



Legislation Text

File #: ID 17-0396, **Version:** 1

Resolution Approving a Reimbursement Agreement with the City of Reidsville for the Funding of Operational Needs Required to Support the Purchase of Treated Drinking Water

Department: Water Resources
Council District: All

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

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PURPOSE:

Funding is needed to support the interlocal agreement with the City of Reidsville to address needed equipment for operational purposes.

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. City Council approved an amendment to the agreement on August 16 of 2016 that increased the minimum purchase to 1 million gallons per day. The amendment contained the same purchase water rate basis as the previous agreement. The amendment also set the rate for Greensboro to sell water to Reidsville in the event that Reidsville needs operational flexibility, and extends the contract to June 30, 2024. A condition of the agreement required the installation of a variable speed motor controller and associated electrical and instrumentation to meet operational needs. According to the agreement Reidsville shall pay the upfront cost and Greensboro would reimburse for the cost of the infrastructure. The construction cost of the new pump enclosure, variable speed motor controller and associated electrical instrumentation is \$1,419,893. Contracts for electricity or water and sewage services from a municipal utility district or governmental agency are excluded from the M/WBE Program Plan.

BUDGET IMPACT:

Funds are budgeted in Water Resources Capital Improvements Fund account 503-7026-04.5932 in the amount of \$1,419,893

RECOMMENDATION / ACTION REQUESTED:

The Water Resources Department requests and recommends that City Council Approve a resolution authorizing the execution of a Reimbursement Agreement with the City of Reidsville for \$1,419,893 for the funding of operational needs required to support the purchase of treated drinking water.