UNIVERSAL WHOLESALE WATER SERVICE AGREEMENT

This Universal Wholesale Water Service Agreement ("Agreement") establishes the process for the sale and purchase of wholesale treated potable water between The City of Oklahoma City ("Oklahoma City") and the Oklahoma City Water Utilities Trust ("OCWUT"), hereinafter collectively referred to as the "OKC/OCWUT," and the City of Edmond ("Edmond") and the Edmond Public Works Authority ("EPWA"), hereinafter collectively referred to as the "Edmond/EPWA".

WITNESSETH:

WHEREAS, the Edmond/EPWA is organized and established under the provisions of the laws of the State of Oklahoma; and

WHEREAS, the Edmond/EPWA has constructed and operates a water supply distribution system serving water users within Edmond and other areas in and around the City of Edmond; and

WHEREAS, the OKC/OCWUT is organized and established under the provisions of the laws of the State of Oklahoma; and

WHEREAS, the OKC/OCWUT has constructed and operates a water supply distribution system serving water users within Oklahoma City and other areas in and around the City of Oklahoma City; and

WHEREAS, representative of Edmond/EPWA and representatives of OKC/OCWUT have met to discuss the most efficient means of cooperatively delivering and serving the central Oklahoma region; and

WHEREAS, it was determined and recommended by Oklahoma City staff and Edmond staff that each city not extend its system into the jurisdiction of the other city but rather to sell and purchase wholesale treated potable water in accordance with each city’s policies and procedures to facilitate the provision of water, where available, at the city limits line until the city with jurisdiction may be able to serve such development or customer within its own water system to further the timely development of both communities; and

WHEREAS, this Agreement establishes the process for the sale and purchase of wholesale treated potable water between OKC/OCWUT and Edmond/EPWA for their mutual benefit; and

WHEREAS, this Agreement does not establish any rights for any developer, property owner, or customer to water service nor does it waive any responsibilities now or in the future of developers, property owner, or customers to pay for or contribute to the extension of water
service or infrastructure, in whole or in part, for their benefit, nor does it waive the right of either city to assess any developer, property owner, or customer, nor does it relieve or release any developer, property owner, or customer from any future assessment for the cost of water service or infrastructure; and

WHEREAS, the OKC/OCWUT and Edmond/EPWA seek to provide uniform procedures for provision of water and water services areas and for addition of future water service areas as mutually agreed.

NOW, THEREFORE, in consideration of the aforementioned and the mutual agreement hereinafter set forth, Oklahoma City, the OCWUT, Edmond and the EPWA agree as follows:

1. WHOLESALE WATER SALE, EXTENSIONS AND CONNECTIONS
   A. Oklahoma City Water System. The OKC/OCWUT may sell and the Edmond/EPWA may purchase wholesale potable treated water meeting applicable required quality standards of the State of Oklahoma Department of Environmental Quality and of such quantity as may be available from time to time, without a specific guarantee of volume or pressure, at the applicable outside city wholesale, as available, demand supply rates and charges as set by Oklahoma City ordinances, and any amendments or additions thereto, and determined applicable by the Utilities Director or designee from the points of delivery hereinafter specified, during the term of this Agreement, and any renewal or extension hereof. The points of delivery of treated water by OKC/OCWUT to Edmond/EPWA are set forth on “OKC Meter Attachment,” which is attached hereto and incorporated herein by reference as Attachment “A”. In addition, the Oklahoma City Utilities Director and her designees are each hereby authorized to amend and revise the “OKC Meter Attachment” on behalf of OKC/OCWUT to add or delete points of delivery in accordance herewith. The Edmond City Manager and designees are each authorized by the City of Edmond and the EPWA to request additional or different points of delivery of wholesale treated water from OKC/OCWUT to Edmond/EPWA. The Oklahoma City Utilities Director and her designee are each authorized by Oklahoma City and the OCWUT to approve additional or different water extension, connections, and points of delivery of wholesale treated water from OKC/OCWUT to Edmond/EPWA.

   B. Edmond Water System. The Edmond/EPWA may sell and the OKC/OCWUT may purchase wholesale potable treated water meeting applicable required quality standards of the State of Oklahoma Department of Environmental Quality and of such quantity as may be available from time to time, without a specific guarantee of volume or
pressure, at the applicable outside city wholesale rate as set by City of Edmond ordinances, and any amendments or additions thereto, and determined applicable by the Edmond City Manager or designee from the points of delivery hereinafter specified, during the term of this Agreement, and any renewal or extension hereof. The points of delivery of treated water by Edmond/EPWA to OKC/OCWUT are set forth on “Edmond Meter Attachment,” which is attached hereto and incorporated herein by reference as Attachment “B”. In addition, the City Manager for the City of Edmond and designees are each hereby authorized to amend and revise the “Edmond Meter Attachment” on behalf of Edmond/EPWA to add or delete points of delivery in accordance herewith. The Oklahoma City Utilities Director and her designee are each authorized by Oklahoma City and the OCWUT to request additional or different points of delivery of wholesale treated water from Edmond/EPWA to OKC/OCWUT. The Edmond City Manager and designees are each authorized by the City of Edmond and the EPWA to approve additional or different water extensions, connection and points of delivery of wholesale treated water from Edmond/EPWA to OKC/OCWUT.

2. POINTS OF DELIVERY AND PRESSURE.

A. Any new or additional connection(s) to the wholesale treated water supplier’s system, also including any necessary extension of and connection to the wholesale treated water supplier’s system and the necessary meters, pits, valves and facilities, shall be designed and constructed as provided herein by the wholesale treated water purchaser or its agents in accordance with water main extension and meter installation requirements and specifications of the wholesale treated water supplier. The wholesale treated water purchaser shall pay the cost of any new or additional extension(s) and connection(s) necessary for the requested water service. The wholesale treated water purchaser, at wholesale treated water purchaser’s cost and expense, shall provide plans and specifications with any request for new or additional extension(s) and connection(s) to the wholesale treated water supplier’s system and shall submit same for consideration and approval by the wholesale treated water supplier prior to any construction. Subject to wholesale treated water supplier’s system constraints and the wholesale treated water purchaser’s fulfillment of the permitting and design requirements of wholesale treated water supplier, the wholesale treated water supplier may approve appropriate new or additional extension(s) and connection(s). Upon receipt of written approval from the wholesale treated water supplier, the wholesale treated water purchaser or its agent may make the approved new or additional extension(s) and connection(s). Unless otherwise expressly provided, upon completion
of the water extension and connection, the wholesale treated water purchaser shall convey to the wholesale treated water supplier, without cost to the wholesale treated water supplier, that portion of the water system extension, also including the connection and meter vault and facilities, within the wholesale water supplier’s municipal jurisdiction and the wholesale treated water supplier shall thereafter operate and maintain same.

B. OKC/OCWUT and Edmond/EPWA each covenant to use their best efforts to furnished wholesale treated water pursuant to this Agreement at the same water pressure that is generally delivered to similarly situated customers of their water systems in the area of the points of delivery. Failures of pressure or supply due to main breaks, power failure, plant failure, flood, fire, use of water to fight fire, earthquake, tornado, drought, or other catastrophe shall excuse the wholesale treated water supplier from this provision for such reasonable period of time as may be necessary to restore such service.

C. The purchaser is responsible for payment of any impact fees or system development charges applicable to any connection(s) to the supplier’s system in the amount provided for by the wholesale treated water supplier’s applicable city ordinance and the regulations of the supplier existing at the time of the connection(s). Impact fees imposed by Oklahoma City may be found in the Oklahoma City Municipal Code, 2010, Sections 60-55-29, 60-55-30, and 60-55-32, and any amendment or addition thereto.

3. METERING EQUIPMENT

A. The wholesale treated water purchaser or its contractor, developer or customer shall, at its own expense furnish and install the water mains, meters, meter vaults or pits, and appurtenances from the point in the supplier’s system determined by the Oklahoma City Utility Director (in the case of wholesale treated water provided from the OKC/OCWUT) or by the City Manager of Edmond (in the case of wholesale water provided from the Edmond/EPWA) to the points of delivery, including the necessary easements. Any such meter vault and facilities shall include but not be limited to supplier approved cut off valve(s) and bypass valve(s) and meter(s) for emergency service and meter testing and maintenance. The water mains, meters, meter vaults or pits, appurtenances and required devices shall be the standard type for properly measuring the quantity of wholesale water as established or determined by the wholesale treated water supplier owning and operation the supply system through and including the meter and meter pit and the wholesale water purchaser owning, operating, and maintaining the water system, or the public portion thereof, within its city limits. However, the purchaser may install,
operate and maintain at its expense or that of its contractor, developer or customer a second set of meters, valves and meter pit on its side of the delivery system (the service side of the supplier’s meter vault). The wholesale treated water supplier’s meter and vault will be within a specific written easement dedicated to the supplying city at the city limits line of the supplier.

B. The wholesale treated water supplier shall test such metering equipment on its own initiative or whenever requested by the wholesale treated water purchaser but not more than frequently than once every twelve (12) months. The wholesale treated water purchaser, upon request, may have a representative present at any meter test conducted by the wholesale treated water supplier. If the wholesale treated water purchaser requests a meter test, the wholesale treated water supplier shall conduct the test within a reasonable time of the request. If upon such examination or test requested by the wholesale treated water purchaser, it is determined that the meter is operative and accurate, the wholesale treated water purchaser agrees to pay the wholesale treated water supplier the reasonable cost or expense of such test. If the meter is found to be inoperative or inaccurate, the meter will either be repaired or replaced by wholesale treated water supplier. A meter registering not more than three percent (3%) above or below the test result shall be deemed to be accurate. The previous readings of any meter determined by such test to be inaccurate shall be corrected to the date of the last accurate meter test or for the 36 months previous to the date the meter tested inaccurate, or for the duration of time that the meter had been installed if less than 36 months, whichever is the shortest period of time, in accordance with the percentage of inaccuracy found by the last test. Whenever a meter is found to be inaccurate, an adjustment of charges for the preceding billing periods shall be made either in the form of a credit or in the form of an additional charge on the next bill. In the event any meter belonging to the wholesale treated water supplier becomes inoperable for any reason whatsoever, the charge to the wholesale treated water purchaser shall be computed upon an estimated consumption for the period of “no reading” only. Said estimate shall be determined by the wholesale water supplier from historical data. The wholesale water supplier shall estimate consumption based on prior and subsequent consumption, partial meter readings, pipe sizes, pumping capacities, pressures, historical use, weather, number of ultimate users, and other relevant factors.

4. BILLING PROCEDURE – The metering equipment shall be read monthly by the wholesale treated water supplier. The wholesale treated water supplier shall bill in arrears for the wholesale treated water purchaser’s usage pursuant to applicable rates and fees set by ordinances
of wholesale water supplier as provided herein. A bill shall be presented to the wholesale treated water purchaser monthly. An appropriate designated official of the wholesale treated water purchaser may have read-only remote access to the meter for the purpose of verifying its readings upon notice to the wholesale treated water supplier and installation of remote read facilities by the wholesale treated water purchaser at its cost.

5. **CHARGES AND PAYMENT DATE** – The wholesale treated water purchaser shall pay the wholesale treated water supplier for water and water service not later than thirty days from date appearing on the bill. Rates and charges may be periodically adjusted to equal the charges for a similar class of users as adopted by ordinance of wholesale treated water supplier. The wholesale treated water supplier shall provide the wholesale treated water purchaser at least thirty (30) days written notice of changes to applicable wholesale water rates before same are applicable under this Agreement; provided however, should the purchaser have actual knowledge or other informal notice of the new charges, said new charges shall apply despite supplier’s failure to provide formal notice under this Agreement.

6. **FAILURE TO PAY** – In the event the wholesale treated water purchaser shall fail to make full and timely payment on water bills issued pursuant hereto, the wholesale treated water purchaser shall, in addition to the payment of said unpaid balance, pay interest on the unpaid balance at an annual rate of one and one-half percent (1.5 %) per month, compounded monthly, and calculated from the date payment was due until the date of receipt of such payment by the wholesale treated water supplier (subsequent unpaid balances shall similarly bear interest from the date of the subsequent unpaid balances). All payments shall be credited to the interest first and then to the oldest outstanding balance. The rights granted by this paragraph shall not impair the supplier’s ability to utilize any provision of any other paragraph of this Agreement or pursue any other remedy in equity or at law. The wholesale treated water supplier reserves the right to suspend delivery to the wholesale treated water purchaser for non-payment or untimely payment of water bills. Such suspension shall be in effect until all charges, fees, and interest, if any, are paid.

7. **NONPERFORMANCE** – The wholesale treated water purchaser shall excuse the wholesale treated water supplier from nonperformance and shall not hold wholesale treated water supplier liable for any delay in delivery or for non-delivery in whole or in part, caused by an
occurrence of any contingency beyond the wholesale treated water supplier’s control, including, but not limited to, acts of third parties, fires, civil disobedience, strikes, riots, rebellions, accidents, explosions, earthquakes, tornados, flood, storms, drought, acts of God, and any other occurrences beyond the wholesale treated water supplier’s control. In the event of water main breaks or pump failure, wholesale treated water supplier shall use its best efforts to cure such break or failure and resume service.

8. TERM OF CONTRACT – This Agreement shall extend for a term of thirty (30) years from the date of the execution by the last party hereto, subject to the limitations and restrictions stated herein. Provided, however, should the wholesale treated water purchaser continue to take or receive water from the wholesale treated water supplier after the expiration of the Agreement term, the wholesale treated water supplier at wholesale treated water supplier’s option may continue to provide water pursuant to the terms of this Agreement on a January 1 through December 31 automatic annual renewal basis or terminate this Agreement upon one year’s prior notice by the wholesale treated water supplier to wholesale treated water purchaser.

By each act of taking or receiving water, the wholesale treated water purchaser shall be deemed to have agreed and re-affirmed agreement to the terms of this Agreement, and any amendment hereto, including, but not limited to, changes in rates and fees pursuant to this Agreement, with regard to said water and water service and payment thereof. Upon execution of this Agreement, all other prior water service Agreements entered into by and among any of the respective parties shall be immediately terminated and all water and water service shall be provided pursuant to this Agreement.

9. DELIVERY OF WATER – The wholesale treated water supplier shall provide at least (3) days prior written notice of any planned adjustment of the wholesale treated water supplier valves directly connected to the wholesale treated water purchaser’s system which reduces water pressure or availability to wholesale treated water purchaser.

10. WATER FOR FLUSHING – When requested by the wholesale treated water purchaser, the wholesale treated water supplier will make available to the wholesale treated water purchaser’s contractor at a point of delivery, or other point reasonably close thereto, water sufficient for testing, flushing and trench filling, at fees and charges established by ordinance or administrative policies of the wholesale treated water supplier at the time of delivery. Such fees
and charges must be paid by the contractor or, on his failure to pay, by the wholesale treated water purchaser at the rates set for such uses by ordinances of the supplier.

11. FAILURE TO DELIVER – The wholesale treated water supplier will, at all times, operate and maintain its system in an efficient manner and will take such action as may be necessary to furnish the wholesale treated water purchaser with quantities of water required by the wholesale treated water purchaser as provided in and in accordance with this Agreement. In the event of an extended shortage or reduction in water supply or pressure, or should the supply of water available to the wholesale treated water supplier be otherwise diminished over an extended period of time, the supply of water to wholesale treated water purchaser shall be reduced or diminished in the same ratio or proportion as the water supply and pressure to wholesale treated water supplier’s consumers in the immediate service area is reduced or diminished.

12. WATER RATIONING – Whenever the wholesale treated water supplier, either by resolution of its Council or its City Manager, pursuant to a declaration of a necessity or an emergency, determine that water use rationing or suspension must be observed by the customers in the vicinity of the wholesale treated water purchaser due to water availability, delivery or pressure problems, or by all or a class of customers of the wholesale treated water supplier’s water system for whatever reason, the wholesale treated water purchaser shall immediately adopt and enforce, or cause to be enforced, water use conservation, restrictions, rationing or suspension to the wholesale treated water purchaser’s customers, directly or indirectly receiving treated water from the wholesale treated water supplier, at least as stringent as that the wholesale treated water supplier adopts and enforces for its customers. Failure of the wholesale treated water purchaser to enforce compliance of its citizens directly or indirectly receiving treated water from the wholesale treated water supplier in a prompt and similar manner may result, at the discretion of the wholesale treated water supplier, in the reduction or suspension of water sale during the time period for which the necessity or emergency exists.

A. Edmond and the EPWA acknowledge that Oklahoma City has in effect a permanent, year-round conservation program that requires customers to conserve treated water, a copy of the resolutions mandating and prescribing current restrictions are attached as Attachment “C” which is attached hereto and incorporated herein by reference. Edmond and the EPWA acknowledge that as a wholesale customer of the Oklahoma City and OCWUT water
supply system Edmond and the EPWA has adopted and will diligently enforce compliance by all of its water customers with the water conservation and the water use restrictions, rationing or suspension policies applicable to Oklahoma City customers and users under said resolutions.

B. Oklahoma City and OCWUT acknowledge for those subdivisions connected to the Edmond and the EPWA water supply system, Oklahoma City and OCWUT shall adopt and diligently enforce compliance by all water customers in those subdivisions the water conservation and the water use restrictions, rationing or suspension policies applicable to Edmond customers and users.

13. **WARRANTY** – It is understood and agreed by the parties that the wholesale treated water supplier makes no warranty of any nature or kind that the quality or quantity of the treated water stored or transported hereunder is beyond the quality or quantity delivered to all other customers of the wholesale treated water supplier in the vicinity. The wholesale treated water purchaser accepts such treated water as it is at the time it is extracted or received from the wholesale treated water supplier’s distribution system. Any determination by the wholesale treated water purchaser that said water is not satisfactory to its needs shall not give rise to any claim, action, or cause of action against the wholesale treated water supplier. The wholesale treated water purchaser’s sole recourse is to disconnect from the wholesale treated water supplier’s system and cease purchasing water and water service from the wholesale treated water supplier. It is further understood and agreed by the parties hereto that the wholesale treated water supplier shall not be held liable for any damage to the wholesale treated water purchaser’s pipelines or facilities as may be caused by power failures, pipeline breaks, filling or draining of any pipeline, pumping, changing pressures, quantity or quality of water, loss of power, cessation of pumping, or any other operation or failure of the wholesale treated water supplier’s water system, except when such operation or failure is due to gross negligence by the wholesale treated water supplier and then subject to the provisions and limitations of the Oklahoma Governmental Tort Claims Act. In the event of service interruption, the wholesale treated water supplier shall act reasonably in an effort to restore service in a timely manner. The wholesale treated water supplier expressly states it makes no warranties, guarantees or representations to or on behalf of or in favor of the customers of the wholesale treated water purchaser.

14. **MODIFICATION OF CONTRACT RATES AND FEES** – The provisions of this Agreement pertaining to the rates, charges and fees to be paid by the wholesale
treated water purchaser for water delivered are subject to periodic adjustment and restructuring but such rates, charges and fees shall be equal to those rates, charges, and fees charged to the wholesale treated water supplier’s other similarly classed wholesale customers. Provided, however, Edmond/EPWA/Purchaser and OKC/OCWUT/Supplier acknowledge and understand that Edmond/EPWA/Purchaser is in the process of conducting a water rate study and that as a rate of that study Edmond/EPWA/Purchaser may change rates schedules and rate methodologies, services and service methodologies, and customer classes and class methodologies, including but not limited to revising, phasing-out, or eliminating rate schedules and rate methodologies, services and service methodologies, and customer classes and class methodologies. Consequently, the current customer classes, service options, and rates may change and the OKC/OCWUT/Supplier may be required to change to a new customer class, service option, and rate schedule as may become available upon the effective date of an ordinance implementing such changes. If OKC/OCWUT/Supplier fails to choose from among the customer classes, service options, and rate schedules established by ordinance and applicable to customers of its type, size, nature and historic and potential usage, then the Director shall designate a customer class, service option and rate schedule for the Edmond/EPWA/Purchaser and Edmond/EPWA/Purchaser may either continue to receive water and water service under the Director’s designation or terminate service.

15. REGULATORY AGENCIES – This Agreement is subject to such rules, regulations, or laws as may be applicable to similar municipally owned utilities and utility agreements in this State. The wholesale treated water supplier and wholesale treated water purchaser will collaborate in obtaining any permits, certificates, or the like as may be required to comply therewith.

16. PROPERTY RIGHTS – It is expressly understood and agreed by the parties that none of the provisions of this Agreement shall be construed to grant the wholesale treated water purchaser any property rights of any nature or kind in the wholesale treated water supplier’s sources, treatment facilities, distribution system, water or water rights or the water system. The wholesale treated water purchaser expressly covenants and agrees to make no claim of any nature or kind under this Agreement upon such property, system, facilities, water or water rights of the wholesale treated water supplier. Provided, however, the wholesale treated water purchaser shall maintain all rights and ownership and responsibilities for all facilities on the
wholesale treated water purchaser’s side of the specified points of delivery. The wholesale treated water supplier shall have no property rights of any nature or kind in the wholesale treated water purchaser’s facilities, distribution system or water system.

17. **NOT ASSIGN OR AMENDMENT** – This Agreement is not amendable or assignable except upon the prior written consent of all parties hereto. This Agreement does not establish and shall not be deemed to establish or recognize any right of any third parties. No third party beneficiaries are created or deemed to be created by this Agreement.

18. **NOTICE** – Notices or other communications to the OKC/OCWUT pursuant to the provisions hereto shall be sufficient if sent by registered mail, postage prepaid, or hand delivered to:

General Manager  
Oklahoma City Water Utilities Trust  
420 W. Main Street, Suite 500,  
Oklahoma City, OK 73102  
Facsimile: (405) 297-3813  
Email address: __________________

Utilities Director  
City of Oklahoma City  
420 W. Main Street, Suite 500,  
Oklahoma City, OK 73102  
Facsimile: (405) 297-3161  
Email address: __________________

and

City Clerk  
City of Oklahoma City  
200 N. Walker Avenue, 2nd Floor,  
Oklahoma City, OK 73102  
Facsimile: (405) 297-3121  
Email address: __________________

respectively, and bills, statements, notices, or communications to the Edmond/EPWA shall be sufficient if sent by registered mail, postage prepaid, or if hand delivered to:

City Clerk  
City of Edmond  
100 East First Street, Edmond, OK 73034,  
Facsimile: (405) ______-_________  
Email address: __________________.
19. **CAPTIONS AND INTERPRETATIONS** – The captions, titles, and headings contained herein are for convenience of reference only and shall not control the interpretation of any provision hereof. When any word in this Agreement is used in the singular number, it shall include the plural and the plural, the singular, except where contrary intention plainly appears. When any word is used in the masculine, it shall include the feminine, and the feminine, the masculine, except where a contrary intention plainly appears.

20. **EXECUTE** – The parties hereto, acting under authority of their respective governing bodies, have caused this Agreement to be executed in multiple counterparts, each of which shall constitute an original.

21. **NEW WATER SERVICES AND CONNECTIONS** – The wholesale treated water purchaser or its contractor shall pay for all water system extension costs (both extending the supplier’s existing system to the supplier’s city limits and the purchaser’s system), all connection costs, all meter costs (both supplier’s meter and purchaser’s meter), and all charges and fees established by ordinance including but not limited to meter fees, tap fees, development fees, inspection fees, and impact fees for each new connection to the wholesale treated water suppliers system.

22. **TIME IS OF THE ESSENCE** - For the purpose of this Agreement, time shall be deemed to be of the essence.

23. **LAW AND VENUE** – This Agreement shall be interpreted by and in accordance with Oklahoma law. The applicable venue for interpreting this Agreement or for any dispute between the parties or regarding this Agreement shall be the appropriate state court in Oklahoma County, Oklahoma.
24. **FORCE MAJEURE.** Neither party shall be considered in default of this Agreement (other than wholesale treated water purchaser’s obligation to pay the water and water services provided) if prevented from fulfilling such obligations due to uncontrollable forces. Such circumstances include, but are not limited to, flood, fire, earthquake, tornado, storm, lightning, war, riot, failure of facilities, freezing and restraint by a court or public authority with jurisdiction over facility operations, which neither party could reasonably have avoided. A party unable to fulfill its obligations due to uncontrollable forces shall promptly notify the other party and shall remove the inability when reasonably possible.

25. **TEMPORARY SUSPENSION** - In the event that it is necessary for the wholesale treated water purchaser to temporarily suspend the flow of water into the wholesale treated water purchaser’s system to make repairs to the wholesale treated water purchaser’s system, authorized representatives of the wholesale treated water purchaser may shut off the water supply by use of the valve(s) located on the wholesale treated water purchaser’s system. In the event that a temporary suspension of water service is necessary, the wholesale treated water purchaser shall notify the wholesale treated water supplier as soon as practicable in the case of an emergency and a reasonable time period in advance in the case of a planned event of: (1) the location(s) to be shut off; (2) the period during which the water supply is to be suspended; and (3) the purpose for said suspension. Should the wholesale treated water purchaser damage wholesale treated water supplier’s meter, meter vault, valves or facilities, the wholesale treated water purchaser shall pay the wholesale treated water supplier the actual repair and/or replacement costs and expenses.

26. **COVENANT TO PURCHASE WATER AND TERMS OF PURCHASE – OKLAHOMA CITY AND OCWUT SALE TO EDMOND AND EPWA:**

A. Edmond/EPWA/Purchaser shall receive one bill. OKC/OCWUT/Supplier will sum the cumulative water usage from all meters and water services serving the Edmond/EPWA/Purchaser to establish Edmond/EPWA/Purchaser’s utility bill for water and water user charges.

B. The Edmond/EPWA/Purchaser has chosen to receive water on a demand "as available" supply basis. This Demand Service is interruptible. The OKC/OCWUT/Supplier does not guarantee the availability of water to Demand Supply customers but merely makes water available on an equal basis with all other similarly situated Demand Supply customers.
Edmond/EPWA/Purchaser acknowledges, understands and agrees that water service to Demand Supply customers may be suspended or terminated at any time.

C. Edmond/EPWA/Purchaser may receive treated water "as available" and shall pay for water at the Demand Supply rates and service charges set forth in the Oklahoma City Municipal Code, 2010, Chapter 60, section 60-55-16 (f), and any amendment or addition thereto. The current rates, fees, and charges levied on Demand Supply customers for water services and water delivered or tendered are as follows:

1. For each connection to the Supplier’s System, regardless of whether there is usage through that or any connection, the Purchaser shall be billed monthly the then existing Minimum Customer Service Charges applicable to Purchaser’s particular class of customers (receiving services outside the corporate limits of Oklahoma City) with such particular meter size. The Oklahoma City/OCWUT Minimum Customer Service Charge is established in the Oklahoma City Municipal Code, 2010, Chapter 60, section 60-55-16 (f) and as may be amended from time to time; and

2. For water based upon reading(s) of the supplier’s meter(s), or should the meter(s) fail then upon estimated gallons based upon with policies set forth in the supplier’s municipal code. The Oklahoma City/OCWUT per thousand gallons rate for water is established in the Oklahoma City Municipal Code, 2010, Chapter 60, section 60-55-16 (f), and any amendment or addition thereto.

D. Oklahoma City and OCWUT are currently conducting a rate study, and Edmond/EPWA understand and agree that the change rates schedules and rate methodologies, services and service methodologies, and customer classes and class methodologies, including but not limited to revising, phasing-out, or eliminating the above rates, schedules, methodologies and classes. As such, the parties agree that Oklahoma City may change and/or restructure and/or increase the charges for water and water service to demand supply customers, however, Edmond/EPWA will be treated the same as other similarly situated customers and users. It is further agreed that the rates, charges, classes, and fees for water and water service may be changed by amendment of the OKC/OCWUT/Supplier’s ordinances from time to time, provided that the rates, fees and charges levied on the Edmond/EPWA/Purchaser shall be equal to those levied to customers in the same class and circumstances for the same services. OKC/OCWUT/Supplier shall provide the Edmond/EPWA/Purchaser notice of any changes in Usages Charges thirty (30) days before such new charges shall be applied to this Edmond/EPWA/Purchaser. Provided however, should the Edmond/EPWA/Purchaser have actual
knowledge or other informal notice of the new charges, said new charges shall apply despite OKC/OCWUT/Supplier’s failure to provide formal notice under this Agreement.

E. The Edmond/EPWA/Purchaser agrees to promptly and timely pay within thirty (30) days to the OKC/OCWUT/Supplier all charges computed at the then existing rates, fees and charges established by this Agreement and/or the ordinances of the OKC/OCWUT/Supplier at the time the bill is rendered, according to this Agreement and the standard billing procedures of the OKC/OCWUT/Supplier.

F. Water used by the Edmond/EPWA/Purchaser, or the Edmond/EPWA/Purchaser’s agents, from the OKC/OCWUT/Supplier’s System for flushing mains, associated with the establishment of Additional Connections or other purpose of the Edmond/EPWA/Purchaser or the Edmond/EPWA/Purchaser’s agents shall be billed to the Edmond/EPWA/Purchaser at rates, fees, and charges in Oklahoma City Municipal Code, 2012, Section 60-55-16(h), and as amended, for those kinds of uses in effect at the time a bill is rendered and shall be paid by Edmond/EPWA/Purchaser within thirty (30) days.

27. COVENANT TO PURCHASE WATER AND TERMS OF PURCHASE - EDMOND AND EPWA SALE TO OKLAHOMA CITY AND OCWUT:

Throughout the term of this Agreement, the OKC/OCWUT/Purchaser agrees to pay for water purchased at the rates, fees and charges in Edmond Municipal Code.

A. The rates, fees and charges levied on the OKC/OCWUT/Purchaser for water services and water delivered or tendered in accordance with the provisions of this Agreement and as established in the Edmond Municipal Code and any revisions or addition thereto, as may be amended from time to time by the Edmond/EPWA/Supplier, as follows:

1. For each connection to the Edmond/EPWA/Supplier’s System, regardless of whether there is usage through that or any connection, the OKC/OCWUT/Purchaser shall be billed monthly the then existing Minimum Customer Service Charges applicable to Edmond/EPWA/Supplier wholesale customers (receiving services outside the corporate limits of Edmond) with such particular meter size, as established in the Edmond Municipal Code and as may be amended, by the Edmond/EPWA/Supplier from time to time; and

2. For water based upon reading(s) of the supplier’s meter(s), or should the meter(s) fail then upon estimated gallons based upon with policies set forth in the supplier’s
municipal code. The Edmond/EPWA per thousand gallons rate for water is established in the **Edmond Municipal Code, and any amendment or addition thereto.**

B. It is further agreed that the rates, charges and fees for water and water service may be changed by amendment of the Edmond/EPWA/Supplier’s ordinances from time to time, provided that the rates, fees and charges levied on the OKC/OCWUT/Purchaser shall be equal to those levied to customers in the same class and circumstances for the same services. Edmond/EPWA/Supplier shall provide the OKC/OCWUT/Purchaser notice of any changes in Usages Charges thirty (30) days before such new charges shall be applied to this OKC/OCWUT/Purchaser; provided however, should the OKC/OCWUT/Purchaser have actual knowledge or other informal notice of the new charges, said new charges shall apply despite Edmond/EPWA/Supplier’s failure to provide formal notice under this Agreement.

C. The OKC/OCWUT/Purchaser agrees to promptly and timely pay to the Edmond/EPWA/Supplier all charges computed at the then existing rates, fees and charges established by this Agreement and/or the ordinances of the Edmond/EPWA/Supplier at the time the bill is rendered, according to this Agreement and the standard billing procedures of the Edmond/EPWA/Supplier.

D. Water used by the OKC/OCWUT/Purchaser, or the OKC/OCWUT/Purchaser’s agents, from the Edmond/EPWA/Supplier’s System for flushing mains, associated with the establishment of Additional Connections or other purpose of the OKC/OCWUT/Purchaser or the OKC/OCWUT/Purchaser’s agents shall be billed to the OKC/OCWUT/Purchaser at rates, fees, and charges in **Edmond Municipal Code, 2012 and as amended,** for those kinds of uses in effect at the time a bill is rendered and shall be paid by OKC/OCWUT/Purchaser within thirty (30) days.

28. **Recording** – For any property served by a wholesale treated water supplier under this Agreement, a Memorandum of Universal Wholesale Water Service Agreement shall be filed, indexed against the property, and maintained in the records of the County Registrar of Deeds for the County in which the property is situated. This Memorandum of Universal Wholesale Water Service Agreement must set out that the property is served by the wholesale treated water supplier subject to the terms and provisions of this Agreement. This Memorandum of Universal Wholesale Water Service Agreement must also set out and document that the property owner agrees to the conditions, requirements and restrictions in the Agreement. In addition, the
Memorandum of Universal Wholesale Water Service Agreement shall set out that the water rates and charges to the property will be different from the water rates and charges to other properties in the city where the property is situated. Additionally, the Memorandum of Universal Wholesale Water Service Agreement shall set out that water service and pressure is subject to the ability of the wholesale treated water supplier to provide service to the point of delivery and the wholesale treated water supplier does not warrant any quantity of water or any specific water pressure. Finally, this Memorandum of Universal Wholesale Water Service Agreement must set out and document that the property owner agrees that should this Agreement or service from the wholesale treated water supplier be terminated that the property owner, and all successors and assigns, unconditionally and irrevocably agrees and consents to the creation of a water assessment district (in accordance with Oklahoma Statutes Title 11 Chapter 37 or 39 or any amendment, revision or replacement thereof) and consent and agrees to pay for any costs and expenses may be necessary to provide and extend water and water service to the property in accordance with the requirements of and as determined by the city in which the property is situated. The plat for newly platted property to be served by the wholesale water supplier under this Agreement must include a note setting out the recorded Memorandum of Universal Wholesale Water Service Agreement and identifying the wholesale treated water supplier. A form for the Memorandum of Universal Wholesale Water Service Agreement is attached as Attachment “D” hereto.

29. **Pressure** – The wholesale treated water supplier and the wholesale treated water purchaser shall design the extension of its water system to enable the wholesale treated water supplier to provide water to the provide water at least 25 psi under normal operational conditions and annual average customer demand conditions. However, neither the wholesale treated water supplier nor the wholesale treated water purchaser shall guarantee water pressure. Both the wholesale treated water supplier and the wholesale treated water purchaser shall use their best efforts to provide water at pressures of at least 25 psi under normal operating conditions and annual average customer demand conditions.

30. **Sprinkler Systems** – Purchaser may require developments and subdivisions receiving water from the Supplier’s water system through this Agreement may require the developer or property owner to include in its plat or planned unit development (PUD) a covenant
that structures so serviced must each install and maintain a private fire sprinkler system to serve as fire suppression system to protect such structure. Purchaser may require such private fire sprinkler systems as a condition of granting a building permit regardless of whether same would otherwise be required by building codes or fire codes for these or similar structures.

31. **No Claims** - Purchaser agrees not to make any claim to the supplier for a reduction in rates, fees and charges for payment in lieu of tax and the supplier is not obligated to remit to the purchaser any payment in lieu of tax proceeds from revenues it derives from this Agreement. In no case shall the supplier be subject to any fees or taxes levied by the purchaser associated with fulfilling the supplier’s obligations in this Agreement.

32. **No Rights to Purchaser’s Customers** - Purchaser agrees that the purchaser’s need for water supply is to augment the purchaser’s existing supply for resale to customers within the purchaser’s service area and individual customers of the purchaser have no claim to water supply or water service as a result of this Agreement.

END OF TEXT

REMAINDER OF THIS PAGE IS BLANK.
APPROVED by the Council and SIGNED by the Mayor of Edmond, Oklahoma, this _____ day of ____________________, 2013.

ATTEST: (Seal)  
CITY OF EDMOND

______________________________  ____________________________________
City Clerk      Mayor

APPROVED by the Edmond Public Works Authority this _____ day of ____________________, 2013.

ATTEST: (Seal)  
EDMOND PUBLIC WORKS AUTHORITY

______________________________  ____________________________________
Secretary      Chairman

APPROVED as to form and legality.

____________________________________
Municipal Counselor
City of Edmond
APPROVED and SIGNED by the Mayor of The City of Oklahoma City, Oklahoma this _____ day of ____________________, 2013.

ATTEST: (Seal) THE CITY OF OKLAHOMA CITY

_______________________________  ____________________________________
City Clerk      Mayor

APPROVED by the Oklahoma City Water Utilities Trust this _____ day of ____________________, 2013.

ATTEST: (Seal) OKLAHOMA CITY WATER UTILITIES TRUST

________________________________ __________________________________________
Secretary      Chairman

REVIEWED for form and legality.

________________________________
Assistant Municipal Counselor
The City of Oklahoma City

________________________________
Assistant Municipal Counselor
The City of Oklahoma City
1. 19917 N Western Avenue  
   10-Inch Water Meter - Meter Location “13’N of hydrant 5’W of hydrant”

2. 19916 N Western Avenue  
   30-Inch Water Meter - Meter Location “45' ECL WESTERN 725' NCL 197”

3. 14209 Broadway Extension  
   6-Inch Water Meter - Meter Location “18'SSLB, 82'WWLB”  
   6-Inch Water Meter - Meter Location “18'SSLB, 82'WWLB”

4. 1508 E Memorial Rd  
   6-Inch Water Meter - Meter Location “24'SSC MEMORIAL 4'WWC JORDAN”

5. NE 164th St and Sunny Hollow Rd - INACTIVE

6. NE 145th St and Kelley Ave - INACTIVE

7. NW 200th and Pennsylvania  
   10-Inch Water Meter  
   6-Inch Water Meter
ATTACHMENT “B”
Edmond Meter Attachment
Edmond/EPWA Meters Providing Water and Water Services to Oklahoma City/OCWUT

1. E Memorial Road and Red Hill Lane
   6-Inch Water Meter
   3-Inch Water Meter
ATTACHMENT “C”
Oklahoma City Treated Water Conservation Restriction Resolutions
ATTACHMENT “D”
Memorandum of Universal Wholesale Water Service Agreement
MEMORANDUM OF WATER SERVICE AGREEMENT

This Memorandum of Water Service Agreement ("Memorandum") is entered into on this ___ day of ________________, 2013, by and among the City of Oklahoma City, a municipal corporation, the Oklahoma City Water Utilities Trust, a public trust, (collectively, “OKC/OCWUT”) and City of Edmond and the Edmond Public Works Authority, (“Edmond/EPWA”).

1. OKC/OCWUT and Edmond/EPWA entered into a certain agreement on the _____ day of ________________, 2013, for the purpose of establishing the process for the sale and purchase of wholesale treated potable water. All of the foregoing is set forth in the Agreement.

2. The initial lease term will be thirty (30) years ("Initial Term") commencing the _____ day of ________________, 2013 and expiring on the _____ day of ________________, 20___. Provided, however, should the wholesale treated water purchaser continue to take or receive water from the wholesale treated water supplier after the expiration of the Agreement term, the wholesale treated water supplier at the wholesale treated water supplier’s option may continue to provide water pursuant to the terms of the Agreement on a January 1 through December 31 automatic annual renewal basis or terminate the Agreement upon one year’s prior notice by the wholesale treated water supplier to wholesale treated water purchaser.

3. The Agreement affects the real properties (the “Properties”) described in Attachment “A” and “B”.

4. These Properties are served by the wholesale treated water supplier subject to the terms and provisions of the Agreement. Each property owner agrees to the conditions, requirements and restrictions in the Agreement.

5. The water rates and charges to the Properties will be different from the water rates and charges to other properties in the city where the property is situated.

6. The water service and pressure for the Properties are subject to the ability of the wholesale treated water supplier to provide service to the point of delivery and the wholesale treated water supplier does not warrant any quantity of water or any specific water pressure.
7. Should the Agreement or service from the wholesale treated water supplier be
terminated each property owner, and all successors and assigns, unconditionally and
irrevocably agrees and consents to the creation of a water assessment district (in
accordance with Oklahoma Statutes Title 11 Chapter 37 or 39 and any amendment,
revision or replacement thereof) and consent and agrees to pay for any costs and
expenses may be necessary to provide and extend water and water service to the
property in accordance with the requirements of and as determined by the city in
which the property is situated.

8. The plat for newly platted property to be served by the wholesale water supplier
under the Agreement must include a note setting out this recorded Memorandum of
Water Service Agreement and indentifying the wholesale treated water supplier.

9. This Memorandum is not intended to amend or modify, and shall not be deemed or
construed as amending or modifying, any of the terms, conditions or provisions of the
Agreement, all of which are hereby ratified and affirmed. In the event of a conflict
between the provisions of this Memorandum and the provisions of the Agreement, the
provisions of the Agreement shall control. The Agreement shall be binding upon and
inure to the benefit of the parties and their respective heirs, successors, and assigns,
subject to the provisions of the Agreement.

IN WITNESS WHEREOF, the parties have executed this Memorandum as of the day and
year first above written.

Approved by the Council and SIGNED by the Mayor of The City of Oklahoma City this
_____ day of ______________________, 2013.

THE CITY OF OKLAHOMA CITY

____________________________________
MICK CORNETT, MAYOR

ATTEST: (SEAL)

Frances Kersey, City Clerk
APPROVED by the Oklahoma City Water Utilities Trust this ____ day of ____________, 2013.

THE OKLAHOMA CITY WATER UTILITIES TRUST

____________________________________
PETE WHITE, CHAIRMAN

ATTEST: (SEAL)

Frances Kersey, City Clerk

REVIEWED as to form and legality.

_____________________________
Assistant Municipal Counselor
City of Oklahoma City
APPROVED by the Council and SIGNED by the Mayor of Edmond, Oklahoma, this _____ day of ______________, 2013.

CITY OF EDMOND

___________________________________
MAYOR

ATTEST:  (SEAL)

_____________________________
City Clerk

APPROVED by the Edmond Public Works Authority, this _____ day of ______________, 2013.

EDMOND PUBLIC WORKS AUTHORITY

___________________________________
Chairman

ATTEST:  (SEAL)

_____________________________
City Clerk

APPROVED as to form and legality.

_____________________________
Municipal Counselor
City of Edmond