NORTH TEXAS MUNICIPAL WATER DISTRICT

MEMORANDUM OF UNDERSTANDING REGARDING DEVELOPMENT OF A REGIONAL CAPACITY, MANAGEMENT, OPERATIONS, AND MAINTENANCE (CMOM) PROGRAM

WHEREAS, the City of Allen, the City of Forney, the City of Frisco, the City of Heath, the City of McKinney, the City of Mesquite, the City of Plano, the City of Princeton, the Town of Prosper, the City of Richardson, the City of Rockwall and the City of Seagoville, (individually and collectively the "Communities"), have entered into various contracts (the "Contracts") for the collection, conveyance, and treatment of wastewater from their various systems (the "Systems"); and

WHEREAS, the Contracts do not include explicit provisions related to maintenance, management, and operation of the Systems; and

WHEREAS, North Texas Municipal Water District ("NTMWD") and the Communities have a goal to improve wastewater collection capacity, management, operations, and maintenance programs of the Systems; and

NOW THEREFORE, NTMWD and the Communities agree to the following:

NTMWD and the Communities shall work together in good faith to establish a mutually agreeable written Regional Capacity, Management, Operations, and Maintenance (CMOM) program related to the following aspects of NTMWD's and Communities' practices, assets, and programs.

- a. Emergency response and mitigation plan,
- b. Collection system cleaning program,
- c. Comprehensive Fats, Roots, Oil, and Grease (FROG) program,
- d. Condition assessment: Force mains, lift stations, manholes, gravity sewers, and service laterals,
- e. Hydraulic modeling capacity assessment,
- f. Formalized operation and maintenance ("O&M") training program including standard operating procedures and classroom training,
- g. Point of entry and flow metering program,
- h. Maintenance management system, and
- i. Framework for identification and implementation of NTMWD and Community capital project needs resulting from condition and capacity assessments.

This Memorandum of Understanding will be effective the date of the last signature.