

AMENDED WATER PURCHASE AGREEMENT

THIS AMENDED WATER PURCHASE AGREEMENT made and entered into as of the 13th day of October, 1987, by and between the SHELBYVILLE MUNICIPAL WATER AND SEWER COMMISSION of Shelbyville, Kentucky, the "COMMISSION", and the WEST SHELBY WATER DISTRICT of Shelby County, Kentucky, the "DISTRICT".

W I T N E S S E T H:

WHEREAS, the parties hereto entered into a Memorandum Agreement on the 22nd day of November, 1965, wherein the territory to be served by the West Shelby Water District was described, and

WHEREAS, the parties hereto have also entered into an Agreement dated January 31, 1966, and thereafter amended as of January 13, 1976, and July 12, 1977, providing for the sale of treated water by the Commission to the District, and

WHEREAS, there has now arisen questions as to which of the parties should, or could, serve an industry which is soon to be located within the District's described boundaries in the 1965 Agreement.

NOW, THEREFORE, it is mutually agreed and covenanted between the parties that said existing Agreements as amended are hereby further amended as follows:

1. In accordance with the Agreement on November 22, 1965, the Commission shall have the exclusive right to serve any residential, business, or industrial user whose property abuts the western right of way line of Kentucky Highway #55. The District has the exclusive right to serve any other user which locates on the Sach, including the Budd Company, and Burgin properties; provided, however, that the Commission shall serve the Budd Company through the 12 inch line to be installed by the Shelby County Industrial Authority until such time as the District has completed erection of the storage tank necessary to provide fire flow for the Budd Company; provided, that if the District is unable to construct the tank within the time frame hereinafter provided, the District, then, forgoes its right to serve Budd due to its inability to furnish fire flow.

2. The Industrial Authority has agreed to build a 12 inch water line from Kentucky Highway #55 at the east end of Shelby Business Park down Highway #55 to Old Brunerstown Road thence west along said road to Budd, Incorporated, thence looped to the Commission's existing line at the west end of the Shelby Business Park.

3. If an additional industry locates on the District's portion of the Sach property or the Burgin property, the Commission agrees, at District's request, provided the elevated tank and 12 inch line is to be completed, in accordance with Paragraph 5, to provide fire flow

service and to bill such industry(s). The Commission will advise the customer that this is the District's service area.

4. When the Commission serves the Budd Company or other industry in accordance with the foregoing paragraphs, it shall charge the Budd Company or other industry the entire cost of installing metering equipment, pit or house, and other necessary equipment to serve the industry so as to comply with West Shelby's policy of charging.

5. The District agrees to have the elevated tank and 12 inch line operational within eighteen (18) months of permanent water service to Budd. The maximum overflow elevation of said tank shall be 926.0 feet.

6. The points of connection and metering with the Commission's system shall be (1) at the existing metering point at intersection of Highway #60 and Kentucky Highway #55; (2) if and when needed, at or near Brunerstown Road and Buck Creek-Finchville Road intersection; the following meters shall be installed upon completion of the elevated tank and 12 inch line, in accordance with Paragraph #5; (3) near the south west corner of Shelby Business Park; and (4) on the Old Brunerstown Road approximately 500 feet west of the Kentucky Highway #55 right of way line.

7. The Commission will complete the installation of its 8 inch line along the Brunerstown Road to connect with its line on the Buck Creek-Finchville Road. Thereafter the Commission shall serve all users (1) on the Brunerstown Road east of Bullskin Creek, (2) on Joyce Station Road between Interstate 64 and Brunerstown Road, (3) on the south side and all those fronting on the north side of Brunerstown Road between Bullskin Creek and Buck Creek-Finchville Road. The Commission will not further extend its lines into the southwest portion of Shelby County and will not file any protests so as to deter or interfere with any arrangements which the District makes to serve the water users of southwest Shelby County who do not have a public water supply.

8. That portion of the District's certified territory hereafter referred to as the "Ardmore Lane Area" is more specifically described as follows:

BEGINNING at the point of intersection of the west right of way line of Kentucky Highway #55 and the south right of way line of U.S. Highway #60 ; thence due north to the south right of way line of the Louisville and Nashville Railway Company; thence in a westerly direction with the railroads south right of way line to a point corner to the property of Wilson Herrick; thence in a southerly direction with the line of Herrick to a point due west of the northern most extremity of Ardmore Lane; thence due east to the centerline of Ardmore Lane; thence in a southerly direction with the centerline of Ardmore Lane to the south right of way line of U.S. Highway #60; thence in an easterly direction to the point of beginning.

Any industrially zoned area now or hereafter located within the Ardmore Lane Area shall be served by the Commission. Any and all other users within said area shall be served by the District.

9. The parties agree that the Commission will furnish and sell to the District and the District shall purchase and pay for an amount of treated water which shall not exceed 16,000,000 gallons in any month except in case of main break and shall not be less than 7,000,000 gallons each month; provided, however, that the minimum monthly usage shall be calculated on an annual averages basis (calendar year).

10. If a greater pressure than normally available at the point of delivery is required by the District, the cost of providing such pressure shall be borne by the District. For the industrial area on the Sach and Burgin properties and the surrounding area, the District shall construct a 500,000 gallon tank to provide fire flow and pressures that are required by its customers in these areas. The District will provide the adequate storage facilities including fire flow in other industrial areas where wholesale water is provided by Shelbyville as required by the District's customer.

11. The foregoing provisions of this Amended Agreement are supplemental to and amending the Territorial Agreement between the parties dated November 22, 1965, and the water Purchase Agreement and Amendments dated January 31, 1966, and January 13, 1976, and July 12, 1977, and are, like the agreements so supplemented and amended subject to such rules, regulations, or laws as may be applicable to similar agreements in the State of Kentucky and the approval of the State Director of Kentucky of the Farmers Home Administration.

IN WITNESS WHEREOF, the parties hereto acting under authority of their respective governing bodies have caused this Amended Agreement to be duly executed in counterparts, each of which shall constitute an original.

CITY OF SHELBYVILLE, KENTUCKY
acting by and through its Municipal
Water and Sewer Commission

By: *Russell Ingot*
Chairman

ATTESTED:

Red L. Syleheart
Secretary

WEST SHELBY WATER DISTRICT

By: *Wilson L. Hamrick*
Chairman

ATTESTED:

Thomas Baskin
Secretary