

STATE OF ALABAMA     )  
SHELBY COUNTY         )

**AGREEMENT AND INDEMNIFICATION BY AND BETWEEN  
THE ALABASTER WATER BOARD AND ENVIROBUILD, INC.**

WHEREAS, the Alabaster Water Board (hereinafter, "*Board*") is a public corporation existing and operating in Shelby County Alabama for the purpose of delivering potable water and water transmission services to its constituents in Shelby County, Alabama; and

WHEREAS, EnviroBuild, Inc. (hereinafter, "*EnviroBuild*") is the owner and developer of that certain residential subdivision known as Saddle Lake Farms located in Shelby County, Alabama, within the service and supply jurisdiction of the Board; and,

WHEREAS, EnviroBuild has requested Board to approve additional water transmission lines and mains to Saddle Lake Farms, 2nd Sector, for approximately 100 residential lots to be developed in said subdivision; and,

WHEREAS, the Board has expressed significant concerns over the potential lack of sufficient water pressure at certain residential lots (hereinafter, "*the low pressure lots*") in the Saddle Lakes Farms, 2<sup>nd</sup> Sector subdivision that have 40 pounds per square inch of pressure or less at the water tap; and,

WHEREAS, EnviroBuild has acknowledged its awareness of the potential lack of sufficient water pressure at each of the low-pressure lots and has expressed its willingness to alleviate said pressure problems by requiring every single family home built on any low-pressure lot to be permanently equipped with a pressure pump that will increase the water pressure to 40 pounds per square inch of pressure or more at the water tap,

NOW THEREFORE, the parties hereby agree as follows:

1. As authorized February 12, 2001, Board agrees to furnish EnviroBuild up to one hundred (100) taps for the residential lots located in Saddle Lake Farms, 2<sup>nd</sup> Sector.

2. In consideration of Board's agreement to furnish water to Saddle Lakes Farms, 2<sup>nd</sup>, EnviroBuild, as the owner in fee simple of every lot lying within said 2<sup>nd</sup> Sector, specifically agrees:

(a) to require, as a material part of every conveyance of a low pressure lot, a specific written requirement (satisfactory to Board) recited in each deed that any home constructed on a low-pressure lot shall be equipped

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with a pressure pump supplied by the home builder and maintained by the home owner necessary to provide 40 pounds per square inch of pressure or more at the water tap;

- (b) that Board shall not in any way be responsible for any cost of providing, or maintaining, any pressure pump required and agreed to in this Paragraph 2.

3. Board and EnviroBuild further agree that the Board shall be entitled to either conduct or commission a pressure test prior to approval of water taps on any lot within Saddle Lakes Farms 2<sup>nd</sup> Sector in a manner satisfactory to Board in order to determine if said lot shall be designated a "low pressure lot". The designation of any lot as a "low pressure lot" shall be based on a standard of 40 pounds per square inch of pressure or less.

4. EnviroBuild stipulates and represents unto Board that EnviroBuild has engaged Byrd Contractors to construct and install said water main to Saddle Lake Farms, 2<sup>nd</sup> Sector. EnviroBuild further agrees to indemnify Board against any lost of any claim of any nature whatsoever arising from the acts or omissions of Byrd Contractors, on behalf of EnviroBuild, concerning installation of said water transmission main.

5. The parties by execution of said agreement by their authorized representatives, hereby declare their intent to be so bound with the understanding that the Board's sole obligation herein is to approve up to 100 taps for the lots located in the Saddle Lakes, 2<sup>nd</sup> Sector, Subdivision, in Shelby County, Alabama.

Done and executed, this 31<sup>st</sup> day of August, 2001.

ENVIROBUILD, INC.

By: [Signature]  
Its: Manager

ATTEST:

[Signature]  
Its: SECRETARY

ALABASTER WATER BOARD

By: [Signature]  
Its: Manager

ATTEST:

[Signature]  
Its: Secretary

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