BILL 2012-42

****** First Reading ******

Agenda Item

TO: Mayor and City Council

FROM: Mark S. Gaugh, City Manager

DATE: August 20, 2012

RE: Alliance Water Resources Agreement

Issues

The City's wastewater plant is operated on a day-to-day basis by Alliance Water Resources, based in Columbia, Missouri. Each year, Alliance Water Resources submits a proposed agreement to the City that coincides with the City's fiscal year, except that the Alliance agreement runs from October 15th to October 14th each year. The proposed annual fee for contract operations for the 2012-2013 fiscal year for the wastewater plant is $368,445. This is an increase from last year of approximately 2.31%. They have projected increases in lab testing, lab supplies, maintenance supplies and fuel costs as shown on the attached document. I asked Alliance what the cost would be to take on additional work, related to grease interceptor inspections at food service establishments. They propose doing this work at no additional cost if the City would consider extending their agreement to five-year terms.

The City receives refunds from Alliance in the event actual repair expenses are less than budgeted expenses, so the operational fee may end up less than what is shown in the budget. The repair limit is proposed at $26,500, which is same as the current year.

Recommendation

Staff recommends that the agreement with Alliance be approved on two readings.

Bill 2012-42

AN ORDINANCE AUTHORIZING AN AMENDMENT TO THE AGREEMENT BY AND BETWEEN THE CITY OF CAMERON, CLINTON AND DeKALB COUNTIES, MISSOURI AND ALLIANCE WATER RESOURCES, INC. FOR MANAGEMENT AND OPERATIONS SERVICES AT THE CAMERON WASTEWATER FACILITY

WHEREAS, the City of Cameron City Council has an agreement with Alliance Water Resources; and

WHEREAS, the agreement is adjusted on an annual basis to reflect cost changes for the upcoming fiscal year.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CAMERON, CLINTON AND DeKALB COUNTIES, MISSOURI AS FOLLOWS:

Section 1. The Mayor is hereby authorized to sign the agreement by and between the City of Cameron and Alliance Water Resources, Inc. a copy of which is attached hereto and made a part hereof for management and operations services at the Cameron Waste Water Treatment Plant.

Section 2. The City Clerk is hereby directed to attest to the Mayor's signature.

Passed and approved on first reading this 20th day of August 2012.
Passed and approved on second reading this _____ day of _____ 2012.
Passed and approved on third and final reading this _____ day of _____ 2012.

_____
Mayor Dennis M. Clark

ATTEST:

_____
City Clerk/Finance Clerk

First Reading