

INTER-LOCAL AGREEMENT

WHEREAS, Frontier Development (Frontier) and the Clinton Public Works Authority, a political subdivision of the City of Clinton, (City) each have water service facilities in the following areas of Custer County Service Area:

Township 12N, Range 18W, Sections 1, 2, 3, 10, 11, 12, 13, 14, 15, 22,
23, 24, 25, 26, and 27.

Township 12N, Range 17W, Sections 5, 6, 7, 8, 17, 18, 19, 20, 19, and 30.

WHEREAS, development in the area has resulted in confusion with respect to which entity should provide service.

WHEREAS, it was previously discovered that City was providing service to residents and that Frontier was entitled to service within the Service Area.

WHEREAS, Frontier and City reached an agreement with respect to damages sustained by Frontier as a result of City's provision of water services within the service Area.

WHEREAS, Frontier and City desire to define how water services will be provided within the Service Area.

NOW THEREFORE:

It is acknowledged by the City and Frontier that the service area lies outside of the parameter of the corporate limits of City. It is agreed that both the City and Frontier (pursuant to this agreement) will provide water services within the Service Area.

Except as provided herein, water services within the Service Area shall be provided by Frontier using Frontier facilities and water allocations. If Frontier is unable or unwilling to provide an extension of service, City will have the option to make such extension of service and will utilize City lines and water. Each entity shall be responsible for their own expense associated with the extension of any service.

City and Frontier agree to cooperate with each other through a free exchange of information with regard to water services within the service Area. Frontier shall notify City within twenty-four (24) hours of any decision not to extend services to a customer within the Service Area.

All existing meters shall be left in place with City and Frontier servicing the customers they are each respectively serving.

Further, in consideration of payment here-to-for made by City to Frontier it is the specific intent of the City and Frontier to mutually release, acquit and forever discharge each other of and from any and all accrued and future actions, causes of action, claims, demands, damages, costs, loss of services, expenses and compensation arising from any act or occurrence in any way associated previous provision of services within the Service Area.

ASSIGNMENT: This agreement shall be binding upon the parties hereto, their respective heirs, successors, and assigns and may be assigned by any party hereto only with the written consent of the other party.

CHOICE OF LAW: This agreement shall be governed, construed, and interpreted in accordance with the laws of the State of Oklahoma.

Date this _____ day of _____ 2010.

IN WITNESS WHEREOF:

Allen Bryson, Chairman

ATTEST:

Lisa Anders, City Clerk

George Moore, Chairman

ATTEST:

LaDonna Hollingsworth, Secretary