

WATER PURCHASE CONTRACT

This contract for the sale and purchase of water is entered into on this the 16 day of NOV, 2020 by and between the **SHELBYVILLE MUNICIPAL WATER AND SEWER COMMISSION** (hereinafter referred to as the "Commission") and **WEST SHELBY WATER DISTRICT** (hereinafter referred to as "West Shelby");

WITNESSETH:

1. Consideration. For and in consideration of mutual covenants, receipt of which is hereby acknowledged, and with the commission conveying a portion of their service area to West Shelby permanently to be serviced entirely for water services by West Shelby Water. Copy of description and plat attached hereto as Exhibit "A and "B".

2. Quantity and Quality of Water. The Commission will sell to West Shelby potable treated water, meeting the applicable standards of the appropriate regulatory agency (presently the Kentucky Natural Resources Cabinet) in an amount not exceeding 10 million gallons per calendar month. West Shelby agrees to purchase a minimum of 55 million gallons per calendar year beginning on January 1, 2021. However it is understood and agreed that should there be an event such as the Covid-19 virus or some other event that drastically reduces the demand for water from the customers of West Shelby served from the metering point described in paragraph 3 below, then, in such event, the Commission will reduce the annual required usage as agreed to above by the reduction in demand experienced during the period of such event, provided West Shelby can provide the Commission documentation of such reduction.

3. Metering points. The Commission will supply West Shelby at the current metering points on U.S. 60 at CVS and at the Winhurst Development.

4. Maintenance of Metering Equipment. The Commission will operate and maintain at its own expense the standard metering equipment to properly serve West Shelby. The Commission shall test and calibrate such metering equipment whenever requested by West Shelby, but not more frequently than once every 12 months. A meter whose test results are within 2% above or below the testing standards shall be deemed to be accurate. The previous reading of any meter disclosed by test to be inaccurate shall be corrected for the six months previous to such test in accordance with the percentage of inaccuracy found by such tests, with an appropriate refund or additional charge made. 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 time period of equal length immediately prior to the failure, unless the Commission and West Shelby shall agree to the different amount. West Shelby shall at all reasonable times have access to the meters for the purpose of independently reading the meters.

5. Failure to Deliver. The Commission will, at all times, operate and maintain its system in an efficient manner and will take such action as may be necessary to furnish West Shelby with quantities of water as currently provided. Temporary or partial failure 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 Commission is otherwise diminished over an extended period of time, the supply of water to West Shelby's customers shall be reduced or diminished in the same ratio or proportion as the supply to the

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Commission's customers is reduced or diminished, and West Shelby shall be relieved from the minimum purchase requirements set forth in Paragraph 1 of this contract for the time during which the extended shortage of water continues. 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 Commission from this provision for such reasonable period of time as may be necessary to restore service.

6. Meter Reading Date. The metering equipment shall be read on the 19th day of each month, or on such other regular day of the month chosen by the Commission with notice to West Shelby. West Shelby shall have at least 10 calendar days to pay a bill after the bill is mailed by the Commission to West Shelby. If the bill is not timely paid, West Shelby shall be subject to the same late fees which apply to the Commission's other customers. The Commission shall make the bill available to West Shelby by a mutually acceptable electronic method as soon as it is available.

7. Rates. West Shelby shall pay the Commission for water purchased at water rates approved by the Commission and as provided in the Rate Ordinance of the City of Shelbyville. The initial rate for West Shelby shall be \$2.38 per one thousand (1000) gallons. The rate of \$2.38 per one thousand (1000) gallons shall remain in effect until such times as the City of Shelbyville approves any new rate increase for the Commission. No such rate increase shall exceed the percentage rate increase for all other wholesale customers of the Commission and in no event will West Shelby be charged a rate higher than the Louisville Water Company charges to West Shelby.

West Shelby shall also pay a service charge dependent upon the meter size at its metering points as provided in said Rate Ordinance. Said service charge shall be at the same rate or less than it charges the other wholesale customers of the Commission.

There will be a \$1.00 surcharge for each 1,000 gallons of water purchased by West Shelby over 10 million gallons during any calendar month.

8. Check Valve. West Shelby shall, at its expense, properly install, operate and maintain in good working condition a check valve at each master meter to prevent any reverse flow of water from West Shelby's system to the Commission's system.

9. Term of Contract. This Contract shall have an initial term of 5 years from the date of January 1, 2021, with the parties agreeing to the option of two (2) five (5) year renewal terms, with these additional terms to take effect automatically, unless either party has notified the other in writing no later than 60 days prior to the end of any five year term of such party's intention to terminate this Contract.

10. Waiver. A waiver of any of the terms and conditions of this Contract shall not be construed as a general waiver by any party, and such party shall be free to reinstate any such term or condition, with or without notice to the other parties.

11. Headings. The headings in this contract are for the convenience of the parties and are not to be construed as part of this contract.

12. Successors and Assigns. This contract shall be binding upon the successors and assigns of the Commission and West Shelby.



13. Termination by West Shelby. In the event the Commission fails to abide by the terms and conditions of this Contract, then this Contract may be terminated by West Shelby prior to expiration upon 30 days prior written notice to the Commission provided, however, that this Contract shall not be terminated as long as the Commission has notified West Shelby in writing within this 30-day period of the actions which the Commission is taking to cure the Commission's default within a reasonable period of time, and the Commission is proceeding in good faith to expeditiously complete those actions and cure its default.

14. Termination by the Commission. In the event West Shelby fails to abide by the terms and conditions of this Contract, then this Contract may be terminated by the Commission prior to expiration upon 30 days prior written notice to West Shelby provided, however, that this Contract shall not be terminated as long as West Shelby has notified the Commission in writing within this 30-day period of the actions which West Shelby is taking to cure West Shelby's default within a reasonable period of time, and West Shelby is proceeding in good faith to expeditiously complete those actions and cure its default.

IN WITNESS WHEREOF, the parties hereto have caused this Contract to be executed in duplicate by their proper officers thereunto duly authorized the day and year first above written.

**SHELBYVILLE MUNICIPAL WATER AND SEWER
COMMISSION**

By: David B. Eaton

Title: Mayor / Chairman

Pursuant to authority granted by the "Commission"
dated November 16, 2020

WEST SHELBY WATER DISTRICT

By: [Signature]

Title: CHAIRMAN

Pursuant to authority granted by West Shelby dated
Nov 19, 2020

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TERRITORY DESCRIPTION

Territory Released from: CITY OF SHELBYVILLE, FOR USE AND BENEFIT OF SHELBYVILLE MUNICIPAL WATER AND SEWER COMMISSION

Territory Gained by: WEST SHELBY WATER DISTRICT

Date: September 15, 2020

... the following described territory: Tract 1-C Residual, consisting of 45.12 acres of the Amended Division Plat of Tract 1-C, WAZE II property as recorded in Plat Cabinet 9, Slide 229 in the office of the Shelby County Clerk, said territory being more particularly described as follows:

BEGINNING at a point in the west right of way of Discovery Boulevard corner to property conveyed to Shelby County Board of Education and recorded in Deed Book 593 Page 202; thence with the northern described boundary of said property north 85 degrees 10 minutes 31 seconds west, a distance of 797.18 feet to the western boundary of Tract 1-C Residual; thence north 06 degrees 53 minutes 00 seconds east, a distance of 1547.54 feet to the southern boundary of the RJ Corman Railway right of way; thence with said railroad right of way south 72 degrees 20 minutes 34 seconds east, a distance of 1516.71 feet to the northeast corner of Tract 1-C Residual; thence with the boundary of said tract south 03 degrees 21 minutes 37 seconds west, a distance of 1033.56 feet to the north right of way of a recently dedicated street; thence with said right of way north 85 degrees 15 minutes 57 seconds west, a distance of 758.88 feet; thence with said right of way south 06 degrees 23 minutes 15 seconds west, a distance of 175.32 feet to the point of beginning.

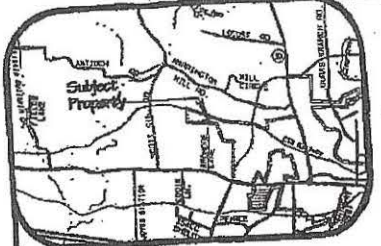
Said description was composed from the distances and bearings shown on the face of the above referenced amended division plat and referenced from NAD 83, Geoid Model 07-2012B.

EXHIBIT A

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Existing lines located on maps obtained from 2015, 2016, and 2018. Note on the face of the plat.

GLOBAL POSITIONING SYSTEM NOTE
 This Survey was performed using a Spectra Precision Epoch 500, multi-frequency GNSS receiver. The type of GNSS survey employed was:
 Static RTK Real-time Kinematic = 2cm + 0.1 ppm RMS x D
 Kinematic = 2.5cm + 0.1 ppm RMS x D
 Vertical Accuracy = 2cm + 0.1 ppm RMS x D
 Horizontal Accuracy = 1.5cm + 0.1 ppm RMS x D
 Vertical Accuracy = 2cm + 0.1 ppm RMS x D
 Vertical Datum: NAVD83 - KY State Plane
 Vertical Datum: GDA94 - 2011
 Code: 560021 - 560025

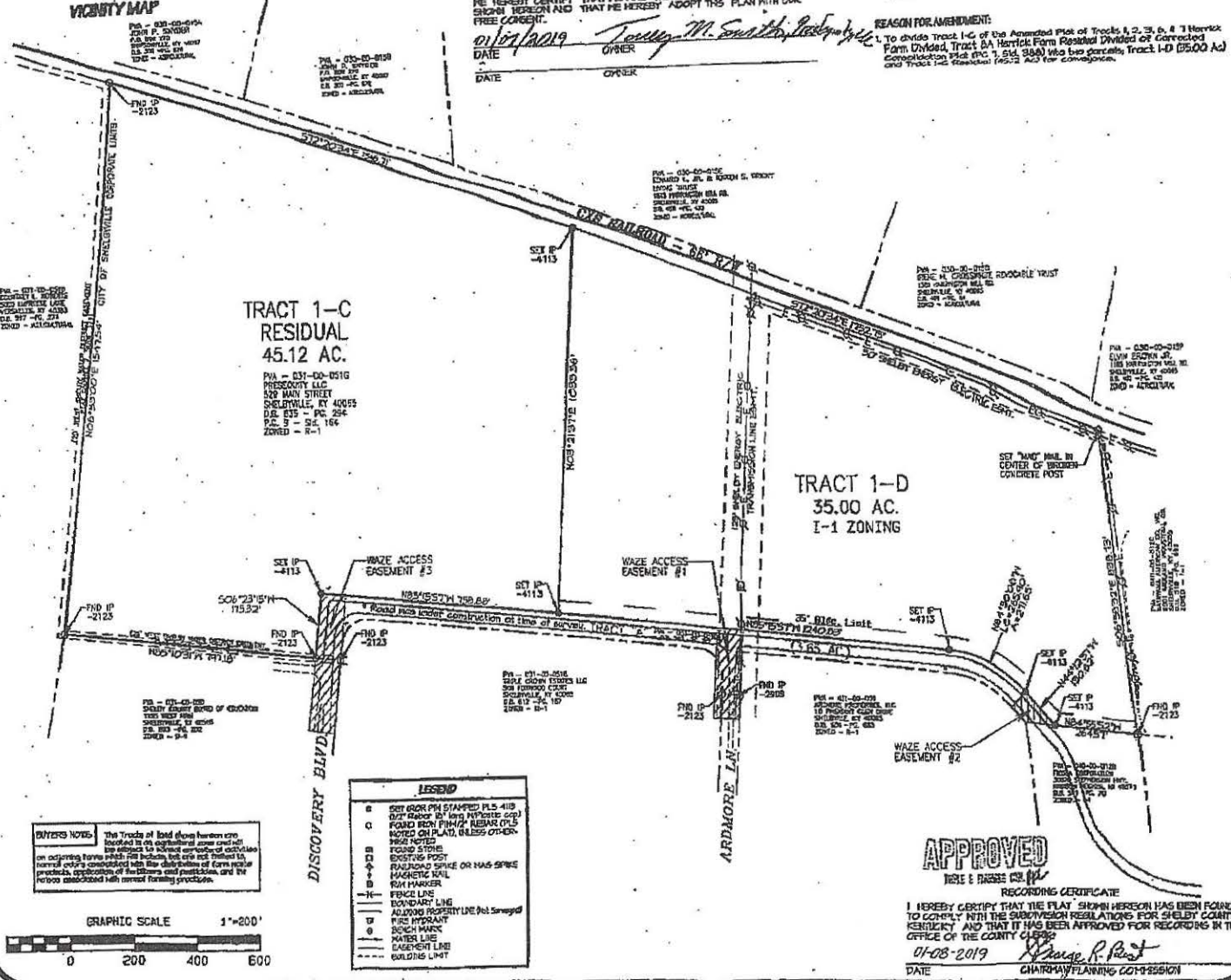
CERTIFICATE OF OWNERSHIP
 WE HEREBY CERTIFY THAT WE ARE THE OWNERS OF THE PROPERTY SHOWN HEREON AND THAT WE HEREBY ADOPT THIS PLAN WITH OUR FREE CONSENT.
 DATE: 01/07/2019
 NAME: *Tammy M. Smith, Stephen J. ...*
 DATE: _____
 NAME: _____

LAND SURVEYORS CERTIFICATE
 I HEREBY CERTIFY THAT THE PLAT SHOWN HEREON DEPICTS A SURVEY MADE BY ME OR UNDER MY DIRECT SUPERVISION BY THE METHOD OF RANDOM TRAVEL ALONG WITH CLOSE OBSERVATIONS. THE UNADJUSTED PRECISION RATIO OF THE TRANSVERSE EXCEEDS 1: 34,260 AND HAS NOT ADJUSTED. THE RELATIVE POSITIONAL ACCURACY OF THE CLOSE MEASUREMENTS EXCEEDS 20.09 (100 PPM). THE CLIENT SIGNATURE HEREON IS AN URBAN/RURAL CLASS SURVEY AND THE ACCURACY AND PRECISION OF SAID SURVEY MEETS ALL THE SPECIFICATIONS OF THIS CLASS. THIS SURVEY COMPLIES WITH 201 KAR 16-020.
 DATE: 01/07/2019
 NAME: *[Signature]*
 PROFESSIONAL LAND SURVEYOR
GENERAL NOTES:
 1. Surveyor has made no investigation or independent search for statements of record, encumbrances, restrictions or covenants concerning the evidence, or any other facts that an accurate and current title search may disclose.
 2. This survey is subject to all easements and rights of ways shown on the face of plat or of record.
 3. Unless plat is signed and stamped by Surveyor it is void and null. This survey is made on the date indicated to the owner's best recollection.

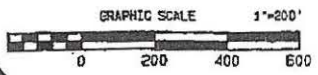


CLIENT: Prescriptive, LLC
 201 Main Street, Suite 100
 Louisville, KY 40202
 DATE OF PLAN: January 7, 2019
 TOTAL ACRES SURVEYED: 85.206
 SOURCE OF TITLE: D.E. 485 - P.B. 18, p. 1 - 518, 164
 ZONING: Tract 1-C = I-1, Tract 1-D = R-1

WILLIAM W. HAGAN
 LICENSED PROFESSIONAL LAND SURVEYOR
 505-255-1116
 SHELBYVILLE, KY 40005



OWNER'S NOTES: The Tracts of land shown hereon are located in an agricultural zone and all the subject to local agricultural protection on adjoining farms. The subject is not intended to be used for residential purposes, and the purpose associated with normal farming practices.



LEGEND

- SET BACK PIN STAMPED PL 5 4113
- D/T (Color in long NP/State copy)
- FOUND IRON PIN IN NEAR D/T
- NOTED ON PLAT, UNLESS OTHERWISE NOTED
- FOUND STAKE
- EXISTING POST
- RAILROAD SPIKE OR NAIL SPIKE
- MAGNETIC NAIL
- RAIL MARKER
- FENCE LINE
- BOUNDARY LINE
- ALONG PROPERTY LINE Not Surveyed
- FIRE BREAK
- BENCH MARK
- WATER LINE
- EASEMENT LINE
- BUILDING LIMIT

APPROVED
 HERE & THESE FOR ME

RECORDING CERTIFICATE
 I HEREBY CERTIFY THAT THE PLAT SHOWN HEREON HAS BEEN FOUND TO COMPLY WITH THE SUBDIVISION REGULATIONS FOR SHELBY COUNTY, KENTUCKY AND THAT IT HAS BEEN APPROVED FOR RECORDING IN THE OFFICE OF THE COUNTY CLERK.
 DATE: 01-08-2019
 NAME: *[Signature]*
 CHAIRMAN PLANNING COMMISSION

**AMENDED DIVISION PLAT
 TRACT 1-C WAZE II PROPERTY
 SHELBY COUNTY, KENTUCKY**

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 DOCUMENT NO: 410985
 RECORDED: January 08, 2019 03:44:00 PM
 TOTAL FEES: \$20.00
 COUNTY CLERK SUE CAROLE BERRY
 DEPUTY CLERK MICHAEL MICHE
 COUNTY: SHELBY COUNTY
 BOOK: CABG
 PAGES: 11
 OF KENTUCKY

EXHIBIT B