

C O N T R A C T

This contract, made and entered into this 24 day of March, 1965, by and between the City Council of the City of Owenton, a Kentucky municipal corporation of the Fifth Class, a governmental body, hereinafter called the City, and the Board of Commissioners of the Tri-Village Water District, a governmental body, hereinafter called the District.

WITNESSETH:

The parties agree as follows:

1. The District hereby contracts to purchase from the City, its successors and assigns, and the City hereby contracts to sell and deliver to the said District, subject to the limitations herein provided, pure treated water at the location of the District's meter, the said meter to be installed by the District approximately at a point on the northeastern edge of U. S. Highway # 227 at the southwestern corner of the property of Kenneth Karaner and the southeastern corner of the property of E. C. Ford, Jr.
2. The City agrees that the District can draw on said water at any time at the rate of not more than 300 gallons per minute and that said water will be furnished at a pressure of not less than 20 psi.
3. It is agreed and understood that the City shall not be required to provide or maintain pressure to District customers within the District except as hereinabove set out, nor does the City in any way obligate itself to provide fire protection.
4. The obligation of the City to supply water hereunder is further limited by the understanding that the City shall undertake to use reasonable care and diligence in order to prevent and avoid interruptions and fluctuations in the supply, but that it cannot and does not guarantee that such interruptions and fluctuations will not occur, or that because of emergencies due to breaks, leaks, acts of God, or other causes beyond its control, there may not be periods during which the supply may be curtailed or interrupted.
5. For the water service rendered to the District by the City the District shall pay a sum of thirty cents per 1,000 gallons to the City. The District agrees to abide by the standard rules of the City with respect to time of payment, penalty for delinquent account, and termination of service for nonpayment.

The present City service charge is deemed to be included within the above rate of thirty cents.

In the event the City increases its rates to each of its customers, the rates which apply to this contract shall be automatically increased the same percentage as that percentage increase charged such customer of the City whose water bill is increased the smallest percentage. In the event any customer, whether a special customer, contract, or otherwise, is not required to pay an increased water bill, no increase will be required of the District.

6. It is further agreed that this contract is to run for forty years with an option to renew for twenty years and in the event the plant and distribution system of the City are acquired by a private company or other entity, the City shall be relieved of its obligation but such successor purchaser and its assigns shall be required to assume the City's obligations hereunder.

7. The rights and duties of the parties created under this contract are separate and distinct from any other contractual obligations already existing between the parties.

IN WITNESS WHEREOF the parties hereto have caused this contract to be executed by their duly authorized officials the day and year first written.

CITY COUNCIL OF THE CITY OF OWENTON, KY.

By A. W. Thomas, MAYOR

WITNESSES: Henry B. P.

BOARD OF COMMISSIONERS OF THE TRI-VILLAGE WATER DISTRICT

By William C. P., CHAIRMAN

ATTEST: William C. P., SECRETARY