CITY OF COFFEYVILLE
BOARD OF COMMISSIONERS AGENDA ITEM

MEETING DATE	July 23, 2013	
RESOLUTION OR ORDINANCE NUMBER	R-13-58	
AGENDA TITLE	**Big Chief RV Park**	
REQUESTING DEPARTMENT	Electric	
PRESENTER	Gene Ratzlaff	
FISCAL INFORMATION	Cost as recommended:	N/A
	Budget Line Item:	N/A
	Balance Available	
	New Appropriation Required:	[ ] Yes [X] No
PURPOSE	Authorizes the Mayor to Execute an Agreement with Big Chief RV Park for upgrades to their electric service.	
BACKGROUND	In 2010, the City completed electrical work for Big Chief RV Park totaling approximately $82,023.05. However, the City failed to enter into a formal agreement with the ownership of the park. Subsequently, the owner has asked the City to complete additional work with an estimated cost of $11,961.06, which would subsequently be reimbursed to the City by Big Chief through monthly payments that are additional to their electric consumption.	
SPECIAL NOTES	As a result of this upgrade in service an existing lighted billboard will be behind the meter and rather than incurring additional costs to separate an additional service for the sign; Big Chief has agreed to pay the electricity for the sign as they have an existing contract with the sign company.	

ANALYSIS	
PUBLIC INFORMATION PROCESS	
BOARD OR COMMISSION RECOMMENDATION	
STAFF RECOMMENDATION	Staff recommends approval of this agreement.
REFERENCE DOCUMENTS ATTACHED	Memorandum of Agreement

RESOLUTION NO. R-13-58

A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE AN AGREEMENT WITH BIG CHIEF RV PARK FOR UPGRADES TO THEIR ELECTRICAL SERVICE.

WHEREAS, Big Chief owns and operates an RV park located adjacent to the Coffeyville Industrial Park in Coffeyville, Kansas; and

WHEREAS, Big Chief has evaluated its electricity usage and determined that it would improve its efficiency to replace the existing metering with primary metering; and

WHEREAS, the City owns and operates its own generation, transmission, and distribution facilities to furnish retail electric service to the geographic area identified as the City's Certified Electric Service Territory pursuant to K.S.A. 66-1,170 *et seq.*

WHEREAS, the City has agreed to modify the metering structure, as requested by Big Chief, and to make corollary adjustments to City's transmission and distribution facilities (collectively, the "Upgrades"), subject to Big Chief's agreement to pay City for the actual cost of labor and material associated therewith, estimated to be $11,961.06.

NOW, THEREFORE, BE IT RESOLVED by the governing body of the City of Coffeyville that the Mayor and City Clerk are hereby authorized and directed to execute an agreement with Big Chief RV Park for the upgrades to the electrical service.

ADOPTED THIS 23rd DAY OF JULY 2013.

_____
David George, Mayor

_____
Cindy Price, City Clerk

APPROVED AS TO FORM AND LEGALITY:

_____
Paul Kritz, City Attorney

MEMORANDUM OF AGREEMENT

THIS AGREEMENT, made and entered into as of July _____, 2013, by and between Big Chief Land Company, LLC, d/b/a Big Chief RV Park ("Big Chief"), and the City of Coffeyville, Kansas, a municipal corporation duly incorporated under the laws of the state of Kansas ("City").

Recitals

A. Big Chief owns and operates an RV park located adjacent to the Coffeyville Industrial Park in Coffeyville, Kansas.

B. Big Chief has evaluated its electricity usage and determined that it would improve its efficiency to replace the existing metering with primary metering.

C. City owns and operates its own generation, transmission, and distribution facilities to furnish retail electric service to the geographic area identified as the City's Certified Electric Service Territory pursuant to K.S.A. 66-1,170 *et seq.*

D. City has agreed to modify the metering structure, as requested by Big Chief, and to make corollary adjustments to City's transmission and distribution facilities (collectively, the "Upgrades"), subject to Big Chief's agreement to pay City for the actual cost of labor and material associated therewith, estimated to be $11,961.06.

THEREFORE, the parties have agreed as follows:

1. City agrees to make the Upgrades within approximately thirty (30) days from the date of this Agreement.

2. Big Chief acknowledges the balance owed to City for previous electric transmission work provided to Big Chief's facility is $54,682.05[1] as of June 20, 2013. Big Chief agrees that the actual cost for the Upgrades shall be added thereto, which will bring the amount to be paid by Big Chief for transmission/metering work to approximately $66,643.11. The actual balance, to be determined following completion of the Upgrades, shall be paid in monthly installments of $1,367.05, until paid in full. The payment amount shall be added to Big Chief's monthly utility bill.

3. If requested by City, Big Chief shall provide to City, at no cost to City, necessary rights-of-way, easements, or licenses on or across Big Chief's real estate, at reasonable locations thereon, for the proper location of City-owned electric facilities, including transmission facilities that are reasonably utilized by City for the delivery of power and energy to Big Chief's electric service delivery points.

4. Big Chief acknowledges the existence of a lighted billboard situated upon Big Chief's real estate that will be "behind" the proposed Big Chief meter and that Big Chief will

[1] Original cost was $82,023.05; Big Chief has paid a total of $27,341.00 toward the original cost

become responsible for payment for electric service to the billboard. Big Chief agrees not to charge the billboard owner a separate fee based upon electric usage in violation of the City's electric rate code.

5. This Agreement shall be binding upon the Parties and their successors and assigns.

IN WITNESS WHEREOF, the parties have executed this Memorandum of Agreement as of the date and year first above written, and have caused it to be signed and delivered on their behalf by a duly authorized officer.

BIG CHIEF LAND COMPANY, LLC
d/b/a BIG CHIEF RV PARK

By: _____
Fred Wigley, General Manager

ATTEST:

_____
Secretary

CITY OF COFFEYVILLE, KANSAS

By: _____
David George, Mayor

Attest:

_____
Cindy Price, City Clerk