

REQUEST FOR ACTION

Department Head

Phil Kern, City Administrator

City Council Date

March 2, 2010

Agenda Item

Discuss valuation study regarding electric enterprise.

ACTION REQUESTED

Following the February 18, 2010 meeting, staff was asked to place this item on the agenda for the upcoming City Council meeting.

BACKGROUND

During the CMMPA Agency Agreement discussion, the Council discussed the merits of having more information available as it made decisions regarding the business activities of the City's electric enterprise. Specifically, the Council discussed conducting a study to determine the value of the electric utility.

Staff has made some preliminary inquiries following the Council discussion to financial consultants who could possibly assist the City with such an endeavor. If the Council elects to pursue this path, staff would recommend a motion directing staff to solicit a proposal from its financial consultant (Springsted) to provide this service for the City. Staff would present the proposal and funding options back to the Council at an upcoming meeting for consideration.

FUNDING

Funding requirements for a study are yet to be identified.

ATTACHMENTS

- None