HSA Benefits, a separate HSA trustee/custodial fee may be assessed by the Participant's HSA trustee/custodian.

14.2 No Contract of Employment

Nothing herein contained is intended to be or shall be construed as constituting a contract or other arrangement between any Employee and the Employer to the effect that such Employee will be employed for any specific period of time. All Employees are considered to be employed at the will of the Employer.

14.3 Amendment and Termination

This Plan has been established with the intent of being maintained for an indefinite period of time. Nonetheless, the Employer may amend or terminate all or any part of this Plan at any time for any reason by resolution of the Employer's Board of Directors or by any person or persons authorized by the Board of Directors to take such action, and any such amendment or termination will automatically apply to the Related Employers that are participating in this Plan.

14.4 Governing Law

This Plan shall be construed, administered, and enforced according to the laws of the State of Missouri, to the extent not superseded by the Code.

14.5 No Guarantee of Tax Consequences

Neither the Plan Administrator nor the Employer makes any commitment or guarantee that any amounts paid to or for the benefit of a Participant under this Plan will be excludable from the Participant's gross income for federal, state, or local income tax purposes. It shall be the obligation of each Participant to determine whether each payment under this Plan is excludable from the Participant's gross income for federal, state, and local income tax purposes and to notify the Plan Administrator if the Participant has any reason to believe that such payment is not so excludable.

14.6 Indemnification of Employer

If any Participant receives one or more payments or reimbursements under this Plan on a tax-free basis and if such payments do not qualify for such treatment under the Code, then such Participant shall indemnify and reimburse the Employer for any liability that it may incur for failure to withhold federal income taxes, Social Security taxes, or other taxes from such payments or reimbursements.

14.7 Non-Assignability of Rights

The right of any Participant to receive any reimbursement under this Plan shall not be alienable by the Participant by assignment or any other method and shall not be subject to claims by the Participant's creditors by any process whatsoever. Any attempt to cause such right to be so subjected will not be recognized, except to the extent required by law.

14.8 Headings

The headings of the various Articles and Sections are inserted for convenience of reference and are not to be regarded as part of this Plan or as indicating or controlling the meaning or construction of any provision.

14.9 Plan Provisions Controlling

In the event that the terms or provisions of any summary or description of this Plan are in any construction interpreted as being in conflict with the provisions of this Plan as set forth in this document, the provisions

of this Plan shall be controlling.

14.10 Severability

Should any part of this Plan subsequently be invalidated by a court of competent jurisdiction, the remainder of the Plan shall be given effect to the maximum extent possible.

* * *

IN WITNESS WHEREOF, and as conclusive evidence of the adoption of the foregoing instrument comprising the City of Belton Cafeteria Plan, City of Belton has caused this Plan to be executed in its name and on its behalf, on this _____ day of _____, _____.

Employer:

City of Belton

Patti Ledford

Appendix A

Exclusions-Medical Expenses That Are Not Reimbursable From the Health FSA

The City of Belton Cafeteria Plan document contains the general rules governing what expenses are reimbursable. This Appendix A, as referenced in the Plan document, specifies certain expenses that are excluded under this Plan with respect to reimbursement from the Health FSA-that is, expenses that are not reimbursable, even if they meet the definition of "medical care" under Code section 213(d) and may otherwise be reimbursable under the regulations governing Health FSAs. This Appendix A does not apply to HSAs. As described in Section 8.6 of the Plan, terms and conditions of coverage and benefits under the HSA (including eligible medical expenses and exclusions) will be provided by and are set forth in the HSA, not this Plan.

Exclusions: The following expenses are not reimbursable from the Health FSA, even if they meet the definition of "medical care" under Code section 213(d) and may otherwise be reimbursable under regulations governing Health FSAs: (subject to change per IRS)

- Health insurance premiums for any other plan (including a plan sponsored by the Employer).
- Long-term care services.
- Cosmetic surgery or other similar procedures, unless the surgery or procedure is necessary to ameliorate a deformity arising from, or directly related to, a congenital abnormality, a personal injury resulting from an accident or trauma, or a disfiguring disease. "Cosmetic surgery" means any procedure that is directed at improving the patient's appearance and does not meaningfully promote the proper function of the body or prevent or treat illness or disease.
- The salary expense of a nurse to care for a healthy newborn at home.
- Funeral and burial expenses.
- Household and domestic help (even if recommended by a qualified physician due to an Employee's or Dependent's inability to perform physical housework).
- Custodial care.
- Costs for sending a problem child to a special school for benefits that the child may receive from the course of study and disciplinary methods.
- Social activities, such as dance lessons (even if recommended by a physician for general health improvement).
- Bottled water.
- Cosmetics, toiletries, toothpaste, etc.
- Uniforms or special clothing, such as maternity clothing.
- Automobile insurance premiums.
- Marijuana and other controlled substances that are in violation of federal laws, even if prescribed by a physician.
- Any item that does not constitute "medical care" as defined under Code section 213(d).
- Any item that is not reimbursable under Code section 213(d) due to the rules in Prop. Treas. Reg. Section 1.125-2, Q-7(b)(4) or other applicable regulations.

SECTION VI
E

BILL NO.2015-47

ORDINANCE NO. 2015

AN ORDINANCE APPROVING A PROFESSIONAL SERVICE AGREEMENT WITH OLSSON ASSOCIATES FOR SITE DILIGENCE AND MASTER PLANNING OF MARKEY BUSINESS PARK.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF BELTON, MISSOURI, AS FOLLOWS.

Section 1. That a Professional Service Agreement with Olsson Associates for site diligence and master planning of Markey Business Park, with the City of Belton's portion in the not-to exceed amount of \$16,800, is hereby approved. The Mayor is authorized and directed to sign the agreement on behalf of the City. A copy shall remain on file in the office of the City Clerk.

Section 2. That this ordinance shall be in full force and effect from and after its passage and approval.

Duly read two (2) times and passed this ____ day of _____, 2015.

Mayor Jeff Davis

Approved this ____ day of _____, 2015.

Mayor Jeff Davis

ATTEST:

Patricia A. Ledford, City Clerk
of the City of Belton, Missouri

STATE OF MISSOURI)
CITY OF BELTON)SS
COUNTY OF CASS)

I, Patricia A. Ledford, City Clerk, do hereby certify that I have been duly appointed City Clerk of the City of Belton and that the foregoing ordinance was regularly introduced for first reading at a meeting of the City Council held on the ____ day of _____, 2015, and thereafter adopted as Ordinance No. 2015 - ____ of the City of Belton, Missouri, at a regular meeting of the City Council held on the ____ day of _____, 2015, after the second reading thereof by the following vote, to-wit:

AYES: COUNCILMEN:
NOES: COUNCILMEN:
ABSENT: COUNCILMEN:

Patricia A. Ledford, City Clerk
of the City of Belton, Missouri



CITY OF BELTON
CITY COUNCIL INFORMATION FORM

MEETING DATE: June 23, 2015

ASSIGNED STAFF: Jay C. Leipzig, AICP, Director, Community and Economic Development

<input checked="" type="checkbox"/> Ordinance	<input type="checkbox"/> Resolution	<input type="checkbox"/> Consent Item	<input type="checkbox"/> Change Order
<input type="checkbox"/> Agreement	<input type="checkbox"/> Discussion	<input type="checkbox"/> FYI/Update	<input type="checkbox"/> Public Hearing

ISSUE

Markey Business Park (MBP) is located on City owned property. It has been a long range plan of the City to develop this land for use as a business park within the City of Belton. To be competitive in the industrial market, site preparedness is key. The City of Belton has the opportunity, through the KCP&L Local Partners program to attain comprehensive site diligence through the services of Olsson & Associates economic development consulting services. The deliverables will include industrial site diligence, targeting viability analysis, master planning, environmental and permitting review, logical phasing and generalized costing as well as marketing materials for MBP. We will be able to use the end product to effectively market the site to MO Partnership, KCADC and site selectors.

REQUESTED COUNCIL ACTION

Approve the contract with Olsson & Associates, with the first reading.

BACKGROUND

Staff has applied for a cost share grant with KCP&L's Local Partners Program, a program that financially assists local partners in KCP&L's service area. The cost share application has been approved by KCP&L.

KCP&L's consultant for site diligence is Olsson & Associates. The City of Belton has an established working relationship with this firm. Olson & Associates scope of services and contract is in the amount of \$31,800. KCP&L has committed \$15,000 toward this contract. The City will be responsible for \$16,800, which is in the FY2016 budget.

The brush that used to block the view of the site has been cleared and more improvements for visibility are underway. A real estate sign, with contact information has been ordered and will be placed at the entrance of the site. To emerge as relevant among competing communities and to expedite the development process staff would like utilize Olsson & Associates economic development consulting services. They have the expertise and resources to provide an end product that consists of a property assessment, a targeting and viability assessment and master planning of the site, the end product resulting in property diligence documents and 2 conceptual master plans.

IMPACT/ANALYSIS

Total Amount of Contract with Olsson & Assoc.	\$31,800
Portion Paid by KCP&L Local E. D. Partners Program	(\$15,000)
Balance Payable – City of Belton	
Funding Source FY2016 224-0000-400-3020	\$ 16,800

STAFF RECOMMENDATION

Staff recommends approval of the contract.

ATTACHMENTS

- Olsson & Associates Scope of Services and Contract
- Site Selection Magazine Article / Olsson & Associates Select Site Program



LETTER AGREEMENT FOR PROFESSIONAL SERVICES

May 14, 2015

Community and Economic Development
Jay Leipzig
520 Main Street
Belton, Missouri 64012

Re: **LETTER AGREEMENT FOR PROFESSIONAL SERVICES**
Markey Business Park Diligence and Master Planning (the "Project")
Belton, Missouri

It is our understanding that the City of Belton, Missouri ("Client") requests Olsson Associates, Inc. ("Olsson") to perform the services described herein pursuant to the terms of this Letter Agreement for Professional Services, Olsson's General Provisions and any exhibits attached hereto (all documents constitute and are referred to herein as the "Agreement") for the Project.

Olsson has acquainted itself with the information provided by Client relative to the Project and based upon such information offers to provide the services described below for the Project. Client warrants that it is either the legal owner of the property to be improved by this Project or that Client is acting as the duly authorized agent of the legal owner of such property. Client acknowledges that it has reviewed the General Provisions and any exhibits attached hereto, which are expressly made a part of and incorporated into the Agreement by this reference. In the event of any conflict or inconsistency between this Letter Agreement, and the General Provisions regarding the services to be performed by Olsson, the terms of the General Provisions shall take precedence.

Olsson shall provide the Client basic services for the Project as more specifically described in Scope of Services attached hereto. Should Client request work in addition to the Scope of Services, Olsson shall invoice Client for such additional services (Optional Additional Services) at the standard hourly billing labor rate charged for those employees actually performing the work, plus reimbursable expenses if any. Olsson shall not commence work on Optional Additional Services without Client's prior written approval.

Olsson agrees to provide all of its services in a timely, competent and professional manner, in accordance with applicable standards of care, for projects of similar geographic location, quality and scope.

SCHEDULE FOR OLSSON'S SERVICES

Unless otherwise agreed, Olsson would expect to begin performing its services under the Agreement promptly upon your signing.

Olsson will endeavor to start its services on the Anticipated Start Date and to complete its services on the Anticipated Completion Date. However, the Anticipated Start Date, the Anticipated Completion Date, and any milestone dates are approximate only, and Olsson reserves the right to adjust its schedule and any or all of those dates at its sole discretion, for any reason, including, but not limited to, delays caused by Client or delays caused by third parties.

COMPENSATION

Client shall pay to Olsson for the performance of the Scope of Services a fixed fee as outlined in the Scope of Services attached hereto, plus reimbursable expenses in accordance with the Reimbursable Expense Schedule attached to this Agreement. Olsson shall submit invoices on a monthly basis and payment is due within 30 calendar days of invoice date. The final \$7,500 shall be due no sooner than January 2016.

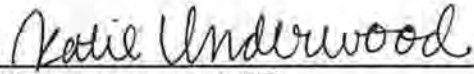
TERMS AND CONDITIONS OF SERVICE

We have discussed with you the risks, rewards and benefits of the Project, the Scope of Services, and our fees for such services and the Agreement represents the entire understanding between Client and Olsson with respect to the Project. The Agreement may only be modified in writing signed by both parties.

If this Agreement satisfactorily sets forth your understanding of our agreement, please sign in the space provided below. Retain one original for your files and return an executed original to Olsson. This proposal will be open for acceptance for a period of 30 days from the date set forth above, unless changed by us in writing.

OLSSON ASSOCIATES, INC.

By  _____
Courtney Dunbar, CEcD, EDFP, AICP

By  _____
Katie Underwood, PE

By signing below, you acknowledge that you have full authority to bind Client to the terms of the Agreement. If you accept the terms set forth herein, please sign:

City of Belton, Missouri "Client"

By _____
Signature

Print Name _____

Title _____

Dated _____

Attachments

- Scope of Services
- Exhibit B - Markey Business Park
- 2015 Rate Schedule
- Reimbursable Expense Schedule
- General Provisions

SCOPE OF SERVICES

This exhibit is hereby attached to and made a part of the Letter Agreement for Professional Services dated May 14, 2015 between the City of Belton, Missouri ("Client") and Olsson Associates ("Olsson") providing for professional services. Olsson's Scope of Services for the Agreement is indicated below.

PROJECT DESCRIPTION AND LOCATION

Project will be located: Markey Business Park – South of Markey Road, North of Highway 58, West of Markey Park, East of Prospect Avenue, in Belton, Missouri (see Exhibit B)

Project Description: Industrial site diligence, targeting viability analysis, master planning, environmental and permitting review, logical phasing and generalized costing, and marketing materials creation for the Markey Business Park - approximate 128-acre site

SCOPE OF SERVICES

Olsson shall provide the following services (Scope of Services) to Client for the Project:

1. Meetings (On-Site)

- a. One (1) kickoff meeting with three (3) Olsson professionals to discuss the subject property with Client representative(s), review scope of work/deliverables, and gather available documents, studies, and reports relevant to the existing utilities and the property.
- a. One (1) meeting with three (3) Olsson professionals to present diligence report and master plan concepts and collect desired revisions.
- b. One (1) final meeting with three (3) Olsson professionals to present the final project deliverables.

2. Property Assessment

- a. Gather existing site data from the Client and identify additional diligence points that may be needed.
 - i. Data not provided within 60 days may result in out of scope charges
- b. Complete an Environmental Records Review (EDR) to identify potential environmental liabilities and areas requiring further investigation/remediation.
- c. Order limited title report with easements and restrictions and review property ownership and boundaries.
 - i. Title search costs will be reimbursed to Olsson as an expense. Title search costs are dependent on the size of property and are estimated to cost between \$1,000 to \$2,000 for each site.
- d. Synthesize site data that has been collected and package the data into a user ready format.
- e. Assess Environmental permitting requirements.
- f. Review current FEMA floodplain maps and summarize any floodplain impacts relative to the 100-YR and 500-YR events.
- g. Review existing National Wetland Inventory and Water of the United States maps and summarize any environmental impacts.
- h. Identify access locations, existing and potential truck routes.

- i. Obtain USGS soil map information, perform preliminary desktop geotechnical review, and prepare memorandum of findings.
- j. Summarize utility infrastructure availability and identify capacities of service of the following as provided by the Client:
 - i. Sanitary sewer facilities
 - ii. Water facilities
 - iii. Electric power – identify primary and redundant power feed options
 - iv. Telecommunications/fiber – identify routes
 - v. Natural gas
- k. Evaluate site preparedness and identification of deficiencies, which may exist to site preparedness.
- l. Assess property for air quality permitting limitations.
- m. Review airport maps and locations to identify impacts due to flight patterns and airspace restrictions.
- n. Identification and listing of Foreign Trade Zone (FTZ) information.
- o. Identification of new market tax credit location options that may available in the area.
- p. Prepare a property diligence report to be included in the final contract deliverable, the Comprehensive Diligence Document, identifying results of property assessments suitable for distribution to stakeholders and prospective users.

3. Targeting Viability Assessment

- a. Collection and/or identification of up to ten (10) likely industrial/primary end-user types by NAICS code.
- b. Request and review any utility or state-generated economic development targeting analysis relative to each Subject Property for analysis consideration.
- c. Review of key infrastructure siting drivers per identified industry.
- d. Analysis of up-line and down-line supply and demand drivers.
- e. Review of each industrial/primary development sector for marketability as it pertains to reviewed infrastructure and service capacities.
- f. Identification of infrastructure strengths and deficiencies as it pertains to assessed targets and their relation to the Subject Property.
- g. Assignment of a viability rating for likelihood of development potential, per industry, to aid in establishing marketing directives.

Deliverables for Tasks 2 and 3:

- ***Property diligence summary, maps, exhibits, and Targeting Viability Assessment to be included in final product deliverables***

4. Master Planning

- a. Refer to Targeting Viability Analysis (Task 3), review diligence and targeting assessment relative to master planning consideration.
- b. With consideration of existing natural features and/or other encumbrances which may be identified in the property assessment task and the identified development targets, Olsson will develop two (2) conceptual site plan schemes maximizing function and marketability. Plans will address site issues such as:
 - i. Target industries and likely end-users
 - ii. Known user demand characteristics
 - iii. Transportation site access, parking and circulation
 - iv. Potential building sizes and layout
 - v. Utility layout (Primary)
 - vi. Performance design elements
 - vii. Phasing potential
- c. Based upon one (1) Client approved conceptual layout prepare opinions of cost of the backbone infrastructure and site improvements required to prepare each Subject Property for prospective users.
- d. Client comments shall be incorporated into Concepts for a total of one (1) revision. At the request of the Client, additional variations to conceptual layouts beyond one revision shall be billed on a time and expense basis.
- e. Generate master plan site documents necessary to adequately represent proposed development plan produced in two (2) sizes: 24" X 36" (or larger) and 8 ½" X 11".
- f. Inclusion of master plan in contract deliverable report detailed in Tasks 2 and 3.

Deliverables, to be included in the Master Planning Documents:

- ***Property Diligence Documents two (2) reproducible, hard copies (per site) and two (2) CDs containing electronic copies of all identified technical site information and supporting maps***
- ***Two (2) conceptual master plans***
- ***Summary of proposed site improvements***
- ***Cost estimates***
- ***Phasing***

	Markey
Meetings (3 total)*	\$3,200
<i>Estimated Expenses**</i>	<i>\$2,200</i>
Property Assessment	\$8,000
Target Viability Assessment	\$4,600
Master Planning	\$16,000
<i>Estimated Expenses**</i>	<i>\$1,000</i>
Total Compensation (Excluding "Estimated Expenses")	\$31,800

*Meeting time is included in this price, but travel time and expenses will be in addition to these fees

**Expenses have been estimated but may vary based on actual cost

Exclusions:

The following services, as well as any services not specifically covered above, are not included as part of this scope of services, but can be provided by Olsson Associates and amended to the Contract at additional cost, if requested:

- a. Subject properties other than the property listed above and depicted in Exhibit B
- b. Schematic documents
- c. Design development documents
- d. Construction documents
- e. Permits or Agency fees
- f. Site surveys (boundary, topographic, or ALTA)
- g. Special studies such as Traffic, Noise, Utility or Environmental studies
- h. City-wide water or sewer studies
- i. Off-site infrastructure improvements
- j. Hazardous materials identification, storage, or abatement
- k. Landscape design documents
- l. Mechanical, Electrical, or Plumbing engineering documents
- m. Subterranean Utility Exploration (SUE)
- n. Lot line adjustments
- o. Changes of zoning
- p. Environmental clearances
- q. Entitlements
- r. Legal descriptions
- s. Special planning processes
- t. Bid processes or negotiations with General Contractors
- u. Design plans or construction documents
- v. On-site meetings and travel costs in addition to those listed above

OPTIONAL SERVICES

Olsson can provide the following services that were not requested by the Client; however, we believe each service could provide significant value for potential users and marketability for site selection. Fees for these services will be negotiated based on scope if requested by the Client.

1. 2-D Colored Development Plan Presentation Materials

\$3,000 (Lump Sum not including reimbursable expenses)

- a. Generation of color rendered site plan to represent proposed development plan for future distribution and use in marketing of all or a portion of each Subject Property

Deliverable: One (1) color-rendered site plan, per master-planned site, produced in two (2) sizes: 24" x 36" (or larger) and 8 ½" x 11"

2. Conceptual Building Designs

\$3,500 (Lump Sum not including reimbursable expenses)

- a. Provide conceptual building design and elevations for each product type, based on one selected master plan scheme
 - i. The building designs are expected to be all complimentary variations on one or two central themes
- b. The building designs will be developed in enough detail to communicate the look and feel of the proposed development
 - i. The building designs will not be sufficiently solved for contractor pricing within this initial scope of work
 - ii. Olsson will work with Client to provide building designs that have historically been within the selected budget parameters for this type of project

Deliverables: Conceptual building design and elevations for each product type to compliment no more than two (2) buildings created for up to central themes

3. Static 3-D Renderings

- a. Compensation for this task shall be negotiated with the Client at a future date
- b. Pricing expected to be in a range of \$10,000 to \$15,000

4. 3-D Virtual Fly By Video of Development at Full Build-out

- a. Compensation for this task shall be negotiated with the Client at a future date, but will be billed as time and expense
- b. Pricing expected to be in a range of \$8,000 to \$15,000

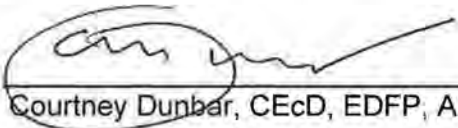
5. Basic Branding, Marketing Materials Creation and Presentation Brochures in print ready format

- a. Compensation for this task shall be negotiated with the Client at a future date, but will be billed as time and expense
- b. Pricing expected to be in a range of \$5,000 to \$15,000
- a. Typical deliverables include:
 - i. Medium-sized marketing booklet containing information from the Comprehensive Diligence Report suitable for public distribution
 - ii. Brochure or small marketing piece suitable for distribution at tradeshow and within marketing packets

Should Client request work in addition to the Scope of Services, Olsson shall invoice Client for such additional services (Optional Additional Services) at the standard hourly billing labor rate charged for those employees actually performing the work, plus reimbursable expenses if any. Olsson shall not commence work on Optional Additional Services without Client's prior written approval.

Olsson agrees to provide all of its services in a timely, competent and professional manner, in accordance with applicable standards of care, for projects of similar geographic location, quality and scope.

OLSSON ASSOCIATES, INC.

By 

Courtney Dunbar, CEcD, EDFP, AICP



Katie Underwood, PE

If you accept this Scope of Services, please sign:

THE CITY OF BELTON (MO)

By _____
Signature

Print Name _____

Title _____

Dated: _____

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Exhibit B: Markey Business Park

Belton, MO
May, 2015



LABOR RATE SCHEDULE 2015

LABOR RATES

<u>Description</u>	<u>Range</u>
Principal.....	145 - 300
Project Manager.....	135 - 160
Project Professional.....	101 - 137
Assistant Professional.....	68 - 130
Designer.....	90 - 130
CAD Operator.....	46 - 105
Survey.....	52 - 115
Construction Services.....	53 - 170
Administrative/Clerical.....	44 - 100

Special Services not included in above categories will be provided on a special labor rate schedule.

REIMBURSABLE EXPENSE SCHEDULE

The expenses incurred by Olsson or Olsson's independent professional associates or consultants directly or indirectly in connection with the Project shall be included in periodic billing as follows:

<u>Classification</u>	<u>Cost</u>
Automobiles	\$0.575/mile*
Suburbans and Pick-Ups	\$0.75/mile*
Other travel or lodging cost	Actual Cost
Meals	Actual Cost
Printing and Duplication including mylars and linens	
In-house	Actual Cost
Outside	Actual Cost+10%
Postage & Shipping Charges for Project Related Materials including express mail and special delivery	Actual
Cost	Actual Cost
Film and Photo Developing	Actual Cost+10%
Telephone and Fax Transmissions	Actual Cost+10%
Miscellaneous Materials & Supplies Applicable to this Project	Actual Cost+10%
Copies of deeds, easements or other Project Related documents	Actual Cost+10%
Fees for applications or permits	Actual Cost+10%
Sub-Consultants	Actual Cost+10%

* Rates consistent with the IRS Mileage Rate Reimbursement Guidelines (Subject to Change).

GENERAL PROVISIONS

These General Provisions are attached to and made a part of the respective Letter Agreement or Master Agreement, dated May 14, 2015 between City of Belton, Missouri ("Client") and Olsson Associates, Inc. ("Olsson") for professional services in connection with the project or projects arising under such Letter Agreement or Master Agreement (the "Project(s)").

As used herein, the term "this Agreement" refers to these General Provisions, the applicable Letter Agreement or Master Agreement, and any other exhibits or attachments thereto as if they were part of one and the same document.

SECTION 1—OLSSON'S SCOPE OF SERVICES

Olsson's scope of services for the Project(s) is set forth in the applicable Letter Agreement or Master Agreement ("Scope of Services").

SECTION 2—ADDITIONAL SERVICES

2.1 Unless otherwise expressly included, Scope of Services does not include the categories of additional services set forth in Sections 2.2 and 2.3.

2.2 If Client and Olsson mutually agree for Olsson to perform any optional additional services as set forth in this Section 2.2 ("Optional Additional Services"), Client will provide written approval of the agreed-upon Optional Additional Services, and Olsson shall perform or obtain from others such services and will be entitled to an increase in compensation at rates provided in this Agreement. Olsson may elect not to perform all or any of the Optional Additional Services without cause or explanation:

2.2.1 Preparation of applications and supporting documents for governmental financial support of the Project(s); preparation or review of environmental studies and related services; and assistance in obtaining environmental approvals.

2.2.2 Services to make measured drawings of or to investigate existing conditions of facilities.

2.2.3 Services resulting from changes in the general scope, extent or character of the Project(s) or major changes in documentation previously accepted by Client where changes are due to causes beyond Olsson's control.

2.2.4 Services resulting from the discovery of conditions or circumstances which were not contemplated by Olsson at the commencement of this Agreement. Olsson shall notify Client of the newly discovered conditions or circumstances and Client and Olsson shall renegotiate, in good faith, the compensation for this Agreement, if amended terms cannot be agreed upon, Olsson may terminate this Agreement and Olsson shall be paid for its services through the date of termination.

2.2.5 Providing renderings or models.

2.2.6 Preparing documents for alternate bids requested by Client.

2.2.7 Analysis of operations, maintenance or overhead expenses; value engineering; the preparation of rate

schedules; earnings or expense statements; cash flow or economic evaluations or; feasibility studies, appraisals or valuations.

2.2.8 Furnishing the services of independent professional associates or consultants for work beyond the Scope of Services.

2.2.9 Services necessary due to the Client's award of more than one prime contract for the Project(s); services necessary due to the construction contract containing cost plus or incentive-savings provisions; services necessary in order to arrange for performance by persons other than the prime contractor; or those services necessary to administer Client's contract(s).

2.2.10 Services in connection with staking out the work of contractor(s).

2.2.11 Services during out-of-town travel or visits to the site beyond those specifically identified in this Agreement.

2.2.12 Preparation of operating and maintenance manuals.

2.2.13 Services to redesign some or all of the Project(s).

2.2.14 Preparing to serve or serving as a consultant or witness or assisting Client with any litigation, arbitration or other legal or administrative proceeding.

2.2.15 Services relating to Construction Observation, Certification, Inspection, Construction Cost Estimating, project observation, construction management, construction scheduling, construction phasing or review of Contractor's performance means or methods.

2.3 Whenever, in its sole discretion, Olsson determines additional services as set forth in this Section 2.3 are necessary to avoid a delay in the completion of the Project(s) ("Necessary Additional Services"), Olsson shall perform or obtain from others such services without waiting for specific instructions from Client, and Olsson will be entitled to an increase in compensation for such services at the standard hourly billing rate charged for those employees performing the services, plus reimbursable expenses, if any:

2.3.1 Services in connection with work directive changes and/or change orders directed by the Client to any contractors.

2.3.2 Services in making revisions to drawings and specifications occasioned by the acceptance of substitutions proposed by contractor(s); services after the award of each contract in evaluating and determining the acceptability of an unreasonable or excessive number of substitutions proposed by contractor(s); or evaluating an unreasonable or extensive number of claims submitted by contractor(s) or others in connection with the Project(s).

2.3.3 Services resulting from significant delays, changes or price increases occurring as a direct or indirect result of material, equipment or energy shortages.

2.3.4 Additional or extended services during construction made necessary by (1) work damaged during construction, (2) a defective, inefficient or neglected work by any contractor, (3) acceleration of the progress schedule involving services beyond normal working hours, or (4) default by any contractor.

SECTION 3—CLIENT'S RESPONSIBILITIES

3.1. Client shall provide all criteria and full information as to Client's requirements for the Project(s); designate and identify in writing a person to act with authority on Client's behalf in respect of all aspects of the Project(s); examine and respond promptly to Olsson's submissions; and give prompt written notice to Olsson whenever Client observes or otherwise becomes aware of any defect in the Olsson's services.

3.2 Client agrees to pay Olsson the amounts due for services rendered and expenses within thirty (30) days after Olsson has provided its invoice for such services. In the event Client disputes any invoice item, Client shall give Olsson written notice of such disputed item within fifteen (15) days after receipt of such invoice and shall pay to Olsson the undisputed portion of the invoice according to the provisions hereof. If Client fails to pay any invoiced amounts when due, interest will accrue on each unpaid amount at the rate of thirteen percent (13%) per annum from the date due until paid according to the provisions of this Agreement. Interest shall not be charged on any disputed invoice item which is finally resolved in Client's favor. Payment of interest shall not excuse or cure any default or delay in payment of amounts due.

3.2.1 If Client fails to make any payment due Olsson for services and expenses within thirty (30) days after receipt of Olsson's statement therefore, Olsson may, after giving seven (7) days written notice to Client, suspend services to Client under this Agreement until Olsson has been paid in full all amounts due for services, expenses and charges and Client will not obtain any license to any Work Product or be entitled to retain or use any Work Product pursuant to Section 7.1 unless and until Olsson has been paid in full and Client has fully satisfied all of its obligations under this Agreement.

3.3 Payments to Olsson shall not be withheld, postponed or made contingent on the construction, completion or success of the Project(s) or upon receipt by the Client of offsetting reimbursements or credit from other parties who may have caused the need for additional services. No withholdings, deductions or offsets shall be made from Olsson's compensation for any reason unless and until Olsson has been found to be legally liable for such amounts.

3.4 Client shall also do the following and pay all costs incident thereto:

3.4.1 Furnish to Olsson any existing and/or required borings, probings or subsurface explorations; hydrographic surveys; laboratory tests or inspections of samples, materials or equipment; appropriate professional interpretations of any of the foregoing; environmental assessment and impact statements; property, boundary, easement, right-of-way, topographic or utility surveys; property descriptions; and/or zoning or deed restrictions; all of which Olsson may rely upon in performing services hereunder.

3.4.2 Guarantee access to and make all provisions for Olsson to enter upon public and private property reasonably necessary to perform its services on the Project(s).

3.4.3 Provide such legal, accounting, independent cost estimating or insurance counseling services as may be required for the Project(s); any auditing service required in respect of contractor(s)' applications for payment; and/or any inspection services to determine if contractor(s) are performing the work legally.

3.4.4 Provide engineering surveys to establish reference points for construction unless specifically included in Olsson's Scope of Services.

3.4.5 Furnish approvals and permits from all governmental authorities having jurisdiction over the Project(s).

3.4.6 If more than one prime contractor is to be awarded the contract for construction, designate a party to have responsibility and authority for coordinating and interfacing the activities of the various prime contractors.

3.5 Client shall pay all costs incident to obtaining bids or proposals from contractor(s).

3.6 Client shall pay all permit application review costs for government authorities having jurisdiction over the Project(s).

3.7 Contemporaneously with the execution of this Agreement, Client shall designate in writing an individual to act as its duly authorized Project(s) representative.

3.8 Client shall bear sole responsibility for:

3.8.1 Jobsite safety. Neither the professional activities of Olsson, nor the presence of Olsson or its employees or sub-consultants at the Project shall impose any duty on Olsson relating to any health or safety laws, regulations, rules, programs or procedures.

3.8.2 Notifying third parties including any governmental agency or prospective purchaser, of the existence of any hazardous or dangerous materials located in or around the Project(s) site.

3.8.3 Providing and updating Olsson with accurate information regarding existing conditions, including the existence of hazardous or dangerous materials, proposed Project(s) site uses, any change in Project(s) plans, and all subsurface installations, such as pipes, tanks, cables and utilities within the Project(s) site.

3.9 Client releases Olsson from liability for any incorrect advice, judgment or decision based on inaccurate information furnished by Client or others.

3.10 If reasonable precautions will be inadequate to prevent foreseeable bodily injury or death to persons resulting from a material or substance, including hazardous materials, encountered on the site, Olsson may immediately stop work in the affected area and report the condition to Client. Client shall be solely responsible for retaining independent consultant(s) to determine the nature of the material and to abate or remove the material. Olsson shall not be required to perform any services or

work relating to or in the area of such material until the material has been removed or rendered harmless and only after approval, if necessary of the government agency with jurisdiction.

3.11 Providing and assuming all responsibility for: interpretation of contract documents; Construction Observations; Certifications; Inspections; Construction Cost Estimating; project observations; construction management; construction scheduling; construction phasing; and review of Contractor's performance, means and methods. Client waives any claims against Olsson and releases Olsson from liability relating to or arising out of such services and agrees, to the fullest extent permitted by law, to indemnify and hold Olsson harmless from any and all damages, liabilities or costs, including reasonable attorneys' fees and defense costs, relating to such actions and services.

SECTION 4—MEANING OF TERMS

4.1 The "Cost of Construction" of the entire Project(s) (herein referred to as "Cost of Construction") means the total cost to Client of those portions of the entire Project(s) designed and specified by Olsson, but it will not include Olsson's compensation and expenses, the cost of land, rights-of-way, or compensation for or damages to, properties unless this Agreement so specifies, nor will it include Client's legal, accounting, insurance counseling or auditing services, or interest and financing charges incurred in connection with the Project(s) or the cost of other services to be provided by others to Client pursuant to Section 3.

4.2 The "Salary Costs": Used as a basis for payment mean salaries and wages (base and incentive) paid to all Olsson's personnel engaged directly on the Project(s), including, but not limited to, engineers, architects, surveyors, designers, draftsmen, specification writers, estimators, other technical and business personnel; plus the cost of customary and statutory benefits, including, but not limited to, social security contributions, unemployment, excise and payroll taxes, workers' compensation, health and retirement benefits, sick leave, vacation and holiday pay and other group benefits.

4.3 "Certify" or "a Certification": If included in the Scope of Services, such services shall be limited to a statement of Olsson's opinion, to the best of Olsson's professional knowledge, information and belief, based upon its periodic observations and reasonable review of reports and tests created by Olsson or provided to Olsson. Olsson shall not be responsible for constant or exhaustive observation of the work. Client understands and agrees that any certifications based upon discrete sampling observations and that such observations indicate conditions that exist only at the locations and times the observations were performed. Performance of such observation services and certification does not constitute a warranty or guarantee of any type, since even with diligent observation, some construction defects, deficiencies or omissions in the work may occur. Olsson shall have no responsibility for the means, methods, techniques, sequences or procedures selected by the contractor(s) or for the contractor's safety precautions and programs nor for failure by the contractor(s) to comply with any laws or regulations relating to the performance or furnishing of any work by the contractor(s). Client shall hold its contractor(s) solely responsible for the quality and completion of the Project(s), including construction in accordance with the construction documents. Any duty under this Agreement is for

the sole benefit of the Client and not for any third party, including the contractor(s) or any subcontractor(s). Olsson shall sign pre-printed form certifications only if (a) Olsson approves the form of such certification prior to the commencement of its services, (b) such certification is expressly included in the Scope of Services, (c) the certification is limited to a statement of professional opinion and does not constitute a warranty or guarantee, express or implied. It is understood that any certification by Olsson shall not relieve the Client or the Client's contractors of any responsibility or obligation they may have by industry custom or under any contract.

4.4 "Construction Cost Estimate": An opinion of probable construction cost made by Olsson. In providing opinions of probable construction cost, it is recognized that neither the Client nor Olsson has control over the costs of labor, equipment or materials, or over the contractor's methods of determining prices or bidding. The opinion of probable construction costs is based on Olsson's reasonable professional judgment and experience and does not constitute a warranty, express or implied, that the contractor's bids or the negotiated price of the work on the Project(s) will not vary from the Client's budget or from any opinion of probable cost prepared by Olsson.

4.5 "Day": A calendar day of 24 hours. The term "days" shall mean consecutive calendar days of 24 hours each, or fraction thereof.

4.6 "Construction Observation": If included in the Scope of Services, such services during construction shall be limited to periodic visual observation and testing of the work to determine that the observed work generally conforms to the contract documents. Olsson shall not be responsible for constant or exhaustive observation of the work. Client understands and agrees that such visual observations are discrete sampling procedures and that such procedures indicate conditions that exist only at the locations and times the observations were performed. Performance of Construction Observation services does not constitute a warranty or guarantee of any type, since even with diligent observation, some construction defects, deficiencies or omissions in the work may occur. Olsson shall have no responsibility for the means, methods, techniques, sequences or procedures selected by the contractor or for the contractor's safety precautions and programs nor for failure by the contractor to comply with any laws or regulations relating to the performance or furnishing of any work by the contractor. Client shall hold its contractor(s) solely responsible for the quality and completion of the Project(s), including construction in accordance with the construction documents. Any duty under this Agreement is for the sole benefit of the Client and not for any third party, including the contractor or any subcontractor. Client, or its designees shall notify Olsson at least twenty-four (24) hours in advance of any field tests and observations required by the construction documents.

4.7 "Inspect" or "Inspection": If included in the Scope of Services, such services shall be limited to the periodic visual observation of the contractor's completed work to permit Olsson, as an experienced and qualified professional, to determine that the observed work, generally conforms to the contract documents. Olsson shall not be responsible for constant or exhaustive observation of the work. Client understands and agrees that such visual observations are discrete sampling procedures and that such procedures indicate conditions that exist only at the locations and times the observations were performed. Performance of such observation services does not

constitute a warranty or guarantee of any type, since even with diligent observation, some construction defects, deficiencies or omissions in the work may occur. Olsson shall have no responsibility for the means, methods, techniques, sequences or procedures selected by the contractor(s) or for the contractor's safety precautions and programs nor for failure by the contractor(s) to comply with any laws or regulations relating to the performance or furnishing of any work by the contractor(s). Client shall hold its contractor(s) solely responsible for the quality and completion of the Project(s), including construction in accordance with the construction documents. Any duty under this Agreement is for the sole benefit of the Client and not for any third party, including the contractor(s) or any subcontractor(s). Client, or its designees, shall notify Olsson at least twenty-four (24) hours in advance of any inspections required by the construction documents.

4.8 "Record Documents": Drawings prepared by Olsson upon the completion of construction based upon the drawings and other data furnished to Olsson by the Contractor and others showing significant changes in the work on the Project(s) made during construction. Because Record Documents are prepared based on unverified information provided by others, Olsson makes no warranty of the accuracy or completeness of the Record Documents.

SECTION 5—TERMINATION

5.1 Either party may terminate this Agreement, for cause upon giving the other party not less than seven (7) calendar days written notice of default for any of the following reasons; provided, however, that the notified party shall have the same seven (7) calendar day period in which to cure the default:

5.1.1 Substantial failure by the other party to perform in accordance with the terms of this Agreement and through no fault of the terminating party;

5.1.2 Assignment of this Agreement or transfer of the Project(s) by either party to any other entity without the prior written consent of the other party;

5.1.3 Suspension of the Project(s) or Olsson's services by the Client for more than ninety (90) calendar days, consecutive or in the aggregate.

5.2 In the event of a "for cause" termination of this Agreement by either party, the Client shall, within fifteen (15) calendar days after receiving Olsson's final invoice, pay Olsson for all services rendered and all reimbursable costs incurred by Olsson up to the date of termination, in accordance with the payment provisions of this Agreement.

5.2.1 In the event of a "for cause" termination of this Agreement by Client and (a) a final determination of default is entered against Olsson under Section 6.2 and (b) Client has fully satisfied all of its obligations under this Agreement, Olsson shall grant Client a limited license to use the Work Product pursuant to Section 7.1.

5.3 The Client may terminate this Agreement for the Client's convenience and without cause upon giving Olsson not less than seven (7) calendar days written notice. In the event of any termination that is not the fault of Olsson, the Client shall pay Olsson, in addition to payment for services rendered and reimbursable costs incurred, for all expenses reasonably

incurred by Olsson in connection with the orderly termination of this Agreement, including but not limited to demobilization, reassignment of personnel, associated overhead costs, any fees, costs or expenses incurred by Olsson in preparing or negotiating any proposals submitted to Client for Olsson's Scope of Services or Optional Additional Services under this Agreement and all other expenses directly resulting from the termination and a reasonable profit of ten percent (10%) of Olsson's actual costs (including overhead) incurred.

SECTION 6—DISPUTE RESOLUTION

6.1. Mediation

6.1.1 All questions in dispute under this Agreement shall be submitted to mediation. On the written notice of either party to the other of the election to submit any dispute under this Agreement to mediation, each party shall designate their representatives and shall meet within ten (10) days after the service of the notice. The parties themselves shall then attempt to resolve the dispute within ten (10) days of meeting.

6.1.2 Should the parties themselves be unable to agree on a resolution of the dispute, and then the parties shall appoint a third party who shall be a competent and impartial party and who shall be acceptable to each party, to mediate the dispute. Any third party mediator shall be qualified to evaluate the performance of both of the parties, and shall be familiar with the design and construction progress. The third party shall meet to hear the dispute within ten (10) days of their selection and shall attempt to resolve the dispute within fifteen (15) days of first meeting.

6.1.3 Each party shall pay the fees and expenses of the third party mediator and such costs shall be borne equally by both parties.

6.2 Arbitration or Litigation

6.2.1 Olsson and Client agree that from time to time, there may be conflicts, disputes and/or disagreements between them, arising out of or relating to the services of Olsson, the Project(s), or this Agreement (hereinafter collectively referred to as "Disputes") which may not be resolved through mediation. Therefore, Olsson and Client agree that all Disputes shall be resolved by binding arbitration or litigation at the sole discretion and choice of Olsson. If Olsson chooses arbitration, the arbitration proceeding shall proceed in accordance with the Construction Industry Arbitration Rules of the AAA.

6.2.2 Client hereby agrees that Olsson shall have the right to include Client, by consolidation, joinder or other manner, in any arbitration or litigation involving Olsson and a subconsultant or subcontractor of Olsson or Olsson and any other person or entity, regardless of who originally initiated such proceedings.

6.2.3 If Olsson chooses arbitration or litigation, either may be commenced at any time prior to or after completion of the Project(s), provided that if arbitration or litigation is commenced prior to the completion of the Project(s), the obligations of the parties under the terms of this Agreement shall not be altered by reason of the arbitration or litigation being conducted. Any arbitration hearings or litigation shall take place in Lincoln, Nebraska, the location of Olsson's home office.

6.2.4 The prevailing party in any arbitration or

litigation relating to any Dispute shall be entitled to recover from the other party those reasonable attorney fees, costs and expenses incurred by the prevailing party in connection with the Dispute.

6.3 Certification of Merit

Client agrees that it will not assert any claim, including but not limited to, professional negligence, negligence, breach of contract, misconduct, error, omission, fraud, or misrepresentation ("Claim") against Olsson, or any Olsson subconsultant, unless Client has first provided Olsson with a sworn certificate of merit affidavit setting forth the factual and legal basis for such Claim (the "Certificate"). The Certificate shall be executed by an independent engineer ("Certifying Engineer") currently licensed and practicing in the jurisdiction of the Project site. The Certificate must contain: (a) the name and license number of the Certifying Engineer; (b) the qualifications of the Certifying Engineer, including a list of all publications authored in the previous 10 years and a list of all cases in which the Certifying Engineer testified within the previous 4 years; (c) a statement by the Certifying Engineer setting forth the factual basis for the Claim; (d) a statement by the Certifying Engineer of each and every act, error, or omission that the Certifying Engineer contends supports the Claim or any alleged violation of any applicable standard of care; (e) a statement by the Certifying Engineer of all opinions the Certifying Engineer holds regarding the Claim or any alleged violation of any applicable standard of care; (f) a list of every document related to the Project reviewed by the Certifying Engineer; and (g) a list of every individual who provided Certifying Engineer with any information regarding the Project. The Certificate shall be provided to Olsson not less than thirty (30) days prior to any arbitration or litigation commenced by Client or not less than ten (10) days prior to the initial response submitted by Client in any arbitration or litigation commenced by someone other than Client. The Certificate is a condition precedent to the right of Client to assert any Claim in any litigation or arbitration and Client's failure to timely provide a Certificate to Olsson will be grounds for automatic dismissal of the Claim with prejudice.

SECTION 7—MISCELLANEOUS

7.1 Reuse of Documents

All documents, including drawings, specifications, reports, boring logs, maps, field data, data, test results, information, recommendations, or opinions prepared or furnished by Olsson (and Olsson's independent professional associates and consultants) pursuant to this Agreement ("Work Product"), are all Olsson's instruments of service, do not constitute goods or products, and are copyrighted works of Olsson. Olsson shall retain an ownership and property interest in such Work Product whether or not the Project(s) is completed. If Client has fully satisfied all of its obligations under this Agreement, Olsson shall grant Client a limited license to use the Work Product and Client may make and retain copies of Work Product for use in connection with the Project(s); however, such Work Product is for the exclusive use and benefit of Client or its agents in connection with the Project(s), are not intended to inform, guide or otherwise influence any other entities or persons with respect to any particular business transactions, and should not be relied upon by any entities or persons other than Client or its agents for any purpose other than the Project(s). Such Work Product is not intended or represented to be suitable for reuse by Client or others on extensions of the Project(s) or on any other Project(s).

Client will not distribute or convey such Work Product to any other persons or entities without Olsson's prior written consent which shall include a release of Olsson from liability and indemnification by the third party. Any reuse of Work Product without written verification or adaptation by Olsson for the specific purpose intended will be at Client's sole risk and without liability or legal exposure to Olsson, or to Olsson's independent professional associates or consultants, and Client shall indemnify and hold harmless Olsson and Olsson's independent professional associates and consultants from all claims, damages, losses and expenses including attorneys' fees arising out of or resulting therefrom. Any such verification or adaptation of Work Product will entitle Olsson to further compensation at rates to be agreed upon by Client and Olsson.

7.2 Electronic Files

By accepting and utilizing any electronic file of any Work Product or other data transmitted by Olsson, the Client agrees for itself, its successors, assigns, insurers and all those claiming under or through it, that by using any of the information contained in the attached electronic file, all users agree to be bound by the following terms. All of the information contained in any electronic file is the work product and instrument of service of Olsson, who shall be deemed the author, and shall retain all common law, statutory law and other rights, including copyrights, unless the same have previously been transferred in writing to the Client. The information contained in any electronic file is provided for the convenience to the Client and is provided in "as is" condition. The Client is aware that differences may exist between the electronic files transferred and the printed hard-copy original signed and stamped drawings or reports. In the event of a conflict between the signed original documents prepared by Olsson and the electronic files, which may be transferred, the signed and sealed original documents shall govern. Olsson specifically disclaims all warranties, expressed or implied, including without limitation, and any warranty of merchantability or fitness for a particular purpose with respect to any electronic files. It shall be Client's responsibility to confirm the accuracy of the information contained in the electronic file and that it accurately reflects the information needed by the Client. Client shall not retransmit any electronic files, or any portion thereof, without including this disclaimer as part of any such transmissions. In addition, Client agrees, to the fullest extent permitted by law, to indemnify and hold harmless Olsson, its officers, directors, employees and sub consultants against any and all damages, liabilities, claims or costs, including reasonable attorney's and expert witness fees and defense costs, arising from any changes made by anyone other than Olsson or from any reuse of the electronic files without the prior written consent of Olsson.

7.3 Construction Cost Estimate

Since Olsson has no control over the cost of labor, materials, equipment or services furnished by others, or over the contractor(s)' methods of determining prices, or over competitive bidding or market conditions, Olsson's Construction Cost Estimate provided for herein is made on the basis of Olsson's experience and qualifications and represent Olsson's best judgment as an experienced and qualified professional engineer, familiar with the construction industry. Client acknowledges and agrees that Olsson cannot and does not guarantee proposals or bids and that actual total Project(s) or construction costs may reasonably vary from Olsson's Construction Cost Estimate. If prior to the bidding or negotiating

phase Client wishes greater assurance as to total Project(s) or construction costs, Client shall employ an independent cost estimator as provided in paragraph 3.4.3. If Olsson's Construction Cost Estimate was performed in accordance with its standard of care and was reasonable under the total circumstances, any services performed by Olsson to modify the contract documents to bring the construction cost within any limitation established by Client will be considered Optional Additional Services and paid for as such by Client. If, however, Olsson's Construction Cost Estimate was not performed in accordance with its standard of care and was unreasonable under the total circumstances and the lowest negotiated bid for construction of the Project(s) unreasonably exceeds Olsson's Construction Cost Estimate, Olsson shall modify its work as necessary to adjust the Project(s)' size, and/or quality to reasonably comply with the Client's budget at no additional cost to Client. Under such circumstances, Olsson's modification of its work at no cost shall be the limit of Olsson's responsibility with regard to any unreasonable Construction Cost Estimate.

7.4 Prevailing Wages

It is Client's responsibility to determine whether the Project(s) is covered under any prevailing wage regulations. Unless Client specifically informs Olsson in writing that the Project(s) is a prevailing wage project and is identified as such in the Scope of Services, Client agrees to reimburse Olsson and to defend, indemnify and hold harmless Olsson from and against any liability, including costs, fines and attorneys' fees, resulting from a subsequent determination that the Project(s) was covered under any prevailing wage regulations.

7.5 Samples

All material testing samples shall remain the property of the Client. If appropriate, Olsson shall preserve samples obtained no longer than forty-five (45) days after the issuance of any document that includes the data obtained from those samples. After that date, Olsson may dispose of the samples or return them to Client at Client's cost.

7.6 Standard of Care

Olsson will strive to perform its services in a manner consistent with that level of care and skill ordinarily exercised by members of Olsson's profession providing similar services in the same locality under similar circumstances at the time Olsson's services are performed. This Agreement creates no other representation, warranty or guarantee, express or implied.

7.7 Force Majeure

Any delay in the performance of any of the duties or obligations of either party hereto (except the payment of money) shall not be considered a breach of this Agreement and the time required for performance shall be extended for a period equal to the period of such delay, provided that such delay has been caused by or is the result of any acts of God, acts of the public enemy, insurrections, riots, embargoes, labor disputes, including strikes, lockouts, job actions, boycotts, fires, explosions, floods, shortages of material or energy, or other unforeseeable causes beyond the control and without the fault or negligence of the party so affected. The affected party shall give prompt notice to the other party of such cause, and shall take promptly whatever reasonable steps are necessary to relieve the effect of such cause.

7.8 Confidentiality

In performing this Agreement, the parties may disclose to each other written or oral non-public, confidential or proprietary information, including but not limited to, information of a business, planning, marketing or technical nature and models, tools, hardware and software, and any documents, reports, memoranda, notes, files or analyses that contain, summarize or are based upon any proprietary or confidential information (hereafter referred to as the "Information").

7.8.1 Therefore, Olsson and Client agree that the party receiving Information from the other party to this Agreement (the "Receiving Party") shall keep Information confidential and not use the Information in any manner other than in the performance of this Agreement without prior written approval of the party disclosing Information (the "Disclosing Party") unless Client is a public entity and the release of Information is required by law or legal process.

7.8.2 The existence of discussions between the parties, the purpose of this Agreement, and this Agreement shall be considered Information subject to the confidentiality provisions of this Agreement.

7.8.3 Notwithstanding anything to the contrary herein, the Receiving Party shall have no obligation to preserve the confidentiality of any Information which:

7.8.3.1 was previously known to the Receiving Party free of any obligation to keep it confidential; or

7.8.3.2 is or becomes publicly available by other than unauthorized disclosures; or

7.8.3.3 is independently developed by the Receiving Party without a breach of this Agreement; or

7.8.3.4 is disclosed to third parties by the Disclosing Party without restrictions; or

7.8.3.5 is received from a third party not subject to any confidentiality obligations.

7.8.4 In the event that the Receiving Party is required by law or legal process to disclose any of Information of the Disclosing Party, the Receiving Party required to disclose such Information shall provide the Disclosing Party with prompt oral and written notice, unless notice is prohibited by law (in which case such notice shall be provided as early as may be legally permissible), of any such requirement so that the Disclosing Party may seek a protective order or other appropriate remedy.

7.8.5 Nothing contained in this Agreement shall be construed as altering any rights that the Disclosing Party has in the Information exchanged with or disclosed to the Receiving Party, and upon request, the Receiving Party will return all Information received in tangible form to the Disclosing Party, or at the Receiving Party's option, destroy all such Information. If the Receiving Party exercises its option to destroy the Information, the Receiving Party shall certify such destruction to the Disclosing Party.

7.8.6 The parties acknowledge that disclosure or use of Information in violation of this Agreement could cause

irreparable harm for which monetary damages may be difficult to ascertain or constitute an inadequate remedy. Each party therefore agrees that the Disclosing Party shall be entitled in addition to its other rights to seek injunctive relief for any violation of this Agreement.

7.8.7 The obligations of confidentiality set forth herein shall survive termination of this Agreement, but shall only remain in effect for a period of one (1) year from the date the Information is first disclosed.

7.9 Damage or Injury to Subterranean Structures or Utilities, Hazardous Materials, Pollution and Contamination

7.9.1 To the extent that work pursuant to this Agreement requires any sampling, boring, excavation, ditching or other disruption of the soil or subsurface at the Site, Olsson shall confer with Client prior to such activity and Client will be responsible for identifying, locating and marking, as necessary, any private subterranean structures or utilities and Olsson shall be responsible for arranging investigation of public subterranean structures or utilities through an appropriate utility one-call provider. Thereafter, Olsson shall take all reasonable precautions to avoid damage or injury to subterranean structures or utilities which were identified by Client or the one-call provider. Olsson shall not be responsible for any damage, liability or costs, for any property damage, injury or economic loss arising or allegedly arising from damages to subterranean structures or utilities caused by subsurface penetrations in locations approved by Client and/or the one call provider or not correctly shown on any plans, drawings or utility clearance provided to Olsson, except for damages caused by the negligence of Olsson in the use of such information.

7.9.2 It is understood and agreed that any assistance Olsson may provide Client in the disposal of waste materials shall not result in Olsson being deemed as a generator, arranger, transporter or disposer of hazardous materials or hazardous waste as defined under any law or regulation. Title to all samples and waste materials remains with Client, and at no time shall Olsson take title to the above material. Client may authorize Olsson to execute Hazardous Waste Manifest, Bill of Lading or other forms as agent of Client. If Client requests Olsson to execute such documents as its agent, the Hazardous Waste Manifest, Bill of Lading or other similar documents shall be completed in the name of the Client. Client agrees to indemnify and hold Olsson harmless from any and all claims that Olsson is a generator, arranger, transporter, or disposer of hazardous waste as a result of any actions of Olsson, including, but not limited to, Olsson signing a Hazardous Waste Manifest, Bill of Lading or other form on behalf of Client.

7.9.3 At any time, Olsson can request in writing that Client remove samples, cuttings and hazardous substances generated by the Project(s) from the project site or other location. Client shall promptly comply with such request, and pay and be responsible for the removal and lawful disposal of samples, cuttings and hazardous substances, unless other arrangements are mutually agreed upon in writing.

7.9.4 Client shall release Olsson of any liability for, and shall defend and indemnify Olsson against any and all claims, liability and expense resulting from operations under this Agreement on account of injury to, destruction of, or loss or impairment of any property right in or to oil, gas, or other mineral substance or water, if at the time of the act or omission causing

such injury, destruction, loss or impairment, said substance had not been reduced to physical possession above the surface of the earth, and for any loss or damage to any formation, strata, reservoir beneath the surface of the earth.

7.9.5 Notwithstanding anything to the contrary contained herein, it is understood and agreed by and between Olsson and Client that the responsibility for pollution and contamination shall be as follows:

7.9.5.1 Unless otherwise provided herein, Client shall assume all responsibility for, including control and removal of, and protect, defend and save harmless Olsson from and against all claims, demands and causes of action of every kind and character arising from pollution or contamination (including naturally occurring radioactive material) which originates above the surface of the land or water from spills of fuels, lubricants, motor oils, pipe dope, paints, solvents, ballast, bilge and garbage, except unavoidable pollution from reserve pits, wholly in Olsson's possession and control and directly associated with Olsson's equipment.

7.9.5.2 In the event a third party commits an act or omission which results in pollution or contamination for which either Olsson or Client, for whom such party is performing work, is held to be legally liable, the responsibility therefore shall be considered as between Olsson and Client, to be the same as if the party for whom the work was performed had performed the same and all of the obligations regarding defense, indemnity, holding harmless and limitation of responsibility and liability, as set forth herein, shall be specifically applied.

7.10 Controlling Law and Venue

The parties agree that this Agreement and any legal actions concerning its validity, interpretation or performance shall be governed by the laws of the State of Nebraska. It is further agreed that any legal action between the parties arising out of this Agreement or the performance of services shall be brought in a court of competent jurisdiction in Nebraska.

7.11 Subconsultants

Olsson may utilize as necessary in its discretion subconsultants and other subcontractors. Olsson will be paid for all services rendered by its subconsultants and other subconsultants as set forth in this Agreement.

7.12 Assignment

7.12.1 Client and Olsson each are hereby bound and the partners, successors, executors, administrators and legal representatives of Client and Olsson (and to the extent permitted by paragraph 7.12.2 the assigns of Client and Olsson) are hereby bound to the other party to this Agreement and to the partners, successors, executors, administrators and legal representatives (and said assigns) of such other party, in respect of all covenants, agreements and obligations of this Agreement.

7.12.2 Neither Client nor Olsson shall assign, sublet or transfer any rights under or interest in (including, but without limitation, moneys that may become due or moneys that are due) this Agreement without the written consent of the other, except to the extent that any assignment, subletting or transfer is mandated by law or the effect of this limitation may be

restricted by law. Unless specifically stated to the contrary in any written consent to an assignment, no assignment will release or discharge the assignor from any duty or responsibility under this Agreement. Nothing contained in this paragraph shall prevent Olsson from employing such subconsultants and other subcontractors as Olsson may deem appropriate to assist in the performance of services under this Agreement.

7.12.3 Nothing under this Agreement shall be construed to give any rights or benefits in this Agreement to anyone other than Client and Olsson, and all duties and responsibilities undertaken pursuant to this Agreement will be for the sole and exclusive benefit of Client and Olsson and not for the benefit of any other party. There are no third-party beneficiaries of this Agreement.

7.13 Indemnity

Olsson and Client mutually agree, to the fullest extent permitted by law, to indemnify and hold each other harmless from any and all damages, liabilities or costs, including reasonable attorneys' fees and defense costs, relating to third party personal injury or third party property damage and arising from their own negligent acts, errors or omissions in the performance of their services under this Agreement, but only to the extent that each party is responsible for such damages, liabilities or costs on a comparative basis of fault.

7.14 Limitation on Damages

7.14.1 Notwithstanding any other provision of this Agreement, and to the fullest extent permitted by law, neither party's individual employees, principals, officers or directors shall be subject to personal liability or damages arising out of or connected in any way to the Project(s) or to this Agreement.

7.14.2 Notwithstanding any other provision of this Agreement, and to the fullest extent permitted by law, neither Client nor Olsson, their respective officers, directors, partners, employees, contractors or subconsultants shall be liable to the other or shall make any claim for any delay damages, any punitive damages or any incidental, indirect or consequential damages arising out of or connected in any way to the Project(s) or to this Agreement. This mutual waiver of delay damages and consequential damages shall include, but is not limited to, disruptions, accelerations, inefficiencies, increased construction costs, increased home office overhead, loss of use, loss of profit, loss of business, loss of income, loss of reputation or any other delay or consequential damages that either party may have incurred from any cause of action including, but not limited to, negligence, statutory violations, misrepresentation, fraud, deceptive trade practices, breach of fiduciary duties, strict liability, breach of contract and/or breach of strict or implied warranty. Both the Client and Olsson shall require similar waivers of consequential damages protecting all the entities or persons named herein in all contracts and subcontracts with others involved in the Project(s).

7.14.3 Notwithstanding any other provision of this Agreement, Client agrees that, to the fullest extent permitted by law, Olsson's total liability to the Client for any and all injuries, claims, losses, expenses, damages, or claims expenses of any kind arising from any services provided by or through Olsson under this Agreement, shall not exceed the amount of Olsson's fee earned under this Agreement. Client acknowledges that such causes include, but are not limited to, negligence, statutory

violations, misrepresentation, fraud, deceptive trade practices, breach of fiduciary duties, strict liability, breach of contract and/or breach of strict or implied warranty. This limitation of liability shall apply to all phases of Olsson's services performed in connection with the Project(s), whether subsequent to or prior to the execution of this Agreement.

7.15 Entire Agreement

This Agreement supersedes all prior communications, understandings and agreements, whether oral or written. Amendments to this Agreement must be in writing and signed by the Client and Olsson.

Time is Money

Site certification can be a crucial part of investing wisely — for a company, and for a community.

The selection of the perfect location for new corporate expansions is certainly no easy feat. Companies considering expanding or selecting new locations face a complicated set of tasks in determining where to place the facility to ensure optimal operational efficiency. Within recent years, the economic development community has worked toward making this process a little less cumbersome and markedly quicker through the site certification process. Site certification can provide significant benefits to bottom-line profitability through potentially expedited development and streamlined site selection processes.

In the primary development world, it is not uncommon for site selectors or corporate end-users to consider as many as 75 varied site selection criteria in determining an optimal location for investment. As a result, the trend toward seeking certified sites in the initial site selection search is real and growing.

Many US states have adopted statewide site certification programs and incited economic development entities to pursue certification of sites through these programs. Site selector databases often allow the ability to query certified sites as a selection criteria. Consulting

by COURTNEY DUNBAR
editor@conway.com



Courtney Dunbar is the economic development leader for Olsson Associates, a civil engineering firm based in Lincoln, Neb.

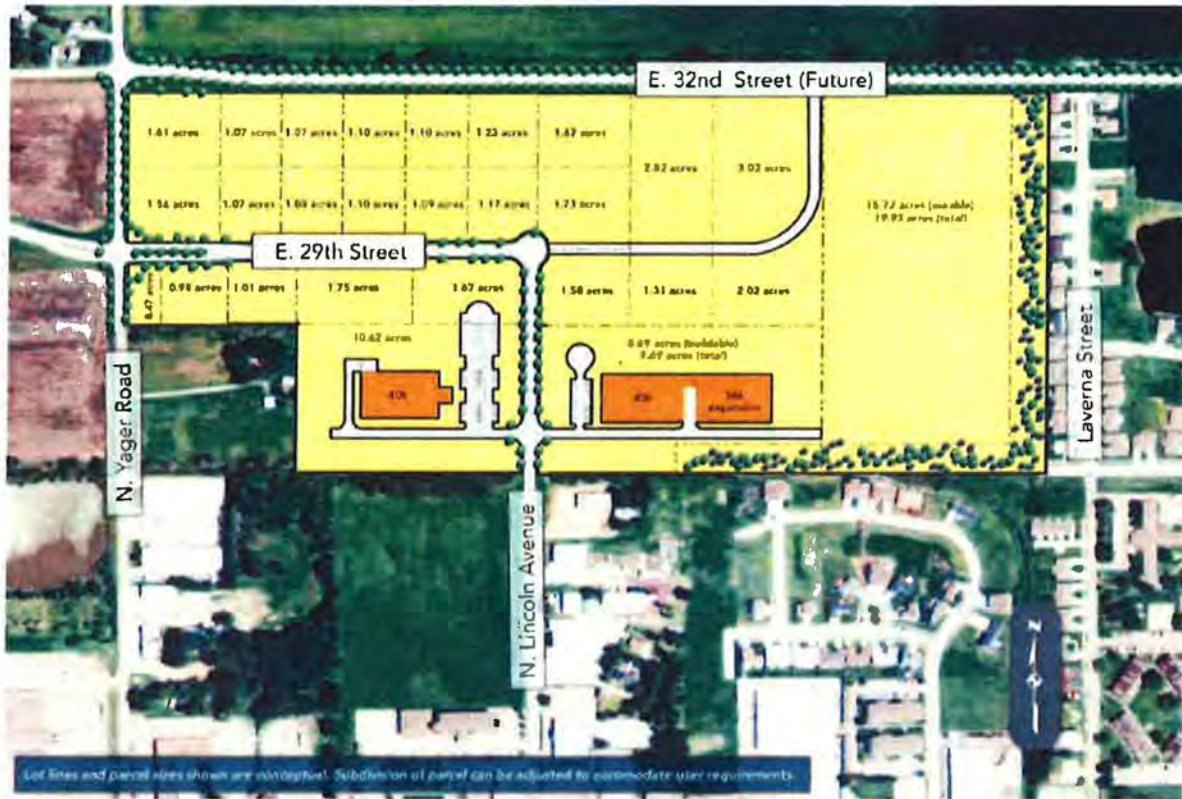
firms, such as Olsson Associates, also find value in assessing site preparedness, and have developed their own site certification programs based upon known development demands and expected needs.

While many of the benefits to site certification may be known or assumed by the site selection community, there are other considerations that may not be as well known that can critically impact time-to-completion for development projects. The following factors are considerations that lead to bottom-line efficiencies as a result of choosing certified sites:

Comprehensive Diligence Standards

Site certification programs typically require collecting and analyzing a variety of natural and built environment factors impacting the function of the subject property. Property assets and deficiencies are documented, and mitigating controllable deficiencies is typically required. This allows corporate end-users an opportunity to gauge, with a comfortable level of certainty, whether or not the site's capabilities will match the needed service.

While it could be assumed that sites that are positioned during the site selection process have undergone some level of diligence, the depth of information available is often not nearly



At the 100-acre Fremont Technology Park in Fremont, Neb., the virtual BIM model was created by JE Dunn to align to the master plan developed by Olsson Associates specifically to accommodate a 5-MW to 8-MW user of redundant electricity. The virtual building represented is 50-percent costed and timed for completion, which allows Fremont to market the site to prospective built-facility seekers. The property is on track to be certified by the new Olsson Associates Select Site Program.

enough for corporate end-users desiring to plug capacities information into their internal processes to ensure operational stability.

Site certification programs such as the Olsson Associates Select Site Program require the understanding of existing infrastructure, but also line sizes, capacities, volumes, pressures, and, if an attribute of infrastructure is lacking, what the timeline and permitting requirements are for mitigating deficiencies.

While the development process will eventually yield responses to these questions, the ability to have this information at the

No longer is it plausible to maintain a "one-site-fits-all" mentality as it pertains to development property.

forefront of the site selection process saves considerable time and resources, leading to bottom-line savings for the companies involved in selecting from prospective development sites.

Targeting Viability and Master Planning

The Olsson Associates Select Site Program requires aligning property diligence

and function to tract optimization. Corporate end-users benefit greatly from clearly understanding, in initial site selection phases, how much land will

be required for purchase to ensure optimum production and property protection.

Corporate end-users can meet multiple challenges in site selection that can be effectively mitigated through pre-assessment programs such as site certification. No longer is it plausible to maintain a "one-site-fits-all" mentality as it pertains to development property. Companies desire development sites that will fit their infrastructure and

access needs so that they may construct the most efficient facilities tailored to their exact processes. Properties that have undergone thorough diligence assessments as required in the site certification process allow site selectors and end-users the opportunity to functionally represent their specific facility pad sites for development. This form of planning in the early phases of selection allows corporate end-users to maximize land use to facility needs and avoid purchasing more property than necessary for current or expected future expansions.

As in the Olsson Associates Select Site Program, end-users and site selectors should identify enhanced sites that will provide specific industry certifications to ensure that primary infrastructure, service, capacities, access, and encumbrances compliment specific industry sector needs. For example, an optimal rail-served site will not also serve as an optimal technology or data center



location. Hence, there is a real and valuable differentiator created in sites that have assessed, aligned and planned for specific industry verticals.

The beauty of a diligence-assessed and master-planned site is that when the user positions its pad site and development requirements, it is possible to optimally represent this pad site within the site under

consideration. This allows the representative of the land to provide critical responses to exactly where the facilities can be located, how much land should be purchased, how long it will take to cure any infrastructure deficiencies, as well as what the permitting process for development will entail.

Entitlement Processes

Development entitlements are often one of the least understood obstacles that is not addressed when economic developers position sites for development opportunity. However, companies that cannot achieve a clear picture of development entitlement timelines and processes could be delayed for weeks if not months in gaining permitted access or beginning production if permitting delays are incurred.

Sites that have undergone a site certification exercise are almost always required to anticipate development permits

SECTION VII
A

R2015-30

A RESOLUTION APPROVING CHANGE ORDER NO. 1 TO THE INSITUFORM TECHNOLOGIES CONTRACT.

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF BELTON, MISSOURI.

Section 1. That Change Order No. 1 to the Cured in Place Pipe Technology (CIPP) 18-inch Sanitary Sewer Lining Under I-49 Project contract with Insituform Technologies in the not-to-exceed amount of \$20,929.10 is hereby approved and the Mayor is authorized and directed to execute the change order on behalf of the City. .

Section 2. That this resolution shall be in full force and effect from and after its passage and approval.

Duly read and passed this 23rd day of June, 2015.

Mayor Jeff Davis

ATTEST:

Patricia A. Ledford, City Clerk
of the City of Belton, Missouri

STATE OF MISSOURI)
COUNTY OF CASS)SS
CITY OF BELTON)

I, Patricia A. Ledford, City Clerk, do hereby certify that I have been duly appointed City Clerk of the City of Belton, Missouri, and that the foregoing Resolution was regularly introduced at a regular meeting of the City Council held on the 23rd day of June, 2015 and adopted at a regular meeting of the City Council held the 23rd day of June, 2015 by the following vote, to wit:

AYES: COUNCILMEN:
NOES: COUNCILMEN:
ABSENT: COUNCILMEN:

Patricia A. Ledford, City Clerk
of the City of Belton, Missouri



CITY OF BELTON CITY COUNCIL INFORMATION FORM

AGENDA DATE: 06.23.2015

DIVISION: Water Services

COUNCIL: **Regular Meeting** **Work Session** **Special Session**

<input type="checkbox"/> Ordinance	<input checked="" type="checkbox"/> Resolution	<input type="checkbox"/> Consent Item	<input type="checkbox"/> Change Order	<input type="checkbox"/> Motion
<input type="checkbox"/> Agreement	<input type="checkbox"/> Discussion	<input type="checkbox"/> FYI/Update	<input type="checkbox"/> Presentation	<input type="checkbox"/> Both Readings

ISSUE/RECOMMENDATION:

A portion of 8” diameter sanitary sewer on Pawnee Lane from Brookside to Prairie is in urgent need of lining using Cured in Place Pipe Technology (CIPP). A recent inspection revealed a 20 foot section of collapsed pipe on Pawnee, which was repaired in late May. The remaining pipe was then televised and was shown to be in a deteriorated condition. To prevent further collapse, this portion of sewer needs to be lined.

It is proposed to amend the recently approved contract with Insituform with Change Order No. 1. The original Insituform contract addresses the 18-inch sanitary sewer pipe that runs underneath Interstate 49. The change order is in an amount to address 730 feet of pipe on Pawnee. The unit price is \$28.67 to include CIPP, CCTV, bypass pumping and line cleaning; therefore, the requested amount is \$20,929.10.

PROPOSED CITY COUNCIL MOTION:

Approve a resolution to add Change Order No. 1 to the Insituform Technologies contract in the not-to-exceed amount of \$20,929.10.

FINANCIAL IMPACT/ANALYSIS:

This lining need was unanticipated and unbudgeted. However, the private infiltration & inflow (I/I) program has sufficient funds to incorporate this work. In addition, lining of this sewer will contribute to the City’s I/I program and overall I/I reduction goals.

Contractor:	Insituform Technologies		
Amount of Request/Contract:	\$	20,929.10	
Amount Budgeted:	\$	0.00	
Funding Source:	660-0000-495-7300 (Private I&I)		

STAFF RECOMMENDATION, ACTION, AND DATE:

At the June 23, 2015 regular City Council meeting, approve a resolution to add Change Order No. 1 to the Insituform Technologies contract in the not-to-exceed amount of \$20,929.10.

LIST OF REFERENCE DOCUMENTS ATTACHED:

- Resolution
- Instituform Technologies Change Order No. 1
- Pawnee CIPP Project Map



CHANGE ORDER NO. 1

Contract Number 660-0000-495-7300

Project Title CIPP 18-INCH SANITARY SEWER LINING PROJECT UNDER I-49

Effective Date: June 23, 2015

Ordinance / **Resolution** No: 2015-

To CONTRACTOR Insituform Technologies USA, LLC

The Contract is changed as follows: increase contract amount by \$20,929.10 to line 730 feet of pipe on Pawnee Lane from Brookside to Prairie per the attached map. Price includes CIPP, CCTV, bypass pumping and line cleaning. Change Order does not add calendar days to the construction contract.

Not valid until signed by the OWNER.

The original Contract Price was	\$ 43,092.66
Net change by previously authorized Change Orders	\$ 0.00
The Contract Price prior to this Change Order was	\$ 43,092.66
The Contract Price will be increased by	\$ 20,929.10
The new Contract Price including this Change Order will be	\$64,021.76
The Contract Times will be changed by	0 days
The date of Final Completion as of the date of this Change Order therefore is	July 31, 2015

CONTRACTOR: Insituform Technologies USA, LLC	By: <p style="text-align: center;">Brian McCrary InsituformTechnologies</p>	Date:
OWNER: City of Belton, Missouri	By: <p style="text-align: center;">Jeff Fisher Public Works Director</p>	Date:
ENGINEER: City of Belton, Missouri	Attest By: <p style="text-align: center;">Zach Matteo City Engineer</p>	Date:



Pawnee CIPP Project

