

APPENDIX A

THIRD AMENDMENT TO TERRITORIAL AGREEMENT BETWEEN THE CITY OF
CENTRALIA, MISSOURI AND PUBLIC WATER SUPPLY DISTRICT NO. 10 OF
BOONE COUNTY, MISSOURI (INCLUDING EXHIBITS 1 THROUGH 4 OF SAID
THIRD AMENDMENT TO TERRITORIAL AGREEMENT)

G:\City of Centralia\Public Water Supply District No. 10\Public Service Commission - Third Amendment

THIRD AMENDMENT TO TERRITORIAL AGREEMENT

THIS THIRD AMENDMENT TO TERRITORIAL AGREEMENT, Made and entered into this 13th day of February, 2009 by and between the CITY OF CENTRALIA, MISSOURI, a municipal corporation, 114 South Rollins Street, Centralia, Missouri 65240 (hereinafter referred to as "CITY"), and PUBLIC WATER SUPPLY DISTRICT NO. 10 OF BOONE COUNTY, MISSOURI, a public corporation, 22601 March Road, P.O. Box J, Centralia, Missouri 65240 (hereinafter referred to as "DISTRICT"); WITNESSEITH:

WHEREAS, CITY, a municipal corporation of the fourth class in Boone County, Missouri which owns and operates a waterworks and water supply system, a municipally owned utility (hereinafter referred to as "water system"), has the power and authority to supply water from its water system not only to its inhabitants within its corporate boundaries but also to persons and private corporations situated outside its corporate boundaries, pursuant to Section 91.050, Revised Statutes of Missouri; and

WHEREAS, DISTRICT is authorized by the provisions of Chapter 247 of the Revised Statutes of Missouri to provide water services to customers within the boundaries of DISTRICT; and

WHEREAS, DISTRICT has issued bonds from the federal Farmers Home Administration that are outstanding at this time; and

WHEREAS, DISTRICT'S territory abuts CITY'S corporate boundaries on all sides, and includes land not only in Boone County, Missouri but also Audrain County and Randolph County, Missouri; and

WHEREAS, CITY currently serves water customers who are located outside its corporate boundaries as well as water customers who were outside its corporate boundaries at one time but who are now within the corporate boundaries of CITY as a result of voluntary annexation; and

WHEREAS, the parties previously entered into a written territorial agreement (hereinafter referred to as "Original Agreement") as authorized by Section 247.172, Revised Statutes of Missouri, to establish boundaries of the two water service areas that CITY and DISTRICT each will serve, which helped avoid wasteful duplication of services and undue costs to their respective customers, and which Original Agreement received the approval of the Missouri Public Service Commission by Report and Order issued February 7, 2002 in Case No. WO-2002-208 (hereinafter referred to as "2002 PSC Order"); and

WHEREAS, Paragraph 10 of the Original Agreement states that CITY and DISTRICT "may hereafter agree in writing to include additional areas in CITY'S water service area and exclude the same areas from DISTRICT'S water service area"; and

WHEREAS, the parties also previously entered into a written first amendment to said territorial agreement dated June 15, 2004 (hereinafter referred to as "First Amendment") as authorized by Section 247.172, Revised Statutes of Missouri, to amend the boundaries of the two water service areas that CITY and DISTRICT each serve, to add one area to CITY'S water service area and to exclude the same area from DISTRICT'S water service area, and which First Amendment received the approval of the Missouri Public Service Commission by Report and Order issued November 23, 2004 in Case No. WO-2005-0084 (hereinafter referred to as "2004 PSC Order"); and

WHEREAS, the parties also previously entered into a written second amendment to said territorial agreement dated June 29, 2006 (hereinafter referred to as "Second Amendment") as authorized by Section 247.172, Revised Statutes of Missouri, to amend the boundaries of the two water service areas that CITY and DISTRICT each serve, to add two areas to CITY'S water service area and to exclude the same two areas from DISTRICT'S water service area, and which Second Amendment received the approval of the Missouri Public Service Commission by Order issued November 7, 2006 in Case No. WO-2007-0091 (hereafter referred to as "2006 PSC Order"); and

WHEREAS, the parties now desire to enter into a written third amendment to said territorial agreement as authorized by Section 247.172, Revised Statutes of Missouri, to again amend the boundaries of the two water service areas that CITY and DISTRICT each will serve, to add one area to CITY'S water service area and to exclude the same one area from DISTRICT'S water service area.

NOW, THEREFORE, CITY and DISTRICT agree as follows:

1. The current water service area of CITY is now described in the original territorial agreement and first and second amendments thereto as follows: (1) In Paragraph 1 of the Original Agreement (said Original Agreement being incorporated by reference as an exhibit as Attachment A of the 2002 PSC Order); (2) As first amended in Paragraph 1 of the First Amendment attached hereto as Exhibit 1 (but excluding from said attached First Amendment its first exhibit, being a copy of the Original Agreement incorporated by reference above); and (3) As second amended in Paragraph 1 of the Second Amendment attached hereto as Exhibit 2. Said current water service area of CITY is hereby further changed by the addition to its water service area of one parcel of land in the west portion of CITY in Boone County, Missouri (hereafter referred to as "Tract Letter A").

Tract Letter A is more specifically described in Exhibit 3. The current water service area of DISTRICT shall be changed by the exclusion of Tract Letter A from its water service area. Tract Letter A is shown on the map attached hereto as Exhibit 4.

2. For the right to include Tract Letter A in CITY'S water service area CITY shall pay DISTRICT on the date this Third Amendment to Territorial Agreement is approved by the Missouri Public Service Commission the sum of Fourteen Thousand Five Hundred (\$14,500.00) Dollars.

3. This Third Amendment to Territorial Agreement shall be subject to the same term as provided for in Paragraph 12 of the Original Agreement.

4. In the event this Third Amendment to Territorial Agreement is not approved by the Missouri Public Service Commission within one year after the date of this instrument, this Third Amendment To Territorial Agreement shall thereupon automatically become null and void.

5. All provisions of the Original Agreement as amended by the First Amendment and later amended by the Second Amendment shall remain and continue in full force and effect in all respects, except the change in water service area of CITY and DISTRICT as provided for herein.

6. This Third Amendment To Territorial Agreement shall be binding upon the undersigned parties and their successors and assigns.

IN WITNESS WHEREOF, the parties have caused this Agreement to be first executed on
the date and year first above written by their respective officers.

(CITY SEAL)

CITY OF CENTRALIA, MISSOURI,
a municipal corporation

By: Shelley Becker
Shelley Becker, Mayor

ATTEST:

Kathy Colvin
Kathy Colvin, City Clerk

PUBLIC WATER SUPPLY DISTRICT
NO.10 OF BOONE COUNTY,
MISSOURI, a public corporation

By: Arthur Ray Heath
Arthur Ray Heath, President


ATTEST:

Sherry K. Creel
Sherry K. Creel, Clerk

STATE OF MISSOURI)
) ss
COUNTY OF BOONE)

On this 13th day of February, 2009, before me appeared Shelley Becker, to me personally known, who, being by me duly sworn, did say that she is the Mayor of the City of Centralia, Missouri, that the seal affixed to the foregoing instrument is the city seal of The City of Centralia, Missouri, that said instrument was signed and sealed in behalf of said Municipal Corporation by the authority of its Board of Aldermen, and the said Mayor acknowledged said instrument to be the free act and deed of said Municipal Corporation.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal at my office in Centralia, Missouri, the day and year first above written.

(SEAL)  **HEATHER NICOLE LOCKETT**
My Commission Expires
May 26, 2009
Boone County
Commission #05718059

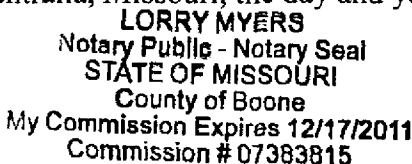
Heather N. Lockett
Notary Public
STATE OF MISSOURI, Commissioned in
Boone County

My Commission Expires: May 26, 2009

STATE OF MISSOURI)
) ss
COUNTY OF BOONE)

On this 10th day of March, 2009, before me appeared Arthur Ray Heath, to me personally known, who, being by me duly sworn, did say that he is the President of Public Water Supply District No. 10 of Boone County, Missouri, that said instrument was signed in behalf of said water supply district by authority of its Board of Directors, and the said President acknowledged said instrument to be the free act and deed of said water supply district.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal, at my office in Centralia, Missouri, the day and year first above written.

(SEAL)  **LORRY MYERS**
Notary Public - Notary Seal
STATE OF MISSOURI
County of Boone
My Commission Expires 12/17/2011
Commission # 07383815

Lorry Myers
Notary Public
STATE OF MISSOURI, Commissioned in
Boone County

My Commission Expires: 12-17-2011

FIRST AMENDMENT TO TERRITORIAL AGREEMENT

THIS FIRST AMENDMENT TO TERRITORIAL AGREEMENT, Made and entered into this 15th day of June, 2004 by and between the CITY OF CENTRALIA, MISSOURI, a municipal corporation, 114 South Rollins Street, Centralia, Missouri 65240 (hereinafter referred to as "CITY"), and PUBLIC WATER SUPPLY DISTRICT NO. 10 OF BOONE COUNTY, MISSOURI, a public corporation, 22601 March Road, P. O. Box J, Centralia, Missouri 65240 (hereinafter referred to as "DISTRICT"); WITNESSETH:

WHEREAS, CITY, a municipal corporation of the fourth class in Boone County, Missouri which owns and operates a waterworks and water supply system, a municipally owned utility (hereinafter referred to as "water system"), has the power and authority to supply water from its water system not only to its inhabitants within its corporate boundaries but also to persons and private corporations situated outside its corporate boundaries, pursuant to Section 91.050, Revised Statutes of Missouri; and

WHEREAS, DISTRICT is authorized by the provisions of Chapter 247 of the Revised Statutes of Missouri to provide water services to customers within the boundaries of DISTRICT; and

WHEREAS, DISTRICT has issued bonds from the federal Farmers Home Administration that are outstanding at this time; and

WHEREAS, DISTRICT'S territory abuts CITY'S corporate boundaries on all sides, and includes land not only in Boone County, Missouri but also Audrain County and Randolph County, Missouri; and

WHEREAS, CITY currently serves water customers who are located outside its corporate boundaries as well as water customers who were outside its corporate boundaries at one time but who are now within the corporate boundaries of CITY as a result of voluntary annexation; and

WHEREAS, the parties previously entered into a written territorial agreement (hereinafter referred to as "Original Agreement") as authorized by Section 247.172, Revised Statutes of Missouri, to establish boundaries of the two water service areas that CITY and DISTRICT each will serve, which helped avoid wasteful duplication of services and undue costs to their respective customers, and which Original Agreement received the approval of the Missouri Public Service Commission by Report and Order issued February 7, 2002 in Case No. WO-2002-208; and

WHEREAS, Paragraph 10 of the Original Agreement states that CITY and DISTRICT "may hereafter agree in writing to include additional areas in CITY'S water service area and exclude the same areas from DISTRICT'S water service area"; and

WHEREAS, the parties now desire to enter into a written first amendment to said territorial agreement as authorized by Section 247.172, Revised Statutes of Missouri, to amend the boundaries of the two water service areas that CITY and DISTRICT each will serve, to add one area to CITY'S

water service area and to exclude the same area from DISTRICT'S water service area.

NOW, THEREFORE, CITY and DISTRICT agree as follows:

1. The current water service area of CITY, which is now described in Paragraph 1 of the Original Agreement attached hereto as Exhibit 1, is hereby changed by the addition to its water service area of one tract of land adjoining the east city limits of CITY owned by Luther L. Angell and Mary Joan Angell, husband and wife, in two separately described parcels in Boone County, Missouri and Audrain County, Missouri that adjoin each other, more specifically described in Exhibit 2 (hereinafter referred to as "the Angell Tract"). The current water service area of DISTRICT shall be changed by the exclusion of the Angell Tract from its water service area. The Angell Tract is shown on the map attached hereto as Exhibit 3.
2. For the right to include the Angell Tract in CITY'S water service area CITY shall pay DISTRICT on the date this First Amendment to Territorial Agreement is approved by the Missouri Public Service Commission the sum of One Thousand Five Hundred and 00/100 (\$1,500.00).
3. This First Amendment To Territorial Agreement shall be subject to the same term as provided for in Paragraph 12 of the Original Agreement.
4. In the event this First Amendment To Territorial Agreement is not approved by the Missouri Public Service Commission within one year after the date of this instrument, this First Amendment

To Territorial Agreement shall thereupon automatically become null and void.

5. All provisions of the Original Agreement shall remain and continue in full force and effect in all respects, except the change in water service area of CITY and DISTRICT as provided for herein.
6. This First Amendment To Territorial Agreement shall be binding upon the undersigned parties and their successors and assigns.

IN WITNESS WHEREOF, the parties have caused this Agreement to be first executed on the day and year first above written by their respective officers.

(CITY SEAL)

CITY OF CENTRALIA, MISSOURI,
a municipal corporation

By: _____

Jerry P. Parmeley II, Mayor

ATTEST:

Kathy Colvin

Kathy Colvin, City Clerk

PUBLIC WATER SUPPLY DISTRICT NO. 10
OF BOONE COUNTY, MISSOURI, a public
corporation

By: _____

Arthur Ray Heath, President

ATTEST:

Sherry K. Creel

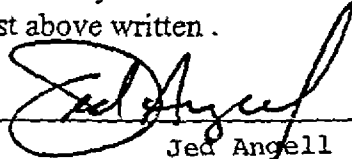
Sherry K. Creel, Clerk

STATE OF MISSOURI)
) ss
COUNTY OF BOONE)

On this 15th day of June, 2004, before me appeared Jerry P. Parmeley II, to me personally known, who, being by me duly sworn, did say that he is the Mayor of the City of Centralia, Missouri, that the seal affixed to the foregoing instrument is the city seal of The City of Centralia, Missouri, that said instrument was signed and sealed in behalf of said Municipal Corporation by the authority of its Board of Aldermen, and the said Mayor acknowledged said instrument to be the free act and deed of said Municipal Corporation.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal, at my office in Centralia, Missouri, the day and year first above written.

(SEAL)



Jed Angell Notary Public
STATE OF MISSOURI, Commissioned in
Boone County

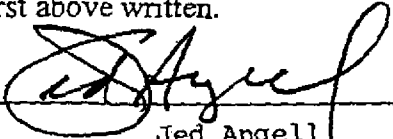
My commission expires: 6-17-07

STATE OF MISSOURI)
) ss
COUNTY OF BOONE)

On this 15th day of June, 2004, before me appeared Arthur Ray Heath, to me personally known, who, being by me duly sworn, did say that he is the President of Public Water Supply District No. 10 of Boone County, Missouri, that said instrument was signed in behalf of said water supply district by authority of its Board of Directors, and the said President acknowledged said instrument to be the free act and deed of said water supply district.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal, at my office in Centralia, Missouri, the day and year first above written.

(SEAL)



Jed Angell Notary Public
STATE OF MISSOURI, Commissioned in Boone
County

My commission expires: 6-17-07

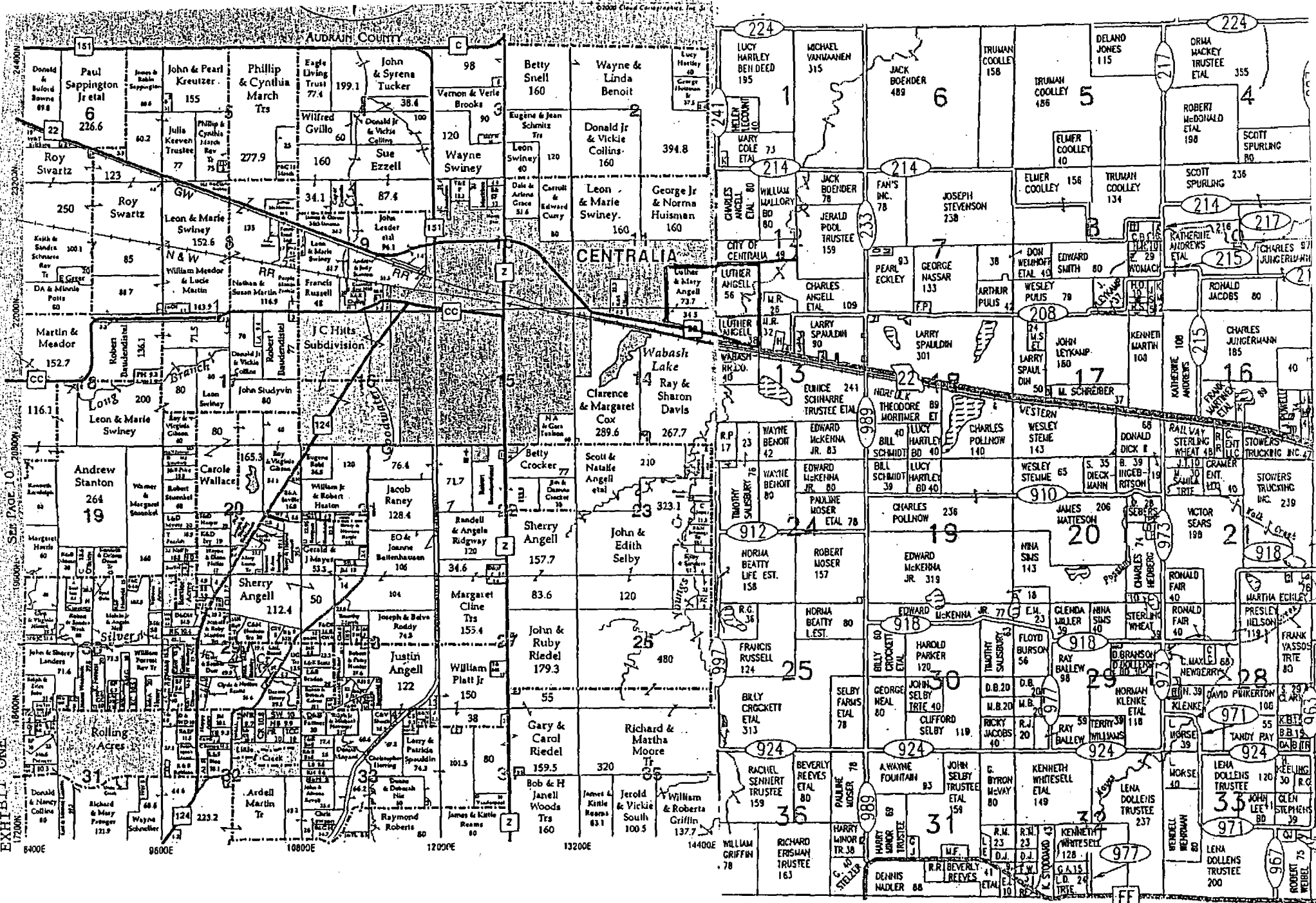
EXHIBIT TWO TO 2ND AMENDMENT
EXHIBIT ONE

EXHIBIT 2

Luther L. Angell and Mary Joan Angell
(owners) :Farm land and one residence with
current City of Centralia water service
14101 East Highway 22
Centralia, Missouri 65240

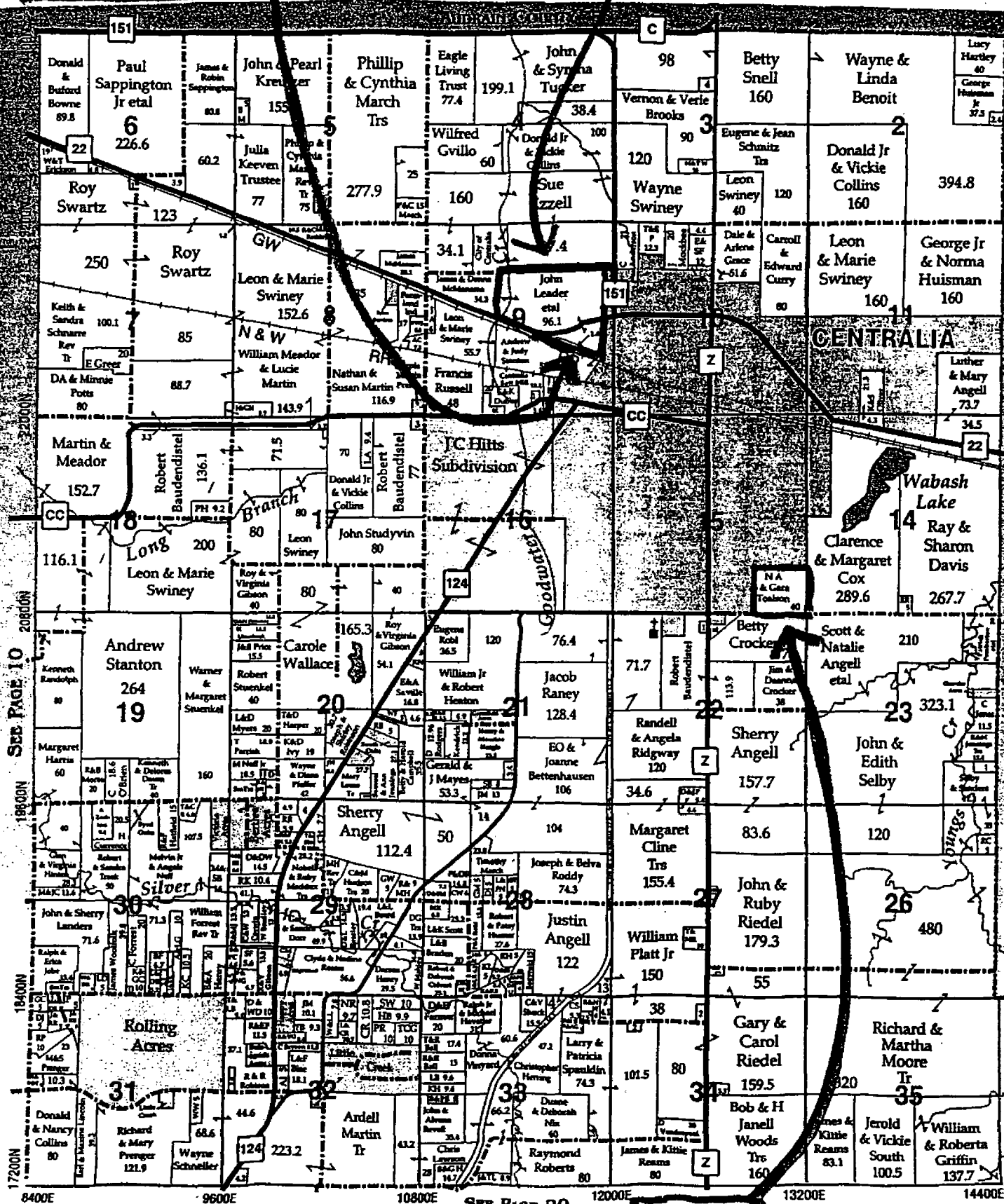
The East 108.731 acres of the Southeast Quarter (SE 1/4) of Section Eleven (11) and the East 37.81 acres of that part of the North Half (N 1/2) of the Northeast Quarter (NE 1/4) of Section Fourteen (14) lying North of the right-of-way of the Gateway Western Railway Company, all in Township Fifty-one (51) North, Range Eleven (11) West, in Boone County, Missouri, EXCEPT that part thereof conveyed to the State of Missouri for highway purposes by deed recorded in Book 170, Page 251, Records of Boone County, Missouri, AND EXCEPT that part conveyed to the City of Centralia, Missouri by deed recorded in Book 298, Page 608, Records of Boone County, Missouri.

The West Half (W 1/2) of the Southwest Quarter (SW 1/4) of Section Twelve (12) and that part of the Northwest Quarter (NW 1/4) of the Northwest Quarter (NW 1/4) of Section Thirteen (13) lying north of the right-of-way of the Gateway Western Railway Company, all in Township Fifty-one (51) North, Range Eleven (11) West, in Audrain County, Missouri, EXCEPT that part conveyed to the State of Missouri for highway purposes, EXCEPT that part conveyed to the City of Centralia, Missouri by deed recorded in Book 184, Page 335, Records of Audrain County, Missouri AND EXCEPT that part as described in a Petition In Condemnation by the City of Centralia, Missouri recorded in Book 253, Page 255, Records of Audrain County, Missouri.



Parcel II of Tract A

Parcel I of Tract A



SEE PAGE 20

Tract B.

EXHIBIT 2 TO 3RD AMENDMENT

SECOND AMENDMENT TO TERRITORIAL AGREEMENT

THIS SECOND AMENDMENT TO TERRITORIAL AGREEMENT, Made and entered into this 29th day of June, 2006 by and between the CITY OF CENTRALIA, MISSOURI, a municipal corporation, 114 South Rollins Street, Centralia, Missouri 65240 (hereinafter referred to as "CITY"), and PUBLIC WATER SUPPLY DISTRICT NO. 10 OF BOONE COUNTY, MISSOURI, a public corporation, 22601 March Road, P.O. Box J, Centralia, Missouri 65240 (hereinafter referred to as "DISTRICT"); WITNESSEITH:

WHEREAS, CITY, a municipal corporation of the fourth class in Boone County, Missouri which owns and operates a waterworks and water supply system, a municipally owned utility (hereinafter referred to as "water system"), has the power and authority to supply water from its water system not only to its inhabitants within its corporate boundaries but also to persons and private corporations situated outside its corporate boundaries, pursuant to Section 91.050, Revised Statutes of Missouri; and

WHEREAS, DISTRICT is authorized by the provisions of Chapter 247 of the Revised Statutes of Missouri to provide water services to customers within the boundaries of DISTRICT; and

WHEREAS, DISTRICT has issued bonds from the federal Farmers Home Administration that are outstanding at this time; and

WHEREAS, DISTRICT'S territory abuts CITY'S corporate boundaries on all sides, and includes land not only in Boone County, Missouri but also Audrain County and Randolph County, Missouri; and

WHEREAS, CITY currently serves water customers who are located outside its corporate boundaries as well as water customer who were outside its corporate boundaries at one time but who are now within the corporate boundaries of CITY as a result of voluntary annexation; and

WHEREAS, the parties previously entered into a written territorial agreement (hereinafter referred to as "Original Agreement") as authorized by Section 247.172, Revised Statutes of Missouri, to establish boundaries of the two water service areas that CITY and DISTRICT each will serve, which helped avoid wasteful duplication of services and undue costs to their respective customers, and which Original Agreement received the approval of the Missouri Public Service Commission by Report and Order issued February 7, 2002 in Case No. WO-2002-208 (hereinafter referred to as "2002 PSC Order"); and

WHEREAS, Paragraph 10 of the Original Agreement states that CITY and DISTRICT "may hereafter agree in writing to include additional areas in CITY'S water service area and exclude the same areas from DISTRICT'S water service area"; and

WHEREAS, the parties also previously entered into a written first amendment to said territorial agreement dated June 15, 2004 (hereinafter referred to as "First Amendment") as authorized by Section 247.172, Revised Statutes of Missouri, to amend the boundaries of the two water service areas that CITY and DISTRICT each serve, to add one area to CITY'S water service area and to exclude the same area from DISTRICT'S water service area, and which First Amendment received the approval of the Missouri Public Service Commission by Report and Order issued November 23, 2004 in Case No. WO-2005-0084 (hereinafter referred to as "2004 PSC Order"); and

WHEREAS, the parties now desire to enter into a written second amendment to said territorial agreement as authorized by Section 247.172, Revised Statutes of Missouri, to again amend the boundaries of the two water service areas that CITY and DISTRICT each will serve, to add two areas to CITY'S water service area and to exclude the same two areas from DISTRICT'S water service area.

NOW, THEREFORE, CITY and DISTRICT agree as follows:

1. The current water service area of CITY is now described in Paragraph 1 of the Original Agreement (said Original Agreement being incorporated by reference as an exhibit as Attachment A of the 2002 PSC Order), as once amended in Paragraph 1 of the First Amendment attached hereto as Exhibit 1 (but excluding from said attached First Amendment its first exhibit, being a copy of the Original Agreement incorporated by reference above). Said current water service area of CITY is hereby changed by the addition to its water service area of (1) two parcels of land separated only by Missouri Highway 22, with one of said parcels being in the northwest portion of CITY in Boone County, Missouri and the other parcel being outside the city limits of CITY adjoining the northwest city limits of CITY in Boone County, Missouri (hereinafter referred to collectively as "Tract A"), and (2) one parcel of land in the southeast portion of CITY in Boone County, Missouri (hereinafter referred to as "Tract B"). Tract A and Tract B are more specifically described in Exhibit 2. The current water service area of DISTRICT shall be changed by the exclusion of Tract A and Tract B from its water service area. Tract A and Tract B are shown on the map attached hereto as Exhibit 3.

2. For the right to include Tract A in CITY'S water service area CITY shall pay DISTRICT on the date this Second Amendment to Territorial Agreement is approved by the Missouri Public Service Commission the sum of Three Thousand (\$3,000.00) Dollars, and for the right to include Tract B in CITY'S water service area CITY shall pay DISTRICT on the date this Second

Amendment to Territorial Agreement is approved by the Missouri Public Service Commission the sum of Twenty-Five Thousand (\$25,000.00) Dollars.

3. This Second Amendment to Territorial Agreement shall be subject to the same term as provided for in Paragraph 12 of the Original Agreement.

4. In the event this Second Amendment to Territorial Agreement is not approved by the Missouri Public Service Commission within one year after the date of this instrument, this Second Amendment To Territorial Agreement shall thereupon automatically become null and void.

5. All provisions of the Original Agreement as amended by the First Amendment shall remain and continue in full force and effect in all respects, except the change in water service area of CITY and DISTRICT as provided for herein.

6. This Second Amendment to Territorial Agreement shall be binding upon the undersigned parties and their successors and assigns.

IN WITNESS WHEREOF, the parties have caused this Agreement to be first executed on the date and year first above written by their respective officers.

(CITY SEAL)


CITY OF CENTRALIA, MISSOURI,
a municipal corporation

By: 
Jerry P. Parmeley II, Mayor

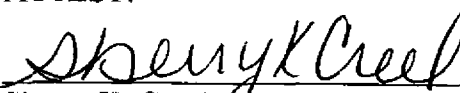
ATTEST:


Kathy Colvin, City Clerk

PUBLIC WATER SUPPLY DISTRICT
NO.10 OF BOONE COUNTY,
MISSOURI, a public corporation

By: 
Arthur Ray Heath, President

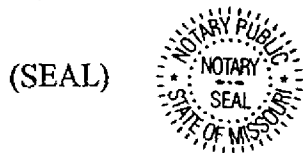
ATTEST:


Sherry K. Creel, Clerk

STATE OF MISSOURI)
) ss
COUNTY OF BOONE)

On this 29th day of June, 2006, before me appeared Jerry P. Parmeley II, to me personally known, who, being by me duly sworn, did say that he is the Mayor of the City of Centralia, Missouri, that the seal affixed to the foregoing instrument is the city seal of The City of Centralia, Missouri, that said instrument was signed and sealed in behalf of said Municipal Corporation by the authority of its Board of Aldermen, and the said Mayor acknowledged said instrument to be the free act and deed of said Municipal Corporation.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal at my office in Centralia, Missouri, the day and year first above written.



BARBARA A. CHAMBERLAIN
My Commission Expires
May 11, 2009
Boone County
Commission #05532613

Barbara A. Chamberlain
Notary Public

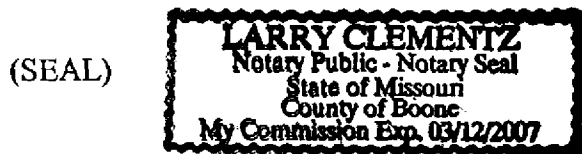
STATE OF MISSOURI, Commissioned in
Boone County

My Commission Expires: 5-11-09

STATE OF MISSOURI)
) ss
COUNTY OF BOONE)

On this 11 day of July, 2006, before me appeared Arthur Ray Heath, to me personally known, who, being by me duly sworn, did say that he is the President of Public Water Supply District No. 10 of Boone County, Missouri, that said instrument was signed in behalf of said water supply district by authority of its Board of Directors, and the said President acknowledged said instrument to be the free act and deed of said water supply district.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal, at my office in Centralia, Missouri, the day and year first above written.



LARRY CLEMENTZ
Notary Public - Notary Seal
State of Missouri
County of Boone
My Commission Exp. 03/12/2007

Larry Clementz
Notary Public

STATE OF MISSOURI, Commissioned in
Boone County

My Commission Expires: 3-12-07

EXHIBIT 1

FIRST AMENDMENT TO TERRITORIAL AGREEMENT

THIS FIRST AMENDMENT TO TERRITORIAL AGREEMENT, Made and entered into this 15th day of June, 2004 by and between the CITY OF CENTRALIA, MISSOURI, a municipal corporation, 114 South Rollins Street, Centralia, Missouri 65240 (hereinafter referred to as "CITY"), and PUBLIC WATER SUPPLY DISTRICT NO. 10 OF BOONE COUNTY, MISSOURI, a public corporation, 22601 March Road, P. O. Box J, Centralia, Missouri 65240 (hereinafter referred to as "DISTRICT"); WITNESSETH:

WHEREAS, CITY, a municipal corporation of the fourth class in Boone County, Missouri which owns and operates a waterworks and water supply system, a municipally owned utility (hereinafter referred to as "water system"), has the power and authority to supply water from its water system not only to its inhabitants within its corporate boundaries but also to persons and private corporations situated outside its corporate boundaries, pursuant to Section 91.050, Revised Statutes of Missouri; and

WHEREAS, DISTRICT is authorized by the provisions of Chapter 247 of the Revised Statutes of Missouri to provide water services to customers within the boundaries of DISTRICT; and

WHEREAS, DISTRICT has issued bonds from the federal Farmers Home Administration that are outstanding at this time; and

WHEREAS, DISTRICT'S territory abuts CITY'S corporate boundaries on all sides, and includes land not only in Boone County, Missouri but also Audrain County and Randolph County, Missouri; and

WHEREAS, CITY currently serves water customers who are located outside its corporate boundaries as well as water customers who were outside its corporate boundaries at one time but who are now within the corporate boundaries of CITY as a result of voluntary annexation; and

WHEREAS, the parties previously entered into a written territorial agreement (hereinafter referred to as "Original Agreement") as authorized by Section 247.172, Revised Statutes of Missouri, to establish boundaries of the two water service areas that CITY and DISTRICT each will serve, which helped avoid wasteful duplication of services and undue costs to their respective customers, and which Original Agreement received the approval of the Missouri Public Service Commission by Report and Order issued February 7, 2002 in Case No. WO-2002-208; and

WHEREAS, Paragraph 10 of the Original Agreement states that CITY and DISTRICT "may hereafter agree in writing to include additional areas in CITY'S water service area and exclude the same areas from DISTRICT'S water service area"; and

WHEREAS, the parties now desire to enter into a written first amendment to said territorial agreement as authorized by Section 247.172, Revised Statutes of Missouri, to amend the boundaries of the two water service areas that CITY and DISTRICT each will serve, to add one area to CITY'S

water service area and to exclude the same area from DISTRICT'S water service area.

NOW, THEREFORE, CITY and DISTRICT agree as follows:

1. The current water service area of CITY, which is now described in Paragraph 1 of the Original Agreement attached hereto as Exhibit 1, is hereby changed by the addition to its water service area of one tract of land adjoining the east city limits of CITY owned by Luther L. Angell and Mary Joan Angell, husband and wife, in two separately described parcels in Boone County, Missouri and Audrain County, Missouri that adjoin each other, more specifically described in Exhibit 2 (hereinafter referred to as "the Angell Tract"). The current water service area of DISTRICT shall be changed by the exclusion of the Angell Tract from its water service area. The Angell Tract is shown on the map attached hereto as Exhibit 3.
2. For the right to include the Angell Tract in CITY'S water service area CITY shall pay DISTRICT on the date this First Amendment to Territorial Agreement is approved by the Missouri Public Service Commission the sum of One Thousand Five Hundred and 00/100 (\$1,500.00).
3. This First Amendment To Territorial Agreement shall be subject to the same term as provided for in Paragraph 12 of the Original Agreement.
4. In the event this First Amendment To Territorial Agreement is not approved by the Missouri Public Service Commission within one year after the date of this instrument, this First Amendment

To Territorial Agreement shall thereupon automatically become null and void.

5. All provisions of the Original Agreement shall remain and continue in full force and effect in all respects, except the change in water service area of CITY and DISTRICT as provided for herein.
6. This First Amendment To Territorial Agreement shall be binding upon the undersigned parties and their successors and assigns.

IN WITNESS WHEREOF, the parties have caused this Agreement to be first executed on the day and year first above written by their respective officers.

(CITY SEAL)

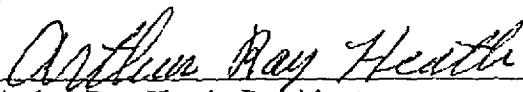
CITY OF CENTRALIA, MISSOURI,
a municipal corporation

By: 
Jerry P. Parneley II, Mayor

ATTEST:


Kathy Colvin, City Clerk

PUBLIC WATER SUPPLY DISTRICT NO. 10
OF BOONE COUNTY, MISSOURI, a public
corporation

By: 
Arthur Ray Heath, President

ATTEST:

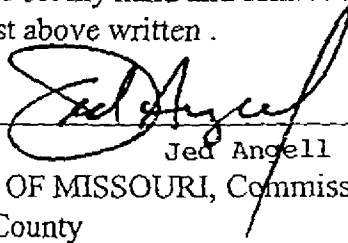

Sherry K. Creel, Clerk

STATE OF MISSOURI)
) ss
COUNTY OF BOONE)

On this 15th day of June, 2004, before me appeared Jerry P. Parmeley II, to me personally known, who, being by me duly sworn, did say that he is the Mayor of the City of Centralia, Missouri, that the seal affixed to the foregoing instrument is the city seal of The City of Centralia, Missouri, that said instrument was signed and sealed in behalf of said Municipal Corporation by the authority of its Board of Aldermen, and the said Mayor acknowledged said instrument to be the free act and deed of said Municipal Corporation.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal, at my office in Centralia, Missouri, the day and year first above written .

(SEAL)


Jed Angell Notary Public
STATE OF MISSOURI, Commissioned in
Boone County

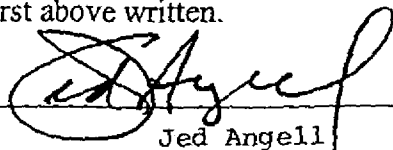
My commission expires: 6-17-07

STATE OF MISSOURI)
) ss
COUNTY OF BOONE)

On this 15th day of June, 2004, before me appeared Arthur Ray Heath, to me personally known, who, being by me duly sworn, did say that he is the President of Public Water Supply District No. 10 of Boone County, Missouri, that said instrument was signed in behalf of said water supply district by authority of its Board of Directors, and the said President acknowledged said instrument to be the free act and deed of said water supply district.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal, at my office in Centralia, Missouri, the day and year first above written.

(SEAL)


Jed Angell Notary Public
STATE OF MISSOURI, Commissioned in Boone
County

My commission expires: 6-17-07

EXHIBIT TWO TO 2ND AMENDMENT
EXHIBIT ONE
EXHIBIT 2

Luther L. Angell and Mary Joan Angell
(owners) :Farm land and one residence with
current City of Centralia water service
14101 East Highway 22
Centralia, Missouri 65240

The East 108.731 acres of the Southeast Quarter (SE 1/4) of Section Eleven (11) and the East 37.81 acres of that part of the North Half (N 1/2) of the Northeast Quarter (NE 1/4) of Section Fourteen (14) lying North of the right-of-way of the Gateway Western Railway Company, all in Township Fifty-one (51) North, Range Eleven (11) West, in Boone County, Missouri, EXCEPT that part thereof conveyed to the State of Missouri for highway purposes by deed recorded in Book 170, Page 251, Records of Boone County, Missouri, AND EXCEPT that part conveyed to the City of Centralia, Missouri by deed recorded in Book 298, Page 608, Records of Boone County, Missouri.

The West Half (W 1/2) of the Southwest Quarter (SW 1/4) of Section Twelve (12) and that part of the Northwest Quarter (NW 1/4) of the Northwest Quarter (NW 1/4) of Section Thirteen (13) lying north of the right-of-way of the Gateway Western Railway Company, all in Township Fifty-one (51) North, Range Eleven (11) West, in Audrain County, Missouri, EXCEPT that part conveyed to the State of Missouri for highway purposes, EXCEPT that part conveyed to the City of Centralia, Missouri by deed recorded in Book 184, Page 335, Records of Audrain County, Missouri AND EXCEPT that part as described in a Petition In Condemnation by the City of Centralia, Missouri recorded in Book 253, Page 255, Records of Audrain County, Missouri.

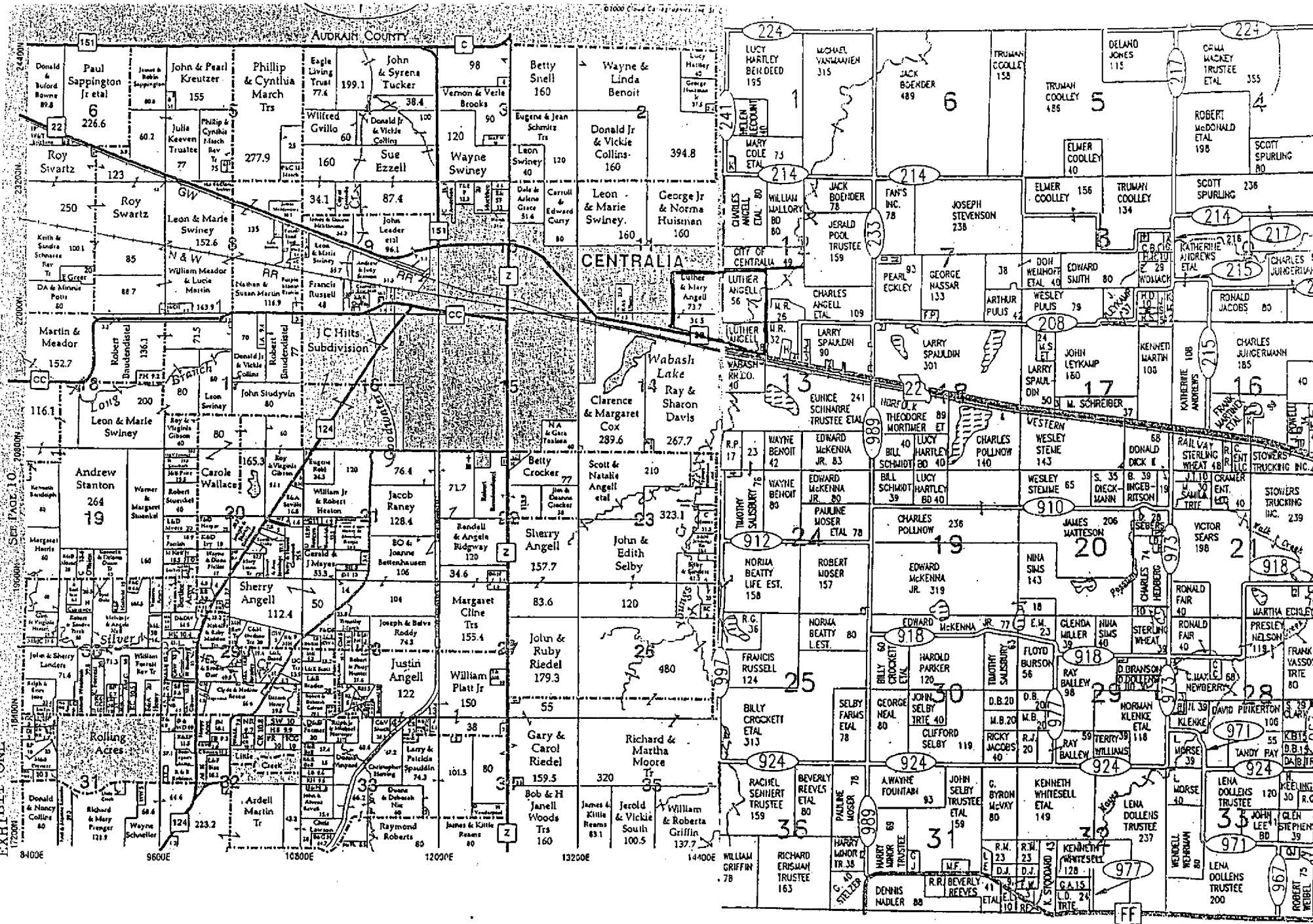


EXHIBIT 2

TRACT A

Roy S. Waechter and Marleen M. Waechter:

Vacant land (in Parcel I) voluntarily annexed into the City of Centralia, Missouri by ordinance on June 20, 2005; no current water service.

P.O. Box 118

Troy, Missouri 63379

Dwight L. Herndon and D. Loretta Herndon:

Vacant land (in Parcel I) voluntarily annexed into the City of Centralia, Missouri by ordinance on June 20, 2005; no current water service.

915 South Jefferson Street

Centralia, Missouri 65240

MFA Oil Company, a Missouri corporation:

Vacant land (in Parcel I) voluntarily annexed into the City of Centralia, Missouri by ordinance on June 20, 2005; no current water service.

Attn: Jerome Taylor, President

One Ray Young Drive

P.O. Box 519

Columbia, Missouri 65205

John Carl Leader, Gerald Conrad Leader, and Linda Kathryn Hamlin:

Vacant land (in Parcel II) with no current water service.

c/o John Carl Leader, Individually for himself and as Attorney-in-fact under

Limited Durable Power of Attorney for Gerald Conrad Leader and Linda Kathryn

Hamlin

1016 Julianna Drive

Ballwin, MO 63011-3638

City of Centralia, Missouri, a municipal corporation:

Vacant land (separate tracts owned by the City of Centralia, Missouri in both Parcel I and Parcel II) with no current water service.

Attn: Lynn P. Behrns, City Administrator

114 South Rollins Street

Centralia, Missouri 65240

Parcel I (within city limits):

All that part of the South Half (S ½) of the Northeast Quarter (NE ¼), all that part of the East Half (E ½) of the Southeast Quarter (SE ¼) of the Northwest Quarter (NW ¼), and all that part of the South Half (S ½), all in Section Nine (9), Township Fifty-one (51) North, Range Eleven (11) West, in Centralia, Boone County, Missouri, lying North of the North right-of-way line of Missouri State Highway 22 and West of the West right-of-way line of Missouri State Highway 151, EXCEPT for the East three hundred (300') feet thereof.

Parcel II (not in city limits):

All that part of the South Half (S ½) of Section Nine (9), Township Fifty-one (51) North, Range Eleven (11) West, in Boone County, Missouri, lying North of the North right-of-way line of the Kansas City Southern Railway Company, lying South of the South right-of-way line of Missouri State Highway 22 and lying West of the West right-of-way line of Missouri State Highway 124, EXCEPT for the East three hundred (300') feet of the South Half of said Section Nine.

TRACT B

Gara W. Toalson:

Vacant land voluntarily annexed into the City of Centralia, Missouri, by ordinance on September 19, 2005; no current water service.

c/o Williams N. Toalson, Attorney-in-fact under Durable Power of Attorney for Gara W. Toalson

4505 West Route K

Columbia, Missouri 65203-8886

The Southeast Quarter (SE ¼) of the Southeast Quarter (SE ¼) of Section Fifteen (15), Township Fifty-one (51) North, Range Eleven (11) West, in Centralia, Boone County, Missouri, containing forty (40) acres, more or less.

EXHIBIT 3

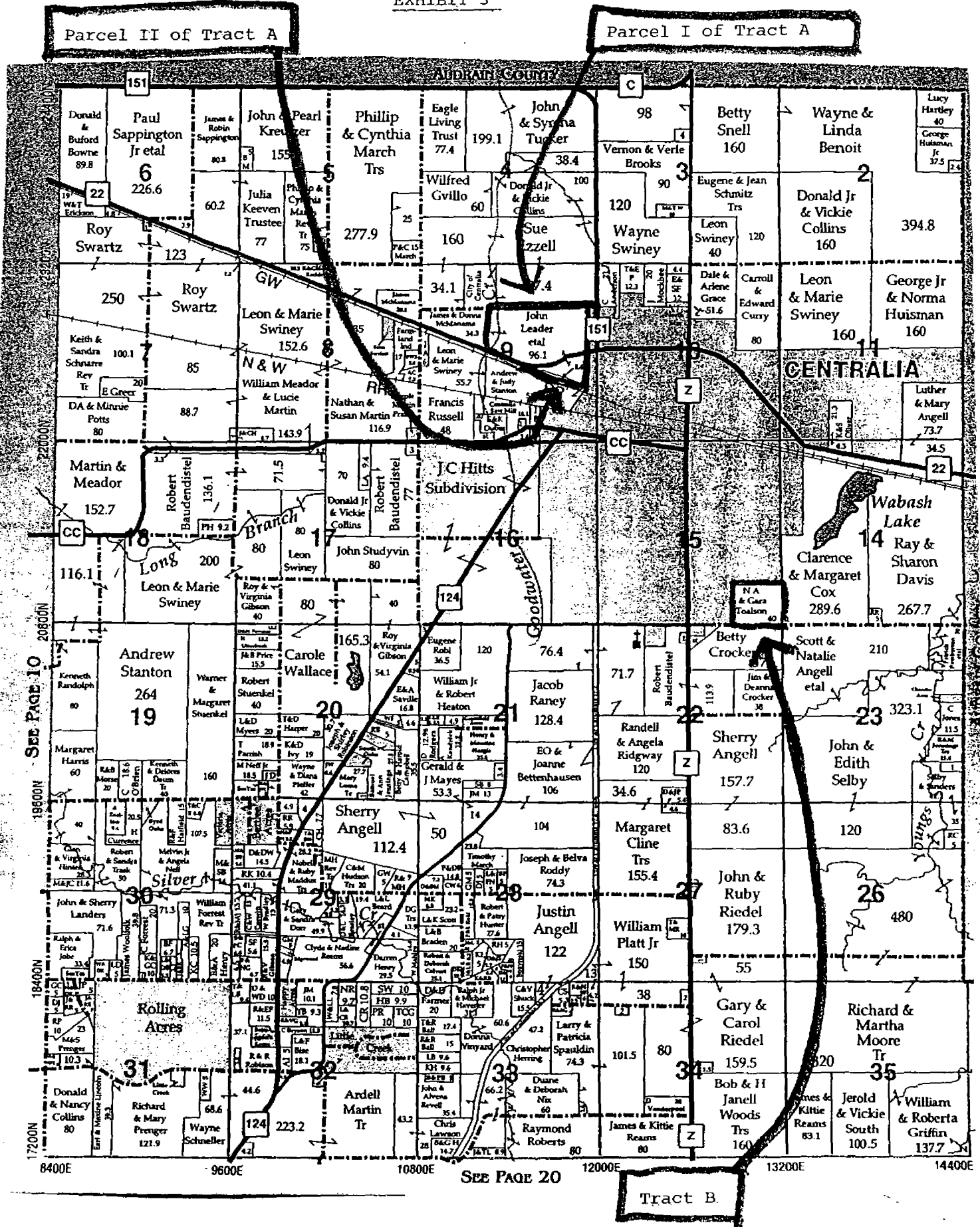


EXHIBIT 3

TRACT LETTER A

Mystic Ridge, L.L.C., a Missouri limited liability company

Vacant land voluntarily annexed into the City of Centralia, Missouri, by ordinance on April 16, 2007;
no current water service

Attn: Robert L Sapp, Authorized Member
5216 Highland Parkway
Columbia, Missouri 65203

Darren D. Adams

Vacant land voluntarily annexed into the City of Centralia, Missouri, by ordinance on April 16, 2007;
no current water service

122 North Allen Street
Centralia, Missouri 65240

Designed Innovations, LLC, a Missouri limited liability company

Vacant land, being a portion of the backyard area behind a newly-constructed residence on one lot (part of which includes Tract Letter A land with the remainder of the lot being outside Tract Letter A) as part of larger tract of land voluntarily annexed into the City of Centralia, Missouri, by ordinance on April 16, 2007; no current water service to the vacant land portion that is the part within Tract Letter A.

Attn: Darren D. Adams, Authorized Member
122 North Allen Street
Centralia, Missouri 65240

All that part of Blocks "F" and "G", and the South Half (S 1/2) of the South Half (S 1/2) of Lots One (1) and Two (2) of Block "B", all in J. C. Hitt's Subdivision in Section Sixteen (16), Township Fifty-one (51) North, Range Eleven (11) West, in Centralia, Boone County, Missouri, lying East of the East right-of-way line of Missouri State Highway 124, as now located; EXCEPT that part conveyed to James E. Schweitzer and wife by Deed recorded in Book 329, Page 502; and EXCEPT that part conveyed to the City of Centralia, Missouri by Deed recorded in Book 351, Page 12; and EXCEPT that part conveyed to Daniel V. Hamilton and wife by Deed recorded in Book 525, Page 274, all of the Records of Boone County, Missouri; EXCEPTING FURTHER that portion thereof lying east of a line extending in a North-South direction along the entire North-South length of the property four hundred eighteen (418') feet directly west of and parallel to the East line of Block "G" and Block "B" of J. C. Hitt's Subdivision, being the north and south subdivision line of the Northeast Quarter (NE 1/4) of Section Sixteen (16), Township Fifty-one (51) North, Range Eleven (11) West, in Centralia, Boone County, Missouri, which has previously been annexed to and included within the corporate limits of the City of Centralia, Missouri.

Tract Letter A

