

PUBLIC WORKS AUTHORITY WATER PURCHASE AGREEMENT

This agreement (the "Agreement") made and entered into this _____ day of _____, 2019, by and between the Butler Public Works Authority for the Town of Butler, Oklahoma ("BPWA") and the Frontier Development Authority for the Town of Butler, Oklahoma ("FDA") and the Clinton Public Works Authority of the City of Clinton, Oklahoma ("Clinton").

NOW, THEREFORE, for and in consideration of the mutual covenants contained herein, the parties agree as follows:

I. Water To Be Supplied to BPWA and FDA.

A. Clinton agrees to supply to BPWA and FDA processed water under the terms set forth herein.

B. Clinton is a member of the Foss Reservoir Master Conservancy District (the Foss District) and is entitled thereby to an allotment of water from the Foss District.

C. Clinton and BPWA and FDA have agreed that BPWA and FDA can purchase from Clinton a portion of the Clinton allotment of water.

D. Water will be delivered directly to BPWA and FDA from the Foss District and BPWA and FDA will pay Clinton for the amount of water delivered to BPWA and FDA.

II. Measurement and Payment

A. Foss Reservoir MCD personnel will read the master water meters for the member cities and for BPWA and FDA every Monday and keep weekly totals of water usage for each entity. Water usage and overage are totaled weekly. Once a month, Foss Reservoir MCD will bill each member city for their pro rata share of water and for any overage. Foss Reservoir MCD will add the BPWA and FDA water usage totals to the monthly bill for Clinton. BPWA and FDA will pay Clinton for water used from the Clinton allotment at the rate of the price per thousand gallons that Foss Reservoir MCD charges to Clinton plus an additional twenty percent (20%) per thousand gallons.

B. Currently Clinton pays \$3.67 per thousand gallons for their pro rata share of potable water from the Foss District. Therefore, BPWA and FDA will pay Clinton monthly at the rate of \$4.40 [$\$3.67 + 20\% (.734)$] for the amount of water used by BPWA and FDA for the water from the Clinton allotment from the Foss District. If at any time, the rate Clinton pays for water from the Foss District is changed by either increase or decrease, the rate paid by BPWA and FDA shall change to the new base rate paid by Clinton plus 20%. Payments from BPWA and FDA to Clinton shall be made not later than the twentieth (20th) day following receipt of the billing during each month of the term of this agreement.

III. Term of Agreement.

This Agreement shall commence on the _____ day of _____, 2019, and shall continue for an initial term of Five (5) years. Upon agreement of the parties at least one hundred sixty (160) days prior to the end of any Five (5) year term, this agreement may be extended for up to one (1) additional Five (5) year term upon the same terms and conditions. Foss will begin charging the BPWA and FDA water usage to the Clinton allotment on or before the 15th day of December. Meters will be read weekly

IV. Miscellaneous.

A. Drought. In the event of drought conditions declaration from the Foss District, BPWA and FDA agree to comply with all requirements as to water conservation.

B. Binding Effect. The provisions of this Agreement shall be binding upon and inure to the benefit of the parties, their successors and assigns.

C. Governing Law. This Agreement is being executed in and shall be governed by and construed in accordance with the laws of the State of Oklahoma, without giving effect to conflict of laws.

D. Cooperation; Consents. Subject to the terms and conditions of this Agreement, each Party will use reasonable efforts to take, or cause to be taken all actions, and to do, or cause to be done, all things necessary or desirable under applicable law to consummate the transactions. The Parties agree to execute and deliver such other documents, certificates, agreements and other writings, and to take such other actions as may be reasonably necessary or desirable in order expeditiously to consummate the transactions.

E. Entire Agreement; Amendment. This Agreement constitutes the entire agreement by the parties with respect to the subject matter hereof, and supersedes all prior oral and written agreements, commitments or understandings with respect to the matters provided herein. This Agreement may not be changed orally, but only by an instrument in writing signed by the party against whom enforcement of any waiver, change, modification, extension or discharge is sought.

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement as of the date first written above.

Butler Public Works Authority
for the Town of Butler, Oklahoma

By: *Jene Collins*

Frontier Development Authority
for the Town of Butler, Oklahoma

By: Mene Collins

Public Works Authority
of the City of Clinton, Oklahoma

By: _____