

**FIRST AMENDMENT TO
WATER PURCHASE CONTRACT**

This **First Amendment to Water Purchase Contract** is made and entered into this 20th day of April, 2016 by and between the City of Augusta, Kentucky (“Augusta”) and Bracken County Water District (“Bracken District”) (collectively “the Parties”).

WITNESSETH:

WHEREAS, the Parties executed the Water Purchase Contract on February 6, 2016 to replace their previous agreements regarding Augusta’s provision of water service to Bracken District;

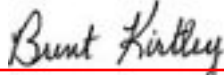
WHEREAS, the Parties submitted the Water Purchase Contract to the Kentucky Public Service Commission on February 9, 2016 for its review and approval; and,

WHEREAS, on April 15, 2016, the Kentucky Public Service Commission entered an Order in which it approved the Water Purchase Contract on the condition that the Parties amend Paragraph 21 of the Water Purchase Contract to eliminate Bracken District’s right to permanently withhold monies for any failure on Augusta’s part to timely submit reports or documents required by Paragraph 20 of the Water Purchase Contract;

NOW THEREFORE, the Parties agree as follows:

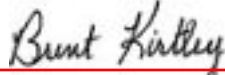
1. Paragraph 21 of the Water Purchase Contract, which the Parties executed on February 6, 2016, is amended to read as follows:

21. **Failure to Timely Provide Required Reports.** If Augusta fails to make timely submission of any of the reports or documents as required by Paragraph 20 of this Agreement, Bracken District may withhold ten percent of the total invoiced cost of water for the monthly period in which Augusta’s failure occurred. Bracken District shall notify Augusta in writing of its action and the reason for such action. Bracken District may retain the withheld amount until Augusta has submitted the required report or document. Upon receipt of the required report or document, Bracken District shall pay the withheld amount to Augusta within 10 days. Augusta shall be excused from compliance of the requirements of Paragraph 20 if it suffers temporary or permanent loss of information through damage to or failure of its informational technology (“IT”) systems. Augusta shall inform Bracken District about the loss of data within the proscribed time period identified in Paragraph 20 and produce to Bracken District all responsive information available to it. If information is restored at a later time, Augusta shall provide responsive information not previously produced to Bracken District. Upon notification of the loss of data due to damage to or failure of Augusta’s IT systems, Bracken District may not withhold any amount of the invoiced cost of water pursuant to the terms of this Paragraph.

KENTUCKY PUBLIC SERVICE COMMISSION
Aaron D. Greenwell AGENT IN CHIEF OF THE COMMISSION

EFFECTIVE 4/21/2016 PURSUANT TO 807 KAR 5:011 SECTION 9 (1)

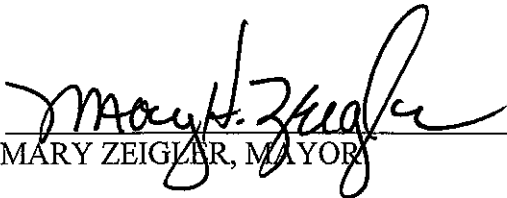
2. All other provisions of the Water Purchase Contract not specifically addressed in this First Amendment are ratified and affirmed.

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SIGNATURE PAGE FOLLOWS**

KENTUCKY PUBLIC SERVICE COMMISSION
Aaron D. Greenwell ACTING EXECUTIVE DIRECTOR
TARIFF BRANCH 
EFFECTIVE 4/21/2016 PURSUANT TO 807 KAR 5:011 SECTION 9 (1)

IN WITNESS WHEREOF, the Parties acting under the authority of their respective governing bodies, have caused this First Amendment to Water Purchase Contract to be duly executed in multiple counterparts, each of which shall constitute an original.

CITY OF AUGUSTA, KENTUCKY

By: 
MARY ZEIGLER, MAYOR

ATTEST:


GRETCHEN USLEAMAN, CITY CLERK

BRACKEN COUNTY WATER DISTRICT

By: _____
ANTHONY HABERMEHL, CHAIRMAN

ATTEST:

TIMOTHY SWEENEY, SECRETARY

KENTUCKY PUBLIC SERVICE COMMISSION
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