

RESOLUTION NO. 31-2002

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MESQUITE, TEXAS, AUTHORIZING THE MAYOR TO EXECUTE AN INTERLOCAL AGREEMENT WITH THE NORTH TEXAS MUNICIPAL WATER DISTRICT FOR DELIVERY OF ADDITIONAL TREATED WATER TO THE POINT OF DELIVERY NO. 3 LOCATED AT THE SOUTHEAST PUMP STATION; AND PROVIDING AN EFFECTIVE DATE THEREOF.

WHEREAS, the City of Mesquite (City) and the North Texas Municipal Water District (NTMWD) are parties to a Regional Water Supply Facilities Amendatory Contract dated August 1, 1988, which provides for NTMWD to supply the treated water needs of the City; and

WHEREAS, NTMWD currently supplies treated water to the City at Point of Delivery No. 1 located at the Hailey Pump Station, Point of Delivery No. 2 located at the Barnes Bridge Pump Station and Point of Delivery No. 3 located at the Southeast Pump Station; and

WHEREAS, the City has requested an increase in the maximum rate of delivery of treated water at Point of Delivery No. 3; and

WHEREAS, NTMWD adopted District Policy No. 8 "Additional Delivery Points and Transmission Line Extensions" to provide for increasing the maximum rate of delivery of treated water on request of Contracting Parties; and

WHEREAS, the Interlocal Cooperation Act, V.T.C.A., Texas Government Code, Chapter 791, provides authorization for any local government to contract with one or more local governments to perform governmental functions and services under the terms of the Act; and

WHEREAS, NTMWD proposes to design and construct another water transmission pipeline and related facilities to Point of Delivery No. 3 to provide for City's requested treated water service.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MESQUITE, TEXAS:

SECTION 1. That the Mayor is hereby authorized to execute the Interlocal Agreement attached hereto as Exhibit "A" between the City of Mesquite (City) and North Texas Municipal Water District (NTMWD) providing an increase in the maximum rate of delivery to the Point of Delivery No. 3 located at the Southeast Pump Station.

SECTION 2. That NTMWD will design and construct a water transmission pipeline and related facilities to provide for the City's requested treated water service.

SECTION 3. That the City acknowledges and accepts the established annual minimums of treated water to be received at the Point of Delivery No. 3 and as established in the Interlocal Agreement attached hereto as Exhibit "A."

SECTION 4. That this resolution shall take effect from and after its passage.

DULY RESOLVED by the City Council of the City of Mesquite, Texas, on the 17th day of June, 2002.



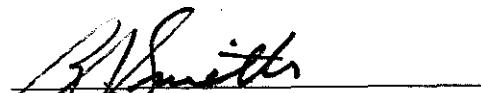
Mike Anderson
Mayor

ATTEST:

APPROVED:



Ellen Williams
City Secretary



B. S. Smith
City Attorney

NORTH TEXAS MUNICIPAL WATER DISTRICT

AGREEMENT BETWEEN THE NORTH TEXAS MUNICIPAL WATER DISTRICT AND THE CITY OF MESQUITE FOR ADDITIONAL TREATED WATER SERVICE AT POINT OF DELIVERY NO. 3

STATE OF TEXAS §

COUNTY OF COLLIN §

WHEREAS, the North Texas Municipal Water District (the "District") and the City of Mesquite (the "City") are parties to a Regional Water Supply Facilities Amendatory Contract dated August 1, 1988, which provides for District to supply the treated water needs of City; and

WHEREAS, District currently supplies treated water to City at Point of Delivery No. 1 located at the Hailey Site near the intersection of Hillview Drive and Galloway Avenue in Mesquite, Point of Delivery No. 2 located at the Casa View Site near the intersection of Ferguson Road and Barnes Bridge Road in Dallas, and at Point of Delivery No. 3 located near the intersection of Eulane Drive and Sierra Drive in Mesquite; and

WHEREAS, City has requested an increase in the maximum rate of delivery of treated water at Point of Delivery No. 3; and

WHEREAS, District has adopted District Policy No. 8, "Additional Delivery Points and Transmission Line Extensions" to provide for increasing the maximum rate of delivery of treated water on request of Contracting Parties; and

WHEREAS, District proposes to design and construct a transmission pipeline and related facilities parallel to District's existing 24-inch transmission pipeline from U.S. 80 to Point of Delivery No. 3 to provide for City's requested treated water service.

NOW THEREFORE, the two governing bodies of the City of Mesquite and the North Texas Municipal Water District mutually agree to the following conditions in accordance with District Policy No. 8:

A. CITY RESPONSIBILITIES

1. City shall provide adequate water storage and pump station facilities to receive additional treated water at Point of Delivery No. 3.
2. City shall be responsible for all facilities and equipment necessary to receive and take all treated water delivered from the meter to the reservoir in accordance with District specifications at Point of Delivery No. 3.
3. City shall assist District in acquisition of all right-of-way necessary within the City limits.

4. City acknowledges that its total annual minimum established for District's fiscal year 2001-2002 is 7,798,284,000 gallons of which 1,757,104,000 is attributable to Point of Delivery No. 3. Further, City agrees to accept the annual minimums set forth below beginning October 1, 2002:

- a. Points of Delivery No. 1 and No. 2 – the greater of 1) 6,041,180,000 gallons or 2) the total volume of treated water delivered by District to City from August 1, 2001 through July 31, 2002; and
- b. Point of Delivery No. 3 – an established minimum to be calculated as the greater of 1) 1,757,104,000 gallons or 2) the total volume of treated water delivered by District to City from August 1, 2001, through July 31, 2002 plus an additional minimum for the cost of the additional facilities.

1. The following shall be the total annual minimum for Point of Delivery No. 3:

First Year	-	Established Minimum plus 124,846,000 gallons
Second Year	-	Established Minimum plus 199,753,000 gallons
Third Year	-	Established Minimum plus 274,660,000 gallons
Fourth Year	-	Established Minimum plus 349,567,000 gallons
Fifth Year	-	Established Minimum plus 424,475,000 gallons
Sixth Year	-	Established Minimum plus 499,382,000 gallons

2. After the sixth year total annual minimum has been reached, the minimum shall be increased in accordance with the then policy of District for all minimums.
3. City agrees to pay the full Member City rate applicable each year for all water purchased through Point of Delivery No. 3 until the sixth year total annual minimum is achieved without the benefit of excess water sales until such consumption is in excess of the sixth year total annual minimum. The minimum for each year during the six-year period shall be in accordance with the schedule set forth above, except that in any year that City exceeds the next projected year's minimum, the higher of the two shall be the new minimum.

B. DISTRICT RESPONSIBILITIES

1. District shall prepare plans and specifications for the construction of the project from existing District transmission facilities to the metering station.
2. District shall finance the construction of the pipeline extension including any pumps necessary for transporting the water from existing District facilities through the metering station.

- 3. District shall acquire all necessary right-of-way for the pipeline extension, with the assistance of City.
- 4. District will use every effort to provide the required volume of treated water at Point of Delivery No. 3. However, this agreement in no way binds District to provide volumes in excess of the capacity of the new facility.
- 5. All regulations and provisions for restrictions on usage of water applicable to any other delivery points in the City would also be applicable to Point of Delivery No. 3.

C. SPECIAL CONDITIONS

- 1. City and District acknowledge and agree that the responsibilities set forth in this agreement are supplemental to those terms and conditions set forth in the 1988 Contract, which will continue in force and effect. In particular, District agrees that City's obligation to pay the annual minimums established herein shall not be construed to be a debt of such kind as to require City to levy and collect a tax to discharge such obligation, but shall be subject to the special conditions and provisions agreed to in Section 10 (d) and (e) of the said 1988 Contract.

This agreement authorized by the City Council of the City of Mesquite on June 17 of 2002.

CITY OF MESQUITE, TEXAS

BY: Mike [Signature]
Mayor

ATTEST:

Ellen Williams
City Secretary

Approved by the Board of Directors of the North Texas Municipal Water District on May 27 of 2002.

NORTH TEXAS MUNICIPAL
WATER DISTRICT

BY: Larry Parks
Larry Parks, President

ATTEST:

Marvin Fuller, sec
Marvin Fuller, Secretary