

MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding (“MOU”) is entered into by and between **Sanitation District No. 1** (“SD1”), a sanitation district organized pursuant to Kentucky Revised Statutes Chapter 220, whose principal office is located at 1045 Eaton Drive, Ft. Wright, Kenton County, Kentucky 41017 and **Kenton County** (County), a County of the Commonwealth of Kentucky. SD1 and County shall be referred to herein collectively as “Parties” or separately as a “Party.”

RECITALS

Whereas, the County applied for and was granted funding from the Kentucky Infrastructure Authority (“KIA”) as part of the American Rescue Plan Act of 2021 (“ARPA”) to aid economic recovery in Kenton County, Kentucky through the removal of septic systems and the installation, of and connection to, the public sanitary sewer system;

Whereas, the County received six KIA Grants for five septic removal projects detailed in **Exhibit “A”** attached hereto (the “Septic Removal Projects”) and allocated those KIA Grants to SD1 to administer;

Whereas, SD1 and the County have determined that due to the time and efforts needed to acquire the property interests necessary for the Septic Removal Projects in accordance with ARPA requirements and the approaching deadline for obligating the funds (December 31, 2024), it would be beneficial to use the awarded KIA Grants for a different project in Kenton County;

Whereas, the Lakeview EQ Project detailed in SD1’s Amended Watershed Plan is critical to eliminating sanitary sewer overflows in Kenton County, is in the design process, requires no further acquisition of property interests, and is estimated to cost in excess of \$23,000,000; and

Whereas, the County and SD1 wish to reallocate the KIA Grants for the Septic-Removal Projects to fund the Lakeview EQ Project.

Therefore, the Parties hereby enter into this MOU with the following terms:

1. Purpose. The purpose of this MOU is to document a commitment on the part of the Parties to cooperate for the mutual benefit of the Parties. It is understood by the Parties that this MOU does not bind any Party to a financial or other resource commitment, but rather is the framework from which specific participating and cooperative agreements can be developed as deemed appropriate. This MOU shall serve to demonstrate an ongoing collaboration among the Parties.

2. Term of MOU. This MOU is effective upon execution by the duly authorized representatives of the Parties and shall remain in full force until formal agreements are entered or it is terminated with or without cause, by any Party upon 30 days written notice, which notice shall be delivered by hand or by certified mail to the address listed above.

3. Projects.

A. KIA Grants Reallocation. The Parties agree that SD1 and the County shall cooperate in all efforts necessary to apply to KIA for a reallocation of the KIA Grants for the Septic Removal Projects and do all things necessary to obtain a reallocation of the grant funding for the Lakeview EQ Project.

B. Septic Removal Projects. SD1 will fund and complete the Septic Removal Projects without the reallocated KIA Grants.

4. Entirety of MOU. This MOU represents the entire and integrated understanding between the Parties and supersedes all prior negotiations, representations and agreements, whether written or oral.

5. Multiple Counterparts. This MOU may be executed in two or more counterparts, each of which shall be deemed an original, and it shall not be necessary in making proof of this MOU or the terms thereof to produce or account for more than one of such counterparts.

6. Non-binding Nature. It is understood that the conditions set forth in this MOU merely state the present intention of the Parties and do not reflect all matters upon which agreement has to be reached. Therefore, this MOU does not constitute a legally binding agreement to perform or consummate any of the terms described herein nor an agreement to enter into legally binding agreements outlined herein. The Parties expressly acknowledge that no liability or obligation of any nature is intended to be created with this MOU. It is further understood that the Parties will be bound to an agreement or any other suitable form of cooperation only if such agreement has been duly executed in writing by the Parties.

7. Laws and Regulations. SD1 and County shall comply with all laws and regulations pertinent to the Project.

8. Governing Law. This MOU shall be governed and interpreted in accordance with the laws of the Commonwealth of Kentucky.

IN WITNESS WHEREOF, the Parties have signed and entered into this MOU on this ____ day of August, 2023.

Sanitation District No. 1

Kenton County

Adam Chaney,
Executive Director

By: _____
Its: _____

EXHIBIT A

SEPTIC REMOVAL PROJECTS

KIA Grant No.	WRIS No.	Project Name	Amount
21CWS057	SX2117011	Walnut Hall Peach	\$2,133,176
22CWS103	SX2117011	Walnut Hall Peach	\$600,000
21CWS058	SX2117012	Route 8 & Ludlow (Bromley)	\$2,000,000
21CWS059	SX2117013	Crawford	\$1,000,000
22CWS104	SX2117017	Alvin	\$2,071,953
22CWS105	SX2117018	Maple Bluegrass	\$7,597,786
Total:			\$15,402,915.00