

 <p style="text-align: center;">Council Communication Office of the City Manager</p>	Date: April 21, 2014
	Agenda Item No. 58 Roll Call No. <u>14-0654</u> Communication No. <u>14-187</u> Submitted by: Richard A. Clark, City Manager

AGENDA HEADING:

Resolution authorizing the approval and execution of and delivery of the Second Amended and Restated Agreement for the Des Moines Metropolitan Wastewater Reclamation Authority (WRA), consenting to and ratifying and confirming the issuance of bonds by the Board of the WRA for the purpose of constructing improvements under the terms of the agreement and related matters.

SYNOPSIS:

Resolution authorizing the approval, execution, and delivery of the Second Amended and Restated Agreement for the WRA and ratifying and confirming the authority to issue bonds by the WRA.

FISCAL IMPACT:

Approval of the Second Amended and Restated Agreement will increase the debt limit of the WRA from \$475,000,000 of all debt issued to a limit of \$675,000,000 of all outstanding debt at any point in time, and will authorize the construction of an additional 18 WRA Capital Improvement projects at an estimated cost of \$267,000,000 (2013 dollars) that were identified as necessary in the WRA 2012 Facility Plan.

ADDITIONAL INFORMATION:

In October of 2011, Veenstra & Kimm, Inc. was selected to complete the WRA Facility Plan Update to develop an updated Capital Improvement Plan (CIP) for the WRA System with the intent to use this plan for an updated capital improvement program for the WRA. The list of issues identified in the Facility Plan Update and the CIP was the basis for discussions regarding changes in policy and the amendment that would be necessary to the 28E Agreement that formed the WRA. The need for a new update to the WRA Facility Plan was discussed by representatives of the WRA communities and there was a consensus that the WRA Facility Plan Update would need to be completed prior to any discussion regarding governance of the WRA.

Once the WRA Facility Plan Update was completed, the WRA Board appointed several representatives to the WRA Governance Committee who were tasked with negotiating an amendment to the 28E Agreement which formed the WRA to provide additional authority for financing the projects that were identified in the WRA 2012 Facility Plan. The committee has met multiple times over the past year, and has thoroughly identified changes that should be made to the WRA 28E Agreement. On March 18, 2014, the WRA Board passed a resolution giving notice of a population weighted vote on the approval of the Second Amended and Restated Agreement for the WRA and setting the date of the vote for April 15, 2014. The WRA Board further directed the WRA Director to send the agreement to

all of the participating communities for their review. The agreement was sent to the participating communities with the request that they review and respond with comments or questions by April 7, 2014 so that any changes could be made prior to the scheduled April 15, 2014 WRA Board meeting. A Council Workshop meeting was held on April 7, 2014 to discuss the Second Amended and Restated Agreement for the WRA. The comments received from member communities include the following:

1. Article III, Section 6 (Page 11) – changed reference to Article III, Section 5, from Article III, Section 3 (as requested by Clive)
2. Article XV, Section 3 (Page 39) – removed reference to “by and through its Board, Director, Operating Contractor and/or consultant(s)” and left only “the WRA” in line 2-3 (as requested by GP/HOC Sanitary District)
3. Article V, Sections 4-5 (Page 13 and page 1, Table of Contents) – made “Other Committees” to be Section 5 and “Executive Committee” to be Section 4, and corrected Table of Contents accordingly (as requested by West Des Moines)
4. Article IX, Section 4 (Page 28) – added “minor” to (i) (“approve minor adjustments”) (as requested by West Des Moines)
5. Exhibit 2, Part I, Line 1, Page 1, deleted 2009 from "Phase 1 - WRA" (Facility; first column): Page 1, deleted footer: Part II, Page 5, Line 1, "Phase 1 - WRF" (last column) the Total (mgd) changed from 116.16 to 134.00

These comments have been taken into consideration and incorporated into the final form of the Second Amended and Restated Agreement for the WRA, which was approved as to form and content by the WRA Board at the April 15, 2014 meeting. The WRA Board further recommended the approval and execution by the participating communities, and the WRA Board approved the WRA 2012 Facility Plan, subject to the approval of the Second Amended and Restated Agreement of the WRA by the participating communities.

PREVIOUS COUNCIL ACTION(S):

Date: April 19, 2004

Roll Call Number: 04-844 and 04-845

Action: Items regarding the Des Moines Metropolitan Wastewater Reclamation Authority:

(A) Amended and Restated Agreement, consenting to issuance of bonds by the Board, to construct improvements under the term of the agreement, which includes the Facilities Plan Update. Moved by Vlassis to adopt. Motion Carried 6-1.

(B) Operation Contract with the City. ([Council Communication No. 04-194](#)) Moved by Vlassis to adopt. Motion Carried 6-1.

BOARD/COMMISSION ACTION(S):

Board: Wastewater Reclamation Authority

Date: April 15, 2014

Resolution Number: 14-49

Action: Resolution approving the form and content of the Second Amended and Restated Agreement for the WRA and recommending its approval and execution by the participating communities, and approving the WRA 2012 Facility Plan.

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS: NONE

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