

THIS AGREEMENT, made and entered into this 25th
day of August, 1975, by and between KENTUCKY-AMERICAN
WATER COMPANY, a Kentucky corporation having its office at
2300 Richmond Road, Lexington, Kentucky (hereinafter sometimes
called "COMPANY"), party of the first part, and THE CITY OF
VERSAILLES, a Municipal corporation (hereinafter sometimes
called "CITY"), party of the second part,

W I T N E S S E T H :

THAT, WHEREAS THE City wishes to purchase, upon the
terms and conditions hereinafter set forth, a supplemental
supply of water from the Company for resale by City to its
existing customers, and

WHEREAS, the Company is willing to sell water, on
the terms and conditions hereinafter stated, to the City for
resale to inhabitants of the area now served by said City,

NOW, THEREFORE, in consideration of the mutual covenants
of the parties hereto as hereinafter contained, it is hereby
agreed by and between the parties hereto as follows, to-wit:

1. Company agrees to sell to City, and City agrees
to purchase from Company, at the rates hereinafter mentioned,
such quantities of water as the City may hereafter from time
to time require, so long as the City's requirements do not
create flows that will adversely affect the existing customers
of the Company, said water to be furnished at one connection
to the water mains of the Company at:

(1) A point on the Huntertown Road near the
intersection of Gayborne Way in Woodford County,

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2. It is understood by the parties hereto that this supply of water shall be considered a supplemental or temporary supply, and that all cost of connections to mains, meter settings and related facilities are to be at the expense of the City.

3. It is further understood and agreed by the parties hereto that the Company shall not be required to provide uniform flows or maintain pressures to the City and that the City shall provide such elevated tanks or standpipes as may be necessary to provide adequate service to its customers.

4. It is understood and agreed that the Company does not by this agreement undertake or contract that the service rendered to this connection shall include fire protection or sufficient quantities of water for fire extinguishment; and that the City is fully aware that if it or its customers desire fire protection or sufficient quantities for fire extinguishment, that the City must provide the same by the erection of elevated tanks, standpipes or ground storage with booster pumps for such service.

5. The obligation of the Company to supply water hereunder is further limited by the understanding that the Company shall undertake to use reasonable care and diligence in order to prevent and avoid interruptions and fluctuations in the supply of water, but that it cannot and does not guarantee or warrant that such interruptions and fluctuations will not occur, or that because of emergencies due to breaks, leaks, defects, construction or necessary repairs to its facilities, or causes by fires, strikes, acts of God, or other causes, there may not be period during which the supply may be curtailed or interrupted. In the event of such inter-

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ruptions or fluctuations, no liability of any nature shall be imposed upon the Company.

6. City agrees to pay to Company for water furnished under the terms of this agreement in accordance with the rates established by the Company from time to time and approved by the Public Service Commission of Kentucky, subject, however, to the minimum charge of a 2 inch meter. All statements rendered by the Company to City for water furnished under this agreement shall be paid at the offices of the Company within ten (10) days from date rendered. This agreement is specifically made subject to the Rules and Regulations of the Company as approved by the Public Service Commission of Kentucky, as the same now exist, or may hereafter be amended.

7. If at any time hereafter any statement for water furnished hereunder is not paid within ten (10) days from date rendered, Company shall have the right to discontinue service hereunder.

8. The term of this agreement is limited to that time necessary for the City to complete planned construction to upgrade their facilities, completion of said construction being estimated at approximately one year from date of this contract. Either party may, however, cancel this contract by giving thirty (30) days written notice to the other party, and Company may at any time limit the amount furnished to the City in order to maintain adequate service for its existing customers.

9. In the event all or any part of the waterworks plant and facilities of the Company which are used in the furnishing of water hereunder are hereafter acquired by a municipal corporation or other governmental entity, then the Company shall be relieved of its obligations hereunder, and, in such event, this agreement shall be binding upon the municipality.

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or governmental entity making such acquisition.

IN WITNESS WHEREOF, the parties hereto have caused their corporate signatures to be affixed hereto by their duly authorized officers, all the day and year first above written.

KENTUCKY-AMERICAN WATER COMPANY

BY: 

Vice President

CITY OF VERSAILLES

BY: 

Mayor

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