



City of Ketchum

January 17, 2023

Mayor Bradshaw and City Councilors
City of Ketchum
Ketchum, Idaho

Mayor Bradshaw and City Councilors:

Recommendation to approve agreement 23-006 with the Sun Valley Water & Sewer District related to future improvements at the treatment facility

Recommendation and Summary

The city and Sun Valley Water & Sewer District (SVWSD) co-own the wastewater treatment plant. Staff is recommending the attached agreement, which serves as an update to the 1984 co-ownership agreement outlining SVWSD commitment to fund fifty percent of the 2022 CIP investments.

"I move to approve agreement 23-006 with the Sun Valley Water and Sewer District related to the future improvements at the treatment facility."

The reasons for the recommendation are as follows:

- City staff has worked jointly with SVWSD staff during the development of the 2022 updated facility master plan and corresponding capital improvement plan (CIP) budget.
- Staff is working with external financial advisor and bond counsel to prepare first issuance of debt. This agreement is important to bond investors to demonstrate financial commitment.

Sustainability Impact

The treatment plant discharges into the Big Wood River. One of the major focuses of the capital improvements is to meet current and future water quality standards. The city already utilized a water reuse approach to service irrigation needs. The plan also reviewed any opportunities to reduce the consumption of electricity.

Financial Requirement/Impact

Agreement affirms fifty percent funding from SVWSD for future CIP improvements.

Attachments

Agreement 23-006

MEMORANDUM OF UNDERSTANDING

THIS MEMORANDUM OF UNDERSTANDING (MOU) is made and entered into effective on the ____ day of _____, 2023, between the City of Ketchum (City), a municipal corporation of the State of Idaho, and the Sun Valley Water and Sewer District (District), a water and sewer district of the State of Idaho.

1. The City and District entered into a *Memorandum Agreement*, dated February 6, 1984, (1984 Agreement) which provides for the joint ownership, operation, use, management, and improvement by the Parties of their wastewater treatment facility and associated drains and outfall (Facilities).
2. The City and District, in line with the 2022 Capital Improvements Plan, are currently pursuing funding and planning related to repairs, improvements, and upgrades to the Facilities (2022 Improvements) with an intent to share in the costs thereof. The 2022 Capital Improvements Plan, attached as *Exhibit A*, is a part of the Master Facilities Plan.
3. Due to the passage of time, it is desirable to reaffirm, and this MOU does hereby reaffirm, the 1984 Agreement, including continuation of joint cooperative efforts to manage, repair, maintain, and improve the Facilities, and to share all costs incurred therefor.
4. Further, this MOU expressly affirms, subject to the provisions of the 1984 Agreement, that each of the Parties intends to be responsible for one-half of the costs of the 2022 Improvements, the exact scope, timing and estimated cost of which shall be jointly agreed upon and described before competitive bids for the work are solicited.

CITY OF KETCHUM

SUN VALLEY WATER AND SEWER DISTRICT

Neil Bradshaw, Mayor

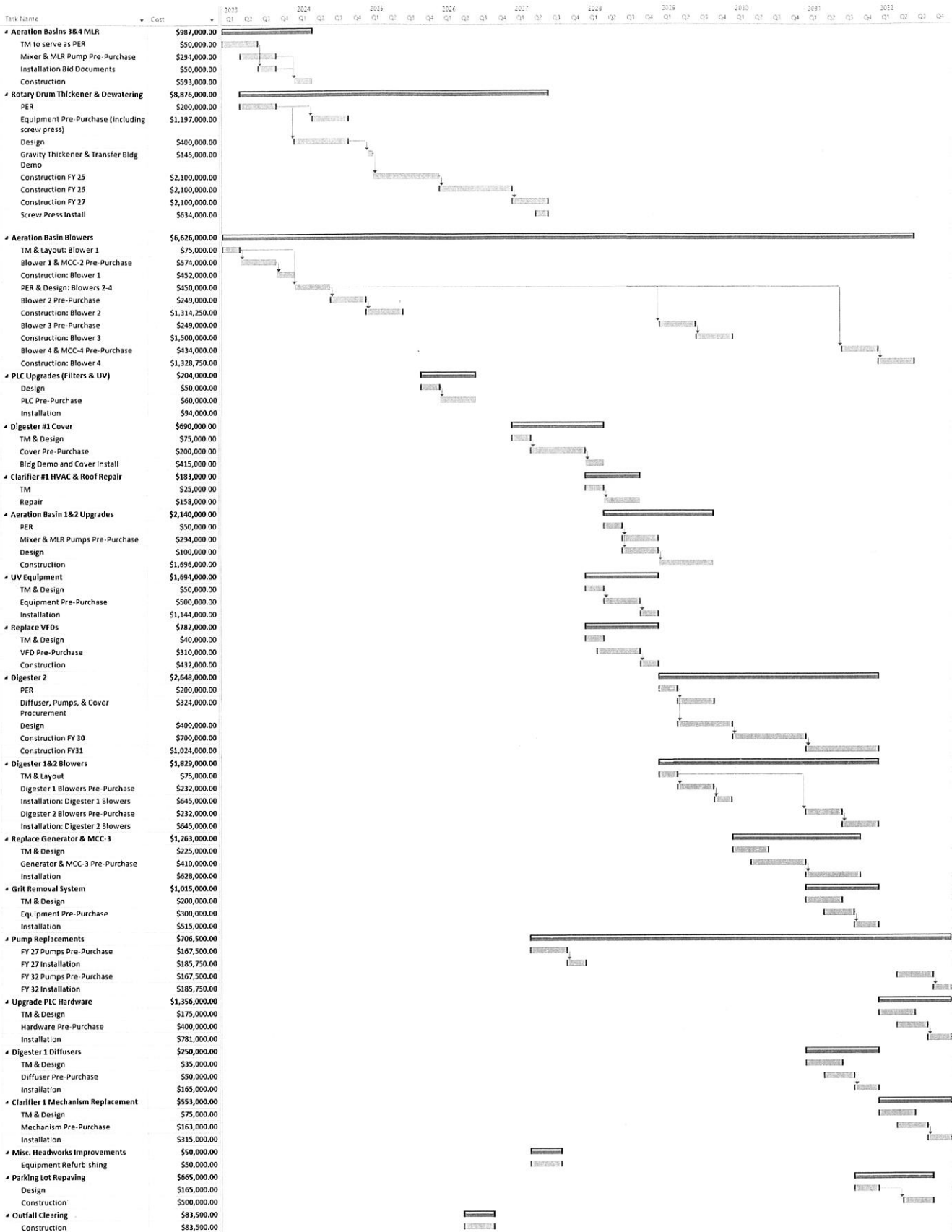
Jim Loyd, Chair

Attest:

Attest:

Trent Donat, City Clerk & Business Manager

_____, District Clerk



FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY22 - FY32 TOTAL
\$582,000	\$1,695,000	\$2,439,000	\$2,805,000	\$3,591,750	\$3,413,250	\$3,518,000	\$3,821,000	\$3,712,000	\$3,516,000	\$4,091,000	\$33,184,000
FY 2033	FY 2034	FY 2035	FY 2036	FY 2037	FY 2038	FY 2039	FY 2040	FY 2041	FY 2042	FY33 - FY42 TOTAL	TOTAL
\$1,010,000	\$0	\$556,000	\$83,500	\$353,250	\$1,002,000	\$0	\$0	\$0	\$1,018,250	\$4,023,000	\$37,207,000

NOTE: FY 2022 COSTS SHOWN INCLUDE \$65,000 FOR BLOWER REPAIR, \$67,000 FOR UTILITY TRACTOR, AND \$450,000 FOR NEW VAC TRUCK THAT HAVE ALL BEEN PAID FOR IN FULL.

**EXHIBIT
A**