



City of Rochester Hills
AGENDA SUMMARY
FINANCIAL ITEMS

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Legislative File No: 2015-0532

TO: Mayor and City Council Members

FROM: Allan E. Schneck, P.E., Director, Department of Public Services

DATE: December 14, 2015

SUBJECT: NOCWA / City of Detroit, Water Service Contract Amendment No. 1
City File #E13-006

REQUEST:

The Department of Public Services recommends that Amendment No. 1 to the Water Service Contract provided by the City of Detroit be accepted and that the City Council authorizes the Mayor to execute the updated contract on behalf of the City.

REASON FOR PURCHASE:

On September 22, 2014, City Council approved the North Oakland County Water Authority (NOCWA) agreement. NOCWA consists of the City of Rochester Hills, the City of Auburn Hills, Orion Township, and the Oakland County Water Resources Commissioner (representing the City of Pontiac).

The purpose of NOCWA is to provide better water service to the four communities, maximize the utilization of existing underutilized assets (for example, Pontiac water storage tanks), and to increase overall efficiency by operation as a regional district instead of four individual communities.

This has created an economic benefit by sustaining water rates, sharing best management practices with neighboring communities, improving water system pressures for some customers during high water demand, maximizing existing infrastructure, and reducing future capital expenditures.

NOCWA previously entered into a Water Service Contract with DWSD/GLWA on July 1, 2015. NOCWA representatives recently met with the DWSD/GLWA to discuss amending the existing Water Service Contract. NOCWA requested the re-opener based on the contract allowing amendments if any significant changes were made to NOCWA. NOCWA was able to demonstrate the ability to reduce the peak hour from 56.0 to 52.5. The request for the amendment was approved by DWSD/GLWA and will go into effect on July 1, 2016.

RECOMMENDATION:

The Department of Public Services recommends that Amendment No. 1 to the Water Service Contract provided by the City of Detroit be accepted, and that the City Council authorizes the Mayor to execute the updated contract on behalf of the City.

Attachment: Amendment No. 1 to Water Service Contract

APPROVALS:	SIGNATURE	DATE
Department Review		
Department Director		
Budget Content: Finance Director		
Purchasing Process: Supervisor of Procurement		
Mayor		
Deputy Clerk		