

Amendment One
to the
**Contract for Operations and Maintenance between Ashburnham &
Winchendon Joint Water Authority Water Filtration Plant**
and
**Veolia Water North America Operating Services- Northeast, LLC (f/k/a U.S.
Filter Operating Services, Inc.)**

THIS AMENDMENT to the Agreement is entered into on this 31st day of May, by and between:

The Town of Ashburnham, located at 32 Main Street, Ashburnham, Massachusetts and the Town of Winchendon, located at 109 Front Street, Winchendon, Massachusetts, acting by and through the Ashburnham Winchendon Joint Water Authority ("AWJWA" or "OWNER");

and

Veolia Water North America Operating Services- Northeast, LLC, a Delaware corporation ("VWNAOS" or "OPERATOR"), formerly known as U.S. Filter Operating Services, Inc., with offices at Metro South Executive Park 1115 West Chestnut Street, Suite 102, Broomfield, Massachusetts 02301.

WHEREAS, OWNER and VWNAOS entered into that certain Contract for Operations and Maintenance dated August 1, 2001 (the "Contract"); and,

WHEREAS, the parties now desire to modify selective portions of the Contract, all as set forth herein;

NOW, THEREFORE, in mutual consideration herein described and other good and valuable consideration, receipt of which is hereby acknowledged, the parties agree as follows:

1. Section 5.6 of the Contract, entitled Invoice Processing and Payment, is amended to read, in whole, as follows:

The OWNER shall make monthly payments to OPERATOR of amounts due as Base Payment based on the monthly invoice from the OPERATOR for work performed and accepted. OPERATOR also shall invoice the OWNER monthly in arrears for all other amounts due. The OPERATOR shall provide such additional supporting documentation as the OWNER may request.

Within thirty (30) days from the invoice date, the OWNER shall make monthly payment to the OPERATOR for the work performed and accepted, based on the said monthly invoice.

Within thirty (30) days of receipt of the final monthly invoice for the Initial 5-year Term, if Contract is not renewed, or Renewal Term, if Contract is renewed, the OWNER shall pay the OPERATOR the entire balance due on the Contract.

2. OWNER will pay to OPERATOR within ninety (90) days of this Amendment, all amounts held by the OWNER as retainage under the Contract.
3. Section 6.3 of the Contract, entitled Performance Bond, is deleted in its entirety.
4. Any section or sub-section of the Contract that references a "performance bond" is to be read consistent with this Amendment but is otherwise enforceable as if not amended.
5. OWNER warrants that it has made no claim or demand on any performance bond issued by or on behalf of the OPERATOR and knows of no reason why any such performance bond may be released in full and terminated.
6. This Amendment shall take effect upon the date entered unless otherwise provided for herein.
7. All terms of the Contract not specifically amended or modified by this instrument shall remain unmodified and in full force and effect.

WHEREFORE, both parties indicate their approval of this Amendment by their signature below and each party warrants that all action necessary to bind the parties to the terms of this Amendment has been taken.

**Ashburnham and Winchendon
Joint Water Commission**

By: [Signature]
Ashburnham Town Administrator

Print Name: Kevin E. Paicos

Title: Town Administrator

Date: 5/31/06

**Ashburnham and Winchendon
Joint Water Commission**

By: [Signature]
AWJWA Representative

Print Name: LEO P. COLLETTE JR.

Title: CHMNL. J.W.A.

Date: 5-31-06

**Ashburnham and Winchendon
Joint Water Commission**

By: [Signature]
Winchendon Town Manager

Print Name: AMOR M. KEBINGER JR.

Title: Town Manager

Date: 6/19/06

**Veolia Water NA
Operating Services- Northeast, LLC**

By: [Signature]
Veolia Water NA-Northeast, LLC

Print Name: Philip Ashcraft

Title: President-VWNA NE LLC

Date: 7/20/06