

WATER SERVICE AREA TRANSFER AGREEMENT

This Agreement is entered into this 1 day of May, 2017, by and between the City of Mulvane, Kansas, a Kansas municipal corporation (hereinafter referred to as the "City"); Rural Water District No. 3, Sedgwick County, Kansas (hereinafter referred to as the "District"); and Nottingham Estates at Hunters Pointe, LLC, a Kansas limited liability company (hereinafter referred to as the "Developer").

WHEREAS, the City owns and operates a waterworks and water distribution system serving land within its corporate limits; and

WHEREAS, the District is a rural water district organized and existing pursuant to K.S.A. 82a-612 *et seq.* The District provides water service to customers and property located within the territory of the District and has debt obligations implicating 7 U.S.C. § 1926(b); and

WHEREAS, the Developer intends to develop ten (10) acres of real property located within the City's corporate limits and the District's territory and legally described on Exhibit A attached hereto (the "Property"); and

WHEREAS, the Developer desires the City provide water service to the Property; and

WHEREAS, the District has no facilities within the Property and intends, upon proper petition by Developer and legal procedures pursuant to K.S.A. 82a-646, to release the Property from its territory and allow the City to provide water service thereto.

NOW, THEREFORE, in consideration of the mutual covenants contained herein, the parties agree as follows:

1. The Property. The Property is depicted on Exhibit A attached hereto. The District has no benefit units upon the Property.

2. Pre-Release Procedure.

A. *Developer.* The Developer herewith submits to the District a petition for release of the Property from District territory pursuant to K.S.A. 82a-646 (the "Release Petition").

B. *District.* The District agrees, upon receipt of the Release Petition in proper form to consider release of the Property from the District's territory pursuant the procedure set forth in K.S.A. 82a-646, but no later than 45 days from receipt of the Release Petition.

3. Water Service.

A. Upon release from the District's territory, the City shall assume responsibility for providing all water service to the Property. The District agrees to allow the City to provide all water service to the Property, agrees that no additional debt obligations implicating

7 U.S.C. § 1926(b) shall be placed on or issued in reliance upon revenues from the Property, and agrees that the District shall not provide any water service to the Property.

B. Provided the Property has been released from the District's territory, the City and Developer shall each pay to the District a lump sum of \$5,353.63, for a total payment of \$10,707.26. Neither the amount of this payment, nor any other liability of the City to the District, shall be increased by new water customers within the Property after the date of this agreement.

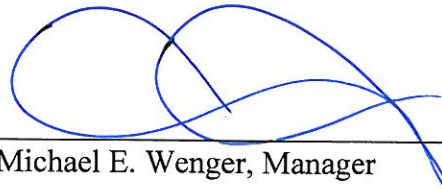
IN WITNESS HEREOF, the parties have hereto executed this Agreement as of the day and year first above written.

CITY OF MULVANE, KANSAS



Shelly Steadman, Mayor

NOTTINGHAM ESTATES AT
HUNTERS POINTE, LLC, a Kansas limited
liability company



Michael E. Wenger, Manager

RURAL WATER DISTRICT NO. 3,
SEDGWICK COUNTY, KANSAS

Mark Hardison, Chairman

EXHIBIT A

LEGAL DESCRIPTION

Part of the Southwest Quarter of Section 20, Township 29 South, Range 2 East of the Sixth Principal Meridian, Sedgwick County, Kansas, more particularly described as follows:

Commencing at the Southeast corner of said Southwest Quarter; thence $N00^{\circ}13'10''W$ (basis of bearing Kansas South Zone State Plane Coordinate System), on the East line of the subdivision plat Merlin's Glen at Hunters Pointe, an Addition to Mulvane, Sedgwick County, Kansas, this line being also the East line of said Southwest Quarter, a distance of 1014.16 feet to the Northeast corner of said subdivision plat for a point of beginning; thence $S89^{\circ}46'50''W$, along the extended North line of said subdivision plat, a distance of 899.88 feet; thence $N00^{\circ}13'10''W$, a distance of 557.16 feet; thence $N89^{\circ}46'50''E$, a distance of 899.88 feet to a point on the East line of said Southwest Quarter; thence $S00^{\circ}13'10''E$, on said East line, a distance of 557.16 feet to the point of beginning.

***Landowner Petition for Release of Land
from Rural Water District Territory***

Board of Directors
Rural Water District No. 3, Sedgwick County, Kansas
P. O. Box 39
Mulvane, Kansas 67110

Dear Board of Directors:

We the undersigned, being 100% of the owners of the real property described in Exhibit A attached hereto (the "Property"), hereby petition for the release of the Property from the territory of Rural Water District No. 3, Sedgwick County, Kansas.

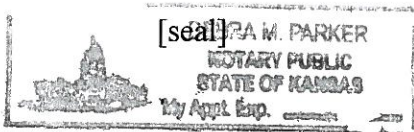
Respectfully submitted,

NOTTINGHAM ESTATES AT HUNTERS POINTE, LLC

By  _____
Michael E. Wenger, Manager

STATE OF KANSAS)
) ss:
COUNTY OF Sedgwick)

SUBSCRIBED AND SWORN to before me, the undersigned notary public, this 1
day of May, 2017, by Michael E. Wenger, Manager of Nottingham Estates at
Hunters Pointe, LLC, a Kansas limited liability company.



 _____
NOTARY PUBLIC

My Commission Expires:

3-27-19

EXHIBIT A

LEGAL DESCRIPTION

Part of the Southwest Quarter of Section 20, Township 29 South, Range 2 East of the Sixth Principal Meridian, Sedgwick County, Kansas, more particularly described as follows:

Commencing at the Southeast corner of said Southwest Quarter; thence $N00^{\circ}13'10''W$ (basis of bearing Kansas South Zone State Plane Coordinate System), on the East line of the subdivision plat Merlin's Glen at Hunters Pointe, an Addition to Mulvane, Sedgwick County, Kansas, this line being also the East line of said Southwest Quarter, a distance of 1014.16 feet to the Northeast corner of said subdivision plat for a point of beginning; thence $S89^{\circ}46'50''W$, along the extended North line of said subdivision plat, a distance of 899.88 feet; thence $N00^{\circ}13'10''W$, a distance of 557.16 feet; thence $N89^{\circ}46'50''E$, a distance of 899.88 feet to a point on the East line of said Southwest Quarter; thence $S00^{\circ}13'10''E$, on said East line, a distance of 557.16 feet to the point of beginning.

NOTICE OF RELEASE

RURAL WATER DISTRICT NO. 3, SEDGWICK COUNTY, KANSAS ("RWD"), the CITY OF MULVANE, KANSAS, and NOTTINGHAM ESTATES AT HUNTERS POINTE, LLC, a Kansas limited liability company, have entered into a Water Service Area Transfer Agreement dated the ____ day of _____, 2017 (the "Agreement") covering the following described land:

Part of the Southwest Quarter of Section 20, Township 29 South, Range 2 East of the Sixth Principal Meridian, Sedgwick County, Kansas, more particularly described as follows:

Commencing at the Southeast corner of said Southwest Quarter; thence N00°13'10"W (basis of bearing Kansas South Zone State Plane Coordinate System), on the East line of the subdivision plat Merlin's Glen at Hunters Pointe, an Addition to Mulvane, Sedgwick County, Kansas, this line being also the East line of said Southwest Quarter, a distance of 1014.16 feet to the Northeast corner of said subdivision plat for a point of beginning; thence S89°46'50"W, along the extended North line of said subdivision plat, a distance of 899.88 feet; thence N00°13'10"W, a distance of 557.16 feet; thence N89°46'50"E, a distance of 899.88 feet to a point on the East line of said Southwest Quarter; thence S00°13'10"E, on said East line, a distance of 557.16 feet to the point of beginning.

After recording, return to:

City of Mulvane, Kansas
211 N. 2nd
Mulvane, Kansas 67110
Telephone: (316) 777-1143

In accordance with said Agreement, RWD does hereby release the above described property from its incorporated boundaries, effective _____, 2017.

RURAL WATER DISTRICT NO. 3
SEDGWICK COUNTY, KANSAS

By _____
Mark Hardison, Chairman

STATE OF KANSAS)
) ss:
COUNTY OF SEDGWICK)

BE IT REMEMBERED that on this ____ day of _____, 2017, before me, a notary public in and for said County and State, came Mark Hardison, Chairman of Rural Water District No. 3, Sedgwick County, Kansas, who is personally known to me to be the same person who executed the within instrument on behalf of said district, and such person duly acknowledged the execution thereof on behalf of said district.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal, the day and year last above written.

Notary Public

My Appointment Expires:
