RESOLUTION 2014-24

Agenda Item

TO: Mayor and City Council

FROM: Mark S. Gaugh, City Manager

DATE: August 4, 2014

RE: Great Northwest Wholesale Water Commission (GNWWC) Resolution

Issues

The GNWWC representatives have been working with potential funding agencies, regarding the pipeline project to serve the first phase of the project. The USDA is interested in seeing the GNWWC proposal for interested entities. In order for them to determine which entities are willing to negotiate take-or-pay agreements, a Resolution is requested. This information is requested within approximately 30 days, so that funding may be determined. The City would not be obligated until it signs a take-or-pay agreement with the GNWWC.

Our consultant on this issue is HDR Engineers, and Mike Kalis has studied the report prepared for the Commission by its engineer, CDM, located in Kansas City. Mr. Kalis asked CDM to investigate whether a water rate charge could be developed where the costs can be shown for the capital cost share for the pipeline, and a separate charge for the water purchased. CDM did some research and responded affirmatively. If the rate and financing are acceptable to Council, then the next step will be to sign agreements. HDR is working on the rate as it impacts Cameron, specifically, and it will be provided as soon as it is available. At that time, the Council can discuss whether or not to proceed with a purchase agreement between the GNWWC and the City.

Recommendation

This agreement was discussed at the April 16, 2012 Council meeting and we are recommending full reading at this time.

Resolution 2014-24

RESOLUTION FOR THE CITY OF CAMERON, CLINTON AND DeKALB COUNTIES, MISSOURI REGARDING THE TAKE OR PAY WATER CONTRACT WITH GREAT NORTHWEST WHOLESALE WATER COMMISSION

WHEREAS, the City of Cameron was a founding member and still current member of the Great Northwest Wholesale Water Commission; and

WHEREAS, the City of Cameron is in need of an additional water supply for its water requirements; and

WHEREAS, the City of Cameron is ready to negotiate and enter into a take or pay water contract with Great Northwest Wholesale Water Commission, subject to the project being financed.

NOW THEREFORE, BE IT RESOLVED by the Council of the City of Cameron, Clinton and DeKalb Counties, Missouri that:

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The City of Cameron will consider and negotiate a take-or-pay agreement with the Great Northwest Wholesale Water Commission for additional water for municipal use.

Passed and approved this 4th day of August 2014.

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Mayor Dennis M. Clark

Attest:

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City Clerk/Finance Clerk