

MEMORANDUM OF AGREEMENT (MOA)

Between

The City of Rapid City SD

And

Ellsworth AFB

For

Water Services

This is a Memorandum of Agreement (MOA) between the City of Rapid City SD and Ellsworth AFB SD. When referred to collectively, the City of Rapid City and Ellsworth AFB are to be referred to as the "Parties".

1. BACKGROUND:

- 1.1. In the 1940s and 1950s, Ellsworth AFB was paying the City of Rapid City \$0.09 per centum cubic feet (ccf). On 5 November 1953, the City of Rapid City and the Government entered into contract F39601-70-C-0050
- 1.2. In 1954 legislation, Congress allocated \$1M of the construction of Pactola Reservoir "to furnishing a water supply for Ellsworth Air Force Base".
- 1.3. In 1958, Pactola Dam was put into operation and Rapid City started taking releases. Rapid City and Base officials tried to figure out a cost for handling and transporting the water to Ellsworth AFB. Due to changes in City administration and Military personnel, no agreement was made. Ellsworth constructed a 10 mile 16" pipeline from Rapid City to the Base.
- 1.4. In 1961, a city rate specialist determined a rate with a capacity charge (based on the three peak demands), a commodity charge, and a service charge. Ellsworth AFB installed five (5) wells, and operated them to keep the peaks at a minimum. This resulted a rate of \$0.13 per ccf not including the construction costs operations and maintenance of the wells.
- 1.5. No effort was made to re-negotiate until 1968, when the Air Force encountered problems keeping the peaks at a minimum. The City agreed to delete the demand charge with an increase in the commodity rate to \$0.106 per ccf. Contract F39601-71-C-0110 was awarded to the City on 1 March 1971 to 30 September 2015. The contract number was changed to F39601-71-D-0110 on 22 November 1978.
- 1.6. Between 1 February 1979 and 1 April 2006, thirty-six (36) modifications were accomplished on the contract. Of those thirty-six (36) modifications, twenty-two (22)

modifications incorporated new water, sewer, and refuse rate changes. Eleven (11) modifications were accomplished for assorted administrative changes.

1.6.1. Specifically, on 1 January 1986, contract was modified to incorporate water services for the Ogden ALC Rivet Mile Storage Facility at 2222 La Crosse St, Rapid City. Over the years supplying water to the base mission included several remote locations and categories of service including Military Family Housing.

1.7. Per the 2007 Rapid City/Bureau of Reclamation contract, Rapid City will supply Ellsworth with "not to exceed 3,000 acre-feet of water annually" and "The charge for such water shall not be more than the reasonable cost of handling, treatment, and delivery."

2. **RATE PROVISIONS:** Due to the unique Pactola construction arrangement, Ellsworth AFB building and maintaining the distribution line from Rapid City, and the long relationship reaching back to the 1940's, there are no provisions for connection charge, a monthly customer charge, minimum charges, demand charges, or disconnect charge.

2.1. Point of Demarcation (POD) is near Anamosa St. and Maple Avenue in Rapid City.

2.1.1. Construction is in progress to move the POD to a point to approximately 1,500 feet north of the intersection of Seger Drive and Dyess Avenue, a location approximately 5 miles west of the base. New meters will be part of that installation.

2.2. Current Meters:

Meter	Account
23700264	05980060-0069612
1241994	05980080-0069612
22816253	005980050-0069612
23700263	05980070-0069612

2.3. Rate Schedule: for any volume to the maximum in 1.7, (2% Annual Increase)

FROM	TO	\$ / ccf
1-Oct-15	30-Sep-16	\$0.6338
1-Oct-16	30-Sep-17	\$0.6465
1-Oct-17	30-Sep-18	\$0.6594
1-Oct-18	30-Sep-19	\$0.6726
1-Oct-19	30-Sep-20	\$0.6861
1-Oct-20	30-Sep-21	\$0.6998
1-Oct-21	30-Sep-22	\$0.7138
1-Oct-22	30-Sep-23	\$0.7281
1-Oct-23	30-Sep-24	\$0.7426
1-Oct-24	30-Sep-25	\$0.7575

FROM	TO	\$ / ccf
1-Oct-25	30-Sep-26	\$0.7726
1-Oct-26	30-Sep-27	\$0.7881
1-Oct-27	30-Sep-28	\$0.8038
1-Oct-28	30-Sep-29	\$0.8199
1-Oct-29	30-Sep-30	\$0.8363
1-Oct-30	30-Sep-31	\$0.8531
1-Oct-31	30-Sep-32	\$0.8701
1-Oct-32	30-Sep-33	\$0.8875
1-Oct-33	30-Sep-34	\$0.9053
1-Oct-34	30-Sep-35	\$0.9234

3. GENERAL PROVISIONS:

3.1. POINTS OF CONTACT: The following points of contact (POCs) will be used by the Parties to communicate in the implementation of this MOA. Each Party may change its point of contact upon reasonable notice to the other Party.

	Rapid City	Ellsworth AFB
Primary POC	Terry Wolterstorff Director 300 6th Street Rapid City, SD 57701 (605) 394-4165 Terry.wolterstorff@rcgov.org	Ted Cleberg, 28 CES/CENPE Base Energy Manager 2125 Scott Drive, Bldg. 8225, Ste. 1220 Ellsworth AFB SD 57706 (605) 385-1079 theodore.cleberg@us.af.mil
Alternate POC	John Wagner Water Superintendent 300 6th Street Rapid City, SD 57701 (605) 394-4162 John.wagner@rcgov.org	Howard Aubertin, 28 CES/CEN Engineering Flight Chief 2125 Scott Drive, Bldg. 8225, Ste. 1220 Ellsworth AFB SD 57706 (605) 385-2524 Howard.aubertin@us.af.mil
Service POC	Rapid City Water Department 1111 Mountain View Rd Rapid City, SD 57702 (605) 394-4125	28th Civil Engineer Squadron (CES) 2111 Scott Drive, Bldg. 8210 Ellsworth AFB, SD 57706 24-hour services (605) 385-2580

3.2. REVIEW OF AGREEMENT: This MOA will be reviewed annually for financial impacts and every 5 years in its entirety.

3.3. MODIFICATION OF AGREEMENT: This MOA may only be modified by the written agreement of the Parties and duly signed by their authorized representatives.

3.4. DISPUTES: In the event of any dispute between the Parties relating to this Agreement, the Parties shall first seek to resolve the dispute through informal discussions. In the event any dispute cannot be resolved informally within 90 calendar and consecutive days, the Parties agree that the dispute will be negotiated between the Parties through mediation, if the Parties can agree on a mediator. The cost of mediation shall be shared equally by the Parties. Neither Party waives its legal rights to adjudicate this Agreement in a legal forum.

3.5. TERMINATION OF AGREEMENT: This MOA may be terminated by either Party by giving at least ninety (90) day's written notice to the other Party. The MOA may also be terminated at any time upon the mutual written consent of the Parties.

3.6. ENTIRE AGREEMENT: It is expressly understood and agreed that this MOA embodies the entire agreement between the Parties regarding the MOA's subject matter.

3.7. EFFECTIVE DATE: 1 October 2015. This MOA is binding when the last Party signs.

3.8. EXPIRATION DATE: This Agreement expires on 30 Sep 2035.

3.9. CANCELLATION OF PREVIOUS AGREEMENT: N/A.

4. FINANCIAL DETAILS:

4.1. The City of Rapid City will bill Ellsworth AFB on a monthly basis about 14 days after the end of the billing period.

4.2. Ellsworth will pay invoice within 45 days or agree to pay standard late fee charges.

4.3. Billing will be sent to the utility billing manager, currently:

28 CES Utility Billing Manager
2125 Scott Drive, Suite 1220
Ellsworth AFB SD 57706

AGREED:

For – City of Rapid City, SD

By _____

Title _____

Address: _____

(Date)

For – Ellsworth AFB, SD

By  _____

Title SENIOR CONTRACTING OFFICER

Address: 28th Contracting Squadron/CCD

1000 Ellsworth Street, Ste 1200

Ellsworth AFB, SD 57706

09/23/2015
(Date)