

City Council Agenda Items
and
Contracts, Leases or Agreements

11/20/2012

City Council Meeting Date
Agenda Items Only

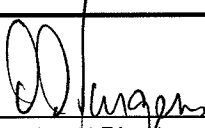

David Jurgens	Utilities	Utilities
Submitted By	Division	Department

Action Required:

Approval of an extension to the agreement between Fayetteville and Greenland to operate and maintain Greenland's wastewater collection system.

\$ -		
Cost of this request	Category / Project Budget	Program Category / Project Name
Account Number	Funds Used to Date	Program / Project Category Name
	\$ -	
Project Number	Remaining Balance	Water/Sewer Fund Name

Budgeted Item Budget Adjustment Attached

	3/10/12	Previous Ordinance or Resolution #	04-09
Department Director	Date	Original Contract Date:	1/6/2009
	11-2-12	Original Contract Number:	N/A
City Attorney	Date		


Paul A. Bucher

Finance and Internal Services Director

11-2-2012

Date

Received in City Clerk's Office





Chief of Staff

11-6-12

Date

Received in Mayor's Office





Mayor

11/8/12

Date

Comments:

To: Fayetteville City Council

Thru: Mayor Lioneld Jordan
Don Marr, Chief of Staff

From: David Jurgens, Utilities Director
Water/Sewer Committee



Date: October 31, 2012

Subject: Extending the Wastewater Services Agreement between Fayetteville and Greenland

RECOMMENDATION

City Administration recommends approval of an extension to the agreement between Fayetteville and Greenland to operate and maintain Greenland's wastewater collection system.

BACKGROUND

Fayetteville has operated and maintained the wastewater collection system in Greenland since the system was installed in the mid-1970's. The current wastewater services agreement expires January 8, 2013. Both Cities have expressed willingness and desire for Fayetteville to own the system, as well as to operate and maintain it. In order to make that transition, the system needs to be restored to full working order, or to be "made whole." This will be accomplished in the next two years, with the completion of a cost-shared sanitary sewer rehabilitation project and the installation of a backup power generator at the sewer pump station on Sandy Lane.

The sewer rehabilitation project, which will cover Greenland and significant areas of southern Fayetteville, will be funded through a \$287,000 State Tribal and Assistance Grant (received in late 2010), Greenland supplied funding, and Fayetteville water and sewer funds from the sanitary sewer rehabilitation project. Fayetteville staff will design the rehabilitation - with surveying and plan development support from Garver Engineers - and will manage the construction, which is expected to begin in early-mid 2013.

Fayetteville already owns, and has always owned, the water system in the majority of Greenland. The small area west of I-540 receives water service from Washington Water Authority and sewer service from Fayetteville. Billing and collection works well between the two water systems.

DISCUSSION

Extending the existing wastewater services agreement for two years meets all current needs and lays the groundwork for the potential future change in ownership. All sewer services provided to Greenland residents by Fayetteville will continue unchanged through approval of this contract by both cities. Sewer rehabilitation design is underway and Greenland has developed sewer and development master plans. When the rehabilitation is completed, the system will be in appropriate condition for Fayetteville to take ownership. This is expected to be achievable in 2013.

BUDGET IMPACT

None. Greenland residents pay the "outside of city" sewer rates; this will not change.

RESOLUTION NO. _____

A RESOLUTION APPROVING AN EXTENSION OF THE AGREEMENT
BETWEEN THE CITY OF FAYETTEVILLE AND THE CITY OF
GREENLAND REGARDING THE PROVISION OF WASTEWATER
COLLECTION SERVICES IN THE CITY OF GREENLAND

**BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF
FAYETTEVILLE, ARKANSAS:**

Section 1: That the City Council of the City of Fayetteville, Arkansas hereby approves an extension of the agreement between the City of Fayetteville and the City of Greenland regarding the provision of wastewater collection services in the City of Greenland. A copy of the contract extension is attached to this Resolution as Exhibit "A".

PASSED and APPROVED this 20th day of November, 2012.

APPROVED:

ATTEST:

By: _____
LIONELD JORDAN, Mayor

By: _____
SONDRA E. SMITH, City Clerk/Treasurer

TWO YEAR AGREEMENT TO CONTINUE SEWER SERVICE BY FAYETTEVILLE FOR GREENLAND

Come now the City of Fayetteville and the City of Greenland and agree to a two year sewer contract for the period of January 9, 2013 until January 6, 2015. The cities agree as follows:

1. Fayetteville agrees that it will continue to operate and maintain the Greenland sewer system and shall treat all wastewater collected within the Greenland city limits (but only for customers who have individual water services provided by Fayetteville). Sewer service to Greenland residents not having Fayetteville water service may be furnished provided mutual agreement on the method of billing such customers can be reached by Fayetteville and Greenland.
2. Greenland agrees that it will require its citizens receiving Fayetteville water service to purchase sewer service from Fayetteville under the same sewer availability criteria as required of Fayetteville citizens. Greenland agrees that its citizens will be subject to pay sewer rates on a cost-of-service basis pursuant to the current sewer service rates adopted by the Fayetteville City Council, (§51.137 of the Code of Fayetteville) and any amendments approved thereto.
3. Pursuant to Greenland ordinance 280, Greenland customers receiving new sewer service from Fayetteville to pay sewer system impact fees to Fayetteville in the same amount as new development in Fayetteville pays pursuant to the current ordinance and any amendments to §159.02 **Water and Wastewater Impact Fees** of the Unified Development Code of Fayetteville. Pursuant to Greenland ordinance 282, Greenland customers will pay Greenland local impact fees, which Fayetteville will collect and remit quarterly to Greenland.
4. Paragraphs 5, 6, 7, 8, 9, 10, 11, 12, 13, 15, 16, 17, 18, 19, 21 and 22 of the 1993 Fayetteville - Greenland Sewer Contract are adopted and incorporated herein as if set forth word for word.
5. Fayetteville and Greenland anticipate that the City of Fayetteville shall either assume ownership and operation of the Greenland sewer system on or before 30 September 2014 or that another, long-term Fayetteville -Greenland Sewer Contract shall be adopted in 2014 in which Fayetteville will agree to continue to operate and maintain the sewer system within and serving Greenland residents.

IN AGREEMENT WITH ALL PROMISES, OBLIGATIONS AND TERMS STATED ABOVE, the Mayors of the Cities of Fayetteville and Greenland .have signed below after having been properly authorized by their respective City Councils.

City of Fayetteville, Arkansas

City of Greenland, Arkansas

Mayor Lioneld Jordan

Mayor Bill Groom

ATTEST:

Sondra Smith
City Clerk

Donna Cheevers
City Clerk

