AN ORDINANCE APPROVING A SIXTH AMENDMENT TO THE COOPERATIVE AGREEMENT FOR SEWER SERVICE BETWEEN THE CITY OF KANSAS CITY, MISSOURI, AND GLADSTONE, MISSOURI, REVISING THE FEE SCHEDULE ASSOCIATED WITH THE DISPOSAL OF LIME SLUDGE, AND AUTHORIZING THE CITY MANAGER TO EXECUTE THE AGREEMENT ON BEHALF OF THE CITY.

Legislative Findings

- 1. The City of Gladstone, Missouri entered into a Cooperative Agreement for Sewer Service with the City of Kansas City, Missouri on December 7, 2000 ("Cooperative Agreement"), which established a fee schedule for the acceptance of lime sludge from the Gladstone Water Treatment Plant for five (5) years; and
- 2. The City of Gladstone, Missouri and the City of Kansas City, Missouri entered into a First Amendment to the Cooperative Agreement on June 24, 2005 for an additional five (5) year period; and
- 3. The City of Gladstone, Missouri and the City of Kansas City, Missouri entered into a Second Amendment to the Cooperative Agreement on November 11, 2010 for an additional five (5) year period; and
- 4. The City of Gladstone, Missouri and the City of Kansas City, Missouri entered into a Third Amendment to the Cooperative Agreement on June 29, 2016 for an additional three (3) year period; and
- 5. The City of Gladstone, Missouri and the City of Kansas City, Missouri entered into a Fourth Amendment to the Cooperative Agreement on June 25, 2018 for an additional two (2) year period; and
- 6. The City of Gladstone, Missouri and the City of Kansas City, Missouri entered into a Fifth Amendment to the Cooperative Agreement on June 10, 2021 for an additional three (3) year period; and
- 7. The parties wish to enter into a Sixth Amendment to the Cooperative Agreement for an additional five (5) years.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF GLADSTONE, MISSOURI AS FOLLOWS:

THAT, the City of Gladstone hereby approves the Sixth Amendment to the Cooperative Agreement for Sewer Service Between the City of Kansas City, Missouri, and Gladstone, Missouri, which amends the terms of Article V, Section H regarding the fees associated with Kansas City's acceptance of lime sludge from the Gladstone Water Treatment Plant for an additional five (5) year period;

FURTHER, THAT, the City Manager of the City of Gladstone, Missouri, is hereby authorized to execute the Sixth Amendment with the City of Kansas City, Missouri on behalf of the City.

INTRODUCED, READ, PASSED, AND ADOPTED BY THE COUNCIL OF THE CITY OF GLADSTONE, MISSOURI, THIS 14TH DAY OF AUGUST 2023.

Jean B. Moore, Mayor

ATTEST:

Kris Keller, City Clerk

First Reading: August 14, 2023

Second Reading: August 14, 2023



Request for Council Action

RES □# City Clerk Only

BILL 🗆 # 23-29

ORD # 4.648

Date: 8/7/2023 Department: Public Works

Meeting Date Requested: 8/14/2023

Public Hearing: ☐ Yes Date: N/A

Subject: KCMO Lime Sludge Agreement – Approval of Sixth Amendment.

<u>Background:</u> The City of Gladstone discharges lime sludge from the water treatment plant to the City of Kansas City, MO (KCMO) wastewater collection system. A study commissioned by the City in 2017 determined that the connection to KCMO is still the most cost effective and efficient method to dispose of lime solids. The original agreement went into effect on December 7, 2000 and was amended in 2005, 2010, 2016, 2018, and 2021. The City paid KCMO \$152,440 for lime sludge disposal in FY23.

<u>Budget Discussion:</u> Funds are available in the amount of \$180,500 in FY24 from the CWSS Fund. See below for estimated ongoing costs. Previous years' funding was \$166,500, which includes the cost of the agreement and to clean the sewer line to KCMO twice per year.

The City's current agreement with KCMO expired on June 30, 2023 and staff has negotiated a five (5) year renewal with a 3% annual cost increase as summarized below:

On August 1, 2023: \$78,507 for the period of July 1, 2023 to December 31, 2023.

On February 1, 2024: \$78,507 for the period of January 1, 2024 to June 30, 2024.

On August 1, 2024: \$80,862 for the period of July 1, 2024 to December 31, 2024.

On February 1, 2025: \$80,862 for the period of January 1, 2025 to June 30, 2025.

On August 1, 2025: \$83,288 for the period of July 1, 2025 to December 31, 2025.

On February 1, 2026: \$83,288 for the period of January 1, 2026 to June 30, 2026.

On August 1, 2026: \$85,786 for the period of July 1, 2026 to December 31, 2026.

On February 1, 2027: \$85,786 for the period of January 1, 2027 to June 30, 2027.

On August 1, 2027: \$88,360 for the period of July 1, 2027 to December 31, 2027. On February 1, 2028: \$88,360 for the period of January 1, 2028 to June 30, 2028.

Public/Board/Staff Input: Staff recommends approval of this amendment.

Provide Original Contracts, Leases, Agreements, etc. to: City Clerk and Vendor.

Timothy A. Nebergall JM BB

Department Director/Administrator City Attorney City Manager

SIXTH AMENDMENT TO COOPERATIVE AGREEMENT FOR SEWER SERVICE BETWEEN THE CITY OF KANSAS CITY, MISSOURI, AND GLADSTONE, MISSOURI

This SIXTH AMENDMENT TO COOPERATIVE AGREEMENT, made and entered into this day of 2023, by and between the CITY OF GLADSTONE, MISSOURI, a City of the third Class organized and existing under the laws of the State of Missouri, hereinafter referred to as "Gladstone", and the CITY OF KANSAS CITY, MISSOURI, a municipal corporation of the State of Missouri, hereinafter referred to as "KCMO",

WITNESSETH:

WHEREAS, on December 7, 2000, the parties entered into COOPERATIVE AGREEMENT FOR SEWER SERVICE BETWEEN THE CITY OF KANSAS CITY MISSOURI, AND GLADSTONE, MISSOURI, in order to implement, to the maximum extent practicable, the cooperative use of their existing sewerage systems and any sewerage facilities to be constructed in the future (the COOPERATIVE AGREEMENT); and

WHEREAS, the COOPERATIVE AGREEMENT, at Article VI, Section Q, provides that it may be altered or amended during its term by the parties through appropriate action of their respective governing bodies; and

WHEREAS, Article V, Section H of the COOPERATIVE AGREEMENT, established charges for the acceptance of lime sludge by KCMO until June 30, 2005, and

WHEREAS, THE FIRST AMENDMENT TO THE COOPERATIVE AGREEMENT, established charges for the acceptance of lime sludge by KCMO until June 30, 2010, and

WHEREAS, THE SECOND AMENDMENT TO THE COOPERATIVE AGREEMENT, established charges for acceptance of lime sludge by KCMO until June 30, 2015, and

WHEREAS, THE THIRD AMENDMENT TO THE COOPERATIVE AGREEMENT, established charges for acceptance of lime sludge by KCMO until June 30, 2018, and

WHEREAS, THE FOURTH AMENDMENT TO THE COOPERATIVE AGREEMENT, established charges for acceptance of lime sludge by KCMO until June 30, 2020, and

WHEREAS, THE FIFTH AMENDMENT TO THE COOPERATIVE AGREEMENT, established charges for acceptance of lime sludge by KCMO until June 30, 2023, and

WHEREAS, it has become mutually desirable and beneficial to amend certain terms and provisions of the COOPERATIVE AGREEMENT to establish charges for the acceptance of lime sludge by KCMO for an additional five years;

NOW THEREFORE, and in consideration of the mutual covenants, agreements, and conditions contained herein, the parties hereby agree, as follows:

Section 1. Sections Amended.

Article V, Section H is hereby amended by deleting the language therein and inserting the following:

Lime Sludge.

KCMO agrees to receive lime sludge from the Gladstone Water Treatment Plant on a continuous basis. Slug discharges are not allowed. Gladstone shall pay to KCMO the following lump sums for this service:

On August 1, 2023: \$78,507 for the period of July 1, 2023 to December 31, 2023. On February 1, 2024: \$78,507 for the period of January 1, 2024 to June 30, 2024. On August 1, 2024: \$80,862 for the period of July 1, 2024 to December 31, 2024. On February 1, 2025: \$80,862 for the period of January 1, 2025 to June 30, 2025. On August 1, 2025: \$83,288 for the period of July 1, 2025 to December 31, 2025. On February 1, 2026: \$83,288 for the period of January 1, 2026 to June 30, 2026. On August 1, 2026: \$85,786 for the period of July 1, 2026 to December 31, 2026. On February 1, 2027: \$85,786 for the period of January 1, 2027 to June 30, 2027. On August 1, 2027: \$88,360 for the period of July 1, 2027 to December 31, 2027. On February 1, 2028: \$88,360 for the period of January 1, 2028 to June 30, 2028.

This agreement and fee shall be reviewed in the Year 2028.

Either party may terminate this section with thirty (30) days' notice prior to the beginning of any six (6) month service period. The discharge of lime sludge to KCMO would cease at the end of that six (6) month service period.

Gladstone agrees to clean and televise the KCMO sanitary sewer main that serves the Gladstone Water Treatment Plant from Manhole #N042-433 to Manhole #N042-215 twice per year. A map showing the location of this sewer main and manholes is attached hereto and incorporated herein. Furthermore, Gladstone agrees to provide a minimum notice of seven days prior to cleaning. Results of the televising shall be delivered to KCMO upon completion of the work.

Gladstone shall not discharge lime sludge from the Gladstone Water Treatment Plant to the Missouri River upstream of the water supply intake of the Kansas City, Missouri Water Treatment Plant at 1 NW Briarcliff Road, Kansas City, Missouri during the term of this agreement.

Article VI, Section Q is hereby amended by inserting the following additional language:

Effective Date and Expiration

The effective date of this Amendment shall be the first day of the month following approval of the governing bodies of KCMO and Gladstone. This Amendment shall continue in full force and effect, except as otherwise provided herein, for a period of five (5) years from and after its effective date. This agreement and amendment may be altered or amended during its term by the parties hereto by appropriate action of their respective governing

bodies.

IN WITNESS WHEREOF, the parties hereto, acting under authority of their respective governing bodies, have caused this FIFTH AMENDMENT AGREEMENT to be duly executed on the date and year first above written.

ATTEST:

By:
Bob Baer, City Manager

Kris Keller, City Clerk

[SEAL]

APPROVED AS TO FORM:

City Attorney

By:
Bob Baer, City Manager

KANSAS CITY, MISSOURI

Wes Minder, Director
Water Services Department

APPROVED AS TO FORM:

Mark P Jones

Mark P. Jones

Senior Associate City Attorney