

**NOTICE OF SPECIAL MEETING AGENDA
OF THE BOARD OF COMMISSIONERS
CITY OF CUSHING
AND
THE BOARD OF TRUSTEES
CUSHING MUNICIPAL AUTHORITY
MARCH 4, 2024
12:00 PM CUSHING CITY HALL
100 JUDY ADAMS BLVD.**

THE BOARD MAY DISCUSS, CONSIDER, AND VOTE ON ANY ITEM LISTED ON AGENDA IN ANY ORDER:

1. Call to Order

- a. Roll Call
- b. Declaration of Quorum

2. Resolutions

- a. **CUSHING MUNICIPAL AUTHORITY RESOLUTION NO. 02-2024:** A resolution authorizing the Chairman, Board of Trustees, to execute a Work Authorization Agreement with C.H. Guernsey & Company and authorize an expenditure in an amount not to exceed \$45,000.00 for the re-analysis of our previous rate study and development of recommended rates for each utility service.
- b. **CUSHING MUNICIPAL AUTHORITY RESOLUTION NO. 03-2024:** A resolution authorizing the Chairman, Board of Trustees, to execute an Automated Meter Infrastructure (AMI) Rider and Service Agreement with GRDA for the purpose of installation of AMI for the electric distribution system and authorize monthly cost recovery payments over a period of sixty (60) months in an amount not to exceed \$952,000.00 in total.
- c. **CUSHING MUNICIPAL AUTHORITY RESOLUTION NO. 04-2024:** A resolution authorizing the City Manager to issue a purchase order to Tyler Technologies, Inc. in an amount not to exceed \$28,000.00 to facilitate programming and data merger from Automated Meter Infrastructure (AMI) into current billing software, and to authorize payment.

3. Executive Session


- a. Executive session pursuant to 25 O.S. § 307 (B) (1) Discussing the employment, hiring, appointment, promotion, demotion, disciplining or resignation of any individual salaried public officer or employee.

4. Adjournment

Filed in the office of City Clerk and posted on the main lobby entrance door of City Hall at 10:54 AM on February 29, 2024.



Terry Brannon, City Manager



Jerica Worthy, City Clerk



TO THE HONORABLE CHAIRMAN AND MEMBERS OF THE CITY COMMISSION / TRUSTEES OF THE CUSHING MUNICIPAL AUTHORITY / TRUSTEES OF THE CUSHING HOSPITAL AUTHORITY

Date of Meeting: March 4, 2024 **Agenda Item:** 2A

Subject: Re-Analysis of Cost of service and Rate Study

Staff Resources: Terry Brannon, City Manager

I. Background

During the FY 18 – 19 budget process Trustees directed staff to seek a Cost of Service and Rate Study. Staff engaged Guernsey, an Oklahoma City, Oklahoma based engineering firm to perform the study. Guernsey has significant experience providing trusted cost of service and rate studies for municipalities throughout Oklahoma, which include the following municipalities: Stillwater, Tecumseh, Blackwell, Duncan, and Ponca City, among many others. They also service clients outside the state of Oklahoma.

The study included our enterprises, which include electric, water, wastewater, and solid waste. The study was set to be presented in early 2020, but because of the pandemic, the findings of the study were postponed until September 14, 2021. Following the 2021 presentation, no formal action was taken by Trustees.

Historically, the last known electric rate study was performed in May 1988, and another “preliminary” study was given to staff in December 1990 by Allgeier, Martin & Associates, a Missouri based engineering firm. In June of the subsequent year, Trustees adjusted electric rates. Since, there have been no formal adjustments to electric rates. In 2006, Trustees formally adjusted rates for water and wastewater (sewer). Solid waste rates were adjusted in 2021 following the execution of a long-term agreement with Republic Services.

Acting on behalf of Trustees, staff reengaged Guernsey and requested a proposal to perform a re-analysis of electric, wastewater, and water rates. The proposal is included with this summary sheet.

II. The Cost of Service Process – Summary

The refreshed study will identify the actual cost of providing service to each customer of each of the utility systems. The component of expenses will identify capacity, customer related and volumetric cost components. Once completed, our analysis will include the necessary information to:

- Determine the true cost of providing utility services.
- Determine and equitably distribute costs between our utility systems (electric, water, wastewater, and solid waste).
- Equitably allocate service costs between fixed and commodity cost components.
- Review allocation and rate structures for each utility system.
- Mitigate risk associated with issues such as rising fixed costs, customer growth, utility plant additions and conservation.

- Better identify and understand inter- and intra-class subsidies that may exist between utility systems and between customers within each of the utility systems.
- Develop customized rates for existing or future industrial customers.

Further, the re-analysis provides Trustees an opportunity to design rates that recognize and balance the following issues:

- Cost of service based, including appropriate power pricing signals.
- Fairness and equity among utility systems and customers.
- Understandable and acceptable to customers.
- Appropriate pricing signals.
- Customer impact.
- Rate continuity considerations.
- Capital improvement funding needs.

The rates are a primary communication tool with the customers. It is important to monitor rates to make sure they produce the revenues required to maintain the financial viability of the system and to send proper pricing signals to the retail customers. It is increasingly important to know the unbundled cost of providing a service for each customer class and/or service level and to know how these costs are reflected in the rate design.

III. Fiscal Impact

\$55,000.00 was allocated in the FY 23 – 24 budget for the re-analysis of our previous rate study. The projected cost for the re-analysis is between \$25,000.00 – \$30,000.00.

IV. Recommendation

Motion to authorize the Chairman of the Board of Trustees to execute a Work Authorization Agreement with C.H. Guernsey & Company and authorize an expenditure in an amount not to exceed \$45,000.00 for the re-analysis of our previous rate study and development recommended rates for each utility service.

CUSHING MUNICIPAL AUTHORITY
RESOLUTION NO. 02-2024

A RESOLUTION AUTHORIZING THE CHAIRMAN, BOARD OF TRUSTEES, TO EXECUTE A WORK AUTHORIZATION AGREEMENT WITH C.H. GUERNSEY & COMPANY AND AUTHORIZE AN EXPENDITURE IN AN AMOUNT NOT TO EXCEED \$45,000.00 FOR THE RE-ANALYSIS OF OUR PREVIOUS RATE STUDY AND DEVELOPMENT OF RECOMMENDED RATES FOR EACH UTILITY SERVICE, AND TO AUTHORIZE PAYMENT.

BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE CUSHING MUNICIPAL AUTHORITY, that the Chairman, Board of Trustees, is hereby authorized to execute a Work Authorization Agreement with C.H. Guernsey & Company and authorize an expenditure in an amount not to exceed \$45,000.00 for the re-analysis of our previous rate study and development of recommended rates for each utility service, and to authorize payment.

PASSED AND APPROVED THIS 4th DAY OF MARCH, 2024.

Ricky Lofton, Chairman
Board of Trustees

ATTEST:

Jerrica Worthy, Secretary

APPROVED AS TO FORM AND LEGALITY:

Jonathan Huseman, City Attorney



Work Authorization for the City of Cushing, Oklahoma

Cushing Municipal Authority

Background

The Cushing Municipal Authority requests assistance to develop a Cost of Service and Rate Study. The Cushing Municipal Authority has engaged Guernsey to develop proposed rates for electric, water and wastewater utility services.

Scope of Services

To assist the Cushing Municipal Authority, Guernsey will perform the work identified in the attached Scope of Work. Major project objectives include:

1. Establish the overall revenue requirement for each utility service based on input from Cushing Municipal Authority management and staff
2. Develop propose rates for each utility service
3. Develop billing comparisons for each utility service rates to exhibit customer impact
4. Present proposed rates to the Cushing Municipal Authority

Timeline

Guernsey is available to begin work on the project immediately. Guernsey will work with the Cushing Municipal Authority to determine a project schedule and milestones.

Project Cost

Guernsey estimates the cost to perform the work in Scope of Services to be \$25,000 to \$30,000.

Effort will be billed on based on the fee schedule in Attachment A, and any non-labor costs such as transportation will be passed through without a markup.

Attachments:

1. Standard Fee Schedule – 2024
2. Proposed Scope of Work
3. Data Request

Authorization to Proceed

The Cushing Municipal Authority hereby directs Guernsey to perform the activities defined in the Scope of Services as specified and payable as set forth within the Current Fee Schedule (Attachment A).

The Cushing Municipal Authority, Cushing, Oklahoma

By: _____

Title: _____

Date: _____

C. H Guernsey & Company

By: Justin Proctor

Title: Vice President, Managing Consultant

Date: 2/23/24



C. H. GUERNSEY & COMPANY

Standard Fee Schedule - 2024

<u>Labor Category</u>	<u>Hourly Rate</u>
Principal	\$330
Senior Managing Consultant	\$300
Managing Consultant II	\$285
Managing Consultant	\$265
Senior Consultant / Engineer / Architect	\$245
Consultant / Engineer / Architect II	\$230
Consultant / Engineer / Architect	\$215
Senior Associate	\$200
Associate II	\$180
Associate	\$165
Senior Analyst / Engineering Tech II	\$150
Senior Analyst / Engineering Tech	\$135
Analyst / Tech II	\$120
Analyst / Tech	\$105
Support Staff	\$75
<i>Non-Labor Expenses</i>	@ Cost

Rates Effective on January 1, 2024

REALIZE THE DIFFERENCE

5555 North Grand Boulevard
Oklahoma City, OK 73112-5507
405.416.8100

guernsey.us

City of Cushing, Oklahoma
Cushing Municipal Authority
Cost of Service and Rate Design - Proposed Scope of Work

The Cost of Service and Rate Study has the following major components and activities:

1. Define the system revenue requirement.
 - a. Identify test year actual revenues, expenses, and margins.
 - b. Develop adjustments to test year revenues and expenses by making adjustments based on the CMA 2023-2024 Budget;
 - i. Power and Water supply
 - ii. Budgeted expenses
 - iii. Revenue – Electric, Water and Wastewater
 1. Recalculate test year actual revenue to validate billing units.
 2. Calculate revenue under current rates with adjusted test year usage
 - c. Establish the CMA total revenue requirement based upon budgeted expenses, financial objectives, as well as input from management.
 - d. As these activities are performed, expect telephone and e-mail communication from Guemsey to clarify information or obtain supplemental information.
2. Cost of service revenue requirement allocation (expenses and margin requirement) to customer classes.
 - a. Develop allocations for electric wholesale power
 - b. Identify unbundled costs for unbundled power/water supply (capacity, variable, delivery)
 - c. Develop estimated distribution costs (demand and customer).
 - d. Recommend class revenue requirements
3. Rate design – Electric, Water, and Wastewater
 - a. Establish the required change for each class.
 - b. Recommend proposed rate adjustments.
 - c. Discuss with staff considerations for alternate rate structures to address goals and objectives defined by the CMA.
 - d. Develop rate designs along with comparisons of existing and proposed rates at representative consumption levels.
4. Review with management and staff.
 - a. Online or on-site meeting with management and staff to discuss the initial development of the study, review assumptions and preliminary proposed rate designs:
 - i. Preliminary rate designs are intended to facilitate discussion and review of class rate changes and rate designs.
 - ii. Make revisions to the study based on discussion and input from staff.
 - iii. Conduct additional review meetings and make revisions as directed.
5. Presentation of study findings – Guemsey will:
 - a. Prepare a presentation summarizing the revenue requirement and proposed rate designs.
 - b. Present the study and recommended rates to the governing body.
 - c. Prepare final report.

**CITY OF CUSHING, OKLAHOMA
CUSHING MUNICIPAL AUTHORITY**

**DATA REQUEST FOR RATE STUDY FOR ELECTRIC,
WATER, AND WASTEWATER RATES**

FOR THE TWELVE MONTHS ENDING JUNE 30, 2023

1. Provide all existing rate ordinances for electric, water service, and wastewater service.
2. Please provide the monthly billing reports for the 12 months ending June 30, 2023 for each utility service (electric, water and wastewater) showing the number of consumers billed and billing units for each utility service (i.e., kWh sold, gallons of water consumed, wastewater billed) and revenue and consumption billed for each block of the rate schedule. If possible, show the totals by month for all customers billed. Also provide the billing data by month showing the number of customers billed for sanitation service and the revenue received.
3. Provide test year monthly bill frequency reports for all electric, water and wastewater rate codes (except lighting rates and rate codes for which individual account information is provided for Item 5). Bill frequency reports are required for rates with declining or inclining block rates or with a minimum bill greater than the customer/facilities charge or for those rates for which you desire blocked rates or increased minimum bills.
4. Provide the individual customer data for large use water customers with consumption in excess of 100,000 gallons per month for the same 12-month periods referenced in item #3.
5. For each electric consumer billed or to be billed on a demand (kW or kVA) rate, provide the following for each month of the test year:
 - a. Account number, name, rate code, revenue code and state;
 - b. Installed kVA (if available);
 - c. Metered demand (kW or kVA) or installed HP;
 - d. Billing demand (kW or kVA) or billing HP;
 - e. If applicable, metered and billing on-peak or coincident peak (CP) kW
 - f. kWh (exclude unmetered security lights);
 - g. Base rate revenue (customer charge billing, demand charge billing, energy charge billing, etc.) excluding sales and franchise taxes; and
 - h. FCA/PCA/PCRF/DCA, etc. revenue, if applicable (excluding sales and franchise taxes).
 - i. If non-coincident peak kW (NCP kW) or HP data is available for any other consumers or rate codes, provide the above data for those customers.
6. Please provide the following related to wholesale electric power:
 - a. Please provide monthly power bill statements for each month for the 12 months ending June 30, 2023
 - b. If the wholesale supplier made any adjustments for metering corrections, refunds, etc., provide copies of each adjustment and an explanation of the adjustment. For metering corrections, show the corrected metered kW, billing kW, kWh, or other billing units, and indicate the metering point for which the correction was made.

- c. If the wholesale power supplier applies any adjustments or special charges to the power bill such as special facilities charges, investment credit, meter reading or processing charges, etc., provide complete details.
 - d. Provide a copy of the applicable wholesale rate schedule (tariff sheet) for each wholesale power supplier and co-generator.
 - e. If the wholesale rate changed after the test year or if the wholesale power supplier is proposing a rate change, provide a copy of the changed and/or proposed rate.
7. Provide the following for the monthly electric adjustment factors (PCRF, PCA FCA, ECA, DCA, etc.):
 - a. The factors (\$ per kWh) applied to customer billing for each month of the test year.
 - b. The monthly worksheets for calculating the test year monthly factors.
 - c. If not shown on the General Ledger/Trial Balance or provided above, the monthly over/under recoveries booked to revenue.
8. For security lights and street lights, provide the following information, by month:
 - a. Number of lights served, by lamp size, for the test year.
 - b. Additional pole charges (if any) or other additional charges billed under the light rate.
 - c. The kWh usage assumed each month for each lamp size (e.g., 80 kWh per month for 175-Watt lamps and 120 kWh per month for 400-Watt lamps, etc.).
 - d. How many security lights represent separate service (i.e., separate transformer, pole, etc.)?
9. Please provide the annual budget and performance measures report for FY 2023-2024.
10. Please provide the monthly operating reports for the electric, water, wastewater department for the twelve months ending June 30, 2023.
11. Please provide the monthly financial statements for the electric and water and wastewater operation for the twelve months ending June 30, 2023.
12. Please provide a summary of all outstanding debt as of June 30, 2023.
13. Please provide a projection of additional debt to be incurred in the next two years.
14. Please provide a projection of all major utility plant additions by type for the next five years.
15. Please provide any other reports or analysis developed by the electric and water/wastewater departments that would provide additional information regarding the costs incurred to provide service.

**TO THE HONORABLE CHAIRMAN AND MEMBERS OF THE CITY COMMISSION / TRUSTEES OF
THE CUSHING MUNICIPAL AUTHORITY / TRUSTEES OF THE CUSHING HOSPITAL AUTHORITY**

Date of Meeting: March 4th, 2024 **Agenda Item No:** 2B

Subject: **Automated Meter Infrastructure (AMI) GRDA Rider and Service Agreement Execution for Electric Distribution System**

Staff Resources: Terry Brannon, City Manager
Derek Griffith, Assistant City Manager
Mike Starks, Electric Distribution Superintendent
Diane Barnett, Utility Office Supervisor

I. Summary

As you are aware, staff has been working diligently for the past several months to address our need for Automated Meter Infrastructure (AMI). Having this system in place will provide many benefits for the Municipal Authority and staff including:

- The ability to capture real time meter data remotely, which will streamline our reading and billing process that currently operates two months in arrears.
- Will allow staff to maintain operational awareness of the distribution system in real time.
- Serve as an invaluable tool for responses during severe weather events by providing system wide information down to the meter level allowing personnel to resolve outages safer and quicker.
- It will allow the Authority and staff to effectively plan for time of use methodology that GRDA plans to establish at some point in the near future.

In June the GRDA Board of Directors approved a program that allows participating municipalities and GRDA to enter into an agreement where GRDA covers the cost initially for procurement and installation of a fully functional system and recover the cost monthly over a period of sixty (60) months from the Municipal Authority with no interest. Within the program GRDA also vetted and selected four (4) approved vendors who supply these types of systems although through different technologies. Through a course of interviews, demonstrations and cost projections staff has selected Tesco Nighthawk as our desired vendor for the project. Full deployment is expected to take between three (3) and six (6) months, at which time cost recovery payments will begin. Mr. Huseman has reviewed the proposed agreement and approves of its content. Staff also asked him to review the vendor vetting and selection process to ensure it does not conflict with any local purchasing requirements and he is satisfied that it does not.

II. Fiscal Impact

This project will not have a negative budgetary impact. Adequate funding was approved within the capital project plan for FY 23/24. *AMI (252-500-5492)* The funding allocated comes from loan proceeds that were approved in conjunction with the Harmony

substation and subsequent 69Kv line installation. A budget amendment will be provided in the coming months to facilitate proper accounting and expenditure.

III. Recommended Action

Authorize the Chairman of the Trustees of the Cushing Municipal Authority to execute an Automated Meter Infrastructure (AMI) Rider and Service Agreement with GRDA for the purpose of installation of AMI for the electric distribution system and authorize monthly cost recovery payments over a period of sixty (60) months in an amount not to exceed \$952,000.00 in total.

CUSHING MUNICIPAL AUTHORITY
RESOLUTION NO. 03-2024

A RESOLUTION AUTHORIZING THE CHAIRMAN, BOARD OF TRUSTEES, TO EXECUTE AN AUTOMATED METER INFRASTRUCTURE (AMI) RIDER AND SERVICE AGREEMENT WITH GRDA FOR THE PURPOSE OF INSTALLATION OF AMI FOR THE ELECTRIC DISTRIBUTION AND AUTHORIZE MONTHLY COST RECOVERY PAYMENTS OVER A PERIOD OF SIXTY (60) MONTHS IN AN AMOUNT NOT TO EXCEED \$952,000.00 IN TOTAL

BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE CUSHING MUNICIPAL AUTHORITY, that the Chairman, Board of Trustees, is hereby authorized to execute an Automated Meter Infrastructure (AMI) Rider and Service Agreement with GRDA for the purpose of installation of AMI for the Electric Distribution and authorize monthly cost recovery payments over a period of sixty (60) months in an amount not to exceed \$952,000.00 in total.

PASSED AND APPROVED THIS 4th DAY OF MARCH, 2024.

Ricky Lofton, Chairman
Board of Trustees

ATTEST:

Jerrica Worthy, Secretary

APPROVED AS TO FORM AND LEGALITY:

Jonathan Huseman, City Attorney

GRDA AMI Rider

AVAILABILITY:

This Rider is available to eligible Customers.

I. INTENT:

Advanced Metering Infrastructure (AMI) enables both GRDA and wholesale customers to maintain operational awareness of distribution systems in real-time. GRDA's AMI Rider allows Customers to seek GRDA's assistance in negotiating and procuring AMI equipment and services, thereby facilitating economies of scale. Furthermore, the AMI Rider could provide GRDA with the additional technical capability to receive high-resolution information about the Customer's distribution system, which would provide GRDA operational advantages. Lastly, access to AMI Equipment and AMI data allows GRDA to more reliably plan for events involving manual load separation. Each of these factors facilitate improved system reliability and efficiency, allow customers to better respond to market signals, and improve GRDA's delivery of wholesale power and energy to Customers.

II. DEFINITIONS:

1. "AMI" means advanced metering infrastructure, an integrated metering system in which utility equipment, information management systems, and communications systems may coordinate to increase the reliability and/or efficiency of a utility system.
2. "AMI Base Cost" means the total capital cost to GRDA of procuring, supplying, and installing AMI Equipment for an individual participating Customer.
3. "AMI Billing Date" means, for any Customer, the billing month following the date of commercial operation of the Customer's AMI system, as determined by GRDA.
4. "AMI Costs" means AMI Base Cost and AMI Ongoing Costs, collectively.
5. "AMI Data" means the electronic and digital information derived from the operation of a Customer's AMI Equipment that can reasonably be shown to grant GRDA efficiency or other operational advantages.
6. "AMI Equipment" means AMI metering and all related hardware and software (including computer systems necessary for implementation, outage-tracking software, mapping software, and related equipment) necessary for a fully operational municipal electrical AMI system. AMI Equipment includes the communication equipment (i.e. radios and repeaters) necessary to wirelessly transmit AMI data to a central source. AMI Equipment excludes: (i) AMI Water Modules; (ii) AMI Gas Modules; and (iii) monthly service and/or software fees.

4. GRDA Board Approval. Participation Agreements under this Rider are subject to and conditioned upon approval of the GRDA Board of Directors.
5. Final Procurement. If approved by the Board of Directors, GRDA will negotiate final procurement of the AMI Equipment in an AMI Study Window from Vendor. GRDA will not be required to proceed with any purchase until and unless GRDA is able to negotiate acceptable terms and conditions with Vendor.
6. Guidelines and Flexibility. This process is designed to establish general guidelines with respect to the process that GRDA may use to negotiate, procure, and invoice for AMI Equipment. GRDA may modify or deviate from these guidelines if, in GRDA's discretion, the modification or deviation promotes enhanced efficiency, expediency, or value for itself or for the Customer.

IV. AMI EQUIPMENT

1. Installation of Equipment. Vendor will coordinate with Customer regarding the details of installing AMI Equipment on the Customer's distribution system, as more particularly described by the Service Agreement.
2. AMI Water and Gas Modules. Nothing in this Rider is intended to prevent Customer from: (i) installing AMI Water Modules or AMI Gas Modules; or (ii) using Customer's AMI Equipment to transmit data to and from AMI Water Modules or AMI Gas Modules. Provided any such interconnection of AMI Water Modules or AMI Gas Modules will be separately and directly contracted for and procured by Customer, at Customer's sole expense.
3. Ownership of AMI System. Title to and Ownership of AMI Equipment shall pass directly from Vendor or its vendor to Customer, and at no time will GRDA assume an ownership interest therein.

V. GRDA ACCESS TO AND CONTROL OF AMI DATA

Vendor and Customers shall provide GRDA with access to AMI Data as more particularly described in the Service Agreement.

VI. BILLING AND INVOICING

1. AMI Cost Recovery. Upon successful completion of the AMI Participation Process, as outlined in Section III, GRDA will incur AMI Costs for the installation of a commercially operational AMI system for an individual participating Customer and will recover those costs from the participating Customer.
2. Cost Recovery Methodology. Beginning on the AMI Billing Date and ending on the 60th billing month following the AMI Billing Date, GRDA will invoice participating Customer and the Customer will pay a monthly charge equal to 1/60th the AMI Costs.

Exhibit A
Pro Forma Service Agreement
AMI Rider

This *Service Agreement* (“**Service Agreement**”) is made and entered into between the Grand River Dam Authority, a governmental agency of the State of Oklahoma created and existing pursuant to 82 O.S. § 861, *et seq.* (“**GRDA**”), and Cushing Municipal Authority (“**Customer**”) (collectively, the “**Parties**”) on _____, ____ (“**Effective Date**”).

Article 1. Background

- 1.1 GRDA and Customer are parties to that certain *Power Purchase and Sale Contract* dated September 12, 2007 (“**PPSA**”), the contents of which are hereby incorporated by reference;
- 1.2 Customer seeks to participate in the GRDA *AMI Rider* (“**Rider**”), the contents of which are hereby incorporated by reference;
- 1.3 Customer seeks to select Tesco Nighthawk as Customer’s applicable Vendor under the *Rider*;
- 1.4 The terms of this Service Agreement define certain restrictions, parameters, and details regarding Customer’s participation in the *Rider*;

Therefore, the Parties agree as follows:

Article 2. Customer Payment under AMI Rider and Coordination with Vendor

- 2.1 Scope of AMI Rider Participation. Customer seeks for Vendor to implement an AMI system in Customer’s community as more particularly described by **Exhibit A.1 – AMI System Specifications**. Provided, and notwithstanding any provision to the contrary, in the event of a conflict between terms in **Exhibit A.1** and this *Service Agreement*, this *Service Agreement* will prevail and supersede the conflicting term.
- 2.2 Customer Representative and Personnel Duties. Customer will, at Customer’s cost:
 - 2.2.1 designate in writing an authorized representative to communicate with Vendor, and who is authorized to make decisions about the AMI Equipment on Customer’s behalf (“**Customer Representative**”). The Customer Representative will attend any pre-implementation, progress and other related meetings and inspections applicable to the AMI services;
 - 2.2.2 provide information, comments and approvals as required in a timely manner to Vendor when such input is necessary for Vendor to perform AMI services, including providing prompt written notice to Vendor whenever the Customer Representative observes or otherwise becomes aware of any development that affects the scope or time of performance or furnishing of the AMI services or any defect or nonconformance in the AMI services, or in the work of any vendor or other contractor related to the AMI services;
 - 2.2.3 reasonably cooperate with Vendor in such a manner as to facilitate Vendor’s performance of its obligations under any AMI services agreement(s);

provided WITH NO IMPLIED OR STATUTORY WARRANTIES BY OR FROM GRDA WHATSOEVER, INCLUDING WARRANTIES OF MERCHANTABILITY, QUALITY, OR FITNESS FOR A PARTICULAR PURPOSE.

- 3.3 Just and Reasonable Terms and Assistance of Counsel. Customer acknowledges that the terms and conditions of the Rider and this Agreement are just, reasonable, and not unduly discriminatory. Both parties have entered into this agreement after an opportunity for review by their respective legal counsel.
- 3.4 AMI Cost Recovery is Not Financing. Customer acknowledges that neither the *Rider* nor this Service Agreement is a financing or lending vehicle; instead, the *Rider* and Service Agreement create a mechanism to facilitate GRDA's investment in utility infrastructure, and thereby gain additional system visibility. Customer will not represent that the *Rider* or this Service Agreement is a financing or lending vehicle.
- 3.5 Choice of Law and Jurisdiction. This Service Agreement will be governed exclusively by Oklahoma Law, and the state district courts of Tulsa County, Oklahoma will have exclusive jurisdiction to adjudicate any disputes arising from or related to this Service Agreement. Customer irrevocably submits to the jurisdiction of the state district courts of Tulsa, Oklahoma with respect to any such dispute.
- 3.6 Notices. Each notice, request, demand, statement, or routine communication allowed or permitted by this Service Agreement, or any notice or communication which either Party may desire to give to the other, shall be performed in the manner described by the PPSA. Provided, the Parties agree that notice under this Service Agreement may be made via email, at the email addresses listed below:

Grand River Dam Authority
9933E. 16th Street
Tulsa, OK 74128
michael.shook@grda.com

City of Cushing
100 Judy Adams Blvd.
Cushing, OK 74023
acm@cityofcushing.org

- 3.7 Representation of Authority. The individual signing below represents that he/she: (i) is a duly authorized representative of Customer; (ii) has obtained all necessary approvals prior to executing this Service Agreement and executes this Service Agreement without condition precedent; and (iii) possesses adequate and sufficient authority to bind Customer to each of the terms and conditions listed herein.
- 3.8 GRDA Access to Data. At no additional cost to GRDA, and upon request from GRDA, Customer will authorize GRDA to electronically access AMI Equipment historical and real-time data. Provided, Customer will not be required to pay for any additional hardware or software necessary for GRDA to access such data other than the hardware and software provided with the AMI system. Customer may, at Customer's expense and at Customer's discretion, redact personally identifying information (including customer names) from the data supplied to GRDA.

CUSHING MUNICIPAL AUTHORITY

GRAND RIVER DAM AUTHORITY

By _____
Rick Lofton, Chairman

By _____
Daniel S. Sullivan, CEO

ATTEST:
(Seal)

ATTEST:
(Seal)

[name, title]

Sheila Allen, Corporate Secretary



A TESCO COMPANY

TESCO

925 Canal Street
 Bristol, PA 19007
 Phone: 215-228-0500

Quote #: 120723-01b

Quoted by:
 Jon Scott, Nighthawk Sales Manager
 404.451.8444
 jon.scott@tescometering.com

Michael Starks, Jr. City of Cushing 100 Judy Adams Blvd Cushing, Oklahoma 74023	Customer Contact Name: Michael Starks, Jr. Phone: (918)-306-4136 Email: mcelectric@cityofcushing.org	Issue Date: 12/07/2023 Valid for 90 Days
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Qty	Item #	Name	Price Ea	Total
400	RDA990-OMD	2S/200 Cellular Hub meter w/ Disconnect	\$ 245.40	\$ 98,160.00
3,475	RDA2M0-OMD	2S/200 RF-Mesh Leaf meter w/ Disconnect	\$ 176.66	\$ 613,893.50
104	CIK999-OMN	Aclara kV2c Polyphase Meter - LTE - 9S/20	\$ 387.50	\$ 40,300.00
30	CIK996-OMN	Aclara kV2c Polyphase Meter - LTE - 16S/200	\$ 387.50	\$ 11,625.00
18	CIK994-OMN	Aclara kV2c Polyphase Meter - LTE - 4S/20	\$ 415.00	\$ 7,470.00
8	CIK992-OMN	Aclara kV2c Polyphase Meter - LTE - 12S/200	\$ 415.00	\$ 3,320.00
3	CIK990-OMN	Aclara kV2c Polyphase Meter - LTE - 2S/200	\$ 415.00	\$ 1,245.00
10	CIK999-OMN	Optional - Aclara kV2c Polyphase Meter - LTE - 9S/20	\$ 387.50	\$ 3,875.00
10	CIK996-OMN	Optional - Aclara kV2c Polyphase Meter - LTE - 16S/200	\$ 387.50	\$ 3,875.00
96	RDA990-OMD	Optional - 2S/200 Cellular Hub meter w/ Disconnect	\$ 245.40	\$ 23,558.40
1	Installation Services	Electric Meter Installation for 3,875 single phase electric meters and 185 polyphase electric meters.	\$ 100,940.79	\$ 100,940.79
1	Installation Services	Optional Meters - Electric Meter Installation for 96 single phase electric meters and 20 polyphase electric meters.	\$ 2,943.72	\$ 2,943.72
1	Professional Services	Includes: <ul style="list-style-type: none"> • Adaptiv AMI Setup and Configuration • Network Design/System Planning • Systems Integration (Billing System Integration) • Project Management • Onsite Training and Documentation 	\$ 15,000.00	\$ 15,000.00
3,475	Annual Service	Electric Leaf Annual Fees	\$ 4.00	\$ 13,900.00
563	Annual Service	Electric Poly/Hub Annual Fees	\$ 14.00	\$ 7,882.00
116	Annual Service	Optional Meters Poly/Hub Annual Fees	\$ 14.00	\$ 1,624.00
1	Shipping	Estimated Shipping	\$ 1,760.00	\$ 1,760.00
Sub Total				\$ 951,372.41
Taxes			0.000%	\$.00
TOTAL				\$ 951,372.41

Comments: Annual fees billed quarterly

Office Use Only:

Thank you for your business.

- All Purchase Orders must be addressed to TESCO Nighthawk and payment will be directly to TESCO – The Eastern Specialty Company, 925 Canal Street, Bristol, PA 19007.

TO THE HONORABLE CHAIRMAN AND MEMBERS OF THE CITY COMMISSION / TRUSTEES OF
THE CUSHING MUNICIPAL AUTHORITY / TRUSTEES OF THE CUSHING HOSPITAL AUTHORITY

Date of Meeting: March 4th, 2024

Agenda Item No: 2C

Subject: **Data Merger and Programming for Automated Meter Infrastructure into Billing Software.**

Staff Resources: Terry Brannon, City Manager
Derek Griffith, Assistant City Manager
Mike Starks, Electric Distribution Superintendent
Diane Barnett, Utility Office Supervisor

I. Summary

If an Automated Meter Infrastructure (AMI) System is authorized by the Trustees, it will be necessary to update programming and merge the new data into our billing system within Incode. Incode is a product owned and produced by Tyler Technologies and we use it in various capacities around the city for daily operations. Staff would request approval for the integration to facilitate the change in operations to AMI. This is a service that Tesco Nighthawk cannot provide within their scope of work and therefore will not be included under the GRDA funding option.

II. Fiscal Impact

This project will not have a negative budgetary impact. Adequate funding was approved within the capital project plan for FY 23/24. *AMI (252-500-5492)* The funding allocated comes from loan proceeds that were approved in conjunction with the Harmony substation and subsequent 69Kv line installation. This is a preemptive action, and a budget amendment will be provided by Mrs. Worthy in the March regular meeting to allow for proper accounting and expenditure.

III. Recommended Action

Authorize the City Manager to issue a purchase order to Tyler Technologies, Inc. in an amount not to exceed \$28,000.00 to facilitate programming and data merger from Automated Meter Infrastructure (AMI) into current billing software, and to authorize payment.

CUSHING MUNICIPAL AUTHORITY
RESOLUTION NO. 02-2024

A RESOLUTION AUTHORIZING THE CHAIRMAN, BOARD OF TRUSTEES, TO EXECUTE A WORK AUTHORIZATION AGREEMENT WITH C.H. GUERNSEY & COMPANY AND AUTHORIZE AN EXPENDITURE IN AN AMOUNT NOT TO EXCEED \$45,000.00 FOR THE RE-ANALYSIS OF OUR PREVIOUS RATE STUDY AND DEVELOPMENT OF RECOMMENDED RATES FOR EACH UTILITY SERVICE

BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE CUSHING MUNICIPAL AUTHORITY, that the Chairman, Board of Trustees, is hereby authorized to execute a Work Authorization Agreement with C.H. Guernsey & Company and authorize an expenditure in an amount not to exceed \$45,000.00 for the re-analysis of our previous rate study and development of recommended rates for each utility service.

PASSED AND APPROVED THIS 4th DAY OF MARCH, 2024.

Ricky Lofton, Chairman
Board of Trustees

ATTEST:

Jerrica Worthy, Secretary

APPROVED AS TO FORM AND LEGALITY:

Jonathan Huseman, City Attorney