

SECOND ADDENDUM TO WATER SUPPLY CONTRACT

This Second Addendum is made and entered this 7th day of December, 2021, by and between the City of Lawton, Oklahoma, a municipal corporation organized and existing under the laws of the State of Oklahoma, ("City") and Public Service Company of Oklahoma, a Delaware Corporation, with its principal office and place of business in Tulsa, Oklahoma ("PSO") (collectively referred to as "the Parties")

WHEREAS, the Parties have previously executed a "Water Contract" dated February 22, 1972, as amended by an Addendum dated April 9, 2013, with an expiration date of December 31, 2022, by which PSO agreed to purchase and City agreed to sell certain quantities of City's effluent for the use by PSO as makeup water for PSO's Comanche Reservoir upon the terms and conditions specified therein (collectively, herein, the Water Contract and the Addendum are referred to herein as the "Contract").

WHEREAS, for good and valuable consideration, the receipt of which is hereby acknowledged, the Parties agree that the Contract should be amended by this Second Addendum as set forth below.

The Parties agree as follows:

Notwithstanding any term or provision to the contrary in the Contract executed on February 22, 1972 or Addendum dated April 9, 2013, both by and between the City and PSO concerning the purchase, sale and delivery of City effluent to PSO, the Parties hereby further promise, covenant and agree that the following shall be included in the Contract and be in full force and effect upon the execution hereof.

1. The last sentence of Paragraph Number 3 of the Water Contract shall be deleted and replaced with the following: "It is specifically agreed and understood by and between the parties that the effluent guidelines and limits are specified by Oklahoma Department of Environmental Quality (ODEQ) Title 252, Chapter 627, Operation and Maintenance of Water Reuse Systems, as amended. In addition, the effluent delivered to the plant is also subject to compliance with specific water quality limits stated in the City's OPDES permit. In the event that the City determines that a wastewater permit exceedance has occurred, the City shall notify PSO within 72 hours on days that PSO is taking flow"
2. The first two sentences of Paragraph 4 of the Water Contract shall be deleted and replaced with the following: "It is further understood and agreed by and between the parties that the City shall deliver and PSO shall purchase an annual average of 1,500,000 gallons per day of sewage treatment plant effluent, for which sewage treatment plant effluent PSO agrees to pay the City the sum of \$0.085 per 1,000

gallons. PSO shall not be obligated to pay for effluent not delivered and shall pay for effluent delivered and not taken up to an annual average of 1,500,00 gallons per day at the rate of \$0.085 per 1,000 gallons.”

3. The first sentence in Paragraph 8 of the Water Contract shall be deleted and replaced with the following: “The term of this contract shall be from the date hereof until December 31, 2037, with cost and quantity re-evaluated at 5-year increments for contract term, with up to two extensions of five years each, with PSO to provide notice of any extension at least six months prior to the applicable termination date.
4. The first sentence in Paragraph 9 of the Water Contract shall be deleted and replaced with the following: “The contract shall bind and benefit the parties hereto and their respective successors and assigns but may not be assigned by either of the parties without the prior written consent of the other party, which may not be unreasonably withheld. Notwithstanding the foregoing, PSO may unilaterally assign this contract to a successor-in-interest of the Comanche facility or a successor in ownership of the Comanche facility for which water is being provided, and such assignment shall be effective upon delivery of written notice to City, provided further, if such assignee or successor in interest provides reasonably acceptable evidence of its financial condition or creditworthiness or otherwise agrees to post a three (3) month security deposit to the City, PSO will be released of any further obligations hereunder.”
5. The following Paragraph 10 of the Water Contract shall be inserted: “Comanche Operations. In the event that the Comanche generating facility ceases to operate, PSO shall be entitled to cancel and terminate this contract in its entirety by then providing to the City twelve (12) months written notice of such termination. Where PSO sends such notice, PSO shall have no further obligation for payments that would have been due under this Agreement after the date of termination.”
6. The following Paragraph 11 is added to the Water Contract: “Force Majeure. This contract is subject to force majeure. Force majeure for purposes of this agreement means any event arising from causes not reasonably foreseeable and beyond the reasonable control of either the City or PSO, including its consultants, contractors, and subcontractors, which could not be overcome by due diligence and which delays the performance of any obligation under this agreement. Force majeure causes include, but are not limited to: strikes; accidents; acts of God; weather conditions; inability to secure labor, equipment, or materials; or regulations or restrictions imposed by any court, government or governmental agency.

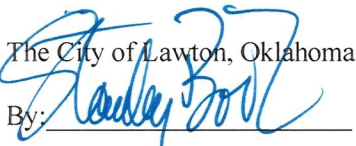
If any force majeure event or another event occurs that may delay the performance of the City or PSO under this agreement, the affected party shall notify the other party as soon as practicable, after the party becomes aware of events that it knows or should reasonably know may constitute a force majeure or otherwise delay the performance

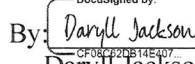
a. The notice shall provide the reasons for the delay, the anticipated duration of the delay, and all actions taken or to be taken to minimize the delay.

b. If the performance required within the agreement time is prevented or delayed by any cause of force majeure, then this agreement shall not be construed to impose any penalty on either party for any such portion not performed during the force majeure condition, provided that the Parties resume performance within a reasonable time thereafter.”


7. The following Paragraph 12 is added to the Water Contract: “Severability. If any provision of this agreement should be held invalid or unenforceable by any court of competent jurisdiction, such provision shall be deemed deleted, and the validity and enforceability of the remaining provisions shall not be affected thereby, unless the deletion of any such provision materially affects any right, benefit or privilege of either Party, in which case, the Parties agree to renegotiate in good faith such provision and replace it with a substitute valid and enforceable provision that achieves the intent and purpose of this agreement as a whole.”

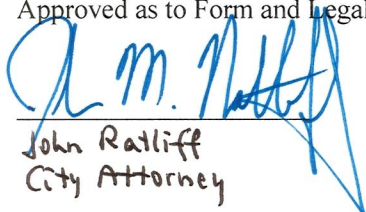
IN WITNESS WHEREOF, the Parties have caused this Second Addendum to be executed to be effective as of the date first above written.

The City of Lawton, Oklahoma
By: 
Stan Booker, Mayor

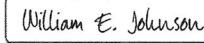
Public Service Company of Oklahoma
DocuSigned by:
By: 
CF08CF20B14E407
Darryl Jackson
Vice President – Generation

Attest by City Clerk


Traci Hushbeck, City Clerk
Approved as to Form and Legality:


John Ratliff
City Attorney

Attest by:

DocuSigned by:

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William E. Johnson, Assistant Secretary