

KENTUCKY-AMERICAN WATER COMPANY
CASE NO. 2025-00240
ATTORNEY GENERAL'S SUPPLEMENTAL REQUEST FOR INFORMATION

Witness: Dominic DeGrazia

1. Reference the response to AG-DR-1-1 (a). If KAW was granted a CPCN to replace all existing meters with AMI as part of system-wide "investment project," does the Company agree that the use of AFUDC would be appropriate?

Response:

As stated in AG-DR-1-1 KAW has not proposed the move to AMI as an investment project and therefore does not intend to use AFUDC.

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Witness: Justin Sensabaugh

2. Reference the responses to AG-DR-1-1 (c), PSC-DR-1-17 (c), and PSC-DR-1-20. Confirm the following expected results from the proposed AMI project: (i) KAW's labor head count will not decrease; and (ii) KAW envisions that the proposed AMI project will "... support higher value work" in its workforce.

Response:

Confirmed.

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Witness: Justin Sensabaugh

3. Explain whether there is any reason not to believe that once the AMI project is completed, KAW's labor expense will increase. If not confirmed, provide a complete explanation for why not.

Response:

There is no reason to believe the deployment of AMI on its own will increase labor expense. The deployment of AMI is expected to create efficiencies, not require additional resources. As explained in response to Staff's First Request, Item 17, "[t]here is no change to the number of employees expected as a result of the transition from AMR to AMI. The expectation is that benefits created by AMI can reduce certain demands on FSR/meter reader resources and thus free up bandwidth to support higher value work."

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Witness: Krista Citron

4. Reference the response to AG-DR-1-2. Confirm that under the Company's proposed plan, at year 15 the Company would have to begin a new cycle of replacing AMI meters.

Response:

No, that is not what the referenced response is stating. KAW's proposal is to replace AMR meters with AMI meters at the time that they reach their useful life, or malfunction. If approved, KAW would begin replacing AMR meters that have reached the end of their useful life or that have malfunctioned with AMI meters in 2026; and then KAW would continue to replace AMR meters that reach the end of their useful life or malfunction with AMI meters each year until the entirety of the KAW system is operating with AMI meters. Assuming a 10-year useful life/length of service (LOS) replacement program, full AMI implementation would be expected around year 10, or 2036. Then, in year 11, or 2037, the AMI meters that were installed in year 1 would be due for replacement following the 10-year LOS replacement program. The CBA assumes a 20-year time span, allowing for two full replacement cycles.

The response to AG-DR-1-2 indicates that it is year 15 where the average cost AMI becomes the least cost solution compared to AMR. This is a narrative description of the "20-Year Annual Costs Net of Benefits by Year per Customer per Month" found in Figure 21 of Exhibit A.

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Witness: Craig Dowell

5. Reference the response to AG-DR-1-5. Confirm the following:
- a. The meter manufacturer / vendor would be the entity providing the head end computer system; and
 - b. The referenced head end computer system would not be physically located in the Commonwealth of Kentucky.

Response:

- a. Correct, the meter manufacturer provides a Head End System used to collect and store interval read data, alerts and alarms and provides analytics.
- b. Correct, the Head End System is not a computer system stored physically stored at a KAW location, it is a web-based application that is accessible via internet browser.

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Witness: Krista Citron

6. Regarding the proposed new composite meter pit lids:
- a. Provide the estimated lifespan; and
 - b. Explain whether the cost was included in all relevant cost-benefit analyses;

Response:

- a. The composite meter pit lids have an expected lifespan of 50 years, so the cost of replacing the lids was only included once in the CBA's 20-year analysis.
- b. Yes, the cost of the lids is included in the CBA. Reference Exhibit A, Figure 16. Note that these quantities are a conservative estimate; the footnote to this figure points out that some meter sets in Kentucky are dual-set and in those cases, would only require one lid for two meters.

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Witness: Justin Sensabaugh

7. Provide an estimate for how many meter pits are dual set, and explain why dual set meter boxes have two meters.

Response:

KAW does not have a way to estimate the number of dual set meter boxes without visual inspection of its entire system. Many KAW customers have dual meters in one box as an operational practice for house proximity in neighborhoods. The shared meter boxes have a single lid with an antenna for each meter installed.

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Witness: Krista Citron

8. Explain whether the Company analyzed the potential impacts, if any, of the proposed CPCN project on Kentucky-American's waste-water customers, including any impact on bills.

Response:

No impact is expected for KAW's wastewater customers. It is possible that the implementation of AMI meters could result in improvements to wastewater bills in areas where KAW is both the water and wastewater provider, owing to more accurate water billing and/or a reduction in estimated meter reads. However, this was not a scenario that was analyzed as part of the CPCN because of its minimal scope.

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Witness: Krista Citron

9. Reference spreadsheet provided in response to AG-DR-1-8, KAW_R_AGDR1_NUM008_0829025_Attachment_A_PUBLIC, Tab 0-Inputs, Cells A209 through B222, please provide the following:
- a. Explain the meaning and required actions referred to in the note in cell A211, when this is necessary, and why AMI results in the service order improvement listed in B211.
 - b. Explain the meaning and required actions referred to in the note in cell A212, when this is necessary, and why AMI results in the service order improvement listed in B212.
 - c. Explain the meaning and required actions referred to in the note in cell A213, when this is necessary, and why AMI results in the service order improvement listed in B213.
 - d. Explain the meaning and required actions referred to in the note in cell A217, when this is necessary, and why AMI results in the service order improvement listed in B217.
 - e. Explain the meaning and required actions referred to in the note in cell A218, when this is necessary, and why AMI results in the service order improvement listed in B218.
 - f. Explain the meaning and required actions referred to in the note in cell A219, when this is necessary, and why AMI results in the service order improvement listed in B219.
 - g. Explain the meaning and required actions referred to in the note in cell A220, when this is necessary, and why AMI results in the service order improvement listed in B220.
 - h. Explain the meaning and required actions referred to in the note in cell A221, when this is necessary, and why AMI results in the service order improvement listed in B221.
 - i. Explain the meaning and required actions referred to in the note in cell A222, when this is necessary, and why AMI results in the service order improvement listed in B222.
 - j. Explain the meaning and required actions referred to in the note in cell A223, when this is necessary, and why AMI results in the service order improvement listed in B223.
 - k. Explain the meaning and required actions referred to in the note in cell A224, when this is necessary, and why AMI results in the service order improvement listed in B224.

1. Explain the meaning and required actions referred to in the note in cell A215 and A216, when each is necessary, the difference between the two, and why AMI results in different service order improvements listed for B215 and B216.

Response:

Refer generally to tab “ServOrderOpp-AMI” as the basis for the “0_Inputs” tab. Cells A209 through B222 refer to different service order types.

- a. Back Off. (Office) Review Investigation: These are manually created when there are potential issues with completed service orders, such as missing/incorrect information. These are most often generated from meter change or meter read service orders. KAW anticipates fewer of these types of orders because an AMI meter can be read without a physical visit to the meter.
- b. Change Meter: These service orders could be created for several reasons, however, KAW expects fewer of these service orders with AMI implementation because the removal of meters at or beyond the end of their useful life would have been replaced.
- c. Check MeterVerif Serial #&Read: This service order type is used to collect information such as the MIU number or to confirm a reading. AMI will enable readings to be taken remotely rather than with a physical visit.
- d. Must Read MetersBillingUseOnly: This service order is based on billing flags—for example a higher-than-normal read or a backwards read. KAW expects fewer of these service orders with AMI implementation because the meter reading data is available remotely and may not require a physical visit.
- e. New Cust, Read, Leave On: This order type is for when a new customer moves in and service is started. With AMR meters, a physical meter reading is required, but with AMI meters, the starting read can be obtained from the metering data rather than a physical visit.
- f. Priority Read for Billing: This order is created when there is any anomaly in meter reading to confirm the reading. AMI will enable readings to be taken remotely rather than with a physical visit.
- g. Read: Read orders obtain a meter read for any number of reasons, but AMI will enable readings to be taken remotely rather than with a physical visit.
- h. Stop Consec Est (Consecutive Estimate) – Inside: These orders are when the meter is set inside, and used to diagnose an issue to stop estimates. AMI technology will be able to identify issues as they are happening rather than waiting a full meter reading cycle to identify an estimate.

- i. Stop Consec Est – Outside: These orders are when the meter is set outside, and used to diagnose an issue to stop estimates. AMI technology will be able to identify issues as they are happening rather than waiting a full meter reading cycle to identify an estimate.
- j. Repair/Install Reading Device: These service orders are generated when there is a need to diagnose, repair or replace the endpoint. AMI technology will enable diagnosing certain issues without a physical visit to the meter.
- k. Zero Usage – See if Mtr Stuck: These orders are used to ensure a meter is not stuck or to confirm a vacant property when there is no usage registering. AMI technology will be able to identify issues such as zero usage as they are happening rather than waiting a full meter reading cycle to identify no usage.
- l. Move Out, Leave On, Final Read: KAW maintains landlord agreements in several areas which allows tenants to move out but the water service remains on, and KAW obtains the final read for the exiting tenant. AMI will enable this final read to be obtained remotely rather than with a physical visit to the meter.

Move Out, Turn Off: These orders are created when a customer moves out and the water service is physically turned off. In some cases, a new customer may already be moving in, so AMI would enable KAW to obtain the exiting customer's final read and the new customer's starting read without a physical visit.

AMI is expected to impact these two order types differently because the Move Out, Leave On, Final Read orders will be almost entirely performed remotely, without a physical visit. Move Out, Turn Off orders in many cases will still require a physical visit for the service turn-off so the AMI improvement is less.

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Witness: Krista Citron

10. Reference spreadsheet provided in response to AG-DR-1-8, KAW_R_AGDR1_NUM008_0829025_Attachment_A_PUBLIC, Tab ServOrderOpp-AMI, please provide the following information:
- a. Explain the difference between values in cells B11 through B58 and cells C11 through C58.
 - b. Explain why the formulas used in cells G11 through G58 and I11 through I58 reference the cells in B11 through B58, respectively, and not the cells in C11 through C58.

Response:

- a. Values in cells B11 through B58 represent the total orders received in each category in 2024. In other words, for calendar year 2024, KAW received 255 orders for Back Off. (Office) Review Investigation.

Values in cells C11 through C58 represent the orders completed in each category in 2024. Using the same example as above, KAW completed 243 of their 255 orders for Back Off. (Office) Review Investigation.

- b. The formulas used in cells G11 through G58 and I11 through I58 are calculating the reduced quantity of service orders expected once AMI saturation in KAW's system has been achieved. A portion of this total benefit is then recognized every single year, as portions of the system are converted to AMI. Unlike meter reading benefits, service order benefits begin right away.

The calculation in G cells indicates the expected quantity of orders received in a year by category. For Back Off. (Office) Review Investigation, KAW estimates a 25% reduction in cases with full AMI implementation, for a new total of 191 orders (64 fewer than 255).

The calculation in I cells is adjusting that reduction based on KAW's service order completion percentage from 2024. For this category, the completion rate was 95%, so the total expected reduction in orders would be 61 fewer orders. This is the number that is used in the calculation for expected time benefit (column L).

The exact same figure would be derived if column C had been referenced directly, as the question suggests. Multiplying Column C (243 completed orders pre-AMI) by column E (25% AMI improvement) also yields 61 fewer orders.

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Witness: Krista Citron

11. Reference the spreadsheet provided in response to AG-DR-1-8, KAW_R_AGDR1_NUM008_0829025 Attachment A CONFIDENTIAL, Tab Comp3-CustDetail, please explain why [REDACTED] in cell D27.

Response:

This cell references a calculation in the "LOS Like" tab, found in cell D213. This value is an incremental property tax expense and is equal to the difference in the property tax expenses found in C212 and D212, which went down in year one due to a slight reduction in net book value.

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Witness: Krista Citron

12. The response provided to OAG-DR-1-27 did not address the question. Please explain why KAW did not perform a cost benefit analysis on replacement of all meters with AMI on an expedited basis.

Response:

KAW respectfully submits its answer to OAG-DR-1-27 was responsive. Please see the last two sentences, especially: “OAG asks why KAW has not chosen an accelerated pace. KAW made this choice for the exact same reason [it] made the same choice in its proposal in Case No. 2023-00191—to maximize the economic value of its assets for its customers.”

The reason not to include an expedited scenario in the cost benefit analysis is the same. KAW would prefer to maximize the value of our existing assets for our customers by replacing them in the normal course of business as they reach the end of their useful life. Cellular technology enables this solution.

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Witness: Krista Citron

13. Referring to the response provided to OAG-DR-1-28, has KAW calculated the efficiency gains by grouping LOS geographically? If not, can an estimate be provided?

Response:

Length of service (LOS) meter replacements are not intentionally “grouped” geographically. They are identified by the age of the meters only. That said, KAW’s response to OAG-DR-1-28 noted that “most meters in a given residential area will be approximately the same age, and therefore eligible for replacement around the same time frame. This will allow KAWC’s installation contractor to work more effectively.”

KAW is paying a per meter fee to the contractor for replacements, so any efficiency gained from geographic proximity is already baked in. KAW has not attempted to measure it separately.

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Witness: Craig Dowell

14. Refer to the response to OAG-DR-1-34 (b) where KAW states that on demand reads can affect endpoint battery life and the response to OAG-DR-1-25 where KAW states that “pinging” the endpoint does not affect battery life. Please explain the fact that these responses directly conflict with each other.

Response:

AMI endpoints are 2-way communication devices. These devices are configured to communicate outbound to the Head End System (HES) 4 times a day Monday – Friday and 1 time per day on Saturday and Sunday. The devices can also communicate inbound from the HES to the endpoint (for on-demand reads or firmware updates). The manufacturer warranty covers battery life of the endpoint including outbound communication as well as inbound communication. However, excessive use of the inbound communication could potentially affect the battery. American Water mitigates this risk by limiting the number of on-demand readings that can be triggered per day.

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Witness: Justin Sensabaugh

15. Refer to the response to OAG-DR-1-35. Has KAW calculated the number of meters that will not have cell service access if AMI were implemented? What is the plan for reading these meters if AMI were to be implemented?

Response:

No. The actual meters found to have limited coverage, at time of install, can be assigned to an AMR meter reading route.

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Witness: Krista Citron

16. Recently KAW announced a large water main improvement project in Lexington, KY (see <https://www.lanereport.com/183460/2025/09/kentucky-american-water-to-improve-4-8-million-in-water-main-projects/>). Please provide the following information:
- a. Will this require replacement of customer meters before the expected 10-year life?
 - b. If so, how many, what kind, and has this been accounted for in KAW's cost benefit analysis for both AMR and AMI?
 - c. Assuming the Commission grants KAW's request to move to AMI, will these replaced meters be AMI enabled as part of this project?
 - d. Will this work be performed by KAW personnel or contractors?
 - e. If the work is performed by contractors, please describe how KAW manages the project.

Response:

- a. No, these water main replacement projects do not typically include replacing meters.
- b. N/A
- c. N/A
- d. This work is typically performed by contractors.
- e. For water main replacements like this one under KAW's Qualified Infrastructure Program (QIP), the projects are competitively bid out to KAW's list of pre-qualified contractors. KAW employees serve as project managers and construction inspectors. Once a contractor has been selected, KAW holds a pre-construction meeting to review items like safety, schedule, permitting, any particular details about the jobsite, etc. Once work commences, the KAW construction inspector works with the contractor to procure materials, observe the contractor's work, participate in safety discussions, coordinate with relevant Lexington-Fayette Urban County Government (LFUCG) officials, and review progress. Once the water main work is completed, a walk-through is performed with KAW employees, the contractor, and LFUCG officials to identify paving and restoration requirements. After paving and restoration is complete, the project is closed.

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Witness: Justin Sensabaugh

17. Referring to the response to PSC-DR-1-9, please provide the units used for UFW.

Response:

The information provided in the charts for PSC-DR-1-9 is in percentage. In the referenced Monthly UFW chart, January 2025 would be 21.35%.

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Witness: Craig Dowell

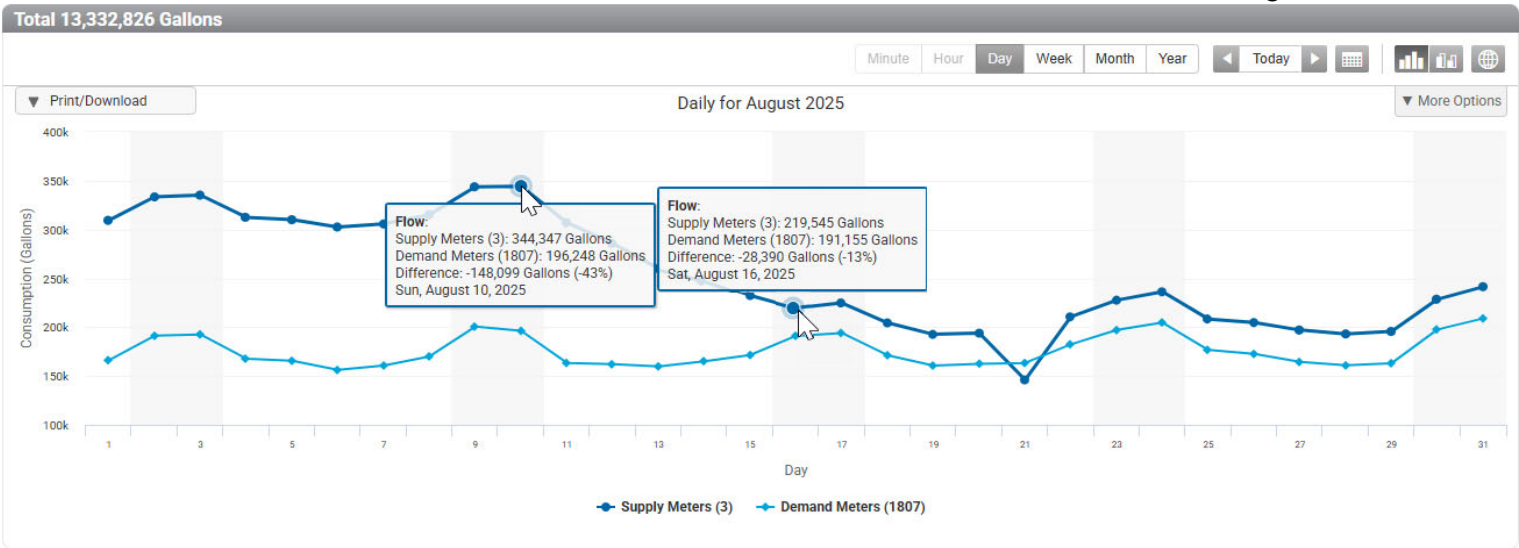
18. Referring to the response to PSC-DR-1-14 (b), please explain the statement involving the difference from 47% to 13%. Was this actual UFW or was it the difference between taking monthly AMR “snapshot” readings at different times for customer meters and comparing that to district area metering? Please explain fully and provide data used for this comparison.

Response:

This was actual water loss. By connecting an AMI endpoint to Supply Meters and connecting AMI endpoints to Demand Meters (customer meters), the subsidiary was able to identify a difference of 148,099 gallons per day (about 100 gallons a minute) between what was measured from Supply Meters compared to what was measured at Demand Meters. The AMI endpoint allowed the system to collect consumption of both the supply and demand meters in 15 min intervals. Once identified, the subsidiary was able to bring in a specialist that was able to pinpoint and repair the leak reducing the difference from 148,099 gallons (47%) to 28,390 gallons (13%). The attached image shows the following info:

- August 10, 2025: 148,099 Gallons (47%) difference from Supply & Demand meters
- August 16, 2025: 28,930 Gallons (13%) difference from Supply & Demand meters

Attachment: KAW_R_AGDR2_NUM018_092425_Attachment1



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Witness: Krista Citron

19. Referring to the response to PSC-DR-1-17 (a), should “KAW_R_PSCDR1_NUM026_082925” be “KAW_R_PSCDR1_NUM027_082925” ? If not, please provide KAW_R_PSCDR1_NUM026_082925.

Response:

No. PSC-DR-1-17 (a) asked: Provide the current make, model, and age of the AMR technology that Kentucky-American currently utilizes. PSC-DR-1-27 refers specifically to “the number of meters, including make and model, Kentucky-American has removed due to failure of the accuracy of the meter, not the MIU” and is therefore only a subset of all KAW’s meters.

The full inventory of meters by make and model is summarized in KAW_R_PSCDR1_NUM026_082925. The ages of the meters can be found in KAW_R_AGDR1_NUM008_082925 Attachment A in tab “Data-Meters” as identified below:

A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	T	U	V	W	
Inventory of Meters 2" or Smaller as of March 12, 2025										Count of Meters													
INVENTORY FIELD										INVENTORY FIELD EXCEPT FOR SUM													
INVENTORY FIELD										INVENTORY FIELD EXCEPT FOR SUM													
Open System	Function Class/Make	Company Code	Manufacturer	Location	Endpoint	PR/Device	Certification	End/PR/View	Cal Val	Number of Meters	Anticipated Year of Replacement	LOS	State-LOS	Also by AMR	APR Year of Replacement	Calibration	Endpoint	Type of Replacement	LOS	Co	Alternate Year of Replacement	Alternate Age at Replacement	Age
RGST	5/8" Water Meter Size	IV	Hersey	Inside	Mueller-HF-AMR	AMR	2012	Y	52	2022	2025	KY 2025	N	2025	13	AMR	Meter B Endpoint	KY	2025	13	14		
RGST	5/8" Water Meter Size	IV	Hersey	Inside	Mueller-HF-AMR	AMR	2013	Y	93	2023	2025	KY 2025	N	2025	12	AMR	Meter B Endpoint	KY	2025	12	13		
RGST	5/8" Water Meter Size	IV	Hersey	Inside	Mueller-HF-AMR	AMR	2016	Y	1	2026	2025	KY 2025	N	2025	10	AMR	Meter B Endpoint	KY	2025	10	11		
RGST	5/8" Water Meter Size	IV	Hersey	Outside	Mueller-HF-AMR	AMR	2012	Y	7360	2022	2025	KY 2025	N	2025	13	AMR	Meter B Endpoint	KY	2025	13	14		
RGST	5/8" Water Meter Size	IV	Hersey	Outside	Mueller-HF-AMR	AMR	2013	Y	1074	2023	2025	KY 2025	N	2025	12	AMR	Meter B Endpoint	KY	2025	12	13		
RGST	5/8" Water Meter Size	IV	Hersey	Outside	Mueller-HF-AMR	AMR	2014	Y	4	2024	2025	KY 2025	N	2025	11	AMR	Meter B Endpoint	KY	2025	11	12		
RGST	5/8" Water Meter Size	IV	Hersey	Outside	Mueller-HF-AMR	AMR	2016	Y	81	2026	2025	KY 2025	N	2025	10	AMR	Meter B Endpoint	KY	2025	10	11		
RGST	5/8" Water Meter Size	IV	Hersey	Outside	Mueller-HF-AMR	AMR	2017	Y	4	2027	2025	KY 2025	N	2025	12	AMR	Meter B Endpoint	KY	2025	12	13		
RGST	5/8" Water Meter Size	IV	Hersey	Outside	Mueller-HF-AMR	AMR	2018	Y	1	2028	2025	KY 2025	N	2025	10	AMR	Meter B Endpoint	KY	2025	10	11		
RGST	5/8" Water Meter Size	IV	Mueller	Inside	Mueller-HF-AMR	AMR	2014	Y	2	2024	2025	KY 2025	N	2025	11	AMR	Meter B Endpoint	KY	2025	11	12		
RGST	5/8" Water Meter Size	IV	Mueller	Inside	Mueller-HF-AMR	AMR	2016	Y	8	2026	2025	KY 2025	N	2025	10	AMR	Meter B Endpoint	KY	2025	10	11		
RGST	5/8" Water Meter Size	IV	Mueller	Outside	Mueller-HF-AMR	AMR	2012	Y	1	2022	2025	KY 2025	N	2025	13	AMR	Meter B Endpoint	KY	2025	13	14		

Column B: Meter size

Column D: Meter manufacturer

Column F: Meter endpoint type and manufacturer

Column J: Count of meters in this make/model/age bucket

Column W: Age of the meter in years

Using row 77 as an example, KAW has 81 total meters (column J) that are 5/8" Hersey meters (columns B and D) with Mueller AMR endpoints (column F) that are 11 years old (column W).

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Witness: Justin Sensabaugh

20. Referring to the response to PSC-DR-1-18 (a), please explain how KAW will use “third-party services for the installation of meters.”
- a. Is this the current practice for meter replacement?
 - b. How are these service providers currently selected and how is their work overseen and managed?
 - c. Will this practice change if conversion is made to AMI?
 - d. How are these third-party service providers selected and utilized? Please provide current contracts and agreements for these services.
 - e. Will changing to AMI from AMR affect the utilization of third-party service providers or KAWC oversight of these providers?

Response:

- a. KAW currently uses contractors and current staff to change meters.
- b. Contractors are selected through the current RFP process for contractors. They are managed by KAW personnel and automated system processes.
- c. No.
- d. Refer to response for part b. See KAW_R_AGR2_NUM020_092425_Attachment – Confidential. A portion of this response is confidential and is being provided pursuant to a petition for confidential protection.
- e. No.

AGREEMENT FOR GENERAL CONTRACTING SERVICES

THIS AGREEMENT (the "Agreement") is entered into this 13th Day of May 2024 (the "Effective Date") by and between Kentucky American Water Company, a Kentucky corporation with its principal office located at 2300 Richmond Rd, Lexington, KY 40502 ("Kentucky American Water"), and OES Underground, a Kentucky corporation with its principal office located at 126 General Nelson Drive, Richmond, KY 40475 ("Contractor").

WHEREAS, Contractor desires to sell, and Kentucky American Water desire to purchase, General Contracting services, in accordance with the terms and conditions provided in this Agreement.

NOW, THEREFORE, in consideration of the promises and considerations set forth below, the parties hereto agree as follows:

- 1. TERM.** This Agreement shall commence May 13th, 2024, the Effective Date and shall remain in effect until May 31st, 2029. This Agreement may be terminated by Kentucky-American Water or Contractor for any reason with Sixty (60) calendar days' advance written notice to the other party. Unless otherwise directed in writing by Kentucky American Water, upon receipt of such termination notice from Kentucky American Water, Contractor shall immediately cease all Services in progress and shall not incur any additional costs and expenses on behalf of Kentucky American Water
- 2. SCOPE.** Contractor agrees to provide for sale to Kentucky American Water, General Contracting services (the "Services") as outlined in the Scope of Work, which are provided for each individual job. The term "Services" shall include any reports, recommendations, software, hardware, or any other deliverable as provided in the SOW documents.
- 3. PRICING.** Pricing for the Services shall be as set forth in Bid Submissions.
- 4. INDEMNIFICATION.** Contractor will, at its sole cost, indemnify, defend and hold Kentucky American Water and its Affiliates and Operating Ventures harmless, together with their respective directors, officers, and employees, from and against any losses, liabilities, damages or expenses resulting therefrom (including court costs and reasonable attorneys' fees), but only to the extent caused by the negligent acts or omissions or willful misconduct in connection with the Contractor's Services provided under this Agreement. Kentucky American Water shall (i) notify Contractor in writing about the raised claim in a timely manner; and (ii) authorize Contractor to lead and settle the legal proceedings (provided that no such settlement shall include an admission of liability or guilt by Kentucky American Water without Kentucky American Water's prior written consent) at Contractor's own cost, with Kentucky American Water providing reasonable cooperation and support as requested by Contractor. However, Contractor's defense costs incurred in providing a defense for Kentucky American Water shall be reimbursed by Kentucky American Water except to the extent such defense costs are caused by Contractor's negligent acts or omissions, breach of any of the provisions of this Agreement, or willful misconduct.
- 5. LIMITATION OF LIABILITY.** Notwithstanding anything to the contrary contained in this Agreement and except for Kentucky American Water's obligations under Section 7

(Confidentiality) under this Agreement, for any and all claims related to this Agreement, Kentucky American Water's and its Affiliates' and Operating Ventures' cumulative and aggregate liability to Contractor hereunder shall in no event exceed the amount of fees and other amounts shown to be owed and unpaid by Kentucky American Water and its Affiliates and Operating Ventures pursuant to the terms of this Agreement for Services rendered by Contractor hereunder.

Kentucky American Water agrees that Contractor's total liability to Kentucky American Water and the total liability to Kentucky American Water of Contractor's principals, officers, agents, and employees, for any and all injuries, claims, losses, expenses, or damages whatsoever, including attorney's fees, arising out of or in any way related to the Project or this Contract from any cause or causes, including, but not limited to, Contractor's negligence, errors, omissions, strict liability, breach of contract, or breach of warranty shall not exceed Contractor's total fee under this Agreement or \$50,000, whichever is greater. In no event shall either party be liable to the other for any indirect, incidental, special or consequential damages whatsoever (including but not limited to lost profits or interruption of business) arising out of or related to the services provided under the Agreement.

6. WARRANTIES.

- a. Contractor represents and warrants that the Services do not and will not infringe upon or otherwise violate any rights, patents, trademarks, copyrights or trade secrets of any third party. If Purchaser's use of the Services is enjoined, impaired, or otherwise restricted by reason of any claim of infringement of patent, trademark, copyright, trade secret or infringement of any other rights, Contractor shall, at its option, either (1) modify such deliverable so that it becomes non-infringing, but still in conformance with Purchaser's requirements; or (2) procure for Purchaser the right to use such deliverable with equivalent capabilities. This Section shall survive any termination of this Agreement.
- b. Contractor represents that the Services will be free from liens and deficiencies and that the Services will conform with the requirements of the Agreement and SOW. Services not conforming to these requirements shall be corrected promptly by Contractor after receipt of a written notice from Kentucky American Water to do so. Contractor further represents that no part of any Services violates any right of privacy of any third parties and that the Services shall substantially comply with all written descriptive materials furnished to Kentucky American Water by Contractor.
- c. Contractor represents that their services shall be performed in a manner consistent with that degree of skill and care ordinarily exercised by practicing design professionals performing similar services in the same locality, at the same site and under the same or similar circumstances and conditions. The Contractor makes no other warranties, expressed or implied, with respect to the services rendered hereunder.
- d. Any information describing the Contractor's skill, experience, techniques, training and services contained in sales material provided to Kentucky American Water in Contractor's response to any previous quotation are incorporated as a representation in this Agreement.
- e. Contractor represents that: (i) it is capable in all respects of providing all Services in accordance with this Agreement; and (ii) it understands the nature, location, and scope of Services to be performed hereunder.

- f. Contractor represents that: (i) it is a corporation duly formed and in good standing under the laws of the State of Kentucky; (ii) it is qualified and registered to transact business in all locations where the performance of its obligations hereunder would require such qualification; (iii) it has all necessary rights, powers, and authority to enter into, and to fulfill all of its obligations and grant all of the rights that it purports to grant under this Agreement; (iv) the execution, delivery, and performance of this Agreement by Contractor has been duly authorized by all necessary corporate action; (v) the execution and performance of this Agreement by Contractor shall not violate any domestic or foreign law, statute, or regulation and shall not breach any agreement, covenant, court order, judgment, or decree to which Contractor is a party or by which it is bound or otherwise violate any rights of any third party; (vi) it has, and covenants that it shall maintain in effect, all governmental licenses and permits necessary for it to provide the Services contemplated by this Agreement; and (vii) it owns or leases, and covenants that it shall own or lease, or have the right to use, free and clear of all liens and encumbrances, other than lessors' interests, or security interests of Contractor's lenders, appropriate right, title, or interest in and to the tangible property that Contractor intends to use or uses to provide the Services in accordance with this Agreement (except for any resources expressly indicated herein as to be provided by Kentucky American Water).
- g. Contractor represents and warrants that, as of the Effective Date, there is no pending or threatened outstanding litigation, arbitrated matter, or other dispute to which Contractor is a party, that, if decided unfavorably to Contractor, could reasonably be expected to have a potential or actual material adverse effect on Contractor's ability to fulfill its obligations hereunder, and that Contractor knows of no basis that might give rise to any such litigation, arbitration, or other dispute in the foreseeable future. Upon becoming aware of any such basis, Contractor shall promptly notify Kentucky American Water thereof.
- h. Contractor warrants that, in providing the Services and in otherwise performing its obligations under this Agreement, Contractor shall comply, and, to the extent within Contractor's control, shall not prevent Kentucky American Water or its Affiliates and Operating Ventures from complying or materially impede them in complying, with all applicable laws, regulations, and ordinances of any relevant jurisdiction, and all applicable policies of Kentucky American Water and its Affiliates and Operating Ventures, including but not limited to those pertaining to personnel and security.
- i. Contractor is expected to conform its business dealings with Kentucky American Water in accordance with the underlying principles of Kentucky American Water's Code of Ethics, a copy of which is available on Kentucky American Water's website at <http://www.amwater.com>.

7. PROTECTION OF PROPRIETARY INTERESTS; CONFIDENTIALITY.

- a. The parties agree that specifications, pricing schedules, proprietary tools, basic forms, computer programs, manuals, supporting material data, documents, policies, procedures, records and other information that have been disclosed or may be disclosed by one party (the "Disclosing Party") to the other (the "Receiving Party") is confidential in nature ("Confidential Information"), and the Receiving Party agrees to refrain from using such Confidential Information in a manner inconsistent with the purpose of this Agreement or disclosing such Confidential Information to (i) third parties; or (ii) individuals within its own organization who do not have a strict need to know such information. All Kentucky American Water

information shall qualify as confidential unless it is disclosed in writing and labeled as not confidential. Any information that is disclosed orally by Kentucky American Water must be confirmed as not confidential in writing to qualify for the exclusion of protection set forth in this section. The nondisclosure obligations herein shall not apply to information that: (i) is or becomes publicly known through no fault or breach of this Agreement by the Receiving Party; (ii) is independently developed by the Receiving Party without using the Disclosing Party's confidential information, or is rightfully obtained from a third party without restriction on use or disclosure; (iii) is already in the possession of the Receiving Party at the time of the disclosure without the obligation of confidentiality. Notwithstanding anything to the contrary contained in this Agreement, the terms and conditions of this Agreement shall be considered Confidential Information. Except as may be required by law, in the event that one party to this Agreement receives a summons, subpoena, regulatory order, court order or other demand to disclose any Confidential Information, each party agrees to first notify the other of such demand in writing, and shall provide an opportunity for such party to lawfully object and defend any rights it may have to the Confidential Information at the Disclosing Party's sole cost and expense. The requirement to notify and provide an opportunity to defend shall not apply to Kentucky American Water's regulated utility Affiliates ("Regulated Entities") in the event such Regulated Entity determines in good faith that disclosure of Contractor's Confidential Information is required in response to a general information request (whether by subpoena or otherwise) made by such Regulated Entity's utility regulator not specifically targeting Contractor's Confidential Information. No rights or licenses under patents, trademarks or copyrights are granted or implied by any disclosure of confidential information. Confidential Information, and any and all authorized copies thereof, shall remain the property of the Disclosing Party and shall be destroyed or returned if requested by the Disclosing Party, provided that the Receiving Party may keep one copy of Confidential Information solely for recordkeeping so long as is necessary to comply with regulatory requirements.

- b. Each party will permit the other party to disclose information to any consultant or third-party provider, provided (1) that party has a confidentiality agreement with that consultant or third-party provider that ensures it will not disclose to anyone or use information for its own benefit or the benefit of its customers; (2) the confidentiality agreement restricts third-party's or consultant's employees to do only what that party needs them to do; (3) the third-party or consultant agrees to use what it learns only to help that party conduct its internal business operations, and agrees that it will not use the information for themselves or for their customers.
- c. Each of Contractor and Kentucky American Water acknowledge that, in the event of a breach of this section, the owner of the Confidential Information may not have an adequate remedy in money or in damages and, therefore, shall be entitled to seek injunctive relief against such breach without any requirement to post bond as a condition thereof.
- d. All of the restrictions set forth in this Section 7 shall survive any termination of this Agreement.

8. BACKGROUND CHECKS

- a. Contractor acknowledges that the Federal Government has declared public water systems, including Kentucky American Water's, to be critical infrastructure essential to the continued operation of the government and the nation.
- b. Contractor acknowledges that Kentucky American Water's water and wastewater operations are governed by numerous federal and state statutes and regulations, and subject to regulation by numerous federal and state agencies.
- c. Contractor acknowledges that, among other things, Kentucky American Water provides retail water and wastewater service to the public, as authorized and regulated by public utility commissions, so that Kentucky American Water has a public-service obligation to provide safe and affordable water and wastewater service to the public.
- d. Contractor will conduct, or will have conducted, a background check on each of its employees or individual subcontractors before the employee or subcontractor performs any function or activity under this Agreement that involves access to Kentucky American Water's Confidential Information or on-site work at any of Kentucky American Water's facilities. The background check conducted by Contractor will include at least the following:
 - Previous employers and dates of employment;
 - Education;
 - Professional License verification;
 - Military Service Verification;
 - Driving record;
 - Criminal history (state and federal);
 - References;
 - Credit history or social security number trace;
 - Personal history to the extent permitted by applicable laws and regulation; and
 - Verification of eligibility to work in the United States.
- e. Contractor's review of this information will endeavor to:
 - authenticate the identity of the individual;
 - insure that data is consistent with an individuals stated history and current status;
 - uncover any discrepancies;
 - reveal any criminal history; and
 - uncover any other pertinent information tending to establish that the individual may represent a security risk to Kentucky American Water's personnel, facilities, or Kentucky American Water's responsibility for the public safety and the providing of safe and adequate utility to Kentucky American Water's customers.
- f. Upon request, Contractor will make available for Kentucky American Water's review, the documentation and results of the background check with respect to any employee of Contractor performing under this Agreement. Kentucky American Water will not retain such records or documentation and any findings from its review will be confidential.

9. INVOICING.

- A. Owner will be invoiced for Services when the Services are completed. All invoices shall be submitted within 30 days of work completion. Contractors will be required and agree to submit all invoices through the New Jersey American Water Taulia portal. The Taulia home page may be found here;

<https://customers.taulia.com/americanwater/>

Payments shall be remitted to:

OES Underground
PO Box 2141
Richmond, KY 40475

- b. If Kentucky American Water disputes any invoice or a portion thereof, Kentucky American Water shall not pay the disputed portion of such invoice until the parties have resolved such dispute in accordance with the dispute resolution process delineated in Section 17 of this Agreement. The undisputed portion of any invoice shall be paid as set forth herein.
- c. If any undisputed fees remain unpaid sixty (60) calendar days after Kentucky American Water's receipt of an invoice, Contractor will notify Kentucky American Water in writing of the late payments and, in Contractor's discretion, the dispute resolution procedures delineated in Section 17 shall begin to resolve payment of such fees. If such matter remains unresolved following completion of the dispute resolution process delineated in Section 17, then the parties may resolve such dispute through litigation.

10. RELATIONSHIP OF THE PARTIES.

- a. Contractor represents that any and all personnel providing services to Contractor and/or Kentucky American Water as a result of this Agreement or any subsequent Agreement(s) will be considered solely employees of Contractor. Contractor's employees shall not be entitled to participate in any of Kentucky American Water's employee benefit plans, including but not limited to retirement plans (such as pensions, 401(k), and profit sharing), stock purchase plans, deferred compensation plans, health and welfare benefits, disability benefits, paid time off (such as vacation, sick, personal, sabbatical), severance pay and other like plans and programs.
- b. Contractor and its employees, agents, and consultants shall be an independent contractor and not employees of Kentucky American Water. Nothing contained herein shall serve to constitute a relationship or partnership or joint venture between the parties. Contractor shall not be an agent of Kentucky American

Water and shall have no power to bind or otherwise obligate Kentucky American Water in any manner whatsoever nor shall Contractor be authorized to enter into agreements or any other contractual relationships on behalf of Kentucky American Water.

11. SUBCONTRACTORS. Except as otherwise provided herein (i) Contractor shall not subcontract to any subcontractor all or any part of the Services described in or contemplated under this Agreement without the prior written consent of Kentucky American Water (in its sole discretion); (ii) each such subcontractor may perform only the specific Services described with regard to such subcontractor in a written request submitted by Contractor to Kentucky American Water when seeking such consent; and (iii) no change may be made to the specific Services performed by a particular subcontractor, and no substitution, replacement, or change of subcontractors may be made without the advance written consent of Kentucky American Water. All performance of Services by each subcontractor shall at all times be in accordance with the terms and conditions of this Agreement. Prior to performing any Services, each subcontractor shall execute a non-disclosure agreement that contains terms substantially consistent with the terms of Section 7 of this Agreement. Contractor covenants that its arrangements with subcontractors shall not prohibit or restrict any such subcontractor from, at any time, entering into direct agreements with Kentucky American Water. Notwithstanding anything to the contrary set forth in this section or elsewhere in this Agreement, Contractor shall not engage any subcontractors that are competitors of Kentucky American Water. Approval by Kentucky American Water of any subcontractor shall not relieve Contractor of its obligations or liability with respect to the work to be performed by it or the subcontractor, or of its liability for any property damage or personal injury caused by the subcontractor or its employees. Contractor shall at all times be liable and responsible as a principal for the performance of all of the duties and obligations of Contractor hereunder that Contractor may elect to subcontract to any of its subcontractors or affiliates, or to any other third party.

12. GOVERNING LAW; SEVERABILITY.

- a. This Agreement shall be governed and construed in accordance with the laws of the State of Kentucky, without reference to or application of conflict of laws, rules or principles.
- b. If any one or more of the provisions contained within this Agreement is deemed invalid, illegal, or otherwise unenforceable by a court of competent jurisdiction, the provision of the Agreement will be enforced to the maximum extent permissible and the remainder of the provisions of this Agreement will remain in full force and effect. Contractor and Kentucky American Water mutually agree to substitute any invalid, illegal or unenforceable provision of this Agreement with a valid, legal, or enforceable provision which comes as close as possible to the reasonably inferred intent of the invalid, illegal, or unenforceable provision.

13. USE OF LOGO. Contractor shall not, without Kentucky American Water's express written permission, (i) use Kentucky American Water's name, nor any trade name, logo, trademark, or service mark, whether registered or not, or the name, assumed business name, trade name, logo, trademark, or service mark, whether registered or not, of any Kentucky American Water Affiliate or Operating Venture, in connection with publicity, advertisements, promotion or in any other connection, or (ii) identify Kentucky American Water or its Affiliates and Operating Ventures in any manner on customer or vendor lists or on a web site (or on any third party web site) or in any web site metatags; or (iii) disclose to any third party the existence of this Agreement or the monetary value of any goods or services purchased hereunder. Contractor shall indemnify Kentucky American Water for reasonable costs and

expenses incurred in connection with enforcing the provisions of this section. All of the restrictions and obligations set forth in this section shall survive any termination of this Agreement.

14. FORCE MAJEURE. Neither party hereunder will be responsible for any failure or delay in its performance under this Agreement due to causes that are beyond such party's reasonable control and that is not caused by such party's negligence including, but not limited to, acts of God or the public enemy, fire, flood, strike or other labor dispute directly affecting the project implementation, civil disturbance, or omission by public authority or authorities having proper jurisdiction; provided, however, that if either party's failure or delay in performance hereunder extends beyond fifteen (15) calendar days then the other party shall have the right to immediately terminate this Agreement.

15. EEOC. Contractor specifically represents to Kentucky American Water:

- a. that it agrees to comply with Executive Order 11246 and abide by the provisions of the "Equal Opportunity Clause" at 41 CFR § 60-1.4, which is incorporated herein by reference, unless exempt pursuant to 41 CFR § 60-1.5;
- b. that it agrees to comply with the Vietnam Era Veterans Readjustment Assistance Act of 1974, as amended, Executive Order 11701 (Employment of Veterans by Federal Agencies and Government Contractors and Subcontractors), and the provisions of the "Affirmative Action for Disabled Veterans and Veterans of the Vietnam Era Clause" at 41 CFR §60-250.5, which is incorporated herein by reference, unless exempt pursuant to 41 CFR §60-250.4.
- c. that it agrees to comply with the Rehabilitation Act of 1973, Executive Order 11758 (Authority Under Rehabilitation Act of 1973), and the provisions of the "Affirmative Action for Workers With Disabilities Clause" at 41 CFR 60-741.5, which is incorporated herein by reference, unless exempt pursuant to 41 CFR §60-741.4;
- d. that it agrees to comply with Executive Order 13201 (Notice of Employee Rights Concerning Payment of Union Dues or Fees) and abide by the provisions of the clause at 29 CFR § 470.2, which is incorporated herein by reference, unless exempt pursuant to 29 CFR §§ 470.3-.4;
- e. that it agrees to comply, where applicable, with the policies set forth in Executive Order 11625 (National Program for Minority Business Enterprises) and Executive Order 12138 (National Program for Women's Business Enterprise), the Small Business Act, 15 U.S.C. § 631, et seq., and with the "Utilization of Small Business Concerns" and "Small Business Subcontracting Plan" clauses at 48 CFR § 52.219-8 and 9, respecting subcontracting with small disadvantaged, female-owned, veteran-owned, service-disabled veteran-owned, HUBZone, and other small businesses.

16. INSURANCE.

- a. At no expense to Kentucky American Water, Contractor shall (1) obtain and keep in force during the term of this Agreement, and any renewals or extensions hereof; and (2) require its subcontractors to obtain and keep in force during the terms of their respective engagements or contracts, the minimum insurance limits and coverage set forth below. The insurance coverage limits stated below are minimum coverage requirements, not limitations of liability, and shall not be

construed in any way as Kentucky American Water's acceptance of the responsibility of Contractor .

I. Commercial General liability:

- * \$1,000,000 per occurrence combined single limits.
- * \$1,000,000 general aggregate.
- * \$1,000,000 products and completed operations aggregate.
- * CGL ISO 1996 or later occurrence form including premises and operations coverage, products and completed operations, coverage for independent contractors, personal injury coverage and blanket contractual liability, Contractor's protective liability if Contractor subcontracts all or any portion of the work to be performed hereunder. Completed operations shall be maintained for a period of three (3) years following final completion for any construction, renovation, repair, or maintenance service.

II. Workers' Compensation:

- * Coverage A: Applicable federal or state requirements: statutory minimum.
- * Coverage B: Employer's Liability:
- * Each accident: \$1,000,000.
- * Each employee – disease: \$1,000,000.
- * Policy limit - disease: \$1,000,000
- * Coverage C: Voluntary workers compensation insurance coverage for all employees not subject to the applicable workers compensation act or acts.
- * The workers' compensation policy shall also include U.S. longshoreman and harbors workers' compensation act coverage if any work to be performed hereunder shall be done over or within one hundred (100) feet of any body of water, or otherwise at the sole discretion of Kentucky American Water. Contractor shall provide maritime (Jones Act) coverage if a boat or vessel of any type is used.

III. Automotive Liability (including owned, hired, borrowed and non-ownership liability).

Bodily injury and property damage \$1,000,000 each occurrence combined single limits.

IV. Umbrella Liability. \$4,000,000 each occurrence and annual aggregate in excess of employer's liability, General liability and Automotive liability (no more restrictive than underlying insurance).

- b. The minimum liability limits required may be satisfied through the combination of the primary general liability, employers' liability, and automotive liability limits with an umbrella liability policy (with coverage no more restrictive than the underlying insurance) providing excess limits at least equal to or greater than the combined primary limits.
- c. All commercial general liability including completed operations-products liability coverage and automotive liability insurance shall designate Kentucky American Water, its parent, Affiliates and subsidiaries, its directors, officers and employees as an additional insured. All such insurance should be primary and non-contributory, and is required to respond and pay prior to any other

insurance or self-insurance available to Kentucky American Water. In addition to the liability limits available, such insurance will pay on behalf of or will indemnify Kentucky American Water for defense costs. Any other coverage available to Kentucky American Water applies on a contingent and excess basis. Such insurance shall include appropriate clauses pursuant to which the insurance companies shall waive its rights of subrogation against Kentucky American Water.

- d. Contractor and any of its subcontractors shall furnish, prior to the start of work, certificates or adequate proof of the foregoing insurance including, if specifically requested by Kentucky American Water, copies of the endorsements and insurance policies naming Kentucky American Water as an additional insured, as provided herein. Current certificates of insurance shall be provided prior to the commencement of work and shall be maintained until termination of this Agreement. Contractor shall notify Kentucky American Water in writing, at least thirty (30) calendar days prior to cancellation, or of a material change (defined as "a reduction in policy limits by endorsement during the policy period") in any policy.
- e. The certificate holder is included as an additional insured with respect to liability arising out of the named insured's operations performed on behalf of such certificate holder.
- f. Carriers providing coverage will be rated by A.M. Best with at least an A-rating and a financial size category of at least Class VII. Such cancellation or material alteration shall not relieve Contractor of its continuing obligation to maintain insurance coverage in accordance with this contract. Carriers shall be licensed in the state(s) where work is performed.
- g. If Contractor shall fail to procure and maintain such insurance, Kentucky American Water, upon written notice, may, but shall not be required to, procure and maintain same, but at the expense of Contractor. In the alternative, Kentucky American Water may declare a default hereunder and, unless such default is timely cured, terminate the Agreement. Unless and until the default is cured, neither Contractor nor its servants, employees or agents will be allowed to enter upon Kentucky American Water's premises.

17. DISPUTE RESOLUTION.

- a. The intent of the parties is to identify and resolve disputes promptly after any dispute arises. Before attempting to exercise any legal or equitable remedy, each party agrees to follow the dispute resolution procedure described below. Except as provided otherwise elsewhere in this Agreement, in the event that either party determines that following the procedure described below in this section could potentially be harmful or damaging to their respective businesses or third-party suppliers, that party may elect to forego the dispute resolution process and pursue injunctive relief.
- b. Escalation of Dispute. If there is a dispute between the parties arising out of this Agreement, each party agrees to engage in good faith negotiations between progressively more senior representatives of each party, as follows.

<u>Level</u>	<u>Representatives of the Parties</u>	<u>Maximum Duration of Negotiations Prior to Escalation to Next Level</u>
One	KENTUCKY AMERICAN WATER: Principal Procurement Specialist	5 business days
Two	KENTUCKY AMERICAN WATER: Sr Manager, Supply Chain	5 business days
Three	KENTUCKY AMERICAN WATER: Sr Manager, Operations CONTRACTOR : Bret Oakes	7 business days

- c. Either party may at any time change its representative party designated above by providing written notice to the other party.
- d. If such matter remains unresolved following the negotiations and the expiration of the periods specified above in this section each party may immediately exercise or pursue any other rights or remedies available hereunder or at law or in equity, and it is acknowledged by the parties that nothing herein shall preclude, limit, or otherwise restrict any legal or equitable remedies available to either party for failure of the other party to perform its obligations under this Agreement.

18. NO TERMINATION OR SUSPENSION OF SERVICES. Unless otherwise provided in this Agreement, and even if any dispute or other problem arises between the parties and regardless of whether or not it requires at any time the use of the dispute resolution procedures described herein, in no event nor for any reason shall Contractor interrupt or suspend or terminate the provision of Services to Kentucky American Water hereunder or perform any action that prevents, impedes, or reduces in any way the provision of Services or Kentucky American Water's ability to conduct its activities or otherwise fully utilize the Services provided hereunder, unless: (i) authority to do so is granted by Kentucky American Water or ordered by a court of competent jurisdiction; or (ii) the term of this Agreement has expired or has been terminated or cancelled in accordance herewith.

19. TRANSITION ASSISTANCE. Unless requested or directed otherwise by Kentucky American Water in accordance herewith, Contractor shall continue to provide any Services being provided on an ongoing basis hereunder until the effective date of any expiration, termination, or cancellation of this Agreement. Upon receipt of any notice of termination or cancellation, or upon any expiration or termination of this Agreement that occurs without such a notice, Contractor shall promptly deliver to Kentucky American Water copies of all deliverables, goods and other results of the Services, to the extent that they have then been completed and Kentucky American Water has continuing rights thereto, in accordance with

this Agreement. Contractor shall reasonably cooperate with Kentucky American Water and its designated service providers to provide for an orderly transition of the Services following any expiration, termination, or cancellation of this Agreement, as requested by Kentucky American Water. Any such transition assistance shall be provided by Contractor at its then-current reasonable consulting rate.

20. AUDIT RIGHTS. Contractor shall maintain complete, legible and accurate records of all files in support of Kentucky American Water's charges. Kentucky American Water or its authorized representatives shall have the right, at reasonable times during Contractor's regular business hours, and with 5 business days prior notice, to examine and audit all such records as may, under recognized accounting practices, contain information bearing upon the fees paid by Kentucky American Water to Contractor under this Agreement. Kentucky American Water will have the right, with 5 business days' advance written notice to Contractor, to return to Contractor's premises to verify that all necessary remedial actions were taken at Contractor's facility.

21. ASSIGNMENT. Except as otherwise provided herein, neither party will have a right to assign this Agreement, in whole or in part, without the prior written consent of the other party; provided that Kentucky American Water may assign this Agreement to an Affiliate located within the United States without such written consent. Except as otherwise provided herein, any attempt to assign this Agreement without such written consent shall be void for any and all purposes. Subject to the foregoing, this Agreement shall inure to the benefit of the parties' successors and permitted assigns.

22. NOTICES. All notices required or permitted under this Agreement from one party to another under or in connection with this Agreement shall be in writing (or shall be made by a tele-communications device capable of creating a written record), and shall be delivered to Kentucky American Water and Contractor at their contact addresses specified below. Notices shall be deemed given at the time they are actually received by the receiving party. Either party may change its address for notices under this Agreement by giving written notice to the other party by the means specified in this section.

The respective addresses for giving notices hereunder are as follows:

a. **To Contractor :**

Bret Oakes
OES Underground
PO Box 2141
Richmond, KY 40475

b. **To Kentucky American Water:**

Adam Blatherwick
Principal Buyer
1 Water Street
Camden, NJ 08102

23. HEADINGS. Headings in this Agreement are for convenience only and are not to be used in the construction or interpretation of this Agreement.

24. COUNTERPARTS. This Agreement may be executed in two or more counterparts,

each of which shall be deemed an original and all of which taken together shall constitute one instrument.

25. NON-EXCLUSIVITY. Both Kentucky American Water and Contractor are free to enter into similar agreements with others, set their own prices, and conduct their business in whatever way they choose, provided that there is no interference with performing the obligations under this Agreement.

26. ENTIRE AGREEMENT. This Agreement constitutes the entire understanding and agreement between Contractor and Kentucky American Water relating to the subject matter herein, and supersedes any and all prior or contemporaneous agreements or understandings, whether oral or written, relating to the subject matter herein. Any waiver, modification or amendment of any provision of this Agreement will be effective only if in writing and signed by duly authorized representatives of the parties. The parties agree that the terms and conditions stated on any purchase orders shall be superseded by the terms and conditions stated herein and shall be of no force and effect.

27. DEFINITIONS.

- a. **"Affiliate".** For purposes of this Agreement, the term "Affiliate" means any entity, corporation, subsidiary, partnership, joint venture or other entity controlling, controlled by or under common control with Kentucky American Water that does not produce services or goods which compete with the services or goods to be provided herein. For purposes of this Agreement, "control" means an active and direct participation in the entity's operations and management and 50% or greater ownership of the stock, or 50% or greater representation on the board of directors.
- b. **"Operating Venture".** For the purposes of this Agreement, the term "Operating Venture" means any entity, corporation, subsidiary, partnership, joint venture or other entity in which Kentucky American Water, or one of its Affiliates, has direct and active participation in such entity's field operations and management; provided that the entity does not produce services or goods that compete with the Services to be provided herein.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their duly authorized representatives below.

OES Underground

Bret Oakes
Bret Oakes (May 23, 2024 08:39 EDT)
 (Signature)
 Print: Bret Oakes
 Title: Owner
 Date: 05/23/2024

Kentucky American Water Company

William Lewis
William Lewis (Jun 5, 2024 05:38 EDT)
 (Signature)
 Print: William Lewis
 Title: VP Operations
 Date: 06/05/2024

AGREEMENT FOR SMALL METER SERVICES

THIS AGREEMENT (the "Agreement") is entered into this 1st Day of January 2024 (the "Effective Date") by and between Kentucky American Water Company, a Kentucky corporation with its principal office located at 2300 Richmond Rd, Lexington, KY 40502 ("Kentucky American Water"), and Mountain Haus Properties, Inc., 1116 Smith Street, Suite 309, Charleston WV 25301 ("Contractor").

WHEREAS, Contractor desires to sell, and Kentucky American Water desire to purchase, Small Meter services, in accordance with the terms and conditions provided in this Agreement.

NOW, THEREFORE, in consideration of the promises and considerations set forth below, the parties hereto agree as follows:

- 1. TERM.** This Agreement shall commence January 1st, 2024, the Effective Date and shall remain in effect until December 31st, 2025. This Agreement may be terminated by Kentucky-American Water or Contractor for any reason with Sixty (60) calendar days' advance written notice to the other party. Unless otherwise directed in writing by Kentucky-American Water, upon receipt of such termination notice from Kentucky-American Water, Contractor shall immediately cease all Services in progress and shall not incur any additional costs and expenses on behalf of Kentucky American Water.
- 2. SCOPE.** Contractor agrees to provide for sale to Kentucky American Water, Small Meter services (the "Services") as outlined in the Statement of Work ("SOW"), which is attached hereto as Exhibit A. The term "Services" shall include any reports, recommendations, software, hardware, or any other deliverable as provided in the SOW.
- 3. PRICING.** Pricing for the Services shall be as set forth in Exhibit B, which is attached hereto and incorporated in its entirety.
- 4. INDEMNIFICATION.** Contractor will, at its sole cost, indemnify, defend and hold Kentucky American Water and its Affiliates and Operating Ventures harmless, together with their respective directors, officers, and employees, from and against any losses, liabilities, damages or expenses resulting therefrom (including court costs and reasonable attorneys' fees), but only to the extent caused by the negligent acts or omissions or willful misconduct in connection with the Contractor's Services provided under this Agreement. Kentucky American Water shall (i) notify Contractor in writing about the raised claim in a timely manner; and (ii) authorize Contractor to lead and settle the legal proceedings (provided that no such settlement shall include an admission of liability or guilt by Kentucky American Water without Kentucky American Water's prior written consent) at Contractor's own cost, with Kentucky American Water providing reasonable cooperation and support as requested by Contractor. However, Contractor's defense costs incurred in providing a defense for Kentucky American Water shall be reimbursed by Kentucky American Water except to the extent such defense costs are caused by Contractor's negligent acts or omissions, breach of any of the provisions of this Agreement, or willful misconduct.
- 5. LIMITATION OF LIABILITY.** Notwithstanding anything to the contrary contained in

this Agreement and except for Kentucky American Water's obligations under Section 7 (Confidentiality) under this Agreement, for any and all claims related to this Agreement, Kentucky American Water's and its Affiliates' and Operating Ventures' cumulative and aggregate liability to Contractor hereunder shall in no event exceed the amount of fees and other amounts shown to be owed and unpaid by Kentucky American Water and its Affiliates and Operating Ventures pursuant to the terms of this Agreement for Services rendered by Contractor hereunder.

Kentucky American Water agrees that Contractor's total liability to Kentucky American Water and the total liability to Kentucky American Water of Contractor's principals, officers, agents, and employees, for any and all injuries, claims, losses, expenses, or damages whatsoever, including attorney's fees, arising out of or in any way related to the Project or this Contract from any cause or causes, including, but not limited to, Contractor's negligence, errors, omissions, strict liability, breach of contract, or breach of warranty shall not exceed Contractor's total fee under this Agreement or \$50,000, whichever is greater. In no event shall either party be liable to the other for any indirect, incidental, special or consequential damages whatsoever (including but not limited to lost profits or interruption of business) arising out of or related to the services provided under the Agreement.

6. WARRANTIES.

- a. Contractor represents and warrants that the Services do not and will not infringe upon or otherwise violate any rights, patents, trademarks, copyrights or trade secrets of any third party. If Purchaser's use of the Services is enjoined, impaired, or otherwise restricted by reason of any claim of infringement of patent, trademark, copyright, trade secret or infringement of any other rights, Contractor shall, at its option, either (1) modify such deliverable so that it becomes non-infringing, but still in conformance with Purchaser's requirements; or (2) procure for Purchaser the right to use such deliverable with equivalent capabilities. This Section shall survive any termination of this Agreement.
- b. Contractor represents that the Services will be free from liens and deficiencies and that the Services will conform with the requirements of the Agreement and SOW. Services not conforming to these requirements shall be corrected promptly by Contractor after receipt of a written notice from Kentucky American Water to do so. Contractor further represents that no part of any Services violates any right of privacy of any third parties and that the Services shall substantially comply with all written descriptive materials furnished to Kentucky American Water by Contractor.
- c. Contractor represents that their services shall be performed in a manner consistent with that degree of skill and care ordinarily exercised by practicing design professionals performing similar services in the same locality, at the same site and under the same or similar circumstances and conditions. The Contractor makes no other warranties, expressed or implied, with respect to the services rendered hereunder.
- d. Any information describing the Contractor's skill, experience, techniques, training and services contained in sales material provided to Kentucky American Water in Contractor's response to any previous quotation are incorporated as a representation in this Agreement.
- e. Contractor represents that: (i) it is capable in all respects of providing all Services in accordance with this Agreement; and (ii) it understands the nature, location, and scope of Services to be performed hereunder.

- f. Contractor represents that: (i) it is a corporation duly formed and in good standing under the laws of the State of West Virginia; (ii) it is qualified and registered to transact business in all locations where the performance of its obligations hereunder would require such qualification; (iii) it has all necessary rights, powers, and authority to enter into, and to fulfill all of its obligations and grant all of the rights that it purports to grant under this Agreement; (iv) the execution, delivery, and performance of this Agreement by Contractor has been duly authorized by all necessary corporate action; (v) the execution and performance of this Agreement by Contractor shall not violate any domestic or foreign law, statute, or regulation and shall not breach any agreement, covenant, court order, judgment, or decree to which Contractor is a party or by which it is bound or otherwise violate any rights of any third party; (vi) it has, and covenants that it shall maintain in effect, all governmental licenses and permits necessary for it to provide the Services contemplated by this Agreement; and (vii) it owns or leases, and covenants that it shall own or lease, or have the right to use, free and clear of all liens and encumbrances, other than lessors' interests, or security interests of Contractor's lenders, appropriate right, title, or interest in and to the tangible property that Contractor intends to use or uses to provide the Services in accordance with this Agreement (except for any resources expressly indicated herein as to be provided by Kentucky American Water).
 - g. Contractor represents and warrants that, as of the Effective Date, there is no pending or threatened outstanding litigation, arbitrated matter, or other dispute to which Contractor is a party, that, if decided unfavorably to Contractor, could reasonably be expected to have a potential or actual material adverse effect on Contractor's ability to fulfill its obligations hereunder, and that Contractor knows of no basis that might give rise to any such litigation, arbitration, or other dispute in the foreseeable future. Upon becoming aware of any such basis, Contractor shall promptly notify Kentucky American Water thereof.
 - h. Contractor warrants that, in providing the Services and in otherwise performing its obligations under this Agreement, Contractor shall comply, and, to the extent within Contractor's control, shall not prevent Kentucky American Water or its Affiliates and Operating Ventures from complying or materially impede them in complying, with all applicable laws, regulations, and ordinances of any relevant jurisdiction, and all applicable policies of Kentucky American Water and its Affiliates and Operating Ventures, including but not limited to those pertaining to personnel and security.
 - i. Contractor is expected to conform its business dealings with Kentucky American Water in accordance with the underlying principles of Kentucky American Water's Code of Ethics, a copy of which is available on Kentucky American Water's website at <http://www.amwater.com>.
- 7. PROTECTION OF PROPRIETARY INTERESTS; CONFIDENTIALITY.**
- a. The parties agree that specifications, pricing schedules, proprietary tools, basic forms, computer programs, manuals, supporting material data, documents, policies, procedures, records and other information that have been disclosed or may be disclosed by one party (the "Disclosing Party") to the other (the "Receiving Party") is confidential in nature ("Confidential Information"), and the Receiving Party agrees to refrain from using such Confidential Information in a manner inconsistent with the purpose of this Agreement or disclosing such Confidential

Information to (i) third parties; or (ii) individuals within its own organization who do not have a strict need to know such information. All Kentucky American Water information shall qualify as confidential unless it is disclosed in writing and labeled as not confidential. Any information that is disclosed orally by Kentucky American Water must be confirmed as not confidential in writing to qualify for the exclusion of protection set forth in this section. The nondisclosure obligations herein shall not apply to information that: (i) is or becomes publicly known through no fault or breach of this Agreement by the Receiving Party; (ii) is independently developed by the Receiving Party without using the Disclosing Party's confidential information, or is rightfully obtained from a third party without restriction on use or disclosure; (iii) is already in the possession of the Receiving Party at the time of the disclosure without the obligation of confidentiality. Notwithstanding anything to the contrary contained in this Agreement, the terms and conditions of this Agreement shall be considered Confidential Information. Except as may be required by law, in the event that one party to this Agreement receives a summons, subpoena, regulatory order, court order or other demand to disclose any Confidential Information, each party agrees to first notify the other of such demand in writing, and shall provide an opportunity for such party to lawfully object and defend any rights it may have to the Confidential Information at the Disclosing Party's sole cost and expense. The requirement to notify and provide an opportunity to defend shall not apply to Kentucky American Water's regulated utility Affiliates ("Regulated Entities") in the event such Regulated Entity determines in good faith that disclosure of Contractor's Confidential Information is required in response to a general information request (whether by subpoena or otherwise) made by such Regulated Entity's utility regulator not specifically targeting Contractor's Confidential Information. No rights or licenses under patents, trademarks or copyrights are granted or implied by any disclosure of confidential information. Confidential Information, and any and all authorized copies thereof, shall remain the property of the Disclosing Party and shall be destroyed or returned if requested by the Disclosing Party, provided that the Receiving Party may keep one copy of Confidential Information solely for recordkeeping so long as is necessary to comply with regulatory requirements.

- b. Each party will permit the other party to disclose information to any consultant or third-party provider, provided (1) that party has a confidentiality agreement with that consultant or third-party provider that ensures it will not disclose to anyone or use information for its own benefit or the benefit of its customers; (2) the confidentiality agreement restricts third-party's or consultant's employees to do only what that party needs them to do; (3) the third-party or consultant agrees to use what it learns only to help that party conduct its internal business operations, and agrees that it will not use the information for themselves or for their customers.
- c. Each of Contractor and Kentucky American Water acknowledge that, in the event of a breach of this section, the owner of the Confidential Information may not have an adequate remedy in money or in damages and, therefore, shall be entitled to seek injunctive relief against such breach without any requirement to post bond as a condition thereof.
- d. All of the restrictions set forth in this Section 7 shall survive any termination of this Agreement.

8. BACKGROUND CHECKS

- a. Contractor acknowledges that the Federal Government has declared public water systems, including Kentucky American Water's, to be critical infrastructure essential to the continued operation of the government and the nation.
- b. Contractor acknowledges that Kentucky American Water's water and wastewater operations are governed by numerous federal and state statutes and regulations, and subject to regulation by numerous federal and state agencies.
- c. Contractor acknowledges that, among other things, Kentucky American Water provides retail water and wastewater service to the public, as authorized and regulated by public utility commissions, so that Kentucky American Water has a public-service obligation to provide safe and affordable water and wastewater service to the public.
- d. Contractor will conduct, or will have conducted, a background check on each of its employees or individual subcontractors before the employee or subcontractor performs any function or activity under this Agreement that involves access to Kentucky American Water's Confidential Information or on-site work at any of Kentucky American Water's facilities. The background check conducted by Contractor will include at least the following:
 - Previous employers and dates of employment;
 - Education;
 - Professional License verification;
 - Military Service Verification;
 - Driving record;
 - Criminal history (state and federal);
 - References;
 - Credit history or social security number trace;
 - Personal history to the extent permitted by applicable laws and regulation; and
 - Verification of eligibility to work in the United States.
- e. Contractor's review of this information will endeavor to:
 - authenticate the identity of the individual;
 - insure that data is consistent with an individuals stated history and current status;
 - uncover any discrepancies;
 - reveal any criminal history; and
 - uncover any other pertinent information tending to establish that the individual may represent a security risk to Kentucky American Water's personnel, facilities, or Kentucky American Water's responsibility for the public safety and the providing of safe and adequate utility to Kentucky American Water's customers.
- f. Upon request, Contractor will make available for Kentucky American Water's review, the documentation and results of the background check with respect to any employee of Contractor performing under this Agreement. Kentucky American Water will not retain such records or documentation and any findings from its review will be confidential.

9. INVOICING.

A. Owner will be invoiced for Services when the Services are completed. All invoices shall be submitted within 30 days of work completion. Contractors will be required and agree to submit all invoices through the New Jersey American Water Taulia portal. The Taulia home page may be found here;

<https://customers.taulia.com/americanwater/>

Payments shall be remitted to:

Mountain Haus
Properties, Inc.
1116 Smith Street
Suite #309
Charleston, WV 25301

- b. If Kentucky American Water disputes any invoice or a portion thereof, Kentucky American Water shall not pay the disputed portion of such invoice until the parties have resolved such dispute in accordance with the dispute resolution process delineated in Section 17 of this Agreement. The undisputed portion of any invoice shall be paid as set forth herein.
- c. If any undisputed fees remain unpaid sixty (60) calendar days after Kentucky American Water's receipt of an invoice, Contractor will notify Kentucky American Water in writing of the late payments and, in Contractor's discretion, the dispute resolution procedures delineated in Section 17 shall begin to resolve payment of such fees. If such matter remains unresolved following completion of the dispute resolution process delineated in Section 17, then the parties may resolve such dispute through litigation.

10. RELATIONSHIP OF THE PARTIES.

- a. Contractor represents that any and all personnel providing services to Contractor and/or Kentucky American Water as a result of this Agreement or any subsequent Agreement(s) will be considered solely employees of Contractor. Contractor's employees shall not be entitled to participate in any of Kentucky American Water's employee benefit plans, including but not limited to retirement plans (such as pensions, 401(k), and profit sharing), stock purchase plans, deferred compensation plans, health and welfare benefits, disability benefits, paid time off (such as vacation, sick, personal, sabbatical), severance pay and other like plans and programs.
- b. Contractor and its employees, agents, and consultants shall be an independent contractor and not employees of Kentucky American Water. Nothing contained

herein shall serve to constitute a relationship or partnership or joint venture between the parties. Contractor shall not be an agent of Kentucky American Water and shall have no power to bind or otherwise obligate Kentucky American Water in any manner whatsoever nor shall Contractor be authorized to enter into agreements or any other contractual relationships on behalf of Kentucky American Water.

11. SUBCONTRACTORS. Except as otherwise provided herein (i) Contractor shall not subcontract to any subcontractor all or any part of the Services described in or contemplated under this Agreement without the prior written consent of Kentucky American Water (in its sole discretion); (ii) each such subcontractor may perform only the specific Services described with regard to such subcontractor in a written request submitted by Contractor to Kentucky American Water when seeking such consent; and (iii) no change may be made to the specific Services performed by a particular subcontractor, and no substitution, replacement, or change of subcontractors may be made without the advance written consent of Kentucky American Water. All performance of Services by each subcontractor shall at all times be in accordance with the terms and conditions of this Agreement. Prior to performing any Services, each subcontractor shall execute a non-disclosure agreement that contains terms substantially consistent with the terms of Section 7 of this Agreement. Contractor covenants that its arrangements with subcontractors shall not prohibit or restrict any such subcontractor from, at any time, entering into direct agreements with Kentucky American Water. Notwithstanding anything to the contrary set forth in this section or elsewhere in this Agreement, Contractor shall not engage any subcontractors that are competitors of Kentucky American Water. Approval by Kentucky American Water of any subcontractor shall not relieve Contractor of its obligations or liability with respect to the work to be performed by it or the subcontractor, or of its liability for any property damage or personal injury caused by the subcontractor or its employees. Contractor shall at all times be liable and responsible as a principal for the performance of all of the duties and obligations of Contractor hereunder that Contractor may elect to subcontract to any of its subcontractors or affiliates, or to any other third party.

12. GOVERNING LAW; SEVERABILITY.

- a. This Agreement shall be governed and construed in accordance with the laws of the State of Kentucky, without reference to or application of conflict of laws, rules or principles.
- b. If any one or more of the provisions contained within this Agreement is deemed invalid, illegal, or otherwise unenforceable by a court of competent jurisdiction, the provision of the Agreement will be enforced to the maximum extent permissible and the remainder of the provisions of this Agreement will remain in full force and effect. Contractor and Kentucky American Water mutually agree to substitute any invalid, illegal or unenforceable provision of this Agreement with a valid, legal, or enforceable provision which comes as close as possible to the reasonably inferred intent of the invalid, illegal, or unenforceable provision.

13. USE OF LOGO. Contractor shall not, without Kentucky American Water's express written permission, (i) use Kentucky American Water's name, nor any trade name, logo, trademark, or service mark, whether registered or not, or the name, assumed business name, trade name, logo, trademark, or service mark, whether registered or not, of any Kentucky American Water Affiliate or Operating Venture, in connection with publicity, advertisements, promotion or in any other connection, or (ii) identify Kentucky American Water or its Affiliates and Operating Ventures in any manner on customer or vendor lists or on a web site (or on any third party web site) or in any web site metatags; or (iii) disclose to any third party the

existence of this Agreement or the monetary value of any goods or services purchased hereunder. Contractor shall indemnify Kentucky American Water for reasonable costs and expenses incurred in connection with enforcing the provisions of this section. All of the restrictions and obligations set forth in this section shall survive any termination of this Agreement.

14. FORCE MAJEURE. Neither party hereunder will be responsible for any failure or delay in its performance under this Agreement due to causes that are beyond such party's reasonable control and that is not caused by such party's negligence including, but not limited to, acts of God or the public enemy, fire, flood, strike or other labor dispute directly affecting the project implementation, civil disturbance, or omission by public authority or authorities having proper jurisdiction; provided, however, that if either party's failure or delay in performance hereunder extends beyond fifteen (15) calendar days then the other party shall have the right to immediately terminate this Agreement.

15. EEOC. Contractor specifically represents to Kentucky American Water:

- a. that it agrees to comply with Executive Order 11246 and abide by the provisions of the "Equal Opportunity Clause" at 41 CFR § 60-1.4, which is incorporated herein by reference, unless exempt pursuant to 41 CFR § 60-1.5;
- b. that it agrees to comply with the Vietnam Era Veterans Readjustment Assistance Act of 1974, as amended, Executive Order 11701 (Employment of Veterans by Federal Agencies and Government Contractors and Subcontractors), and the provisions of the "Affirmative Action for Disabled Veterans and Veterans of the Vietnam Era Clause" at 41 CFR §60-250.5, which is incorporated herein by reference, unless exempt pursuant to 41 CFR §60-250.4.
- c. that it agrees to comply with the Rehabilitation Act of 1973, Executive Order 11758 (Authority Under Rehabilitation Act of 1973), and the provisions of the "Affirmative Action for Workers With Disabilities Clause" at 41 CFR 60-741.5, which is incorporated herein by reference, unless exempt pursuant to 41 CFR §60-741.4;
- d. that it agrees to comply with Executive Order 13201 (Notice of Employee Rights Concerning Payment of Union Dues or Fees) and abide by the provisions of the clause at 29 CFR § 470.2, which is incorporated herein by reference, unless exempt pursuant to 29 CFR §§ 470.3-.4;
- e. that it agrees to comply, where applicable, with the policies set forth in Executive Order 11625 (National Program for Minority Business Enterprises) and Executive Order 12138 (National Program for Women's Business Enterprise), the Small Business Act, 15 U.S.C. § 631, et seq., and with the "Utilization of Small Business Concerns" and "Small Business Subcontracting Plan" clauses at 48 CFR § 52.219-8 and 9, respecting subcontracting with small disadvantaged, female-owned, veteran-owned, service-disabled veteran-owned, HUBZone, and other small businesses.

16. INSURANCE.

- a. At no expense to Kentucky American Water, Contractor shall (1) obtain and keep in force during the term of this Agreement, and any renewals or extensions hereof; and (2) require its subcontractors to obtain and keep in force during the terms of their respective engagements or contracts, the minimum insurance limits and

coverage set forth below. The insurance coverage limits stated below are minimum coverage requirements, not limitations of liability, and shall not be construed in any way as Kentucky American Water's acceptance of the responsibility of Contractor .

I. Commercial General liability:

- \$1,000,000 per occurrence combined single limits.
- \$1,000,000 general aggregate.
- \$1,000,000 products and completed operations aggregate.
- CGL ISO 1996 or later occurrence form including premises and operations coverage, products and completed operations, coverage for independent contractors, personal injury coverage and blanket contractual liability, Contractor's protective liability if Contractor subcontracts all or any portion of the work to be performed hereunder. Completed operations shall be maintained for a period of three (3) years following final completion for any construction, renovation, repair, or maintenance service.

II. Workers' Compensation:

- Coverage A: Applicable federal or state requirements: statutory minimum.
- Coverage B: Employer's Liability:
- Each accident: \$1,000,000.
- Each employee – disease: \$1,000,000.
- Policy limit - disease: \$1,000,000
- Coverage C: Voluntary workers compensation insurance coverage for all employees not subject to the applicable workers compensation act or acts.
- The workers' compensation policy shall also include U.S. longshoreman and harbors workers' compensation act coverage if any work to be performed hereunder shall be done over or within one hundred (100) feet of any body of water, or otherwise at the sole discretion of Kentucky American Water. Contractor shall provide maritime (Jones Act) coverage if a boat or vessel of any type is used.

III. Automotive Liability (including owned, hired, borrowed and non-ownership liability).

Bodily injury and property damage \$1,000,000 each occurrence combined single limits.

IV. Umbrella Liability.

\$4,000,000 each occurrence and annual aggregate in excess of employer's liability, General liability and Automotive liability (no more restrictive than underlying insurance).

- b. The minimum liability limits required may be satisfied through the combination of the primary general liability, employers' liability, and automotive liability limits with an umbrella liability policy (with coverage no more restrictive than the underlying insurance) providing excess limits at least equal to or greater than the combined primary limits.
- c. All commercial general liability including completed operations-products liability coverage and automotive liability insurance shall designate Kentucky American Water, its parent, Affiliates and subsidiaries, its directors, officers and employees as an additional insured. All such insurance should be primary

and non-contributory, and is required to respond and pay prior to any other insurance or self-insurance available to Kentucky American Water. In addition to the liability limits available, such insurance will pay on behalf of or will indemnify Kentucky American Water for defense costs. Any other coverage available to Kentucky American Water applies on a contingent and excess basis. Such insurance shall include appropriate clauses pursuant to which the insurance companies shall waive its rights of subrogation against Kentucky American Water.

- d. Contractor and any of its subcontractors shall furnish, prior to the start of work, certificates or adequate proof of the foregoing insurance including, if specifically requested by Kentucky American Water, copies of the endorsements and insurance policies naming Kentucky American Water as an additional insured, as provided herein. Current certificates of insurance shall be provided prior to the commencement of work and shall be maintained until termination of this Agreement. Contractor shall notify Kentucky American Water in writing, at least thirty (30) calendar days prior to cancellation, or of a material change (defined as "a reduction in policy limits by endorsement during the policy period") in any policy.
- e. The certificate holder is included as an additional insured with respect to liability arising out of the named insured's operations performed on behalf of such certificate holder.
- f. Carriers providing coverage will be rated by A.M. Best with at least an A-rating and a financial size category of at least Class VII. Such cancellation or material alteration shall not relieve Contractor of its continuing obligation to maintain insurance coverage in accordance with this contract. Carriers shall be licensed in the state(s) where work is performed.
- g. If Contractor shall fail to procure and maintain such insurance, Kentucky American Water, upon written notice, may, but shall not be required to, procure and maintain same, but at the expense of Contractor. In the alternative, Kentucky American Water may declare a default hereunder and, unless such default is timely cured, terminate the Agreement. Unless and until the default is cured, neither Contractor nor its servants, employees or agents will be allowed to enter upon Kentucky American Water's premises.

17. DISPUTE RESOLUTION.

- a. The intent of the parties is to identify and resolve disputes promptly after any dispute arises. Before attempting to exercise any legal or equitable remedy, each party agrees to follow the dispute resolution procedure described below. Except as provided otherwise elsewhere in this Agreement, in the event that either party determines that following the procedure described below in this section could potentially be harmful or damaging to their respective businesses or third-party suppliers, that party may elect to forego the dispute resolution process and pursue injunctive relief.
- b. Escalation of Dispute. If there is a dispute between the parties arising out of this Agreement, each party agrees to engage in good faith negotiations between progressively more senior representatives of each party, as follows.

<u>Level</u>	<u>Representatives of the Parties</u>	<u>Maximum Duration of Negotiations Prior to Escalation to Next Level</u>
One	KENTUCKY WATER: Principal Specialist	AMERICAN 5 business days Procurement
Two	KENTUCKY WATER: Sr Manager, Supply Chain	AMERICAN 5 business days
Three	KENTUCKY WATER: Sr Manager, Operations CONTRACTOR : Sr Project Manager	AMERICAN 7 business days

- c. Either party may at any time change its representative party designated above by providing written notice to the other party.
- d. If such matter remains unresolved following the negotiations and the expiration of the periods specified above in this section each party may immediately exercise or pursue any other rights or remedies available hereunder or at law or in equity, and it is acknowledged by the parties that nothing herein shall preclude, limit, or otherwise restrict any legal or equitable remedies available to either party for failure of the other party to perform its obligations under this Agreement.

18. NO TERMINATION OR SUSPENSION OF SERVICES. Unless otherwise provided in this Agreement, and even if any dispute or other problem arises between the parties and regardless of whether or not it requires at any time the use of the dispute resolution procedures described herein, in no event nor for any reason shall Contractor interrupt or suspend or terminate the provision of Services to Kentucky American Water hereunder or perform any action that prevents, impedes, or reduces in any way the provision of Services or Kentucky American Water's ability to conduct its activities or otherwise fully utilize the Services provided hereunder, unless: (i) authority to do so is granted by Kentucky American Water or ordered by a court of competent jurisdiction; or (ii) the term of this Agreement has expired or has been terminated or cancelled in accordance herewith.

19. TRANSITION ASSISTANCE. Unless requested or directed otherwise by Kentucky American Water in accordance herewith, Contractor shall continue to provide any Services being provided on an ongoing basis hereunder until the effective date of any expiration, termination, or cancellation of this Agreement. Upon receipt of any notice of termination or cancellation, or upon any expiration or termination of this Agreement that occurs without such a notice, Contractor shall promptly deliver to Kentucky American Water copies of all deliverables, goods and other results of the Services, to the extent that they have then been completed and Kentucky American Water has continuing rights thereto, in accordance with

this Agreement. Contractor shall reasonably cooperate with Kentucky American Water and its designated service providers to provide for an orderly transition of the Services following any expiration, termination, or cancellation of this Agreement, as requested by Kentucky American Water. Any such transition assistance shall be provided by Contractor at its then-current reasonable consulting rate.

20. AUDIT RIGHTS. Contractor shall maintain complete, legible and accurate records of all files in support of Kentucky American Water's charges. Kentucky American Water or its authorized representatives shall have the right, at reasonable times during Contractor's regular business hours, and with 5 business days prior notice, to examine and audit all such records as may, under recognized accounting practices, contain information bearing upon the fees paid by Kentucky American Water to Contractor under this Agreement. Kentucky American Water will have the right, with 5 business days' advance written notice to Contractor, to return to Contractor's premises to verify that all necessary remedial actions were taken at Contractor's facility.

21. ASSIGNMENT. Except as otherwise provided herein, neither party will have a right to assign this Agreement, in whole or in part, without the prior written consent of the other party; provided that Kentucky American Water may assign this Agreement to an Affiliate located within the United States without such written consent. Except as otherwise provided herein, any attempt to assign this Agreement without such written consent shall be void for any and all purposes. Subject to the foregoing, this Agreement shall inure to the benefit of the parties' successors and permitted assigns.

22. NOTICES. All notices required or permitted under this Agreement from one party to another under or in connection with this Agreement shall be in writing (or shall be made by a tele-communications device capable of creating a written record), and shall be delivered to Kentucky American Water and Contractor at their contact addresses specified below. Notices shall be deemed given at the time they are actually received by the receiving party. Either party may change its address for notices under this Agreement by giving written notice to the other party by the means specified in this section.

The respective addresses for giving notices hereunder are as follows:

a. To Contractor :

Mountain Haus
Properties, Inc.
1116 Smith Street
Suite #309
Charleston, WV 25301

b. To Kentucky American Water:

Adam Blatherwick
Principal Buyer
1 Water Street
Camden, NJ 08102

23. HEADINGS. Headings in this Agreement are for convenience only and are not to be used in the construction or interpretation of this Agreement.

24. COUNTERPARTS. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original and all of which taken together shall constitute one instrument.

25. NON-EXCLUSIVITY. Both Kentucky American Water and Contractor are free to enter into similar agreements with others, set their own prices, and conduct their business in whatever way they choose, provided that there is no interference with performing the obligations under this Agreement.

26. ENTIRE AGREEMENT. This Agreement constitutes the entire understanding and agreement between Contractor and Kentucky American Water relating to the subject matter herein, and supersedes any and all prior or contemporaneous agreements or understandings, whether oral or written, relating to the subject matter herein. Any waiver, modification or amendment of any provision of this Agreement will be effective only if in writing and signed by duly authorized representatives of the parties. The parties agree that the terms and conditions stated on any purchase orders shall be superseded by the terms and conditions stated herein and shall be of no force and effect.

27. DEFINITIONS.

- a. **"Affiliate".** For purposes of this Agreement, the term "Affiliate" means any entity, corporation, subsidiary, partnership, joint venture or other entity controlling, controlled by or under common control with Kentucky American Water that does not produce services or goods which compete with the services or goods to be provided herein. For purposes of this Agreement, "control" means an active and direct participation in the entity's operations and management and 50% or greater ownership of the stock, or 50% or greater representation on the board of directors.
- b. **"Operating Venture".** For the purposes of this Agreement, the term "Operating Venture" means any entity, corporation, subsidiary, partnership, joint venture or other entity in which Kentucky American Water, or one of its Affiliates, has direct and active participation in such entity's field operations and management; provided that the entity does not produce services or goods that compete with the Services to be provided herein.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their duly authorized representatives below.

Mountain Haus Properties, Inc.

Jack Skidmore
Jack Skidmore (Dec 20, 2023 17:03 EST)

(Signature)

Print: Jack Skidmore

Title: Fleet & Safety Manger/ Officer

Date: 12/20/2023

Kentucky American Water Company

William Lewis
William Lewis (Dec 29, 2023 11:31 EST)

(Signature)

Print: William Lewis

Title: VP Operations

Date: 12/29/2023

Exhibit A
SPECIFICATIONS OF WORK

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Materials

KYAW will provide meters and adapters to the Contractor on an as-needed basis and as KYAW is able to obtain and make meters available to the Contractor. Contractor shall pick up and/or drop off all new and previously-removed/damaged water meters at the KYAW facility designated by KAWC. This will occur during the normal working hours of KYAW and upon 24 hours' advance notice by the Contractor. The Contractor shall return each used/removed meter in the box that contained the new meter prior to its installation.

The Contractor shall inspect all material for defects, correct size and quantity prior to accepting it from Owner, and shall immediately report any deficiencies or discrepancies. The Contractor shall load, haul, unload, handle, store, and protect all materials in accordance with the handling recommendations of the material manufacturer.

All material found to be defective shall be immediately reported to the Owner. If the Contractor does not properly notify the Owner the Contractor shall not be entitled to reimbursement. If the material is found to be defective and the manufacturer is at fault, the Contractor shall be entitled to reimbursement for lost production. If it is determined that the material was damaged after the Contractor accepted delivery, the Contractor shall not be reimbursed for down time and shall be responsible for the cost of replacement of the damaged material.

The Contractor will supply whatever miscellaneous materials are required to complete the Work, including but not limited to gel caps, threaded adaptor rings, wire, gasket material, screws, and tape.

KYAW reserves the right to provide the Contractor with specifications for any and all such material that is or will be used on this project.

The Contractor will provide its employees with the necessary equipment and tools to perform the Work, including but not limited to devices necessary to obtain a correct MIU reading. This equipment should include:

- Meter Reading equipment to read Neptune RF (when applicable)

It shall be the responsibility of the Contractor to schedule and coordinate the pick-up of materials from the following Water Co. Yards as designated by Owner on a per project per Area basis:

Kentucky American Water
2340 Richmond Rd
Lexington, KY
Meter Barn

Notification of Required Meter Changes

To meet regulatory compliance, water meters used in providing service to customers of KYAW will need to be replaced **and updated**. In order to facilitate the replacement of such meters,

KYAW will provide the account numbers, names, as well as service and mailing addresses of affected KYAW customers to the Contractor in electronic form. Installation contractors will be expected to schedule customer meter changes. Distribute work orders to their employees, and complete the meter changes in the scheduled time frame. It is also expected that Pictures of the meter and piping before and after installation, picture of hand held screen alongside the meter register to confirm the meter reading and Register number of the changed meter. The work order information is to be completed in KYAW work order management system immediately after work is performed or send file to KYAW for a file upload with in 24hrs of completion of the meter change and or MIU change. Local Operating Centers will determine which work management system will be required.

The use of KYAW work order management system will require that the installation contractors train and learn how to utilize this system, which may require the Contractor to acquire any software, licensing, and hardware to manage this workflow.

Data Management

Contractor shall create a database, with full access by KAWC, or if required by KAWC, utilize a company designated work management system, which records all interactions with KYAW customers. The Contractor will ensure that all of the records' maintained in the database are accurate and not altered. The database should include at least the following information:

- Record of all documentation provided to each KYAW customer (including phone calls and letters).
- Record of appoints made and appointments kept.
- Mailing and notice information.
- All phone messages and contact made by Contractor to each customer.
- Listing of all Returned to utility accounts (with a documented history detailing reason for return).
- Documentation of damages reported and claims with list of repairs made, including dating.
- Required Pictures, (minimum of 4 (before meter is changed, after meter is changed, old meter serial number and read and new meter serial number and read).

Reporting

Contractor will be obligated to meet with local supervisors as requested to discuss the following reports.

- Actual installed vs. Planned installed schedule (including past and future performance).
- Meter replacement blackout timing (reading of routes).
- Finding of Quality Control (QC) procedures.
- Appointments met. Vs. Appointments made
- Address any other issues or concerns

Basis of Payment

Work to be performed under this Agreement shall be paid for in accordance with the Contract's "Pricing Sheet". The cost of labor, equipment, materials or work called for or necessary for a complete and satisfactory installation, but which are not specifically mentioned in this Section, shall be included in the appropriate pay item by the Contractor at no additional expense to the Owner.

Hours of Work

The Contractor will offer the following schedule to all customers for meter changes; Monday through Friday from 8 a.m. until 8 p.m. and on Saturdays from 8:00 a.m. until 6:00 p.m. EST. However, Contractor will not perform Work on Sundays or KAWC-observed holidays unless specifically requested to do so by KAWC.

Professionalism

Contractor must maintain a professional appearance at all times. This will include approved uniform, badges, and safety shoes. Contractor shall not allow ripped or torn clothing to be worn by their employees.

Contractor's employees and/or agents must always wear photo identification and must always use vehicles clearly identified as belonging to the Contractor. The Contractor's photo and vehicle identification must be explained in the letters sent to KAWC's customers. A listing of all Contractor employees as well as the **driver's license number** of each employee will be provided to KYAW before any Work is started under this Agreement. Contractor shall provide an updated list with each and every employee change.

Quality Control

KYAW requires that Contractor provide dedicated personnel to insure excellent Quality Control. KYAW requires that the Quality Control personnel report directly through Contractor's management and not directly to project or supervisory personnel responsible for everyday management of non-Quality Control objectives. Management shall report all findings of Quality Control inspection quarterly or more often if KYAW feels this is necessary.

KYAW requires Quality Control personnel to inspect and report (as detailed later in this section) on each of the following areas:

- Meter and/or MIU # match installed and removed equipment
- Meter and /or MIU and/or MLog readable and working
- Compare account number, meter # and MIU #s to both incoming and outgoing files.
- Validate that installs/reads are being performed on time, on schedule and appointments are being met. Report must include appointments made vs. appointments kept, appointments missed, and appointments rescheduled. This data must be accessible to KYAW on an as-needed basis.
- All RTU (return to utility) orders stating that the customer plumbing is in need of repair (as outlined in section 7). **False misrepresentation of plumbing service requirements WILL result in termination of contract.**

KYAW expects that the following work will be Quality Controlled by Contractor during the term of the Agreement. All suppliers shall submit a Quality Control Plan with their proposal. "Contractor Errors" shall be repaired by the contractor at no additional cost to KAWC. KYAW also reserves the right to increase the percentages of Quality Control work if reasonable quality standards are not being met and reported by the Contractor.

Other

It will be the responsibility of the Contractor to become familiar with local conditions that may affect cost, progress, and performance of the installation of services. While the work descriptions for the various requested price line items are detailed, more specific guidance is

provided in the Appendix "B". The contractor should be familiar with KAWC's "Meter Change – Indoor "practice.

The Contractor shall take at least one digital picture (or more if as needed) before any work begins to document the pre-existing conditions of the work area and the meter. Examples are leaking pipes, valves etc. pre-existing damage to customer vaults, etc. The Contractor shall upload all pictures with the service order into their Data Management system, as well as maintain these pictures for three years from completion date, with proper labeling, in a format for expedient retrieval upon request from the Owner.

Any non-emergency or non-urgent complaints must be corrected by the Contractor within three (3) working days. All emergency, urgent or unsafe conditions (i.e., leaking meter, customer without water, etc...) must be responded to within two hours. Any emergency or deficiency that requires a KYAW crew/representative to investigate and remedy will result in a reimbursement charge of \$60.00 (Sixty Dollars) per incident. Emergency deficiencies not immediately addressed will be handled at the discretion of KYAW and all the cost to be reimbursed to the KYAW by the contractor.

The contractor, as part of the quality control, shall ensure each meter is providing an accurate reading as reflected on the meter through the MIU device upon completion of each replacement.

Service billing must be provided to the Owner no less than monthly, accompanied with spreadsheet of individual meter change info to back up invoice.

No invoices will be accepted after three months of the service installation date. All invoices must contain a KYAW PO# along with the Local project supervisor's name.

If bidding in more than one region, pricing must be constant across all regions bid for all items in this RFP.

Safety

The Contractor shall provide all material labor and supervision to insure all work conducted in the public rights-of-way is completed with proper consideration for the safety of the public and work force. The Contractor is instructed to insure their work force complies with and takes all reasonable safety precaution as required by OSHA and all pertinent state, county, town or federal agencies, having jurisdiction. The Contractor shall provide a "competent person" at all work sites and insure traffic safety controls are utilized as recommended by in the current "Manual on Uniform Traffic Devices".

The Contractor is also responsible for all utility markouts as outlined in New Jersey Public Law 48:2-73 "Underground Facility Protection Act." where applicable.

The Contractor will insure the use of proper PPE and follow all KYAW safety procedures.

Payment Items

The Unit Prices in the Agreement's "*Pricing Sheet*" shall include all costs to construct the work(s) under this Contract. Final payment will be made on the in-place measurement of the work(s) completed per the Items below.

Work Item Descriptions for Changing Meters and MIU Installation

Item 1A

Internal Meter Replacement/Changes (5/8" through 1") with meter mounted MIU unit, reconnection to preexisting MIU unit or installation of a new MIU unit inside the interior of the property.

Prior to visiting an KYAW Customer's premises, the Contractor will coordinate with the local operations center, to determine the total number of letters to be mailed from the KYAW approved letter process. All written communication provided to KAWC's customers must be approved in writing by KYAW and must be printed on KYAW letterhead. Such letters will provide KAWC's customers with a contact phone number, arranged by the contractor, to schedule an appointment during business hours and during nonbusiness hours, the customer shall have the ability to leave a message for appointment setting purposes. Should the Contractor miss an appointment with a customer, a follow-up letter will be sent to the customer by the Contractor in order to make another appointment with that customer.

Prior to changing any meter or metering equipment, the Contractor shall notify in person the affected KYAW customer(s) regarding what Work will be performed, how long the Work will take to complete, and will explain why the Work is being done. The Contractor will document this notification process and provide evidence of same to KYAW upon request.

The Contractor shall turn off the water to the customer's premises and gain control of the water to prevent any flooding. New washers shall be used when replacing the water meter, and connecting adapters shall also be used, if needed. The Contractor will provide the washers at no additional cost to KAWC. The Contractor will ensure that no debris or foreign matter enters the service line or meter. The Contractor will carefully disconnect the wiring as directed by KYAW and;

Install the replacement meter, reconnect to existing approved MIU unit or install a new MIU device at a point close to the ceiling or sill plate along foundation wall. All wire connections are to be made using appropriate Nicor connectors, record the meter number and the MIU # on the order and place any bar code labels on the meter and the order. Should there be an existing touchpad, Contractor shall label existing touch pad, as directed by KYAW (example with white paint pen or sticker), "MIU"

The Contractor will properly install Nicor connectors with tamper seal. Should gel caps be needed on the wiring, seal the gel caps with the proper crimping device to insure there is a correct and working connection. The crimp device will be provided by the Contractor and pre-approved by KAWC.

When the Work is completed, the Contractor shall restore service to the customer's premises by carefully and slowly turning the water back on. The Contractor shall ensure there are no leaks at any of the meter connections. If leaks are found, the Contractor is responsible for stopping the leaks. The Contractor shall ask the customer to check the cold water operation at each of the sinks so as to remove air and to ensure satisfactory flow and that no debris has broken free within the internal plumbing during the meter change operation. If limited flow is found at a sink, the Contractor shall remedy the situation.

Upon completion of the meter change, the Contractor shall leave behind a preapproved information card.

Item 1B

Internal Meter Changes 5/8" through 1" and replace external mounted touch pad with

MIU unit and run new 3 wire between MIU and meter (where 2 wire exists) or replacing outside mounted MIU unit.

Prior to visiting an KYAW Customer's premises, the Contractor will coordinate with the local operations center, to determine the total number of letters to be mailed from the KYAW approved letter process. All written communication provided to KAWC's customers must be approved in writing by KYAW and must be printed on KYAW letterhead. Such letters will provide KAWC's customers with a contact phone number, arranged by the contractor, to schedule an appointment during business hours and during nonbusiness hours, the customer shall have the ability to leave a message for appointment setting purposes. Should the Contractor miss an appointment with a customer, a follow-up letter will be sent to the customer by the Contractor in order to make another appointment with that customer.

Prior to changing any meter or metering equipment, the Contractor shall notify in person the affected KYAW customer(s) regarding what Work will be performed, how long the Work will take to complete, and will explain why the Work is being done. The Contractor will document this notification process and provide evidence of same to KYAW upon request.

The Contractor shall turn off the water to the customer's premises and gain control of the water to prevent any flooding. New washers shall be used when replacing the water meter, and connecting adapters shall also be used, if needed. The Contractor will provide the washers at no additional cost to KAWC. The Contractor will ensure that no debris or foreign matter enters the service line or meter. The Contractor will carefully disconnect the wiring as directed by KYAW and;

- **Install the replacement meter, remove the existing externally mounted touch pad and run new 3 wire between meter and MIU unit and connect the 3 wire to the meter using Nicor connectors. Or replace a preexisting outside MIU and reconnect to meter using NICOR connectors. Record the meter number and the MIU # on the order and place any bar code labels on the meter and the order.**

The Contractor will properly install Nicor connectors with tamper seal. Should gel caps be needed on the wiring, seal the gel caps with the proper crimping device to insure there is a correct and working connection. The crimp device will be provided by the Contractor and pre-approved by KAWC.

When the Work is completed, the Contractor shall restore service to the customer's premises by carefully and slowly turning the water back on. The Contractor shall ensure there are no leaks at any of the meter connections. If leaks are found, the Contractor is responsible for stopping the leaks. The Contractor shall ask the customer to check the cold water operation at each of the sinks so as to remove air and to ensure satisfactory flow and that no debris has broken free within the internal plumbing during the meter change operation. If limited flow is found at a sink, the Contractor shall remedy the situation.

Upon completion of the meter change, the Contractor shall leave behind a preapproved information card.

Item 2
Meter Replacement / Changes (5/8" through 1") " located within a "Meter Pit" and install lid mounted MIU

Upon arriving at an address to change a meter(s), the Contractor shall attempt to notify the

resident/tenant of the planned work to be performed, how long the Work will take to complete, and will explain why the Work is being done. The Contractor shall also supply the Resident with a letter explaining, on KYAW letter head which will also identify the Contractor as being authorized by KYAW to change the meter. Contractor will document this notification process and provide evidence of same to KYAW upon request.

The Contractor shall turn off the water to the customer's premises and gain control of the water to prevent any flooding. New washers shall be used when replacing the water meter, and connecting adapters shall also be used, if needed. Contractor will provide the washers at no additional cost to KAWC. The Contractor will ensure that no debris or foreign matter enters the service line or meter. The Contractor will carefully disconnect the wiring as directed by KYAW will:

- **Install the replacement meter, and install a lid mounted MIU device and reconnect the wires using Nicor connectors, record the meter number and the MIU # on the order and place any bar code labels on the meter and the order. Care should be taken to ensure lid is mounted flush and no holes are exposed.**

The Contractor will properly install Nicor connectors with tamper seal. Should gel caps be needed on the wiring, seal the gel caps with the proper crimping device to insure there is a correct and working connection. Gel caps must also be sealed in water resistant tube. The crimp device will be provided by the Contractor and pre-approved by KAWC.

When the Work is completed, the Contractor shall restore service to the customer's premises by carefully and slowly turning the water back on. The Contractor shall ensure there are no leaks at any of the meter connections. If leaks are found, the Contractor is responsible for stopping the leaks. The Contractor shall place any bar code labels, if provided by KAWC, onto the appropriate water meter. If the customer is present, the Contractor shall ask the customer to check the cold water operation at each of the sinks so as to remove air and to ensure satisfactory flow and that no debris has broken free within the internal plumbing during the meter change operation. If limited flow is found at a sink, the Contractor shall remedy the situation. If the Customer is not present, the Contractor shall open an outside hose spigot to flush the line to remove any air/debris.

Upon completion of the meter change, the Contractor shall leave behind a pre-approved information card. Contractor will perform the necessary Work on the meter, even if no one is present at customer's premises; however, when completed, Contractor will ensure that an KAWC-approved pre-printed notice will be left conspicuously (in plain view) at customer's premises in order to notify customer that the work was performed.

Item 3A

Internal Meter Replacement/Changes (1 1/2" through 2") with meter mounted MIU reconnection to preexisting MIU unit or installation of a new MIU unit inside the interior of the property

Prior to visiting an KYAW Customer's premises, the Contractor will coordinate with the local operations center, to determine the total number of letters to be mailed from the KYAW approved letter process. All written communication provided to KAWC's customers must be approved in writing by KYAW and must be printed on KYAW letterhead. Such letters will provide KAWC's customers with a contact phone number, arranged by the contractor, to schedule an appointment during business hours and during nonbusiness hours, the customer shall have the ability to leave a message for appointment setting purposes. Should the Contractor miss an

appointment with a customer, a follow-up letter will be sent to the customer by the Contractor in order to make another appointment with that customer.

Prior to changing any meter or metering equipment, the Contractor shall notify in person the affected KYAW customer(s) regarding what Work will be performed, how long the Work will take to complete, and will explain why the Work is being done. The Contractor will document this notification process and provide evidence of same to KYAW upon request.

The Contractor shall turn off the water to the customer's premises and gain control of the water to prevent any flooding. New washers shall be used when replacing the water meter, and connecting adapters shall also be used, if needed. The Contractor will provide the washers at no additional cost to KAWC. The Contractor will ensure that no debris or foreign matter enters the service line or meter. The Contractor will carefully disconnect the wiring as directed by KYAW and;

Install the replacement meter, reconnect to existing approved MIU unit or install a new MIU device at a point close to the ceiling or sill plate along foundation wall. All wire connections are to be made using appropriate Nicor connectors, record the meter number and the MIU # on the order and place any bar code labels on the meter and the order. Should there be an existing touchpad, Contractor shall label existing touch pad, as directed by KYAW (example with white paint pen or sticker), "MIU"

The Contractor will properly install Nicor connectors with tamper seal. Should gel caps be needed on the wiring, seal the gel caps with the proper crimping device to insure there is a correct and working connection. The crimp device will be provided by the Contractor and pre-approved by KAWC.

When the Work is completed, the Contractor shall restore service to the customer's premises by carefully and slowly turning the water back on. The Contractor shall ensure there are no leaks at any of the meter connections. If leaks are found, the Contractor is responsible for stopping the leaks. The Contractor shall place any bar code labels, if provided by KAWC, onto the appropriate water meter. The Contractor shall ask the customer to check the cold water operation at each of the sinks so as to remove air and to ensure satisfactory flow and that no debris has broken free within the internal plumbing during the meter change operation. If limited flow is found at a sink, the Contractor shall remedy the situation.

Upon completion of the meter change, the Contractor shall leave behind a pre-approved information card.

Item 4

Meter Changes/Replacement 1 1/2" through 2" located within a "Meter Pit" and install a lid mounted MIU unit.

Upon arriving at an address to change a meter(s), the Contractor shall attempt to notify the resident/tenant of the planned work to be performed, how long the Work will take to complete, and will explain why the Work is being done. The Contractor shall also supply the Resident with a letter explaining, on KYAW letter head which will also identify the Contract as being authorized by KYAW to change the meter. Contractor will document this notification process and provide evidence of same to KYAW upon request.

The Contractor shall turn off the water to the customer's premises and gain control of the water

so as to prevent any flooding. New washers shall be used when replacing the water meter, and connecting adapters shall also be used, if needed. Contractor will provide the washers at no additional cost to KAWC. The Contractor will ensure that no debris or foreign matter enters the service line or meter. The Contractor will carefully disconnect the wiring and:

- **Install the replacement meter, and install a lid mounted MIU device and reconnect the wires using Nicor connectors, record the meter number and the MIU # on the order and place any bar code labels on the meter and the order. Care should be taken to ensure lid is mounted flush and no holes are exposed.**

The Contractor will properly install Nicor connectors with tamper seal. Should gel caps be needed on the wiring, seal the gel caps with the proper crimping device to insure there is a correct and working connection. Gel caps must also be sealed in water resistant tube. The crimp device will be provided by the Contractor and pre-approved by KAWC.

When the Work is completed, the Contractor shall restore service to the customer's premises by carefully and slowly turning the water back on. The Contractor shall ensure there are no leaks at any of the meter connections. If leaks are found, the Contractor is responsible for stopping the leaks. The Contractor shall place any bar code labels, if provided by KAWC, onto the appropriate water meter. If the customer is present, the Contractor shall ask the customer to check the cold water operation at each of the sinks to remove air and to ensure satisfactory flow and that no debris has broken free within the internal plumbing during the meter change operation. If limited flow is found at a sink, the Contractor shall remedy the situation. If the Customer is not present, the Contractor shall open an outside hose spigot to flush the line to remove any air/debris.

Upon completion of the meter change, the Contractor shall leave behind a pre-approved information card. Contractor will perform the necessary Work on the meter, even if no one is present at customer's premises; however, when completed, Contractor will ensure that a KAWC-approved pre-printed notice will be left **conspicuously (in plain view)** at customer's premises in order to notify customer that the work was performed.

Item 8

Drill meter pit lid

Drill meter pit lid only if required. Some MIU's may not require a hole in the lid.

Item 11 Vault "Up charge"

This cost will be in addition to the above pricing for any size meter in an external "vault", in which the Contractor's employees must enter. The Contractor's employee(s) will adhere to all OSHA and confined space standards when entering vaults and it is the responsibility of the Contractor to supply all training, equipment and other materials as required when entering "vaults". If multiple meters are being changed inside a vault, this unit charge will only be applied once.

Work Item Descriptions for Curb Box and Meter Pit Services

For all of the following items, the supplier is required to report to local office to pick up and drop off completed work orders and pick up material as needed. Finished work orders should

include date, address, work performed, restoration measurement and type of excavated material.

For all of the following items, the supplier is required to be pre-authorized by KYAW local operations. Material is to be picked up and dropped off at the KYAW local operations. Work orders for additional work performed by the supplier will include date, address, work performed, restoration measurement, and type of excavated material. All work performed will be processed through KAWC's appropriate work order system(s).

Curb Boxes

1) Locate / Uncover (curb boxes) - Remove excessive dirt, debris, concrete, or blacktop from surface of curb box. This generally requires extensive use of magnetic locator and/or line tracer. This unit price shall include labor, pavement removal, excavation, proper and lawful disposal of unused materials and final restoration. This item should be billed only if no other work at the site is conducted. Otherwise, this item should be included in Items 2 - 10.

2) Evaluation, Clean-Out, Exercise Service valve / curbstop - Locate, grade/clean out, replace curb box lid and operate curbstop. Clean out by removing all debris and dirt until curb box is clean to ensure valve is in working order. This item is included in the price for items 3 - 10.

3) Partial Excavation (curb boxes) - Dig up curb box partially by chipping or excavation, if necessary to extend existing curb box to ground level, or install/replace top section of curb box. This unit price shall include labor, pavement removal excavation, proper and lawful disposal of unused materials and final restoration.

4) Excavate and replace curb box with new curb box - Dig up curb box to replace top and bottom section, so that finished box is level with ground. This unit price shall include labor, pavement removal, and excavation, proper and lawful disposal of unused materials. Contractor should be responsible of putting black top or concrete (drive ways and sidewalks) and top soil (in grassy areas) as needed.

Meter Chamber (pit)

10) Locate / Uncover meter chamber - Remove excessive dirt, debris, concrete, or blacktop from surface of meter chamber. This generally requires extensive use of magnetic locator and/or line tracer. This unit price shall include labor, pavement removal, excavation, proper and lawful disposal of unused materials and final restoration. This item should be billed only if no other work at the site is conducted. Otherwise, this item should be included in Items 11-15.

11) Partial Excavation of meter chamber - Install new cover, provided by KAWC, and/or lid, provided by KAWC, and/or install extension on meter chamber as is necessary. Locate/uncover remove excess dirt, debris, concrete, or blacktop from surface of meter chamber. Vacuum out all of the debris inside the chamber. This unit price shall include labor, pavement removal, excavation, disposal of unused materials and final restoration.

12) Replace meter chamber and meter set work - Install/reset meter chamber complete, including meter hood & cover, RF, and attach wire to meter (if necessary), replace meter set (if curb stop tee is broken, includes crimping line and un-crimping the service line.) The Contractor shall complete final backfill and restoration, which is included in price.

This will require some excavation around the existing chamber to get it out and reset the new one. Even though there is an existing excavation, the contractor will most likely have to enlarge that footprint.

This work will require potentially installing (bending) copper sweeps and attaching to a new meter set (this due to a newer style to be installed or existing meter set has gone bad). KYAW may elect to install a meter or instruct the contractor to leave the meter set in ready mode for future meter installation. Wire and RF will still need to be installed in preparation for future meter installation.

15) Reset/realign meter chamber. There is no excavation or meter setting work involved.

Exhibit B

	This pricing is for KYAWC Operation Centers		
Work Description	Changing Meters and MIU Installation	UOM	
Internal Meter Replacement/Changes (5/8" through 1") with meter mounted MIU unit, reconnection to preexisting MIU unit or installation of a new MIU unit inside the interior of the property.	Unit price for each item completed for Work Description "1A"	each	
Internal Meter Changes 5/8" through 1" and replace external mounted touch pad with MIU unit and run new 3 wire between MIU and meter (where 2 wire exists) or replacing outside mounted MIU unit.	Unit price for each item completed for Work Description "1B"	each	
Meter Replacement / Changes (5/8" through 1") * located within a "Meter Pit" and install lid mounted MIU	Unit price for each item completed for Work Description "2"	each	
Internal Meter Replacement/Changes (1 1/2" through 2") with meter mounted MIU reconnection to preexisting MIU unit or installation of a new MIU unit inside the interior of the property	Unit price for each item completed for Work Description "3A"	each	
Meter Changes/Replacement 1 1/2" through 2" located within a "Meter Pit" and install a lid mounted MIU unit.	Unit price for each item completed for Work Description "4"	each	
Drill meter pit lid	Unit price for each item completed for Work Description "8" (Drill Lid)	each	
	Greater than 1" but not larger than 2"	each	
Vault "Up charge"	Unit price for each item completed for Work Description "11"	each	
	<u>Curb Box and Meter Pit Services</u>		
	1) Locate / Uncover curb boxes	each	
	2) Evaluation, Clean-Out, Exercise Service valve / curbstop	each	
	3) Partial Excavation	each	

AGREEMENT FOR METER CHANGE SERVICES

THIS AGREEMENT (the "Agreement") is entered into this 19th Day of February 2024 (the "Effective Date") by and between Kentucky American Water Company, a Kentucky corporation with its principal office located at 2300 Richmond Rd, Lexington, KY 40502 ("Kentucky American Water"), and Revivify Service Company LLC, a Kentucky corporation with its principal office located at 275 Runnymede Drive, Winchester, KY 40391 ("Contractor").

WHEREAS, Contractor desires to sell, and Kentucky American Water desire to purchase, Meter Change services, in accordance with the terms and conditions provided in this Agreement.

NOW, THEREFORE, in consideration of the promises and considerations set forth below, the parties hereto agree as follows:

- 1. TERM.** This Agreement shall commence February 19th, 2024, the Effective Date and shall remain in effect until February 28th, 2026. This Agreement may be terminated by Kentucky-American Water or Contractor for any reason with Sixty (60) calendar days' advance written notice to the other party. Unless otherwise directed in writing by Kentucky American Water, upon receipt of such termination notice from Kentucky American Water, Contractor shall immediately cease all Services in progress and shall not incur any additional costs and expenses on behalf of Kentucky American Water
- 2. SCOPE.** Contractor agrees to provide for sale to American Water, its Affiliates and Operating Ventures (each a "Purchaser"), Meter Change services (the "Services") as outlined in the Statement of Work ("SOW"), which is attached hereto as Exhibit A. The term "Services" shall include any reports, recommendations, software, hardware, or any other deliverable as provided in the SOW.
- 3. PRICING.** Pricing for the Services shall be as set forth in Exhibit A, which is attached hereto and incorporated in its entirety.
- 4. INDEMNIFICATION.** Contractor will, at its sole cost, indemnify, defend and hold Kentucky American Water and its Affiliates and Operating Ventures harmless, together with their respective directors, officers, and employees, from and against any losses, liabilities, damages or expenses resulting therefrom (including court costs and reasonable attorneys' fees), but only to the extent caused by the negligent acts or omissions or willful misconduct in connection with the Contractor's Services provided under this Agreement. Kentucky American Water shall (i) notify Contractor in writing about the raised claim in a timely manner; and (ii) authorize Contractor to lead and settle the legal proceedings (provided that no such settlement shall include an admission of liability or guilt by Kentucky American Water without Kentucky American Water's prior written consent) at Contractor's own cost, with Kentucky American Water providing reasonable cooperation and support as requested by Contractor. However, Contractor's defense costs incurred in providing a defense for Kentucky American Water shall be reimbursed by Kentucky American Water except to the extent such defense costs are caused by Contractor's negligent acts or omissions, breach of any of the provisions

of this Agreement, or willful misconduct.

5. LIMITATION OF LIABILITY. Notwithstanding anything to the contrary contained in this Agreement and except for Kentucky American Water's obligations under Section 7 (Confidentiality) under this Agreement, for any and all claims related to this Agreement, Kentucky American Water's and its Affiliates' and Operating Ventures' cumulative and aggregate liability to Contractor hereunder shall in no event exceed the amount of fees and other amounts shown to be owed and unpaid by Kentucky American Water and its Affiliates and Operating Ventures pursuant to the terms of this Agreement for Services rendered by Contractor hereunder.

Kentucky American Water agrees that Contractor's total liability to Kentucky American Water and the total liability to Kentucky American Water of Contractor's principals, officers, agents, and employees, for any and all injuries, claims, losses, expenses, or damages whatsoever, including attorney's fees, arising out of or in any way related to the Project or this Contract from any cause or causes, including, but not limited to, Contractor's negligence, errors, omissions, strict liability, breach of contract, or breach of warranty shall not exceed Contractor's total fee under this Agreement or \$50,000, whichever is greater. In no event shall either party be liable to the other for any indirect, incidental, special or consequential damages whatsoever (including but not limited to lost profits or interruption of business) arising out of or related to the services provided under the Agreement.

6. WARRANTIES.

- a. Contractor represents and warrants that the Services do not and will not infringe upon or otherwise violate any rights, patents, trademarks, copyrights or trade secrets of any third party. If Purchaser's use of the Services is enjoined, impaired, or otherwise restricted by reason of any claim of infringement of patent, trademark, copyright, trade secret or infringement of any other rights, Contractor shall, at its option, either (1) modify such deliverable so that it becomes non-infringing, but still in conformance with Purchaser's requirements; or (2) procure for Purchaser the right to use such deliverable with equivalent capabilities. This Section shall survive any termination of this Agreement.
- b. Contractor represents that the Services will be free from liens and deficiencies and that the Services will conform with the requirements of the Agreement and SOW. Services not conforming to these requirements shall be corrected promptly by Contractor after receipt of a written notice from Kentucky American Water to do so. Contractor further represents that no part of any Services violates any right of privacy of any third parties and that the Services shall substantially comply with all written descriptive materials furnished to Kentucky American Water by Contractor.
- c. Contractor represents that their services shall be performed in a manner consistent with that degree of skill and care ordinarily exercised by practicing design professionals performing similar services in the same locality, at the same site and under the same or similar circumstances and conditions. The Contractor makes no other warranties, expressed or implied, with respect to the services rendered hereunder.
- d. Any information describing the Contractor's skill, experience, techniques, training and services contained in sales material provided to Kentucky American Water in Contractor's response to any previous quotation are incorporated as a representation in this Agreement.

- e. Contractor represents that: (i) it is capable in all respects of providing all Services in accordance with this Agreement; and (ii) it understands the nature, location, and scope of Services to be performed hereunder.
- f. Contractor represents that: (i) it is a corporation duly formed and in good standing under the laws of the State of Kentucky; (ii) it is qualified and registered to transact business in all locations where the performance of its obligations hereunder would require such qualification; (iii) it has all necessary rights, powers, and authority to enter into, and to fulfill all of its obligations and grant all of the rights that it purports to grant under this Agreement; (iv) the execution, delivery, and performance of this Agreement by Contractor has been duly authorized by all necessary corporate action; (v) the execution and performance of this Agreement by Contractor shall not violate any domestic or foreign law, statute, or regulation and shall not breach any agreement, covenant, court order, judgment, or decree to which Contractor is a party or by which it is bound or otherwise violate any rights of any third party; (vi) it has, and covenants that it shall maintain in effect, all governmental licenses and permits necessary for it to provide the Services contemplated by this Agreement; and (vii) it owns or leases, and covenants that it shall own or lease, or have the right to use, free and clear of all liens and encumbrances, other than lessors' interests, or security interests of Contractor's lenders, appropriate right, title, or interest in and to the tangible property that Contractor intends to use or uses to provide the Services in accordance with this Agreement (except for any resources expressly indicated herein as to be provided by Kentucky American Water).
- g. Contractor represents and warrants that, as of the Effective Date, there is no pending or threatened outstanding litigation, arbitrated matter, or other dispute to which Contractor is a party, that, if decided unfavorably to Contractor, could reasonably be expected to have a potential or actual material adverse effect on Contractor's ability to fulfill its obligations hereunder, and that Contractor knows of no basis that might give rise to any such litigation, arbitration, or other dispute in the foreseeable future. Upon becoming aware of any such basis, Contractor shall promptly notify Kentucky American Water thereof.
- h. Contractor warrants that, in providing the Services and in otherwise performing its obligations under this Agreement, Contractor shall comply, and, to the extent within Contractor's control, shall not prevent Kentucky American Water or its Affiliates and Operating Ventures from complying or materially impede them in complying, with all applicable laws, regulations, and ordinances of any relevant jurisdiction, and all applicable policies of Kentucky American Water and its Affiliates and Operating Ventures, including but not limited to those pertaining to personnel and security.
- i. Contractor is expected to conform its business dealings with Kentucky American Water in accordance with the underlying principles of Kentucky American Water's Code of Ethics, a copy of which is available on Kentucky American Water's website at <http://www.amwater.com>.

7. PROTECTION OF PROPRIETARY INTERESTS; CONFIDENTIALITY.

- a. The parties agree that specifications, pricing schedules, proprietary tools, basic forms, computer programs, manuals, supporting material data, documents, policies, procedures, records and other information that have been disclosed or may be disclosed by one party (the "Disclosing Party") to the other (the "Receiving Party") is confidential in nature ("Confidential Information"), and the Receiving

Party agrees to refrain from using such Confidential Information in a manner inconsistent with the purpose of this Agreement or disclosing such Confidential Information to (i) third parties; or (ii) individuals within its own organization who do not have a strict need to know such information. All Kentucky American Water information shall qualify as confidential unless it is disclosed in writing and labeled as not confidential. Any information that is disclosed orally by Kentucky American Water must be confirmed as not confidential in writing to qualify for the exclusion of protection set forth in this section. The nondisclosure obligations herein shall not apply to information that: (i) is or becomes publicly known through no fault or breach of this Agreement by the Receiving Party; (ii) is independently developed by the Receiving Party without using the Disclosing Party's confidential information, or is rightfully obtained from a third party without restriction on use or disclosure; (iii) is already in the possession of the Receiving Party at the time of the disclosure without the obligation of confidentiality. Notwithstanding anything to the contrary contained in this Agreement, the terms and conditions of this Agreement shall be considered Confidential Information. Except as may be required by law, in the event that one party to this Agreement receives a summons, subpoena, regulatory order, court order or other demand to disclose any Confidential Information, each party agrees to first notify the other of such demand in writing, and shall provide an opportunity for such party to lawfully object and defend any rights it may have to the Confidential Information at the Disclosing Party's sole cost and expense. The requirement to notify and provide an opportunity to defend shall not apply to Kentucky American Water's regulated utility Affiliates ("Regulated Entities") in the event such Regulated Entity determines in good faith that disclosure of Contractor's Confidential Information is required in response to a general information request (whether by subpoena or otherwise) made by such Regulated Entity's utility regulator not specifically targeting Contractor's Confidential Information. No rights or licenses under patents, trademarks or copyrights are granted or implied by any disclosure of confidential information. Confidential Information, and any and all authorized copies thereof, shall remain the property of the Disclosing Party and shall be destroyed or returned if requested by the Disclosing Party, provided that the Receiving Party may keep one copy of Confidential Information solely for recordkeeping so long as is necessary to comply with regulatory requirements.

- b. Each party will permit the other party to disclose information to any consultant or third-party provider, provided (1) that party has a confidentiality agreement with that consultant or third-party provider that ensures it will not disclose to anyone or use information for its own benefit or the benefit of its customers; (2) the confidentiality agreement restricts third-party's or consultant's employees to do only what that party needs them to do; (3) the third-party or consultant agrees to use what it learns only to help that party conduct its internal business operations, and agrees that it will not use the information for themselves or for their customers.
- c. Each of Contractor and Kentucky American Water acknowledge that, in the event of a breach of this section, the owner of the Confidential Information may not have an adequate remedy in money or in damages and, therefore, shall be entitled to seek injunctive relief against such breach without any requirement to post bond as a condition thereof.
- d. All of the restrictions set forth in this Section 7 shall survive any termination of this Agreement.

8. BACKGROUND CHECKS

- a. Contractor acknowledges that the Federal Government has declared public water systems, including Kentucky American Water's, to be critical infrastructure essential to the continued operation of the government and the nation.
- b. Contractor acknowledges that Kentucky American Water's water and wastewater operations are governed by numerous federal and state statutes and regulations, and subject to regulation by numerous federal and state agencies.
- c. Contractor acknowledges that, among other things, Kentucky American Water provides retail water and wastewater service to the public, as authorized and regulated by public utility commissions, so that Kentucky American Water has a public-service obligation to provide safe and affordable water and wastewater service to the public.
- d. Contractor will conduct, or will have conducted, a background check on each of its employees or individual subcontractors before the employee or subcontractor performs any function or activity under this Agreement that involves access to Kentucky American Water's Confidential Information or on-site work at any of Kentucky American Water's facilities. The background check conducted by Contractor will include at least the following:
 - Previous employers and dates of employment;
 - Education;
 - Professional License verification;
 - Military Service Verification;
 - Driving record;
 - Criminal history (state and federal);
 - References;
 - Credit history or social security number trace;
 - Personal history to the extent permitted by applicable laws and regulation; and
 - Verification of eligibility to work in the United States.
- e. Contractor's review of this information will endeavor to:
 - authenticate the identity of the individual;
 - insure that data is consistent with an individuals stated history and current status;
 - uncover any discrepancies;
 - reveal any criminal history; and
 - uncover any other pertinent information tending to establish that the individual may represent a security risk to Kentucky American Water's personnel, facilities, or Kentucky American Water's responsibility for the public safety and the providing of safe and adequate utility to Kentucky American Water's customers.
- f. Upon request, Contractor will make available for Kentucky American Water's review, the documentation and results of the background check with respect to any employee of Contractor performing under this Agreement. Kentucky

American Water will not retain such records or documentation and any findings from its review will be confidential.

9. INVOICING.

- A. Owner will be invoiced for Services when the Services are completed. All invoices shall be submitted within 30 days of work completion. Contractors will be required and agree to submit all invoices through the New Jersey American Water Taulia portal. The Taulia home page may be found here;

<https://customers.taulia.com/americanwater/>

Payments shall be remitted to:

Revivify Service Company LLC
275 Runnymede Drive
Winchester, KY 40391

- b. If Kentucky American Water disputes any invoice or a portion thereof, Kentucky American Water shall not pay the disputed portion of such invoice until the parties have resolved such dispute in accordance with the dispute resolution process delineated in Section 17 of this Agreement. The undisputed portion of any invoice shall be paid as set forth herein.
- c. If any undisputed fees remain unpaid sixty (60) calendar days after Kentucky American Water's receipt of an invoice, Contractor will notify Kentucky American Water in writing of the late payments and, in Contractor's discretion, the dispute resolution procedures delineated in Section 17 shall begin to resolve payment of such fees. If such matter remains unresolved following completion of the dispute resolution process delineated in Section 17, then the parties may resolve such dispute through litigation.

10. RELATIONSHIP OF THE PARTIES.

- a. Contractor represents that any and all personnel providing services to Contractor and/or Kentucky American Water as a result of this Agreement or any subsequent Agreement(s) will be considered solely employees of Contractor. Contractor's employees shall not be entitled to participate in any of Kentucky American Water's employee benefit plans, including but not limited to retirement plans (such as pensions, 401(k), and profit sharing), stock purchase plans, deferred compensation plans, health and welfare benefits, disability benefits, paid time off (such as vacation, sick, personal, sabbatical), severance pay and other like plans and programs.
- b. Contractor and its employees, agents, and consultants shall be an independent contractor and not employees of Kentucky American Water. Nothing contained

herein shall serve to constitute a relationship or partnership or joint venture between the parties. Contractor shall not be an agent of Kentucky American Water and shall have no power to bind or otherwise obligate Kentucky American Water in any manner whatsoever nor shall Contractor be authorized to enter into agreements or any other contractual relationships on behalf of Kentucky American Water.

11. SUBCONTRACTORS. Except as otherwise provided herein (i) Contractor shall not subcontract to any subcontractor all or any part of the Services described in or contemplated under this Agreement without the prior written consent of Kentucky American Water (in its sole discretion); (ii) each such subcontractor may perform only the specific Services described with regard to such subcontractor in a written request submitted by Contractor to Kentucky American Water when seeking such consent; and (iii) no change may be made to the specific Services performed by a particular subcontractor, and no substitution, replacement, or change of subcontractors may be made without the advance written consent of Kentucky American Water. All performance of Services by each subcontractor shall at all times be in accordance with the terms and conditions of this Agreement. Prior to performing any Services, each subcontractor shall execute a non-disclosure agreement that contains terms substantially consistent with the terms of Section 7 of this Agreement. Contractor covenants that its arrangements with subcontractors shall not prohibit or restrict any such subcontractor from, at any time, entering into direct agreements with Kentucky American Water. Notwithstanding anything to the contrary set forth in this section or elsewhere in this Agreement, Contractor shall not engage any subcontractors that are competitors of Kentucky American Water. Approval by Kentucky American Water of any subcontractor shall not relieve Contractor of its obligations or liability with respect to the work to be performed by it or the subcontractor, or of its liability for any property damage or personal injury caused by the subcontractor or its employees. Contractor shall at all times be liable and responsible as a principal for the performance of all of the duties and obligations of Contractor hereunder that Contractor may elect to subcontract to any of its subcontractors or affiliates, or to any other third party.

12. GOVERNING LAW; SEVERABILITY.

- a. This Agreement shall be governed and construed in accordance with the laws of the State of Kentucky, without reference to or application of conflict of laws, rules or principles.
- b. If any one or more of the provisions contained within this Agreement is deemed invalid, illegal, or otherwise unenforceable by a court of competent jurisdiction, the provision of the Agreement will be enforced to the maximum extent permissible and the remainder of the provisions of this Agreement will remain in full force and effect. Contractor and Kentucky American Water mutually agree to substitute any invalid, illegal or unenforceable provision of this Agreement with a valid, legal, or enforceable provision which comes as close as possible to the reasonably inferred intent of the invalid, illegal, or unenforceable provision.

13. USE OF LOGO. Contractor shall not, without Kentucky American Water's express written permission, (i) use Kentucky American Water's name, nor any trade name, logo, trademark, or service mark, whether registered or not, or the name, assumed business name, trade name, logo, trademark, or service mark, whether registered or not, of any Kentucky American Water Affiliate or Operating Venture, in connection with publicity, advertisements, promotion or in any other connection, or (ii) identify Kentucky American Water or its Affiliates and Operating Ventures in any manner on customer or vendor lists or on a web site (or on any third party web site) or in any web site metatags; or (iii) disclose to any third party the

existence of this Agreement or the monetary value of any goods or services purchased hereunder. Contractor shall indemnify Kentucky American Water for reasonable costs and expenses incurred in connection with enforcing the provisions of this section. All of the restrictions and obligations set forth in this section shall survive any termination of this Agreement.

14. FORCE MAJEURE. Neither party hereunder will be responsible for any failure or delay in its performance under this Agreement due to causes that are beyond such party's reasonable control and that is not caused by such party's negligence including, but not limited to, acts of God or the public enemy, fire, flood, strike or other labor dispute directly affecting the project implementation, civil disturbance, or omission by public authority or authorities having proper jurisdiction; provided, however, that if either party's failure or delay in performance hereunder extends beyond fifteen (15) calendar days then the other party shall have the right to immediately terminate this Agreement.

15. EEOC. Contractor specifically represents to Kentucky American Water:

- a. that it agrees to comply with Executive Order 11246 and abide by the provisions of the "Equal Opportunity Clause" at 41 CFR § 60-1.4, which is incorporated herein by reference, unless exempt pursuant to 41 CFR § 60-1.5;
- b. that it agrees to comply with the Vietnam Era Veterans Readjustment Assistance Act of 1974, as amended, Executive Order 11701 (Employment of Veterans by Federal Agencies and Government Contractors and Subcontractors), and the provisions of the "Affirmative Action for Disabled Veterans and Veterans of the Vietnam Era Clause" at 41 CFR §60-250.5, which is incorporated herein by reference, unless exempt pursuant to 41 CFR §60-250.4.
- c. that it agrees to comply with the Rehabilitation Act of 1973, Executive Order 11758 (Authority Under Rehabilitation Act of 1973), and the provisions of the "Affirmative Action for Workers With Disabilities Clause" at 41 CFR 60-741.5, which is incorporated herein by reference, unless exempt pursuant to 41 CFR §60-741.4;
- d. that it agrees to comply with Executive Order 13201 (Notice of Employee Rights Concerning Payment of Union Dues or Fees) and abide by the provisions of the clause at 29 CFR § 470.2, which is incorporated herein by reference, unless exempt pursuant to 29 CFR §§ 470.3-4;
- e. that it agrees to comply, where applicable, with the policies set forth in Executive Order 11625 (National Program for Minority Business Enterprises) and Executive Order 12138 (National Program for Women's Business Enterprise), the Small Business Act, 15 U.S.C. § 631, et seq., and with the "Utilization of Small Business Concerns" and "Small Business Subcontracting Plan" clauses at 48 CFR § 52.219-8 and 9, respecting subcontracting with small disadvantaged, female-owned, veteran-owned, service-disabled veteran-owned, HUBZone, and other small businesses.

16. INSURANCE.

- a. At no expense to Kentucky American Water, Contractor shall (1) obtain and keep in force during the term of this Agreement, and any renewals or extensions hereof; and (2) require its subcontractors to obtain and keep in force during the terms of their respective engagements or contracts, the minimum insurance limits and

coverage set forth below. The insurance coverage limits stated below are minimum coverage requirements, not limitations of liability, and shall not be construed in any way as Kentucky American Water's acceptance of the responsibility of Contractor .

I. Commercial General liability:

- \$1,000,000 per occurrence combined single limits.
- \$1,000,000 general aggregate.
- \$1,000,000 products and completed operations aggregate.
- CGL ISO 1996 or later occurrence form including premises and operations coverage, products and completed operations, coverage for independent contractors, personal injury coverage and blanket contractual liability, Contractor's protective liability if Contractor subcontracts all or any portion of the work to be performed hereunder. Completed operations shall be maintained for a period of three (3) years following final completion for any construction, renovation, repair, or maintenance service.

II. Workers' Compensation:

- Coverage A: Applicable federal or state requirements: statutory minimum.
- Coverage B: Employer's Liability:
- Each accident: \$1,000,000.
- Each employee – disease: \$1,000,000.
- Policy limit - disease: \$1,000,000
- Coverage C: Voluntary workers compensation insurance coverage for all employees not subject to the applicable workers compensation act or acts.
- The workers' compensation policy shall also include U.S. longshoreman and harbors workers' compensation act coverage if any work to be performed hereunder shall be done over or within one hundred (100) feet of any body of water, or otherwise at the sole discretion of Kentucky American Water. Contractor shall provide maritime (Jones Act) coverage if a boat or vessel of any type is used.

III. Automotive Liability (including owned, hired, borrowed and non-ownership liability).

Bodily injury and property damage \$1,000,000 each occurrence combined single limits.

IV. Umbrella Liability. \$4,000,000 each occurrence and annual aggregate in excess of employer's liability, General liability and Automotive liability (no more restrictive than underlying insurance).

- b. The minimum liability limits required may be satisfied through the combination of the primary general liability, employers' liability, and automotive liability limits with an umbrella liability policy (with coverage no more restrictive than the underlying insurance) providing excess limits at least equal to or greater than the combined primary limits.
- c. All commercial general liability including completed operations-products liability coverage and automotive liability insurance shall designate Kentucky American Water, its parent, Affiliates and subsidiaries, its directors, officers

and employees as an additional insured. All such insurance should be primary and non-contributory, and is required to respond and pay prior to any other insurance or self-insurance available to Kentucky American Water. In addition to the liability limits available, such insurance will pay on behalf of or will indemnify Kentucky American Water for defense costs. Any other coverage available to Kentucky American Water applies on a contingent and excess basis. Such insurance shall include appropriate clauses pursuant to which the insurance companies shall waive its rights of subrogation against Kentucky American Water.

- d. Contractor and any of its subcontractors shall furnish, prior to the start of work, certificates or adequate proof of the foregoing insurance including, if specifically requested by Kentucky American Water, copies of the endorsements and insurance policies naming Kentucky American Water as an additional insured, as provided herein. Current certificates of insurance shall be provided prior to the commencement of work and shall be maintained until termination of this Agreement. Contractor shall notify Kentucky American Water in writing, at least thirty (30) calendar days prior to cancellation, or of a material change (defined as "a reduction in policy limits by endorsement during the policy period") in any policy.
- e. The certificate holder is included as an additional insured with respect to liability arising out of the named insured's operations performed on behalf of such certificate holder.
- f. Carriers providing coverage will be rated by A.M. Best with at least an A-rating and a financial size category of at least Class VII. Such cancellation or material alteration shall not relieve Contractor of its continuing obligation to maintain insurance coverage in accordance with this contract. Carriers shall be licensed in the state(s) where work is performed.
- g. If Contractor shall fail to procure and maintain such insurance, Kentucky American Water, upon written notice, may, but shall not be required to, procure and maintain same, but at the expense of Contractor. In the alternative, Kentucky American Water may declare a default hereunder and, unless such default is timely cured, terminate the Agreement. Unless and until the default is cured, neither Contractor nor its servants, employees or agents will be allowed to enter upon Kentucky American Water's premises.

17. DISPUTE RESOLUTION.

- a. The intent of the parties is to identify and resolve disputes promptly after any dispute arises. Before attempting to exercise any legal or equitable remedy, each party agrees to follow the dispute resolution procedure described below. Except as provided otherwise elsewhere in this Agreement, in the event that either party determines that following the procedure described below in this section could potentially be harmful or damaging to their respective businesses or third-party suppliers, that party may elect to forego the dispute resolution process and pursue injunctive relief.
- b. Escalation of Dispute. If there is a dispute between the parties arising out of this Agreement, each party agrees to engage in good faith negotiations between progressively more senior representatives of each party, as follows.

<u>Level</u>	<u>Representatives of the Parties</u>	<u>Maximum Duration of Negotiations Prior to Escalation to Next Level</u>
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One	KENTUCKY AMERICAN WATER:	5 business days
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	Principal Procurement Specialist	
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Two	KENTUCKY AMERICAN WATER:	5 business days
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	Sr Manager, Supply Chain	
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Three	KENTUCKY AMERICAN WATER:	7 business days
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	Sr Manager, Operations	
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	CONTRACTOR : Revivify Service Company LLC	
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	David Treece	
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- c. Either party may at any time change its representative party designated above by providing written notice to the other party.
- d. If such matter remains unresolved following the negotiations and the expiration of the periods specified above in this section each party may immediately exercise or pursue any other rights or remedies available hereunder or at law or in equity, and it is acknowledged by the parties that nothing herein shall preclude, limit, or otherwise restrict any legal or equitable remedies available to either party for failure of the other party to perform its obligations under this Agreement.

18. NO TERMINATION OR SUSPENSION OF SERVICES. Unless otherwise provided in this Agreement, and even if any dispute or other problem arises between the parties and regardless of whether or not it requires at any time the use of the dispute resolution procedures described herein, in no event nor for any reason shall Contractor interrupt or suspend or terminate the provision of Services to Kentucky American Water hereunder or perform any action that prevents, impedes, or reduces in any way the provision of Services or Kentucky American Water's ability to conduct its activities or otherwise fully utilize the Services provided hereunder, unless: (i) authority to do so is granted by Kentucky American Water or ordered by a court of competent jurisdiction; or (ii) the term of this Agreement has expired or has been terminated or cancelled in accordance herewith.

19. TRANSITION ASSISTANCE. Unless requested or directed otherwise by Kentucky American Water in accordance herewith, Contractor shall continue to provide any Services being provided on an ongoing basis hereunder until the effective date of any expiration, termination, or cancellation of this Agreement. Upon receipt of any notice of termination or cancellation, or upon any expiration or termination of this Agreement that occurs without such a notice, Contractor shall promptly deliver to Kentucky American Water copies of all

deliverables, goods and other results of the Services, to the extent that they have then been completed and Kentucky American Water has continuing rights thereto, in accordance with this Agreement. Contractor shall reasonably cooperate with Kentucky American Water and its designated service providers to provide for an orderly transition of the Services following any expiration, termination, or cancellation of this Agreement, as requested by Kentucky American Water. Any such transition assistance shall be provided by Contractor at its then-current reasonable consulting rate.

20. AUDIT RIGHTS. Contractor shall maintain complete, legible and accurate records of all files in support of Kentucky American Water's charges. Kentucky American Water or its authorized representatives shall have the right, at reasonable times during Contractor's regular business hours, and with 5 business days prior notice, to examine and audit all such records as may, under recognized accounting practices, contain information bearing upon the fees paid by Kentucky American Water to Contractor under this Agreement. Kentucky American Water will have the right, with 5 business days' advance written notice to Contractor, to return to Contractor's premises to verify that all necessary remedial actions were taken at Contractor's facility.

21. ASSIGNMENT. Except as otherwise provided herein, neither party will have a right to assign this Agreement, in whole or in part, without the prior written consent of the other party; provided that Kentucky American Water may assign this Agreement to an Affiliate located within the United States without such written consent. Except as otherwise provided herein, any attempt to assign this Agreement without such written consent shall be void for any and all purposes. Subject to the foregoing, this Agreement shall inure to the benefit of the parties' successors and permitted assigns.

22. NOTICES. All notices required or permitted under this Agreement from one party to another under or in connection with this Agreement shall be in writing (or shall be made by a tele-communications device capable of creating a written record), and shall be delivered to Kentucky American Water and Contractor at their contact addresses specified below. Notices shall be deemed given at the time they are actually received by the receiving party. Either party may change its address for notices under this Agreement by giving written notice to the other party by the means specified in this section.

The respective addresses for giving notices hereunder are as follows:

a. **To Contractor :**

David Treece
Revivify Service Company LLC
275 Runnymede Drive
Winchester, KY 40391

b. **To Kentucky American Water:**

Jenna Robinson
Procurement Specialist
1 Water Street
Camden, NJ 08102

23. HEADINGS. Headings in this Agreement are for convenience only and are not to be used in the construction or interpretation of this Agreement.

24. COUNTERPARTS. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original and all of which taken together shall constitute one instrument.

25. NON-EXCLUSIVITY. Both Kentucky American Water and Contractor are free to enter into similar agreements with others, set their own prices, and conduct their business in whatever way they choose, provided that there is no interference with performing the obligations under this Agreement.

26. ENTIRE AGREEMENT. This Agreement constitutes the entire understanding and agreement between Contractor and Kentucky American Water relating to the subject matter herein and supersedes any and all prior or contemporaneous agreements or understandings, whether oral or written, relating to the subject matter herein. Any waiver, modification, or amendment of any provision of this Agreement will be effective only if in writing and signed by duly authorized representatives of the parties. The parties agree that the terms and conditions stated on any purchase orders shall be superseded by the terms and conditions stated herein and shall be of no force and effect.

27. DEFINITIONS.

- a. **"Affiliate".** For purposes of this Agreement, the term "Affiliate" means any entity, corporation, subsidiary, partnership, joint venture or other entity controlling, controlled by or under common control with Kentucky American Water that does not produce services or goods which compete with the services or goods to be provided herein. For purposes of this Agreement, "control" means an active and direct participation in the entity's operations and management and 50% or greater ownership of the stock, or 50% or greater representation on the board of directors.
- b. **"Operating Venture".** For the purposes of this Agreement, the term "Operating Venture" means any entity, corporation, subsidiary, partnership, joint venture or other entity in which Kentucky American Water, or one of its Affiliates, has direct and active participation in such entity's field operations and management; provided that the entity does not produce services or goods that compete with the Services to be provided herein.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their duly authorized representatives below.

Revivify Service Company, LLC



(Signature)

Print: _____
Printed Name

Title: _____
Printed Title

Date: _____
Printed Date

Kentucky American Water Company



(Signature)

Print: **William Lewis**

Title: **VP Operations**

Date: **02/21/2024**

Exhibit A
SOW & Pricing

Meter Changes/Replacement 1 1/2" through 2" located within a "Meter Pit" and install a lid mounted MIU unit.

Upon arriving at an address to change a meter(s), the Contractor shall attempt to notify the resident/tenant of the planned work to be performed, how long the Work will take to complete, and will explain why the Work is being done. The Contractor shall also supply the Resident with a letter explaining, on KYAW letter head which will also identify the Contract as being authorized by KYAW to change the meter. Contractor will document this notification process and provide evidence of same to KYAW upon request.

The Contractor shall turn off the water to the customer's premises and gain control of the water so as to prevent any flooding. New washers shall be used when replacing the water meter, and connecting adapters shall also be used, if needed. Contractor will provide the washers at no additional cost to KAWC. The Contractor will ensure that no debris or foreign matter enters the service line or meter. The Contractor will carefully disconnect the wiring and:

Ø Install the replacement meter, and install a lid mounted MIU device and reconnect the wires using Nicor connectors, record the meter number and the MIU # on the order and place any bar code labels on the meter and the order. Care should be taken to ensure lid is mounted flush and no holes are exposed.

The Contractor will properly install Nicor connectors with tamper seal. Should gel caps be needed on the wiring, seal the gel caps with the proper crimping device to insure there is a correct and working connection. Gel caps must also be sealed in water resistant tube. The crimp device will be provided by the Contractor and pre-approved by KAWC.

When the Work is completed, the Contractor shall restore service to the customer's premises by carefully and slowly turning the water back on. The Contractor shall ensure there are no leaks at any of the meter connections. If leaks are found, the Contractor is responsible for stopping the leaks. The Contractor shall place any bar code labels, if provided by KAWC, onto the appropriate water meter. If the customer is present, the Contractor shall ask the customer to check the cold water operation at each of the sinks to remove air and to ensure satisfactory flow and that no debris has broken free

internal plumbing during the meter change operation. If limited flow is found at a sink, the Contractor shall remedy the situation. If the Customer is not present, the Contractor shall open an outside hose spigot to flush the line to remove any air/debris.

Upon completion of the meter change, the Contractor shall leave behind a pre-approved information card. Contractor will perform the necessary Work on the meter, even if no one is present at customer's premises; however, when completed, Contractor will ensure that a KAWC-approved pre-printed notice will be left conspicuously (in plain view) at customer's premises in order to notify customer that the work was performed.

	This pricing is for KYAWC Operation Centers		
Work Description	Changing Meters and MIU Installation	UOM	Pricing
Meter Changes/Replacement 1 1/2" through 2" located within a "Meter Pit" and install a lid mounted MIU unit.	Unit price for each item completed for Work Description "4"	each	

****change at a minimum 1000 meters**

AGREEMENT FOR SMALL METER SERVICES

THIS AGREEMENT (the "Agreement") is entered into this 1st Day of January 2024 (the "Effective Date") by and between Kentucky American Water Company, a Kentucky corporation with its principal office located at 2300 Richmond Rd, Lexington, KY 40502 ("Kentucky American Water"), and Neptune Equipment Company, located at 11082 Southland Road, Cincinnati, OH 45240 ("Contractor").

WHEREAS, Contractor desires to sell, and Kentucky American Water desire to purchase, Small Meter services, in accordance with the terms and conditions provided in this Agreement.

NOW, THEREFORE, in consideration of the promises and considerations set forth below, the parties hereto agree as follows:

- 1. TERM.** This Agreement shall commence January 1st, 2024, the Effective Date and shall remain in effect until December 31st, 2025. This Agreement may be terminated by Kentucky-American Water or Contractor for any reason with Sixty (60) calendar days' advance written notice to the other party. Unless otherwise directed in writing by Kentucky-American Water, upon receipt of such termination notice from Kentucky-American Water, Contractor shall immediately cease all Services in progress and shall not incur any additional costs and expenses on behalf of Kentucky American Water.
- 2. SCOPE.** Contractor agrees to provide for sale to Kentucky American Water, Small Meter services (the "Services") as outlined in the Statement of Work ("SOW"), which is attached hereto as Exhibit A. The term "Services" shall include any reports, recommendations, software, hardware, or any other deliverable as provided in the SOW.
- 3. PRICING.** Pricing for the Services shall be as set forth in Exhibit B, which is attached hereto and incorporated in its entirety.
- 4. INDEMNIFICATION.** Contractor will, at its sole cost, indemnify, defend and hold Kentucky American Water and its Affiliates and Operating Ventures harmless, together with their respective directors, officers, and employees, from and against any losses, liabilities, damages or expenses resulting therefrom (including court costs and reasonable attorneys' fees), but only to the extent caused by the negligent acts or omissions or willful misconduct in connection with the Contractor's Services provided under this Agreement. Kentucky American Water shall (i) notify Contractor in writing about the raised claim in a timely manner; and (ii) authorize Contractor to lead and settle the legal proceedings (provided that no such settlement shall include an admission of liability or guilt by Kentucky American Water without Kentucky American Water's prior written consent) at Contractor's own cost, with Kentucky American Water providing reasonable cooperation and support as requested by Contractor. However, Contractor's defense costs incurred in providing a defense for Kentucky American Water shall be reimbursed by Kentucky American Water except to the extent such defense costs are caused by Contractor's negligent acts or omissions, breach of any of the provisions of this Agreement, or willful misconduct.
- 5. LIMITATION OF LIABILITY.** Notwithstanding anything to the contrary contained in

this Agreement and except for Kentucky American Water's obligations under Section 7 (Confidentiality) under this Agreement, for any and all claims related to this Agreement, Kentucky American Water's and its Affiliates' and Operating Ventures' cumulative and aggregate liability to Contractor hereunder shall in no event exceed the amount of fees and other amounts shown to be owed and unpaid by Kentucky American Water and its Affiliates and Operating Ventures pursuant to the terms of this Agreement for Services rendered by Contractor hereunder.

Kentucky American Water agrees that Contractor's total liability to Kentucky American Water and the total liability to Kentucky American Water of Contractor's principals, officers, agents, and employees, for any and all injuries, claims, losses, expenses, or damages whatsoever, including attorney's fees, arising out of or in any way related to the Project or this Contract from any cause or causes, including, but not limited to, Contractor's negligence, errors, omissions, strict liability, breach of contract, or breach of warranty shall not exceed Contractor's total fee under this Agreement or \$50,000, whichever is greater. In no event shall either party be liable to the other for any indirect, incidental, special or consequential damages whatsoever (including but not limited to lost profits or interruption of business) arising out of or related to the services provided under the Agreement.

6. WARRANTIES.

- a. Contractor represents and warrants that the Services do not and will not infringe upon or otherwise violate any rights, patents, trademarks, copyrights or trade secrets of any third party. If Purchaser's use of the Services is enjoined, impaired, or otherwise restricted by reason of any claim of infringement of patent, trademark, copyright, trade secret or infringement of any other rights, Contractor shall, at its option, either (1) modify such deliverable so that it becomes non-infringing, but still in conformance with Purchaser's requirements; or (2) procure for Purchaser the right to use such deliverable with equivalent capabilities. This Section shall survive any termination of this Agreement.
- b. Contractor represents that the Services will be free from liens and deficiencies and that the Services will conform with the requirements of the Agreement and SOW. Services not conforming to these requirements shall be corrected promptly by Contractor after receipt of a written notice from Kentucky American Water to do so. Contractor further represents that no part of any Services violates any right of privacy of any third parties and that the Services shall substantially comply with all written descriptive materials furnished to Kentucky American Water by Contractor.
- c. Contractor represents that their services shall be performed in a manner consistent with that degree of skill and care ordinarily exercised by practicing design professionals performing similar services in the same locality, at the same site and under the same or similar circumstances and conditions. The Contractor makes no other warranties, expressed or implied, with respect to the services rendered hereunder.
- d. Any information describing the Contractor's skill, experience, techniques, training and services contained in sales material provided to Kentucky American Water in Contractor's response to any previous quotation are incorporated as a representation in this Agreement.
- e. Contractor represents that: (i) it is capable in all respects of providing all Services in accordance with this Agreement; and (ii) it understands the nature, location, and scope of Services to be performed hereunder.

- f. Contractor represents that: (i) it is a corporation duly formed and in good standing under the laws of the State of Ohio; (ii) it is qualified and registered to transact business in all locations where the performance of its obligations hereunder would require such qualification; (iii) it has all necessary rights, powers, and authority to enter into, and to fulfill all of its obligations and grant all of the rights that it purports to grant under this Agreement; (iv) the execution, delivery, and performance of this Agreement by Contractor has been duly authorized by all necessary corporate action; (v) the execution and performance of this Agreement by Contractor shall not violate any domestic or foreign law, statute, or regulation and shall not breach any agreement, covenant, court order, judgment, or decree to which Contractor is a party or by which it is bound or otherwise violate any rights of any third party; (vi) it has, and covenants that it shall maintain in effect, all governmental licenses and permits necessary for it to provide the Services contemplated by this Agreement; and (vii) it owns or leases, and covenants that it shall own or lease, or have the right to use, free and clear of all liens and encumbrances, other than lessors' interests, or security interests of Contractor's lenders, appropriate right, title, or interest in and to the tangible property that Contractor intends to use or uses to provide the Services in accordance with this Agreement (except for any resources expressly indicated herein as to be provided by Kentucky American Water).
- g. Contractor represents and warrants that, as of the Effective Date, there is no pending or threatened outstanding litigation, arbitrated matter, or other dispute to which Contractor is a party, that, if decided unfavorably to Contractor, could reasonably be expected to have a potential or actual material adverse effect on Contractor's ability to fulfill its obligations hereunder, and that Contractor knows of no basis that might give rise to any such litigation, arbitration, or other dispute in the foreseeable future. Upon becoming aware of any such basis, Contractor shall promptly notify Kentucky American Water thereof.
- h. Contractor warrants that, in providing the Services and in otherwise performing its obligations under this Agreement, Contractor shall comply, and, to the extent within Contractor's control, shall not prevent Kentucky American Water or its Affiliates and Operating Ventures from complying or materially impede them in complying, with all applicable laws, regulations, and ordinances of any relevant jurisdiction, and all applicable policies of Kentucky American Water and its Affiliates and Operating Ventures, including but not limited to those pertaining to personnel and security.
- i. Contractor is expected to conform its business dealings with Kentucky American Water in accordance with the underlying principles of Kentucky American Water's Code of Ethics, a copy of which is available on Kentucky American Water's website at <http://www.amwater.com>.

7. PROTECTION OF PROPRIETARY INTERESTS; CONFIDENTIALITY.

- a. The parties agree that specifications, pricing schedules, proprietary tools, basic forms, computer programs, manuals, supporting material data, documents, policies, procedures, records and other information that have been disclosed or may be disclosed by one party (the "Disclosing Party") to the other (the "Receiving Party") is confidential in nature ("Confidential Information"), and the Receiving Party agrees to refrain from using such Confidential Information in a manner inconsistent with the purpose of this Agreement or disclosing such Confidential Information to (i) third parties; or (ii) individuals within its own organization who do

not have a strict need to know such information. All Kentucky American Water information shall qualify as confidential unless it is disclosed in writing and labeled as not confidential. Any information that is disclosed orally by Kentucky American Water must be confirmed as not confidential in writing to qualify for the exclusion of protection set forth in this section. The nondisclosure obligations herein shall not apply to information that: (i) is or becomes publicly known through no fault or breach of this Agreement by the Receiving Party; (ii) is independently developed by the Receiving Party without using the Disclosing Party's confidential information, or is rightfully obtained from a third party without restriction on use or disclosure; (iii) is already in the possession of the Receiving Party at the time of the disclosure without the obligation of confidentiality. Notwithstanding anything to the contrary contained in this Agreement, the terms and conditions of this Agreement shall be considered Confidential Information. Except as may be required by law, in the event that one party to this Agreement receives a summons, subpoena, regulatory order, court order or other demand to disclose any Confidential Information, each party agrees to first notify the other of such demand in writing, and shall provide an opportunity for such party to lawfully object and defend any rights it may have to the Confidential Information at the Disclosing Party's sole cost and expense. The requirement to notify and provide an opportunity to defend shall not apply to Kentucky American Water's regulated utility Affiliates ("Regulated Entities") in the event such Regulated Entity determines in good faith that disclosure of Contractor's Confidential Information is required in response to a general information request (whether by subpoena or otherwise) made by such Regulated Entity's utility regulator not specifically targeting Contractor's Confidential Information. No rights or licenses under patents, trademarks or copyrights are granted or implied by any disclosure of confidential information. Confidential Information, and any and all authorized copies thereof, shall remain the property of the Disclosing Party and shall be destroyed or returned if requested by the Disclosing Party, provided that the Receiving Party may keep one copy of Confidential Information solely for recordkeeping so long as is necessary to comply with regulatory requirements.

- b. Each party will permit the other party to disclose information to any consultant or third-party provider, provided (1) that party has a confidentiality agreement with that consultant or third-party provider that ensures it will not disclose to anyone or use information for its own benefit or the benefit of its customers; (2) the confidentiality agreement restricts third-party's or consultant's employees to do only what that party needs them to do; (3) the third-party or consultant agrees to use what it learns only to help that party conduct its internal business operations, and agrees that it will not use the information for themselves or for their customers.
- c. Each of Contractor and Kentucky American Water acknowledge that, in the event of a breach of this section, the owner of the Confidential Information may not have an adequate remedy in money or in damages and, therefore, shall be entitled to seek injunctive relief against such breach without any requirement to post bond as a condition thereof.
- d. All of the restrictions set forth in this Section 7 shall survive any termination of this Agreement.

8. BACKGROUND CHECKS

- a. Contractor acknowledges that the Federal Government has declared public water systems, including Kentucky American Water's, to be critical infrastructure essential to the continued operation of the government and the nation.
- b. Contractor acknowledges that Kentucky American Water's water and wastewater operations are governed by numerous federal and state statutes and regulations, and subject to regulation by numerous federal and state agencies.
- c. Contractor acknowledges that, among other things, Kentucky American Water provides retail water and wastewater service to the public, as authorized and regulated by public utility commissions, so that Kentucky American Water has a public-service obligation to provide safe and affordable water and wastewater service to the public.
- d. Contractor will conduct, or will have conducted, a background check on each of its employees or individual subcontractors before the employee or subcontractor performs any function or activity under this Agreement that involves access to Kentucky American Water's Confidential Information or on-site work at any of Kentucky American Water's facilities. The background check conducted by Contractor will include at least the following:
 - Previous employers and dates of employment;
 - Education;
 - Professional License verification;
 - Military Service Verification;
 - Driving record;
 - Criminal history (state and federal);
 - References;
 - Credit history or social security number trace;
 - Personal history to the extent permitted by applicable laws and regulation; and
 - Verification of eligibility to work in the United States.
- e. Contractor's review of this information will endeavor to:
 - authenticate the identity of the individual;
 - insure that data is consistent with an individuals stated history and current status;
 - uncover any discrepancies;
 - reveal any criminal history; and
 - uncover any other pertinent information tending to establish that the individual may represent a security risk to Kentucky American Water's personnel, facilities, or Kentucky American Water's responsibility for the public safety and the providing of safe and adequate utility to Kentucky American Water's customers.
- f. Upon request, Contractor will make available for Kentucky American Water's review, the documentation and results of the background check with respect to any employee of Contractor performing under this Agreement. Kentucky American Water will not retain such records or documentation and any findings from its review will be confidential.

9. INVOICING.

A. Owner will be invoiced for Services when the Services are completed. All invoices shall be submitted within 30 days of work completion. Contractors will be required and agree to submit all invoices through the New Jersey American Water Taulia portal. The Taulia home page may be found here;

<https://customers.taulia.com/americanwater/>

Payments shall be remitted to:

Neptune Equipment
Company dba NECO
11082 Southland Rd
Cincinnati, Ohio 45240-3713

- b. If Kentucky American Water disputes any invoice or a portion thereof, Kentucky American Water shall not pay the disputed portion of such invoice until the parties have resolved such dispute in accordance with the dispute resolution process delineated in Section 17 of this Agreement. The undisputed portion of any invoice shall be paid as set forth herein.
- c. If any undisputed fees remain unpaid sixty (60) calendar days after Kentucky American Water's receipt of an invoice, Contractor will notify Kentucky American Water in writing of the late payments and, in Contractor's discretion, the dispute resolution procedures delineated in Section 17 shall begin to resolve payment of such fees. If such matter remains unresolved following completion of the dispute resolution process delineated in Section 17, then the parties may resolve such dispute through litigation.

10. RELATIONSHIP OF THE PARTIES.

- a. Contractor represents that any and all personnel providing services to Contractor and/or Kentucky American Water as a result of this Agreement or any subsequent Agreement(s) will be considered solely employees of Contractor. Contractor's employees shall not be entitled to participate in any of Kentucky American Water's employee benefit plans, including but not limited to retirement plans (such as pensions, 401(k), and profit sharing), stock purchase plans, deferred compensation plans, health and welfare benefits, disability benefits, paid time off (such as vacation, sick, personal, sabbatical), severance pay and other like plans and programs.
- b. Contractor and its employees, agents, and consultants shall be an independent contractor and not employees of Kentucky American Water. Nothing contained herein shall serve to constitute a relationship or partnership or joint venture

between the parties. Contractor shall not be an agent of Kentucky American Water and shall have no power to bind or otherwise obligate Kentucky American Water in any manner whatsoever nor shall Contractor be authorized to enter into agreements or any other contractual relationships on behalf of Kentucky American Water.

11. SUBCONTRACTORS. Except as otherwise provided herein (i) Contractor shall not subcontract to any subcontractor all or any part of the Services described in or contemplated under this Agreement without the prior written consent of Kentucky American Water (in its sole discretion); (ii) each such subcontractor may perform only the specific Services described with regard to such subcontractor in a written request submitted by Contractor to Kentucky American Water when seeking such consent; and (iii) no change may be made to the specific Services performed by a particular subcontractor, and no substitution, replacement, or change of subcontractors may be made without the advance written consent of Kentucky American Water. All performance of Services by each subcontractor shall at all times be in accordance with the terms and conditions of this Agreement. Prior to performing any Services, each subcontractor shall execute a non-disclosure agreement that contains terms substantially consistent with the terms of Section 7 of this Agreement. Contractor covenants that its arrangements with subcontractors shall not prohibit or restrict any such subcontractor from, at any time, entering into direct agreements with Kentucky American Water. Notwithstanding anything to the contrary set forth in this section or elsewhere in this Agreement, Contractor shall not engage any subcontractors that are competitors of Kentucky American Water. Approval by Kentucky American Water of any subcontractor shall not relieve Contractor of its obligations or liability with respect to the work to be performed by it or the subcontractor, or of its liability for any property damage or personal injury caused by the subcontractor or its employees. Contractor shall at all times be liable and responsible as a principal for the performance of all of the duties and obligations of Contractor hereunder that Contractor may elect to subcontract to any of its subcontractors or affiliates, or to any other third party.

12. GOVERNING LAW; SEVERABILITY.

- a. This Agreement shall be governed and construed in accordance with the laws of the State of Kentucky, without reference to or application of conflict of laws, rules or principles.
- b. If any one or more of the provisions contained within this Agreement is deemed invalid, illegal, or otherwise unenforceable by a court of competent jurisdiction, the provision of the Agreement will be enforced to the maximum extent permissible and the remainder of the provisions of this Agreement will remain in full force and effect. Contractor and Kentucky American Water mutually agree to substitute any invalid, illegal or unenforceable provision of this Agreement with a valid, legal, or enforceable provision which comes as close as possible to the reasonably inferred intent of the invalid, illegal, or unenforceable provision.

13. USE OF LOGO. Contractor shall not, without Kentucky American Water's express written permission, (i) use Kentucky American Water's name, nor any trade name, logo, trademark, or service mark, whether registered or not, or the name, assumed business name, trade name, logo, trademark, or service mark, whether registered or not, of any Kentucky American Water Affiliate or Operating Venture, in connection with publicity, advertisements, promotion or in any other connection, or (ii) identify Kentucky American Water or its Affiliates and Operating Ventures in any manner on customer or vendor lists or on a web site (or on any third party web site) or in any web site metatags; or (iii) disclose to any third party the existence of this Agreement or the monetary value of any goods or services purchased

hereunder. Contractor shall indemnify Kentucky American Water for reasonable costs and expenses incurred in connection with enforcing the provisions of this section. All of the restrictions and obligations set forth in this section shall survive any termination of this Agreement.

14. FORCE MAJEURE. Neither party hereunder will be responsible for any failure or delay in its performance under this Agreement due to causes that are beyond such party's reasonable control and that is not caused by such party's negligence including, but not limited to, acts of God or the public enemy, fire, flood, strike or other labor dispute directly affecting the project implementation, civil disturbance, or omission by public authority or authorities having proper jurisdiction; provided, however, that if either party's failure or delay in performance hereunder extends beyond fifteen (15) calendar days then the other party shall have the right to immediately terminate this Agreement.

15. EEOC. Contractor specifically represents to Kentucky American Water:

- a. that it agrees to comply with Executive Order 11246 and abide by the provisions of the "Equal Opportunity Clause" at 41 CFR § 60-1.4, which is incorporated herein by reference, unless exempt pursuant to 41 CFR § 60-1.5;
- b. that it agrees to comply with the Vietnam Era Veterans Readjustment Assistance Act of 1974, as amended, Executive Order 11701 (Employment of Veterans by Federal Agencies and Government Contractors and Subcontractors), and the provisions of the "Affirmative Action for Disabled Veterans and Veterans of the Vietnam Era Clause" at 41 CFR §60-250.5, which is incorporated herein by reference, unless exempt pursuant to 41 CFR §60-250.4.
- c. that it agrees to comply with the Rehabilitation Act of 1973, Executive Order 11758 (Authority Under Rehabilitation Act of 1973), and the provisions of the "Affirmative Action for Workers With Disabilities Clause" at 41 CFR 60-741.5, which is incorporated herein by reference, unless exempt pursuant to 41 CFR §60-741.4;
- d. that it agrees to comply with Executive Order 13201 (Notice of Employee Rights Concerning Payment of Union Dues or Fees) and abide by the provisions of the clause at 29 CFR § 470.2, which is incorporated herein by reference, unless exempt pursuant to 29 CFR §§ 470.3-4;
- e. that it agrees to comply, where applicable, with the policies set forth in Executive Order 11625 (National Program for Minority Business Enterprises) and Executive Order 12138 (National Program for Women's Business Enterprise), the Small Business Act, 15 U.S.C. § 631, et seq., and with the "Utilization of Small Business Concerns" and "Small Business Subcontracting Plan" clauses at 48 CFR § 52.219-8 and 9, respecting subcontracting with small disadvantaged, female-owned, veteran-owned, service-disabled veteran-owned, HUBZone, and other small businesses.

16. INSURANCE.

- a. At no expense to Kentucky American Water, Contractor shall (1) obtain and keep in force during the term of this Agreement, and any renewals or extensions hereof, and (2) require its subcontractors to obtain and keep in force during the terms of their respective engagements or contracts, the minimum insurance limits and coverage set forth below. The insurance coverage limits stated below are

minimum coverage requirements, not limitations of liability, and shall not be construed in any way as Kentucky American Water's acceptance of the responsibility of Contractor .

I. Commercial General liability:

- \$1,000,000 per occurrence combined single limits.
- \$1,000,000 general aggregate.
- \$1,000,000 products and completed operations aggregate.
- CGL ISO 1996 or later occurrence form including premises and operations coverage, products and completed operations, coverage for independent contractors, personal injury coverage and blanket contractual liability, Contractor's protective liability if Contractor subcontracts all or any portion of the work to be performed hereunder. Completed operations shall be maintained for a period of three (3) years following final completion for any construction, renovation, repair, or maintenance service.

II. Workers' Compensation:

- Coverage A: Applicable federal or state requirements: statutory minimum.
- Coverage B: Employer's Liability:
- Each accident: \$1,000,000.
- Each employee – disease: \$1,000,000.
- Policy limit - disease: \$1,000,000
- Coverage C: Voluntary workers compensation insurance coverage for all employees not subject to the applicable workers compensation act or acts.
- The workers' compensation policy shall also include U.S. longshoreman and harbors workers' compensation act coverage if any work to be performed hereunder shall be done over or within one hundred (100) feet of any body of water, or otherwise at the sole discretion of Kentucky American Water. Contractor shall provide maritime (Jones Act) coverage if a boat or vessel of any type is used.

III. Automotive Liability (including owned, hired, borrowed and non-ownership liability).

Bodily injury and property damage \$1,000,000 each occurrence combined single limits.

IV. Umbrella Liability.

\$4,000,000 each occurrence and annual aggregate in excess of employer's liability, General liability and Automotive liability (no more restrictive than underlying insurance).

- b. The minimum liability limits required may be satisfied through the combination of the primary general liability, employers' liability, and automotive liability limits with an umbrella liability policy (with coverage no more restrictive than the underlying insurance) providing excess limits at least equal to or greater than the combined primary limits.
- c. All commercial general liability including completed operations-products liability coverage and automotive liability insurance shall designate Kentucky American Water, its parent, Affiliates and subsidiaries, its directors, officers and employees as an additional insured. All such insurance should be primary and non-contributory, and is required to respond and pay prior to any other

insurance or self-insurance available to Kentucky American Water. In addition to the liability limits available, such insurance will pay on behalf of or will indemnify Kentucky American Water for defense costs. Any other coverage available to Kentucky American Water applies on a contingent and excess basis. Such insurance shall include appropriate clauses pursuant to which the insurance companies shall waive its rights of subrogation against Kentucky American Water.

- d. Contractor and any of its subcontractors shall furnish, prior to the start of work, certificates or adequate proof of the foregoing insurance including, if specifically requested by Kentucky American Water, copies of the endorsements and insurance policies naming Kentucky American Water as an additional insured, as provided herein. Current certificates of insurance shall be provided prior to the commencement of work and shall be maintained until termination of this Agreement. Contractor shall notify Kentucky American Water in writing, at least thirty (30) calendar days prior to cancellation, or of a material change (defined as "a reduction in policy limits by endorsement during the policy period") in any policy.
- e. The certificate holder is included as an additional insured with respect to liability arising out of the named insured's operations performed on behalf of such certificate holder.
- f. Carriers providing coverage will be rated by A.M. Best with at least an A-rating and a financial size category of at least Class VII. Such cancellation or material alteration shall not relieve Contractor of its continuing obligation to maintain insurance coverage in accordance with this contract. Carriers shall be licensed in the state(s) where work is performed.
- g. If Contractor shall fail to procure and maintain such insurance, Kentucky American Water, upon written notice, may, but shall not be required to, procure and maintain same, but at the expense of Contractor. In the alternative, Kentucky American Water may declare a default hereunder and, unless such default is timely cured, terminate the Agreement. Unless and until the default is cured, neither Contractor nor its servants, employees or agents will be allowed to enter upon Kentucky American Water's premises.

17. DISPUTE RESOLUTION.

- a. The intent of the parties is to identify and resolve disputes promptly after any dispute arises. Before attempting to exercise any legal or equitable remedy, each party agrees to follow the dispute resolution procedure described below. Except as provided otherwise elsewhere in this Agreement, in the event that either party determines that following the procedure described below in this section could potentially be harmful or damaging to their respective businesses or third-party suppliers, that party may elect to forego the dispute resolution process and pursue injunctive relief.
- b. Escalation of Dispute. If there is a dispute between the parties arising out of this Agreement, each party agrees to engage in good faith negotiations between progressively more senior representatives of each party, as follows.

<u>Level</u>	<u>Representatives of the Parties</u>	<u>Maximum Duration of Negotiations Prior to Escalation to Next Level</u>
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One	KENTUCKY AMERICAN WATER:	5 business days
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	Principal Procurement Specialist	
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Two	KENTUCKY AMERICAN WATER:	5 business days
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	Sr Manager, Supply Chain	
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Three	KENTUCKY AMERICAN WATER:	7 business days
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	Sr Manager, Operations	
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CONTRACTOR :

VP, Operations

- c. Either party may at any time change its representative party designated above by providing written notice to the other party.
- d. If such matter remains unresolved following the negotiations and the expiration of the periods specified above in this section each party may immediately exercise or pursue any other rights or remedies available hereunder or at law or in equity, and it is acknowledged by the parties that nothing herein shall preclude, limit, or otherwise restrict any legal or equitable remedies available to either party for failure of the other party to perform its obligations under this Agreement.

18. NO TERMINATION OR SUSPENSION OF SERVICES. Unless otherwise provided in this Agreement, and even if any dispute or other problem arises between the parties and regardless of whether or not it requires at any time the use of the dispute resolution procedures described herein, in no event nor for any reason shall Contractor interrupt or suspend or terminate the provision of Services to Kentucky American Water hereunder or perform any action that prevents, impedes, or reduces in any way the provision of Services or Kentucky American Water's ability to conduct its activities or otherwise fully utilize the Services provided hereunder, unless: (i) authority to do so is granted by Kentucky American Water or ordered by a court of competent jurisdiction; or (ii) the term of this Agreement has expired or has been terminated or cancelled in accordance herewith.

19. TRANSITION ASSISTANCE. Unless requested or directed otherwise by Kentucky American Water in accordance herewith, Contractor shall continue to provide any Services being provided on an ongoing basis hereunder until the effective date of any expiration, termination, or cancellation of this Agreement. Upon receipt of any notice of termination or cancellation, or upon any expiration or termination of this Agreement that occurs without such a notice, Contractor shall promptly deliver to Kentucky American Water copies of all deliverables, goods and other results of the Services, to the extent that they have then been completed and Kentucky American Water has continuing rights thereto, in accordance with

this Agreement. Contractor shall reasonably cooperate with Kentucky American Water and its designated service providers to provide for an orderly transition of the Services following any expiration, termination, or cancellation of this Agreement, as requested by Kentucky American Water. Any such transition assistance shall be provided by Contractor at its then-current reasonable consulting rate.

20. AUDIT RIGHTS. Contractor shall maintain complete, legible and accurate records of all files in support of Kentucky American Water's charges. Kentucky American Water or its authorized representatives shall have the right, at reasonable times during Contractor's regular business hours, and with 5 business days prior notice, to examine and audit all such records as may, under recognized accounting practices, contain information bearing upon the fees paid by Kentucky American Water to Contractor under this Agreement. Kentucky American Water will have the right, with 5 business days' advance written notice to Contractor, to return to Contractor's premises to verify that all necessary remedial actions were taken at Contractor's facility.

21. ASSIGNMENT. Except as otherwise provided herein, neither party will have a right to assign this Agreement, in whole or in part, without the prior written consent of the other party; provided that Kentucky American Water may assign this Agreement to an Affiliate located within the United States without such written consent. Except as otherwise provided herein, any attempt to assign this Agreement without such written consent shall be void for any and all purposes. Subject to the foregoing, this Agreement shall inure to the benefit of the parties' successors and permitted assigns.

22. NOTICES. All notices required or permitted under this Agreement from one party to another under or in connection with this Agreement shall be in writing (or shall be made by a tele-communications device capable of creating a written record), and shall be delivered to Kentucky American Water and Contractor at their contact addresses specified below. Notices shall be deemed given at the time they are actually received by the receiving party. Either party may change its address for notices under this Agreement by giving written notice to the other party by the means specified in this section.

The respective addresses for giving notices hereunder are as follows:

a. To Contractor :

Neptune Equipment
Company dba NECO
11082 Southland Rd
Cincinnati, Ohio 45240-3713

b. To Kentucky American Water:

Adam Blatherwick
Principal Buyer
1 Water Street
Camden, NJ 08102

23. HEADINGS. Headings in this Agreement are for convenience only and are not to be

used in the construction or interpretation of this Agreement.

24. COUNTERPARTS. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original and all of which taken together shall constitute one instrument.

25. NON-EXCLUSIVITY. Both Kentucky American Water and Contractor are free to enter into similar agreements with others, set their own prices, and conduct their business in whatever way they choose, provided that there is no interference with performing the obligations under this Agreement.

26. ENTIRE AGREEMENT. This Agreement constitutes the entire understanding and agreement between Contractor and Kentucky American Water relating to the subject matter herein, and supersedes any and all prior or contemporaneous agreements or understandings, whether oral or written, relating to the subject matter herein. Any waiver, modification or amendment of any provision of this Agreement will be effective only if in writing and signed by duly authorized representatives of the parties. The parties agree that the terms and conditions stated on any purchase orders shall be superseded by the terms and conditions stated herein and shall be of no force and effect.

27. DEFINITIONS.

- a. **"Affiliate".** For purposes of this Agreement, the term "Affiliate" means any entity, corporation, subsidiary, partnership, joint venture or other entity controlling, controlled by or under common control with Kentucky American Water that does not produce services or goods which compete with the services or goods to be provided herein. For purposes of this Agreement, "control" means an active and direct participation in the entity's operations and management and 50% or greater ownership of the stock, or 50% or greater representation on the board of directors.
- b. **"Operating Venture".** For the purposes of this Agreement, the term "Operating Venture" means any entity, corporation, subsidiary, partnership, joint venture or other entity in which Kentucky American Water, or one of its Affiliates, has direct and active participation in such entity's field operations and management; provided that the entity does not produce services or goods that compete with the Services to be provided herein.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their duly authorized representatives below.

Neptune Equipment Company dba NECO Kentucky American Water Company

Brent Hensley

(Signature)

Print: Brent Hensley

Title: Vice President of Operations

Date: 12/20/2023

William Lewis

William Lewis (Jan 4, 2024 11:44 EST)

(Signature)

Print: William Lewis

Title: VP Operations

Date: 01/04/2024

Exhibit A
SPECIFICATIONS OF WORK

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Materials

KYAW will provide meters and adapters to the Contractor on an as-needed basis and as KYAW is able to obtain and make meters available to the Contractor. Contractor shall pick up and/or drop off all new and previously-removed/damaged water meters at the KYAW facility designated by KAWC. This will occur during the normal working hours of KYAW and upon 24 hours' advance notice by the Contractor. The Contractor shall return each used/removed meter in the box that contained the new meter prior to its installation.

The Contractor shall inspect all material for defects, correct size and quantity prior to accepting it from Owner, and shall immediately report any deficiencies or discrepancies. The Contractor shall load, haul, unload, handle, store, and protect all materials in accordance with the handling recommendations of the material manufacturer.

All material found to be defective shall be immediately reported to the Owner. If the Contractor does not properly notify the Owner the Contractor shall not be entitled to reimbursement. If the material is found to be defective and the manufacturer is at fault, the Contractor shall be entitled to reimbursement for lost production. If it is determined that the material was damaged after the Contractor accepted delivery, the Contractor shall not be reimbursed for down time and shall be responsible for the cost of replacement of the damaged material.

The Contractor will supply whatever miscellaneous materials are required to complete the Work, including but not limited to gel caps, threaded adaptor rings, wire, gasket material, screws, and tape.

KYAW reserves the right to provide the Contractor with specifications for any and all such material that is or will be used on this project.

The Contractor will provide its employees with the necessary equipment and tools to perform the Work, including but not limited to devices necessary to obtain a correct MIU reading. This equipment should include:

- Meter Reading equipment to read Neptune RF (when applicable)

It shall be the responsibility of the Contractor to schedule and coordinate the pick-up of materials from the following Water Co. Yards as designated by Owner on a per project per Area basis:

Kentucky American Water
2340 Richmond Rd
Lexington, KY
Meter Barn

Notification of Required Meter Changes

To meet regulatory compliance, water meters used in providing service to customers of KYAW will need to be replaced **and updated**. In order to facilitate the replacement of such meters, KYAW will provide the account numbers, names, as well as service and mailing addresses of

affected KYAW customers to the Contractor in electronic form. Installation contractors will be expected to schedule customer meter changes. Distribute work orders to their employees, and complete the meter changes in the scheduled time frame. It is also expected that Pictures of the meter and piping before and after installation, picture of hand held screen alongside the meter register to confirm the meter reading and Register number of the changed meter. The work order information is to be completed in KYAW work order management system immediately after work is performed or send file to KYAW for a file upload with in 24hrs of completion of the meter change and or MIU change. Local Operating Centers will determine which work management system will be required.

The use of KYAW work order management system will require that the installation contractors train and learn how to utilize this system, which may require the Contractor to acquire any software, licensing, and hardware to manage this workflow.

Data Management

Contractor shall create a database, with full access by KAWC, or if required by KAWC, utilize a company designated work management system, which records all interactions with KYAW customers. The Contractor will ensure that all of the records maintained in the database are accurate and not altered. The database should include at least the following information:

- Record of all documentation provided to each KYAW customer (including phone calls and letters).

- Record of appoints made and appointments kept.

- Mailing and notice information.

- All phone messages and contact made by Contractor to each customer.

- Listing of all Returned to utility accounts (with a documented history detailing reason for return).

- Documentation of damages reported and claims with list of repairs made, including dating.

- Required Pictures, (minimum of 4 (before meter is changed, after meter is changed, old meter serial number and read and new meter serial number and read).

Reporting

Contractor will be obligated to meet with local supervisors as requested to discuss the following reports.

- Actual installed vs. Planned installed schedule (including past and future performance).

- Meter replacement blackout timing (reading of routes).

- Finding of Quality Control (QC) procedures.

- Appointments met. Vs. Appointments made

- Address any other issues or concerns

Basis of Payment

Work to be performed under this Agreement shall be paid for in accordance with the Contract's "Pricing Sheet". The cost of labor, equipment, materials or work called for or necessary for a complete and satisfactory installation, but which are not specifically mentioned in this Section, shall be included in the appropriate pay item by the Contractor at no additional expense to the Owner.

Hours of Work

The Contractor will offer the following schedule to all customers for meter changes; Monday through Friday from 8 a.m. until 8 p.m. and on Saturdays from 8:00 a.m. until 6:00 p.m. EST. However, Contractor will not perform Work on Sundays or KAWC-observed holidays unless specifically requested to do so by KAWC.

Professionalism

Contractor must maintain a professional appearance at all times. This will include approved uniform, badges, and safety shoes. Contractor shall not allow ripped or torn clothing to be worn by their employees.

Contractor's employees and/or agents must always wear photo identification and must always use vehicles clearly identified as belonging to the Contractor. The Contractor's photo and vehicle identification must be explained in the letters sent to KAWC's customers. A listing of all Contractor employees as well as the driver's license number of each employee will be provided to KYAW before any Work is started under this Agreement. Contractor shall provide an updated list with each and every employee change.

Quality Control

KYAW requires that Contractor provide dedicated personnel to insure excellent Quality Control. KYAW requires that the Quality Control personnel report directly through Contractor's management and not directly to project or supervisory personnel responsible for everyday management of non-Quality Control objectives. Management shall report all findings of Quality Control inspection quarterly or more often if KYAW feels this is necessary.

KYAW requires Quality Control personnel to inspect and report (as detailed later in this section) on each of the following areas:

- Meter and/or MIU # match installed and removed equipment
- Meter and /or MIU and/or MLog readable and working
- Compare account number, meter # and MIU #s to both incoming and outgoing files.
- Validate that installs/reads are being performed on time, on schedule and appointments are being met. Report must include appointments made vs. appointments kept, appointments missed, and appointments rescheduled. This data must be accessible to KYAW on an as-needed basis.
- All RTU (return to utility) orders stating that the customer plumbing is in need of repair (as outlined in section 7). **False misrepresentation of plumbing service requirements WILL result in termination of contract.**

KYAW expects that the following work will be Quality Controlled by Contractor during the term of the Agreement. All suppliers shall submit a Quality Control Plan with their proposal. "Contractor Errors" shall be repaired by the contractor at no additional cost to KAWC. KYAW also reserves the right to increase the percentages of Quality Control work if reasonable quality standards are not being met and reported by the Contractor.

Other

It will be the responsibility of the Contractor to become familiar with local conditions that may affect cost, progress, and performance of the installation of services. While the work descriptions for the various requested price line items are detailed, more specific guidance is provided in the Appendix "B". The contractor should be familiar with KAWC's "Meter Change

– Indoor "practice.

The Contractor shall take at least one digital picture (or more if as needed) before any work begins to document the pre-existing conditions of the work area and the meter. Examples are leaking pipes, valves etc. pre-existing damage to customer vaults, etc. The Contractor shall upload all pictures with the service order into their Data Management system, as well as maintain these pictures for three years from completion date, with proper labeling, in a format for expedient retrieval upon request from the Owner.

Any non-emergency or non-urgent complaints must be corrected by the Contractor within three (3) working days. All emergency, urgent or unsafe conditions (i.e., leaking meter, customer without water, etc...) must be responded to within two hours. Any emergency or deficiency that requires a KYAW crew/representative to investigate and remedy will result in a reimbursement charge of \$60.00 (Sixty Dollars) per incident. Emergency deficiencies not immediately addressed will be handled at the discretion of KYAW and all the cost to be reimbursed to the KYAW by the contractor.

The contractor, as part of the quality control, shall ensure each meter is providing an accurate reading as reflected on the meter through the MIU device upon completion of each replacement.

Service billing must be provided to the Owner no less than monthly, accompanied with spreadsheet of individual meter change info to back up invoice.

No invoices will be accepted after three months of the service installation date. All invoices must contain a KYAW PO# along with the Local project supervisor's name.

If bidding in more than one region, pricing must be constant across all regions bid for all items in this RFP.

Safety

The Contractor shall provide all material labor and supervision to insure all work conducted in the public rights-of-way is completed with proper consideration for the safety of the public and work force. The Contractor is instructed to insure their work force complies with and takes all reasonable safety precaution as required by OSHA and all pertinent state, county, town or federal agencies, having jurisdiction. The Contractor shall provide a "competent person" at all work sites and insure traffic safety controls are utilized as recommended by in the current "Manual on Uniform Traffic Devices".

The Contractor is also responsible for all utility markouts as outlined in New Jersey Public Law 48:2-73 "Underground Facility Protection Act." where applicable.

The Contractor will insure the use of proper PPE and follow all KYAW safety procedures.

Payment Items

The Unit Prices in the Agreement's "Pricing Sheet" shall include all costs to construct the work(s) under this Contract. Final payment will be made on the in-place measurement of the work(s) completed per the Items below.

Work Item Descriptions for Changing Meters and MIU Installation

Item 1A

Internal Meter Replacement/Changes (5/8" through 1") with meter mounted MIU unit, reconnection to preexisting MIU unit or installation of a new MIU unit inside the interior of the property.

Prior to visiting an KYAW Customer's premises, the Contractor will coordinate with the local operations center, to determine the total number of letters to be mailed from the KYAW approved letter process. All written communication provided to KAWC's customers must be approved in writing by KYAW and must be printed on KYAW letterhead. Such letters will provide KAWC's customers with a contact phone number, arranged by the contractor, to schedule an appointment during business hours and during nonbusiness hours, the customer shall have the ability to leave a message for appointment setting purposes. Should the Contractor miss an appointment with a customer, a follow-up letter will be sent to the customer by the Contractor in order to make another appointment with that customer.

Prior to changing any meter or metering equipment, the Contractor shall notify in person the affected KYAW customer(s) regarding what Work will be performed, how long the Work will take to complete, and will explain why the Work is being done. The Contractor will document this notification process and provide evidence of same to KYAW upon request.

The Contractor shall turn off the water to the customer's premises and gain control of the water to prevent any flooding. New washers shall be used when replacing the water meter, and connecting adapters shall also be used, if needed. The Contractor will provide the washers at no additional cost to KAWC. The Contractor will ensure that no debris or foreign matter enters the service line or meter. The Contractor will carefully disconnect the wiring as directed by KYAW and;

Install the replacement meter, reconnect to existing approved MIU unit or install a new MIU device at a point close to the ceiling or sill plate along foundation wall. All wire connections are to be made using appropriate Nicor connectors, record the meter number and the MIU # on the order and place any bar code labels on the meter and the order. Should there be an existing touchpad, Contractor shall label existing touch pad, as directed by KYAW (example with white paint pen or sticker), "MIU"

The Contractor will properly install Nicor connectors with tamper seal. Should gel caps be needed on the wiring, seal the gel caps with the proper crimping device to insure there is a correct and working connection. The crimp device will be provided by the Contractor and pre-approved by KAWC.

When the Work is completed, the Contractor shall restore service to the customer's premises by carefully and slowly turning the water back on. The Contractor shall ensure there are no leaks at any of the meter connections. If leaks are found, the Contractor is responsible for stopping the leaks. The Contractor shall ask the customer to check the cold water operation at each of the sinks so as to remove air and to ensure satisfactory flow and that no debris has broken free within the internal plumbing during the meter change operation. If limited flow is found at a sink, the Contractor shall remedy the situation.

Upon completion of the meter change, the Contractor shall leave behind a preapproved information card.

Item 1B

Internal Meter Changes 5/8" through 1" and replace external mounted touch pad with MIU unit and run new 3 wire between MIU and meter (where 2 wire exists) or replacing

outside mounted MIU unit.

Prior to visiting an KYAW Customer's premises, the Contractor will coordinate with the local operations center, to determine the total number of letters to be mailed from the KYAW approved letter process. All written communication provided to KAWC's customers must be approved in writing by KYAW and must be printed on KYAW letterhead. Such letters will provide KAWC's customers with a contact phone number, arranged by the contractor, to schedule an appointment during business hours and during nonbusiness hours, the customer shall have the ability to leave a message for appointment setting purposes. Should the Contractor miss an appointment with a customer, a follow-up letter will be sent to the customer by the Contractor in order to make another appointment with that customer.

Prior to changing any meter or metering equipment, the Contractor shall notify in person the affected KYAW customer(s) regarding what Work will be performed, how long the Work will take to complete, and will explain why the Work is being done. The Contractor will document this notification process and provide evidence of same to KYAW upon request.

The Contractor shall turn off the water to the customer's premises and gain control of the water to prevent any flooding. New washers shall be used when replacing the water meter, and connecting adapters shall also be used, if needed. The Contractor will provide the washers at no additional cost to KAWC. The Contractor will ensure that no debris or foreign matter enters the service line or meter. The Contractor will carefully disconnect the wiring as directed by KYAW and;

- **Install the replacement meter, remove the existing externally mounted touch pad and run new 3 wire between meter and MIU unit and connect the 3 wire to the meter using Nicor connectors. Or replace a preexisting outside MIU and reconnect to meter using NICOR connectors. Record the meter number and the MIU # on the order and place any bar code labels on the meter and the order.**

The Contractor will properly install Nicor connectors with tamper seal. Should gel caps be needed on the wiring, seal the gel caps with the proper crimping device to insure there is a correct and working connection. The crimp device will be provided by the Contractor and pre-approved by KAWC.

When the Work is completed, the Contractor shall restore service to the customer's premises by carefully and slowly turning the water back on. The Contractor shall ensure there are no leaks at any of the meter connections. If leaks are found, the Contractor is responsible for stopping the leaks. The Contractor shall ask the customer to check the cold water operation at each of the sinks so as to remove air and to ensure satisfactory flow and that no debris has broken free within the internal plumbing during the meter change operation. If limited flow is found at a sink, the Contractor shall remedy the situation.

Upon completion of the meter change, the Contractor shall leave behind a preapproved information card.

Item 2**Meter Replacement / Changes (5/8" through 1") " located within a "Meter Pit" and install lid mounted MIU**

Upon arriving at an address to change a meter(s), the Contractor shall attempt to notify the resident/tenant of the planned work to be performed, how long the Work will take to complete,

and will explain why the Work is being done. The Contractor shall also supply the Resident with a letter explaining, on KYAW letter head which will also identify the Contractor as being authorized by KYAW to change the meter. Contractor will document this notification process and provide evidence of same to KYAW upon request.

The Contractor shall turn off the water to the customer's premises and gain control of the water to prevent any flooding. New washers shall be used when replacing the water meter, and connecting adapters shall also be used, if needed. Contractor will provide the washers at no additional cost to KAWC. The Contractor will ensure that no debris or foreign matter enters the service line or meter. The Contractor will carefully disconnect the wiring as directed by KYAW will:

- **Install the replacement meter, and install a lid mounted MIU device and reconnect the wires using Nicor connectors, record the meter number and the MIU # on the order and place any bar code labels on the meter and the order. Care should be taken to ensure lid is mounted flush and no holes are exposed.**

The Contractor will properly install Nicor connectors with tamper seal. Should gel caps be needed on the wiring, seal the gel caps with the proper crimping device to insure there is a correct and working connection. Gel caps must also be sealed in water resistant tube. The crimp device will be provided by the Contractor and pre-approved by KAWC.

When the Work is completed, the Contractor shall restore service to the customer's premises by carefully and slowly turning the water back on. The Contractor shall ensure there are no leaks at any of the meter connections. If leaks are found, the Contractor is responsible for stopping the leaks. The Contractor shall place any bar code labels, if provided by KAWC, onto the appropriate water meter. If the customer is present, the Contractor shall ask the customer to check the cold water operation at each of the sinks so as to remove air and to ensure satisfactory flow and that no debris has broken free within the internal plumbing during the meter change operation. If limited flow is found at a sink, the Contractor shall remedy the situation. If the Customer is not present, the Contractor shall open an outside hose spigot to flush the line to remove any air/debris.

Upon completion of the meter change, the Contractor shall leave behind a pre-approved information card. Contractor will perform the necessary Work on the meter, even if no one is present at customer's premises; however, when completed, Contractor will ensure that an KAWC-approved pre-printed notice will be left conspicuously (in plain view) at customer's premises in order to notify customer that the work was performed.

Item 3A

Internal Meter Replacement/Changes (1 1/2" through 2") with meter mounted MIU reconnection to preexisting MIU unit or installation of a new MIU unit inside the interior of the property

Prior to visiting an KYAW Customer's premises, the Contractor will coordinate with the local operations center, to determine the total number of letters to be mailed from the KYAW approved letter process. All written communication provided to KAWC's customers must be approved in writing by KYAW and must be printed on KYAW letterhead. Such letters will provide KAWC's customers with a contact phone number, arranged by the contractor, to schedule an appointment during business hours and during nonbusiness hours, the customer shall have the ability to leave a message for appointment setting purposes. Should the Contractor miss an appointment with a customer, a follow-up letter will be sent to the customer by the Contractor in

order to make another appointment with that customer.

Prior to changing any meter or metering equipment, the Contractor shall notify in person the affected KYAW customer(s) regarding what Work will be performed, how long the Work will take to complete, and will explain why the Work is being done. The Contractor will document this notification process and provide evidence of same to KYAW upon request.

The Contractor shall turn off the water to the customer's premises and gain control of the water to prevent any flooding. New washers shall be used when replacing the water meter, and connecting adapters shall also be used, if needed. The Contractor will provide the washers at no additional cost to KAWC. The Contractor will ensure that no debris or foreign matter enters the service line or meter. The Contractor will carefully disconnect the wiring as directed by KYAW and;

Install the replacement meter, reconnect to existing approved MIU unit or install a new MIU device at a point close to the ceiling or sill plate along foundation wall. All wire connections are to be made using appropriate Nicor connectors, record the meter number and the MIU # on the order and place any bar code labels on the meter and the order. Should there be an existing touchpad, Contractor shall label existing touch pad, as directed by KYAW (example with white paint pen or sticker), "MIU"

The Contractor will properly install Nicor connectors with tamper seal. Should gel caps be needed on the wiring, seal the gel caps with the proper crimping device to insure there is a correct and working connection. The crimp device will be provided by the Contractor and pre-approved by KAWC.

When the Work is completed, the Contractor shall restore service to the customer's premises by carefully and slowly turning the water back on. The Contractor shall ensure there are no leaks at any of the meter connections. If leaks are found, the Contractor is responsible for stopping the leaks. The Contractor shall place any bar code labels, if provided by KAWC, onto the appropriate water meter. The Contractor shall ask the customer to check the cold water operation at each of the sinks so as to remove air and to ensure satisfactory flow and that no debris has broken free within the internal plumbing during the meter change operation. If limited flow is found at a sink, the Contractor shall remedy the situation.

Upon completion of the meter change, the Contractor shall leave behind a pre-approved information card.

Item 4

Meter Changes/Replacement 1 1/2" through 2" located within a "Meter Pit" and install a lid mounted MIU unit.

Upon arriving at an address to change a meter(s), the Contractor shall attempt to notify the resident/tenant of the planned work to be performed, how long the Work will take to complete, and will explain why the Work is being done. The Contractor shall also supply the Resident with a letter explaining, on KYAW letter head which will also identify the Contract as being authorized by KYAW to change the meter. Contractor will document this notification process and provide evidence of same to KYAW upon request.

The Contractor shall turn off the water to the customer's premises and gain control of the water so as to prevent any flooding. New washers shall be used when replacing the water meter, and

connecting adapters shall also be used, if needed. Contractor will provide the washers at no additional cost to KAWC. The Contractor will ensure that no debris or foreign matter enters the service line or meter. The Contractor will carefully disconnect the wiring and:

- **Install the replacement meter, and install a lid mounted MIU device and reconnect the wires using Nicor connectors, record the meter number and the MIU # on the order and place any bar code labels on the meter and the order. Care should be taken to ensure lid is mounted flush and no holes are exposed.**

The Contractor will properly install Nicor connectors with tamper seal. Should gel caps be needed on the wiring, seal the gel caps with the proper crimping device to insure there is a correct and working connection. Gel caps must also be sealed in water resistant tube. The crimp device will be provided by the Contractor and pre-approved by KAWC.

When the Work is completed, the Contractor shall restore service to the customer's premises by carefully and slowly turning the water back on. The Contractor shall ensure there are no leaks at any of the meter connections. If leaks are found, the Contractor is responsible for stopping the leaks. The Contractor shall place any bar code labels, if provided by KAWC, onto the appropriate water meter. If the customer is present, the Contractor shall ask the customer to check the cold water operation at each of the sinks to remove air and to ensure satisfactory flow and that no debris has broken free within the internal plumbing during the meter change operation. If limited flow is found at a sink, the Contractor shall remedy the situation. If the Customer is not present, the Contractor shall open an outside hose spigot to flush the line to remove any air/debris.

Upon completion of the meter change, the Contractor shall leave behind a pre-approved information card. Contractor will perform the necessary Work on the meter, even if no one is present at customer's premises; however, when completed, Contractor will ensure that a KAWC-approved pre-printed notice will be left **conspicuously (in plain view)** at customer's premises in order to notify customer that the work was performed.

Item 8

Drill meter pit lid

Drill meter pit lid only if required. Some MIU's may not require a hole in the lid.

Item 11 Vault "Up charge"

This cost will be in addition to the above pricing for any size meter in an external "vault", in which the Contractor's employees must enter. The Contractor's employee(s) will adhere to all OSHA and confined space standards when entering vaults and it is the responsibility of the Contractor to supply all training, equipment and other materials as required when entering "vaults". If multiple meters are being changed inside a vault, this unit charge will only be applied once.

Work Item Descriptions for Curb Box and Meter Pit Services

For all of the following items, the supplier is required to report to local office to pick up and drop off completed work orders and pick up material as needed. Finished work orders should include date, address, work performed, restoration measurement and type of excavated

material.

For all of the following items, the supplier is required to be pre-authorized by KYAW local operations. Material is to be picked up and dropped off at the KYAW local operations. Work orders for additional work performed by the supplier will include date, address, work performed, restoration measurement, and type of excavated material. All work performed will be processed through KAWC's appropriate work order system(s).

Curb Boxes

- 1) Locate / Uncover (curb boxes)** - Remove excessive dirt, debris, concrete, or blacktop from surface of curb box. This generally requires extensive use of magnetic locator and/or line tracer. This unit price shall include labor, pavement removal, excavation, proper and lawful disposal of unused materials and final restoration. This item should be billed only if no other work at the site is conducted. Otherwise, this item should be included in Items 2 - 10.
- 2) Evaluation, Clean-Out, Exercise Service valve / curbstop** - Locate, grade/clean out, replace curb box lid and operate curbstop. Clean out by removing all debris and dirt until curb box is clean to ensure valve is in working order. This item is included in the price for items 3 - 10.
- 3) Partial Excavation (curb boxes)** - Dig up curb box partially by chipping or excavation, if necessary to extend existing curb box to ground level, or install/replace top section of curb box. This unit price shall include labor, pavement removal excavation, proper and lawful disposal of unused materials and final restoration.
- 4) Excavate and replace curb box with new curb box** - Dig up curb box to replace top and bottom section, so that finished box is level with ground. This unit price shall include labor, pavement removal, and excavation, proper and lawful disposal of unused materials. Contractor should be responsible of putting black top or concrete (drive ways and sidewalks) and top soil (in grassy areas) as needed.

Meter Chamber (pit)

- 10) Locate / Uncover meter chamber** - Remove excessive dirt, debris, concrete, or blacktop from surface of meter chamber. This generally requires extensive use of magnetic locator and/or line tracer. This unit price shall include labor, pavement removal, excavation, proper and lawful disposal of unused materials and final restoration. This item should be billed only if no other work at the site is conducted. Otherwise, this item should be included in Items 11-15.
- 11) Partial Excavation of meter chamber** - Install new cover, provided by KAWC, and/or lid, provided by KAWC, and/or install extension on meter chamber as is necessary. Locate/uncover remove excess dirt, debris, concrete, or blacktop from surface of meter chamber. Vacuum out all of the debris inside the chamber. This unit price shall include labor, pavement removal, excavation, disposal of unused materials and final restoration.
- 12) Replace meter chamber and meter set work** - Install/reset meter chamber complete, including meter hood & cover, RF, and attach wire to meter (If necessary), replace meter set (if curb stop tee is broken, includes crimping line and un-crimping the service line.) The Contractor shall complete final backfill and restoration, which is included in price.

This will require some excavation around the existing chamber to get it out and reset the new one. Even though there is an existing excavation, the contractor will most likely have to enlarge that footprint.

This work will require potentially installing (bending) copper sweeps and attaching to a new meter set (this due to a newer style to be installed or existing meter set has gone bad). KYAW may elect to install a meter or instruct the contractor to leave the meter set in ready mode for future meter installation. Wire and RF will still need to be installed in preparation for future meter installation.

15) Reset/realign meter chamber. There is no excavation or meter setting work involved.

Exhibit B

This pricing is for KYAWC Operation Centers			
Work Description	Changing Meters and MIU Installation	UOM	Pricing
Internal Meter Replacement/Changes (5/8" through 1") with meter mounted MIU unit, reconnection to preexisting MIU unit or installation of a new MIU unit inside the interior of the property.	Unit price for each item completed for Work Description "1A"	each	
Internal Meter Changes 5/8" through 1" and replace external mounted touch pad with MIU unit and run new 3 wire between MIU and meter (where 2 wire exists) or replacing outside mounted MIU unit.	Unit price for each item completed for Work Description "1B"	each	
Meter Replacement / Changes (5/8" through 1") located within a "Meter Pit" and install lid mounted MIU	Unit price for each item completed for Work Description "2"	each	
Internal Meter Replacement/Changes (1 1/2" through 2") with meter mounted MIU reconnection to preexisting MIU unit or installation of a new MIU unit inside the interior of the property	Unit price for each item completed for Work Description "3A"	each	
Meter Changes/Replacement 1 1/2" through 2" located within a "Meter Pit" and install a lid mounted MIU unit.	Unit price for each item completed for Work Description "4"	each	
Drill meter pit lid	Unit price for each item completed for Work Description "8" (Drill Lid)	each	
	Greater than 1" but not larger than 2"	each	
Vault "Up charge"	Unit price for each item completed for Work Description "11"	each	
Curb Box and Meter Pit Services			
	1) Locate / Uncover curb boxes	each	
	2) Evaluation, Clean-Out, Exercise Service valve / curbstop	each	
	3) Partial Excavation	each	






Small Meter Services

Final Audit Report

2023-12-20

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Small Meter Services

Final Audit Report

2024-01-04

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By:	Adam Blatherwick (adam.blatherwick@amwater.com)
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KENTUCKY-AMERICAN WATER COMPANY
CASE NO. 2025-00240
ATTORNEY GENERAL'S SUPPLEMENTAL REQUEST FOR INFORMATION

Witness: Krista Citron

21. Regarding planned large capital projects KAW has over the same 20-year period used in the cost benefit analysis comparing AMR and AMI, please provide the following:
- a. List and describe each project, the timeline and the estimated cost.
 - b. Indicate on each project if it is believed that the project will involve removing and replacing customer meters that are less than 10 years old. Indicate the number of customer meters involved in the project and the average remaining life of these meters.
 - c. Are these projects already incorporated in the cost benefit analysis? If so indicate where. If not, explain.

Response:

- a. Note that the requested transition to AMI meters proposed in this CPCN is not a single planned, large project but rather an incremental change in metering technology as existing AMR meters are replaced at the end of their useful life. Meter replacement is considered a “recurring” project with an amount of expected expenditure each year.

KAW's Strategic Capital Expenditure Plan (SCEP) also outlines large capital projects listed under “Investment Projects” or “IP” projects, with a brief description, timeline and estimated cost. It was submitted under Case No. 2025-00122 in John Magner's Direct Testimony and is attached to this response. Further discussion of IP projects can be found in Mr. Magner's direct testimony on pages 9 through 24.

- b. The investment projects identified in the SCEP do not entail replacing customer meters; however, there could be limited circumstances when an individual meter might be replaced in conjunction with a large project.
- c. There are no large investment projects related to meter replacement in the capital plan, as meter replacement is a recurring project. The cost benefit analysis is simply a tool to examine the relative expenses and expected advantages of two courses of action—in this case, comparing implementing AMI metering technology against continuing with AMR metering technology.

Kentucky American Water
Capital Project Spend Forecast
2026-2028

Business Unit	Project #	Project Title	2026	2027	2028
		RECURRING PROJECTS			
Kentucky	R12-**A1	Mains - New	1,112,000	750,000	1,770,000
Kentucky	R12-**B1	Mains - Replaced / Restored	31,676,226	34,248,951	32,034,390
Kentucky	R12-**C1	Mains - Unscheduled	2,323,881	2,323,906	1,910,000
Kentucky	R12-**D1	Mains - Relocated	1,408,113	1,508,457	1,402,500
Kentucky	R12-**E1	Hydrants, Valves, and Manholes - New	419,500	478,900	498,300
Kentucky	R12-**F1	Hydrants, Valves, and Manholes - Replaced	3,010,604	3,010,604	2,306,800
Kentucky	R12-**G1	Services and Laterals - New	3,458,000	3,571,500	3,684,000
Kentucky	R12-**H1	Services and Laterals - Replaced	1,572,630	1,572,627	1,205,000
Kentucky	R12-**I1	Meters - New	0	0	0
Kentucky	R12-**J1	Meters - Replaced	10,538,425	10,543,272	7,508,865
Kentucky	R12-**K1	ITS Equipment and Systems (Local)	370,463	828,193	419,759
Kentucky	R12-**L1	SCADA Equipment and Systems	1,126,500	1,250,000	1,660,000
Kentucky	R12-**M1	Security Equipment and Systems	625,000	625,000	625,000
Kentucky	R12-**N1	Offices and Operations Centers	525,000	524,999	1,345,000
Kentucky	R12-**O1	Vehicles	1,055,000	1,133,500	1,247,500
Kentucky	R12-**P1	Tools and Equipment	999,356	595,955	880,200
Kentucky	R12-**Q1	Process Plant Facilities and Equipment	4,347,070	3,624,256	3,700,000
Kentucky	R12-**S1	Engineering Studies	125,000	500,000	700,000
Kentucky	R12-**T12	ITS Equipment and Systems - Enterprise Solutions	6,221,401	7,458,160	6,996,000
		TOTAL RPs	70,914,167	74,548,279	69,893,313
		INVESTMENT PROJECTS			
Kentucky	I12-020059	KRS2 Transfer Switch	904,000		
Kentucky	I12-020082	KRS1 UV Facility	9,000,000		
Kentucky	I12-020095	Mercer Rd Booster Station	250,000	1,400,000	
Kentucky	I12-020097	Hall Booster	283,120	800,000	
Kentucky	I12-020102	KRS1 Low Service Pump No. 3/ Transfer Pump No.9	3,009,001		
Kentucky	I12-02AXXX	KRS 1 Screw Press	6,000,000	1,000,000	
Kentucky	I12-02BXXX	KRS1 Sedimentation Basin Installation			2,000,000
Kentucky	I12-020118	Jacobson Reservoir Outlet Improvements	200,000		
Kentucky	I12-02DXXX	Woodlake Booster		1,196,550	1,500,000
Kentucky	I12-30EXXX	KRS 2 Chlorine Gas Conversion	300,000	6,000,000	
Kentucky	I12-02GXXX	KRS 1 Rapid Mix/ Ferric Tank Replacement			3,000,000
Kentucky	I12-02HXXX	JRES Dam Spillway Expansion		1,000,000	4,000,000
Kentucky	I12-02IXXX	Hamburg Area Tank/ Pressure Improvements	500,000	500,000	5,000,000
Kentucky	I12-02LXXX	Winchester Road Reinforcement	500,000	39,835	4,960,165
		Total Investment Projects	20,946,121	11,936,384	20,460,165
		Total RP and IPs	91,860,289	86,484,663	90,353,478