

**RESOLUTION 21-44**

**A RESOLUTION TO APPROVE WATER BILLING AGREEMENT BETWEEN  
CITY OF SPRING HILL AND MAURY COUNTY WATER SYSTEM**

**WHEREAS**, the City of Spring Hill owns and operates a water treatment facility and water distribution system pursuant to the State of Tennessee and the City's Code of Ordinances; and

**WHEREAS**, Maury County Water System ("MCWS") owns and operates a water distribution system pursuant to the State of Tennessee and MCWS rules and policies; and

**WHEREAS**, the City and MCWS entered into a Water Purchase Contract on June 1, 1977 for the City to sell water to MCWS that remained effective for a twenty (20) year period after which time there is no formal agreement currently in effect between the City and MCWS for sale and purchase of water between parties; and

**WHEREAS**, for several years the City sold water to MCWS at a connection point located near the intersection of Beechcroft Road and Dr. Robertson Road, which both the City and MCWS currently maintain for emergency use; and

**WHEREAS**, the City currently sells water to MCWS at a connection point located on Patriot Drive; and

**WHEREAS**, the parties intend to establish another connection point where the City will sell water to MCWS near the intersection of Sugar Ridge Road and the CSX railroad right-of-way; and

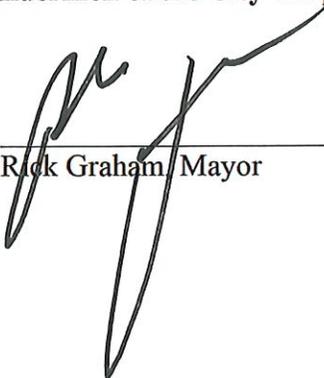
**WHEREAS**, there is a desire between the City of Spring Hill and MCWS to enter into a Water Billing Agreement to effectuate the sale of water from the City to MCWS; and

**WHEREAS**, a Water Billing Agreement has been prepared between parties that is attached hereto to the Resolution.

**NOW, THEREFORE, BE IT RESOLVED**, that the City of Spring Hill Board of Mayor and Aldermen:

1. Approve the Water Billing Agreement attached hereto for the sale of water by the City to MCWS.
2. Authorize the Mayor and City Attorney to sign said Water Billing Agreement and any ancillary agreements in substantial conformity with the Agreement approved by the Board for the City of Spring Hill to sell water to Maury County Water System.

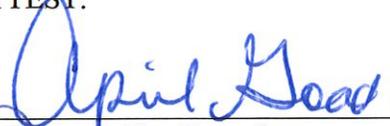
Passed and adopted by the Board of Mayor and Aldermen of the City of Spring Hill,  
Tennessee on this 15<sup>th</sup> day of March, 2021.



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Rick Graham Mayor

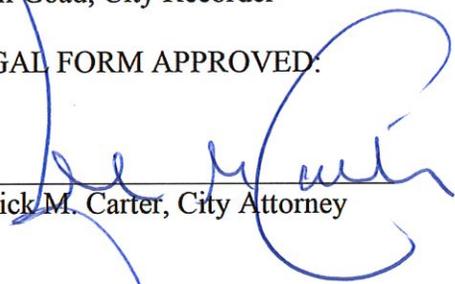
ATTEST:



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April Goad, City Recorder

LEGAL FORM APPROVED:



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Patrick M. Carter, City Attorney

**WATER BILLING AGREEMENT BY AND BETWEEN  
THE CITY OF SPRING HILL AND MAURY COUNTY WATER SYSTEM**

This Agreement is made and entered into this 15<sup>th</sup> day of March, 2021, by and between the Maury County Board of Public Utilities d/b/a the Maury County Water System, hereinafter referred to as "MCWS," and the City of Spring Hill, Tennessee, a municipal corporation hereinafter referred to as "the City."

WHEREAS, the City owns and operates a water treatment facility and water distribution system pursuant to State of Tennessee statutes and the City's Code of Ordinances; and

WHEREAS, MCWS owns and operates a water distribution system pursuant to State of Tennessee statutes and MCWS's rules and policies; and

WHEREAS, for a number of years, the City sold water to MCWS at a connection point located near the intersection of Beechcroft Road and Doctor Robertson Road, which the parties currently maintain for emergency use; and

WHEREAS, the parties executed a Water Purchase Contract dated June 1, 1977, for the sale of water at the connection point located near the intersection of Beechcroft Road and Doctor Robertson Road, but such contract is now expired; and

WHEREAS, the City currently sells water to MCWS at a connection point located on Patriot Drive; and

WHEREAS, the parties intend to establish another connection point where the City will sell water to MCWS near the intersection of Sugar Ridge Road and the CSX railroad right of way; and

WHEREAS, together with this Agreement, the parties are executing an Agreement for Water Services by and between the City of Spring Hill and Maury County Water System, which deals with the connection point near the intersection of Sugar Ridge Road and the CSX railroad right of way; and

WHEREAS, the parties desire to have a separate contract that sets forth the same rates, charges, and related terms for the sale of water by the City to MCWS at every connection point.

NOW, THEREFORE, in consideration of the foregoing and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. Applicability. The terms of this Agreement will apply to each and every connection point between the water systems of the City and MCWS, whether existing now or established in the future, where the City delivers water to MCWS or can deliver water to MCWS if needed

("Connection Point"). This Agreement does not require the parties to establish or maintain any Connection Point.

2. Meter Base Charge. For each Connection Point, MCWS will pay a meter base charge of \$68.00 per month to the City, regardless of whether MCWS actually receives water at that Connection Point.

3. Volumetric Rate. MCWS will pay the City for all water supplied to MCWS at any Connection Point at a rate of \$2.75 per one thousand (1,000) gallons.

4. Duck River Development Agency Charge. The City will add the applicable Duck River Development Agency amortization charge, which is currently \$0.05 per one thousand (1,000) gallons, to MCWS's monthly bill. The City will remit such funds to the Duck River Development Agency.

5. Adjustments. The City may only adjust the base meter charge set forth in Section 2 above or the volumetric rate set forth in Section 3 above at the same time the City adjusts the corresponding base meter charge or volumetric rate for residential customers within the City's limits, and the adjustment for MCWS must be directly proportional, by the same percentage, as the corresponding adjustment for residential customers within the city limits. The City must notify MCWS in writing a minimum of thirty (30) days prior to the effective date of any adjustment to the base charge or volumetric rate.

6. Metering. The metering equipment for all Connection Points shall be read by the City on or about the same day each month, and a bill for the water used through the date of such reading shall be promptly mailed to MCWS. Every bill shall indicate separately the base charge, the volumetric charge, and, if applicable, any surcharge or special assessment. Such bill shall be payable within fifteen (15) days from the date the bill was mailed. In the event MCWS has not paid the bill within thirty (30) days after the date the bill was mailed, the City may terminate water service to MCWS upon three (3) days' advance notice, unless the City has received a written communication stating that MCWS disputes the bill. If the City does receive a written communication stating that MCWS disputes the bill, then the City shall not terminate water service to MCWS prior to forty-five (45) days after the bill was mailed plus at least three (3) days' advance notice of termination. The parties shall attempt to resolve any billing dispute by mutual agreement. MCWS may pay a bill or part of a bill under protest in order to maintain water service but reserving the right to challenge the bill in an appropriate forum. If an arbitration panel or other tribunal determines that MCWS did not owe the full amount paid, then the City shall reimburse any excess payment to MCWS, in addition to any other available remedy.

7. Dispute Resolution.

A. The City and MCWS agree that they shall submit any and all unsettled claims, counterclaims, disputes, and other matters in question between them arising out of or relating to this Agreement or the breach thereof to mediation. The offended party shall give notice to the other party of its request for mediation, and the parties shall promptly retain a mutually acceptable mediator. The cost of mediation shall be borne equally by the parties. If

mediation does not resolve the parties' differences, then either or both parties may pursue arbitration, as provided below. Notwithstanding any other provision herein, a party may proceed with arbitration or take other appropriate legal action to preserve a claim before the expiration of a statute of limitations or other time limit, without completing mediation. In addition, MCWS's superintendent and the City's mayor may agree in writing, without seeking further approval from the parties' governing boards, to extend a statute of limitations or other time limit while the parties are engaged in mediation.

B. If the City and MCWS are unable to agree on any issue or any other question arising under this Agreement, it is agreed that both parties shall seek a binding arbitration of such disputed issues or questions by a panel of three (3) arbitrators pursuant to the Commercial Arbitration Rules of the American Arbitration Association, except as otherwise specifically provided herein. The cost of arbitration shall be borne equally by the parties. One arbitrator shall be appointed by MCWS, a second appointed by the City, and the third chosen by the two arbitrators so chosen. Only parties qualified as professionals in the matter of controversy will be appointed as arbitrators. The party desiring such arbitration shall give written notice to the other party and in such notice shall name an arbitrator. The arbitrator to be appointed by the other party shall be named in written notice to the party requesting such arbitration within thirty (30) days after receipt of such notice of arbitration. The third arbitrator shall, within fifteen (15) days of appointment of the second arbitrator, be selected by the two arbitrators previously appointed. If one of said parties shall have failed to appoint an arbitrator within the time provided herein, it is expressly understood and agreed that the one arbitrator who has been appointed shall be the sole arbitrator and shall arbitrate the question alone. If arbitrators shall have been appointed by the respective parties and shall have failed to select the third arbitrator within the time provided herein, the third arbitrator shall be appointed by agreement of the parties or by the Clerk and Master of the Chancery Court of Maury County, Tennessee, upon application therefor filed by either of said parties to the arbitration. If the Clerk and Master is unwilling or unable to appoint the third arbitrator, either party may file a petition with the Chancery Court of Maury County, Tennessee, for the appointment of such arbitrator.

C. The determination of the arbitrator(s) shall be submitted to MCWS and to the City with findings of fact, conclusions of law, and citation of supporting data. A dissenting view may be filed by any arbitrator.

D. The final determination by the arbitrator(s) shall be effective as of the date specified by the arbitrator(s). A copy of the final determination shall become and shall be made part of this Agreement and both parties hereto shall be subject to the directives and conditions of the determination.

8. Term. The term of this Agreement shall be for twenty (20) years from the date of this Agreement. Either party may terminate this Agreement before the expiration of the term by giving the other party at least one (1) year's advance written notice.

9. Approval. This Agreement has been approved by the Maury County Board of Public Utilities and the Board of Mayor and Aldermen of the City of Spring Hill. The individuals

signing below represent that they have full authority to execute this Agreement on behalf of their respective parties; that this Agreement has received any approval required by law from their respective parties; and that this Agreement is a legal, valid, and binding agreement.

10. Notice. The parties hereto agree that whatever notice to the other party is required by the terms of this Agreement, such notice shall be in writing and sent by certified mail, return receipt requested, addressed to the appropriate agent of the other party specified below or his successor:

If to MCWS:            Todd Shultz, Superintendent  
                                 Maury County Board of Public Utilities  
                                 P.O. Box 1196  
                                 Columbia, TN 38402

Copy to:                Michael Wall, Attorney for the Maury County Board of  
                                 Public Utilities  
                                 Branstetter, Stranch & Jennings  
                                 223 Rosa L. Parks Avenue, Suite 200  
                                 Nashville, TN 37203

If to Spring Hill:    City Administrator  
                                 City of Spring Hill  
                                 199 Town Center Parkway  
                                 P.O. Box 789  
                                 Spring Hill, TN 37174

Copy to:                Patrick M. Carter, City Attorney  
                                 Wolaver, Carter & Heffington  
                                 809 South Main Street, Suite 100  
                                 Columbia, TN 38402

11. Venue and Jurisdiction. It is mutually agreed, for all purposes, that this Agreement shall be deemed to have been executed in Maury County, Tennessee, and shall be controlled by and interpreted under Tennessee law as applicable.

12. Severability. In the event that any clause or provision of this Agreement shall be held to be invalid by an arbitration panel or court of competent jurisdiction, the invalidity of such clause or provision shall not affect any of the remaining provisions hereof.

13. Headings and References. The headings in this Agreement are for convenience of reference only and shall not define or limit the provisions thereof. All references in this Agreement to particular Articles or Sections are references to Articles or Sections of this Agreement, unless otherwise indicated.

14. Entire Agreement. This Agreement constitutes the entire agreement of the parties related to the subject matter hereof and supersedes all prior written and oral understandings. Notwithstanding the foregoing, this Agreement does not supersede, and shall be read in pari materia with, the parties' Agreement for Water Services by and between the City of Spring Hill

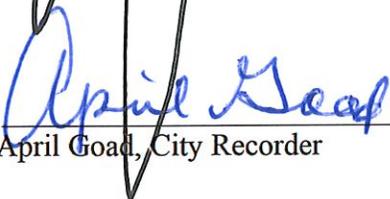
and Maury County Water System executed on the same date as this Agreement. This Agreement may be modified or amended only by a written instrument signed by the parties.

15. Execution. This Agreement may be signed in counterparts. Signed copies of this Agreement delivered via facsimile or via e-mail in Adobe portable document format (.pdf) shall be deemed originals.

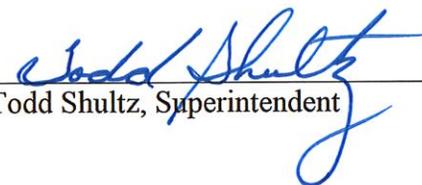
**IN WITNESS WHEREOF**, the parties hereto have subscribed their names on the date and year above written.

CITY OF SPRING HILL, TENNESSEE

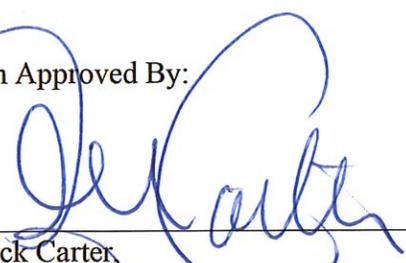
By:   
Rick Graham, Mayor

By:   
April Goad, City Recorder

MAURY COUNTY BOARD OF PUBLIC UTILITIES

By:   
Todd Shultz, Superintendent

Form Approved By:

  
Patrick Carter,  
Attorney for City of Spring Hill, Tennessee

  
Michael Wall,  
Attorney for the Maury County Board of Public Utilities