CHAPMAN, COWHERD, TURNER & TSCHANNEN, P.C.

DON CHAPMAN, JR. ROBERT COWHERD BRENT TURNER TERRY A. TSCHANNEN TRENTIS E. MILLER ATTORNEYS-AT-LAW 903 Jackson Street Chillicothe, Missouri 64601 Mailing Address: P.O. Box 228 Telephone: (660) 646-0627 Telefax: (660) 646-1105

LEWIS A. CHAPMAN 1852-1928 NOLAN M. CHAPMAN 1889-1961 DON CHAPMAN 1891-1974 NOLAN CHAPMAN, JR.1921-2009

Sender's e-mail: bturner@ccttlaw.com

October 11, 2012

Missouri Public Service Commission 200 Madison St. P.O. Box 360 Jefferson City, MO 65102-0360 FILED

OCT 1 8 2012

RE:

Application for Approval of Joint Service Agreement

City of Chillicothe, Missouri and

Public Water Supply District # 2 of Livingston County, Missouri

Our File: CH

Gentlemen:

Enclosed please find an Application for Approval of Joint Service Agreement with the attached Joint Service Agreement which has been signed by all parties. I would ask that this be filed with the Commission and brought before the Commission for approval. We would ask that the Commission consider approving this Joint Agreement without the necessity of an appearance. We would appreciate hearing from you on how the Commission intends to proceed.

Counsel for Public Water Supply District # 2 of Livingston County, Missouri is, as stated in the Application, Doug Silvius, 4700 Belleview, Suite 210, Kansas City, Missouri 64112. Please make sure that Mr. Silvius receives copies of all correspondence and notices from the Commission on this matter.

Very truly yours,

CHAPMAN, COWHERD, TURNER & TSCHANNEN, P.C.

Brent Turner

BT/gen

Enclosure

cc:

Jim Gillilan Doug Silvius

MISSOURI PUBLIC SERVICE COMMISSION

| In Re: City of Chillicothe, Missouri, and |) |
|---|---|
| Public Water Supply District # 2 of |) |
| Livingston County, Missouri |) |
| |) |
| Petitioners. |) |

APPLICATION FOR APPROVAL OF JOINT SERVICE AGREEMENT

Comes now the Petitioner, the City of Chillicothe, Missouri, a municipal corporation established and operating pursuant to the laws of the State of Missouri ("City"), and for its Application for Approval of a Joint Service Agreement pursuant to Section 247.172 RSMo., states as follows:

- 1. That the City is a municipal corporation established and operating pursuant to the laws of the State of Missouri with its primary business address being 920 Washington St., Chillicothe, Missouri 64601; E-Mail: cmuoff@cmuchillicothe.com, Telephone Number 660-646-1664.
- 2. That the District is a public water supply district organized and operating under the provisions of Chapter 247 of the Revised Statutes of Missouri with its principal place of business being at 13872 Livingston 247, Chillicothe MO, 64601, E-Mail: pwsdno2livingstoncounty@yahoo.com, Telephone Number: 660-646-4083.
- 3. All correspondence, communications, orders, and decisions of the Commission are to be sent to the following individuals:

CITY DISTRICT
Brent Turner Doug Silvius
P.O. Box 228 4700 Belleview, Suite 210
Chillicothe, MO 64601 Kansas City, MO 64112
660-646-0627 816-753-6006
bturner@ccttlaw.com ddsilvius@martinpringle.com

4. That neither the City or the District has any pending action or final unsatisfied

Judgments or decisions against it from any State or federal agency or court which involves customer service or rates, which action, judgment, or decision has occurred within three years of the date of this Application.

- That both the City and District have no annual reports or assessment fees which are overdue.
- 6. That the City provides various services to the citizens of Chillicothe, Missouri including, but not limited to, providing water service.
- 7. That District provides water service and general management of water services facilities within the district boundaries and said boundaries adjoin the city limits of the City.
- 8. That the City and District have entered into a Joint Service Agreement, a copy of which is attached hereto and incorporated herein by reference as Exhibit "A" which identifies the boundaries of both entities' service areas and their relative rights and responsibilities regarding providing service within the areas which are more particularly described in the map which is attached to the Joint Service Agreement.
- 9. That the parties have entered into this Agreement in order to avoid the duplication of services and the expenditure of unnecessary costs and expenses and it is intended to facilitate the parties in working cooperatively in order to provide potable water to the residents the City and the District.
- 10. That no other water suppliers operate within the boundaries of the territories described in Exhibit "A".
- 11. That said Joint Service Agreement is not detrimental to the public interest and would enhance both parties' ability to provide reliable and affordable water service to the users within their respective service areas.

WHEREFORE, the undersigned would request, pursuant to Section 247.172 RSMo. that the Commission approve the terms of the Joint Service Agreement and that said approval be given, pursuant to Section 247.172(5) RSMo. without the necessity of a formal hearing; and for such other and further relief as the Commission may deem appropriate under the circumstances.

I, Jim Gillilan, being first duly sworn, upon my oath, state that I am a General Manager for the City of Chillicothe, that the facts stated within the foregoing Petition are true, and that the copy of the exhibit attached hereto is a true and correct copy.

City of Chillicothe
By and through its
Board of Public Works

Jim Gillilan, General Manager

Subscribed and sworn to before me this 4th day of April, 2012.

Notary Public

Notary Public - Notary Scal STATE OF MISSOURI Livingston County My Commission expires: 4/17/2014 Commission# 10497064

Joint Service Agreement Between The City of Chillicothe, Missouri and

Public Water Supply District # 2 of Livingston County, Missouri

This Agreement is effective this Hth day of March., 2012 by and between the City of Chillicothe, Missouri ("the City") and Public Water Supply District No. 2 of Livingston County, Missouri ("the District").

WHEREAS, the City is a special charter city organized and existing under a special grant by the Missouri Legislature and possesses the authority and facilities to produce and sell potable water for use and consumption by its inhabitants; and,

WHEREAS, the District is a public water supply district, created by Decree of the Circuit Court of Livingston County, Missouri pursuant to RSMo. Chapter 247, and possesses the authority and facilities to produce and sell potable water for use and consumption by the inhabitants of the District and to consumers outside the District, delivered within or at the boundaries of the District; and,

WHEREAS, the City and the District have previously entered into a contract for the wholesale purchase of water from the City by the District, said contract which has expired, and the parties desire to enter into a new water contract contemporaneously with this Agreement; and,

WHEREAS, the City and the District have worked together to prepare a map, labeled "Exhibit 1", attached hereto and incorporated herein by reference, that identifies the boundaries of both entities and identifies certain areas located outside the boundaries of the City but inside the boundaries of the District, where both the District and the City are providing water service;

WHEREAS, the City and the District desire to avoid duplication of services and

expenditure of unnecessary costs and expenses, and work cooperatively together to provide potable water to the residents of both the City and the District;

NOW THEREFORE, the City and District agree as follows:

- 1. The light blue and purple line surrounding the City on Exhibit #1 indicates the boundaries and sub-districts of the District.
- 2. The areas where the City currently serves water customers located within the District boundaries but outside the City limits as they existed as of January 1, 2010, are shown by the dashed green line on Exhibit #1. The parties agree to refer to this as the "Green Zone".
- 3. The parties agree that the City will serve any existing and new customers within the Green Zone. The District will serve any new customers outside the Green Zone. If the District currently has any meters within the Green Zone, they may, at their option, continue to provide service through said meters.
- 4. Any other meters currently served by the District shall remain as served by the District.
- The terms of this Agreement may not be modified, repealed, or changed except by a
 written document executed by the City and the District.
- 6. Both parties agree to cooperate in completing any approval process which may be required by the Missouri Public Service Commission and the City shall be responsible for the payment of its attorney's fees and costs which may be associated with same.
- 7. The parties agree to execute contemporaneous with the Agreement a water supply contract between the District and the City.

- 8. This Agreement shall be binding upon the City and District, their successors and assigns.
- 9. Each party shall obtain the approval of its governing body for this Agreement and such approval shall be affixed hereto.

"City"
City of Chillicothe
By and through its
Board of Public Works

ATTEST:

Secretary

Jim Gillilan, General Manager

"District"

Public Water Supply District # 2 of Livingston County, Missouri

ATTEST

District Clerk

David Beck, President

ATTENTION

This document contains a map that is not available electronically.

To obtain a copy of the document, please send a written request to the Data Center.

E-mail: datacenter-psc@psc.mo.gov

Regular Mail: Missouri Public Service Commission

Data Center P.O. Box 360

Jefferson City, MO 65102

Fax: 573-522-6176

Please call the Data Center at 573-751-7496 if you have any questions.