

**WINCHESTER MUNICIPAL UTILITIES COMMISSION
and
KENTUCKY AMERICAN WATER COMPANY**

WATER PURCHASE AGREEMENT

THIS WATER PURCHASE AGREEMENT (herein after referred to as "Agreement"), made and entered into this 15th day of JUNE, 2001, by and between the **WINCHESTER MUNICIPAL UTILITIES COMMISSION** (hereinafter referred to as "WMU"), and **KENTUCKY AMERICAN WATER COMPANY** (hereinafter referred to as "KAWC");

WITNESSETH:

WHEREAS, WMU has in operation a water treatment, transmission and distribution system supplying water to customers both within and without the corporate limits of the City of Winchester, and

WHEREAS, by contract dated October 13, 1981 the Boonesboro Water Association heretofore agreed to purchase water from WMU for the purpose of supplying its customers in southeastern and western Clark County, and

WHEREAS, by purchase of the assets of the Boonesboro Water Association in 1997, the obligations of Boonesboro Water Association in the contract between WMU and Boonesboro Water Association were assumed by KAWC, and

WHEREAS, KAWC has continued to purchase water from WMU since the acquisition of the assets of Boonesboro Water Association for the purpose of supplying all of its Clark County Customers, and

WHEREAS, KAWC has advised WMU of its desire to continue purchasing water from WMU as a cost-effective means of serving only a portion of its Clark County customers, and

WHEREAS, WMU desires to sell KAWC potable water per the terms of this new Agreement;

NOW, THEREFORE, in consideration of the premises and the covenants and agreements hereinbelow contained, the parties agree and bind themselves as follows:

1. Termination of Prior Agreement. The Water Purchase Agreement heretofore entered into by and between the parties and dated October 13, 1981, will terminate according to its terms on October 13, 2001.

2. WMU to be Exclusive Supplier. KAWC herewith agrees to purchase all of its water requirements for the area defined by this Agreement from WMU during the term of this Agreement, subject to the maximum provided for in Paragraph 6 below, and WMU shall be KAWC's exclusive supplier for the area defined by this Agreement.

3. KAWC Territory. KAWC has and shall retain the right to provide water service to all of those areas of southeastern Clark County as marked on the map attached hereto as Exhibit "A" and identified as "KAWC Service Territory", and the description attached hereto as Exhibit "B". Should there be any discrepancy between the map and the engineer's description, the engineer's description (Exhibit "B") shall control. With respect to this defined Service Territory, KAWC agrees that it will not extend or expand its service beyond this defined Service Territory using water purchased from WMU under this Agreement.

4. Effective Date and Term of Agreement. This Agreement shall become effective October 13, 2001 and shall remain in force and effect for a period of twenty (20) years thereafter; provided, however, that KAWC shall have the right to renew and extend this Agreement for an additional period of twenty (20) years if it so desires, upon written notice to WMU at least two (2) years prior the expiration of the first twenty-year term.

5. Quantity of Water to be Supplied. WMU hereby agrees to sell and deliver to KAWC up to 60,000 gallons per day as a peak day capacity allocation.

6. Request for Additional Capacity. WMU and KAWC hereby acknowledge and agree that the quantity of water allocated in Paragraph 6 of this Agreement was determined by KAWC and agreed upon by WMU. Both parties agree that in the future should KAWC require an additional quantity of water to serve growth, a request will be made in writing to WMU and that WMU will consider the request through the normal business routine as WMU would consider for approval a request for capacity from any customer. Increases in the quantity of water to be supplied to KAWC, upon approval by WMU in the normal course of business, will be noted in the meeting minutes of the WMU Commission and will be appended to this Agreement.

7. Compensation. KAWC shall compensate WMU for water furnished under this Agreement at the then current cost of service volumetric rate as approved by the Winchester Municipal Utilities Commission and as ordained by the City of Winchester Board of Commissioners, the current schedule of rates being attached to this Agreement as Exhibit "C". The rate shall reflect the cost of providing service and shall

be subject to increase or decrease by the city of Winchester in its reasonable discretion from time to time and subject to the jurisdiction of the Kentucky Public Service Commission if applicable under Kentucky law.

KAWC agrees that should the peak day capacity allocated in Paragraph 6 of this Agreement be exceeded on any singular day, KAWC will pay WMU a surcharge of 25% of the rate then in effect for the entire quantity above the peak day capacity allocation payable with the regular monthly bill.

8. Metering. Water delivered to KAWC by WMU shall be measured by two master meters to be placed at a location agreed upon between the parties. The meters shall be owned and maintained by WMU. The meters shall be examined and tested at least once every five (5) years. KAWC shall have the right to test the meters upon seven (7) days written notice to WMU. A replacement meter(s) shall be provided by WMU during all testing. In the event a test shows that the meter(s) is not accurate, it shall be repaired or replaced by WMU so as to render it accurate within a range of 98.5% to 101.5%, and an adjustment shall be made to the charges based upon test results and upon the average monthly charges during the preceding three (3) month period.

For billing purposes related to surcharges, the master meter will be read each day by WMU. WMU will notify KAWC within one business day each time that the peak day capacity allocation has been exceeded. Billing will be based on a monthly frequency and shall include any surcharges for exceeding peak day capacity incurred during the billing period.

9. Terms and Conditions of Service. Subject to the provisions of this Agreement, KAWC hereby agrees and binds itself to abide by all ordinances, rules and regulations of the city of Winchester and WMU as may be applicable to other WMU customers; to pay all charges and delinquent penalties, if any; to be subject to termination for nonpayment of charges; and otherwise to receive the water service in the same manner and under the same terms and conditions as other customers of WMU.

10. Limits of Obligations and Liabilities of WMU. WMU hereby agrees to supply and deliver the quantity of water to KAWC as herein set forth, and WMU expressly limits and restricts the providing of such service with the understanding that WMU shall only be required to use reasonable attention, care and diligence in the operation and maintenance of its system to prevent and avoid any unnecessary interruptions and fluctuations in the supply of water. WMU does not represent or guarantee that interruptions or fluctuations will not happen or occur, and due to conditions which may be brought about or emergencies which may be caused by breaks, leaks, defects, repairs, extensions, enlargements, or demands upon the system, or by fire, floods, strikes, acts of God, or other unforeseen causes. There may be times and occasions when the quantity or supply of water may be diminished or interrupted, and there shall be no obligation or requirement upon WMU to deliver or provide the water to be supplied at any specific pressure or flow other than the laws and regulations of the Division of Water. KAWC hereby agrees to hold WMU harmless from

any and all liability incurred as a result of WMU's furnishing, or its reasonable failure to furnish, any particular quantity or pressure of water under the Agreement.

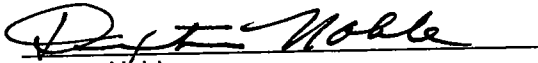
11. Water Shortages. It is agreed, that in cases of shortage of supply, all customers and users of both WMU and KAWC shall share the shortage proportionately and WMU will not discriminate against KAWC under such circumstances. In such cases of shortage, KAWC agrees to the terms and conditions of the WMU Emergency Water Conservation Program in addition to any other curtailment or restriction that KAWC may desire to implement.

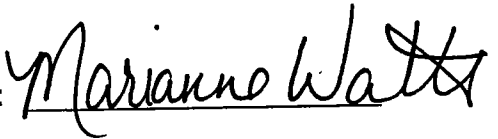
12. Restriction Against Resale of Water by KAWC. KAWC shall not resell any water provided it under this Agreement outside the limits of the territory as described on Exhibits A and B attached.

13. Parties Bound. This Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective successors and assigns. This Agreement shall not be assigned by either party without the written consent of the other party, which consent shall not be unreasonably withheld; provided, however, in all events, each and every provision of this Agreement shall be binding upon a successor-in-interest who shall be exclusively responsible for the performance of the terms of this Agreement to be performed by either party hereunder.

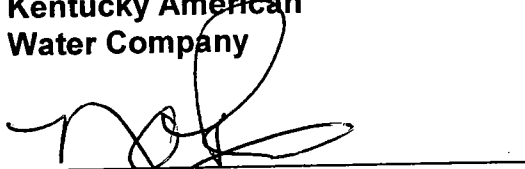
IN TESTIMONY WHEREOF, this Agreement has been executed by the appropriately authorized representatives of the parties, to take effect on the day and year first above written.

**Winchester Municipal
Utilities Commission**


Dexter Noble
Chairman

Attest: 

**Kentucky American
Water Company**


Nick Rowe
Vice President

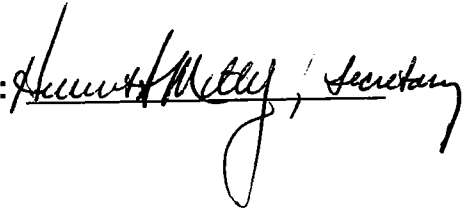
Attest:  Secretary

EXHIBIT B

The Kentucky American Water Company Service Territory, defined by drawing in Exhibit A, is defined in words as:

Beginning at a point on Amster Grove Road, 0.63 miles west of the intersection of KY 418, including properties fronting on Amster Grove Road and Hidden Grove Lane; and

Along KY 418 in a southwesterly direction from a point 0.24 miles northwest of the intersection of Amster Grove Road and KY 418 including properties fronting KY 418 to the intersection of KY 627; and

Along KY 627 in a northeasterly direction from the intersection of KY 1924 to the intersection of Quisenberry Lane, a distance of 2.01 miles, including properties fronting this reach of KY 627, and including properties fronting Coffee Springs Lane, Lisletown Lane, Lisletown Court, and Lisletown Trail, and including properties fronting Quisenberry Lane northwest of KY 627; And including properties fronting the northwest side of KY 627 a distance of 0.16 miles northeast from the intersection of Quisenberry Lane and KY 627. Excluded from this territory are 464 (Ballard) and 607 (Quisenberry) Quisenberry Lane and properties fronting Quisenberry Lane southeast of KY 627, including the Brenda Faye Harris and James Hunter Davis properties; and

Along Old Boonesboro Road, from the intersection of KY 627, this intersection being 0.19 miles north of the Kentucky River Bridge, to the intersection of the Ford Hampton Road, including all properties fronting this reach of Old Boonesboro Road; Included in this reach will be properties up to and including 7569 and 7522 Old Boonesboro Road and properties fronting the reach of Old Boonesboro Road from the intersection of KY 627 to the intersection of the Ford Hampton Road, said intersection being 0.99 miles from the Kentucky River Bridge; Excluded from this territory are 7466 and 7453 Old Boonesboro Road and all properties east and northeast of 7466 and 7453 Old Boonesboro Road.

Along the Ford Hampton Road, from the intersection of the Old Boonesboro Road to KY 1924, all properties fronting the Ford Hampton Road excluding the 520 Ford Hampton Rd (Horsemen), 1163 Ford Hampton Rd (Nickels), 7805 Old Boonesboro Rd (Shearer), 1297 Ford Hampton Rd (Fields), and 405 Nick Lane (Moore) properties; and

All properties fronting Asher Lane, School House Lane, and Ralston Lane; and

All properties fronting KY 1924 from the intersection of the Ford Hampton Road to the intersection of KY 627 excluding those properties fronting KY 1924 between and including 1501 Ford Road (KY1924, Davis Boat Dock and

Restaurant) to 700 Ford Road (KY 1924, Bananas Restaurant), a distance of 0.72 miles.

All existing customers of either Kentucky American Water Company or Winchester Municipal Utilities or customers created as the result of any subdivision of the properties as defined in this agreement will remain customers of that utility unless transfer is by mutual agreement of both Kentucky American Water Company and Winchester Municipal Utilities.

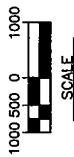
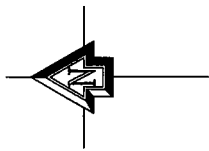
Attachment C: Schedule of Rates

Cubic Feet Consumed	Rate Expressed in Dollars per 100 Cubic Foot Usage			
	Current Rates	Effective June 1, 2001	Effective June 1, 2002	Effective June 1, 2003
First 100	\$4.06	\$4.27	\$4.32	\$4.37
Next 400	\$3.01	\$3.17	\$3.21	\$3.24
Next 1,500	\$2.82	\$2.96	\$3.00	\$3.03
Next 15,000	\$2.68	\$2.82	\$2.86	\$2.88
Next 333,000	\$2.04	\$2.14	\$2.16	\$2.19
Over 350,000	\$1.44	\$1.51	\$1.53	\$1.54

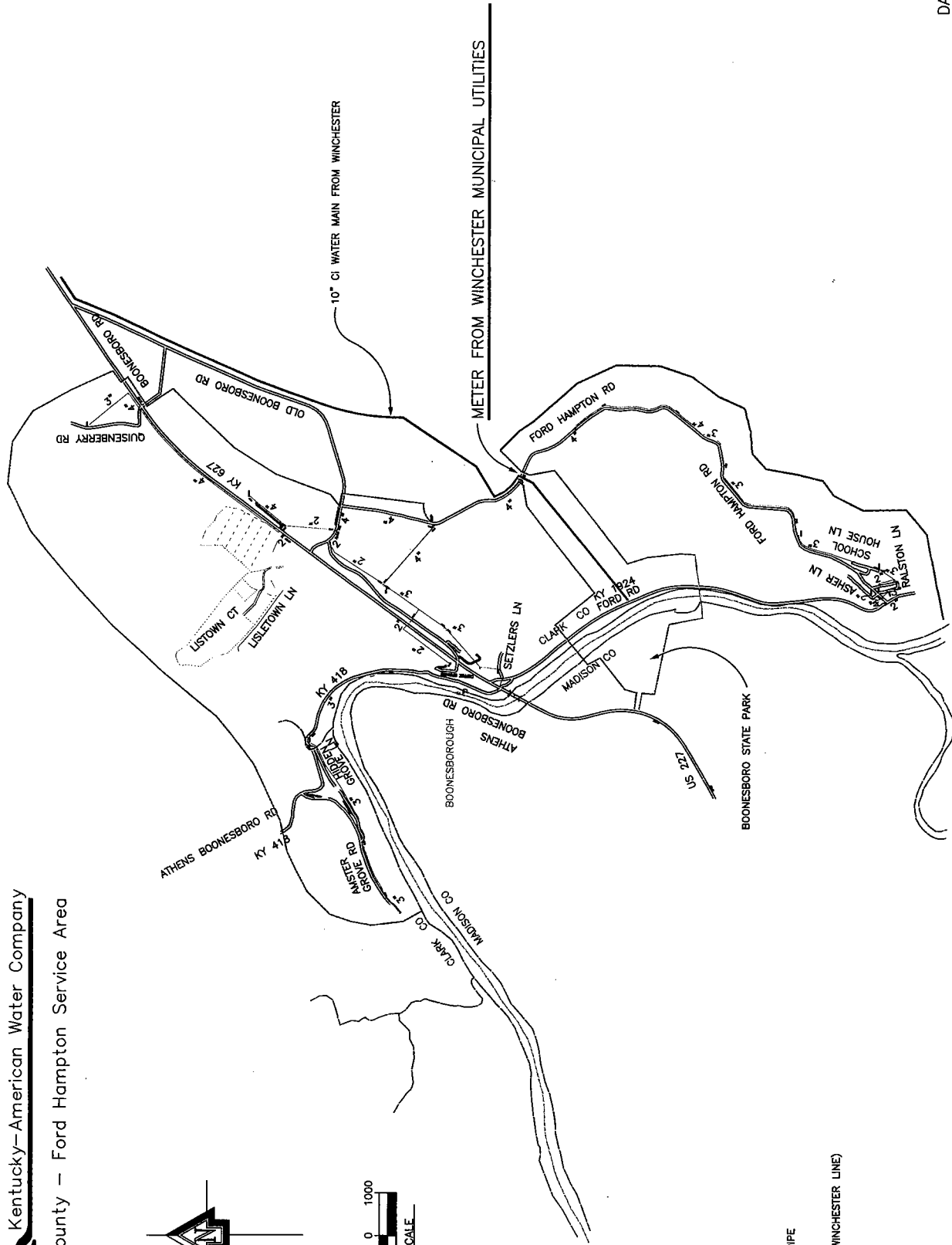
Notes:

Rates shown are as approved by the WMU and City Commissions, December 1999. Rates are subject to increase or decrease in the reasonable discretion of the City of Winchester from time to time and subject to the jurisdiction of the Kentucky Public Service Commission if applicable under Kentucky law.

Kentucky-American Water Company
 Clark County - Ford Hampton Service Area




- LEGEND:**
- DUCTILE PIPE
 - PVC PIPE
 - CI PIPE (WINCHESTER LINE)



DATE : 4-24-01

WINCHESTER MUNICIPAL UTILITIES COMMISSION
and
KENTUCKY AMERICAN WATER COMPANY

AMENDMENT TO WATER PURCHASE AGREEMENT

This Amendment to Water Purchase Agreement made and entered into this 17th day of ~~October~~ ^{April}, ~~2002~~ ²⁰⁰³, by and between  WINCHESTER MUNICIPAL UTILITIES COMMISSION (hereinafter referred to as "WMU") and KENTUCKY AMERICAN WATER COMPANY (hereinafter referred to as "KAWC"),

WITNESSETH

WHEREAS, the parties have heretofore entered into a Water Purchase Agreement dated June 1, 2001 (hereinafter "Agreement"), and

WHEREAS, paragraph 5 of the Agreement specifies the quantity of water to be supplied and paragraph 12 of the Agreement specifies restriction against resale of water, and

WHEREAS, the parties are desirous of amending paragraphs 5 and 12,

NOW THEREFORE, the parties agree to amend the Agreement as follows:

1. Paragraph 5 of the Agreement is amended to provide as follows:

5. Quantity of Water to be Supplied. WMU hereby agrees to sell and deliver to KAWC up to 60,000 gallons per day as a peak day capacity allocation. In addition, due to the extension of service to East Clark County Water District for seven residential customers in the Ford area, KAWC's peak daily

capacity allocation is increased to 62,100 gallons per day.

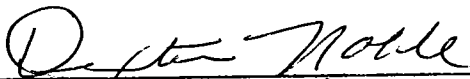
2. Paragraph 12 of the Agreement is amended to provide as follows:

12. Restriction Against Resale of Water by KAWC.

KAWC shall not resell any water provided it under this Agreement outside the limits of the territory as described on Exhibits A and B attached; notwithstanding this restriction, KAWC may resell water to East Clark County Water District from the connection near the old power station at Ford, Kentucky, for provision of water to seven residential customers. Terms and conditions of such sale shall be at a rate negotiated by KAWC and East Clark County Water District. Payment of tap or other administrative fees, charges or tariffs shall be as approved by the Public Service Commission.

3. In all other respects, the Agreement shall remain in full force and effect as previously adopted.

WINCHESTER MUNICIPAL
UTILITIES COMMISSION

By 
Dexter Noble, Chairman

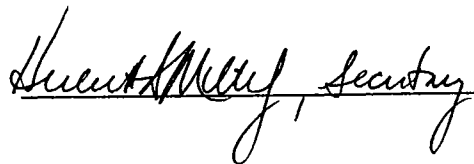
ATTEST:



KENTUCKY AMERICAN
WATER COMPANY

By 
Nick Rowe, Vice President

ATTEST:

, Secretary

**WINCHESTER MUNICIPAL
UTILITIES COMMISSION
APPROVED 4-17-03**

WATER PURCHASE AGREEMENT

This Contract, made and entered into this 10 day of October, 2000, by and between the Gallatin County Water District, a special district formed pursuant to KRS Chapter 74, acting by and through its duly authorized officer and Chairman of its Board of Commissioners, Denny French, party of the first part, Seller, and the Tri-Village Water District, a special district formed pursuant to KRS Chapter 74, acting by and through its duly authorized officer and Chairman of its Board of Commissioners, Charles F. Noel, party of the second part, Buyer.

WITNESSETH:

Whereas, the parties hereto are each special districts formed under KRS Chapter 74 for the purposes of constructing and operating water supply distribution systems serving water users within their respective areas of jurisdiction, and

Whereas, Buyer requires additional supplies of potable treated water in order to adequately fulfill its obligations to its users in the City of Glencoe and has requested that same be supplied to it by Sellers, and

Whereas, Seller owns and operates a water supply distribution system capable of serving its present customers and the estimated number of Buyer's users to be served by the gallonage proposed to be sold to Buyer hereunder (currently being 266), and

Whereas, Seller deems it in the best interests of itself and its users that it profitably dispose of its excess capacity as herein proposed, and

Whereas, both parties hereto have approved the sale and purchase of water in accordance with the terms and conditions contained herein by Resolutions duly adopted by their respective commissioners.

PUBLIC SERVICE COMMISSION
KENTUCKY
OFFICE

JAN 01 2001

Now Therefore, for and in consideration of the foregoing premises and the mutual agreements and undertakings hereinafter set forth, the parties promulgated pursuant to 807 KAR 5:011, SECTION 9 (1) agrees as follows:

BY: Stephan D. Bell
SECRETARY OF THE COMMISSION

1. Seller agrees to furnish and supply to Buyer, at the point of delivery hereinafter specified, during the term of this agreement or any renewal or extension thereof, potable treated water meeting applicable state and federal purity and quality standards in such quantity as may be required by the Purchaser not to exceed 1.5 million gallons per month.

2. Said water will be furnished at a reasonably constant pressure calculated at 30 or greater PSI from a 6 inch main supply at a point located at west side of U.S. Hwy. 127, just south of Clarence Sullivan property at city limits of Glencoe, Kentucky. If a greater pressure than that normally available at the point of delivery is required by the

Purchaser, the cost of providing such greater pressure shall be borne by the Purchaser. Emergency failures of pressure or supply due to main supply line breaks, power failure, flood, fire and use of water to fight fire, earthquake or other catastrophe shall excuse the Seller from this provision for such reasonable period of time as may be necessary to restore service.

3. Seller agrees to furnish, install, operate, and maintain at its own expense at point of delivery, the necessary metering equipment, including a meter house or pit, and required devices of standard type for properly measuring the quantity of water delivered to the Purchaser and to calibrate such metering equipment whenever requested by the Purchaser but no more frequently than once every twelve (12) months. A meter registering not more than two percent (2%) above or below the test result shall be deemed to be accurate. The previous readings of any meter disclosed by test to be inaccurate shall be corrected for the 3 months previous to such test in accordance with the percentage of inaccuracy found by such tests. If any meter fails to register for any period, the amount of water furnished during such period shall be deemed to be the amount of water delivered in the corresponding period immediately prior to the failure, unless Seller and Purchaser shall agree upon a different amount. The metering equipment shall be read on First Working day of Month. An appropriate official of the Purchaser at all reasonable times shall have access to the meter for the purpose of verifying its readings.

4. Seller agrees to furnish the Purchaser not later than the fifteenth day of each month, with an itemized statement of the amount of water furnished the Purchaser during the preceding month.

5. Purchaser agrees to pay the Seller, not later than the tenth day of each month, for water delivered in accordance with the following schedule of rates:

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

JAN 01 2001

One Dollar and forty cents (\$1.40) per thousand gallons, unless and until modified by mutual agreement of the parties or by order of the Public Service Commission or any successor agency thereof.

PURSUANT TO 807 KAR 5.011,
SECTION 9 (1)

BY: Stephan D. Bell
SECRETARY OF THE COMMISSION

6. Purchaser agrees to pay as an agreed cost, a connection fee to connect the Seller's system with the system of the Purchaser in a sum equal to one-half (1/2) the cost of installation and acquisition of the metering equipment, not to exceed the sum of \$2,000.00.

7. It is further mutually agreed between the Seller and the Purchaser as follows:

A. (Term of Contract) That this contract shall extend for a term of 20 years from the date of initial delivery of any water as shown by the first bill submitted by the Seller to the Purchaser and, thereafter shall be extended or renewed for successive one year terms, unless terminated by either party upon written notice delivered not less than 120 days next preceding the expiration of the term of the contract or any extension or renewal thereof. Upon breach of this

contract by failure to perform, misrepresentation or other cause, the non-breaching party may terminate this contract upon thirty (30) days prior written notice to the breaching party, unless the breaching party wholly cures its breach within that 30 day notice period.

B. (Delivery of Water) That 30 days prior to the estimated date of initial delivery of water, the Purchaser will notify the Seller in writing the date for the initial delivery of water.

C. Purchaser shall have the right, at all reasonable times, to conduct testing of Seller's water quality at the master meter.

D. (Failure to Deliver) That the Seller will, at all times, operate and maintain its system in an efficient manner and will take such action as may be necessary to furnish the Purchaser with quantities and quality of water required by the Purchaser. Temporary or Partial failure to deliver water shall be remedied with all possible dispatch. In the event of an extended shortage of water, or the supply of water available to the Seller is otherwise diminished over an extended period of time, the supply of water to Purchaser's consumers shall be reduced or diminished in the same ratio or proportion as the supply to Seller's consumers is reduced or diminished.

E. (Modification of Contract) That the provisions of this contract pertaining to the schedule of rates to be paid by the Purchaser for water delivered are subject to modification at any time upon mutual agreement of the parties, or upon application to and approval of the Public Service Commission, or any agency successor thereto. No rate increase shall become effective prior to the date 180 days subsequent to the date Seller gives notice to Purchaser of its intent to raise the rate charged to Purchaser.

In the event that compliance with action by regulatory authority causes Seller to increase its rate to its customers in order to meet resulting increased costs, the rates charged to Purchaser shall be subject to increase in the same percentage as that borne by Seller's other users, the Seller's rate structure being based solely upon quantity of use. In the event that rate classifications are subsequently developed by Seller, Purchaser shall be given the whole sale rate or its equivalent.

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

Provisions of this contract may be modified or altered by mutual agreement.

JAN 01 2001

F. (Regulatory Agencies) That this contract is subject to such rules, regulations, or laws as may be applicable to similar agreements in this State including those promulgated, implemented and enforced by the Public Service Commission and the Seller and Purchaser will collaborate in obtaining such permits, certificates, or the like, as may be required to comply therewith.

PURSUANT TO 807 KAR 5011,
SECTION 9 (1)
By Stanley Bell
SECRETARY OF THE COMMISSION

The parties' respective rights and duties hereunder are contingent upon all necessary approvals from the Kentucky Public Service Commission, or its successor agency.

G. (Successor to the Purchaser) That in the event of any occurrence rendering the Purchaser incapable of performing under this contract, any successor of the Purchaser, whether the result of legal process, assignment, or otherwise, shall succeed to the rights and duties of the Purchaser hereunder.

H. This Contract shall be binding on the successors and assigns of the parties hereto.

I. Seller represents that it is not subject to, any local, state or federal regulatory notices, actions, or other enforcement pertaining to Seller's potable water system.

J. Seller represents that it has the sufficient treatment, pumping, storage, and all other system capacity to serve Purchaser in accordance with the terms of this contract. Provided, however, the parties know and understand that seller does not have capacity to, and will not, provide sufficient water quantity for fire protection purposes.

In witness whereof, the parties have hereunto affixed their signatures.

SELLER

Gallatin County Water District

BY: 
Denny French, Chairman

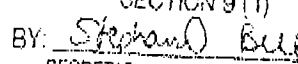
BUYER

Tri-Village Water District

BY: 
Charles F. Noel, Chairman

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

JAN 01 2001

PURSUANT TO 807 KAR 5011,
SECTION 9(1)
BY: 
SECRETARY OF THE COMMISSION

COMMONWEALTH OF KENTUCKY)
COUNTY OF Gallatin)

Signed and acknowledged before me by Denny French and Charles F. Noel on
this the 10th day of October, 2000.

My commission expires: 8-4-2001

Cindy J. Cyprien
Notary Public, State at Large, Ky.

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

JAN 01 2001

PURSUANT TO 807 KAR 5:011,
SECTION 9 (1)
BY Stephan D. Bell
SECRETARY OF THE COMMISSION

WATER PURCHASE AGREEMENT

This Contract, made and entered into this 14th day of September, 2000, by and between the Carroll County Water District #1, a special district formed pursuant to KRS Chapter 74, acting by and through its duly authorized officer and Chairman of its Board of Commissioners, Dennis Crawford, party of the first part, Seller, and the Tri-Village Water District, a special district formed pursuant to KRS Chapter 74, acting by and through its duly authorized officer and Chairman of its Board of Commissioners, Charles F. Noel, party of the second part, Buyer.

WITNESSETH:

Whereas, the parties hereto are each special districts formed under KRS chapter 74 for the purposes of constructing and operating water supply distribution systems serving water users within their respective areas of jurisdiction, and

Whereas, Buyer requires additional supplies of potable treated water in order to adequately fulfill its obligations to its users in the Wheatley area and has requested that same be supplied to it by Sellers, and

Whereas, Seller owns and operates a water supply distribution system capable of serving its present customers and the estimated number of Buyer's users to be served by the gallonage purposed to be sold to buyer hereunder, and

Whereas, Seller deems it in the best interests of itself and its users that it profitably dispose of its excess capacity as herein proposed, and

Whereas, both parties hereto have approved the sale and purchase of water in accordance with the terms and conditions contained herein by Resolutions duly adopted by their respective commissioners.

Now Therefore, for and in consideration of the foregoing premises and the mutual agreements and undertakings hereinafter set forth, the parties promise and agree as follows:

1. Seller agrees to furnish and supply to Buyer, at the point of delivery hereinafter specified, during the term of this agreement or any renewal or extension thereof, potable treated water meeting applicable state and federal purity and quality standards in such quantity as may be required by the Purchaser.

2. Said water in the amount of ^{upto C.F.N.} 5000 gallons per day will be furnished at a reasonably constant pressure calculated at 30 or greater PSI from a master meter installed in a 6" water main located on Highway 227 between the water tank and

Wheatley. If a greater pressure than the normally available at the point of delivery is required by the Purchaser, the cost of providing such greater pressure shall be borne by the Purchaser. Emergency failures of pressure of supply due to main supply line breaks, power failure, flood, fire and use of water to fight fire, earthquake or other catastrophe shall excuse the Seller from this provision for such reasonable period of time as may be necessary to restore service.

3. Seller agrees to furnish, install, operate, and maintain at its own expense at point of delivery, the necessary metering equipment, including a meter house or pit, and required devices of standard type of properly measuring the quantity of water delivered to the Purchaser and to calibrate such metering equipment whenever requested by the Purchaser but no more frequently than once every twelve (12) months. A meter registering not more than two percent (2%) above or below the test result shall be deemed to be accurate. The previous readings of any meter disclosed by test to be inaccurate shall be corrected for the 3 months previous to such test in accordance with the percentage of inaccuracy found by such tests. If any meter fails to register for any period, the amount of water furnished during such period shall be deemed to be the amount of water delivered in the corresponding period immediately prior to the failure, unless Seller and Purchaser shall agree upon a different amount. The metering equipment shall normally be read on the 20th day of the month. An appropriate official of the Purchaser at all reasonable times shall have access to the meter for the purpose of verifying its readings.

4. Seller agrees to furnish the Purchaser not later than the 5th day of each month, with an itemized statement of the amount of water furnished the purchaser during the preceding month.

5. Purchaser agrees to pay the Seller, not later than the 20th day of each month, for water delivered in accordance with the following schedule of rates:

\$1.66 per thousand gallons

6. It is further mutually agreed between the Seller and the Purchaser as follows:

A. (Term of Contract) That this contract shall extend for a term of 20 years from the date of initial delivery of any water as shown by the first bill submitted by the Seller to the Purchaser and, thereafter shall be extended or renewed for successive one year terms, unless terminated by either party, upon one year's written notice delivered, except where the Seller is unable to comply with its obligations under Sections 1 and 2 or any breach of representations in this contract in which case Purchaser may terminate this contract upon 30 days' written notice.

B. (Delivery of Water) That 30 days prior to the estimated date of initial delivery of water, the Purchaser will notify the Seller in writing the date for initial delivery of water.

C. Purchaser shall have the right, at all reasonable times, to conduct such testing of Seller's water quality at such locations in Seller's system as is reasonable.

D. (Failure to Deliver) That the Seller will, at all times, operate and maintain its system in an efficient manner and will take such action as may be necessary to furnish the Purchaser with the quality and quantities of water required by the Purchaser. Temporary or partial failure to deliver water shall be remedied with all possible dispatch. In the event of an extended shortage of water, or the supply of water available to the Seller is otherwise diminished over an extended period of time, the supply of water to Purchaser's consumers shall be reduced or diminished in the same ratio or proportion as the supply to Seller's consumers is reduced or diminished.

E. (Modification of Contract) That the provisions of this contract pertaining to the schedule of rates to be paid by the Purchaser for water delivered are subject to modification at any time upon mutual agreement of the parties provided that Purchaser shall be provided with 120 days' notice prior to any modification of rates.

In the event that compliance with action by regulatory or governmental authority causes Seller to increase its rate to its customers in order to meet resulting increased costs, the rates charged to Purchaser shall be subject to increase based upon approval by the Public Service Commission.

Provisions of this contract may be modified or altered by mutual written agreement.

F. (Regulatory Agencies) That this contract is subject to such rules, regulations, or laws as may be applicable to similar agreements in this State, including the Kentucky Public Service Commission, and the Seller and Purchaser will collaborate in obtaining such permits, certificates, or the like, as may be required to comply therewith.

The parties' respective rights and duties hereunder are contingent upon all necessary approvals from the Kentucky Public Service Commission, or its successor agency.

CARROLL COUNTY WATER DISTRICT

RESOLUTION

A Resolution related to contracting for the Sale of Water to Tri-Village Water District, approving same and authorizing the Chairman of the Board of Commissioners to execute and deliver a contract evidencing same.

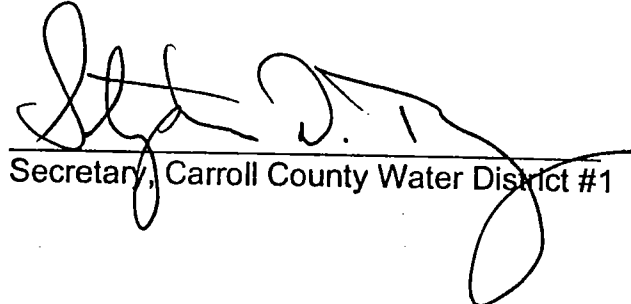
Be it resolved by the Commissioners of the Carroll County Water district, as follows:

That Dennis Crawford, Chairman, of the Board of Commissioners and is hereby authorized, empowered and directed to execute and deliver, on behalf of the district, thereby binding the District to, a contract for the sale of water to the Tri-village Water district at the rate of \$1.66 per thousand gallons, to a point of delivery at metering station near Wheatley, Kentucky, for a term of 20 years with automatic one-year extensions terminable by either party upon one year's prior notice, and containing other customary and prudent terms and provisions, which contract is hereby approved.

Adopted this 14th day of SEPT., 2000.


Chairman, Board of Commissioners of
Carroll County Water District #1

ATTEST


Secretary, Carroll County Water District #1

TRI-VILLAGE WATER DISTRICT

RESOLUTION

A Resolution related to contracting for the Sale of Water to Tri-Village Water District, approving same and authorizing the Chairman of the Board of Commissioners to execute and deliver a contract evidencing same.

Be it resolved by the Commissioners of the Tri-Village Water District, as follows:

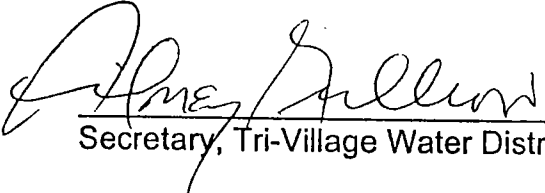
That Charles Noel, Chairman of the Board of Commissioners and is hereby authorized, empowered and directed to execute and deliver, on behalf of the District, thereby binding the District to, a contract for the sale of water to the Tri-Village Water District at the rate of (INSERT RATE)per thousand gallons, to a point of delivery at (INSERT LOCATION), Kentucky, for a term of 20 years with automatic one-year extensions terminable by either party upon one year's prior notice, and containing other customary and prudent terms and provisions, which contract is hereby approved.

Adopted this ____ day of _____, 2000.



Chairman, Board of Commissioners of
Tri-Village Water District

A True Copy: ATTEST



Secretary, Tri-Village Water District

TRI-VILLAGE WATER DISTRICT

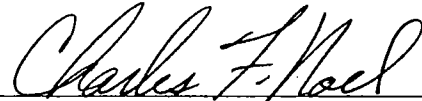
RESOLUTION

A resolution related to contracting for the sale of water to Tri-Village Water District, approving same and authorizing the Chairman of the Board of Commissioners to execute and deliver a contract evidencing the same.

Be it resolved by the Commissioners of the Tri-Village Water District, as follows:

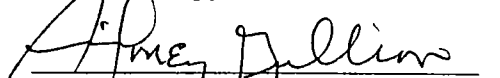
That Charles Noel, Chairman of the Board of Commissioners is hereby authorized, empowered and directed to execute and deliver, on behalf of the District thereby binding the District to, a contract for the sale of water to the Tri-Village Water District at the rate of \$1.66 per 1000 gallons, to a point of delivery at Wheatley, Kentucky, Highway 227, for a term of 20 years with automatic one-year extensions terminable by either party upon one year's prior notice, and containing other customary and prudent terms and provisions, which contract is hereby approved.

Adopted this 13th day of September, 2000



Chairman, Board of Commissioners of
Tri-Village Water District

A True Copy: ATTEST


Secretary, Tri-Village Water District

JAN 11 1993

WATER PURCHASE CONTRACT

This contract for the sale and purchase of water is entered into as of the 5th day of January, 1993 between The City of Owenton, City Hall, P.O. Box 486, Owenton, Ky. 40359, hereinafter referred to as the "Seller" and the Tri-Village Water District, RR6, Owenton, Ky. 40359, hereinafter referred to as the "Purchaser".

WITNESSETH:

Whereas, the Purchaser is organized and established under the provisions of Chapter 74 of the Code of Kentucky Revised Statutes, for the purpose of constructing and operating a water supply distribution system serving water users within the area described in plans now on file in the office of the Purchaser and to accomplish this purpose, the Purchaser will require a supply of treated water, and

Whereas, the Seller owns and operates a water supply distribution system with a capacity currently capable of serving the present customers of the Seller's and Purchaser's systems and the Purchaser requires additional supply capacity in order to expand its service to additional users, and

Whereas, by Resolution No. 1993-4 enacted on the 5th day of January, 1993 by the Seller, the sale of water to the Purchaser in accordance with the provisions of the said Resolution was approved, the execution of this contract carrying out the said Resolution by the City Council, and attest-ed by the Clerk, was duly authorized and

Whereas, by Motion of the Board of Commissioners of the Purchaser, (excerpt of 1/4/93 minutes attached) enacted on the 4th day of January, 1993, the purchase of water from the Seller in accordance with the terms set forth in the said motion was approved, and the execution of this contract by the Chairman, and attested by the Secretary was duly authorized;

Now, therefore, in consideration of the foregoing and the mutual agreements hereinafter set forth,

A. The Seller Agrees:

1. (Quality and Quantity) To furnish the Purchaser at the point of delivery hereinafter specified, during the term of this contract or any renewal or extension thereof, potable treated water meeting applicable purity standards of the Kentucky Natural Resources and Environmental Protection Cabinet as set forth in KRS Chapter 223 and 224 and 401 KAR Chapter 8 in such quantity as may be required by the Purchaser not to exceed 500,000 gallons per day. Further, the rate at which water is furnished to the Purchaser by the Seller shall not exceed 225 gallons per minute at the Highway 127 meter and shall not exceed 122 gallons per minute at the Highway 227 meter.

2. (Point of Delivery and Pressure) That water will be furnished at a reasonably constant pressure of at least 30 p.s.i. calculated at the Purchaser's meters from an existing eight (8) inch main supply at a point located on U.S. Highway 127 (Walker property) and from an existing 6" main supply at a point located on Highway 227 (Ford property). If a greater pressure than that normally available at the point of delivery is required by the

Purchaser, the cost of providing such greater pressure shall be borne by the Purchaser. Emergency failures of pressure or supply due to main supply line breaks, power failure, flood, fire and use of water to fight fire, earthquake or other catastrophe shall excuse the Seller from this provision for such reasonable period of time as may be necessary to restore service. It is understood and agreed that the Seller shall not be required to provide or maintain pressure to the Purchaser's customers except as herein set out, nor does the Seller in any way obligate itself to provide fire protection.

3. (Billing Procedure) The metering equipment shall be read on the 15th day of the month. An appropriate official of the Purchaser at all reasonable times shall have access to the meter for the purpose of verifying its readings. Seller shall furnish the Purchaser at the above address not later than the 1st day of each month, an itemized statement of the amount of water furnished the Purchaser during the preceding month.

B. The Purchaser Agrees:

1. (Rates and Payment Date) To pay the Seller for water delivered in accordance with the following schedule of rates:
 - a. \$1,243.30 for the first 1,000,000 gallons, which amount shall also be the minimum rate per month.
 - b. \$1.2433 per 1000 gallons for water in excess of 1,000,000 gallons.

The Purchaser agrees to abide by the standard rules of the Seller with respect to payment, penalty for delinquent account, and termination of service for non payment. Said rate shall become effective on November 1, 1993 or in no event sooner than four (4) months prior to the completion of the new water treatment plant by seller.

2. (Metering Equipment) To furnish, install, operate and maintain at its own expense at point of delivery, the necessary metering equipment, including a meter house or pit, and required devices of standard type for properly measuring the quantity of water delivered to the Purchaser and to calibrate such metering equipment whenever requested by the Purchaser but not more frequently than once every twelve (12) months. A meter registering not more than two percent (2%) above or below the test result shall be deemed to be accurate. The previous readings of any meter disclosed by test to be inaccurate shall be corrected for the two months previous to such test in accordance with the percentage of inaccuracy found by such tests. If any meter fails to register for any period, the amount of water furnished during such period shall be deemed to be the amount of water delivered in the corresponding period immediately prior to the failure, unless Seller and Purchaser shall agree upon a different amount. Appropriate representatives of the Seller and Purchaser shall have access to the metering equipment at all times.

C. It is further mutually agreed between the Seller and the Purchaser as follows:

1. (Term of Contract) That this contract shall extend for a term of fifty (50) years from the date of closing of FmHA loan and grant and, thereafter may be received or extended for such term, or terms, as may be agreed upon by the Seller and Purchaser.

2. (Delivery of Water) That thirty (30) days prior to the estimated date of completion of any new construction serving more than 50,000 gallons per month of the Purchaser's water supply distribution system, the Purchaser will notify the Seller in writing the date for the initial delivery of water.

3. (Water for Testing) When requested by the Purchaser, the Seller will make available to the Purchaser at the point of delivery, or other point reasonably close thereto, water sufficient, for testing, flushing, and filling the system of the Purchaser during construction, at the normal rates and charges. Purchaser shall arrange for all such water to be metered prior to request. Purchaser agrees that withdrawals of water from the Seller's system in accordance with this paragraph shall be accomplished in a manner so that the Seller's system operation is not disrupted.

4. (Failure to Deliver) That the Seller will, at all times, operate and maintain its system in an efficient manner and will take such action as may be necessary to furnish the Purchaser with quantities of water required by the Purchaser. Temporary or partial failures to deliver water shall be remedied with all

possible dispatch. Actions to eliminate temporary or partial failures to deliver water shall be initiated and, completed within 60 days, weather and other conditions permitting, of receiving written notification and verification of deficiency in their system of delivery at Purchaser's meters. In the event of an extended shortage of water, or the supply of water available to the Seller is other-wise diminished over an extended period of time, the supply of water to Purchaser's consumers shall be reduced or diminished in the same ratio or proportion as the supply to Seller's consumers is reduced or diminished.

5. (Modification of Contract) That the provisions of this contract pertaining to the schedule of rates to be paid by the Purchaser for water delivered are subject to modification at the end of every one year period. On or about January 1 of each subsequent year of the contract, each party shall have the right to request a review of the actual cost of water being supplied to the Purchaser, and authorize a mutually agreeable engineer to perform a study on the cost of water production and distribution by the Seller to the Purchaser. Each party to this contract shall bear fifty (50) percent of the cost of the study, and agrees to be bound by the results of the study. Seller agrees that the benefit of the 1992 Farmers Home Administration grant in the amount of \$314,900 will accrue only to the Purchaser for the purpose of reducing the Purchaser's portion of the debt service associated with the 1992 water supply project. Both parties agree that future rate studies in addition to operating and debt costs shall provide for a 10 percent debt service reserve or such other reserve as may be required by the bond holders. Any increase or decrease in rates

shall be based on a demonstrable increase or decrease in the costs of the information hereunder. However, such costs shall not include increased capitalization of the Seller's system for the specific purpose of increasing the production or distribution capacity of the system. Other provisions of this contract may be modified or altered by mutual agreement.

6. (Regulatory Agencies) That this contract is subject to such rules, regulations, or laws as may be applicable to similar agreements in this State and the Seller and Purchaser will collaborate in obtaining such permits, certificates, or the like, as may be required to comply therewith.

7. (Miscellaneous) That the construction of the water supply distribution system expansion by the Seller is being financed by a loan made or insured by, and/or a grant from, the United States of America, acting through the Farmers Home Administration of the United States Department of Agriculture, and the provisions hereof pertaining to the undertakings of the Seller and Purchaser are conditioned upon the approval, in writing, of the State Director of the Farmers Home Administration.

8. (Successor to the Purchaser) That in the event of any occurrence rendering the Purchaser incapable of performing under this contract, any successor of the Purchaser, whether the result of legal process, assignment, or otherwise, shall succeed to the rights of the Purchaser hereunder.

This contract is hereby pledged to the United States of
America, acting through the administrator of the Farmers Home
Administration as part of the security for loans made by the
Farmers Home Administration to the Purchaser and Seller.

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

Seller: City of Owenton,
Kentucky

J.O. Powers

By: J.O. Powers
Title: Mayor

Attest:
Freda Prather
Clerk

Water District

Purchaser: Tri-Village

Charles F. Noel

By: Charles F. Noel
Title: Chairman

Attest:
Alan Sherman
Secretary

This contract is approved on behalf of the Farmers Home Administration this 22nd day of JANUARY, 1993.

By Jimmy H. Hall

Title COMMUNITY AND BUSINESS PROGRAMS SPECIALIST

Tri-Village Water District

3700 Highway 127N

Owenton, KY 40359-9309

Phone 502-484-5774

SPECIAL MEETING 1-4-93

**PRESENT - Charlie Noel, Bill Babington, Sidney Gullion
David Edmondson, Glen Dunavent, Juanita
Ethridge, and Carol Cox**

After reading all of the Water Purchase Contract and after a lengthy discussion the Board made the following Motion.

David Edmondson made the motion to approve the Water Purchase Contract from Owenton, Sidney Gullion seconded the motion and the motion was approved by all.

Tri-Village Water District

3700 Highway 127N

Owenton, KY 40359-9309

Phone 502-484-5774

1-800-443-9069 FAX 502-484-0966

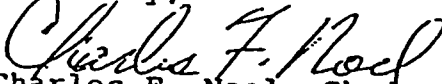
August 3, 1995

Mr. J.R. Ballard
Mayor
City of Owenton
Owenton, Ky. 40359

Dear Sir:

We are signing Amendment No. 1 to Water Purchase Contract concerning raising water rates to \$1.2864 subject to written approval of the Public Service Commission and the RECD.

Sincerely,


Charles F. Noel, Chairman
Tri-Village Water District

Amendment N. 1
Water Purchase Contract - 5 January 1993

between - The City of Owenton ("Seller")
Tri-Village Water District ("Purchaser")

This document to amend paragraph B Section 1. a and b of above
referenced contract to read as follows:

- a. \$1,286.40 for the first 1,000,000 gallons which shall also be the minimum rate per month.
- b. \$1.2864 per 1000 gallons for water in excess of 1,000,000 gallons.

The above being approved by Farmers Home Administration (FmHA) in Letter of Conditions Amendment 1 dated June 24, 1994 and acknowledged by Purchaser in letter of July 26, 1994.

All other provisions of the referenced contract remain in full force and unchanged.

Signed: K. F. Ballard, Jr.
K.F. Ballard, Jr., Mayor - City of Owenton

Charles F. Noel 8-3-95
Charles F. Noel, Chairman - Tri-Village

Witness: Kevin F. [Signature]

LB
55

EMERGENCY CONNECTION AGREEMENT

THIS AGREEMENT, by and between the GEORGETOWN MUNICIPAL WATER & SEWER SERVICE, 125 West Clinton Street, Georgetown, Kentucky 40324, ("GMWSS") and KENTUCKY-AMERICAN WATER COMPANY, 2300 Richmond Road, Lexington, Kentucky 40502 ("the Company").

WHEREAS, GMWSS and the Company are providers of potable water and have installed facilities in close proximity to one another; and

WHEREAS, it is in the mutual best interest of both the customers of GMWSS and the Company to connect such facilities in order to supply water to one another in the event of a drought, emergency condition, service interruption or other unexpected condition as determined pursuant the terms of this Agreement.

NOW, THEREFORE, in consideration of the covenants herein, GMWSS and the Company hereby agree as follows:

1. Term. This Agreement shall be for a term of ten (10) years from the date that the Agreement is approved by GMWSS. The Agreement shall be automatically renewed for additional consecutive terms of ten (10) years each to commence on the expiration of the original term and each term thereafter. Provided, however, that either party may not renew the Agreement by providing written notice to the other party at least six (6) months prior to the expiration of the then current term.

2. Facilities. Both GMWSS and the Company agree that they will construct and maintain, each at their own respective cost, sufficient fixtures, mains, pipes, vaults, metering equipment, pumps, and other equipment, improvements and facilities for the

delivery to each other of Service under this Agreement at the Point of Delivery when requested by the other party.

3. Service. The Service of water provided under this Agreement shall be the actual delivery of treated, potable water, which meets or exceeds, all applicable drinking water standards in effect at the time of delivery, and at a minimum pressure of forty (40) pounds per square inch (psi), at the Point of Delivery.

4. Point of Delivery. The Point of Delivery shall be the point of connection of GMWSS's and the Company's facilities near the intersection of the Georgetown Bypass and Commercial Drive in the City of Georgetown, Kentucky and as shown on the attached Work Order Sketch which is incorporated herein.

5. Right to Receive Service. Either party shall have a right to receive Service ("Receiving Party") from the other party ("Providing Party") whenever the Receiving Party certifies that an emergency, drought or unexpected condition exists. Upon receipt of such request for Service, and pending water availability at the time of the request for Service, the Providing Party shall immediately provide Service as required under this Agreement.

6. Notice. All notices or other communication required by this Agreement, including requests for Service, under this Agreement, shall be provided in writing (including by facsimile transmission) to:

GMWSS: Georgetown Municipal Water & Sewer Service
Attention: Robert L. Riddle
125 W. Clinton Street
Georgetown, Kentucky 40324
Fax #: (502) 863-3575

Company: Kentucky-American Water Company
Attention: President
2300 Richmond Road
Lexington, KY 40502
Fax # (606) 268-6327

7. Termination of Service: Service may be terminated by the Receiving Party by such party's written notice to the Providing Party. The Providing Party may terminate Service for reasons set forth in the regulations of the Kentucky Public Service Commission as may be in effect from time to time.

8. Rates. GMWSS agrees to pay the rates for Service from the Company at the Company's rate filed and in effect from time to time with the Kentucky Public Service Commission. The current rate structure is attached hereto and incorporated herein. The Company agrees to pay the rates, in effect from time to time, for Service from GMWSS as set forth in the attached GMWSS rate schedule which is incorporated herein.

9. Metering Arrangements and Payment. Company agrees, in the event Service is requested by either party, to install a temporary service meter at the Point of Delivery for properly measuring the quantity of water being delivered. Both GMWSS and the Company may have access to the meter at all reasonable times for the purpose of reading such meter. The meter shall be read at the end of each calendar month while service is being provided and at the time Service is terminated, with payment to be made no later than 30 calendar days following the receipt of the invoice for the Service.

10. Failures. The parties acknowledge that unexpected supply or treatment problems may occur which are beyond their control. In the event the Providing Party, when called upon, is unable to provide Receiving Party with Service under the terms of this Agreement for reasons beyond the Providing Party's control, the Providing Party shall use its best efforts to restore the Service to the quality, rate of flow and pressure required. Time is of the essence in all situations where such failure and duty of restoration exists. In the event delivery problems limit or prevent the delivery of water to any of the Providing Party's other customers, then the Providing Party agrees that any restrictions, placed by it or upon it by others as to water delivery, shall apply to the Receiving Party in the same manner as applied by the Providing Party to other customers.

11. Additional Notice. In addition to any communications called for in this Agreement, the Receiving Party will timely notify Providing Party of any condition or situation, which would adversely affect the quality, quantity or pressure of the water in Providing Party's system and, likewise, Providing Party will timely notify Receiving Party of any condition or situation, which would adversely affect (or have affected) the quality, quantity or pressure of the water provided at the Point of Delivery.

12. Company's Representation and Warranty. Company is a Kentucky corporation with the authority to enter into this Agreement, subject to regulatory approval, and has the authority to perform under the terms of this Agreement.

13. GMWSS's Representation and Warranty. GMWSS is an entity of the City of Georgetown, Kentucky municipal corporation, with statutory authority to enter into this Agreement and to perform under the terms of this Agreement.

14. Termination. In addition to the provisions of Section 1 above:

Either party may terminate this Agreement upon six (6) months written notice in the event of:

- (a) Repeated failure of a Providing Party to provide the Service set forth in this Agreement.
- (b) Repeated failure of a Receiving Party to pay its invoices for water service on a timely basis.

15. Miscellaneous Provisions.

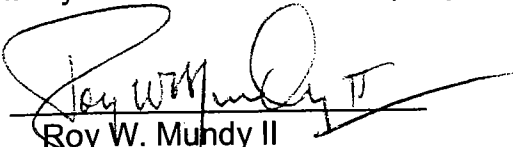
- (a) This Agreement does not constitute a partnership, joint venture, agency or other relationship between Buyer and Seller, and Buyer and Seller expressly state that they owe no fiduciary duties to one another and that the relationship is based upon Contract.
- (b) This Agreement is binding on the successors and assigns of the parties hereto and is subject to the laws of the Commonwealth of Kentucky.
- (c) Each party reserves the right to develop and use other water supply sources and may obtain water from resources other than as described in this Agreement.

- (d) The parties agree to operate and maintain their respective facilities in an efficient and economical manner and in accordance with all applicable local, state and federal laws, regulations and performance standards.
- (e) This Agreement may be amended at any time by mutual agreement, in writing, of the parties.
- (f) Both parties agree to use their best efforts to obtain all regulatory and legal approvals which may be required for the accomplishment of the terms of this Agreement.
- (g) The parties acknowledge that the water to be purchased hereunder will be resold in the regular course of business of the Receiving Party and is therefore exempt from Kentucky sales and use tax. To evidence this exemption, the Receiving Party will furnish the Providing Party with a duly executed "Resale Certificate" or such other documentation as the parties deem appropriate.


IN WITNESS WHEREOF, the parties have set forth their hand the day and year first above written.

COMPANY:

Kentucky-American Water Company

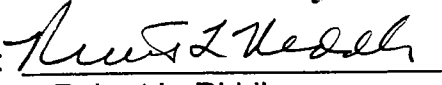
By: 
Roy W. Mundy II
President

Date: 5/16/99

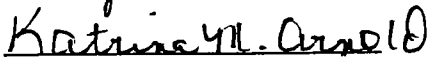
Attest: 
Name: Herbert A. Miller, Jr.
Secretary

GMWSS:

Georgetown Municipal Water &
Sewer Service

By: 
Robert L. Riddle
General Manager

Date: May 10, 1999

Attest: 
Name: _____

PROPOSED INVESTMENT SKETCH

KENTUCKY - AMERICAN WATER COMPANY at LEXINGTON, KENTUCKY
 MAP No. IN258-092E TAX DISTRICT SCOTT COUNTY
 SHEET 1 of 1 SCALE 1" = 200'
 OPERATIONS FRED WHITE
 DRAWN BY JAMES D. VICE
 INSPECTOR JOHN HILL

INVESTMENT W.O. No. 9316

AG139 OLD W.O. No.
 GEORGETOWN SERVICE TIE-IN
 SUB-DIVISION
 IN SERVICE DATE DATE 3-12-99
 DATE COMPLETED DATE

TRENCH : AVER. DEPTH _____ KIND SOIL _____ KIND ROCK _____
 PAVING : KIND _____ LENGTH CUT _____ WIDTH CUT _____
 OVERALL LENGTH OF MAINS
 INSTALLED 610' of 16" DI PIPE
 No. of HYDRANTS INSTALLED N/A
 No. of HYDRANTS REPLACED N/A
 No. of HYDRANTS RETIRED / REPLACED N/A
 No. of HYDRANTS RETIRED / SYSTEM N/A

REMARKS

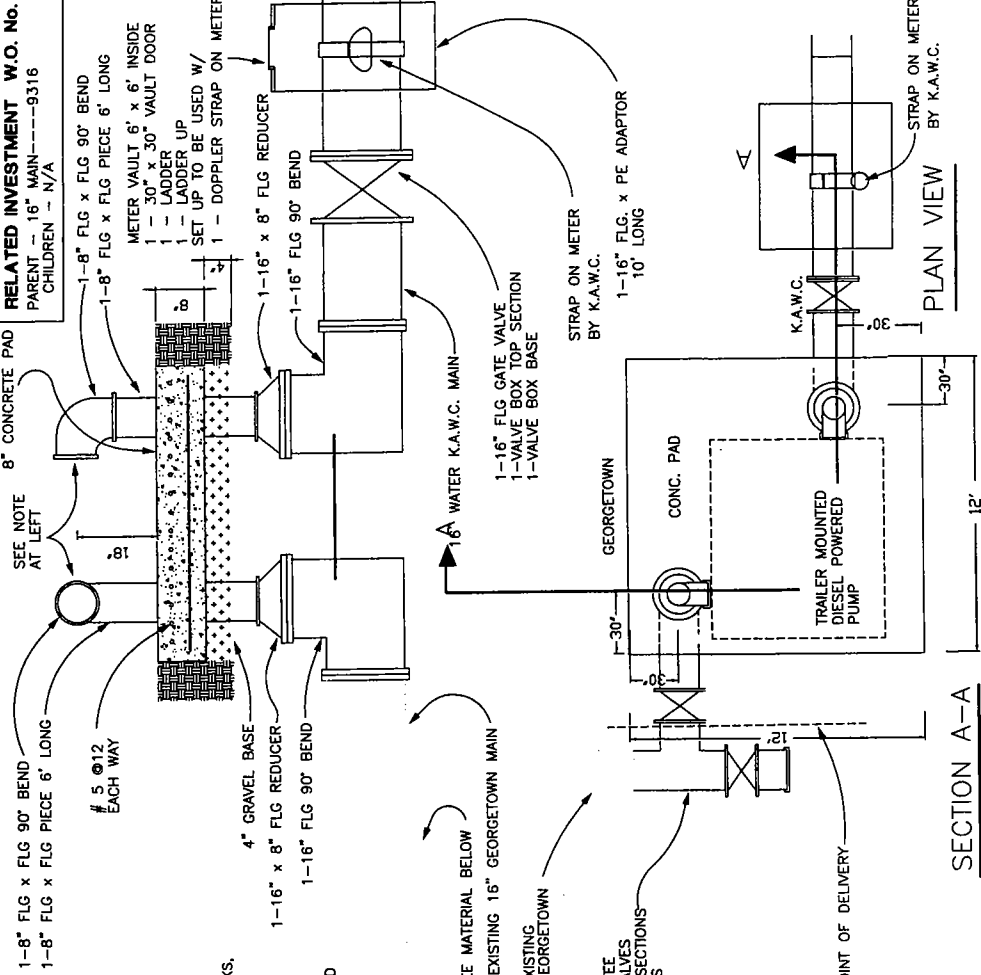
RELATED RETIREMENT W.O. No. _____ N/A
 RELATED INVESTMENT W.O. No. _____
 PARENT - 16" MAIN ---9316
 CHILDREN - N/A

- REVISIONS :
- A9139 1 - 16" x 8" MJ REDUCER
 - 1 - 8" MJ SLEEVE
 - 8 - 8" DI PIPE
 - 1 - VALVE BOX TOP SECTION
 - 1 - 8" TAPPING VALVE
 - 1 - 8" x 8" TAP SLEEVE FOR DI PIPE

100' BORE AND ENCASE W/ 24" CASING .312" THICK
 13-24" CASING INSULATORS
 2-16" x 24" CASING END SEALS

NOTE:
 SECURING THE 8" FLANGE 90° BENDS
 THE TWO 8" FLANGE 90° BENDS ABOVE THE CONCRETE PAD WILL BE SECURED WITH 8" COMPANION FLANGES MACHINED OUT TO A 6" IRON PIPE FEMALE OPENING. THESE COMPANION FLANGES WILL BE BOLTED TO THE 8" FLANGE 90° BENDS.
 THE FEMALE OPENING IN THE 8" COMPANION FLANGES WILL HAVE A 6" PLUG INSERTED, WHICH WILL BE REMOVED WHEN IN USE.
 EACH COMPANION FLANGE WILL HAVE 2-LOCKS, ONE FOR K.A.W.C. AND ONE FOR G.M.W.S.S. THESE LOCKS WILL BE INSTALLED THROUGH THE BOLT HOLES.

NOTE:
 MEGA LUGS ARE TO BE USED ON ALL FITTINGS.



SECTION A-A
 12'

PLAN VIEW
 STRAP ON METER BY K.A.W.C.

KENTUCKY-AMERICAN WATER COMPANY
Schedule of Rates

Service Classification No. 1

Applicable

Applicable to all customers in the City of Lexington, Fayette County, Kentucky, and contiguous territory thereto.

Availability of Service

Available for Residential, Commercial, Industrial, Sales for Resale, Municipal and All Other Public Authority Metered Service.

Meter Rates

The following shall be the rate for consumption, in addition to the service charges provided herein:

<u>Customer Category</u>	<u>Rate Per 1,000 Gallons All Consumption</u>	<u>Rate Per 100 Cubic Feet - All Consumption</u>
Residential	\$2.07293	\$1.55470
Commercial	\$1.95612	\$1.46709
Industrial	\$1.56641	\$1.17481
Municipal and Other Public Authority	\$1.87384	\$1.40538
Sales for Resale	\$1.79261	\$1.34446
<u>KRA Withdrawal Fee</u>	<u>Rate Per 100 Cubic Feet</u> \$.03373	<u>Rate Per 100 Cubic Feet</u> \$.02530

Service Charges

All metered general water service customers shall pay a service charge based on the size of meter installed. The service charge will not entitle the customer to any water.

<u>Size of Meter</u>	<u>Service Charge Per Month</u>
5/8 inch	\$ 6.83
3/4 inch	10.24
1 inch	17.06
1-1/2 inch	34.13
2 inch	54.60
3 inch	102.38
4 inch	170.63
6 inch	341.26
8 inch	546.02

EFFECTIVE NOVEMBER 5, 1997

Service Classification No. 3

Applicable

Applicable to all customers in the City of Lexington, Fayette County, Kentucky, and contiguous territory thereto.

Availability of Service

Available for municipal or private fire connections used exclusively for fire protection purposes.

Rates

<u>Size of Service</u>	<u>Rate Per Month</u>	<u>Rate Per Annum</u>
2" Diameter	\$ 4.00	\$ 48.00
4" Diameter	16.00	192.00
6" Diameter	35.96	431.52
8" Diameter	63.92	767.04
10" Diameter	99.88	1,198.56
12" Diameter	143.85	1,726.20
14" Diameter	195.82	2,349.84
16" Diameter	255.70	3,068.40

Service Classification No. 4

Applicable

Applicable to all customers in the City of Lexington, Fayette County, Kentucky, and contiguous territory thereto.

Availability of Service

Available for municipal or private fire connections used exclusively for fire protection purposes.

Rates for Public Fire Service

	<u>Rate Per Month</u>	<u>Rate Per Annum</u>
For each public fire hydrant contracted for or ordered by Urban County, County, State or Federal Governmental Agencies or Institutions.	\$23.96	\$287.52

Rates for Private Fire Service

For each private fire hydrant contracted for by Industries or Private Institutions	\$35.96	\$431.52
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HIDDEN LEAK ADJUSTMENT:

A charge of twenty-five percent (25%) of the applicable tariffed rate will be applied to all water usage determined to be the result of a hidden underground leak.

LFUCG SEWER BILLING RATES (Fayette County Customers Only)

Kentucky-American Water Company provides Sewer Billing Services under Contract for the Lexington-Fayette Urban County Government (LFUCG). All rates, billing, and adjustment policies and procedures are set by ordinance of the LFUCG and are strictly followed by Kentucky-American Water Company. Current rates have been in place since 1992. All customers connected to the LFUCG sewer system are subject to these sewer fees. The party in whose name the Kentucky-American Water Company water bill is listed is also responsible for payment of the sewer charges.

Rates: All rates are charged per 100 cubic feet (CCF) of water consumption:

Residential:	0-4 CCF	\$1.48 per CCF
	all over 4 CCF	\$1.80 per CCF

Commercial: all at \$1.80 per CCF plus Kentucky State Sales Tax

Fall/Winter Averaging (Residential Only): In recognition of the fact that most people use additional water in the summer for lawns, pools, gardens, etc., that does not enter the sanitary sewer system, LFUCG uses Fall/Winter Averaging to compute your sewer bill. Between the bill dates of May 1 and October 31, you are billed the lower of: 1) your actual current usage; or, 2) the average of your last 6 monthly winter period bills. However, no customer can receive this Fall/Winter Averaging discount on more than 6 bills in any given year.

SPECIAL SITUATIONS:

Extra Strength Charges: Some non-residential customers may be subject to charges based upon the amount of treatment required for their sewage discharge. LFUCG makes this determination.

Exclusion Credits: Some non-residential customers may be entitled to a credit for water consumption that does not enter the sewer system, as measured by an exclusion meter. Application must be made directly to LFUCG Division of Sanitary Sewers.

Multiple-Family Dwellings: Multiple-family dwelling units, apartment buildings, condominiums, or trailer parks having more than one residential unit served by a single water meter may apply to LFUCG to be billed at residential rates based upon number of qualifying units.

Non-Payment of Sewer Charges: Non-payment of sewer charges may result in the termination of water service. The prevailing PSC-approved reconnection fee will be charged to restore water service.

(REVISED 11/97 FOR MONTHLY BILLING)

ORDINANCE NO. 99-07

**AN ORDINANCE AMENDING ORDINANCE NO. 94-028 OF
THE CITY OF GEORGETOWN, KENTUCKY, REDUCING
RATES AND CHARGES FOR WATER SERVICE AND INCREASING
RATES AND CHARGES FOR WATER TAP FEES AND SEWER
CONNECTION FEES PROVIDED BY THE CITY'S COMBINED AND
CONSOLIDATED MUNICIPAL WATER AND SEWER SERVICE**

WHEREAS, the combined and consolidated municipal water and sewer service (the "Service") of the City of Georgetown, Kentucky (the "City"), is operated on a revenue producing and self-sustaining basis under the management, control and operation of the City's Board of Commissioners (the "Board"); and

WHEREAS, it has been determined by the Board and the City Council that a reduction in rates and charges for water service is now justified and that an increase in water tap fees and sewer connection fees is now needed to meet present and prospective costs associated therewith; and

WHEREAS, the Board has recommended a reduction in rates and charges for water service beginning March 1, 1999, and an increase in water tap fees and sewer connection fees beginning March 1, 1999;

NOW THEREFORE, BE IT ORDAINED BY THE CITY OF GEORGETOWN, KENTUCKY, ACTING BY AND THROUGH ITS COUNCIL AS FOLLOWS:

Section 1. The monthly rates and charges for water service to each customer provided by the Service shall be as set forth in the following schedule:

Rates Effective March 1, 1999

<u>Usage Per Month</u>	<u>Monthly Charge</u>
First 2,000 gallons	\$7.59 (minimum monthly bill)
All over 2,000 gallons	\$4.26 per 1,000 gallons

Section 2. Remains unchanged.

Section 3. Water tap fees shall be as follows except when the cost of making a tap exceeds the tap fee. The customer shall be billed for any additional cost. Sewer connection fees shall be the same as water tap fees based on the size of the water meter.

3/4"x5/8"	\$500
1"	\$750
2"	\$1,650
3"	\$3,150
4"	At Cost
6"	At Cost
8"	At Cost

Section 4. Remains unchanged.

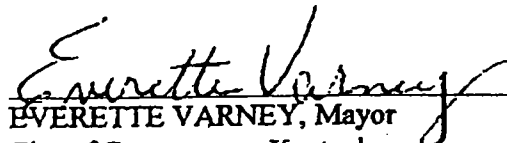
Section 5. Remains unchanged.

Section 6. Remains unchanged.

Section 7. This Ordinance shall be in full force and effect upon its final adoption and publication as provided by law.

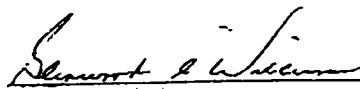
ADOPTED BY THE COUNCIL OF THE CITY OF GEORGETOWN, KENTUCKY, upon second reading at a meeting held on the 20th day of February, 1999, following first reading on the 9th day of February, 1999; and, upon such adoption, signed by the Mayor as evidence of his approval, attested under seal by the City Clerk, ordered to be published and declared to be in full force and effect according to law upon publication.

APPROVED:


EVERETTE VARNEY, Mayor
City of Georgetown, Kentucky

(SEAL)

ATTEST:

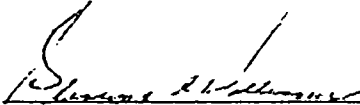

GLENWOOD C. WILLIAMS, City Clerk
City of Georgetown, Kentucky

CERTIFICATION

I, the undersigned City Clerk of the City of the Georgetown, Kentucky (the "City"), do hereby certify that the foregoing is a true, complete and correct copy of an Ordinance finally adopted upon second reading by the City Council, approved by the Mayor, and attested by me as City Clerk, upon the occasion of a properly convened meeting of the City Council held on the 23rd day of February, 1999, as shown by the official records of the City in my custody and under my control. I further certify that I have delivered said Ordinance to the legal newspaper qualified under KRS Chapter 424 to publish legal documents on behalf of the City with directions that the Ordinance be published with the earliest possible issue thereof.

WITNESS, my hand and seal of the City this 23rd day of February, 1999.

(SEAL)



GLENWOOD C. WILLIAMS, City Clerk
City of Georgetown, Kentucky

Post-It™ brand fax transmittal memo 7871		# of pages = 3
To <i>Katrina</i>	From <i>Glenwood</i>	
Co. <i>Williams</i>	Co. <i>City of Georgetown</i>	
Dept.	Phone # <i>863-9813</i>	
Fax # <i>863-3575</i>	Fax # <i>863-9808</i>	