



CITY OF MARSHALL AGENDA ITEM REPORT

Meeting Date:	Tuesday, January 28, 2020
Category:	NEW BUSINESS
Type:	ACTION
Subject:	Consider approval of an Administrative Services Agreement (ASA) between the City of Marshall and Missouri River Energy Services (MRES) related to coordination of administrative services with Western Area Power Administration (WAPA) for hydroelectric services through December 31, 2050.
Background Information:	<p>The City of Marshall has entered into a Firm Electric Service Contract with WAPA to provide electrical services to the City of Marshall for a period of time through December 31, 2050.</p> <p>The City of Marshall has previously entered into an Administrative Services Agreement with MRES. The previous agreement was dated August 24, 2004.</p> <p>WAPA is requesting that a replacement Administrative Services Agreement (ASA) between Marshall and MRES be executed with dates corresponding with the Firm Electric Services agreement through December 31, 2050. The new proposed contract, attached hereto, continues to provide arrangements for administrative services between Marshall and MRES. Upon execution of the contract, MRES shall continue to provide power and energy schedules to WAPA on behalf of Marshall. The ASA shall also allow MRES to continue to administer payment to WAPA on Marshall's behalf as outlined in the contract. Marshall remains primarily responsible for payment to WAPA pursuant to previously executed agreements. The replacement Administrative Services Agreement allows for the efficient management of electrical power and the purchase of that power as needed by Marshall.</p> <p>Marshall City Charter requires that municipal utility contracts exceeding 10 years in length must be approved by Marshall City Council. The MMU Commission has reviewed and has approved the ASA and has recommended that the City of Marshall approve and execute the Administrative Services Agreement as provided. Instructions for the execution of the agreement and original agreements have been provided to City Clerk Kyle Box. A copy of the Administrative Services Agreement is attached for your review.</p>
Fiscal Impact:	No additional financial obligations other than those that have previously been entered into by MMU for the administrative services provided by MRES.
Alternative/Variations:	None recommended.
Recommendations:	Consider and approve Resolution No. _____, Second Series approving the contract for Administrative Services Agreement between City of Marshall and MRES.