

**BILL NO. 2015-062**

**ORDINANCE NO. 8081**

**A SPECIAL ORDINANCE OF THE CITY OF NEVADA, MISSOURI, APPROVING AND AUTHORIZING THE EXECUTION OF AMENDMENT NO. 1 TO THE CONTRACT BETWEEN THE CITY OF NEVADA, MISSOURI AND ALLIANCE WATER RESOURCES, INC.**

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

**Section 1.** Amendment No. 1 to the contract between the City of Nevada, Missouri and Alliance Water Resources, Inc. attached hereto as Exhibit "A" and incorporated herein by reference is hereby approved.

**Section 2.** The Mayor and the 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 attest 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 15th day of December, 2015.

\_\_\_\_\_  
Brian L. Leonard, Mayor

(seal)  
ATTEST

\_\_\_\_\_  
Johnna Williams, Deputy City Clerk

**Amendment 1 to the Contract between the City of Nevada, Missouri and  
Alliance Water Resources, Inc.**

This Amendment 1 has been entered into this \_\_\_\_\_ day of \_\_\_\_\_, 2015 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 Amendment has as its purpose to modify the initial Professional Service Agreement dated December 28, 2010 between City and Alliance.

Pursuant to Section 3.6, the Services Agreement is modified under the following sections:

6.1 This Agreement shall commence on the 1<sup>st</sup> day of January, 2016, and extend for a period of five (5) years. Thereafter, the Agreement shall be renewed for an additional five (5) year term unless cancelled by either party in writing, with not less than sixty (60) days notice prior to expiration. Either party may terminate this Agreement at the end of any five (5) term, at will – for a good reason, a bad reason or no reason at all.

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

5.1 Alliance base compensation per this Agreement shall be \$135,975.50 per month for the fiscal year beginning January 1, 2016 and ending December 31, 2016. The Repair Limit for this term shall be \$73,000.00 and the Chemical Limit for this term shall be \$93,000.00.

All other terms and conditions of the Services Agreement dated the 28th day of December 2010, not expressly amended by this Amendment, shall remain in full force and effect.

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, Inc.

\_\_\_\_\_  
Mayor  
City of Nevada, Missouri

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date

ATTEST:

\_\_\_\_\_  
Secretary

\_\_\_\_\_  
City Clerk



November 11, 2015

JD Kehrman  
City Manager  
110 South Ash  
Nevada, Missouri 64772

**RE: Alliance Water Resources  
2016 Nevada Water and Wastewater  
Proposed Budget**

Dear Mr. Kehrman,

Alliance Water Resources (AWR) is pleased to present the proposed budget for 2016 for your review and consideration. We are requesting an increase of 2.8% to the current contract's annual base compensation amount, making the new annual total \$1,631,706.00 (\$135, 975.55 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 2016 a major focus will be on I&I reduction in the collection system, remote meter reading technology, chemical control at the WTP for stable water quality and odor control. In an effort to further develop an electronic mapping system, we will also be focusing on collecting sewer system data via GPS technology.

The largest cost increases are in chemical costs directly relating to consistently producing "stable" water and maintaining no odors from the Water Plant. The Repair Limit is being lowered from \$79,000 to \$73,000 but the Chemical Limit will increase \$11,000 to \$93,000.

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 blue ink, appearing to read "Gary Johnson", is written over the typed name.

Gary Johnson  
Division Manager  
Alliance Water Resources

Cc. Mayor Leonard  
Eric McPeak  
Tim Geraghty