



Legislation Text

File #: ID 20-0705, **Version:** 1

Resolution Approving a Reimbursement Agreement with the City of Reidsville for the Funding of Water Quality Improvements Supporting the Purchase of Treated Drinking Water

Council Priority: Maintain Infrastructure and Provide Sustainable Growth Opportunities

Department: Water Resources
Council District: All

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

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PURPOSE:

The City of Greensboro Water Resources Department is requesting funding for a reimbursement agreement with the City of Reidsville to support the installation of water treatment equipment designed to improve the quality of water Greensboro receives through an interlocal agreement.

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 community's water and sewer systems. City Council approved an amendment to the agreement on August 16, 2016 that increased the minimum purchase to 1 million gallons per day and extended the contract to June 30, 2024.

To help address water quality issues tied to the formation of disinfection byproducts, the City of Reidsville is proposing to install a powdered activated carbon (PAC) feed system at their Reid Lake Water Treatment Plant. The feed system will reduce the potential formation of these byproducts that have resulted in occasional water quality issues for Greensboro through the water supply interconnect. The treatment process improvement also helps reduce the adverse impacts from high water age created by the time it takes to transport water from Reidsville to Greensboro's distribution system.

The reimbursement agreement assigns the cost of the water treatment improvement based on the percentage of water purchased in relation to total daily production. For last fiscal year, the city purchased on average 33% of total daily production (0.995 million gallons per day (MGD) out of a total average flow of 3.025 MGD). The engineering cost estimate for the new system is \$399,600, which equates to a reimbursable cost for Greensboro of \$131,900. This agreement is excluded from the M/WBE Program Plan, which states "that the following categories of contracts shall be excluded from the scope and application of this Program Plan: (c) Contracts for electricity or water and sewage services from a municipal utility district or governmental agency." However, bidders are required to abide by the City of Reidsville's Good Faith Efforts for minority utilization in order to be considered responsive on the installation project.

BUDGET IMPACT:

Funding is budgeted in Water Resources Capital Improvements Fund account 503-7030-04.6019 A21045 in the amount of \$131,900.00. A budget adjustment is needed to use this account.

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 \$131,900 for the funding of water quality improvements supporting the purchase of treated drinking water and the associated budget adjustment.