

**AMENDMENT NO. 1
to
OMNIBUS AGREEMENT**

**BETWEEN THE

BOARD OF WATER COMMISSIONERS OF THE CITY OF SAINT PAUL
and
CITY OF MENDOTA HEIGHTS**

This **AMENDMENT NO. 1 TO OMNIBUS AGREEMENT** ("Agreement") entered into this 14th day of February 2017, by and between the **BOARD OF WATER COMMISSIONERS**, a municipal corporation of the State of Minnesota (the "Board"), and the **CITY OF MENDOTA HEIGHTS**, a municipal corporation of the State of Minnesota ("Mendota Heights").

WITNESSETH:

WHEREAS, Mendota Heights and the Board entered into an Omnibus Agreement dated December 8, 2015 for the provision of water service by the Board to properties within Mendota Heights (the "Contract"); and

WHEREAS, the parties desire at this time to amend the Contract to provide for a change in the water surcharge established by Mendota Heights for properties within its city limits from 10% to 5% and to change the method used by the Board to administer the billing of said surcharge.

NOW, THEREFORE, in consideration of the mutual covenants contained herein, the parties mutually agree to amend the Contract as follows:

1. **Article VIII. Section 4. WATER SURCHARGE** is deleted in its entirety and replaced with the following:

Section 4. WATER SURCHARGE

Mendota Heights has established a water surcharge equal to five percent (5%) of the Water Service Base Fee and Water Usage Charge imposed for water supplied to properties within the City of Mendota Heights ("Mendota Heights Water Surcharge").

Effective January 1, 2017, Mendota Heights will pay the Board a monthly payment equal to 26 cents (\$0.26) per water bill issued the prior month for properties within the city limits of Mendota Heights ("Surcharge Fee"). The Surcharge Fee shall be annually adjusted effective each successive January 1 ("Annual Adjustment"). The Surcharge Fee will also be adjusted January 01, 2022 and each subsequent five years thereafter to correct for rounding ("Rounding Adjustment"). The Annual Adjustment shall be calculated by the end of each year and shall be the quotient of the current year July CPI over the past year July CPI multiplied by the current Surcharge Fee and rounded to the closest one cent. If such quotient in the CPI results in a number less than one, the Surcharge Fee will not be adjusted.

The Rounding Adjustment shall be the quotient of the current year July CPI over the July CPI of five years' prior multiplied by the current Surcharge Fee and rounded to the closest one cent. If such quotient in the CPI results in a number less than one, the Surcharge Fee will not be adjusted.

"CPI" is the Bureau of Labor Statistics Table 1 Consumer Price Index for All Urban Consumers (CPI-U): U.S. city average, by expenditure category, using the Unadjusted indexes "All items" (top line of the expenditure category).

The Board will send a monthly payment to Mendota Heights equal to the amount of Mendota Heights Water Surcharge during the month (less the current Surcharge Fee) on or before the 15th day of the following month.

2. The provisions of this Amendment are retroactively effective to all billing after January 1, 2017.
3. Except as modified herein, the terms of the Contract shall remain in full force and effect.

[Remainder of page left intentionally blank.]

IN WITNESS WHEREOF, the parties hereto have caused this Amendment No. 1 to Contract to be executed as of the day and year first above written.

Approved:

BOARD OF WATER COMMISSIONERS

Stephen P. Schneider, General Manager
Saint Paul Regional Water Services

By _____
Matt Anfang, President

Approved as to Form:

By _____
Mollie Gagnelius, Secretary

Lisa Veith,
Assistant City Attorney

By _____
Todd Hurley, Director
Office of Financial Services

CITY OF MENDOTA HEIGHTS

By _____
Neil Garlock, Mayor

By _____
Mark McNeill, City Administrator