

RESOLUTION NO.: 2015-76

A RESOLUTION AUTHORIZING THE TOWN MANAGER TO EXTEND THE WATER PURCHASE AGREEMENT WITH TENNESSEE-AMERICAN WATER COMPANY FOR A TERM OF SEVEN (7) MONTHS BEGINNING SEPTEMBER 30, 2015 THROUGH APRIL 30, 2016, WHICH RETAINS THE WATER PURCHASE RATE OF \$1.0344 PER HUNDRED CUBIC FEET AS WAS DETERMINED BY THE SETTLEMENT AGREEMENT FILED WITH THE TENNESSEE REGULATORY AUTHORITY IN TRA DOCKET 12-00049 EFFECTIVE NOVEMBER 1, 2012.

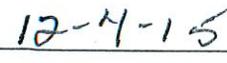
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BE IT RESOLVED BY THE TOWN COUNCIL OF THE TOWN OF SIGNAL MOUNTAIN, TENNESSEE, that the Town Manager be and is hereby authorized to extend the Water Purchase Agreement with Tennessee-American Water Company for a term of seven months beginning September 30, 2015 through April 30, 2016, which retains the current water purchase rate at \$1.0344 per hundred cubic feet as shown on the attached Agreement.

  
\_\_\_\_\_  
Diek Gee, Mayor

  
\_\_\_\_\_  
Recorder

  
\_\_\_\_\_  
Date

  
\_\_\_\_\_  
Date

EXTENSION OF WATER PURCHASE AGREEMENT

THIS EXTENSION OF WATER PURCHASE AGREEMENT is made effective as of July 1, 2015 (the "Effective Date"), by and between Tennessee-American Water Company ("Tennessee American"), located at 109 Wiehl Street, Chattanooga, Tennessee, and Town of Signal Mountain ("Signal Mountain"), whose address is 1111 Ridgeway Avenue, Signal Mountain, Tennessee.

WHEREAS, the parties hereto have agreed to extend the term of that certain Water Purchase Agreement dated July 1, 1997 ("Original Agreement") as amended and extended by agreement dated as being effective July 1, 2000 ("First Extension Agreement"), agreement dated as being effective July 1, 2003 ("Second Extension Agreement"), agreement dated as being effective July 1, 2006 ("Third Extension Agreement"), agreement dated as being effective July 1, 2009 ("Fourth Extension Agreement"), and agreement dated as being effective January 1, 2014 ("Fifth Extension Agreement") copies of which are attached hereto and incorporated herein by reference, for an additional term of ninety (90) days as provided herein.

NOW THEREFORE, in consideration of the mutual covenants and promises herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

1. Except as specifically provided herein, all of the terms, conditions, privileges and obligations in the Original Agreement, as amended and extended by the First, Second, Third, Fourth, and Fifth Extension Agreements are hereby extended for a term of ninety (90) days beginning July 1, 2015, and ending September 29, 2015.
2. Effective July 1, 2015, and continuing through the end of the term hereof, Section 1 of the Original Agreement, as amended and extended by the First, Second, Third, Fourth, and Fifth Extension Agreements, is hereby amended to state that Signal Mountain will purchase water at the rate of exactly \$1.0344 per hundred cubic feet as was determined by the settlement agreement filed with the Tennessee Regulatory Authority ("TRA") in TRA Docket 12-00049 effective November 1, 2012, subject to any adjustments ordered or permitted by the TRA.
3. This Extension of Water Purchase Agreement is subject to the approval by the Board of Tennessee American Water and the TRA. Signal Mountain agrees to take such action reasonably necessary to support Tennessee American's application for approval from the TRA.

IN WITNESS WHEREOF, the parties have set forth their hands.

TOWN OF SIGNAL MOUNTAIN

By: 

Title: Town Manager

Date: 7/27/15

TENNESSEE-AMERICAN WATER  
COMPANY

By: 

Title: Director of Operations

Date: 6/30/15