

JOINT RESOLUTION OF THE OKLAHOMA CITY WATER UTILITIES TRUST AND THE CITY OF OKLAHOMA CITY APPROVING THE PRICE ADJUSTMENTS TO THE REGULATED TARIFF RATE CONTRACT WITH THE FEDERAL GOVERNMENT FOR PROVISION OF UTILITY SERVICES, INITIAL SYSTEM DEFICIENCY CORRECTIONS, AND THE RECOVERABLE PORTION OF SYSTEMS PURCHASE PRICE EFFECTIVE NOVEMBER 1, 2022, AS PROVIDED IN ACCORD WITH FAR 52.241-7, CHANGES IN RATES OR TERMS AND CONDITIONS OF THE SERVICE FOR REGULATED SERVICES, AND AUTHORIZING THE GENERAL MANAGER TO IMPLEMENT THE APPROVED ANNUAL WATER TARIFF RATE OF \$12,272,131 AND THE APPROVED ANNUAL WASTEWATER TARIFF RATE OF \$14,552,644 FOR CONTRACT YEAR 2.

WHEREAS, The City of Oklahoma City and the Oklahoma City Water Utilities Trust (OCWUT) entered into a long-term Utility Service Contract to provide water and wastewater system operations, repair, maintenance, and capital project execution at Tinker Air Force Base (TAFB) on November 1, 2021; and

WHEREAS, pursuant to the regulated tariff rate contract executed between the parties (Contract SP0600-20-C-8331), monthly utility service charges shall be recalculated on an annual basis; and

WHEREAS, such tariff rates for utility services and initial system deficiency corrections shall be sufficient to recover all current , known, and measurable future costs and expenses of the systems as determined by the General Manager; and

WHEREAS, OCWUT proposed these changes to the tariff rates for TAFB due to projected increases in costs related to system repairs and maintenance, additional regulatory-based studies and testing parameters, and significant inflation-related increases in capital project costs since the original rates were agreed upon; and

WHEREAS, OCWUT staff, along with TAFB program manager, Guernsey, have recalculated cost-of-service tariff rates to serve TAFB; and

WHEREAS, the proposed annual water tariff rate for TAFB for Contract Year 2 is calculated at \$12,272,131; and

WHEREAS, the proposed annual wastewater tariff rate for TAFB for Contract Year 2 is calculated at \$14,552,644.

WHEREAS, on September 7, 2022, OCVUT presented the proposed rate adjustments to the U.S. Defense Logistics Agency – Energy (DLA Energy) for consideration; and

WHEREAS, the tariff rates were negotiated with DLA Energy since September 2022, and agreed upon June 29, 2023; and

WHEREAS, the rates would be effective November 1, 2022.

WHEREAS, a summary of the agreed upon adjustments to the water and wastewater tariffs are outlined below:

Overall Change to Annual Tariff			
	Water	Wastewater	Total
Original Year 2 Annual Tariff	\$ 11,636,748	\$ 13,985,772	\$ 25,622,520
Total O&M Changes	\$ 424,147	\$ 386,661	\$ 810,808
Total Initial System Deficiency Correction Changes	\$ 211,236	\$ 180,211	\$ 391,447
Proposed Year 2 Annual Tariff	\$ 12,272,131	\$ 14,552,644	\$ 26,824,775

NOW, THEREFORE, BE IT JOINTLY RESOLVED by the Oklahoma City Water Utilities Trust and The City of Oklahoma City that they do hereby approve the price adjustments to the regulated tariff rate contract with the federal government for provision of utility services, initial system deficiency corrections, and the recoverable portion of systems purchase price effective November 1, 2022, as provided in accord with FAR 52.241-7, changes in rates or terms and conditions of the service for regulated services, and authorize the General Manager to implement the approved annual water tariff rate of \$12,272,131 and the approved annual wastewater tariff rate of \$14,552,644 for Contract Year 2.

ADOPTED by the Trustees and signed by the Chairman of the Oklahoma City Water Utilities Trust this 1ST day of AUGUST, 2023.

ATTEST:

Amy K. Simpson
SECRETARY



OKLAHOMA CITY WATER UTILITIES

Joe Cook

CHAIRMAN

ADOPTED by the City Council and signed by the Mayor of the City of Oklahoma City this 15TH day of AUGUST, 2023.

ATTEST:

Amy K. Simpson
CITY CLERK



David Holt

THE CITY OF OKLAHOMA CITY

MAYOR

REVIEWED for form and legality.

Craig Keith
ASSISTANT MUNICIPAL COUNSELOR