



WEST DES MOINES WATER WORKS BOARD OF TRUSTEES MEETING COMMUNICATION

DATE: July 21, 2021

ITEM:

6. Recommendations from Staff
 - b. Motion – Approving a Memorandum of Understanding and Agreement, LP Moon Pumping Station, Addition of a 4th Pump to Clive-Waukee-WDMWW Side of the Station

FINANCIAL IMPACT:

Funding for WDMWW portion of the projects will come from 00800-120-21008; \$150,000.00 was budgeted for this project. The cost shares for this project are estimated as follows: 25% WDMWW (\$102,500.00)

35% Clive (\$153,750.00)

35% Waukee (\$153,750.00)

These cost shares were agreed on by the parties based on current use of the station and not the 28E agreement for allocation of water and shall not change those allocations going forward.

SUMMARY:

The LP Moon Pumping Station (LPMPS) was designed to allow a fourth pump to be installed into the Clive-Waukee-WDMWW side of the station. Recent performance of the LPMPS has seen 3 pumps commonly running for extended periods of time, typically during the higher summer months. The fourth pump will provide for redundancy should one of the three current pumps fail.

The parties agree that DMWW shall proceed with design and construction of the LPMPS fourth pump project. DMWW will be the owner of the new pump upon its installation according to other LPMPS related agreements.

BACKGROUND:

In October 2020, DMWW provided a cost estimate of \$410,000.00 for the fourth pump. DMWW shall advance and pay the full cost of the fourth pump installation project but shall be reimbursed by the parties for the full and actual direct and indirect cost thereof, which shall include both out of pocket costs and DMWW's internal cost of design, contract, letting, construction supervision, and other services. DMWW may not go over 115% of the estimated costs without seeking approval from the three entities.

RECOMMENDED ACTION BY THE BOARD OF TRUSTEES:

That the Board of Trustees Approve the Memorandum of Understanding and Agreement for LP Moon Pumping Station, Addition of a 4th Pump to Clive-Waukeee-WDMWW side of the station.

Prepared by: Clive Murphy

Approved for Content by: Clive Murphy

Memorandum of Understanding and Agreement
LP Moon Pumping Station
Addition of 4th Pump to the Clive-Waukee-West Des Moines Side of Station

The undersigned parties agree as follows:

1. The LP Moon Pumping Station (“LPMPS”) is a joint-use facility that is owned and operated by the Board of Water Works Trustees of the City of Des Moines, Iowa (“DMWW”) for the joint benefit of its own operations and the separate operations of the water utilities of Clive, Waukee, West Des Moines Water Works, Urbandale, and Xenia. A specific portion of the LPMPS is dedicated to service for Clive, Waukee, and West Des Moines, and is referred to herein as the “Clive-Waukee-West Des Moines Section” of the LPMPS. The participants in the facility have funded the construction of its various portions and by agreement share the costs for the on-going operations and maintenance expenses associated with the facility. DMWW, as Owner, is responsible for replacement of assets when they reach the end of their useful life.
2. The existing agreements that define or reference the LPMPS are as follows:
 - a. Wholesale Water Service Master Agreement (June 10th, 2005).
 - b. Water Service Enhancement Master Agreement (May 26th, 1992):
 - i. Memorandum of Understanding (September 7th, 1993) between Board of Water Works Trustees of the City of Des Moines, Iowa and the Board of Water Works Trustees of the City of West Des Moines, Iowa in regard to the Water Service Enhancement Master Agreement.
 - ii. Amendment to Water Service Enhancement Agreement:
 1. January 26th, 1995 for City of Clive.
 2. February 28th, 1995 for Board of Water Works Trustees for West Des Moines.
 - iii. Second Amendment to Water Service Enhancement Agreement (May 3rd, 2001).
 - iv. Third Clive Amendment to Water Service Enhancement Agreement (September 6th, 2001).
 - v. Fourth Amendment to Water Service Enhancement Agreement (November 20th, 2003).
 - c. Agreement for Shared Use of Water Tower Capacity (November 20, 2003). (the “LPMPS-Related Agreements”)
3. The LPMPS was designed to allow a fourth pump to be integrated into the Clive-Waukee-West Des Moines Section of the station. Recent evaluations of the performance of the LPMPS indicate that it is common for all three of the existing pumps for the Clive-Waukee-West Des Moines Section to operate concurrently for extended periods of time. This typically happens annually during the summer months when higher water demands are experienced.
4. The addition of a fourth pump will not allow any extra capacity to be pumped from the station, but the integration of a fourth pump will provide beneficial redundancy should one of the existing three pumps experience a failure or need to be taken out of service in a period of high demand.
5. In October of 2020, DMWW staff provided a cost estimate of \$410,000 for integration of a fourth pump to the Clive, Waukee, and West Des Moines Section of the LPMPS. The estimate represents a

good faith effort to include all necessary direct and indirect costs to be incurred by DMWW to design, construct, and commission a project that results in a functioning fourth pump to aid in station reliability (the "LPMPS 4th Pump Project"). The estimate provided by DMWW is not a guaranteed or fixed amount, and the actual costs incurred will govern reimbursement hereunder. DMWW will not, however, incur reimbursable costs in excess of 115% of this estimate without conferring with project participants in advance and obtaining their approval.

6. The parties agree that DMWW shall proceed with the design, construction, and commissioning of the LPMPS 4th Pump Project and shall take the steps it deems appropriate and required to initiate and complete such project and to place the new 4th pump into service, except that if costs in excess of those reimbursable under Section 5 will be incurred, then DMWW may elect not to proceed. DMWW shall be the owner of the new 4th pump upon its installation and thereafter, subject to the terms of the LPMPS-Related Agreements.
7. DMWW shall advance and pay the full costs of the LPMPS 4th Pump Project, but shall be reimbursed by the other parties for the full actual direct and indirect costs thereof, which shall include both out of pocket costs and DMWW's internal costs of design, contract letting, construction supervision, and other services. The shares of the other parties in such reimbursement shall be as follows:
 - a. 25% to West Des Moines.
 - b. 37.5% to Clive.
 - c. 37.5% to Waukee.
8. DMWW shall invoice the other parties for their respective shares of the LPMPS 4th Pump Project as costs are paid or otherwise incurred by DMWW, but no more frequently than once a month. All such invoices shall be paid within thirty days of issuance.
9. The parties agree that the costs of operation and maintenance of the new LPMPS 4th Pump after it is placed in service shall be invoiced as currently provided by the LPMPS-Related Agreements.
10. The parties agree that this Memorandum of Understanding and Agreement and the cost-share defined herein shall be deemed to supplement, but not to otherwise amend or replace, any of the LPMPS-Related Agreements which shall all remain in full force and effect, including without limitation the Water Service Enhancement Master Agreement.

SIGNATURE PAGES TO FOLLOW

Dated: _____, 2021.

BOARD OF WATER WORKS TRUSTEES OF THE
CITY OF DES MOINES, IOWA

By: _____

By: _____

Dated: _____, 2021.

BOARD OF WATER WORKS TRUSTEES OF THE
CITY OF WEST DES MOINES, IOWA

By: _____

By: _____

Dated: _____, 2021.

CITY OF CLIVE, IOWA

By: _____

By: _____

Dated: _____, 2021.

CITY OF WAUKEE, IOWA

By: _____

By: _____