

C O N T R A C T

THIS CONTRACT, made and entered into this 10 day of April, 1978, by and between the GREEN RIVER VALLEY WATER DISTRICT, a water district created under and existing by virtue of the provisions of Chapter 74 of the Kentucky Revised Statutes, Cave City, Kentucky (for convenience sometimes herein called the "District") and the CITY OF MUNFORDVILLE, KENTUCKY, a municipal corporation of the Fifth Class located in Hart County, Kentucky (for convenience sometimes herein called the "City"),

W I T N E S S E T H:

WHEREAS, the City desires to obtain a supplemental source of water for its water users rather than increasing the capacity of its present water treatment plant and storage facilities;

WHEREAS, the water users of the City use approximately 150,000 gallons of water per day;

WHEREAS, the District has an abundant supply of water and has adequate treatment, pumping, transmission and storage facilities so as to supply the present and projected needs of the City without decreasing the quality of service which it is providing to its current users;

NOW THEREFORE, FOR AND IN CONSIDERATION of the mutual benefits, promises and covenants contained herein, the receipt and sufficiency of which are hereby acknowledged, it is agreed by and between the Parties as follows:

1. The District shall install an 8 inch water line from its existing line near the Hart County High School to the location of the master meter as shown on the plans of the City's consulting engineer, G. Reynolds Watkins, attached hereto as Exhibit A and incorporated herein by reference.

2. The City shall extend its present water line across Green River to the master meter referred to above and shall install, at its own expense, the master meter.

3. After the completion of the initial construction, the master meter will be owned and maintained at the expense of the District. The City shall maintain its line up to, but not including, the master meter.

4. The District shall read the master meter monthly and shall bill the City monthly at the rate of fifty cents (.50¢) per 1,000 gallons for the water supplied by the District to the City, and the City shall remit payment in full to the District by the 10th day of the month immediately following the month in which the bill is received

5. The City shall be responsible for maintaining and repairing the water lines within the City, and collecting its own bills.

6. The District agrees to supply the water needs of the City and the City agrees to purchase from the District as much of its water needs as it deems necessary in order to adequately serve the citizens of the City for a term of Forty (40) years from the date of this Contract; PROVIDED, HOWEVER, that the City shall give the District at least a one year's notice before the City commences furnishing water to a new industry, an industry that expands its present facilities, newly annexed areas, or makes major extension of its water lines to serve customers outside the City limits, if that new industry, expanded industry, etc. will use more than 200,000 gallons of water per month. In the event the City fails to give the District the required one year's notice, then the District shall not be obligated to supply to the City the additional water needed for that new industry, expanded industry, etc. until one year from the date the City first gave written notice to the District. The City shall be treated as an individual metered water customer and it shall pay at least the minimum monthly billing.

7. The District has ceded to the City a 50 foot strip of land (25 feet on either side of the center line of the easement which the City obtained from Hobart and Eléne Whitman) running from the Green River to

Green River Valley - Munfordville

the master meter as shown on Exhibit A attached hereto and incorporated herein by reference. The City has exclusive jurisdiction over this portion of the water line and any customer who receives water from a service tap made along this portion of the water line shall be the customer of the City and not of the District.

8. The District covenants that it has no plans in the foreseeable future to petition the Public Service Commission for permission to raise the rate which it charges the City or any of the District's other wholesale users; that the expansion of the District's service area to include Jonesville, Magnolia and Mammoth Cave will not necessitate an increase in rates, and that in the event it becomes necessary in the future to petition the Public Service Commission for an increase in rates, the District will not petition for an increase in the rates charged to the City unless it also petitions for a like increase to its other wholesale customers.

9. The City and the District will each be responsible for the payment of any and all fees charged by their own engineer and attorney.

10. That the City retains the right to elect to purchase water from the District pursuant to the provisions of Alternative A outlined in the February 10, 1977 letter from R. E. Palmore, Chairman of the Green River Valley Water District, to the Hon. Gill Burd, Mayor of the City of Munfordville, a copy of said letter being attached hereto as Exhibit B and incorporated herein by reference. In the event the City elects to purchase water under Alternative A, then the City would pay the then prevailing rates paid by the Cities of Horse Cave and Cave City and would receive the same 10% line loss allowance which the Cities of Horse Cave and Cave City receive.

IN TESTIMONY WHEREOF, the Parties hereto have caused this instrument to be executed in multiple copies by its duly authorized officer, whose signature is attested by the duly authorized clerk or secretary,

and each Party has caused its seal to be affixed to each copy, on the date shown below each signature.

GREEN RIVER VALLEY WATER DISTRICT

BY Jack London
JACK LONDON, Chairman
Date: 4-6-78

ATTEST:

BY Donald McDonald
DONALD McDONALD, Secretary

CITY OF MUNFORDVILLE, KENTUCKY

BY Chester Fryer
CHESTER FRYER, Mayor
Date: 4-10-78

ATTEST:

BY Barbara A. Day
BARBARA A. DAY, City Clerk

STATE OF KENTUCKY

COUNTY OF HART

This day personally appeared before me, a Notary Public, in and for the State and County aforesaid, JACK LONDON, Chairman of the Green River Valley Water District, a water district duly organized and existing under and by virtue of Chapter 74 of the Kentucky Revised Statutes, and DONALD McDONALD, Secretary of said District, personally known to me and personally known by me to be such officers and to be the same persons who executed as such officers, respectively, the within and foregoing instrument of writing, and such persons duly acknowledged the execution of the same to be their act and deed and the act and deed of said District.

Subscribed and sworn to before me this 6th day of April, 1978; my commission expires: 6-9-79

Damon L. Talley
NOTARY PUBLIC, State at Large

Green River Valley - Munfordville

STATE OF KENTUCKY

COUNTY OF HART

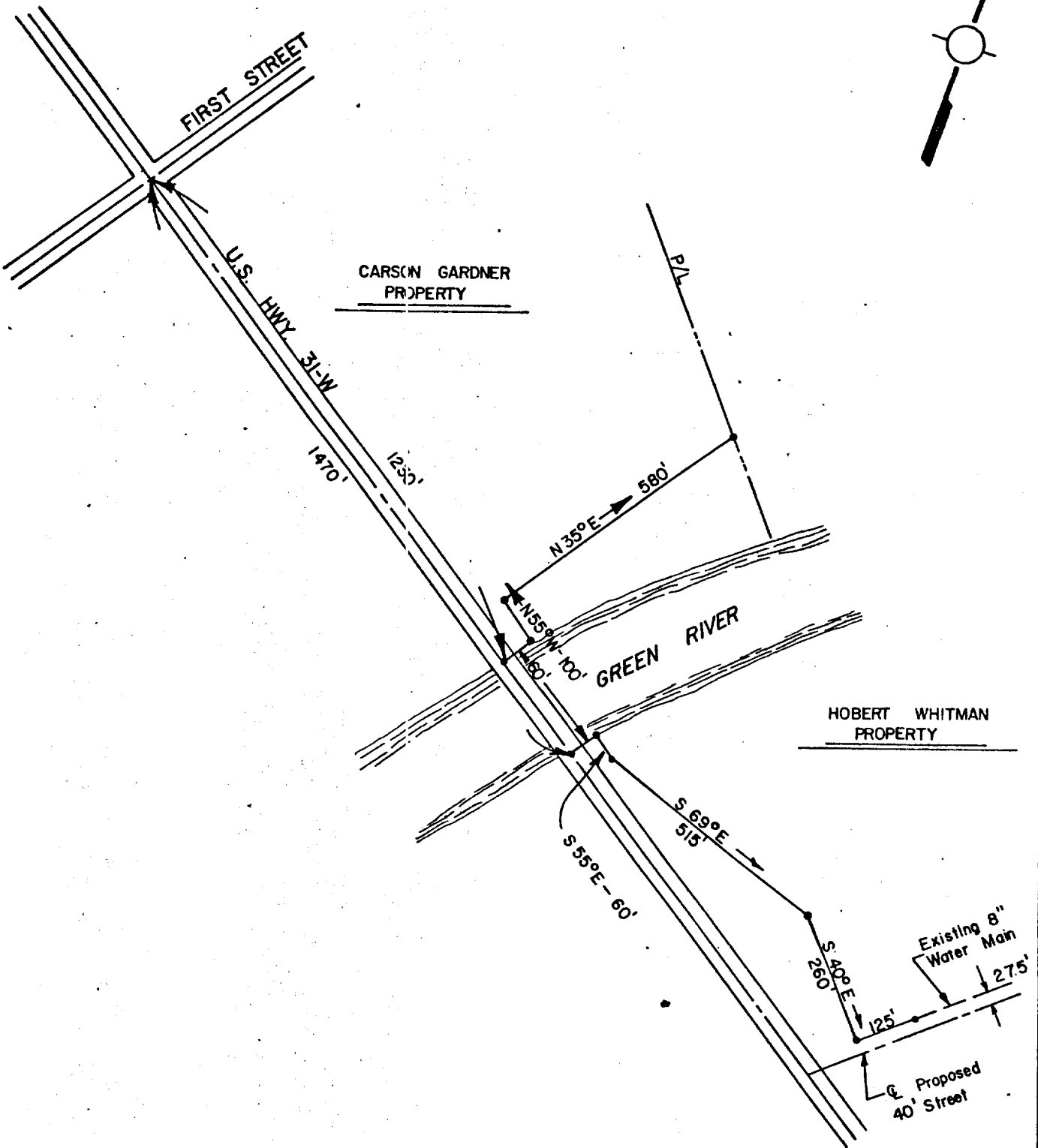
This day personally appeared before me, a Notary Public, in and for the State and County aforesaid, CHESTER FRYER, Mayor of the City of Munfordville, Kentucky, a municipal corporation, and BARBARA A. DAY, City Clerk of said City, personally known to me and personally known by me to be such officers and to be the same persons who executed as such officers, respectively, the within and foregoing instrument of writing, and such persons duly acknowledged the execution of the same to be their act and deed and the act and deed of said City.


Subscribed and sworn to before me this 10 day of April, 1978; my commission expires: 9.24.80.

Stan D. Baird

NOTARY PUBLIC, State at Large

MUNFORDVILLE, KY.



G. REYNOLDS WATKINS

CONSULTING ENGINEERS INC

CENTERLINE OF
PROPOSED WATER
MAIN EASEMENTS

EXHIBIT A

GREEN RIVER VALLEY WATER DISTRICT

ELROY LARIMORE, MANAGER

CAVE CITY, KY.

February 10, 1977

HORSE CAVE, KY.

BOARD OF COMMISSIONERS
J. E. Palmore, Chairman
Samuel L. Treaster
Dwight L. DeWalt, Secretary
Tommy G. Grier
Frank E. Giam

Hon. Gill Burd, Mayor
City of Mumfordsville
Mumfordsville, Kentucky

RE: Proposed Sale of Water From
Green River Valley Water District
to the City of Mumfordsville, Ky.

Dear Mayor Burd:

Pursuant to your request, we have discussed the possibility of the Green River Valley Water District selling water to the City of Mumfordsville. The Board of Commissioners has voted to sell water to the City of Mumfordsville pursuant to either of the following two alternatives:

ALTERNATIVE A: The City would pay 45¢ for each 1,000 gallons actually used by the customers in the City of Mumfordsville plus 45¢ for each 1,000 gallons of line loss in excess of the first 10% of line loss. In addition, there would be a \$2.50 charge per month for each customer which is served in the City of Mumfordsville. The District would read all meters and would be responsible for all ordinary maintenance of the distribution lines within the City of Mumfordsville. This alternative is identical to the contract that the District has with the City of Horse Cave and the City of Cave City.

ALTERNATIVE B: The City would pay 50¢ per 1,000 gallons of water pumped by the District to the City of Mumfordsville as shown on the Master Meter which will be installed. Under this alternative, the City would be responsible for reading the meters, making their own repairs and collecting the bills.

The cost of the initial construction of the water line from the City of Mumfordsville across Green River to the District's water line near the Hart County High School would be borne by the City of Mumfordsville as set forth in the report of Campbell Wallace Consulting Engineers to the Green River Valley Water District dated November 1, 1976. We are enclosing a copy of that report for your convenience.

Please let us know whether or not you desire to purchase water from the Green River Valley Water District and, if so, which alternative you would prefer.

Yours truly,

GREEN RIVER VALLEY WATER DISTRICT

By: _____
R. E. Palmore, Chairman

as

Encl.

EXHIBIT B