

INTERLOCAL AGREEMENT

THIS AGREEMENT, entered into this _____ day of _____, 2016, by and between CHAMPLAIN WATER DISTRICT (herein “CWD”), and the TOWN OF WILLISTON (the “TOWN”).

IN CONSIDERATION OF ONE DOLLAR and other good and valuable consideration, payment, receipt and sufficiency of which is hereby acknowledged, and in consideration of the several undertakings, covenants and representations contained herein, under authority of 24 VSA §§3305, 3341(a), 3348(a) and 4901-4902, the parties agree as follows:

- (1) Consistent with the TOWN’s intention to construct a 300,000 gallon water storage tank, CWD will undertake and be responsible for managing the design, approval, permitting, financing and construction of a 600,000 gallon (0.60mg) water storage tank, together with an appurtenant access road and waterline, on a site off Mountainview Road (the “Site”) as a replacement for its existing 300,000 gallon storage tank on Tower Lane. CWD shall own, operate and control the replacement storage tank as an integral part of its public water supply system, subject to the rights and interests of the TOWN hereunder.
- (2) CWD shall finance the construction of the replacement water storage tank over a twenty (20) year term through the application of proceeds derived from the sale of \$1,700,000 of bonds or notes, for which approval will be sought at a CWD special meeting to be held on November 1, 2016.
- (3) CWD shall reimburse itself out of the proceeds of the bonds or notes identified in Section (2) for all replacement tank project costs advanced by CWD.
- (4) TOWN and CWD will work collaboratively on the financing for the design, permitting and construction of the replacement tank, the cost of which being estimated originally in the “Town of Williston High Service Area Water Storage Tank Study Report” dated August 2009, and updated on August 1, 2016, including distribution piping, at \$1,560,000.00. Per CWD Board Policy dated September 15, 2009, CWD has agreed to contribute an amount proportional to its added 300,000-gallon volume of the tank’s total 600,000-gallon volume (50%) specific to the estimated tank construction cost, including contingencies, of \$1,060,500, or \$530,250. CWD’s actual contribution will be _____% of the actual final tank construction costs per the A&E “Opinion of Probable Construction Costs” of the water storage tank components dated April 2016.

- (5) TOWN has requested that CWD begin making immediate payment of its contribution, to defray the cost of engineering and permitting in order to bring the project to a shovel ready status.
- (6) CWD shall bill TOWN semi-annually, on or about May 1 and October 1, for its share of debt service upon project bonds or notes of CWD due during the next succeeding twelve-month period. Payment shall be due no later than thirty (30) days following receipt of the debt service payment bill. Billing hereunder shall apply to any bond anticipation notes issued by CWD for project construction. It is the intention of the parties that CWD shall be reimbursed all costs associated with the construction and financing on the subject improvements, net of CWD's contribution. Town shall have the right to pre-pay in full its accrued debt service liability on CWD's project bonds and notes.
- (7) Prior to commencement of construction, TOWN shall grant CWD a license over and upon the Site, with appropriate access rights in a form substantially as Exhibit A hereto, to place, maintain, service and repair the water storage tank to be constructed thereon.
- (8) Town shall bear no financial responsibility for costs incurred by CWD with respect to the demolition and removal of the 300,000 gallon Tower Lane Storage Tank.
- (9) Town shall not permit any construction, excavation or activity on the Site or adjacent land which interferes with or inhibits CWD's use of the replacement tank or access thereto.
- (10) CWD shall be responsible for procuring and maintaining comprehensive general liability, casualty and extended coverage insurance for all CWD activities and property located on the Site.
- (11) CWD shall be responsible for utility maintenance and security costs related to the replacement tank and the Site.
- (12) In the event construction of the replacement tank has not commenced by July 1, 2018, either party, on sixty (60) days written notice, may cancel this Interlocal Agreement.
- (13) The Town shall be entitled to the use of 100% of such storage capacity.

IN WITNESS WHEREOF, duly authorized representatives of the parties hereto subscribe.

CHAMPLAIN WATER DISTRICT

By: _____
General Manager Date

TOWN OF WILLISTON

By: _____
Town Manager Date