



City of Sikeston

TENTATIVE AGENDA

SPECIAL CITY COUNCIL MEETING
SIKESTON CITY HALL

Monday, March 30, 2015
11:30 A.M.

- I. CALL TO ORDER
- II. RECORD OF ATTENDANCE
- III. OPENING PRAYER
- IV. ITEMS OF BUSINESS
 - A. 1st Reading, Bill #5975, Consideration and Adoption of Intergovernmental Agreement
 - B. 1st Reading, Bill #5974, Consideration and Adoption of Redevelopment Agreement
 - C. 2nd Reading & Consideration of Bill #5982, Request for Rezoning Light Industrial "IL" to Commercial "C-3"
 - D. 2nd Reading & Consideration of Bill #5983, Approval of Subdivision, Cotton Ridge Subdivision, 1st Addition
 - E. Authorization To Go To Bid for Airport Terminal Construction
 - F. Authorization to Purchase DPW Tractor
 - G. Resolution 15-03-02, Declaration of DPW Surplus Property – Dump Trucks with Plows
 - H. Interim Appointments to Board of Adjustments & Tourism Advisory Board
 - I. Authorization to Award Municipal Court Collection Services Contract
 - J. Establishment of 2015 Council Re-organization Meeting Date/Time
 - K. Other Items As May Be Determined During the Course of the Meeting
- V. ADJOURNMENT INTO EXECUTIVE SESSION

Personnel (RSMo 6.10.021(3))
- VI. ADJOURNMENT

Dated this 25th day of March 2015



Carroll Couch, City Clerk

The City of Sikeston complies with ADA guidelines. Notify Linda Lowes at 471-2512 (TDD Available) to notify the City of any reasonable accommodation needed to participate in the City Council's Meeting.



Council Letter

Date of Meeting: 15-03-30

Originating Department: Administrative Services

To the Mayor and City Council:

Subject: Bill #5975, 60 West TIF Intergovernmental Agreement

Attachments:

1. Bill #5975
2. Intergovernmental Agreement

Action Options:

1. 1st Reading, Bill #5975
2. Other Action Council may deem appropriate

Background:

Bill #5975 authorizes the City of Sikeston, Missouri to enter into an Intergovernmental Agreement with New Madrid County, Missouri, by which the City and County will share on a 50/50 basis, any shortfall in TIF revenue over a 15 year amortized cost of installing infrastructure at a rate of 3%. The estimated cost of the infrastructure is \$ 710,000.

Staff will ask for Council for adoption of this bill at their April 6th Council meeting.

AN ORDINANCE APPROVING AN INTERGOVERNMENTAL COOPERATION AGREEMENT IN CONNECTION WITH THE SKESTON 60 WEST TAX INCREMENT FINANCING REDEVELOPMENT PLAN.

WHEREAS, the City has approved “The Skeston 60 West Tax Increment Financing Redevelopment Plan” (the “Plan”) pursuant to the Real Property Tax Increment Allocation Redevelopment Act, Sections 99.800 to 99.865 of the Revised Statutes of Missouri, as amended; and

WHEREAS, the City desires to enter into an intergovernmental cooperation agreement (the “Cooperation Agreement”) with New Madrid County, Missouri (the “County”) regarding the funding of certain infrastructure improvements within the Redevelopment Area described in the Plan;

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

Section 1. The City Council finds and determines that it is necessary and desirable to enter into an agreement with the County regarding the funding of certain infrastructure improvements within the Redevelopment Area described in the Plan. The Mayor is hereby authorized and directed to execute, on behalf of the City, the Cooperation Agreement between the City and the County. The City Clerk is hereby authorized and directed to attest to the Cooperation Agreement and to affix the seal of the City thereto. The Cooperation Agreement shall be in substantially the form attached hereto as **Exhibit A**, which Cooperation Agreement is hereby approved by the City Council, with such changes therein as shall be approved by the officers of the City executing the same.

Section 2. The officers, agents and employees of the City are hereby authorized and directed to execute all documents and take such steps as they deem necessary and advisable in order to carry out and perform the purpose of this Ordinance.

Section 3. The sections of this Ordinance shall be severable. If any section of this Ordinance is found by a court of competent jurisdiction to be invalid, the remaining sections shall remain valid, unless the court finds that: (i) the valid sections are so essential to and inseparably connected with and dependent upon the void section that it cannot be presumed that the City Council has or would have enacted the valid sections without the void ones; and (ii) the valid sections, standing alone, are incomplete and are incapable of being executed in accordance with the legislative intent.

Section 4. Record of Passage:

A. Bill number 5975 was introduced to the City Council and read the first time on this 30th day of March, 2015.

B. Bill number 5975 was read for the second and final time and discussed on this 6th day of April, 2015, and final passage thereon was voted as follows:

Burch _____, Depro _____, Gilmore _____,
Graham _____, Harris _____, Pullen _____, Teachout _____,
thereby being _____.

C. Upon passage by the City Council, this bill shall become Ordinance 5975 and shall be in full force and effect from and after May 6, 2015.

Mayor Jerry Pullen

Approved as to form
Chuck Leible, City Attorney

SEAL/ATTEST

Carroll L. Couch, City Clerk

INTERGOVERNMENTAL COOPERATION AGREEMENT

THIS INTERGOVERNMENTAL COOPERATION AGREEMENT (this "Agreement") is entered into on this ____ day of _____, 2015, by and among the **CITY OF SIKESTON, MISSOURI**, a charter city and political subdivision of the State of Missouri (the "City"), and **NEW MADRID COUNTY, MISSOURI**, a county and political subdivision of the State of Missouri (the "County," and together with the City, the "Parties").

RECITALS

A. The Real Property Tax Increment Allocation Redevelopment Act, Sections 99.800 to 99.865 of the Revised Statutes of Missouri, as amended (the "TIF Act"), authorizes municipalities to undertake redevelopment projects in blighted, conservation or economic development areas, as defined in the TIF Act.

B. The City is considering approval of The Sikeston 60 West Tax Increment Financing Redevelopment Plan (the "Redevelopment Plan"), which proposes the redevelopment of approximately 185 acres generally located north of Highway 60 and west of the existing Wal-Mart Supercenter (the "Redevelopment Area").

C. Sikeston Development Company, LLC (the "Developer") has submitted a proposal (the "Proposal") to redevelop the Redevelopment Area for a mix of commercial and light industrial uses.

D. The Proposal requests that the City fund the extension of Hennings Drive, the extension of Stallcup Drive and the construction of a new roadway connecting Hennings Drive and Stallcup Drive within the Redevelopment Area (the "Infrastructure Improvements") so that parcels within the Redevelopment Area will have adequate road access to allow for development.

E. The City and the County believe that the completion of the Infrastructure Improvements will benefit the residents of the City and the County and is necessary to cure certain blighted conditions in the Redevelopment Area and further the objectives of the Redevelopment Plan.

F. Pursuant to Section 70.220 of the Revised Statutes of Missouri, as amended, the City and the County are permitted to cooperate to cause the completion of the Infrastructure Improvements.

AGREEMENT

Now, therefore, in consideration of the premises and promises contained herein and other good and valuable consideration, the adequacy and sufficiency of which are hereby acknowledged, the Parties agree as follows:

Section 1. Conditional Effectiveness of This Agreement. Notwithstanding anything to the contrary contained herein, this Agreement shall become null and void if the City does not approve the Redevelopment Plan prior to December 31, 2015.

Section 2. Construction of the Infrastructure Improvements. The City shall have sole responsibility to oversee the construction of the Infrastructure Improvements in the same manner as similar public works projects undertaken by the City.

Section 3. Funding of the Infrastructure Improvements.

(a) The City shall advance the costs of completing the Infrastructure Improvements from available reserve funds held by the City. The Parties acknowledge that the Infrastructure Improvements are estimated to cost \$710,000. The City shall promptly notify the County if the City believes the actual cost of the Infrastructure Improvements, after engineering and/or bidding, will exceed such amount by more than 10%.

(b) The City shall apply tax increment financing revenues generated within the portion of the Redevelopment Area described as "RPA 1" in the Redevelopment Plan (the "RPA 1 TIF Revenues") in the following order:

(1) to pay administrative costs as provided in the Redevelopment Agreement dated as of _____, 2015 between the City and the Developer (the "Redevelopment Agreement");

(2) 46.7% of the remaining RPA 1 TIF Revenues (the "Available City Revenues") to reimburse the City for costs of the Infrastructure Improvements, plus interest thereon at a rate of 3.0% per annum; and

(3) to pay other redevelopment project costs in the manner provided in the Redevelopment Agreement.

(c) For the purpose of determining the specific amount of reimbursement due to the City:

(1) the City will be deemed to have advanced \$710,000 as of the date it commences work on the Infrastructure Improvements and interest on such amount will begin accruing on such date (calculated on a 30/360 basis);

(2) the cost of the Infrastructure Improvements will be amortized over a 15-year period that begins on the first day of the first calendar quarter (i.e., January 1, April 1, July 1 or October 1) following the first receipt of sales tax revenues generated from the movie theatre to be constructed in RPA 1;

(3) if the cost of the Infrastructure Improvements exceeds \$710,000, then such additional cost shall be amortized within the remaining term of the 15-year period referenced above and interest on any such cost will begin to accrue on the date that the cost was incurred (for example, if the 15-year amortization period began July 1, 2016, but costs over \$710,000 were not incurred until May 15, 2020, then such costs would accrue interest beginning on May 15, 2020 and be amortized during the period from July 1, 2020 to July 1, 2031); and

(4) if the cost of the Infrastructure Improvements is less than \$710,000, then the difference between \$710,000 and the cost of Infrastructure Improvements shall be accounted as a principal payment as of the date upon which the City certifies it has completed the Infrastructure Improvements (which shall be no later than December 31, 2025).

(d) If the Available City Revenues are greater than the amortized cost of the Infrastructure Improvements for the applicable period, then Available City Revenues will be applied to the prepayment of the Infrastructure Improvements.

(e) If the Available City Revenues are less than the amortized cost of the Infrastructure Improvements for the applicable period, then the County shall pay to the City an amount equal to 50% of the shortfall and the City shall be deemed to have paid the remaining 50% of the shortfall. Such payment

and deemed payment shall be made annually on each September 1. The City shall notify the County of any payment due at least 30 days before each annual payment date.

(f) Throughout the 15-year amortization period referenced in (c)(2), the City shall keep track of all payments made by the County and deemed payments made by the City pursuant to (e). After the 15-year amortization period has concluded, the City shall use the Available City Revenues to reimburse the County and the City for any payments or deemed payments made pursuant to (e). Such reimbursements shall be made by paying 50% of the Available City Revenues to each of the County and the City on a quarterly basis until the respective Parties are fully-reimbursed. The City agrees not to terminate tax increment financing within RPA 1 prior to the full reimbursement of the County.

Section 4. Collection of TIF Revenues. The Parties agree to take all reasonable actions necessary to cause tax increment financing revenues to be paid into the City's Special Allocation Fund, including the County's enforcement and collection of all payments in lieu of taxes and County-imposed sales taxes.

Section 5. Entire Agreement. This Agreement contains the entire agreement of the Parties hereto with respect to the subject matter hereof. This Agreement cannot be altered, amended or modified except by written instrument executed by the Parties, as provided herein. No custom, act, forbearance or words or silence at any time, gratuitous or otherwise, shall impose any additional obligation or liability upon any Party or waive or release any Party from any default or the performance or fulfillment of any obligation or liability or operate as against either Party as a supplement, alteration, amendment or change of any terms or provisions set forth herein unless set forth in a written instrument duly executed by such Party. The failure of any Party to exercise any rights or remedies shall not release any other Party from its obligations hereunder.

Section 6. Severability. In case any one or more of the provisions contained in this Agreement shall for any reason be held invalid, illegal or unenforceable in any respects, such invalidity, illegality or unenforceability shall not affect any other provision hereof, and this Agreement shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed on the day and year first written above.

CITY OF SIKESTON, MISSOURI

By: _____
Name: Jerry Pullen
Title: Mayor

(SEAL)
ATTEST:

Name: Carroll Couch
Title: City Clerk

NEW MADRID COUNTY, MISSOURI

By: Mark Baker
Name: Mark Baker
Title: Presiding Commissioner

By: Tom Bradley
Name: Tom Bradley
Title: Commissioner

By: Don Day
Name: Don Day
Title: Commissioner

(SEAL)
ATTEST:

Clement Cravens
Name: Clement Cravens
Title: Clerk of the County Commission

By: Andrew Lawson
Name: Andrew Lawson
Title: Prosecuting Attorney

Council Letter

Date of Meeting: 15-03-30

Originating Department: Administrative Services

To the Mayor and City Council:

Subject: Bill #5974, 60 West TIF Redevelopment Agreement

Attachments:

1. Bill #5974
2. Redevelopment Agreement

Action Options:

1. 1st Reading, Bill #5974
2. Other Action Council may deem appropriate

Background:

Bill #5974 authorizes the City of Sikeston, Missouri to enter into a Redevelopment Agreement with Sikeston Development Co., LLC, for the construction of an approximately 25,000 square foot movie theatre, and to reimburse Sikeston Development Co., LLC, for authorized and approved public infrastructure utilizing a percentage of incremental increases in property taxes (PILOT) and Economic Activity Taxes (EATS).

This bill will be presented to Council for adoption at their April 6th meeting.

AN ORDINANCE APPROVING A REDEVELOPMENT AGREEMENT IN CONNECTION WITH THE SKESTON 60 WEST TAX INCREMENT FINANCING REDEVELOPMENT PLAN.

WHEREAS, the City has approved “The Skeston 60 West Tax Increment Financing Redevelopment Plan” (the “Plan”) pursuant to the Real Property Tax Increment Allocation Redevelopment Act, Sections 99.800 to 99.865 of the Revised Statutes of Missouri, as amended; and

WHEREAS, the City desires to enter into a redevelopment agreement with Skeston Development Company, LLC (the “Developer”) with regard to the development of the RPA-1 Redevelopment Project described in the Plan (the “Redevelopment Agreement”);

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

Section 1. The City Council finds and determines that it is necessary and desirable to enter into an agreement with the Developer to implement the RPA-1 Redevelopment Project described in the Plan. The Mayor is hereby authorized and directed to execute, on behalf of the City, the Redevelopment Agreement between the City and the Developer, but only after execution of the Intergovernmental Cooperation Agreement between the City and New Madrid County, Missouri, relating to the funding of certain infrastructure improvements described in the Redevelopment Agreement. The City Clerk is hereby authorized and directed to attest to the Redevelopment Agreement and to affix the seal of the City thereto. The Redevelopment Agreement shall be in substantially the form attached hereto as **Exhibit A**, which Redevelopment Agreement is hereby approved by the City Council, with such changes therein as shall be approved by the officers of the City executing the same.

Section 2. The officers, agents and employees of the City are hereby authorized and directed to execute all documents and take such steps as they deem necessary and advisable in order to carry out and perform the purpose of this Ordinance.

Section 3. The sections of this Ordinance shall be severable. If any section of this Ordinance is found by a court of competent jurisdiction to be invalid, the remaining sections shall remain valid, unless the court finds that: (i) the valid sections are so essential to and inseparably connected with and dependent upon the void section that it cannot be presumed that the City Council has or would have enacted the valid sections without the void ones; and (ii) the valid sections, standing alone, are incomplete and are incapable of being executed in accordance with the legislative intent.

Section 4. Record of Passage:

A. Bill number 5974 was introduced to the City Council and read the first time on this 30th day of March, 2015.

B. Bill number 5974 was read for the second and final time and discussed on this 6th day of April, 2015, and final passage thereon was voted as follows:

Burch _____, Depro _____, Gilmore _____,
Graham _____, Harris _____, Pullen _____, Teachout _____,
thereby being _____.

C. Upon passage by the City Council, this bill shall become Ordinance 5974 and shall be in full force and effect from and after May 6, 2015; provided, if the Developer has not executed the Redevelopment Agreement within 15 days after such date, all rights conferred by this Ordinance on the Developer shall terminate and the City may designate another entity as developer of the RPA-1 Redevelopment Project.

Mayor Jerry Pullen

Approved as to form
Chuck Leible, City Attorney

SEAL/ATTEST

Carroll L. Couch, City Clerk

REDEVELOPMENT AGREEMENT

This **REDEVELOPMENT AGREEMENT** (the "Agreement") is made and entered into as of _____, 2015 (the "Effective Date") by and between the **CITY OF SIKESTON, MISSOURI**, a charter city organized and existing under the laws of the State of Missouri (the "City"), and **SIKESTON DEVELOPMENT CO., LLC**, a limited liability company organized and existing under the laws of the State of Arkansas (the "Developer").

RECITALS:

1. The Real Property Tax Increment Allocation Redevelopment Act, Sections 99.800 to 99.865 of the Revised Statutes of Missouri, as amended (the "Act"), authorizes municipalities to undertake redevelopment projects in blighted, conservation or economic development areas, as defined in the Act.

2. Pursuant to Ordinance No. 5973, adopted on January 5, 2015, the City Council approved "The Sikeston 60 West Tax Increment Financing Redevelopment Plan" (the "Redevelopment Plan"), designated the redevelopment area described therein (the "Redevelopment Area") as a "redevelopment area" pursuant to the Act and approved a redevelopment project (the "RPA 1 Redevelopment Project") for the portion of the Redevelopment Area described in the Redevelopment Plan as "RPA 1" and legally described in **Exhibit A** attached hereto.

3. In response to a request for proposals, Sikeston Development Co., LLC (the "Developer") submitted a proposal to the City regarding the RPA 1 Redevelopment Project (the "Proposal"), which Proposal includes the redevelopment of RPA 1 for commercial uses, including the construction of a movie theatre and associated infrastructure.

4. The Proposal requests that (a) the City fund, subject to reimbursement from tax increment financing revenues, a portion of the RPA 1 Redevelopment Project consisting of the extension of Hennings Drive, the extension of Stallcup Drive and the construction of a new roadway connecting Hennings Drive and Stallcup Drive within the Redevelopment Area (the "Infrastructure Improvements") and (b) the City use tax increment financing revenues to reimburse the Developer for other portions of the RPA 1 Redevelopment Project.

5. Pursuant to Ordinance No. 5974, adopted on _____, 20__, the City Council has authorized the City to enter into this Agreement to provide the terms and conditions upon which the City and the Developer will construct the RPA 1 Redevelopment Project and be reimbursed for certain costs, as contemplated by the Act and the Redevelopment Plan.

AGREEMENT

NOW, THEREFORE, in consideration of the premises and mutual promises contained herein and other good and valuable consideration, the adequacy and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

Section 1. Development.

(a) The City hereby agrees to use reasonable efforts to complete or cause the completion of the Infrastructure Improvements at its own expense in phases, as development of the Redevelopment Area necessitates. The City shall have sole responsibility for the design of the Infrastructure Improvements. Notwithstanding the foregoing, if development of the Redevelopment Area does not necessitate completion of all of the Infrastructure Improvements by December 31, 2024, then the City shall have no obligation under this Agreement to complete any portion of the Infrastructure Improvements that is not needed for any development that is completed, under construction or for which building permits have been obtained as of December 31, 2024. Following completion of the Infrastructure Improvements, the City shall certify the cost of the Infrastructure Improvements to the Developer.

(b) The Developer hereby agrees to complete the "Work" described on **Exhibit B** attached hereto at its own expense no later than June 30, 2016. Completion of the Work shall be deemed to have occurred when the City issues an occupancy permit pursuant to its municipal code for the movie theatre to be constructed as part of the Work. Following receipt of the occupancy permit, the Developer shall submit a Certificate of Reimbursable Project Costs in substantially the form attached hereto as **Exhibit C** evidencing the costs of the Work that the Developer wishes to be reimbursed for pursuant to **Section 5** below. The City shall review the submitted Certificate of Reimbursable Redevelopment Project Costs and provide written objections, if any, to the Developer within 30 days from receipt of the Certificate of Reimbursable Redevelopment Project Costs. If any objections are provided, the Developer shall cure such objections and resubmit the Certificate of Reimbursable Redevelopment Project Costs. If no objections are provided within 30 days of receipt, the Certificate of Reimbursable Redevelopment Project Costs shall be deemed approved by the City on the 31st day following receipt (unless affirmatively approved by the City prior to such date).

Section 2. Standards. The Developer will complete the Work according to all applicable federal, state and local ordinances, laws, regulations and codes. The City may inspect the Work in accordance with the applicable federal, state and local ordinances, laws, regulations and codes to ensure proper completion thereof.

Section 3. Submission and Approval of Construction Plans. The Developer shall submit construction plans for the Work to the City as follows:

(a) *Initial Approval.* The Developer will submit to the City construction plans for the Work and the City will review such plans for compliance with all applicable laws, statutes and ordinances, rules and regulations, including but not limited to the safety and zoning regulations of the City. The Developer will not begin the Work until it has received all requisite approvals from the City and other applicable agencies as required by federal, state, and local law.

(b) *Changes.* The Developer may make changes to the construction plans in accordance with federal, state, and local law.

Section 4. Release and Indemnification.

(a) Notwithstanding anything herein to the contrary, the City, its governing body, officials, agents, employees and independent contractors shall not be liable to the Developer for damages of any kind or nature whatsoever if any ordinance adopted by the City or transaction completed by the City in connection with this Agreement is declared invalid or unconstitutional in whole or in part by the final (as to which all rights of appeal have expired or have been exhausted) judgment of any court of competent

jurisdiction, and by reason thereof either the City is prevented from performing any of the covenants and agreements herein or the Developer is prevented from enjoying the rights and privileges hereof.

(b) The Developer releases from and covenants and agrees that the City and its governing body, officials, agents, employees and independent contractors shall not be liable for, and agrees to indemnify and hold harmless the governing body, officials, agents, employees and independent contractors thereof against, any loss or damage to property or any injury to or death of any person occurring at or about or resulting from any defect in the construction of the RPA 1 Redevelopment Project, except as such may be caused by the willful misconduct or negligence of the City, its governing body, officials, agents, employees or independent contractors.

(c) The Developer agrees to indemnify, defend and hold harmless the City, its governing body, officials, agents, employees and independent contractors from and against any and all suits, claims and attorneys' fees resulting from, arising out of, or in any way connected with (i) the construction of the RPA 1 Redevelopment Project, or (ii) the negligence or willful misconduct of the Developer, its managers, officials, agents, employees or independent contractors in connection with the management, development, redevelopment and construction of the RPA 1 Redevelopment Project, except as such may be caused by the willful misconduct or negligence of the City, its governing body, officials, agents, employees or independent contractors.

(d) The Developer agrees to indemnify, defend, and hold harmless the City, its governing body, officials, agents, employees and independent contractors from and against any and all claims, demands, costs, liabilities, damages or expenses, including reasonable attorneys' and consultants' fees, investigation and laboratory fees, court costs and litigation expenses, arising from: (i) any now existing or hereafter arising violation, actual or alleged, or any other liability, under or in connection with, any environmental laws relating to any products or materials previously, now or hereafter located upon, delivered to or in transit to or from RPA 1 in connection with the construction of the RPA 1 Redevelopment Project, regardless of whether such violation or alleged violation or other liability is asserted or has occurred or arisen before the date hereof or hereafter is asserted or occurs or arises and regardless of whether such violation or alleged violation or other liability occurs or arises as the result of any act, omission, negligence or misconduct of the City or any third party or otherwise; or (ii) any breach, falsity or failure of any of the representations, warranties, covenants and agreements of the like.

(e) The City and its governing body, officials, agents, employees and independent contractors shall not be liable for any damage or injury to the persons or property of the Developer or its officers, agents, independent contractors or employees or any other person who may be about the Redevelopment Area or the RPA 1 Redevelopment Project due to any act of negligence of any person, except as such may be caused by the willful misconduct or negligence of the City, its governing body, officials, agents, employees, or independent contractors.

(f) No member of the governing body, officials, agents, employees or independent contractors of the City shall be personally liable to the Developer in the event of a default or breach by any party under this Agreement.

(g) All covenants, stipulations, promises, agreements and obligations of the City contained herein shall be deemed to be the covenants, stipulations, promises, agreements and obligations of the City and not of its governing body, officials, agents, employees or independent contractors in their individual capacities.

Section 5. Installment Payments by the City.

(a) For purposes of **Sections 5** and **6** of this Agreement, the following terms shall have the following meanings:

“Payment Date” means every February 1, May 1, August 1 and November 1 following the Commencement Date and January 5, 2038.

“Calculation Period” means initially, the period from the Commencement Date to the last day of the second month preceding the first Payment Date; and thereafter, each period from the end of the previous Calculation Period to the last day of the second month preceding the next Payment Date, except that that the Calculation Period for the January 5, 2038 Payment Date shall be from October 1, 2037 to January 4, 2038.

“Commencement Date” means the first day of the month following the first month in which the City receives sales tax revenues generated from businesses located in RPA 1.

“Cooperation Agreement” means the Intergovernmental Cooperation Agreement dated as of _____, 2015 by and between the City and New Madrid County, Missouri, as may be amended from time to time.

“Infrastructure Improvement Costs” means the costs of completing the Infrastructure Improvements, as certified by the City pursuant to **Section 1**, plus interest on such costs accruing at a rate of 3.0% per annum (assuming a 30/360 year) from the date that the City is first deemed to have advanced funds to pay Infrastructure Improvement Costs (as determined in accordance with the Cooperation Agreement).

“Reimbursable Developer Costs” means the costs of the Work identified on the Certificate of Reimbursable Redevelopment Project Costs approved by the City in accordance with this Section in the maximum amount of \$800,000 plus interest on such costs accruing at a rate of 3.0% per annum (assuming a 30/360 year) from the date that the Certificate of Reimbursable Redevelopment Project Costs is approved or deemed approved by the City pursuant to **Section 1**.

“TIF Revenues” means incremental real property taxes and economic activity taxes described in Sections 99.845.1(2)(a) and 99.845.3 of the Act, respectively, generated from RPA 1; provided, however, (i) the City shall have no obligation to include incremental utility taxes (if any) within this definition unless the Developer provides the City with copies of utility bills from businesses located in RPA 1 prior to the end of the applicable Calculation Period and (ii) economic activity taxes attributable to businesses that relocate into RPA 1 from elsewhere in the City (other than the movie theatre to be constructed as part of the Work) will be declared as “surplus” pursuant to the Act, returned to the applicable taxing districts and otherwise excluded from this definition.

(b) On each Payment Date and subject to annual appropriation, the City shall apply the TIF Revenues during the preceding Calculation Period as follows:

(i) The sum of \$1,000 shall be retained by the City as an administrative fee; and

(ii) The remaining TIF Revenues shall be paid to the City and the Developer, as applicable, for the reimbursement of the Infrastructure Improvement Costs and the Reimbursable Developer Costs. 46.7% of the remaining TIF Revenues shall be paid to the City to be applied as provided in the Cooperation Agreement and the 53.3% of the remaining TIF Revenues will be paid to the Developer to reimburse the Developer for Reimbursable Developer Costs as provided herein (which percentages represent the estimated ratio of Infrastructure Improvement Costs and Reimbursable Developer Costs, respectively, to the sum of Infrastructure Improvement Costs and Reimbursable Developer Costs) so long as payments are due to both entities on a Payment Date. If no further payments are due to one party then 100% of the remaining TIF Revenues shall be paid to the other party.

Notwithstanding anything to the contrary in this Section, the City and the Developer shall only be reimbursed up to the amount of the Infrastructure Improvement Costs or the Reimbursable Developer Costs. Simultaneously with each Payment Date, the City shall provide the Developer with a written accounting showing the amount of TIF Revenues collected during the Calculation Period, the application of the TIF Revenues pursuant to this Section and the outstanding balance of Infrastructure Improvement Costs and Reimbursable Developer Costs (including accrued, but unpaid interest) not yet reimbursed.

(c) Notwithstanding anything to the contrary contained herein, in lieu of the payments described in (b), the City may issue bonds, notes or other obligations secured by TIF Revenues and use the sale proceeds of the bonds, notes or other obligations to pay Infrastructure Costs and Reimbursable Developer Costs. The Developer shall cooperate in good faith if the City decides to pursue any such issuance of bonds, notes or other obligations.

(d) The Developer shall cause all businesses located in RPA 1 to provide a consent to the release of confidential sales tax information to the City, in a form acceptable to the City, for the limited purpose of preparing and approving budgets, appropriation requests and other actions contemplated by this Agreement.

Section 6. Annual Appropriation.

(a) The City is obligated only to make the payments set forth in **Section 5** as may lawfully be made from funds budgeted and appropriated for that purpose during the City's then-current fiscal year. The City agrees to cause the officials and employees in charge of drafting a budget to include the appropriations contemplated by this Agreement in the annual budgets presented to the City Council for its consideration. If TIF Revenues are generated, but no funds are legally appropriated or otherwise legally made available to make the required payments by this Agreement (an "Event of Nonappropriation"), this Agreement will terminate at the end of the City's then-current fiscal year. After the occurrence of an Event of Nonappropriation, the City must immediately post notice of such Event of Non-Appropriation on the EMMA system maintained by the Municipal Securities Rulemaking Board (or if the EMMA system has been discontinued, a system nationally recognized for communicating material events relating to municipal bonds).

(b) The obligation of the City to make the payments hereunder constitutes a current expense of the City, is from year to year, and does not constitute a mandatory payment obligation of the City in any fiscal year beyond the then-current fiscal year of the City. The City's obligations hereunder shall not in any way be construed to be a debt of the City in contravention of any applicable constitutional, charter or statutory limitation or requirement concerning the creation of indebtedness by the City, nor shall anything contained herein constitute a pledge of the general credit, tax revenues, funds or moneys of the City.

Section 7. Representations, Warranties and Covenants.

(a) **By the City.** The City represents, warrants, covenants and agrees as a basis for the undertakings on its part contained herein that:

(i) The City is a home-rule City organized and existing under the laws of the State of Missouri and its Charter, and by proper action has been duly authorized to execute, deliver and perform this Agreement.

(ii) To the best of the City's knowledge, there are no lawsuits either pending or threatened that would affect the ability of the City to perform this Agreement.

(b) **By the Developer.** The Developer represents, warrants, covenants and agrees as the basis for the undertakings on its part herein contained that:

(i) The Developer is a limited liability company duly organized and existing under the laws of the State of Missouri, and has power to enter into, and by proper action has been duly authorized to execute, deliver and perform, this Agreement.

(ii) Neither the execution and delivery of this Agreement, the consummation of the transactions contemplated hereby, nor the fulfillment of or compliance with the terms and conditions of this Agreement, conflicts with or results in a breach of any of the terms, conditions or provisions of any restriction, agreement or instrument to which the Developer is now a party or by which the Developer is bound.

(iii) There are no lawsuits either pending or threatened that would affect the ability of the Developer to proceed with the completion of the Work.

(iv) The Developer agrees to maintain commercial general liability insurance for the Work in a policy amount of not less than the then-current absolute statutory waivers of sovereign immunity in Sections 537.600 and 537.610 of the Revised Statutes of Missouri, as amended, as may be revised annually by the Missouri Department of Insurance. The Developer further agrees to name the City as an additional insured with respect to such policy and to annually provide evidence of such insurance policies to the City.

(v) The Developer agrees to either (1) maintain a net worth of at least \$500,000 and to annually provide evidence to the City of such net worth throughout the term of this Agreement, (2) provide a guaranty (in form and substance reasonably acceptable to the City's legal counsel) of the Developer's obligations to indemnify the City, as provided in this Agreement, by an entity having a net worth of at least \$500,000 or (3) annually provide evidence of contractual liability

insurance (in form and substance reasonably acceptable to the City's legal counsel) that insures the Developer's obligations to indemnify the City, as provided in this Agreement.

Section 8. Termination. This Agreement shall terminate upon the earliest of any of the following:

- (a) the end of the current fiscal year in which there occurs an Event of Nonappropriation by the City;
- (b) the vacating of RPA 1 by all sales tax generating businesses for more than three (3) consecutive months;
- (c) the satisfaction of all payments due under **Section 5(b)**; or
- (d) January 5, 2038.

Section 9. Default and Remedies.

(a) *Events of Default.* The following shall be events of default ("Events of Default") with respect to this Agreement:

(i) If any material representation made by a party in this Agreement, or in any certificate, notice, demand or request made by a party, in writing and delivered to the other party pursuant to or in connection with this Agreement proves to be untrue or incorrect in any material respect as of the date made; or

(ii) Breach by a party of any material covenant, warranty or obligation set forth in this Agreement.

(b) *Remedies on Default.* In the case of an Event of Default by a party hereto or any successors to such party, such party or successor shall, upon written notice from another party, take immediate action to cure or remedy such Event of Default within sixty (60) days after receipt of such notice. If the Event of Default is not cured or remedied within such sixty (60) day period (or, in the case of Events of Default that cannot be cured within a sixty (60) day period, the defaulting party does make reasonable process toward curing the default and does not notify the aggrieved party of when default will be cured), then the aggrieved party may terminate this Agreement or institute such proceedings as may be necessary or desirable in its opinion to cure or remedy such default, including but not limited to, proceeding to compel specific performance by the party in default of its obligations. The prevailing party in any such proceedings shall be additionally entitled to recover court costs, costs of litigation or discovery and reasonable attorneys' fees from the non-prevailing party.

(c) *Other Rights and Remedies of Parties; Delay in Performance Waiver.*

(i) Any delay by a party in instituting or prosecuting any actions or proceedings or otherwise asserting their rights under this Agreement shall not operate to act as a waiver of such rights or to deprive them of or limit such rights in any way (it being the intent of this provision that the parties should not be constrained so as to avoid the risk of being deprived of or limited in the exercise of the remedies provided in this Agreement because of concepts of waiver, laches or otherwise); nor shall any waiver in fact made by a party with respect to any specific Event of

Default by a party under this Agreement be considered or treated as a waiver of the rights of a party under this Section or with respect to the particular Event of Default, except to the extent specifically waived in writing by the other parties.

(ii) The rights and remedies of the parties to this Agreement (or their successors in interest) whether provided by law or by this Agreement, shall be cumulative, and the exercise by any party of any one or more of such remedies shall not preclude the exercise by it, at the time or different times, of any other such remedies for the same Event of Default by another party. No waiver made by any party with respect to the performance, nor the manner of time thereof, or any obligation of another party or any condition to its own obligation under the Agreement shall be considered a waiver of any rights of the party making the waiver with respect to the particular obligation of another party or condition to its own obligation beyond those expressly waived in writing and to the extent thereof, or a waiver in any respect to regard to any other rights of the party making the waiver or any other obligations of another party.

(iii) Neither the City nor the Developer, nor any successor in interest, as the case may be, shall be considered in breach of, or in default of, any of its obligations under this Agreement or otherwise with respect to the RPA 1 Redevelopment Project, or progress in respect thereto, in the event of delay in the performance of any such obligations due to unforeseeable causes beyond its control and without its fault or negligence, including, but not restricted to acts of God, acts of a public enemy, acts of federal, state or local government (other than the City), litigation instituted by third parties, acts of the other party, fires, floods, epidemics, quarantine restrictions, strikes, embargoes, acts of nature, unusually severe weather or delays of subcontractors due to such causes; it being the purpose and intent of this provision that in the event of the occurrence of any such delay, the time or times for performance of such obligations by the City or the Developer shall be extended for the period of the enforced delay; provided, that the party seeking the benefit of the provisions of this Section, shall within thirty (30) days after the beginning of any such enforced delay, have first notified the other party thereof in writing, of the cause or causes thereof, and requested an extension of the period of delay.

Section 10. Amendment or Modification. The parties to this Agreement may amend or modify this Agreement only by written instrument duly executed by the parties hereto.

Section 11. Third Party Rights. No person or entity who or which is not a party to this Agreement will have any right of action under this Agreement.

Section 12. Scope. This Agreement constitutes the entire Agreement between the parties, and no statements, promises or inducements that are not contained in this Agreement will be binding on the parties.

Section 13. Severability. If any part, term or provision of this Agreement is held by a court of law to be illegal or otherwise unenforceable, such illegality or unenforceability will not affect the validity of any other part, term or provision, and the rights of the parties will be construed as if the part, term or provision was never part of this Agreement.

Section 14. Transferability. This Agreement may not be assigned by the Developer without the express written approval of the City unless such assignment is to an entity succeeding to all or substantially all of the business of the Developer or to an entity controlled by the Developer or under

common control with the Developer (in which case the Developer shall provide notice to the City of such assignment within 10 days from the date of such assignment).

Section 15. Notice. Any notice required or permitted by this Agreement will be deemed effective when personally delivered in writing or three (3) days after notice is deposited with the U.S. Postal Service, postage prepaid, certified, return receipt requested, and addressed as follows:

The City:	City of Sikeston 105 E. Center Street Sikeston, Missouri 63801 Attn: City Manager
With a copy to:	Charles Leible, Attorney at Law 371 N. Kingshighway Sikeston, Missouri 63801
And:	Gilmore & Bell, P.C. One Metropolitan Square 211 N. Broadway, Suite 2350 St. Louis, Missouri 63102 Attn: Mark D. Grimm, Esq.
The Developer:	Sikeston Development Co., LLC 1 Park Avenue Wilson, Arkansas 72395 Attn: John H. Johnson, Manager
With a copy to:	Michael L. Bohannon 670 N. Ranney Street Sikeston, Missouri 63801

Section 16. Immunity. Nothing contained in this Agreement constitutes a waiver of the City's sovereign immunity under any applicable state law.

Section 17. Jurisdiction and Venue. Personal jurisdiction and venue for any civil action commenced by either party to this Agreement shall be deemed to be proper only if such action is commenced in the Circuit Court of Scott County, Missouri. The Developer expressly waives its rights to bring such action in or to remove such action to any other court whether state or federal.

Section 18. Missouri Law. This Agreement shall be construed in accordance with and governed by the laws of the State of Missouri.

Section 19. Federal Work Authorization Program. Simultaneously with the execution of this Agreement, the Developer will provide the City with an affidavit and documentation meeting the requirements of Section 285.530, RSMo.

Section 20. Counterparts. This Agreement may be executed in several counterparts, which shall constitute one and the same instrument.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed and the City has caused its seal to be affixed hereto and attested as of the date first written above.

CITY OF SIKESTON, MISSOURI

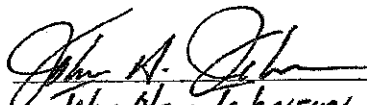
By: _____
Name: Jerry Pullen
Title: Mayor

(SEAL)

ATTEST:

By: _____
Name: Carroll Couch
Title: City Clerk

SIKESTON DEVELOPMENT CO, LLC

By: 
Name: John H. Johnson
Title: Manager

Council Letter

Date of Meeting: 15-03-30

Originating Department: Public Works Department

To the Mayor and City Council:

Subject: 2nd Reading and Consideration, Bill #5982, Authorization to Rezone

Attachment(s):

1. Bill #5982
2. Plat

Action Options:

1. Conduct 2nd Reading and approve request to rezone approximately 36.18 acres and is located generally south of Stallcup Drive, west of Lawrence Street and north of Hennings Drive as extended from "IL" Light Industrial to "C-3" Highway Commercial in the City of Sikeston, New Madrid County, Missouri.
2. Other action Council may deem appropriate

Background:

This is the request to rezone approximately 36.18 acres and is located generally south of Stallcup Drive, west of Lawrence Street and north of Hennings Drive as extended from "IL" Light Industrial to "C-3" Highway Commercial in the City of Sikeston, New Madrid County, Missouri. Council read this the first time on March 2, 2015 and unless there are further questions from the Council or the public, staff recommends approval on the second reading at this time.

For background information, this rezoning involves the property that is a part of the proposed TIF project taking place behind Walmart. This rezoning would change the current zoning from Light Industrial to Commercial, so that a planned commercial subdivision could be developed accommodating businesses such as the new movie theater.

THIS BILL AS APPROVED SHALL BECOME ORDINANCE NUMBER 5982 PROVIDING FOR THE REZONING FROM LIGHT INDUSTRIAL “IL” TO HIGHWAY COMMERCIAL “C-3” THE FOLLOWING DESCRIBED REAL ESTATE TO-WIT: A TRACT OF LAND, WHICH CONSISTS OF APPROXIMATELY 36.18 ACRES AND IS LOCATED GENERALLY SOUTH OF STALLCUP DRIVE, WEST OF LAWRENCE STREET AND NORTH OF HENNINGS DRIVE AS EXTENDED, IN THE CITY OF SIKESTON, NEW MADRID COUNTY, MISSOURI.

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

SECTION I: This Ordinance shall not be codified in the City Municipal Code.

SECTION II: The Planning and Zoning Commission met on March 2, 2015 and voted to approve the rezoning from Light Industrial “IL” to Highway Commercial “C-3” the following described real estate to-wit: A tract of land, which consists of approximately 36.18 acres and is located generally south of Stallcup Drive, west of Lawrence Street and north of Hennings Drive as extended, in the City of Sikeston, New Madrid County, Missouri.

SECTION III: A plat of said real estate is marked as Exhibit “A” attached hereto and incorporated by reference.

SECTION IV: The above tract of land is hereby rezoned from “IL” Light Industrial to “C-3” Highway Commercial.

SECTION V: General Repealer Section: Any other ordinance or parts thereof inconsistent herewith, are hereby repealed.

SECTION VI: Severability: Should any part or parts of this ordinance be found or held to be invalid by any court of competent jurisdiction, the remaining part or parts shall be severable and shall continue in full force and effect.

SECTION VII: Record of Passage

A. Bill Number 5982 was introduced and read the first time this 2nd day of March 2015.

B. Bill Number 5982 was read the second time and discussed this 30th day of March 2015, and was voted as follows:

Depro _____, Harris _____, Pullen _____, Graham _____,
Teachout _____, Burch _____, and Gilmore _____,
thereby being _____, and becoming ordinance 5982.

C. Ordinance 5982 shall be in full force and effect from and after April 29, 2015.

Jerry Pullen, Mayor

Approved as to form
Charles Leible, City Counselor

Seal / Attest:

Carroll Couch, City Clerk

Council Letter

Date of Meeting: 15-03-30

Originating Department: Public Works Department

To the Mayor and City Council:

Subject: 2nd Reading and Consideration, Bill #5983, Approval of Subdivision

Attachment(s):

1. Bill #5983
2. Plat

Action Options:

1. Conduct 2nd Reading and approve request for the approval of a proposed subdivision (Cotton Ridge Development, 1st Addition) which consists of approximately 36.18 acres and is located generally south of Stallcup Drive, west of Lawrence Street and north of Hennings Drive as extended, in the City of Sikeston, New Madrid County, Missouri.
2. Other action Council may deem appropriate

Background:

This is the request to for the approval of a proposed subdivision (Cotton Ridge Development, 1st Addition) which consists of approximately 36.18 acres and is located generally south of Stallcup Drive, west of Lawrence Street and north of Hennings Drive as extended, in the City of Sikeston, New Madrid County, Missouri. Council read this the first time on March 2, 2015 and unless there are further questions from the Council or the public, staff recommends approval on the second reading at this time.

For background information, this subdivision request involves the property that is a part of the proposed TIF project located behind Walmart. This agenda item requests the approval of the proposed commercial subdivision plan and layout that would accommodate future businesses such as the new movie theater.

THIS BILL AS APPROVED SHALL BECOME ORDINANCE NUMBER 5983 PROVIDING FOR APPROVAL OF SUBDIVIDING AN 36.18 ACRE TRACT OR PARCEL OF LAND BEING KNOWN AS COTTON RIDGE DEVELOPMENT, 1ST ADDITION, CITY OF SIKESTON, NEW MADRID COUNTY, MISSOURI, AND WHICH GENERALLY LIES SOUTH OF STALLCUP DRIVE, WEST OF LAWRENCE STREET, AND NORTH OF HENNINGS DRIVE AS EXTENDED, IN THE CITY OF SIKESTON, NEW MADRID COUNTY, MISSOURI.

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

SECTION I: This Ordinance shall not be codified in the City Municipal Code.

SECTION II: The Planning and Zoning Commission met on March 2, 2015 and passed a favorable recommendation to approve the subdividing of a tract or parcel of land the plat of which is attached hereto, marked Exhibit "A" and incorporated by reference and legally described as follows and known as Cotton Ridge Development, 1st Addition:

"A TRACT OR PARCEL OF LAND LYING IN AND BEING A PART OF LOT 4 OF STALLCUP SUBDIVISION IN U.S.P.S. NO. 635 AND U.S.P.S. NO. 689, TOWNSHIP 26 NORTH, RANGE 14 EAST, IN THE CITY OF SIKESTON, NEW MADRID COUNTY, MISSOURI AND BEING MORE FULLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS: BEGINNING AT THE SOUTHWEST CORNER OF LOT 4 OF THE J.C. PENNEY'S REPLAT OF LOTS 6, 7, 8, 9, 10, 11, 12, 13 AND 14 OF HENNING'S SUBDIVISION TO THE CITY OF SIKESTON, NEW MADRID COUNTY, MISSOURI; THENCE S.09°50'23"E. ON AND ALONG THE WEST LINE OF SAID J.C. PENNEY'S REPLAT OF LOTS 6, 7, 8, 9, 10, 11, 12, 13 AND 14 OF HENNING'S SUBDIVISION A DISTANCE OF 60.00 FEET TO THE SOUTHWEST CORNER OF SAID REPLAT; THENCE N.80°08'53"E. ON AND ALONG THE SOUTH LINE OF SAID REPLAT A DISTANCE OF 345.15 FEET TO THE EAST LINE OF LOT 4 OF STALLCUP SUBDIVISION; THENCE S.09°51'24"E. ON AND ALONG THE SAID EAST LINE OF LOT 4 A DISTANCE OF 396.00 FEET; THENCE S.80°08'53"W. PARALLEL TO THE SOUTH R/W LINE OF HENNINGS DRIVE A DISTANCE OF 545.00 FEET; THENCE S.87°02'45"W. A DISTANCE OF 70.51 FEET; THENCE S.85°13'20"W. A DISTANCE OF 592.94 FEET; THENCE N.01°14'59"W. A DISTANCE OF 333.46 FEET; THENCE N.40°28'55"W. A DISTANCE OF 81.86 FEET; THENCE S.80°08'53"W. A DISTANCE OF 364.59 FEET; THENCE N.04°38'39"W. A DISTANCE OF 987.98 FEET; THENCE N.80°34'49"E. A DISTANCE OF 275.13 FEET; TEHNCE N.05°47'26"W. A DISTANCE OF 65.13 FEET TO THE SOUTHWEST CORNER OF LOT 9 OF THE STALLCUP ESTATE RE-SUBDIVISION, 1ST ADDITION TO THE CITY OF SIKESTON, NEW MADRID COUNTY, MISSOURI; THENCE N.80°34'49"E. ON AND ALONG THE SOUTH LINE OF SAID LOT 9 A DISTANCE OF 528.00 FEET TO THE SOUTHEAST CORNER OF SAID LOT 9; THENCE S.09°31'33"E. ON AND ALONG THE WEST R/W LINE OF SCHOOL STREET A DISTANCE OF 60.00 FEET TO THE SOUTH R/W LINE OF STALLCUP DRIVE; THENCE N.80°34'49"E. ON AND ALONG THE SOUTH R/W LINE OF STALLCUP DRIVE A DISTANCE OF 60.00 FEET TO THE NORTHWEST CORNER OF LOT 8 OF THE J.C. PENNEY'S REPLAT OF LOTS 6, 7, 8, 9, 10, 11, 12, 13 AND 14 OF HENNING'S SUBDIVISION TO THE CITY OF SIKESTON, NEW MADRID COUNTY, MISSOURI; THENCE S.09°31'33"E. ON AND ALONG THE WEST LINE OF SAID LOT 8 A DISTANCE OF 434.05 FEET TO THE SOUTHWEST CORNER OF SAID LOT 8; THENCE N.80°34'49"E. ON AND ALONG THE SOUTH LINE OF SAID LOT 8 A DISTANCE OF 265.08 FEET TO THE SOUTHEAST CORNER OF SAID LOT 8; THENCE S.09°50'23"E. ON AND ALONG THE WEST LINE OF LOTS 6, 5 AND 4 OF THE J.C. PENNEY'S REPLAT OF LOTS 6, 7, 8, 9, 10, 11, 12, 13 AND 14 OF HENNING'S SUBDIVISION TO THE CITY OF SIKESTON, NEW MADRID COUNTY, MISSOURI A DISTANCE OF 611.36 FEET TO THE POINT OF BEGINNING".

SECTION III: Said plat and subdivision is accepted and approved subject to full compliance with all applicable building and other codes and the stormwater management plan.

SECTION IV: General Repealer Section: Any other ordinance or parts thereof inconsistent herewith, are hereby repealed.

SECTION V: Severability: Should any part or parts of this ordinance be found or held to be invalid by any court of competent jurisdiction, the remaining part or parts shall be severable and shall continue in full force and effect.

SECTION VI: Record of Passage

A. Bill Number 5983 was introduced and read the first time this 2nd day of March, 2015.

B. Bill Number 5983 was read the second time and discussed this 30th day of March, 2015 and voted as follows:

Depro, _____ Harris, _____, Pullen, _____, Graham, _____,
Teachout, _____, Burch, _____, and Gilmore, _____
thereby being _____, and becoming ordinance 5983.

C. Ordinance 5983 shall be in full force and effect from and after April 29, 2015.

Jerry Pullen, Mayor

Approved as to form
Charles Leible, City Counselor

Seal / Attest

Carroll Couch, City Clerk

Council Letter

Date of Meeting: 15-03-30

Originating Department: Public Works Department

To the Mayor and City Council:

Subject: Briefing and Authorization to advertise for bids for the construction of New Airport Terminal Building

Attachments:

1. Funding and Cost Breakdown

Action Options:

1. Authorize staff to go to bid for the construction of a new Airport Terminal Building
2. Other action the City Council deems appropriate

Background:

After several months of design work, MoDOT has issued its authorization for the City of Sikeston to advertise for bids for the construction of the new terminal building at the Sikeston airport.

An advisory committee made up of citizens involved with the airport has met with the City staff and our consultants several times to work out the floor plan and details of this new terminal.

The Fire Division of DPS has also reviewed the plans and offered comments.

The last step in the process was the approval on both a federal and state level, which we received on Monday, March 23rd, 2015.

I have attached both a funding and a cost breakdown of the funding sources and work associated with this project.

We are requesting for the Council to authorize staff to advertise for bids for the construction of this new terminal building.

Budget for Airport Terminal Project
December, 2014

Federal NPE funds (MoDOT Aviation)

FY2011	\$135,000
FY2012	\$150,000
FY2013	\$150,000
FY2014	\$150,000
FY2015	\$150,000
Subtotal (Federal NPE Funds)	\$735,000

Local Funds

Rodeo Trust Fund	\$95,000
Essex Fund	\$75,000
Sale of Back Nine ***	\$175,000
Subtotal (Local Funds)	\$345,000

Total Funds (Federal NPE & Local) **\$1,080,000**

Council Letter

Date of Meeting: 15-03-30

Originating Department: Public Works Department

To the Mayor and City Council:

Subject: Award, Bid #15-20, Tractor for Street Division

Attachments:

1. Bid Tabulation Sheet

Action Options:

1. Award Bid
2. Other Action Council May Deem Necessary

Background:

On March 17, 2015, the city received five (5) bids for the purchase of a tractor for Street Division. The lowest and best bid was with Holt Ag of Sikeston, MO.

The low bid was for \$39,838.66 and had a trade-in allowance of \$6,500.00 for a net bid of \$33,338.66.

The bid tabulation sheet is attached for your review.

Our staff researched whether to auction or consider the trade-in. After having discussions with the staff of Dewitt Auction, we are recommending that we accept the trade-in amount from Holt Ag, and proceed with the net bid of \$33,338.66, which includes trading in the older model.

This is included in the Transportation Sales Tax budget for equipment replacement.

CITY OF SIKESTON BID TABULATION SHEET

Bid # 15-20, Tractor

March 17, 2015

VENDOR	ITEM 1
Holt AG	Massey Ferguson 4609, 2 year/2000 Hr Warranty Base: \$39,838.66 Trade-In: \$6,500.00 Net Bid: \$33,338.66
William Nobbe & Co.	John Deere 5085M, 2 year/2000 Hr Warranty Base: \$46,996.02 Trade-In: \$5,000.00 Net Bid: \$41,996.02
Greenway Equipment	John Deere 5085M, 2 year/2000 Hr Warranty Base: \$52,700.00 Trade-In: \$3,000.00 Net Bid: \$49,700.00
Heuer Sons Implement	Massey Ferguson 4609, 2 year/2000 Hr Warranty Base: \$44,400.00 Trade-In: \$5,400.00 Net Bid: \$39,400.00
Medlin Equipment Co.	Kubota M8560 HDC12, 2yr /1yr bucket /3yr powertrain warranty Base: \$47,400.00 Trade-In: \$5,400.00 Net Bid: \$42,000.000

CHAIRMAN: Brian Dial

RECORDER: Angie Keller

VERIFIER -: Darren Martin

Council Letter

Date of Meeting: 15-03-30

Originating Department: Public Works Department

To the Mayor and City Council:

Subject: Resolution 15-03-02 – Declaration of Surplus Property

Attachments:

1. Resolution 15-03-02

Action Options:

1. Approve
2. Other action Council may deem appropriate

Background:

The Public Works Department has planned for the replacement of several pieces of equipment in the current fiscal year's capital improvement plan. To accommodate these new purchases, the Public Works Department seeks to remove nine older pieces of equipment from its inventories. These would include the following items:

Vehicles:

1. 1993 Ford LN7000 Dump Truck, VIN# 1FDXR72C0PVA19080
2. 1993 Ford LN7000 Dump Truck, VIN# AFDXR72C2PVA19081
3. 1990 Chevrolet Kodiak Dump Truck, VIN# 1GBP7D1Y1LV105826

Equipment:

1. 10' Flink Snow Plow
2. 10' Flink Snow Plow
3. 10' Flink Snow Plow
4. Swenson Spreader, Serial #0805-1195
5. Swenson Spreader, Serial #0805-1196
6. Swenson Spreader, Serial #0805-1194

RESOLUTION 15-03-02

A RESOLUTION OF THE CITY OF SIKESTON, MISSOURI DECLARING CERTAIN EQUIPMENT, VEHICLES AND ITEMS IN THE CITY'S INVENTORY TO BE SURPLUS PROPERTY AND AUTHORIZING ITS DISPOSAL.

WHEREAS, Certain equipment, vehicles and items in the City's inventory, due to its age or state of disrepair can no longer adequately perform the day-to-day operations of the City; and

WHEREAS, the City of Sikeston seeks to remove such items from its inventories to maximize operations, and while providing a safe and efficient environment for its employees.

NOW THEREFORE, BE IT ORDAINED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF SIKESTON, MISSOURI AS FOLLOWS:

All of the items enumerated below are hereby declared surplus and the City Manager is directed to proceed with the removal of these items from City inventories by sale at public auction, sale by sealed bid, or when the item is no longer usable, by disposal.

Vehicles:

1. 1993 Ford LN7000 Dump Truck, VIN# 1FDXR72C0PVA19080
2. 1993 Ford LN7000 Dump Truck, VIN# AFDXR72C2PVA19081
3. 1990 Chevrolet Kodiak Dump Truck, VIN# 1GBP7D1Y1LV105826

Equipment:

1. 10' Flink Snow Plow
2. 10' Flink Snow Plow
3. 10' Flink Snow Plow
4. Swenson Spreader, Serial #0805-1195
5. Swenson Spreader, Serial #0805-1196
6. Swenson Spreader, Serial #0805-1194

Read this 30th day of March, 2015, discussed and voted as follows:

Graham _____, Gilmore _____, Burch _____,
Depro _____, Teachout _____, Harris _____, and Pullen _____,
thereby being _____.

Jerry Pullen, Mayor

Approved as to Form:
Charles Leible, City Counselor

ATTEST:

Carroll Couch, City Clerk

Council Letter

Council Letter: 15-03-30

Originating Department: Department of Governmental Services

To the Mayor and City Council:

Subject: Interim Appointment to Board of Adjustments and Tourism Advisory Board

Attachment:
None

Action Options:

1. Make interim appointment Board of Adjustments for a term ending in October 2018.
2. Make interim appointment to Tourism Advisory Board for a term ending in October 2015.
3. Other action as Council may deem appropriate

Background:

On March 3 Council received the resignation of Sue Rogers from the Board of Adjustments and Tourism Advisory Board. Staff is requesting interim appointments to both boards.

BOARD OF ADJUSTMENTS:

Interim appointment for term ending October 2018; meets on an as-needed basis; body makes rulings on appeals resulting from decisions made by zoning officers, and to grant relief from the literal enforcement of a zoning ordinance in certain hardship cases.

Applicants:

Jodi Glidewell, 1718 Oklahoma St.
Ellen Brandom, 115 Greenbrier

Mike Ziegenhorn, 558 Park Ave.
Freida Cardwell, 132 Greenbrier

Current appointees: Jessie Redd, Phil Black, William Nace and Ron Galemore

Alternate members: Harvey Cooper, James Miller and George Steck

TOURISM ADVISORY BOARD:

Interim appointment for term ending October 2015; meets at 4:30 p.m. on the 4th Tuesday of every other month; board makes recommendations on the promotion and marketing of Sikeston.

Applicants:

Ron Payne II, 447 N. Ingram Rd.
Alice Fowler, 1304 W. Murray Lane

Jodi Glidewell, 1718 Oklahoma St.
Lisa Hicks, 205 Andrea Drive.

Current Appointees: Susanne Chitwood, John Tarter, David Carnell and D. Bizzell (Jaycee Representative; Council representatives: Steven Burch and John Graham.

City of Sikeston

Council Letter

Council Letter: 15-03-30

Originating Department: Department of Governmental Services

To the Mayor and City Council:

Subject: Authorization to Award Municipal Court Collection Services Contract

Attachment:

1. Council memorandum of March 24, 2015

Action Options:

1. Authorize staff to execute collection services contract with Capital Recovery Systems, Inc.;
2. Other action as Council may deem appropriate.

Background:

During the 8-year period 2007 through 2014 over \$3.5 million in fines, fees, and costs have been assessed by Sikeston Municipal Court. As of December 31, 2014, \$354,431.98 was outstanding. This consists of the following:

Total Fines, Fees & Costs Outstanding	\$354,431.98	
Payment Plans (192 defendants)	(152,749.07)	43%
Fines associated with active warrants (313 Defendants)	(35,123.02)	10%
Accounts available for collection	<u>\$166,669.71</u>	

Upon determining the amount available for collection, staff released a request for proposal to obtain professional collection services. The RFP was advertised in the Standard Democrat and on-line. It was also mailed to regional firms providing these services. Three firms responded, Capital Recovery Systems, Inc. of Columbus, OH; Pioneer Credit Recovery of Lake City, FL; and Valley Collection Service, LLC of Glendale, AZ.

Following a review of the proposals, staff submitted their findings and recommendations to Judge Frank Marshall and Finance Director Carroll Couch. Both concurred: Capital Recovery Systems has the most experience with court collections (350 courts across the U.S); an appropriate plan of action using skip-tracing, correspondence and telephone calls; and the lowest collection fee (20% of total amount due) i.e. the defendant will repay \$1,200 on an outstanding Court balance of \$1,000.

Based on its experience with collecting governmental debt, Capital Recovery Systems, Inc. estimates the Court will recover 11.2% (\$18,654.69) of the \$166,669.71 in receivables. Amounts not collected within 24 months will be returned to Judge Marshall for the issuance of warrants or other appropriate action.

Memorandum

To: Mayor and City Council
Cc: J.D. Douglass, City Manager
From: Linda Lowes, Director of Governmental Services
Date: 3/25/2015
Re: Municipal Court Collection Efforts

Over the past year there has been ongoing discussion regarding outstanding Municipal Court fines and fees. In response staff released a request for proposal seeking professional collection services. This memorandum will provide a breakdown of the outstanding debt, current collection programs, and staff's recommendation for award of professional collection services.

SIKESTON MUNICIPAL COURT SCHEDULE OF FINES, FEES AND COSTS ASSESSED AND COLLECTED FOR CALENDAR YEARS 2007 THROUGH 2014

Year	<u>Total Cases Filed</u>	<u>Fines, Fees & Costs Assessed</u>	<u>Total Collected</u>	<u>Total Outstanding</u>	<u>Percent Outstanding</u>
2007	4,503	\$488,241.00	\$481,363.71	\$6,877.55	1.41%
2008	4,593	\$486,741.08	\$473,921.67	\$12,819.41	2.63%
2009	4,958	\$536,429.56	\$525,667.04	\$10,762.53	2.01%
2010	3,590	\$378,201.29	\$353,365.73	\$24,835.56	6.57%
2011	3,281	\$352,652.85	\$331,193.93	\$21,458.92	6.08%
2012	4,182	\$528,343.00	\$463,343.08	\$64,953.08	12.29%
2013	3,244	\$424,688.49	\$326,261.72	\$98,426.77	23.18%
2014	2,434	\$331,628.77	\$217,330.61	\$114,298.16	34.47%
Totals	30,785	\$3,526,926.04	\$3,172,447.49	\$354,431.98	10.05%

SIKESTON MUNICIPAL COURT ANALYSIS OF ACCOUNTS RECEIVABLE AT DECEMBER 31, 2014

	<u>Amount Due</u>	<u>% of Total Debt</u>
Total Fines Outstanding	\$354,431.98	100%
Payment Plans due to City, 192 Defendants	(152,749.07)	43%
Fines associated with active warrants, 313 Defendants	(35,123.20)	10%
Accounts receivable for transfer to collections	<u>\$166,559.71</u>	<u>47%</u>

Note: The \$166,559.71 is composed of amounts due from individuals on which an active warrant currently exist. Rather than filing multiple warrants on a defendant, the subsequent amounts due are classified as Warrant Assignments. At the time the arrest warrant is served, the Court Clerk informs the Judge of the total amount due the Court. The Judge then has the option of setting the cash bond at this or another amount.

MUNICIPAL COURT PAYMENT METHODS:

Individuals pleading or found guilty are assessed a fine with standard court costs (fees) of \$26.50 plus costs incurred for transportation, incarceration, and restitution. Cash, check, money order or credit card payments are accepted by the court.

Payment Plans: Defendants unable to pay the total amount at the time of adjudication, may upon the judge's approval, enter into a payment agreement. The defendant will complete a brief financial statement which is used by the judge to establish the monthly installment amount. A written agreement is executed between the defendant and the Court for monthly payments of a designated amount. (The minimum monthly payment is \$25.)

Community Service: This is offered to defendants convicted of traffic or other minor offenses expressing a desire to work at the current minimum wage (2015 - \$7.65 per hour) in lieu of making cash payment.

SIKESTON MUNICIPAL COURT COMMUNITY SERVICE ORDERED AND SERVED CALENDAR YEARS 2013 AND 2014

	<u>2013</u>	<u>2014</u>
Hours Ordered:	6,720.25	3,118.00
Hours Served (includes carry-over from prior year)	9,456.25	3,120.25
Hourly rate (Minimum Wage)	\$7.25 Hr.	\$7.50 Hr.
Hours served by Organization:		
Sikeston Public Works	3,004	1,885.75
Sikeston City Hall	265.50	257.50
Food Bank	454.00	62.00
Sikeston Humane Society	3,959.00	10.00
Mers-Goodwill	0.00	135.00
Hours served at other locations:	<u>1,773.75</u>	<u>770.00</u>
Total, Annual Hours Served	9,456.25	3,120.25
Total fines/fees paid through Community Service	<u>\$68,557.81</u>	<u>\$23,401.88</u>

Other locations where Community Service was served: Sikeston High School, Jaycee Bootheel Rodeo, House of Refuge, Mission Missouri, New Hope Center, Freewill Baptist Church, Bowden Center (Charleston), New Madrid Family Center, East Prairie Nutrition Center, Mending Hearts (Cape), Proverb Academy (Morehouse), Salvation Army (Cape), City of Morley, Lil' Bulldog Daycare, Sikeston Oaks, Heritage House, New Madrid Street Department.

First Time Traffic Offenders Program: First time traffic offenders who are enrolled in high school or college, 18 years of age or younger, and are under the care of their parents may participate in this program. This is a supervised community service program that targets litter removal along Sikeston streets and roads. Over the course of 60 days, participants must complete 2, 4-hour Saturday sessions and have no other traffic infractions in the following 12 months.

OVERVIEW, REQUEST FOR PROPOSAL:

Staff placed an advertisement announcing the request for proposal for collection services in the Standard Democrat, posted the RFP on the City's website, and mailed the proposal to regional firms offering these services. Three firms responded: Capital Recovery Systems, Inc., Columbus, OH; Pioneer Credit Recovery, Lake City, FL; and Valley Collection Service, LLC, Glendale, AZ.

The proposals were reviewed by Court staff and evaluated using: 1) firm's history; 2) collection process; 3) collection fee charged to defendant; 4) payment reporting method/timeline; and 5) remittance procedures. All three firms provided a Certificate of Good Standing/Authority from the Missouri Secretary of State and each have a Better Business Bureau rating of A+.

Firm History:

- Capital Recovery has been in business since 1997 and specializes in court debt collection. Capital currently has 350 court clients across the US.
- Pioneer was founded in 1980 but was acquired by Sallie Mae in 2002. Their re-organization was completed in 2014.
- Valley was licensed in Missouri in 2011, and has 24 court clients throughout the US.

Collection Fees (paid by the defendant):

- Capital Recovery – 20%
- Pioneer – 30%
- Valley – 25%

Collection Process:

Capital Recovery Systems, Inc. - Data submissions are "scrubbed" (compared against national databases of address changes and deaths), bad addresses are skip-traced, and potential litigation risks are flagged prior to the commencement of collection efforts. Formal written notification of collection assignment (per federal law) goes to defendant within 24 hours of City data receipt. If no response received from defendant after 3 letters, auto-dialed collection calls begin once every 5 days. Payments are taken by mail, phone check, money order or on-line debit/credit card. Court personnel can access Capital's collection reports, daily, from a web portal. An ACH transfer of funds can be received daily, weekly or monthly. Director of Finance Carroll Couch recommends we use the monthly option.

Pioneer Credit Recovery - Within 24 hours of database receipt, initial collection letter is mailed to defendant. If no response received within 30 days, another letter is mailed. After 5 unsuccessful letters, skip-tracing begins. Pioneer will continue this process for 18-24 months. Payments are taken by phone check, mail, money order, or debit/credit card. Payment data will be available to the City 24-48 hours after payment via email or fax. Credit card fees are charged back to defendant in addition to collection fee. The ACH transfer is made weekly.

Valley Collection – Within 24 hours of database conversion, notice of collections mailed to defendant. After 10 days first telephone contact made to confirm receipt of notice. After 35 days 2nd notice mailed and collection account posted to 3 major credit bureaus. Every 15 days thereafter notices are sent and telephone call made until payment is received. Also skip-tracing begins at this point. Payments accepted by credit/debit, electronic check and website. Payment records are normally submitted with the ACH transfer, on the 15th of the month following collection.

Staff recommends the City begin negotiations with Capital Recovery Systems, for a 24-month contract. Both Director Couch and Municipal Judge Frank Marshall concur with this recommendation.

INTERNAL PROCESSES UPON EXECUTION OF COLLECTIONS AGREEMENT:

Upon contract execution all cases with a warrant assignment, approximately \$166,559.71, will be submitted for collection.

Court clerks will continue to monitor payment plan agreements. Once a payment is 30 days in arrears a bench warrant requiring the defendant to appear in court is issued. If the defendant fails to make the required court appearance and/or the required payment, the account will be submitted to collections.

Payments on accounts sent to collection must be made directly to the collections firm. The defendant will be responsible for payment of the collection fee, 20%-30% depending upon the vendor selected. Accounts not recovered after 24 months will be returned to the City. The Municipal Judge will determine if these debts will be written-off or if warrants will be issued.

COLLECTION EXPECTATIONS:

Capital Recovery Systems, Inc., based on their experience with 350 courts, provided the following anticipated debt recovery rates:

Non-governmental debt: 30%

These are debts associated with the purchase of real property or acquisition of professional services. The next stage of collection would be the repossession of the property, or cessation of service.

Governmental debt: 11.2%.

These debts are incurred as taxes, fines, fees, penalties or unsecured debt

Municipal Court 2007-2014 amounts outstanding	\$166,559.71
Anticipated debt recovered, 11.2%	<u>\$ 18,654.69</u>
Estimated 2015 transfer to collections, (\$166,559.71/8 yrs.)	\$ 20,819.96
2015 anticipated debt recovered, 11.2%	<u>\$ 2,331.83</u>

Council Letter

Council Letter: 15-03-30

Originating Department: Department of Governmental Services

To the Mayor and City Council:

Subject: Establishment of 2015 Re-organization Meeting

Attachment:
None

Action Options:

1. Establish date for 2015 Council Re-organization Meeting
2. Other action as Council may deem appropriate.

Background:

Per State Statute the City Council must re-organize within ten days following the April general election. This process entails selection of the Mayor Pro Tem, Council appointments to the Professional Consulting Committee, and placement of Council representatives on the City's boards and commissions.

A poll taken last week indicated Council members and candidates preferred an 8 A.M. meeting on either Friday, April 10 or Monday, April 13.