

WATER RATE AGREEMENT
BETWEEN
THE
CITY OF LANCASTER
AND
GARRARD COUNTY WATER ASSOCIATION
ON
AUGUST 15, 1986

WATER RATE AGREEMENT

THIS AGREEMENT made and entered into this 15 day of August, 1986, by and between the City of Lancaster, referred to herein as "City" and the Garrard County Water Association, referred to herein as "Association."

WITNESSETH: That whereas by contract dated March 25, 1970, it was agreed that the rate to be charged for water supplied by the City to the Association would be subject to modification every five years based on a demonstrable increase or decrease in the cost of performance, such cost not to include increased capitalization of the Lancaster system, and whereas the last modification of rate was made on August 17, 1983, and it now appearing that a modification of the next tariff period from five to three years and an increase in rate is justified,

Now, therefore, the parties hereto agree as follows:

1. That the five year period provided for in the original agreement will be reduced to three years for the next period of rate tariff.
 2. That commencing on August 15, 1986, and continuing for a period of three years from said date, the City will charge and the Association will pay for water supplied by the City to the Association a tariff of one dollar and twenty cents ~~per thousand gallons~~ per thousand gallons.
 3. All other provisions of the original contract between the parties will remain in full force and effect.
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WITNESS OUR SIGNATURES to duplicates hereof this 15 day of August, 1986.

CITY OF LANCASTER

BY: Billy C. Moss MAYOR

ATTEST: Shari Lane

GARRARD COUNTY WATER ASSOCIATION

BY: Walt Ward, PRESIDENT

ATTEST: Lee Ann Parsons