

**COOPERATION AGREEMENT FOR THE OPERATION OF THE LAKE FOREST
ESTATES CLEAN WATER DISTRICT**

By and Between

THE LAKE FOREST ESTATES COMMUNITY ASSOCIATION

And

THE LAKE FOREST ESTATES CLEAN WATER DISTRICT

This Agreement (“Agreement”), by and between the Lake Forest Estates Community Association, a Missouri nonprofit corporation in good standing (the “Association”), and the Lake Forest Estates Clean Water District, a Missouri public corporation in good standing (the “District”), is made and effective as of the date of the last signature noted below. The Association and the District are referred to herein singularly as “Party” and collectively as the “Parties”.

Recitals

1. Lake Forest Estates, a residential subdivision established in 1970 (the “Subdivision”), historically has been served by sanitary sewer and water systems (the “Systems”) that were wholly owned and operated by the Association, which was created and is governed by the Subdivision’s Declarations of Covenants and Restrictions and which was incorporated in 1971.

2. Pursuant to the District’s creation, the approval of the Subdivision’s lot owners, and all requirements of law, the Association transferred the Systems, and the responsibility for operating the Systems, to the District.

3. The Association and the District now desire to enter into this Cooperation Agreement, by which the Association shall permit the District to use Association resources (the “Resources”) as provided herein for the Systems’ operations.

4. This Cooperation Agreement is expressly permitted by law, specifically Section 70.220 of the Revised Statutes of Missouri.

Agreement

In consideration of the foregoing recitals, and the benefits to be derived from the District’s ownership and operation of the Systems, the respective covenants, representations, warranties, and agreements contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound hereby, the Association and the District agree to the following terms and conditions:

1. Service Delivery. The Association acknowledges that the District is responsible for the operation of the Systems, and as such has the unfettered discretion in the use and direction of the Resources, provided that the Resources are used for the purpose of operating the Systems and for no other purpose. The Parties agree that term “operation” encompasses all

work necessary or desirable, in the District's discretion, to perform the functions of delivering water and sewer services to the Subdivision.

2. Resources. The Resources subject to this Agreement shall include:

A. The Association's employees, and specifically the Association's Community Manager, who shall at all times remain employees of the Association. The District may utilize any of the Association's employees on an as-needed basis, provided:

- (1) The Association and the employee agree to work for the District;
- (2) The Parties agrees that while working for the District, the employee shall serve the District, to the exclusion of any work for or direction from the Association;
- (3) The employee shall not work for the District more than 20 hours per week, unless the Association and the employee have consented to exceed that limitation for specific and unusual District needs;
- (4) The District shall pay to the Association a pro rata share, based on weekly time spent, of all compensation (salary and benefits) paid by the Association to the employee; and
- (5) The employee shall be deemed the employee of the Association for all purposes under law.

B. The Association's office space at the Lake Forest Estates Community Center, including desk space, filing space, and meeting rooms, the identification and specification of which shall be negotiated by the Parties and reduced to writing. The District shall compensate the Association on a pro rata basis for its use of office space, including all related utilities, maintenance costs, taxes, etc., provided that the Association shall not undertake a capital improvement of the office space without informing the District and providing the District an opportunity to be heard on the proposed expenditure.

C. The Associations' office equipment, including but not limited to the copier, scanner, and phone system, but excluding computers, which shall be retained separately by the Parties. The District shall compensate the Association on a pro rata for its use of the office equipment, including all related utilities, maintenance costs, taxes, etc., provided that the Association shall not replace the office equipment without informing the District and providing the District an opportunity to be heard on the proposed expenditure.

Notwithstanding anything herein to the contrary, nothing will prevent the Parties from further specifying the Resources to be used by the District and the compensation to be paid therefor by the District to the Association. Such specification shall be done in writing and may be attached as an exhibit to this Agreement.

3. Term and Termination. This Agreement shall be in effect for a one-year term, beginning January 1, 2021 and ending December 31, 2021, and shall be automatically renewed

for successive one-year terms thereafter. The Agreement may be terminated by either Party upon six-months written notice to the other Party.

4. Insurance.

A. The Association shall maintain liability insurance covering the office space and the office equipment located at the Lake Forest Estates Community Center, and the Association may charge the District on a pro rata basis for the costs of such insurance referable to the office space and equipment that are subject to the District's use under this Agreement.

B. The District shall maintain liability insurance covering its ownership and operation of the Systems.

5. Miscellaneous Provisions.

A. This Agreement embodies the entire agreement and understandings between the Parties, and there are no other agreements or understandings, oral or written, with reference to this Agreement that are not merged into and superseded by this Agreement. This Agreement may be executed in one or more counterparts, each of which shall be considered an original.

B. The headings in this Agreement used are for convenience only and shall be disregarded in the construction of this Agreement.

C. The drafting of this Agreement constituted a joint effort of the parties, and in the interpretation hereof it shall be assumed that no Party had any more input or influence than any other. All words, terms, and conditions herein contained are to be read in concert, each with the other, and a provision contained under one heading may be considered to be equally applicable under another heading in the interpretation of this Agreement.

D. This Agreement is solely for the benefit of the parties hereto and no other causes of action shall accrue upon or by reason hereof to or for the benefit of any third Party who or which is not a formal Party hereto.

E. If any term or provision of this Agreement is determined by appropriate judicial authority to be illegal or otherwise invalid, such provision shall be given its nearest legal meaning or be construed as deleted, as such authority determines.

F. This Agreement may be amended or modified only if executed in writing with the same formality as the original.

G. This Agreement shall be governed by, and construed and interpreted in accordance with, the laws of the State of Missouri.

H. This Agreement shall be binding upon and inure to the benefit of the Parties' successors and assigns without formal reference to this Agreement.

IN WITNESS WHEREOF, the parties have hereunto caused this Agreement to be executed the day and year aforesaid in counterparts, each counterpart to be considered an original.

LAKE FOREST ESTATES COMMUNITY ASSOCIATION

By: _____
Jim Donze, President

STATE OF MISSOURI
COUNTY OF STE. GENEVIEVE

ON THE ___ DAY OF _____, 2020, PERSONALLY APPEARED before me, the undersigned authority at law, in and for the State and County aforesaid, the within named, JIM DONZE, who acknowledged that as President for and on behalf of and by authority of the Lake Forest Estates Community Association, a Missouri non-profit corporation, he signed the above and foregoing Agreement on the day and year therein mentioned and for the purposes therein expressed.

Notary Public

My Commission Expires: _____

LAKE FOREST ESTATES CLEAN WATER DISTRICT

By: _____
Duane Harley, President

STATE OF MISSOURI
COUNTY OF STE. GENEVIEVE

ON THE ___ DAY OF _____, 2020, PERSONALLY APPEARED before me, the undersigned authority at law, in and for the State and County aforesaid, the within named DUANE HARLEY, who acknowledged that as PRESIDENT for and on behalf of and by authority of the Board of Directors for the Lake Forest Estates Clean Water District, he signed and delivered the above and foregoing Agreement on the day and year therein mentioned, and for the purposes therein expressed.

Notary Public

My Commission Expires: _____