

SOUTH RICHLAND CONSERVANCY DISTRICT

DISTRICT PLAN

FULTON COUNTY, INDIANA

DECEMBER 2011

Prepared pursuant to the Indiana Conservancy Act,
I.C. 14-33 et seq., as amended.

Prepared by:

Board of Directors:

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Joseph Hunting
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EHS Dept.
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Received

District Plan

South Richland Conservancy District

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- Exhibit 4: District Map and Area Maps
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- Exhibit 7: Agreement with City of Rochester to provide Water.
- Exhibit 8: Agreement with Textron Inc. for Operation, Maintenance and Replacement
- Exhibit 9: Cost Estimate of Construction
- Exhibit 10: Estimate of Cost of Operation, Maintenance and Replacement

1. INTRODUCTION

1.10. Purpose of South Richland Conservancy District Plan

The Board of Directors (the “Board”) of the South Richland Conservancy District (the “District”) has adopted this District Plan (the “Plan”) to comply with its obligations under IC 14-33-6-1 and to set forth the plan by which it will accomplish the purposes for which the District was established.

1.20. Authority

The District was established by order of the Fulton County Circuit Court on July 7, 2011(the “Order of Establishment”). (Exhibit “2”) The Board of Directors was appointed on August 1, 2011. (Exhibit “3”) Indiana Code 14-33-6-1 requires that the Board commence preparation of the Plan to accomplish the purpose for which the District was established. The preparation of this report is dictated by and pursuant to the authority of I.C. 14-33-6.

1.30. Scope of the District Plan

The Plan provides for works of improvement to accomplish all of the purposes for which the District was established. This Plan includes descriptions of the area of the District, background information as to the District’s problems, the works of improvement contemplated, the location of those works of improvement, the benefits to be derived from the improvements; maps, preliminary drawings, and estimates of costs based upon preliminary engineering surveys and studies; and copies of agreements or other arrangements with other persons or governmental agencies, description of construction, maintenance, and operation of the works of improvement. This Plan also includes plans,

specifications and cost estimate for the work needed to implement the Plan (“Work”) which the Board is requesting be approved along with the District Plan. The Plan is based on the outline provided by the Indiana Department of Natural Resources in its “Guide to the Preparation of a District Plan.”

1.40. General Data on District

1.41. Establishment of District

The South Richland Conservancy District, Cause No. 25C01-1101-MI-1, was established by Order of the Fulton County Circuit Court on July 7, 2011. On August 1, 2001, the Fulton County Board of Commissioners appointed the hereinafter named individuals as the first members of the Board, with the following terms specified.

<u>Area</u>	<u>Board Member</u>	<u>Term to Expire</u>
1	Douglas Garvison	Annual Meeting 2013
2	Joseph Hunting	Annual Meeting 2014
3	Jamieson Schiff	Annual Meeting 2015

At the initial Board of Directors meeting the following officers were elected:

Joseph Hunting	– Chairman
Douglas Garvison	– Vice Chairman
Jamieson Schiff	– Financial Clerk

1.42. Area Included in the District

The District includes freeholds east, south, and southeast of Textron Inc.’s former Torx fasteners manufacturing facility (“Torx facility”) located at 4366 N Old US Highway 31 in Richland Township. (See Exhibit 4). It includes properties on N Old US Highway 31

located south of E 450 N and generally north of the Tippecanoe River (although one property south of the River is included). It includes properties on E 425 N and E 375 N. A map and the legal description of the District's boundaries are provided in the Order of Establishment (Exhibit 2). Maps of the District Areas are also provided in Exhibit 4.

1.43. Purpose for which the District was Established

The South Richland Conservancy District was formed for the purpose of providing a water supply, including treatment and distribution, for domestic purposes as provided in IC 14-33-1-1(5), but not including for fire protection. In limited instances outdoor use may be required to be provided in certain situations, including where Department of Environmental Management approval has not been obtained for such use by wells impacted with contaminants or where technical infeasibility challenges exist regarding the separation of indoor and outdoor connections.

1.44. Reasons for the Establishment of the District

The District was established to provide potable water to freeholders within the District's boundaries because of identified groundwater contamination. Textron, Inc. ("Textron") operated a metal fastener manufacturing plant ("Torx facility") located at 4366 N Old US Highway 31 in Richland Township for many years until it sold the facility in 2006. Subsurface investigations have identified chlorinated solvent contamination in groundwater leaving the facility and migrating south and southeast onto area properties. Eight residential drinking wells have been identified as containing detections of chlorinated solvents. Two of these have since been taken out of service.

As an interim measure, Textron has provided individual treatment systems to property wells in the District that would remove the chlorinated solvent impacts. As a long term measure, the United States Environmental Protection Agency (USEPA) has requested public water be supplied to the area. The South Richland Conservancy District has been formed to provide that public water supply. Textron has agreed to provide the funding to carry out the District's purposes.

2. DESCRIPTION OF SOUTH RICHLAND CONSERVANCY DISTRICT

2.10 General Description

The District is located in South Richland Township in Fulton County, Indiana and includes property east, south, and southeast of Textron Inc.'s former Torx facility located at 4366 N Old US Highway 31 in Richland Township. (See Exhibit 4). It includes properties on N Old US Highway 31 located south of E 450 N and generally north of the Tippecanoe River and one property south of the River. It also includes properties on E 425 N and E 375 N. A map and the legal description of the District's boundaries are provided in the Order of Establishment (Exhibit 2). Maps of the District Areas are also provided in Exhibit 4.

2.20 Physical Data

The District is located two miles north of the City of Rochester in a semi-rural setting. The properties are on well water and septic systems. The majority of properties are residential use in nature. Several properties to be served have ongoing agricultural operations including crop production and raising of livestock.

2.30 Economic Description

The district contains approximately several dozen properties. The District's population has remained stable. The majority of properties are residential use in nature. At least one residential property owner runs a small business (television repair) adjacent to his home. Several properties to be served have ongoing agricultural operations including crop production and raising of livestock. Two manufacturing facilities are located in the District, the Acument Global Technologies plant (former Textron Torx facility) and Air-Vac. (Acument and Air-Vac would continue to meet their industrial water needs through their on-site wells; the District would only provide them water for potable uses.) The District will require that there will be no possibility for cross connection. The nearest public water supply is located approximately two miles away owned by the City of Rochester. The District is located in an unincorporated area of Fulton County, which is served by a 3-member board of County Commissioners.

3. DISTRICT PROBLEMS

3.10 Water Supply

Groundwater within the District has been negatively impacted by releases of chemicals associated with historic operations at the former Textron Torx facility. Properties within the District are on private wells as the nearest public water supply is approximately two miles away. Eight properties within the District had impacted wells, although two have since been discontinued from service. As an interim measure, Textron has installed and is maintaining water treatment systems on area wells that would remove any of the contaminants associated with groundwater impacts from the Torx plant. As a long term measure the United States Environmental Protection Agency has requested that public

water be brought to the area.

The City of Rochester is willing to sell the District water from its system. However, it declined to take over the management of the water line extension because the area to be served is located outside of City limits. The District believes that a master meter with water purchased from the City of Rochester is the most feasible long term solution to provide potable water to the affected residents to accomplish the purposes of the District. The District must plan, construct, and maintain a water distribution system within the District. The water distribution system will require the construction of a water main and laterals and a pumping/booster station. An agreement has been negotiated with the City of Rochester to provide the District with its water needs. (Exhibit 7) The District proposes to enter into an Agreement with Textron to finance the capital expenditures, purchase the water from Rochester and for ongoing costs. (A copy of that Agreement is included as Exhibit 8.

3.20 Operation and Maintenance

The facilities contemplated by this Plan will require ongoing operation and maintenance. A contract operator with qualified and appropriately licensed staff will be retained to operate and maintain the water main system. It is anticipated that the following items will be included in the operation, maintenance and expenses of the water main.

- National Pollutant Discharge Elimination System permit fee
- Monthly bulk water purchase cost from the City of Rochester
- Control system maintenance
- Exercising system valves
- Periodic flushing of hydrants
- Reading meters
- Automatic flushing valves maintenance

- Water main repairs
- Sampling/lab work
- Pump station maintenance
- Chlorine booster station maintenance and chemical supplies
- Miscellaneous maintenance
- Capital recovery
- Water main operation reporting to the South Richland Conservancy District

The District will be required to pay the City of Rochester for water usage at the initial rate provided for in the City Water Supply Agreement. Future rate increases would be consistent with the average rate of increase to other City water users. (See Exhibit 7–City Agreement) The Board contemplates that an Agreement with Textron wherein Textron will provide for the funding for the operation and maintenance costs. (See Exhibit 8).

4. CAUSES OF PROBLEMS

The District's water supply issues stem from the quality of its water supply source, area groundwater, caused by the impacts of historic Torx facility operations and the fact that there is no readily available public water supply.

5. WORKS OF IMPROVEMENTS

5.10 Existing Works of Improvements

Generally, individual property wells will continue to be used for outdoor uses such as irrigation and industrial uses.

5.20 Improvements Desired by the People

A community meeting was held in December 2010. Additionally, one-on-one outreach

has occurred either through phone conversations or face-to-face meetings with property owners. District freeholders desire to have safe and reliable drinking water.

5.30 Proposed Program of the District

The District has relied on the technical and professional expertise of its engineering firm with regard to the design and construction plans of the proposed system. A hydraulic model of the water main system was constructed to help select the appropriate pipe size for the water main. Considerations for water main sizing included providing the required water volume, maintaining sufficient service pressure, and maintaining suitable water quality.

The Indiana Administrative Code, 327 IAC 8-3.3-2, was used to determine the public water system quantity requirement standards for average and peak demand conditions. There are currently over 30 potential users in the district. The water main is sized to accommodate these potential users at a usage of 500 gallons per day per connection with capacity for future expansion in the affected area. Measured water use at a half-dozen homes located in the District over the past two years shows that actual water use is about only half this rate. This may be related to the presence of septic systems, which serve the area.

5.31 Nature of the Works of Improvement

The water main will be six inch diameter from the point of connection to the City water system near the Dean Foods facility extending north along the west side of North Old US Highway 31 to the Torx facility. There will be three lateral connections to the water main, one on E350N, one on E375N, and one on E425N. The lateral lines will be four

inch diameter. The service connections will be one inch diameter. The water main will consist of approximately 14,181 feet of six inch diameter pipe and approximately 4,745 feet of four inch pipe. The construction drawings are included as Exhibit 5.

Due to the distance from the City of Rochester water treatment plant, City operating pressure will not be sufficient to serve all of the new connections in the District. Therefore, a duplex booster pump station will be installed downstream of the connection to the City system to ensure adequate pressure is provided for the new connections. Provisions for chlorine adjustment will also be provided to ensure an adequate chlorine residual is maintained. A prefabricated equipment enclosure will be used to house the booster pump and chlorine addition equipment. The equipment enclosure will also include a backup generator to provide power to the booster pump and chlorine addition equipment in the event that primary power is lost.

The new system will include both manual flushing hydrants and automatic water flushing valves to maintain water quality. The automatic flushing valves will be battery powered and will include a programmable operator that can be adjusted to provide the optimum flushing duration at the desired time of day to help maintain water quality. The discharges from the automatic flushing valves will be routed to large water bodies. The service connection to each home will include a water meter and shutoff valve.

The new water main system will include the following components:

No.	Item	Unit	Unit Price	Quantity	Total Amount
1.	4" watermain	LF		4,280	
2.	4" watermain (directionally drilled)	LF		465	
3.	6" watermain	LF		12,529	
4.	6" watermain (directionally drilled)	LF		914	
5.	6" watermain (directionally drilled) River Crossing	LF		738	
6.	6" Gate Valve and Valve Box	EA		27	
7.	4" Gate Valve and Valve Box	EA		12	
8.	6x6x4" tee	EA		4	
9.	6x6x6" tee	EA		2	
10.	12x6" reducer	EA		1	
11.	6" Air Release Valve	EA		4	
12.	Automatic Flushing System, Complete w/ Valve and Valve Box	EA		2	
13.	4" Flushing Hydrant, w/ Valve and Valve Box Complete with up to 15' of piping	EA		6	
14.	6" Flushing Hydrant, w/ Valve and Valve Box Complete with up to 15' of piping	EA		14	
15.	Master Meter and Vault, Complete	LS		1	
16.	RPZ System and Enclosure, Complete	LS		1	
17.	Booster Pump/Generator/Chlorine Station, Complete	LS		1	
18.	Install Booster/Generator/Chlorine Station, Complete	EA		1	
19.	Saddle, Tap, Corp Stop, Curb Stop and Box	EA		34	
20.	Service Piping, 1", with tracer wire	LF		5,634	
21.	Service Piping, 2", with tracer wire	LF		256	
22.	Water Meter, Installed	EA		34	
23.	Service Connection to Home, Complete including water shutoff valve, disconnection of existing service from well system and connection to new potable service	EA		34	
24.	Internal Re-plumbing of Well System For Outdoor Use, Complete	EA		34	

No.	Item	Unit	Unit Price	Quantity	Total Amount
25.	Select Backfill Compacted In Place	CY		1,077	
26.	Abandon Existing Well	EA		4	
27.	Seeding/Yard Restoration	SY		9,447	
28.	Driveway, Bituminous R&R	SY		245	
29.	Driveway, Gravel R&R	SY		1,031	
30.	Driveway, Concrete R&R	SY		23	
31.	Driveway, Booster Station	SY		205	
32.	Rip Rap	SY		78	
33.	Flared End Section, Installed	EA		1	
34.	Exploration Excavation	CY		500	
35.	Yard Hydrant, Complete	EA		1	
36.	Tie-In to Existing Main	LS		1	
37.	Pre-Construction Videos & Photos	LS		1	
38.	Traffic Control	LS		1	
Total Bid					

The freeholder Textron will be responsible for the construction of the water main, laterals and connections. Upon completion of the system, Textron will transfer it to the District at no cost.

It is assumed that a local contractor will perform the water main construction. Pre-design surveys have been performed and pre-construction surveys will also be performed to minimize inconveniences to homeowners and to ensure that properties are returned to pre-construction conditions.

5.32 Location of Works of Improvement

The water main will be installed within the right of ways of Old US Highway 31, 350 N,

375, and 425N. The majority of the water main will be installed using open trench cut and cover methods. Directional drilling will be used to install the water main under road crossings and under the Tippecanoe River.

5.33 Scope of the Proposed Program

The objective of this District Plan is to provide the road map for the construction and operation of a potable water distribution system to replace groundwater within the District as the source of water for human consumption. This program is believed to satisfy the desire of the District's freeholders. It is believed that it will address not only present but future needs.

The Work will commence upon approval of this District Plan and approval of the detailed construction drawings, specifications and cost estimates submitted as Exhibits 5, 6, and 9 of the District Plan and upon receipts of required permits.

5.34 Purposes Satisfied by the Proposed Works of Improvement

The District's purpose for providing for the distribution of potable water will be satisfied by the construction and operation of the water main to the District, the construction of laterals in the District, the construction of associated equipment and structures, i.e., booster station, the connection of properties to the water line, and purchase of water from the City of Rochester.

5.40 Property to be Benefited

It is believed that this will benefit all properties in the District because not only will the

program serve as a reliable source of clean water for the future but it will positively impact real estate property values.

5.50 Property to be Taken or Damaged

The District does not anticipate the taking of any property. The water services from the main to the individual residential connections will be installed using trenchless technology to minimize disruption to homeowners.

5.60 Environmental Benefits

The program will replace impacted groundwater as a drinking supply source with a public water supply that is subject to the same water quality standards and testing requirements applicable to public water sources.

6. ESTIMATED COST OF THE PROGRAM

6.10 Estimated Cost of the Works of Improvements

The estimated construction costs of the Works is \$2,268,807 and is set forth in more detail in Exhibit 9. The costs of the Work will be paid directly for by Textron.

6.20 Estimated Cost of Operation and Maintenance

The estimated annual O&M cost of the water main dollars is \$95,935. A cost breakdown in contained in Exhibit 10. The O & M costs will be paid directly for by Textron.

7. CONSERVANCY DISTRICT FINANCE

The costs of construction, operation and maintenance, and administration of the District will be borne by Textron. Funding for future costs of the District will be assured by the issuance of a Letter of Credit in the amount of \$2,000,000 representing approximately 105%

of the cost of twenty years of operation and maintenance. It will be issued by a financial institution bearing at least an "A" rating provided by Moody's or Standard & Poor's. Every third anniversary of the Letter of Credit's original issuance date the amount of the Letter of Credit shall be adjusted for inflation so as to equal the equivalent of \$2,000,000 in 2012 dollars.

8. BENEFIT FROM PROGRAM

8.10 Benefits to Properties within and without the District

The public health, safety and welfare of those in the District and outside the District will be served by the program set forth in this District Plan. The program will replace impacted groundwater as a drinking supply source with a public water supply that is subject to the same water quality standards and testing requirements applicable to public water sources. It is believed that this will benefit all properties in the District because not only will the program serve as a reliable source of clean water for the future but it will positively impact real estate property values in the area. Property owners will be receiving water free of charge for potable purposes and will be able to retain their private wells for non-potable uses. It should have a beneficial impact on properties outside of the District because increases to the values of property within the District help support the area's tax base.

9. COMPARISON OF COSTS AND BENEFITS

The benefits to the properties derived from the program, i.e., access to a safe, reliable water source for potable uses, will outweigh the costs to the freeholders because there will be no costs to them since all financing will be by Textron.

10. PROPOSED SCHEDULE OF INSTALLATION

In conjunction with the preparation of the District Plan, the Board has caused AMEC Environment & Infrastructure to prepare plans and specifications. These plans and specifications and detailed cost estimates are submitted with this District Plan. (Exhibits 5, 6 and 9) The Table below presents the estimated schedule for installation of the improvements.

Task Description	Estimated Date:
District Plan Completed and Approved by DNR	Feb. 15, 2012
IDEM Water System Management Plan Approval	March 1, 2012
District Plan Approved by Court	March 15, 2012
IDEM Construction Permit	March 31, 2012
Textron Bids Project	April 1, 2012
Construction Begins	May 1, 2012
Construction completed	Dec. 1, 2012
Title to water line transferred to Conservancy District	Dec. 31, 2012

11. OPERATION, MAINTENANCE AND REPLACEMENT

11.10 Operation, Maintenance and Replacement

Operation, maintenance and replacement work of the District's system, collection and transportation system will be administered by the District on an on-going basis through a contractual Agreement with Textron. The District has negotiated the terms of an agreement with the City of Rochester for the long term supply of potable water to the District.

11.20 Inspections

Inspection of the improvements will be made by District through a contractual agreement with Textron and will be supplemented by the engineer of record.

Respectfully submitted,

South Richland

Conservancy District

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EXHIBIT 1

RESOLUTION NO. 2011-1214-02

**RESOLUTION OF THE BOARD OF
DIRECTORS OF SOUTH RICHLAND CONSERVANCY
DISTRICT ADOPTING THE DISTRICT PLAN**

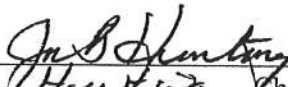
BE IT RESOLVED the Board of Directors of the South Richland Conservancy District has adopted the foregoing District Plan including the Exhibits thereto for and as the District Plan of the South Richland Conservancy District;

BE IT FURTHER RESOLVED that due to the urgent nature of the need to begin construction of the water distribution system to provide a safe and reliable public water supply to the freeholders of the District and pursuant to Resolution 2011-1214-1 the Board has tentatively adopted the drawings, specifications and cost estimate as set forth in Exhibits to the District Plan;

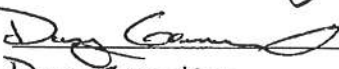
BE IT FURTHER RESOLVED that the Chairman of the Board file a copy of this Resolution and the District Plan, which includes the detailed construction drawings, specifications and refined cost estimates as permitted by I.C. 14-33-6-8, with the Natural Resource Commission for its approval and upon said approval file same for approval of the Fulton Circuit Court.

PASSED AND ADOPTED by the Board of Directors of the South Richland Conservancy District this 14th day of December, 2011.

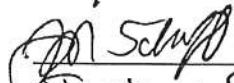
Board of Directors
South Richland
Conservancy District



Jack Hunting, Chairman



Doug Garrison, Vice Chairman



Jamieson Schiff, Member

EXHIBIT 2

STATE OF INDIANA)
) SS:
COUNTY OF FULTON)

IN THE FULTON CIRCUIT COURT

CAUSE NO. 25C01-1101-MI-1

IN THE MATTER OF THE)
SOUTH RICHLAND)
CONSERVANCY DISTRICT.)

**ORDER ESTABLISHING THE SOUTH RICHLAND
CONSERVANCY DISTRICT**

Come again the petitioners, in person, and by their counsel, Alan M. Hux, pursuant to the order of the court, in which, upon receipt of the report of the Natural Resources Commission, the Court set this cause for further hearing and ordered notice thereof.

The Court takes judicial notice of (1) the report of the Natural Resources Commission and its contents in the files of the Court; and (2) the proof of publication of the notice of this hearing in its files.

The Court further (1) accepts into evidence the official file of the Natural Resources Commission relevant to its report; (2) hears the testimony of the witnesses; and (3) hears arguments.

The Court having reviewed the evidence, studied the report of the Natural Resources Commission, re-examined applicable law as to judicial consideration of a determination of an administrative agency and of I.C. 14-33 as to establishment and operation of a conservancy district; and having been duly advised, the Court NOW FINDS AS FOLLOWS:

(1) Notice in this cause has been proper and conforms to the Court's orders and the governing statute, I.C. 14-33 et seq;

(2) The petition in this cause prays that a conservancy district be established for the statutory purposes of providing water supply, including treatment and distribution for domestic purposes for the area lying within the proposed district; provided, however, the proposed district will not provide fire protection or water for outdoor use.

(3) For said purpose the conservancy district is necessary;

(4) The public health will be served immediately by the establishment of the district for the purpose set forth in paragraph 2 above;

(5) The evidence supports the statements in the petition;

(6) The conservancy district should be established;

(7) The Court should determine the number of directors to be appointed and elected and the division of the district into areas;

(8) The Court should designate the time of the annual meeting of the district;

(9) Petitioners' bond for costs should be released;

(10) The Court should make further orders as are germane to its findings and I.C. 14-33 et seq.

IT IS THEREFORE CONSIDERED, ORDERED, ADJUDGED and DECREED that:

1. The petition, be and hereby is approved as amended;
2. A conservancy district to be named the South Richland Conservancy District be and it hereby is, established for the purpose of providing water supply, including treatment and distribution

for domestic purposes for the area lying within the proposed district; provided, however, the proposed district will not provide fire protection or water for outdoor use

3. The boundaries of said conservancy district shall be and are as set forth in Exhibit "A";

4. The conservancy district shall have three (3) areas and three (3) members to serve and act as its board of directors with the powers and duties as set out in I.C. 14-33 et. seq. The initial board of directors shall be appointed and, thereafter, elected, one member from each area. The areas and specific area boundaries are set forth in Exhibit "B";

5. The Board of Commissioners of Fulton County, Indiana, shall accordingly appoint the initial members of the board of directors pursuant to I.C. 14-33-5 within twenty (20) days from the date of this order. The Board of Commissioners shall observe the following as set forth in I.C. 14-33-5-1:

(a) A director must have the following qualifications:

- (1) Be:
 - (A) a freeholder of the area of the district for which appointed; or
 - (B) an officer or a nominee of a corporate freeholder of the area of the district for which appointed.
- (2) Be qualified by knowledge and experience in matters pertaining to the development of the district.

(b) A majority of the directors must be:

- (1) resident freeholders of the district if available and qualified; and
- (2) petitioners for the establishment of the district. For this purpose an officer or a nominee of a corporate freeholder of the district, if the corporation is a petitioner, is considered a petitioner.

The terms of service shall be as provided in I.C. 14-33-5-11(a), to-wit:

Sec. 11.(a) The board of commissioners of the county shall appoint the initial directors for the following terms:

- (1) If there are three (3) or five (5) directors, the terms are as follows:
 - a. One (1) term expires at the next annual meeting.
 - b. One (1) term expires at the second annual meeting.
 - c. One (1) term expires at the third annual meeting.
 - d. Any other terms expires at the fourth annual meeting.
- (2) As the terms expire, each new director shall be elected for a term of four (4) years.

6. The annual meeting of the South Richland Conservancy District shall be on or within two weeks of the third Thursday of February at such time and place as set forth in the notice required by I.C. 14-33-5-4(b). Pursuant to I.C. 14-33-5, selection of the board of directors will be by election as the terms of office of those board members appointed by the Fulton County Board of County Commissioners expire.

7. The directors so appointed shall meet at such time and place as soon as practicable after their appointment by the county commissioners. If the Directors accept the appointment, they, and each of them, shall take and subscribe to the oath pursuant to I.C. 14-33-5-7.

8. The board of directors, when appointed and qualified by their oath, shall elect a chairman and vice chairman and designate where the district will maintain its office (subject to later change); and the chairman shall cause such information together with the executed oaths filed with this Court with copies addressed to the Natural Resources Commission, pursuant to I.C. 14-33-5-17.

9. The board of directors shall simultaneously, or as soon as practicable thereafter, designate a secretary, a financial clerk, determine their need for professional counsel, an engineer and such other personnel as they believe are needed to prepare a district plan and are needed for the discharge of duties and responsibilities of the board, pursuant to I.C. 14-33-5-18. Any member of

the board may be such employee, but any member shall not receive any further compensation than his compensation as a director.

10. The name and address of the financial clerk and any professional counsel shall be filed with this Court and the Natural Resources Commission shall also be notified. The board shall consider the amount of bond for the financial clerk and so advise the Court when they petition this Court to fix and approve the bond of the financial clerk, pursuant to I.C. 14-33-15-18.

11. After all the preliminary matters hereinabove set forth have been accomplished, or simultaneously therewith, the board shall commence the preparation of its district plan, pursuant to I.C. 14-33-6.

12. As compensation the directors shall be entitled to:

- (1) one hundred dollars (\$100) for not more than two (2) regular or specially called board meetings per month; and
- (2) fifty dollars (\$50) for not more than five (5) days per month devoted to the work of the district in addition to any day for which payment is received under subdivision (1).

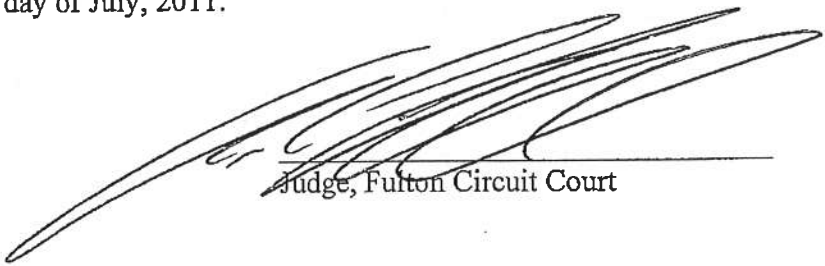
In addition, the directors shall be reimbursed for actual expenses, including expense at a rate equal to the rate paid to state officers and employees. Claims for expense reimbursement must be accompanied by an itemized written statement approved by a recorded motion of the board.

13. The Auditor of Fulton County, Indiana, shall set up and maintain a transfer book for all of the real property within the boundaries of the district described in Exhibit "A".

14. The Fulton Circuit Court Clerk shall transmit a certified copy of this order to the County Commissioners of Fulton County, to the Auditor of Fulton County and to the Natural Resources Commission.

15. The Clerk shall further release the cash bond to the petitioners.

Dated this 7 day of July, 2011.



Judge, Fulton Circuit Court

Alan M. Hux, #7947-49
Taft Stettinius & Hollister, LLP
One Indiana Square, Suite 3500
Indianapolis, Indiana 46204
(317) 713-3583

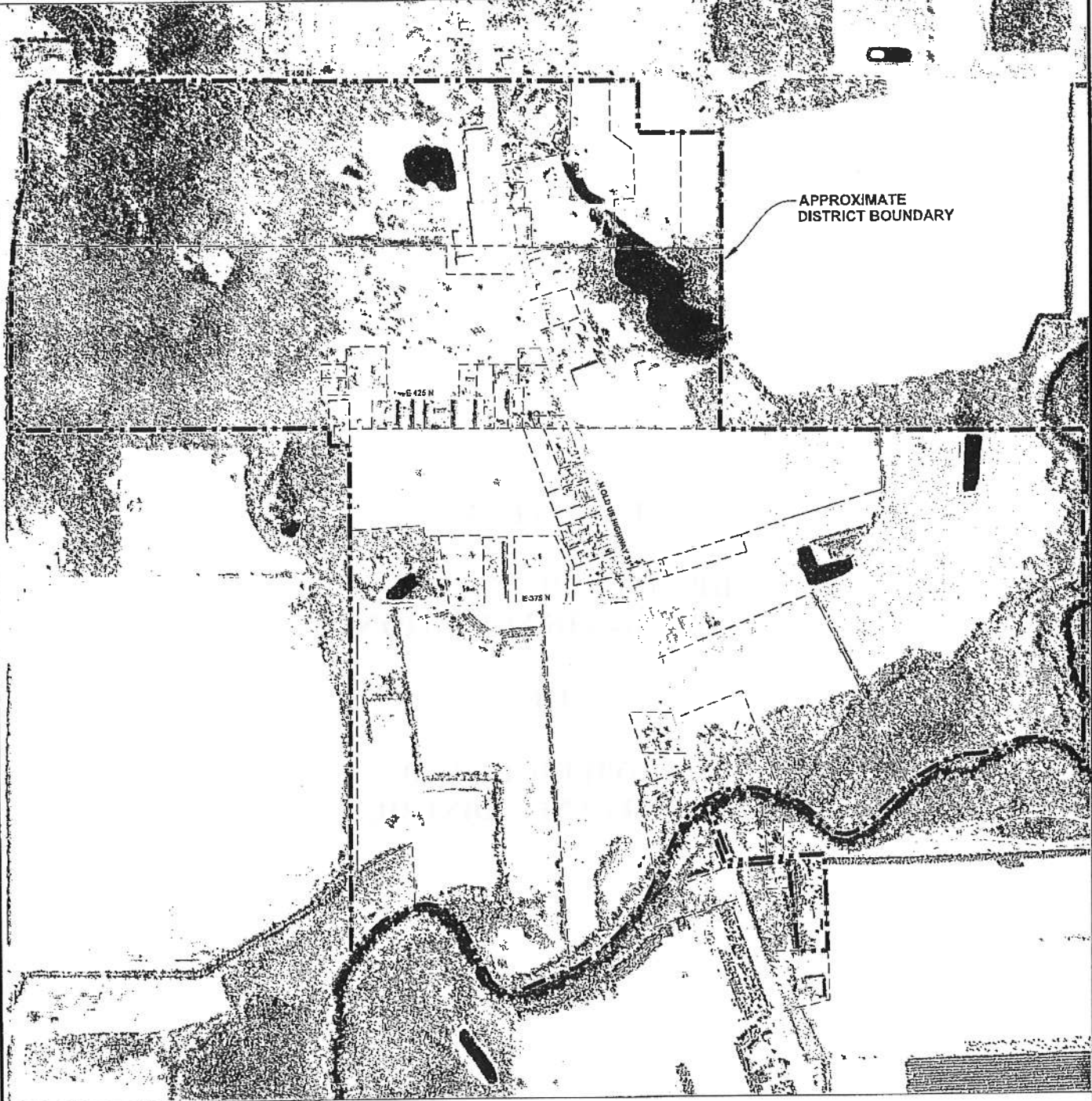
1474795

EXHIBIT "A"

**DISTRICT BOUNDARIES
MAP AND DESCRIPTION**

OF

**SOUTH RICHLAND
CONSERVANCY DISTRICT**



LEGEND

-  APPROXIMATE DISTRICT BOUNDARY
-  APPROXIMATE PROPERTY BOUNDARY
(from the Fullon County GIS website)



PROPOSED SOUTH RICHLAND CONSERVANCY DISTRICT
TORX FACILITY • 4366 NORTH OLD US HIGHWAY 31 • ROCHESTER, INDIANA

District Boundaries

of

Southern Richland Conservancy District

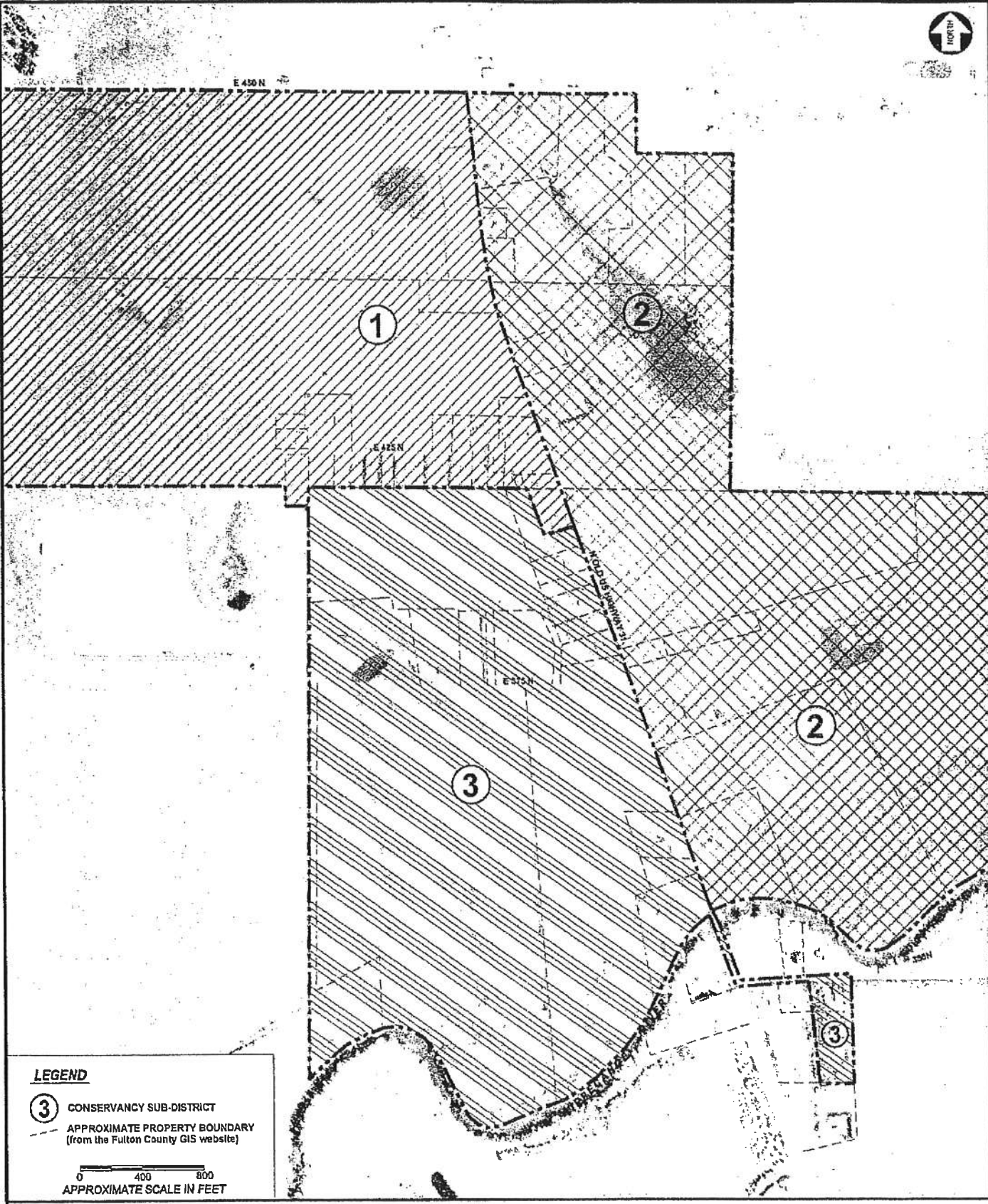
Beginning at a point on the South boundary of County Road 450 North which is 483.90 feet East of the Northwest corner of the North half of the Southwest Quarter of Section 28 of the Michigan Road Lands, thence South 78 degrees 52 minutes 15 seconds West 203.63 feet, thence South 30 degrees 04 minutes 39 seconds West 100.64 feet, thence South 0 degrees 03 minutes 03 seconds West 450.00 feet, thence South 5 degrees 45 minutes 41 seconds West 589.79 feet to the South line of said Half Quarter Section, thence continue South along the State of Indiana right-of-way to the South line of the South Half of the South Half of Section 28 of the Michigan Road Lands, thence East along the South line of said South Half of the South Half of Section 28 to a point 150 feet West of the Northwest Corner of Section 29 Michigan Road Lands, thence South 134 feet, thence East 150 feet to a point in the West line of the North half of the Northwest fractional Quarter of Section 29 Michigan Road Lands, thence South on said West line to a point of intersection of said West line of Section 29 and the top of the North bank of the Tippecanoe River, thence Northeasterly on and along the meandering of said top of the North bank to the intersection of the top of the North bank with the West line of Michigan Road now Federal Road No. 31; thence South along the West line of Michigan Road to a point which is located by extending a line West 20 degrees South 100 feet from the intersection of the South right of way line of a Public Highway running East and West through the Southeast Fractional Quarter of Section 29 Michigan Road Lands and the East line of Michigan Road; thence East to the intersection of the South

right of way line of the above mentioned Public Road and the East line of Michigan Road; thence East along said South right of way line of the Public Road 431.06 feet more or less; thence South 02 degrees 11 minutes 34 seconds East 691.60 feet more or less; thence Northeast along the North line of a tract of land as described in Deed record, Instrument Number 9802032, as recorded in the Office of the Fulton County Record a distance of 221.30; thence North 1 degree 14 minutes 49 seconds West a distance of 700.48 feet to the centerline of the Public Roadway (C.R. 350 North); ~~thence continue North to a point on the North right of way line of C.R. 350 North;~~ ~~thence Southwest~~ along the North right of way line of C.R. 350 North to the intersection of the North right of way line of C.R. 350 North and the East line of Old Michigan Road now Federal Road No. 31; thence North along the East line of Michigan Road to the intersection of the East line of Michigan Road and top of the North Bank of the Tippecanoe River; thence East on and along the meandering of the top of the northerly bank to a point which is directly South of a point on the North line of Section 29 Michigan Road Lands which point is 3300 feet East of the intersection of the North line of Section 29 Michigan Road Lands and the East right-of-way line of Michigan Road (Old US 31); thence North to the aforementioned point on the said North line of Section 29 Michigan Road Lands, thence West on said North line to the intersection of said North line with the East line of Section 28 Michigan Road Lands, thence North on the East Line of Section 28 Michigan Road Lands to a point which is 845.15 feet North of the intersection of the South line of the North half of the Southeast Quarter of Section 28 Michigan Road Lands and the East line of said Section 28, thence West South 89 degrees 45 minutes 37 seconds West 619.95 feet, thence North 395.31 feet to a point on the North line of the Southeast Quarter of

Section 28 Michigan Road Lands which point is 1043.86 feet more or less from the intersection of the East line of the Old Michigan Road and the North line of the said Southeast Quarter, thence West on the North line to said intersection as witnessed by a found mag nail; thence continue West on the North line of the North Half of the Southwest Quarter of Section 28 Michigan Road Lands to the point of beginning.

1348012.3

EXHIBIT "B"
AREA MAP AND DESCRIPTIONS
OF
SOUTH RICHLAND
CONSERVANCY DISTRICT



LEGEND

- ③ CONSERVANCY SUB-DISTRICT
- - - APPROXIMATE PROPERTY BOUNDARY
(from the Fulton County GIS website)

0 400 800
APPROXIMATE SCALE IN FEET

PROPOSED SOUTH RICHLAND CONSERVANCY DISTRICT SUB-DISTRICT AREAS
TORX FACILITY • 4366 NORTH OLD US HIGHWAY 31 • ROCHESTER, INDIANA

AREA 1

DESCRIPTION

District Boundaries

of

South Richland Conservancy District

Beginning at a point on the South boundary of County Road 450 North which is 483.90 feet East of the Northwest corner of the North half of the Southwest Quarter of Section 28 of the Michigan Road Lands, thence South 78 degrees 52 minutes 15 seconds West 203.63 feet, thence South 30 degrees 04 minutes 39 seconds West 100.64 feet, thence South 0 degrees 03 minutes 03 seconds West 450.00 feet, thence South 5 degrees 45 minutes 41 seconds West 589.79 feet to the South line of said Half Quarter Section, thence continue South along the State of Indiana right-of-way to the South line of the South Half of the South Half of Section 28 of the Michigan Road Lands, thence East along the South line of said South Half of the South Half of Section 28 to a point 150 feet West of the Northwest Corner of Section 29 Michigan Road Lands, thence South 134 feet, thence East 150 feet to a point in the West line of the North half of the Northwest fractional Quarter of Section 29 Michigan Road Lands, thence North to the Northwest Corner of Section 29, thence East to the northeast corner of the tract of land conveyed by warranty deed dated December 1, 2004 and recorded December 2, 2004 as Instrument No. 0404872, thence South 20 degrees 18 minutes East 320.5 feet thence North 69 degrees 42 minutes East 150 feet to the West line of Michigan Road thence North along the Michigan Road right-of-way line to the Northeast corner of the Northwest Quarter of Section 29 Michigan Road Lands; thence North along the West line of Old Michigan Road to the intersection of said West line with the North line of the North half of the Southwest Quarter of Section 28 Michigan Road Lands; thence West on the North line of

the North Half of the Southwest Quarter of Section 28 Michigan Road Lands to the point
of beginning.

1348474.3

AREA 2

DESCRIPTION

District Boundaries

of

South Richland Conservancy District

Beginning at the intersection of the North line of Section 29 Michigan Road Land and the West right-of-way line of Michigan Road (Old US 31), thence Southeast along said West right-of-way line to the point intersection of said right-of-way line and the top of the North bank of the Tippecanoe River, thence Easterly along the top of the northerly bank of the Tippecanoe River to a point which is directly South of a point on the North line of Section 29 Michigan Road Lands which point is 3300 feet East the intersection of the North line of Section 29 Michigan Road Lands and the East right-of-way line of Michigan Road (Old US 31); thence North to the aforementioned point on the said North line of Section 29 Michigan Road Lands, thence West on said North line to the intersection of said North line with the East line of Section 28 Michigan Road Lands, thence North on the East Line of Section 28 Michigan Road Lands to a point which is 845.15 feet North of the intersection of the South line of the North half of the Southeast Quarter of Section 28 Michigan Road Lands and the East line of said Section 28, thence South 89 degrees 45 minutes 37 seconds West 619.95 feet, thence North 395.31 feet to a point on the North line of the Southeast Quarter of Section 28 Michigan Road Lands which point is 1043.86 feet more or less from the intersection of the East line of the Old Michigan Road and the North line of the said Southeast Quarter, thence West on the North line to the intersection of the North line of Section 28 and the West right-of-way line of Michigan Road; thence South on the West line of Old Michigan Road to place of beginning.

AREA 3

DESCRIPTION

District Boundaries

of

Southern Richland Conservancy District

Beginning at the Northwest corner of Section 29 Michigan Road Lands, thence South on the West line of the North half of the Northwest Fractional Quarter Section of Michigan Road Line to a point of intersection of said West line of Section 29 and the top of the North bank of the Tippecanoe River, thence Northeasterly on and along the meandering of said top of the North bank to the intersection of the top of the North bank with the West line of Michigan Road now Federal Road No. 31; thence South along the West line of Michigan Road to a point which is located by extending a line West 20 degrees South 100 feet from the intersection of the South right of way line of a Public Highway running East and West through the Southeast Fractional Quarter of Section 29 Michigan Road Lands and the East line of Michigan Road; thence East to the intersection of the South right of way line of the above mentioned Public Road and the East line of Michigan Road; thence East along said South right of way line of the Public Road 431.06 feet more or less; thence South 02 degrees 11 minutes 34 seconds East 691.60 feet more or less; thence Northeast along the North line of a tract of land as described in Deed record, Instrument Number 9802032, as recorded in the Office of the Fulton County Record a distance of 221.30; thence North 1 degree 14 minutes 49 seconds West a distance of 700.48 feet to the centerline of the Public Roadway (C.R. 350 North); thence continue North to a point on the North right of way line of C.R. 350 North; thence Southwest along the North right of way line of C.R. 350 North to the intersection of the North right of way line of C.R. 350 North and the East line of Old Michigan Road now Federal Road

No. 31; thence North along the East line of Michigan Road to the intersection of the East line of Michigan Road and top of the North Bank of the Tippecanoe River; thence North 10 feet; thence West to the West line of Michigan; thence continue North on the West line of Michigan Road to a point 265 feet South of the Northeast corner of the Northwest Quarter of Section 29 Michigan Road Lands; thence South 69 degrees 42 minutes West 150 feet; thence North 20 degrees 18 minutes West to the North line of Section 29, Michigan Road Lands thence West along said North line to the place of beginning.

1473076.3

EXHIBIT 3

FULTON COUNTY COMMISSIONERS

August 1, 2011, 9:00 A.M., D.S.T., in Assembly Room of the Fulton County Office Building.

Meeting Called to Order:

Mark Rodriguez called the meeting to order at 9:04 a.m. Present for this meeting were Commissioners Mark Rodriguez, Sherry Fulton, Roger Rose; County Auditor Judy Reed; and County Attorney Greg Heller.

E-911/Communications Department:

Gail Karas reported that Shan Jolley received a Communications Officer of the Year award for how well she handled an emergency call involving a young child run over by a mower.

Karas said a full time employee has resigned from her department. Karas said a part time employee will be moved into that position and she will be hiring a new part time person.

Highway Department:

Rick Ranstead presented permit #08-11 from United Telephone Company for a road bore at 400 North and 775 West. Roger Rose moved to approve permit #08-11. Sherry Fulton seconded the motion. Motion carried 3-0.

Rick Ranstead presented some recommendations for the Bridge 88 project.

Bid Opening for Landfill Cap Dressing Project:

Mark Rodriguez opened and read the following bids for the landfill cap dressing project:

Bowyer Excavating, Peru, IN:	\$218,970.00
Thomas Excavating, Argos, IN:	\$318,902.00
Indiana Earth Inc., Osceola, IN:	\$364,330.00
Beer & Slaybaugh, Nappanee, IN:	\$303,420.00

Roger Rose made the motion to take the bids under legal advisement. Sherry Fulton seconded the motion. Motion carried 3-0.

Sheriff Department:

Sheriff Walker Conley presented the monthly Sheriff's reports and Animal Control report for July.

Clerk:

Letty McKee discussed changes in election precincts and polling sites. McKee said that in order to cut costs for elections it would be best to reduce the number of polling sites from ten down to seven. McKee recommended the following changes:

- Move Rochester City precincts 1, 2 and 3 from Faith Outreach to the fairgrounds
- Move Rochester City precincts 4 and 5 from Wynnfield Crossing to Faith Outreach
- Move Rochester Township precincts 6, 7, and 8 from the fairgrounds to New Life Church
- Move Aubbeenaubbee, Richland, and Newcastle Townships to the Historical Society

- Move Wayne Township to Fulton Town Hall with Liberty Township.

There was a consensus to move ahead with Rochester City Township polling site changes for the election this fall.

EMA:

Dave Tofson discussed a couple of grants for the EMA.

South Richland Conservancy District Board Appointments:

There was a discussion on the nominees for the South Richland Conservancy District Board appointments. Roger Rose moved to appoint Doug Garvison for a one year term, Joe Hunting for a two year term, and Jamie Schiff for a three year term to the South Richland Conservancy District Board. Sherry Fulton seconded the motion. Motion carried 3-0.

Soil and Water:

Lois Mann with the Soil and Water Conservation District discussed an opportunity for funding through the Clean Water Indiana grant. The Commissioners recommended she pursue the grant.

Request to Set Utility Pole:

Michael Bennett requested permission to set a utility pole in Disko on property that has been under litigation. Attorney Greg Heller said he would like to speak to the other attorneys involved before reaching a decision.

Appropriation Requests:

Purdue Extension Service:

1001-31102-000-011	Mileage	\$ 670.56
1001-31102-000-011	Mileage	\$ 107.20
1001-31102-000-011	Mileage	\$ 766.92

Assessor's Office:

1001-19000-000-008	Extra Help	\$ 6,000.00
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Recorder:

1189-31102-000-0004	Mileage	\$ 59.84
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Transfers:

EMS:

From

1151-12400-000-000	PERF	\$10,000.00
1151-22001-000-000	Gas/Oil/Lube	\$ 700.00
1151-31507-000-000	Volunteer Exp.	\$ 2,000.00
1151-31507-000-000	Volunteer Exp.	\$ 2,500.00

To

1151-12046-000-000	Fringe Health/Dental	\$10,000.00
1151-22103-000-000	Cleaning Supply	\$ 700.00
1151-31011-000-000	Continuing Education	\$ 2,000.00
1151-32000-000-000	Telephone	\$ 2,500.00

This transfer request was reviewed and approved.

Claims and Payroll:

The Commissioners reviewed and approved payroll and all claims and signed them for payment.

Commissioners Meeting Minutes:

Mark Rodriguez referenced the July 18, 2011 Commissioners meeting minutes for additions or corrections. Roger Rose moved to approve the July 18, 2011 minutes as presented. Sherry Fulton seconded the motion. Motion carried 3-0.

RESOLUTION #080111

POLLING SITES FOR THE 2011 GENERAL ELECTION PRECINCTS

ROCHESTER	PRECINCTS 1, 2, 3	FULTON CO. FAIRGROUNDS COMM. BLDG 1009 W. 3 RD ST., ROCHESTER, IN
ROCHESTER	PRECINCTS 4, 5	FAITH OUTREACH CHURCH 1129 E. 9 TH ST., ROCHESTER, IN

The Fulton County Election Board requests the approval of the above mentioned polling places for 2011. General Election to be held on November 8, 2011

Fulton County Election Board
Fred Bohm
Michael Whirledge
Letty McKee

Approved this 1st day of August, 2011.

Roger Rose

Mark Rodriguez

Sherry Fulton

Attest: _____
Judy Reed, Fulton County Auditor

Roger Rose made the motion to adopt Resolution #08011. Sherry Fulton seconded the motion. Motion carried 3-0.

Old Business:

Mark Rodriguez discussed a letter to the Indiana Election Commission regarding errors in precinct boundaries.

Judy Reed updated the Commissioners on employee changes in the Auditor's Office.

Mark Rodriguez discussed lights at the Courthouse.

Mark Rodriguez said he had a teleconference with the engineering firm for the jail renovation project. Rodriguez said they are now trying to finish up the uncompleted work at the jail.

Sherry Fulton said the IT committee should have a proposal for computer equipment by next week.

New Business:

The Commissioners discussed leave of absence requests.

Mark Rodriguez discussed the need to find out the legal responsibilities in regards to Woodlawn Hospital. Rodriguez said the relationship between the county and the hospital needs to be clarified both before and after the satisfaction of the bond.

Roger Rose said Bev Harter at Hilltop Kennels is resigning from being the county animal shelter as of September 30.

This concluded the business of this meeting of the Fulton County Commissioners. Roger Rose moved to recess at 11:00 a.m. Sherry Fulton seconded the motion. Motion carried 3-0.

FULTON COUNTY BOARD OF COMMISSIONERS

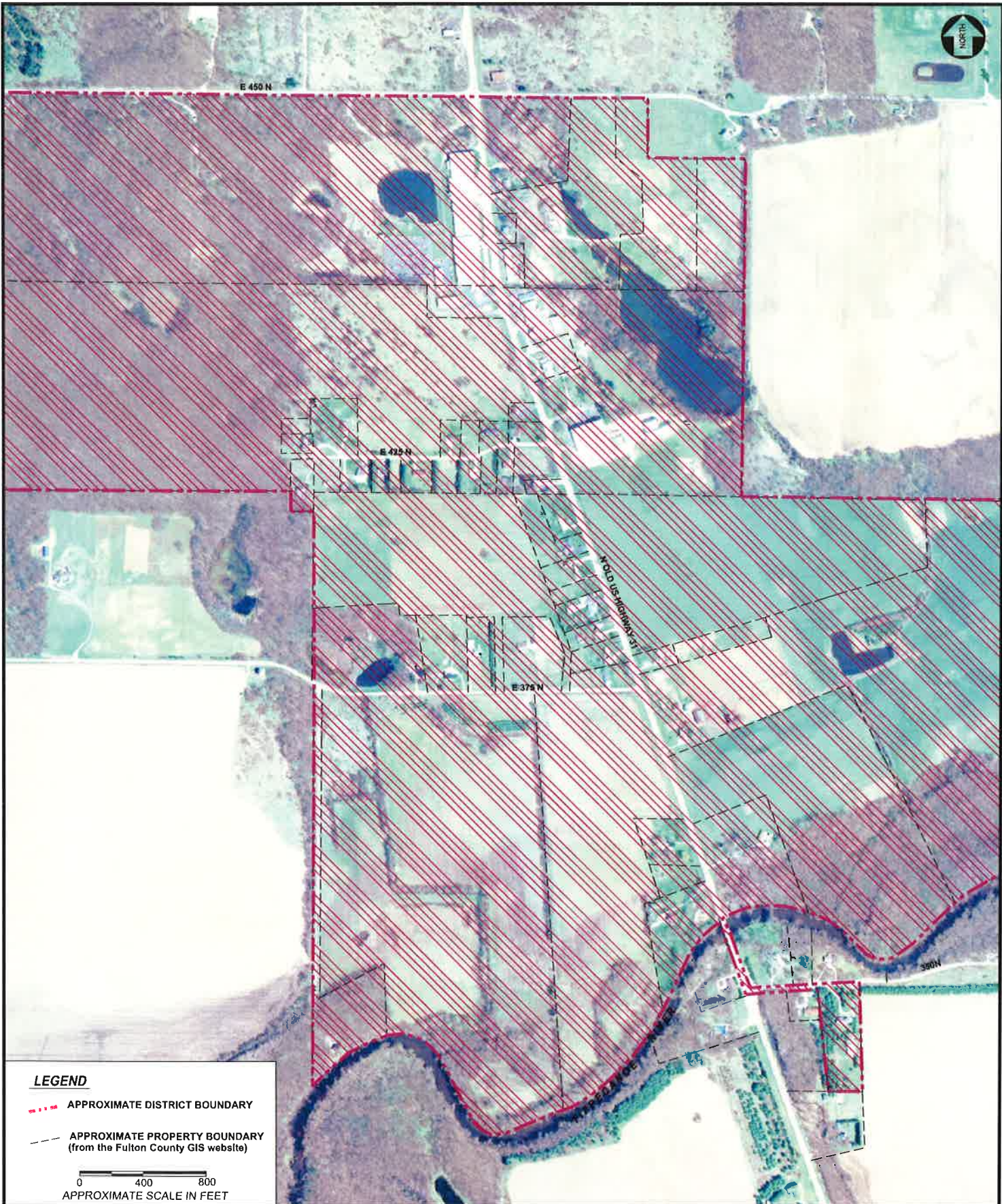
Mark J. Rodriguez, President

Roger D. Rose, Vice-President

Sherry Fulton, Member

Attest: _____
Judith A. Reed, Fulton County Auditor

EXHIBIT 4



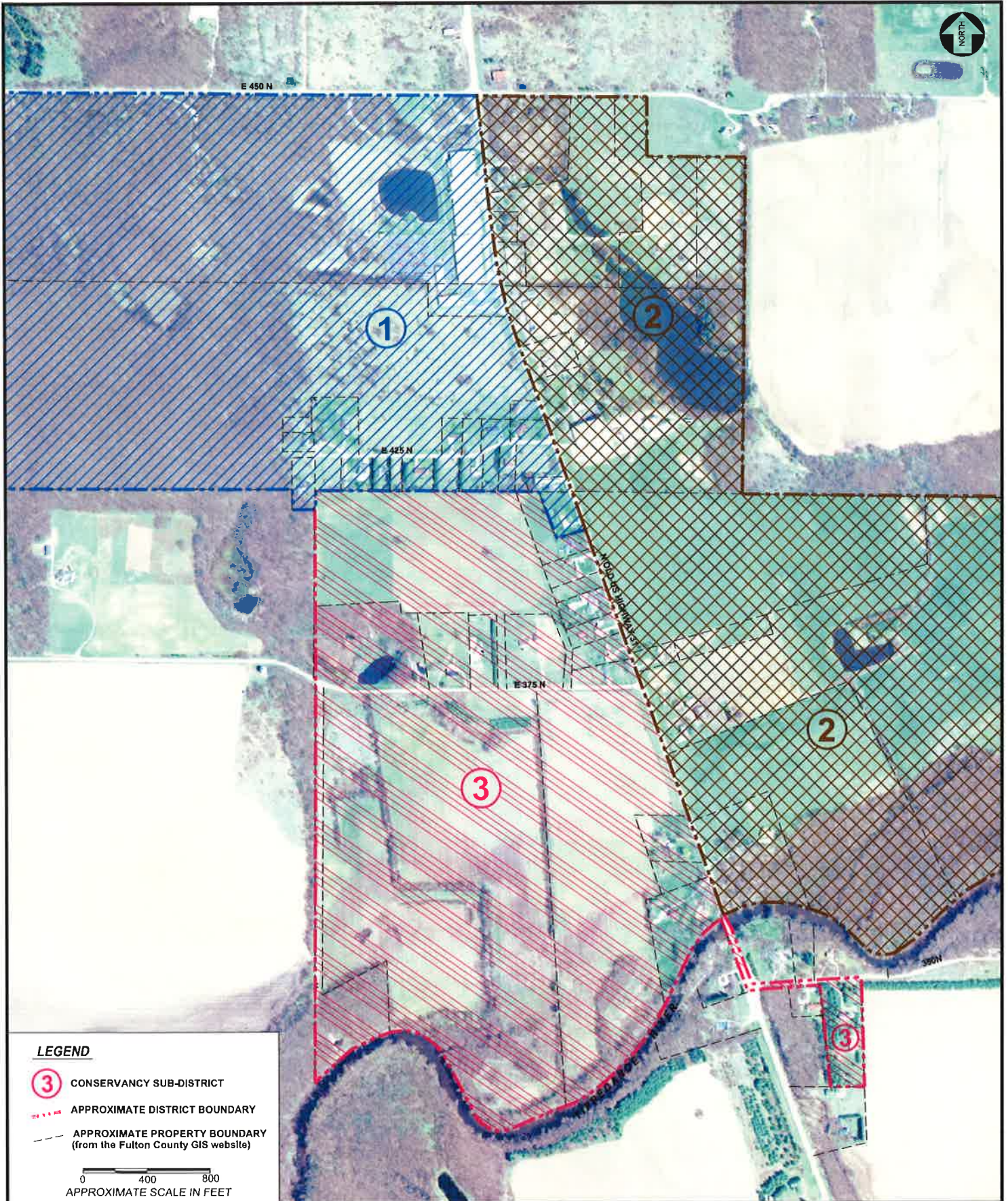
LEGEND

- - - - - APPROXIMATE DISTRICT BOUNDARY
- - - - - APPROXIMATE PROPERTY BOUNDARY
(from the Fulton County GIS website)

0 400 800
APPROXIMATE SCALE IN FEET

PROPOSED SOUTH RICHLAND CONSERVANCY DISTRICT

TORX FACILITY • 4366 NORTH OLD US HIGHWAY 31 • ROCHESTER, INDIANA



LEGEND

- ③** CONSERVANCY SUB-DISTRICT
- APPROXIMATE DISTRICT BOUNDARY
- - -** APPROXIMATE PROPERTY BOUNDARY
(from the Fulton County GIS website)

0 400 800
APPROXIMATE SCALE IN FEET

SOUTH RICHLAND CONSERVANCY DISTRICT

• ROCHESTER, INDIANA •

EXHIBIT 5

Exhibit 5: Plans for South Richland Water System Project submitted under separate cover.

EXHIBIT 6

Exhibit 6: Contract Documents and Specifications for South Richland Water System Project submitted under separate cover.

EXHIBIT 7

Water Purchase Agreement

This agreement is entered into this _____ day of _____ 2011 between Textron Inc. ("Textron") and the City of Rochester, Indiana and the City of Rochester Water Works Board (hereinafter collectively referred to as "the City").

Whereas, Textron is desirous of supplying City water to the area identified on the attached site plan as the "Conservancy District Area", an area outside of the City's geographical boundaries, so that occupants in the Conservancy District Area have an alternative water source to the water wells currently located on such occupants' properties; and

Whereas, Textron intends to cause the formation of a conservancy district ("Conservancy District") to (1) supply public water to the Conservancy District Area through the construction and maintenance of a water main extension, (2) connecting into the City's existing water main at Dean Foods (the "Delivery Point") and (3) to purchase water from the City; and

Whereas, the City possesses the capacity to supply water from its existing water system production and is willing to supply water to the Conservancy District Area for the foregoing purpose;

Now, therefore, the parties agree as follows:

1. The City shall sell water to the Conservancy District or any other legal entity formed to provide water to the Conservancy District Area in quantities sufficient to meet its needs to provide sufficient water to its freeholders until such time as the Conservancy District has a reasonable and economical alternative to obtain a potable water supply approved by the State of Indiana and the U.S. Environmental Protection Agency.
2. The Conservancy District or Textron shall (1) construct a water main and distribution system within the boundaries of the Conservancy District Area that shall connect to the City's water main at the Delivery Point, (2) install a master meter at the Delivery Point to measure the volume of water purchased by the Conservancy District, and (3) operate and maintain the water main and distribution beyond the Delivery Point to the properties in the Conservancy District Area.
3. The City shall have no responsibilities for any mains or distribution system beyond the Delivery Point. The City's sole responsibility shall be to supply water to the Delivery Point, in conformance with the requirements herein, for distribution by the Conservancy District or by such other legal entity. Textron shall be responsible for distribution beyond the Delivery Point. Textron shall provide to the City a contact person to refer

any user questions or concerns to regarding water provided to users after the Delivery Point.

4. The City agrees to comply with all U.S. Environmental Protection Agency and/or Indiana Department of Environmental Management regulations or standards regarding quality and minimum static pressure of water at the Delivery Point. The City shall provide free chlorine residual at the Delivery Point within a concentration range required by law.
5. The City shall invoice the Conservancy District for actual water used as reflected by the master meter on a schedule consistent with the manner that the City invoices its other water customers.
6. The initial price of the water supplied to the Conservancy District shall be \$222.40 for the first 62,633 gallons and \$2.14 per 1,000 gallons in excess of 62,333 gallons. The City may increase the price per gallon that it charges the Conservancy District but only so often as it increases prices to the City's other water customers and at a percentage no higher than the average percentage increase for the City's other water customers for such period.
7. It is specifically recognized that the Conservancy District is a third-party beneficiary of this Water Supply Agreement and shall have the legal and equitable right to enforce its provisions. This Agreement shall run with the properties included in the Conservation District Area's boundaries and shall be binding upon the City and Textron, its successors and assigns.

TEXTRON INC.

By: _____

Title: _____

Date: _____

CITY OF ROCHESTER

By: _____

Title: _____

Date: _____

ROCHESTER WATER WORKS BOARD

By: _____

Title: _____

Date: _____

EXHIBIT 8

CONSERVANCY DISTRICT OPERATION AGREEMENT

This Agreement is entered into this ____ day of _____ between Textron Inc. ("Textron") and the South Richland Conservancy District ("District").

Whereas, the District has been established under I.C. 14-33-1 et seq. for the purpose of providing water supply, including treatment and distribution for domestic purposes; provided, however, not for fire protection or for general outdoor use; and

Whereas, the District, by and through its Board of Directors ("Board"), believes that the District's purpose can be best accomplished by extending the City of Rochester's water main to the District's boundary; and

Whereas, Textron, by virtue of groundwater impacts associated with operations from its former Torx facility desires to provide to the District at no cost to the District the water line as an alternative source of potable water to the existing private wells in the District; and

Whereas, Textron has offered to be responsible for the costs associated with the District's water main extension and the District's distribution system ("District's System") and the cost associated with the operation of the District's System and at completion of the construction to donate the District's System to the District; and

Whereas, the Board believes that it is in the best interest of the District's freeholders and customers to accept Textron's offer and permit Textron to construct the District's System and to pay for the District's System's operation and maintenance.

Therefore, the parties agree as follows:

- (1) Textron shall be responsible for the construction of the water line substantially as shown on the plans contained in Exhibit _____. Upon its completion, Textron shall transfer all ownership rights in it to the District at no cost to the District.
- (2) Textron shall be responsible for correcting, at its cost, any defects with respect to the design and/or construction of the water line.
- (3) The District shall manage the water distribution system, provided that Textron shall pay for the costs of such management as provided in sections 4, 5, 6 and 7 below.
- (4) Textron shall be responsible, at its cost, for all costs associated with the operation and maintenance of the water line and associated equipment and structures, including pump/booster station and water discharge systems, and their necessary repair and replacement.
- (5) Textron shall be responsible at its cost for payment to the City of Rochester for water purchase and for the negotiation of future water purchase rates.

- (6)** Textron shall be responsible, at its cost, for those administrative costs of the District consistent with the Conservancy District Act.
- (7)** Textron shall be responsible, at its cost, for providing professional services needed by the District, including legal, engineering, and accounting services.
- (8)** Textron shall secure its financial obligations hereunder through the issuance to the District of an irrevocable Letter of Credit issued by a financial institution bearing at least an "A" rating as provided by Moody's or Standard & Poor's, in an amount of two million dollars (\$2,000,000). Every third anniversary of the Letter of Credit's original issuance date the amount of the Letter of Credit shall be adjusted for inflation so as to equal the equivalent of \$2,000,000 in 2012 dollars.

SOUTH RICHLAND

TEXTRON INC.

CONSERVANCY DISTRICT

By: _____

By: _____

Title: _____

Title: _____

Date: _____

Date: _____

EXHIBIT 9

Item	Unit	Unit Cost	Quantity	Extension
4" watermain	LF	\$30	4,280	\$128,400
4" watermain (directionally drilled)	LF	\$35	465	\$16,275
6" watermain	LF	\$38	12,529	\$476,102
6" watermain (directionally drilled)	LF	\$42	914	\$38,388
6" watermain (directionally drilled) River Crossing	LF	\$190	738	\$140,220
6" Gate Valve and Valve Box	EA	\$1,500	27	\$40,500
4" Gate Valve and Valve Box	EA	\$1,250	12	\$15,000
6x6x4" tee	EA	\$500	4	\$2,000
6x6x6" tee	EA	\$500	2	\$1,000
12x6" reducer	EA	\$500	1	\$500
6" Air Release Valve	EA	\$3,000	4	\$12,000
Automatic Flushing System, Complete w/ Valve and Valve Box	EA	\$12,000	2	\$24,000
4" Flushing Hydrant, w/ Valve and Valve Box Complete with up to 15' of piping	EA	\$3,250	6	\$19,500
6" Flushing Hydrant, w/ Valve and Valve Box Complete with up to 15' of piping	EA	\$4,000	14	\$56,000
Master Meter and Vault, Complete	LS	\$30,000	1	\$30,000
RPZ System and Enclosure, Complete	LS	\$20,000	1	\$20,000
Booster Pump/Generator/Chlorine Station, Complete	LS	\$365,000	1	\$365,000
Install Booster/Generator/Chlorine Station, Complete	EA	\$125,000	1	\$125,000
Saddle, Tap, Corp Stop, Curb Stop and Box	EA	\$1,000	34	\$34,000
Service Piping, 1", with tracer wire	LF	\$20	5,634	\$112,680
Service Piping, 2", with tracer wire	LF	\$24	256	\$6,144
Water Meter, Installed	EA	\$400	34	\$13,600
Service Connection to Home, Complete including water shutoff valve, disconnection of existing service	EA	\$600	34	\$20,400
Internal Re-plumbing of Well System For Outdoor Use, Complete	EA	\$600	34	\$20,400
Select Backfill Compacted In Place	CY	\$35	1,077	\$37,686
Abandon Existing Well	EA	\$4,000	4	\$16,000
Seeding/Yard Restoration	SY	\$6	9,447	\$56,682
Driveway, Bituminous R&R	SY	\$100	245	\$24,490
Driveway, Gravel R&R	SY	\$10	1,031	\$10,311
Driveway, Concrete R&R	SY	\$100	23	\$2,294
Driveway, Booster Station	SY	\$40	205	\$8,200
Rip Rap	SY	\$25	78	\$1,950
Flared End Section, Installed	EA	\$1,500	1	\$1,500
Exploration Excavation	CY	\$30	500	\$15,000
Yard Hydrant, Complete	EA	\$1,500	1	\$1,500
Tie-In to Existing Main	LS	\$5,000	1	\$5,000
Pre-Construction Videos & Photos	LS	\$5,000	1	\$5,000
Traffic Control	LS	\$30,000	1	\$30,000
Construction Management	LS	\$93,000	1	\$93,000

Subtotal \$2,025,721

Contingency				\$243,086
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Total				\$2,268,807
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EXHIBIT 10

Annual Budgetary O & M Cost Estimate

Item	Unit	Unit Cost	Quantity	Extension
NPDES Permit fee	EA	\$850	2	\$1,700
Exercise valves (1 day/yr, total 8 hours/yr)	HR	\$60	8	\$480
Water Usage	EA	\$34.06	468	\$15,940
SCADA Maintenance at WTP	LS	\$1,500	1	\$1,500
Chlorine feed system at WTP O&M&R	LS	\$1,500	1	\$1,500
Miscellaneous Maintenance Costs	EA	\$250	6	\$1,500
Hydrant flushing (2 times/year, 24 hours each time, total 48 hours/yr)	HR	\$60	16	\$960
Reading meters (radio read system) (3 hour/mo, total 36 hours/yr)	HR	\$60	36	\$2,160
Automatic flushing hydrants (2 hr/month/hydrant) (total of 2 hydrants, total 48 hours/yr)(assume \$100 per year for battery expense)	HR	\$60	48	\$2,980
Water wasted through flushing hydrants	MONTH	\$229	12	\$2,748
Water main repair (assume 1 per year) (approximately \$5,000 per repair)	EA	\$5,000	1	\$5,000
Sampling/Lab Work	LS	\$1,500	1	\$1,500
Pump Station Maintenance	LS	\$12,500	1	\$12,500
Chlorine booster station (1 hour/wk, total 52 hours/yr and \$2500 in expenses)	HR	\$60	52	\$5,620
Miscellaneous Maintenance Labor (10 hours/month)	HR	\$60	120	\$9,700
Capital Recovery (assume 75 yr capital recovery)	LS	\$30,146	1	\$30,146
Total				\$95,935

