

CONSENT AND RELEASE AGREEMENT

THIS AGREEMENT, made and entered into this 14 day of DECEMBER, 2010 by and between Salyersville Water & Sewer, currently have office located at 401 College Street, Salyersville, Kentucky 41465 ("Salyersville") and Magoffin County Water District, currently having offices located at 749 Parkway Drive, Salyersville, Kentucky 41465 ("Magoffin County").

WITNESSETH:

WHEREAS, Magoffin County is currently under-serving its water customers during periods of peak demand and needs a supplemental supply of potable water.

WHEREAS, Magoffin County has previously entered into a Water Purchaser Agreement dated January 26, 1983, as amended, with Salyersville for the delivery of all of its needs for potable water.

That the parties hereto, for and in consideration of this Agreement hereinafter set out, to be paid, kept and performed hereby agrees as follows:

1. Salyersville hereby agrees and consents to Magoffin County entering into an emergency water supply agreement with Morgan County Water District ("West Liberty") for the delivery of emergency water supply to Magoffin County.

2. Salyersville hereby releases Magoffin County from its obligations under its existing Water Purchase Agreement with Salyersville to purchase all its requirements for potable water, so that Magoffin County may purchase water as needed on an emergency basis from Morgan County Water District and expressly authorizes Magoffin County to enter into an Emergency Water Supply Agreement with Morgan County Water District.



3. The term "emergency basis" shall mean whenever, in the joint opinion of Magoffin County and Salyersville, that Salyersville cannot deliver sufficient quantities of potable water to meet the needs of Magoffin County. The term "potable water" shall mean water safe for human consumption and that satisfies state and federal water quality standards.

4. Upon execution, this Agreement shall inure to the benefits of and be binding upon the parties hereto and their respective heirs, personal representatives, successors and assigns.

5. This Consent and Release is given for the benefit of the parties hereto and Morgan County <sup>AN</sup> ~~as~~ intended third-party beneficiary.

6. The parties hereto state that all the remaining terms of the Water Purchase Agreement dated January 26, 1983, as amended shall remain in effect, and are hereby ratified and confirmed.

7. This Agreement may be executed in several counterparts with the same effect as if the parties executing the several counterparts had all executed one counterpart.

IN WITNESS WHEREOF, the parties hereto have caused their duly authorized officers or agents to execute this Agreement the day and year first written.

MAGOFFIN COUNTY WATER DISTRICT  
BY: *Robert B. ...*  
CHAIRMAN

ATTEST:  
*Samuel D. Selzer*  
SECRETARY

SALYERSVILLE WATER & SEWER  
BY: *Stanley Howard*  
STANLDY HOWARD, MAYOR

