BILL 2017-38

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

Agenda Item

TO: Mayor and City Council

FROM: Zachary Johnson, Director of Utilities

DATE: November 6, 2017

RE: Burns and McDonnell Professional Services Agreement

Purpose

It is necessary from time to time to evaluate our rate structure to ensure proper rate design to meet financial forecasts. A proper study is extensive, costly, not something that cannot be done in house. We consulted with several other municipalities and MPUA regarding engineering firms capable of completing such study. Burns & McDonnell came highly recommended by all. Burns & McDonnell will be working with the City to develop a financial forecast model, establish a true cost of service, and conduct a full review of our current rate structure. The estimated cost for the study is $28,950.

Recommendation

Staff recommends the following ordinance be passed and approved authorizing the City Manager to enter into a Professional Service Agreement with Burns and McDonnell for the completion of an electric utility rate analysis. The cost of this study was taken into consideration when preparing the 2017-18 Budget.

Bill 2017-38

AN ORDINANCE AUTHORIZING THE CITY MANAGER OF THE CITY OF CAMERON, CLINTON, DeKALB, AND CALDWELL COUNTIES MISSOURI, TO ENTER INTO A PROFESSIONAL SERVICES AGREEMENT WITH BURNS AND McDONNELL FOR AN ELECTRIC UTILITY RATE STUDY

WHEREAS, the City of Cameron owns and operates its own electrical distribution system and provides service to the residents of Cameron; and

WHEREAS, the City of Cameron City Council has determined the need for an electric utility rate study; and

WHEREAS, a detailed electric rate study requires the services of a consulting engineer.

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

Section 1. The City Manager is hereby authorized to enter into an agreement with Burns and McDonnell for the purpose of completing an electric utility rate study. A copy of which is attached hereto and made a part hereof.

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.

Passed and approved on first reading this 6th day of November 2017.
Passed and approved on second and final reading this 20th day of November 2017.

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Mayor Darlene Breckenridge

ATTEST:

_____
City Clerk/Finance Clerk

Second and Final Reading