

REGULAR MEETING – KINGSTON WATER BOARD
TUESDAY NOVEMBER 12, 2019
KINGSTON CITY HALL

The Regular Meeting of the Kingston Water Board was held on Tuesday, November 12, 2019. Chairman Neal called the meeting to order with the following members present upon roll call: Member Brackett, Member Brown, Member Childs, Member Humphreys, Vice Chairman Stockton, Member Wright, and Chairman Neal.

PREVIOUS MINUTES

A motion made by Vice Chair Stockton, second by Member Childs to waive the reading and approve the minutes as written the minutes of the regular meeting on October 8, 2019.

The motion passed with a unanimous roll call vote. 7 Ayes

Citizen Comments – None

Board Comments – None

UTILITY DIRECTOR'S REPORT – Mr. Bolling

New Business:

1. Consideration to Approve a Contract with Watts Bar Utility District for the sale and purchase of Water and Authorization for the Mayor to Execute said Contract upon Approval.

A motion was made by Member Wright, second by Vice Chair Stockton to Approve a Contract with Watts Bar Utility District for the sale and purchase of Water and Authorization for the Mayor to Execute said Contract

The motion passed with a unanimous roll call vote. 7 Ayes

Chairman Neal adjourned the meeting.

APPROVED December 10, 2019



Timothy Neal, Chairman

ATTEST:



City Clerk

WATER PURCHASE CONTRACT

This contract for the sale and purchase of water is entered into as of the 22nd day of November, 2019, between the Water Board of the City of Kingston, hereinafter referred to as the "Seller" and the Watts Bar Utility District, hereinafter referred to as the "Purchaser".

WITNESSETH:

WHEREAS, the Purchaser is organized and established for the purpose of constructing and operating a water supply distribution system serving water users within the area described in plans now on file in the office of the Purchaser and to accomplish this purpose, the Purchaser will require a supply of treated water, and

WHEREAS, the Seller owns and operates a water supply distribution system with a capacity currently capable of serving the present customers of the Seller's system and the estimated number of water users to be served by the Purchaser as shown in the plans of the system now on file in the office of the Purchaser, and

WHEREAS, the Seller has authorized the sale of water to the Purchaser, and the execution of this contract, and

WHEREAS, the Purchaser has authorized the purchase of water from the Seller, and the execution of this contract.

NOW, THEREFORE, in consideration of the foregoing and the mutual agreements hereinafter set forth,

A. The Seller Agrees:

1. **Quality and Quantity.** To furnish the Purchaser at the point of delivery hereinafter specified, during the term of this contract or any renewal or extension thereof, potable treated water meeting applicable purity standards of the State of Tennessee in such quantity as may be required by the Purchaser not to exceed Four Million gallons per month.

2. **Point of Delivery and Pressure.** That water will be furnished at reasonably constant pressure averaging 150 psi from an existing 8 inch main supply at a point located at Gallaher Road at Ladd Ridge Road. If a greater pressure than that normally available at the point of delivery is required by the Purchaser, the cost of providing such greater pressure shall be borne by the Purchaser. Emergency failures of pressure or supply due to main supply line breaks, power failure, flood, fire and use of water to fight fire, earthquake or other catastrophe shall excuse the Seller from this provision for such reasonable period of time as may be necessary

to restore service.

3. Metering Equipment. Operate and maintain at its own expense at point of delivery, the necessary metering equipment, including a meter house or pit, and required devices of standard type for properly measuring the quantity of water delivered to the Purchaser and to calibrate such metering equipment whenever requested by the Purchaser but not more frequently than once every twelve (12) months. A meter registering not more than two percent (2%) above or below the test result shall be deemed to be accurate. The previous readings of any meter disclosed by test to be inaccurate shall be corrected for three months previous to such test in accordance with the percentage of inaccuracy found by such tests. If any meter fails to register for any period, the amount of water furnished during such period shall be deemed to be the amount of water delivered in the corresponding period immediately prior to the failure, unless Seller and Purchaser shall agree upon a different amount. The metering equipment shall be read monthly. An appropriate official of the Purchaser at all reasonable times shall have access to the meter for the purpose of verifying its readings.

4. Billing Procedure. To furnish the Purchaser at the above address with an itemized statement of the amount of water furnished the Purchaser during the preceding month.

B. The Purchaser Agrees:

1. Rates and Payment Date. Through June 30, 2020, rates and payments shall continue as provided in the existing contract between the parties as heretofore modified and amended.

2. Beginning July 1, 2020 for a period of ten (10) years thereafter, to pay the Seller, not later than the 15th day of each month, for at least 4 million gallons per month, water delivered in accordance with the following schedule of rates:

a. \$ 2.00 per 1000 gallons for a period of two years.

b. from and after June 30, 2022 the rate shall be increased at such time and in such manner and by the same percentage as any rate increase imposed on the other retail customers of the Seller.

C. It is further mutually agreed between the Seller and the Purchaser as follows:

1. Term of Contract. This contract shall extend for a term of 10 years beginning July 1, 2020, and thereafter, may be renewed or extended for such term, or terms, as may be agreed upon by the Seller and Purchaser.

2. Failure to Deliver. That the Seller will, at all times, operate and maintain its system in an efficient manner and will take such action as may be necessary to furnish the Purchaser with quantities of water required by the Purchaser. Temporary or partial failures to deliver water shall be remedied with all possible dispatch. In the event of an extended shortage of water, or the supply of water available to the Seller is otherwise diminished over an extended period of time, the supply of water to Purchaser's consumers shall be reduced or diminished in the same ratio or proportion as the supply to Seller's consumers is reduced or diminished.

IN WITNESS WHEREOF, the parties hereto, acting under authority of their respective governing bodies, have caused this contract to be duly executed in two counterparts, each of which shall constitute an original.

Seller:

CITY OF KINGSTON

By Jimmy Neal

Title MAYOR

Attest:



Purchaser:

Watts Bar Utility District

By Harold Furr

Title President

Attest:

