

**FIRST ADDENDUM**

This FIRST ADDENDUM made and entered into this 8th day of October, 1996, between the CITY UTILITIES COMMISSION of 901 South Main Street, Corbin, Kentucky, (hereinafter referred to as "City") and WHITLEY COUNTY WATER DISTRICT, of 19 S. Highway 25-W, Williamsburg, Kentucky (hereinafter referred to as "District");

**WITNESSETH:**

WHEREAS, the parties have previously entered into a Water Purchase Contract dated May 25, 1993; and now desire to modify the terms of said contract for a valuable consideration, the receipt of which is hereby acknowledged, including the hereinafter expressed covenants, the aforementioned water purchase contract between the parties is amended as follows:

PUBLIC SERVICE COMMISSION  
OF KENTUCKY  
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Paragraph "A" is amended to read as follows:

FEB 15 1997

PURSUANT TO 807 KAR 5.011,  
SECTION 9 (1)

A. The Seller Agrees:

BY: Phyllis Lanning  
DIRECTOR, RATES & RESEARCH DIV.

1. (Quality and Quantity) To furnish the Purchaser at the point(s) 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 Kentucky Natural Resources and Environmental Protection Cabinet as set forth in KRS Chapter D3 and 224 and 401 KAR Chapter 8, as of the date of this contract in such quantity as may be required by the Purchaser not to exceed 4,500,000 gallons per month.
2. (Point(s) of Delivery and Pressure) That water will be furnished at a reasonably constant pressure calculated at 30 psi (minimum) from existing six (6) inch mains at Point #1, the existing metering station located on Highway 26 near Corbin, Kentucky and Point #2 located on KY 6 near Woodbine Volunteer Fire Department. If a greater pressure than that normally available at the point of delivery is required by the Purchaser, the cost of providing such greater pressure shall be borne by the Purchaser. 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 Seller from this provision for such reasonable period of time as may be necessary to restore service.

Point #2

The Seller agrees to supply potable water to the second water metering station (# 2). The point of delivery to be constructed on KY 6 near the Woodbine Volunteer Fire Department building and the intersection of KY-6 and KY-1064. Water meter station #2 will deliver only the quantity of water needed to serve approximately 110 existing residential water customers located along KY-1064. Other water sold to the District shall be taken through the existing water meter station located on KY-26 near Corbin Materials. The KY 1064 section of the District's waterline shall be isolated from all other parts of the District's water system by cutting and plugging off same. It is estimated that each customer in this section will use approximately 3,000 gallons of water per month or totaling about 330,000 gallons per month (11,000 gallons per day).

Paragraph "B" is amended to read as follows:

B. The Purchaser Agrees:

1. (Rates and Payment Date) To pay the Seller, not later than the 15th day of each month, for water delivered in accordance with the following schedule of rates:
  - a. \$ 2.20 for the first 1,000 gallons, plus \$50.00 monthly service charge per metering station.
  - b. \$ 2.20 per 1,000 gallons for all water in excess of 1,000 gallons. A 10% penalty will be added if the bill is not paid on or before the 15th of the month in which same is due and water service will be discontinued to all delinquent accounts in accordance with the applicable City of Corbin Water/Service/Rate Ordinance.
2. (Connection Fee) Not applicable. However, the Purchaser shall furnish and install the new metering station #2 to be located on KY 6 near the Woodbine Volunteer Fire Department building. The Purchaser shall furnish and install the new metering station in accordance with CUC's "Typical Combined Fire & Domestic Water Meter & Pit Detail with By-Pass Line Inside Pit" dated 1981 or as approved by the City. A copy of same is attached hereto and made a part of this Contract. Meter pit shall be installed above flood level. The backflow prevention device shall be installed down line from the water meter station.

The changes reflected in this addendum shall become effective with the City bills to the District dated the first day of December, 1996.

The addendum shall be approved by all parties in its entirety or ~~public service commission~~ <sup>PUBLIC SERVICE COMMISSION</sup> and void in its entirety.

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SECTION 9 (1)  
BY: Phyllis Lannin  
DIRECTOR, RATES & RESEARCH DIV

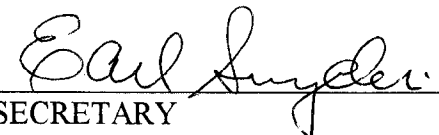
In all other respects, the previous contract between the parties is ratified and confirmed.

IN WITNESS WHEREOF, the parties hereto, acting under the authority of their respective governing bodies have caused this contract to be duly executed in five counterparts, each of which shall constitute an original.

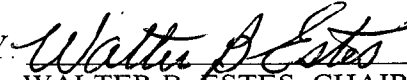
CITY UTILITIES COMMISSION  
OF CORBIN, KENTUCKY

BY:   
JOHN L. DANIEL, CHAIRMAN

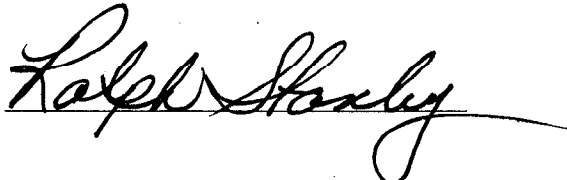
ATTEST:

  
SECRETARY

WHITLEY COUNTY WATER DISTRICT

BY:   
WALTER B. ESTES, CHAIRMAN

ATTEST:



PUBLIC SERVICE COMMISSION  
OF KENTUCKY  
EFFECTIVE

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PURSUANT TO 807 KAR 5.011,  
SECTION 9 (1)

BY:   
DIRECTOR, RATES & RESEARCH DIV

RESOLUTION NO. 431

A RESOLUTION OF THE CITY UTILITIES COMMISSION OF THE CITY OF CORBIN, KENTUCKY, AUTHORIZING AND DIRECTING JOHN L. DANIEL, CHAIRMAN, TO SIGN ADDENDUM #1 DATED OCTOBER 8, 1996, BETWEEN THE CITY UTILITIES COMMISSION OF THE CITY OF CORBIN, KY, AND THE WHITLEY COUNTY WATER DISTRICT OF 19 S. HWY. 25-W, WILLIAMSBURG, KY, RELATIVE TO A WATER PURCHASE CONTRACT AND OTHER RELATED MATTERS.

WHEREAS, the City Utilities Commission of the City of Corbin, Kentucky, is in the business of providing a potable water supply to users in Whitley, Knox and Laurel Counties, Kentucky; and

WHEREAS, the City Utilities Commission of the City of Corbin, Kentucky, desires to increase the quantity of potable water it sells to the Whitley County Water District; and

WHEREAS, the City Utilities Commission of Corbin, Kentucky, has previously authorized and directed George P. Rains, its Consultant, to enter into negotiations with the Whitley County Water District for the purpose of arriving at a proposed agreement to increase the quantity of water it sells the Whitley County Water District; and

WHEREAS, Addendum #1 dated October 8, 1996, between the City Utilities Commission and the Whitley County Water District has been negotiated subject to the approval of the respective governing boards; and

WHEREAS, such Addendum #1 will be in the best interest of both the City Utilities Commission of the City of Corbin, KY, and the Whitley County Water District;

NOW, THEREFORE, BE IT RESOLVED by the City Utilities Commission of the City of Corbin, Kentucky as follows:

1. That John L. Daniel, Chairman, is hereby authorized and directed to sign Addendum #1 dated October 8, 1996, between the City Utilities Commission of the City of Corbin, KY, and the Whitley County Water District. A copy of same is attached hereto and made a part hereof as if copied at length in full.

2. That John L. Daniel, Chairman, of the City Utilities Commission of the City of Corbin, KY, be authorized and directed to sign any and all other documents relative to the implementation of Addendum #1.

THIS RESOLUTION READ AND ADOPTED THIS 8th DAY OF OCTOBER 1996.

  
JOHN L. DANIEL, CHAIRMAN

ATTEST:

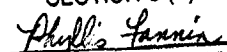
  
SECRETARY

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BY:   
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