

APPENDIXFranchise Agreements and Utility Sales TaxA. Gas Service Company Franchise Agreement.

1. That there is hereby granted to The Gas Service Company, a corporation operating a gas distribution system in the City of Sarcoxie, Missouri, herein called the Grantee, its successors and assigns, the rights, privileges and franchise, for a period of twenty (20) years from the effective date hereof, to construct, maintain and operate in the present and future streets, alleys, bridges and public places in said City, its gas distribution system as now located, together with the right, privilege and franchise to acquire, construct, maintain and operate therein and thereon such additions and extensions thereto as may be necessary or desirable, all for the purpose of supplying natural gas for all purposes to the inhabitants of said City and consumers in the vicinity thereof.

2. All rates established and charges made by Grantee for gas distributed and sold hereunder shall be subject to valid and lawful orders of the Public Service Commission of the State of Missouri, or other competent authority having jurisdiction in the premises, and the sale of gas to consumers shall be governed by the present operating rules, regulations and customs of Grantee and such rules and regulations as may hereafter be prescribed or approved.

3. That in consideration of and as compensation for the right, privilege and franchise hereby granted, the Grantee, its successors and assigns, shall furnish gas at such pressure and of such quality as shall be designated by lawful orders of the Public Service Commission of said State, if such gas is reasonably procurable; shall furnish free of cost to each customer a recognized standard meter or other instrument for measurement of gas sold or computation of consumer's bills and keep same in repair at its cost, which meter shall at all times be subject to inspection by said City; shall at all times save the City harmless from any and all damages which said City may be liable to pay that may arise from the construction, maintenance and operation of its plant system or any part thereof; shall limit all excavations of streets, alleys or public places to the necessity of efficient operation and shall not at any one time open or encumber more of any highway or public place than shall be reasonably necessary to enable Grantee to proceed with advantage in laying or repairing mains or pipes and shall not permit such highway or public place to remain open longer than necessary for the purpose for which it was opened; shall refill all excavations and replace all pavements with like material and leave same in as good condition as when altered or removed; shall perform all work on streets, alleys and public places under supervision of a representative of said City, if so desired; and shall repay said City all expense to which it has been put in the repair or replacement of streets, highways or pavements in the event such work is done by said City after the

neglect or refusal of Grantee to perform same in a reasonable time.

4. Grantee shall not later than February 1 and August 1 respectively of each year make a report to the governing body of the City of Sarcoxie of its gross receipts from the sale of gas for domestic and commercial purposes within the corporate limits of said City for the six (6) months' period ending at the last meter reading preceding December 31 and June 30 respectively; and at the time of making such reports, pay into the City treasury a sum equal to five (5%) percent of said gross receipts subsequent to the effective date of this franchise, which shall be charged to the operating expenses of the company. Domestic and commercial sales shall be considered as sales made other than on special contracts providing for stand-by fuel and interruption of service at any time demands of domestic and commercial consumers may so require. Said percentage of Grantee's gross receipts is hereby levied and assessed as an occupation and license tax for the privilege of engaging in the business herein recited during the term hereof; and as a further consideration for this franchise, Grantee agrees to recognize the same as a valid tax and make said payments during such period.

(Added by Ordinances 576 and 577, Passed and Effective November 18, 1976).

#### B. Empire District Electric Company Franchise Agreements.

1. That the Empire District Electric Company, hereinafter called the "Company", its successors and assigns, are hereby authorized and empowered to use the streets, avenues, lanes, alleys, and other public grounds and ways in the City of Sarcoxie, Missouri, as its limits now exist or may be altered, for the purpose of erecting and maintaining an electric distribution system, with the poles, wires (above ground or thereunder) and other apparatus, equipment and appliances necessary therefor, subject to reasonable supervision of the Board of Aldermen as to the place and manner of erecting the poles for said purposes; and for the purpose of conducting, supplying, distributing, and selling electric energy to the City and/or the inhabitants thereof for light, power, heat and other purposes; and for the purpose of erecting and maintaining a plant or plants in said City for the generating of electric energy, with the right in said Company also to generate or procure said electric energy, or any part thereof, at other points and to carry same into said City and there make distribution and sale thereof, and the further right in said Company to transmit any of said electric energy from or through said City for sale outside the limits thereof.

2. Said Company shall use every reasonable precaution to avoid damage or injury to person or property, and agrees to indemnify and save harmless the said City from damage, injury, suits, actions, loss or expense arising from any negligent construction, reconstruction, repair, maintenance or operation of its said electrical system.

3. The Company agrees that it will furnish continuous and uninterrupted electric service from the beginning of such service to the end of the franchise period, except for

interruptions caused by strikes, riots, Governmental interference or regulation, acts of Providence, accidents beyond the control of the Company, or necessary maintenance or replacements.

4. All rates established and charges made by the Company for electric energy distributed and sold hereunder shall be subject to the valid and lawful orders of the Public Service Commission of the State of Missouri, or other competent authority having jurisdiction, and the distribution and sale of electric energy to consumers shall be governed by such operating rules, regulations and practices of the Company as may now or hereafter be prescribed or approved by competent authority.

5. All the terms and provisions of this Ordinance shall be binding upon the parties hereto, and upon their respective successors and assigns.

6. This Ordinance shall take effect and be in force from and after its passage and approval; and all the rights hereby granted shall continue and remain in full force and effect for a period of twenty (20) years from and after the date of passage of the Ordinance provided for in Section 9 hereof; provided that written acceptance by the Company shall be filed with the Clerk as provided in Section 9 hereof.

(Added by Ordinance 584, Passed and Effective February 4, 1980).

C. Municipal Electric Service Agreement. An Ordinance authorizing and providing a contract between the City of Sarcoxie, Missouri, (hereinafter sometimes called the City) and The Empire District Electric Company (hereinafter sometimes called the Company), its successors or assigns, for electric service and equipment to light the City's streets, alleys, and public ways, electric service for light and power to the City's parks, other properties and public places, for a term of years, and specifying the prices to be paid for such lighting and power service, and the terms and conditions of such contract; and providing for discounts from rates and acceptance by the City of such discounts as full payment by the Company of any occupation tax, franchise tax, license tax, or any similar tax or charge imposed upon the Company by the City (other than the license and occupation tax imposed upon the Company by Ordinance No. 586 of the City, or any amendment thereof) for the establishment, operation and maintenance of the Company's facilities within the City; and providing further that said discount shall not be taken in lieu of the City's right to collect motor vehicle license fees and any ad valorem tax on the Company's real estate and personal property.

BE IT ORDAINED by the Board of Aldermen as follows:

1. That said City of Sarcoxie, Missouri, is hereby authorized and does contract with The Empire District Electric Company, a corporation, its successor or assigns for electric service and equipment to light the City's streets, alleys and public ways; and electric service for light and power for the City's parks, other properties and public places.

2. The City and the Company mutually agree that this ordinance will constitute a

contract and that all of its terms, conditions and provisions for payment shall be in effect for a period of two (2) years from the date of execution hereof as provided in Paragraph 13; and shall be automatically extended for a further period of two (2) years from each successive expiration date unless one party shall notify the other in writing not less than sixty (6) days prior to any such expiration date of its desire to terminate this agreement; and further providing that this contract shall not be effective for a total period exceeding ten (10) years; and further provided that the terms of Paragraph 5 are not limited by the terms of Paragraph 2.

3. The Company agrees to furnish and the City agrees to use and pay for the street lighting service described in SPL Street Lighting data sheet, designated Exhibit "A", attached hereto and made a part hereof, and for any and all additional street lighting service subsequently agreed upon under the terms of this contract or any amendment hereto, according to the rates and conditions set out in the Municipal Street Lighting Service Schedule SPL, attached hereto and made a part hereof.

4. When, by agreement with the City, the Company shall install, own, operate and maintain street lights charged for under Schedule SPL, or is required to provide special or excessive electric facilities to serve City owned street lighting systems served under Schedule SPL, there shall be charged, in addition to the rates hereinbefore set out, a Facilities Usage Charge, payable as herein provided, as mutually agreed upon by the parties.

5. It is agreed that the Facilities Usage Charge shall be computed at the rate set forth in Municipal Street Lighting Service Schedule SPL as now or in the future approved by competent authority having jurisdiction. Said rate shall be applied to the investment in Company owned street lights and special or excessive electric facilities to serve City owned street lights utilized by the City under Schedule SPL. The total of such investment by the Company is \$12,668.67 and the total of the Facilities Usage Charge shall be \$2,280.36 until additional street lights are requested by the City and installed by the Company and this contract amended by written agreement. Such Facilities Usage Charge shall be due and payable by the City of Sarcoxie, Missouri, to the Company so long as the street lights and/or special electric facilities herein referred to in Paragraph 4 and its references shall be utilized by said City, but for a term of not less than ten (10) years from date hereof, and shall be payable as provided in said Schedule SPL.

6. The Company agrees to change the location of any street lamp in use upon the written request of the City, provided the City shall pay the Company the actual cost thereof.

7. The Company shall furnish and the City shall take and pay for all electric service for municipal use, other than street lighting service, as may be required from time to time by the City in its parks, buildings, properties and public places, according to the rates and provisions of the filed standard rate schedules of the Company, subject to the provisions of Municipal-General Power and Lighting Service (Rider M), attached hereto

and made a part hereof.

8. The discounts provided in the attached Schedule and Rider, and in all applicable rates, rules and regulations of the Company filed with competent authority having jurisdiction as now or hereafter promulgated, shall be allowed provided the City utilizes the Company's service for its entire requirements for electric or power service and the Company serves the City under the provisions of an electric franchise having an original term of not less than ten (10) years; and the amounts resulting from the above discounts shall be accepted by the City as full payment of any occupation tax, franchise tax, license tax or any similar tax or charge imposed upon the Company by the City (other than the license and occupation tax imposed upon the Company by Ordinance No. 586 of the City, or any amendment thereof) for the

#### D. License and Occupation Tax

1. Every light and power company, their successors and assigns, generating, manufacturing, selling, distributing, transmitting, supplying, and furnishing electricity, electric power, electric energy, and electric service in the City of Sarcoxie, Missouri, shall, for the privilege of doing business and engaging in said occupation therein, pay to the City of Sarcoxie a license and occupation tax.

2. The term "light and power company" when used in this Ordinance, includes every corporation, company, association, firm and individual which is an "electrical corporation" owning and operating an "electric plant" as a "public utility" within the meaning of and as defined in the Missouri Public Service Commission law (Chapters 386 and 393, Revised Statutes of Missouri).

3. The amount of the license and occupation tax herein provided shall be a sum equal to five (5%) percent of the gross receipts collected by the Licensee from the sale of all electric energy sold to all of Licensee's customers within the present or future boundaries of the City of Sarcoxie under rate schedules as now or in the future approved by the Missouri Public Service Commission, for residential and commercial service having a reserve capacity of forty (40) kilowatts or less, excluding schools, churches and church schools.

4. The Licensee shall pay the tax herein provided (monthly), said tax to be computed upon the basis of gross receipts collected by Licensee which are subject to said tax from the first day through the last day of each month during which Licensee is doing business and engaged in said occupation, beginning on February 4, 1980.

5. The exact date after the end of each month on which Licensee shall pay the tax herein provided, the form and contents of reports filed by Licensee with the City of Sarcoxie showing the gross receipts which are subject to said tax, the date on which said reports are due, and the procedure for adjustments of tax payments due to bad debts and uncollected statements for the sale of electric energy shall be as mutually agreed upon by

the City of Sarcoxie and the Licensee.

6. The license and occupation tax herein provided shall be in addition to all other taxes, payments or fees now or hereafter required by law or ordinance.

(Added by Ordinance 586, Passed and Effective February 4, 1980).

E. Utility Municipal Sales Tax

1. That the municipal sales tax on all sales of metered water service, electricity, electrical current, natural, artificial or propane gas, wood, coal or home heating oil used for nonbusiness, noncommercial or nonindustrial purposes heretofore imposed within the corporate limits of this municipality is hereby reimposed.

2. That the rate of taxation shall be, as heretofore, one (1%) percent.

(Added by Ordinance 583, Passed and Effective October 4, 1979).