

WATER STORAGE AGREEMENT
BETWEEN THE SOUTHWEST MISSOURI JOINT MUNICIPAL WATER UTILITY
COMMISSION
AND
THE CITY OF REPUBLIC, MISSOURI
FOR
THE USE OF WATER STORAGE SPACE IN STOCKTON LAKE

FAST FACTS

Firm yield	2.5 MGD
Storage volume	5,973 Acre-Feet
Principal	\$1,789,509
Term	Unless terminated, contract continues as long as JMUC has storage rights (permanent) or maximum period allowed by law, with option to renew
Estimated annual payment to JMUC	\$133,192 Based on 30-year amortization and variable interest rate adjusted every 5 years (currently 4.625%)

Firm Yield: “Firm yield” is the amount available at all times through the worst drought on record. Firm yield is estimated and not guaranteed. It is determined by hydrologic modeling based on historical records. The “storage volume” in the contract is the amount needed to produce the “firm yield” stated above.

The actual yield available to User under this contract should be higher than the estimated firm yield at all times except in a drought equal to or more severe than the drought of record. If a drought worse than the drought of record occurs, it is possible the actual yield available under the contract will be less than the firm yield stated above.

Price: Costs are passed through to User in proportion to storage space.

In addition to paying the federal government’s principal (called “first costs”), JMUC will also be required to pay an annual charge for operations and maintenance (O&M) and, potentially, occasional charges for any major repairs that may be required. User’s annual payment to JMUC includes a 25% premium (over the principal) to cover O&M while building a reserve to pay for any major repairs. In the unlikely event this reserve proves insufficient, a special assessment may be required to cover JMUC’s obligations to the Corps.

Term: Effectively permanent. By law, JMUC has a permanent right to utilize the storage space in Stockton Lake under contract so long as costs are paid and the project remains in operation. Unless terminated for non-payment, User’s rights extend for as long as JMUC maintains the right to use the storage space, or the maximum period allowed by law, whichever is shorter. If the contract terminates due to any legal limitation on its term applicable to User, the contract is renewable at User’s option.