

Hiawatha Terminates Contract with RWD#2

(KNZA)--Citing a recent judge's ruling in a civil suit dating back to 2012, the city of Hiawatha has terminated it's contract with Brown County Rural Water District

The City Commission took the action Monday evening, which was effective immediately, following an executive session with City Attorney Don Cashman.

The Commission voted to set the water rate for the District at the same rate charged city customers--\$3.58 per thousand gallons with a 4-inch meter--effective February 9th. The Commission directed City Administrator Mike Nichols to send a letter to the Water District board informing them of the action.

The District entered into a 40-year agreement in 1991 with the city for the purchase of water, and began receiving water from the city in 1995.

In a decision handed down January 21st, Brown County District Judge Jim Patton determined the District had breached the agreement by selling water to customers outside of its boundaries-- a violation of the terms of the contract. As a result, Patton said the city is entitled to rescind and terminate the contract.

The District is the largest water consumer of the City. The water purchased by the District last year amounted to 38 percent of the total water sold by the City.

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