

RESOLUTION NO. R-2026-41

A RESOLUTION AUTHORIZING AN AGREEMENT WITH NORTH UTILITY
DISTRICT OF RHEA COUNTY FOR WATER SERVICE

WHEREAS, the existing water main serving customers in the Toestring Bridge area requires replacement, and the prior bid for replacement was approximately \$595,000; and

WHEREAS, connecting to the existing waterline of North Utility District of Rhea County provides a practical and cost-effective alternative for continuing water service to approximately twelve (12) existing Spring City customers; and

WHEREAS, the Board of North Utility District of Rhea County has approved the proposed connection, agreed to waive the meter fee, and agreed to sell water to the Town at the same wholesale rate charged by the Town to the District, currently \$2.65 per 1,000 gallons; and

WHEREAS, the Town Commissioners find that entering into such an agreement is in the best interest of the Town and its utility customers;

NOW, THEREFORE, BE IT RESOLVED by the Town Commissioners of the Town of Spring City, Tennessee:

SECTION 1. The Mayor is authorized to sign and execute an agreement with North Utility District of Rhea County allowing the Town to connect to the District's existing waterline and purchase water for service to the affected Spring City customers.

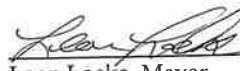
SECTION 2. The agreement shall provide for waiver of the meter purchase fee, tap fee and a water purchase rate equal to the Town's wholesale rate to North Utility District of Rhea County, currently \$2.65 per 1,000 gallons. The Town shall be responsible for the cost of installation.

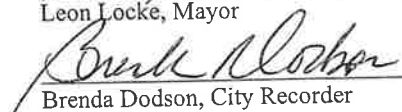
SECTION 3. The City Manager and City Recorder are authorized to take all actions and execute any related documents necessary to complete the connection and implement the agreement.

SECTION 4. This Resolution shall take effect immediately upon adoption.

ADOPTED by the Town Commissioners of the Town of Spring City, Tennessee, on this 30 day of July, 2026.

TOWN OF SPRING CITY, TENNESSEE

 7-30-26
Leon Locke, Mayor Date

 7-30-26
Brenda Dodson, City Recorder Date