

# EXHIBIT 22



## **Service Agreement for Billing, Payment Receipting, Customer Service, and Coordination Services**

This Agreement is made and entered into this 19th day of July 2021, by and between Bluegrass Utility Operating Company, a Kentucky Limited Liability Company (hereinafter called "Client"), and Nitor Billing Services, LLC (hereinafter called "Nitor") a Missouri Limited Liability Company.

Client and Nitor agree:

### 1. General Provisions

1. The relationship of Nitor and Client is that of independent contractor.
2. This Agreement shall be binding upon the respective successors and assignees of each of the parties hereto. Neither party will assign this Agreement without the prior written consent of the other party.
3. This Agreement, including Appendix A and Appendix B, between Client and Nitor supersedes all previous or contemporaneous representations and agreements (whether written or oral), and may be modified only in writing and signed by the parties. Client agrees that its remedies against Nitor, its employees, contractors, and subcontractors shall be limited to those expressly provided in this Agreement. All releases, indemnities, and limitations on liability and remedies stated herein shall apply, regardless of whether the liability or remedies arise in contract, warranty, negligence, strict liability, or otherwise.
4. If any of the provisions contained in this Agreement are held for any reason to be invalid, illegal, or unenforceable, the enforceability of the remaining provisions shall not be impaired thereby.
5. This Agreement gives no rights or benefits to anyone other than Client and Nitor and has no third party beneficiaries.
6. A Customer is defined as a person or entity receiving water utility service or wastewater utility service. Therefore, a person or entity receiving both water and wastewater services would be considered two (2) Customers.
7. All words and phrases in this Agreement shall be defined in accordance with their common usage unless given special definition in this Agreement.



## 2. Statement of Work

1. The statement of work for this Agreement is defined in Appendix B.

## 3. Client Responsibilities

1. Pay for all expenditures as described in Appendix B.
2. Provide utility billing and cash receipting software for Nitor's use that is mutually acceptable to Nitor and Client.
3. Perform all functions and retain all responsibilities and obligations related to the operation and service of the utility not expressly assumed herein by Nitor.

## 4. Compensation and Payment

1. Nitor's compensation under this Agreement shall consist of a Setup Fee and a Monthly Fee.
  1. Nitor's Setup Fee is plus [REDACTED] per Customer (not to exceed this amount per Customer unless agreed by Nitor and Client) to be added to the system during the Setup Period which is defined as the time period prior to the first day in which Nitor provides service to Client Customers ("Setup Period"). For Systems (as defined in Appendix B) that will be added subsequent to the date of this Agreement with a Customer count that exceeds 5,000 Customers, Nitor will analyze incremental customer service representative and billing service capacity and present to Client to arrive at a mutually agreeable Setup Fee.
    1. The Setup Period may last up to 60 days. Nitor shall invoice Client for the Setup Fee upon approval of the Agreement and such invoice shall be due and payable immediately. If the system does not launch as contemplated Nitor shall have the option to reduce customer service representative staffing unless Client agrees to an alternative funding plan.
    2. The Setup Fee covers Setup Services described in Appendix B, Section 2, and includes a single Billing Rate Structure configuration. An additional fee of [REDACTED] will apply for each



additional Billing Rate Structure configuration as described in Appendix B, Section 2.5.

2. The Monthly Fee is payable as of the first day of the month in which Nitor is required to provide services to Client Customers as directed by Client.
  1. Nitor's Monthly Fee is [REDACTED] for up to 225 Customers.
  2. Nitor's Monthly Fee is [REDACTED] per Customer per month when the Customer count is greater than 225.
2. In the event that a change in the scope of services provided by Nitor is necessary, Client and Nitor will negotiate an adjustment in the Monthly Fee through a written amendment to this Agreement.
3. Requests by Client that are outside of the scope of services of this Agreement shall be invoiced to Client at Nitor's prevailing rates as outlined in a supplemental Statement of Work approved by Client.
4. Client will pay Nitor the Monthly Fee for the current month and payment shall be due upon receipt of Nitor's invoice and payable within thirty (30) days.
5. Client shall pay interest at a rate of [REDACTED] percent per month (or the maximum legal rate, whichever is greater) from date due until date paid for late payments.
6. Nitor's requests for payment, and any statements of account that Nitor deems necessary to submit may be sent to Client either by United States Mail, Courier Delivery Service, or electronic mail. The form of submittal shall be at Nitor's discretion and shall be considered a valid submittal unless Client specifically directs Nitor otherwise in writing.

#### 5. Term And Termination

1. The initial term of this Agreement shall be one (1) year from the date of this Agreement. This agreement shall automatically renew annually for a one-year term upon the anniversary date of this Agreement unless otherwise agreed upon in writing by the parties.
2. Either party may terminate this Agreement for any reason upon ninety (90) days prior written notice to the other party.
3. In the event of termination or non-renewal of this Agreement, Nitor shall cooperate with the Client to effect a smooth transition to a new vendor over



a thirty (30) day period for which Nitor shall be compensated according to this agreement. Should the transition require more than thirty (30) days, Nitor and Client shall agree in writing upon the fee for transition services beyond thirty (30) days. If no agreement on the fee for transition services, Nitor shall operate at the default billing rates under this Agreement.

#### 6. Indemnity And Liability

1. Nitor agrees to defend, indemnify, and hold Client harmless from any liability to the extent arising from the negligence of Nitor, its employees, contractors, or subcontractors.
2. Client agrees to defend, indemnify, and hold Nitor harmless from any liability to the extent arising from the negligence, of the Client, or its officers, agents, employees, or subcontractors.
3. In no event shall Nitor, its employees, contractors, or subcontractors, be liable for Client's special, indirect or consequential damages, whether such liability arises in breach of contract or warranty, tort including negligence, strict or statutory liability, or any other cause of action.
4. Client agrees to indemnify Nitor, its employees, contractors, and subcontractors against claims for injury, property damage, or economic loss. This article takes precedence over any conflicting article of this Agreement, and extends to Nitor, its, employees, contractors, and subcontractors.
5. In no event shall the cumulative liability of Nitor, its employees, contractors, and subcontractors relating in any way to this Agreement exceed an amount equal to the total of the last twelve (12) months of Monthly Fees paid to Nitor under this Agreement.

#### 7. Labor Disputes

1. In the event activities by third party employee groups or unions causes disruption in Nitor's ability to perform the services described in the Statement of Work, Client, with Nitor's assistance, or Nitor at its own option, may seek appropriate injunctive court orders during any such disruption. Nitor shall perform on a best efforts basis until any such disruptions cease, but Nitor cannot assure compliance with all contract



requirements.

#### 8. Arbitration

1. If any difference or dispute shall arise between the parties to this Agreement concerning the construction or enforcement of any of its terms, then upon a written request of either party, such difference or dispute shall be resolved through mediation, with each party agreeing to a single mediator who shall be a practicing lawyer or retired judge with knowledge and experience in matters involving Missouri law. Should the dispute not be resolved through mediation, then the dispute shall be submitted to final and binding arbitration through the American Arbitration Association with an arbitrator who shall be a practicing lawyer or retired judge with knowledge and experience in matters involving Missouri law. The decision of the arbitrator shall be final and conclusive on all parties and may be entered as a final judgment in any court of competent jurisdiction and enforced according to the rules and procedures of said court.

#### 9. Force Majeure

1. Neither party shall be liable for damages, delays, or failure to perform its obligations under this Agreement if performance is made impractical, difficult, or costly, as a result of any unforeseen occurrence, including but not limited to fire, flood, strike, acts of God, or other occurrences, beyond its reasonable control. The party invoking this Force Majeure clause shall notify the other party immediately by verbal communication and in writing of the nature and extent of the occurrence within ten (10) working days after such occurrence, and shall take reasonable measures to mitigate any impact of Force Majeure.

#### 10. Changes

1. Client and Nitor may mutually make changes within the general scope of services of this Agreement. The contract price and schedule will be equitably adjusted pursuant to a written Change Order, Modification or Amendment to the Agreement executed by both parties.

#### 11. Applicable Law / Jurisdiction & Venue

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1. This Agreement shall be governed by the laws of the State of Missouri. Claims brought under or in connection with this Agreement or the relationship or transaction contemplated hereunder shall be brought only in the Circuit Court of St. Louis County, State of Missouri, or the United States District Court for the Eastern District of Missouri, and the parties to this Agreement agree and consent to the personal and exclusive jurisdiction of said courts and shall not object to the personal jurisdiction of any such court nor raise any defense to the jurisdiction of any such court based on forum non conveniens or any other theory.

12. Signatures

1. Both parties indicate their approval of this Agreement by their signatures below.

Mark Peterman  
 CEO  
 Nitor Billing Services  
 2021-07-19

Stacy Culleton  
 Customer Experience Director  
 Bluegrass Utility Operating Company  
 2021-08-02



## **Appendix A**

### SERVING NOTICE TO A PARTY

All notices shall be in writing and may be sent either by United States Mail, Courier Delivery Service, or electronic mail to the following addresses:

#### **Nitor Billing Services, LLC**

1734 Clarkson Rd, #138

Chesterfield, MO 63017

Email: [mark.peterman@nitorbillingservices.com](mailto:mark.peterman@nitorbillingservices.com)

Attention: Mark Peterman, President

#### **Bluegrass Utility Operating Company**

1650 Des Peres Red., Suite 303

St. Louis, MO 63131

Email: [jcox@cswrgroup.com](mailto:jcox@cswrgroup.com)

Attention: Mr. Josiah Cox, President

Notice shall be deemed to have been delivered when it is received by the party upon whom notice is being served.





## **Appendix B**

### Statement of Work

#### 1. Service Location:

1. Nitor agrees to provide the billing, payment receipting, and coordination services described in this Agreement for the Customers (homeowners, renters, landlords, businesses, etc.) serviced by the Client. Groups of Customers in a common service area which have been acquired by Client to become part of the Utility Operating Company shall be referred to as "Systems".
2. As of the date of this Agreement, the Systems and Customers to be included to the billing and customer information system are listed in Appendix C.
3. Additional Systems and Customers may be added from time to time as approved by Client and will be added to Appendix C

#### 2. Setup Services:

1. Nitor shall audit the setup of the billing software.
2. Client shall provide the applicable Billing Rate Structure, shut off letter template text, and initial meter readings (if applicable) for Nitor to audit the billing software configuration.
  1. The Billing Rate Structure is information from the approved water and/or wastewater tariff sheet most recently approved by the state within which the utility operates or as provided by Client (e.g. flat water or sewer fee, metered fees, shut off fee, turn on fee, late fees).
  2. Client shall approve such Billing Rate Structure configuration prior to its use by Nitor with any Customer.
3. Nitor shall configure the Virtual Contact Center (VCC) software with the customer service phone number for Client's Customers to call. This includes programming the IVR (interactive voice response) menu, recording messages, setting up voicemail, and enabling Customers to select an option to be passed directly to the emergency service line during non-business hours.
  1. Nitor can provide a toll-free customer service number upon request



for an additional one-time setup fee of [REDACTED]

4. Nitor shall configure the Client-provided Customer service email account within Nitor's support software (currently, Zendesk) so that the Customer service email routes into this software to be dispositioned by Nitor personnel and tracked within the software.

### 3. Services:

1. Nitor shall generate and mail utility bills using letter-size paper and a window envelope each month for the Customers of the utility identified in the Service Location. Postage is not included under this Agreement and will be paid by Client directly to the mailing service. The monthly Customer count may vary as Customers move in or out of the service area under this Agreement. This includes:
  1. Audit of reported meter reads for accuracy prior to importing meter reads into customer information system.
  2. Investigate and validate meter readings that are outside of the normal range.
  3. Contact customers with meter readings that Nitor notices and reasonably suspects the reading is excessive and may indicate a leak.
  4. Import of meter reads into the customer information system.
  5. Process and apply late fees.
  6. Calculate Customer bills
  7. Print and mail Customer bills.
2. Client shall provide Nitor with access to Client's billing and customer information system.
3. Nitor shall provide one customer service phone number for Client's Customers to call.
  1. All calls during local business hours for customer service or emergency requests will route to the customer service phone number.
  2. The customer service phone number will be staffed by Nitor customer service representatives during business hours (8am to 5pm local time for Client).
  3. If no customer service representative is available to address the



Customer's issue, the Customer will have the option to hold or to leave a voicemail or to receive a call back.

4. Nitor's customer service representatives will endeavor to respond to voicemails the same day but no later than the next business day.
  5. Outside of business hours, Customers will be able to select the option to leave a voicemail or select the option to connect to the emergency service call center.
  6. Nitor shall log the Call Type (where Type characterizes the reason for the call as pre-defined by the Client) and brief summary of each Customer service call or email in the customer information system account for that Customer. Nitor shall endeavor to resolve billing questions with the Customer. Requests outside the scope of billing shall be escalated to the Client's designated contact for Customer issues.
4. Nitor will enter a Work Order into the Client's work order system (currently "Utility Cloud") when a Customer requests a physical shut off or turn on of service, reports a leak, makes a complaint that needs to be addressed by an Operator (a person or entity designated by Client that handles field work for Client) or reports any other situation that needs to be addressed by an Operator. Nitor will review this information and prioritize the Work Order based on pre-determined criteria provided by the Client. Nitor will escalate any complaints or service issues as needed to the personnel the Client designates.
  5. Nitor, as a contact for customer service issues, shall receive and process all Start and Stop Service Forms. This includes requesting meter readings when needed via Work Orders and issuing final bills to Customers ending service.
  6. Nitor shall receive and respond to all Contact Forms submitted and will forward to appropriate Client personnel when needed.
  7. Client shall provide Nitor with an Excel or CSV file each month for Customer's receiving water or sewer service that is billed based on a meter reading from Client. The file shall include the customer account number, meter ID (if available), service address, and the current water meter reading for each account.
  8. Client has a lock box established with Client's bank and all Customer



payments for utilities are to be deposited into said lock box. Nitor shall be responsible for posting each payment into the respective Customer's billing account. Client shall be responsible for providing Nitor with access to the web-based reporting interface for the lockbox to download an Excel or CSV file with the Customer payment data for upload and entry into the billing system. Nitor will apply payment data to the Customer billing accounts each business day. Nitor will review notes, letters, and other non-financial information in the lock box each business day.

9. Nitor shall export a file from the billing system with the summary of the bills generated and mailed each month for Client upon request.
10. Nitor shall manage the shut off process for non-payment of fees and the turn-on process after the Customer makes payment. Nitor will:
  1. Generate the shut off letter list based on the Client-approved criteria. Send the shut off letters on the date specified by Client for Customers who are past due as of that date. Record the letters in the customer information system.
  2. Generate required final shut off letter list based on the Client-approved criteria. Send the required shut off letters on the date specified by Client for Customers who are past due as of that date. Record the letters in the customer information system.
  3. Generate the final shut off list based on the Client-approved criteria. Send the final shut off list to Client designated Operators or the designated water company on the date specified by Client for Customers who are past due as of that date. Nitor shall record the notes from Operators or water companies in the customer information system. Nitor shall add shut off fees to applicable Customer accounts.
  4. Notify Operator or water company when turn on of water is needed after payment by Customer. Add turn on fees to Customer accounts when water is turned on.
  5. Nitor shall invoice Client for the materials and handling costs of printing the letters. Postage for mailing letters shall be paid by Client to mailing service.
11. Nitor shall process new service requests described below:
  1. Nitor may receive calls from "Builders" or "Developers" (generally



- any entity requesting new water or sewer service) and provide Client-approved information on costs to tap on to water or sewer systems as well as any other relevant Client-approved information such as inspection fees
2. Nitor will provide Builders with the application and process the completed application
  3. Nitor requests an investigative Work Order from Operators to verify service area, capacity, and type of work to be completed.
  4. Nitor will request the Client-designated Operator perform the inspection once the installation (tap on) is complete and fees are paid.
  5. Nitor will notify any builder if inspection is not passed.
  6. Nitor will invoice the Builder for appropriate charges upon notification by the Operator that the inspection passed.
12. Nitor shall execute payment arrangements with Customers consistent with guidelines provided by Client or escalate payment arrangements to Client which are exceptions to the guidelines provided by Client. This includes:
1. Initial communication and review of the account with the Customer.
  2. Create and send written verification of the payment arrangement to the Customer.
  3. Enter the payment arrangement into the customer information system once the payment arrangement is signed by the Customer.
13. Nitor shall investigate property ownership using local municipality assessor's office websites when property ownership is in conflict with Client data, or it is determined to be vacant. If such assessor's office requires payment for access to website and/or data, Client shall either subscribe to such website and provide access to Nitor or assume responsibility for investigating these issues.
14. Nitor shall provide a monthly reporting package to Client which shall include:
1. Customer call data including: total number of calls, average wait time, average handle time, abandoned calls
  2. Customer shut offs
  3. New service connection requests



## **Appendix C**

### **Systems**

1. The following Systems and Customers are included in the billing and customer information system and services by Nitor according to this Agreement:

1.1. Bluegrass Utility Operating Company with approximately 344 water Customers and 2,252 sewer Customers.

# Signature Certificate

Document Ref.: 2VWMA-QHOZH-APEMQ-KKDI7

Document signed by:

	<p><b>Mark Peterman</b> Verified E-mail: mark.peterman@nitorbillingservices.com</p>	 
<p>IP: 35.129.200.217      Date: 19 Jul 2021 14:21:54 UTC</p>		

	<p><b>Stacy Culleton</b> Verified E-mail: sculleton@cswrgroup.com</p>	 
<p>IP: 71.10.211.134      Date: 02 Aug 2021 15:38:54 UTC</p>		

Document completed by all parties on:  
02 Aug 2021 15:38:54 UTC

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Signed with PandaDoc.com

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**-AMENDED AND RESTATED  
AGREEMENT REGARDING OPERATION OF  
UTILITY TREATMENT FACILITIES  
WATER/WASTEWATER**

This Amended and Restated Agreement Regarding Operation of Utility Treatment Facilities (“Agreement”) is entered into and shall be effective as of the 7<sup>th</sup> day of April, 2022 (“Effective Date”), by and between **BLUE GRASS WATER UTILITY OPERATING COMPANY, LLC.**, a Kentucky limited liability company (“Owner”) and **Midwest Water Operations, LLC**, a Missouri limited liability company (“Operator”), collectively the “Parties”.

**RECITALS**

**WHEREAS**, Owner is the owner for the operation, maintenance, and modernization of water and wastewater treatment facilities, located in Kentucky; and

**WHEREAS**, by contract dated 4.7.2022, Owner and Operator entered into an agreement whereby Operator agreed to provide operations and maintenance services for the following Kentucky wastewater facilities: Airview (KY0045390), Brocklyn (KY0081299), Fox Run (KY0086967), Golden Acres (KY0044164), Great Oaks (KY0080845), Kingswood (KY0101419) Lake Columbia (KY0077674), Longview Homestead (KY0081591), and Persimmon Ridge (KY0090956); and

**WHEREAS**, by contract dated March 31, 2020, Owner and Operator entered into an agreement whereby Operator agreed to provide operations and maintenance services for the following water and wastewater facilities: Center Ridge Water System (KY0180549), Center Ridge Water District No. 2 (KY0180509), Center Ridge Water District No. 3 (KY0180502), Center Ridge Water District No. 4 (KY0183106), Timberland Subdivision/Joann Estates (KY0083755), and River Bluffs (KY0043150); and

**WHEREAS**, by contract dated October 14, 2020, Owner and Operator entered into an agreement whereby Operator agreed to provide operations and maintenance services for the following wastewater facilities: Arcadia Pines (non-discharge), Carriage Park (non-discharge), Marshall Ridge (non-discharge), and Randview (non-discharge); and

**WHEREAS**, by contract dated October 14, 2020, Owner and Operator entered into an agreement whereby Operator agreed to provide operations and maintenance services for the following wastewater facilities: Delaplain (KY0079049), Herrington Haven (KY0053431), Springcrest (no permit – irrigation), and Woodland Acres (KY0096100); and

**WHEREAS**, Owner and Operator have entered into an agreement whereby Operator agrees to provide operations and maintenance services for wastewater facilities serving the Darlington Creek Subdivision (KY0105325); and

**WHEREAS**, Operator provides the services of an operator, certified by the appropriate regulatory authority, as required, for wastewater utility treatment facilities, along with staff and equipment, to operate and maintain wastewater utility treatment facilities in Kentucky; and



**WHEREAS**, the Owner, wishes to retain Operator, and Operator desires to provide services to the Owner related to the operation of the Facilities.

**NOW, THEREFORE**, in consideration of the mutual promises and covenants set forth herein and other good and valuable consideration, the Parties agree as follows:

**ENGAGEMENT; TERM; TERMINATION**

1. **Engagement**. The Owner hereby engages Operator to provide services to the Owner related to the operation of the Facilities, as more particularly described herein, subject to the terms and conditions of this Agreement. Operator hereby accepts such engagement and agrees (i) to perform all services necessary to operate and maintain the Facilities, including, without being limited to, those services specifically set forth in this Agreement and any attachment hereto; and (ii) to use reasonable and diligent efforts and to exercise the highest degree of professional competence in the performance of such services, in all cases, subject to the terms of this Agreement and any requirements of the Owner with regard to the operation of the Facilities.

2. **Term**. The term of this Agreement shall be effective as of the Effective Date and shall continue in full force and effect, unless sooner terminated as provided for herein, until February 22, 2023.

3. **Termination of Agreement Without Cause**. Neither the Owner nor the Operator may terminate this Agreement without cause.

4. **Termination of Agreement With Cause**. The Owner or Operator may terminate this Agreement upon written notice in the event of the failure by the other Party to perform in accordance with the terms of this Agreement. The nonperforming Party shall have ten (10) days from the date of the termination notice to cure or submit a plan for cure acceptable to the other Party.

5. **Delay in Performance**. Neither Owner nor Operator shall be considered in default of this Agreement for delays in performance caused by circumstances beyond the reasonable control of the nonperforming Party. For purposes of this Agreement, such circumstances include, but are not limited to, abnormal weather conditions, floods, earthquakes, fire, epidemics, war, riot, and other civil disturbances, strikes, lockouts, work slowdowns, and other labor disturbances, sabotage, judicial restraint, and inability to procure permits, licenses, or authorizations from any local, state or federal agency for any of the permissions, supplies, materials, accesses, or services required to be provided by either Owner or Operator under this Agreement. Should such circumstances occur, the nonperforming Party shall, within a reasonable time of being prevented from performing, give written notice to the other Party describing the circumstances preventing continued performance of this Agreement.

6. **Termination Duties**. Upon the termination of this Agreement, Operator shall render to the Owner a final accounting which shall cover the period from the date of the last statement rendered to the Owner. The Operator shall also forthwith (i) deliver copies of all records and reporting

documents not already provided to the Owner, as well as, all materials, supplies, contracts, documents, accountings, papers and any and all other reports pertaining to the operation of the Facilities or this Agreement in the possession or under the control of Operator, and (ii) assign to the Owner, or its designee, existing contracts (previously approved by the Owner) in Operator's name, if any, relating to the operation of the Facilities. Within ten (10) days of the effective date of termination of this Agreement, the Owner shall forthwith pay to Operator all compensation then due Operator.

**COMPENSATION TO OPERATOR**

7. Operator Fee for Basic Services. In connection with Operator providing those services to the Owner related to the operation of the Facilities, and as more particularly described hereinbelow, and incorporated herein by this reference, the Owner shall pay to Operator a monthly fee of

[REDACTED]

8. Additional Fee Charged for Services Outside of Basic Scope of Services. In the event the Owner requests Operator to provide additional services not included under the Scope of Services as described herein below, Operator shall be compensated for such additional services in accordance with Operator's Prevailing Fee Schedule as follows:

Operator Fee [REDACTED]  
Operator OT Fee [REDACTED]

9. Reimbursement of Out-of-Pocket Expenses. Operator shall be eligible for reimbursement for any and all documented costs paid by Operator associated with the testing services, electrical, mechanical and/or other parts purchased to repair and/or maintain the Facilities, chemicals required to operate the Facilities, and other out-of-pocket expenses required for the operation of the Facilities that are outside of the scope of the services for which the Operator is being paid the Fee for Basic Services. Prior approval by the Owner is required for all reimbursable expenses. Unless otherwise agreed by Owner, there will be no mark-up, handling charge or other such service fee(s), related to out-of-pocket expenditures and a copy of the original receipt(s) or other proof of purchase acceptable to Owner will be furnished with the reimbursement invoice. Reimbursement requests that were not approved in advance or are not accompanied by suitable proof of purchase may not be honored by Owner.

10. Payment of Fee and Reimbursable Costs. Operator shall submit to the Owner invoices for all Operator fees and claimed reimbursable costs on a monthly basis. All such invoices shall be due and payable to Operator by the Owner within thirty (30) days of the date of the invoice. Operator agrees that payment for claims for reimbursable expenses not received by Owner within sixty (60) days of the date incurred are at the discretion of the Owner. Invoices will be delivered to: ap@cswrgroup.com, or as provided in Section 20.

11. Collection Costs. If the Owner fails to make payments when due, Operator shall provide written notice to the Owner allowing the Owner fifteen (15) days to cure the default in payment. However, if after the fifteen (15) day cure period the Owner continues to fail to make payment to Operator, and Operator incurs any costs in order to collect the overdue sums from the Owner, the

Owner agrees that all such documented collection costs incurred by Operator shall immediately become due and payable to Operator.

#### **RESPONSIBILITIES - OWNER**

12. Maintaining Permits. Owner shall keep all required permits up to date for the Facilities.

13. Payment of Fees Required by Government Authorities. Owner shall pay the annual operating fees, permit renewal fees, construction fees, testing fees, and any and all other fees as required by the governmental authorities for the operation of the Facilities.

14. Damages Caused by Bypass. Owner shall be responsible for and shall hold Operator harmless from liability for damages caused by a bypass of the Facilities or failure of the Facilities to meet the required effluent limits.

15. Maintenance of Records. Owner shall maintain all records on the operation and maintenance of the Facilities for a period of five (5) years or such additional period of time required by Kentucky State law.

#### **RESPONSIBILITIES - OPERATOR**

16. Basic Services. Operator shall provide to Owner the services set forth on the attached **EXHIBIT A**, which by this reference is incorporated herein.

17. Additional or Emergency Services. Any services not listed above shall be considered additional or emergency services. Additional Services are not included as part of the Basic Services and shall be paid for by Owner in accordance with the Operator's fee schedule set forth hereinabove.

18. Standard of Care. The standard of care of all services performed or furnished by Operator under this Agreement will be the care and skill ordinarily used by operators practicing under similar conditions at the same time and in the same locality.

19. Insurance. Operator shall procure and maintain in effect throughout the duration of the term of this Agreement insurance coverage not less than the types and amounts specified below. The Operator also agrees to furnish the Owner, from time to time and on demand, with suitable evidence that such insurance is in force. In the event that additional insurance, not specified herein, is required by Owner during the course of the services covered by this Agreement, Operator shall supply such insurance and all additional costs shall be borne by Owner. Policies containing a self-insured retention will not be acceptable to Owner. A company with an A- or better rating must issue all insurance policies. All coverage required herein shall list Owner as an additional insured including ongoing operations and completed operations on a primary and non-contributory basis using form CG 20 10 11 85 or its equivalent, and Operator shall maintain all coverage in force continuously without interruption during the term of this Agreement, except as set forth below with respect to tail coverage. In addition, each coverage required herein shall include a waiver of subrogation (where allowable by law).

- (a) Comprehensive General liability insurance on an "occurrence basis," in the amount of at least \$1,000,000.00 per occurrence, with at least a \$2,000,000.00 annual aggregate limit, including broad form property damage, blanket contractual and personal injuries (including death resulting therefrom) coverage.
- (b) Automobile Liability insurance in the amount of \$500,000.00 per person and \$1,000,000.00 per occurrence for bodily injury and \$500,000.00 per occurrence for property damage or \$1,000,000.00 combined single limit. Coverage should extend to any auto or owned, hired or non-owned autos.
- (c) Worker's Compensation and Employers Liability in the amount required by law.
- (d) Commercial Umbrella Coverage on all of the foregoing coverage in the amount of \$5,000,000.00 per occurrence and \$5,000,000.00 aggregate.
- (e) Operator shall maintain in force Pollution Legal Liability policy with limits of \$1,000,000.00 per occurrence and \$2,000,000.00 aggregate. In the event that Pollution Liability Coverage is discontinued for any reason by Operator after the termination of this Agreement, Operator agrees to procure tail coverage in force continuously without interruption for a period of three (3) years from the date of the termination of this Agreement.
- (f) Professional Liability Error and Omissions coverage of not less than \$1,000,000.00 per occurrence and \$2,000,000.00 aggregate. In the event that Professional Liability Errors and Omissions coverage is discontinued for any reason after the termination of this Agreement, Operator agrees to procure tail coverage in force continuously without interruption for a period of three (3) years from the date of the termination of this Agreement.

The policies listed above shall include within their certificate an endorsement that the policy may not be canceled until sixty (60) days prior written notice of cancellation has been served upon Owner by registered or certified mail.

Indemnification: Operator shall to the fullest extent of the law defend, indemnify and hold harmless Owner and all of its parent companies, subsidiaries, affiliates and subcontractors, including their respective officers, directors, employees, principals, partners, agents, successors and assigns, (collectively "Indemnitees") from and against any and all actions, suits, arbitrations, administrative proceedings, demands and claims for any and all damages, injunctive or any other relief based on any cause of action whatsoever (sometimes individually "Claim" and sometimes collectively "Claims"), that may be brought or made against, or incurred by, Indemnitees on account of liabilities, damages, losses, cost, expenses, settlements, judgments, awards, and governmental penalties and sanctions, including reasonable attorneys' fees and experts' fees, including those attributable to bodily injury (including death), personal injury and property damage

(sometimes individually “Liability” and sometimes collectively “Liabilities”), caused by, arising out of, or contributed to by any negligence, acts, errors, omissions or conduct of Operator, its employees, subcontractors, or agents, related in any way to the performance of any and all services described herein, except to the extent the Claims or Liabilities are determined to have been caused by the negligent or the willful misconduct of the Owner. Such obligation shall not be construed to negate, abridge, or reduce other rights or obligations of indemnity that would otherwise exist as to a party or person described in this Agreement.

Operator shall provide to Owner at execution of this Agreement a certificate of insurance showing all required endorsements and additional insureds.

### **NOTICES**

20. **Notices.** Any notice, demand, consent, approval, request or other communication, required or permitted to be given hereunder, shall be in writing and shall be deemed to have been delivered (i) on the day personally delivered, (ii) upon receipt if sent by overnight courier, (iii) on the third business day following its mailing by registered or certified mail (return receipt requested), postage prepaid, by deposit in the United States mail, or (iv) on the day received (if received by 5:00 p.m. local time on a business day at the location of the recipient [i.e., any day other than a Saturday or Sunday or Kentucky state (depending on the recipient’s location) or federal holiday] and if not so received then on the next business day) if sent by facsimile or electronic transmission with proof of successful transmission.

Owner: BLUE GRASS WATER UTILITY  
OPERATING COMPANY, LLC.  
1630 Des Peres Road, Suite 140  
St. Louis, MO 63131  
Attn: Jo Anna McMahon  
Phone: (314) 380-8571  
Facsimile: (314) 736-4743  
Email: jmcmahon@cswrgroup.com

Operator: MIDWEST WATER OPERATIONS, LLC  
1351 Jefferson Street  
Washington, MO 63090  
Phone: 636-432-2144  
Email: management@midwestwaterop.com

Either party may, by notice given as aforesaid, designate a different address or addresses for notices to be given to it.

### **GENERAL PROVISIONS**

21. **Information Provided by Others.** Owner shall furnish, at Owner's expense, all information, requirements, reports, data, surveys and instructions required by this Agreement. Operator may use such information, requirements, reports, data, surveys and instructions in performing its services and is entitled to rely upon the accuracy and completeness thereof.

22. Relationship of Parties. The Operator is and will remain for the term of this Agreement an independent contractor completely responsible for its own acts and for the manner in which, and the form by which, it performs this Agreement, and as such shall set its own hours and means and methods and shall not be subject to the supervision and control of the Owner except as to the results obtained. In no event shall the relationship created by this Agreement constitute a joint venture or partnership between the Owner and the Operator. Neither Party is authorized to assume or create any obligation or responsibility on behalf of, or in the name of, the other or bind the other in any manner whatsoever whether as agent, legal representative or otherwise.

23. Third Party Rights. Nothing contained in this Agreement shall be construed to give any rights or benefits to anyone other than Owner and Operator.

24. Waiver. A waiver by either Owner or Operator of any breach of this Agreement shall be in writing. Such a waiver shall not affect the waiving party's rights with respect to any other or further breach.

25. Severability. The invalidity, illegality, or unenforceability of any provision of this Agreement or the occurrence of any event rendering any portion or provision of this Agreement void shall in no way affect the validity or enforceability of any other portion or provision of this Agreement. Any void provision shall be deemed severed from this Agreement, and the balance of this agreement shall be construed and enforced as if this Agreement did not contain the particular portion or provision held to be void. The parties further agree to amend this Agreement to replace any stricken provision with a valid provision that comes as close as possible to the intent of the stricken provision. The provisions of this Section shall not prevent this entire Agreement from being void should a provision, which is of the essence of this Agreement, be determined void.

26. Survival. Notwithstanding completion or termination of this Agreement for any reason, all rights, duties and obligations of the parties to this Agreement shall survive such completion or termination and remain in full force and effect until fulfilled.

27. Successors and Assigns. Owner and Operator each binds itself and its successors, assigns, and legal representatives to the other party to this Agreement and to the successors, assigns, and legal representatives of such other party in respect to all provisions of this Agreement.

28. Assignment. The Operator shall not assign any rights or duties under this Agreement without the prior written consent of the Owner, which shall not be unreasonably withheld. However, the Owner shall be free to assign the rights and/or duties under this Agreement to any successor in interest by providing written notice to the Operator setting forth the name and contact information for the assignee and the date that the assignment will become effective. Nothing contained in this Section shall prevent Operator from employing independent Operators, associates, and subcontractors to assist in the performance of the Services.

29. Controlling Law. The laws of the State of Kentucky shall govern this Agreement.

30. Anti-bribery, Anti-corruption and OFAC Compliance. The Owner takes a zero-tolerance approach to bribery and corruption. By executing this Agreement the Operator expressly

acknowledges that all employees, agents, contractors and sub-contractors of the Operator must at all times comply with all applicable anti-bribery and anti-corruption laws and Operator policies and related procedures in relation to anti bribery and anti-corruption as set out herein or as may be implemented or amended from time to time and which will be made available for review upon request. Operator agrees to comply with the following policies:

- Operator may not provide or receive anything of value to obtain or retain business or favored treatment from public officials; candidates for office; employees of state-owned enterprises; employees or officers of counterparties, clients/customers, or suppliers; any agent of the aforementioned parties; or any other person with whom the Operator does or anticipates doing business.
- The prohibition against providing “anything of value” to obtain or retain business or favored treatment includes improper payments, such as cash bribes or kickbacks, but also may include other direct or indirect benefits and advantages, such as inappropriate gifts, meals, entertainment, charitable contributions, and offers of employment or internships.

In addition, the Owner is committed to combating money laundering, terrorist financing, securities fraud and other financial crimes (collectively “money laundering”) and complying fully with all applicable laws and regulations relating to combating money laundering. The Owner is also committed to complying with economic and trade sanctions administered and enforced by governments and supranational bodies, including, among others, the sanctions programs and designated sanctions lists administered by the U.S. Department of the Treasury’s Office of Foreign Assets Control (“OFAC”), the United Nations Security Council, the European Union and Her Majesty’s Treasury. Compliance by employees, agents, contractors and sub-contractors of the Operator with all applicable anti-money laundering laws and regulations and sanctions programs and lists (collectively, “AML”) is strictly required as a condition of this Agreement. Operator’s participation with any employee, agent, contractor and/or sub-contractor of the Owner to engage in money laundering, or to fail to comply with all applicable AML laws, regulations, and Owner’s AML policies, will be a breach of this Agreement, and will be cause for immediate termination of this Agreement by the Owner.

31. Executed Counterparts/Facsimile Signatures. This Agreement may be executed in any number of counterparts, each of which when so executed and delivered shall be deemed to be an original and all of which counterparts taken together shall constitute but one and the same instrument. Signature pages may be detached from the counterparts and attached to a single copy of this Agreement to physically form one document. This Agreement may be executed by a Party’s signature transmitted by facsimile or electronic transmission, and copies of this Agreement executed and delivered with facsimile signatures shall have the same force and effect as copies hereof executed and delivered with original signatures. The Parties hereto may rely upon facsimile signatures as if such signatures were originals. The Parties hereto agree that a facsimile signature page may be introduced into evidence in any proceeding arising out of or related to this Agreement as if it were an original signature page.

32. Further Assurances. From time to time, each Party shall execute and deliver such further documents and shall take such other action as the other Party reasonably may request in order to discharge and perform their obligations and agreements hereunder.

33. Time. Time is of the essence of each provision of this Agreement in which time is an element. Time in which any act provided by this Agreement is to be done shall be computed by excluding the first day and including the last, unless the last day is a Saturday, Sunday or legal holiday under the laws of the States of Kentucky or the United States of America, and then it is also excluded. Unless the context otherwise requires, all periods terminating on a given day, period of days, or date shall terminate at 5:00 p.m. Central Time on that day or date and references to "days" shall refer to calendar days.

34. Attorneys' Fees. In the event of any legal proceeding between the Parties arising out of the subject matter of this Agreement, in addition to any other award to which it shall be entitled, the prevailing party shall be entitled to an award for the reasonable attorneys' fees and costs incurred by its in connection with such proceedings.

35. Entire Agreement. This Agreement, and all attachments hereto, is the entire Agreement between Owner and Operator. It supersedes all prior communications, understandings and agreements, whether oral or written. The paragraph titles used in this Agreement are for general reference only and are not part of the Agreement. Amendments to this Agreement must be in writing and signed by both the Owner and the Operator.

36. Payments. It is further mutually agreed between the parties hereto, that no payment made under this Agreement shall be deemed as conclusive evidence of the performance of this Agreement, either in whole or in part, and that no payment shall be construed to be an acceptance of defective work or improper performance or materials.

**IN WITNESS WHEREOF**, Owner and Operator have executed this Agreement, effective on the date first above written.

**OWNER:**

**OPERATOR:**

BLUE GRASS WATER UTILITY  
OPERATING COMPANY, LLC

MIDWEST WATER OPERATIONS, LLC

By  \_\_\_\_\_

By  \_\_\_\_\_

Title: President \_\_\_\_\_

Title: President \_\_\_\_\_



**EXHIBIT A**  
**Operator Services – Wastewater**

1. Maintain all required certificates, licenses and approvals required by the governing authorities to operate the Facilities;
2. Make minimum of 3 (for mechanical plants) or 1 (for lagoons) weekly visits to the treatment facility to monitor the operation of the Facilities in order to assure the Facilities are in compliance with all required standards of the governing authorities and those set forth in this Agreement or any attachments hereto;
3. Perform weekly inspections of the Facilities' components as described in the CMMS (computerized maintenance management system) or as needed to meet manufacturers' specifications and recommendations.
4. Perform monthly, quarterly, semiannual, annual duties of the Facilities' components as described in the CMMS (computerized maintenance management system) or as needed to meet manufacturers' specifications and recommendations.
5. Maintain all facility records included in CMMS;
6. Perform all routine scheduled work orders generated through CMMS;
7. Prepare and file the necessary reports to government regulators to maintain regulatory compliance and provide copy of same to Owner;
8. Obtain the sampling requirements for testing by the government regulators and/or the Owner;
9. Contact appropriate laboratories to provide adequate testing and reporting services for Owner;
  - a. Provide all test results to the Owner as early as possible.
  - b. Notify the Owner immediately via Email and Phone of any test results that are outside of regulatory or permit limits, represent a potential for a Notice of Violation, could result in a fine from a Regulatory agency, or could cause a negative impact on the public.
10. Contact and direct appropriate contractors to make repairs to the system as needed for operation.
11. Monitor all of the Facilities' system alarms and remote controls and contact Owner in the event of an alarm;
12. Maintain a 24-Hour 7 day per week maintenance and emergency service phone line for customer utility service disruption events;
13. Must respond to all customer calls and notifications within a 2-hr period of receiving call or notification;
14. Provide a 24-Hour on-call emergency utility service response for operations;
15. Perform Utility Locates;
16. Perform Operation and Maintenance Tasks (tracked via work orders in the CMMS system), for time and material, which may include but are not limited to:
  - a. Sewer main, or manhole repair and maintenance
  - b. Service and utility construction inspections
  - c. Sewer main flushing, rodding, or jetting
  - d. Lift station maintenance and repair
  - e. Cleaning and vacuuming of manholes

- f. Lagoon repair/maintenance requiring excavating equipment (e.g. backhoe, loader, etc.)
- g. Mowing and trimming of plant, lagoon and right of way areas
- h. Chemical application to lagoon cells
- i. Fence repair & upkeep
- j. Sewer main video inspection and recording
- k. Sewer main repair and/or replacement
- l. Customer service issues requiring action on behalf of the utility
- m. Pavement repairs
- n. Items identified during start-up by Operator as inoperable or concerning conditions of the facility that would affect treatment performance. Owner to review items and grant approval prior to repair work beginning.

### **Operator Services – Water**

1. Maintain all required certificates, licenses and approvals required by the governing authorities to operate the Facilities;
2. Make weekly or more frequent visits to the treatment facility to monitor the operation of the Facilities in order to assure the Facilities are in compliance with all required standards of the governing authorities and those set forth in this Agreement or any attachments hereto;
3. Perform weekly inspections of the Facilities' components as described in the CMMS (computerized maintenance management system) or as needed to meet manufacturers' specifications and recommendations.
4. Perform monthly, quarterly, semiannual, annual duties of the Facilities' components as described in the CMMS (computerized maintenance management system) or as needed to meet manufacturers' specifications and recommendations.
5. Maintain all facility records included in CMMS;
6. Perform all routine scheduled work orders generated through CMMS;
7. Prepare and file the necessary reports to government regulators to maintain regulatory compliance and provide copy of same to Owner;
8. Obtain the sampling requirements for testing by the government regulators and/or the Owner;
9. Contact appropriate laboratories to provide adequate testing and reporting services for Owner;
  - a. Provide all test results to the Owner as early as possible.
  - b. Notify the Owner immediately via Email and Phone of any test results that are outside of regulatory or permit limits, represent a potential for a Notice of Violation, could result in a fine from a Regulatory agency, or could cause a negative impact on the public.
  - c. Additionally, provide the Owner immediate notification of any situation or activity that would require a precautionary boil order or other interruption to normal service to customers.
10. Contact and direct appropriate contractors to make repairs to the system as needed for operation;

11. Provide monthly water bac-T results;
  - a. Provide all test results to the Owner as early as possible.
  - b. Notify the Owner immediately via Email and Phone of any test results that are outside of regulatory or permit limits, represent a potential for a Notice of Violation, could result in a fine from a Regulatory agency, or could cause a negative impact on the public.
  - c. Additionally, provide the Owner immediate notification of any situation or activity that would require a precautionary boil order or other interruption to normal service to customers.
12. Meter readings;
13. Monitor all of the Facilities' system alarms and remote controls and contact Owner in the event of an alarm;
14. Maintain a 24-Hour 7 day per week maintenance and emergency service phone line for customer utility service disruption events;
15. Must respond to all customer calls and notifications within a 2-hr period of receiving call or notification;
16. Provide a 24-Hour on-call emergency utility service response for operations including 2-Hour emergency service per month;
17. Perform Utility Locates.
18. Perform Operation and Maintenance Tasks (tracked via work orders in the CMMS system), for time and material which may include but are not limited to:
  - a. Water main repair and maintenance
  - b. Service and utility construction inspections
  - c. Water main flushing
  - d. Booster station maintenance and repair
  - e. Mowing and trimming of plant and right of way areas
  - f. Fence repair & upkeep
  - g. Customer service issues requiring action on behalf of the utility
  - h. Pavement repairs

**SECOND AMENDMENT TO  
AGREEMENT REGARDING OPERATION OF  
UTILITY TREATMENT FACILITIES  
(WATER/WASTEWATER)**

This Second Amendment to Amended and Restated Agreement Regarding Operation of Utility Treatment Facilities ("Second Amendment") shall be effective as of the 17th day of February, 2023, and shall amend the Amended and Restated Agreement Regarding Operation of Utility Treatment Facilities dated April 7, 2022 ("Agreement"), by and between **Bluegrass Water Utility Operating Company, LLC**, a Kentucky limited liability company ("Owner") and **Midwest Water Operations, LLC**, a Kentucky limited liability company ("Operator"), (each individually a "Party" and collectively the "Parties").

**RECITALS**

**WHEREAS** Owner and Operator entered into the Agreement to obtain Operator's assistance in the operation, maintenance, and modernization of water and wastewater facilities Owner owns and operates in the state of Kentucky; and

**WHEREAS**, the Parties desire to extend the expiration date of the Agreement;

**NOW, THEREFORE**, in consideration of the mutual promises and covenants set forth herein and other good and valuable consideration, the Parties agree as follows:

**TERM AND TERMINATION**

1. For Facilities covered by the Agreement, Section 2 of the Agreement is amended to provide as follows:

Term. The term of this Agreement shall be effective as of the Effective Date and shall continue in full force and effect, unless sooner terminated as provided for herein, until March 31, 2024.

2. Access to Third-Party Technology. As part of this Agreement, Operator acknowledges that it will be provided access to certain Third-Party Technology. For purposes of this Agreement, Third-Party Technology means any software, code, algorithms, processes, methods, inventions, or other technology which is not owned by Owner. Operator will not: modify, translate, or create a derivative work of any portion of Third-Party Technology; sell, lease, loan, provide, distribute or otherwise transfer any portion of Third-Party Technology to any other party; reverse engineer, disassemble, decompile, or otherwise attempt to gain access to the source code of Third-Party Technology; display or disclose any portion of the interface of Third-Party Technology to any person except to Operator's employees and contractors who are required to use the technology; remove, alter, or cover any copyright notices or other proprietary rights notices placed or embedded on or in any part of the Third-Party Technology; or cause or permit any other party to do any of the foregoing.

3. The Parties acknowledge the previous execution of a First Amendment to the Agreement. The terms of the First Amendment are hereby superseded by this Second Amendment. Thus, the First Amendment is no longer effective.

All terms of the Agreement are adopted and incorporated by reference into this Second Amendment, except those expressly amended above.

**IN WITNESS WHEREOF**, Owner and Operator have executed this Second Amendment, effective on the date second above written.

**OWNER:**

**OPERATOR:**

BLUEGRASS WATER UTILITY  
OPERATING COMPANY, LLC

MIDWEST WATER OPERATIONS,  
LLC.

By:  \_\_\_\_\_

By:  \_\_\_\_\_

Title: \_\_\_\_\_

Title: President \_\_\_\_\_