

RESOLUTION NO. 928

A RESOLUTION DIRECTING THE CITY MANAGER TO SELECT PAYMENT OPTION 2 (52 MONTH REPAYMENT SCHEDULE WITH A 2.5% INTEREST RATE) FOR THE GRAND RIVER DAM AUTHORITY (GRDA) EXTRAORDINARY POWER COST ADJUSTMENT AND EXTEND THE REPAYMENT PERIOD FOR OSAWATOMIE ELECTRIC CUSTOMERS FROM 36 MONTHS TO 56 MONTHS.

WHEREAS, the City of Osawatomie is contractually obligated to purchase and pay for power coming from the Grand River Dam Authority (GRDA) through the Kansas Municipal Energy Agency (KMEA); and

WHEREAS, the GRDA Board of Directors approved an updated Power Cost Adjustment (PCA) rate schedule at their August 12, 2021 meeting which included the recovery of the Extraordinary Power Costs (EPC) caused by the February Winter Storm Event.; and

WHEREAS, the total EPC calculated by GRDA was \$102,338,191 of which KMEA's share was \$7,306,201; and

WHEREAS, of that portion charged to KMEA the City of Osawatomie is obligated to pay \$260,936.

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF OSAWATOMIE, KANSAS:

SECTION ONE: That the City Manager Select Option 2 (52-month repayment schedule with a 2.5% Interest Rate) for repayment of the GRDA EPC.

SECTION TWO: That the City Manager also seek access to the State of Kansas City Utility program to possibly lower the borrowing cost even more.

SECTION THREE: That the City extend the increase in rates approved in Resolution 864 by 20 months to account for the EPC that the City's Electric Utility is required to pay.

PASSED AND APPROVED by the Governing Body of the City of Osawatomie, Kansas, this 23th day of September, 2021, a majority voting in favor of.

APPROVED and signed by the Mayor.

L. Mark Govea, Mayor

(SEAL)

ATTEST:

Tammy Seamands, City Clerk