

**BEFORE THE PUBLIC SERVICE COMMISSION  
OF THE STATE OF MISSOURI**

In the Matter of Missouri-American Water )  
Company’s Application for a Certificate of )  
Convenience and Necessity Authorizing it )  
To Install, Own, Acquire, Construct, ) **File No. SA-2021-0017**  
Operate, Control, Manage and Maintain a )  
Sewer System in and around the City of )  
Hallsville, Missouri. )

**MAWC’S RESPONSE IN OPPOSITION  
TO BCRSD’S APPLICATION TO INTERVENE**

COMES NOW Missouri-American Water Company (“MAWC”), by and through the undersigned counsel, and respectfully states for its response in opposition to Boone County Regional Sewer District’s (“BCRSD”) Application to Intervene as follows:

**Procedural Background**

1. On July 20, 2020, MAWC filed its *Application and Motion for Waiver* (“*CCN Application*”) requesting a certificate of convenience and necessity (CCN) to install, own, acquire, construct, operate, control, manage and maintain a sewer system in and around the City of Hallsville, Missouri (“Hallsville”).

2. On July 23, 2020, the Commission issued its *Order Directing Notice And Setting Deadlines For Intervention Applications And Staff’s Recommendation*. The Commission’s Order directed any applications to intervene to be filed no later than August 24, 2020.

3. On August 20, 2020, Boone County Regional Sewer District (“BCRSD”) filed an Application to Intervene. BCRSD asserted several arguments as to why the Commission should grant it intervention in this matter, including: (1) BCRSD’s Level 2 Continuing Authority granted by the Clean Water Commission; (2) two Cooperative Agreements entered into between

BCRSD and the City of Hallsville; and (3) BCRSD's offer to purchase the City of Hallsville system.

4. For the reasons set forth below, the Commission should deny BCRSD's application to intervene as BCRSD has no interest that is different from that of the general public and its intervention would not serve the public interest.

### **Legal Standard for Intervention**

5. Intervention is governed by Commission Rule 20 CSR 4240-2.075. The Commission's regulation on intervention allows for intervention either when the proposed intervenor has an interest that is different from that of the general public and that interest may be adversely affected by an order resulting from that case, or when granting the proposed intervention would serve the public interest. Further, intervention may not be used by strangers to a pending action as "a vehicle by means of which such strangers may urge claims or contentions which have a proper and available forum elsewhere."<sup>1</sup>

### **BCRSD's Level 2 Continuing Authority DOES NOT Include Hallsville**

6. BCRSD was established as a public sewer district under Chapter 204, RSMo and has continuing authority over all of unincorporated Boone County (areas outside of city boundaries).<sup>2</sup> (**Appendix A**). "As stated in its by-laws, the purpose of BCRSD is 'to assume long-range responsibility for wastewater quality within Boone County, except for those facilities operated by a municipality....'"<sup>3</sup> (**Appendix B**).

7. BCRSD's Application to Intervene argues that "the District, along with the City of Columbia and Boone County Missouri, is approved by the Missouri Clean Water Commission

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1 *State ex rel. Farmers Mut. Auto. Ins. Co. v. Weber*, 273 S.W.2d 318, 323 (Mo. 1954).

2 See *Boone County Regional Sewer District – A Short History*, <http://www.bcrsd.com/site/index.php/who-we-are/history> attached as Appendix A.

3 Section 1.1 *BCRSD Master Plan For District Facilities and Tier 2 Plan for Private Facilities*, May 2013, Updated May 2014, attached as Appendix B.

as a Level 2 Continuing Authority under 10 CSR 20-6.010(2)(B) and (2)(F).<sup>4</sup> However, this grant of authority by the Clean Water Commission (CWC) did not include certain incorporated areas in Boone County, such as Hallsville. Hallsville is a Fourth-Class City located in Boone County.

8. BCRSD was designated a Level 2 Continuing Authority by the CWC on January 6, 2010, provided that BCRSD prepare and submit a Tier 2 Plan by July 1, 2013. During the January 6, 2010 CWC agenda discussion, a representative of BCRSD explained the scope of the Level 2 authority it was requesting:

13 the goal and objective here was not to interfere with  
14 local governments. So Centralia's not included in  
15 this. Harrisburg's not included in this. All the  
16 incorporated small towns that have their own  
17 responsibility unless they want us to assume their  
18 responsibility under our rights as a District they  
19 are still autonomous.<sup>5</sup>

(**Appendix C**). In the 2014 update to BCRSD's Master Plan, BCRSD again confirmed that the Hallsville service area is not included within the CWC's grant of Level 2 Continuing Authority: "BCRSD's service area includes all of Boone County not served by a municipal wastewater system. In Boone County, municipal wastewater service is provided by Ashland, Centralia, Columbia, Hallsville, Harrisburg, Hartsburg and Sturgeon."<sup>6</sup> (**Appendix D**).

9. For BCRSD to argue that it has any greater right than Missouri-American as a continuing authority to own and operate the Hallsville system is simply unfounded.

### **The Cooperative Agreements Are Not Binding On Missouri-American**

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4 Application to Intervene, p. 1, ¶ 2.

5 Transcript of the January 6, 2010 agenda meeting of the Clean Water Commission, p. 29, ll. 13-19, attached as Appendix C.

6 Section 3.1 *BCRSD Master Plan For District Facilities and Tier 2 Plan for Private Facilities*, May 2013, Updated May 2014, attached as Appendix D.

10. BCRSD states in the Application to Intervene that it has two Cooperative Agreements with Hallsville that obligate Hallsville to provide sewer services to the District's existing customers in two subdivisions through 2039.<sup>7</sup>

11. Unlike other cooperative agreements entered into by BCRSD, the two referenced Cooperative Agreements with Hallsville do not contain language that would make the agreements binding upon and inure to the benefit of the parties' respective successors and assigns. (**Appendix E and F**). Each of the Cooperative Agreements explicitly state that each respective agreement "is not intended to confer any rights or remedies on any person other than the parties." Thus, it appears that, at a minimum, new agreements would need to be negotiated by BCRSD and Missouri-American, if BCRSD desired for Missouri-American to continue to treat its effluent. Missouri-American is happy to enter into negotiations with BCRSD to form new agreements for the treatment of effluent from BCRSD's systems that cannot treat its own effluent and remain within Missouri Department of Natural Resources standards.

12. Further, any disputes regarding the current agreements that cannot be resolved by BCRSD and Hallsville directly or through mediation may be litigated in the Boone County Circuit Court. The Commission is not the proper body to address the issues raised by BCRSD concerning the agreements and any decision by the Commission related to Missouri-American's application for a certificate of convenience and necessity will have no effect on BCRSD's ability to protect its interests before the Boone County Circuit Court as the appropriate judicial body.

**The Citizens of Hallsville Have Voted to Sell the System to Missouri-American**

13. BCRSD states that it sought to acquire the Hallsville system, but instead Hallsville entered into an Asset Purchase Agreement with Missouri-American. Moreover,

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<sup>7</sup> Application to Intervene, p. 2, ¶ 7.

BCRSD's Application to Intervene fails to state that the citizens of Hallsville voted at the November 5, 2019 municipal election to approve the sale of the system to Missouri-American.

14. On August 26, 2019, the Hallsville Board of Aldermen passed Ordinance No. 370, *An Ordinance Calling For An Election In The City Of Hallsville, Missouri To Be Held On November 5, 2019 For the Purpose Of Submitting To The Qualified Voters Of The City A Proposition To Sell Certain Assets Associated With The City's Wastewater System To Missouri American Water* ("Ordinance"). A copy of the *Ordinance* is attached hereto as **Appendix G**. Section 1 of the *Ordinance* provided notice of an election to be held on November 5, 2019, to vote on Proposition 1, whether the wastewater utility owned by the City of Hallsville should be sold. Section 2 provided:

If a majority of the votes cast on the question by the qualified voters voting thereon are in favor of the question, then the City may negotiate a contract with Missouri American Water for a price of not less than \$2,000,000.00 (Two Million Dollars) cash and a capital commitment of \$3,300,000.00 (Three Million Three Hundred Thousand Dollars) over 5 (five) years, including terms that provide for future service, maintenance, capital improvements and other terms and conditions.

15. There were public meetings held in Hallsville on October 10, 2019, and October 29, 2019, to discuss the proposed sale. MAWC representatives attended these public meetings and were available to answer any questions.

16. The election was held on November 5, 2019, and a majority of votes cast were in favor of Proposition 1.

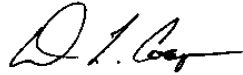
#### Conclusion

17. In summary, BCRSD's interest in whether the Commission should grant Missouri-American's application for authority to acquire the Hallsville system and a certificate of convenience and necessity is no different from that of any other member of the public.

Further, any interest BCRSD may have is not affected by a final order from the Commission in this matter.

**WHEREFORE**, Missouri-American requests the Commission issue an order that denies BCRSD's Application to Intervene.

Respectfully submitted,



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ATTORNEYS FOR MISSOURI-AMERICAN  
WATER COMPANY

**CERTIFICATE OF SERVICE**

I do hereby certify that a true and correct copy of the foregoing document has been sent by electronic mail this 31st day of August 2020 to all counsel of record.

**/s/ Jennifer L. Hernandez**



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**Boone Electric Coop**

**History**

## Boone County Regional Sewer District – A Short History

The Boone County Regional Sewer District (the District) was formed by a county-wide vote in October of 1973. The issue to create a regional sewer district was placed on a special ballot by the Boone County Circuit Court at the request of the Boone County Commission. The District was established as a public sewer district under Chapter 204 of the Revised Statutes of the State of Missouri. The District has continuing authority over all of unincorporated Boone County (areas outside of city boundaries). All registered voters of Boone County vote on District ballot issues. A five member Board of Trustees is appointed by the County Commission to govern the District. One of the commissioners serves as a member of the Board.

[More information on the current members of the Board >](#)

The District began as a planning agency with the Boone County Commission Office. Prior to the District's formation, wastewater treatment systems serving many subdivisions in unincorporated Boone County were operated and maintained by individuals or homeowner associations. Often these systems were not monitored by a licensed and trained operator and failed to meet Missouri water quality standards.

From 1973 to 1980 the District had no full time staff and sewer matters fell to County Planning and Zoning and the Public Works Department. In 1980 growth and an increased need for quality wastewater management prompted the District to retain a licensed wastewater operator. District staff began operating wastewater treatment systems under contract.

During the early eighties the County Commission assumed ownership of the sewer systems of twenty plus subdivisions. In 1985 the District purchased an additional fifteen wastewater collection and treatment systems from a private company. The goal was to consolidate sewer service in unincorporated Boone County under a single authority thereby standardizing maintenance practices and minimizing costs while protecting public health and the environment. At this time the District hired additional personnel and adopted its present system of calculating user's fees which include a base service fee plus an additional fee based on water usage.

[More information about the District's rate structure >](#)

The District Board made an effort to acquire Federal and State grant money to construct and improve the sewer system serving unincorporated Boone County in 1987. A bond issue of \$4.5 million was put to the voters of Boone County to provide a local match. The bond issue was defeated. The grants expired and the District was not able to take advantage of Federal and State funding available to cover up to ninety percent of construction costs. This is one of the primary reasons that the City of Columbia rates are less than District rates. The City of Columbia received state and federal grants to help fund the construction of its regional wastewater treatment facility. These grants reduced the City's debt. Lower debt expense allowed for lower user rates.

In 1987 the District Board hired Boone Electric Coop (BEC) to provide billing and collections for District users. Since most District customers were also members of BEC, it made sense to consolidate billing for the two utilities. Since that time BEC's services to the District have expanded to include computer networking, IT services, outgoing mail, internet and e-mail services and more.

When the manager of the District resigned in February of 1990, BEC offered temporary management services to the District's Board of Trustees. The contract, meant to be an interim arrangement, lasted until May 2000. Bob Alderson and Al Lynch, BEC's general manager and assistant manager, respectively, filled the same roles for the District. They concentrated on four main goals: 1) Improve the District's financial health; 2) Develop cooperative

relationships with planners, engineers, inspectors and office holders of both the City and the County; 3) Develop a capital improvements program focused on integrating systems and eliminating treatment facilities; and 4) Improve the District's image by implementing a plan for privacy fencing and landscaping around District treatment facilities.

BEC management improved District finances by conducting a user rate analysis and successfully going to the voters to increase rates. BEC developed replacement schedules and improved the quality of the District's fleet. They also modernized the accounting system and improved accountability to the Board and the public.

Shortly after BEC began to manage the District, a contract was developed with the City for consulting services from the City Sanitary Sewer Utility Department and that relationship still exists today. The relationship with the City has expanded to include wholesale treatment, sludge management, fuel for the District's fleet, plan review and emergency service back-up. The City's cooperation in supplying these services to the District reduces expenses and increases efficiency.

The District's relationship with Boone County fostered by BEC also remains strong today. In June of 1993, Alderson approached the Boone County Commission about hiring an engineer to work half time on Neighborhood Improvement Districts (NID) for sewer improvements. The District Board offered to pay half of the engineer's salary. The commission agreed and Tom Ratermann joined the team. In 1997, Ratermann moved his office from County Public Works to the District headquarters and began devoting all his time to sewer projects.

[More information about Neighborhood Improvement Districts >](#)

In May of 2000, management of the District transferred from a contract with Boone Electric to a contract with Boone County. Stan Shawver, the head of County Planning and Building Inspections, joined the staff as a part-time Executive Director, and Ratermann was promoted from Engineer to General Manager.

Ratermann worked for the District as a contract employee until April of 2004. At that time, the District Board hired him directly rather than going through Boone County Public Works. Ratermann remains the District's General Manager today.

As the District's General Manager, Ratermann spends much of his time continuing the Capital Improvement Program (CIP) initiated by BEC. The 1991 AC Kirkwood Report set the District on the path of eliminating existing treatment facilities by interconnecting appropriate areas with the City of Columbia sanitary sewer system and transporting the wastewater to the City's Regional WWTP or by building and improving District plants to serve larger geographic areas allowing for the integration of existing collections systems and the closure of existing treatment facilities.

The Kirkwood Report has been updated and expanded in 2004 and 2007. Successful revenue bond issue elections held in 1997, 2003 and 2008 gave the District the capacity to fund its CIP through the low interest State Revolving Fund program (SRF). Since 1997, with the help of the SRF, the District has eliminated nineteen lagoons and nine wastewater treatment plants, improved four existing facilities to serve a larger area and connected thirty subdivisions to the City of Columbia's sanitary sewer system.

The District closed on a combination SRF Direct Loan and American Recovery and Reinvestment Act Grant at the end of December 2009. The combination grant/loan of approximately \$1 Million each will fund the next five projects of the CIP. Completion of this next round of projects will result in the closing of three treatment facilities and one lift station.

[More information about the Capital Improvement Program >](#)

In 2009, the City and the District were granted joint Tier 2 Continuing Authority by the Clean Water Commission (CWC). (The CWC is a seven-member citizen's board that is appointed by the Governor and confirmed by the Senate to govern the MDNR Division of Environmental Quality.) Tier 2 Continuing Authority will help the District and the City continue their goal to regionalize sanitary sewer service and to reduce discharges of treated wastewater to the creeks and streams of Boone County.

The District continues to make significant progress on all four of the goals set in 1990 by BEC management. The District is financially strong; the capital improvements program is well underway; District staff and staff from the City of Columbia and Boone County Planning and Public Works departments cooperate in many ways to serve the citizen's of Boone County; and treatment facilities situated in heavily populated areas are masked by privacy fencing and landscaping or have been eliminated.



# 1 INTRODUCTION

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## 1.1 BACKGROUND

The Boone County Regional Sewer District (BCRSD) provides wastewater management services in unincorporated Boone County, Missouri. BCRSD operates several treatment and collection systems throughout the County. Privately owned and operated facilities are also located throughout the County.

This document is BCRSD's first 20-year Master Plan to address trends in growth, regulations, and other factors that impact capital improvements spending and utility operations.

As stated in its by-laws, the purpose of BCRSD is "to assume long-range responsibility for wastewater quality within Boone County, except for those facilities operated by a municipality, in order to improve and maintain the health and welfare of the residents of the County." To this end, BCRSD sought and was designated as a Continuing Authority Level 2 pursuant to 10 CSR 20-6.010(3) by the Missouri Clean Water Commission (MCWC) on January 6, 2010, provided that BCRSD prepare and submit a Tier 2 Plan by July 1, 2013.

## 1.2 PURPOSE AND SCOPE

This document serves as a Master Plan that updates the BCRSD 2007 Capital Improvements Plan prepared by Ponzer-Youngquist, P.A., Inc. and considers other long-term needs of BCRSD. It also serves as the required Tier 2 Plan for privately owned wastewater facilities located in unincorporated Boone County.

The Master Plan recommendations are to be used to plan financing of capital improvements and to plan user charges. The Tier 2 Plan recommendations are to be used to plan potential financing of improvements to privately owned facilities to allow them to become part of a centralized wastewater system.

First, background information about current and projected regulatory requirements and projected population growth in Boone County is presented.

The Master Plan then includes the following:

- Summary of existing facilities,
- Identification of issues affecting each facility,
- Planning level recommendations and costs of capital improvements,
- Planning level recommendations and costs regarding computerized maintenance management, collection-system evaluations, and BCRSD operation and management facilities,
- Review of BCRSD staffing requirements,
- Implementation Plan, and
- User Rate Study (to be delivered separately).

1 CHAIRMAN HARDECKE: I wanted to thank you for your --  
2 everything you've presented us with. Your public  
3 meeting it looked liked you had about seven of the 53  
4 affected entities in attendance.

5 MR. DAVID SHORR: Yes.

6 And, also, a couple who, quite frankly, I  
7 expected to be more vocal, which they were not  
8 so I believe at least we've communicated well-enough  
9 to them that -- that the purpose of this relates to a  
10 lot of factors including how close they are to the  
11 potential interception.

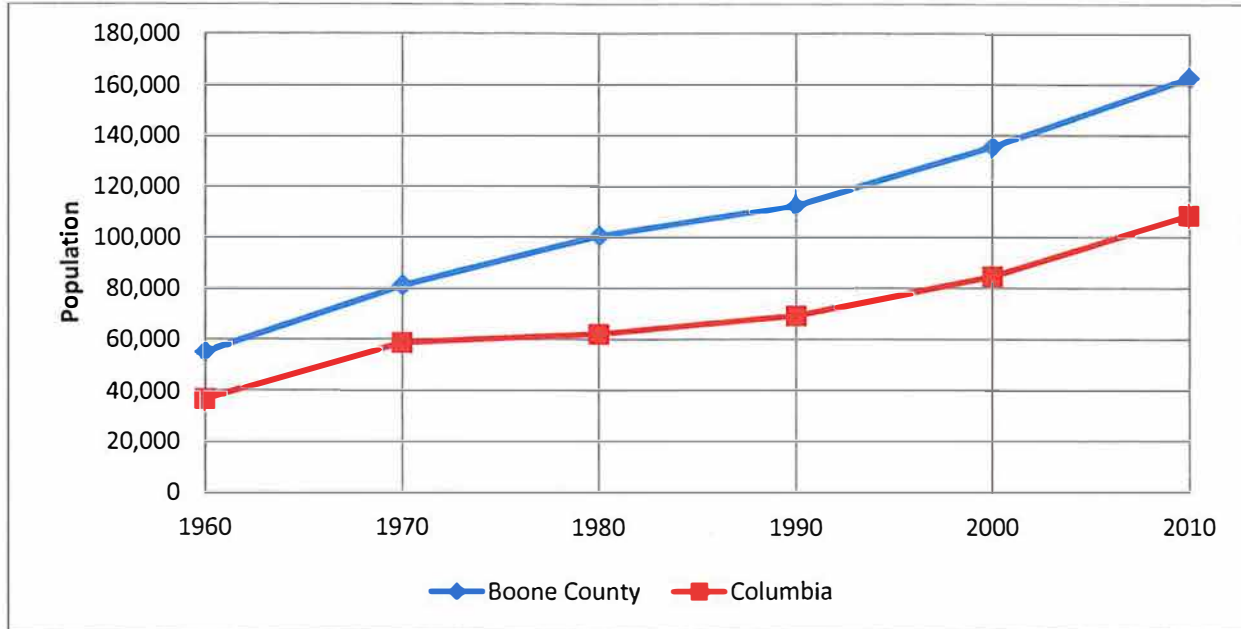
12 Now, on the City side the City remember their --  
13 the goal and objective here was not to interfere with  
14 local governments. So Centralia's not included in  
15 this. Harrisburg's not included in this. All the  
16 incorporated small towns that have their own  
17 responsibility unless they want us to assume their  
18 responsibility under our rights as a District they  
19 are still autonomous. And that was shown to you at  
20 the first meeting that we had. The City, of course,  
21 is integrated with us because of our sewage treatment  
22 techniques. And I believe or at least right now  
23 you've -- we've -- Steve, didn't we authorize your  
24 plant is going to be built, ground breaking is in two  
25 weeks isn't it?

# 3 GROWTH

## 3.1 CURRENT AND HISTORICAL POPULATION

Boone County has experienced significant growth in recent decades anchored by growth in the City of Columbia as presented in **Figure 3-1**.

**Figure 3-1 Historical Population**



BCRSD’s service area includes all of Boone County not served by a municipal wastewater system. In Boone County, municipal wastewater service is provided by Ashland, Centralia, Columbia, Hallsville, Harrisburg, Hartsburg, and Sturgeon. For purposes of this study, any municipality that does not currently provide centralized wastewater services is assumed to be part of the BCRSD service area. **Table 3-1** summarizes the 2010 Census populations of the entities providing wastewater service in Boone County.

**Table 3-1 Boone County Wastewater Service Provider Populations**

Service Provider	Population	Percent of Population
Ashland	3,707	2.28%
Centralia	4,027	2.48%
Columbia	108,500	66.71%
Hallsville	1,491	0.92%
Harrisburg	266	0.16%
Hartsburg	103	0.06%
Sturgeon	872	0.54%
<b>Municipal Total</b>	<b>118,966</b>	<b>73.15%</b>
BCRSD	43,676	26.85%
<b>Total</b>	<b>162,642</b>	<b>100.00%</b>

BCRSD currently serves 6,440 customers. Using the Boone County average household size of 2.34 from the 2010 Census, BCRSD currently serves a population of approximately 15,000 people, or 35 percent of the total possible customers in its service area. The remaining potential customers are either served by privately owned facilities or by on-site systems.

## 3.2 PROJECTED POPULATION

Population growth is expected to occur at a moderate pace for the duration of the twenty year planning period. Several agencies have developed population projections for Boone County. In 2005, the Missouri Economic Research and Information Center projected County population to increase 26.7 percent by 2025 to approximately 185,000. In 2008, the Missouri Office of Administration projected the population of Boone County to be 204,264 in 2030. In the *CATSO 2030 Transportation Plan*, the Columbia Area Transportation Study Organization (CATSO) projected the County population to be 196,015 in 2030.

Based on these estimates, Boone County population for 2032 could range from 190,000 to 210,000. Assuming the BCRSD service area remains at its current percentage of the County population, BCRSD's service population could range from 51,000 to 56,000 by 2032.

Any new developments in BCRSD's service area that do not qualify for on-site treatment will be required to construct wastewater facilities to BCRSD standards and turn them over to BCRSD for operation. As these costs are borne by the developer, BCRSD does not generally plan for these capital improvements with the exception of planning for wastewater treatment capacity in locations where growth is projected to occur and regionalization is prudent.

For the purposes of this Master Plan, it is expected that growth will be concentrated along the US 63 and MO 763 corridors immediately north of Columbia, and along US 63 south of Columbia to the Callaway County line in the short term, and along the I-70 corridor east and west of Columbia in the mid to long term.

Growth along US 63 and MO 763 north of Columbia will impact the Rocky Fork facility that will be constructed in 2013. Other growth in the area is expected to connect to Columbia.

Growth along US 63 south of Columbia and north of Ashland will impact the existing Prairie Meadows facility which will require expansion at this location. While BCRSD has the Eagle Knoll facility south of Ashland, it is not likely that it will serve in a regional role in the future given its site and location constraints.

Growth along I-70 west of Columbia and east of Rocheport will impact the existing Midway Crossing facility. Growth in this area is expected to lag the growth along US 63. New development and connection of existing development will drive the need for expansion of this facility.

Growth along I-70 east of Columbia could potentially impact the Meadow Village facility. However, this facility is located in the upper portion of the Little Cedar Creek watershed which is not ideal for a regional facility. A regional facility in the lower portion of the Little Cedar Creek watershed should be considered in future updates to this Master Plan.

**AN ORDINANCE AUTHORIZING THE MAYOR TO EXECUTE A  
COOPERATIVE AGREEMENT WITH THE BOONE COUNTY REGIONAL  
SEWER DISTRICT**

WHEREAS, the City of Hallsville is entering into a Cooperative Agreement with the Boone County Regional Sewer District for the purpose of providing wastewater treatment services for Sunnyslope Subdivision.

NOW THEREFORE, BE IT ORDAINED by the Board of Aldermen of the City of Hallsville, Missouri, as follows:

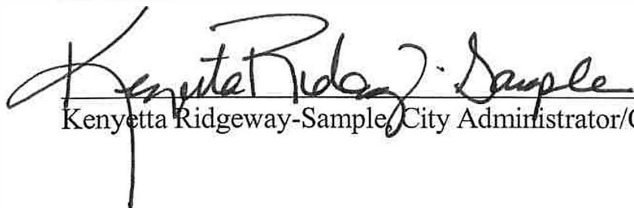
1. The Mayor is hereby authorized and directed to execute a Cooperative Agreement with the Boone County Regional Sewer District which is attached hereto and incorporated herein by reference as if set forth in full and verbatim.
2. This ordinance shall become effective from and after its date of passage.

READ TWO TIMES AND PASSED THIS 14<sup>th</sup> DAY JANUARY, 2019.

  
\_\_\_\_\_  
Logan Carter, Mayor

[SEAL]

ATTEST:

  
\_\_\_\_\_  
Kenyetta Ridgeway-Sample, City Administrator/City Clerk

**CITY OF HALLSVILLE – BOONE COUNTY REGIONAL SEWER DISTRICT**  
**COOPERATIVE AGREEMENT**

This agreement is entered into this 14 day of January, 2019, between the Boone County Regional Sewer District, a common sewer district organized pursuant to Chapter 204 RSMo (“District”) and the City of Hallsville, MO, a municipal corporation and a fourth class city incorporated under the laws of the State of Missouri (“City”).

WHEREAS, District currently provides sanitary sewer service to the Sunnyslope Subdivision, including a collection system and a single-cell lagoon located on land described by a General Warranty Deed with a reverter clause recorded in Book 632, at Page 464, Records of Boone County, Missouri; and

WHEREAS, City operates a wastewater treatment facility which is capable of providing wastewater treatment services for Sunnyslope Subdivision served by said Sunnyslope lagoon; and

WHEREAS, it is feasible to construct a gravity sewer connecting the Sunnyslope Subdivision served by said lagoon to the City’s sanitary sewer collection system; and

WHEREAS, the connecting sewer will allow for the closure of the lagoon serving Sunnyslope Subdivision; and

The parties agree as follows:

1. The scope of this agreement is limited to those geographic areas shown in the shaded gridlines designated as Sewer District customers on the attached Exhibit A, entitled Sunnyslope and dated 12-4-2018.

2. The following definitions apply to this agreement:

District’s “Service Area” means that area shown on the attached Exhibit A as “Sewer District Customer”.

“Connecting sewer” means the sewer connecting the Sunnyslope Subdivision sanitary sewer system (from Point E to Point C on the attached Exhibit A), hereinafter called “District portion”.

3. The District shall prepare the plans, specifications and bid documents for construction of the Connecting sewer by hiring a consulting engineering firm in accordance with established District policy.

4. The District shall acquire all easements necessary for construction of the Connecting sewer.



5. The District shall bid the project pursuant to established District policy.
6. The District shall pay for the cost to construct the Connecting sewer, which includes construction, engineering, subsurface exploration to determine rock excavation quantities, and easement acquisition. Construction administration shall be provided by the District. District shall own the Connecting sewer, and shall maintain and operate the Connecting sewer at its cost in accordance with established District policies, subject to the terms and conditions of this agreement.
7. At its cost, the District shall close the above described lagoon currently serving Sunnyslope Subdivision in accordance with the Missouri Department of Natural Resources' regulations. City will impose no connection fees directly upon District's customers (see paragraph 10 hereafter).
8. The District shall be responsible for funding of the project.
9. District shall maintain all public sewers in its service area in compliance with the City's sewer standards. District shall inspect the public sewers within its service area prior to construction of the connecting sewer to determine the existing conditions and to identify any required repairs. District shall correct any deficiencies in the service area collection system prior to connection to the City's sewer system. City shall have the right to periodically inspect the public sewers in the District's service area for as long as the collection system is connected to the City's sewer system.

The District shall promptly repair any deficiencies or damage identified at any time by the City or the District; this includes the implementation of cost-effective remedies for inflow and infiltration in the District sewer system that significantly increases the City's operational costs or significantly impacts the capacity of any City sewer infrastructure. The District's maintenance must ensure that inflow and infiltration into the City's system do not become excessive. Inflow and infiltration is excessive if the rainfall-induced peak flow rate results, or will result, in chronic operational problems during storm events (for example, sewer surcharge, manhole overflows and backups into buildings). In addition, inflow and infiltration is also excessive if flow exceeds 275 gallons per person per day in the Service Area; there shall be a rebuttable presumption that each single family residential unit in the service area houses 3.7 people.
10. District shall connect the wastewater collection system currently served by the Sunnyslope lagoon to the City's wastewater collection system and close the Sunnyslope lagoon. The City and District acknowledge that customers located in the

Sunnyslope Subdivision as well as other designated areas shown in the service area of Exhibit A are and shall continue to be District customers. Accordingly, the District, before making this connection, shall pay to City a one-time connection charge of \$5,100 to cover the City's cost of treatment capacity. This charge represents a \$300 per unit fee for 17 units. This one-time connection charge shall be paid contemporaneous with the signing of this agreement.

11. District agrees to pay City a service fee for each District customer in the service area. This fee shall be equivalent to 0.80 times what the customer would pay if the customer were connected to City sewer service within the corporate limits of the City.

The District shall provide a monthly Wholesale Treatment Report (consisting of water usage information provided by Public Water Supply District Number 4) for the Service Area listing all the District customers in said Service Area that are receiving wholesale treatment from the City. The Report shall list water usage per customer. The usage per customer will be based on readings from the water provider of the customer and shall reflect average water usage determined according to regulations outlined in Section 3.7 of the District's User Rate Regulations. If a property is vacant and there is no water usage, that property will not be included in the Wholesale Treatment Report.

12. The City shall submit to the District a monthly bill for the Service Area based on the Wholesale Treatment Report for said Service Area. The District agrees to pay the amount billed by the due date in the bill, which shall provide at least 10 days for payment. The District shall be subject to the same late fee assessment as other customers of the City's sewer system.
13. The City may install a calibrated flow meter in the Connecting Sewer at its own expense. The City shall give the District at least 30-days' notice prior to installing a flow meter and will share data from the flow meter with the District.
14. Property owners in the area designated "Sewer District Customer" on the attached Exhibit A shall not be required to annex their property or develop to City standards in order to receive sewer service from the District.
15. City shall be responsible for providing adequate treatment and collection capacity in its system, downstream of the service area shown in Exhibit A of this Agreement, to handle all reasonably anticipated users within the geographic areas within the scope of this agreement. Reasonably anticipated users are users that do not generate wastewater in quantity greater than normal domestic flows or that



contains any contaminants in concentrations greater than normally found in domestic wastewater.


District shall not connect any nonresidential sewer customer, without the prior approval of City, which approval shall not be unreasonably withheld, which generates wastewater in quantity greater than normal domestic flows or which contains any contaminants in concentrations greater than normally found in domestic wastewater.

16. The initial term of this Agreement shall be twenty (20) years beginning on the date first shown in this Agreement. Thereafter, this agreement shall automatically be renewed for successive terms of five (5) years unless it is terminated pursuant to the provisions of this paragraph. After the initial term of this Agreement, the parties shall have the right to terminate this Agreement with cause upon giving five (5) years written notice to the other party; provided, however, that no customer may be terminated from sewer service except upon nonpayment of user fees and charges, violation of sewer use regulations or violation of environmental or public health laws or regulations.
17. The parties hereto agree that this agreement was negotiated at arm's length and that for purposes of interpretation neither City nor District shall be deemed drafter of this agreement. In the event any portion of this agreement is found to be unlawful or unenforceable, the remaining terms and conditions of this agreement shall remain in full force and effect between the parties.
18. This agreement is not intended to confer any rights or remedies on any person other than the parties.
19. Disputes regarding this agreement that cannot be amicably resolved between the parties directly or through mediation may be litigated in the Boone County Circuit Court, but no circuit court action may be filed unless the parties through their authorized representatives have met and conferred, or engaged in mediation in an attempt to resolve the dispute in good faith.
20. The financial obligations of the parties to this agreement are subject to annual appropriations being made available by them to pay said obligations, and City and District hereby agree to make all reasonable efforts to assure that financial obligations are timely paid as they come due.
21. Any amendments to this agreement shall be in writing.

22. Both parties will enact and enforce sewer use and user charge ordinances which are acceptable to the Missouri Department of Natural Resources. Both parties agree to adopt user charge ordinances which will proportionately recover all operation, maintenance and replacement costs for which each party is responsible. Both parties will enact industrial pre-treatment ordinances as appropriate. Both parties shall comply with all Department of Natural Resources regulations in performing its obligations under this agreement.

IN WITNESS WHEREOF, the parties have executed this Agreement on the date first written above.

CITY OF HALLSVILLE, MISSOURI

By:   
Logan Carter  
Mayor


ATTEST:

  
Kenyetta Ridgway-Sample  
City Clerk

BOONE COUNTY REGIONAL SEWER  
DISTRICT

By:   
Randall Chann  
Chairman, Board of Trustees

ATTEST:

  
Lesley Oswald  
Assistant Secretary, Board of Trustees

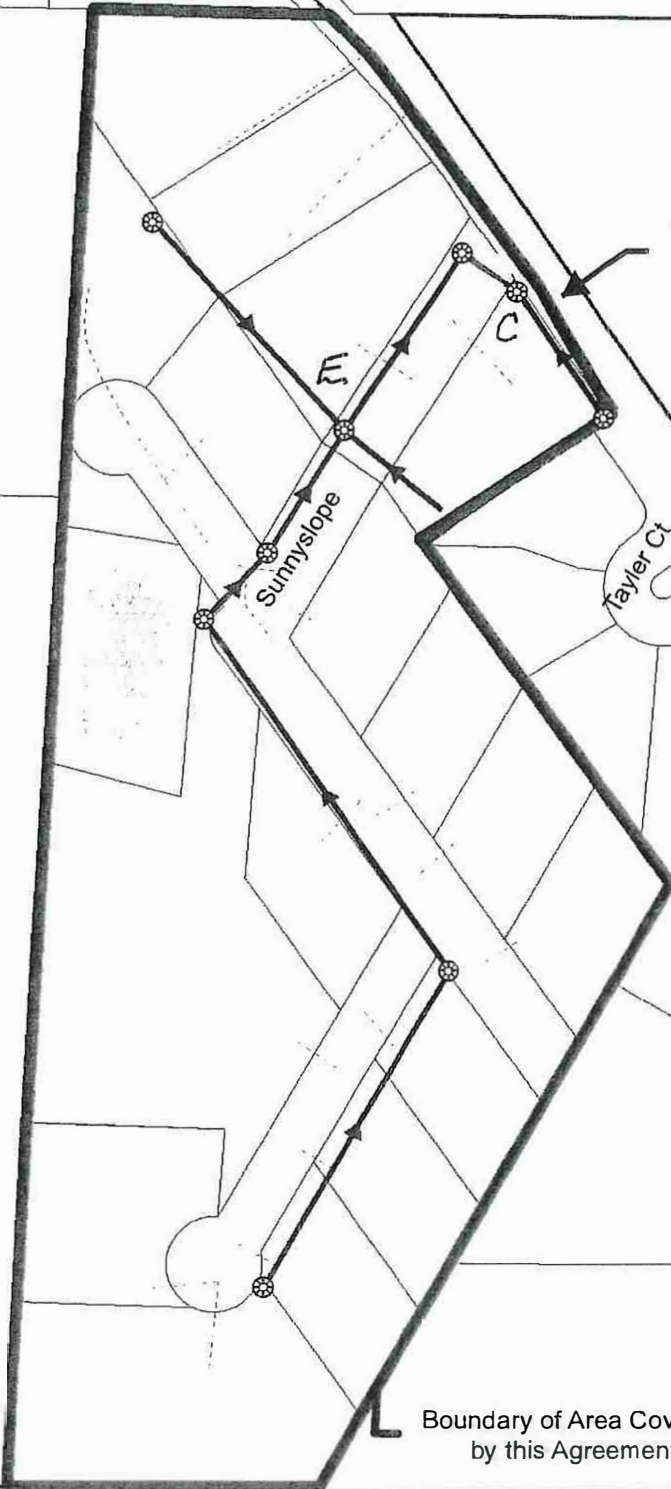
APPROVED AS TO FORM:

  
John L. Whiteside, General Counsel

**Legend**  
Sewer District Customers



Approximate Location  
of Existing Hallsville  
Gravity Sewer



Boundary of Area Covered  
by this Agreement

0 50 100 200  
Feet

**Boone County Regional  
Sewer District**

**Exhibit A  
Sunnyslope**

Date: 12/4/2018  
Scale: 1 inch = 200 feet

Appendix E


**AN ORDINANCE AUTHORIZING THE MAYOR TO EXECUTE A  
COOPERATIVE AGREEMENT WITH THE BOONE COUNTY REGIONAL  
SEWER DISTRICT**

WHEREAS, the City of Hallsville is entering into a Cooperative Agreement with the Boone County Regional Sewer District for the purpose of providing wastewater treatment services for Silver Creek Subdivision.

NOW THEREFORE, BE IT ORDAINED by the Board of Aldermen of the City of Hallsville, Missouri, as follows:

1. The Mayor is hereby authorized and directed to execute a Cooperative Agreement with the Boone County Regional Sewer District which is attached hereto and incorporated herein by reference as if set forth in full and verbatim.
2. This ordinance shall become effective from and after its date of passage.

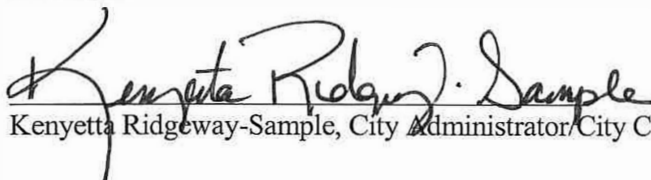
READ TWO TIMES AND PASSED THIS 8<sup>th</sup> DAY APRIL, 2019.



Logan Carter, Mayor

[SEAL]

ATTEST:



Kenyetta Ridgeway-Sample, City Administrator/City Clerk



**CITY OF HALLSVILLE – BOONE COUNTY REGIONAL SEWER DISTRICT**  
**COOPERATIVE AGREEMENT**

This agreement is entered into this 8<sup>th</sup> day of April, 2019, between the Boone County Regional Sewer District, a common sewer district organized pursuant to Chapter 204 RSMo (“District”) and the City of Hallsville, MO, a municipal corporation and a fourth class city incorporated under the laws of the State of Missouri (“City”).

WHEREAS, Gary and Rhonda Wilson, (“Developer”) own real estate in Boone County, Missouri and intend to subdivide said real estate into 7 single – family lots to be known as Silver Creek Subdivision; and

WHEREAS, City operates a wastewater treatment facility which is capable of providing wastewater treatment services for Silver Creek Subdivision served by District; and

WHEREAS, it is feasible to construct a pressure sewer connecting the Silver Creek Subdivision served by District to the City’s sanitary sewer collection system; and

WHEREAS, the connecting sewer will protect public health and the environment; and

The parties agree as follows:

1. The scope of this agreement is limited to Lots 1 through 7, both inclusive, shown on the Preliminary Plat and Review Plan for ARP Zoning Silver Creek Subdivision on the attached Exhibit A.
  
2. The following definitions apply to this agreement:  
  
District’s “Service Area” means Lots 1 through 7, both inclusive, shown on the attached Exhibit A.  
  
“Connecting sewer” means the sewer connecting the Silver Creek Subdivision sanitary sewer system to the City’s sanitary sewer collection system, hereinafter also called “District portion”.
  
3. The Developer shall prepare the plans and specifications for construction of the Connecting sewer and the sewers internal to Silver Creek Subdivision by hiring a consulting engineering firm.
  
4. The District or Developer shall acquire all easements necessary for construction of the Connecting sewer.

5. The Developer shall pay for the cost to construct the Connecting sewer and the sewers internal to Silver Creek Subdivision, which includes construction, engineering and easement acquisition. Construction observation shall be provided by the District. District shall own the Connecting sewer and the sewers internal to Silver Creek Subdivision, provided that they are constructed to District standards and conveyed from the Developer to the District according to District policy, and shall maintain and operate them at its cost in accordance with established District policies, subject to the terms and conditions of this agreement.
6. City will impose no connection fees directly upon District's customers (however see paragraph 10 hereafter).
7. The Developer shall be responsible for funding of the project.
9. District shall maintain all public sewers in its service area in compliance with the City's sewer standards. District shall inspect the public sewers within its service area prior to construction of the connecting sewer to determine the existing conditions and to identify any required repairs. District shall correct any deficiencies in the service area collection system prior to connection to the City's sewer system. City shall have the right to periodically inspect the public sewers in the District's service area for as long as the collection system is connected to the City's sewer system.

The District shall promptly repair any deficiencies or damage identified at any time by the City or the District; this includes the implementation of cost-effective remedies for inflow and infiltration in the District sewer system that significantly increases the City's operational costs or significantly impacts the capacity of any City sewer infrastructure. The District's maintenance must ensure that inflow and infiltration into the City's system do not become excessive. Inflow and infiltration is excessive if the rainfall-induced peak flow rate results, or will result, in chronic operational problems during storm events (for example, sewer surcharge, manhole overflows and backups into buildings). In addition, inflow and infiltration is also excessive if flow exceeds 275 gallons per person per day in the Service Area; there shall be a rebuttable presumption that each single family residential unit in the service area houses 3.7 people.

10. Developer shall connect the wastewater collection system serving the Silver Creek Subdivision to the City's wastewater collection system. The City and District acknowledge that customers located in Lots 1 through 7, both inclusive, of Silver Creek Subdivision shown on Exhibit A are and shall become District customers. Accordingly, within 60 days of the date on which this Agreement becomes effective, District shall pay City's regular connection fee per residential unit or the equivalent

which is required for sewer connection to City's wastewater treatment and collection system. The amount of said payment shall be \$4,200.00 which represents a one-time connection charge. This charge represents a \$600.00 per unit fee for 7 units.

11. District agrees to pay City a service fee for each District customer in the service area. This fee shall be equivalent to 0.80 times what the customer would pay if the customer were connected to City sewer service within the corporate limits of the City.

The District shall provide a monthly Wholesale Treatment Report (consisting of water usage information provided by Public Water Supply District Number 4) for the Service Area listing all the District customers in said Service Area that are receiving wholesale treatment from the City. The Report shall list water usage per customer. The usage per customer will be based on readings from the water provider of the customer and shall reflect average water usage determined according to regulations outlined in Section 3.7 of the District's User Rate Regulations. If a property is vacant and there is no water usage, that property will not be included in the Wholesale Treatment Report.

12. The City shall submit to the District a monthly bill for the Service Area based on the Wholesale Treatment Report for said Service Area. The District agrees to pay the amount billed by the due date in the bill, which shall provide at least 10 days for payment. The District shall be subject to the same late fee assessment as other customers of the City's sewer system.
13. The City may install a calibrated flow meter in the Connecting Sewer at its own expense. The City shall give the District at least 30-days' notice prior to installing a flow meter and will share data from the flow meter with the District.
14. Property owners of Lots 1 through 7, both inclusive, on the attached Exhibit A shall not be required to annex their property or develop to City standards in order to receive sewer service from the District.
15. City shall be responsible for providing adequate treatment and collection capacity in its system, downstream of the service area shown in Exhibit A of this Agreement, to handle all reasonably anticipated users within the geographic areas within the scope of this agreement. Reasonably anticipated users are users that do not generate wastewater in quantity greater than normal domestic flows or that contains any contaminants in concentrations greater than normally found in domestic wastewater.



District shall not connect any nonresidential sewer customer, without the prior approval of City, which approval shall not be unreasonably withheld, which generates wastewater in quantity greater than normal domestic flows or which contains any contaminants in concentrations greater than normally found in domestic wastewater.


16. The initial term of this Agreement shall be twenty (20) years beginning on the date first shown in this Agreement. Thereafter, this agreement shall automatically be renewed for successive terms of five (5) years unless it is terminated pursuant to the provisions of this paragraph. After the initial term of this Agreement, the parties shall have the right to terminate this Agreement with cause upon giving five (5) years written notice to the other party; provided, however, that no customer may be terminated from sewer service except upon nonpayment of user fees and charges, violation of sewer use regulations or violation of environmental or public health laws or regulations.
17. The parties hereto agree that this agreement was negotiated at arm's length and that for purposes of interpretation neither City nor District shall be deemed drafter of this agreement. In the event any portion of this agreement is found to be unlawful or unenforceable, the remaining terms and conditions of this agreement shall remain in full force and effect between the parties.
18. This agreement is not intended to confer any rights or remedies on any person other than the parties.
19. Disputes regarding this agreement that cannot be amicably resolved between the parties directly or through mediation may be litigated in the Boone County Circuit Court, but no circuit court action may be filed unless the parties through their authorized representatives have met and conferred, or engaged in mediation in an attempt to resolve the dispute in good faith.
20. The financial obligations of the parties to this agreement are subject to annual appropriations being made available by them to pay said obligations, and City and District hereby agree to make all reasonable efforts to assure that financial obligations are timely paid as they come due.
21. Any amendments to this agreement shall be in writing.
22. Both parties will enact and enforce sewer use and user charge ordinances which are



acceptable to the Missouri Department of Natural Resources. Both parties agree to adopt user charge ordinances which will proportionately recover all operation, maintenance and replacement costs for which each party is responsible. Both parties will enact industrial pre-treatment ordinances as appropriate. Both parties shall comply with all Department of Natural Resources regulations in performing its obligations under this agreement.

IN WITNESS WHEREOF, the parties have executed this Agreement on the date first written above.

CITY OF HALLSVILLE, MISSOURI

By:   
Logan Carter  
Mayor


ATTEST:

  
Kenyetta Ridgway-Sample  
City Clerk

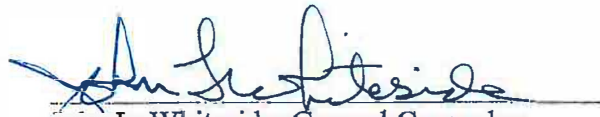
BOONE COUNTY REGIONAL SEWER DISTRICT

By:   
Tom Ratermann  
General Manager

ATTEST:

  
Lesley Oswald  
Assistant Secretary, Board of Trustees

APPROVED AS TO FORM:

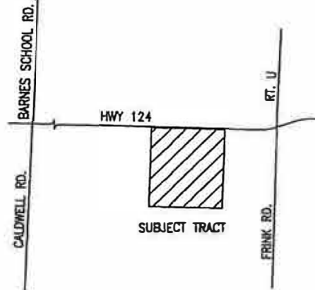
  
L. Whiteside, General Counsel

# Exhibit A

FILED FOR RECORD IN BOONE COUNTY, MISSOURI  
 BETTE JOHNSON, RECORDER OF DEEDS

## ADMINISTRATIVE SURVEY FOR GARY & RHONDA WILSON

LOCATED IN THE SOUTH HALF OF SECTION 16, TOWNSHIP  
 50 NORTH, RANGE 12 WEST, BOONE COUNTY, MISSOURI  
 MARCH 25, 2014



**LOCATION MAP**  
 NOT TO SCALE

**LEGEND:**

- E EXISTING
- S SET
- 1/2" IRON PIPE  
 (UNLESS NOTED OTHERWISE)
- STONE
- PERMANENT MONUMENT
- (M) MEASURED DISTANCE
- (REC) RECORDED DISTANCE
- P.O.B. POINT OF BEGINNING

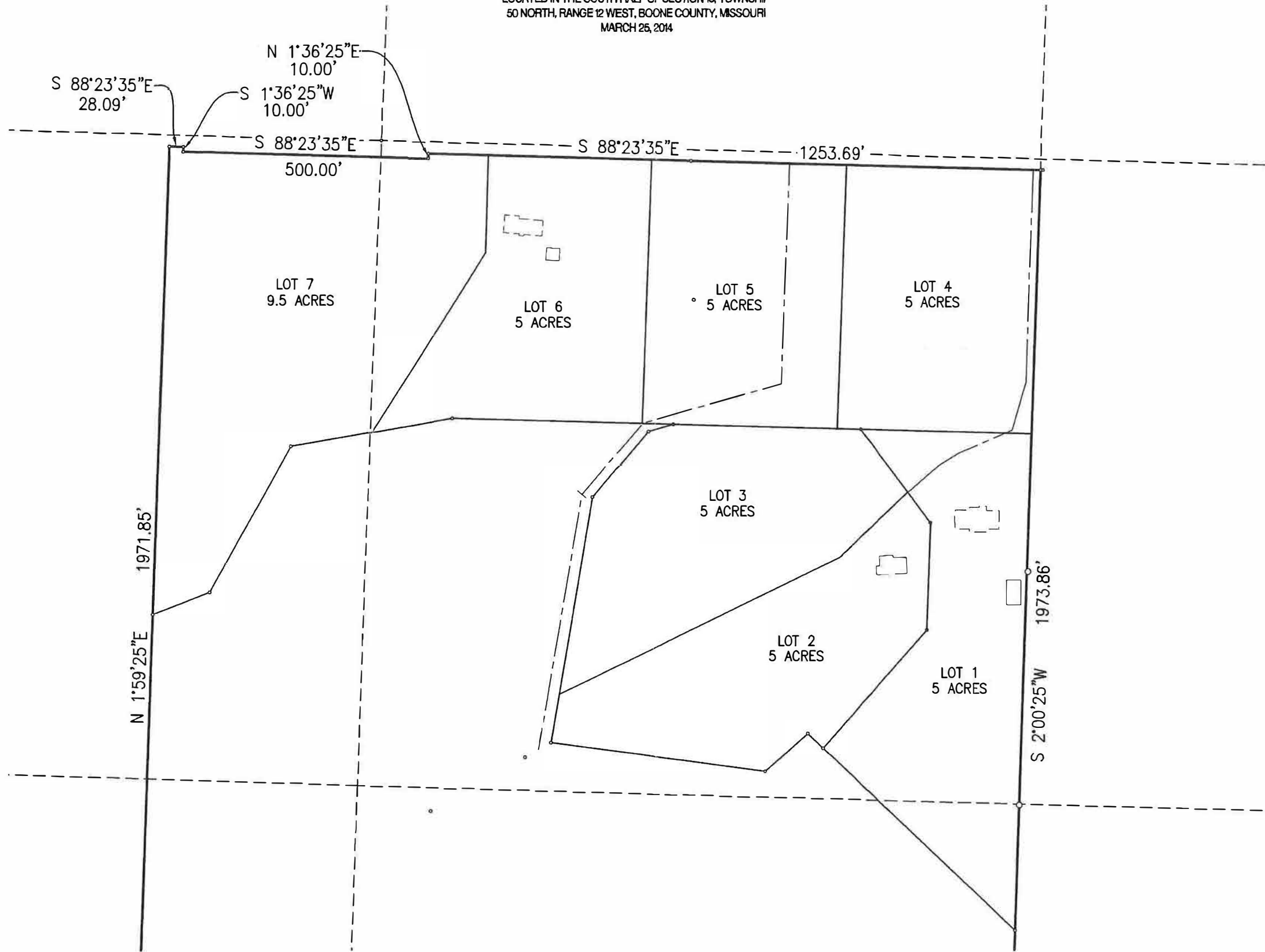


SCALE: 1"=100'  
 0 50 100 200

BEARINGS ARE REFERENCED TO GRID  
 NORTH, OF THE MISSOURI STATE PLANE  
 COORDINATE SYSTEM (CENTRAL ZONE),  
 OBTAINED FROM GPS OBSERVATION.

**FLOOD PLAIN STATEMENT:**

THIS TRACT IS LOCATED IN THE 100-YEAR  
 FLOOD PLAIN AS SHOWN BY THE FLOOD  
 MAP PANEL NUMBER 29019C01800,  
 DATED MARCH 17, 2011.



DAVID T. BUTCHER, PLS-2002014095

DATE

SURVEY SECTION 15-50-12

**AN ORDINANCE CALLING FOR AN ELECTION IN THE CITY OF HALLSVILLE, MISSOURI TO BE HELD ON NOVEMBER 5, 2019 FOR THE PURPOSE OF SUBMITTING TO THE QUALIFIED VOTERS OF THE CITY A PROPOSITION TO SELL CERTAIN ASSESTS ASSOCIATED WITH THE CITY’S WASTEWATER SYSTEM TO MISSOURI AMERICAN WATER**

WHEREAS, Section 88.770 of the Revised Statutes of Missouri sets forth a procedure for small utilities to sell its public wastewater (sewer) utility assets which may be owned by the city; and

WHEREAS, the sale of the wastewater (sewer) utility is expected to benefit the City of Hallsville by eliminating environmental liability and obligations, among other reasons; and

WHEREAS, the Board of Aldermen believes it is in the best interests of the City of Hallsville and its residents to take all steps necessary to authorize and complete the sale of the City’s wastewater (sewer) utility, if approved by the qualified voters;

NOW THEREFORE, BE IT ORDAINED by the Board of Aldermen of the City of Hallsville, Missouri, as follows:

SECTION 1: The Board of Aldermen of the City of Hallsville, Missouri, hereby calls for an election to be held in said city on Tuesday, the 5th of November, 2019, for the purpose of submitting to the voters of said city the proposition contained in the following Notice of Election and Sample Ballot:

**NOTICE OF ELECTION**

Notice is hereby given to the qualified voters of the City of Hallsville, Missouri, that the Board of Aldermen of said city has called an election to be held in said city on the 5<sup>th</sup> day of November, 2019, from and between the hours of 6:00 A. M. and 7:00 P. M. on said date to vote on the proposition contained in the following sample ballot:

**SAMPLE BALLOT  
CITY OF HALLSVILLE, COUNTY OF BOONE  
STATE OF MISSOURI  
TUESDAY, NOVEMBER 5, 2019**

**PROPOSITION 1**

Shall the wastewater (sewer) utility owned by the City of Hallsville, Missouri, be sold?

YES [ ]  
NO [ ]

Instructions to voters: If you are in favor of the proposition, darken the oval opposite the word “YES”. If you are opposed to the proposition, darken the oval opposite the word “NO”.



SECTION 2: If a majority of the votes cast on the question by the qualified voters voting thereon are in favor of the question, then the City may negotiate a contract with Missouri American Water for a price of not less than \$2,000,000.00 (Two Million Dollars) cash and a capital commitment of \$3,300,000.00 (Three Million Three Hundred Thousand Dollars) over 5 (five) years, including terms that provide for future service, maintenance, capital improvements and other terms and conditions. Failure to successfully negotiate a contract for sale shall render this ordinance and the election held pursuant to this ordinance null and void.

SECTION 3: The City Clerk is directed to notify the County Clerk of Boone County, Missouri, of the adoption of this Ordinance no later than 5:00 P.M. on August 27, 2019, and to include in the notification all of the terms and provisions required by the Comprehensive Election Act, Chapter 115 of the Revised Statutes of Missouri, as amended, and do all things called for by law in connection with the holding of said election.

SECTION 4: This Ordinance shall be in full force and effect from and after its passage and approval by the Mayor and Board of Aldermen.

READ TWO TIMES AND PASSED THIS 26<sup>th</sup> DAY OF AUGUST, 2019.

  
\_\_\_\_\_  
Logan Carter, Mayor

ATTEST:

  
\_\_\_\_\_  
Kenyetta Ridgway-Sample City Administrator

1<sup>st</sup> reading: 8-26-19 3-1

2<sup>nd</sup> reading: 8-26-19 3-1