

UNITED STATES DEPARTMENT OF AGRICULTURE
RURAL DEVELOPMENT

LEGAL SERVICES AGREEMENT

This agreement made this _____ day of _____, 20____, between

(Sponsors) (Organizing Committee) (Name of Organization)

hereinafter referred to as "Owners", and _____,

Attorney at Law, of _____, hereinafter referred to as "Attorney":
(City, State)

WHEREAS, Owners are intending to form (have formed) _____

(Type of Entity)

a _____ in _____ County, KS
(Body Politic, Municipal Corporation or other organization)

under provisions of _____:
(Cite Statute(s) under which applicant will be or has been organized)

And

WHEREAS, the Attorney agrees to perform all legal services necessary to organize and incorporate said _____ under the provisions of said statutes and to perform all other customary legal services necessary to the organization, financing, construction, and initial operation of a _____
(type of project)

WITNESSETH:

That for and in consideration of the mutual covenants and promises between the parties hereto, it is hereby agreed:

SECTION A -- LEGAL SERVICES

That the Attorney will perform such services as are necessary to accomplish the above-recited objectives including, but not limited to, the following:

1. Preparation and filing of petition for incorporation and supervision and assistance in the taking of such other actions as may be necessary or incidental to cause the Owners to become duly organized and incorporated and to become duly organized and incorporated and to be authorized to undertake the proposed project.
2. Furnish advice and assistance to the governing body of the duly incorporated association in connection with (a) the notice for and conduct of meetings; (b) the preparation of minutes of meetings; (c) the preparation and enactment of such resolutions as may be necessary in connection with the authorization, financing, construction and initial operation of the system; (d) the preparation of such affidavits, publication notices, ballots, reports, certifications, and other instruments and advice as may be needed in the conduct of such bond elections as may be necessary; (e) the preparation and completion of such bonds or other obligations as may be necessary to finance the system; (f) the completion and execution of documents for obtaining a loan made or insured or a grant made by the United States of America, acting through Rural Development, U. S. Department of Agriculture; (g) entering into construction contracts; (h) preparation and adoption of By-Laws, Rules, and Regulations, and rate schedules; (i) such other corporate action as may be necessary in connection with the financing, construction, and initial operation of the system.
3. Review of construction contracts, bid-letting procedure, and surety and contractual bonds in connection therewith.
4. Preparation, negotiation, or review of contract with a city or other source of water supply when necessary.
5. Preparation, where necessary, and review of deeds, easements and other rights-of-way documents, and other instruments for sites for source of water supply, pumping stations, treatment plants, and other facilities necessary to the system and to provide continuous rights-of-way therefore; rendering title opinions with reference thereto; and providing for the recordation thereof.
6. Obtain necessary permits and certificates from county and municipal bodies, from State regulatory agencies, and from other public and private sources with respect to the approval of the system, the construction and operation thereof, pipeline crossings, and the like.
7. Cooperate with the engineer employed by the Owners in connection with the preparation of tract sheets, easements, and other necessary title documents, construction contracts, water supply contracts, health permits, crossing permits, and other instruments.
8. When applicable, secure assistance of an cooperate with recognized bond counsel in the preparation of the documents necessary for the financing aspects of the system. Where bond counsel is retained, the Attorney will not be responsible for the preparation and approval of those documents pertaining to the issuance of the obligations.

SECTION B -- COMPENSATION

1. Owners will pay the Attorney for professional services rendered in accordance herewith, fees as follows

Hourly rate of _____.

Said fees to be payable in the following manner and at the following times:

Within 30 days after the date of the first meeting of the Board of Directors held after receipt by the Owners of each statement rendered by the Attorney except that 10% of each billing will be withheld until all required loan closing materials, including the final opinion of bond counsel when applicable, have been submitted and approved by USDA Rural Development.

2. The following services are not covered by the compensation for professional services set forth in Section B of this Agreement.

Abstracting and record search for Easements, Recording fees, Condemnation proceedings, Litigation, Attachment proceedings, Detachment proceedings, and Bond Counsel fees and expenses

SECTION C -- OTHER PROVISIONS

1. That upon organization and incorporation the association shall by appropriate resolution adopt and ratify this Agreement, that the association shall be substituted for the individual Owners as a party to this agreement, and that the Owners as individuals shall thereupon be relieved of all personal liability existing or arising from this Agreement.
2. That upon organization and incorporation should the association fail or refuse to adopt and ratify this Agreement by appropriate resolution within _____ days from the date of the commencement of its legal existence, the Agreement shall terminate and Owners shall be liable to the Attorney for the payment _____, which sum represents payment in full for the organization and incorporation of the association and for all other legal services rendered to Owners under the terms of this Agreement to the date of said termination.

USDA RURAL DEVELOPMENT APPROVAL: This contract is subject to the approval of the State Director of USDA Rural Development.

Interim Agreement by Organizing Committee if Appropriate

Owners:

_____	_____
_____	(Chairman)
_____	_____
_____	_____
_____	_____

Agreement by Official Governing Body

_____	_____
(Name of Governing Body)	(Attorney)
By _____	_____
(Chairman, Mayor, etc.)	(Firm Name)
Attest: _____	By: _____
(City Clerk, Secretary)	(A Member of the Firm)

The foregoing contract is approved without liability for any payments thereunder on behalf of
USDA Rural Development this _____ day of _____, 20_____.

Area Specialist
USDA Rural Development