

RESOLUTION APPROVING A TEN-YEAR LEASE AGREEMENT WITH DUKE ENERGY
FOR THE ON-SITE POWER GENERATION SERVICES AT THE NORTH BUFFALO
CREEK WATER RECLAMATION FACILITY

WHEREAS, the T.Z. Osborne Water Reclamation Facility (TZO) is undergoing expansion/upgrades that will allow it to operate at 56 Million Gallons per day (MGD) capacity;

WHEREAS, when TZO is able to operate at this capacity the North Buffalo Creek Reclamation Facility (NB) will be decommissioned and converted into an equalization/transfer pumping station that will pump all influent wastewater to TZO and will require a constant and reliable source of back-up power in order to assure that wastewater service will continue to be uninterrupted;

WHEREAS, a generator feasibility study performed by Duke Energy determined that one 3000 kW standby rated, 480 Volt Diesel electric generator would be needed;

WHEREAS, the generator maintenance and fuel acquisition to support the use of the equipment will be Duke Energy's responsibility;

WHEREAS, the term of the proposed lease agreement presented herewith this day calls for Duke Energy to provide on-site generation service to NB, located at 2199 White Street for a fee of \$30,550 per month for 120 months.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF GREENSBORO:

That the lease presented herewith this day with Duke Energy to provide on-site generation service to NB, located at 2199 White Street in the amount of \$30,550 per month for 120 months is hereby approved; said payment in the amount of \$366,600 for the first year, payment to be made from Account No. 501-7051-01.5429 with subsequent year funding contingent upon Council approval of future departmental budget.