

AGREEMENT

This Agreement is made by and between the City of Warwick, a municipal corporation organized and existing under the laws of the State of Rhode Island, with its principal office located at 3275 Post Road, Warwick, Rhode Island, hereinafter identified as the “City,” and the Kent County Water Authority, a water district incorporated and existing under the General Laws of the State of Rhode Island (R.I.G.L. 39-16-1, et seq.) and is regulated by the Rhode Island Public Utilities Commission, with its principal office located at 1072 Main Street, West Warwick, Rhode Island hereinafter identified as “KCWA.”

WHEREAS, the City previously installed a water main from a point near the intersection of Natick Road and Wakefield Street in West Warwick, Rhode Island (the “Natick Connection”) to hold water in storage tanks located on Bald Hill Road in Warwick, Rhode Island (the “Bald Hill Tanks”); and

WHEREAS, at the request of the Rhode Island Water Resources Board, said water main was increased to from 36” to 42” in diameter for the purpose of making available to KCWA a flow of water to be delivered from the City’s system into the KCWA water system at a rate of not more than thirty-two hundred (3200) gallons per minute; and

WHEREAS, pursuant to a 1971 agreement by and between the City and KCWA (the “1971 Agreement” - a copy of which is attached hereto), KCWA agreed, among other things: to pay the increased costs associated with the enlargement of said water main from 36” to 42”; to pay the costs of the installation of such meters, valves, lines, reducers, and similar items necessary to enable KCWA to draw water from said 42” water main (hereinafter, the “42” Main”); and to share in the payment of all expenses associated with maintaining said 42” Main and its associated apparatus in proportion to the share of water used by KCWA therefrom; and

WHEREAS, KCWA currently draws water from said 42" Main through a 24" suction connection located on Bald Hill Road prior to the Bald Hill Tanks site; and

WHEREAS, KCWA is desirous of increasing the amount of water KCWA may draw from said 42" Main by upgrading KCWA's Bald Hill Pumping Station to enable KCWA to draw up to a maximum of 7000 gallons per minute from the 42" Main, through the KCWA 24" suction connection at the Bald Hill Tanks, to provide increased water service to KCWA customers during periods of high demand from such KCWA customers; and that KCWA serves approximately 12,000 Warwick Residents and businesses.

WHEREAS, KCWA, in consideration of having the potential for such increased capacity, is willing to share expenses with the City concerning the Natick Connection, the 42" Main and associated apparatus and equipment, and the Bald Hill Tanks; and

WHEREAS, the City is willing to agree to permit the increased draw from the 42" Main at the Bald Hill Tanks connection for the benefit of KCWA customers, but only upon the terms and conditions contained in this Agreement;

NOW, THEREFORE, the City and KCWA, upon the premises stated above and for valuable consideration as stated herein, agree as follows:

1. KCWA acknowledges that title to said Natick Connection, the 42" Main, and the Bald Hill Tanks remains vested solely in the City and that the entire care, custody and control of said 42" Main, Bald Hill Tanks and all associated apparatus and equipment, including all valves and other items controlling the flow of water but excluding Kent County Water Authority System infrastructure and improvements from same to the KCWA system, is and shall remain solely in the City at all times.

2. Subject to the other terms and conditions of this Agreement, including but not limited to Sections 3. and 4. hereof, the City agrees to extend the water draw therefrom up to a maximum flow rate of seven thousand (7000) gallons per minute, as necessary to meet the demands of KCWA's customers.

3. The parties agree that the primary obligation and responsibility of the City at all times is to maintain a sufficient supply of water, with adequate pressure and flow rates, within the City's water system to provide for the fire protection requirements of the City and to satisfy all other water needs of the residents of the City and other customers of the City's water system, all as determined by the City in its exclusive discretion bearing in mind that Kent County Water Authority serves approximately 12,000 Warwick residents and businesses.

4. At times, there may be an emergency such as the Providence Water Supply Board can not supply an adequate amount of water or a breach or maintenance in the Warwick infrastructure causes serious interruption of supply or the supply in the Bald Hill tanks falls below unsafe levels which may require the suspension or reduction of the supply of water to KCWA from the connection located on Bald Hill road prior to the Bald Hill Tanks site pursuant to this Agreement bearing in mind that Kent County Water Authority serves approximately 12,000 Warwick residents and businesses.

5. The parties agree that in any period where there are water supply deficits that each entity shall endeavor to assist the other in a cooperative manner to prevent interruption of water supply to any of their customers and to have the tanks fully operational as soon as practical.

6. That in the event that there must be an interruption to the Kent County Water Authority, the City agrees to provide advance notice to KCWA or without advance notice to

KCWA, whenever necessary to respond to a threat of immediate harm to persons or property and the City will endeavor to notify KCWA of the City's decision and actions as soon as may be possible under the circumstances and that under any circumstance, the parties will cooperate to assist each other to promptly return the tanks to full capacity.

7. KCWA will pay its share of all costs of operation, maintenance and repair with respect to said 42" Main, the Bald Hill Tanks, and all meters, valves and all other apparatus and equipment associated therewith. KCWA will pay to WARWICK its share of such operations, maintenance and repair expenses based on the percentage of water from said 42" Main used by KCWA. KCWA has installed a meter at its own expense for the purpose of measuring the amount of such water used by KCWA, which meter shall be read jointly by the parties at regular intervals.

8. KCWA agrees to pay to WARWICK the same rate for water it uses as WARWICK pays to the Providence Water Supply Board for said water. The City shall bill KCWA for the cost of water used by KCWA, and for KCWA's share of all operational, maintenance and repair costs as aforesaid on a monthly basis pursuant to the Agreement, or at such other regular intervals as may be agreed upon by the parties from time to time

9. The City shall maintain complete records detailing the basis for all water usage rates, operational costs, maintenance and repairs associated with the 42" Main, the Bald Hill Tanks, and all apparatus and equipment associated therewith. All billings from the City to KCWA concerning operations, maintenance, repairs and water rates shall be evidenced by and based upon such records, copies of which shall be supplied to KCWA at the time of billing and upon request at any time by Kent County Water Authority.

10. The parties acknowledge that the installation of the 42" Main was directed by the Water Resources Board in anticipation of future expansion of water use in the area generally southerly from the location of the Bald Hill Tanks and that the use of this water by KCWA has necessitated a pumping facility because of the difference in water pressure between the two systems. KCWA will make available at no expense to City all records, data and other information required by the City regarding the location, design, capacities and operation of such pumps and other incidentals to this end.

11. The parties agree that they will review this AGREEMENT at each and every ten (10) year interval in order to address changing conditions.

12. The individuals executing this AGREEMENT represent that they have been duly authorized to do so and that this Agreement has been specifically approved by the respective authorized governing bodies of the City and KCWA.

13. This AGREEMENT has been executed in contemplation of statutory law in the State of Rhode Island including the Charter and Ordinances of the City of Warwick, and the enabling legislation of the KCWA current as of the date of this Agreement. In the event of any inconsistency between any term or provision of this Agreement and such laws and ordinances, such laws and ordinances shall prevail, but the remainder of this Agreement, to the extent not inconsistent with such laws and ordinances, shall remain in full force and effect.

14. Any modification or amendment to this Agreement shall not be effective unless it shall be in writing, and signed by duly authorized representatives of the parties hereto.

15. This Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective successors and assigns.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed
and seals affixed by their respective proper officers, thereunto duly authorized this 21st
_____ day of JUNE, 2006.

CITY OF WARWICK

By 

KENT COUNTY WATER AUTHORITY

By 
Chairman