

**ADDENDUM TO WATER PURCHASE AGREEMENT**

THIS ADDENDUM, made and entered into this 17<sup>th</sup> day of Nov, 2003, by and between, **LEBANON WATER WORKS COMPANY, INC.**, herein after referred to as the "Company"; and the **MARION COUNTY WATER DISTRICT**, hereinafter referred to as the "District";

**WITNESSETH:**

THAT WHEREAS, the parties hereto have, by written agreement with an effective date of December 23, 1988, entered into an understanding pursuant to which the Company contracts and is obligated to furnish to the District certain quantities of treated water for which the District is obligated to pay in accordance with the Company's prevailing rate schedule, and which treated water the District will then, in turn, make available for sale to its customers throughout Marion County, Kentucky, and

WHEREAS, that original water purchase agreement has, from time to time, been amended so as to extend the effective term thereof, and to modify the original provisions regarding the quantity of water to be provided by the Company to the District, with the most recent of those modifications having been made by way of Addendum dated March 13, 1995 and approved by the Public Service Commission of Kentucky on or about April 21, 1996, and

WHEREAS, under that aforesaid addendum, the "Guaranteed Amount" as that is defined under numerical paragraph 3 OF the December 23, 1988 agreement was increased to 1,140,000 gallons per day, and

WHEREAS, the District has expanded its service area to the extent that its actual purchase of water will, from time to time, exceed the "Guaranteed Amount"

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BY Charles L. Dorn  
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provided for under that March 13, 1995 Addendum, and

WHEREAS the parties are thus desirous of further modifying their contractual relationship so as to reflect the current operations undertaken by each of them,

NOW, THEREFORE, in consideration of the premises, including the original covenants, privileges, and conditions set forth in the original December 23, 1988 Agreement entered into between these parties, and in further consideration of the continuing and enhanced performance of that Agreement on the part of each of the parties, it is understood and agreed that the said December 23, 1988 Agreement, as that has been previously modified, shall once again hereby be modified further, BUT only to the following extent:

1. Numerical Paragraph 3 of the December 23, 1988 Agreement, as amended by the March 13, 1995 Addendum thereto, provides, under the heading "Quantity of Water", for what is designated as a "Guaranteed Amount" of 1,140,000 gallons per day. That "Guaranteed Amount" shall now be modified and increased to 1,500,000 gallons per day.

2. Numerical paragraph 14 of the December 23, 1988 Agreement provides for a "Usage Ceiling" which is 30% greater than the "Guaranteed Amount". Accordingly, the "Usage Ceiling" under that numerical paragraph shall now be modified and increased to 1,950,000 gallons per day. The parties do recognize and agree, however, that, as the "Guaranteed Amount" may hereafter be modified and increased, it will be necessary to reconsider, and perhaps modify, the 30% multiplier by means of which the District's "Usage Ceiling" has traditionally been calculated.

3. It is understood and agreed between the parties hereto that ~~this Addendum~~, as with other contractual agreements entered into between these parties, is made

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subject to the approval of the Public Service Commission of the Commonwealth of Kentucky. Accordingly, it is understood that this Addendum shall become effective only upon approval thereof by the Public Service Commission.

4. Except to the extent that this and previous Addenda modify the December 23, 1988 written Agreement entered into between these parties, that Agreement is hereby ratified and shall remain in full force and effect throughout the effective term thereof.

IN WITNESS WHEREOF, the parties hereunto, acting under the authority of their respective governing bodies, have caused this Addendum to be executed in counterparts, each of which will constitute originals, this the day and year first hereinabove written.

LEBANON WATER WORKS COMPANY, INC.

BY Joseph W. Green  
Joseph W. Green, President

ATTEST:

William P. Thompson  
William P. Thompson, Secretary

MARION COUNTY WATER DISTRICT

BY Barbara R. May  
Chairman

ATTEST:

Everett Thomas  
Secretary

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By

  
ROBERT SPRAGENS, JR.

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