



The City of Lee's Summit
Final Agenda
Finance and Budget Committee

Monday, August 29, 2016

4:00 PM

City Council Chambers

City Hall

220 SE Green Street

Lee's Summit, MO 64063

CALL TO ORDER

ROLL CALL

APPROVAL OF AGENDA

PUBLIC COMMENTS:

BUSINESS

A. [2016-0470](#) APPROVAL OF MINUTES FROM AUG.1, 2016 F&BC MEETING

B. [2016-0462](#) Fourth Quarter Investment Report

Presenter: Presenter: Sherri Staub

C. [TMP-0156](#) AN ORDINANCE APPROVING A FIXED BASE OPERATOR AGREEMENT WITH LEGACY AVIATION, INC. d/b/a FLYING KC FOR THE LEASE OF SUITE C IN THE AIRPORT MODULAR BUILDING TO PERFORM FLIGHT TRAINING, AIRCRAFT RENTAL, AIRCRAFT MANAGEMENT/CONSULTING AND AIRCRAFT SALES AT THE LEE'S SUMMIT MUNICIPAL AIRPORT AND AUTHORIZING THE CITY MANAGER TO ENTER INTO THE SAME WITH LEGACY AVIATION, INC. d/b/a FLYING KC FOR A PERIOD OF ONE YEAR WITH A ONE YEAR AUTOMATIC RENEWAL OPTION.

Presenter: Presenter: John Ohrazda, Airport Manager

D. [TMP-0204](#) AN ORDINANCE APPROVING MODIFICATION NO. 5 TO AGREEMENT NO. 2012-002 WITH TOSHIBA BUSINESS SOLUTIONS TO EXTEND THE TERM OF THE AGREEMENT AN ADDITIONAL TWO (2) YEARS AND TO REDUCE THE TOTAL MONTHLY LEASE RATE PAYABLE BY THE CITY OF LEE'S SUMMIT AND AUTHORIZING THE CITY MANAGER TO EXECUTE THE SAME BY AND ON BEHALF OF THE CITY.

Presenter: Presenter:
Ben Calia, Procurement and Contract Services Manager

- E. [TMP-0214](#) AN ORDINANCE APPROVING A SOLE SOURCE AGREEMENT AND ORDER FORM WITH INFOR FOR THE PROCUREMENT OF UPGRADE LICENSES FOR MICRO FOCUS SOFTWARE TO BE USED IN CONNECTION WITH THE LAWSON SYSTEM AND AUTHORIZING THE CITY MANAGER TO ENTER INTO AN AGREEMENT OR AGREEMENTS WITH INFOR FOR THE ACQUISITION OF THE SAME IN THE AMOUNT OF \$26,272.00.

Presenter: Presenter: Steve Marsh

- F. [TMP-0209](#) AN ORDINANCE SETTING THE TAX LEVY FOR THE YEAR 2016 FOR THE CITY OF LEE'S SUMMIT, CASS AND JACKSON COUNTIES, MISSOURI

Presenter: Presenter: Conrad Lamb

- G. [TMP-0218](#) AN ORDINANCE APPROVING AMENDMENT NO.3 TO THE BUDGET FOR THE FISCAL YEAR ENDING JUNE 30, 2017, AS ADOPTED BY ORDINANCE NO. 7894, BY REVISING THE AUTHORIZED ALLOCATION OF FULL TIME EQUIVALENTS FOR CERTAIN POSITIONS IN THE DEVELOPMENT SERVICES DEPARTMENT AND THE AUTHORIZED BUDGET EXPENDITURES OF THE CITY OF LEE'S SUMMIT, MISSOURI.

Presenter: Presenter: Nick Edwards

- H. [TMP-0219](#) AN ORDINANCE REPEALING PREVIOUS ORDINANCES RELATED TO THE SCHEDULE OF FEES AND CHARGES FOR THE CITY OF LEE'S SUMMIT AND ESTABLISHING THE CITY OF LEE'S SUMMIT SCHEDULE OF FEES AND CHARGES.

Presenter: Presenter: Nick Edwards

- I. [TMP-0194](#) Approval of a Resolution authorizing the City of Lee's Summit to participate in and utilize cooperative purchasing programs.

Presenter: Presenter: Ben Calia, Procurement and Contract Services Manager

ROUNDTABLE:

Next Meeting: October 3, 2016 4:00 p.m.

ADJOURNMENT

For your convenience, City Council agendas, as well as videos of City Council and Council Committee meetings, may be viewed on the City's Internet site at "www.cityofls.net".



The City of Lee's Summit

220 SE Green Street
Lee's Summit, MO 64063

Packet Information

File #: 2016-0470, **Version:** 1

APPROVAL OF MINUTES FROM AUG.1, 2016 F&BC MEETING



The City of Lee's Summit
Action Letter
Finance and Budget Committee

Monday, August 1, 2016
4:00 PM
City Council Chambers
City Hall
220 SE Green Street
Lee's Summit, MO 64063

1. CALL TO ORDER
2. ROLL CALL

Present: 4 - Chairperson Trish Carlyle
Councilmember Diane Seif
Councilmember Diane Forte
Councilmember Chris Moreno

3. APPROVAL OF AGENDA

Motion was made by Councilmember Forte, second by Councilmember Seif to approve the agenda. The vote was unanimous.

4. PUBLIC COMMENTS:

None

5. BUSINESS

- A. [2016-0372](#) APPROVAL OF MINUTES FROM MAY 2, 2016 FINANCE & BUDGET COMMITTEE MEETING

ACTION: A motion was made by Councilmember Forte, seconded by Councilmember Seif, that these Minutes be approved. The motion carried by a unanimous vote.

- B. [2016-0444](#) Discussion of Performance and Financial Audits
(NOTE: This item was continued from August 11, 2016 per Council's request.)

Recommendation: Recommendation: The Finance and Budget Committee did not have agreement regarding whether a scope of work could be submitted to the Forensics division of the City's Financial Auditor's Rubin Brown, LLC or if a separate Request for Proposals should be sent out for all qualified firms to respond to.

Presenter: Presenter: Conrad Lamb

Committee referred this item to City Council meeting August 11th for a decision whether to use Rubin Brown or put out an RFP for auditors.

This matter was referred to the City Council - Regular Session, due back on 8/11/2016

Finance and Budget Committee

Action Letter

August 1, 2016

- C. [BILL NO.
16-167](#) AN ORDINANCE AUTHORIZING THE EXECUTION OF A LEASE AGREEMENT BY AND BETWEEN THE CITY OF LEE'S SUMMIT AND BFRE, LLC FOR A PERIOD OF SIX YEARS WITH OPTIONS FOR TWO ADDITIONAL SIX YEAR TERMS.

Recommendation: Recommendation: Staff Recommends approval of an Ordinance Authorizing the Execution of a Lease Agreement By and Between the City of Lee's Summit and BFRE, LLC For a Period of Six Years With Options For Two Additional Six Year Terms

Presenter: John Ohrazda, Airport Manager

A motion was made by Councilmember Forte, seconded by Councilmember Seif, that this Ordinance was recommended for approval. to the City Council - Regular Session, due back on 8/11/2016 The motion carried unanimously.

- D. [BILL NO.
16-168](#) AN ORDINANCE APPROVING THE AWARD OF BID NO. 2016-124 FOR LAWSON CONSULTING SERVICES TO CIBER, INC. FOR AN AMOUNT NOT TO EXCEED \$165,577.00 AND AUTHORIZING THE CITY MANAGER TO ENTER INTO AN AGREEMENT WITH CIBER, INC. FOR LAWSON CONSULTING SERVICES.

Recommendation: Recommendation: STAFF RECOMMENDS APPROVAL OF AN ORDINANCE APPROVING THE AWARD OF BID NO. 2016-124 FOR LAWSON CONSULTING SERVICES TO CIBER, INC. FOR AN AMOUNT NOT TO EXCEED \$165,577.00 AND AUTHORIZING THE CITY MANAGER TO ENTER INTO AN AGREEMENT WITH CIBER, INC. FOR LAWSON CONSULTING SERVICES.

Presenter: Presenter: Cathy Loveland

A motion was made by Councilmember Seif, seconded by Councilmember Forte, that this Ordinance was recommended for approval to the City Council - Regular Session, due back on 8/11/2016 The motion carried unanimously.

- E. [2016-0403](#) Presentation of June General Fund Financial Dashboard

Recommendation: Recommendation: N/A

Presenter: Presenter: Jack Feldman

This was a presentation only. No action required

This matter was received and filed

- F. [BILL NO.
16-169](#) AN ORDINANCE APPROVING AMENDMENT NO.1 TO THE BUDGET FOR THE FISCAL YEAR ENDING JUNE 30, 2017, AS ADOPTED BY ORDINANCE NO. 7894, BY REVISING THE AUTHORIZED ALLOCATION OF FULL TIME EQUIVALENTS FOR CERTAIN POSITIONS IN THE POLICE DEPARTMENT AND THE AUTHORIZED BUDGET EXPENDITURES OF THE CITY OF LEE'S SUMMIT, MISSOURI.

Recommendation: Recommendation: Staff Recommends Approval

Presenter: Presenter: Police Chief Travis Forbes

ACTION: A motion was made by Councilmember Seif, seconded by Councilmember Forte, that this Ordinance be approved. The motion carried by a unanimous vote.

Finance and Budget Committee

Action Letter

August 1, 2016

- G. [BILL NO. 16-170](#) AN ORDINANCE APPROVING AMENDMENT NO.2 TO THE BUDGET FOR THE FISCAL YEAR ENDING JUNE 30, 2017, AS ADOPTED BY ORDINANCE NO. 7894, BY REVISING THE AUTHORIZED BUDGET EXPENDITURES OF THE CITY OF LEE'S SUMMIT, MISSOURI WITH FUNDS TO BE BUDGETED FOR AND PAYMENT TO BE ISSUED IN FY2017 FROM THE GENERAL FUND RESERVE BALANCE.

Recommendation: Recommendation: Staff Recommends Approval

Presenter: Presenter: City Manager Steve Arbo

ACTION: A motion was made by Councilmember Forte, seconded by Councilmember Seif, that this Ordinance be approved. The motion carried by a unanimous vote.

- H. [2016-0404](#) Presentation of the FY18 Budget Calendar

Recommendation: Recommendation: N/A

Presenter: Presenter: Jack Feldman

This was a presentation only. No action required.

This matter was received and filed. ACTION: A motion was made by Councilmember Forte, seconded by Councilmember Seif, that the FY18 Budget Calendar be approved. The motion carried by a unanimous vote.

- I. [2016-0048](#) Presentation of the Calendar Year 2014 and 2015 Annual Reports on the City of Lee's Summit Debt

Presenter: Conrad E Lamb

This was a presentation only. No action needed.

This matter was received and filed

6. ROUNDTABLE:

There was no roundtable discussion.

NEXT MEETING: AUGUST 29, 2016 4:00 P.M.

7. ADJOURNMENT

Meeting adjourned at 5:30 p.m.

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Packet Information

File #: 2016-0462, **Version:** 1

Fourth Quarter Investment Report

Issue/Request:

Investment Portfolio Report for the quarter ending June 30, 2016.

Key Issues:

The investment report is prepared to provide a summary of the current investment portfolio by noting the transactions over the last quarter. The report lists new purchases and maturities occurring during the reporting period.

At June 30, 2016 the largest percentage of the portfolio was invested in US Treasuries (64%); followed by Certificates of Deposit (12%); with cash and municipal obligations both at 7%. All cash is invested in an overnight repurchase agreement and is collateralized.

Proposed Committee Motion:

No Action Required

Background:

A "Mark to Market" adjustment is required at each quarter end to recognize the change in value of the portfolio in the event that securities would need to be liquidated. Fair values are determined by our custodial bank.

At June 30, 2016 the the mark to market adjustment across all funds was an unrealized gain of \$420,504.05.

Impact/Analysis:

At June 30, 2016 the average yield on the portfolio was 0.8981%.

Timeline:

Start: ____

Finish: ____

Other Information/Unique Characteristics:

[Enter text here]

Presenter: Sherri Staub

Recommendation: [Enter Recommendation Here]

Committee Recommendation: [Enter Committee Recommendation text Here]

CITY OF LEE'S SUMMIT, MISSOURI

QUARTERLY INVESTMENT PORTFOLIO REPORT

QUARTER ENDED JUNE 30, 2016

Purpose and Goals

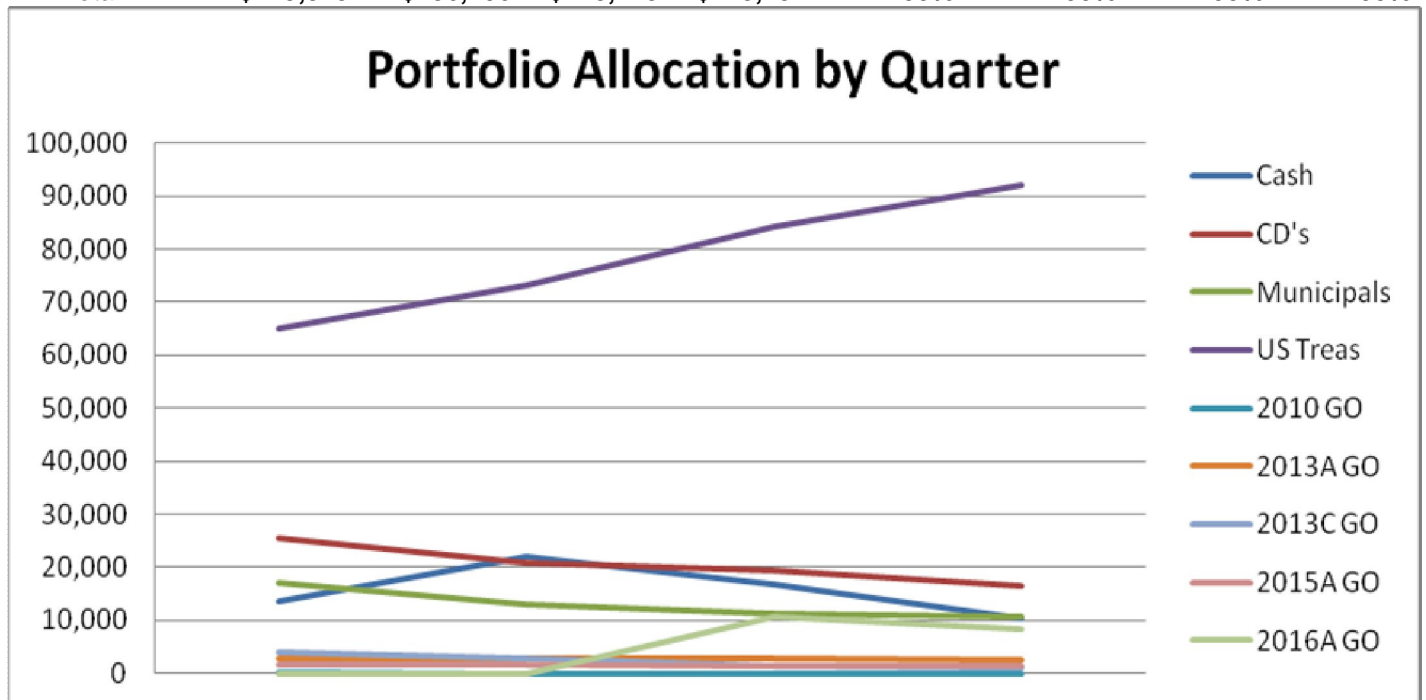
In compliance with the Investment Policy of the City of Lee's Summit, this quarterly investment portfolio report for the quarter ended June 30, 2016 is hereby submitted for your review. This report will provide you with an overview of the City's current cash and investment portfolio holdings along with a summary of all investment activity for the last fiscal quarter.

Cash and investments held by the City represent financial resources provided by its citizens to fund current operations and additionally to provide for future economic development, enhancement of services and programs, construction of major capital improvements and allow for unforeseen emergencies. Monies held for future use in meeting identifiable long-term needs are invested in authorized securities in order to provide additional earnings until such time as these funds are required to be expended. While the objective is to obtain a market rate of return, the City believes that the priority should be on the safety of principal, liquidity of its investments, and stability of earnings.

Current Portfolio

The City has sought to achieve a balance within the combined investment portfolio. While maintaining relatively strong liquidity, it strives to achieve earnings stability. As of June 30, 2016, the portfolio was allocated as follows: Cash (7%), Certificates of Deposit (12%), Municipal Obligations (7%) and US Treasury (64%). The following table illustrates the composition of the portfolio, in comparative dollar amounts (000) and component percentages, for the quarter ending June 30, 2016 and the previous three quarters.

Portfolio	-----Book Value in 000's-----				-----Percent of Portfolio-----			
	9/30/2015	12/31/2015	3/31/2016	6/30/2016	9/30/2015	12/31/2015	3/31/2016	6/30/2016
Cash	13,612	22,162	16,918	10,275	10%	16%	11%	7%
CD's	25,473	20,776	19,291	16,566	20%	15%	13%	12%
Municipals	17,182	13,123	11,402	10,647	13%	10%	8%	7%
US Treas	65,100	73,134	84,177	92,188	51%	54%	57%	64%
2010 GO	82	0	0	0	0%	0%	0%	0%
2013A GO	2,932	2,778	2,713	2,691	2%	2%	2%	2%
2013C GO	3,901	2,890	1,478	1,138	3%	2%	1%	1%
2015A GO	1,543	1,543	1,501	1,502	1%	1%	1%	1%
2016A GO	0	0	10,635	8,225	0%	0%	7%	6%
Total	\$129,825	\$136,406	\$148,115	\$143,232	100%	100%	100%	100%



Purchases			
		Amount	Maturity Date
06/03/2016	US Treasury	\$ 3,000,000	08/15/2018
06/03/2016	US Treasury	\$ 2,000,000	05/31/2020
06/22/2016	US Treasury	\$ 3,000,000	05/15/2018
06/22/2016	US Treasury	\$ 3,000,000	05/31/2019
	TOTAL	\$11,000,000	
MATURITY			
04/01/2016	Bowling Green Mo Schl Dist	100,450	
04/01/2016	Saint Louis Brd of Education	296,643	
04/22/2016	Brand Banking Co	245,000	
05/02/2016	USAmeribank	248,000	
05/15/2016	Wentzville MO Fire Prot District	357,948	
05/16/2016	Marlin Business Bank	248,000	
05/31/2016	US Treasury	3,000,000	
06/13/2016	Ridgestone Bank	248,000	
06/24/2016	Stearns Bank	248,000	
06/27/2016	Georgia Bank & Trust	248,000	
06/27/2016	DMB Community Bank	248,000	
06/27/2016	Flagship Community Bank	248,000	
06/27/2016	Iberiabank	248,000	
06/27/2016	Northbrook Bank & Trust	248,000	
06/30/2016	Cathay Bank	248,000	
	TOTAL	\$6,480,041	

Transaction Summary

The City monitors and maintains a certain level of cash on hand to meet the day to day operations of the city. Each night the remaining balance is invested in an interest bearing "sweep" account through a "repurchase agreement" or "repo" with our bank. For funds not needed immediately, the city employs a strategy of maturity "laddering" over a period not to exceed five years. When the spread between short term securities and the three year maximum is minimal, staff does not fully extend to the five year maximum.

Cash in Bank

The City utilizes UMB Bank as its depository. Lee's Summit's cash in bank at June 30, 2016, was as follows: UMB Trustee Account, \$7,513,362.39 and the UMB Investment Settlement Account \$2,761,873.25. Cash on deposit with UMB earns interest at a rate equivalent to the previous week's auction of the 91 day Treasury bill yield, adjusted every Wednesday. The UMB "repo" rate for June was 0.41%; March was 0.47%; December was 0.260 and September was 0.23. To protect the City against fluctuating securities values, the City's bank depository agreement requires the bank to pledge certain securities as collateral equal to 105% of the City's funds on account (in excess of FDIC coverage). The estimated collateral value is \$23,355,371.53.

Combined Portfolio Performance

The City has utilized all components of the investment portfolio to achieve safety of principal, reasonable liquidity, relatively stable earnings over a wide range of interest rates, and a market rate of return. As of June 30, 2016, the average portfolio yield is 0.8981%.

The investment portfolio's maturity structure as of June 30, 2016, is as follows:

Maturity Year	Prin Amt	Cash Flow %
2016	\$ 22,107,654.10	19%
2017	\$ 38,875,156.62	33%
2018	\$ 30,253,799.97	25%
2019	\$ 21,156,469.68	18%
2020	\$ 7,008,750.00	5%
TOTAL	\$ 119,401,830.37	100%

A complete itemized schedule of investments in the City of Lee's Summit Portfolio is available upon request.

Recommendations

The City's passive investment strategy has been to match the investments based upon cash flow needs in conjunction with a maturity "laddering" approach with its investments, not to exceed five years. Investment purchases have been made with safety as the primary factor. The purchase of Certificates of Deposit and Municipal Obligations has been halted pending further investigation of policy changes at the state level.

Mark-to-Market

The investment portfolio is valued at our purchase price with gains/losses recognized at sale or maturity. With the implementation of GASB 31, the portfolio was required to be adjusted at year end to reflect the difference between our carrying value and today's market. This is referred to as "Marking to Market."

The Government Finance Officers Association (GFOA) then recommended that local governments report the market value of all securities in the portfolio on a quarterly basis. Fair market values are determined by our custodial bank.

GFOA has recommended that in addition to the reporting of this paper gain/loss on a quarterly basis, this adjustment should be entered on a quarterly basis. Starting in fiscal year 2006-2007 this adjustment was spread and posted to cash accounts based on cash balances at each quarter end. These adjustments will be updated at the end of each quarter. At June 30, the quarter end entry of March 31 was reversed and the new entry booked based on the current market values at June 30, 2016. This unrealized gain of \$420,504.05 was spread against all funds based on their respective cash balance percentages.

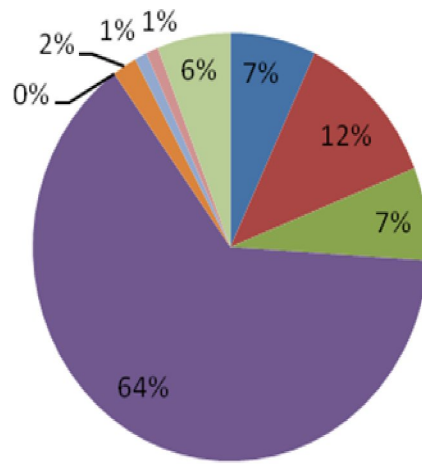
Respectfully Submitted,

Sherri Staub
Cash Management Officer

Conrad Lamb
Finance Director

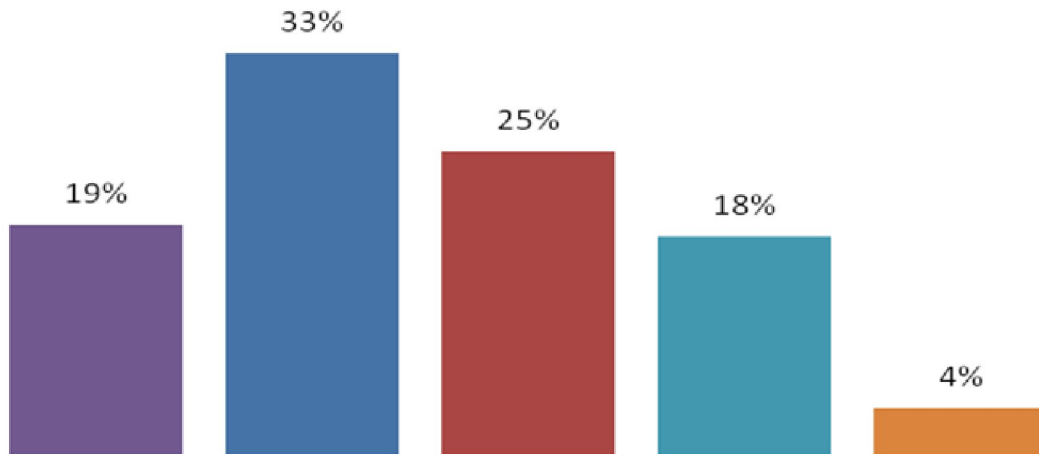
Asset Allocation June 30, 2016

■ Cash
 ■ CD's
 ■ Municipals
 ■ US Treas
 ■ 2010 GO Acct
 ■ 2013A GO
 ■ 2013C GO
 ■ 2015A GO
 ■ 2016A GO



Asset Allocation by Maturity Year

■ 2016
 ■ 2017
 ■ 2018
 ■ 2019
 ■ 5%



CITY OF LEES SUMMIT
INVESTMENT PORTFOLIO
MONTH ENDING JUNE 2016

CERTIFICATES OF DEPOSIT (CD)

	PURCHASE PRICE	DESCRIPTION		YIELD	PURCHASE DATE	MATURITY DATE	TERM DAYS
#	248,000.00	Safra National Bank, NY	7865804L1	0.800000%	12-Oct-12	13-Oct-15	1,096
#	248,000.00	Firstbank, Puerto Rico	33764JMT9	1.050000%	19-Oct-12	19-Oct-15	1,095
#	248,000.00	Banco Popular	05967ESF7	0.800000%	21-Nov-12	20-Nov-15	1,094
#	248,000.00	Enerbank USA	29266NWR4	0.500000%	10-Jul-13	10-Jul-15	730
	248,000.00	Enterprise National Bank, NJ	293742AD4	0.850000%	08-Aug-13	08-Aug-16	1,096
	248,000.00	Crystal Lake Bank & Trust, IL	229253CT4	0.850000%	14-Aug-13	15-Aug-16	1,097
	248,000.00	Lake Forest Bank & Tr, IL	509685ES8	0.850000%	14-Aug-13	15-Aug-16	1,097
#	248,000.00	Great Southern Bank, MO	39120VRD8	0.600000%	14-Aug-13	14-Aug-15	730
#	248,000.00	Landmark Community Bank, TN	51507LAF1	0.450000%	16-Aug-13	17-Aug-15	731
	248,000.00	Midland States Bank, IL	59774QDT6	0.800000%	16-Aug-13	16-Aug-16	1,096
	248,000.00	Medallion Bank, UT	58403BF27	1.000000%	19-Aug-13	19-Aug-16	1,096
#	248,000.00	Farm Bureau Bank, NV	307660HB9	0.600000%	20-Aug-13	20-Aug-16	1,096
	248,000.00	Aimbank, TX	00889WAQ8	0.850000%	21-Aug-13	22-Aug-16	1,097
	248,000.00	Pyramax Bank FSB, WI	747133BS4	0.800000%	23-Aug-13	23-Aug-16	1,096
	248,000.00	Bank of Georgetown, Washington DC	06424XBE1	0.800000%	23-Aug-13	23-Aug-16	1,096
	248,000.00	Merchants Bank of Indiana, IN	588493EG7	0.750000%	30-Aug-13	30-Aug-16	1,096
#	248,000.00	Sonabank, Charlottesville, VA	83540RER0	0.550000%	17-Oct-13	19-Oct-15	732
	248,000.00	McFarland State Bank, McFarland, WI	58043PCJ8	0.850000%	18-Oct-13	18-Oct-16	1,096
	248,000.00	College Savings Bank, Princeton, NJ	19443PAU3	0.850000%	18-Oct-13	18-Oct-16	1,096
#	248,000.00	Wex Bank, Midvale, UT	92937CAX6	0.500000%	23-Oct-13	23-Oct-15	730
#	248,000.00	Compass Bank, Birmingham, AL	20451PFW1	0.750000%	23-Oct-13	23-Oct-15	730
#	248,000.00	Park Sterling Bank Charlotte NC	70086WFW4	0.400000%	25-Oct-13	27-Jul-15	640
	248,000.00	Bank of Grove, Grove, OK	06246PAE5	0.850000%	25-Oct-13	25-Oct-16	1,096
	248,000.00	State Bank of India, New York, NY	856284R22	1.200000%	28-Oct-13	18-Oct-16	1,086
	248,000.00	Unity Bank, Clinton, NJ	91330AAx5	0.900000%	30-Oct-13	28-Oct-16	1,094
	248,000.00	Kansas State Bank, Manhattan, KS	485382DV4	0.800000%	30-Oct-13	30-Oct-16	1,096
#	245,000.00	Tab Bank Inc, Ogden UT	89387W6D2	0.550000%	20-Nov-13	20-Nov-15	730
#	245,000.00	TCF National Bank, Sioux Falls, SD	872278BR6	0.550000%	27-Nov-13	27-Nov-15	730
	245,000.00	First Credit Bank, Los Angeles, CA	320055BE5	0.750000%	27-Nov-13	28-Nov-16	1,097
	245,000.00	USNY Bank, Geneva, NY	90344LBW8	0.750000%	27-Nov-13	28-Nov-16	1,097
	245,000.00	Commerce State Bank, West Bend, WI	20070PGC5	0.750000%	29-Nov-13	29-Nov-16	1,096
#	245,000.00	Provident Bank MA, Amesbury, MA	743837AZ9	0.500000%	02-Dec-13	02-Dec-15	730
#	245,000.00	First State Bank; Scottsbluff, NE	33650GAP3	0.500000%	03-Dec-13	03-Dec-15	730
#	245,000.00	Bank Hapoalim BM, New York, NY	06251AA26	0.600000%	07-Dec-13	04-Dec-15	727
	248,000.00	First State Bank, Barboursville, WV	33648FJG1	0.750000%	18-Dec-13	16-Dec-16	1,094
	248,000.00	Tri-County Trust Co; Glasgow, MO	89556YAG1	0.700000%	18-Dec-13	16-Dec-16	1,094
	227,000.00	Bridgewater Bk; Bloomington, MN	108622DQ1	0.700000%	19-Dec-13	19-Dec-16	1,096
#	248,000.00	Capital Bank, Miami, KS	139800AS5	0.550000%	20-Dec-13	21-Dec-15	731
	248,000.00	Carthage Fed Savings & Loan, Carthage, NY	146550AA6	0.750000%	20-Dec-13	20-Dec-16	1,096
#	248,000.00	First State Bank, Union City, TN	336472EJ0	0.450000%	23-Dec-13	23-Dec-15	730
	248,000.00	Paragon Commercial Bank, Raleigh, NC	69911Q3U7	0.750000%	24-Dec-13	23-Dec-16	1,095
#	248,000.00	Beal Bank, Las Vegas, NV	07370WEJ1	0.550000%	26-Dec-13	23-Dec-15	727
#	248,000.00	Celtic Bank, Salt Lake City, UT	15118RJJ7	0.400000%	27-Dec-13	28-Dec-15	731
#	248,000.00	Citizens State Bank; Chandler, TX	17670JAD3	0.400000%	30-Dec-13	30-Dec-15	730
#	248,000.00	Pilot Bank, Tampa FL	721531BA8	0.450000%	30-Dec-13	30-Dec-15	730
#	248,000.00	Open Bank, Los Angeles, CA	68371GAG7	0.500000%	30-Dec-13	30-Dec-15	730
#	248,000.00	Cathay Bank, Los Angeles, CA	149159JQ9	0.700000%	30-Dec-13	30-Jun-16	913
	248,000.00	State Bank of Lismore, Lismore, MN	856425AL7	0.800000%	30-Dec-13	28-Dec-16	1,094
	248,000.00	Independent Bank, Memphis TN	45383UNSO	0.700000%	31-Dec-13	30-Dec-16	1,095
	248,000.00	Luana Savings Bank, IA	54913NP0	0.650000%	08-Jan-14	08-Jul-16	912
#	245,000.00	New Frontier Bank, St Charles, MO	64439UAM2	0.500000%	30-Jan-14	29-Jan-16	729
	245,000.00	Synovus Bank, Columbus, GA	87164DDS6	0.700000%	30-Jan-14	29-Jul-16	911
	248,000.00	Douglas National Bank, GA	259744DA5	0.600000%	05-Feb-14	05-Aug-16	912
#	248,000.00	First Commercial Bank, MS	31984GCY3	0.500000%	25-Feb-14	25-Feb-16	730
	245,000.00	San Diego Private Bank	79744YAC4	0.900000%	15-Apr-14	17-Apr-17	1,098
	245,000.00	Barclays Bank	06740KGE1	1.050000%	15-Apr-14	15-Apr-17	1,096
	245,000.00	Homebanc NA	43738AEW2	0.900000%	17-Apr-14	17-Apr-17	1,096
	245,000.00	Customers Bank	23204HAY4	0.650000%	23-Apr-14	25-Jul-16	824

#	245,000.00	Brand Banking Co	105245ES9	0.500000%	23-Apr-14	22-Apr-16	730
	245,000.00	First Merchants Bank	32082BDC0	0.900000%	30-Apr-14	28-Apr-17	1,094
	248,000.00	Franklin Synergy Bank	35471TBG6	0.750000%	30-Apr-14	31-Oct-16	915
#	248,000.00	USAmeribank	917312CH1	0.500000%	02-May-14	02-May-16	731
#	248,000.00	Ridgestone Bank	76610TCX4	0.500000%	13-May-14	13-Jun-16	762
#	248,000.00	Marlin Business Bank	57116AHQ4	0.500000%	16-May-14	16-May-16	731
#	248,000.00	Apple Bank for Savings, NY	0378304W3	0.350000%	28-May-14	28-Sep-15	488
	248,000.00	United Bankers Bank, MN	909557DJ6	0.600000%	25-Jun-14	26-Sep-16	824
#	248,000.00	Stearns Bank, MN	857894NR6	0.600000%	25-Jun-14	24-Jun-16	730
	248,000.00	First Priority Bank, PA	33612JFA2	0.800000%	25-Jun-14	27-Dec-16	916
#	248,000.00	CFBank, OH	15721UBS7	0.500000%	25-Jun-14	28-Mar-16	642
#	248,000.00	Georgia Bank & Trust, GA	373128EW3	0.600000%	25-Jun-14	27-Jun-16	733
#	248,000.00	DMB Community Bank, WI	23322GHS9	0.550000%	27-Jun-14	27-Jun-16	731
#	248,000.00	Flagship Community Bank, FL	33843ABP3	0.600000%	27-Jun-14	27-Jun-16	731
#	248,000.00	Iberiabank, LA	45083ADK5	0.550000%	27-Jun-14	27-Jun-16	731
#	248,000.00	Northbrook Bk & Trst Co, IL	663808AQ6	0.600000%	27-Jun-14	27-Jun-16	731
	248,000.00	BMW Bank North America, UT	05580AAM6	1.050000%	27-Jun-14	27-Jun-17	1,096
#	248,000.00	First Citrus Bank, FL	319590BU8	0.500000%	30-Jun-14	29-Feb-16	609
	248,000.00	John Marshall Bank, VA	47804GBP7	0.650000%	30-Jun-14	30-Sep-16	823
#	248,000.00	Triumph Bank, TN	89678LDG9	0.500000%	30-Jun-14	29-Feb-16	609
#	248,000.00	ESSA Bank & Trust, PA	29667RLL5	0.400000%	30-Jun-14	30-Dec-15	548
	245,000.00	American Express BK FSB, UT	02587CAA8	1.050000%	10-Jul-14	10-Jul-17	1,096
	248,000.00	Sallie Mae Bank, UT	795450TV7	1.500000%	15-Oct-14	16-Oct-17	1,097
	248,000.00	Capital One Bank USA	140420QD5	1.450000%	16-Oct-14	16-Oct-17	1,096
	248,000.00	Discover Bank, DE	254672BM9	1.500000%	16-Oct-14	16-Oct-17	1,096
	248,000.00	GE Captial Bank	36161T4S1	1.500000%	17-Oct-14	17-Oct-17	1,096
	248,000.00	Goldman Sachs, NY	38148JAR2	1.450000%	22-Oct-14	23-Oct-17	1,097
	245,000.00	American Expr Centurion UT	02587DWH7	1.500000%	28-Oct-14	28-Nov-17	1,127
	248,000.00	First Business Bank, Madison, WI	31938QK37	0.800000%	20-Jan-15	20-Jan-17	731
	248,000.00	Northern Bank & Trust, Woburn MA	66476QBB3	1.100000%	21-Jan-15	22-Jan-18	1,097
	248,000.00	Bank Leumi USA NY	063248FA1	1.150000%	23-Jan-15	23-Jan-18	1,096
	248,000.00	Morton Community Bank, Morton IL	619165FT5	1.150000%	23-Jan-15	23-Jan-18	1,096
	248,000.00	First Financial Bank El Dorado, AR	32021MDV8	1.100000%	23-Jan-15	23-Jan-18	1,096
	248,000.00	Bank Midwest, MN	063615AJ7	1.050000%	28-Jan-15	27-Oct-17	1,003
	248,000.00	Bank of North Carolina	06414QUG2	1.000000%	30-Jan-15	31-Jul-17	913
	248,000.00	Crescent Bank & Trust, LA	225645DH0	1.100000%	30-Jan-15	30-Jan-18	1,096
	248,000.00	First Niagra Bank, NY	33583CMP1	0.800000%	30-Jan-15	20-Jan-17	721
	248,000.00	Peoples United Bank	71270QLY0	1.100000%	04-Feb-15	05-Feb-18	1,097
	248,000.00	Platinum Bank/Brandon FL	72766HBN4	1.000000%	06-Feb-15	06-Feb-18	1,096
	248,000.00	First Kentucky Bank	32065TAK7	1.000000%	06-Feb-15	06-Feb-18	1,096
	248,000.00	Bank of Delmarva	06424LBV9	1.000000%	10-Feb-15	11-Dec-17	1,035
	248,000.00	Grand South Bank	38647PDJ9	1.000000%	18-Feb-15	17-Nov-17	1,003
	248,000.00	Flushing Bank, NY	34387ABH1	1.100000%	15-Apr-15	16-Apr-18	1,097
	249,000.00	Key Bank, OH	49306SUY0	0.750000%	22-Apr-15	24-Apr-17	733
	249,000.00	Amer Natl Bank/Fox Cities	02771PMN4	1.000000%	22-Apr-15	20-Apr-18	1,094
	249,000.00	Clayton Bank & Trust, TN	184027AP5	1.000000%	22-Apr-15	23-Apr-18	1,097
	248,000.00	Manuf & Traders Trust, NY	564759QN1	1.000000%	29-Apr-15	30-Apr-18	1,097
	248,000.00	American City Bank, TN	025140AW4	0.700000%	30-Apr-15	01-May-17	732
	249,000.00	Northfield Bank, NY	66612AAS7	1.050000%	30-Apr-15	30-Apr-18	1,096
	248,000.00	Ally Bank, UT	02006LQR7	1.200000%	07-May-15	07-May-18	1,096
#							

MUNICIPAL OBLIGATIONS

	PURCHASE PRICE	DESCRIPTION		YIELD	PURCHASE DATE	MATURITY DATE	TERM DAYS
#	839,615.00	Manhattan KS	562895ACI Aa2	0.500000%	10-Dec-12	01-Nov-15	1,056
	1,142,618.40	Johnson & Miami Cnty KS #230	478164EXI Aa3	0.730000%	31-Jan-14	01-Sep-16	944
#	296,643.00	Saint Louis Mo Brd of Edu	791639FN: AA+	0.550000%	14-Mar-14	01-Apr-16	749
#	179,383.75	Missouri State Hlth & Eductnl Facs	60636AAY Aaa	0.400000%	08-Apr-14	15-Nov-15	586
#	289,642.65	Coffey Cnty Kans USD #244	192242BJ3	0.351000%	29-May-14	01-Nov-15	521
	505,093.05	Coffey Cnty Kans USD #244	192242BK0	0.650000%	29-May-14	01-Nov-16	887
	100,966.00	Bowling Green Mo Sch Dist R1	102827AM A	1.350000%	04-Jun-14	01-Apr-17	1,032
#	100,450.00	Bowling Green Mo Sch Dist R1	102827ALf A	0.951000%	04-Jun-14	01-Apr-16	667
#	229,439.25	Leavenworth Cnty KS Unif Sch	522218HRl Aa3	0.351000%	19-Jun-14	01-Sep-15	439
	474,048.90	Pittsburg KS Serv A UT	724649B31 A+	0.600000%	26-Jun-14	01-Sep-16	798

	325,000.00	Leavenworth KS Temp Nts	522229BR: Aa2	0.550000%	30-Jun-14	01-Jul-16	732
#	1,207,800.00	Leavenworth KS Temp Nts	522229BQ: Aa2	0.350000%	30-Jun-14	01-Jul-15	366
#	250,000.00	Wyandotte Cnty Kansas City, KS	982671D6: SP-1	1.000000%	25-Jul-14	01-Dec-15	494
#	310,287.00	Clayton MO Rev Spl Oblig	184274DX: AA+	0.553000%	14-Oct-14	01-Dec-15	413
	359,173.50	Topeka KS	890568E2: Aa3	0.550000%	20-Oct-14	15-Aug-16	665
#	241,699.20	Union Mo COPS	907096BU: AA-	0.351000%	20-Oct-14	01-Oct-15	346
	202,892.00	Union Mo COPS	907096BV: AA-	0.751000%	20-Oct-14	01-Oct-16	712
#	421,419.60	Jefferson Cnty Mo Sch Dist #47	472598BX: AA+	0.250000%	23-Oct-14	01-Mar-16	495
#	357,948.50	Wentzville MO Fire Prot Dist	95073NAB: Aa2	0.451000%	25-Nov-14	15-May-16	537
	211,582.00	Lyon Cnty KS UT	551845FT: A1	0.650000%	04-Dec-14	01-Sep-16	637
#	835,000.00	Derby Kansas	2497754L: SP-1	1.450000%	15-Dec-14	01-Dec-17	1,082
	284,902.80	Derby Kansas	2497754B: AA-	0.600000%	15-Dec-14	01-Dec-16	717
	360,687.10	Derby Kansas	2497753V: AA-	0.950000%	15-Dec-14	01-Dec-17	1,082
	538,490.60	Derby Kansas	2497754C: AA-	0.950000%	15-Dec-14	01-Dec-17	1,082
	634,781.25	Sedgwick County KS UT USD #268	815904DA: A+	0.900000%	08-Jan-15	01-Sep-17	967
	517,507.20	Sedgwick County KS UT USD #268	815904CZ: A+	0.600000%	08-Jan-15	01-Sep-16	602
	363,282.50	Kansas City MO Spl Oblig	485106KU: AA-	0.601000%	28-Jan-15	01-Sep-16	582
	506,155.00	Kirkwood MO COPS	497604BY: Aa2	0.470000%	30-Jan-15	01-Sep-16	580
#	110,356.40	Troy MO Reorg Sch Dist #3	897506J8: AA+	0.351000%	30-Jan-15	01-Mar-16	396
#	400,424.00	Sturgeon MO #RV Sch Dist	864084CE: AA+	0.301000%	05-Feb-15	01-Mar-16	390
	1,208,687.30	Troy MO Reorg Sch Dist #3	897506JV: AA+	0.550000%	10-Feb-15	01-Mar-17	750
	246,602.40	Boles Fire Protn Dist	09752RCD: Aa3	0.650000%	11-Feb-15	01-Mar-17	749
#	116,996.40	Boles Fire Protn Dist	09752RCC: Aa3	0.351000%	11-Feb-15	01-Mar-16	384
	317,628.00	St Louis Cnty Mo Spl Oblig	791526LY: AA	1.000000%	07-May-15	01-May-17	725
#	671,390.65	Maryland Heights MO UT	574068AH: Aa2	0.300000%	12-May-15	01-Mar-16	294
	752,587.40	Maryland Heights MO UT	574068AJ: Aa2	0.550000%	12-May-15	01-Mar-17	659
	780,050.90	Maryland Heights MO UT	574068AK: Aa2	0.800000%	12-May-15	01-Mar-18	1,024
#	1,928,310.00	Missouri St Dev Fin Brd-Infrastructure	60636SAY: A	0.300000%	12-May-15	01-Dec-15	203
#							

TREASURY BILLS AND NOTES

Maturities (***)

	PURCHASE PRICE	DESCRIPTION		YIELD	PURCHASE DATE	MATURITY DATE	TERM DAYS
#	6,993,437.50	T-Note	912828TD: Aaa	0.250000%	16-Jan-13	15-Jul-15	910
#	5,981,250.00	T-Note	912828TK: Aaa	0.250000%	29-Jan-13	15-Aug-15	928
#	5,085,000.00	T-Note	912828NZ: Aaa	0.408000%	19-Sep-13	30-Sep-15	741
#	7,986,562.50	T-Note	912828US: Aaa	0.452000%	08-Jan-14	15-Mar-16	797
#	4,000,875.00	T-Note	912828VY: Aaa	0.237000%	17-Jan-14	30-Sep-15	621
#	3,085,920.00	T-Note	912828QP: Aaa	0.450000%	13-Mar-14	31-May-16	810
	3,070,680.00	T-Note	912828QX: Aaa	0.506000%	13-Mar-14	31-Jul-16	871
	4,996,875.00	T-Note	912828C3: Aaa	0.772000%	14-May-14	15-Mar-17	1,036
	5,029,500.00	T-Note	912828SM: Aaa	0.741000%	10-Dec-14	31-Mar-17	842
	2,999,531.25	T-Note	912828F4: Aaa	0.509000%	09-Jan-15	30-Sep-16	630
	2,988,281.25	T-Note	912828SY: Aaa	0.790000%	09-Jan-15	31-May-17	873
	2,972,695.31	T-Note	912828TG: Aaa	0.860000%	09-Jan-15	31-Jul-17	934
	3,007,031.25	T-Note	912828TB: Aaa	0.750000%	28-Jan-15	30-Jun-17	884
	2,997,187.50	T-Note	912828F8: Aaa	0.429000%	28-Jan-15	31-Oct-16	642
	2,988,046.88	T-Note	912828TS: Aaa	0.798000%	04-Jun-15	30-Sep-17	849
	2,990,859.38	T-Note	912828TM: Aaa	0.762000%	04-Jun-15	31-Aug-17	819
	3,983,437.50	T-Note	912828TS: Aaa	0.810000%	26-Jun-15	30-Sep-17	827
	5,966,718.75	T-Note	912828UU: Aaa	0.959000%	20-Jul-15	31-Mar-18	985
	5,049,414.05	T-Note	912828SH: Aaa	1.080000%	30-Sep-15	28-Feb-19	1,247
	4,987,500.00	T-Note	912828UQ: Aaa	1.308000%	30-Sep-15	29-Feb-20	1,613
	4,033,750.00	T-Note	912828WS: Aaa	1.381000%	11-Dec-15	30-Jun-19	1,297
	4,000,000.00	T-Note	912828XF: Aaa	1.125000%	11-Dec-15	15-Jun-18	917
	4,036,040.00	T-Note	912828WV: Aaa	1.364000%	11-Jan-16	31-Jul-19	1,297
	3,974,960.00	T-Note	912828XK: Aaa	1.129000%	11-Jan-16	15-Jul-18	916
	3,005,625.00	T-Note	912828L4: Aaa	0.927000%	01-Feb-16	15-Sep-18	957
	2,984,765.63	T-Note	912828TR: Aaa	1.142000%	01-Feb-16	30-Sep-19	1,337
	3,031,171.88	T-Note	912828WC: Aaa	0.857000%	23-Feb-16	31-Oct-18	981
	1,997,656.25	T-Note	912828TN: Aaa	1.034000%	23-Feb-16	31-Aug-19	1,285

3,005,625.00	T-Note	912828K8z	Aaa	0.914000%	03-Jun-16	15-Aug-18	803
2,021,250.00	T-Note	912828XE!	Aaa	1.226000%	03-Jun-16	31-May-20	1,458
3,014,648.44	T-Note	912828XA:	Aaa	0.740000%	22-Jun-16	15-May-18	692
3,054,843.75	T-Note	912828WL	Aaa	0.869000%	22-Jun-16	31-May-19	1,073

#

170,653,680.77
(51,251,850.40)
119,401,830.37

TOTALS

U. S. AGENCIES & GOVERNMENT SECURITIES:

Brokered CD's	16,566,000.00
Municipal Obligations	10,647,736.30
TREAS Treasury Notes and Bills	92,188,094.07
TREAS Treasury Notes and Bills-2013 GO Bond Proceeds	0.00
TREAS Treasury Notes and Bills-2013C GO Bond Proceeds	0.00
FNMA Federal National Mortgage Association	0.00
FHDN Federal Home Loan Discount Note	0.00
INTR International Bank	0.00
FFCB Federal Farm Credit Banks	0.00

TOTAL

119,401,830.37

Investment Ratios

CD's	13.87%
Municipal Obligations	8.92%
US T-Bills/Notes	77.21%
FNMA	0.00%
FHLB	0.00%
FFCB	0.00%
	<u>100.00%</u>

Packet Information

File #: TMP-0156, **Version:** 1

AN ORDINANCE APPROVING A FIXED BASE OPERATOR AGREEMENT WITH LEGACY AVIATION, INC. d/b/a FLYING KC FOR THE LEASE OF SUITE C IN THE AIRPORT MODULAR BUILDING TO PERFORM FLIGHT TRAINING, AIRCRAFT RENTAL, AIRCRAFT MANAGEMENT/CONSULTING AND AIRCRAFT SALES AT THE LEE'S SUMMIT MUNICIPAL AIRPORT AND AUTHORIZING THE CITY MANAGER TO ENTER INTO THE SAME WITH LEGACY AVIATION, INC. d/b/a FLYING KC FOR A PERIOD OF ONE YEAR WITH A ONE YEAR AUTOMATIC RENEWAL OPTION.

Issue/Request:

AN ORDINANCE APPROVING A FIXED BASE OPERATOR AGREEMENT WITH LEGACY AVIATION, INC. d/b/a FLYING KC FOR THE LEASE OF SUITE C IN THE AIRPORT MODULAR BUILDING TO PERFORM FLIGHT TRAINING, AIRCRAFT RENTAL, AIRCRAFT MANAGEMENT/CONSULTING AND AIRCRAFT SALES AT THE LEE'S SUMMIT MUNICIPAL AIRPORT AND AUTHORIZING THE CITY MANAGER TO ENTER INTO THE SAME WITH LEGACY AVIATION, INC. d/b/a FLYING KC FOR A PERIOD OF ONE YEAR WITH A ONE YEAR AUTOMATIC RENEWAL OPTION.

Key Issues:

The Airport has received a request for permission to establish an aircraft flight training, aircraft rental, aircraft management/consulting and aircraft sales in Suite C of the Airport Modular building. The office rental rate would be \$266.00 per month as established in the City's schedule of fees for this office plus fuel sales generated from flight operations. The initial rental rate for the office space, would generate an annual revenue total of \$3,192.00. Suite B will be provided at no charge for one-year for the purpose of ground school, after which time a rate would be negotiate for continued use of this office.

Proposed City Council Motion:

I move for a second reading of AN ORDINANCE APPROVING A FIXED BASE OPERATOR AGREEMENT WITH LEGACY AVIATION, INC. d/b/a FLYING KC FOR THE LEASE OF SUITE C IN THE AIRPORT MODULAR BUILDING TO PERFORM FLIGHT TRAINING, AIRCRAFT RENTAL, AIRCRAFT MANAGEMENT/CONSULTING AND AIRCRAFT SALES AT THE LEE'S SUMMIT MUNICIPAL AIRPORT AND AUTHORIZING THE CITY MANAGER TO ENTER INTO THE SAME WITH LEGACY AVIATION, INC. d/b/a FLYING KC FOR A PERIOD OF ONE YEAR WITH A ONE YEAR AUTOMATIC RENEWAL OPTION.

I move for adoption of AN ORDINANCE APPROVING A FIXED BASE OPERATOR AGREEMENT WITH LEGACY AVIATION, INC. d/b/a FLYING KC FOR THE LEASE OF SUITE C IN THE AIRPORT MODULAR BUILDING TO PERFORM FLIGHT TRAINING, AIRCRAFT RENTAL, AIRCRAFT MANAGEMENT/CONSULTING AND AIRCRAFT SALES AT THE LEE'S SUMMIT MUNICIPAL AIRPORT AND AUTHORIZING THE CITY MANAGER TO ENTER INTO THE SAME WITH LEGACY AVIATION, INC. d/b/a FLYING KC FOR A PERIOD OF ONE YEAR WITH A ONE YEAR AUTOMATIC RENEWAL OPTION.

Background:

Legacy Aviation, Incorporated Doing Business As (DBA) "Flying KC" has been formed as an aircraft rental, flight instruction, aircraft broker, and aircraft management company. The Co-Founders come from diverse backgrounds that include multiple successful service-based business operations, fixed-wing flight instruction, and commercial flying experience. Flying KC will offer well-maintained aircraft for individual rental and flight training. Flying KC will also provide primary and advanced flight instruction through the use of independent flight instructors possessing corporate and airline backgrounds. Flying KC will offer professional aviation management and consulting advice for individual and corporate aircraft needs. The operators of Legacy Aviation would like to lease the office space "C" for the listed price in the schedule of fees, and be able to utilize office space "B" for a period of 12 Months at no additional charge. After the first year, they would like to renegotiate the terms of the additional office space (and perhaps even more offices) based on their growth and demand for more space. The Modular Building has six office units available for rental and currently all six are vacant. At times all six have been rented. The usage of office space "B" for one-year will allow Legacy Aviation to get their operations established.

Impact/Analysis:

The Airport has been without a flight school operation since the retirement of the owners of Midwest Executive Aircraft, Inc in July 2012. The Airport has actively marketed for a Flight School operator since July 2012. Flight School operations not only provide additional revenues for the Airport in the way of fuel sales, but also provide hangar tenants from students or renter's who decide to purchase their own aircraft and need hangar space to store their aircraft.

Presenter: John Ohrazda, Airport Manager

Recommendation: STAFF RECOMMENDS APPROVAL OF AN ORDINANCE APPROVING A FIXED BASE OPERATOR AGREEMENT WITH LEGACY AVIATION, INC. d/b/a FLYING KC FOR THE LEASE OF SUITE C IN THE AIRPORT MODULAR BUILDING TO PERFORM FLIGHT TRAINING, AIRCRAFT RENTAL, AIRCRAFT MANAGEMENT/CONSULTING AND AIRCRAFT SALES AT THE LEE'S SUMMIT MUNICIPAL AIRPORT AND AUTHORIZING THE CITY MANAGER TO ENTER INTO THE SAME WITH LEGACY AVIATION, INC. d/b/a FLYING KC FOR A PERIOD OF ONE YEAR WITH A ONE YEAR AUTOMATIC RENEWAL OPTION.

Board of Aeronautic Commissioners Recommendation: The Board of Aeronautic Commissioners voted unanimously 8-0 to recommend to the Finance and Budget Committee approval of AN ORDINANCE APPROVING A FIXED BASE OPERATOR AGREEMENT WITH LEGACY AVIATION, INC. d/b/a FLYING KC FOR THE LEASE OF SUITE C IN THE AIRPORT MODULAR BUILDING TO PERFORM FLIGHT TRAINING, AIRCRAFT RENTAL, AIRCRAFT MANAGEMENT/CONSULTING AND AIRCRAFT SALES AT THE LEE'S SUMMIT MUNICIPAL AIRPORT AND AUTHORIZING THE CITY MANAGER TO ENTER INTO THE SAME WITH LEGACY AVIATION, INC. d/b/a FLYING KC FOR A PERIOD OF ONE YEAR WITH A ONE YEAR AUTOMATIC RENEWAL OPTION.

Finance and Budget Committee Recommendation: I move to recommend to City Council approval of AN ORDINANCE APPROVING A FIXED BASE OPERATOR AGREEMENT WITH LEGACY AVIATION, INC. d/b/a FLYING KC FOR THE LEASE OF SUITE C IN THE AIRPORT MODULAR BUILDING TO PERFORM FLIGHT TRAINING, AIRCRAFT RENTAL, AIRCRAFT MANAGEMENT/CONSULTING AND AIRCRAFT SALES AT THE LEE'S SUMMIT MUNICIPAL AIRPORT AND AUTHORIZING THE CITY MANAGER TO ENTER INTO THE SAME WITH LEGACY AVIATION, INC. d/b/a FLYING KC FOR A PERIOD OF ONE YEAR WITH A ONE YEAR AUTOMATIC RENEWAL OPTION.



Consolidated Business Plan

Prepared for:

City of Lee's Summit Missouri

Municipal Airport

June 6, 2016

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Executive Summary

Legacy Aviation, Incorporated Doing Business As (DBA) “Flying KC” has been formed as an aircraft rental, flight instruction, aircraft broker, and aircraft management company. The Co-Founders come from diverse backgrounds that include multiple successful service-based business operations, fixed-wing flight instruction, and commercial flying experience. Flying KC will offer well-maintained aircraft for individual rental and flight training. Flying KC will also provide primary and advanced flight instruction through the use of independent flight instructors possessing corporate and airline backgrounds. Flying KC will offer professional aviation management and consulting advice for individual and corporate aircraft needs.

1.2 Mission

Flying KC offers affordable, professionally-maintained aircraft for rental and flight instruction. We will provide a safe, clean, and highly-effective learning environment while adhering strictly to all applicable Federal, State, and City Aviation Regulations. Flying KC will take student through experienced pilots and grow their aviation capabilities through a proven system ensuring a high success rate.

1.3 Keys to Growth

- A. 24-hour scheduling portal allowing a personalized and painless way for aircraft and instructors to be scheduled.
- B. Aggressive Brand Awareness to the local community demonstrating the opportunity of learning to fly, which many people do not realize exist.
- C. Pro-Active approach to Preventative Maintenance ensuring limited downtime of aircraft.
- D. Provide a student driven training program that reduces the barriers of entry into the world of aviation, ensuring a high follow through rate for discovery flights.

2.0 Company Structure and Requested Information

Flying KC has prepared the below information to comply with the requests outlined in “Appendix 2” of the *Municipal Airport Minimum Standards for Commercial Aeronautical Service Providers*.

2.1 Name and Ownership of Business

Legacy Aviation, Inc. DBA Flying KC is a Missouri Corporation. The stock of the corporation is jointly 50% owned by Thomas Alwardt of Kansas City, MO and Taylor Hill of Blue Springs, MO. Legacy Aviation is within good standing with the State of Missouri.

The current contact information for the business is:

Legacy Aviation, Inc.
600 EE Kirby Road
Grain Valley, MO 64029
816-579-1800
www.FlyingKC.com
info@flyingkc.com

The contact information for the owners is as follows:

Taylor Hill
4405 SE Willow Place Ct.
Blue Springs, MO 64014
816-377-6622
thill@flyingkc.com

Thomas Alwardt
5619 Rockhill Road
Kansas City, MO 64110
816-536-7438
thomas@flyingkc.com

2.2 Services Offered

Flying KC's main service offerings include:

- Primary Flight Instruction
- Aircraft Rental
- Aircraft Management/Consulting
- Occasional Aircraft Sales

2.3 Amount of Land desired to Lease

Flying KC in its current state has no plans on leasing any land from the city of Lee's Summit, other than the tie-down areas designated by the city and included in the Lease Agreement between Flying KC and the City of Lee's Summit.

2.4 Building Space that will be constructed of leased

Flying KC wishes to lease Office Space in the modular building located at Lee's Summit Municipal Airport. Upon approval of the city to operated, Flying KC wishes to rent suite "E" of the office space with future expansion to follow based on demand for services offered.

2.5 Number of Aircraft Provided

Flying KC currently has one aircraft available for Instruction and Rental. Flying KC's growth model includes adding two more aircraft with an anticipated number totaling three (3) for the first year with subsequent growth following thereafter.

2.6 Equipment and Special Tooling to be provided

In addition to the aircraft available for rental and instruction, Flying KC plans to operate a Flight Simulator system to be located within the office space being leased. This will be utilized for new pilot training, in addition to existing pilots for currency requirements.

2.7 Number of Persons to be Employed

Flying KC will not have any employees other than the two corporate officers mentioned above in section 2.1.

2.8 Operating Policies and Procedures

A copy of our operating policies and procedures for Aircraft Rental are attached as Appendix 1. Our flight instruction procedures conform to Federal Aviation Administration standards as outlined in the F.A.R.

2.9 Abbreviated Resumes of Corporate Owners

Thomas Alwardt is an Airline Transport Pilot with over 1000 hours of dual instruction given. Thomas has successfully and profitably operated an aircraft instruction and rental business. In addition to his flight instruction background, Thomas holds a single-pilot King Air 350 type and has worked for Executive Airshare as a corporate pilot. He has an unblemished record with the FAA, and has a passion for introducing people to aviation. He is a graduate of University of Central Missouri with a degree in Flight Operations and Business Management.

Taylor Hill is an entrepreneur that has owned several successful companies in the Kansas City area. His business background includes Showtime Transportation, providing Trolley, Bus, and Limousine services to the greater Kansas City Metro. He has also successfully brokered aircraft for the past five years and has sold more than 40 aircraft. Taylor learned to fly at Lee's Summit Municipal Airport. His passion for aviation is what has driven him to partner with Thomas to introduce people to the world of aviation.

2.10 Management of Business Operations

For the first year of operations, Thomas and Taylor will be the sole operator and managers of the operations conducted at Lee's Summit Airport. In the event of continued growth, we may decide to bring additional management onto the team.

2.11 Hours of Proposed Operation

Flying KC will operate from 8:00 AM to 6:00 PM on a Monday through Saturday basis. Additional flight instruction will take place before or after the above mentioned times as required.

2.12 Insurance Coverage to be Maintained

Flying KC has full commercial insurance on the aircraft owned with limits of \$1,000,000 per occurrence and \$100,000 per personal. Additionally, Flying KC will maintain Premises Liability coverage in the amount of \$2,000,000 per occurrence of combined single limit for bodily injury and property damage. This coverage complies with Appendix 1 of the "Municipal Airport Minimum Standards for Commercial Aeronautical Service Providers"

2.13 Current Financial Status and Business Projections

Flying KC is a debt free company with cash reserves in the bank exceeding the operational expense requirements necessary to operate the company for the next year (12 months). Projected Cash Flow for the first year is as follows:

First Year Projected Cash Flow	
Revenue	
Aircraft Rental Income	\$74,400.00
Flight Instruction Income	\$9,000.00
Aircraft Management	\$18,000.00
Combined Revenue	\$101,400.00
Variable Costs	
Aircraft Operating Costs @ 600 Hours	(\$31,782.00)
Fixed Costs	
Advertising	(\$2,500.00)
Insurance	(\$3,300.00)
Lease Expense	(\$3,180.00)
Combined Expense	(\$40,762.00)
Projected First Year Profit	\$60,638.00

Based on Market Demand, Flying KC may elect to add additional aircraft and instruction to the business model. In the event this takes place, we project increased revenue from aircraft rental equivalent to 80% of the first aircraft. A third aircraft available is likewise projected to generate revenue equal to 80% of the second aircraft. Therefore with continued growth the subsequent 2 years following the first year is projected to be:

Year 2 and 3 Projected Cash Flow				
Revenue	Aircraft 1	Aircraft 2	Aircraft 3	Total
Aircraft Rental Income	\$74,400.00	\$59,520.00	\$47,616.00	
Flight Instruction Income	\$9,000.00	\$7,200.00	\$5,760.00	
Aircraft Management	\$18,000.00			
Combined Revenue	\$101,400.00	\$66,720.00	\$53,376.00	\$221,496.00
Variable Costs				
Aircraft Operating Costs	(\$31,782.00)	(\$25,425.60)	(\$20,340.48)	(\$77,548.08)
Fixed Costs				
Advertising				(\$6,000.00)
Insurance				(\$8,500.00)
Lease Expense				(\$4,296.00)
Combined Expense				(\$96,344.08)
Projected Profit				\$125,151.92

2.14 Advertising Practices to be Utilized

Flying KC will market to the following areas:

- A. Existing Local Pilots looking for additional Ratings
- B. Local individuals seeking to earn their pilots license
- C. Out of Town individuals looking for an accelerated flight training schools

In order to be successful capturing those audiences, Flying KC will market heavily online through traditional advertising sources such as the already developed flyingkc.com website, Google advertising, social media outlets, and more.

Further advertising outside of electronic means will include but not limited to:

- Postcards to local area residents
- Booths at aviation related open houses
- Relationships with the Chamber of Commerce and City Functions
- Signage on the building and flyers in local FBO's advertising our services

2.15 Amenities Offered to Attract Customers

The initial state of operation for Flying KC will offer the following amenities:

- High Quality Aircraft for Rental
- Simulator for instruction of new students and currency compliance for existing pilots
- Motivated and passionate instructors differentiating our services from other local flight schools

2.16 Future Physical Expansion

Flying KC has future plans to expand our current service offerings as well as grow to provide additional services in the aviation related field. Before expanding in detail on future expansion plans, Flying KC would like to assess the setting and potential opportunities that the Lee's Summit Airport has to offer. In the event a future business growth model looks profitable, we would like to invest in a larger facility either by leasing ground from the airport and building our own facility or leasing additional and more modern facilities from the airport.

3.0 Summary and Additional Thoughts

Flying KC was created as a for-profit company, but has more goals in mind than just turning a profit. We realize the difficulties involved in the aviation related field, and fully know what we are getting ourselves into. It is our goal to not just be profitable, but to do so while generating additional interest in aviation and learning to fly. We view Lee's Summit as a unique opportunity to partner with a municipality that sees the importance of marketing the airport and its services to the local community. We also feel there is currently a void for quality flight instruction and aircraft rental in the Kansas City area. We hope to bridge the gap that currently exists and do so in a fun and enthusiastic manner. If our mission proves successful, we hope to continue a mutually beneficial relationship with the City of Lee's Summit, and we look forward to what the future brings.



LEE'S SUMMIT
MISSOURI

FIXED BASE OPERATOR AGREEMENT

Between

Legacy Aviation, Inc. dba Flying KC

2016

And

The City of Lee's Summit, Missouri

FIXED BASE OPERATOR AGREEMENT

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FIXED BASE OPERATOR AGREEMENT

THIS LEASE AGREEMENT is made this ____ of _____, 2016, between the City of Lee's Summit, Missouri, hereinafter called "City," and Legacy Aviation, Inc. dba Flying KC, a corporation incorporated and existing under the laws of the State of Missouri and authorized to do business in the State of Missouri, hereinafter called "Operator".

WITNESSETH

WHEREAS, City operates the Lee's Summit Municipal Airport, hereafter called "Airport," located in the City of Lee's Summit, Jackson County, Missouri; has the right, title and interest in and to the real property comprising the Airport; and has full power and authority to enter into this Agreement;

WHEREAS, the Operator is desirous of leasing from the City certain premises located at the Airport; and

WHEREAS, Operator agrees to comply with the Minimum Standard Requirements for Airport Aeronautical Services adopted by the City for fixed based operators at the Lee's Summit Municipal Airport and the Lee's Summit Municipal Airport Rules and Regulations, and as may be amended from time to time, which are hereby incorporated by reference as if fully set forth herein, for so long as this Agreement is in effect.

NOW, THEREFORE, in consideration of the mutual covenants and considerations herein contained, City leases to Operator and Operator leases from City the following described premises and rights, subject to the following:

SECTION 1. LEASED PREMISES

Subsection 1.01 Description of Leased Premises

A. The term "Leased Premises", as referenced to in this Agreement, includes 154 square feet total space available in the following premises located at the Lee's Summit Municipal Airport, 2721 NE Douglas; Office Suite C, Lee's Summit, Missouri, 64064 for a period of two (2) years from and after the date of this Agreement after which time consideration will be giving for the rental of the entire building.

B. The above referenced facilities are included as part of the Leased Premises in their present condition, and any improvements, together with the easements and rights thereto or as may be hereafter separately granted to effectuate the purposes of this lease, including the right of ingress thereto and egress therefrom.



C. The Operator may also use up to five (5) paved tie-downs, on an as needed basis and when available, to be used only for those aircraft that are owned, operated or under the control of the Operator. Such tie-down spaces are not specific as to location and are not for exclusive use by the Operator.

D. Upon request from the Operator and approval by the Airport Manager, the Operator may lease additional aircraft tie-downs or additional aircraft storage hangars on a daily or monthly basis for those aircraft that are owned, operated, or under the control of the Operator. Such additional tie-downs or hangars will be leased subject to the terms of this Agreement.

E. The parties agree that the Operator may, upon approval by the City Manager, substitute the above referenced open or enclosed aircraft storage hangars for other such hangars. The Operator may also rent additional open or enclosed aircraft storage hangars at rates based on the City's schedule of fees. If substitution or addition of hangars takes place, the parties shall execute an addendum to this agreement reciting such substitution or addition. The City Manager is hereby authorized to execute any such addendum to this Agreement relating to substitution or addition of hangars. Any additional or substituted hangars will be subject to the terms of this Agreement, and the rental rate shall be the hangars current retail rate (the "Posted Rate").

SECTION 2. PURPOSE OF AGREEMENT

Subsection 2.01. Use of Leased Premises.

A. Purpose of Agreement: The purpose of this Agreement is to lease the Leased Premises to the Operator and to enable the Operator to perform Aeronautical Services as a Fixed Base Operator (FBO) at the Airport. In addition to other limitations and restrictions contained in this Agreement, the Operator agrees to the following limitations on the permitted uses of the Leased Premises:

1. The operation of a Flight School, Aircraft rental, Aircraft Management/Consulting and aircraft sales under the control of the Operator.

B. Conditions of Granting Fixed Base Operator Status: Granting Operator the status of Fixed Based Operator is conditioned upon the following covenants:

(1) That the right to use the public airport facilities as well as all of Operator's rights as a fixed Base Operator shall be exercised subject to and in accordance with the laws of the United States of America including regulations promulgated by the Federal Aviation Administration (FAA), the State of Missouri, and the City of Lee's Summit, now in force or afterwards ordained or promulgated including environmental legislation and regulations.



(2) That Operator shall obtain a business license from the City prior to commencement of its Aeronautical Services.

(3) That Operator shall provide the City with appropriate certificates of insurance in accordance with Subsection 8.02 and all relevant FAA certificates for types of services provided.

(4) That the Operator shall comply with the Minimum Standard Requirements for Airport Aeronautical Services ("Requirements") as adopted and revised by the City. The Operator understands that this requirement is ongoing and continuing in nature, and that the Requirements are subject to future modification.

(5) That the Operator shall comply with Lee's Summit Municipal Airport Rules and Regulations.

C. Aeronautical Services. Upon execution of this agreement, the Operator is authorized to undertake and provide the following proposed Aeronautical Services: Flight school, Aircraft Rental, Aircraft Management/Consulting and Aircraft Sales. The rights granted by this agreement will be exercised in such a way as to not interfere with or adversely affect the use, operation, maintenance or development of the Airport.

Subsection 2.02. No Exclusive Right. It is understood and agreed that nothing contained herein shall be construed to grant or authorize the granting of an exclusive right within the meaning of Section 308 of the Federal Aviation Act of 1958.

Subsection 2.03. Prohibited Activities. The following activities are expressly prohibited:

- A. Operator agrees not to use the Leased Premises or permit the use thereof in such manner as to make void or increase the rate of insurance thereon.
- C. The Operator is prohibited from selling or dispensing aircraft fuels. Any violation by the Operator of this subsection shall constitute a material breach of this Agreement, and shall constitute cause for immediate termination of the Agreement and repossession of the Leased Premises by the City.

SECTION 3. TERM

Subsection 3.01. Term. The Initial Term of this Agreement is one (1) year, commencing on the August 31, 2016, and terminating August 30, 2017 for Office Suite C



located in the Airport Modular Building located at 2521 NE Douglas. The term of the Lease will automatically renew for one (1) additional year under the same conditions as set forth herein, unless either party provides notice not less than thirty (30) days in advance of its intent to terminate. Any time during the first twelve month period the Operator wishes to lease additional office space in the Modular Unit, the City will entertain the additional rentals at the posted rates of the Airports schedule of fees.

Subsection 3.02 Holdover. In the event Operator shall continue to occupy the Leased Premises beyond the initial Agreement term, or any extension thereof, without the City's written consent thereto, such holding over shall not constitute a renewal or extension of this Agreement but shall create a tenancy from month to month which may be terminated at any time by either party giving thirty (30) days written notice to the other party. The Operator shall perform and maintain its obligations under this Agreement during any holdover period, including the payment of rent in accordance with Subsection 4.01 of this Agreement.

SECTION 4. RENTALS, FEES AND RECORDS

Subsection 4.01 Rentals for Leased Premises.

- A. The rental rate for Suite C in the Modular Building located at 2521 NE Douglas is based on a rate of \$1.727 per square foot rounded up to the nearest dollar, resulting in a rental payment of \$266.00 dollars per month for 154 square feet of space. Suite B will be provided for one-year at no charge. After the first twelve month term a rate will be established for Suite B.
- B.
 1. Rental fees shall be adjusted following the Initial Term and first Renewal of this Agreement, and then after every Renewal Term thereafter, with each such adjustment to become effective upon commencement of the subsequent term. The rental rates shall be adjusted by the total change in the Consumer Price Index for All Urban Consumers, (CPI-U) all items, published by the United States Department of Labor, Bureau of Labor Statistics (1982-84 equals 100) or a successor index appropriately adjusted. This shall be measured by finding the difference between the CPI-U figure for the month immediately prior to the commencement date of the Agreement or of the previous two year measuring period, and the CPI-U index figure for the same month immediately prior to the commencement of the next measuring period, as described in the example below.
 2. The percent increase in the Consumer Price Index during the measuring period shall be multiplied by the annual square footage rental rate to determine the annual rent to be paid for the next Renewal Term. The annual rent increases shall be cumulative. For example:



FORMULA	EXAMPLE
NEW CPI (9/99)	156.91
- OLD CPI (9/94)	149.44
CPI CHANGE+	7.47
 CHANGE IN CPI = % CPI	 7.47 = (5.00%)
OLD CPI	149.44
 (% CPI + 1) X CURRENT RATE =	 (0.05 + 1) X \$0.25 = \$0.26
NEW RATE	

3. Notwithstanding the adjustment calculation methodology stated above, at no time during the term of this Agreement, including any renewals thereof, will the annual square feet rental rate decrease. In the event the adjustment calculation methodology described above would result in a decrease in the annual rental rate, the Operator shall, for that measuring period under the said Renewal Term, pay an annual rental rate in the same amount as that assessed for the Renewal Term or measuring period immediately prior to the period or renewal term involving the calculated or appraised decrease. In the event that the City causes a decrease in the total square feet of the Leased Premises, the total rental amount would decrease proportionately.

Subsection 4.02 Fuel Purchase Rates:

A. Operator agrees to pay fuel pricing, per gallon, established each Monday based on the most recently delivered Wholesale Price + Federal Excise Tax (+ State Excise Tax for 100LL) + (any other federally or state mandated taxes or fees) + City Fee. The City Fee shall be according to the following table, based on Operator's total annual fuel volume purchased from City.

		<u>City Fee</u>	
Gallon	Volume	Fee Per Gallon	Fee Per
		Self Service	Full- Service
	0-49,999	\$ 0.45	\$0.55
	50,000 – 99,999	\$ 0.37	\$0.47
	100,000 – 199,999	\$ 0.35	\$0.45
	200,000 +	\$ 0.30	\$0.40



The fee per gallon for the City Fee shall be assessed incrementally on the respective volumes listed in the above table, such that the fee per gallon for each gallon purchased in the first range shall be \$ 0.45 per gallon for full service and \$0.55 per gallon for self service, the fee per gallon for each gallon purchased in the second range shall be \$ 0.37 per gallon for full service and \$0.47 per gallon for self service and so forth. The above fuel pricing shall apply to and be calculated based on all aircraft owned or operated by the Operator or permanently hangared at the Airport. Per gallon fuel prices shall be rounded up or down to the nearest half cent.

B. The Airport shall provide fuel invoices on a weekly or bi-weekly basis based on Operator's Preference. Operators wishing to pay monthly shall deposit with the City \$5,000 or an amount equal to the average cost for two weeks worth of total fuel usage, whichever is greater. Fuel use will not be charged against this deposit. During each renewal of this Agreement, average fuel use will be reviewed to determine appropriate deposit amount required. Upon such review, the Operator agrees to adjust the deposit as required. Upon termination of this agreement, said deposit shall be returned to the Lessee, minus any amount for unpaid invoices.

Subsection 4.03. Delinquent Payments. The Operator agrees to pay all invoices within ten (10) days after receipt. The City may establish an interest charge computed as simple interest, to be collected on the principal of all sums due and unpaid for more than ten (10) days, but such interest when assessed thereafter, shall be computed from the 11th day after invoice date. The City reserves the right to refuse to provide services, including fuel, or require payment in advance for any fuel or services at any time Operator is thirty (30) days or more delinquent on any payment. Upon payment of any delinquent amounts, the decision to provide services on an advance payment or invoice basis is at the sole discretion of the Airport Manager. In the event that collection activities, including litigation, are used in order to recover past due amounts owed, the City shall be entitled to recover its collections costs, including its reasonable attorney's fees.

Subsection 4.04. Review and Adjustment of Fuel Fees. Fuel fees listed in Subsection 4.02 above shall be in effect for one (1) year from the effective date. Operator and City agree to review fuel fees and re-negotiate, if mutually deemed appropriate for the remainder of the term of this agreement. Upon notification of request for renewal of the agreement per Subsection 3.01, fuel fee shall be reviewed and re-negotiated as appropriate.

Subsection 4.05 Fees for Ramp Tie-Downs and Other Services. Open ramp aircraft tie-downs shall be charged at a rate of fifty percent (50%) of the retail rate (the "Posted Rate") for flight school training, rental aircraft, or on consignment to the Operator. The charge for towing services shall be at the Posted Rate. Any special services not available



or required by other airport patrons will have rates determined on a case by case basis.

Subsection 4.06. Books and Records of Operator. There are no books and records requirements under this Agreement.

Subsection 4.07. Audit. There are no audit requirements under this Agreement.

Subsection 4.08 Fees for Ramp Tie-Downs and Other Services. Open ramp aircraft tie-downs shall be charged at a rate of fifty percent (50%) of the retail rate (the "Posted Rate") for any aircraft under the care of the Operator that exceed the five tiedowns provided. The charge for towing services shall be at the Posted Rate. Any special services not available or required by other Airport patrons will have rates determined on a case by case basis.

Subsection 4.09 Fuel Purchase Rates:

- B. Operator agrees to pay fuel pricing, per gallon, established each Monday based on the most recently delivered Wholesale Price + Federal Excise Tax (+ State Excise Tax for 100LL) + (any other federally or state mandated taxes or fees) + City Fee. The City Fee shall be according to the following table, based on Operator's total annual fuel volume purchased from City.

Gallon	Volume	City Fee	
		Fee Per Gallon	Fee Per
		Self Service	Full- Service
	0-49,999	\$ 0.45	\$0.55
	50,000 – 99,999	\$ 0.37	\$0.47
	100,000 – 199,999	\$ 0.35	\$0.45
	200,000 +	\$ 0.30	\$0.40

The fee per gallon for the City Fee shall be assessed incrementally on the respective volumes listed in the above table, such that the fee per gallon for each gallon purchased in the first range shall be \$ 0.45 per gallon for full service and \$0.55 per gallon for self service, the fee per gallon for each gallon purchased in the second range shall be \$ 0.37 per gallon for full service and \$0.47 per gallon for self service and so forth. The above fuel pricing shall apply to and be calculated based on all aircraft owned or operated by the



Operator or permanently hangared at the Airport. Per gallon fuel prices shall be rounded up or down to the nearest half cent.

B. The Airport shall provide fuel invoices on a weekly or bi-weekly basis based on Operator's Preference. Operators wishing to pay monthly shall deposit with the City \$5,000 or an amount equal to the average cost for two weeks worth of total fuel usage, whichever is greater. Fuel use will not be charged against this deposit. During each renewal of this Agreement, average fuel use will be reviewed to determine appropriate deposit amount required. Upon such review, the Operator agrees to adjust the deposit as required. Upon termination of this agreement, said deposit shall be returned to the Lessee, minus any amount for unpaid invoices.

Subsection 4.10. Delinquent Payments. The Operator agrees to pay all invoices within ten (10) days after receipt. The City may establish an interest charge computed as simple interest, to be collected on the principal of all sums due and unpaid for more than ten (10) days, but such interest when assessed thereafter, shall be computed from the 11th day after invoice date. The City reserves the right to refuse to provide services, including fuel, or require payment in advance for any fuel or services at any time Operator is thirty (30) days or more delinquent on any payment. Upon payment of any delinquent amounts, the decision to provide services on an advance payment or invoice basis is at the sole discretion of the Airport Manager. In the event that collection activities, including litigation, are used in order to recover past due amounts owed, the City shall be entitled to recover its collections costs, including its reasonable attorney's fees.

Subsection 4.11. Review and Adjustment of Fuel Fees. Fuel fees listed in Subsection 4.02 above shall be in effect for one (1) year from the effective date. Operator and City agree to review fuel fees and re-negotiate, if mutually deemed appropriate for the remainder of the term of this agreement. Upon notification of request for renewal of the agreement per Subsection 3.01, fuel fee shall be reviewed and re-negotiated as appropriate.

Subsection 4.12. Books and Records of Operator. There are no books and records requirements under this Agreement.

Subsection 4.13. Audit. There are no audit requirements under this Agreement.

SECTION 5. OBLIGATIONS OF OPERATOR

Subsection 5.01. Operations by Operator: Operator agrees:



- A. To promote aviation activity on the Airport and to conduct operations on the Leased Premises in a proper, efficient and courteous manner.
- B. That all services shall be furnished on a fair, equal and nondiscriminatory basis to all users, and that only fair, reasonable and nondiscriminatory prices for each unit of sale or service will be charged. Operator may, however, make reasonable and nondiscriminatory discounts, rebates or other similar price reductions to volume purchasers.
- C. To furnish those Aeronautical Services listed heretofore and to receive written approval from the Airport Manager of all Operator's operations, signs, etc. thirty (30) days before start-up of any additional Aeronautical Services or cessation of any or all approved Aeronautical Services.
- D. To supply the Airport Manager with a list of its employees or associated personnel names, job titles and duties, and their emergency telephone numbers and addresses.
- E. To not execute an agreement with any subcontractor to perform the Operator's Aeronautical Services without written approval of the City and to insert in all subcontracts a provision requiring the subcontractors to comply with applicable provisions of this agreement and further provide in each subcontract a statement "that nothing contained in these conditions shall create any contractual relationship between the subcontractor and the City."
- F. To provide the City with a list by "N" number and type of all aircraft owned or operated by Operator and to provide a written revision of said list within seven (7) days of any aircraft changes.
- G. To follow the procedures of National Fire Protection Association when draining residual fuel from aircraft tanks incidental to aircraft fuel system maintenance, testing, manufacturing, salvage, or recovery operations
- H. To store any paints, cleaners or other flammable liquids in an approved storage locker.
- I. Follow all Homeland Security requirements and Transportation Security Administration recommendations, as amended, as they pertain to registering and recording new student pilots and pilot rating upgrades.

Subsection 5.02 Nondiscrimination. Operator, for itself, it's personal representatives, successors in interest, and assigns, as part of the consideration hereof, does hereby covenant and agree that (A) no person on the grounds of race, color, or national



origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of the leased premises; (B) that in the construction of any improvements on, over, or under such land and the furnishing of services thereof no person on the grounds of race, color or national origin shall be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination; (C) that Operator shall use the Leased Premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in Federally-assisted programs of the Department of Transportation, Effectuation of Title VI of the Civil Rights Act of 1964, and as said Regulations may be amended, to the extent that said requirements are applicable, as a matter of law, to Operator.

Subsection 5.03. Fair Service. The Operator agrees to furnish service on a fair, equal and not unjustly discriminatory basis to all users thereof, and to charge fair, reasonable and not unjustly discriminatory prices for each unit or service; provided, that the Operator may make reasonable and nondiscriminatory discounts, rebates or other similar types of price reductions to volume purchasers.

Subsection 5.04. Observance of Statutes, etc. The granting of this Agreement and its acceptance by Operator is conditioned upon the right to use the Airport facilities in common with others authorized to do so. The Operator shall observe and comply with any and all requirements of the constituted public authorities and with all Federal, State or Local statutes, ordinances, regulations and standards applicable to Operator for its use of the leased premises, including but not limited to, rules and regulations promulgated from time to time by the City for the administration of the Airport. The Operator shall also defend, reimburse, indemnify and hold harmless the City, its agents, employees and elected officials, including costs of defense, from any claims, demands, penalties or liability which may accrue to it because of any alleged violation or noncompliance with any such statute, ordinance, rule or standard by the Operator or resulting from Operator's activities hereunder.

SECTION 6. OBLIGATIONS OF THE CITY

Subsection 6.01. Operation as a Public Airport. The City reserves the right to discontinue use of the Airport as an airport. The City covenants and agrees that as long as the City continues to use the Airport as an airport it will operate and maintain the Airport consistent with and pursuant to the Sponsor's Assurances given by the City to the United States Government under the Federal Aviation Act, subject to the City's Reservations set forth in this Agreement.



SECTION 7. CITY'S RESERVATIONS

Subsection 7.01. Free and Unrestricted Flight. There is hereby reserved to the City, its successors and assigns, for the use and benefit of the public, a free and unrestricted right of flight for the passage of aircraft in the airspace above the surface of the Leased Premises herein leased, together with the right to cause in said airspace such noise as may be inherent in the operation of aircraft, now known or thereafter used for navigation of or flight in the air using said airspace or landing, taking off from, or operating on or about the Airport.

Subsection 7.02. Subordination to U.S. Government. This Agreement shall be subordinate to the provisions of any existing or future agreements between City and the United States or any agency thereof, relative to the operation and maintenance of the Airport, the terms and execution of which have been or may be required as a condition precedent to the expenditure or reimbursement to the City for Federal funds for the development of the Airport.

Subsection 7.03 Improvement, Relocation, or Removal of Structures. The City, at its sole discretion, reserves the right to further develop or improve the aircraft operating area and other portions of the Airport (including, without limitation, the Leased Premises), including the right to remove or relocate any structure on the Airport as it sees fit, and to take any action it considers necessary to protect the aerial approaches of the Airport against obstructions, together with the right to prevent the Operator from erecting or permitting to be erected, any buildings or other structures on the Airport which, in the opinion of the City, would limit the usefulness of the Airport or constitute a hazard to aircraft. The City further reserves the right to take any of the aforementioned actions regardless of the desire or views of the Operator, without interference or hindrance by the Operator and without obligation to abate rent or otherwise provide relief of be liable to the Operator for any harm or inconvenience from disruption of Airport operations resulting from such actions. Notwithstanding the forgoing, in the event that the City closes the Airport Administrative Building, the Office Premises shall cease to be a part of the Leased Premises as of the date of such closing and this Agreement shall be deemed to be terminated, as to the Office Premises only, as of the date of such closing. In the event that the City closes the Airport Administrative Building because of the construction of a replacement Airport Administrative Building, the City will use its best efforts to secure office space for Operator, subject to the terms of this Agreement, in: 1) the replacement Airport Administrative Building; and 2) any temporary office space made available by the City during the construction of the replacement Airport Administrative Building.

Subsection 7.04. Inspection of Leased Premises. The City, through its duly authorized



agent, shall have at any reasonable time, the full and unrestricted right to enter the Leased Premises for the purpose of periodic inspection for fire protection, maintenance and to investigate compliance with the terms of this Agreement.

Subsection 7.05. War or National Emergency. During the time of war or national emergency, the City shall have the right to lease the Airport or any part thereof to the United States Government for military use, and if any such lease is executed, the provisions of this Agreement insofar as they are inconsistent with the lease to the Government shall be suspended.

SECTION 8. INDEMNITY AND INSURANCE

Subsection 8.01. Indemnification. Operator agrees to protect, defend, indemnify, and hold the City of Lee's Summit, and its officers employees, elected officials in their official and personal capacities, and attorneys, completely harmless from and against any and all liabilities, losses, suits, claims, judgments, fines, or demands arising by reason of injury or death of any person or damage to any property, including all reasonable costs for investigation and defense thereof (including but not limited to reasonable attorney fees, court costs, and expert fees), of any nature whatsoever arising out of or incident to this Agreement or the use or occupancy of the Leased Premises, or the acts or omissions of Operator's officers, agents, employees, contractors, subcontractors, licensees, or invitees, regardless of where the injury, death, or damage may occur, unless such injury, death or damage is caused solely by the negligence or willful misconduct of the City, or its officers and employees. This duty shall also extend to claims of damages to the environment caused by Operator, including but not limited to the investigation, field study, and clean up costs assessed by any federal, state or local agency against the City of Lee's Summit or any of its agents or employees, as well as any civil fine or penalty. The City shall give to the Operator reasonable notice of any such claims or actions. The provisions of this Section shall survive the expiration or early termination of this Agreement. The duties of the Operator specified herein shall not be limited by the amount of any insurance coverage required to be provided by the Operator herein, but shall extend to the full amount of any such claim or liability. This duty shall also not be limited by the provision of any workers' compensation coverage.

Subsection 8.02 Insurance Requirements. Operator shall, at its expense, procure and keep in force at all times during the term of this Agreement, from a financially sound and reputable company acceptable to the City, all types of insurance required pursuant to the City's Minimum Standard Requirements for Aeronautical Services, Appendix 1, Minimum Insurance Policy Requirements, as revised January 8, 2015, in amounts at least equal to the minimum amounts specified therein, unless specified otherwise in this subsection, insuring Operator for bodily injury and property damage, and such other



insurance necessary to protect the Operator from all such claims and actions described in the preceding section 8.01. Without limiting its liability, Operator also agrees to carry and keep in force insurance with single limit liability for bodily injury or death and property damage in a sum not less than \$1,000,000 per occurrence, together with the following specific limitations per occurrence: 1) Airport operations- minimum of \$1,000,000 per occurrence; and 2) Products and Completed Operations- minimum of \$100,000 per occurrence. Operator also agrees to carry and keep in force Hangarkeeper's Liability insurance coverage of not less than \$100,000 per aircraft and not less than \$250,000 per occurrence. Operator recognizes that the required amounts of coverage set forth above are the minimum limits, and may not reflect the Operator's actual risk. Operator shall furnish the City with a certificate of insurance as evidence of coverage. Said insurance policies shall not be canceled or materially modified or non-renewed except upon thirty (30) days advance written notice to the City. Coverage is to be written on the broadest liability form which is customarily available at reasonable cost. Operator further agrees to name the City as an additional insured on all applicable policies, with the exception of the policy endorsement covering hired and non-owned automobiles, and workers compensation. Operator further agrees to increase its insurance coverage, if necessary, to ensure coverage for all approved Aeronautical Services and if Operator adds any Aeronautical Services not identified in Subsection 2.01(C).

Subsection 8.03 Insurance Notification. Operator shall file a certificate of insurance with the City evidencing that Operator has procured all required insurance coverage and that said insurance coverage will not be canceled without thirty (30) day advance written notice to the City. This agreement will not be executed or renewed by the City until such proof of coverage has been received, reviewed and accepted by the City.

SECTION 9. TERMINATION OF AGREEMENT BY OPERATOR

Subsection 9.01. Termination. Unless renewed by the Operator as described in Subsection 3.01, this Agreement shall terminate at the end of the term, or at such time as written notice of termination is provided by either party as provided in Subsection 9.02 or Subsection 10.02.

Subsection 9.02. Termination by Operator. Operator, in addition to any other rights it has under the law, may terminate this Agreement and terminate its obligations hereunder (excluding such obligations that survive the expiration or termination of this Agreement) at any time that Operator is not in default in the payment of rentals and/or fees to the City by giving the City sixty (60) days advance written notice to be served as hereinafter upon or after the happening of any one of the following events:



- A. The issuance by any court of competent jurisdiction of an injunction in any way preventing or restraining the use of the Airport, so as to substantially affect Operator's use of the system at the Airport, and the remaining in force of such injunction for a period of at least sixty (60) days; provided, however, that such injunction is not due to Operator's operation at the Airport.
- B. The default by the City in the performance of any covenant or agreement herein required to be performed by the City, and the failure of the City to undertake and be continuing to remedy such default for a period of sixty (60) days after receipt from Operator of written notice to remedy the same; provided, however, that no notice of termination, as above provided, shall be of any force or effect if the City shall have remedied the default prior to receipt of Operator's notice of termination.
- C. The assumption by the United States Government or any authorized agency thereof of the operation, control, or use of the Airport and facilities or any substantial part or parts thereof, in a manner as substantially to restrict Operator for a period of at least sixty (60) days from full use of its leased premises, and in that event, a just and proportionate part of the rent hereunder shall be abated.

SECTION 10. TERMINATION OF AGREEMENT BY CITY

Subsection 10.01. Termination by the City. The City, in addition to any other rights to which it may be entitled by law, may declare this Agreement terminated in its entirety as provided in Subsection 10.02 upon or after the happening of any one or more of the following events, and may exercise all rights of entry and re-entry upon the Leased Premises. These events are as follows:

- A. The completion of the initial or any subsequent term without written notice of Operator's intention to enter into a subsequent term extension.
- B. The failure to pay all installments of fees then due (with interest) within thirty (30) days after receipt by Operator of written notice from the City to pay such rent.
- C. The filing by Operator of a voluntary petition in bankruptcy or the making of any assignment of all or any part of Operator's assets for benefit of creditors.
- D. The filing of an involuntary bankruptcy petition against the Operator as a bankrupt pursuant to any involuntary bankruptcy proceedings.
- E. The taking of jurisdiction by a court of competent jurisdiction of Operator or its



assets pursuant to proceedings brought under the provisions of any Federal reorganization act.

- F. The appointment of a receiver or a trustee of Operator's assets by a court of competent jurisdiction or a voluntary agreement with Operator's creditors.
- G. The breach by Operator of any of the covenants or agreements herein contained, and the failure of Operator to remedy such breach within 30 days after receipt of written notice of such breach from the City.
- H. The abandonment of the Leased Premises.
- I. The breach of any one of the covenants contained in Subsection 2.03.C., in which case the provisions of Subsection 10.02 concerning notice to the Operator of the breach and time to cure said breach shall not apply.
- J. The Operator, its principles, directors, owners or agents, transfers, sells or otherwise conveys an ownership interest in the Operator greater than 50%.
- K. The City's discontinuation of use of the Airport as an airport.

Subsection 10.02. Termination Notice. In the event the City exercises its option to cancel this Agreement upon the happenings of any or all of the events set forth in this Section, a notice of cancellation shall be sufficient to cancel this Agreement; and, upon such cancellation, Operator hereby agrees that it will forthwith cease all FBO services defined and approved herein. The City shall provide written notice of its intent to terminate the Agreement to the Operator a minimum of sixty (60) days prior to the date of termination, except for termination as described in Subsection 10.01I. Failure of the City to declare this Agreement terminated for any of the reasons set out shall not operate to bar, destroy, or waive the right of the City to cancel this Agreement by reason of any subsequent violation of the terms hereof.

SECTION 11. ASSIGNMENT AND SUBLETTING

Subsection 11.01. Assignment. Operator shall not assign this Agreement or any part thereof in any manner whatsoever or assign any of the privileges recited herein without the prior written consent of the City. In the event of such assignment, Operator shall remain liable to the City for the remainder of the term of the Agreement to pay to the City any portion of the rentals or fees provided for herein upon failure of the assignee to pay the same when due. Said assignee shall not assign said Agreement except with the prior written approval of the City and the Operator herein, and any assignment by the Operator shall contain a clause to this effect. The City shall not unreasonably withhold its consent to any assignment, transfer or delegation by the Operator of its



privileges and obligations under this Agreement to any successor, parent organization, wholly owned subsidiary or affiliate of the Operator.

Subsection 11.02 Subletting. The Operator shall not have the right to sublease all or part of the Leased Premises subject to the following conditions:

- A. No sublease or rental for the performance of FBO or Special Aviation Services Operator (SASO) services, the engagement of any aviation-related commercial activity upon the Leased Premises, or for any aviation-related commercial purposes shall be valid unless the sublessee has executed a separate Fixed Based Operator Agreement with the City; and
- B. No sublease or rental for the performance of non aviation-related services or operations on the Leased Premises shall be valid unless the sublessee has executed a General Services Provider Agreement with the City.

Subsection 13.02. Subletting. The Lessee shall have the right to sublease all or part of the leased premises

SECTION 12. GENERAL PROVISIONS

Subsection 12.01. The City shall maintain and keep in repair the Airport landing areas, including taxiways and aircraft parking apron and shall have the right to direct and control all activities of the Operator in this regard.

Subsection 12.02. Attorney's Fees. In any action brought by either party for the enforcement or the construction of the terms of this Agreement, the City, if it is a prevailing party in the action, shall be entitled to recover interest and its reasonable attorney's fees and litigation expenses, including, but not limited to, expert witness fees and expenses.

Subsection 12.03. Taxes. Operator shall pay any personal property taxes and other taxes which may be assessed against equipment, merchandise, or other personal property belonging to Operator located on the Leased Premises, or other permitted portions of the Airport, or upon Operator's activities thereupon.

Subsection 12.05. License Fees and Permits. Operator shall obtain and pay for all licenses, permits, fees or other authorization or charges as required under Federal, State or local laws and regulations insofar as they are necessary to comply with the requirements of this Agreement and the privileges extended hereunder.

Subsection 12.06. Non-Exclusive Rights. It is hereby specifically understood and agreed between the parties that nothing contained hereby shall be construed to grant or



authorize the granting of an exclusive right prohibited by Section 308 of the Federal Aviation Act of 1958, as amended; and the City reserves the right to grant to others the privilege and right of conducting any one or all of the Aeronautical Services listed herein or any other activity of an aeronautical nature.

Subsection 12.07. Paragraph Headings. The paragraph headings contained herein are for convenience in reference and are not intended to define or limit the scope of any provision of the Agreement.

Subsection 12.08. Applicable Law; Venue. This Agreement shall be interpreted in accordance with the laws of the State of Missouri. Should any part of this Agreement be adjudicated, jurisdiction and venue shall be proper only in the Circuit Court of Jackson County, Missouri.

Subsection 12.09. Non-Waiver. No waiver of any condition or covenant contained in this Agreement or of any breach thereof shall be taken to constitute a waiver of any subsequent condition, covenant or breach.

Subsection 12.10. Severability. If any term or provision of this Agreement or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Agreement, or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby and each other term and provision of this Agreement shall be valid and be enforced to the fullest extent permitted by law.

Subsection 12.11. Binding Effect. This Agreement, including all of its covenants, terms, provisions, and conditions, shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, successors and assigns.

Subsection 12.12. No Partnership. Nothing contained in this Agreement shall be deemed to create the relationship of principal and agent or of partnership or joint venture or any relationship between the City and Operator other than the relationship of the City and Operator.

Subsection 12.13. Duty to be Reasonable. Wherever in this Agreement the City is to give its consent, approval or otherwise exercise discretion in judgment, such consent, approval or judgment shall not be unreasonably exercised or unreasonably withheld.

Subsection 12.14. City Agent. The City Manager shall be considered the agent and representative of the City with respect to all notices, approvals and matters contained hereunder, and his authority to act for and on behalf of the City in connection with all matters occurring under this Agreement shall not be questioned by the Operator.



Subsection 12.15. Non-Liability of Individuals. No director, officer, agent, elected official or employee of either party hereto shall be charged personally or held contractually liable by or to the other party under any term or provision of this Agreement or of any supplement, modification or amendment to this Agreement because of any breach thereof, or because of his or their execution or attempted execution of the same. This Subsection 12.15 shall have no application to any independent guaranty or other assumption of the obligations of Operator which may be obtained by the City relative to this Agreement. This Subsection 12.15 shall also not apply to the Operator if the Operator is an entity other than a corporation in good standing and authorized to conduct business in the state of Missouri.

Subsection 12.16. Personal Property. Operator shall maintain the Leased Premises in a clean and orderly condition. Upon termination of this Agreement, Operator shall remove all personal property from the Leased Premises within thirty (30) days after said termination, unless otherwise agreed to, in writing, by the parties, and restore the leased premises to its original condition. If the Operator fails to remove said personal property within the aforementioned time frame, the City may take immediate possession of any property remaining on the Leased Premises and shall, at the City's sole option, become the property of the City or same may be removed and/or disposed of in any manner deemed appropriate by the City. The City shall not be liable in any manner for such removal and/or disposal; and the cost and expense of such removal and/or disposition shall be paid by the Operator.

Subsection 12.17. Casualty. If either part of the Leased Premises (i.e. the Office Premises or Building-P) is damaged by fire or other insured casualty, the rent payable hereunder for such damaged premises shall not abate provided that the damaged premises are not rendered untenable by such damage. If the damaged premises are rendered untenable and the City elects to repair the damaged premises, the rent shall abate for the period during which such repairs are being made, provided the damages were not caused by the acts or omissions of the Operator, its employees, agents or invitees, in which case the rent shall not abate. If the damaged premises are rendered untenable and the City elects not to repair the damaged premises, this Agreement shall terminate upon written notice from the City. If this Agreement is terminated by reason of fire or other insured casualty as herein provided, rent shall be apportioned and paid to the day of such fire or other insured casualty. Notwithstanding the forgoing, termination of the Agreement under this subsection shall not preclude the negotiation of a new agreement for alternate premises.

Subsection 12.18. Maintenance. City will keep the exterior of the Leased Premises in repair, provided that Operator shall give City written notice of the necessity for such repairs, and provided that the damage thereto shall not have been caused by the carelessness or negligence of Operator, its agents, employees, or servants, in which event Operator shall be responsible therefore. Operator will keep the interior of the



Leased Premises in good repair and will surrender the Leased Premises at the expiration of the term or at such other time as it may vacate the Leased Premises in as good condition as when received, excepting depreciation caused by ordinary wear and tear.

Subsection 12.19 Utilities. In addition to the rental rate for the Office Premises and the Operator shall pay a monthly fee of twenty-five dollars (\$25.00) for the use of various City provided services, including water, sewer, electricity, and trash. This fee may be increased at the City's discretion and any such increase shall become effective upon 30 days written notice to Operator.

Subsection 12.20. Notices. Whenever any notice is required by this Agreement to be made, given or transmitted to the City, it shall be enclosed in an envelope with sufficient postage attached to insure delivery and deposited in the United States Mail, first class, addressed to:

Airport Manager
Lee's Summit Municipal Airport
2751 NE Douglas
Lee's Summit, Missouri 64064

with a copy to the City Attorney, City of Lees Summit, 220 SE Green St., Lee's Summit, MO 64063.

Notices to Operator shall be addressed to:

Legacy Aviation, Inc. dba Flying KC
600 EE Kirby Road
Grain Valley, Missouri 64029
Attn. Taylor Hill

or such place as either party shall designate by written notice to the other. Said notices may also be personally hand delivered by each party to the other, at the respective addresses listed above, or in the case of delivery by the City to the Operator, by posting said item conspicuously on the leased premises. If hand delivered, the date of actual completion of delivery shall be considered the date of receipt. If mailed, or posted on the leased premises, the item shall be considered received the third day after the date of posting.

Subsection 12.21. Prohibition against Interference. It is understood and agreed that the rights granted by this Agreement will not be exercised in such a way as to interfere with or adversely affect the use, operation, maintenance or development of the Airport.



IN WITNESS WHEREOF, the parties hereto have caused this instrument to be executed as of the date first above mentioned at Lee's Summit, Missouri.

CITY OF LEE'S SUMMIT,

Stephen Arbo,
City Manager

Approved as to form:

Office of the City Attorney

ATTEST:

City Clerk

Approved as to form:

Office of the City Attorney

OPERATOR: Legacy Aviation, Inc. d/b/a
Flying KC

Signature:_____

Title:_____

[The remainder of this page is intentionally left blank.]



Legacy Aviation, Inc. dba Flying KC
STATE OF MISSOURI)
) ss.
COUNTY OF JACKSON)

On this _____ day of _____, 2016, before me, the undersigned, a Notary Public in and for the County and State aforesaid, came _____, the _____ of Legacy Aviation, Inc. dba Flying KC who is personally known to me to be the same person who executed the within instrument on behalf of _____ of Legacy Aviation, Inc. dba Flying KC , and such person duly acknowledged the execution of the same to be the free act and deed of Legacy Aviation, Inc. dba Flying KC.

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

NOTARY PUBLIC

My Commission Expires:

[SEAL]



City of Lee's Summit

STATE OF MISSOURI
COUNTY OF JACKSON

ON THIS THE _____ day of _____, 2016, before me _____, a Notary Public in and for said state, personally appeared Randall L. Rhoads, Mayor of the City of Lee's Summit, Missouri, known to me to be the person who executed the within Agreement and acknowledged to me that he executed the Agreement for the purposes therein stated and as the free act and deed of the City of Lee's Summit, a municipal corporation.

WITNESS my hand and official seal in the County and State aforesaid, the day and year first above written.

/s/ _____
Notary Public Signature

Printed or Typed Name

(Seal)

My Commission Expires:



BILL NO. 16-

AN ORDINANCE APPROVING A FIXED BASE OPERATOR AGREEMENT WITH LEGACY AVIATION, INC. d/b/a FLYING KC FOR THE LEASE OF SUITE C IN THE AIRPORT MODULAR BUILDING TO PERFORM FLIGHT TRAINING, AIRCRAFT RENTAL, AIRCRAFT MANAGEMENT/CONSULTING AND AIRCRAFT SALES AT THE LEE'S SUMMIT MUNICIPAL AIRPORT AND AUTHORIZING THE CITY MANAGER TO ENTER INTO THE SAME WITH LEGACY AVIATION, INC. d/b/a FLYING KC FOR A PERIOD OF ONE YEAR WITH A ONE YEAR AUTOMATIC RENEWAL OPTION.

WHEREAS, the City of Lee's Summit owns and operates the Lee's Summit Municipal Airport (hereinafter "Airport") which includes the ownership of a number of Offices located on the property; and,

WHEREAS, the Airport, through the City Council, periodically enters into agreements for the leasing of Offices located on the property for various aviation business purposes; and,

WHEREAS, LEGACY AVIATION, INC. d/b/a FLYING KC has requested permission to establish an flight training school, aircraft rental, aircraft management/consulting and aircraft sales in the form of a Fixed Base Operator (FBO) and has requested to lease Office Suite C in the Airport Modular Building from the City of Lee's Summit for that purpose: and

WHEREAS, Legacy Aviation, Inc d/b/a Flying KC and the Airport have negotiated the terms and conditions of a Fixed Base Operator Agreement which provides for the leasing of Office Suite C in the Airport Modular Building for a monthly fee of \$266.00 per month, and further outlines other necessary terms and conditions of the property lease as well as the expectations associated with the operation of the FBO; and,

WHEREAS, City and Legacy Aviation, Inc. d/b/a Flying KC wish to enter into the Fixed Base Operator Agreement.

NOW THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF LEE'S SUMMIT, MISSOURI, as follows:

SECTION 1. That the Fixed Base Operator Agreement by and between the City of Lee's Summit, Missouri and Legacy Aviation, Inc d/b/a Flying KC for the purpose of leasing Office Suite C at the Lee's Summit Municipal Airport to Legacy Aviation, Inc d/b/a Flying KC for the operation of a FBO, a true and accurate copy being attached hereto as Exhibit "A" and incorporated herein by reference be and the same is hereby approved. The City Manager is hereby authorized to execute the same by and on behalf of the City of Lee's Summit, Missouri.

SECTION 2. That this ordinance shall be in full force and effect from and after the date of its passage and adoption, and approval by the Mayor.

SECTION 3. That should any section, sentence, or clause of this ordinance be declared invalid or unconstitutional, such declaration shall not affect the validity of the remaining sections, sentences or clauses.

BILL NO. 16-

PASSED by the City Council of the City of Lee's Summit, Missouri, this ____ day of _____, 2016.

Mayor *Randall L. Rhoads*

ATTEST:

City Clerk *Denise R. Chisum*

APPROVED by the Mayor of said city this ____ day of _____, 2016.

Mayor *Randall L. Rhoads*

ATTEST:

City Clerk *Denise R. Chisum*

APPROVED AS TO FORM:

Chief Counsel of Management and Operations *Jackie McCormick Heanue*

Packet Information

File #: TMP-0204, **Version:** 1

AN ORDINANCE APPROVING MODIFICATION NO. 5 TO AGREEMENT NO. 2012-002 WITH TOSHIBA BUSINESS SOLUTIONS TO EXTEND THE TERM OF THE AGREEMENT AN ADDITIONAL TWO (2) YEARS AND TO REDUCE THE TOTAL MONTHLY LEASE RATE PAYABLE BY THE CITY OF LEE'S SUMMIT AND AUTHORIZING THE CITY MANAGER TO EXECUTE THE SAME BY AND ON BEHALF OF THE CITY.

Issue/Request:

AN ORDINANCE APPROVING MODIFICATION NO. 5 TO AGREEMENT NO. 2012-002 WITH TOSHIBA BUSINESS SOLUTIONS TO EXTEND THE TERM OF THE AGREEMENT AN ADDITIONAL TWO (2) YEARS AND TO REDUCE THE TOTAL MONTHLY LEASE RATE PAYABLE BY THE CITY OF LEE'S SUMMIT AND AUTHORIZING THE CITY MANAGER TO EXECUTE THE SAME BY AND ON BEHALF OF THE CITY.

Key Issues:

Modification No. 5 to agreement 2012-002 with Toshiba Business Solutions is to modify the current agreement term expiration date from July, 2 2017 to July 2, 2019 at a reduced overall monthly rate. The modified agreement term shall be in effect from October, 2016 through July 2, 2019 (34 months). The modification will also modify Exhibit A-2 (Monthly Lease Cost Breakout) of the agreement from the current Exhibit A-2 Revised 6-16-2016 to Exhibit A-2 Revised 8-12-2016.

The current monthly rate for the City's print devices is \$7,359.07/mo. There is an additional \$909.97/mo that represents the City's average monthly overages. The overall current total monthly rate is \$8,269.04. If approved, the modified 34 month lease term will be at the monthly rate of \$6,439.48 which equates to a savings of \$1,829.56/mo and an overall savings over the 34 month lease term of \$62,205.04. The savings represents potential elimination of the average monthly overages costs by increasing the number of designated black & white and color clicks (prints) per machine. There is also an additional estimated savings of \$13,000+ for not having to pay to ship equipment back to Toshiba at the end of the modified lease term. This makes a total estimated savings of \$75,205.04+ over the modified lease term.

The modified 34 month term is derived from the new rates beginning in October, 2016. October 2016 through July, 2016 equates to 10 months and extension of the agreement termination date for 24 months equates to 34 months total.

All other contractual items and terms will remain the same and in effect.

Any machine that may need to be refurbished during the extended agreement term will be done so at "no cost" to the City. A same function performance loaner will be provided by Toshiba during the time it takes to refurbish the machine at "no cost" to the City.

Proposed Committee Motion:

I MOVE TO RECOMMEND TO THE CITY COUNCIL ADOPTION OF AN ORDINANCE APPROVING MODIFICATION NO. 5 TO AGREEMENT NO. 2012-002 WITH TOSHIBA BUSINESS SOLUTIONS TO EXTEND THE TERM OF THE AGREEMENT AN ADDITIONAL TWO (2) YEARS AND TO REDUCE THE TOTAL MONTHLY LEASE RATE PAYABLE BY THE CITY OF LEE'S SUMMIT AND AUTHORIZING THE CITY MANAGER TO EXECUTE THE SAME BY AND ON BEHALF OF THE CITY.

Background:

An RFP for Copier Lease and Maintenance was conducted in 2011. Nine proposals were received, two firms were interviewed and the agreement was awarded to Toshiba Business Solutions.

The current lease and maintenance service agreement expires on July 2, 2017.

The City's Procurement and Contract Services Manager and the Chief Technology Officer participated in meetings with Toshiba on various occasions pertaining to potential reduction in costs options.

Toshiba proposed a lease extension that would include increasing the number of designated black & white and color clicks (prints) for all City devices that should eliminate the average monthly overages that currently equate to \$909.97/mo. The City's monthly rate will be reduced from \$8,269.04/mo to \$6,439.48/mo and that should produce a savings of \$1,829.56/mo and an overall savings over the modified 34 month lease term of \$62,205.04. There is also an additional approximate savings of \$13,000+ for not having to pay to ship equipment back to Toshiba at the end of the term. This makes a total estimated savings of \$75,205.04+.

Impact/Analysis:

Modifying the current Toshiba lease and maintenance agreement term to be in effect from October, 2016 through July, 2019 (34 months) will equate to an estimated savings of \$62,205.04 over the 34 month term and an additional \$13,000+ equating to an overall estimated savings of \$75,205.04+.

Timeline:

Start: ____

Finish: ____

Other Information/Unique Characteristics:

[Enter text here]

Presenter:

Ben Calia, Procurement and Contract Services Manager

Recommendation:

AN ORDINANCE APPROVING MODIFICATION NO. 5 TO AGREEMENT NO. 2012-002 WITH TOSHIBA BUSINESS SOLUTIONS TO EXTEND THE TERM OF THE AGREEMENT AN ADDITIONAL TWO (2) YEARS AND TO REDUCE THE TOTAL MONTHLY LEASE RATE PAYABLE BY THE CITY OF LEE'S SUMMIT AND AUTHORIZING THE CITY MANAGER TO EXECUTE THE SAME BY AND ON BEHALF OF THE CITY.

Committee Recommendation: [Enter Committee Recommendation text Here]

BILL NO.**ORDINANCE NO.**

AN ORDINANCE APPROVING MODIFICATION NO. 5 TO AGREEMENT NO. 2012-002 WITH TOSHIBA BUSINESS SOLUTIONS TO EXTEND THE TERM OF THE AGREEMENT AN ADDITIONAL TWO (2) YEARS AND TO REDUCE THE TOTAL MONTHLY LEASE RATE PAYABLE BY THE CITY OF LEE'S SUMMIT AND AUTHORIZING THE CITY MANAGER TO EXECUTE THE SAME BY AND ON BEHALF OF THE CITY.

WHEREAS, the City entered into Agreement No. 2012-002 with Toshiba Business Solutions on July 2, 2011 for the purpose of providing copier, scanner, printer and fax services; and

WHEREAS, the term of Agreement No. 2012-002 expires on July 2, 2017; and

WHEREAS, Toshiba Business Solutions has presented the City with a lease extension option which would extend the term of the Agreement an additional two (2) years and would result in estimated savings over current expenditures of approximately \$75,000.00; and,

WHEREAS, the City has been satisfied with the goods and services provided by Toshiba Business Solutions and wishes to enter into said lease extension for the purposes of continuing the lease of current equipment for an additional two (2) years at a reduced lease rate beginning in October, 2016 and expiring on July 2, 2019; and

WHEREAS, the City has prepared Modification No. 5 to Agreement 2012-002, attached hereto as Exhibit A and incorporated herein as if fully set forth, which stipulates the terms and conditions of said lease extension.

NOW THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF LEE'S SUMMIT, MISSOURI, as follows:

SECTION 1. That Modification No. 5 to Agreement No. 2012-002 be and hereby is approved and the City Manager is authorized to execute the same by and on behalf of the City.

SECTION 2. That this ordinance shall be in full force and effect from and after the date of its passage and adoption, and approval by the Mayor.

SECTION 3. That should any section, sentence, or clause of this ordinance be declared invalid or unconstitutional, such declaration shall not affect the validity of the remaining sections, sentences or clauses.

PASSED by the City Council of the City of Lee's Summit, Missouri, this ____day of _____, 2016.

Mayor Randall L. Rhoads

ATTEST:

City Clerk Denise R. Chisum

BILL NO.

ORDINANCE NO.

APPROVED by the Mayor of said city this ____ day of _____, 2016.

Mayor *Randall L. Rhoads*

ATTEST:

City Clerk *Denise R. Chisum*

APPROVED AS TO FORM:

Chief Counsel of Management and Operations *Jackie McCormick Heanue*



LEE'S SUMMIT MISSOURI

MODIFICATION No. 5 OF AGREEMENT 2012-002

<p>1. Modification Number and Date Modification #5 DATE: August 17, 2016</p>	<p>2. Agreement Number: 2012-002 Contract Period: July 3, 2012 through July 2, 2017</p>
<p>3. Procurement Officer: Ben Calia Telephone Number: 816-969-1083</p>	<p>4. Lease/Service Provider Address: Toshiba Business Solutions 2732 NE Independence Ave Lee's Summit, MO 64064</p>
<p>5. Issued by: City of Lee's Summit, MO Procurement and Contract Services Division 220 S.E. Green Street Lee's Summit, MO 64063</p>	
<p>6. Special Instructions: Lease/Service Provider is required to sign Block 8 showing acceptance of the below written modification and to return the original to address shown in Block 5 within 10 days after receipt, preferably by certified mail to insure a system of positive receipts. Modification shall be effective on the day of the City Manager's signature, unless otherwise designated.</p>	
<p>7. Description of Modification: To extend current agreement term by two years (24 months) with revised pricing beginning in October, 2016 and expiring on July 2, 2019. The total applicable term will be thirty four (34) months-October, 2016 through July 2, 2019. Replace Exhibit A-2 Revised 6-16-2016 with EXHIBIT A-2 Revised 8-12-2016, effective date no later than October 1, 2016.</p> <p>Modification is as follows:</p> <ul style="list-style-type: none"> • 142,000 black and white prints monthly to split between all devices with overages at \$0.0039 per print. • 45,000 color prints to split between all devices with overages at \$0.039 per print • Units that may require refurbishing shall be done at no cost to the City. Loaner units will be provided while the refurbishment is executed at no cost to the City. • Two (2) year extension of current lease: Extend the current lease & maintenance service agreement termination date from July 2, 2017 to July 2, 2019. Actual modified agreement term will begin October, 2016 and the total applicable term will be thirty four (34) months-October, 2016 through July 2, 2019. • Two (2) additional years of maintenance and service on Papercut Software. Actual modified agreement term will begin October, 2016 and the total applicable term will be thirty four (34) months-October, 2016 through July 2, 2019. • Pricing shall include Personal Property Tax and SLG Insurance • The cost of shipping product back to the Lessor will no longer be applicable. • All other contractual items and terms shall remain in effect for the duration of the lease and maintenance contract term. <p>This is a 'Reduction in cost' modification:</p> <ul style="list-style-type: none"> • Reduce current approximate monthly cost from \$8,269.04 to \$6,439.48 which equates to a monthly cost reduction of \$1,829.56 which equates to an overall savings over 34 month lease term of \$62,205.04. There is an additional savings of \$13,000+ for the elimination of return shipping costs making the estimated overall savings \$75,205.04+. 	



LEE'S SUMMIT MISSOURI

<p>8. Lease/Service Provider's Signature:</p> <p><u><i>Randay Cise</i></u> Name</p> <p><u>Senior Account Manager 8-17-16</u> Title Date</p>	<p>9. City of Lee's Summit, Missouri</p> <p>_____ Stephen A. Arbo, City Manager Date</p> <p>APPROVED AS TO FORM:</p> <p>_____ Office of the City Attorney Date</p>
<p>10. Distribution: Original: Bid File Copies to: Lease/Service Provider Using departments</p>	

Procurement and Contract Services

Department	Toshiba - Right-Sized Fleet	Access. P/S/F/Fin/Int/HP/LCF	Serial Number	Monthly cost per unit	Volume	Maint. Cost/mo.	PaperCut S/W	Total Monthly Cost
Municipal Court	eStudio356	C/P/S/F/Fin/2 Dr.		\$74.92	4,259	\$16.61	\$24.30	\$115.83
Municipal Court	eStudio256	C/P/S/F/2 Dr.		\$55.04	1,990	\$7.76	\$24.30	\$87.10
Police Admin	eStudio356	C/P/S/F/Int. Fin/2 Dr.		\$70.79	3,130	\$12.21	\$24.30	\$107.30
Police Detention	eStudio256	C/P/S/F/2 Dr.		\$55.04	4,977	\$19.41	\$24.30	\$98.75
Police Dispatch	eStudio256	C/P/S/F/2 Dr.		\$55.04	1,997	\$7.79	\$24.30	\$87.13
Police Investigation	eStudio3540c	C/P/S/F/Fin/2 Dr.		\$143.05	5,356	\$20.89	\$24.30	\$279.19
Police Investigation (color)	eStudio3540c	C/P/S/F/Fin/2 Dr.			2,332	\$90.95		
Police Patrol	eStudio456	C/P/S/F/Fin/LCF		\$81.77	7,432	\$28.98	\$24.30	\$135.05
Police PSO/Report	eStudio256	C/P/S/F/2 Dr.		\$55.04	510	\$1.99	\$24.30	\$81.33
Police Records	eStudio356	C/P/S/F/Fin/2 Dr.		\$74.92	4,325	\$16.87	\$24.30	\$116.09
Police Training	eStudio256	C/P/S/F/2 Dr.		\$55.04	97	\$0.38	\$24.30	\$79.72
Prosecutor's Office	eStudio3540c	C/P/S/F/2 Dr.		\$170.00	1,111	\$4.33	\$24.30	\$257.13
Prosecutor's Office (color)	eStudio3540c	C/P/S/F/2 Dr.			1,500	\$58.50		
Animal Control	eStudio256	C/P/S/F/2 Dr.		\$55.04	2,044	\$7.97	\$24.30	\$87.31
PW Operations Streets	eStudio3540c	C/P/S/F/Fin/LCF/HP		\$151.00	4,839	\$18.87	\$24.30	\$315.15
PW Operations Streets (color)	eStudio3540c	C/P/S/F/Fin/LCF/HP			3,102	\$120.98		
Vehicle Maint/Fleet	eStudio2540c	C/P/S/F/LCF		\$124.61	811	\$3.16	\$24.30	\$159.87
Vehicle Maint/Fleet (color)					200	\$7.80		
ITS Dept	eStudio2540c	C/P/S/F/2 Dr.		\$111.65	1,392	\$5.43	\$24.30	\$165.05
ITS Dept (color)	eStudio2540c	C/P/S/F/2 Dr.			607	\$23.67		
Fire HQ Admin	eStudio4540c	C/P/S/F/S.S. Fin/LCF		\$165.66	8,042	\$31.36	\$24.30	\$380.76
Fire HQ Admin (color)	eStudio4540c	C/P/S/F/S.S. Fin/LCF			4,088	\$159.43		
Administration	eStudio4540c	C/P/S/F/Fin/LCF/HP		\$159.73	6,214	\$24.23	\$24.30	\$321.44
Administration (color)	eStudio4540c	C/P/S/F/Fin/LCF/HP			2,902	\$113.18		
Central Building Serv	eStudio256	C/P/S/F/2 Dr.		\$55.04	310	\$1.21	\$24.30	\$80.55
City Clerk	eStudio4540c	C/P/S/F/Fin/LCF		\$156.14	8,898	\$34.70	\$24.30	\$254.14
City Clerk (color)					1,000	\$39.00		
Codes	eStudio356	C/P/S/F/Fin/2 Dr.		\$74.92	4,946	\$19.29	\$24.30	\$118.51
Finance Dept	eStudio556	C/P/S/F/Fin/LCF/HP		\$134.42	9,589	\$37.40	\$24.30	\$196.12
Finance Dept (formerly Fire Billing)	eStudio356	C/P/S/F/Fin/2 Dr.		\$74.92	4,242	\$16.54	\$24.30	\$115.76
Human Resources	eStudio456	C/P/S/F/Fin/LCF		\$81.77	6,620	\$25.82	\$24.30	\$131.89
Legal	eStudio4540c	C/P/S/F/Fin/LCF		\$156.14	4,170	\$16.26	\$24.30	\$216.20
Legal (color)					500	\$19.50		
Mailroom	eStudio6550CT	C/P/S/F/S.S. Fin/Ext. LCF/HP		\$267.56	22,082	\$86.12	\$24.30	\$798.05
Mailroom (color)	eStudio6550CT	C/P/S/F/S.S. Fin/Ext. LCF/HP			10,771	\$420.07		
Parks & Recreation - Admin	eStudio4540c	C/P/S/F/Fin/LCF		\$156.14	15,037	\$58.64	\$24.30	\$317.08
Parks & Recreation - Admin (color)					2,000	\$78.00		
Planning & Dev Admin	eStudio256	C/P/S/F/Fin/2 Dr.		\$55.04	2,128	\$8.30	\$24.30	\$87.64
Planning & Dev Admin	eStudio6550CT	C/P/S/F/Fin/LCF		\$216.12	13,355	\$52.08	\$24.30	\$370.50
Planning & Dev Admin (color)					2,000	\$78.00		
Public Works Eng	eStudio6550CT	C/P/S/F/Fin/LCF/HP		\$228.56	5,359	\$20.90	\$24.30	\$312.76
Public Works Eng (color)					1,000	\$39.00		
Public Works Eng	eStudio4540c	C/P/S/F/Fin/LCF/HP		\$156.14	12,342	\$48.13	\$24.30	\$228.57
Public Works Eng (color)								
Purchasing Dept	eStudio4540c	C/P/S/F/Fin/LCF		\$156.14	7,659	\$29.87	\$24.30	\$249.31
Purchasing Dept (color)					1,000	\$39.00		
Treasury	eStudio256	C/P/S/F/2 Dr.		\$55.04	2,091	\$8.15	\$24.30	\$87.49
Water Support	eStudio3540c	C/P/S/F/Fin/LCF/HP		\$151.00	3,231	\$12.60	\$24.30	\$207.40
Water Support (color)					500	\$19.50		
Airport	eStudio2540c	C/P/S/F/2 Dr.		\$111.65	2,238	\$8.73	\$24.30	\$164.18
Airport (color)					500	\$19.50		
Water Operations	eStudio356	C/P/S/F/2 Dr.		\$127.14	3,365	\$13.12	\$24.30	\$164.56
Parks & Rec Legacy	eStudio456	C/P/S/F/LCF		\$65.81	13,850	\$54.02	\$24.30	\$144.13
Harris Park Rec Center	eStudio456	C/P/S/F/Fin/LCF		\$81.77	10,000	\$39.00	\$24.30	\$145.07
Gamber Center	eStudio256	C/P/S/F/2 Dr.		\$55.04	4,000	\$15.60	\$24.30	\$94.94
				\$4,274.84	248,040	\$2,160.83	\$923.40	\$7,359.07
Equipment Lease Payment		\$5,198.24						
TOTAL Lease Payment		\$5,198.24						
TOTAL B/W VOLUME	214,649	\$834.75	B/W Rate .0039					
TOTAL CLR VOLUME	34,002	\$1,326.08	Color Rate .039					
TOTAL Lease w/ Maintenance		\$7,359.07						

C = Copy	LCF = Large Capacity Feeder
P = Print	1 Dr. = 1 Drawer
S = Scan	2 Dr. = 2 Drawer
F = Fax	4 Dr. = 4 Drawer
Fin = Console Finisher	
S.S. Fin = Saddle Stitch Finisher	
Int. Fin = Internal Finisher	
HP = Hole Punch	

Department	Toshiba - Right-Sized Fleet	Access. P/S/F/Fin/Int/HP/LCF	Serial Number	Monthly cost per unit	Volume	Maint. Cost/mo.	PaperCut	Total Monthly Cost
Municipal Court	eStudio356	C/P/S/F/Fin/2 Dr.	C2D230733	\$65.00	4,450	\$17.36	\$8.05	\$90.41
Municipal Court	eStudio256	C/P/S/F/2 Dr.	C2D233199	\$49.00	1,300	\$5.07	\$8.05	\$62.12
Police Admin	eStudio356	C/P/S/F/Int. Fin/2 Dr.	C2D234317	\$62.29	6,900	\$26.91	\$8.05	\$97.25
Police Detention	eStudio256	C/P/S/F/2 Dr.	C2D230477	\$49.00	50	\$0.20	\$8.05	\$57.25
Police Dispatch	eStudio256	C/P/S/F/2 Dr.	C2D233087	\$49.00	1,900	\$7.41	\$8.05	\$64.46
Police Investigation	eStudio3540c	C/P/S/F/Fin/2 Dr.	CQC221052	\$143.05	4,000	\$15.60	\$8.05	\$250.55
Police Investigation (color)	eStudio3540c	C/P/S/F/Fin/2 Dr.			2,150	\$83.85		
Police Patrol	eStudio456	C/P/S/F/Fin/LCF	C2D235897	\$70.00	3,900	\$15.21	\$8.05	\$93.26
Police PSO/Report	eStudio256	C/P/S/F/2 Dr.	C2D230472	\$49.00	500	\$1.95	\$8.05	\$59.00
Police Records	eStudio356	C/P/S/F/Fin/2 Dr.	C2D230743	\$65.00	2,500	\$9.75	\$8.05	\$82.80
Police Training	eStudio256	C/P/S/F/2 Dr.	C2D233188	\$49.00	500	\$1.95	\$8.05	\$59.00
Prosecutor's Office	eStudio3540c	C/P/S/F/2 Dr.	CQC220685	\$170.00	2,100	\$8.19	\$8.05	\$217.44
Prosecutor's Office (color)	eStudio3540c	C/P/S/F/2 Dr.			800	\$31.20		
Animal Control	eStudio256	C/P/S/F/2 Dr.	C2D233166	\$49.00	1,900	\$7.41	\$8.05	\$64.46
PW Operations Streets	eStudio3540c	C/P/S/F/Fin/LCF/HP	CQC220729	\$151.00	2,900	\$11.31	\$8.05	\$240.56
PW Operations Streets (color)	eStudio3540c	C/P/S/F/Fin/LCF/HP			1,800	\$70.20		
Vehicle Maint/Fleet	eStudio2540c	C/P/S/F/LCF	CHC229839	\$100.00	1,900	\$7.41	\$8.05	\$119.36
Vehicle Maint/Fleet (color)					100	\$3.90		
ITS Dept	eStudio2540c	C/P/S/F/2 Dr.	CHC229780	\$100.00	1,100	\$4.29	\$8.05	\$161.09
ITS Dept (color)	eStudio2540c	C/P/S/F/2 Dr.			1,250	\$48.75		
Fire HQ Admin	eStudio4540c	C/P/S/F/S.S. Fin/LCF	CMD218990	\$140.00	3,900	\$15.21	\$8.05	\$256.86
Fire HQ Admin (color)	eStudio4540c	C/P/S/F/S.S. Fin/LCF			2,400	\$93.60		
Administration	eStudio4540c	C/P/S/F/Fin/LCF/HP	CMD219319	\$140.00	2,800	\$10.92	\$8.05	\$229.17
Administration (color)	eStudio4540c	C/P/S/F/Fin/LCF/HP			1,800	\$70.20		
Central Building Serv	eStudio256	C/P/S/F/2 Dr.	C2D230565	\$49.00	400	\$1.56	\$8.05	\$58.61
City Clerk	eStudio4540c	C/P/S/F/Fin/LCF	CMD219021	\$140.00	6,700	\$26.13	\$8.05	\$435.48
City Clerk (color)					6,700	\$261.30		
Codes	eStudio356	C/P/S/F/Fin/2 Dr.	C2D234383	\$65.00	2,900	\$11.31	\$8.05	\$84.36
Finance Dept	eStudio556	C/P/S/F/Fin/LCF/HP	CGE212043	\$120.00	7,600	\$29.64	\$8.05	\$157.69
Finance Dept (formerly Fire Billing)	eStudio356	C/P/S/F/Fin/2 Dr.	C2D233740	\$65.00	3,000	\$11.70	\$8.05	\$84.75
Human Resources	eStudio456	C/P/S/F/Fin/LCF	C2D233536	\$71.00	7,700	\$30.03	\$8.05	\$109.08
Legal	eStudio4540c	C/P/S/F/Fin/LCF	CMD218983	\$140.00	5,500	\$21.45	\$8.05	\$239.70
Legal (color)					1,800	\$70.20		
Mailroom	eStudio6550CT	C/P/S/F/S.S. Fin/Ext. LCF/HP	CLD211410	\$230.00	2,900	\$11.31	\$8.05	\$366.36
Mailroom (color)	eStudio6550CT	C/P/S/F/S.S. Fin/Ext. LCF/HP			3,000	\$117.00		
Parks & Recreation - Admin	eStudio4540c	C/P/S/F/Fin/LCF	CMD219314	\$140.00	3,800	\$14.82	\$8.05	\$396.87
Parks & Recreation - Admin (color)					6,000	\$234.00		
Planning & Dev Admin	eStudio256	C/P/S/F/Fin/2 Dr.	C2D233126	\$49.00	5,000	\$19.50	\$8.05	\$76.55
Planning & Dev Admin	eStudio6550CT	C/P/S/F/Fin/LCF	CLD211405	\$196.00	6,700	\$26.13	\$8.05	\$464.18
Planning & Dev Admin (color)					6,000	\$234.00		
Public Works Eng	eStudio6550CT	C/P/S/F/Fin/LCF/HP	CLD211403	\$200.00	7,900	\$30.81	\$8.05	\$511.86
Public Works Eng (color)					7,000	\$273.00		
Public Works Eng	eStudio4540c	C/P/S/F/Fin/LCF/HP	SMK180063	\$140.00	9,200	\$35.88	\$8.05	\$183.93
Public Works Eng (color)					2,000	\$78.00		
Purchasing Dept	eStudio4540c	C/P/S/F/Fin/LCF	CMD218999	\$140.00	2,600	\$10.14	\$8.05	\$169.89
Purchasing Dept (color)					300	\$11.70		
Treasury	eStudio256	C/P/S/F/2 Dr.	C2D230515	\$49.00	1,400	\$5.46	\$8.05	\$62.51
Water Support	eStudio3540c	C/P/S/F/Fin/LCF/HP	CQC220608	\$138.64	2,900	\$11.31	\$8.05	\$197.00
Water Support (color)					1,000	\$39.00		
Airport	eStudio2540c	C/P/S/F/2 Dr.	CHC229816	\$101.00	1,400	\$5.46	\$8.05	\$149.61
Airport (color)					900	\$35.10		
Water Operations	eStudio356	C/P/S/F/2 Dr.	C2D233069	\$113.00	3,700	\$14.43	\$8.05	\$135.48
Parks & Rec Legacy	eStudio456	C/P/S/F/LCF	C2D235909	\$59.00	9,400	\$36.66	\$8.05	\$103.71
Harris Park Rec Center	eStudio456	C/P/S/F/Fin/LCF	C2D236078	\$70.00	5,800	\$22.62	\$8.05	\$100.67
Gamber Center	eStudio256	C/P/S/F/2 Dr.	C2D233191	\$48.80	2,950	\$11.51	\$8.05	\$68.36
				\$3,824.78	187,000	\$2,308.80	\$305.90	\$6,439.48
Equipment Lease Payment								
TOTAL B/W VOLUME	142,000			\$553.80	B/W Rate .0039			
TOTAL CLR VOLUME	45,000			\$1,755.00	Color Rate .039			
TOTAL Lease w/ Maintenance				\$6,439.48				

C = Copy
P = Print
S = Scan
F = Fax
Fin = Console Finisher
S.S. Fin = Saddle Stitch Finisher
Int. Fin = Internal Finisher
HP = Hole Punch
LCF = Large Capacity Feeder
1 Dr. = 1 Drawer
2 Dr. = 2 Drawer
4 Dr. = 4 Drawer

Packet Information

File #: TMP-0214, **Version:** 1

AN ORDINANCE APPROVING A SOLE SOURCE AGREEMENT AND ORDER FORM WITH INFOR FOR THE PROCUREMENT OF UPGRADE LICENSES FOR MICRO FOCUS SOFTWARE TO BE USED IN CONNECTION WITH THE LAWSON SYSTEM AND AUTHORIZING THE CITY MANAGER TO ENTER INTO AN AGREEMENT OR AGREEMENTS WITH INFOR FOR THE ACQUISITION OF THE SAME IN THE AMOUNT OF \$26,272.00.

Issue/Request:

AN ORDINANCE APPROVING A SOLE SOURCE AGREEMENT AND ORDER FORM WITH INFOR FOR THE PROCUREMENT OF UPGRADE LICENSES FOR MICRO FOCUS SOFTWARE TO BE USED IN CONNECTION WITH THE LAWSON SYSTEM AND AUTHORIZING THE CITY MANAGER TO ENTER INTO AN AGREEMENT OR AGREEMENTS WITH INFOR FOR THE ACQUISITION OF THE SAME IN THE AMOUNT OF \$26,272.00.

Key Issues:

As part of the Lawson v10 upgrade planned for spring 2017, the City is required to purchase upgrade licenses for the Micro Focus product used within the Lawson application. Council recently approved staff to begin work with Ciber, Inc as the vendor of choice to provide consulting services to Lee's Summit for this upgrade. These required licenses need to be obtained as soon as possible in order to begin this work with Ciber.

Additional details regarding the licenses is included below:

Micro Focus

- Third-party product
- Required to operate the Infor Lawson COBOL based applications
 - Any Infor application that operates on Infor Lawson System Foundation
 - Infor Lawson Enterprise Financial Management
 - Infor Lawson Supply Chain Management
 - Infor Talent Management Human Resources
 - Infor Human Resource Management

Two products

1. Compiler
 - Compiles Infor Lawson COBOL applications for operation
 - Provides a Developer license for those customers modifying the Infor Lawson COBOL applications
 - Infor Lawson Application Development Workbench license is required
2. Application Runtime
 - Provides runtime services for Infor Lawson COBOL applications

Micro Focus Visual COBOL required when customers move to Microsoft Windows Server 2012 R2, which Lee's Summit plans to do

Micro Focus requires that existing Infor Lawson customers wanting the Micro Focus Visual COBOL third-party products and licenses must purchase Micro Focus Visual COBOL "upgrade fee units"

Proposed Committee Motion:

I move to recommend to City Council adoption of AN ORDINANCE APPROVING A SOLE SOURCE AGREEMENT AND ORDER FORM WITH INFOR FOR THE PROCUREMENT OF UPGRADE LICENSES FOR MICRO FOCUS SOFTWARE TO BE USED IN CONNECTION WITH THE LAWSON SYSTEM AND AUTHORIZING THE CITY MANAGER TO ENTER INTO AN AGREEMENT OR AGREEMENTS WITH INFOR FOR THE ACQUISITION OF THE SAME IN THE AMOUNT OF \$26,272.00.

Background:

The City currently utilizes the Lawson Enterprise Resource Planning system for Finance, Procurement, Human Resources, Payroll, and Budgeting services. This system was installed in 2011-2012 with associated software maintenance. The vendor, **Infor**, continues to upgrade the system in order to provide additional enhancements and product fixes. **Infor** allowed the City's current version to be supported for a period of 4 years before moving into a one year extended support agreement. During the one year extended support, the City is required to upgrade to a more current release of the product, which is budgeted for in the FY2017 budget. As a part of this upgrade, 8 production and 8 test servers will be built and configured for the installation of the Lawson products. Any other purchases related to the upgrade will be acquired through existing contracts.

Impact/Analysis:

In order to maintain vendor support, the City needs to upgrade to a supported release by May 31, 2017. Should we not upgrade, any product issues found needing assistance from the software provider will not be addressed. This could have far reaching impacts in the area of our Finance and Procurement Services, and Human Resources and Payroll services.

This project will be funded through previously budgeted funds in the ITS fund, Accounting unit 6208875044. There is no general fund impact for this purchase.

Timeline:

Start: ____

Finish: ____

Other Information/Unique Characteristics:

[Enter text here]

Presenter: Steve Marsh

Recommendation: Staff recommends adoption of AN ORDINANCE APPROVING A SOLE SOURCE AGREEMENT AND ORDER FORM WITH INFOR FOR THE PROCUREMENT OF UPGRADE LICENSES FOR MICRO FOCUS SOFTWARE TO BE USED IN CONNECTION WITH THE LAWSON SYSTEM AND AUTHORIZING THE CITY MANAGER TO ENTER INTO AN AGREEMENT OR AGREEMENTS WITH INFOR FOR THE ACQUISITION OF THE SAME.

Committee Recommendation: [Enter Committee Recommendation text Here]

BILL NO. 16-

AN ORDINANCE APPROVING A SOLE SOURCE AGREEMENT AND ORDER FORM WITH INFOR FOR THE PROCUREMENT OF UPGRADE LICENSES FOR MICRO FOCUS SOFTWARE TO BE USED IN CONNECTION WITH THE LAWSON SYSTEM AND AUTHORIZING THE CITY MANAGER TO ENTER INTO AN AGREEMENT OR AGREEMENTS WITH INFOR FOR THE ACQUISITION OF THE SAME IN THE AMOUNT OF \$26,272.00.

WHEREAS, the City of Lee's Summit (hereinafter "City") is in the process of upgrading its Lawson Enterprise Management System, a project which was approved by the City Council through Ordinance No. 7943 passed on August 11, 2016; and,

WHEREAS, as part of the upgrade process, and in order to begin work with Ciber, Inc., the contracted service provider for the Lawson Enterprise Management System upgrade, the City is required to purchase upgrade licenses for Micro Focus, a third-party product used within the Lawson system to operate a number of financial and human resource management applications; and

WHEREAS, the City previously entered into an Agreement with Lawson Services, Inc. on October 22, 2010, which stipulates the purchase of additional software products to run in conjunction with the Lawson Enterprise Management System; and

WHEREAS, Infor, which is the subsidiary of Lawson Services, Inc., is the only vendor from which the City can obtain the Micro Focus products for the Lawson system, meaning the acquisition will be a Sole Source, as described in the Sole Source Justification Form, attached hereto as Exhibit A and incorporated by reference herein; and

WHEREAS, Infor and City have negotiated for the acquisition of and support services for the Micro Focus products needed to effectuate the upgrade, the terms of which are outlined in the Order Form attached hereto as Exhibit B and incorporated by reference herein; and

WHEREAS, City wishes to enter into an Agreement pursuant to the Sole Source and the Order Form for the acquisition of the necessary licenses and products to effectuate the Lawson system upgrade.

NOW THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF LEE'S SUMMIT, MISSOURI, as follows:

SECTION 1. That the Sole Source Justification for the procurement of Micro Focus products for use in connection with the Lawson Enterprise Management System upgrade through Infor, Inc., a true and accurate copy of the same being attached hereto as "Exhibit A" and incorporated herein by reference be and the same is hereby approved.

SECTION 2. That the Infor Order Form for the purchase of Micro Focus products for use in connection with the Lawson Enterprise Management System upgrade, a true and accurate copy of the same being attached hereto as "Exhibit B" and incorporated herein by reference be and the same is hereby approved and the City Manager is authorized to execute any and all documents, certificates or instruments as may be necessary to carry out and comply with the intent of this Ordinance on behalf of the City of Lee's Summit, Missouri.

BILL NO. 16-

SECTION 3. That this ordinance shall be in full force and effect from and after the date of its passage and adoption, and approval by the Mayor.

SECTION 4. That should any section, sentence, or clause of this ordinance be declared invalid or unconstitutional, such declaration shall not affect the validity of the remaining sections, sentences or clauses.

PASSED by the City Council of the City of Lee's Summit, Missouri, this ____day of _____, 2016.

Mayor Randall L. Rhoads

ATTEST:

City Clerk Denise R. Chisum

APPROVED by the Mayor of said city this ____ day of _____, 2016.

Mayor Randall L. Rhoads

ATTEST:

City Clerk Denise R. Chisum

APPROVED AS TO FORM:

Chief Counsel of Management and Operations
Jackie McCormick Heanue

SOLE SOURCE PURCHASE JUSTIFICATION

Submit this Form to the Procurement and Contract Services Division for Approval Prior to Placing an Order

Date: 08.23.2016 Department: ITS Requested By: Steve Marsh, Chief Technology Officer

Vendor Contacted & Address: Infor (US) Inc.
380 St. Peter Street
St. Paul, Minnesota 55102

Phone Number: 303.475.3591

Give a brief description of the item or service requested; why you feel it is unique and why no other source will meet the need (attach separate sheet/memo if needed): In order to complete the planned upgrade of the Lawson Enterprise Management System, the City must procure new software licenses for the Micro Focus software component. The City's Lawson Software Customer Agreement and Master Terms and Conditions stipulates that the City must procure any and all software licenses directly through Infor (US) Inc. the parent corporation of Lawson, to be procured through the use of Product Order Forms provided by Infor (US) Inc. Due to this Agreement, the City must utilize Infor (US) Inc. as the source of procurement of these software licenses.

Estimated Annual Cost: \$26,672.00 Was the request budgeted? Yes No

Term of this sole source is: September 1, 2016 through June 30, 2017

Sole source term is valid for one year unless a contract with multiple renewals is established based on the sole source request. Any exceptions must be approved as designated below. Will a yearly contract be established based on this sole source? Yes No

Other Contacts	Their Responses:
Name: _____	_____
Address: _____	_____
Phone #: _____	_____
Name: _____	_____
Address: _____	_____
Phone #: _____	_____

Was the manufacturer contacted for other distributors? Yes No

Please explain:

As stated above, the City's master Agreement with Lawson (Infor) requires that all software license purchases be made directly through Infor.

I concur with the above explanations and approve this request:

Department Director	Date	_____	Date
Procurement and Contract Services Manager	Date	_____	Date
City Clerk as approved by Council	Date		

APPROVALS REQUIRED:

APPROVALS REQUIRED FOR ALL CITY DEPARTMENTS (EXCLUDING PARKS & RECREATION):

- \$ 1,000 - \$ 9,999 Department Director, Procurement and Contract Services Manager Approval
- \$ 10,000 - \$ 19,999 Department Director, Procurement and Contract Services Manager Approval City Manager Approval
- \$ 20,000 & Above Department Director, Procurement and Contract Services Manager Approval, City Manager & City Council Approval

APPROVALS REQUIRED FOR PARKS & RECREATION ONLY:

- \$ 1,000 - \$ 9,999 Parks Administrator & Procurement and Contract Services Manager Approval
- \$ 10,000 - \$ 19,999 Parks Administrator, Procurement and Contract Services Manager Approval
- \$ 20,000 & Above Parks Administrator, Procurement and Contract Services Manager Approval & Park Board Approval



ORDER FORM

As it relates to the Component Systems specified herein, this Order Form is subject to the terms of the Software Customer Agreement between **Infor (US), Inc.**, (“Infor”) and **City of Lee's Summit** (“Licensee”) with an effective date of **October 22, 2010** (the “License Agreement”). As it relates to Support for the Component Systems, this Order Form is subject to the applicable terms of the License Agreement (to the extent it concerns Support) or, if Support is the subject of a separate Support agreement related to the License Agreement, the terms of such Support Agreement (the “Support Agreement”). The License Agreement and related Support Agreement (if any) are referred to herein as the “Agreement”. All terms of the Agreement are incorporated herein by reference. Capitalized terms not defined in this Order Form are defined in the Agreement. In the event of a conflict, the terms of this Order Form control over the terms of the Agreement.

In the event the capitalized terms in this Order Form differ from the terminology used in the Agreement, references herein to: “Component Systems” means the software products that are being licensed (and may be referred to in the Agreement as Products, Software Products, Software, Programs or Licensed Programs); “Support” means Infor’s current standard maintenance and support services (and may be referred to in the Agreement as Maintenance and Support, Annual Support, Support Services, On-Going Support or One Point Support); “Order Form” means a mutually agreed upon ordering document (and may be referred to in the Agreement as Schedule, Supplement or Supplemental Schedule); “User Restriction” means the license restriction applicable to the Component System in addition to any license restrictions in the Agreement; “Annual Escalation Percentage Cap” means the maximum percentage increase in the annual Support Fee on an annual basis. In addition, based on the applicable Agreement, listed Component Systems herein owned by a third party may also be referred to in the Agreement as “Additional Software” or “Third Party Software”.

I. Component Systems - Production

I(a). Component Systems upgrading from:

	Part # (if applicable)	Component System	User Restriction*		Support level**
			Quantity	Type	
1	BPP-PFX	ProcessFlow Int W/O Websphere	8	CPUCORE	XTP

The Component Systems in table I(a) are herein referred to as the “Current Component Systems”.

I(b). Component Systems upgrading to:

	Part # (if applicable)	Component System	User Restriction*		Support level**
			Quantity	Type	
1	BPP-PAL	Infor Process Automation	12	CPUCORE	XTP
2	BPP-LMRK-NR	Landmark Technology Runtime	12	CPUCORE	XTP
3	BPP-NOTIFY	Infor Notifications	150	NU	XTP
4	BPP-MOBILA	Infor Landmark Administrator	5	NU	XTP

The Component Systems in table I(b) are herein referred to as the “New Component Systems”.

I(c). Component Systems Upgrade from: Production

	Part # (if applicable)	Component System	User Restriction*		Support level**
			Quantity	Type	
PROD:					
1	BPP-MNC	NetExpress Compiler - PRODUCTION	1	CU	XTP
2	BPP-MNX	NetExpress App Runtime - PRODUCTION	120	CU	XTP
3	BPP-MNXB	NetExpress App Runtime for Windows	30	CU	XTP
TEST:					
4	BPP-MNC	NetExpress Compiler	1	CU	XTP
5	BPP-MNX	NetExpress App Runtime	10	CU	XTP
COLD:					
6	BPP-MNC	NetExpress Compiler	1	CU	XTP
7	BPP-MNX	NetExpress App Runtime	150	CU	XTP

The Component Systems in table I(c) are herein referred to as the “NetExpress Component Systems”.

II(d). Component Systems Upgrade to: Production

	Part # (if applicable)	Component System	User Restriction*		Support level**
			Quantity	Type	
PROD:					
1	BPP-MVC	MF Visual COBOL for Windows Compiler	1	NU	XTP
2	BPP-MVX	MF COBOL Server Application Runtime - Windows	150	CU	XTP
TEST:					
3	BPP-MVC	MF Visual COBOL for Windows Compiler	1	NU	XTP
4	BPP-MVX	MF COBOL Server Application Runtime - Windows	10	CU	XTP
COLD:					
5	BPP-MVC	MF Visual COBOL for Windows Compiler	1	NU	XTP
6	BPP-MVX	MF COBOL Server Application Runtime - Windows	150	CU	XTP

The Component Systems in table I(d) are herein referred to as the “COBOL Component Systems”.

Total License Fee: Good and valuable consideration the receipt and sufficiency of which is hereby acknowledged by Infor

*If specified in the User Restriction field:

- CPUCORE – “CPU Cores” - Quantity represents the maximum number of Central Processing Unit Cores (“CPU Cores”) utilized by the Component System at peak times and all CPU Cores utilized must be licensed.
- NU - “Named Users” Allows access to the Component System up to the stated maximum number of individual named users, irrespective as to whether any such user is actively logged on to the Component Systems at a given point in time; The Licensee agrees to assign to each Named User a unique identification profile, it being agreed that to the extent Licensee uses generic user profiles as a means to access the Component System, each separate log-on accessing the Component System will be counted as a separate user.
- CU - “Concurrent Users” allows access to the Component System up to the stated maximum number of individual concurrent users who are simultaneously logged on to the Component System at any given point in time, irrespective as to whether or not any such user is actually using resources related to the Component System.

**Support Level: Infor Xtreme (“XT”) Support unless otherwise indicated. Descriptions of the Support levels can be found at <http://www.infor.com/content/brochures/inforxtremesupportplanfeatures.pdf/>.

If Applicable, “XTP” = Infor Xtreme Premium (24x7) and “XTE”= Infor Xtreme Elite (24x7) Plus

II. Support Services

Support previously paid by Licensee on the Current Component Systems is hereby transferred to the New Component Systems. The parties acknowledge that Licensee has paid for Support for such Component Systems through the period ending September 30, 2017.	
Additional Annual Support Fee for the COBOL Component Systems: \$6,872.00	
Initial Term of Support for the COBOL Component Systems: Order Form Date through one (1) year from Order Form Date	
Annual Escalation Percentage Cap: 6% or the then-current year-over-year increase in the Consumer Price Index (CPI-U), whichever is greater.	
Fee for Initial Term of Support:	\$6,872.00
Committed Term of Support: Order Form Date through three (3) years from Order Form Date	
MF Net Express Compiler to MF Visual COBOL for Windows Compiler - Upgrade Fee (BPP-MVCW-UGF) for 2 Named Users	\$3,000.00
MF Application Runtime to MF COBOL Server Application Runtime - Upgrade Fee (BPP-MVX-UGF) for 160 Concurrent Users	\$16,800.00
Total Amount Due (before applicable taxes):	\$26,672.00

Payment Terms:	All amounts are in US Dollars unless otherwise specified.
Payment is due within fifteen (15) days from Order Form Date.	Currency: United States Dollars

Equipment (on which Component Systems will be installed):	Licensee Account ID: 73578-L
Computer Platform: _____ Model: _____	Infor GL ID: USOAB
Operating System: _____ DBMS: _____	Account Executive Name: Wells Beacham
Serial Number: _____	
Location: Same as Delivery Address	

Delivery Address:	Invoice Address:
City of Lee's Summit 220 SE Green St Lee's Summit, MO 64082	City of Lee's Summit 220 SE Green St Lee's Summit, MO 64082
Contact Name: Cynthia Stacks	Contact Name: Cynthia Stacks
Contact Title:	Contact Title:
Contact Phone: (816) 969-1253	Contact Phone: (816) 969-1253
Contact email: cynthia.stacks@cityofls.net	Contact email: cynthia.stacks@cityofls.net

III. Additional Terms

Delivery is FOB Shipping Point.

Licensee desires to trade the Current Component Systems for the New Component Systems. Licensee is hereby granted a license to use the New Component Systems subject to the terms herein and in the Agreements. Licensee's license to use the Current Component Systems shall terminate on the earlier of (i) Licensee's use of the New Component Systems in a production environment or (ii) the one-year anniversary of the Order Form Date. Upon the termination of Licensee's license to use the Current Component Systems, Licensee shall cease all production and non-production use of the Current Component Systems and no longer be eligible to receive Support in connection therewith; Support for the New Component Systems will continue in accordance with the terms herein and in the Agreements. Licensee may not use the Current Component Systems and New Component Systems in a production environment at the same time.

Equipment Information: As of the Order Form Date, Licensee has not yet purchased the Equipment on which the Component Systems will be installed. Licensee acknowledges and agrees that such Equipment information must be provided to Infor as soon as possible, and that once provided, such Equipment shall be the licensed Equipment on which the Component Systems must be installed and operated. Licensee acknowledges and agrees that it is Licensee's responsibility to ensure operational compatibility of the Equipment with the Component Systems licensed herein and Infor shall not be required to deliver additional software elements other than the Component Systems incorporated on this Order Form. Licensee further acknowledges and agrees that in the event Licensee subsequently changes the Equipment after installation, additional fees may be applicable as the direct result of a change in Equipment.

The following terms apply to any Third Party Software licensed under the Order Form.

1. Licensee may not copy or modify Third Party Software or related Documentation. Licensee may only use Third Party Software in accordance with related Documentation and solely in conjunction with the Component Systems.
2. The Third Party Licensor is a third-party beneficiary to the Agreement with respect to its Third Party Software. In the event of unauthorized use, export or disclosure of a Third Party Software in breach of the Agreement, the Third Party Licensor and Infor shall be entitled to an injunction against such breach, in addition to any other legal or equitable remedies that may be available to them.

Upgrade Terms

Licensee desires to trade the NetExpress Component Systems set forth above for the COBOL Component Systems set forth above. Licensee is hereby granted a license to use the COBOL Component Systems subject to the terms herein and in the Agreements. Provided that Licensee continues to pay Support for the NetExpress Component Systems while transitioning from the NetExpress Component Systems to the COBOL Component Systems (the "Transition Period"), Licensee may continue to use and receive Support on the NetExpress Component Systems during the Transition Period. Licensee's license to use the NetExpress Component Systems shall terminate upon Licensee's use of the COBOL Component Systems in a production environment. Upon the termination of Licensee's license to use the NetExpress Component Systems (the "Termination Date"), Licensee shall cease all production and non-production use of the NetExpress Component Systems and no longer be eligible to receive Support in connection therewith nor be entitled to any refund of Support fees paid to Infor. Support for the COBOL Component Systems will be subject to the terms herein and in the Agreements. Licensee may not use the NetExpress Component Systems and COBOL Component Systems in a production environment at the same time.

Effective date of this Order Form: _____ (the "Order Form Date")

THE PARTIES have executed this Order Form through the signatures of their respective authorized representatives.

For: Infor (US), Inc.	For: City of Lee's Summit
	(Legal Name of Licensee)
Signature	Signature
Typed or Printed Name	Typed or Printed Name
Title	Title
Date	Date



CITY OF LEE'S SUMMIT

PURCHASING DIVISION

220 S.E. GREEN STREET

LEE'S SUMMIT, MO 64063

816-969-1080 Phone 816-969-1081 Fax

INTEROFFICE MEMORANDUM

CONTRACT DOCUMENT

DATE: October 27, 2010

TO: Randy Dickey
Cathy Loveland
Teresa Wright

FROM: Purchasing Division

RE: Services Agreement for Enterprise Resources Planning System and Point Solutions for HRIS, Utility Billing, Applicant Tracking, Project Accounting, and Training
Lee's Summit Bid #10-013

Vendor	Lawson Software 380 St. Peter Street St. Paul, MN 55102
Phone & Fax	PH: 303-475-3591
Contact Person	Russell Parker
Terms/Discounts	Net 30
Delivery	Destination
Effective Dates	Contract start date October 22, 2010. Expiration as per contract.

cc: Bid File- Original memo
Intranet



CITY OF LEE'S SUMMIT
PURCHASING DIVISION
220 S.E. GREEN STREET
LEE'S SUMMIT, MO 64063
816-969-1080 Phone 816-969-1081 Fax

NOTICE TO PROCEED

October 27, 2010

Lawson Software Inc.
ATTN: Contracts
380 St. Peters Street
St. Paul MN 55102

Re: Award of Yearly Contract for Services Agreement for Enterprise Resources Planning System and Point Solutions for HRIS, Utility Billing, Applicant Tracking, Project Accounting, and Training
RFP #10-013

Dear Contracts:

I am pleased to inform you the above referenced contract has been awarded to your company. The contract period will begin October 22, 2010 and continue as per the contract terms. A copy of the contract documents is enclosed.

To ensure prompt payment, all invoices must be sent to Accounts Payable at ap@cityofls.net, via fax at 816-969-1113, or by US Mail to Attention Accounts Payable, City of Lee's Summit, 220 S.E. Green Street, Lee's Summit, MO 64063. Payment will be made within 30 days after receipt of the invoice.

I look forward to doing business with your company during this contract period. Please do not hesitate to contact me if any questions or concerns arise at 816-969-1087.

Thank you,


DeeDee Tschirhart, CPPB
Procurement Officer

cc: Bid file
Accounts Payable



LAWSON SOFTWARE CUSTOMER AGREEMENT
MASTER TERMS AND CONDITIONS

Agreement No: 00005669.0

Customer Name:	City of Lee's Summit
Address:	220 SE Green St.
City:	Lees Summit
State/Zip or Province/Postal Code:	Missouri 64063
Country:	United States

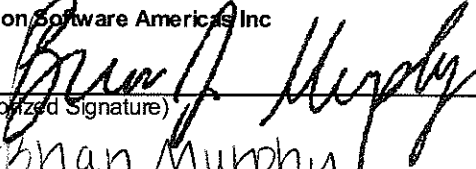
These Lawson Software Customer Agreement Master Terms and Conditions ("Master Terms and Conditions") are entered into by each respective Lawson Group company named below and in each Order Form, and the customer entity named above and in each Order Form. These Master Terms and Conditions are effective as of the latest date signed below after all Parties have signed.

The entire Lawson Software Customer Agreement includes these Master Terms and Conditions, and each Order Form, Statement of Work and other written agreement entered into by Customer and any Lawson Group company at any time and which refers to these Master Terms and Conditions (collectively, the "Agreement").

Lawson must receive an original manually signed Customer signature on these Master Terms and Conditions, unless Lawson elects to accept a copy of these Master Terms and Conditions signed in counterparts and/or delivered by fax, pdf or other means that displays the original or a copy of the signatures. Any subsequent Order Form or Statement of Work may be signed and delivered in the same manner or as described in that Order Form or Statement of Work.

The Agreement contains the complete agreement with Customer concerning any products, software, maintenance or services provided by any Lawson Group company, and supersedes all purchase orders, presentations, demonstrations, requests for proposal and proposals.

Lawson Software Americas Inc



 (Authorized Signature)

Brian Murphy

 (Printed Name)

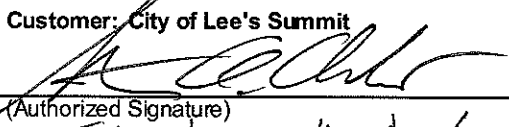
GM

 (Title)

10/15/10

 (Date)

Customer: City of Lee's Summit



 (Authorized Signature)

Stephen A. Arbo

 (Printed Name)

City Manager

 (Title)

10/22/10

 (Date)

The following Master Terms and Conditions supplement and govern each Order Form, Statement of Work and other written agreement entered into by Customer and any Lawson Group company at any time:

1. Definitions. The following defined terms are in addition to the definitions contained in each applicable Order Form or SOW:
 - 1.1 "Agreement" or "Lawson Software Customer Agreement" means these Master Terms and Conditions and each Order Form.
 - 1.2 "Cure Period" means the time after notice from Customer, reasonably required for Lawson to cure a breach under Lawson's then current Maintenance or Services practices.
 - 1.3 "Customer" means the customer entity that has signed these Master Terms and Conditions and each Order Form.
 - 1.4 "Documentation" means all help screens or other electronic or printed material describing the operation of the Software and made available by Lawson or a Third Party Supplier. Documentation excludes all marketing materials, proposals, demonstrations and other promotional information.
 - 1.5 "Escrow Agreement" means the separate escrow agreement, if any, entered into by the escrow agent appointed by Lawson.
 - 1.6 "Initial Maintenance Period" means the initial period of Maintenance specified in an applicable Order Form.
 - 1.7 "Intellectual Property Rights" means all copyrights, patent rights, confidentiality rights, trade secret rights and trademark rights.
 - 1.8 "Lawson" means each respective Lawson Group company that has entered into the Agreement with Customer.
 - 1.9 "Lawson Documentation" means the Documentation for the Lawson Products.
 - 1.10 "Lawson Group" means Lawson Software, Inc. and each of its direct and indirect subsidiaries.
 - 1.11 "Lawson Partner" means each entity that is then currently appointed as a "Lawson Partner" by Lawson Group.
 - 1.12 "Lawson-Maintained Products" means the unmodified Products denoted "LMP" in an Order Form while eligible for Maintenance.
 - 1.13 "Lawson Product" means each Product described in an Order Form, excluding Third Party Products.
 - 1.14 "License" means the rights granted in Section 2.
 - 1.15 "License Term" means perpetual, unless a shorter term is specified in the applicable Order Form or the License is terminated pursuant to the Agreement.
 - 1.16 "Limited Offering" means software, maintenance and/or services that are designated as "LO" in an Order Form.
 - 1.17 "Maintenance" means the level of maintenance and support services described in an Order Form and in the Support Operations Handbook, and purchased by Customer for the Lawson-Maintained Products listed in that Order Form.
 - 1.18 "Maintenance Period" means: (a) the Initial Maintenance Period or (b) any renewal period of Maintenance under Section 4 or under the applicable Order Form.
 - 1.19 "Maintenance Warranty" is defined in Section 6.2.
 - 1.20 "Maximum Use Designations" means the License and user limitation defined and shown in the applicable Order Form.
 - 1.21 "New Products" means new software and documentation that Lawson Group elects to make generally available to customers separate from other products and which contain new application software or technology.
 - 1.22 "Order Form" means a Product Order Form ("POF"), a Services Order Form ("SOF"), Statement of Work ("SOW") or other order form signed by Lawson and Customer and referring to these Master Terms and Conditions.
 - 1.23 "Party" or "Parties" means Lawson and/or Customer.
 - 1.24 "Products" means the Software and Documentation.
 - 1.25 "Product Warranty" is defined in Section 6.1.
 - 1.26 "Release" means the edition of a Lawson-Maintained Product after it has been designated as a release and made generally available by Lawson.
 - 1.27 "Service" means training, implementation, consulting, Service Deliverables, subscription, managed service, hosting or other services provided by Lawson, excluding Maintenance.

- 2.18 "Service Deliverable" means any tool, training materials or other non-Product item described in an Order Form or Statement of Work for delivery to Customer.
- 2.29 "Services Warranty" is defined in Section 6.3.
- 2.30 "Software" means the software code and media described in a POF, and any repairs, replacements, upgrades, updates, enhancements and new Releases provided by Lawson or a Third Party Supplier under applicable Maintenance, and any copies.
- 2.31 "Statement of Work" or "SOW" means the portion of the Agreement that describes the Services by Lawson and the main responsibilities of the Parties, estimated time schedule for completion of a project, project scope and organization, change order process and other project requirements.
- 2.32 "Support Operations Handbook" means Lawson's then current document describing the levels of Maintenance available for purchase by Customer under a Product Order Form.
- 2.33 "Taxes" means any value-added, sales, use, excise, goods and services, withholding taxes, duties or other taxes, interest and penalties that are assessed by a governmental authority because of the Agreement, excluding taxes for which Customer provides Lawson a valid tax exemption certificate.
- 2.34 "Third Party Supplier" means the owner or supplier of a Third Party Product.
- 2.35 "Third Party Product" means each Product designated as a "Third Party Product" (or with a similar designation) in a POF.
- 2.36 "Users" means the natural persons authorized by Customer to use the Products, Services Deliverables and Limited Offerings within the scope of the License, and who each have an ID (profile) and password.
2. **License Granted.** Subject to the Agreement, when a Lawson Group company and Customer sign an Order Form, that Lawson Group company hereby grants to Customer, throughout the License Term, a non-transferable and non-exclusive license to Customer to use and allow its Users to use the respective Products, Service Deliverables and Limited Offerings identified in that Order Form for up to the Maximum Use Designations identified in that Order Form and only for the internal business of Customer and its wholly owned subsidiaries.
 - 2.1 Software and Documentation Copies.
 - 2.1.1 Users may copy: (a) the Software listed in an Order Form only for backup and archival purposes and (b) the Lawson Documentation and Service Deliverables only for use with the Software. Users may not copy Documentation for Third Party Products unless permitted by the Third Party Supplier.
 - 2.1.2 Upon request during the Maintenance Period and for a nominal handling charge, Lawson will provide Customer additional copies of the Lawson Products listed in an Order Form (subject to the Maximum Use Designations).
 - 2.2 Modifications and Ownership. Customer may modify the Lawson Products and Service Deliverables only to the extent permitted under an Order Form or the applicable Documentation. Customer or Lawson Partners may use the Lawson Products to develop and use interfaces for those Products only within the scope of the License. Subject to the License, Lawson and its Third Party Suppliers will continue to own all Intellectual Property Rights for the Products, Services, Service Deliverables and any modifications. Unless authorized by separate agreement, Customer will not modify Third Party Products.
 - 2.3 Compliance.
 - 2.3.1 Customer may not transfer, rent, or re-license the Products or Service Deliverables, or use them to provide outsourcing, service bureau, hosting services or training to third parties.
 - 2.3.2 Unless otherwise authorized by Lawson in writing, only Customer, Lawson Group or a Lawson Partner, may install, maintain or host the Products and Service Deliverables.
 - 2.3.3 Customer may use the Products listed in an Order Form only in accordance with the Documentation and only with the operating system/database shown in that Order Form.
 - 2.3.4 If an Order Form lists a Product for development and test use only, Customer may use that Product for internal development

- and testing but not for production (unless Customer has licensed that Product separately for production use).
- 2.3.5 Customer may not simultaneously use the same User ID (profile) on more than one computer terminal or access point.
- 2.3.6 Customer may allow its employees and contractors to attend Lawson training, but those contractors may use the Lawson training materials only for the benefit of Customer and may not be Lawson competitors.
- 2.3.7 Customer shall not export the Products or Service Deliverables from the country of initial delivery by Lawson without Lawson's prior written authorization and compliance with applicable law.
- 2.3.8 Customer is responsible for compliance with the Agreement by each of its Users and contractors.
- 2.4 Verifications.
- 2.4.1 After reasonable notice, Customer will promptly: (a) inform Lawson where the licensed Products are installed and confirm its compliance with the Maximum Use Designations and (b) allow Lawson's representatives to verify that compliance by remote or physical inspection during normal business hours. Customer acknowledges that some Products may allow Lawson to monitor and prohibit unauthorized use.
- 2.4.2 If Lawson learns that Customer has exceeded the Maximum Use Designations, and Customer has not previously paid Lawson the applicable additional License fees, after written request from Lawson, Customer will promptly pay Lawson: (a) the then current list price for that coverage plus a 25% surcharge and (b) the reasonable costs of conducting the above verification if the Maximum Use Designations were exceeded by more than 5%.
- 3. Delivery and Installation.**
- 3.1 Lawson will promptly deliver or make available to Customer one copy of the Products listed in an Order Form. Title to any delivered goods passes at place of shipment (subject to the License), unless prohibited by applicable law.
- 3.2 Except as otherwise agreed in an Order Form, Customer is responsible at its expense for installation of the Software and Service Deliverables, User training, data conversion, implementation and other services.
- 4. Maintenance and Renewal.**
- 4.1 During the Maintenance Period, Lawson (a) will directly or indirectly provide Customer Maintenance for the Lawson-Maintained Products pursuant to the Support Operations Handbook and (b) will not materially degrade its Maintenance practices. New Products require a separate Order Form and are not provided as a new Release or as part of Maintenance for other Products.
- 4.2 Customer may elect to purchase from the applicable Third Party Supplier available support for Third Party Products specified in an Order Form or Support Operations Handbook as not maintained by Lawson. Customer is responsible for licensing and paying for additional third party products that may be required for use of upgrades, enhancements or new Releases of the Lawson-Maintained Products.
- 4.3 Unless otherwise described in an applicable Order Form, Lawson does not maintain or support Service Deliverables or Products modified outside of Maintenance provided by Lawson.
- 4.4 Before each renewal date of the Maintenance Period, Lawson will provide Customer an invoice for the Maintenance fees for the Lawson-Maintained Products for that renewal period.
- 4.5 After the Initial Maintenance Period (unless otherwise stated in an Order Form), Maintenance for the Lawson-Maintained Products will automatically renew for successive one year Maintenance Periods so long as Lawson makes that Maintenance available to its customers, unless Customer or Lawson notifies the other Party of non-renewal at least three months before the renewal date.
- 4.6 Lawson may consolidate the annual renewal dates for Maintenance Periods under one or more Order Forms.
- 5. Services.** Except as otherwise agreed in an applicable Order Form or elsewhere in the Agreement: (a) all Services will be

- on a time and materials basis at Lawson's then current rates and (b) Customer will reimburse Lawson for reasonable travel and out-of-pocket expenses incurred when rendering on-site Services, Maintenance or other warranty services.
- 6. Warranties.**
- 6.1 **Product Warranty.** At the time of delivery of the Products, Lawson warrants that: (a) the applicable media for those Products will be free of defects, (b) Lawson will have timely used up-to-date, commercially available virus scanning and cleaning, and will not have (based on the results of that scanning and cleaning) delivered Products containing any viruses, time bombs or other undocumented programs which inhibit Product use and (c) those Products will include the functionality described in the Documentation for those Products.
- 6.2 **Maintenance Warranty.** Subject to the level of Maintenance purchased, Lawson warrants that Maintenance will include: (a) help desk support, (b) corrections to allow the unmodified Lawson-Maintained Products (when properly installed and configured) to operate materially and substantially as described in the Documentation for those Products (by providing a program patch, update, new Release, or instruction for avoiding the error, as determined by Lawson) and (c) updates and new Releases of the same Lawson-Maintained Products when generally made available by Lawson for installation and use by Customer. New Products require a separate Order Form and are not provided as a new Release or as part of Maintenance for other Products.
- 6.3 **Services Warranty.** Lawson warrants that at the time of Services delivery, the Services will be provided by trained personnel using commercially reasonable efforts.
- 6.4 **THE WARRANTIES IN THE AGREEMENT ARE MADE SOLELY BY LAWSON AND ARE IN LIEU OF ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.** Lawson does not warrant that the Products, Services, Service Deliverables or Limited Offerings are free of nonmaterial defects or will meet the specific requirements or needs of Customer's business or of any country or jurisdiction.
- 7. Customer's Remedies.**
- 7.1 Customer's exclusive remedies for Lawson Group's breach of the Product Warranty or Maintenance Warranty are as follows:
- a) Lawson will provide Maintenance (if purchased by Customer) to repair, replace or furnish an upgrade of the Lawson-Maintained Products to enable those Products or upgrade of those Products to comply with the applicable Product Warranty and Maintenance Warranty; and
- b) if Lawson does not comply with Section 7.1(a) within the Cure Period, Customer may terminate Maintenance and recover direct damages for the Lawson-Maintained Products subject to the damage claim, including up to a refund of the fees paid by Customer to Lawson for those Products, subject to Section 13.
- 7.2 Customer's exclusive remedies for breach of the Services Warranty or Lawson's Service obligations are as follows:
- a) Lawson will re-perform or re-deliver those Services or the applicable Service Deliverables at no additional charge within the Cure Period; and
- b) if Lawson does not complete that re-performance within the Cure Period, Customer may terminate the Services and recover direct damages, including up to a refund of the fees paid by Customer to Lawson for those Services or Service Deliverables not re-performed and timely cured, subject to Section 13.
- 8. Lawson's Payment Terms and Remedies.**
- 8.1 Upon request, Customer will provide Lawson sufficient financial information to enable Lawson to determine Customer's creditworthiness. Lawson may withhold delivery of any Products or Services pending credit approval by Lawson.

- 8.2 Unless otherwise stated in the Agreement, an applicable Order Form or invoice, Lawson's invoices are due and payable within 30 days after invoice date. The payment terms in the Agreement, an applicable Order Form or Lawson's invoice prevail over any payment terms stated on a purchase order or other document from Customer to place an order, and prevail over Customer's accounts payable policy or practice.
- 8.3 All fees and expenses invoiced by Lawson are exclusive of Taxes. Customer is responsible for payment or reimbursement of applicable Taxes.
- 8.4 Lawson may suspend or terminate Maintenance and/or Services at any time if all Lawson invoices, that are then due and payable, are not paid within 15 days after Lawson informs Customer of non-payment.
- 8.5 Lawson may terminate the License, the Agreement or any Order Form if any undisputed invoices are not paid by Customer within 15 days after notice of late payment or if Customer does not cure any other material breach of the Agreement within 90 days after notice of breach.
- 8.6 Customer will promptly destroy or return to Lawson all Products and Service Deliverables if the License and the Agreement terminate as described in Section 8 (Third Party Products must be returned to Lawson upon termination of the License).
- 9. Confidential Information.**
- 9.1 "Confidential Information" means software code and benchmark tests for the Products and Service Deliverables, Documentation, Limited Offering software, pricing, non-standard Lawson contract terms, User ID (profile) and passwords, Customer financial information, data and all other information reasonably believed to be confidential, but excludes:
- information made generally available without restriction by the disclosing Party or by an authorized third party;
 - information known to the receiving Party independent of disclosures by the disclosing Party;
 - information independently developed without access to or use of the disclosing Party's Confidential Information; or
 - information that must be disclosed pursuant to court order. Customer's Confidential Information also excludes any new features or functionality suggested by Customer for the Products or Service Deliverables.
- 9.2 The Parties will use reasonable efforts to keep each other's Confidential Information secret and will use that information only to fulfill the rights and obligations under the Agreement.
- 9.3 The Parties will have the right of injunctive relief to maintain compliance with this Section 9 and prevent unauthorized disclosure, use or export of the Products, Service Deliverables, Limited Offerings or other Confidential Information.
- 10. Infringement Indemnity.** Lawson will, at its expense, retain legal counsel and defend any suit or claim brought against Customer and will indemnify Customer against any third party damage claims that the Products or Service Deliverables as licensed and delivered by Lawson infringe any third party's Intellectual Property Rights. Lawson may control the defense and settlement. If the Products or Service Deliverables are held or are reasonably believed by Lawson to infringe under this Section 10, Lawson will at its expense and to the extent commercially available, modify or replace the applicable Products or Service Deliverables to be non-infringing and with similar functionality, or obtain permission for Customer to continue using the Products and Service Deliverables under the License. Lawson will have no obligations or liability for any claim of infringement based on Customer's use of a superseded or Customer-altered Release of the Products or Service Deliverable to the extent that the obligation or liability would have been avoided by the use of a then current Release of the Products or Service Deliverable which Lawson provides to Customer.
- 11. No Hire of Certain Employees.** Customer agrees that until one year after the later of (a) the termination and non-renewal of the Maintenance Period or (b) the completion of Services, Customer will not hire, employ or contract for services with any employee of the Lawson Group who provides Maintenance or Services to any customers. If Customer violates this Section 11, Customer will pay Lawson a fee of two times the hired employee's most recent annual compensation.
- 12. Force Majeure.** Neither Party will be in default or liable for any noncompliance from causes beyond the reasonable control of the Party, including, for example, fires, floods, natural disasters, communication failures and other equipment or telecommunication problems.
- 13. Limitations of Liability.**
- 13.1 In no event will Lawson Group, Third Party Suppliers or Customer be liable for indirect, incidental, punitive, exemplary, special or consequential damages, or damages for loss of profits, revenue or data. Neither Party will seek or apply for such damages.**
- 13.2 Except only for indemnification by Lawson for third party claims under Section 10 above or bodily injury or direct damage to real or tangible personal property to the extent caused by Lawson's gross negligence, Lawson Group and its Third Party Suppliers' aggregate and cumulative liability for rescission and/or damages to Customer and its subsidiaries will be, whether in contract or tort, limited to actual direct money damages in an amount not to exceed the aggregate fees paid by Customer to Lawson, excluding fees paid more than one year prior to Customer's initial notice of the claim to Lawson.**
- 13.3 The limitations of liability in Section 13 apply to Lawson Group in the aggregate and are not additive among each Lawson Group company.**
- 14. Source Code Escrow.** All Products are licensed and delivered in object code only, except for those Products, if any, which are also designated in an Order Form for delivery in source code. During the Maintenance Period, Customer may elect to become a beneficiary under the applicable Escrow Agreement for the licensed Lawson Products delivered in object code only (excluding Third Party Products) by: (1) signing Lawson's acceptance form and (2) paying all escrow fees.
- 15. Assignment.** Customer may not assign the License or the Agreement, or transfer any rights or obligations under the Agreement.
- 16. Publicity.** Either Party may publicize Customer's selection of Lawson. Pricing and non-standard Lawson contract terms will remain confidential under Section 9 above.
- 17. General.**
- 17.1 All notices must be in writing and delivered electronically or by method with proof of delivery. All other communications, requests or alerts may be provided by fax, e-mail or other written means.**
- 17.2 The Agreement may be amended only in writing signed by the Parties, except that Lawson may upon notice to Customer and without Customer's signature, amend an Order Form to correct errors without increasing the License fees or Services rates.**
- 17.3 Lawson and Customer each waive right to a trial by jury. No litigation or other legal action may be brought if the injured Party has known of the cause of action for more than 2 years. Each Party will pay (without reimbursement) its own legal fees and expenses incurred in any dispute.**
- 17.4 Sections 1, 6.4, 7 through 15, and 17, and the provisions concerning protection of Intellectual Property Rights, will survive any termination or expiration of the Agreement.**

[End of Master Terms and Conditions]

**ADDENDUM TO LAWSON SOFTWARE CUSTOMER AGREEMENT
MASTER TERMS AND CONDITIONS**

This Addendum ("Addendum") modifies the Lawson Software Customer Agreement (the "Agreement") entered into between the undersigned Lawson Company and Customer, and is effective as of the latest date signed below when all parties have signed. All of the capitalized terms not otherwise defined in this Addendum have the same respective meanings as contained in the Agreement. The following sections amend or replace the respective sections contained in the Agreement, or add additional section(s) to the Agreement. The sections of the Agreement that are not expressly modified or replaced by this Addendum shall remain in effect pursuant to their terms.

- 1. Section 1.2 of the Agreement is deleted and replaced in its entirety with the following:**

"Cure Period" means the 45 day period ending after the later of: (a) Customer's notice of breach of this Agreement by Lawson, (b) replication by Lawson of a mission critical Product problem that does not comply with the Product Warranty or Maintenance Warranty or (c) the response period for non-mission critical problems (e.g. cyclical bug fixes) under Lawson's then current standard Maintenance or Services practices for the respective level of Maintenance or Services purchased by Customer. The Cure Period defined in this Section 1.2 will not lengthen the response periods under Lawson's standard Maintenance or Services practices.
- 2. Section 3.2 of the Agreement is deleted and replaced in its entirety with the following:**

Except as otherwise agreed, Customer is responsible at its expense for installation of the Software and Service Deliverables, User training, data conversion, implementation and other services.
- 3. Section 4.3 of the Agreement is deleted and replaced in its entirety with the following:**

Unless otherwise described in an applicable Order Form, Lawson does not maintain or support Service Deliverables or Products modified outside of Maintenance provided by Lawson. "Modified" for purposes of this section means: (i) changes to source code; or (ii) other modifications to the Products that would prevent Lawson from replicating an issue at Lawson's Global Support Center.
- 4. Section 4.4 of the Agreement is deleted and replaced in its entirety with the following:**

Before each renewal date of the Maintenance Period, Lawson will endeavor to provide Customer an invoice at least 90 days prior to the end of the maintenance period for the Maintenance fees for the Lawson-Maintained Products for that renewal period.
- 5. Section 4.5 of the Agreement is deleted and replaced in its entirety with the following:**

After the Initial Maintenance Period (unless otherwise stated in an Order Form), Maintenance for the Lawson-Maintained Products will automatically renew for successive one year Maintenance Periods so long as Lawson makes that Maintenance available to its customers, unless Customer or Lawson notifies the other Party of non-renewal at least two months before the renewal date.
- 6. Section 5 of the Agreement is deleted and replaced in its entirety with the following:**

Except as otherwise agreed in an applicable Order Form or elsewhere in the Agreement: (a) all Services will be on a time and materials basis at Lawson's then current rates and (b) Customer will reimburse Lawson for reasonable travel and out-of-pocket expenses incurred when rendering on-site Services, Maintenance or other warranty services. For a period of twelve (12) months from the Effective

Addendum to Lawson Software Customer Agreement Master Terms and Conditions

Date, Lawson will provide Services to the Customer at the rates listed below (unless negotiated otherwise in an Order Form).

Description	Rates
Lawson Professional Services - Rate Card	HOURLY
Business Consultant - Associate	\$ 190.00
Business Consultant	\$ 220.00
Business Consultant - Senior	\$ 240.00
Business Consultant - Principal	\$ 290.00
Systems Consultant - Associate	\$ 190.00
Systems Consultant	\$ 250.00
Systems Consultant - Senior	\$ 295.00
Systems Consultant - Principal	\$ 320.00
Technical Consultant - Associate	\$ 190.00
Technical Consultant	\$ 200.00
Technical Consultant - Senior	\$ 240.00
Technical Consultant - Principal	\$ 290.00
Project Lead	\$ 250.00
Technical Project Manager	\$ 240.00
Project Manager	\$ 275.00
Project Manager - Quality & Risk	\$ 290.00
Project Manager - Senior	\$ 290.00
Project Executive	\$ 330.00
Practice Director	\$ 330.00
Change Adoption Consultant	\$ 240.00
Change Adoption Consultant - Senior	\$ 290.00
Change Adoption Consultant- Principal	\$ 330.00
User Adoption Consultant	\$ 240.00
User Adoption Developer	\$ 195.00
GSC - Systems Consultant	\$ 100.00
GSC - Technical Consultant	\$ 85.00
GSC - Technical Project Manager	\$ 125.00
Lawson Learning-Rate Card	
Public Training - Application Labs / vLabs	\$ 93.75
Public Training - Technology Labs / vLabs	\$ 112.50
Facilities Rental	\$ 187.50
Application or Technology Remote Server	\$ 65.63
Remote Server - Technology Labs (3 LPAR min.)	\$ 93.75
Remote Server - Each additional LPAR after min.	\$ 46.88
Client Site Training (Lab, Camp)	\$ 468.75
Client Site Training (Workshop)	\$ 281.25
Learning Accelerator Trainer	\$ 468.75
Learning Accelerator Services	\$ 234.38

7. **Section 6.3 of the Agreement is deleted and replaced in its entirety with the following:**
Services Warranty. Lawson warrants that all Services by Lawson will be performed in a manner consistent with generally accepted industry practices applicable to such Service.
8. **Section 7.1 of the Agreement is deleted and replaced in its entirety with the following:**
Customer's exclusive remedies for Lawson Group's breach of the Product Warranty or Maintenance Warranty are as follows:
- a) If a material breach of any provision of this Agreement has been committed by Lawson and Lawson fails to cure the same within the Cure Period, then Customer may seek the remedies set forth in this Section and Section 27.
 - b) Lawson will provide Maintenance (if purchased by Customer) to repair, replace or furnish an upgrade of the Lawson-Maintained Products to enable those Products or upgrade of those Products to comply with the applicable Product Warranty and Maintenance Warranty; and
 - c) If Lawson does not comply with Section 7.1(a) within the Cure Period, Customer may terminate Maintenance and recover direct damages for the Lawson-Maintained Products subject to the damage claim, including up to a refund of the fees paid by Customer to Lawson for those Products, subject to Section 13.
9. **Section 8.3 of the Agreement is deleted and replaced in its entirety with the following:**
All fees and expenses invoiced by Lawson are exclusive of Taxes. Customer is responsible for payment or reimbursement of applicable Taxes, except to the extent that Customer is exempt from payment of Taxes as a Missouri municipality. Customer will provide Lawson with any tax exemption certificates.
10. **Section 8.4 of the Agreement is deleted and replaced in its entirety with the following:**
Lawson may suspend or terminate Maintenance and/or Services at any time if undisputed Lawson invoices (or portions thereof), that are then due and payable, are not paid within 15 days after Lawson informs Customer of non-payment.
11. **Section 9.1(d) of the Agreement is deleted and replaced in its entirety with the following:**
(d) information that must be disclosed pursuant to court order or by operation of applicable law. Customer's Confidential Information also excludes any new features or functionality suggested by Customer for the Products or Service Deliverables.
12. **Section 10 of the Agreement is deleted and replaced in its entirety with the following:**
Infringement Indemnity. Lawson will, at its expense, retain legal counsel and defend any suit or claim brought against Customer and will indemnify Customer against any third party damage claims that the Products or Service Deliverables as licensed and delivered by Lawson infringe any third party's Intellectual Property Rights. Lawson may control the defense and settlement, provided that Lawson does not agree to any settlement that materially prejudices Customer. If the Products or Service Deliverables are held or are reasonably believed by Lawson to infringe under this Section 10, Lawson will at its expense and to the extent commercially available, modify or replace the applicable Products or Service Deliverables to be non-infringing and with similar functionality, or obtain permission for Customer to continue using the Products and Service Deliverables under the License. Lawson will have no obligations or liability for any claim of infringement based on Customer's use of a superseded or Customer-altered Release of the Products or Service Deliverable to the extent that the obligation or liability would have been avoided by the use of a then current Release of the Products or Service Deliverable which Lawson provides to Customer.
13. **Section 11 of the Agreement is deleted and replaced in its entirety with the following:**
No Hire of Certain Employees. All parties agree that until one year after an employee that was actively involved with the performance or receipt of Maintenance or Services on the Agreement stops performing or receiving Maintenance or Services, neither party will hire, employ or contract for services with that

employee of the other party who was involved with the provision or receipt of Maintenance or Services. This restriction, however, shall not prohibit a party from carrying on general industry solicitations in trade journals, receiving unsolicited expressions of interest in employment from any employee of the other party, and the like.

14. **Section 13.2 of the Agreement is deleted and replaced in its entirety with the following:**
Except only for indemnification by Lawson for third party claims under Section 10 above or bodily injury or direct damage to real or tangible personal property to the extent caused by Lawson's gross negligence, Lawson Group and its Third Party Suppliers' aggregate and cumulative liability for rescission and/or damages to Customer and its subsidiaries will be, whether in contract or tort, limited to actual direct money damages in an amount not to exceed the aggregate fees paid by Customer to Lawson, excluding fees paid more than two years prior to Customer's initial notice of the claim to Lawson.
15. **Section 13.3 of the Agreement is deleted in its entirety.**
16. **Section 17.2 of the Agreement is deleted and replaced in its entirety with the following:**
The Agreement may be amended only in writing signed by the Parties.
17. **Section 17.3 of the Agreement is deleted and replaced in its entirety with the following:**
To the extent allowed by law, no litigation or other legal action may be brought if the injured Party has known of the cause of action for more than 2 years. Each Party will pay (without reimbursement) its own legal fees and expenses incurred in any dispute.
18. **Section 17.4 of the Agreement is deleted and replaced in its entirety with the following:**
Sections 1, 6.4, 7 through 15, 17, 21, 23 and 28, and the provisions concerning protection of Intellectual Property Rights, will survive any termination or expiration of the Agreement.
19. **A new Section 18 is added to the Agreement:**
Tax Exempt. Customer is exempt from State and local sales taxes. Sites of all transactions derived from this Agreement or the proposal giving rise to this Agreement shall be deemed to have been accomplished within the State of Missouri. Customer will provide Lawson with applicable tax exemption certificates.
20. **A new Section 19 is added to the Agreement:**
Safety. To the extent required under applicable laws, all practices, materials, supplies, and equipment shall comply with the Federal Occupational Safety and Health Act, as well as any pertinent Federal, State and local safety or environmental codes.
21. **A new Section 20 is added to the Agreement:**
No Assignment. This Agreement may not be assigned or transferred without the prior written consent of the Customer. Notwithstanding the foregoing, Lawson may assign all of Lawson's rights and obligations under this Agreement in connection with a merger, reorganization, sale or transfer of substantially all of the capital stock or assets of Lawson or its applicable operating division.
22. **A new Section 21 is added to the Agreement:**
Disclaimer of Customer Liability: The Customer will not hold harmless or indemnify Lawson for any liability whatsoever.

23. A new Section 22 is added to the Agreement:

Governing Law. This Agreement shall be subject to, governed by, and construed according to the laws of the State of Missouri.

24. A new Section 23 is added to the Agreement:

Compliance with Applicable Law. In providing Services to Customer, Lawson shall comply with all federal, state or local laws, ordinances, rules, regulations and administrative orders, including but not limited to Wage, Labor, Unauthorized Aliens, EEO and OSHA-type requirements which are applicable to Lawson's performance under this contract.

25. A new Section 24 is added to the Agreement:

Conflicts. No salaried officer or employee of the Customer, and no member of the Lee's Summit City Council shall have a financial interest, direct or indirect, in this Agreement. A violation of this provision renders the Agreement void. Federal conflict of interest regulations and applicable provisions of the Revised Statutes of Missouri Sections 105.450 – 105.496 shall not be violated. Lawson covenants that it presently has no interest and shall not acquire any interest, direct or indirect, which would conflict in any manner or degree with the performance of services to be performed under this Agreement. Lawson further covenants that in the performance of this contract no person having such interest shall be employed.

26. A new Section 25 is added to the Agreement:

Debarment. Lawson certifies that neither it nor its principals is presently debarred or suspended by any Federal Department or agency, including listing in the U.S. General Services Administrations List of Parties Excluded from Federal Procurement or Non-Procurement programs; or that neither it nor its principals nor its subcontractors receiving sub-awards equal to or in excess of \$100,000 is presently disbarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from participation in this transaction by an Federal Department , agency or prevision of law.

27. A new Section 26 is added to the Agreement:

Fund Allocation. Continuance of this Agreement is contingent upon the available funding and allocation of Customer funds. Lawson understands that the obligation of the Customer to pay for goods and services under the contract is limited to payment from available revenues and shall constitute a current expense of the Customer and shall not in any way be construed to be a debt of the Customer in contravention of any applicable constitutional or statutory limitations or requirements concerning the creation of indebtedness by the Customer nor shall anything contained in the Agreement constitute a pledge of the general tax revenues, funds or moneys of the Customer, and all provisions of the contract shall be construed so as to give effect to such intent. In connection with this Agreement, Customer agrees to notify Lawson promptly when it appears certain that the necessary funding or authorizations shall not be obtained. This provision should not be construed to allow an excuse from any License fees remaining under the Agreement or for any fees or expenses for Services rendered and not yet paid.

28. A new Section 27 is added to the Agreement:

Termination. In the event of termination by Customer, if there are any Services hereunder in progress but not completed as of the date of termination, then said Agreement may be extended upon written approval of both Parties until said Services are completed and accepted.

1.Termination for Convenience: The Services called for by this Agreement or any supplements thereto may be terminated upon request and for the convenience of Customer upon thirty (30) days advance written notice. Customer shall pay Lawson for all services rendered up to the date of termination.

2.Termination for Cause: This Agreement may also be terminated for cause by Customer or Lawson. Termination for cause shall be preceded by the Cure Period. Customers shall pay Lawson for all services rendered up to the date of termination.

3. Termination Due to Unavailability of Funds in Succeeding Fiscal Years: When funds are not appropriated or otherwise made available to support continuation of the Project in a subsequent fiscal year, this Agreement shall be terminated and Lawson shall be reimbursed for the Services rendered up to the date of termination plus the reasonable value of any nonrecurring costs incurred by Lawson but not amortized in the price of the services delivered under this Agreement.

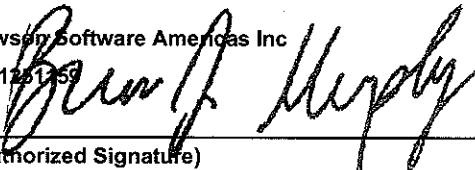
28. A new Section 28 is added to the Agreement:

General Indemnification and Hold Harmless. Lawson shall defend, indemnify and hold harmless Customer and its officers, employees, elected officials, and attorneys, each in their official and individual capacities, from and against third party claims, judgments, damages, losses, and expenses for death, personal injury or damage to real or tangible personal property to the extent caused by the negligent acts, errors, omissions, or willful misconduct of Lawson, or its employees, or subcontractors, in the performance of Lawson's duties under this Agreement, or any supplements or amendments thereto.

29. A new Section 29 is added to the Agreement:

The following document is attached to the Agreement:

Exhibit A: Selected portions of the Lawson Response to Customer's Request for Proposal

Lawson Software Americas Inc
41-1251-59


(Authorized Signature)

Brian Murphy

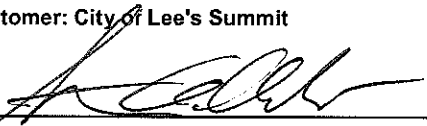
(Printed Name)

Gm

(Title)

10/15/10

(Date)

Customer: City of Lee's Summit
ID: 

(Authorized Signature)

Stephen A. Arbo

(Printed Name)

City Manager

(Title)

10/22/10

(Date)



PRODUCT ORDER FORM
Lawson Software Customer Agreement

Order Form No: 00005671.0

This Product Order Form and the attached Schedules ("POF") is entered into by the Lawson Group company and the "Customer" named below (collectively "the Parties"), and is effective as of the latest date signed below after all Parties have signed ("Effective Date").

This POF is part of the Lawson Software Customer Agreement and is governed by the Lawson Master Terms and Conditions signed by Customer. The definitions in Schedule 1 to this POF supplement the definitions in the Lawson Master Terms and Conditions. If any terms of this POF conflict with the Lawson Master Terms and Conditions, this POF governs that conflict for only the Products listed in this POF.

The Schedule(s) to this POF lists each of the Products licensed to Customer under this POF, and Schedule 1 to this POF describes additional applicable terms. Certain Products may have additional usage restrictions as described in the Schedule(s) to this POF for that Product.

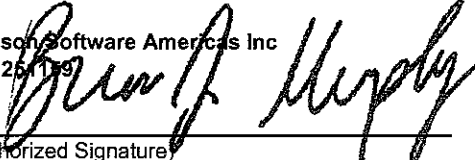
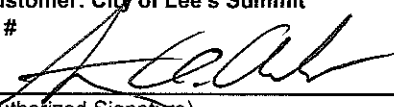
Customer Entity Name:	City of Lee's Summit
Address:	220 SE Green St.
City:	Lees Summit
State/ZIP/Postal Code:	Missouri 64063
Country:	United States

Lawson Software Customer Agreement:

Customer: City of Lee's Summit

Agreement Number:00005669.0

Lawson must receive an original manually signed Customer signature on this POF, unless Lawson elects to accept a copy of this POF signed in counterparts and/or delivered by fax, pdf or other means that displays the original or a copy of the signatures below.

Lawson Software Americas Inc 41-1251199	Customer: City of Lee's Summit ID #
 (Authorized Signature)	 (Authorized Signature)
Brian Murphy (Printed Name)	Stephen A. Arbo (Printed Name)
Gm (Title)	City Manager (Title)
10/15/10 (Date)	10/22/10 (Date)

Number of Schedules:

Schedule 1 to
PRODUCT ORDER FORM

1. **Bronze Maintenance Level.** Customer's maintenance level is Bronze (as defined in the Support Operations Handbook) for the Lawson-Maintained Products listed in the Schedule(s) to this POF. All Products licensed to Customer must have the same maintenance level.
2. **Payment Terms.** Customer shall pay all net license fees listed in the Schedule(s) to this POF and all Maintenance Fees for the Initial Maintenance Period, plus applicable Taxes, within 30 days after the invoice date. Annual Maintenance Fees for subsequent Maintenance Periods are payable 30 days before each renewal.
3. **Maintenance Terms and Fees for the Lawson-Maintained Products listed in the Schedule(s) to this POF.**
 - 3.1 *Initial Maintenance Period.* The *Initial Maintenance Period* for the Products and/or Maximum Use Designations listed in the Schedule(s) to this POF will commence on delivery and end on September 30, 2011.
 - 3.2 *Maintenance Fees for Initial Maintenance Period.* Unless otherwise stated in this POF, the annualized "Maintenance Fees" for the Initial Maintenance Period for the maintenance level specified in Section 1 above are: (a) 18.00 % of the total Net Lawson license fee listed in the Schedule(s) to this POF for all Lawson-Maintained Products that are Lawson Products, plus (b) 20 % of the list amount of each line item "Third Party License Fee" listed in the Schedule(s) to this POF for each Lawson-Maintained Product that is a Third Party Product.
 - 3.3 *Maintenance Fees for Initial Maintenance Period for Lawson System Foundation (LSF).* The annualized Maintenance Fees for the Initial Maintenance Period for the maintenance level specified in Section 1 above for each Lawson System Foundation (LSF) Product listed in the Schedule(s) to this POF is the greater of (a) an amount equal to USD 15,000 or (b) 20% of the aggregate net Lawson License Fee for each LSF Product.
 - 3.4 *Maintenance Fee for the Initial Maintenance Period for Process Flow Integrator (PFI or M3PFD).* The annualized Maintenance Fee for the maintenance level specified in Section 1 above for the PFI or M3PFD Initial Maintenance Period is: (i) the greater of (a) an amount equal to USD 17,200 or (b) 20 % of the aggregate list Lawson License Fee for each PFI or M3PFD Product, plus (ii) the then-current fee for the Third Party Supplier owned Lawson-Maintained Products.
 - 3.5 *Maintenance Fee for First Annual Renewal of Maintenance.* For the first 12 months of renewed Maintenance at the same maintenance level specified in Section 1 above (after the Initial Maintenance Period for all Lawson-Maintained Products listed in the Schedule(s) to this POF), the annualized Maintenance Fee will be the same as the annualized Maintenance Fee for the Initial Maintenance Period, plus up to a 2.00 % increase.
4. **POF Definitions.** The following definitions supplement the definitions contained in the Lawson Master Terms and Conditions:
 - 4.1 *LMP or Lawson-Maintained Products* means the Products listed in the Schedule(s) to this POF that are initially eligible for Maintenance from Lawson.
 - 4.2 *LMP-REQ'D* means a Lawson-Maintained Product that must remain under Maintenance if Customer is to receive Maintenance for any other Lawson-Maintained Products.
 - 4.3 *No LMP* means a Product that is not maintained by Lawson. Customer may elect to purchase at Customer's expense from the applicable Third Party Supplier available maintenance for the Third Party Products, specified as *No LMP* (if any) in the Schedule(s) to this POF.
 - 4.4 *Products* means the Software described in the Schedule(s) to this POF and the Documentation for that Software.
 - 4.5 *S* means source code is delivered with the Product.
 - 4.6 *License Term* means, unless otherwise specified in the Schedule(s) to this POF, a perpetual period for the Products listed in the Schedule(s) to this POF.
 - 4.7 The following definitions are interchangeable in any prior document that is part of the Lawson Software Customer Agreement: (a) *Client* and *Customer*, (b) *Support* and *Maintenance* and (c) *LSP* and *LMP* (Lawson Maintained Product).
 - 4.8 *TP-LMP* means a Third Party Product that is only maintained by Lawson at the Bronze level for the Initial Maintenance Period. After the Initial Maintenance Period, Maintenance will be subcontracted to, performed and invoiced by the applicable Third Party Supplier
5. **Maximum Use Designation Definitions.** The respective Maximum Use Designations listed in the Schedule(s) to this POF are defined as follows below. If any of the following defined terms are not used elsewhere in the Schedule(s) to this POF, then those defined term(s) do not apply to this POF:

S3 Definitions:

Schedule 1 to
PRODUCT ORDER FORM

- 5.1 *MCPU* means *Maximum Central Processing Units*, which is the maximum number of central processing units available to the operating system(s) and hardware platform(s) on which the corresponding Software designated as *MCPU* (if any) in the Schedule(s) to this POF may be installed and/or run.
- 5.2 *MCPUC* means *Maximum Central Processing Unit Core* which is the maximum number of independent processing units (cores) in the central processing unit(s) available to the operating system(s) and hardware platform(s) on which the corresponding Software designated as *MCPUC* (if any) in the Schedule(s) to this POF may be installed and/or run.
- 5.3 *MP* means *Maximum Persons*, which is the maximum number of persons deriving benefit from the use of the Products designated as *MP* (if any) in the Schedule(s) to this POF, including without limitation any person for whom data is maintained using those Products (for example, full time and part time employees, volunteers, pensioners, temporary workers, seasonal workers, contractors and consultants).
- 5.4 *MS* means *Maximum Servers*, which is the maximum number of physical hardware servers on which each Product designated as *MS* (if any) in the Schedule(s) to this POF, may be installed.
- 5.5 *MUC* means *Maximum Users Concurrent*, which is the maximum number of individuals authorized by Customer to be the number of peak simultaneous users running any on-line program within an application, designated as *MUC* (if any) in the Schedule(s) to this POF.
- 5.6 *MUN* means *Maximum Users Named*, which is the maximum number of individuals (*Named Users*) that may be authorized by Customer to use the respective specific Product designated as *MUN* (if any) in the Schedule(s) to this POF, regardless of whether the individual is actively using the Product at any given time. A *Named User* of one Product designated as *MUN* may not use other Products designated as *MUN*, unless Customer has obtained a License for that *Named User* to use each of those specific Products designated as *MUN*.
- 5.7 *MUS* means *Maximum Users Seats*, which is the maximum number of Customer's workstations on which the Products may be installed, designated as *MUS* (if any) in the Schedule(s) to this POF.

SHCM Definitions:

- 5.8 *MCPU* means *Maximum Central Processing Units*, which is the maximum number of central processing units available to the operating system(s) and hardware platform(s) on which the corresponding Software designated as *MCPU* (if any) in the Schedule(s) to this POF may be installed and/or run.
- 5.9 *MCPUC* means *Maximum Central Processing Unit Core* which is the maximum number of independent processing units (cores) in the central processing unit(s) available to the operating system(s) and hardware platform(s) on which the corresponding Software designated as *MCPUC* (if any) in the Schedule(s) to this POF may be installed and/or run.
- 5.10 *MP* means *Maximum Persons*, which is the maximum number of persons deriving benefit from the use of the Products designated as *MP* (if any) in the Schedule(s) to this POF, including without limitation any person for whom data is maintained using those Products (for example, full time and part time employees, volunteers, pensioners, temporary workers, seasonal workers, contractors and consultants).
- 5.11 *MS* means *Maximum Servers*, which is the maximum number of physical hardware servers on which each Product designated as *MS* (if any) in the Schedule(s) to this POF, may be installed.
- 5.12 *MUC* means *Maximum Users Concurrent*, which is the maximum number of individuals authorized by Customer to be the number of peak simultaneous users running any on-line program within an application, designated as *MUC* (if any) in the Schedule(s) to this POF.
- 5.13 *MUN* means *Maximum Users Named*, which is the maximum number of individuals (*Named Users*) that may be authorized by Customer to use the respective specific Product designated as *MUN* (if any) in the Schedule(s) to this POF, regardless of whether the individual is actively using the Product at any given time. A *Named User* of one Product designated as *MUN* may not use other Products designated as *MUN*, unless Customer has obtained a License for that *Named User* to use each of those specific Products designated as *MUN*.
- 5.14 *MUS* means *Maximum Users Seats*, which is the maximum number of Customer's workstations on which the Products may be installed, designated as *MUS* (if any) in the Schedule(s) to this POF.

6. Non-Production Use of Certain Products.

- 6.1 *Development/Test and Training.* The following applies to any Lawson Products (excluding System Foundation) listed on the Schedule(s) to this POF: (a) Customer may install those Products on one development/test server and on one training server (in addition to the licensed production server(s)), (b) Customer may allow up to 10 Users (in addition to the maximum number of Users shown on the Schedule(s) to this POF) to use those Products for development and testing, with a database that is separate from any production database and (c) Customer may allow its Users (within the Maximum Use Designations) to use those Products for training. System Foundation Products and Third Party Products are licensed separately for development/testing and training, and may be used for development/testing and/or training only if designated for that purpose in a Schedule to a POF.

Schedule 1 to
PRODUCT ORDER FORM

- 6.2 *Disaster Recovery and Failover.* If any Products listed in the Schedule(s) to this POF are designated as "Disaster Recovery" or "Failover," Customer may: (a) install those Disaster Recovery Products on only one Disaster Recovery server and install those Failover Products on only one Failover server, (b) use the Disaster Recovery Products and the Failover Products to test those servers, and (c) use the Disaster Recovery Products and the Failover Products in production, only as long as the primary production system is inoperable.
7. *Discounted License Fees for Additional Users or Lawson Products Licensed By Customer.* If Customer continues to renew available Maintenance for all Lawson-Maintained Products listed in the Schedule(s) to this POF and has paid all Lawson invoices, then for 30 months after the Effective Date of this POF Customer may elect to License from Lawson, on a perpetual basis, an increased Number of Maximum Use Designations for those Lawson Users or Products (the *Additional Users or Products*) by: (a) signing a POF for those Additional User or Products and (b) paying Lawson the License fee for those Additional Users or Products equal to the then current list price for those Additional Users or Products, less a discount of 40.00 % off such amount (plus applicable Taxes).

Schedule (S3&HCM)

Agreement Number:
 Customer Entity Name: City of Lee's Summit
 Address: 220 S.E. Green
 City: Lee's Summit
 State/Zip or Province/Postal Code: MO 64063
 Country: USA
 Client ID:

Currency in this schedule: USD

The following Products, Users, Servers or CPU's shall be added under the Agreement as listed below:

SECTION 1.0: PRODUCT

THE PRODUCTS BELOW ARE RESTRICTED TO INSTALLATION AND
 USE ON ONLY THE PLATFORM TECHNOLOGY INDICATED IN SECTION 1.1 OF THIS SCHEDULE

Product Description	Sys ID	Max Use Designation		SW Code	Maintenance Type	Lawson License Fee	Third Party License Fee
		Type	Qty				
Lawson Enterprise Financial Management							
Grant Management Package	GMP	MUN	10	S	LMP	42,000	
Project Accounting and Billing & Revenue	MRBAC	MUN	75	S	LMP	165,625	
Financial Procurement Package	FINPRO	MUN	120	S	LMP	306,000	
Lawson Budgeting and Planning	LBP	MUN	100		LMP	60,850	
Incl: Crystal Report Application Server [Restricted to a Maximum of 50 Canned Reports] Report Designer [Restricted to (1) Named User]	CRASBP	MCPU	[2]		LMP		
	CRRBP	MUN	[1]		LMP		
Product Description	Sys ID	Max Use Designation	Qty	SW Code	Maintenance Type	Lawson License Fee	Third Party License Fee
Lawson Supply Chain Management							
Requisitions Self-Service	SIPP	MUN	150		LMP	46,250	
Product Description	Sys ID	Max Use Designation	Qty	SW Code	Maintenance Type	Lawson License Fee	Third Party License Fee
Lawson Business Process Management							
ProcessFlow Integrator	PFX	MCPUC	8		LMP	40,000	
Design Studio - Production Server [Restricted to (1) server]	XMLT	MUN	5	S	LMP	37,500	
Product Description	Sys ID	Max Use Designation	Qty	SW Code	Maintenance Type	Lawson License Fee	Third Party License Fee
Lawson Smart Office Suite							
Smart Office	SMC	MUN	50		LMP	56,000	

Schedule 2 to
Product Order Form

Product Description	Sys ID	Max Use Designation		SW Code	Maintenance Type	Lawson License Fee	Third Party License Fee
		Type	Qty				
Lawson Enterprise Performance Management							
Lawson Business Intelligence (CPU Core based)							
Incl.:	LBICF	MCPU	8		LMP	156,000	
Crystal Reports Server XI R2 Embedded Edition	CRASC	MCPU	2		LMP		
[CRAS, and CRR - Third Party Owned - Restricted license for use with Lawson Business Intelligence (any data source) only]	CRR	MUN	[3]		LMP		
Business Objects Xcelsius Engage	CXENC	MUN	[1]		LMP		
[Third Party Owned - Restricted license for use with Lawson Business Intelligence (any data source) and/or other Lawson Applications only]							
Lawson Add-ins for Microsoft Office	MOA	MUN	20		LMP	20,000	

SECTION 1.1 - ADDRESS & PLATFORM TECHNOLOGY FOR PRODUCTS LISTED IN SECTION 1.0

[Specific Operating System, Release & Release level required for delivery of products]	Server Address/Location	HW Operating System	OS Rel. level	Database

The following Products, Users, Servers or CPU's shall be added under the Agreement as listed below.

SECTION 2.0: PRODUCT

THE PRODUCTS BELOW ARE RESTRICTED TO INSTALLATION AND
USE ON ONLY THE PLATFORM TECHNOLOGY INDICATED IN SECTION 2.1 OF THIS SCHEDULE

The following Products, Users, Servers or CPU's shall be added under the Agreement as listed below:

SECTION 2.0: PRODUCT

Product Description	Sys ID	Max Use Designation		SW Code	Maintenance Type	Lawson License Fee	Third Party License Fee
		Type	Qty				
Lawson Human Resources Suite							
Human Resources Management	HUM	MP	1000	S	LMP	66,500	
North American Payroll	PAYNA	MP	1000	S	LMP	66,500	
Employee & Manager Self Service	SHRP	MUN	1000	S	LMP	50,125	

SECTION 2.1 - ADDRESS & PLATFORM TECHNOLOGY FOR PRODUCTS LISTED IN SECTION 2.0

[Specific Operating System, Release & Release level required for delivery of products]	Server Address/Location	HW Operating System	OS Rel. level	Database
		Windows		

SECTION 3.0 - Third Party Products

Product Description	Sys ID	Max Use Designation		SW Code	Maintenance Type	Lawson License Fee	Third Party License Fee
		Type	Qty				
Micro Focus NetExpress (Windows) [[Third Party-Owned] Micro Focus products are restricted to use with the products under the agreement]							
Micro Focus NetExpress Compiler (PRODUCTION)	MNC	MUC	1		LMP-REQ'D		4,420
Micro Focus NetExpress Application Runtime (PRODUCTION)	MXN	MUC	120		LMP-REQ'D		24,000
Micro Focus NetExpress Compiler (DEVELOPMENT/TEST)	MNC	MUC	1		LMP-REQ'D		4,420
Micro Focus NetExpress Application Runtime (DEVELOPMENT/TEST)	MXN	MUC	10		LMP-REQ'D		2,000

Address At Which Server Portion Of Products Are Installed:

[Specific Operating System Release & Release level required for delivery of products]	Server Address/Location	HW Operating System	OS Rel. level
Micro Focus (PRODUCTION)		Windows	
Micro Focus (DEVELOPMENT/TEST)		Windows	

Product Description

Micro Focus ServerExpress (Unix)

Product Description	Sys ID	Max Use Designation		SW Code	Maintenance Type	Lawson License Fee	Third Party License Fee
		Type	Qty				
[[Third Party-Owned] Micro Focus products are restricted to use with the products under the agreement]							
Micro Focus NetExpress Compiler (DISASTER RECOVERY)	MNC	MUC	1		LMP-REQ'D		N/C
Micro Focus NetExpress Application Runtime (DISASTER RECOVERY)	MXN	MUC	120		LMP-REQ'D		N/C

Address At Which Server Portion Of Products Are Installed:

[Specific Operating System Release & Release level required for delivery of products]	Server Address/Location	HW Operating System	OS Rel. level
Micro Focus (DISASTER RECOVERY)		Windows	

Product Description

BSI Tax Service (Third Party-Owned)

Product Description	Sys ID	Max Use Designation		SW Code	Maintenance Type	Lawson License Fee	Third Party License Fee
		Type	Qty				
BSI TaxFactory	BSIF	MP	1000		No LMP		12,600
[Operating System Version]:	BSIF		#				

SECTION 4.0 - LSF PRODUCT LISTING

Product Description	Sys ID	Max Use Designation		SW Code	Maintenance Type	Lawson License Fee	Third Party License Fee
		Type	Qty				
System Foundation							
Lawson System Foundation - PRODUCTION	LSF	MCPUC	8		LMP-REQD	71,500	
Third Party IBM Products - Restricted Use (Product Warranty requires that incl.: Specified Customer complete the compulsory training necessary for this Product's use).							
Lawson System Foundation - For use:							
LSF for use with LBI	LSF	MCPUC	2		LMP-REQD N/C		
LSF for use with Lawson Budgeting and Planning	LSF	MCPUC	2		LMP-REQD N/C		
LSF for use in Disaster Recovery	LSF	MCPUC	8		LMP-REQD N/C		
LSF for use with Smart Office	LSF	MCPUC	2		LMP-REQD N/C		
LSF for use in Test/Development/Training	LSF	MCPUC	2		LMP-REQD N/C		

SECTION 4.1 - ADDRESS & PLATFORM TECHNOLOGY FOR PRODUCTS LISTED IN SECTION 4.0

LSF for use (Y/N):	Server Address/Location	HW Operating System	OS Rel. Level	Database
Y		Windows		
Y		Windows		
Y		Windows		
Y		Windows		
Y		Windows X64		
Y		Windows		

SECTION 5.0 - LICENSE FEES PAYABLE FOR THIS SCHEDULE:

	Lawson License Fee	Third Party License Fee
FEES PAYABLE		
USD		
1. Gross License Fees:	1,184,850	47,440
2. Less Discount on Lawson Products:	808,496	
3. Net License Fees Total:	376,354	47,440
TOTAL LICENSE FEES PAYABLE	423,794	

**ADDENDUM TO LAWSON SOFTWARE CUSTOMER AGREEMENT
MASTER TERMS AND CONDITIONS**

This Addendum ("Addendum") modifies the Lawson Software Customer Agreement (the "Agreement") entered into between the undersigned Lawson Company and Customer, and is effective as of the latest date signed below when all parties have signed. All of the capitalized terms not otherwise defined in this Addendum have the same respective meanings as contained in the Agreement. The following sections amend or replace the respective sections contained in the Agreement, or add additional section(s) to the Agreement. The sections of the Agreement that are not expressly modified or replaced by this Addendum shall remain in effect pursuant to their terms.

1. **Section 1.2 of the Agreement is deleted and replaced in its entirety with the following:**
"Cure Period" means the 45 day period ending after the later of: (a) Customer's notice of breach of this Agreement by Lawson, (b) replication by Lawson of a mission critical Product problem that does not comply with the Product Warranty or Maintenance Warranty or (c) the response period for non-mission critical problems (e.g. cyclical bug fixes) under Lawson's then current standard Maintenance or Services practices for the respective level of Maintenance or Services purchased by Customer. The Cure Period defined in this Section 1.2 will not lengthen the response periods under Lawson's standard Maintenance or Services practices.
2. **Section 3.2 of the Agreement is deleted and replaced in its entirety with the following:**
Except as otherwise agreed, Customer is responsible at its expense for installation of the Software and Service Deliverables, User training, data conversion, implementation and other services.
3. **Section 4.3 of the Agreement is deleted and replaced in its entirety with the following:**
Unless otherwise described in an applicable Order Form, Lawson does not maintain or support Service Deliverables or Products modified outside of Maintenance provided by Lawson. "Modified" for purposes of this section means: (i) changes to source code; or (ii) other modifications to the Products that would prevent Lawson from replicating an issue at Lawson's Global Support Center.
4. **Section 4.4 of the Agreement is deleted and replaced in its entirety with the following:**
Before each renewal date of the Maintenance Period, Lawson will endeavor to provide Customer an invoice at least 90 days prior to the end of the maintenance period for the Maintenance fees for the Lawson-Maintained Products for that renewal period.
5. **Section 4.5 of the Agreement is deleted and replaced in its entirety with the following:**
After the Initial Maintenance Period (unless otherwise stated in an Order Form), Maintenance for the Lawson-Maintained Products will automatically renew for successive one year Maintenance Periods so long as Lawson makes that Maintenance available to its customers, unless Customer or Lawson notifies the other Party of non-renewal at least two months before the renewal date.
6. **Section 5 of the Agreement is deleted and replaced in its entirety with the following:**
Except as otherwise agreed in an applicable Order Form or elsewhere in the Agreement: (a) all Services will be on a time and materials basis at Lawson's then current rates and (b) Customer will reimburse Lawson for reasonable travel and out-of-pocket expenses incurred when rendering on-site Services, Maintenance or other warranty services. For a period of twelve (12) months from the Effective

Addendum to Lawson Software Customer Agreement Master Terms and Conditions

Date, Lawson will provide Services to the Customer at the rates listed below (unless negotiated otherwise in an Order Form).

Description	Rates
Lawson Professional Services - Rate Card	HOURLY
Business Consultant - Associate	\$ 190.00
Business Consultant	\$ 220.00
Business Consultant - Senior	\$ 240.00
Business Consultant - Principal	\$ 290.00
Systems Consultant - Associate	\$ 190.00
Systems Consultant	\$ 250.00
Systems Consultant - Senior	\$ 295.00
Systems Consultant - Principal	\$ 320.00
Technical Consultant - Associate	\$ 190.00
Technical Consultant	\$ 200.00
Technical Consultant - Senior	\$ 240.00
Technical Consultant - Principal	\$ 290.00
Project Lead	\$ 250.00
Technical Project Manager	\$ 240.00
Project Manager	\$ 275.00
Project Manager - Quality & Risk	\$ 290.00
Project Manager - Senior	\$ 290.00
Project Executive	\$ 330.00
Practice Director	\$ 330.00
Change Adoption Consultant	\$ 240.00
Change Adoption Consultant - Senior	\$ 290.00
Change Adoption Consultant- Principal	\$ 330.00
User Adoption Consultant	\$ 240.00
User Adoption Developer	\$ 195.00
GSC - Systems Consultant	\$ 100.00
GSC - Technical Consultant	\$ 85.00
GSC - Technical Project Manager	\$ 125.00
Lawson Learning-Rate Card	
Public Training - Application Labs / vLabs	\$ 93.75
Public Training - Technology Labs / vLabs	\$ 112.50
Facilities Rental	\$ 187.50
Application or Technology Remote Server	\$ 65.63
Remote Server - Technology Labs (3 LPAR min.)	\$ 93.75
Remote Server - Each additional LPAR after min.	\$ 46.88
Client Site Training (Lab, Camp)	\$ 468.75
Client Site Training (Workshop)	\$ 281.25
Learning Accelerator Trainer	\$ 468.75
Learning Accelerator Services	\$ 234.38

7. **Section 6.3 of the Agreement is deleted and replaced in its entirety with the following:**
Services Warranty. Lawson warrants that all Services by Lawson will be performed in a manner consistent with generally accepted industry practices applicable to such Service.
8. **Section 7.1 of the Agreement is deleted and replaced in its entirety with the following:**
Customer's exclusive remedies for Lawson Group's breach of the Product Warranty or Maintenance Warranty are as follows:
- a) If a material breach of any provision of this Agreement has been committed by Lawson and Lawson fails to cure the same within the Cure Period, then Customer may seek the remedies set forth in this Section and Section 27.
 - b) Lawson will provide Maintenance (if purchased by Customer) to repair, replace or furnish an upgrade of the Lawson-Maintained Products to enable those Products or upgrade of those Products to comply with the applicable Product Warranty and Maintenance Warranty; and
 - c) if Lawson does not comply with Section 7.1(a) within the Cure Period, Customer may terminate Maintenance and recover direct damages for the Lawson-Maintained Products subject to the damage claim, including up to a refund of the fees paid by Customer to Lawson for those Products, subject to Section 13.
9. **Section 8.3 of the Agreement is deleted and replaced in its entirety with the following:**
All fees and expenses invoiced by Lawson are exclusive of Taxes. Customer is responsible for payment or reimbursement of applicable Taxes, except to the extent that Customer is exempt from payment of Taxes as a Missouri municipality. Customer will provide Lawson with any tax exemption certificates.
10. **Section 8.4 of the Agreement is deleted and replaced in its entirety with the following:**
Lawson may suspend or terminate Maintenance and/or Services at any time if undisputed Lawson invoices (or portions thereof), that are then due and payable, are not paid within 15 days after Lawson informs Customer of non-payment.
11. **Section 9.1(d) of the Agreement is deleted and replaced in its entirety with the following:**
(d) information that must be disclosed pursuant to court order or by operation of applicable law. Customer's Confidential Information also excludes any new features or functionality suggested by Customer for the Products or Service Deliverables.
12. **Section 10 of the Agreement is deleted and replaced in its entirety with the following:**
Infringement Indemnity. Lawson will, at its expense, retain legal counsel and defend any suit or claim brought against Customer and will indemnify Customer against any third party damage claims that the Products or Service Deliverables as licensed and delivered by Lawson infringe any third party's Intellectual Property Rights. Lawson may control the defense and settlement, provided that Lawson does not agree to any settlement that materially prejudices Customer. If the Products or Service Deliverables are held or are reasonably believed by Lawson to infringe under this Section 10, Lawson will at its expense and to the extent commercially available, modify or replace the applicable Products or Service Deliverables to be non-infringing and with similar functionality, or obtain permission for Customer to continue using the Products and Service Deliverables under the License. Lawson will have no obligations or liability for any claim of infringement based on Customer's use of a superseded or Customer-altered Release of the Products or Service Deliverable to the extent that the obligation or liability would have been avoided by the use of a then current Release of the Products or Service Deliverable which Lawson provides to Customer.
13. **Section 11 of the Agreement is deleted and replaced in its entirety with the following:**
No Hire of Certain Employees. All parties agree that until one year after an employee that was actively involved with the performance or receipt of Maintenance or Services on the Agreement stops performing or receiving Maintenance or Services, neither party will hire, employ or contract for services with that

employee of the other party who was involved with the provision or receipt of Maintenance or Services. This restriction, however, shall not prohibit a party from carrying on general industry solicitations in trade journals, receiving unsolicited expressions of interest in employment from any employee of the other party, and the like.

14. **Section 13.2 of the Agreement is deleted and replaced in its entirety with the following:**
Except only for indemnification by Lawson for third party claims under Section 10 above or bodily injury or direct damage to real or tangible personal property to the extent caused by Lawson's gross negligence, Lawson Group and its Third Party Suppliers' aggregate and cumulative liability for rescission and/or damages to Customer and its subsidiaries will be, whether in contract or tort, limited to actual direct money damages in an amount not to exceed the aggregate fees paid by Customer to Lawson, excluding fees paid more than two years prior to Customer's initial notice of the claim to Lawson.
15. **Section 13.3 of the Agreement is deleted in its entirety.**
16. **Section 17.2 of the Agreement is deleted and replaced in its entirety with the following:**
The Agreement may be amended only in writing signed by the Parties.
17. **Section 17.3 of the Agreement is deleted and replaced in its entirety with the following:**
To the extent allowed by law, no litigation or other legal action may be brought if the injured Party has known of the cause of action for more than 2 years. Each Party will pay (without reimbursement) its own legal fees and expenses incurred in any dispute.
18. **Section 17.4 of the Agreement is deleted and replaced in its entirety with the following:**
Sections 1, 6.4, 7 through 15, 17, 21, 23 and 28, and the provisions concerning protection of Intellectual Property Rights, will survive any termination or expiration of the Agreement.
19. **A new Section 18 is added to the Agreement:**
Tax Exempt. Customer is exempt from State and local sales taxes. Sites of all transactions derived from this Agreement or the proposal giving rise to this Agreement shall be deemed to have been accomplished within the State of Missouri. Customer will provide Lawson with applicable tax exemption certificates.
20. **A new Section 19 is added to the Agreement:**
Safety. To the extent required under applicable laws, all practices, materials, supplies, and equipment shall comply with the Federal Occupational Safety and Health Act, as well as any pertinent Federal, State and local safety or environmental codes.
21. **A new Section 20 is added to the Agreement:**
No Assignment. This Agreement may not be assigned or transferred without the prior written consent of the Customer. Notwithstanding the foregoing, Lawson may assign all of Lawson's rights and obligations under this Agreement in connection with a merger, reorganization, sale or transfer of substantially all of the capital stock or assets of Lawson or its applicable operating division.
22. **A new Section 21 is added to the Agreement:**
Disclaimer of Customer Liability: The Customer will not hold harmless or indemnify Lawson for any liability whatsoever.

23. A new Section 22 is added to the Agreement:

Governing Law. This Agreement shall be subject to, governed by, and construed according to the laws of the State of Missouri.

24. A new Section 23 is added to the Agreement:

Compliance with Applicable Law. In providing Services to Customer, Lawson shall comply with all federal, state or local laws, ordinances, rules, regulations and administrative orders, including but not limited to Wage, Labor, Unauthorized Aliens, EEO and OSHA-type requirements which are applicable to Lawson's performance under this contract.

25. A new Section 24 is added to the Agreement:

Conflicts. No salaried officer or employee of the Customer, and no member of the Lee's Summit City Council shall have a financial interest, direct or indirect, in this Agreement. A violation of this provision renders the Agreement void. Federal conflict of interest regulations and applicable provisions of the Revised Statutes of Missouri Sections 105.450 – 105.496 shall not be violated. Lawson covenants that it presently has no interest and shall not acquire any interest, direct or indirect, which would conflict in any manner or degree with the performance of services to be performed under this Agreement. Lawson further covenants that in the performance of this contract no person having such interest shall be employed.

26. A new Section 25 is added to the Agreement:

Debarment. Lawson certifies that neither it nor its principals is presently debarred or suspended by any Federal Department or agency, including listing in the U.S. General Services Administrations List of Parties Excluded from Federal Procurement or Non-Procurement programs; or that neither it nor its principals nor its subcontractors receiving sub-awards equal to or in excess of \$100,000 is presently disbarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from participation in this transaction by an Federal Department , agency or prevision of law.

27. A new Section 26 is added to the Agreement:

Fund Allocation. Continuance of this Agreement is contingent upon the available funding and allocation of Customer funds. Lawson understands that the obligation of the Customer to pay for goods and services under the contract is limited to payment from available revenues and shall constitute a current expense of the Customer and shall not in any way be construed to be a debt of the Customer in contravention of any applicable constitutional or statutory limitations or requirements concerning the creation of indebtedness by the Customer nor shall anything contained in the Agreement constitute a pledge of the general tax revenues, funds or moneys of the Customer, and all provisions of the contract shall be construed so as to give effect to such intent. In connection with this Agreement, Customer agrees to notify Lawson promptly when it appears certain that the necessary funding or authorizations shall not be obtained. This provision should not be construed to allow an excuse from any License fees remaining under the Agreement or for any fees or expenses for Services rendered and not yet paid.

28. A new Section 27 is added to the Agreement:

Termination. In the event of termination by Customer, if there are any Services hereunder in progress but not completed as of the date of termination, then said Agreement may be extended upon written approval of both Parties until said Services are completed and accepted.

1.Termination for Convenience: The Services called for by this Agreement or any supplements thereto may be terminated upon request and for the convenience of Customer upon thirty (30) days advance written notice. Customer shall pay Lawson for all services rendered up to the date of termination.

2.Termination for Cause: This Agreement may also be terminated for cause by Customer or Lawson. Termination for cause shall be preceded by the Cure Period. Customers shall pay Lawson for all services rendered up to the date of termination.

3. Termination Due to Unavailability of Funds in Succeeding Fiscal Years: When funds are not appropriated or otherwise made available to support continuation of the Project in a subsequent fiscal year, this Agreement shall be terminated and Lawson shall be reimbursed for the Services rendered up to the date of termination plus the reasonable value of any nonrecurring costs incurred by Lawson but not amortized in the price of the services delivered under this Agreement.

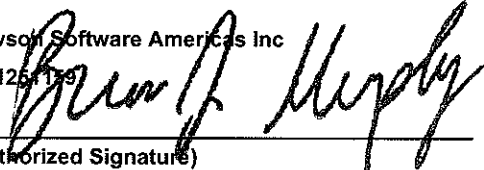
28. A new Section 28 is added to the Agreement:

General Indemnification and Hold Harmless. Lawson shall defend, indemnify and hold harmless Customer and its officers, employees, elected officials, and attorneys, each in their official and individual capacities, from and against third party claims, judgments, damages, losses, and expenses for death, personal injury or damage to real or tangible personal property to the extent caused by the negligent acts, errors, omissions, or willful misconduct of Lawson, or its employees, or subcontractors, in the performance of Lawson's duties under this Agreement, or any supplements or amendments thereto.

29. A new Section 29 is added to the Agreement:

The following document is attached to the Agreement:

Exhibit A: Selected portions of the Lawson Response to Customer's Request for Proposal

Lawson Software Americas Inc
41-1251199


(Authorized Signature)

Brian Murphy

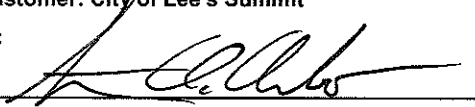
(Printed Name)

GM

(Title)

10/15/10

(Date)

Customer: City of Lee's Summit
ID:


(Authorized Signature)

Stephen A. Arbo

(Printed Name)

City Manager

(Title)

10/22/10

(Date)

Packet Information

File #: TMP-0209, **Version:** 2

AN ORDINANCE SETTING THE TAX LEVY FOR THE YEAR 2016 FOR THE CITY OF LEE'S SUMMIT, CASS AND JACKSON COUNTIES, MISSOURI

Issue/Request:

AN ORDINANCE SETTING THE TAX LEVY FOR THE YEAR 2016 FOR THE CITY OF LEE'S SUMMIT, CASS AND JACKSON COUNTIES, MISSOURI

Key Issues:

Consideration of the tax levies for the General Fund; Parks and Recreation Fund; and, Debt Service Fund for the City of Lee's Summit, for the 2016 Calendar Year (Fiscal Year 2017).

The City experienced a slight net decrease in Assessed Valuation for property that was assessed in both 2015 and 2016 of approximately (\$2,657,893) (0.15%), with new growth in Assessed Valuation in 2016 of \$54,426,900 (3.0%), resulting in a net increase in assessed valuation of \$51,769,007. The decrease in previously Assessed Valuation from 2015 to 2016, will allow the tax levies to be increased to compensate for the decrease in assessed valuation of previously assessed property.

Proposed Committee Motion:

I move to recommend to the City Council approval of AN ORDINANCE SETTING THE TAX LEVY FOR THE YEAR 2016 FOR THE CITY OF LEE'S SUMMIT, CASS AND JACKSON COUNTIES, MISSOURI

Background:

Each year, the City Council must set the tax levies to be applied to property within the City limits for the General Fund, the Parks and Recreation Fund, and the Debt Service Fund. The Cass County Assessor and the Jackson County Assessor provide the assessed values for all property located within the City limits, and, state statutes require the City Council to set the tax levies by October 1 of each year. Once the tax levies are set, the levies are forwarded to the County Clerks of Cass and Jackson Counties, who certify the levies and forward them to the State Auditor's Office for final certification. Once the tax levy rates are certified by the State Auditor's Office, the tax levy rate is applied to the properties within the City limits, and the resulting tax amounts are forwarded by the respective County Clerk to the County's Collector's Office of Cass and Jackson County, respectively, for collection from the property owners.

Impact/Analysis:

The valuation provided by the Cass County and Jackson County Assessor's Offices reflect the most current assessed valuations available through August 15, 2016. The 2016 total Assessed Valuation is an increase of \$51,769,007 over the 2015 total Assessed Valuation. However, the 2016 Assessed Valuation of property also

assessed in 2015 is \$2,657,893 below the assessed valuation for 2015. Due to the decrease in previously assessed property, the City may, under State Statutes, increase the tax levies to compensate for the decrease in assessed valuations to maintain the same tax revenue from the previously assessed property.

The tax levy for the General Fund can be set at a maximum of \$0.9081 per \$100 of assessed valuation; the Parks and Recreation tax levy can be set at a maximum of \$0.1606 per \$100 of assessed valuation; and, the Debt Service Levy can be set at a maximum of \$0.5022 per \$100 of assessed valuation. The City has not typically increased the Debt Service Levy above \$0.4697 per \$100 of assessed valuation due to the "no tax increase" elections.

The combined maximum 2016 City Tax Levy would be \$1.5709 if all the tax levies were set at their maximum levels.

Timeline:

Start: ____

Finish: ____

Other Information/Unique Characteristics:

[Enter text here]

Presenter: Conrad Lamb

Recommendation: Staff recommends passage of an Ordinance setting the Tax Levy for the Year 2016 for the City of Lee's Summit, Cass and Jackson Counties, Missouri.

Committee Recommendation: [Enter Committee Recommendation text Here]

Packet Information

File #: TMP-0218, **Version:** 1

AN ORDINANCE APPROVING AMENDMENT NO.3 TO THE BUDGET FOR THE FISCAL YEAR ENDING JUNE 30, 2017, AS ADOPTED BY ORDINANCE NO. 7894, BY REVISING THE AUTHORIZED ALLOCATION OF FULL TIME EQUIVALENTS FOR CERTAIN POSITIONS IN THE DEVELOPMENT SERVICES DEPARTMENT AND THE AUTHORIZED BUDGET EXPENDITURES OF THE CITY OF LEE'S SUMMIT, MISSOURI.

Issue/Request:

AN ORDINANCE APPROVING AMENDMENT NO.3 TO THE BUDGET FOR THE FISCAL YEAR ENDING JUNE 30, 2017, AS ADOPTED BY ORDINANCE NO. 7894, BY REVISING THE AUTHORIZED ALLOCATION OF FULL TIME EQUIVALENTS FOR CERTAIN POSITIONS IN THE DEVELOPMENT SERVICES DEPARTMENT AND THE AUTHORIZED BUDGET EXPENDITURES OF THE CITY OF LEE'S SUMMIT, MISSOURI.

Key Issues:

Recently, the City has experienced a significant amount of new investment and economic development. As a result of this new growth, staff is seeking approval of the proposed amendment to add additional full time equivalents (FTE) to accommodate the increase in activity and maintain established levels of service. The proposed amendment would provide funding and authorization to hire an additional Field Building Inspector, Field Engineering Inspector, and Senior Staff Engineer.

From 2012 through 2014, the three year average for building permit revenue totaled \$542k. Alone in FY15 and FY16 the annual amounts totaled approximately \$832k and \$929k respectively. The challenge following this level investment is to provide enough capacity within the organization to complete plan reviews and inspections while also serving new customers seeking to invest in the community. The proposed amendment will help ensure that development applications and inspections are completed within a reasonable amount of time and to ensure projects and infrastructure meeting minimum standards.

Proposed City Council Motion:

I move to recommend to the City Council approval of AN ORDINANCE APPROVING AMENDMENT NO.3 TO THE BUDGET FOR THE FISCAL YEAR ENDING JUNE 30, 2017, AS ADOPTED BY ORDINANCE NO. 7894, BY REVISING THE AUTHORIZED ALLOCATION OF FULL TIME EQUIVALENTS FOR CERTAIN POSITIONS IN THE DEVELOPMENT SERVICES DEPARTMENT AND THE AUTHORIZED BUDGET EXPENDITURES OF THE CITY OF LEE'S SUMMIT, MISSOURI.

Background:

Similar to other services provided by the City, Development Services recovers approximately 50% of the costs

associated with plan review, permitting, and inspection from the development fees. Recent revenue amounts are sufficient to fund the additional positions. As part of the annual budget process, staff will review the fees to determine if changes are necessary to meet the target of 50% cost recovery.

Attached to this packet is a listing of a variety of significant projects, broken out by various categories that are either under construction or in the process for consideration.

Presenter: Nick Edwards

Recommendation: Staff Recommends Approval

Committee Recommendation: N/A

BILL NO.**ORDINANCE NO.**

AN ORDINANCE APPROVING AMENDMENT NO.3 TO THE BUDGET FOR THE FISCAL YEAR ENDING JUNE 30, 2017, AS ADOPTED BY ORDINANCE NO. 7894, BY REVISING THE AUTHORIZED ALLOCATION OF FULL TIME EQUIVALENTS FOR CERTAIN POSITIONS IN THE DEVELOPMENT SERVICES DEPARTMENT AND THE AUTHORIZED BUDGET EXPENDITURES OF THE CITY OF LEE'S SUMMIT, MISSOURI.

WHEREAS, Ordinance No. 7894, passed by the City Council on June 16, 2016, adopted the City's Budget for the Fiscal Year ending June 30, 2017; and,

WHEREAS, Section No. 2 of Ordinance No. 7894 approved the Development Center Department Budget, including authorized full time equivalents, which was attached to Ordinance No. 7894.

WHEREAS, the City Council of the City of Lee's Summit wishes to authorize an amendment to the approved full time equivalents for positions in the Development Center Department for the Fiscal Year ending June 30, 2017.

WHEREAS, the City Council wishes to appropriate funding for the additional full time equivalents

NOW THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF LEE'S SUMMIT, MISSOURI, as follows:

SECTION 1. That the Budget of the City of Lee's Summit, Missouri adopted by Ordinance No. 7894 by the City Council on June 16, 2016 be and hereby is amended to authorize three (3) additional full time equivalent positions (FTE's) for the position of Field Building Inspector, Field Engineering Inspector, and Senior Staff Engineer

SECTION 2. That the Summary for the Development Center Department budget as provided by Ordinance No. 7894 is hereby amended to reflect the above described change. The amended Summary being attached hereto as Exhibit A, be and the same is hereby approved.

SECTION 3. That the Budget for the Fiscal Year ending June 30, 2017, as adopted by Ordinance No. 7894, is hereby amended by increasing the appropriations to and expenditures of the below identified funds for the fiscal and budget year of 2016-2017, in the manner shown below.

Amended Fund	Amended Department	Added/ (Reduced)	New Amended budget
F100 General Fund	Development Services	\$274,633	\$3,481,675

SECTION 4. All other provisions of Ordinance No. 7894 shall remain in full force and effect subject to Amendment No. 1 (Ordinance No: 7944); and Amendment No. 2 (Ordinance No: 7945).

BILL NO.

ORDINANCE NO.

SECTION 5. That this ordinance shall be in full force and effect from and after the date of its passage and adoption, and approval by the Mayor.

SECTION 6. That should any section, sentence, or clause of this ordinance be declared invalid or unconstitutional, such declaration shall not affect the validity of the remaining sections, sentences or clauses.

PASSED by the City Council of the City of Lee's Summit, Missouri, this ____day of _____, 2016.

Mayor Randall L. Rhoads

ATTEST:

City Clerk Denise R. Chisum

APPROVED by the Mayor of said city this ____ day of _____, 2016.

Mayor Randall L. Rhoads

ATTEST:

City Clerk Denise R. Chisum

APPROVED AS TO FORM:

Chief Counsel of Management and Operations Jackie McCormick Heanue

Development Services

FY17 Budget Summary

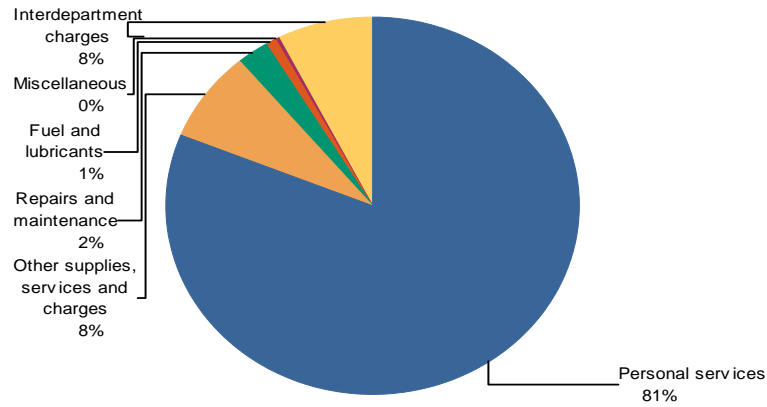
Expenses by Program and Services

Programs and Services	FY15 Actual	FY16 Budget	FY16 Projected	FY17 Requested	Difference FY16 Budget		Difference FY16 Projected	
					\$	%	\$	%
Department Administration	253,924	0	0	0	0	0%	0	0%
Support To Development	391,885	0	0	0	0	0%	0	0%
Business & Contractor Licensing	113,162	0	0	0	0	0%	0	0%
Neighborhood Services	0	0	0	273,764	273,764	0%	273,764	0%
Customer Service	0	125,026	81,535	69,759	(55,267)	(44%)	(11,776)	(14%)
Support to Development	0	585,421	541,930	363,835	(221,586)	(38%)	(178,095)	(33%)
Building & Safety Inspection	0	492,959	454,477	348,704	(144,256)	(29%)	(105,773)	(23%)
Development Inspection	149	550,868	507,422	456,198	(94,670)	(17%)	(51,224)	(10%)
Engineering Review	0	216,263	219,770	279,092	62,829	29%	59,322	27%
Planning Review	0	251,891	248,841	254,596	2,705	1%	5,755	2%
Plan Review/Permit Review	0	224,248	212,921	331,047	106,799	48%	118,126	55%
Department Administration	0	440,906	387,004	830,047	389,141	88%	443,043	114%
Department Totals	759,120	2,887,583	2,653,899	3,207,042	319,458	11%	553,142	21%

Expenses by Type

Expense Category	FY15 Actual	FY16 Budget	FY16 Projected	FY17 Requested	Difference FY16 Budget		Difference FY16 Projected	
					\$	%	\$	%
Personal services	614,518	2,278,152	2,048,899	2,600,772	322,619	14%	551,872	27%
Other supplies, services and charges	82,884	313,326	307,597	249,240	(64,086)	(20%)	(58,357)	(19%)
Repairs and maintenance	12,787	70,777	70,777	77,134	6,357	9%	6,357	9%
Fuel and lubricants	0	16,968	17,516	26,926	9,958	59%	9,410	54%
Miscellaneous	2,248	4,050	4,800	10,800	6,750	167%	6,000	125%
Interdepartment charges	46,683	204,310	204,310	242,170	37,860	19%	37,860	19%
Department Totals	759,120	2,887,583	2,653,899	3,207,042	319,458	11%	553,142	21%

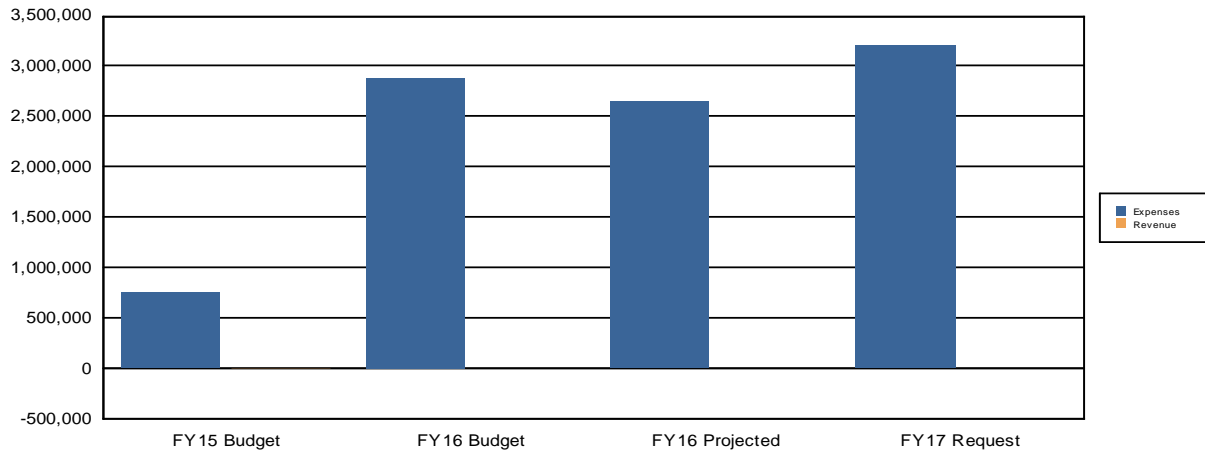
FY17 Expenses By Type



Full Time Equivalent (FTE)

Job Titles	FY15 Budget	FY16 Budget	FY17 Requested	Difference FY16	Amended Changes
Administrative Support	0.14	0.02	0.20	0.18	
Asst. City Mgr., Dev Svcs/Comm	0.00	0.66	0.66	0.00	
Asst. City Mgr., Development	0.33	0.00	0.00	0.00	
Asst. Development Center Dir.	0.00	1.00	1.00	0.00	
Asst. Director of Codes Admin.	0.00	0.00	1.00	1.00	
Business Service Rep - Dev Ctr	1.00	1.00	1.00	0.00	
Community Standards Officer	0.00	0.00	1.00	1.00	
Customer Service Rep - Dev Ctr	1.00	1.00	0.00	-1.00	
Development Engineering Mgr.	0.00	1.00	1.00	0.00	
Development Technician	0.00	0.00	1.00	1.00	
Director of Development Center	1.00	1.00	1.00	0.00	
Economic Development Manager	1.00	0.00	0.00	0.00	
Field Building Inspector	0.00	3.00	3.00	0.00	4.00
Field Engineering Inspector	0.00	5.00	5.00	0.00	6.00
Field Services Manager	0.00	1.00	1.00	0.00	
Management Analyst	0.00	0.00	1.00	1.00	
Neighborhood Services Officer	0.00	0.00	3.00	3.00	
Permit Technician	0.00	2.00	2.00	0.00	
Planner	0.00	2.00	2.00	0.00	
Planning Division Manager	0.00	1.00	1.00	0.00	
Plans Examiner	0.00	1.00	1.00	0.00	
Project Manager - Dev Ctr	3.00	3.00	3.00	0.00	
Secretary	0.00	2.00	2.00	0.00	
Senior Field Building Inspect.	0.00	0.00	1.00	1.00	
Senior Field Inspector	0.00	1.00	0.00	-1.00	
Senior Staff Engineer	0.00	1.00	1.00	0.00	2.00
Department Totals	7.47	27.68	33.86	6.18	

Total Budget



Report data refreshed 8/16/2016 6:39:51AM

General Fund: 5-Year Revenue/Expense Model

FY18 Moderate Revenue Growth

FY17 Revenue Assumptions: 2.5% sales tax growth from FY16 Proj; 2% decrease in Franchise Tax

FY17 Expenditure Assumptions: 6% increase for Health Insurance, 2% merit increase

	FY14 Actual	FY15 Actual	FY16 Budget	FY16 Projected	FY16 Actual*	FY17 Budget	FY17 Projected	FY18 Projected	FY19 Projected	FY20 Projected	FY21 Projected	FY22 Projected
Revenues:												
Property Tax	18,111,943	18,709,442	18,770,513	18,982,478	19,093,510	19,341,788	19,341,788	19,823,291	20,333,456	20,853,824	21,384,599	20,875,125
Sales Tax	14,149,200	14,840,058	15,354,713	15,461,316	15,779,503	15,846,744	16,364,991	17,048,940	17,560,409	18,087,221	18,629,837	18,087,221
EATS	(565,063)	(694,189)	(664,011)	(667,404)	(828,686)	(710,386)	(853,547)	(879,153)	(905,528)	(932,693)	(933,508)	(932,693)
Franchise Tax	14,083,783	13,870,764	13,640,847	13,426,414	13,068,478	13,524,887	13,524,887	13,389,638	13,255,742	13,123,184	12,991,952	12,862,033
Motor Vehicle Tax	3,397,313	3,514,204	3,397,624	3,562,099	3,616,455	3,364,508	3,634,537	3,652,710	3,670,974	3,689,328	3,707,775	3,726,314
Other Taxes	351,126	342,354	331,239	325,438	335,080	332,640	332,640	332,640	332,640	332,640	332,640	332,640
Fines and forfeitures	1,323,205	1,583,793	1,532,144	1,521,137	1,421,686	1,412,986	1,412,986	1,420,051	1,427,151	1,434,287	1,441,423	1,434,287
Licenses and permits	1,757,827	2,226,752	1,655,673	1,662,398	2,546,787	1,786,379	1,786,379	1,831,038	1,876,814	1,923,735	1,970,655	1,923,735
Intergovernmental	791,849	443,278	979,021	680,390	964,696	826,253	826,253	826,253	826,253	826,253	826,253	826,253
Charges for services	3,648,302	3,935,146	3,566,230	3,617,306	4,568,312	5,271,476	5,271,476	5,429,620	5,592,509	5,760,284	5,928,059	5,760,284
Investment Earnings	68,363	74,971	-	50,000	206,649	64,103	64,103	64,584	65,068	65,556	65,556	65,556
Other	1,775,778	1,696,855	1,557,065	1,521,065	1,433,579	1,494,400	1,494,400	1,531,760	1,570,054	1,609,305	1,648,557	1,609,305
Transfers in	1,054,720	1,030,008	1,066,302	975,746	1,396,907	954,515	954,515	978,378	1,002,837	1,027,908	1,052,979	1,027,908
Balance Budget: Rev												
Total operating revenues	59,948,346	61,573,436	61,187,360	61,118,383	63,602,956	63,510,293	64,155,408	65,449,750	66,608,379	67,800,832	69,046,778	67,597,968
Percent Change	3.46%	6.17%	2.07%	3.62%	4.10%	3.88%	0.87%	2.02%	1.77%	1.79%	3.66%	1.49%
Salaries/Total Revenues	69.28%	68.73%	69.25%	68.97%	66.28%	68.21%	67.53%	69.28%	71.02%	71.11%	71.14%	72.96%
Expenditures:												
Salaries	29,513,992	29,975,305	\$ 30,629,625	\$ 29,897,787	\$ 29,897,787	\$ 31,652,474	\$ 31,652,474	\$ 33,302,372	\$ 34,818,420	\$ 35,668,420	\$ 36,518,420	\$ 36,364,788
Vacancy (2.7%)			\$ (800,000)			\$ (800,000)	\$ (800,000)	\$ (850,000)	\$ (850,000)	\$ (849,999)	\$ (849,999)	\$ (850,000)
Benefits calc on Salary	6,576,750	6,346,715	5,770,737	5,582,428	5,582,428	5,754,344	5,754,344	5,811,887	5,870,006	5,928,706	5,987,993	5,928,706
Health/Dental	4,894,755	5,087,053	5,831,612	5,736,765	5,736,765	5,754,509	5,754,509	6,099,780	6,465,766	6,465,766	6,465,766	6,853,712
Other Benefits	544,844	908,680	940,310	936,123	936,123	961,110	961,110	980,332	999,939	999,939	999,939	1,019,938
Supplies for Resale	134,503	154,795	141,000	201,000	174,224	235,000	235,000	235,000	235,000	235,000	235,000	235,000
Other Supplies, Service, & Charges	6,631,325	6,753,244	8,237,357	8,529,276	7,300,000	9,478,983	9,478,983	9,573,773	9,669,511	9,669,511	9,669,511	9,766,206
Repairs and Maintenance	1,375,819	1,258,014	1,383,654	1,338,015	1,329,633	1,398,571	1,398,571	1,412,557	1,426,682	1,426,682	1,426,682	1,440,949
Utilities	1,606,761	1,677,993	1,707,842	1,708,022	1,600,929	1,738,634	1,738,634	1,756,020	1,773,581	1,773,581	1,773,581	1,791,316
Fuel & Lubricants	731,093	511,845	696,139	553,120	373,708	564,153	564,153	569,795	575,492	575,492	575,492	581,247
Miscellaneous & Interest	56,638	50,906	148,390	119,818	59,819	341,790	341,790	345,208	348,660	348,660	348,660	352,147
Capital outlay	461											
Interdepartmental Charges	4,984,813	5,413,811	5,479,126	5,479,125	5,498,220	5,899,392	5,899,392	6,017,380	6,137,727	6,137,727	6,137,727	6,260,482
Transfers out	1,475,167	655,336	1,020,014	1,020,014	931,873	363,215	363,215	701,637	373,864	39,074	39,074	377,602
Solid Waste Employee Transition				55,000	55,000	166,849	166,849					
Balance Budget: Exp			\$ -			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total operating expenditures	58,526,921	58,793,697	61,185,806	61,156,493	59,476,509	63,509,024	63,509,024	65,955,741	67,844,648	68,418,559	69,327,846	70,122,094
Percent Change	1.27%	-1.59%	4.54%	2.36%	1.16%	3.80%	3.80%	3.85%	2.86%	0.85%	2.19%	3.36%
Net Operating Rev - Exp	\$ 1,421,425	\$ 2,779,739	\$ 1,554	\$ (38,110)	\$ 4,126,447	\$ 1,269	\$ 646,384	\$ (505,990)	\$ (1,236,269)	\$ (617,727)	\$ (281,068)	\$ (2,524,126)

General Fund: 5-Year Revenue/Expense Model

FY18 Moderate Revenue Growth

FY17 Revenue Assumptions: 2.5% sales tax growth from FY16 Proj; 2% decrease in Franchise Tax

FY17 Expenditure Assumptions: 6% increase for Health Insurance, 2% merit increase

	FY14 Actual	FY15 Actual	FY16 Budget	FY16 Projected	FY16 Actual*	FY17 Budget	FY17 Projected	FY18 Projected	FY19 Projected	FY20 Projected	FY21 Projected	FY22 Projected
One-Time:												
Revenues	1,000,000											
Expenditures	0											
Retirement Maximization Prgm		(475,865)										
Sale of City Owned Property		307,463										
EMS Ambulance Expansion						(675,000)	(675,000)					
ITS Software Projects						(204,995)	(204,995)					
Environmental Outreach						(8,000)	(8,000)					
Compensation Study							(250,000)					
Rev - Exp (after one-time)	\$ 2,421,425	\$ 2,611,337	\$ 1,554	\$ (38,110)	\$ 4,126,447	\$ (886,726)	\$ (491,611)	\$ (505,990)	\$ (1,236,269)	\$ (617,727)	\$ (281,068)	\$ (2,524,126)
Revenues (with one-time)	\$ 60,948,346	\$ 61,573,436	\$ 61,187,360	\$ 61,118,383	\$ 63,602,956	\$ 63,510,293	\$ 63,905,408	\$ 65,449,750	\$ 66,608,379	\$ 67,800,832	\$ 69,046,778	\$ 67,597,968
Exp (with one-time)	\$ 58,526,921	\$ 58,962,099	\$ 61,185,806	\$ 61,156,493	\$ 59,476,509	\$ 63,509,024	\$ 64,397,019	\$ 65,955,741	\$ 67,844,648	\$ 68,418,559	\$ 69,327,846	\$ 70,122,094
Net change in fund balance including one-time												
Fund balance—beg.	\$ 14,816,021	\$ 17,237,446	\$ 19,848,783	\$ 19,848,783	\$ 19,848,783	\$ 23,975,230	\$ 23,975,230	\$ 23,483,619	\$ 22,977,629	\$ 21,741,359	\$ 21,741,359	\$ 21,741,359
Fund balance—end.	\$ 17,237,446	\$ 19,848,783	\$ 19,850,337	\$ 19,810,673	\$ 23,975,230	\$ 23,088,504	\$ 23,483,619	\$ 22,977,629	\$ 21,741,359	\$ 21,123,633	\$ 21,460,291	\$ 19,217,233
Ending fund balance as a % of expenditures (exc one-time)	29.45%	33.76%	32.44%	32.39%	40.31%	36.35%	36.98%	34.84%	32.05%	30.87%	30.95%	27.41%

ACM – DEVELOPMENT & COMMUNICATIONS

DEVELOPMENT CENTER DIRECTOR

COMMUNICATIONS

PROJECT MANAGERS

SUPPORT SERVICES

ASSISTANT DEVELOPMENT CENTER DIRECTOR

ASSISTANT DEVELOPMENT CENTER DIRECTOR

DIRECTOR OF PLANNING / CDBG / SPECIAL PROJECTS

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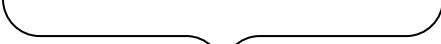
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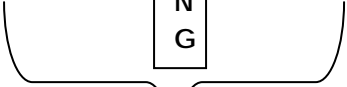
LONG RANGE
PLANNING

SPECIAL
PROJECTS

CDBG



Development
Field Services



Development Plan Services

Development / Redevelopment Project Summary
August 22, 2016

Significant Mixed Use Projects:

- Village at View High (3rd & View High Drive)
- Paragon Star (View High & I-470)
- New Longview
- Summit Orchard (Chipman & Ward)
- Summit Crossing (I-470 & Strother Rd.)
- Summit Place
- Summit Village (Colbern & Blue Parkway)
- Summit Innovation (MIC & Surrounding area)
- The Grove at Lee's Summit (M-291 & 50 Hwy)
- Bowlin Road Mixed Use Development

Significant Commercial projects:

- Cable Dahmer Kia Dealership
- Dick's Sporting Goods
- Eagle Creek Church
- H & M Retail store
- Quik Trip new facility (Mulberry & M-291)
- Quik Trip redevelopment (M-150)
- Quik Trip redevelopment (Woods Chapel Rd)
- Sam's Club
- Cabela's
- Water Utilities Operations facility
- Wilshire Hills continued development (PDP)
- Autumn Leaves Memory Care Facility
- Breaktime Convenience Store
- Goddard Pre-School
- Holiday Inn Express
- HT Solutions
- Hy-Vee East expansion
- John Knox Village redevelopment (various areas)
- Missouri Innovation Campus
- Saint Michael's High School
- Summit Church
- Village Cooperative
- Walmart
- Project Fi
- Lee's Summit Medical Center (various additions and enhancements)
- Saint Luke's campus (ongoing projects and expansions)

Significant Residential:

Multi-Family:

- Summit Square Apartments (243 units)
- Maple Estates (36 units)
- Summit Square Apartments (310 units)
- Chapel Ridge 4-plexes (104 units)
- John Knox village – Meadows (112 units)
- New Longview Age restricted townhomes/apartments (176 units)
- Village at View High apartments (312 units)

Single Family Subdivisions:

- Monticello – 160 lots
- Napa Valley – 111 lots
- Stoney Creek West – 165 lots
- Eagle Creek 14th – 44 lots
- North Park Village – 93 lots
- Kessler Ridge – 55 lots
- Summit View Farms – 50 lots
- Whispering Woods – 100 lots
- Highland Meadows 4th – 41 lots
- Arborwalk - ?
- New Longview - ?

Packet Information

File #: TMP-0219, **Version:** 1

AN ORDINANCE REPEALING PREVIOUS ORDINANCES RELATED TO THE SCHEDULE OF FEES AND CHARGES FOR THE CITY OF LEE'S SUMMIT AND ESTABLISHING THE CITY OF LEE'S SUMMIT SCHEDULE OF FEES AND CHARGES.

Issue/Request:

AN ORDINANCE REPEALING PREVIOUS ORDINANCES RELATED TO THE SCHEDULE OF FEES AND CHARGES FOR THE CITY OF LEE'S SUMMIT AND ESTABLISHING THE CITY OF LEE'S SUMMIT SCHEDULE OF FEES AND CHARGES.

Key Issues:

The purpose of this amendment is to correct a clerical error made on the FY17 Schedule of Fees. Each year as part of the budget process, the Finance and Budget Committee reviews the fee schedule to determine if changes are needed. Last year as part of that review, Police special detail pay was proposed and approved to increase from \$35.50 per hour to \$43.00 per hour however, the proposed increase was not reflected on the adopted fee schedule.

Similarly, the Avgas Facility Fee and Jet-A Facility Fee were transposed, flipped, showing the incorrect rate on each line. Avgas Facility Fee should read \$5.00 to .05/gal as opposed to \$2.00 to .07/gal. The Jet-A Facility Fee should read \$2.00 to .07/gal as opposed to \$5.00 to .05/gal. The FY17 Schedule of Fees updated the Transient Overnight Hanger Fees, but did not delete line items rendered obsolete by the update. This amendment also corrects that clerical omission.

Proposed City Council Motion:

I MOVE TO RECOMMEND TO THE CITY COUNCIL ADOPTION OF AN ORDINANCE REPEALING PREVIOUS ORDINANCES RELATED TO THE SCHEDULE OF FEES AND CHARGES FOR THE CITY OF LEE'S SUMMIT AND ESTABLISHING THE CITY OF LEE'S SUMMIT SCHEDULE OF FEES AND CHARGES.

Background:

The schedule of fees ordinance was presented to the Finance and Budget Committee on March 14, 2016, and then approved by City Council on March 31, 2016, as Ord. 7848.

Presenter: Nick Edwards

Recommendation: STAFF RECOMMENDS ADOPTION OF AN ORDINANCE REPEALING PREVIOUS ORDINANCES RELATED TO THE SCHEDULE OF FEES AND CHARGES FOR THE CITY OF LEE'S SUMMIT AND ESTABLISHING THE CITY OF LEE'S SUMMIT SCHEDULE OF FEES AND CHARGES.

Committee Recommendation: N/A

BILL NO. 16-

ORDINANCE NO.

AN ORDINANCE REPEALING PREVIOUS ORDINANCES RELATED TO THE SCHEDULE OF FEES AND CHARGES FOR THE CITY OF LEE'S SUMMIT AND ESTABLISHING THE CITY OF LEE'S SUMMIT SCHEDULE OF FEES AND CHARGES.

WHEREAS, the City of Lee's Summit has various fees and charges that were adopted in the past by ordinance or resolution, and in 1998 the City adopted Ordinance No. 4634, which established a Schedule of Fees and Charges that consolidated all City fees and charges into a comprehensive list; and,

WHEREAS, since adoption of Ordinance No. 4634, the Schedule of Fees and Charges has been updated numerous times through the adoption of ordinances that amended the Schedule of Fees and Charges; and,

WHEREAS, the multitude of updates and amendments to the Schedule of Fees and Charges can cause confusion as to what fees and charges are currently applicable; and,

WHEREAS, when Ordinance No. 7848, which contained the most recent amendment to the Schedule of Fees and Charges was passed on March 31, 2016, it inadvertently left off certain fees and charges; and,

WHEREAS, in order to ensure clarity for the staff and the public with respect to the fees and charges of the City, and to correct the error from the originally approved Schedule of Fees as adopted by Ordinance No. 7848 on March 31, 2016,, it is the desire of the City to repeal all inconsistent ordinances and enact a single new and complete ordinance in lieu thereof that outlines the Schedule of Fees and Charges in its entirety that will be effective as of October 1, 2016.

NOW THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF LEE'S SUMMIT, MISSOURI AS FOLLOWS:

SECTION 1. The Schedule of Fees and Charges, attached hereto as Exhibit 'A' and incorporated herein by reference, be and hereby is approved and shall be effective October 1, 2016, upon which date it shall supersede all prior versions of the Schedule of Fees and Charges.

SECTION 2. That all ordinances or parts of ordinances in conflict with this ordinance are hereby repealed.

SECTION 3. That should any section, sentence or clause of this ordinance be declared invalid or unconstitutional, such declaration shall not affect the validity of the remaining sections, sentences, or clauses.

SECTION 4. That this ordinance shall be in full force and effect from and after the 1st day of October, 2016, and after its passage, adoption, and approval by the Mayor.

PASSED by the City Council of the City of Lee's Summit, Missouri, this _____ day of _____, 2016.

BILL NO. 16-

ORDINANCE NO.

Mayor Randall L. Rhoads

ATTEST:

City Clerk Denise R. Chisum

APPROVED by the Mayor of said city this ____ day of _____, 2016.

Mayor Randall L. Rhoads

ATTEST:

City Clerk Denise R. Chisum

APPROVED AS TO FORM:

Chief Counsel of Management and Operations Jackie McCormick Heanue

FY17 Schedule of Fees and Charges

Current Fees:	Effective Date:						
	April 1, 2016	July 1, 2016	July 1, 2017	July 1, 2018	July 1, 2019	July 1, 2020	July 1, 2021
Airport							
FBO Offices in Administration Building							
Office-Z.04	\$260.00						
Office-Z.05	\$291.00						
Modular Units Rental Rates							
Office-A: 121 sf	\$215.00						
Office-B: 121 sf	\$215.00						
Office-C: 154 sf	\$271.00						
Office-D: 205 sf	\$358.00						
Office-E: 152 sf	\$265.00						
Office-F: 49 sf	\$86.00						
Office-G: 294 sf	\$508.00						
Tows							
Single: \$12 per operation	\$12 per operation						
Single with purchase of fuel at time of tow	\$9.00 with purchase of 12-gallons of fuel or more						
Twin Piston Engine	\$15 per operation						
Twin Piston with purchase of fuel at time of tow	\$11.00 with purchase of 25-gallons of fuel or more						
Any aircraft over 10,000 pounds	\$20 per operation						
Any aircraft over 10,000 pounds with fuel purchase	\$17 with purchase of 60-gallons of fuel or more						
Fuel Card Replacement	\$11.00						
Hangar Key replacement	\$20.00/ each						
Hangar Rental Fees (rounded to the nearest dollar)							
F-Building, Electric doors - 53.5' x 48' "T"	\$612 per month						
(F) End Units Stores Rooms - 340' Extra Space	\$155 per month						
G-Building, Electric Doors - 41.5' x 33' "T"	\$378 per month						
(G) End Unit Store Rooms - 375' Extra Space	\$138 per month						
H-Building, Electric Doors - 41.5' x 33' "T"	\$378 per month						
(H) End Units Store Room - 375' Extra Space	\$159 per month						
P-Building electric doors - 60' x 60' "T"	\$1,795 per month						
Extra Jumbo Electric doors - 52' x 50' "T"	\$559 per month						
(A) End Units, 320' Extra space	\$627.00 per month						
J-Building-Aircraft Maintenance Facility	\$2,550.00 per month						
Jumbo Electric Doors - 50' x 40' "T"	\$423 per month						
(A) End Units, 250' Extra Space	\$509 per month						
Middle, Electric doors - 41' x 34'	\$384 per month						
(A) End Units, 160' Extra space	\$426 per month						
North, Electric Doors - 41' x 32' "T"	\$337 per month						
(A) End Units, 320' Extra space	\$425 per month						
North, Electric Doors - 42' x 33' "T"	\$362 per month						
(A) End Units, 160' Extra space	\$398 per month						
(B) End Units, 320' Extra space	\$459 per month						
Kingsize, Electric Doors - 40' x 29' "T"	\$318 per month						
(A) End Units, 160' Extra space	\$354 per month						
End Units, 320' Extra space	\$398 per month						
Large, Sliding doors - 40' x 32' "T"	\$272 per month						
Small, Sliding doors - 38' x 27' "T"	\$218 per month						
Open "T"	\$110 per month						
Monthly Electrical Fees							
Air Compressor	\$9.00/ month						
Fan	\$3.00/ month						
Heater Portable	\$55.00/ month						
Refrigerator	\$16.00/ month						
Overnight Tie-Down Fees							
Single Piston Engine under 2,000 pounds	\$15.00 per night*first night waived with fuel purchase						
*first night fee waived if 10 gallons fuel is purchased							
Single Piston Engine over 2,000 pounds (under 3,500)	\$15.00 per night*first night waived with fuel purchase						
*first night fee waived if 12 gallons fuel is purchased							
Twin Piston Engine	\$15.00 per night*first night waived with fuel purchase						
*first night fee waived if 25 gallons fuel is purchased							
Turbine Engine	\$60.00 per night*first night waived with 80-gallon purchase						
*first night fee waived if 35 gallons fuel is purchased							
Jet Aircraft	\$60.00 per night*first night waived with 80-gallon purchase						
*first night fee waived if 55 gallons fuel is purchased							
Recip-Helicopter	\$15.00 per night*first night waived with fuel purchase						
*first night fee waived if 15 gallons fuel is purchased							
Turbine-Helicopter	\$15.00 per night*first night waived with fuel purchase						
*first night fee waived if 35 gallons fuel is purchased							
F.B.O.s	50% of full price						
Power Starts							
Fox Cart	\$45.00 with no fuel purchase						
Lektro	\$30.00						
Preheats							
Single Piston Engine	\$30.00						
Twin Piston Engine	\$35.00						
Ramp Service Fees for Transient Aircraft							
After 60-minutes							
Single Piston Engine under 2,000 pounds	\$10.00 if no fuel purchase						
Single Piston Engine over 2,000 pounds (under 3,500)	\$10.00 if no fuel purchase						
Single Piston Engine over 3,500 pounds	\$10.00 if no fuel purchase						
Twin Piston Engine	\$10.00 if no fuel purchase						

Turbine Engine	\$58.00 or 80 gallon fuel purchase	
Jet Aircraft	\$58.00 or 80 gallon fuel purchase	
Recip-Helicopter	\$10.00 if no fuel purchase	
Turbine-Helicopter	\$10.00 if no fuel purchase	
Minimum Fuel Service Fee	\$500.00	
Ramp Tie-down	\$59 per month	
Rent-A-Car comission Fee	\$3.00/ car	
Self-Servicing Fuel system	\$0.18/ gallon discount	
Trash Service	\$15.00	
Transient Overnight Hangar Fees		
Open-T	\$25.00	
Enclosed Units (G, H, K, M & N)	\$45.00-	\$45.00-Single Engine Aircraft any enclosed hangar available
Enclosed Units (S & L)	\$38.00-	
Enclosed Units (J & X)	\$60.00-	\$60.00-Twin Engine Aircraft any enclosed hangar available
Enclosed Units (F)	\$75.00-	
Enclosed Units (P)	\$95.00-	\$100.00-Turbo-Prop or Jet any enclosed hangar available
Overnight Fee for Storage in Heated Hangar		
Single Engine	\$65.00	
Twin Engine	\$80.00	
Jet	\$100.00	
Fuel Prices		
100 Low Lead		
Jet A	Fuel prices are determined by market	
Unleaded	rates	
Facility Fee		
Jet Aircraft	\$2.00	.07 per gallon
Piston Aircraft	\$5.00	.05 per gallon

Animal Control Fees		
Administrative Fee- Spay-Neuter under Section 5-137	\$50.00	
Breeder Permit	\$350.00 per breeder	
Litter Permit	\$20.00 per litter	
Hobby-Kennel or Hobby-Cattery Avocation Permit	\$40.00	
Deceased Animal disposal fee	\$12.50/ animal	
Dog & Cat License		
Spayed or Neutered	\$10.00	
Unaltered - 1st year of life	\$10.00	
Unaltered - 2nd or subsequent year of life	\$45.00	
Lifetime license - Spayed or neutered dogs & cats only	\$50.00	
*Penalty after May 1st	\$1.00	
**Replacement tag	\$1.00	
Impoundment - Dog & Cat		
Daily Boarding Fee	\$10.00 / day	
Impoundment of any animal - other than a dog or cat:		
Large animals	\$25.00	
Small animals	\$10.00	
Daily Feeding fee		
Large animals	\$8.00/ day	
Small animals	\$5.00/ day	
Micro-chipping	\$15.00	
Adoption Fees:		
female cats	\$80.00	
male cats	\$80.00	
male dogs	\$100.00	
female dogs	\$100.00	

Cemetery		
Cremation Grave Space	\$500.00	
Grave Space	\$1,000.00	
Weekday Grave Opening	\$800.00	
Weekend/Holiday Grave Opening	\$950.00	
Double Deep Grave Opening (first opening)	\$50.00	
Weekday Infant Grave Opening	\$300.00	
Weekend/Holiday Infant Grave Opening	\$450.00	
Weekday Flagging Fee	\$50.00	
Weekend/Holiday Flagging Fee	\$75.00	
Weekend/Holiday Columbarium Opening	\$450.00	
Columbarium Niche 104 Serpentine	\$2,000.00	
Columbarium Double Niche	\$4,000.00	
Cremation Opening	\$300.00	
Columbarium Opening (Weekday)	\$300.00	
Weekend/Holiday Cremation Grave Opening	\$450.00	
Double Deep Grave Opening (first opening added to grave opening charge)	\$50.00	
Monument foundations, footings adult (minimum \$115.20)	\$0.40/ square inch	
Monument foundations, footings infant (smaller than 2')	\$50.00	
Portable Engraving (Full Panel)	\$185.00	
Portable Engraving (V cut death dates)	\$95.00	
Portable Engravings Family Name on Back	\$210.00	
Portable engravings- Raised square letters	\$12.00 each	
Purchase of unused grave (by City)	\$76.00	

Codes Administration		
Commercial Activities		
Addition to Commercial	0.3498% of project construction valuation	
Alteration to Commercial	0.3299% of project construction valuation	
Addition/Alteration to Multi-family	0.3691% of project construction valuation	
Change of Tenant	0.4085% of project construction valuation	
New Commercial	0.361% of project construction valuation	
New Multi-Family	0.4932% of project construction valuation	
New Commercial Shell Building	0.3499% of project construction valuation	

New Tenant Finish	0.4396% of project construction valuation
Partial Commercial	0.3196% of project construction valuation
Miscellaneous Activities and Other Fees	
Addition/Alteration to other	0.1364% of project construction valuation
Move	0.4615% of project construction valuation
New other	0.4508% of project construction valuation
Repair/replace/upgrade	0.6841% of project construction valuation
Demolition permit	\$30.00
Minimum permit fee	\$30.00
Board of Appeals	\$150.00
3rd and subsequent inspections	\$ 30.00 / hour
After hours inspections	\$ 45.03 / hour
Sidewalk Deposits	\$ 10.00 / linear foot
Code Abatement Services	Actual cost(s) for contracted service(s) + \$100.00 Administrative charge & \$28.00 filing fee

Lien Release Electronic Filing Fee \$28.00

Residential Activities	
Addition/Alteration 3 or 4 family	0.3289% of project construction valuation
Addition/Alteration Duplex	0.3422% of project construction valuation
Addition/Alteration Single family	0.3837% of project construction valuation
New 3 or 4 family	0.3385% of project construction valuation
New Duplex	0.33% of project construction valuation
New Single family	0.3092% of project construction valuation
Partial Residential	0.2879% of project construction valuation

Court

Credit Card convenience fee	Court Fees are established by State Statutes. For more information regarding court fees. Please visit http://www.cityofils.net/Municipal-Court/Fines-and-Fees/Violations-and-Fees.aspx
Court Automation fee	
Ticket Surcharge	

Fire Department

Advanced Life Support 1	\$623 resident / \$830 non-resident
Advanced Life Support 2	\$714 resident / \$930 non-resident
Basic Life Support (non-life threat)	\$540 resident / \$764 non-resident
Inner City Hospital to Hospital Transfer Lee's Summit Medical Center St. Luke's East Truman Medical Center- Lakewood	\$301.00
Mileage	\$17.50 per mile
Standby Emergency Equipment	
Ambulance	\$150.00/ hour
Fire Truck	\$250.00/ hour

Maps and GIS

Pre-printed Map	
CD-ROM	\$15.00
Hardcopy (Plotter - B&W or color)	
8.5 x 11	\$5.50
11 x 17	\$6.10
17 x 22	\$7.25
22 x 34	\$9.50
33 x 44	\$14.00
Custom map*	
CD-ROM	\$25.00
Hardcopy (Plotter - B&W or Color)	
8.5 x 11	\$10.50
11 x 17	\$11.10
17 x 22	\$12.25
22 x 34	\$14.50
33 x 44	\$19.00
Custom size (36 x 48-60)	\$20.00

*Fee includes \$10 for labor. Additional time required will be billed at \$20/ hour in 30 minute increments. Additional maps will be at base price (less labor).

Miscellaneous

Fees for Special Events (as defined in the UDO Article 11)	
Application Fee	\$50.00
Fee for City services for special event of one (1) day or less	\$250.00
Fee for City services for special event of two (2) days	\$500.00
Fee for City services for special event of three (3) or more days	\$1,500.00
Fee for City services for 5K run on established route (maps of established routes are available from the Police Department)	
Route 1 (downtown area)	\$1,000.00
Route 2 (Ward Road area)	\$400.00
Route 3 (Legacy Park & Blackwell area)	\$500.00
Route 4 (Jefferson Street and Stuart Road area)	\$600.00
Fee for City Services for athletic events, on a route approved by City Council or City staff (not on a pre-established route for 5K runs): actual cost of service, with estimated amount, determined by City staff, to be paid prior to the event, and the difference to be reimbursed by the City or paid by the applicant following the event	

Access and Search Fee \$25.00/ hour

Application Fees:	
Cable Franchise processing fee	\$5,000 + \$200/ 1000 population Maximum \$20,001

Telecommunications services ROW use agreement processing fee	\$2,000 + \$100/ 1000 population Maximum \$5,001
Business Licenses	\$50.00 Flat fee
Penalty on Business License	25%/ month delinquent
Contractor License	\$25.00
Code of Ordinances (paper copy)	\$165.00
Fireworks Sales Permit Fee	\$275.00
Misc. Permits	\$100.00
Penalty on Pet License	\$1.00
Photocopies	\$0.10/ page + any applicable access & search fee

Planning and Development

Sign Application for Planning Commission action	\$200
Commercial Rezoning and Preliminary Development Plan	
Commercial Rezoning and Preliminary Development Plan, less than 5 acres	\$2800.00 + two legal notice publishing charge
Commercial Rezoning and Preliminary Development Plan, more than 5 acres	\$3600.00 + two legal notice publishing charge
Commercial Preliminary Development Plan, less than 5 acres	\$1800.00 + two legal notice publishing charge
Commercial Preliminary Development Plan, more than 5 acres	\$2400.00 + two legal notice publishing charge
Comprehensive Plan and Other Plan Documents	
Comprehensive Plan Book	\$25.00
Comprehensive Plan on CD-ROM	\$15.00
Colored Comprehensive Plan Map only	based on size-see GIS fees under "Miscellaneous"
Comprehensive Plan Book including all appendices	\$120.00
Downtown Master Plan	\$25.00
M-150/M-291 Corridor Plan	\$25.00
Final Development Plan (Residential or Commercial)	
Staff Review FDP 0-5 acres	\$600.00
Staff Review FDP over 5 acres	\$1,000.00
Legal notice publishing charge (required for all Public Hearing applications)	\$165.00 per legal notice publishing charge
Maps	
Maps using Engineering Copier - 24x36"	\$5.00
Maps using Engineering Copier - 36x48" or larger	\$10.00
Maps from GIS using plotter	based on size-see GIS fees
Miscellaneous Plans and Studies	
Historic Preservation Plan	\$20.00
Cultural Resources Study	\$20.00
Downtown Market Study	\$10.00
Downtown Traffic and Parking Study	\$20.00
Residential Rezoning & Preliminary Development Plan	
Rezoning with no PDP (AG, RDR & R-1 only)	\$700.00 + two legal notice publishing charge
Residential Rezoning and Preliminary Development Plan, less than 5 acres	\$2400.00 + two legal notice publishing charge
Residential Rezoning and Preliminary Development Plan, more than 5 acres	\$3000.00 + two legal notice publishing charge
Residential Preliminary Development Plan - 0-5 acres	\$1600.00 + two legal notice publishing charge
Residential Preliminary Development Plan - over 5 acres	\$2000.00 + two legal notice publishing charge
Sign Permits	
Sign Permit - permanent signs	\$100.00
Sign Permit - electric	\$100.00 + Minimum Permit Fee (See Codes Administration fees)
Sign Permit - temporary	\$50.00
Sign Permit - incidental signs	\$50.00
Subdivision Plats (Residential or Commercial)	
Preliminary Plat	\$700.00 + \$ 3.00 per lot
Minor Plat	\$600.00
Final Plat	\$700.00 + \$3.00 per lot
Unified Development Ord. (UDO)	
Paper	\$20.00
CD ROM	\$10.00
Banners on streetlight poles	\$50 application fee
Special Use Permit - In-Home Renewals only	\$300.00 + legal notice publishing charge
Special Use Permit (Residential or Commercial)	\$900.00 + legal notice publishing charge
Street Name Change Application	\$100.00 + legal notice publishing charge
Vacation of Right-of-Way	\$100.00 + legal notice publishing charge
Vacation of Utility Easement	\$100.00
Zoning Approval Form for Business license	no charge
Zoning Confirmation letter	\$100.00
Zoning Variance (Board of Adjustments)	\$300.00 + legal notice publishing charge

Police

Alarm	\$25.00 One-time Registration Fee and \$10.00 Yearly Renewal Fee
Fingerprints	\$5.00/ 3 cards resident or \$10.00/ 3 cards non-resident
Hourly services	\$30/ hr +\$10/hr if police vehicle is used
Records Fees	
Initial Report Copy	\$5.00
Microfilmed Copies	\$10.00
Certified Reports	\$20.00
Security Registration	\$50.00
Solicitor Permit	
Up to 180 days	\$50.00
Between 181 - 365 days	\$100.00
Special Detail Services	\$35.50
Audio cassette, CD, DVD, VHS	\$40.00

\$43.00

Public Works

Temporary Traffic Control Permit	No charge. Permit is required for temporary traffic control.
After hours inspections	\$47.22/ hour
Blasting Permit	\$150.00 per blasting application

Decorative Sign Post

Where an existing pole is being replaced that meets the current standards, the fee is 100% total material and labor cost (est. \$130.00) Where an existing pole is being replaced that does not meet current standards, the fee is the cost difference between the standard pole and decorative pole (est. \$35.00)

Design and Construction Manual

\$50.00 per hard copy
\$5.00 per CD

Engineering Plan Review and Inspection Fee

3% of project construction valuation*

Grading (Land Disturbance) Permit

1 acre and less
Greater than 1 acre up to 3 acres
Greater than 3 acres up to 5 acres
Greater than 5 acres up to 15 acres
Greater than 15 acres up to 25 acres
Greater than 25 acres up to 50 acres
Greater than 50 acres

\$200
\$400
\$600
\$800
\$1,000
\$1,200
\$1,400

Right-of-Way Permit

\$75 per unit

Water Test Fee

\$100.00 per sample

*The value used for determining the Engineering Plan Review and Inspection (EPR) Fee under the Public Works section of the Schedule of Fees. It is determined by using: A) the "Engineering Estimate of Probable Construction Cost" as provided by a Development Applicant, which shall be verified by City Staff to ensure the values used by the Engineer for labor and material are current and accurate and that quantities are correct; or B) the Contract amount shown in the Development Applicant's Contract for the Project. The Project Construction Valuation will only be based upon the method shown in Subsection (B), if City Staff and the Development Applicant cannot agree on the proper amount by application of Subsection (A).

Water Utility

After Hours Reactivation Charge

\$25.00

Annual Cooling Tower / Irrigation Sub-Meter charge per meter

\$50.00

Builders Water Deposit

\$50.00

Bulk Water Sales / per 1,000 gal

\$4.65

Discharge Sewer Rates (regardless of source) / per 1,000 gal

\$4.74

\$5.19

\$5.34

\$5.41

\$5.54

\$5.17

\$5.33

\$5.42

\$5.65

Hydrant Meters

3/4" meter

\$200 deposit, \$2.50 per day + commercial water rate

2" meter

\$500 deposit, \$3.00 per day + commercial water rate

Infrastructure Repair

manpower hours + 30% for benefits, cost of materials or purchase price and cost for vehicles or equipment used in the repair

Monthly Sewer Base Charge per Meter size (inches)

5/8	\$13.09	\$13.55	\$13.96	\$14.04	\$14.61
3/4	\$13.09	\$13.55	\$13.96	\$17.54	\$16.36
1	\$19.64	\$20.32	\$20.93	\$21.05	\$21.91
1 1/2	\$20.18	\$20.88	\$21.51	\$24.56	\$29.20
2	\$21.27	\$22.01	\$22.67	\$28.07	\$43.79
3	\$22.90	\$23.70	\$24.41	\$35.09	\$51.09
4	\$29.45	\$30.47	\$31.38	\$42.11	\$58.38
6	\$39.27	\$40.63	\$41.85	\$49.13	\$72.97
8	\$49.08	\$50.78	\$52.30	\$56.15	\$87.56
10	\$59.99	\$62.08	\$63.94	\$70.19	\$102.14

Monthly Water Base Charge per Meter size (inches)

5/8	\$9.09	\$9.53	\$9.82	\$9.99	\$10.15
3/4	\$9.09	\$9.53	\$9.82	\$9.99	\$11.36
1	\$10.19	\$10.68	\$11.00	\$11.19	\$15.22
1 1/2	\$10.96	\$11.49	\$11.83	\$12.02	\$25.34
2	\$13.75	\$14.41	\$14.84	\$15.10	\$40.57
3	\$18.69	\$19.59	\$20.18	\$20.50	\$60.81
4	\$40.78	\$42.72	\$44.00	\$44.74	\$81.05
6	\$62.87	\$65.85	\$67.83	\$68.96	\$101.32
8	\$93.45	\$97.92	\$100.86	\$102.51	\$151.98
10	\$227.23	\$238.10	\$245.24	\$249.31	\$303.93

Penalty Rate (water & sewer) outstanding balances

5%

Plumbers Bond Deposit

\$375.00

Reactivate Water Charge

\$15.00

Returned Payment

\$25.00

Sanitary Sewer Wye locates / per locate

manpower hours + 30% for benefits, cost of materials or purchase price and cost for vehicles or equipment used.

Service Activation Charge

manpower hours + 30% for benefits, cost of materials or purchase price and cost for vehicles or equipment used.

Service Connections beyond one call

Service Rates (receiving Water through permanent meters)

Commercial Rates / per 1,000 gal	\$4.58	\$4.82	\$4.96	\$5.02	\$5.14
Residential Rates / per 1,000 gal					
for the first 7,000 gal	\$3.90	\$4.09	\$4.21	\$4.27	\$4.37
7,000-15,000 gal	\$4.58	\$4.82	\$4.96	\$5.02	\$5.14
over 15,000 gal	\$5.73	\$6.02	\$6.20	\$6.29	\$6.41

Sewer Connection Fee / per drain opening

\$30.00

Sewer Improvement Fee (Maybrook) / per drain opening

\$42.61

Sewer Improvement Fee (Middle Big Creek) / per drain opening

\$33.48

WATER - SYSTEM DEVELOPMENT CHARGES

Water Tap Fees (Based on Meter Size) and Meter Set-up

5/8" x 3/4"					
Tap Charge	\$3,310.00				
Meter Set-up	\$405.36				
3/4"					
Tap Charge	\$5,517.00				
Meter Set-up	\$418.25				
1"					
Tap Charge	\$8,827.00				

Meter set-up	\$565.41
1 1/2"	
Displacement	
Tap Charge	\$11,033.00
Meter set-up	\$2,616.29
2"	
Displacement	
Tap Charge	\$22,067.00
Meter set-up	\$2,604.75
Compound	
Tap Charge	\$35,307.00
Meter Set-up	Quote
3"	
Class I & II Turbine (With Water Utilities Director Approval)	
Tap Charge	\$77,233.00
Meter set-up	Quote
Compound	
Tap Charge	\$70,613.00
Meter Set-up	Quote
4"	
Class I Turbine (With Water Utilities Director Approval)	
Tap Charge	\$132,400.00
Meter Set-up	Quote
Class II Turbine (With Water Utilities Director Approval)	
Tap Charge	\$139,020.00
Meter Set-up	Quote
Compound	
Tap Charge	\$110,333.00
Meter Set-up	Quote
6"	
Class I Turbine (With Water Utilities Director Approval)	
Tap Charge	\$275,833.00
Meter Set-up	Quote
Class II Turbine (With Water Utilities Director Approval)	
Tap Charge	\$308,933.00
Meter Set-up	Quote
Compound	
Tap Charge	\$220,667.00
Meter Set-up	Quote
8"	
Class I Turbine (With Water Utilities Director Approval)	
Tap Charge	\$397,200.00
Meter Set-up	Quote
Class II Turbine (With Water Utilities Director Approval)	
Tap Charge	\$529,600.00
Meter Set-up	Quote
Compound	
Tap Charge	\$353,067.00
Meter Set-up	Quote
10"	
Class I Turbine (With Water Utilities Director Approval)	
Tap Charge	\$639,933.00
Meter Set-up	Quote
Class II Turbine (With Water Utilities Director Approval)	
Tap Charge	\$838,533.00
Meter Set-up	Quote
Compound	
Tap Charge	\$507,533.00
Meter Set-up	Quote

Packet Information

File #: TMP-0194, **Version:** 2

Approval of a Resolution authorizing the City of Lee's Summit to participate in and utilize cooperative purchasing programs.

Issue/Request:

Request approval of a Resolution authorizing the City of Lee's Summit to participate in and utilize cooperative purchasing programs (Approved List).

Key Issues:

Pursuant to Section VII, paragraph 1.B of the Purchasing Policy, each even numbered year, the City Council shall pass a resolution not less than each July of each even numbered year authorizing the City to participate in any and all cooperative purchasing programs (Approved List) deemed appropriate.

Cooperative purchasing programs follow a competitive bidding process.

Cooperative purchasing programs are beneficial to the City because goods and services can be purchased utilizing economies of scale thereby making the purchase of such goods and services more cost effective as well as reducing administrative costs.

In addition, Council approval is provided up-front no less than every even numbered year for the City to purchase any **budgeted** item from said cooperative purchasing programs (Approved List).

Council approval is required for all purchases of unbudgeted items in excess of \$20,000.00.

Per the attached resolution, approval of the cooperative purchasing programs (Approved List) would be in place for fiscal year 2017. A resolution would then need to be submitted for Council approval on an annual basis so that said (Approved List) may be utilized during the applicable fiscal year.

Proposed Committee Motion:

I move to recommend to be placed on the City Council Agenda approval of a Resolution authorizing the City of Lee's Summit to participate in and utilize cooperative purchasing programs.

Background:

The City of Lee's Summit, Missouri adopted a Purchasing Policy on February 18, 1999 (Resolution 99-04). Pursuant to paragraph 1.B of section VII. COOPERATIVE PURCHASING PROGRAMS of the purchasing policy, the City Council shall authorize the participation of the City in any and all appropriate cooperative purchasing programs every even numbered year. While revising the Purchasing Policy in 2015, I investigated whether or not resolutions had been presented to Council, every even numbered year. I discovered that there had not been a resolution presented to Council since Resolution NO. 06-12 was passed on June 5, 2006. I made note that if the revised Procurement Policy had not been presented and approved by Council by 2016 that I would create a Committee/Council packet requesting the approval of a resolution for the City of Lee's Summit to participate in cooperative purchasing programs (Approved List). I waited until after the election and the assignment of our elected Council Members to their respective Committees to allow for the opportunity to present this request to the Finance and Budget Committee and City Council.

Impact/Analysis:

Approval of this Resolution would allow the City of Lee's Summit to continue to participate in cooperative purchasing programs (Approved List) and continue to take advantage of economies of scale and reduction of administrative costs which exemplifies the conscientious and cost effective utilization of tax payer dollars.

Timeline:

Start: ____

Finish: ____

Other Information/Unique Characteristics:

[Enter text here]

Presenter: Ben Calia, Procurement and Contract Services Manager

Recommendation: Staff recommends approval of a Resolution authorizing the City of Lee's Summit to participate in cooperative purchasing programs (Approved List) be placed on the City Council Agenda.

Committee Recommendation: [Enter Committee Recommendation text Here]

amendment to the contract. The contract amendment should contain the change in scope of services and/or in cost must be approved by the Department Director and Purchasing Division. These change orders may involve such issues as additional tasks, deletion of tasks, cost changes, and extensions of time.

In the event the change order itself contains costs in an amount in excess of \$20,000, the change order must go to City Council for approval. In the event a series of change orders on a single contract accumulates to an amount in excess of \$20,000, all subsequent change orders, regardless of amount, must go to the City Council for approval.

- C. Purchase Orders. Change orders to purchase orders are only allowed if the change is in the cost of the item being purchased. No change orders are allowed for changes in quantity or scope of original purchase order. Changes in quantity or scope are to be purchased with separate purchase order numbers. See applicable price range provisions regarding repeat orders.

Purchase Order Change order cost adjustments in an amount up to \$3,000 requires prior approval of the Purchasing Division.

Purchase Order Change order cost adjustments in an amount up to \$20,000 require prior approval of Purchasing Division and City Administrator.

Purchase Order Change order cost adjustments in an amount over \$20,000 require prior approval of the Purchasing Agent, City Administrator and City Council.

VII. COOPERATIVE PROGRAMS AND AGREEMENTS

Revised per Administrative Amendment 05-01, dated November, 2005

1. COOPERATIVE PURCHASING PROGRAMS

- A. As used in this Article, the term "cooperative purchasing program" refers to programs through which the members of the program may acquire goods and

services in cooperation with other members of the program, thereby saving money on the purchase of goods and services through economies of scale and through the reduction of administrative costs. Subject to the provisions of this Article, the Purchasing Agent is authorized to participate in cooperative purchasing programs with the United States or any agency of the United States; with the State of Missouri or any agency, municipality or political subdivision of the State of Missouri; with other states or any agency, municipality or political subdivision of any other state; or with any association of municipalities or political subdivisions; provided that the cooperative purchasing program follows a competitive bidding process.

- B. From time to time, but not less than each July of each even numbered year, the City Council shall authorize by resolution the participation of the City in any and all Cooperative Purchasing Programs which the Council believe appropriate (the "Approved List"). The Purchasing Division shall be responsible for notifying the departments of current approved cooperative purchasing programs and any limitation or special requirements for their use.
- C. Council approval shall not be required for the purchase of any budgeted items from purchasing programs which are on the Approved List. City Council approval will be required for all purchases of unbudgeted items in excess of \$20,000. Specific unbudgeted items less than \$20,000 may be purchased through a cooperative purchasing program on the Approved List provided an alternative funding source with the respective Department's budget is identified in writing to the Finance Director and City Administrator.
- D. During the annual City budget approval process, if a Department knows a proposed budgeted item will be purchased through a cooperative purchasing program or acceptable purchasing agreement, as defined below, the Department shall provide such information to the City Council.

2. COOPERATIVE PURCHASING AGREEMENTS

- A. The City may procure goods or services pursuant to an acceptable cooperative purchasing agreement. An "acceptable cooperative purchasing agreement" is an agreement between a governmental entity and a third party which meets the following conditions:
1. the contract followed a competitive bidding process and was established in accordance with the laws and regulations applicable to the establishing governmental entity;
 2. the contract contains the same, or better, terms, conditions, specifications and pricing for the respective item that the City Department seeking the acquisition would bid and purchase on its own; and
 3. the contract contains a cooperative purchasing clause (sometimes referred to as a "piggyback" clause) which authorizes other governmental entities to purchase under the contract with the same terms and conditions.
- B. In the event a Department desires to acquire goods or services through a cooperative purchasing agreement, the Department Director or designated representative shall contact the Purchasing Department. The Purchasing Agent, or Purchasing Agent's designated representative, shall determine whether the proposed agreement is an acceptable cooperative purchasing agreement. After this determination is made the matter shall be forwarded to the City Administrator for review.
- C. The City Administrator is authorized to approve purchases through acceptable cooperative purchasing agreements, subject to the following conditions:
1. City Council approval will be required for all purchases of unbudgeted items in excess of \$20,000.00
 2. Specific unbudgeted items less than \$20,000.00 may be purchased through a cooperative purchasing program provided an alternative funding source with the respective Department's budget is identified in writing to the Finance Director and City Administrator.
- Council approval shall not be required for the purchase of any budgeted items from acceptable cooperative purchasing agreements.

VIII. TERM AND SUPPLY AND ANNUAL CONTRACTS

COOPERATIVE/PIGGYBACK AGREEMENTS-2016

Commodity	Company	Originating Coop Entity	LS Contract #
AED Lifepaks	Physio-Controls,Inc Medtronics	State of Oklahoma	11-122/5R
Ammunition	2 Vendor award-Gulf State	KCRPC	2013-067/3R
Ammunition	2 Vendor award-Ultra Max	KCRPC	2013-067/3R
Ammunition	Simmons Gun Specialties	State of MO	2016-089
Athletic Supplies & PE Equipment	BSN Sports/US Games	US Communities	2012-078/2R
Audio Visual Equip, Serv & Accessories	6 Vendor Split-Cytek	State of Kansas	2012-054
Audio Visual Equip, Serv & Accessories	6 Vendor Split-Mission Electric	State of Kansas	2012-054
Audio Visual Equip,Serv & Accessories	6 Vendor Split-CCS	State of Kansas	2012-054
Audio Visual Equip,Serv & Accessories	6 Vendor Split-KC Audio	State of Kansas	2012-054
Audio Visual Equip,Serv & Accessories	6 Vendor Split-Senna Tech	State of Kansas	2012-054
Audio Visual Equip,Serv,& Accessories	6 Vendor Split-SKC Comm	State of Kansas	2012-054
Badger Water Meters	Midwest Meters	City of Nixa, MO	2016-082
Beet Juice Anti/Deicing Fluid	SNI Solutions, Inc.	MODOT	2015-101/1R
Biomedical Waste Disposal	MedAssure	KCRPC	2014-024/3R
Carharts-insulated Outerwear	The Liberty Store	KCRPC	2012-105/3R
Cisco Products and Support Services	Alexander Open Systems (AOS)	NASPO ValuePoint	2013-016/3R
Communication System Upgrades	Motorola Solutions Inc.	JOCO	2012-010/5R
Computer Equipment & Services	WorldWide Technologies	State of MO	2012-024/3R
Computer Equipment, Software & Peripherals	3 Vendor award-Dell	NASPO ValuePoint	2016-055
Computer Equipment, Software & Peripherals	3 Vendor award-Lenovo	NASPO ValuePoint	2016-055
Computer Equipment. Software & Peripherals	3 Vendor award-HP	NASPO ValuePoint	2016-055
Dump Body, Snow Plow & Spreader for Trucks	American Equipment	KCMO	2015-102/1R
Electrial Products	GrayBar Electric	US Communities	2013-108/1R
Electric Motor Repair & Rewind Services	Independent Electric	KCMO	2016-021
Electrical Services & Repairs	RF Fisher Company	Jackson County Courts	2014-145
Electronic Supplies	Electronic Supply Co.	KCMO	2015-003/2R
Emerergency Medical Supplies	Bound Tree Medical	MARC/MARCER	2013-004/1R
Emergency Road Flares	Gateway Safety	KCPD	2014-018/2R
Emergency Vehicle Equipment	911 Custom, LLC	City of Independence	2016-085
Emergency Vehicle Equipment	Ka-Comm, Inc.	KCRPC	2015-032/1R
Fence Materials and Installation	Guier Fence Company	City of Independence	2015-087/1R

COOPERATIVE/PIGGYBACK AGREEMENTS-2016

Fire Extinguisher-Inspection, R & M	Keller Fire and Safety	KCMO	2016-118
Fleet Management Technology Solutions	Syn-Tech Systems	NJPA	2014-020
Food Service Supplies	US Foods	State of MO	2014-126
Galvanized/Aluminum Pipe & Fittings	KC Winwater Works	KCMO	2015-106
General Purpose ITS Equipment, & Services	DLT Solutions	GSA	06-094/2R
Groundskeeping/Sports Field Maint Equipment	Professional Turf	NIPA/TCPN	2013-139
Hazardous Waste Collection	Heritage Environmental	KCMO	08-182/7R
Heavy & Utility Equipment	Murphy Tractors/FellingTrailer	NJPA	2015-022
Highway maint Mowing & Grounds Care Equipment	John Deere	Iowa-Dept of Transportation	11-109
Ind High CFM Vac/Power Rodding	Ace Pipe Cleaning, Inc.	KCMO	2012-003/5R
IT Equipment,Software & Services	MSI/Carahsoft	GSA	2013-078
ITS Professional Services	JMA	GSA	05-256/2R
Janitorial Supplies	Royal Papers, inc.	KCMO	2013-140/2R
Joint Vehicle Bid	Multi Vendors: Shawnee Mission Ford	City of Independence	2014-044/2R
Joint Vehicle Bid	Roberts Chevrolet	City of Independence	2014-044/2R
Joint Vehicle Bid	Olathe Ford	City of Independence	2014-044/2R
Joint Vehicle Bid	Landmark Dodge	City of Independence	2014-044/2R
Joint Vehicle Bid	Dick Smith Ford	City of Independence	2014-044/2R
Joint Vehicle Bid	KC Freightliner	City of Independence	2014-044/2R
Joint Vehicle Bid	Summit Truck/Diamond Intl	City of Independence	2014-044/2R
Law Enforcement Armored Vehicles	Lenco Inc.	GSA	2016-010
Light Duty Vehicles	Capitol Chrysler Dodge Jeep	MODOT	2015-069/1R
Locksmith & Security Services	Kenton Brothers	Jackson County	2013-010/3R
Medical Billing Services	Digitech Computer, Inc	JOCO	2015-012/1R
Medical Gases	Helgat Gas	MARC/MARCER	2016-015
MRO (Maint. Repair & Ops)Supplies	3 Vendor split-Grainger	State of MO	11-134/1R
MRO (Maint. Repair & Ops)Supplies	3 Vendor split-Fastenal	State of MO	11-134/1R
MRO (Maint. Repair & Ops)Supplies	3 Vendor split-MSI	State of MO	11-134/1R
Multipurpose Paper	Office Essentials, Inc.	Jackson County Courts	2016-108
Office Supplies	Office Depot	NJPA	2015-065
Offsite Records Storage Services	Iron Mountain	KCMO	2015-109

COOPERATIVE/PIGGYBACK AGREEMENTS-2016

Petroleum Products	Heathwood Oil	KCRPC	2016-009/1R
Playground & Recreation Equipment	Porter Corp (Poligon)	NJPA	2015-079
Playground Equipment	Kompan	US Communities	11-048/1R
Playground Equipment	Const Playthings	SEKESC	2015-082
Playground Equipment	AB Creative	SEKESC	2015-082
Plows, Spreaders, Dump Body & Misc Equipment	American Equipment	KCMO	2016-048
Professional Weather Forecasting Services	Weather Or Not	City of Springfield	2016-002
Public Safety Computer System	Turn-Key Mobile	Jasper County Sheriff	2015-024/1R
Public Safety Radio System	Commenco, Inc.	MARC/MARCER	2014-141/2R
Public Safety, Emergency Services	Safeware, Inc.	US Communities	2012-081/1R
Recreation & Aquatic Products/Services	Vortex	NPP	
Rental & Service of Parts & Paint Washers	Safety Kleen	KCMO	2013-129/3R
Repairs:Brakes, Chassis,Align & Supsension	A-1 Alignment Shop	KCMO	2016-018
Road Salt and Deicer	2 Vendor award-Central Salt	KCRPC	2014-125/2R
Road Salt and Deicer	2 Vendor award-Scotwood Ind	KCRPC	2014-125/2R
Sanitary Sewer CIPP Rehab	SAK Construction	JOCO	2014-138/2R
Sewer TV Truck Equipment	Key Equipment	NJPA	2016-016
Small Construction Projects	The Wilson Group	NJPA	2014-017/3R
Software Training	Centriq	State of MO	2013-028/3R
Storm Warning Sirens & Repairs	Federal Signal/Blue Valley	KCRPC	2015-025/1R
Tactical Vests	Alamar Uniforms	City of Independence	2014-074/2R
Traffic Control Products & Solutions	TAPCO	US Communities	2014-127
Traffic Signs & Supplies	J & A Traffic	Jackson County	2015-098
Water and Sewer Supplies	HD Supply Waterworks	City of St. Petersburg	2016-113
Fiber Restoration,Install & Maintenance	K & W Underground	City of Olathe, KS	2016-005
IT Products and Services	Alexander Open Systems (AOS)	KC School Dist.	2016-127
Disposal of Surplus Electronics	Synetic Technologies	NJPA	2016-116
Wide Format Plotter/Scanner	Drexel Technologies	N KCMO	2014-075
Tires, Tubes and Related Services	3 Vendor Award-Goodyear,	State of MO	2016-126
Tires, Tubes and Related Services	Bridgestone	State of MO	2016-126
Tires, Tubes and Related Services	Michelin	State of MO	2016-126
ESRI GIS Software & Maintenance	ESRI	State of MO	2015-055
Exercise Equipment & Accessories	Life Fitness /Advanced Exercis	NJPA	2014-153/1R

COOPERATIVE/PIGGYBACK AGREEMENTS-2016

Fitness Equipment & Supplies	PushPedalPull(P3) Precor	NJPA	2016-106
Roofing Services	Delta Innovative	Jackson County Courts	2015-105
Law Enforcement & Security Equipment	Tactical Technologies	GSA	2015-097
ITS Audio Equipment & Software	AVI Systems, Inc.	GSA	2013-039/1R
Law Enforcement Solutions	SRN-dba Stop Rubbernecking	GSA	2016-129
HVAC Equipment & Service	Trane USA	NIPA/TCPN	2014-022
Natural Gas Marketer Svs	Continuum Energy- Revenue Generating	City of Clovis NM	2014-029/1R

GSA Contracts:	7	NASPO ValuePoint: The National Association of State Procurement Officials	
State Contracts:	8	U.S. Communities National Cooperative Purchasing Program	
DOT Contracts:	3	NJPA: National Joint Purchasing Alliance	
City/County/Regional Contracts/Cooperative:	44	NIPA/TCPN: National IPA (National Intergovernmental Purchasing Alliance/TCPN (The Cooperative Purchasing Network)	
National Cooperatives	19	SEKESC: Southeast Kansas Education Service Center at Greenbush (Member of AEPA-Association of Educational Purchasing Agencies	
Total No. of Cooperatives	81	NPP: National Purchasing Partners-Government	
		GSA: Government Services Administration	
		NPP: National Purchasing Partners-Government	
Capital Items Coops	20	Capital Item Coops-Percent of all Coops	26%
Non-Capital Items Coops	56	Non-Capital Item Coops-Percent of all Coops	73%
Revenue Generating Coop	1	Revenue Generating Coops-Percent of all Coops	1%

RESOLUTION NO. 16-_____

A RESOLUTION AUTHORIZING THE CITY OF LEE'S SUMMIT, MISSOURI TO PARTICIPATE IN COOPERATIVE PURCHASING PROGRAMS FOR FISCAL YEAR 2017.

WHEREAS, the City of Lee's Summit Procurement and Contract Services Division of the Finance Department provides procurement of goods and services for some City operations; and,

WHEREAS, by Resolution No. 99-04, on February 18, 1999, the City Council adopted the City's first Purchasing Policy, which set forth guidelines for obtaining necessary goods and services at the most economical prices while ensuring compliance with all applicable laws and policies and maintaining confidence in government expenditures; and,

WHEREAS, the City's Purchasing Policy was revised by Resolution No. 03-07 adopted May 2003; revised pursuant to Administrative Amendment 05-01, dated November, 2005; revised pursuant to Resolution No. 05-16, passed and adopted by City Council, December 1, 2005, revised pursuant to Resolution No. 06-06, passed and adopted by City Council, March 9, 2006; Revised by the City Administrator through Revision No. 07-02 adopted September 1, 2007; Revised by the City Administrator through Revision No. 07-03 adopted August 28, 2007; Revision 08-1 adopted November 17, 2008 by the City Manager and Revision 09-01 adopted February 20, 2009 by the City Manager; and,

WHEREAS, Section VII, Paragraph (1) (B) of the current policy states that the City Council shall authorize by resolution from time to time, but not less than every even numbered year the participation of the City in any and all Cooperative Purchasing Programs which the Council believe appropriate (the "Approved List").

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LEE'S SUMMIT, MISSOURI, THAT:

SECTION 1. That the City of Lee's Summit is currently participating in or piggybacking off of the following cooperative procurement programs/contracts, and shall be authorized to continue such participation or piggybacking throughout Fiscal Year 2017: State of Oklahoma, KCRPC (Kansas City Regional Purchasing Cooperative-A division of MARC (Mid-America Regional Council)), State of Missouri, US Communities, State of Kansas, City of Nixa, MO, MODOT (Missouri Department of Transportation), NASPO Valuepoint (The National Association of State Procurement Officials), Johnson County, KS, Kansas City, MO, Jackson County Courts, MARC, Kansas City Police Department, City of Independence, NJPA (National Joint Purchasing Alliance), GSA (Federal-General Services Administration), NIPA (National Intergovernmental Purchasing Alliance)/TCPN(The Cooperative Purchasing Network), NJPA (National Joint Purchasing Alliance), IDOT (Iowa Department of Transportation), Jackson County, MO, SEKESC (Southeast Kansas Educational Purchasing Agencies), Kansas City School District, City of St. Petersburg, FLA, Jasper County Sherriff Office, City of Olathe, KS, North Kansas City, MO, City of Clovis, New Mexico and NPP (National Purchasing Partners-Government).

SECTION 2. That the City of Lee's Summit shall further be authorized throughout Fiscal Year 2017 to participate in, sponsor, conduct, award, or administer a cooperative

RESOLUTION NO. 16-_____

purchasing program with the United States or any agency of the United States; with the State of Missouri or any agency, municipality or political subdivision of the State of Missouri; with other states or any agency, municipality or political subdivision of any other state; or with any association of municipalities, political subdivisions or national purchasing consortiums; provided that such contract was established in accordance with the laws and regulations applicable to the establishing entity and is consistent with the policies adopted by the City of Lee's Summit's current Purchasing Policy, and the laws of the State of Missouri.

PASSED AND ADOPTED by the City Council for the City of Lee's Summit, Missouri, this _____ day of _____, 2016.

Mayor Randall L. Rhoads

ATTEST:

City Clerk Denise R. Chisum

APPROVED AS TO FORM:

Law Department Attorney *Sheri Wells*