



MEETING OF FEBRUARY 21, 2023

TO: Mayor Jordan and City Council
THRU: Susan Norton, Chief of Staff
FROM: Timothy Nyander, Utilities Director
DATE:
SUBJECT: **Elkins Water Purchase Agreement**

RECOMMENDATION:

Staff recommends approval of a Water Purchase Agreement between the City of Fayetteville and the City of Elkins to allow the sale of wholesale water to the City of Elkins.

BACKGROUND:

The City of Fayetteville owns and operates a water supply distribution system with a capacity capable of serving its citizens as well as the City of Elkins. The City of Elkins currently purchases wholesale water from the City of Fayetteville for distribution within its present service area.

DISCUSSION:

The current agreement with the City of Elkins to furnish them with potable water is expired, and City staff recently drafted a new Water Purchase Agreement that has been agreed to and signed by the City of Elkins. The agreement outlines that the City of Elkins shall purchase water as required by its citizens up to a maximum of 130 million gallons per year and a maximum of 350 thousand gallons per day. The City of Fayetteville's water system has ample capacity to serve this need. The City of Elkins shall maintain a backflow prevention device at the point of delivery so that the City of Fayetteville's water supply is protected in the event of a backflow occurrence in the City of Elkins' water system.

The term of this agreement shall extend for a term of ten (10) years from the date of the signature, and may be renewed for further terms as agreed upon by both Cities. Staff recommends approval of the Water Purchase Agreement.

BUDGET/STAFF IMPACT:

Elkins will continue to be billed for its wholesale water purchases through the City of Fayetteville's Billing Office. The current rates are presented in Exhibit B of the agreement, but are subject to change by ordinance of the city council based on an approved rate study.

ATTACHMENTS: SRF Elkins Water Purchase Agreement, Water Purchase Agreement 2023 revised city attorney