

MEMORANDUM OF AGREEMENT

This Memorandum of Agreement has been entered into this 13th day of June, 2019 by and between the East Sevier County Utility District, (hereinafter referred to as "Utility"), and Alliance Water Resources, Inc., (hereinafter referred to as "Alliance").

This Memorandum of Agreement has as its purpose to modify a Certain Professional Operating Services Agreement dated 12 September 2017 between the East Sevier County Utility District and Alliance.

Pursuant to Section 13.1, the Service Agreement is modified under the following sections:

5.4 In addition, any individual project repair costs in excess of \$1,500 shall be considered extraordinary.

6.1 Utility shall pay Alliance a Base Fee of \$487,824.00 (\$40,652/month) for services rendered as described on the agreement.

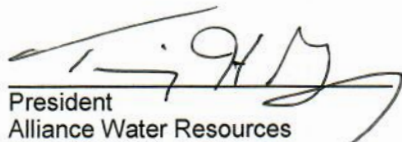
The monthly base fee is a fixed monthly base fee and includes a \$39,900.00 Repair Limit and a \$12,200 Chemical Limit as described in the agreement.

9.1 This Agreement shall become effective on 1st day of July, 2019 and shall remain in effect through the 30th day of June 2026, subject to annual appropriation of funds by Utility. If Utility appropriates funds for operation and/or maintenance of the Utility System this Agreement shall remain in force and effect.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed as of the first date written above. Both parties indicate their approval of this Agreement by their signatures below.

Authorized Signature

Authorized Signature

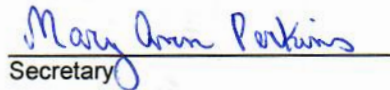

President
Alliance Water Resources


President
East Sevier County Utility District

7/22/2019
Date

6-13-19
Date

ATTEST:


Secretary


District Clerk