USDA-FHA Form FHA 442-30 (Rev. 4-19-72)

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Position 5

WATER PURCHASE CONTRACT

	of Campton			
P.O. Box 35, Campton, KY	41301 (Address)			
	the Morgan County Water	District		
hereinafter referred to as the "Seller" and		DEC 1 - JGeo		
450 Prestonsburg Street,	West Liberty, KY 41472 (Address)			
hereinafter referred to as the "Purchaser",	-			
	WITNESSETH:			
		VDS		
Whereas, the Purchaser is organized and	established under the provisions of	KRSoi t		
Code ofKentucky				
ystem serving water users within the are his purpose, the Purchaser will require a su		e office of the Purchaser and to accomplis		
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Whereas, the Seller owns and operates a resent customers of the Seller's system and n the plans of the system now on file in the	d the estimated number of water users to	a capacity currently capable of serving the beserved by the said Purchaser as show		
Whereas, by <u>Resolution</u>	Noenacted on th	e da		
	10 by the Seller the sel	a of water to the Durchason in consider		
vith the provisions of the said <u>Resolu</u>	tionwas a	pproved, and the execution of this contrac		
arrying out the said Resolution	by the			
nd attested by the Secretary, was duly auth	orized, and			
Whereas, by <u>Resolution</u>	of theBoard of Commis	sioners		
f the Purchaser, enacted on the				
me Futchaser, enacted on the				
e purchase of water from the Seller in acco	rdance with the terms set forth in the sa	id		
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as approved, and the execution of this cont	ract by the			
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as approved, and the execution of this cont tested by the Secretary was duly authorized <u>Now, therefore, in consideration of the for</u>	ract by the i;	, an		
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as approved, and the execution of this cont tested by the Secretary was duly authorized <u>Now, therefore, in consideration of the for</u> <u>The Seller Agrees:</u> 1. (Quality and Quantity) To furni	ract by the i; regoing and the mutual agreements herein sh the Purchaser at the point of deliver	nafter set forth, y hereinafter specified, during the term o		
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2. (Point of Delivery and Pressure) That water will be furnished at a reasonably constant pressure calculated

at ______ 100 psi ______ from an existing ______ Six _____ inch main supply at a point located near

the Morgan County and Wolfe County line on Kentucky Highway 203.

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

3. (Metering Equipment) To furnish, install, operate, and maintain at its own expense at point of delivery, the necessary metering equipment, including a meter house or pit, and required devices of standard type for properly measuring the quantity of water delivered to the Purchaser and to calibrate such metering equipment whenever requested by the Purchaser but not more frequently than once every twelve (12) months. A meter registering not more than two percent (2%) above or below the test result shall be deemed to be accurate. The previous readings of any meter disclosed by test to be inaccurate

shall be corrected for the __________months previous to such test in accordance with the percentage of inaccuracy found by such tests. If any meter fails to register for any period, the amount of water furnished during such period shall be deemed to be the amount of water delivered in the corresponding period immediately prior to the failure, unless Seller

and Purchaser shall agree upon a different amount. The metering equipment shall be read on <u>15th of every month</u>. An appropriate official of the Purchaser at all reasonable times shall have access to the meter for the purpose of verifying its readings.

4. (Billing Procedure) To furnish the Purchaser at the above address not later than the <u>1St</u> day of each month, with an itemized statement of the amount of water furnished the Purchaser during the preceding month.

B. The Purchaser Agrees:

1. (Rates and Payment Date) To pay the Seller, not later than the <u>15th</u> day of each month, for water delivered in accordance with the following schedule of rates:

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\$1.98/1,000 gallons.

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2. (Connection Fee) To pay as an agreed cost, a connection fee to connect the Seller's system with the system

of the Purchaser, the sum of ______N/A _____ dollars which shall cover any and all costs of the Seller for installation

of the metering equipment and _____N/A___

C. It is further mutually agreed between the Seller and the Purchaser as follows:

1. (Term of Contract) That this contract shall extend for a term of <u>40</u> years from the date of the initial delivery of any water as shown by the first bill submitted by the Seller to the Purchaser and, thereafter may be renewed or extended for such term, or terms, as may be agreed upon by the Seller and Purchaser.

2. (Delivery of Water) That <u>30</u> days prior to the estimated date of completion of construction of the Purchaser's water supply distribution system, the Purchaser will notify the Seller in writing the date for the initial delivery of water.

3. (Water for Testing) When requested by the Purchaser the Seller 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 Purchaser during construction, irrespective of whether the metering equipment has been installed at that time, at a

flat charge of S 1.98/1.000 qal. which will be paid by the contractor or, on his failure to pay, by the Purchaser.

4. (Failure to Deliver) That the Seller 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 Purchaser with quantities of water required by the Purchaser. 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 Seller is otherwise diminished over an extended period of time, the supply of water to Purchaser's consumers shall be reduced or diminished in the same ratio or proportion as the supply to Seller's consumers is reduced or diminished.

5. (Modification of Contract) That the provisions of this contract pertaining to the schedule of rates to be paid by

the Purchaser for water delivered are subject to modification at the end of every _____3___year period. Any increase or decrease in rates shall be based on a demonstrable increase or decrease in the costs of performance hereunder, but such costs shall not include increased capitalization of the Seller's system. Other provisions of this contract may be modified or altered by mutual agreement.

6. (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 Seller and Purchaser will collaborate in obtaining such permits, certificates, or the like, as may be required to comply therewith.

7. (Miscellaneous) That the construction of the water supply distribution system by the Purchaser 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 Purchaser are conditioned upon the approval, in writing, of the State Director of the Farmers Home Administration.

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

In	witness whereof, t	he parties hereto,	acting under authorit	y of their respective	e governing bodies,	have caused	this contract
to	be duly executed in		counterparts, each	of which shall cons	titute an original.		

Attest: tetary

Seller:

City of Campton lever Ву ___ Mayor Title ____

Purchaser:

Morgan County Water District By Chairman Title_

Attest: 1. Secretary

This contract is approved on behalf of the Farmers Home Administration this _____ day of _____

19 _____.

By _____ Title ____

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