

## **Water Purchase Agreement**

This agreement is entered into this \_\_\_\_\_ day of \_\_\_\_\_ 2012 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:

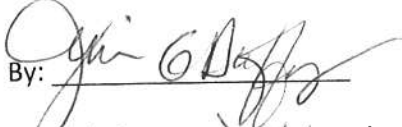
1. The City shall sell water to the Conservancy District or any other legal entity formed to provide water to the Conservancy District Area in quantities sufficient to meet its needs to provide sufficient water to its freeholders until such time as the Conservancy District has a reasonable and economical 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

OK  
MS  
1/26/12

By: 

Title: VP and Deputy General Counsel-Lit

Date: 1/24/12

CITY OF ROCHESTER  
MAYOR, Mark Smiley

By: 

Date: 01/10/12

ROCHESTER WATER WORKS BOARD

By:  Date: 1-9-12  
Jim Tyler

By:  Date: 1/9/12  
Marvin Davis

By:  Date: 1/9/12  
Doug Beller