ORDINANCE 182

AN ORDINANCE APPROVING A CONTRACT BY AND BETWEEN THE CITY OF LAKEWOOD, DAVIDSON COUNTY, TENNESSEE, WITH THE OLD HICKORY UTILITY DISTRICT OF DAVIDSON COUNTY, TENNESSEE, FOR THE FURNISHING OF PORTABLE WATER TO THE CITY OF LAKEWOOD AND THE PROVIDING OF PAYMENT FOR THE WATER SERVICE, AND THE RECISSION OF ALL PREVIOUS CONTRACTS

BE IT ORDAINED by the City of Lakewood as follows:

1. Contract between the City of Lakewood and the Old Hickory Utility District providing for the furnishing of portable water under such terms and conditions contained therein and the setting of a water rate to be paid by the City of Lakewood to the Old Hickory Utility District is hereby approved. A copy of the Contract is attached hereto and becomes a part hereof verbatim.

2. All Contracts and offers made by the City of Lakewood between and to the Old Hickory Utility District, and the Ordinances or Resolutions approving such Contracts or offers, all of which the effective dates thereon preceded this Ordinance, are hereby rescinded and terminated.

3. This Ordinance shall take effect at the earliest date allowed by law, the public welfare requiring it.

W. L. Fisher Jr.
MAYOR

Melanie D. Stromatt
CITY RECORDER

CITY ATTORNEY

FIRST READING August 17th 1989
SECOND READING September 7th 1989
THIRD READING September 21st 1989

CONTRACT BY AND BETWEEN

THE OLD HICKORY UTILITY DISTRICT
OF DAVIDSON COUNTY, TENNESSEE

AND

THE CITY OF LAKEWOOD

THE OLD HICKORY UTILITY DISTRICT OF DAVIDSON COUNTY, TENNESSEE, shall be referred to as "DISTRICT", and THE CITY OF LAKEWOOD, shall be referred to as the "CITY";

W I T N E S S E T H:

FOR AND IN CONSIDERATION of the mutual benefits to the parties hereto they do now agree with one another as follows:

1. The District will deliver water through the master meter or master meters to the mains or pipes of the City and sell to the City to supply the needs of the City's customers, such water to be measured by the master meter located on the property of the District or any other master meter that may be installed, up to a maximum of 350,000 gallons per day, computed on the basis of the average usage for 30 days, or such other maximum as may be agreed upon in writing in the future.

2. All expenses of every kind and character incident to or in any wise connected with the City's maintenance, operation, repair and/or replacement of the water lines within the City shall be borne solely and only by the City, it being the intention of the parties hereto that the District will provide water at the respective points of connection at or near the City Limits and that the City will deal directly with the customers of the City of Lakewood.

3. The City agrees to maintain its water distribution system in a safe, sanitary and proper manner, and further agrees that all parts of said system may be inspected by representatives of the District.

4. The District agrees to maintain water quality to standards set by the State of Tennessee, and the water shall be

approved by the State of Tennessee and all other applicable authority.

5. The standard for the distribution of water to the City shall be substantially as required by the State of Tennessee, and the City hereby agrees to take such action and/or to make such changes as may from time to time be required in order to conform to State requirements and avoid any downgrading of the District's water system as a consequence of the connection between the systems.

6. If the plants, machinery, buildings, or any equipment whatsoever now owned, or may be owned by the District for the furnishing of water should be damaged, destroyed, or impaired by fire, tornado, earthquake, strike, rebellion, or for any other cause whatsoever, whether enumerated or anticipated, as to render such District unable to render the water services as herein contemplated, this Contract shall be immediately suspended and the District shall have the option of making the necessary repairs at reasonable times, but if repairs cannot be reasonably made in consideration of the benefits derived to the District by this Contract, this Contract may be cancelled upon six (6) months written notice to the City. The District will treat the City as any other customer of the District regarding the termination of or the reduction in water service.

7. Compensation to the District for furnishing water to the City through the meter or meters provided by the District shall be on the basis of the current water service rates charged to customers of the District. The rate shall be subjected to adjustments at intervals of not less than ninety (90) days written notice. Rate adjustments shall become effective sixty (60) days following written notification to the City and shall generally reflect changes in cost of labor, equipment and supplies.

For any billing period during which delivery of water to the City is less than eighty percent (80%) of the monthly

average delivered during the preceding twelve (12) months, or actual number of months during the first year of service, the City shall pay the District a minimum monthly bill calculated as if said eighty percent (80%) had actually been delivered.

Nothing herein shall prevent City from purchasing water from sources other than the District. In the event that the City purchases water from other sources, it shall, nevertheless, continue to pay the minimum bill as provided herein for the life of the contract; provided, however, that said minimum shall be reduced to the extent that the District fails or is unable to make available a quantity of water to the City which, under the District's applicable rates would cost an amount equal to the minimum bill.

8. Master meters for measuring water usage shall be provided and maintained by the District. The meters shall have an accuracy within plus or minus 2% of true flow. The meters shall each be tested upon request by the City but not more often than on an annual basis at the District's expense with a copy of the test results being furnished to the City. The City may request that the meters be tested at other times, but if test results show that the meters have the required accuracy, the cost of such testing shall be borne by the City. In the event that any meter shall stop functioning, the applicable reading will be estimated on the basis of the average of the three previous readings.

9. The parties hereto agree that, except in the case of emergency, violations of average maximum daily limits on water consumption may result in flow restrictive measures being imposed to enforce the daily maximum limits.

10. All bills for water service shall be paid at the office of THE OLD HICKORY UTILITY DISTRICT, located at 1050 Donelson Street, Old Hickory, Tennessee, on or before the due date as stated on the bill during the life of this Contract and the same will be paid without notice or demand, but it is agreed and understood that

if the City defaults in the payment of its water and/or sewer bills and remains in default after thirty (30) days written notice, it agrees to pay all expenses incident to the collection of same, including attorney's fees. It is further understood and agreed that the District reserves the right to discontinue service of water by reason of the City's failure to pay its bills, and if the same remain delinquent for a period of sixty (60) days after notice of default, the failure of the Utility District to consider any breach shall at no time be construed as a waiver of any subsequent breach, the rights being continuing ones.

Failure to pay the monthly current bills on the due date as stated on the bill will result in a ten percent (10%) service charge being added to the bill.

11. It is understood and agreed by both parties that if, at any time, the Metropolitan Government of Nashville and Davidson County should preempt the District, this Contract must be re-negotiated or terminated, said termination to become effective upon the date of implementation of any such change by the Metropolitan government.

12. It is understood and agreed by both parties that if, at any time, the Metropolitan Government of Nashville and Davidson County should acquire the water distribution system of the City, this Contract shall be transferred and assigned to Metro, or at the option of the District, cancelled effective upon the date of acquisition.

13. This Contract shall replace the original Contract, between the parties dated December 5, 1963, and shall be effective for a period of twenty (20) years from date of execution, subject to any limitation of this time by law. If this Contract has not been renewed at the end of twenty (20) years, it shall be considered by the parties as a month to month Contract, subject to all the provisions and conditions as contained in the original Contract.

IN WITNESS OF ALL, the parties do hereunto sign this Contract Agreement in duplicate, each party receiving a copy of the same on this the 21ST day of September, 1989.

BY: W. L. Grider Jr.
(MAYOR)

Authorized by Board of Commissioners

Ordinance:

Attest:
Melanie D. Stromatt
RECORDER

THE OLD HICKORY UTILITY DISTRICT
OF DAVIDSON COUNTY, TENNESSEE

BY: Larry K. Monroe
Martha F. Andrews
Thomas H. Welch
(COMMISSIONERS)