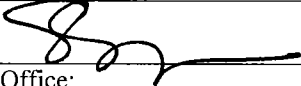


REQUEST FOR LEGISLATIVE ACTION

Completed by County Counselor's Office:
~~Res~~/Ord No.: 4553
 Sponsor(s): Scott Burnett
 Date: August 19, 2013

<p>SUBJECT</p>	<p>Action Requested <input type="checkbox"/> Resolution <input checked="" type="checkbox"/> Ordinance</p> <p>Project/Title: <u>Amend the Code of Ordinances to change Section 1003 with regard to Tax Clearance procedures and authorizing the County Executive to executive a Memorandum of Understanding with the City of Kansas City, Missouri, Johnson County, Kansas, and Wyandotte County, Kansas.</u></p>										
<p>BUDGET INFORMATION <i>To be completed By Requesting Department and Finance</i></p>	<table border="1"> <tr> <td>Amount authorized by this legislation this fiscal year:</td> <td>\$</td> </tr> <tr> <td>Amount previously authorized this fiscal year:</td> <td>\$</td> </tr> <tr> <td>Total amount authorized after this legislative action:</td> <td>\$</td> </tr> <tr> <td>Amount budgeted for this item * (including transfers):</td> <td>\$</td> </tr> <tr> <td>Source of funding (name of fund) and account code number; FROM / TO</td> <td>FROM ACCT TO ACCT</td> </tr> </table> <p>* If account includes additional funds for other expenses, total budgeted in the account is: \$</p> <p>OTHER FINANCIAL INFORMATION:</p> <p><input type="checkbox"/> No budget impact (no fiscal note required) <input type="checkbox"/> Term and Supply Contract (funds approved in the annual budget); estimated value and use of contract: Department: Estimated Use: \$</p> <p>Prior Year Budget (if applicable): Prior Year Actual Amount Spent (if applicable):</p>	Amount authorized by this legislation this fiscal year:	\$	Amount previously authorized this fiscal year:	\$	Total amount authorized after this legislative action:	\$	Amount budgeted for this item * (including transfers):	\$	Source of funding (name of fund) and account code number; FROM / TO	FROM ACCT TO ACCT
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Amount budgeted for this item * (including transfers):	\$										
Source of funding (name of fund) and account code number; FROM / TO	FROM ACCT TO ACCT										
<p>PRIOR LEGISLATION</p>	<p>Prior ordinances and (date): Prior resolutions and (date):</p>										
<p>CONTACT INFORMATION</p>	<p>RLA drafted by (name, title, & phone): Shelley Kneuvean, Chief Operating Officer</p>										
<p>REQUEST SUMMARY</p>	<p>An effort began approximately a year ago to improve regional efforts through a group formed by the management of Jackson County, Johnson County, Kansas; Wyandotte County, Kansas; and the City of Kansas City, Missouri. This group was named the CORE4, with the goal of finding ways to work more closely together to improve the quality of service, efficiencies, or innovations.</p> <p>From this collaboration, it was learned that some entities were not performing a tax clearance for contractors prior to award and/or payment. The discussion evolved and there was strong support to have the Purchasing Agents work together to begin a process of providing a tax clearance on larger contracts for not only their own jurisdiction, but also the surrounding partners. All of the staff have been consulted and believe this would not be an administratively cumbersome process.</p> <p>As such, it is being proposed that the County provide tax clearance information on Jackson County tax obligations to the other three partners for their large contracts. Additionally, we will seek the same information</p>										

	<p>from the other three partners on County contracts that are larger than \$150,000. In the event the contractor is not current on taxes in the all jurisdictions, the contractor would be required to become current prior to award or first payment.</p> <p>This will help strengthen the purchasing process throughout the region while supporting other taxing entities in ensuring those that are doing business with the government are current on taxes.</p> <p>This RLA request a modification to the Code of Ordinances, as well as authorizes the County Executive to sign the Memorandum of Understanding between the three groups.</p>	
CLEARANCE	<input type="checkbox"/> Tax Clearance Completed (Purchasing & Department) <input type="checkbox"/> Business License Verified (Purchasing & Department) <input type="checkbox"/> Chapter 6 Compliance - Affirmative Action/Prevailing Wage (County Auditor's Office)	
ATTACHMENTS	Amended Section 1003. Draft MOU.	
REVIEW	Department Director:	Date:
	Finance (Budget Approval): <i>If applicable</i>	Date:
	Division Manager: 	Date: 8/14/13
	County Counselor's Office:	Date:

Fiscal Information (to be verified by Budget Office in Finance Department)

- This expenditure was included in the annual budget.
- Funds for this were encumbered from the _____ Fund in _____.
- There is a balance otherwise unencumbered to the credit of the appropriation to which the expenditure is chargeable and there is a cash balance otherwise unencumbered in the treasury to the credit of the fund from which payment is to be made each sufficient to provide for the obligation herein authorized.
- Funds sufficient for this expenditure will be/were appropriated by Ordinance # _____
- Funds sufficient for this appropriation are available from the source indicated below.

Account Number:	Account Title:	Amount Not to Exceed:

- This award is made on a need basis and does not obligate Jackson County to pay any specific amount. The availability of funds for specific purchases will, of necessity, be determined as each using agency places its order.
- This legislative action does not impact the County financially and does not require Finance/Budget approval.

INTERGOVERNMENTAL COOPERATIVE AGREEMENT
FOR TAX VERIFICATION INFORMATION

THIS AGREEMENT, made as of this 1st day of September 2013, by and between the City of Kansas City, Missouri (the "City"), Jackson County, Missouri ("Jackson County"), Johnson County, Kansas ("Johnson County"), and Unified Government of Wyandotte County and Kansas City, Kansas ("Unified Government").

WHEREAS, the City, Jackson County, Johnson County, and the Unified Government (collectively "the Local Governments") each enter into contracts with contractors that are funded out of taxpayer funds; and

WHEREAS, it is the policy of the Local Governments that contractors that benefit from taxpayer funded contracts must be in compliance with the tax laws of each Local Government; NOW THEREFORE, the City, Jackson County, Johnson County, and the Unified Government agree as follows:

Sec. 1. Definitions.

(a) "Contract" shall have the following meaning for each of the parties:

- (1) City contract means any agreement or renewal of an agreement that is approved or authorized by the City Council except agreements with the United States, any State, any political subdivision, city, municipality, any public entity, governmental agency, or not for profit entity.
- (2) Jackson County contract means any agreement or renewal of an agreement that is approved or authorized by the Jackson County Legislature except contracts with the United States, any State, any political subdivision, city, municipality, any public entity, governmental agency, or not for profit entity.
- (3) Johnson County contract means any agreement or renewal of an agreement that is approved or authorized by the Johnson County Legislature except contracts with the United States, any State, any political subdivision, city, municipality, any public entity, governmental agency, or not for profit entity.
- (4) Unified Government contract means any agreement or renewal of an agreement that is approved or authorized by the Unified Government

Legislature except contracts with the United States, any State, any political subdivision, city, municipality, any public entity, governmental agency, or not for profit entity.

- (b) "Contracting Local Government" means the Local Government that enters into a Contract with a Contractor, as defined by this Agreement.
- (c) "Contractor" means any business or individual who enters a contract with a Local Government.
- (d) "Local Government" means Jackson County Missouri, Johnson County Kansas, The City of Kansas City Missouri, and the Wyandotte Kansas Unified Government.
- (e) "Tax Clearance Letter" means any written communication from an authorized official of a Local Government that state the taxpayer has paid all taxes due and owing to the Local Government.
 - (1) A Tax Clearance Letter issued by a Local Government shall be valid for one year from the date of issuance.
 - (2) Any tax liability which is currently being protested through a Local Government's recognized legal process shall not be considered an unpaid tax liability as part of this effort and the Local Government may issue a Tax Clearance Letter to the Taxpayer.
- (f) "Taxes" shall include, but are not limited to: real property taxes, personal property taxes, sales and use taxes, earnings and profits taxes, business license taxes, withholdings taxes, or other debts that are regularly referred to as a "tax" by the Local Government.

Sec. 2. Responsibilities of the Local Governments.

- (a) Prior to award or upon making the first payment in a Contract as defined in Section 1, the Contracting Local Government shall require the Contractor to obtain and provide a tax clearance letter from the Local Governments.
 - (1) If the Contractor's tax information is a public record, a Local Government shall submit the Tax Clearance Letter directly to the Contracting Local Government.
 - (2) If a Contractor's tax information is not a public record, a Contractor may authorize a Local Government to provide the Tax Clearance Letter directly to the Contracting Local Government.

- (b) Each Local Government shall process the request for a Tax Clearance Letter within five business days of the request.
- (c) Each Local Government shall provide an employee who shall be the primary and single point of contact to process Tax Clearance requests required by this Agreement. Each Local Government shall provide to the other Local Governments the following information: the employee name, office phone number, email address, and fax number.
- (d) Each Local Government shall provide an employee who shall be the backup point of contact to process Tax Clearance requests required by this Agreement. Each Local Government shall provide to the other Local Governments the following information: the employee name, office phone number, email address, and fax number.
- (e) The Local Governments agree to meet monthly for the first six months of this Agreement and to evaluate and modify the implementation of this Agreement.
- (f) Notwithstanding the definition of Contract in section 1 of this Agreement, each Local Government may use any method to select contracts subject to this Agreement.
- (g) Each Local Government shall make a good faith effort to make contracts subject to this Agreement as set forth in its ordinance or in accordance with the following implementation schedule:
 - I. September 1, 2013-November 30, 2013: 25 contracts
 - II. December 1, 2013-February 28, 2014: 25 contracts
 - III. March 1, 2014-May 31, 2014: 35 contracts
 - IV. June 1, 2014-August 31, 2014: 50 contracts
 - V. In the second year and in subsequent years, each Local Governments shall make a good faith effort to make 200 contracts subject to this Agreement.
- (f) Every six months, each Local Government shall report to the other Local Governments the number of contracts subject to this Agreement.

Sec. 3. Term of Agreement. This Intergovernmental Cooperative Tax Verification Information Agreement (Agreement) shall begin on September 1, 2013 and shall end on August 31, 2014. The Agreement shall automatically renew each September 1st for an additional one year period unless one of the Local Governments sends written notice to the other Local Governments that this Agreement is not renewed by June 30th. If the Agreement is not renewed by one or more

Local Governments, the Agreement shall automatically continue with the remaining Local Governments.

Sec. 4. Compensation. Each Local Government shall not charge for any Tax Clearance Letter issued to the Contractor or the Contracting Local Government subject to this Agreement.

Sec. 5. Notices. All notices required by this Agreement shall be in writing sent to each of the following:

City: City Manager, City Hall, 29th Floor, 414 E. 12th Street, Kansas City, MO 64106

Phone: () - Facsimile: () -

Jackson County:

Contact: Troy Thomas, Finance Director Address 415 E. 12th Street, 2nd Floor, KCMO 64106

Phone: (816) 881-3176 Facsimile: (816) 881-3214

E-mail address: qtthomas@jacksongov.org

Johnson County:

Contact: _____, Address: _____

Phone: () - Facsimile: () -

E-mail address: _____

Unified Government:

Contact: _____, Address: _____

Phone: () - Facsimile: () -

E-mail address: _____

All notices are effective when a) delivered in person, b) upon confirmation of receipt when transmitted by facsimile transmission or by electronic mail, c) upon receipt after dispatch by registered or certified mail, postage prepaid, d) on the next business day if transmitted by

overnight courier (with confirmation of delivery), or e) three business days after the date of mailing, whichever is earlier.

Sec. 6. Termination for Convenience. A Local Government may, at any time upon ninety (90) days written notice to the other Local Governments specifying the effective date of termination, terminate this Agreement, in whole or in part. If the Agreement is terminated for convenience by a Local Government, the Agreement shall continue with the remaining Local Governments. **Sec.**

Sec. 7. Warranty. Each Local Government warrants that each has authority to enter into this Agreement and that all necessary approvals have been given.

Sec. 8. Incorporation. This Agreement incorporates the entire understanding and agreement of the parties.

Sec. 9. Amendments to the Agreement: Each Local Government represents that the Local Government official that executes this Agreement is legally authorized to execute this Agreement and any amendments to this Agreement without any additional approval or authorization from the Local Government's Legislature.

IN WITNESS WHEREOF, Each Local Government has each caused this Agreement to be executed by its duly authorized representative effective as of the date first above written.

CITY OF KANSAS CITY, MISSOURI

JACKSON COUNTY, MISSOURI

a Constitutionally Charter Municipal

Corporation of the State of Missouri

By _____

By _____
Michael D. Sanders, County Executive

APPROVED AS TO FORM:

By _____
Assistant City Attorney

By _____
W. Stephen Nixon
Jackson County Counselor

JOHNSON COUNTY, KANSAS

UNIFIED GOVERNMENT OF
WYANDOTTE COUNTY AND KANSAS
CITY, KANSAS

By _____

By _____

APPROVED AS TO FORM:

By _____
Counselor

By _____
Counselor

ATTEST BY:

Mary Jo Spino
Clerk of the County Legislature