BILL 2014-33

****** Second and Final Reading ******

Agenda Item

TO: Mayor and City Council

FROM: Mark S. Gaugh, City Manager

DATE: August 18, 2014

RE: Ordinance – Ameresco Agreement

Issues

At the April 7, 2014 Council meeting, Ameresco presented the results of a cost analysis for Automated Metering and certain building energy improvements. The feasibility of an automated meter system has been reviewed extensively by staff over a period of several years. We have talked to numerous municipalities and some electric coop operations. No one we have talked with felt that switching to an AMI system was a bad decision. None of them reported that they would switch back to a manual system.

Ameresco's report outlines the meter testing that was done, as well as the cost analysis with estimated debt service costs. It was determined that the AMI system will pay for itself through more accurate reads of the meters, along with operational reductions involved with mechanical reading of the meters. Some other benefits to an AMI system are; better customer service through accurate billing, leak notification ability and online access to usage of power and water.

Council has subsequently approved a Resolution to proceed with an agreement with Ameresco. The agreement will be presented as other agreements of this nature, in ordinance form. Two readings are generally done for this type of agreement.

Recommendation

Staff recommends that the Council pass the First Reading of the ordinance, which is set for two readings. The agreement is also subject to funding approval and an issuance of a Notice to Proceed as outlined in Section 3 of the Ordinance. If, for some reason, Council does not approve funding, the agreement will not go into effect.

Bill 2014-33

AN ORDINANCE AUTHORIZING THE CITY MANAGER OF THE CITY OF CAMERON, CLINTON AND DeKALB COUNTIES, MISSOURI TO ENTER INTO AGREEMENT WITH AMERESCO COMPANY FOR WATER AND ELECTRIC AUTOMATED METERING AND ENERGY IMPROVEMENTS

WHEREAS, the City of Cameron solicited and interviewed companies that provide automated metering and energy analysis services; and

WHEREAS, the City Council approved a Resolution to evaluate an agreement with Ameresco, an energy services company; and

WHEREAS, City staff and attorney have reviewed the agreement and staff analysis indicates that the improvements will pay for themselves in the long term, as a result of better metering of water and power, along with reduced operational costs. In addition, energy savings in City buildings as a result of more efficient lighting and other improvements will reduce the operating costs for affected buildings.

NOW, THEREFORE, BE IT ORDAINED by the Mayor and City Council for the City of Cameron, Clinton and DeKalb Counties, Missouri, as follows:

Section 1. The City Manager or his designee is authorized to execute contract documents, change orders within purchasing guidelines and ancillary documents necessary to effect this transaction.

Section 2. The Mayor is hereby authorized to sign this Ordinance on behalf of the City of Cameron.

Section 3. The City Clerk is hereby directed to attest to the Mayor's signature.

Section 4. Contingent upon funding approval and the issuance of a Notice to Proceed by the City of Cameron to Ameresco, this Ordinance shall be in full force and effect from and after its passage.

Passed and approved on first reading this 18th day of August 2014.
Passed and approved on second reading this 2nd day of September 2014.
Passed and approved on third and final reading this 2nd day of September 2014.

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Mayor Dennis M. Clark

ATTEST:

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City Clerk/Finance Clerk

Second and Final Reading