

Introduced by _____

First Reading _____

Second Reading _____

Ordinance No. _____

Council Bill No. B 307-12

AN ORDINANCE

authorizing a gas main extension guarantee agreement with Ameren Missouri for the provision of natural gas service to the Columbia Wastewater Treatment Facility; and fixing the time when this ordinance shall become effective.

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF COLUMBIA, MISSOURI, AS FOLLOWS:

SECTION 1. The City Manager is hereby authorized to execute a gas main extension guarantee agreement with Ameren Missouri for the provision of natural gas service to the Columbia Wastewater Treatment Facility. The form and content of the agreement shall be substantially as set forth in "Exhibit A" attached hereto and made a part hereof as fully as if set forth herein verbatim.

SECTION 2. This ordinance shall be in full force and effect from and after its passage.

PASSED this _____ day of _____, 2012.

ATTEST:

City Clerk

Mayor and Presiding Officer

APPROVED AS TO FORM:

City Counselor



AMEREN MISSOURI

GAS MAIN EXTENSION GUARANTEE AGREEMENT

Union Electric Company d/b/a Ameren Missouri agrees to make available to Customer, gas service by extending its distribution gas main 1,000 feet in length to the following premises:

From Gillespie Bridge Road extend natural gas main 1,000 feet to metering point.

Total cost of gas main extension is.....\$25,379.84 (Amount A)
 One thirty-sixth (1/36) of total cost is \$ 705.00 (Amount B)

Customer agrees to pay to Ameren Missouri each month during the first three years after completion of the extension, whether or not service is used, the following amounts:

When the net customer and commodity charge revenue for gas service used at said premises equals or exceeds Amount A above, Customer shall pay the amount of said bill.

When the net customer and commodity charge revenue for gas service used at said premises is less than Amount B above, Customer shall pay Amount B. The difference between the bill for gas service and Amount B is defined as deficiency revenue.

Note: All revenue amounts referred to are exclusive of purchased gas adjustment (PGA) revenue and revenue taxes. Ameren Missouri will add taxes to all amounts where applicable.

The main extension shall be considered as completed when Ameren Missouri has constructed its main adjacent to said premises and is ready to connect and supply gas service thereto.

This Guarantee Agreement shall terminate within the 36-month guarantee period whenever the total net customer and commodity charge revenue for gas service to the premises served by the extension, exclusive of PGA revenue and revenue taxes, equals or exceeds Amount A above. Whenever the total net customer and commodity charge revenue for gas service to the premises served by the extension, exclusive of PGA revenue and revenue taxes, equals or exceeds Amount A above at any time during the 36-month guarantee term, any deficiency revenue paid by Customer will be refunded to the Customer.

This agreement shall be binding upon the parties hereto and their successors and assigns.

ACCEPTED: AMEREN MISSOURI

 CUSTOMER OR GUARANTOR

BY: _____

BY: Mike Matthes, City Manager

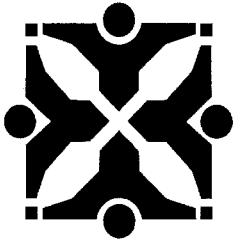
City of Columbia, MO

PRINT NAME: _____

701 E Broadway, Columbia, MO 65201
 ADDRESS

TITLE: _____

DATE / /



Source: Public Works *PSM/John*

Agenda Item No:

To: City Council
From: City Manager and Staff *MM*

Council Meeting Date: Nov 5, 2012

Re: Gas Main Extension Guarantee Agreement with Ameren Missouri for Gas Service for the Columbia Wastewater Treatment Facility

EXECUTIVE SUMMARY:

Staff has prepared for Council consideration an ordinance authorizing the City Manager to execute a Gas Main Extension Guarantee Agreement with Ameren Missouri to provide gas service for the Columbia Wastewater Treatment Facility.

DISCUSSION:

As part of the Wastewater Treatment Facility improvement project, Ameren Missouri is extending the natural gas main 1,000 feet, at a cost of \$25,379.84. The agreement with Ameren Missouri establishes a minimum monthly charge of \$705.00 for a 36 month period. If the actual gas usage for any month within the 36 month period is less than the minimum \$705.00 payment, the difference will be considered deficiency revenue. At any time within the 36 month period that the minimum payments and deficiency revenue equals or exceeds \$25,379.84, the agreement will terminate. In other words, the construction cost of the gas main extension will be reduced by the minimum monthly payment and any deficiency revenue during the 36 month period.

FISCAL IMPACT:

The total construction cost of this gas main extension is \$25,379.84. No budget amendment is needed since the funds were included in the FY 2013 operating budget to cover the monthly utility bills.

VISION IMPACT:

<http://www.gocolumbiamo.com/Council/Meetings/visionimpact.php>

None

SUGGESTED COUNCIL ACTIONS:

Approval of the ordinance authorizing the City Manager to execute the Gas Main Extension Guarantee Agreement with Ameren Missouri.

FISCAL and VISION NOTES:					
City Fiscal Impact Enter all that apply		Program Impact		Mandates	
City's current net FY cost	\$0.00	New Program/ Agency?	No	Federal or State mandated?	No
Amount of funds already appropriated	\$25,379.84	Duplicates/Epands an existing program?	No	Vision Implementation impact	
Amount of budget amendment needed	\$0.00	Fiscal Impact on any local political subdivision?	No	Enter all that apply: Refer to Web site	
Estimated 2 year net costs:		Resources Required		Vision Impact?	No
One Time	\$0.00	Requires add'l FTE Personnel?	No	Primary Vision, Strategy and/or Goal Item #	
Operating/ Ongoing	\$0.00	Requires add'l facilities?	No	Secondary Vision, Strategy and/or Goal Item #	
		Requires add'l capital equipment?	No	Fiscal year implementation Task #	