



Legislation Text

File #: ID 16-0631, **Version:** 1

Resolution Approving an Interlocal Municipal Agreement with the City of Reidsville for the Purchase of Treated Drinking Water

Department: Water Resources
Council District: All

Public Hearing: N/A
Advertising Date/By: N/A

Contact 1 and Phone: Steven D. Drew, 336-373-7893
Contact 2 and Phone: Mike Borchers, 336-373-2494

PURPOSE:

An amendment to the interlocal agreement to purchase water from the City of Reidsville is requested to address needed equipment for operational purposes, the minimum purchase amount, and the rate to sell water to Reidsville if needed.

BACKGROUND:

The City of Reidsville and City of Greensboro originally entered into a water purchase agreement in May of 1999. This agreement formed the basis for the interconnection of the two water and sewer systems of the respective communities. The agreement was renewed in September of 2009 with an expiration of June 30, 2014, and subsequently extended for an additional five years with an expiration of June 30, 2019. The proposed amendment increases the minimum purchase to 1 million gallons per day and creates agreement for the installation of a variable speed motor controller to operational needs. It contains the same purchase water rate basis as the previous agreement. The amendment also sets the rate for Greensboro to sell water to Reidsville in the event that Reidsville needs operational flexibility, and extends the contract an additional five years to June 30, 2024.

BUDGET IMPACT:

The minimum purchase under this contract has a budget impact of approximately \$650,000 per year. The reimbursement of the installation of a variable speed motor controller is estimated at \$500,000.

RECOMMENDATION / ACTION REQUESTED:

Water Resources requests and recommends that City Council Approve the Interlocal Municipal Agreement with the City of Reidsville for the Purchase of Treated Drinking Water.