

RESOLUTION NO. 1565

A RESOLUTION OF THE CITY OF NEVADA, MISSOURI AUTHORIZING THE CITY MANAGER TO SEND A 60 DAY NOTICE OF TERMINATION LETTER TO ALLIANCE WATER RESOURCES AS PART OF THE PROCESS OF NEGOTIATING AND RE-BIDDING WATER/WASTEWATER SERVICES.

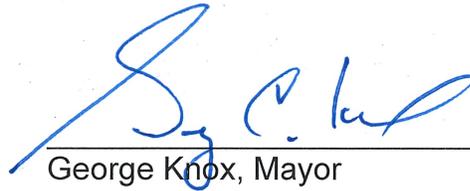
NOW, THEREFORE, BE IT RESOLVED that the City Council of the City Nevada, Missouri, that City Manager is hereby authorized to start the process of negotiating and rebidding water/wastewater services.

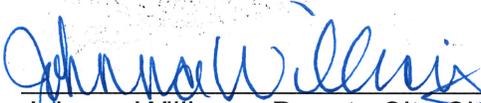
PASSED, APPROVED AND ADOPTED, by the City Council of the City of Nevada, Missouri this 16th day of June, 2020.



(seal)

ATTEST:


George Knox, Mayor


Johnna Williams, Deputy City Clerk



110 SOUTH ASH
NEVADA, MISSOURI 64772
www.nevadamo.gov

June 17, 2020

Tim Geraghty
President Alliance Water Resources Inc.
206 S. Keene St.
Columbia, MO 65201

Re: Notice of Contract Termination
Certified Mail – Reply Receipt Requested

Dear Mr. Geraghty:

We note that the contract of December 28, 2010 had a commencement date of January 1, 2011. The agreement extended for a period of 5 years. Thereafter it was renewed for an additional 5 years since not cancelled by either party in writing. Any cancellation required at least 60 days' notice prior to expiration.

It therefore appears that this contract will expire and terminate on the 1st of January 2021.

The council is undecided whether it will or will not renew the agreement. To be sure there is no misunderstanding about it, this communication is to provide written notice that the contract will not be permitted to automatically renew. Under the terms of the agreement such a notice may or may not be required but this will avoid any disagreement.

In the event that the city decides not to discuss a new agreement with you, it appears that paragraph 6.3 of the agreement provides that the City and Alliance will meet and establish an action plan which will enable the City to resume operation in an organized and responsible fashion and that Alliance agrees to assist and cooperate with the city in any such transition. Paragraph 6.3 states that Alliance will continue reasonable on the job training of its local employees to the end that a competent staff of employees will be provided.

Provisions with respect to records and employment of personnel employed by Alliance are also addressed in section 6 of the agreement.

At this point the decision of the council is simply to avoid “automatic” renewal so that the council will be free to pursue whatever course of action is finally decided on.

- The council may decide to negotiate another agreement with you.
- It may decide to bid the work to permit all entities interested to compete.
- It may decide to discard privatization and return to a city controlled and operated system. A final decision has not yet been made.

Therefore, please accept this **written notice of termination** to establish without question that the contract will not be permitted to automatically renew.

We will maintain contact with you as the issues are reviewed.

Very truly yours,



Mark Mitchell
City Manager