

ORDINANCE NO. [REDACTED]
ORDINANCE OF THE CITY COUNCIL OF THE CITY OF AUSTIN
AUTHORIZING THE EXECUTION OF AN AMENDMENT TO
EXTEND THE POWER SALES CONTRACT BETWEEN
SOUTHERN MINNESOTA MUNICIPAL POWER AGENCY AND
THE CITY OF AUSTIN MINNESOTA

WHEREAS, the City of Austin (the “City”) is a municipal corporation of the State of Minnesota; and

WHEREAS, the City owns and operates Austin Utilities, a municipal utility, by and through its Austin Utilities Board of Commissioners;

WHEREAS, Austin Utilities is authorized by the provisions of the City of Austin Charter to acquire, purchase, transport, store and manage supplies of electricity necessary to meet the requirements of the residential, commercial, and industrial customers served by such utility; and

WHEREAS, pursuant to the Charter of the City, the Austin Utilities Board of Commissioners, has the authority to execute and deliver contracts on behalf of the City of Austin related to its purpose and function under the Charter of the City; and

WHEREAS, since 1981, the Southern Minnesota Municipal Power Agency supplies, and continues to supply electricity to the City of Austin through a power sales contract with the city of Austin currently set to expire in the year 2030; and

WHEREAS, continuing to contract with the Southern Minnesota Municipal Power Agency is beneficial to Austin Utilities, the City of Austin, and all the constituents that receive their utilities through Austin Utilities; and

WHEREAS, an amendment of the existing power sales contract has been drafted for the purpose of extending the term of the existing power sales contract through April 1, 2050; and

WHEREAS, the Austin Utilities Board of Commissioners has considered this issue, approved the extension, and has requested the Council ratify and approve the extension as required;

NOW, THEREFORE, be it hereby resolved by the City Council of the City of Austin that the City Council of the City of Austin hereby approves and ratifies the Austin Utilities Board of Commissioners’ approval of the extension of the power sales contract with Southern Minnesota Municipal Power Agency extending its contractual term to April 1, 2050, and hereby authorizes Austin Utilities, acting by and for the City of Austin, to enter into said extension agreement in substantially the form attached hereto as Exhibit A.

Passed by a vote of Yeas and Nays this ____ day of _____, 2024.

Yeas _____

Nays _____

APPROVED: _____
Steven King, Mayor

Attest: _____
Tom Dankert, City Recorder

EXHIBIT A
AMENDMENT TO THE POWER SALES CONTRACT BETWEEN
SOUTHERN MINNESOTA MUNICIPAL POWER AGENCY
AND THE CITY OF AUSTIN, MINNESOTA

This Amendment dated as of _____, 2024, to the Power Sales Contract dated as of April 1, 1981, as amended to the date hereof (the “Power Sales Contract”), between Southern Minnesota Municipal Power Agency (“the Agency”) and the City of Austin, Minnesota (“the Member”).

The parties hereto have agreed to amend the Power Sales Contract in order to extend the term thereof. Accordingly, the parties hereto hereby agree as follows:

1. **Revision to Section 2:** Section 2 of the Power Sales Contract is hereby amended to read as follows:

SECTION 2. *Term*

This Contract shall become effective on the day, month, and year first above written and shall remain in effect until April 1, 2050 and thereafter until terminated by the Agency or the Member upon one year’s prior written notice to the other party.

2. **Effective Date:** If approved and adopted by the Board of Directors of the Agency and the City Council of the Member, the changes set forth in Section 1 hereof shall be effective as of September 1, 2024. Otherwise, this document shall be null and void without force or effect.

3. **Effect on Power Sales Contract:** Except as amended hereby, the Power Sales Contract shall continue in full force and effect, and any reference to the Power Sales Contract shall mean the Power Sales Contract as amended hereby.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be executed by duly authorized officers all as of the date first set forth above.

SOUTHERN MINNESOTA MUNICIPAL
POWER AGENCY

By:

Its Executive Director and CEO

AUSTIN UTILITIES

By: _____

Its: _____

And By: _____

Its: _____

Concurred in and Approved by the City of
Austin:

CITY OF AUSTIN

By: _____

Its Mayor, Steve King

Attest: _____

Title: _____