

DRAFT

RESOLUTION DELEGATING AUTHORITY TO ENTER A SUBAGREEMENT
BETWEEN
THE SOUTHWEST MISSOURI JOINT MUNICIPAL WATER UTILITY COMMISSION
AND
[User]
REGARDING REALLOCATED WATER STORAGE SPACE IN STOCKTON LAKE

WHEREAS, the Southwest Missouri Joint Municipal Water Utility Commission ("JMUC") is a Joint Municipal Utility Commission formed under the Joint Municipal Utility Commission Act, Revised Statutes of Missouri Section 393.700 *et seq.*;

WHEREAS, [User] is a member of JMUC;

WHEREAS, JMUC was created to develop water supply projects for Southwest Missouri to meet projected future needs for [User] and other members;

WHEREAS, to this end, JMUC has been working with the U.S. Army Corps of Engineers ("Corps") for many years to secure a "storage contract" authorizing JMUC and/or its members to use storage in that project for water supply purposes;

WHEREAS, JMUC has reason to believe that the Corps will enter into a storage contract substantially similar to the draft attached as Exhibit A in the near future (the "Storage Contract");

WHEREAS, JMUC anticipates the Storage Contract will grant JMUC a permanent right to utilize 90,790 acre-feet of storage space in Stockton Lake to store water for municipal and industrial water supply, which is expected to provide a safe yield of approximately 38 million gallons per day ("mgd");

WHEREAS, JMUC further anticipates the Storage Contract will obligate JMUC to make annual "first cost" payments to the Corps of approximately \$2 million per year; occasional additional payments for "repair, rehabilitation, and maintenance costs," which will be incurred as needed; and additional annual payments to cover "operations and maintenance costs" at Stockton Lake;

WHEREAS, before executing any contract with the Corps, JMUC must have subagreements in place with participating members to pay these costs;

WHEREAS, JMUC anticipates entering into "pass-through" subcontracts with its members, which will suballocate a portion of JMUC's storage space to each member in exchange for an agreement to pay a proportional share of JMUC's costs (the "Water Storage Subcontract");

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WHEREAS, JMUC anticipates that the pass-through subcontracts will be substantially similar to the template contract as Exhibit B (the "Template Subcontract") (i.e., capped at 10% over the dollar amounts shown in Article 3, paragraphs (a)(1)(a)(1) and (2) but could be lower);

WHEREAS, time is of the essence in formally executing subagreements once the pass-through subcontracts have been reviewed and approved by the Corps.

NOW, THEREFORE, BE IT RESOLVED THAT the [governing body] for [User] hereby desires to enter into a Water Storage Subcontract with JMUC substantially similar to the Template Subcontract, and hereby authorizes [delegated person or persons] to execute any and all documents necessary in order to bind [User] to such Water Storage Subcontract.

[USER]

By: _____

Date: _____