

RESOLUTION NO. 4104

A RESOLUTION AUTHORIZING TERMINATION BY THE CITY OF MILES CITY OF THE AGREEMENT OF JUNE 10, 2008 BETWEEN THE CITY OF MILES CITY AND CUSTER COUNTY WATER & SEWER DISTRICT FOR THE MAINTENANCE OF THE AYE ADDITION LIFT STATION AND PROVIDING FOR APPROVAL OF, OR IN THE ALTERNATIVE OF THE NEGOTIATION OF, A NEW AGREEMENT FOR MAINTENANCE OF THE AYE, HOUGH ACRES, AND EAST SIDE ADDITION LIFTSTATIONS

WHEREAS, on June 10, 2008, the City of Miles City and Custer County Water & Sewer District entered into a written agreement providing that the City of Miles City would provide maintenance and operation by the City of Miles City of (1) sewer lift station in the Aye Addition; and the parties now desire that the City maintain lift stations in the Aye Addition, Hough Acres Addition, and East Side Addition outside of the City limits in exchange for an annual fee for each such lift station.

AND WHEREAS, due to the increase in operational expenses since the previous agreement, the cost to the city of providing such service has increased, and a fee in the amount of \$1,500.00 per lift station has been recommended and approved by the City;

AND WHEREAS, the current agreement provides for automatic renewal unless written notice of cancellation is given to the other party at least 30 days prior to an anniversary date of the agreement;

AND WHEREAS, the City Council of the City of Miles City finds that it would be in the best interests of the citizens of the City of Miles City for the City to terminate the agreement effective on its next anniversary date; June 30, 2018, and to offer a revised agreement to the District, or in the alternative to negotiate a new agreement with the District, for lift station maintenance.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Miles City, Montana as follows:

1. The City of Miles City cancels the June 10, 2008 agreement with the Custer County Water & Sewer District for the maintenance of the Aye Sewer lift station in the Aye Addition, effective on its next termination date, June 30, 2018;
2. The Mayor of the City of Miles City is hereby authorized and directed to give 30 days written notice to Custer County Water & Sewer District of the cancellation of the agreement by the City effective June 30, 2018; and to provide the proposed revised agreement for maintenance of the Aye Addition, Hough Acres Addition, and East Side Addition attached hereto as Exhibit "A".

3. A proposed revised Agreement, attached hereto as Exhibit "A," is hereby approved by the City Council, and the Mayor is authorized to execute the same, and to bind the City thereto, for presentation to the District.

4. The Mayor and Public Utilities Director are requested to enter into negotiations with Custer County Water & Sewer District for a new agreement for such services at a rate of compensation commensurate with the costs to the City for such service, in the event the proposed agreement attached hereto is not acceptable to the District.

**SAID RESOLUTION PASSED AND ADOPTED BY A DULY
CONSTITUTED QUORUM OF THE CITY COUNCIL OF THE CITY OF MILES
CITY, MONTANA, THIS 12TH DAY OF SEPTEMBER, 2017.**

John Hollowell, Mayor

ATTEST:

Lorrie Pearce, City Clerk

RESCINDED

AGREEMENT

THIS AGREEMENT is made and entered into this _____ day of _____, 201__ and between the CITY OF MILES CITY, hereinafter referred to as "CITY", and the CUSTER COUNTY WATER & SEWER DISTRICT, hereinafter referred to as 'DISTRICT'.

RECITALS:

WHEREAS, the CITY is a body politic and corporate existing under the laws of the State of Montana which operates a wastewater treatment plant;

WHEREAS, the DISTRICT is a County Water & Sewer District existing under the laws of the State of Montana;

WHEREAS, the DISTRICT serves property in Custer County, Montana, known as the Aye Addition, Hough Addition and East Side Addition, which requires a lift station to transport sewage from the area into the sewer system;

WHEREAS, the lift station requires certain maintenance and the CITY has employees who are trained to operate and maintain lift stations; and

WHEREAS, the DISTRICT desires to hire the CITY to operate and maintain the aforesaid lift station upon the following terms and conditions.

NOW, THEREFORE, for the considerations hereinabove and hereinafter made the parties hereto agree as follows:

- 1) **TERM:** The term of this Agreement shall be here from July 1, 2018, to June 30, 2019.
- 2) **CONSIDERATION:** The DISTRICT shall pay to the CITY on or before the 1st of July, each year, the sum of \$1,500.00 for each of the following lift stations: Aye Sewer lift station in the Aye Addition, Gum Flat lift station in the Hough Acres Addition, and Clark lift station in the East Side Addition, along with any additional lift stations which are to be maintained by the CITY. The contract rate shall automatically increase at a rate of three percent (3%) per renewal year.
- 3) **PERFORMANCE:** The CITY will operate and maintain the foregoing lift stations for the term and fee stated above.

Exhibit A

This instrument was acknowledged before me on the ____ day of _____, 201____,
by _____, as _____ of the Custer County Water and Sewer District.

(SEAL)

Notary Public for the State of Montana
Residing at Miles City, Montana
My Commission expires: _____

RESCINDED