

THIS IS THE GENUINE CONTRACT

Recorded in Minute Book
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Exhibit A

WATER PURCHASE AGREEMENT

THIS CONTRACT for the sale and purchase of water is entered into as of the 5th day of April, 1967 between the City of Franklin, Kentucky, hereinafter referred to as the "City" and Simpson County Water District, hereinafter referred to as the "District".

WITNESSETH

Whereas, the District has been organized and established under the provisions of Chapter 74 of the Kentucky Revised Statutes for the purpose of constructing and operating a water supply distribution system serving water users within the area described in plans now on file in the office of the District and to accomplish this purpose, the District will require a supply of treated water, and

Whereas, the City owns and operates a water supply distribution system with a capacity currently capable of serving the present customers of the City system and the estimated number of water users to be served by the said District as shown in the plans of the system now on file in the office of the District, and

Whereas, by Resolution enacted on the 6th day of June, 1966 by the Council of the City, the sale of water to the District in accordance with the provisions of the said Resolution was approved, and the execution of this contract carrying out the said Resolution by the Mayor, attested by the Secretary, was duly authorized, and

Whereas, by Resolution of the Board of Commissioners enacted on the 5th day of April, 1967, the purchase of water from the City in accordance with the terms set forth in the said Resolution was approved, and the execution of this contract by the Chairman, and attested by the Secretary, was duly authorized;

NOW, THEREFORE, in consideration of the foregoing and the mutual agreements hereinafter set forth,

A. The City agrees:

1. To furnish the District, at the points of delivery hereinafter

specified, during the term of this contract or any renewal or extension thereof, potable treated water meeting applicable purity standards of the State Board of Health in such quantity as may be required by the District (not to exceed 20,000,000 gallons per month).

2. That water will be furnished at a reasonably constant normal pressure as follows:

- (a) To furnish water at the Kentucky Highway No. 100 west connection off a 6 inch cast iron pipe with a minimum discharge of 600 gallons per minute with a 50 pound static head.
- (b) To furnish water at the Kentucky Highway No. 100 east connection off a 12 inch cast iron pipe with a minimum discharge of 1500 gallons per minute with a 50 pound static head.
- (c) To furnish water at the U. S. Highway 31-W north connection off a 8 inch iron pipe with a minimum discharge of 1000 gallons per minute with a 50 pound static head.
- (d) To furnish water at the U. S. Highway 31-W south connection off a 8 inch cast iron pipe with a minimum discharge of 1000 gallons per minute with a 50 pound static head.

If a greater pressure than that normally available at the point of delivery is required by the District, the cost of providing such greater pressure shall be borne by the District. Emergency failures of pressure or supply due to main supply line breaks, power failure, flood, fire and use of water to fight fire, earthquake or other catastrophe shall excuse the City from this provision for such reasonable period of time as may be necessary to restore service.

3. To furnish, install, operate, and maintain at its own expense at point of delivery, the necessary metering equipment, including a meter house or pit, and required devices of standard type for properly measuring the quantity of water delivered to the District and to calibrate such metering equipment whenever requested by the District but not more frequently than once every twelve (12) months. A meter registering not more than two percent (2%) above or below the test result shall be deemed to be accurate. The

previous readings of any meter disclosed by test to be inaccurate shall be corrected for the 2 months previous to such test in accordance with the percentage of inaccuracy found by such tests. If any meter fails to register for any period, the amount of water furnished during such period shall be deemed to be the amount of water delivered in the corresponding period immediately prior to the failure, unless City and District shall agree upon a different amount. The metering equipment shall be read on

the first day of every month.

4. To furnish the Secretary of the District, at Franklin, Kentucky not later than the 7th day of each month, with an itemized statement of the amount of water furnished the District during the preceding month.

B. The District agrees:

1. To pay the City, not later than the 14th day of each month, for water delivered, at the rate of $21\frac{1}{2}$ cents per 1000 gallons per month.

2. To pay as an agreed cost, a connection fee to connect the City system with the system of the District, the sum of _____ dollars which shall cover any and all costs of the City for installation of the metering equipment and appuntenances.

C. It is further mutually agreed between the City and the District as follows:

1. That this contract shall extend for a term of forty-five years from the date of the initial delivery of any water by the City to the District and, thereafter may be renewed or extended for such term, or terms, as may be agreed upon by the City and District, or such additional period of time as may be required to pay any bonded indebtedness incurred by the District during the first five years of this contract.

2. That thirty days prior to the estimated date of completion of construction of the District's water supply distribution system, the District will notify the City in writing the date for the initial delivery of water.

3. When requested by the District the City will make available to the contractor at the point of delivery, or other point reasonably close thereto, water sufficient for testing, flushing, and trench filling the system of the District during construction, irrespective of whether the metering equipment has been installed at that time, at a flat charge of \$144.00 which will be paid by the contractor or, on his failure to pay, by the District.

4. That the City will, at all times, operate and maintain its system in an efficient manner and will take such action as may be necessary to furnish the District with quantities of water required by the District. Temporary or partial failures to deliver water shall be remedied with all possible dispatch. In the event of an extended shortage of water, or the supply of water available to the City is otherwise diminished over an extended period of time, the supply of water to District consumers shall be reduced or diminished in the same ratio or proportion as the supply to City consumers is reduced or diminished.

5. That the District is also granted an option to renew or extend this contract under the same terms and conditions for an additional twenty year period, provided at least two years written notice of the District's intention to exercise this option to extend or renew is given to the City before the expiration of the initial forty-five year period. Other provisions of this contract may be modified or altered by mutual agreement.

6. In the event the City increases its rates to each of its customers, the rates which apply to this contract shall be automatically increased, the same percentage as that percentage increase charged such customer of the City, whose rate is increased

the smallest percentage.

7. The District shall make a deposit in an amount equal to one month's minimum charge (\$215.00, before tap is made.

8. That this contract is subject to such rules, regulations, or laws as may be applicable to similar agreements in the State of Kentucky and the City and District will collaborate in obtaining such permits, certificates, or the like, as may be required to comply therewith.

9. That the construction of the water supply distribution system by the District is being financed by a loan from (or a loan insured by) the United States of America, acting through the Farmers Home Administration of the United States Department of Agriculture, and the provisions hereof pertaining to the undertakings of the District are conditioned upon the approval, in writing, of the State Director of Kentucky of the Farmers Home Administration. Similarly, any modification of the provisions of this contract, including any increase in the schedule of rates to be paid by the District for the delivery of water shall be conditioned upon the prior approval, in writing, of the State Director of Kentucky, of the Farmers Home Administration.

10. That in the event of any occurrence rendering the District incapable of performing under this contract, any successor of the District, whether the result of legal process, assignment, or otherwise, shall succeed to the rights of the District hereunder.

11. The District agrees not to contract with nor furnish water to any user for resale.

12. The District agrees to furnish the City with a sales tax exemption certificate so that no sales tax need be withheld and charged on the water furnished to the District by the City.

IN WITNESS WHEREOF, the parties hereto, acting under authority of their respective governing bodies, have caused this contract to be

executed by its duly authorized officers on the day and year first above written.

CITY OF FRANKLIN, KENTUCKY

BY Henry Broderson
Henry Broderson, Mayor

ATTEST:

W. B. Caudill
W. B. Caudill, Clerk

SIMPSON COUNTY WATER DISTRICT

BY Billy J. Cherry
Chairman
(Official Title)

ATTEST:

Jack H. Ferguson
Secretary

STATE OF KENTUCKY

COUNTY OF SIMPSON

I, the undersigned, a notary public in and for the state and county aforesaid, hereby certify that on this 5th day of April 1967, the foregoing Instrument of Writing was produced to me by the parties in the County aforesaid and acknowledged by Henry Broderson, Mayor of the City of Franklin, Kentucky, and by W. B. Caudill, Clerk thereof, to be the free act and deed of the City of Franklin, and on the 5th day of April, 1967 the same was acknowledged before me by Billy Jeff. Cherry, Chairman of the Simpson County Water District, and Jack H. Ferguson, Recording Secretary thereof, to be the free act and deed of said Simpson County Water District.

Given under my hand this 5th day of April, 1967.

My com. expires NOTARY PUBLIC, STATE OF KY. AT LARGE
MY COMMISSION EXPIRES JULY 20, 1968

Robert E. Taylor
Notary Public

APPROVAL BY FARMERS HOME ADMINISTRATION

This contract is approved on behalf of the Farmers Home Administration on this the _____ day of _____, 19____.

FARMERS HOME ADMINISTRATION

BY _____

(Official Title)

STATE OF KENTUCKY
COUNTY OF SIMPSON

I, the undersigned, a notary public in and for the state and county

aforesaid, hereby certify that the foregoing Instrument of Writing was on this the _____ day of _____, 19____ produced to me and acknowledged before me by _____

_____ of Farmers Home Administration, to be the free act and deed of said Farmers Home Administration.

Given under my hand this _____ day of _____, 19____

My com. expires _____.

Notary Public