

COUNCIL BILL NO. 2025-52

ORDINANCE NO. 641-2025

AN ORDINANCE of the City of Neosho authorizing an Agreement for Purchase of the Water and Wastewater Systems from the City of Neosho, by and between the City of Neosho and Missouri-American Water Company, a Missouri corporation, for the sale price of Thirty-Four Million, Five Hundred Thousand and 00/100 Dollars (\$34,500,000.00); and authorizing the Mayor to execute the same by and on behalf of the City of Neosho.

WHEREAS, the City of Neosho Councilmembers recognize that the citizens of Neosho and the public would benefit from professional regulated utility ownership and operation of the City's water and wastewater systems, to include improvements, professional maintenance of the systems, compliance, as well as expanding the available water sources ensuring reliability and stability of the systems; and

WHEREAS, Missouri-American Water Company is a Missouri regulated utility owning and operating water and wastewater systems throughout the State and is regulated by the Missouri Public Service Commission (Missouri PSC) requiring quality customer service and transparency, as well as public hearings prior to any rate increases, which must be approved by the Missouri PSC; and

WHEREAS, Missouri-American Water Company can provide professional operations, compliance, improvements and maintenance of the systems, as well as providing additional water sources to benefit the citizens of the City and the public by better ensuring reliability and stability of the systems helping to foster more economic growth and improve the quality of life of users of the systems; and

WHEREAS, the City of Neosho desires to sell its water and wastewater systems and Missouri-American Water Company desires to purchase the City's water and wastewater systems; and

WHEREAS, the funds received by the City from the sale of the systems can relieve existing debts, strengthen financial reserves and be used to invest in other critical infrastructure and economic development priorities without needing to increase taxes; and

WHEREAS, by changing ownership and operations of the systems the City resources can be focused on core municipal services like public safety, streets, parks and planning, while Missouri-American Water Company will invest in system upgrades under Missouri PSC oversight and improve the services by both systems to the citizens of the City and the public.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF NEOSHO, MISSOURI, as follows:

Section 1. That the Agreement for Purchase of the Water and Wastewater Systems from the City of Neosho, by and between the City of Neosho and Missouri-American Water Company, a Missouri corporation, for the sale price of Thirty-Four Million, Five Hundred Thousand and 00/100 Dollars (\$34,500,000.00), a true and accurate copy of said Agreement being attached hereto and incorporated as Exhibit "A," be and the same is hereby approved.

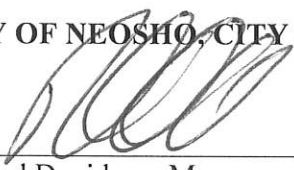
Section 2. That the Mayor of the City of Neosho, Missouri, is hereby authorized and directed to execute said Agreement by and on behalf of the City of Neosho.

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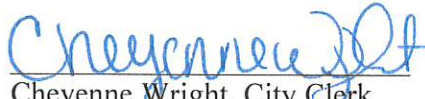
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PASSED BY THE COUNCIL OF THE CITY OF NEOSHO, MISSOURI, this 19th day
of August, 2025, by a vote of 7-0.

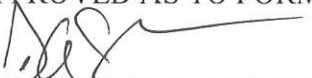
CITY OF NEOSHO, CITY COUNCIL


Richard Davidson, Mayor

ATTEST:


Cheyenne Wright, City Clerk

APPROVED AS TO FORM:


Derek A. Snyder, City Attorney

SEAL