

IN THE COUNTY LEGISLATURE OF JACKSON COUNTY, MISSOURI

A RESOLUTION authorizing the County Executive to execute a First Amendment to the Amended and Restated Service Contract with Little Blue Valley Sewer District.

RESOLUTION NO. 20529, October 19, 2020

INTRODUCED BY Jeanie Lauer, County Legislator

WHEREAS, pursuant to Resolution 13958, dated December 17, 2001, the County did enter into an Amended and Restated Service Agreement with the Little Blue Valley Sewer District providing for, among other things, the treatment by the District of sewage contributed to it by the County, in consideration of the payment of service charges to the District by the County; and,

WHEREAS, the District operates a sewer system for the primary benefit of its customers within the District including the County and for other connected to District's System; and,

WHEREAS, the current service agreement outlines the methodology by which the District's rates for service to the District's customers, including the County, are calculated using a linear projection of sewer flow data for the last five years to project a customer's flow contribution for the coming year; and,

WHEREAS, the projected flow is subject to variations due to wet weather, such that the projected value is unpredictable and potentially inaccurate; and,

WHEREAS, to address this unpredictability and potential inaccuracy, the District hired a rate consultant to evaluate this methodology along with others and make a recommendation based upon accuracy; and,

WHEREAS, a recommendation was received that indicated that the District should change its methodology from a five-year linear projection to a five-year rolling average; and,

WHEREAS, this recommendation was considered and subsequently adopted by both the District's Technical Advisory Committee and the District's Mayors Advisory Board and transmitted to the District's Board of Trustees; and,

WHEREAS, it is in the best interests of the health, welfare, and safety of the citizens of Jackson County that the County enter into the attached First Amendment to the Amended and Restated Service Contract with the District to adopt the District's recommended new rate structure; now therefore,

BE IT RESOLVED by the County Legislature of Jackson County, Missouri, that the County Executive be and hereby is authorized to execute the First Amendment to the Amended and Restated Service Contract in substantially the form attached hereto; and,

BE IT FURTHER RESOLVED that the County shall, and the officers, agents and employees of the County are hereby authorized and directed to, take such further action,

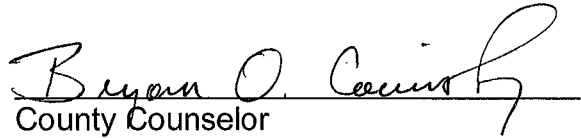
and to execute such other documents, certificates and instruments as may be necessary or desirable to carry out and comply with the intent of this Resolution, and to carry out, comply with and perform the duties of the County with respect to the Service Contract.

Effective Date: This Resolution shall be effective immediately upon its passage by a majority of the Legislature.

APPROVED AS TO FORM:



Chief Deputy County Counselor



County Counselor

Certificate of Passage

I hereby certify that the attached resolution, Resolution No. 20529 of October 19, 2020, was duly passed on November 2, 2020 by the Jackson County Legislature. The votes thereon were as follows:


Yeas 8

Nays 0

Abstaining 0

Absent 1

11.2.2020
Date



Mary Jo Spino, Clerk of Legislature

**FIRST AMENDMENT TO
AMENDED AND RESTATED SERVICE CONTRACT
BETWEEN
LITTLE BLUE VALLEY SEWER DISTRICT
AND
JACKSON COUNTY, MISSOURI**

THIS FIRST AMENDMENT TO AMENDED AND RESTATED SERVICE CONTRACT is entered into by and between LITTLE BLUE VALLEY SEWER DISTRICT, a body corporate and politic duly organized and existing under the laws of the State of Missouri (hereinafter referred to as the "District"), and JACKSON COUNTY, MISSOURI (hereinafter referred to as the "Public Entity"), on or about _____ (hereinafter referred to as the "Contract").

WITNESSETH:

WHEREAS, the parties hereto desire to amend the Contract.

NOW, THEREFORE, the parties agree to amend the Contract as follows:

1. Section 504(a)1 is hereby deleted and the following is inserted in lieu thereof:

SECTION 504. The Contract Sum

(a) The Contract Sum shall be the proportionate charge from time to time imposed by the District on Public Entity, which charge shall bear the same proportionate relationship to the total of all charges imposed by the District on all consumers comprised of Volume Related Costs, Administrative Costs, Meter Costs and Pretreatment Costs, as follows:

1. Volume Related Costs - Volume Related Costs are those costs directly attributable to the flow. These costs include Debt Service Costs, certain Operation and Maintenance Costs and other costs as may be approved by the Board of Trustees from time to time. Public Entity's portion of the Volume Related Costs will be allocated based on Public Entity's contributed percentage of the District's flow.

For the purpose of budget development and billing, Public Entity's contributed annual flow will be projected based on an amount equal to the average of the preceding 20 quarters of Public Entity's actual measured flow times 4.

If, for any reason, 20 quarters of flow information is not available from Public Entity, an annual average using available data will be used to determine Public Entity's contributed flow. The Board of Trustees shall review such projected flow calculation for reasonableness and determine any readjustments.

All Users' projected flow will be added together to determine the total projected flow of the District. This total projected flow for the District will then be divided into each User's projected flow to determine the percentage of Volume Related Costs to be billed to that User for the next fiscal year.

A preliminary allocation of Volume Related Costs shall be provided to Public Entity at the time of approval of the Annual Budget. The final allocation will be based on an amount equal to the average of the previous 20 quarters of flow ending September 30 of the prior fiscal year times 4.

No changes will be made to this allocation until the next fiscal year, unless approved by the Board of Trustees.

2. Section 720 is hereby amended to change the address of the Executive Director to 21208 East Old Atherton Road, Independence, Missouri 64058.

3. The parties hereto agree that neither party is in breach of the Contract at this time.

4. This Amendment shall not be effective until all of the Users have approved this Amendment.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be executed on behalf of the District by the Chairman of the Board of Trustees, and attested by the Secretary of the Board of Trustees, and on behalf of JACKSON COUNTY, MISSOURI, by its authorized representative at the on the dates shown respectively.

ATTEST:

LITTLE BLUE VALLEY SEWER
DISTRICT

By _____
Secretary, Board of Trustees

By _____
Chairman, Board of Trustees

Date _____

Date _____

APPROVED AS TO FORM:

By _____

Administrator for the District

ATTEST:

JACKSON COUNTY, MISSOURI

By _____
Title _____

By _____
Title _____

Date _____

Date _____

APPROVED AS TO FORM:

By _____



LITTLE BLUE VALLEY SEWER DISTRICT

Administration & Employee Services Bldg.
Atherton Wastewater Treatment Plant
21208 East Old Atherton Road
Independence, MO 64058

Phone: (816) 796-7660 or (816) 796-9191
Fax: (816) 656-2543

August 21, 2020

Your current service agreement outlines the methodology by which your rates for service are calculated using a linear projection of sewer flow data for the last 20 Quarters (5 years) to project your flow contribution for the coming year. It has long been a concern of several customers that this projected flow is extremely subject to flow variations due to wet weather and that the projected value is unpredictable and potentially inaccurate. As a result of these concerns the District hired a rate consultant to evaluate this methodology along with others and make a recommendation based upon accuracy. A recommendation was received that indicated that the District should change its methodology from a 20 quarter linear projection to a 5 year rolling average. This recommendation was considered and subsequently recommended by both the Technical Advisory Committee and the Mayors Advisory Board to the Board of Trustees. The Board of Trustees approved the recommendations and directed that amendments to each customer's service agreement be prepared and executed.

Please find the attached amendment to your service agreement with the Little Blue Valley Sewer District for your execution. This amendment has been prepared by the District's legal counsel at the direction of the District's Mayors Advisory Board and Board of Trustees with the assistance of the District's Technical Advisory Committee. It is requested that you expedite execution of this amendment and return it along with the minutes, resolution or ordinance authorizing its execution to Kim Best, Administrative/ HR Manager at best@lbvsd.org. It is necessary that all customers agree to this amendment by December of this year in order to implement the new methodology next fiscal year. If you have any questions or need any assistance from District staff in this effort please contact Jeff Shook, Executive Director at shook@lbvsd.org or by phone at 816-935-2696; Lisa O'Dell, Assistant Director, at odell@lbvsd.org or by phone at 816-854-0257 or Kim Best at best@lbvsd.org or by phone 816-299-4625.

We appreciate your attention to this matter.

Cordially,

Jeff Shook, Executive Director
Little Blue Valley Sewer District