

ORIGINAL DOCUMENT

**EXHIBIT A**  
NOT  
12/30/2024

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88076

MODIFICATION  
OF  
WATER PURCHASE CONTRACT

This modification of water purchase contract entered into this the 7<sup>th</sup> day of January, 2003, between, City of Falmouth hereinafter referred to as CITY and Pendleton County Water District, hereinafter referred to as PCWD,

WITNESSETH:

WHEREAS, on or about the 12<sup>th</sup> day of March, 1984, the CITY and PCWD entered into a contract by the terms of which PCWD was to purchase quantities of water from CITY under certain terms and conditions set forth in said contract, and

WHEREAS, PCWD is now desirous of extending the term of said contract, and

WHEREAS, PCWD has tendered to CITY the sum of Ten (\$10) Dollars in consideration of its agreement to extend the term as set forth hereinafter, and in consideration of the mutual promises and agreements of the parties hereto,

NOW THEREFORE, it is agreed that said contract shall be and hereby is modified as follows:

1. (Terms of Contract) That this contract shall extend for a term of forty-four (44) years from the date hereof, and thereafter may be renewed or extended for such terms as may be agreed upon by CITY and PCWD.

The intention and purpose of this modification of water purchase contract to extend the term of the original water purchase contract through this date in the year of 2047 so as to facilitate the financing of an extension by PCWD, and shall be interpreted, construed and applied so as to accomplish this purpose.

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IN WITNESS WHEREOF, the parties hereto, acting under authority of their respective governing bodies, have caused this contract to be duly executed in seven (7) counterparts, each of which shall constitute an original.

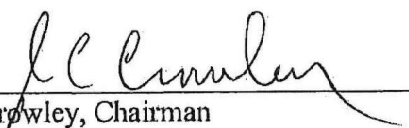
CITY OF FALMOUTH

By   
Mayor Gene Flaughter


ATTEST:

  
Terry England, City Clerk

PENDLETON COUNTY WATER DIST.

By   
J.C. Crowley, Chairman

ATTEST:

  
H.T. Ammerman, Secretary

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The City of Falmouth met on the 7<sup>th</sup> day of January, 2003 at the City Office in Falmouth, Kentucky with Council members Rick Mineer, Mark Hart, Kim Bastin, Mary Ann Pittman, and Shannon Weaver present.

Kim Bastin introduced the following Resolution and moved its adoption.

RESOLUTION

WHEREAS, on or about the 12<sup>th</sup> day of March, 1984, the City of Falmouth contracted with Pendleton County Water District for the furnishing of water to the latter District upon certain terms and conditions, and

WHEREAS, the Pendleton County Water District has asked that the term of said contract be amended by the extension of the term for said contract for an additional forty-four (44) years, to permit it to finance extension of certain lines.

WHEREAS, such an extension would appear to be in the best interest of the City of Falmouth, and

WHEREAS, the Pendleton County Water District has tendered the sum of Ten (\$10.00) Dollars in consideration for said modification.

NOW THEREFORE, Be it Resolved that the City of Falmouth, by and through its Mayor, enter into a modification contract with the Pendleton County Water District which shall accomplish as its purpose the extension of the contract of March 12, 1984 for an additional forty-four (44) year term. Be It Further Resolved that the said contract shall be ratified in all other respects as originally entered. A copy of said Modification of Contract is attached hereto and made a part thereof.

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Mary Ann Pittman seconded the motion and upon roll call being taken,

the following voted:

AYE Rick Mineer, Mark Hart, Kim Bastin,  
Mary Ann Pittman and Shannon Weaver.

NAY: None

Whereupon the foregoing Resolution was adopted.

A TRUE COPY ATTEST:

Terry England  
Terry England, City Clerk



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## WATER PURCHASE CONTRACT

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THIS CONTRACT, for the sale and purchase of water is entered into this 12th day of March, 1984, between the CITY OF FALMOUTH, PENDLETON COUNTY, KENTUCKY, Main Street, Falmouth, Kentucky, a Municipal Corporation, hereinafter referred to as the "SELLER" and the PENDLETON COUNTY WATER DISTRICT, 400 Main Street, Falmouth, Kentucky, 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 system and the estimated number of water users to be served by the said Purchaser as shown in the plans of the system now on file in the office of the Purchaser, and

WHEREAS, by Resolution enacted on the 12th day of March, 1984, by the Seller, the sale of water to the Purchaser in accordance with the provisions of the said Resolution was approved, and the execution of this Contract carrying out the said Resolution by the Mayor and attested by the Secretary, was duly authorized, and

WHEREAS, by Resolution of the Commissioners of the Purchaser, enacted on the 11 day of JUNE, 1984, the purchase of water from the Seller in accordance with the terms set forth in said Resolution 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 State of Kentucky in such quantity as may be required by the Purchaser not to exceed five million (5,000,000) gallons per month.

2. (Point of Delivery and Pressure) That water will be furnished at a reasonable constant pressure calculated at City Normal Pressure from an existing six (6) inch main supply at a point located as per the parties' agreement within the city or just outside the city. 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 periods of time as may be necessary to restore service.

3. The metering equipment shall be read on or about the 14th day of each month. An appropriate official of the Purchaser at all reasonable times shall have access to the meter for

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the purpose of verifying its readings.

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4. (Billing Procedure) To furnish the Purchaser at the above address not later than the 30th day of each month, with an itemized statement of the amount of water furnished the Purchaser during the preceding month.

B. The Purchaser agrees:

1. (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 Seller 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 (2) 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.

2. (Rates and Payment Date) To pay the seller, not later than the 10th day of each month for water delivered in accordance with the schedule hereinbelow set out or prevailing at the time.

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

1. (Term of Contract) That this Contract shall extend for a term of forty (40) years from this date, from the date water is delivered to the new line anticipated herein, or from the date of the issuance of the new bonds, and in no event for longer than forty-two (42) years from this date, and, thereafter may be renewed 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 construction of the addition of the Purchaser's water supply distribution system, the Purchaser will notify the Seller in writing of the date of the initial delivery of water.

3. (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. 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.

4. (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 the Seller adjusts rates to all its customers and by the same percent that it adjusts its rates to all its customers. Any increase or decrease in rates shall be based on a demonstrable increase or decrease in the costs of performance hereunder including, but not limited to, cost of labor, materials, necessary capital improvements, and reserve for

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depreciation. Other provisions of this Contract may be modified or altered by mutual agreement.

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a. However, by way of specifications, the rate schedule presently in effect is as follows:

0 - 2,000 gallons	- \$ 4.00 (minimum)
2,000 - 5,000 gallons	- 4.00 plus \$.84 per 1,000
5,000 - 10,000 gallons	- 6.52 plus \$.70 per 1,000
10,000 - 50,000 gallons	- 10.02 plus \$.58 per 1,000
all over 50,000 gallons	- 33.22 plus \$.75 per 1,000

b. At no time shall there be established, without the consent of second party, new classes of water usage. At anytime the City adjusts rates to any one or more class of water users, either by increasing or decreasing said rates, the same adjustment shall be made to the rates applicable to all classes of users for example, an increase of twenty-five (25%) percent would, based upon the schedule of rates set out herein, increase the minimum bill from \$4.00 to \$5.00 and would increase the rate to other classes to \$1.05 dollars per thousand, \$.875 dollars per thousand, \$.725 dollars per thousand, and \$.9375 dollars per thousand, respectively.

5. However, notwithstanding the above, it is agreed that the initial rate for the water purchased by purchaser in the range of 4,000,001 through 5,000,000 gallons shall be open to negotiation of the parties at the time same is delivered or anticipated as being delivered to purchaser by seller. However, once the initial rate is set, modifications of said rate will be in accordance with this contract.

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 by the Purchaser 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 Purchaser are conditioned upon the approval, in writing, of the State Director of the Farmers Home Administration, or some other state or Federal agency or agencies similarly administered and this contract is similarly conditioned if the same be another agency or agencies.

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.

9. This Contract is hereby pledged to the United States of America, acting through the Farmers Home Administration, as part of the security for a loan from the United States of America or such other state or Federal agency as may participate in or provide financing for the project.

10. This contract supersedes the contract and modification of 1976 and 1981, respectively.

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IN WITNESS WHEREOF, the parties hereto, acting under authority of their respective governing bodies, have caused this contract to be duly executed in two (2) counterparts, each of which shall constitute an original.

SELLER:

CITY OF FALMOUTH

BY *Mark Gaddy*

Title: MAYOR

ATTEST:

*H. L. Crummen*  
SECRETARY

PURCHASER:

PENDLETON COUNTY WATER DISTRICT

BY *Denise Hornbeck*

Title: CHAIRMAN

ATTEST:

*H. L. Crummen*  
SECRETARY

This Contract is approved on behalf of the Farmers Home Administration this  
11 day of December, 1985.

By *James H. Little*Title Community & Business Programs Specialist

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PENDLETON COUNTY WATER DISTRICT  
BOX 186  
BUTLER, KENTUCKY 41006

MINUTES OF  
COMMISSIONER'S MEETING  
JUNE 11, 1984

COMMISSIONER'S PRESENT: Denver Hornbeek, Chairman, Louis McClannahan,  
and Tommy Ammerman

COMMISSIONER'S ABSENT: Paul Wright and J. C. Crowley

ELECTION OF OFFICERS: Motion was made by Louis McClannahan to elect  
the following officers - Denver Hornbeek, Chair-  
man, Tommy Ammerman, Secretary - Louis McClanna-  
han, Treasurer - Second the motion by Tommy  
Ammerman - Motion carried.

FINANCIAL REPORTS: The following reports were presented to the board  
and discussed. (1) 1983 Public Service Commission  
Annual Report (2) 1983 Farmers Home Administration  
Budget and Annual Report.

LINE EXTENSION PROJECT: (1) The project engineering recommendations  
were presented to the Board and discussed. A motion to accept the  
project as recommended by the Engineers was made by Tommy Ammerman -  
Second by Louis McClannahan - Motion carried.

\* (2) The final revised Water Purchase Contract with the City of  
Falmouth raising monthly maximum volumes was reviewed by the board.  
Motion to approve the contract was made by Louis McClannahan - Second  
by Tommy Ammerman. Motion carried.

(3) Interim financing requirements for the line extension project  
were discussed. A motion was made by Tommy Ammerman to offer the  
\$1,000,000 interim financing if needed to all three banking institu-  
tions on an equal amount basis (\$333,333.00) to each bank. Motion  
seconded by Louis McClannahan - Motion carried.

KY. DEPT. OF HIGHWAYS RELOCATION OF LINES: The relocation of water  
and gas lines on US 27 to accommodate planned truck lane construction  
was reviewed and discussed by the board. A recent road slip in the  
area was also discussed and will be a part of the project.

The recent increase by the City of Falmouth in its water rates has  
necessitated a filing for a Purchase Water Adjustment by the District  
to pass on the increase in rates.

The Public Service Commission Water Inspection Report was reviewed  
and discussed with agreement to work toward correcting the various  
items in the report.

There being no further business, a motion to adjourn was made by  
Tommy Ammerman - Seconded by Louis McClannahan.



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March 12, 1984

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Falmouth City Council met in regular session with Mayor Max Goldberg presiding. Councilmembers present: Wes Simpson, Ernest G. Cummings, O. T. Gillespie, Ada Moore and Howard Showalter, Jr. Absent: Cliff Bonar.

Ralph Bonar appeared before Council concerning water taps at Bonar Village. Motion by O. T. Gillespie, seconded by Ernest Cummings, to approve these taps but we assume no responsibility for the water and sewer lines until such time as the area is annexed into the City. Motion carried.

Bob English and Ronnie English appeared before Council concerning a go-cart track on Weaver Drive.

Tommy and Michael Cummins appeared before Council concerning doing work on the curb and guttering.

Don Wells appeared before Council concerning water contracts with Pendleton County Water District. Motion by Howard Showalter, seconded by Ada Moore, to authorize Mayor Goldberg and H. L. Ammerman, Clerk to sign the contracts with the Water District. Motion Carried.

#### RESOLUTION

WHEREAS, the City of Falmouth and the Pendleton County Water District entered into a Contract dated August of 1976 whereby the City was to sell to the District water under certain terms in an amount not to exceed 4,000,000 gallons per month for a period of forty (40) years hence,

WHEREAS, said Contract was amended or modified by agreement of the parties in 1982, and

WHEREAS, Pendleton County Water District now seeks to extend its water service lines to areas outside the area served under the earlier Contract, and

WHEREAS, in order to do so engineers require that an additional capacity be entered into or engaged by the parties in an amount not to exceed 5,000,000 gallons per month and the agencies by virtue of which the financing will occur with respect to said additions required a forty (40) year contract to extend from the date of the first service of water or issuance of the new bonds, and

WHEREAS, the City of Falmouth desires to assist, encourage and enhance the development of the Community by virtue of adopting and approving the proposal which is set out and contained in the Water Purchase Contract, a copy of which is attached hereto, and

WHEREAS, the execution of said Contract should be deferred until such time as the extension is completed and service is needed,

HOW THEREFORE, be it resolved that the City of Falmouth shall enter into the Water Purchase Contract, a copy of which is attached, provided that the Water District's applications are approved and the anticipated line extensions are or are to be installed and that the Mayor of the City of Falmouth is authorized to execute said contract on behalf of the City of Falmouth in return for the District's like and simultaneous execution of the contract, but that said execution

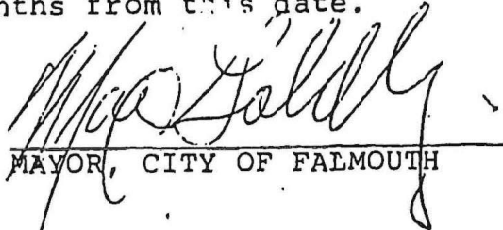
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10:09:45 AM the installation of the extension which contract shall be in force from that date or the date of the issuance of the new bonds until forty (40) years hence; in no event, shall said deferral for execution by longer than 24 months from this date.

  
MAYOR, CITY OF FALMOUTH

ATTEST

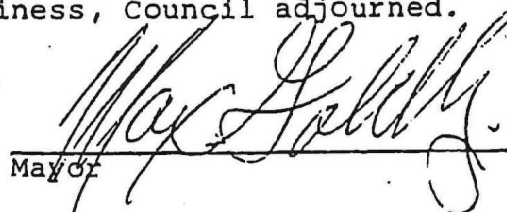
  
Clerk, City of Falmouth

Motion by Howard Showalter, seconded by Wes Simpson, to purchase the copy machine from Rawlings Business Machines for \$1,896.20. Motion carried.

Motion by Wes Simpson, seconded by Ada Moore, to advertise the trailers on the Donahue property for sale by sealed bids to be opened at the next Council meeting, April 9, 1984. Motion carried.

Mayor Max Goldberg appointed O. T. Gillespie, Jr., Wesley Simpson to review the water and sewer rates of the City of Falmouth and make recommendations to the Council.

City Clerk H. L. Ammerman reported cash in banks in the current operational funds of \$16,076.40 after paying. There being no further business, Council adjourned.

  
Mayor

  
Clerk

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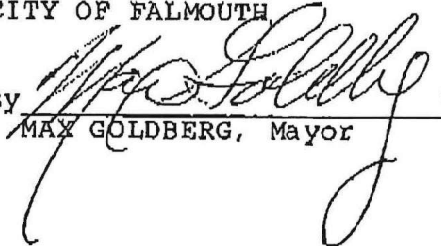
RESOLUTION

This matter having come to the attention of the City Council pursuant to a request by the East Pendleton Water District that the City and the Water District execute a new water purchase contract in order that the East Pendleton Water District might meet bonding requirements necessary to obtain a loan from the Farmers Home Administration to upgrade and repair the water system, and the City Council having considered the matter at its regular meeting on June 14, 1988, the following resolution was proposed by Virgiline Moore, seconded by Mike Whaley, and unanimously carried, to-wit:

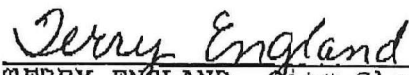
RESOLVED, that the Water Purchase Contract presented to the City Council this date by the East Pendleton Water District is hereby approved and the Mayor is hereby authorized to sign said contract on behalf of the City of Falmouth.

This 14 day of June, 1988.

CITY OF FALMOUTH

By   
MAX GOLDBERG, Mayor

ATTEST:

  
TERRY ENGLAND, City Clerk

Presiding Judge: HON. JAY DELANEY (618318)

EXH : 000012 of 000017



USDA--FHA  
Form FHA 442-30  
(Rev. 4-19-72)

Position 5

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## WATER PURCHASE CONTRACT

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This contract for the sale and purchase of water is entered into as of the 15th day of June, 19 88, between the City of Falmouth, Pendleton County, Kentucky a municipal corporation 88076

(Address)

hereinafter referred to as the "Seller" and the East Pendleton Water District, Route #1, Foster, Pendleton County, Kentucky 41043

(Address)

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 system and the estimated number of water users to be served by the said Purchaser as shown in the plans of the system now on file in the office of the Purchaser, and

Whereas, by Resolution No. -- enacted on the 14th day of June, 19 88, by the Seller, the sale of water to the Purchaser in accordance with the provisions of the said Resolution was approved, and the execution of this contract carrying out the said Resolution by the Mayor and attested by the Secretary, was duly authorized, and

Whereas, by Resolution of the Commissioners of the East Pendleton Water District of the Purchaser, enacted on the 15th day of June, 19 88, the purchase of water from the Seller in accordance with the terms set forth in the said Resolution 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 State of Kentucky

in such quantity as may be required by the Purchaser ~~not to exceed XXXXX gallons per month~~

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(Point of Delivery and Pressure) That water will be furnished at a reasonably constant pressure calculated a minimum of 90 lbs. p. s. i. from an existing twelve inch main supply at a point located at the intersection of Shelby Street and Licking Street in the City of Falmouth.

90 lbs. p. s. i. 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. (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. The metering equipment shall be read on the 14th day of each 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. (Billing Procedure) To furnish the Purchaser at the above address not later than the 30th day of each month, with 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, not later than the 15th day of each month, for water delivered in accordance with the following schedule of rates:

- a. \$ \_\_\_\_\_ for the first \_\_\_\_\_ gallons, which amount shall also be the minimum rate per month.
- b. \$ \_\_\_\_\_ cents per 1000 gallons for water in excess of \_\_\_\_\_ gallons but less than \_\_\_\_\_ gallons.
- c. \$ \_\_\_\_\_ cents per 1000 gallons for water in excess of \_\_\_\_\_ gallons.

See attached rate schedule.

/Connection fee not applicable due to present connection.

2. (Connection Fee) To pay as an agreed cost, a connection fee to connect the Seller's system with the system of the Purchaser, the sum of \_\_\_\_\_ dollars which shall cover any and all costs of the Seller for installation of the metering equipment and \_\_\_\_\_

No. 1458 P. 4

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

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1. (Term of Contract) That this contract shall extend for a term of 42 years from the date of the initial delivery of the water as shown by the meter and maintained by the Seller to the Purchaser and may be renewed or extended for such term, or terms, as may be agreed upon by the Seller and Purchaser.

2. (Delivery of Water) That n/a days prior to the estimated date of completion of construction 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 contractor at the point of delivery, or other point reasonably close thereto, water sufficient for testing, flushing, and trench filling the system of the Purchaser during construction, irrespective of whether the metering equipment has been installed at that time, at a

flat charge of \$ n/a which will be paid by the contractor or, on his failure to pay, by the Purchaser,

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. 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.

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, ~~and the said rates shall not be subject to any increase or decrease in rates shall be based on a demonstrable increase or decrease in the costs of performance hereunder, and such costs shall not include increased capitalization of the Seller's system.~~ Any increase or decrease in rates shall be based on a demonstrable increase or decrease in the costs of performance hereunder, and such costs shall not include increased capitalization of the Seller's system. Other provisions of this contract may be modified or altered by mutual agreement. If based on a demonstrable increase in the cost of performance, seller may increase the above-stated rates by the same percent that it increases the \*

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 by the Purchaser 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 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.

9. It is agreed that all of the Purchasers rights and equities under this contract may be and the same are hereby pledged to the USDA, FmHA, as security for a loan FmHA proposes to make the Purchaser to finance the construction or extensions of a water system.

10. It is further agreed by and between the parties hereto that the City reserves the right to purchase any and all facilities, including service connections, and the right to provide water service to any and all customers of the District, which facilities and customers are located within a radius of two miles measuring north-eastwardly generally along Highway 159 and five miles southward, measuring generally along Highway 27, all such measurements to be taken from the present limits of the City of Falmouth; provided however, such rights shall not be exercised until such time as the City has legally annexed the foregoing described area, or either of such two segments, into the city proper.

\* water rates applicable to users in the City of Falmouth.

**Presiding Judge: HON. JAY DELANEY (618318)**

**EXH: 000015 of 000017**

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In witness whereof, the parties hereto, acting under authority of their respective governing bodies, have caused this contract

12/30/2024

10:09:45 AM

to be duly executed in four counterparts, each of which shall constitute an original.

88076

Seller:

CITY OF PALMOUTH

By

Title Mayor

Attest:

Jerry England  
Secretary

Purchaser:

EAST PENDLETON WATER DISTRICT

By

Title Chairman

Attest:

Leslie Herbst  
Secretary28<sup>th</sup>

July

This contract is approved on behalf of the Farmers Home Administration this \_\_\_\_\_ day of \_\_\_\_\_,

19 88.

By

Title Community & Business Programs Specialist

NOT

ORIGINAL DOCUMENT

12/30/2024

10:09:45 AM

88076

RESOLUTION

This matter having come to the attention of the Commissioners of the East Pendleton Water District pursuant to a request by the Farmers Home Administration that the City and the Water District execute a new water purchase contract in order that the East Pendleton Water District might meet bonding requirements necessary to obtain a loan from the Farmers Home Administration to upgrade and repair the water system, and the Commissioners having considered the matter at a meeting on June 15, 1988, the following resolution was proposed by Leslie Herbst, seconded by Paul E. Hall, and unanimously carried, to-wit:

RESOLVED, that the Water Purchase Contract presented to the Commissioners this date is hereby approved and the Chairman is hereby authorized to sign said contract on behalf of the East Pendleton Water District.

This 15 day of June, 1988.

EAST PENDLETON WATER DISTRICT

By Paul E. Hall  
PAUL E. HALL, Chairman

ATTEST:

Leslie Herbst  
LESLIE HERBST, Secretary

Presiding Judge: HON. JAY DELANEY (618318)

EXH : 000017 of 000017