



**JCSUD**

Johnson County Special Utility District

## Memorandum of Understanding

This Memorandum of Understanding is hereby entered into by and between JOHNSON COUNTY SPECIAL UTILITY DISTRICT and the CITY OF GRAND PRAIRIE, TEXAS (collectively "The Parties") on this date \_\_\_\_\_ and provides as follows:

### Section One – Purpose

The purpose of this agreement is to provide an understanding of the intent to consider revoking of the certain contract dated March 6, 2010, between Johnson County Special Utility District and the City of Grand Prairie concerning water supply and construction of a pipe line to a certain area within the corporate limits of Grand Prairie as set forth in Exhibit A and to consider a new contract as described herein.

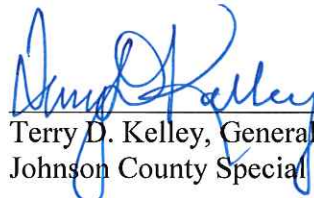
### Section Two – Existing Contract and CCN Transfer

The parties intend to agree that the existing contract dated March 6, 2010 shall be null and void and be replaced by a new contract that recognizes that the City of Grand Prairie has provided capacity of up to 6 MGD in the Grand Prairie/Mansfield water transmission line in exchange for any and all portions of CCN (referenced in contract as STM Area) held by Johnson County Special Utility District located within East of S.H. 360 and north of U.S. 287 shall be ceded and transferred to Grand Prairie without any further payment or remuneration by either party.

### Section Three – Water Supply

The parties intend to eliminate the requirement for either party neither to deliver water to the other, nor to participate jointly in a water transmission line to provide said water service as set forth in the March 6, 2010 contract. However, Grand Prairie agrees that up to 6 MGD of its' capacity in the Grand Prairie/Mansfield line shall be dedicated to the Johnson County Special Utility District to be delivered by Mansfield from a point of delivery to be determined by Mansfield and Johnson County Special Utility District at a point outside the corporate limits of the City of Grand Prairie. This section is expressly dependent upon Johnson County Special Utility District successfully executing a contract with Mansfield to deliver up to 6 MGD at said point of delivery.

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Tom Hart, City Manager  
City of Grand Prairie

  
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Terry D. Kelley, General Manager  
Johnson County Special Utility District