

AGREEMENT FOR WATER AND SEWAGE SERVICES
BETWEEN THE WARREN COUNTY WATER DISTRICT
OF BOWLING GREEN, KENTUCKY
AND GENERAL MOTORS CORPORATION

THIS AGREEMENT, made and entered into this 22nd day of June, 1981, by and between WARREN COUNTY WATER DISTRICT, Bowling Green, Kentucky (herein referred to as the "District"), and GENERAL MOTORS CORPORATION, a Delaware Corporation, for its plant in Bowling Green, Kentucky, operated by its General Motors Assembly Division (herein referred to as "General Motors").

WHEREAS, the District owns and operates a waterworks plant and water delivery system and a sewage collection system providing service for use by customers inside its territorial limits, under its established rates, terms and conditions; and

WHEREAS, General Motors is constructing and will operate a manufacturing plant situated in the territory served by the District in Warren County, Kentucky.

WHEREAS, the District proposes to furnish water/sewage services(s), and General Motors proposes to purchase such service(s) from the District; and

WHEREAS, subject to emergency and unavoidable operational or other interruptions, it is important for General Motors to have assured, adequate, reliable, continuous, and uninterrupted water services for construction, process, human consumption, and fire protection purposes and sewage waste water services for process and sanitary purposes; and

WHEREAS, the District has expended funds and committed its resources to provide General Motors with water and sewer services, the District requires the assurance from General Motors for the payment of a minimum charge to make feasible its undertakings.

WHEREAS, it is the intention and desire of both the District and General Motors that rates for water/sewage services will, at all times, and under all usage conditions be reasonable and that the District recover all its cost of providing such service(s) by the District to General Motors, and that such rates and services shall at all times be subject to review and approval by the Public Service Commission of the Commonwealth of Kentucky, or such other regulatory bodies that shall have jurisdiction over the District; and

WHEREAS, the District recognizes that General Motors' plant contributes to and is valuable to the economy and welfare of the District; and

WHEREAS, the provisions for the service to be provided by the District to General Motors are as follows:

WATER SERVICE PROVISIONS

Section 1: The District shall provide water to General Motors for potable and process water as measured by the District's meter at a minimum delivery residual pressure of 25 pounds per square inch, at a maximum daily flow rate not to exceed 1,132,000 ^{mcf per day} gallons at a maximum flow rate per minute not to exceed 1,000 gallons with an average daily usage of 665,000 ^{mcf per day} gallons. All water flows including the fire protection water shall be metered.

Section 2: The point of delivery of water service from the District to General Motors shall be at the existing water meter installed at the southwest corner of the General Motors property. The District shall be responsible for operation and maintenance of pumping and delivery facilities up to that point. General Motors shall be responsible for providing and for the operation and maintenance of all facilities beyond that point.

Section 3: The above water supply shall be made available continuously to General Motors except for:

- (a) Reasonable operational interruptions. Except in emergency situations, District will attempt to notify General Motors of operational interruption. The District agrees to cooperate with General Motors in scheduling its operational interruptions so as to minimize the impact on General Motors' operations.
- (b) A break, outage, or interruption of the District's supply or delivery system.
- (c) Force Majeure conditions as described in Section 17.

SEWER SERVICE PROVISIONS

Notwithstanding any provisions herein provided to the contrary, General Motors shall, at all times, comply with all existing or hereinafter adopted rules and regulations of the District and local, state and federal laws in the discharge of wastewater into the Water District's sewer system.

Section 4: Ordinance No. 76-38A of the city of Bowling Green, Kentucky, as it relates to domestic, industrial, and other types of discharge into the Water District's sewage system, is herein incorporated into this Agreement and attached hereto, and General Motors shall comply with the Ordinance. General Motors

shall comply with all state requirements as they relate to wastewater discharge from General Motors into the District's sewer system. The District shall accept into its sewage collection facilities, wastewater discharges from General Motors plant up to a peak rate per minute of 600 gallons. General Motors shall install and maintain a control device which shall control General Motors' sewage discharge so it will not exceed 600 gpm.

Section 5: The point of discharge of sanitary and process waste water service from General Motors to the District shall be at the entrance pipe leading from the General Motors' Plant into the District sewage lift station located on a site near the southwest corner of the General Motors' property.

Section 6: Discharges by General Motors shall conform with limitations imposed by the District's National Pollutant Discharge Elimination System (NPDES) permits or other more stringent Ordinance limitations now in force or as imposed by the city of Bowling Green, Kentucky, the Commonwealth of Kentucky, and rules and regulations of the District after due notice. The District will allow General Motors an opportunity to comment on the District's rules and regulations as indicated in Section 23.

Section 7: The District shall accept discharges that are as provided by Section (6), except under Force Majeure conditions as described in Section (17) and when interruptions in discharge availability are required for necessary repair and maintenance, in which case the District shall render General Motors as reasonable and timely notice as possible and shall schedule the repair and maintenance to minimize the impact on

General Motors operations to the extent it shall not interfere with District's operation and service to its other users.

CONDITIONS FOR WATER/SEWER SERVICE

Section 8: The contract volume for water and/or sewage service may be increased or decreased only by execution of a new or amended Agreement between the District and General Motors providing for a change in the size of meter appropriate to the service and various other changes in the terms of the Agreement as may be required by the District.

Section 9: The District agrees to permit increases in peak contract delivery volumes for water services and peak contract discharge volumes for sewage services when and to the extent that, in the opinion of the District, additional capacity is available or can be reasonably provided, when construction incident thereto is authorized by the appropriate authorities having jurisdiction, and when water supplies, requirements and deliverability/or sewage capacity and needs are adequate to support the added investment on a reasonable life cycle basis, and the District has financing available which is reasonable in the opinion of the District. To those ends, the District shall be obliged to use diligence in planning for providing additional capacity, and in acquiring new supplies when needed and available within reasonable proximity of the District's system and at reasonable cost.

Section 10: General Motors shall install and maintain in good working order a control device suitable to the standards of the District to control water surges caused by General Motors' use of water purchased from the District.

Section 11: General Motors shall periodically advise the District of its needs for increased water and sewer service by providing notice of those needs by indicating the percentage increase above the then applicable peak contract water delivery or sewage discharge volumes and the date when such increased volumes will be needed. The District shall use all reasonable diligence available to advise General Motors of the improvement necessary and the time involved to make the improvement required. No more than three months following the date of its receipt of such notice, the District shall advise General Motors of the amount of additional capacity which it estimates can reasonably be provided to meet the request for increased contract water delivery or sewage discharge volume. Installation of additional facilities shall be contingent upon the availability of funds to the District. The District and General Motors shall proceed to negotiate, and enter into a new or amended Agreement setting forth the change or changes in peak contract water delivery or sewage discharge volumes and any required changes and adjustments of the District's rates and charges.

Section 12: A new or amended Agreement providing for changes in peak contract water delivery or sewage discharge volumes which require the District to provide additional water delivery or sewage discharge capacity may require a longer contract term which will meet the requirements of the District, its financing authority, and the Public Service Commission of Kentucky.

Section 13: The District shall maintain control over the valves for water delivery to and sewage discharge from General Motors. At any time said valves must be opened or closed or their settings otherwise materially changed, the opening or closing of the valves and the changes in settings shall be undertaken under the supervision of the District. To the extent possible, the District shall give General Motors reasonable prior notice before opening, closing or adjusting the valves.

Section 14: Charges for water service shall be as provided by the attached Water Rate Schedule which is made a part of this Agreement. Water Rate Schedules may be changed by the District upon approval of the Public Service Commission of Kentucky.

Section 14A: Fixed Additional Charge for Water Service.

The Water District and General Motors agree to the additional monthly fixed charge of \$2,500 for water service which is in addition to the dollar amount paid for water per 1,000 gallons calculated on the Water Rate Schedule attached. This additional monthly fixed charge shall be for a ten year period in which charges are based on the asset values of the water system available for General Motors' benefit and certain proportional additional operating and maintenance costs chargeable to General Motors, determined jointly by the Water District and General Motors.

Section 15: Charges for sewage service shall be as provided by the attached Sewer Rate Schedule which is made a part

of this Agreement. Sewer Rate Schedules may be changed by the District upon approval of the Public Service Commission of Kentucky.

Section 15A: Fixed Additional Charge for Sewer Service.

The Water District and General Motors agree to the additional monthly fixed charge of \$2,500 for sewer service which is in addition to the dollar amount paid for sewage per 1,000 gallons calculated on the Sewer Rate Schedule attached. This additional monthly fixed charge shall be for a ten year period in which charges are based on the asset values of the sewer system available for General Motors' benefit and certain proportional additional operating and maintenance costs chargeable to General Motors, determined jointly by the Water District and General Motors.

Section 16: The primary term for water/and sewage service pursuant to this contract is ten (10) years from the date of execution thereof.

FORCE MAJEURE

Section 17: The District shall use due diligence in the operation and maintenance of its equipment and facilities so as to furnish General Motors continuous water service)/and/continuous sewage service consistent with the type of service specified herein, and General Motors shall use diligence to use the water/sewage service in such a way as not to interfere unreasonably with service to others dependent upon the District for such service, however, neither party shall be liable for damages, breach of contract or otherwise by reason of the failure, suspension,

diminution or other variance in water/sewage service as the result of fire, riot, explosions, flood, accident, failure or depletion of the District's water supply, failure or breakdown of equipment or facilities, acts of God or the public enemy, or other acts or conditions beyond the control of the District or General Motors.

BILLING AND PAYMENT

Section 18: On or before the 4th day of each calendar month the District will render General Motors a bill for water/and sewage services provided during the preceding month. On or before the 20th day of the month in which billed, General Motors shall pay the District for services rendered during the preceding month. In the event General Motors shall fail by the due date to pay any amount billed by the District, interest shall accrue from the due date until the date of payment at a rate equal to the rate then being charged other customers of the District and as approved by the Public Service Commission of Kentucky.

GENERAL CONDITIONS

Section 19: Water supplied by the District shall be for industrial purposes and other purposes appurtenant thereto and shall not be resold by General Motors.

Section 20: Service under this contract is subject to all lawful orders, rules and regulations of duly constituted governmental authorities having jurisdiction over either or both the District or General Motors.

Section 21: Failure of either party hereto to exercise any right hereunder shall not be deemed a waiver of such party's

right and shall not affect the right of such party to exercise at some future time said right or rights or any other right it may have hereunder.

Section 22: None of the remedies provided for under this Agreement need be exhausted or exercised as a prerequisite to resort to further relief to which the party may then be entitled in the event of an emergency situation or an imminent threat to health or property.

Section 23: The District shall notify General Motors of any proposed amendment or modification to the District's rules and regulations applicable to Water and Sewage Service Facilities and Availability that shall materially affect the terms and conditions of this Agreement, and shall afford General Motors the opportunity to comment on such proposed amendment or modification prior to its enactment. (The District's responsibility regarding General Motors' opportunity to comment does not apply to laws or regulations outside the District's span of control, e.g., city, state or federal actions. However, this shall not preclude General Motors from commenting directly to such agencies through appropriate channels). Rules and regulations enacted by the District which affect the terms and conditions of this Agreement, shall be first approved by the Public Service Commission of Kentucky.

Section 24: The District and General Motors hereby represents by its execution of this Agreement that the District and General Motors has in all respects complied with the state statutes in the making and execution of said Agreement, and

further represents by its execution of the Agreement that it has the lawful authority and financial, administrative, as well as technical capability to fulfill the terms of this Agreement.

Section 25: General Motors shall be responsible for and shall indemnify and save harmless the District from and against any and all claims, demands, actions and judgments lodged, asserted, or recovered by others, for loss, damage or injury to person or property, including death, arising out of or in connection with any installation, repair, and maintenance undertaken by General Motors or its agents or employees, of the water and sewer facilities owned by General Motors, except those resulting from the sole, proven negligence of the District or its agents or employees.

Section 26: No assignment by General Motors of its rights under this Agreement shall be binding on the District unless the District shall have assented to such assignment with the same formality as employed in the execution of this contract.

Section 27: Subject to such assent as provided for in Section 26, the benefits and burdens of this Contract shall enure to and be binding upon the respective legal representatives, successors and assigns of the respective parties hereto.

Section 28: No statement or representation of any agent or representative of the District, or other person claiming to represent the District, not incorporated herein, shall be a part of this contract or be deemed an inducement to the execution hereof.

IN WITNESS WHEREOF, the parties hereto have subscribed their names on the day and year first above written.

WARREN COUNTY WATER DISTRICT

BY:

Maven C Jenkins
Chairman

TITLE

Post Office Box 1118
Bowling Green, KY 42101
ADDRESS

GENERAL MOTORS CORPORATION

BY:

J. K. Smith
Assistant Divisional Comptroller

TITLE

30009 Van Dyke Avenue
Warren, Michigan 48090
ADDRESS

(313) 492-7220

TELEPHONE NUMBER

ATTEST:

BY:

L. E. Smith