



Legislation Details (With Text)

File #: 2022-254 **Version:** 1 **Name:**

Type: Contract **Status:** Passed

File created: 6/13/2022 **In control:** Board of Directors

On agenda: 6/22/2022 **Final action:** 6/22/2022

Title: Proposed Amendment No. 4 to Water Service Contract with Lenox Township

Sponsors: Randal Brown

Indexes: General Counsel

Code sections:

Attachments: 1. Lenox Twp Water Contract Am 4 Ex B 2022

Date	Ver.	Action By	Action	Result
6/22/2022	1	Board of Directors	Approved	Pass
6/22/2022	1	Legal Committee	Recommended for Approval	Pass

Proposed Amendment No. 4 to Water Service Contract with Lenox Township

Agenda of: June 22, 2022
Item No.: **2022-254**
Amount: Revenue Contract

TO: The Honorable
Board of Directors
Great Lakes Water Authority

FROM: Suzanne R. Coffey, P.E.
Interim Chief Executive Officer
Great Lakes Water Authority

DATE: June 22, 2022

RE: Proposed Amendment No. 4 to Water Service Contract with Lenox Township

MOTION

Upon recommendation of Randal Brown, General Counsel, the Board of Directors (“Board”) of the Great Lakes Water Authority (“GLWA”), **authorizes the Interim Chief Executive Officer (“ICEO”) to execute Amendment No. 4 to the 30-year water service contract with Lenox Township;** and authorizes the ICEO to take such other action as may be necessary to accomplish the intent of this vote.

BACKGROUND

On 4/4/2022, the Lenox Township (“Member Partner”) Board agreed to the terms of Amendment No. 4 (“Amendment”) to its water service contract with GLWA. This Amendment is one of several regularly occurring amendments required by the terms of GLWA’s model 30-year water service contract.

This Amendment incorporates the following changes:

Section 5.06 is deleted. Section 5.06 was known as the “minimum take or pay” clause. Previously, on January 26, 2022, this Honorable Body agreed to the removal of this clause from all member partner contracts because the 60% fixed cost component of the GLWA charge structure eliminates its need.

Exhibit B, attached, is affirmed and/or modified regarding (a) the pressure range at directly metered locations for calendar years 2023 to 2026, (b) the maximum day and peak hour values for calendar years 2023 to 2026, and (c) the projected annual volume for system planning purposes for fiscal years 2024 to 2027.

JUSTIFICATION

Approval of this Amendment provides a mutually beneficial, stable, long-term framework for interactions between GLWA and the Member Partner and incorporates annual system planning volumes, pressures, and maximum day and peak hour values that better reflect future Member Partner usage.

BUDGET IMPACT

The revenues expected to result from this Amendment will be reflected in the FY 2023-2024 schedule of charges.

COMMITTEE REVIEW

This matter was presented to the Legal Committee at its meeting on June 22, 2022. The Legal Committee unanimously recommended that the GLWA Board adopt the resolution as presented.

SHARED SERVICES IMPACT

This item does not impact the shared services agreement between GLWA and DWSD.