

**169. ORDINANCE APPROVING AGREEMENT BETWEEN THE CITY OF GROTON AND THE TOWN OF LEDYARD CONCERNING A WATER SUPPLY PLAN
(INITIALLY APPROVED MARCH 5, 2007; FINALLY APPROVED APRIL 2, 2007)**

WHEREAS, the City of Groton and the Town of Ledyard have negotiated a Water Supply Plan and reached a tentative agreement on the Sale of Excess Water; and

WHEREAS, the City Council approved the financing agreement for the Center Groton Pump Station at its October 2, 2006 meeting; and

WHEREAS, the City of Groton, Department of Utilities, has agreed to sell the Town of Ledyard as many as 350,000 gallons of water daily; and

WHEREAS, the Department of Utilities has agreed to begin construction of the necessary facilities to supply the water to Ledyard; and

WHEREAS, the Town of Ledyard has agreed to purchase water as specified in agreement as a resale customer, i.e., wholesale water customer; and

WHEREAS, the Ledyard Town Council will authorize the Ledyard Mayor to sign said agreement; and

WHEREAS, extension of utility services is subject to the procedures established for the adoption of ordinances in Article V, Section 14 of the Charter; and

WHEREAS, the City of Groton Utility Commission at its regular meeting held on February 28, 2007 authorized Management to amend the existing Sale of Excess Water Supply Agreement between the City of Groton and the Town of Ledyard for the additional sale of up to 350,000 gallons of water per day up the Route 117 corridor;

WHEREAS, this Ordinance was published in *The Day*, a newspaper having general circulation in the City of Groton on March 8, 2007 and March 9, 2007;

THEREFORE, BE IT RESOLVED that the Mayor and Council finally approve “An Ordinance approving Agreement between the City Of Groton and the Town Of Ledyard concerning a Water Supply Plan.”

AMENDMENT NO. 1 TO AGREEMENT

THIS AMENDMENT made this ____ day of _____, 2007, by and among the City of Groton, Connecticut, the City of Groton Utilities Commission and the City of Groton Council (collectively, “Groton”) and the Town of Ledyard, Connecticut, the Ledyard Water Pollution Control Authority and the Ledyard Town Council (collectively, “Ledyard”).

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WHEREAS, Groton and the Town of Ledyard entered into an agreement dated September 8, 1992, to construct a water main and related improvements along the Route 12 corridor to the Ledyard Town line and to make water available for purchase by the Town of Ledyard (the "Agreement");

WHEREAS, the Town of Ledyard agreed to pay Groton monthly principal and interest needed to retire the debt incurred for the cost of designing and constructing the improvements described in the Agreement;

WHEREAS, Groton and Ledyard desire to modify certain terms, conditions and provisions in the aforesaid Agreement; and

WHEREAS, Groton agrees to finance Ledyard's pro-rata share of the construction costs for a pump station and related improvements along Route 117 at the Groton/Ledyard Town line.

NOW, THEREFORE, in consideration of the sum of ONE DOLLAR (\$1.00) and other valuable considerations, it is agreed that said Agreement be modified as follows:

1. The following shall be added to the Agreement immediately following the signatures on Page 7:

"Water Supply Issues - Route 117

25. Groton and Ledyard shall fund the design and construction of a pump station, piping and related appurtenances located along Route 117, at the intersection of Route 117 and Candlewood Road. Groton shall design and construct the pump station, piping and appurtenances in accordance with standard engineering and safety practices and the requirements of Groton's Department of Utilities for similar projects.

26. Ledyard shall fund the design and construction of a meter pit at the pump station location described in paragraph 25 above. Upon receipt of all necessary funds from Ledyard, Groton shall design and construct the meter pit in accordance with standard engineering and safety practices and the requirements of Groton's Department of Utilities for similar projects.

27. Within one (1) month of the completion of the improvements described in paragraphs 25 and 26 above, Groton shall purchase and install a water meter in the meter pit.

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28. Upon installation of the water meter described in paragraph 27 above, Groton shall make available for Ledyard's purchase, subject to any necessary governmental approvals, a maximum of three hundred fifty thousand (350,000) gallons per day, subject to paragraphs 29 through 32 below.

29. Groton shall bill Ledyard for water at the same rate and in the same manner that it bills other wholesale water customers. Notwithstanding any other provision of this Agreement, or the Amendments thereto, Groton shall be entitled to increase or decrease its wholesale rates at any time upon at least sixty (60) days prior written notice to Ledyard, subject to the limitation set forth in the preceding sentence; provided, however, that the price shall not be increased more than once during any calendar year, except in emergency situations.

30. Upon commencement of delivery of water to Ledyard, or July 1, 2007, whichever is earlier, and providing that Groton has made water available at the meter pit by that date, Ledyard shall pay Groton monthly principal and interest needed to retire the debt incurred for the cost of designing and constructing the improvements described in paragraph 10 of the original Agreement and in paragraph 25 above. The interest rate for the financing of the design and construction costs shall be one percent (1%) above the Groton Bond Rate. By way of example, the monthly payment amount would be equal to the numbers in the column marked "Cash Paid" on Amended Exhibit D, divided by 12. To the extent that the actual amount borrowed, or the terms of the debt varied from those used in the Amended Exhibit D, the actual payment by Ledyard would vary.

31. After completion of the improvements identified in paragraphs 25 through 27 above, Ledyard shall continue to enjoy the same status as other customers within Groton's wholesale customer class, including the following:

(a) If Groton implements any water conservation measures applicable to Groton's customers as a result of any emergency situation, Ledyard shall implement the same water conservation measures for its customers and Ledyard shall keep such water conservation measures in effect for as long as the water conservation measures implemented by Groton remain in effect.

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(b) In the event that water is available in the Groton water supply system in excess of the then existing total demand on the Groton water supply system, and at Groton's sole discretion, Ledyard may purchase as much water from Groton as is consistent with an approved regional water supply master plan that includes Ledyard, and as is available within the Department of Public Health recommended margin of safety for the Groton system, and subject to any necessary government approvals.

(c) Groton and Ledyard agree to conduct joint resource planning studies to ensure the adequacy of long term water resources for the region. All studies will be reviewed annually and copies will be submitted to the appropriate State of Connecticut agencies.

(d) Groton agrees to work with the Ledyard in the development of a business plan and to assist in the necessary engineering for development and operation of the Ledyard water system, and to coordinate bidding and construction activities for the pump station and related appurtenances to the Ledyard Town line with the construction of Ledyard's water system.

32. This amendment to the Agreement shall not be construed to confer upon Ledyard any rights to water from the Groton water supply system other than the specific terms and conditions of this amendment and those conferred under the original agreement.

33. The final water diversion permit authorizing Groton and Ledyard to divert the waters of the State at an interconnection located along Route 117 at the Groton/Ledyard Town line is attached hereto as Exhibit E. This permit shall expire on August 10, 2021."

34. The Town of Ledyard is to be responsible for the associated costs and necessary filing to obtain the diversion permit and future renewal. Groton will be responsible for the associated costs to apply for and obtain the State of Connecticut, Department of Public Health Sale of Excess Water Permit.

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Water Quality and Quantity

35. The Parties shall acknowledge that the Potable Water to be delivered pursuant to this Agreement must meet the Water specifications at the various points identified in this Agreement. The Parties desire to allocate responsibility for maintaining the quantity and quality of such Potable Water as it travels throughout the Water Supply Systems of the Parties. Accordingly, the Parties agree Groton shall be responsible for ensuring that all Potable Water delivered pursuant to this Agreement meets the quantities requested by the Town of Montville (up to the maximum quantities) (the "Reserved Quantities") and the Water Specifications when it reaches the Groton/Ledyard town line.

2. The Amended Exhibit D, attached hereto, is substituted for the current Exhibit D Bond Amortization Schedule, which current Exhibit D is declared null and void.
3. All other terms and conditions of said Agreement, to the extent that they do not conflict with this Amendment, shall continue to remain in full force and effect.

IN WITNESS WHEREOF, the undersigned have hereunto set their hands and seals this _____ day of _____, 2007.

Signed, Sealed and Delivered
in the Presence of:

CITY OF GROTON

By: _____
Name: _____
Title: _____

**CITY OF GROTON
UTILITIES COMMISSION**

By: _____
Name: _____
Title: _____

TOWN OF LEDYARD

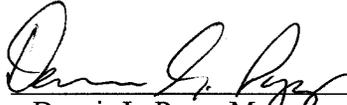
By: _____
Name: _____
Title: _____

**LEDYARD WATER
POLLUTION CONTROL
AUTHORITY**

By: _____
Name: _____
Title: _____

NOTE: Refer to Amended Exhibit D (Bond Amortization Schedule), Exhibit E (Permit No. DIV-200600038) and Ordinance #81, effective September 8, 1992.

Initially approved: March 5, 2007
Finally approved: April 2, 2007



Dennis L. Popp, Mayor



Debra Patrick, City Clerk