Legislation Details (With Text)

File #:	2018-558	**Version:**	1	**Name:**	
Type:	Contract			**Status:**	Passed
File created:	1/12/2018			**In control:**	Board of Directors
On agenda:	1/24/2018			**Final action:**	1/24/2018
Title:	Proposed Amendment No. 3 to Water Service Contract with City of Fraser				
Sponsors:	Randal Brown				
Indexes:	General Counsel				
Code sections:					
Attachments:	1. Fraser Water Contract Am 3 EX B 2017				

Date	Ver.	Action By	Action	Result
1/24/2018	1	Board of Directors	Approved	Pass

Proposed Amendment No. 3 to Water Service Contract with City of Fraser

Agenda of: January 24, 2018
Item No.: **2018-558**
Amount: Revenue Contract

TO: The Honorable
Board of Directors
Great Lakes Water Authority

FROM: Sue F. McCormick
Chief Executive Officer
Great Lakes Water Authority

DATE: **January 24, 2018**

RE: Proposed Amendment No. 3 to Water Service Contract with City of Fraser

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), upon approval and execution by the wholesale water customer, to execute Amendment No. 3 to the 30-year water service contract with City of Fraser;** and authorizes the CEO to take such other action as may be necessary to accomplish the intent of this vote.

BACKGROUND

On January 11, 2018, the Fraser ("Customer") City Council agreed to the terms of Amendment No. 3 ("Amendment") to the Water Service Contract with GLWA. This Amendment is one of several regularly occurring amendments as mandated by the terms of the standard 30-year water service contracts with GLWA's wholesale customers. Pursuant to Section 5.07 of the contract, GLWA and Customer agree to affirm or modify the pressure range at directly metered locations and the maximum day and peak hour values (collectively, the "Values") at year 2 of the contract, year 5 of the contract, and every 5 years thereafter. While the projected annual volume ("Volume") is no longer determined by the contract for charge purposes, GLWA requests that Customers affirm or modify Volume for system planning purposes. In this

Amendment, Customer has agreed to modify the Values for calendar years 2018 to 2022, and the Volume for fiscal years 2019 to 2023 as set forth in the attached Exhibit B.

Also in this Amendment, Exhibit A of the contract, which establishes Customer's service area boundaries, meter locations, emergency connections, those retail customers outside of Customer's corporate limits, and each party's respective ownership and maintenance responsibilities, has been updated to reflect the most current information. Exhibit A is not attached for homeland security reasons.

This Amendment will modify the terms of the existing water service contract between GLWA and Customer.

JUSTIFICATION

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

BUDGET IMPACT

The revenues expected to result from this Amendment are reflected in the FY 2018-2019 schedule of charges.

COMMITTEE REVIEW

This matter was presented directly to the full Board of Directors for consideration and approval.

SHARED SERVICES IMPACT

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