

## AMENDMENT NO. 1

to  
Water Purchase Contract dated 23 October 2003  
between  
the City of Jackson (Seller) and the Breathitt County Water District (Buyer)

The parties to the Water Purchase Contract have identified a need to amend the Water Purchase Contract dated 23 October 2003 to:

- Add two Points of Delivery;
- Adjust the contracted volume;
- Clarify the ownership of master meters;
- Address KY30 pump operations; and,
- Establish the method by which the BUYER is invoiced.

Upon execution, this Amendment dated 29 June 2006 shall become a part of the Contract, equally binding as the original Contract.

### The Contract is hereby amended is follows:

**Section A.5.** in the original Contract allows for the Seller to furnish the Buyer finished water through two points of delivery. This Amendment adds the following points of delivery:

Point of Delivery No. 3 .....master meter at EOL of Seller's line on KY 52

Point of Delivery No. 4 .....master meter at intersection of KY 30 & Town Hill Rd

**Section A.1.** in the original Contract limits the sale of water to a volume of 2,500,000 gallons per month and a rate not to exceed 118 gallons per minute. The volume and rate was pertaining to finished water passing through Point of Delivery No. 1 (POD1) and POD2. Upon the construction of other distribution lines and master meters, revisions to the volume and rate limitations are required. POD2 and POD4 are meters through which finished water is delivered to customers of both the Buyer and the Seller. No limitation is imposed on POD2 and POD4. This Amendment revises the Maximum Volumes Allowed to Seller as follows:



Delivery Point	Monthly Limit (gallons)	Rate (gallons per minute)
POD1	3,000,000	118
POD2	not applicable	not applicable
POD3	3,200,000	170
POD4	not applicable	not applicable

**Section C.2.** of the original Contract was not clear on the ownership of the master meter vaults and their contents after construction and warranty periods have elapsed. The Seller, regardless of shared use, shall own all master meter vaults that are read or referred to in the calculation of the volume of finished water used by the Buyer.

Access to all master meter vaults shall be availed to both the Buyer and Seller and every effort shall be made to have the Buyer accompany the Seller when reading meters. Alternatively, if desired by the Seller, the volume of finished water used by the Buyer may be determined by electronic meter readings supplied by the Buyer to the Seller.

The Buyer has opted to install radio-read meters. The meters shall be calibrated in accordance with Section C.3.; however, any additional cost associated with the calibration of radio-read versus visual dial meters shall be borne by the Buyer.

**Section C.20.** is hereby added by this Amendment to the Contract and shall establish limitations on the operation of the booster pump station located near POD1. If for any reason, the Seller is not realizing at least 95 pounds per square inch (psi) on the discharge side of the pressure reducing valve immediately upstream of POD4, the Buyer shall not operate the KY30 booster pump station, except between the hours of 2300 and 0600 (11:00 pm and 6:00 am).

**Section B.4.** is hereby added by this Amendment to the Contract and shall establish the means by which the volume of finished water used by the Buyer is determined. Attachment A to this Amendment provides the mathematical and pictorial account of the method that shall be used to calculate gallons used by the Buyer. Attachment A is an integral part of this Amendment.

This Amendment consists of four pages.

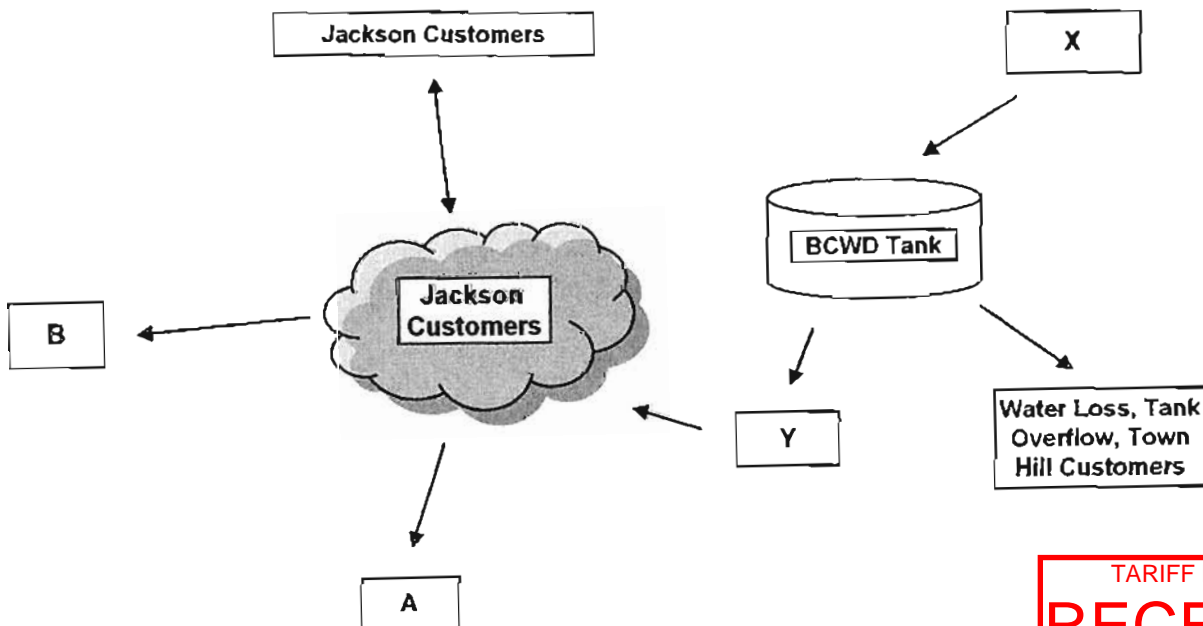


**Attachment A to Amendment 1**  
**Example Calculation of Finished Water Usage by Buyer**

Master Meter ID	Location	Beginning Reading	Ending Reading	Gallons Used	Factor in Equation
MM3	Meter at Point of Delivery No. 3; Jackson EOL on KY 52	0	0	0	B
MM2	Meter at Point of Delivery No. 2; 12-inch Flange in WTP Yard on Armory Drive	10	110	100	X
MM1	Meter at Point of Delivery No. 1; Jackson EOL on KY 30	180	205	25	A
MM4	Meter at Point of Delivery No. 4; Discharge of Town Hill Tank	10	100	90	Y

Equation:  $X - (Y - (A + B)) = \text{Gallons Used by BCWD}$

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TARIFF BRANCH  
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In witness whereof, the parties hereto, acting under the authority of their respective governing bodies, has caused this Amendment to be duly executed in six (6) counterparts, each of which shall constitute an original.

Seller:

City of Jackson, Kentucky

By: Michael D. Miller

Michael D. Miller, Mayor

By: Angie Combs

Angie Combs, City Clerk

Buyer:

Breathitt County Water District

By: John Lester Smith

John Lester Smith, Chairman

By: \_\_\_\_\_

Alma Noble, Secretary

Rural Development Concurrence

By: \_\_\_\_\_

Community Programs Specialist

Date: \_\_\_\_\_

