

A G R E E M E N T

*City of Walton  
7 North Main & Church Streets  
Walton, Ky. 41094*

ATTACHMENT D

This agreement made and entered into as of the 21 day of Aug., 1979 by and between KENTON COUNTY WATER DISTRICT NO. 1, hereinafter designated "DISTRICT," and CITY OF WALTON, KENTUCKY, hereinafter designated "CITY."

WHEREAS, the CITY OF WALTON desires an additional source of water supply; and

WHEREAS, KENTON COUNTY WATER DISTRICT NO. 1 has the ability to produce and deliver water to the CITY provided an extension of a water transmission main is completed;

NOW, THEREFORE, the parties hereto do hereby agree as follows:

A. The DISTRICT Agrees:

1. (Quality and Quantity) to furnish the CITY at a point 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 Department for Human Resources in such quantity as may be required by the CITY not to exceed 1,000,000 gallons per day.
2. (Point of Delivery and Pressure) That water will be furnished at a reasonably constant pressure calculated at 35 psi during CITY's booster pumping at a rate of 400 gpm from an existing 8 inch main supply at a point located on Kentucky Highway 16 at the Kenton - Boone County line.

If a greater pressure than that normally available at the point of delivery is required by the CITY, the cost of providing such greater pressure shall be borne by the CITY. 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 DISTRICT from this provision for such reasonable period of time as may be necessary to restore service.

3. (Metering Equipment) To operate and maintain at its own expense at the point of delivery after installation by the CITY, the necessary metering equipment including meter house or pit and required devices of standard type for properly measuring the quantity of water delivered to the CITY. Said metering facilities shall be checked by the DISTRICT and the CITY through their duly authorized agents or employees and said meter or meters shall be maintained and tested according to the rules and regulations prescribed by the Kentucky Utility Regulatory Commission.
  
4. That the 10-inch transmission main proposed to be constructed by the CITY along Kentucky 16 from the Kenton - Boone County line to the terminus of the DISTRICT'S existing 8-inch line at Kentucky 16 and Wilson Road is designed to provide the present and future demands of the CITY only.

If the DISTRICT desires to provide water service from said transmission main additional capacity would be required, therefore, in the event the DISTRICT deems it necessary to construct a larger main than desired by the CITY, the DISTRICT would pay the additional construction and related costs of the larger transmission main.

5. That the records of the DISTRICT shall be open for inspection by the representatives of the CITY, who may review the cost factors, used for the establishment of water rates, at any reasonable time at the office of the DISTRICT.

6. (Billing Procedure) To furnish the CITY at the above address not later than the 5 th day of the month, with an itemized statement of the amount of water furnished the CITY during the preceeding month.

B. The CITY Agrees:

1. (Rates and Payment Date) To pay the DISTRICT not later than the 20 th day of the month, for water delivered in accordance with rates to be determined annually as hereinafter described. Until an annual cost of service is established based on a full year's experience the initial rate for purchased water shall be \$0.60 per 1,000 gallons.

2. To construct, at no cost to the DISTRICT, a 10-inch transmission main from the CITY'S water system to a point near Kentucky 16 and Wilson Road in Kenton County where the DISTRICT'S existing 8" main terminates, said existing main being owned and maintained by the DISTRICT. The CITY further agrees to furnish and install a metering facility, at the Boone - Kenton County line on Kentucky 16, including a meter house or pit and all necessary appurtenances for metering purchased water.

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

1. (Term of Contract) That this contract shall extend for a term of 40 years from the date of the initial delivery of any water as shown by the first bill submitted by the DISTRICT to the CITY and, thereafter may be renewed or extended for such term, or terms, as may be agreed upon by the DISTRICT and CITY.
2. (Delivery of Water) That 10 days prior to the estimated date of completion of construction of the CITY'S water supply distribution system improvements, the CITY will notify the DISTRICT in writing the date for the initial delivery of water.
3. (Water for Testing) When requested by the CITY the DISTRICT 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 CITY during construction, irrespective of whether the metering equipment has been installed at that time, at a flat charge of \$ 250.00 which will be paid by the contractor or, on his failure to pay, by the CITY. In lieu of above, if practical, a hydrant meter will be supplied by the District, for use of the Contractor, under the current rules and regulations.

4. (Failure to Deliver) That the DISTRICT 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 CITY with quantities of water required by the CITY. 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 DISTRICT is otherwise diminished over an extended period of time, the supply of water to CITY'S consumers shall be reduced or diminished in the same ratio or proportion as the supply to the DISTRICT'S consumers is reduced or diminished.
  
5. The rate at which the CITY purchases treated water from the DISTRICT shall be reviewed annually and the rate shall be based upon the CITY'S proportionate share of the cost to the DISTRICT of providing water service to the CITY for the previous year. For example, the cost of water for 1979 shall be based upon the cost to the DISTRICT for water in 1978.

6. The following factors shall determine the cost of water to the DISTRICT:

A. The proportionate cost of acquisition, treatment and administration and general cost to the DISTRICT for the amount of water consumed by the CITY OF WALTON in proportion to all water acquired and treated by the DISTRICT;

B. The direct transmission and re-pumping costs, for jointly used transmission facilities, allocated to the CITY on a proportionate basis relative to CITY purchased water and total water used by the facilities.

C. An additional amount of ten (10) percent of the above factors for inflation, capital improvements, additions and betterments made necessary and as provided by laws and regulations.

7. The DISTRICT reserves the right to approve the location, hydraulic design and specifications of the transmission main and master meter installation to be constructed and same shall be furnished by the CITY'S engineer to the DISTRICT for examination and approval.

8. After the main is constructed and in operation, it is agreed that the line, which is located in Kenton County, will be maintained by the DISTRICT and all service connections from the Kenton County portion of the line will be serviced by the DISTRICT. The portion of the line in Boone County will be maintained by the CITY and, likewise, all service connections from the Boone County portion of the line will be serviced by the CITY.
9. (Regulatory Agencies) That this contract is subject to such rules, regulations, or laws as may be applicable to similar agreements in this State and the DISTRICT and CITY will collaborate in obtaining such permits, certificates, or the like, as may be required to comply therewith.
10. (Miscellaneous) That the construction of the water supply distribution system improvements by the CITY is being financed by a loan made or insured by, and/or a grant from, 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 CITY are conditioned upon the approval, in writing, of the State Director of the Farmers Home Administration.

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

EXECUTED pursuant to a Resolution of the KENTON COUNTY WATER DISTRICT NO. 1 at a duly authorized meeting held on the 14<sup>TH</sup> day of AUGUST, 1979.

EXECUTED pursuant to a Resolution of the CITY OF WALTON at a duly authorized meeting held on the 21 day of Aug., 1979.

KENTON COUNTY WATER DISTRICT NO. 1

BY: Victor C. Fender

VICTOR C. FENDER, GENERAL MANAGER

ATTEST: Joseph L. Hils Jr.

SECRETARY

CITY OF WALTON

BY: William King

MAYOR WILLIAM M. KING

ATTEST: Anna Mae Simpson

CITY CLERK

This contract is approved on behalf of the Farmers Home Administration this \_\_\_\_\_ day of \_\_\_\_\_, 1979.

BY: \_\_\_\_\_

TITLE: \_\_\_\_\_