

AGENDA
SHAWNEE MUNICIPAL AUTHORITY
June 3, 2019 AT 6:00 P.M.
COMMISSION CHAMBERS AT CITY HALL
SHAWNEE, OKLAHOMA

CALL TO ORDER

DECLARATION OF A QUORUM

1. Consider approval of Consent Agenda:
 - a. Minutes from the May 20, 2019 regular meeting.
 - b. Authorize staff to approve a quote from Tyler Technologies to assist a mass meter swap for the Advanced Metering Infrastructure (AMI) Project.
2. Consideration of a contract with Haze and Russell Consultants for Project Management Services relating to the Advanced Metering Infrastructure (AMI) Project.
3. Consideration of an agreement between Shawnee Municipal Authority (SMA), Pottawatomie County Development Authority (PCDA), and Tecumseh Utility Authority (TUA) regarding North Deer Creek Watershed/Wes Watkins Reservoir Operation and Maintenance Agreement.
4. New Business

(Any matter not known or which could not have been reasonably foreseen prior to the posting of the agenda)
5. Adjournment

Respectfully submitted

Lisa Lasyone, CMC, City Clerk

Shawnee Municipal Authority

1.a.

Meeting Date: 06/03/2019

SMA Minutes

Submitted By: Kacie Eck, City Clerk

Department: City Clerk

Information

Title of Item for Agenda

Minutes from the May 20, 2019 regular meeting.

Fiscal Impact

Attachments

SMA Minutes

THE TRUSTEES OF THE SHAWNEE MUNICIPAL AUTHORITY OF THE CITY OF SHAWNEE, COUNTY OF POTTAWATOMIE, STATE OF OKLAHOMA, MET IN REGULAR SCHEDULED SESSION IN THE COMMISSION CHAMBERS AT CITY HALL, 9TH AND BROADWAY, SHAWNEE, OKLAHOMA, MONDAY, MAY 20, 2019 DURING THE BOARD OF CITY COMMISSIONERS MEETING AT 6:00 P.M., PURSUANT TO NOTICE DULY POSTED AS PRESCRIBED BY LAW. UPON ROLL CALL, A QUORUM WAS DECLARED WITH THE FOLLOWING MEMBERS IN ATTENDANCE:

PRESENT: Bolt, Harrod, Finley, Rutherford, Sehorn, Salter

ABSENT: Gillham

Call to Order

Declaration of a Quorum

AGENDA ITEM NO. 1: Consider approval of Consent Agenda:

- a. Minutes from the May 6, 2019 regular meeting.

A motion was made by Trustee Harrod, seconded by Trustee Bolt, to approve Consent Agenda Item No. 1(a). Motion carried 6-0.

AYE: Harrod, Bolt, Finley, Rutherford, Sehorn, Salter

NAY: None

AGENDA ITEM NO. 2: Consider and take action with respect to a resolution of the Shawnee Municipal Authority (the "Authority") approving and authorizing a clean water SRF loan from the Oklahoma Water Resources Board in the total aggregate principal amount of not to exceed \$5,745,000; approving the issuance of a promissory note in the total aggregate principal amount of not to exceed \$5,745,000, secured by a pledge of revenues and authorizing its execution; approving and authorizing the execution of a loan agreement for clean water SRF loan;

designating a local trustee and approving and authorizing the execution of a trust agreement; approving and authorizing the execution of a security agreement; ratifying and confirming a lease agreement and operation and maintenance contract, as amended; approving various covenants; approving and authorizing payment of fees and expenses; and containing other provisions relating thereto.

Finance Director Chance Allison discussed the details of this item with its companion item on the City Commission Agenda Item No.5.

Resolution No. SMA-2019-1 was introduced.

A RESOLUTION OF THE SHAWNEE MUNICIPAL AUTHORITY (THE "AUTHORITY") APPROVING AND AUTHORIZING A CLEAN WATER SRF LOAN FROM THE OKLAHOMA WATER RESOURCES BOARD IN THE TOTAL AGGREGATE PRINCIPAL AMOUNT OF NOT TO EXCEED \$5,745,000; APPROVING THE ISSUANCE OF A PROMISSORY NOTE IN THE TOTAL AGGREGATE PRINCIPAL AMOUNT OF NOT TO EXCEED \$5,745,000, SECURED BY A PLEDGE OF REVENUES AND AUTHORIZING ITS EXECUTION; APPROVING AND AUTHORIZING THE EXECUTION OF A LOAN AGREEMENT FOR CLEAN WATER SRF LOAN; DESIGNATING A LOCAL TRUSTEE AND APPROVING AND AUTHORIZING THE EXECUTION OF A TRUST AGREEMENT; APPROVING AND AUTHORIZING THE EXECUTION OF A SECURITY AGREEMENT; RATIFYING AND CONFIRMING A LEASE AGREEMENT AND OPERATION AND MAINTENANCE CONTRACT, AS AMENDED; APPROVING VARIOUS COVENANTS; APPROVING AND AUTHORIZING PAYMENT OF FEES AND EXPENSES; AND CONTAINING OTHER PROVISIONS RELATING THERETO.

A motion was made by Trustee Harrod, seconded by Trustee Bolt, to approve to a resolution of the Shawnee Municipal Authority (the "Authority") approving and authorizing a clean water SRF loan from the Oklahoma Water Resources Board in the total aggregate principal amount of not to exceed \$5,745,000; approving the issuance of a promissory note in the total aggregate principal amount of not to exceed \$5,745,000, secured by a pledge of revenues and authorizing its execution; approving and authorizing the execution of a loan agreement for clean water SRF loan; designating a local trustee and approving and authorizing the execution of a trust agreement; approving and authorizing the execution of a security agreement; ratifying and confirming a lease agreement and operation and maintenance contract, as amended; approving various covenants; approving and authorizing payment of fees and expenses; and containing other provisions relating thereto. Motion carried 6-0.

AYE: Harrod, Bolt, Finley, Rutherford, Sehorn, Salter
NAY: None

AGENDA ITEM NO. 3: Consider Bids:

- a. Advanced Metering Infrastructure (AMI) CWSRF Project No. ORF-19-0020-CW (Award)

Utility Director Bradley Schmidt explained that three (3) bids were received on May 7th. Staff and Project Managers with Holloway, Updike, and Bellin, Inc. recommended the contract be awarded to Core and Main for the Base Bid with Add Alternate No. 1 and Add Alternate No. 3 for the amount of \$4,745,237.65.

A motion was made by Trustee Harrod, seconded by Trustee Bolt, to accept staff's recommendation and award the bid to Core and Main for the Base Bid with Add Alternate No. 1 and Add Alternate No. 3 for the amount of \$4,745,237.65. Motion carried 6-0.

AYE: Harrod, Bolt, Finley, Rutherford, Sehorn, Salter
NAY: None

AGENDA ITEM NO. 4: New Business (Any matter not known or which could not have been reasonably foreseen prior to the posting of the agenda)

There was no New Business.

AGENDA ITEM NO. 5: Adjournment

There being no further business to be considered, the meeting was adjourned by power of the Chair. (6:32 p.m.)

RICHARD FINLEY
CHAIRMAN

ATTEST:

KACIE ECK, SECRETARY

Shawnee Municipal Authority

1.b.

Meeting Date: 06/03/2019

Tyler Tech

Submitted By: Kacie Eck, City Clerk

Department: City Clerk

Information

Title of Item for Agenda

Authorize staff to approve a quote from Tyler Technologies to assist a mass meter swap for the Advanced Metering Infrastructure (AMI) Project.

Fiscal Impact

Attachments

Memo

Quote

Policy



Date: June 3, 2019

To: Honorable Mayor and City Commissioners

From: Chance Allison, CPA, Finance Director and City Treasurer

Subject: Request to Approve Agreement with Tyler Technologies for Mass Meter Swap

On May 20, 2019, the City Commission approved a contract with Core & Main to install an Advanced Metering Infrastructure (AMI) system to enhance the City's water metering system, billing capability, and customer service. Tyler Technologies has the capability to assist the City in transitioning our current meters in the billing software to the new meters to be installed by Core & Main by conducting a mass meter swap in conjunction with the meter installs. The agreement with Tyler Technologies would allow the City's water department to focus on providing customer service to water customers and eliminate the opportunity for overtime and erroneous input as each of the approximate 13,000 water accounts meter information is required to be updated. The City utilizes Incode, a product of Tyler Technologies, for utility billing and as such is the only vendor option for the mass meter swap.

Staff recommends approval of the quote from Tyler Technologies at a cost of no more than \$2.00 per meter. Current quote is \$26,000 approximated using 13,000 meters. Thank you for your consideration.



Quoted By: Lukas DeBolt
Quote Expiration: 11/24/2019
Quote Name: City of Shawnee- LGD- MMS
Quote Number: 2019-86165
Quote Description: Mass Meter Swaps

Sales Quotation For

City of Shawnee
16 W 9th St
Shawnee , OK 74801-6812
Phone: +1 (405) 878-1608

Other Services

Description	Quantity	Unit Price	Extended Price	Maintenance
Mass Meter Swap - Water	13000	\$2	\$26,000	\$0
TOTAL:			\$26,000	\$0

Summary

Total Tyler Services
Total Third Party Hardware, Software and Services

Summary Total

Contract Total

One Time Fees

\$26,000

\$0

\$26,000

\$26,000

Recurring Fees

\$0

\$0

\$0

Comments

Client agrees that items in this sales quotation are, upon Client's signature or approval of same, hereby added to the existing agreement ("Agreement") between the parties and subject to its terms. Additionally, payment for said items, as applicable but subject to any listed assumptions herein, shall conform to the following terms:

- License fees for Tyler and third party software are invoiced upon the earlier of (i) deliver of the license key or (ii) when Tyler makes such software available for download by the Client;
- Fees for hardware are invoiced upon delivery;
- Fees for year one of hardware maintenance are invoiced upon delivery of the hardware;
- Annual Maintenance and Support fees, SaaS fees, Hosting fees, and Subscription fees are first payable when Tyler makes the software available for download by the Client (for Maintenance) or on the first day of the month following the date this quotation was signed (for SaaS, Hosting, and Subscription), and any such fees are prorated to align with the applicable term under the Agreement, with renewals invoiced annually thereafter in accord with the Agreement.
- Fees for services included in this sales quotation shall be invoiced as indicated below.
- Implementation and other professional services fees shall be invoiced as delivered.
- Fixed-fee Business Process Consulting services shall be invoiced 50% upon delivery of the Best Practice Recommendations, by module, and 50% upon delivery of custom desktop procedures, by module.
- Fixed-fee conversions are invoiced 50% upon initial delivery of the converted data, by conversion option, and 50% upon Client acceptance to load the converted data into Live/Production environment, by conversion option. Where conversions are quoted as estimated, Tyler will invoice Client the actual services delivered on a time and materials basis.
- Except as otherwise provided, other fixed price services are invoiced upon complete delivery of the service. For the avoidance of doubt, where "Project Planning Services" are provided, payment shall be invoiced upon delivery of the Implementation Planning document. Dedicated Project Management services, if any, will be invoiced monthly in arrears, beginning on the first day of the month immediately following initiation of project planning.
- If Client has purchased any change management services, those services will be invoiced in accordance with the Agreement.
- Expenses associated with onsite services are invoiced as incurred.

Meter Swap Policy

Tyler Technologies

Overview

Tyler Technologies assists your entity in operating the Mass Meter Swap program for one swap file; after that, you are responsible for running the Mass Meter Swap program. You will be billed up front according to the dollar amount shown on your PO. Tyler staff adds the program to the Utility menu. Mass Meter Swap is licensed for the number of meters your entity has paid to be swapped. Once that number is reached, the program's license expires, and you are no longer able to run it. If more meters need to be swapped, you can purchase another license for the remaining number of meters. It is your responsibility to review the batch and manually swap any meters that show up as an error on the Review Batch.

Mass Meter Swap can swap one meter for another and update Meter Maintenance for the new meter. The program does not have the ability to update the rate tables or anything else. If your entity is currently using one meter reading system and is swapping meters in order to use a new meter reading system, you need to purchase a handheld definition to accommodate the new meter reading system.

The swap file must be in the appropriate format to use our Mass Meter Swap program. To view the recommended format for each field, see the following chart.

Swap File Table

Field Position	Field Name	Format
1	Service Address Number	BB-AAAAAA
2	Old Meter Number	Maximum of 20
3	New Meter Number	Maximum of 20
4	Remote Read ID	Transponder # (Maximum of 20) (Radio Read ID)
5	Old Meter End Read	Maximum of 9
6	Date Swapped	MMDDYYYY
7	Regular Scale	####.#### (must match this format, if 1, put 1.000000)
8	Number of Dials	Valid values 03 thru 15
9	New Meter Begin Read	Start Read on New Meter
10	Meter Group	Must be valid meter group in system

11	Meter Size	Must be valid meter size in system
12	Meter Make	Must be valid meter make in system
13	Meter Note	
14	Meter Type	Must be valid meter type in system
15	Meter Serial #	Maximum of 25
16	Latitude	##.##### (There is 1 space in front of this for the – sign) Maximum of 20
17	Longitude	##.##### (There is 1 space in front of this for the – sign) Maximum of 20
18	Remote Read Type	To be determined by Tyler resource
19	Date Purchase	MMDDYYYY
20	Tamper Code	Maximum of 2
21	Demand Scale	####.#### (must match this format, if 1, put 1.000000)
22	Remote Read Demand ID	For electric meters only
23	KVAR Scale	####.#### (must match this format, if 1, put 1.000000)
24	Remote Read KVAR ID	For electric meters only
25	Service Code	Must be a valid service code in the system
26	Contract Full Name	Name on Incode Account
27	Site Location	Full address on account in Incode software
28	Read Sequence	Read sequence on metered service on account
29	Route Code	Must be valid route in the system
30	Route Segment	Must be valid segment in the system
31	Instruction Code	Ask customer if they use
32	Alert Code	Ask customer if they use
33	Location Code	Maximum of 6
35	Location Description	Description of meter's location – Maximum of 40

Sample File

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"ServiceAddressNumber","010MeterNumber","MeterNumber","MeterNameHeadID","010MeterEndHead","DataSwapped","RegulateScale","NumberOfDials","NewMeterBeginHead","MeterGroup","MeterSize","MeterMake","MeterNote","MeterType","MeterSerialNumber","Latitude","000-0010","92769235","22769244","123456789","1180.000000","0202018","1.000000","09","0","W","1","NEPTUNE","","RADIO","","","","","1.000000","","1.000000","","100","ALBERT CORTEZ","100 NATH ST","1000010.000000","","","","","100-0020","92769339","22769345","234567890","6429.000000","0202018","1.000000","09","0","W","3/4","NEPTUNE","","RADIO","","","","","1.000000","","1.000000","","100","DENNIS DOCK","1024 14TH ST","1000020.000000","","","","",""
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Please note the swap file must contain the header row exactly the same as in the extract file that Tyler Technologies provides. Text qualifiers are not required but are helpful if there is a comma in the field to prevent text from being moved to wrong position.

Dates are very important when running Mass Meter Swap. It is your responsibility to ensure that you understand how dates affect your system because there is no program to fix or adjust multiple swaps after you run Mass Meter Swap. If the swap is to be

counted in the billing cycle, the swap date must be within the read group dates. If the swap date is outside the read group dates, you must enter an end reading for the old meter prior to running the mass meter swap file.

Authorization

Signature

Date

Entity Name



Shawnee Municipal Authority

2.

Meeting Date: 06/03/2019

Haze and Russell Consultants

Submitted By: Kacie Eck, City Clerk

Department: City Clerk

Information

Title of Item for Agenda

Consideration of a contract with Haze and Russell Consultants for Project Management Services relating to the Advanced Metering Infrastructure (AMI) Project.

Fiscal Impact

Attachments

Haze and Russell Consultants

**Haze & Russell Consultants,
AMI Project Manager**

PROPOSED FEES

FEE PROPOSAL

(A) PM's Fixed Fee (for Pre-Construction Services) \$7,000.00
(B) PM's Construction Services Fee **TOTAL** construction costs \$93,000.00

The Proposed Compensation shall be established by the following formula: Preconstruction Fixed Fee + Construction Services Fee Total . Totaling 7,000 + 93,000 = 100,000.00 (Total)

ARTICLE 2 PAYMENT SCHEDULE

Payment for pre-construction services of \$7,000.00 will be made upon contract approval. Remaining payment schedule as follows:

<u>Phase of Work</u>	<u>Payment</u>
Project Planning and Billing Interface Phase	25% of \$93,000.00 = \$23,350.00
Network Deployment	25% of \$93,000.00 = \$23,350.00
Meter Deployment 50% of Total Complete	20% of \$93,000.00 = \$18,600.00
Meter Deployment 90% of Total Complete	15% of \$93,000.00 = \$13,850.00
Closeout Phase Complete	15% of \$93,000.00 = \$13,850.00

ARTICLE 3 REFERENCED DOCUMENTS

The following documents are referenced herein and form the basis for the PM's Fee Proposal:

1. PM Proposal
2. PM Project Schedule
4. Owner-PM Masters Service Agreement
5. PM Resume of Experience
6. PM References

PM SIGNATURE

Project Manager

PM Firm Name Haze & Russell Consultants

By 

James Smith Print Name

C.E.O Title

5-28-2019 Date

Shawnee Municipal Authority

3.

Meeting Date: 06/03/2019

Agreement Wes Watkins

Submitted By: Kacie Eck, City Clerk

Department: City Clerk

Information

Title of Item for Agenda

Consideration of an agreement between Shawnee Municipal Authority (SMA), Pottawatomie County Development Authority (PCDA), and Tecumseh Utility Authority (TUA) regarding North Deer Creek Watershed/Wes Watkins Reservoir Operation and Maintenance Agreement.

Fiscal Impact

Attachments

Agreement

**NORTH DEER CREEK WATERSHED
WES WATKINS RESERVOIR
OPERATION AND MAINTENANCE AGREEMENT**

THIS AGREEMENT made and entered into this ____ day of _____, 20____ to be effective July 1, 20____ by and between Shawnee Municipal Authority, a public trust (SMA or Shawnee), the Tecumseh Utility Authority, a public trust (TUA or Tecumseh), the Pottawatomie County Development Authority, a public trust (PCDA).

WHEREAS, PCDA is the titled owner of certain stream water rights granted by the Oklahoma Water Resources Board, Permit No. 76-57; and

WHEREAS, PCDA holds title to the “facility” known as the North Deer Creek Watershed/Wes Watkins Reservoir and, further described as the real property, easements, fixtures, personal property, water rights and incorporeal hereditaments titled in Pottawatomie County Development Authority constituting the land and improvements, dam, inlet tower, raw water delivery line, pump station, metering equipment and impounded water constituting the recreation pool, the municipal pool (above elevation 1,074 MSL) the detention pool and the sediment pool; and

WHEREAS, 85% of the water held in place in the North Deer Creek Watershed Reservoir, in the municipal pool and detention pool is owned by the Shawnee Municipal Authority (SMA); and

WHEREAS, 15% of the water held in the North Deer Creek Watershed Reservoir, municipal pool and detention pool is owned by the Tecumseh Utility Authority (TUA); and

WHEREAS, PCDA has certain obligations to the Natural Resource Conservation Service (NRCS) that are detailed in said Operation and Maintenance Agreement dated June 22, 1989;

WHEREAS, PCDA, SMA, and TUA entered into an agreement dated July 1, 1990 (1990 Agreement) regarding the operation and ownership of the Wes Watkins Reservoir (Wes Watkins), formerly known as the North Deer Creek Reservoir; and

WHEREAS, the 1990 Agreement provided that the SMA would be responsible for operation and maintenance of Wes Watkins, including the recreational facilities and activities pursuant to the 1989 agreement between PCDA and NRCS, which was amended July 21, 1993; and

WHEREAS, by an undated agreement (with an initial term that expired July 1, 2002) by and between SMA and PCDA it was agreed that Shawnee would continue to manage Wes Watkins, except for the recreational facilities that would be managed by PCDA; and

WHEREAS, the 1990 Agreement was revised in 2008 (2008 Amendment) and an Amended and Restated Agreement was approved in 2019 to clarify terms, provisions and ownership of all facilities during and up to the end of the project life.

THEREFORE, it is agreed by and between the parties hereto as follows;

I. PURPOSE

The purpose of this Agreement is to protect the Wes Watkins Reservoir watershed and provide for the associated operation and maintenance of same. Said operation and maintenance may include, but is not limited to, mowing of the reservoir, including the dam, perimeter and any interior, fence, shoreline, docks, boat ramps, picnic areas, camping areas, trails, sewer lift stations, and related facilities and the administration and control of all recreational activities within such area including boating, swimming, water sports, fishing, camping, picnicking, hiking and similar activities according to the intent and requirements of the work plan and agreement are being met.

II. REPEALER

Upon the effective date of this Agreement, it is hereby acknowledged by all parties that the following agreements are hereby voided and deemed expired:

- a. Wes Watkins Reservoir Maintenance Agreement between the PCDA and the SMA (with an initial term that expired July 1, 2002);
- b. Agreement between the SMA and TUA and the McCloud Public Works Authority effective July 1, 2010;
- c. North Deer Creek Watershed Operation and Maintenance Agreement with the NRCS between the PCDA, SMA, and the TUA (no date).

III. INSPECTIONS

- A. Annual Inspections. NRCS, PCDA, SMA, and TUA shall at all times have access to the Wes Watkins Reservoir in order to conduct inspections. At a minimum, annual inspections should be conducted as follows:
 1. Inspection of the embankment and foundation. The embankment, abutments and visible portions of the foundation adjacent to the earth embankment should be inspected jointly by the PCDA and the NRCS for evidence of development of unfavorable conditions. The embankment should be carefully inspected for indications of cracks, slides, sloughs, subsidence, and impairment of slope protection, springs, seeps or boggy areas caused by seepage from the reservoir.
 2. Inspection of concrete structures. During the annual inspection, the condition of the concrete structures should be determined. The inspection, conducted jointly by the PCDA and NRCS, should cover the following items:

- a. Abnormal settlements, heaving, deflections, or lateral movement of concrete structures;
 - b. Cracking or spalling of concrete and opening of contraction joints,
 - c. Deterioration, erosion or cavitation of concrete;
 - d. Abnormal leakage through foundation or formed drains or through concrete surfaces, construction joints, or contraction joints; and
 - e. Possible undermining or the downstream toe or other foundation damage.
 3. Inspection of mechanical equipment. It is the duty under this agreement that SMA, during the annual inspection, should conduct an inspection of the spillway gates and tests of operating equipment should be made. Said inspection should be made with the assistance and/or input of the PCDA Project Manager. Inlet and outlet gates and valves should be tested to see that they work freely. All gates and valves should be exercised to determine that they are in good operating condition. Mechanical equipment should be lubricated and serviced in accordance with the manufacturer's instructions. The SMA agrees to inspect or coordinate the inspection of mechanical equipment and pay for routine maintenance costs associated therewith.
 4. Inspection of erosion control. The PCDA and NRCS jointly, during the annual inspection, should inspect the soil-cement slope protection for any unusual conditions such as settlement, cracking, possible undermining or excessive loss due to freeze/thaw action. The condition of the grass cover in the emergency spillways should also be a part of the annual inspection. Any areas in which the grass cover is missing or damaged should be repaired as soon as possible.
- B. Special Inspections. During or immediately following special events, including but not limited to earthquakes centered within 50 miles of the dam with a magnitude of 4.0 or greater, floods or tornadic activity, additional inspections should be conducted jointly by the PCDA and the NRCS. The following sections discuss these special inspections:
1. High water level or high wind event. Following any high-water level event or following any periods of sustained high velocity winds, or tornadic activity, the upstream slope of the embankment should be carefully inspected for evidence of cracks, slides, sloughs, subsidence, or damages to the slope protections such as displacement of the soil-cement surfacing. The emergency spillways should also be inspected for damage to the grass lining or unusual erosion which should be repaired immediately.
 2. Low water level event. During periods of low reservoir level, the exposed portions of the abutments and the reservoir should be carefully examined for sinks or seepage holes, unusual beaching conditions, or cracking.

IV. OPERATIONS

- A. Lake Level Operation. The North Deer Creek Watershed has been designed to provide for the normal operation of the dam to store discharge flood water without any operator assistance. The lake level is controlled by the level of the principal spillway and is to be maintained pursuant to this agreement by the SMA at the conservation pool elevation. The lowering of the lake level, if desired, can be accomplished by the operation of the sluice gate located on the principal spillway tower. The opening of this sluice gate allows water to be discharged from the bottom of the lake into the outlet works and then be discharged downstream.
- B. Water Supply Operations. The principal spillway tower has been equipped with three sluice gates which can be opened or closed to control the level of the lake which is utilized to provide water to the water supply line through the embankment. Any change in the level of drawing water from the reservoir should be determined by the SMA and the TUA with the approval of Oklahoma Water Resources Board (OWRB), Oklahoma Department of Water Conservation (ODWC), PCDA and NRCS.
- C. Recreation Facilities. PCDA, SMA and TUA are responsible for the performance of -the routine maintenance, operation and management of Wes Watkins Reservoir as it relates to the recreational amenities and areas as listed in section I above and as outlined in Section V Table 1. These duties may be performed by a contracted party, subject to periodic review. However, the ultimate responsibility of these duties may not be assigned.

V. MAINTENANCE

Operations and Maintenance of all aspects of Wes Watkins Reservoir is necessary to provide for the useful life of the project to be enjoyed, and most importantly to insure the fundamental aspect of the facility, that being to provide the cities of Shawnee and Tecumseh with an excellent raw water source and its protection. Maintenance is divided into two types; (1) Routine Maintenance, which includes such items as mowing and fence repair; and (2) Replacement Maintenance, which includes such items as repair of the emergency spillway after a high-water event, repair of spalling of concrete, and replacement of sluice gates or valves and operators. In addition, there may be maintenance items associated with the recreational facilities. Specific maintenance items in need of immediate repair or replacement due to weathering or age will be discussed by the Wes Watkins Reservoir Oversight Committee (as defined in Paragraph VIII herein) and prioritized, budgeted and carried out by joint agreement of all entities associated with the oversight committee.

Table 1 denotes various maintenance items to be addressed by the responsible parties, contracted or otherwise. Said list is not meant to be a complete list of all maintenance items. Any contracts for maintenance items shall specifically reference this Agreement and upon execution be appended hereto and made a part of this Agreement.

Table 1. Maintenance items

ROUTINE MAINTENANCE
Mowing and maintenance of the vegetation cover on the dam, spillways, and adjacent areas to prevent the growth of woody vegetation and limit the growth of vegetation grasses established to prevent the erosion of the dam and spillways due to water actions. The mowing should be conducted at such times as to provide for a minimum of six (6) inches of grass cover and the maximum height not to exceed eighteen (18) inches more or less.
Lubrication of the moving parts of the valve and sluice gates.
Mowing and maintenance of the vegetation cover along all exterior fencing to prevent the growth of woody vegetation and limit growth of vegetation grasses established to prevent erosion. The mowing should be conducted at such times but not less than twice per year, as to provide for a minimum of six (6) inches of grass cover and a maximum height not to exceed eighteen (18) inches more or less. Replacement or major repair of all fences on reservoir property, all gates on reservoir property, signs, ramps, roads and drives, guards, and other safety equipment, treating of exposed metal to prevent rusting or oxidation, safety rails and guard rails, grating, steps and ladders, etc. for all areas not associated with recreational activity.
Cleaning of accumulated trash following each moderate runoff event from the trash rack on the principal spillway tower.
Repair and replacement of perimeter fence around entire facility and other primary access controls, provided that the contracted entity shall maintain the “main” gate/entry associated with the primary recreational activities.
REPLACEMENT MAINTENANCE
Repair of spalling concrete on the principal spillway tower or outlet structure which shall be the primary responsibility of the NRCS.
Replacement or repair of the sluice gate or operator.
Replacement or repair of soil-cement slope protection which shall be the primary responsibility of the NRCS.
Repair or erosion of the emergency spillways which shall be the joint responsibility of the PCDA and the NRCS.
RECREATION AREAS
Operation, management, replacement and maintenance of the facilities, including mowing, docks, boat ramps, picnic areas, camping areas, trails and related facilities, including the management of all recreational activities including boating, fishing, hunting, swimming, and all similar activities.
Basic maintenance of roads, walkways, rails, steps, signs, ramps, safety equipment, docks, buoy’s swimming areas, etc. associated with recreational uses. This includes but is not limited to filling potholes and basic street and roadway repair.

VI. INSURANCE

PCDA shall hold insurance for the facility and shall bill SMA and TUA accordingly for their percentages (85% and 15% respectively), provided that PCDA is solely responsible for the cost of insuring their rental homes that surround West Watkins Reservoir and any other PCDA property surrounding the water basin. The Operating Entity, as defined in Paragraph 7(B) herein, shall be responsible for reimbursing the PCDA for the cost of insurance relating to the recreational amenities out of the revenues generated by the recreational user fees. The cost of all such insurance shall be an operation and maintenance expense. If any useful part of its properties shall be damaged, or destroyed, the PCDA or other responsible party shall, as expeditiously as may be possible, commence and diligently proceed with the repair or replacement of the damaged property so as to restore the same to use.

VII. ANNUAL BUDGET PROCESS; ANTICIPATED OPERATING EXPENSES

- A. PCDA. It is anticipated that the PCDA will employ an individual as a project manager at Wes Watkins Reservoir to ensure all PCDA obligations are met as it relates to various duties outlined in this agreement and other controlling documents such as the 1989 NRCS Agreement. It is further anticipated that this position shall be wholly supported by PCDA-generated revenues from rental property and through other means. However, expenses could exceed revenue and financial assistance may be necessary. Accordingly, the PCDA shall, not less than sixty (60) days before the beginning of each Fiscal Year, submit to the SMA a preliminary budget of anticipated operating expenses for the next ensuing Fiscal Year. The Wes Watkins Reservoir Oversight Committee will review this proposal and the SMA will consider a final budget in accordance with their annual budget process.
- B. Operations Budget. On or before May 1 of each year, the operating entity being contracted with to perform operations and maintenance ("Operating Entity") shall prepare and file with PCDA, SMA and TUA a proposed budget of anticipated operation and maintenance expenses for its operations at Wes Watkins for the twelve (12) month period beginning the following July 1. The Wes Watkins Reservoir Oversight Committee shall adopt/approve the final budget by June 1.

The Operating Entity shall give reasonable consideration to any suggestions or requests made by PCDA, SMA, TUA and the Wes Watkins Reservoir Oversight Committee pertaining to the final budget. Copies of the proposed budget shall be promptly filed with all parties.

If for any reason the Operating Entity shall not have adopted the budget before the first day of the twelve (12) month period in question, the budget for the preceding twelve (12) month period shall remain in effect.

- 1. The Operating Entity may, at any time, propose an amended budget for the then current Fiscal Year, provided that, except in the case of an emergency, which may result in loss of life, property or substantial financial loss, PCDA, SMA and TUA shall

have the same input into the proposed amended budget as in the proposed of the budget. Such amended budget shall supersede any prior budget that has been filed. Again, it shall the responsibility of the Wes Watkins Oversight Committee to adopt/approve the proposed amended budget.

In the event the revenues generated from the activities at Wes Watkins, excluding any income payable or received by Operating Entity in the nature of sales, use, excise or similar taxes, is less than the reasonable and necessary costs or maintenance, management and operation of Wes Watkins, as set forth in the budget, then SMA and TUA shall reimburse the Operating Entity for such deficit. Such deficit shall be borne by SMA and TUA by an 85% and 15% split respectively.

- C. Reimbursement. The TUA hereby agrees to reimburse the City of Shawnee for 15% of all eligible expenses paid by the SMA to the PCDA and/or MPWA in accordance with this agreement and adopted budgets.

VIII. WES WATKINS RESERVOIR OVERSIGHT COMMITTEE

The Wes Watkins Reservoir Oversight Committee shall consist of three members. The Committee shall be comprised of the city managers of Shawnee, Tecumseh or their designees and the PCDA Board Chair or his/her designee, provided that support staff may also attend. Each appointment shall be subject to the approval of the governing bodies of such procedures as each shall adopt. Such Committee shall meet quarterly, or on such schedule as it shall determine. The Committee shall not be a public body, shall be advisory in nature, provided that members may exercise related administrative functions in accordance with their positions, and shall be primarily focused on facility maintenance and operations and ensuring for efficient and effective management of the facility and protection of the entire watershed associated with the Wes Watkins Reservoir in accordance with this and all relevant agreements. Despite the fact that this committee shall not be a public body, it should provide notice and an agenda for all meetings to each committee member not less than twenty-four (24) hours prior to the meeting. The committee shall make such reports and recommendations as it decides to the parties of this agreement.

IX. NAMING RIGHTS AND SIGNAGE

No entity other than PCDA shall have any naming rights to any aspect of the Wes Watkins Reservoir. Furthermore, any and all signage must make reference to the Wes Watkins Reservoir only, unless approved by the PCDA board of directors.

X. EFFECTIVE DATE AND TERM

The term of this agreement runs from July 1 to June 30 of each fiscal year or until modified by unanimous consent of all three parties. The parties agree to execute and deliver such additional

agreements or writings as shall be necessary to effectuate the terms and conditions of this agreement.

Except as specifically set forth, nothing herein shall operate to amend or modify any term or condition of any prior agreement regarding the ownership, operation or financing of Wes Watkins, including any notes, bonds, indentures or obligations of any form or nature. To the extent any provision of this agreement shall be in violation or deemed a modification or event of default as to such agreement, this agreement shall, to the extent necessary be null and void, and the terms of the applicable bond indenture, notes, or other agreement shall control. The rights and privileges granted by this agreement shall not be assigned without the prior written consent of all parties.

SIGNATURES

Pottawatomie County Development Authority (PCDA)

By_____

Attest_____

Date_____

Date_____

Shawnee Municipal Authority (SMA)

By_____

Attest_____

Date_____

Date_____

Tecumseh Utility Authority (TUA)

By_____

Attest_____

Date_____

Date_____