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

WATER PURCHASE CONTRACT

This contract for the sale an	d purchase of water is	entered into as o	(the 4th	_day of	arch
19 <u>92</u> , between the					*
1) Land Collection and Land	Flemingsburg				
		(Address)			
hereinafter referred to as the "S	eller" and the	ming Coun	ty Water i	Assoc., Inc	:•
	27, Flemingsb				
	,	(Address)	1011		
hereinafter referred to as the "F	'urchaser'',	•			
		WITNESSETH:			•
Whereas, the Purchaser is org	anized and established	under the provisi	ons of	KRS 273	of th
Code of Ky. Revised	Statutes	for the nurnose of	constructing and	l operating a water	supply distribution
system serving water users wit this purpose, the Purchaser wilf	hin the area described	in plans now on	file in the offic	ce of the Purchaser	and to accomplish
Whereas, the Seller owns and present customers of the Seller's in the plans of the system now o Resolution.	s system and the estima n file in the office of th	ited number of wa ie Purchaser, and	ter users to be s	erved by the said P	Purchaser as shown
March					
carrying out the said Resaid and attested by the Secretary, was Whereas, by Resoluti	solution s duly authorized, and	by theMa	yor, Loui	e K. Flaner	ry,
of the Purchaser, enacted on the			•		
the purchase of water from the Se	ller in accordance with	the terms set for	th in the said	Resolution	1
was approved, and the execution attested by the Secretary was dul	of this contract by the y authorized;	Presiden	t, J. E.	Smith, Jr.	, and
Now, therefore, in consideration	on of the foregoing and	the mutual agreen	nents hereinafter	set forth,	
A. The Seller Agrees:	•				
1. (Quality and Quanti	ty) To furnish the Purc	haser at the poin	t of delivery her	einafter specified,	during the term of
his contract or any renewal or ex	itension thereof, potabl	e treated water me	eting applicable	purity standards o	f the
Kentucky Depart			ces	<u> </u>	
n such quantity as may be requir	OF KENTUCKY of by the FFECTIVE r not		0,000 gailo	ns per month.	
∵ U. S. GOVERNMENT PRINTING OFFICE: 197	''\$:0322'''O 2 1994	RECEIV	FD	FHA 442-3	30 (Rev. 4-19-72)

-	minum pressure from an existing Six (6) inch main supply at a point located at	<u>t</u> the
	existing locations: (1) Mt. Carmel Rd. (2) Wallingford Rd. (3) Taylor Mill Rd. (4) Sewer Plant	11.
ich greate eaks. pow	pressure than that normally available at the point of delivery is required by the Purchaser, the cost of pro- r pressure shall be borne by the Purchaser. Emergency failures of pressure or supply due to main supply ver failure, flood, fire and use of water to fight fire, earthquake or other catastrophe shall excuse the Selle on for such reasonable period of time as may be necessary to restore service.	ly lin
ecessary me quantity it not more to the terms of the term	(Metering Equipment) To furnish, install, operate, and maintain at its own expense at point of deliver netering equipment, including a meter house or pit, and required devices of standard type for properly mea of water delivered to the Purchaser and to calibrate such metering equipment whenever requested by the Purchaser frequently than once every twelve (12) months. A meter registering not more than two percent (2%) about the standard properties of the previous readings of any meter disclosed by test to be inacted.	surin chase ove o curat
nall be con accuracy finall be dee	rrected for themonths previous to such test in accordance with the percent found by such tests. If any meter fails to register for any period, the amount of water furnished during such semed to be the amount of water delivered in the corresponding period immediately prior to the failure, unless	age o peno Seile
nd Purchas n appropris s readings.	ser shall agree upon a different amount. The metering equipment shall be read onate official of the Purchaser at all reasonable times shall have access to the meter for the purpose of ver.	ılyın
4. ich month,	(Billing Procedure) To furnish the Purchaser at the above address not later than the <u>first</u> with an itemized statement of the amount of water furnished the Purchaser during the preceding month.	day o
The Pi	urchaser Agrees:	
1. ivered in :	(Rates and Payment Date) To pay the Seller, not later than the 15th day of each month, for accordance with the following schedule of rates:	wates
a.	\$ 7,250.00 for the first 5,000,000 gallons, which amount shall also be minimum-rate per month.	e the
b.	\$ 1.45 cents per 1000 gallons for water in excess of 5,000,000 gallons	S.ŽŽŽ
b.	\$ 1.45 cents per 1000 gallons for water in excess of 5,000,000 gallons	s.XXL
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	HHHENDHHAXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX	
	ARRENDAMENTAL PORT OF THE SECTION OF KAR 5:011, SECTION 9 (1)	
	ARRENDANX XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX	
	ARRENDAMENTAL PORT OF THE SECTION OF KAR 5:011, SECTION 9 (1)	i i i i i i i i i i i i i i i i i i i
ĕXX	AMMENTARING AND	stem

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 $\frac{-40}{}$ years from the date of the initial livery of any water as shown by the first bill submitted by the Seller to the Purchaser 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 ______ 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.

- 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.

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- 6. (Regulatory Agencies) That this contract is subject to such rules, regulations, or laws as may be applicable similar agreements in this State and the Seller and Purchaser will collaborate in obtaining such permits, certificates, or the ...ke, 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 occurence 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.
- 5. (Modification of Contact) This Water Purchase Contract shall be subject to modification, including the applicable rate schedule, as may be reasonably required. In the event that the City increases water rates charged to its customers, then the rates which apply to the Water Purchase Contract shall be automatically increased by the same percentage as the overall average percent increase charged to the City's other customers. Other provisions of this Water Supply Contract may be modified by mutual agreement of the parties.
- 9. (Effective Date) The effective date for the performance of the obligations hereby assumed by the parties shall commence upon receipt of the Seller's written notification to the Purchaser notifying the Purchaser that the Seller's water supply system developed in cooperation and agreement with the City of Maysville, Kentucky has been certified by the Seller's engineering consultant to be fully tested, decontaminated and ready for the delivery of water to the Seller.

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PURSUANT TO 807 KAR 5:011. SECTION 9 (1)

BY: Grand Tend

	rity of their respective governing bodies, have caused this contract
to be duly executed incounterparts, eac	ch of which shall constitute an original.
	Seller:
	By Louie K. Flanery
Attest:	Title
CITY ATTORNEY	Purchaser: E. Mich.
٠ ^	By J. E. Smith, Jr.
Attest: Maine Caft	Title President
This contract is approved on behalf of the Farmers Home A	dministration this 19th day of 18cm/
19 92 :	By Redell With
٠.	Title Chief Committee & Resides Proposen
	PUBLIC SERVICE COMMISSION OF KENTUCKY EFFECTIVE

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PURSUANT TO 807 KAR 5:011, SECTION 9 (1) BY: OF THE PURSUANT ON

COMMONWEALTH OF KENTUCKY CITY OF FLEMINGSBURG, KENTUCKY RESOLUTION NO. 3-1-92

WHEREAS, the Fleming County Water Association, Inc. has requested from the City of Flemingsburg, Kentucky a contractual commitment by the City of Flemingsburg to provide to the Fleming County Water Association, Inc. treated water under the terms and conditions set forth in the attached proposed Water Purchase Contact, and

WHEREAS, the City Council of the City of Flemingsburg, Kentucky at its regular monthly meeting on Monday, March 2, 1992 was sufficiently informed and advised of said matter by its engineering consultant, City Attorney and Utilities Superintendent as well by representatives of the Fleming County Water Association, Inc., and

WHEREAS, following a discussion of said matter the City Council of the City of Flemingsburg, Kentucky unaminiuosly approved the request of the Fleming County Water Association, Inc. as set forth in said proposed Water Purchase Contract,

WHEREFORE BE IT RESOLVED BY THE CITY OF FLEMINGSBURG KENTUCKY; in accordance with the aforesaid action by the City Council of the City of Flemingsburg, Kentucky the Mayor of the City of Flemingsburg, Kentucky is authorized to enter into on behalf of the City of Flemingsburg, Kentucky the Water Supply Contract as proposed.

Dated this 2nd day of March, 1992 at Flemingsburg, Kentucky.

CITY OF FLEMINGSBURG, KENTUCKY

PUBLIC SERVICE COMMISSION OF KENTUCKY EFFECTIVE

3y:____

Louie K. Flanery, Mayor,

SEP 02 1994

PURSUANT TO 807 KAR 5:011, SECTION 9 (1)

BY: Queda De Mario Son .

Attested:

W. Todd Walton, II

City Attorney

"RESOLVED: That the Fleming County Water Assoc., Inc., enter into a new Forty (40) year Water Purchase Contract with the City of Flemingsburg, Flemingsburg, Kentucky, 41041, effective March 4, 1992, which contract provides for the "City" to furnish a minimum of five (5) million gallons of water per month to the "Association" with a maximum obligation of seven million five hundred thousand (7,500,000) gallons per month at a rate of \$1.45 per thousand under the regular and reasonable terms as required by the FmHA Water Purchase Contract;

And further that, the "Association" agrees to pledge such contract as additional security to FmHA for their loans;

And the President, J. E. Smith, Jr., and Secretary, Wayne Craft, are hereby authorized to execute said contract in behalf of the Fleming County Water Association, Inc."

I hereby certify that this Resolution was passed unanimously by the Fleming County Water Assoc., Inc. Board of Directors at a regular meeting thereof on March 4, 1992.

Dated: March 4, 1992

WAYNE CRAFT SECRETARY

> PUBLIC SERVICE COMMISSION OF KENTUCKY EFFECTIVE

> > SEP 02 1994

PURSUANT TO 807 KAR 5:011, SECTION 9 (1)

FOR THE PUBLIC SCRNIC & COMMISSION