

THIS CONTRACT FOR WATER SERVICES, made and entered into as of 11<sup>th</sup> day of February, 2019, by and between the Webster County Water District, a Water District created under and existing by virtue of the provisions of Chapter 74 of the Kentucky Revised Statutes by virtue of an order entered by the County Court Clerk of Webster County, Kentucky, on the 13<sup>th</sup> day of December 1965. As created, the Webster County Water District embraced the area of Webster County, excluding the towns and cities of Providence, Clay, Dixon, Sebree, Slaughters, Kentucky, situated in Webster County, Kentucky, (hereinafter sometimes referred to as the "District"), and the City of Dixon, a municipal corporation, a Home rule City, situated in Webster County, Kentucky acting by and through the Board of Directors (Hereinafter sometimes referred to as "City" or "Dixon").

NOW THEREFORE, IN CONSIDERATION OF ALL THE FOREGOING AND THE VARIOUS REPRESENTATIONS, COVENANTS, AND UNDERTAKINGS HEREINABOVE AND HEREAFTER CONTAINED, THE PARTIES HEREBY SPECIFICALLY AGREE AND COVENANT EACH WITH THE OTHER AS FOLLOWS:

**Section 1:** The City of Dixon, hereby agrees to purchase its treated water in accordance with the Terms of this Contract for Water Services from Webster County Water District, and said Webster County Water District agrees to sell the City of Dixon, Kentucky at the following schedule of rates:

At a monthly rate of \$3.70 per 1,000 Gallons metered.

It is understood that the City of Dixon operates its own water distribution system, and will serve its own retail customers. No tapping fees will be exacted from any customers served by the City of Dixon distribution system for the benefit of the District, and Dixon customers shall be customers of the City of Dixon only, and not the District, and Dixon itself being the customer of the District. The term of this contract shall be for Ten (10) years, from the date above.

**Section 2:** It is hereby specifically agreed and covenanted between the parties that the initial schedule of water rates to be paid to the District by the City of Dixon, as set forth in Section 1 hereof, shall be increased only after a review and approval of the Public Service Commission.

**Section 3:** From the date when water is first made available by the District to Dixon, the water rate as paid by Dixon to the District may be decreased if it is determined from the receipts from the sale of District that either an increase or decrease should be made, and any increase or decrease by the District in its schedule of water rates shall be made on relatively proportionate basis, so that the City of Dixon, being a water consumer, will not be unfairly discriminated against. Any increase or decrease in rates shall be based on a demonstrable increase or decrease in costs of performance.

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hereunder, but such cost shall not increase capitalization of the District's system.

Other provisions of this contract may be modified or altered by mutual agreement. In this connection, it is agreed that any increase or decrease in water cost applied to the City of Dixon shall and must be on a basis of the same percentage of increase or decrease in revenue per gallon for the gross of all other wholesale customers of the District. In the event of the proposed increase in water cost, Dixon will be notified 90 days prior to the change and will be afforded the opportunity to participate in the process of rate change.

**Section 4:** The District agrees to furnish the purchaser at the point of deliver, during the term of this contract or any renewal or extension thereof, potable treated water in such quantity as may be required by the purchaser, not to exceed 4,000,000 gallons per month.

**Section 5:** The contract for Water Service shall be binding upon and shall insure to the benefit of all the parties hereto and their successors in interest, grantees, assignees, heirs, and assigns, and all parties taking an interest from said parties. If any section, clause or provision of this contract shall be held invalid, such holding of invalidity shall not affect the validity of any remaining section, clause, paragraph, portion or provision of this contract.


**Section 6:** The District will provide water that meets all State and Federal Regulations.

IN WITNESS WHEREOF, the parties hereunto cause their names to be affixed as hereto fore duly Authorized.

  
CITY OF DIXON

  
WEBSTER COUNTY WATER DISTRICT

ATTEST:

  
CITY OF DIXON CLERK

  
WEBSTER COUNTY WATER DISTRICT SECRETARY



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