



Legislation Details (With Text)

File #: 2022-573 **Version:** 1 **Name:**

Type: Contract **Status:** Passed

File created: 12/8/2022 **In control:** Board of Directors Workshop Meeting

On agenda: 12/14/2022 **Final action:** 12/14/2022

Title: Proposed First Amended and Restated Water Service Contract with City of Wayne

Sponsors: Randal Brown

Indexes: General Counsel

Code sections:

Attachments: 1. Wayne First Amended and Restated Water Contract 2022 Ex B

Date	Ver.	Action By	Action	Result
12/14/2022	1	Board of Directors Workshop Meeting	Approved	Pass
12/14/2022	1	Legal Committee	Recommended for Approval	Pass

Proposed First Amended and Restated Water Service Contract with City of Wayne

Agenda of: December 14, 2022
Item No.: **2022-573**
Amount: Revenue Contract

TO: The Honorable
Board of Directors
Great Lakes Water Authority

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

DATE: December 14, 2022

RE: Proposed First Amended and Restated Water Service Contract with City of Wayne

MOTION

Upon recommendation of Randal Brown, General Counsel, the Board of Directors (“Board”) of the Great Lakes Water Authority (“GLWA”), **authorizes the Chief Executive Officer (“CEO”) to execute the 30-year First Amended and Restated Water Service Contract with City of Wayne;** and authorizes the CEO to take such other action as may be necessary to accomplish the intent of this vote.

BACKGROUND

On 11/15/2022, the Wayne (“Wayne”) City Council agreed to the terms of the First Amended and Restated Water Service Contract with GLWA (“Amendment”).

While the model 30-year water service contracts provide for review of certain values (the pressure range at directly metered locations, and the max day and peak hour values (collectively, the “Values”)) at specified intervals, Wayne had not previously agreed to amend its contract Values. This year, Wayne agreed to a meeting during which the GLWA team shared with Wayne its historical performance data. The data review resulted in the party’s agreement to lower max day and peak hour contract values.

Also, due to the conclusion of the construction of the new GLWA Park-Merriman transmission main through Wayne and the relocation of several GLWA master meters measuring Wayne’s usage, the party’s agreed to an additional reopener and data review in the Fall of 2024.

Because the model contract has undergone many substantive changes to its terms since the execution of Wayne’s contract in 2008 (thirteen individual sections and the entirety of Article 5), it was determined that an amendment and full restatement of the contract was appropriate. Accordingly, this Amendment:

1. Makes the terms of Wayne’s contract identical to GLWA’s other model contracts, including those changes proposed to sections 5.06 and 5.07 negotiated with all member partners this year.
2. Modifies or affirms certain terms in Exhibit A regarding Wayne’s service area boundaries, meter locations, emergency connections, the list of retail customers outside Wayne’s corporate limits, and each party’s respective ownership and maintenance responsibilities. Exhibit A is not attached for homeland security reasons.
3. Modifies or affirms certain terms in Exhibit B regarding (a) the pressure range at directly metered locations for calendar years 2023 to 2024, (b) the max day and peak hour values for calendar years 2023 to 2024, and (c) the projected annual volume for system planning purposes for fiscal years 2024 to 2025.
4. Provides for an additional reopener and data review in the Fall of 2024.

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 is being presented to the Legal Committee for consideration at its meeting on December 14, 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.