



CITY OF TRINIDAD TRINIDAD, COLORADO

The City Council will hold its regular Work Session on
Tuesday, April 12, 2011 at 1:30 p.m.
City Hall Council Chambers, Third Floor, City Hall

AGENDA

1. Consideration of bid results for the purchase of aluminum sulfate for water treatment purposes – Jim Fernandez, Utilities Superintendent
2. Discussion regarding proposed amendments to the National Public Gas Association Interlocal Agreement – Jim Fernandez, Utilities Superintendent
3. Discussion regarding Cougar Canyon Golf Course – Ed Gil de Rubio, City Manager
4. Discussion of other agenda items

Individuals with disabilities needing auxiliary aid(s) may request assistance by contacting Audra Garrett, City Clerk, 135 N. Animas Street, Phone (719) 846-9843, or FAX (719) 846-4140. At least a 48 hour advance notice prior to the scheduled meeting would be appreciated so that arrangements can be made to locate the requested auxiliary aid(s).

M E M O

TO: Ed Gil de Rubio, City Manager
Mayor Garduno and City Council Members

FROM: James Fernandez, Utilities Superintendent *J. Fernandez*

DATE: April 7, 2011

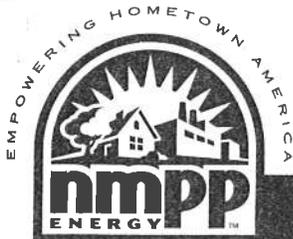
RE: Aluminum Sulfate Bids

Recently, quotes were requested to replenish the supply of Aluminum Sulfate, which is a chemical used at the Water Treatment Plant for water treating purposes.

Two companies, DPC Industries and Univar USA, were solicited to submit a bid for Aluminum Sulfate. We received one bid from DPC Industries, it is my recommendation to accept the bid in the amount \$29,400.00.

Supplier	Quantity	Unit Price	Delivery Amount	Total Amount
DPC Industries, Inc. 3501 2 nd St., SW P.O. Box 9155 AMF Albuquerque, NM 87119-9155	84,000 lbs	0.36/lb	Included	\$30,240.00
Univar, USA Inc. 4300 Holly Street Denver, CO 80217-5287	84,000 lbs	No Bid	Included	No Bid

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NMPP • MEAN • NPGA • ACE

NMPP Energy ■ 1111 O Street - Suite 200 ■ Lincoln, NE 68508 ■ Phone: 402.474.4759 ■ Fax: 402.474.0473
P.O. Box 95124 ■ Lincoln, NE 68509 ■ www.nmppenergy.org

xc: Ed
Jared
Jim

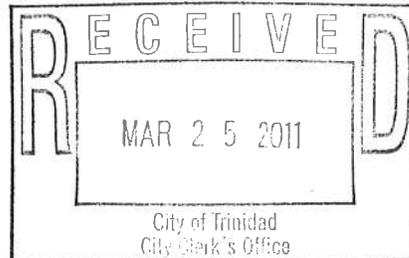
MEMORANDUM

TO: NPGA Members

FROM: Chris Anderson, NPGA Board Chairman

DATE: March 24, 2011

SUBJECT: Proposed Amendments to NPGA Interlocal Agreement



On March 17, 2011, the Board of Directors of the National Public Gas Agency (NPGA) approved forwarding proposed amendments of the NPGA Amended and Restated Interlocal Agreement (Interlocal Agreement) to the governing bodies of NPGA member municipalities for consideration and approval.

A summary of the proposed amendments, requested on behalf of the City of Central City, Nebraska on March 17, 2011, is enclosed. Also enclosed for your reference is a copy of the new procedure set forth in the NPGA Bylaws for expulsion, suspension or termination of a member – this procedure is cross-referenced in the enclosed proposed amendments to the Interlocal Agreement. The new procedure will not take effect, however, unless the enclosed Interlocal Agreement amendments are approved by the NPGA member municipalities.

In accordance with Article VII of the Interlocal Agreement, enclosed you will find a copy of the proposed amendments to the Interlocal Agreement for consideration by the governing body of your municipality. Pursuant to Article VII, Sections 7.01 and 7.02, each NPGA member municipality now has sixty (60) days from March 17, 2011, to forward **one vote** to approve or disapprove of the amendment. The vote must be evidenced by resolution of the governing body of each member. A sample resolution is also enclosed for this purpose. Please send the executed resolution to the NPGA Office at 1111 “O” Street, Suite 200, Lincoln, NE 68508-3614.

If two-thirds of the members approve the amendment, as evidenced by resolution of the governing body of each member, such amendment will become effective 30 days after approval by the members. Abstentions shall be counted as negative votes.

Thank you for your support of this request and adoption of the resolution.

Enclosures

c: NPGA Board of Directors

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RESOLUTION

WHEREAS, the City/Village of _____ is a party to the Amended and Restated Interlocal Agreement (Interlocal Agreement) creating the National Public Gas Agency (NPGA), and

WHEREAS, on March 17, 2011, pursuant to Article VII of the Interlocal Agreement, an NPGA Member filed with the chairperson of the NPGA Board of Directors proposed amendments to the Interlocal Agreement, and

WHEREAS, the Interlocal Agreement provides that, in voting on any proposed amendment, each Member shall have one vote which must be received by the chairperson of NPGA within 60 days after the date of filing, and

WHEREAS, the Interlocal Agreement provides that if two-thirds of the Members approve the proposed amendment to the Interlocal Agreement, as evidenced by resolution of the governing body of each Member, such amendment will become effective 30 days after approval by the Members.

YES

NOW, THEREFORE, BE IT RESOLVED by the City/Village of _____, that the city, village and/or public entity **approves** of the amendments to the NPGA Amended and Restated Interlocal Agreement which are shown on Exhibit A to this Resolution.

NO

NOW, THEREFORE, BE IT RESOLVED by the City/Village of _____, that the city, village and/or public entity **disapproves** of the amendments to the NPGA Amended and Restated Interlocal Agreement which are shown on Exhibit A to this Resolution.

Dated this _____ day of _____, 20____.

Mayor

Attest:

City Clerk

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NATIONAL PUBLIC GAS AGENCY

EXCERPT FROM BYLAWS*

ARTICLE II., SECTION 5

C. Expulsion, Suspension or Termination of Membership. All Members acknowledge that membership in NPGA is a privilege and is subject to termination. A Member may be expelled, suspended or terminated, including any rights arising out of such membership, as provided below, for any act or omission that in the discretionary judgment of the Board of Directors has caused or is likely to cause material harm to the economic welfare of NPGA or its reputation. Upon the affirmative vote of not less than two-thirds of the entire Board of Directors that such an act or omission has occurred, the Member shall receive not less than fifteen (15) days' prior written notice from the Board of Directors of the expulsion, suspension or termination and the reasons therefor. The Member shall be provided with the opportunity to be heard not less than five (5) days before the effective date of the expulsion, suspension or termination by submitting a written response to the Board of Directors or the Board's designated representative identified in the written notice. The Member may request the opportunity to be heard in person by the Board of Directors or by the Board's designated representative in addition to the Member's written response to the written notice. In the event the Board of Directors designates a representative for the Board, the Board of Directors may designate the Executive Committee, the chairperson, or any other committee or individual. The Board representative shall provide a report to the Board of Directors prior to any final vote taken by the Board of Directors to expel, suspend or terminate a Member. An affirmative vote of not less than two-thirds of the entire Board of Directors is required for any final action to expel, terminate or suspend a Member. Subject to Article III, Section 3.04 of the Interlocal Agreement, expulsion, suspension or termination of a Member shall not abrogate, amend, modify or terminate any contractual obligation of the Member.

**The provisions shown above for Expulsion, Suspension or Termination of Membership are excerpted from NPGA Bylaws amendments which were approved by the NPGA Board of Directors on March 17, 2011 subject to the condition precedent that accompanying amendments to the NPGA Interlocal Agreement are approved by the membership.*

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3/17/11

NATIONAL PUBLIC GAS AGENCY

Summary of proposed amendments
to NPGA Interlocal Agreement

The following is a summary of the proposed amendments to the NPGA Interlocal Agreement:

1. Expand objectives and purposes of the Interlocal Agreement to include carrying out those public powers, duties and obligations of the governing bodies of the Members relating to the acquisition, management, distribution and sale of natural gas through cooperation in regulatory matters and to conduct any other Board-approved activities authorized under the Interlocal Cooperation Act of the State of Nebraska
2. Delete provisions allowing early termination by Members without the required advance notice
3. Provide for expulsion, suspension or termination of membership under the procedure set forth in the Bylaws
4. Delete provision clarifying that the right of the Board to terminate membership for a Member's failure to perform shall not limit the right of any other Member to enforce the rights and obligations established by the Interlocal Agreement
5. Provide that the Interlocal Agreement shall terminate on January 1, 2099
6. Other miscellaneous minor changes

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**NATIONAL PUBLIC GAS AGENCY
AMENDED AND RESTATED INTERLOCAL AGREEMENT**

THIS INTERLOCAL AGREEMENT (this "Agreement") is made and entered into as of this ____ day of _____, 20____ by and between the undersigned Cities, Villages or other public agencies which execute this Agreement, hereinafter called the "Members."

RECITALS:

1. By authority of Section 18 of Article XV of the Constitution of the State of Nebraska and the Interlocal Cooperation Act of the State of Nebraska, §§ 13-801 et seq., R.R.S. Nebraska, 1997, as amended (the "Act"), any two or more public agencies may enter into interlocal agreements with one another for joint or cooperative action of any power or powers, privileges or authority exercised or capable of exercise individually by such public agencies, and create a joint entity in furtherance of such joint or cooperative action with such powers, including bond-issuing powers, as such an interlocal agreement shall specify.

2. Each Member has the authority, among other things, to negotiate for the purchase, transportation or sale of natural gas and natural gas reserves, or any combination thereof, with any entity engaged in the purchase, transportation or sale of natural gas, whether public or private, located within or without the State of Nebraska.

3. As authorized by Nebraska law, the Members own and operate certain distribution systems for the distribution and sale of natural gas or have other municipal requirements for a natural gas supply and for such operations desire to assure themselves of a reliable and economical supply of natural gas.

4. The Members deem it to be in the best interest of the public to coordinate the operation of existing natural gas distribution and transportation facilities and the mutual acquisition of stable and economic natural gas supplies.

5. The Members desire to study and evaluate on a continuing basis the benefits that may result to the Members and their residents from the coordination of natural gas resources and facilities as described above.

6. The Members desire to enter into an interlocal agreement pursuant to which the Members, among other objectives, will cooperate to assure reliable and economical supplies of natural gas to meet their respective local requirements.

7. The Members desire pursuant to such interlocal agreement to create a joint entity to exercise public powers and to act on behalf of the Members for the purposes set forth in such interlocal agreement.

In consideration of the agreements herein contained, the Members do hereby mutually agree as follows:

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ARTICLE I

OBJECTIVES AND PURPOSES; CREATION OF NATIONAL PUBLIC GAS AGENCY

Section 1.01. The objectives and purposes of this Agreement are to carry out those public powers, duties and obligations of the governing bodies of the Members relating to the acquisition, management, distribution and sale of natural gas, through joint planning, central dispatching, cooperation in environmental and regulatory matters and coordinated construction, operation and maintenance of natural gas distribution or transportation facilities owned or controlled by the Members, transportation facilities owned or controlled by other entities and through more effective coordination with other natural gas utilities throughout the country, natural gas purchasers and natural gas producers and sellers:

(a) To provide the means for a reliable natural gas supply for Members in conformance with optimum standards of reliability.

(b) To provide the means for efficient and effective use of natural gas distribution and transportation facilities.

(c) To attain maximum practicable economy to the Members consistent with - high standards of reliability and to provide for equitable sharing of the resulting benefits and costs.

(d) To provide for such other general utility or related infrastructure projects as the Members determine to purchase, own, lease or finance.

(e) To conduct any other Board-approved activities authorized under the Act.

Section 1.02. In furtherance of such objectives and purposes, (i) the Members hereby create a joint entity under the Act to be known as the "National Public Gas Agency," being a separate, nonprofit public body corporate and politic of the State of Nebraska ("NPGA"), and successor to the Nebraska Public Gas Agency which shall be constituted and administered by a board of directors (the "Board of Directors"); and (ii) the Members hereby delegate to NPGA those powers as are hereinafter provided by this Agreement. The Members shall have the right to create a class or classes of non-voting affiliates that are Public Agencies.

ARTICLE II

DEFINITIONS

For the purposes of this Agreement, the following definitions shall apply:

"Member" shall mean a public agency that purchases all of its natural gas requirements from NPGA for a term specified by the Board of Directors and/or a public agency that is elected to membership by the Board of Directors as provided in the Bylaws. A Member shall be a full or associate member in good standing of Nebraska Municipal Power Pool.

"NPGA" shall mean the National Public Gas Agency, a nonprofit joint entity created by this Agreement pursuant to and in accordance with the Act.

“Public Agency” shall mean a government agency as defined in the Act.

ARTICLE III

TERM OF AGREEMENT

Section 3.01. This Agreement shall initially become effective and binding upon its execution by at least two Members, and shall become effective and binding as to each additional Member, as provided by Section 3.02 hereof.

Section 3.02. After the initial effective date, any public agency (within the meaning of the Act) may become a Member by obtaining approval of the Board of Directors and executing this Agreement.

Section 3.03. Any Member may terminate its participation by giving three years' written notice to the Board of Directors, which will then send written notice to all other Members notifying them of the termination. The Board of Directors may terminate this Agreement and dissolve NPGA on three years' written notice to all Members. Upon the termination of this Agreement and the entire dissolution of NPGA, each Member, at the time of such dissolution shall receive a distribution of the assets, if any, of NPGA as provided by a vesting formula set forth in the Bylaws.

~~(a) Notwithstanding anything to the contrary in Section 3.03 above, any Member desiring early termination of its participation in this Agreement may request such early termination in accordance with the terms established by the Board of Directors. In the event such early termination is evidenced by all necessary documents and actions required of the Member and NPGA, as determined by the Board of Directors in its sole discretion, Member's participation in this Agreement, including without limitation Member's representation and voting rights on the Board of Directors, shall terminate in accordance with the terms established by the Board of Directors. (a) The Board of Directors may terminate, expel or suspend a Member in the manner set forth in the Bylaws.~~

Section 3.04. In the event a Member fails to perform its obligations pursuant to this Agreement, the Board of Directors shall give written notice to such Member specifying such failure to perform and establishing a reasonable period that the Member shall have to fulfill its obligations pursuant to this Agreement. If the Member's failure to perform its obligations is continuing, the Board of Directors may immediately terminate such Member's participation in this Agreement. This provision shall not limit the right of any other Member to enforce the rights and obligations established pursuant to this Agreement. Any Member terminated by the Board of Directors shall continue to fulfill its contractual obligations (including, without limitation, any obligations with respect to outstanding bonded debt of NPGA) pursuant to any natural gas or other project transaction under a separate contract with NPGA until the completion of such natural gas or other project transaction in accordance with its terms. The process set forth in this Section 3.04 regarding termination for failure to perform obligations pursuant to this Agreement is separate and distinct from the right of the Board of Directors to terminate, expel or suspend a Member as provided in Section 3.03(a) above.

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Section 3.05. Termination of participation in this Agreement or termination of this Agreement by the Board of Directors shall not impair, amend or change any previous contracts or agreements. Such contracts and agreements shall continue in full force, including all rates, terms, obligations and conditions, until the expiration of such contracts and agreements in accordance with their respective terms, or unless sooner released by the Board of Directors.

Section 3.06. Subject to earlier termination as aforesaid, this Agreement shall terminate on January 1, 2099~~the term of this Agreement shall be 50 years from the date of its adoption by at least two Members.~~ This Agreement shall survive a transition of the form of government of a Member from one form to another.

ARTICLE IV

BOARD OF DIRECTORS

Section 4.01. The affairs of NPGA shall be conducted by a Board of Directors consisting of a representative designated by each Member signing the agreement.

Section 4.02. Each Member shall designate by resolution a Director and Alternate Director, each of whom shall hold office until a successor shall be designated or until his or her earlier resignation.

Section 4.03. The Board of Directors shall hold an annual meeting at such time and place as the Board of Directors shall designate and shall hold meetings at other times as provided in the Bylaws.

Section 4.04. The Board of Directors shall annually adopt and thereafter monitor a budget of revenues and expenditures.

Section 4.05. Subject to Article III, Section 3.03(a), ~~e~~Each Member of the Board of Directors shall have the right to cast one vote. There shall be no weighted voting.

Section 4.06. No action of the Board of Directors shall be taken unless 50% or more of the Members are represented at the meeting. Unless provided otherwise in the Bylaws, ~~u~~Upon a majority affirmative vote of the representatives present, such action shall be effective immediately.

Section 4.07. The Board of Directors shall have the authority to appoint and hire an Executive Director.

ARTICLE V

POWERS

Section 5.01. NPGA shall have all the powers to carry out the objectives and purposes stated in this Agreement on behalf of the Members as any individual Member would have on its own behalf.

Section 5.02. NPGA shall have the power (a) to sue and be sued, (b) to have a seal and alter the same at pleasure or to dispense with the necessity thereof, (c) to make and execute contracts and other instruments necessary or convenient to the exercise of its powers, and (d) from time to time, to make, amend and repeal bylaws, rules and regulations not inconsistent with the Act and this Agreement and to carry out and effectuate its powers, objectives and purposes.

Section 5.03. NPGA, acting through its Board of Directors, shall have such other powers as are permitted to it under the Act which are necessary and proper for the achievement by NPGA of its stated objectives and purposes as set forth in this Agreement, including but without limitation, the power to approve the issuance by NPGA of its revenue bonds in accordance with and subject to the limitations and restrictions of the Act and pursuant thereto, and to apply the proceeds of such revenue bonds to the financing of the stated objectives and purposes of this Agreement, including, without limitation, the acquisition of natural gas supplies and related infrastructure projects.

ARTICLE VI

NO ASSIGNMENT

No Member shall assign this Agreement.

ARTICLE VII

AMENDMENTS

Section 7.01. Any Member may propose an amendment to this Agreement by filing such proposed amendment with the chairperson of the Board of Directors, who shall immediately forward copies thereof to the Members, provided that no amendment shall, directly or indirectly, affect or impair any contracts or agreements of the Agency agreed upon in writing prior to the effective date of such amendment, including, in particular, but without limitation, any contracts relating to the Agency's bonds or other debt financings. Each Member shall forward its vote to the chairperson of the Board of Directors, and said vote must be received by the chairperson within 60 days after the date of filing.

Section 7.02. In voting on any amendment, each Member shall have one vote. If two-thirds of the Members approve the amendment, as evidenced by resolution of the governing body of each Member, such amendment will become effective 30 days after approval by the Members, subject to the restriction set out in Section 7.01. Abstentions shall be counted as negative votes.

Execution. Separate copies of this Agreement are executed by the Members with the understanding that, as and when each of the Members has executed a copy, all of the Members shall be bound to the same extent and purpose as if all such Members had simultaneously joined in the execution of a single master copy.

IN WITNESS WHEREOF, each of the Members has caused this Amended and Restated Interlocal Agreement to be executed by its duly authorized officer as of the day and year shown below.

CITY OF _____

By _____

Title _____

Date _____

Attest:

By _____

(SEAL)

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