

BULK WATER PURCHASE AND INFRASTRUCTURE CONTRIBUTION AGREEMENT

PARTIES

This Agreement is entered into between the Kiowa Public Works Authority (KPWA) and Emerald ProjectCo Inc. (Buyer).

PURPOSE

To establish a framework for potential bulk water purchases and infrastructure contributions benefiting the KPWA water system.

BULK WATER SALES ONLY

All water sold under this Agreement shall be sold as bulk water only and picked up at a location designated by KPWA within the municipal limits of the Town of Kiowa.

NO RETAIL SERVICE

Nothing in this Agreement shall constitute retail water service or service to property located within Rural Water District No. 11.

INITIAL INFRASTRUCTURE CONTRIBUTION

Upon execution of this Agreement, Buyer shall pay KPWA a non-refundable Initial Infrastructure Contribution of \$100,000.00. This amount shall be credited toward the total Infrastructure Contribution described below.

TOTAL INFRASTRUCTURE CONTRIBUTION

Buyer agrees to provide a total Infrastructure Contribution of \$1,500,000.00 for water system improvements.

TIF APPROVAL CONTRIBUTION

Upon final approval and creation of the applicable Tax Increment Financing District, Buyer shall pay the remaining balance of \$1,400,000.00 within thirty (30) days.

USE OF FUNDS

Funds may be used for treatment plant improvements, storage, pumping, engineering, legal services, transmission improvements, and related water infrastructure improvements as determined by KPWA.

OWNERSHIP

All infrastructure improvements funded by Buyer shall remain the sole property of KPWA.

WATER VOLUME

Subject to availability, Buyer may purchase up to 1,000,000 gallons of bulk water per calendar year. KPWA is not obligated to provide any minimum quantity of water.

PRIORITY OF EXISTING CUSTOMERS

Existing residential, commercial, industrial, and wholesale customers shall remain the first priority of KPWA.

PRICING

Bulk water shall be sold at the bulk water rate approved by KPWA and in effect at the time of sale.

NO GUARANTEE

This Agreement does not guarantee water availability, reserve capacity, or create any water rights.

APPROVALS

This Agreement is subject to approval by KPWA and any approvals required by law.

KIOWA PUBLIC WORKS AUTHORITY

By: _____

Date: _____

EMERALD PROJECTCO INC.

By: _____

Date: _____