

AGENDA ITEM
December 2, 2014

Subject: Alliance Water Resources Contract

Department: City Manager

This ordinance will approve the memorandum of agreement with Alliance Water Resources for 2015 to provide water and wastewater service to the City of Nevada, Missouri.

BILL NO. 2014-078

ORDINANCE NO.

A SPECIAL ORDINANCE OF THE CITY OF NEVADA, MISSOURI APPROVING AND AUTHORIZING THE EXECUTION OF A MEMORANDUM OF AGREEMENT BETWEEN THE CITY OF NEVADA, MISSOURI AND ALLIANCE WATER RESOURCES.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF NEVADA, MISSOURI THAT:

Section 1. The agreement attached hereto as Exhibit "A" and incorporated herein by reference is approved.

Section 2. The Mayor and City Clerk are hereby authorized and directed to execute said agreement on behalf of the City of Nevada, Missouri, and to affix the municipal seal thereto and to attest to the same.

Section 3. This ordinance shall be in full force and effect from and after its final passage.

PASSED, APPROVED AND ADOPTED, by the City Council of the City of Nevada, Missouri this 16th day of December, 2014.

Seth Barrett, Mayor

(seal)
ATTEST:

Bev Baker, City Clerk



November 21, 2014

JD Kehrman
City Manager
110 South Ash
Nevada, Missouri 64772

**RE: Alliance Water Resources
2015 Nevada Water and Wastewater
Proposed Budget**

Dear Mr. Kehrman,

Alliance Water Resources (AWR) is pleased to present the proposed budget for 2015 for your review and consideration. We are requesting an increase of 2.9% to the current contract's annual base compensation amount, making the new annual total \$1,586,948.00 (\$132,245.67 monthly).

We have had another exciting year continuing our training of a top notched staff along with addressing several challenging tasks such as repairing aged equipment at the Water Treatment Plant along with consistently producing a "stable" water for the residents, continuing to improve the safety program, fine tuning chemical usage on the two odor control systems, preparing SOPs (Standard Operation Procedures) for both the water system and collection system. We thank the City for moving forward with major collection system improvements to reduce the I&I into the WWTP. In 2015 a major focus will be on I&I reduction in the collection system and chemical control at the WTP for stable water quality and odor control.

The largest cost increases are in chemical costs directly relating to consistently producing "stable" water and maintaining no odors from the Water Plant and employee health insurance. The Repair Limit is remaining the same at \$79,000 but the Chemical Limit will increase \$6,000 to \$88,200.

AWR enjoys serving the City and looks forward to the future challenges as a team member. If you have any questions, please contact me at 573-874-8080, extension 275.

Sincerely,

A handwritten signature in black ink, appearing to read "Gary Johnson", written over a white background.

Gary Johnson
Division Manager
Alliance Water Resources

Cc. Mayor Barrett
Shawn Middendorf
Tim Geraghty

MEMORANDUM OF AGREEMENT

This Memorandum of Agreement has been entered into this _____ day of _____, 2014 by and between the City of Nevada, a municipal corporation of the state of Missouri (hereinafter referred to as "City"), and Alliance Water Resources, Inc., (hereinafter referred to as "Alliance").

This Memorandum of Agreement has as its purpose to modify the initial Professional Service Agreement dated December 28, 2010 between City and Alliance.

Pursuant to Section 5.4, the Service Agreement is modified under the following section:

5.1 Alliance base compensation per this Agreement shall be \$132,245.67 per month for the fiscal year beginning January 1, 2015 and ending December 31, 2015. The Repair Limit for this term shall be \$79,000.00 and the Chemical Limit for this term shall be \$88,200.00.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed as of the first date written above.

Authorized Signature

Authorized Signature

President
Alliance Water Resources

Mayor
City of Nevada, Missouri

Date

Date

ATTEST:

Secretary

City Clerk