CONTRACT#	
ORDINANCE #	
EFFECTIVE DATE	

WATER PURCHASE AGREEMENT BETWEEN THE CITY OF KANSAS CITY, MISSOURI, AND THE CITY OF KEARNEY, MISSOURI

THIS AGREEMENT, is entered into this _____ day of _____, 2025 by and between THE CITY OF KEARNEY, MISSOURI, a political subdivision of the State of Missouri, hereinafter referred to as "BUYER", and KANSAS CITY, MISSOURI, a municipal corporation of the State of Missouri, hereinafter referred to as "CITY",

WITNESSETH:

WHEREAS, on July 3, 2000, BUYER and CITY entered into a Water Purchase Agreement (hereinafter "Agreement") which is incorporated by reference as if fully set out herein; and

WHEREAS, BUYER desires to enter into a new Water Purchase Agreement to purchase water from CITY; and

WHEREAS, BUYER has expressed a future need to increase their supply to 3.6 million gallons per day from the current 2.9 million gallons per day, allocated to 1 point of service; and

WHEREAS, the desire to increase future supply for Buyer is based on BUYER's Drinking Water Master Plan developed in December 2023; and

WHEREAS, CITY would be able to supply the desired volume in the future with the understanding that pipeline infrastructure may need to be upgraded to accommodate the additional supply at BUYER's expense; and

WHEREAS, BUYER agrees that CITY will have the right to repurchase water from BUYER; and

WHEREAS, CITY is willing to deliver and sell water to BUYER in accordance with the terms and conditions set forth herein;

NOW THEREFORE:

For and in consideration of the mutual covenants, agreements, and conditions contained herein, it is agreed by and between BUYER and CITY as follows:

ARTICLE I GENERAL CONDITIONS

- 1. <u>Applicable Law:</u> This is a cooperative Agreement authorized by Missouri Revised Statutes Section 70.210 et seq.
- **2.** Construction Records: BUYER agrees to furnish to CITY one (1) set of BUYER'S maps of its existing distribution system within thirty (30) days following the effective date of this Agreement. BUYER agrees to furnish to CITY one (1) set of updated maps of its distribution system whenever there is a major modification made to the system or CITY request maps.
- **3.** <u>Term of Agreement:</u> This Water Purchase Agreement shall continue in full force and effect, except as otherwise provided herein, for a period of Twenty-Five (25) years from the date set forth on page one hereof.
- **4.** <u>Agreement Binding:</u> This Agreement shall be binding upon the parties hereto, their successors and assigns, whether the result of legal process, assignment, or otherwise, when finally executed and fully approved.
- **5.** <u>Director Defined:</u> References herein to CITY'S Director of Water Services ("Director") and to CITY'S Water Services Department ("WSD") shall be construed to mean that person and department and/or any successor CITY title holder and CITY department name.
- **6.** <u>Assignment:</u> Neither CITY nor BUYER shall sell, assign, transfer, or otherwise convey any of their rights under this Agreement without the prior and expressed written consent of the other party. Each party may, in its sole discretion, refuse to consent to any proposed sale, assignment, transfer, or other conveyance.

ARTICLE II POINTS OF SERVICE

- 1. <u>Locations:</u> BUYER will purchase water from CITY, in accordance with the provisions of this Agreement, at the following metering facilities:
 - **a.** BUYER's Metering Facility at the intersection of Summersette Road and Jesse James Farm Road.
 - **b.** Other locations as may be mutually agreed upon in writing by BUYER and CITY.

- **2.** <u>Repurchase Locations</u>: CITY and BUYER agree that CITY may repurchase water from BUYER at locations as may be mutually agreed in writing upon by CITY and BUYER.
- **3.** Emergency Connections: BUYER may purchase water from CITY, in accordance with the provisions of this agreement. BUYER agrees to provide notice to CITY of future emergency connections within thirty (30) days of establishing such connections.

ARTICLE III SERVICE CONDITIONS

- 1. <u>Water Delivery</u>: CITY agrees, subject to the following conditions, to deliver water to BUYER in such quantities as necessary to satisfy the provisions of this Agreement:
 - **a.** Water Quantity Purchased: BUYER and CITY understand and agree that the amount of water delivery and purchase referred to herein shall be based on the combined total of water delivered through each of the metering facilities at the locations defined in Article II herein. CITY agrees to deliver water at a maximum quantity on any day of 2.9 MGD allocated among the following metering facility as follows:
 - 1. BUYER's Metering Facility at the intersection of Summersette Road and Jesse James Farm Road.
 - **b.** <u>Delivery Obligation</u>: The extent of CITY'S obligation to deliver water to BUYER shall not exceed the capacity of the facilities of CITY at any point of service or the provisions of this Article. The total quantity of water delivered to BUYER shall be limited to meet these criteria by regulatory devices at or near the points of service to BUYER. The settings of said regulatory devices shall be determined by the Director in a manner consistent with this Article.
 - **c.** <u>Curtailment:</u> During any shortage of water, CITY may apportion the sale of water among its wholesale customers and for this purpose may adjust accordingly the aforesaid regulatory devices at or near the points of service.
 - **d.** <u>Control System</u>: At BUYER's expense, BUYER agrees to install a control system which varies the flow rate in incremental steps, to maintain sufficient equalizing storage, and to minimize large changes in flow rate which are detrimental to the efficient operations of CITY'S water system and may adversely affect its customers as well as BUYER'S customers. The control system must be able to reduce the flow rate to zero during specific hours of the day coincident with peak demand on the CITY

- system. If, at the discretion of the CITY, the flow rate is reduced to zero, subsequent rates of delivery shall be increased to allow for delivery of the maximum quantity per day to the fullest practical extent.
- e. <u>Operating Records</u>: BUYER agrees to provide, upon written request from CITY, any operations records needed to establish that said system is being operated to minimize flow rate fluctuations. Such information shall be submitted to CITY within 5 business days of its written request.
- **2.** <u>Meter Readings</u>: The frequency of meter readings for each of the metering facilities shall be determined by the CITY. The billing periods for each metering facility shall be monthly. CITY shall submit a separate monthly bill to BUYER for water purchased through each of the aforesaid metering facilities.
- **3.** <u>AMR Requirements</u>: Metering equipment shall be configured for Automatic Meter Reading (AMR) capabilities for revenue billing purposes. BUYER agrees that usage data that is sent to CITY shall be able to be received via Automatic Meter Reading functions.
- **4.** Payment Delinquency: BUYER agrees to be bound by all the ordinances of the CITY pertaining to the purchase and use of water and, in particular, authorizes CITY to shut off the supply of water to BUYER for any delinquency of more than sixty (60) days in the payment of any bill for water furnished to BUYER.
- **5.** <u>Sole Source</u>: BUYER and CITY agree that CITY shall be the sole source of water for the BUYER. BUYER may purchase water from other sources during an emergency or planned outage of CITY source. An emergency is defined as a short- or long-term service interruption or curtailment in available water supply.
- **6. Storage**: BUYER agrees that during normal and peak operating periods, storage facilities shall be available and used to the fullest extent for the purpose of offsetting peak demands.
 - a. <u>Emergency Storage</u>: BUYER understands and agrees that BUYER is responsible for maintaining emergency storage equal to an average day's consumption during the term of this Agreement. An average day's consumption is defined as the total consumption for the previous calendar year divided by the number of days in that year. CITY agrees that the BUYER has met this requirement with existing facilities.
 - **b.** Existing Storage: BUYER has existing, effective storage of 3,000,000 gallons.
 - i. A 500,000 gallon standpipe, located southwest of the treatment plant. The tank overflow is 957 feet USGS.

- ii. A 1,500,000 gallon elevated tank, located on NE 162nd Street. The tank overflow is 1,055feet USGS.
- iii. A 250,000 gallon elevated tank, located on the east side of I-35 roughly ½ mile south of MO Hwy 92. Construction is underway for a new 1,000,000 gallon elevated tank to replace this 250,000 gallon tank at the same location. Construction of the new 1,000,000 gallon tank is scheduled for December 2026.
- **c.** Equalizing Storage: BUYER acknowledges that in addition to meeting the requirements of this paragraph, an additional amount of storage equal to a minimum of one-half (1/2) of average day consumption (*i.e.*, "equalizing storage") is required to qualify sole source customers for the Suburban Meter Rate/Wholesale Customer/Restricted schedule, subject to paragraph 8 of this Article.
- 7. <u>Water Rate Classification</u>. Based on existing water usage and storage capabilities the BUYER would qualify for the Wholesale Customer Restricted rate.
- **8.** Water Rate: It is understood that water rates are established by Chapter 78 of the Code of Ordinances of CITY and may be amended from time to time by the Council of the CITY. CITY shall provide BUYER prior written notice of such increase or decrease. BUYER agrees to recognize the validity of these charges and agrees to pay the amended rate.
- 9. <u>Water Usage</u>: BUYER agrees that the water purchased under the terms of this Agreement shall be used solely within the boundaries now served by BUYER, or as they may be extended in the future, or as provided in paragraph 10 herein.
- 10. Water Usage Resale: Any resale of water from CITY to any new customers outside BUYER's boundaries shall require the prior written notification to the Director, except that BUYER may sell such water to those individual residences which are situated in such a manner that they are contiguous to BUYER'S boundaries and provided they are outside the corporate limits of the CITY. BUYER may sell such water to those individual residences situated within the corporate limits of CITY which are situated in such a manner that they are also contiguous to BUYER'S boundaries, subject to the prior written approval of the Director.
 - **a.** <u>Current Resale:</u> BUYER has an Emergency Connection with Clay County Public Water Supply District #8.
 - **b.** <u>Future Resale:</u> Any other resale of water purchased from CITY for any use outside BUYER's service area, shall require the prior written

notification to Director of intent to sell. BUYER shall notify Director in writing, 30 days prior to commencing sale of water and within 30 days after terminating any such customer.

- 11. <u>Agreement Termination CITY</u>: BUYER understands and agrees that if it fails to keep and perform every covenant, condition and obligation in this Agreement, including timely payment of any water purchase bill, and BUYER has not cured such violation within thirty (30) days of written notification of such violation, CITY may terminate this Agreement upon sixty (60) days written notification to BUYER, unless BUYER has cured its violation within that period. The CITY may terminate this agreement for convenience after two (2) year written notification to the BUYER.
- **12.** <u>Agreement Termination BUYER:</u> BUYER and CITY agree that BUYER may cease its purchase of water through any, but not all, of the points of service provided for in Article II herein after one (1) year written notification to the Director without termination of the entire Agreement. BUYER may terminate this Agreement after Two (2) year written notification to the Director.
- 13. Water Quality Requirements CITY: CITY agrees that the water delivered to BUYER at the aforesaid metering facilities shall meet or exceed the minimum water quality standards of the Missouri Department of Natural Resources. BUYER agrees to hold CITY harmless to the extent permitted by the laws of the State of Missouri from any and all claims which may arise due to the physical, chemical, or biological quality of water in BUYER'S system and further agrees to hold CITY harmless for damages or injuries sustained arising out of any operation connected with its water system.
- **14.** <u>Access to Water Quality Analyses:</u> CITY agrees to provide BUYER with the results of any water quality analyses required by applicable Federal or Missouri state statutes or regulations.
- 15. Water Quality Requirements BUYER: BUYER agrees and understands that BUYER is solely responsible for performing all water quality testing and related testing within BUYER'S system as presently required by regulatory authorities or as required anytime in the future. BUYER is also responsible for water quality testing at the point of interconnection with the CITY. BUYER understands that CITY will have no obligation whatsoever regarding the above testing and agrees to hold CITY harmless to the extent permitted by the laws of the State of Missouri from any and all claims which may arise due to said testing unless it can be proved that such is due to the negligence or fault of CITY.
- **16.** <u>Repurchase:</u> CITY shall have the right during the term of this Agreement to purchase water from BUYER at points of service as set forth in Article II herein. CITY agrees to pay for water purchased under this Agreement in accordance with

that part of BUYER'S rules and regulations governing the sale of water. It is understood that the cost of water and related charges may be amended from time to time by BUYER and that CITY recognizes the validity of these changes. In the event BUYER has no rules or regulations governing the sale of water, CITY agrees to pay the amount CITY then charges BUYER for the purchase of water, plus Supplementary Storage Charges.

- 17. <u>Repurchase Water Quality:</u> BUYER agrees that water delivered to CITY at the aforesaid points of service shall be of the same quality as that which is furnished to BUYER'S individual customers.
- **18.** <u>Repurchase Access to Water Quality Analyses</u>: If BUYER sells water to CITY, BUYER agrees to provide CITY with the results of any water quality analyses required by applicable Federal or Missouri state statutes or regulations, if requested by CITY.
- 19. <u>Water Quality Testing</u>: CITY is solely responsible for performing all water quality testing and related testing within CITY'S system as presently required by regulatory authorities or as required anytime in the future.
- 20. BUYER SCADA Antenna Placement: The BUYER is responsible throughout the duration of this Agreement for the transmission, integrity, and maintenance of all equipment required to send real time SCADA data to the CITY owned repeater. The BUYER may send the data from one or more places on their system and in any pre-arranged format that is coordinated with the CITY. The CITY is responsible for receiving the data and configuring the CITY's operator interfaces and databases for the duration of this Agreement. The CITY shall have the right to require updates or changes to the BUYER's radio equipment and data formatting at the BUYER's expense if the CITY makes changes to its SCADA system. The BUYER shall share in the expense of the SCADA Repeater installation. SCADA flow metering equipment provides the CITY with real time information and is independent from Revenue Automatic Meter Reading (AMR) Facilities. Equipment shall be configured in both functions.
- 21. <u>CITY Owned SCADA Repeater:</u> If needed, a new 900 MHz radio repeater shall be provided and installed by the BUYER's contractor within 180 days after this Agreement is entered into by the parties. The BUYER shall be responsible for paying 100% of the cost of providing and installing the Repeater. After full installation, the repeater shall become property of the CITY and the CITY shall be responsible for maintaining the repeater.

ARTICLE IV
METERING & REGULATING FACILITIES

- 1. Specifications: BUYER agrees to have Metering Facilities at the points of service identified in Article II designed and constructed in complete accordance with WSD's "Rules and Regulations for Water Service Lines" dated 2011 and "Standards and Specifications for Water Main Extensions and Relocations" dated 2011, including any supplements to or revisions thereof, and any other requirements of the WSD. The drawings and specifications for these Metering Facilities shall be submitted by BUYER to CITY for review and approval in writing by the Director prior to the start of any construction. Except for the meter and regulators as provided in Paragraph 3 below, BUYER shall maintain existing Metering Facilities in accordance with WSD's Specifications and Regulations, including any supplements or revisions thereto, and any other requirements of the WSD.
- **2.** Easements, Rights-of-Way or Leases: BUYER agrees to be solely responsible for the acquisition of the easements or land necessary to accommodate these Metering Facilities, including provisions for CITY's permanent access to them. Said easements or land, and maintenance of such, shall reside with BUYER.
- 3 Ownership, Repair, Adjustments: BUYER agrees that any meters and regulators to be installed in any Metering Facility shall be of a size and type to be determined by Director and at the expense of BUYER. BUYER understands and agrees that, upon acceptance by CITY, the meters and regulators in these Metering Facilities shall become, and shall remain the property of CITY, and CITY shall have the right to remove, inspect, test, repair, or replace any meter or regulator at any time. When such inspection indicates that any meter or regulator is measuring inaccurately and when this discrepancy can be corrected by repair, then CITY shall repair the defective meter or regulator and shall bear the cost thereof. In the event that accuracy cannot be restored by repair, then CITY shall replace the meter or regulator at its expense. BUYER shall also have the right to request removal and testing of any meter or regulator by an independent expert, at the expense of BUYER, in order to determine the accuracy of the meter or regulator. If a meter test shows that the meter is measuring with an accuracy of $\pm 1.5\%$, no billing adjustment shall be made. If the meter accuracy is determined to be less accurate than $\pm 1.5\%$, any credits or debits to previous bills shall be estimated based upon the facts of the situation. In no case shall such billing adjustments be made to bills prior to six months before the inaccuracy was discovered.
- **4.** <u>Facility Maintenance</u>: BUYER understands and agrees that BUYER shall be solely responsible for the maintenance of said Metering Facility, including the site, access to the site, power supply, and all other appurtenances thereto, with the exception that CITY shall be solely responsible for the maintenance of the aforesaid meters and regulators.

- **5.** <u>Facility Access</u>: BUYER agrees to provide CITY access at all times, to the Metering Facility described herein, for the maintenance of CITY's meters, regulators, and associated equipment.
- **6.** Telemetry / Regulating Systems: It is understood BUYER shall be solely responsible for the installation costs, maintenance and data integrity of all telemetry/regulating equipment necessary at each connection point for control and monitoring systems, pressure and flow regulating devices, unauthorized-intrusion alarms, and data transmission systems such as radio or leased telephone lines. BUYER agrees to provide separate equipment and systems necessary for CITY's monitoring of pressures, flow, consumption, control valve position, tank levels, and unauthorized-intrusion at each Metering Facility. The BUYER agrees to send the data from one or more places on their system and in any pre-arranged format that is coordinated with the CITY. The CITY is responsible for receiving the data and configuring the CITY's operator interfaces and databases for the duration of this Agreement. The CITY shall have the right to require updates or changes to the BUYER's radio equipment and data formatting at the BUYER's expense if the CITY makes changes to their SCADA system. If the BUYER makes changes to their system, they are responsible for notifying the CITY and coordinating changes on both sides. If the BUYER's equipment goes out of service, the BUYER is responsible for notifying the CITY immediately of the condition and the proposed schedule of repairs.

ARTICLE V NOTICES OR NOTIFICATION UNDER THIS AGREEMENT

All Notices and Notifications referred to in this Agreement, except Notice of Termination by either Party, may be given by First Class United States Mail, postage prepaid, Electronic Mail, Facsimile Transmission or by Hand Delivery to the following designated persons at the addresses below. Notice of Termination of this Agreement as provided herein shall be given by depositing same in First Class United States Mail, postage prepaid, with such written notice then sent as an attachment to an Electronic Mail Message to the designated persons' Email Addresses below:

TO CITY:

Kenneth Morgan

Director, Water Services
City of Kansas City, Missouri
4800 E. 63rd Street
Kansas City, Missouri 64130
816-513-0110

Email: kenneth.morgan@kcmo.org

TO BUYER:

Shelie Daniel

Public Works Director City of Kearney, Missouri 100 E. Washington Street Kearney, Missouri 64060 816-215-9787 sdaniel@kearneymo.us

ARTICLE VI FINANCIAL CONSIDERATIONS

1. <u>Capital Costs:</u> CITY would be able to supply the desired volume, up to 3.6 million gallons per day, in the future with the understanding that pipeline infrastructure may need to be upgraded to accommodate the additional supply at BUYER's expense.

ARTICLE VII EXECUTION

IN WITNESS WHEREOF, the parties hereto, acting under authority of their respective governing bodies, have caused this Agreement to be duly executed as of the day and year indicated below.

THE CITY OF KEARNEY, MISSOURI,	
(SEAL)	BY:
	DATE:
ATTEST:	Approved as to form:
Clerk	Board's Counselor
(SEAL)	CITY OF KANSAS CITY, MISSOURI
	BY: Director of Water Services
	DATE

Approved as to form:
Assistant City Attorney