

**MEMORANDUM OF UNDERSTANDING BETWEEN THE PATRICK COUNTY
SCHOOL BOARD, THE PATRICK COUNTY BOARD OF SUPERVISORS, AND
THE TOWN OF STUART, VIRGINIA**

This Memorandum of Understanding is between the Patrick County School Board, hereinafter "the School Board," the Patrick County Board of Supervisors, hereinafter "the Supervisors," and the Town of Stuart, Virginia, hereinafter "the Town."

The purpose of this Memorandum is to outline the arrangement to design, build, and maintain a supply of water, hereinafter "the Project," to Patrick County High School located at 215 Cougar Lane, Stuart, Virginia 24171.

The School Board, the Supervisors, and the Town agree as follows:

1. The Town will design the Project in conjunction with the School Board, and the design shall be approved by all parties. The design will include a minimum of six (6) fire hydrants and the water supply line will be a minimum of twelve (12) inches in diameter.
2. The Project must comply with all requirements of the federal, state, and local regulatory agencies whose review and approval is necessary for the Project to proceed.
3. The School Board will provide all the easements necessary for the Project.
4. A. The Supervisors will provide sufficient and timely appropriations to the School Board to fund the Project.
B. The sole source of funds for the Project is the settlement of a certain class action lawsuit concerning actual or potential ground water contamination. Therefore, there will be no net increase in appropriations from the Supervisors to the School Board as a result of the Project.

- C. The School Board will ensure that all required accounting and auditing rules and regulations are followed.
5. The School Board will, and hereby does, indemnify and save harmless the Supervisors from any and all liability, financial and otherwise, arising from or associated with the Project.
6. Upon completion of the Project, the Town will own and maintain, as part of its water system, the components of the Project to the point of the Patrick County High School's water meter.
7. A. Upon completion of the Project, effective on the first day of operational use of the new line by said High School and continuing for a period of five (5) years, the Town will provide per month to the High School the first 180,000 gallons *gratis*. Any water usage per monthly billing period above 180,000 gallons will be charged by the Town, and paid by the School Board, at its commercial rate then prevailing.
- B. After the expiration of the said 5-year period, water usage at the High School will be billed by the Town, and paid by the School Board, at its commercial rate then prevailing.

PATRICK COUNTY SCHOOL BOARD

By Robert A. Rauer
Title: Chair

Date: 06-10-09

PATRICK COUNTY BOARD OF SUPERVISORS

By Cristal P. Harris
Title: Chairperson

Date: 06-08-09

TOWN OF STUART, VIRGINIA

By James L. McNamee
Title: Mayor

Date: June 16, 2009