

WATER SUPPLY CONTRACT

This Agreement made and entered into this 10th day of December, 2013 by and between OLDHAM COUNTY WATER DISTRICT (the "District") and LAGRANGE UTILITIES COMMISSION, a governmental agency of the City of LaGrange, Kentucky ("LUC");

WITNESSETH: That the parties hereto, in consideration of the mutual duties and obligations herein created, agree as follows:

1. The District will make available to LUC potable treated water meeting applicable purity standards of the appropriate regulatory agency(s) (presently the Kentucky Department for Natural Resources and Environmental Protection) in such quantity as the District may have in its main at the service connections at the time of use, subject to the limitations and conditions set forth in this Contract.

2. The District under this Contract is obligated to make water available to LUC at a pressure at least equal to that required by the Kentucky Public Service Commission.

3. The District under this Contract has no obligation to furnish satisfactory quantity or pressure for any particular service such as irrigation, fire protection, industrial or commercial use.

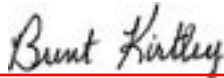
4. It is the intention of this Contract that the District will be a reliable, long-term supplier of water to LUC, and that LUC will be a reliable long-term purchaser of water from the District. There is no present maximum purchase limit under this Contract, it being the intention of the parties that LUC may continue to increase its purchases under this Contract until such time that the capacity of the District's system can no longer reasonably supply the needs of the District's then-existing

**KENTUCKY
PUBLIC SERVICE COMMISSION**
**JEFF R. DEROUEN
EXECUTIVE DIRECTOR**
TARIFF BRANCH
Brent Kirtley
EFFECTIVE
3/1/2014
PURSUANT TO 807 KAR 5:011 SECTION 9 (1)

customers plus an increase in LUC's consumption. At that time the District may notify LUC that LUC will thereafter have a maximum annual contractual limit equal to the amount purchased by LUC during the previous calendar year. The District will notify LUC in writing as soon as the District anticipates that a future limitation is likely to be imposed. LUC will keep the District advised of all system expansions including the likely addition of a significant number of new customers and any other events which are likely to significantly affect LUC's level of water purchases from the District.

5. LUC shall purchase from the District either a minimum of 15 million gallons of water per calendar month or a minimum number of gallons of water per calendar year equal to one-half of the average annual water purchases by LUC from the District during the previous three calendar years, whichever is greater on an annual basis. This minimum purchase requirement shall be reduced to 7.5 million gallons per calendar month if the remaining duration of this Contract becomes 10 years or less due to a notice pursuant to Paragraph 8 from the District to LUC that this Contract will no longer automatically be extended every year.

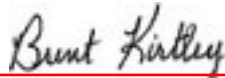
6. The water will be furnished to LUC through meters of the size and type specified by the District, which shall be installed by the District and located at such points as the District and LUC mutually agree on the District's mains. LUC will pay for the cost of installing the first meter at each new connection point, with the District to pay for maintenance and any replacement meters. The District shall test each meter at least once every 12 months, or more frequently if requested by LUC and at LUC's cost unless the meter does not test accurately. LUC shall have the right to read, inspect and test those meters at any and all times.

KENTUCKY PUBLIC SERVICE COMMISSION
JEFF R. DEROUEN EXECUTIVE DIRECTOR
TARIFF BRANCH

EFFECTIVE 3/1/2014
PURSUANT TO 807 KAR 5:011 SECTION 9 (1)

registering not more than 2% above or below the test results shall be deemed to be accurate. The previous readings of any meter disclosed by tests to be inaccurate shall be corrected for three months previous to such test in accordance with the amount of inaccuracy found by such test.

7. The obligation of the District to supply water hereunder is limited by the understanding that the District shall only be required to use reasonable care and diligence in the operation and maintenance of its water supply system to prevent and avoid interruptions and fluctuations in the supply, and that it cannot and does not guarantee that such interruptions and fluctuation will not occur, or that because of emergencies due to breaks, leaks, defects or necessary repairs to its facilities, or fires, strikes, acts of God or other causes, there may not be periods during which the supply may be curtailed or interrupted. 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 its supply obligations under this Contract for such reasonable period of time as may be necessary to restore service. Temporary 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 LUC shall be reduced or diminished in the same ratio or proportion as the supply to the District's other customers is reduced or diminished.

8. This Contract shall have a term of 42 years from the date of this Contract's execution, which term shall automatically extend for one additional year at each anniversary of the execution of this Contract. Either party may give notice to the other party prior to the anniversary of

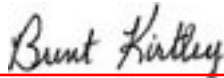
KENTUCKY PUBLIC SERVICE COMMISSION
JEFF R. DEROUEN EXECUTIVE DIRECTOR
TARIFF BRANCH

EFFECTIVE 3/1/2014
PURSUANT TO 807 KAR 5:011 SECTION 9 (1)

the execution that the term shall not be automatically extended from that time forward.

9. Any successor of the District or LUC, whether the result of legal process, assignment or otherwise, shall succeed to the rights and obligations of the District or LUC hereunder.

10. In the event of a material breach of this Contract by either party, the other party shall give the defaulting party written notice of the default describing the substance of the default in sufficient detail to enable the defaulting party to determine what actions are required for it to cure the default. If the default has not been cured 60 days after the defaulting party receives written notice of the default provided in accordance with this Contract, the other party may terminate this Contract by providing the defaulting party written notice of termination. However, if a party alleged to be in default disputes that it materially breached this Contract, or that the default continued uncorrected for more than 60 days, this Contract shall remain in effect unless and until the terminating party obtains a judicial determination that a material breach occurred, that the terminating party provided notice of the default in accordance with this Contract, and that the default continued uncorrected for more than 60 days.

11. Any notice required by this Contract shall be provided in writing and delivered to the other party either by hand-delivery at its address specified in this Contract or by sending a copy by certified U.S. Mail, postage paid, addressed to the party at the address provided in this Contract. The address for each party shall be as listed below unless such party provides written notice to the other party of an alternate address. For notice to the District:

KENTUCKY PUBLIC SERVICE COMMISSION
JEFF R. DEROUEN EXECUTIVE DIRECTOR
TARIFF BRANCH 
EFFECTIVE 3/1/2014 PURSUANT TO 807 KAR 5:011 SECTION 9 (1)

Superintendent
Russell D. Rose
Oldham County Water District
PO Box 51
Buckner, Kentucky 40010

For notice to the LUC:

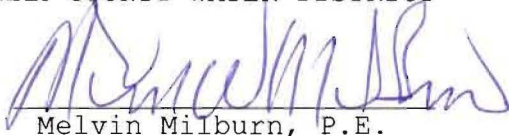
Chairman
LaGrange Utilities Commission
412 E. Jefferson Street
LaGrange, Kentucky 40031

12. This Contract replaces all previous or existing agreements between these parties and constitutes the sole and complete agreement as to the sale, provision and purchase of water.

IN TESTIMONY WHEREOF, the parties hereto have caused this Contract to be executed by its duly authorized officers, on this date and year first above written.

OLDHAM COUNTY WATER DISTRICT

By:


Melvin Milburn, P.E.

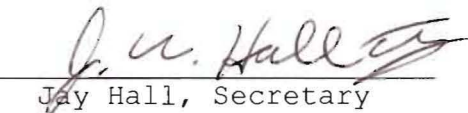
LAGRANGE UTILITIES COMMISSION

By:


John Bennett, Director

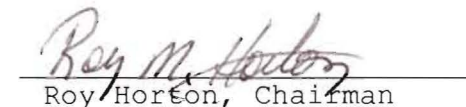
ATTEST:

By:


Jay Hall, Secretary

ATTEST:

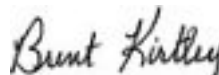
By:


Roy Horton, Chairman

**KENTUCKY
PUBLIC SERVICE COMMISSION**

**JEFF R. DEROUEN
EXECUTIVE DIRECTOR**

TARIFF BRANCH



EFFECTIVE

3/1/2014

PURSUANT TO 807 KAR 5:011 SECTION 9 (1)