

# AGREEMENT

This Agreement, made and entered into this 1<sup>st</sup> day of May, by and between the **Todd County Water District** of Todd County, Kentucky "**Party of the First Part**" and the **Muhlenberg County Water District** of Muhlenberg County, Kentucky "**Party of the Second Part**";

## WITNESSETH:

WHEREAS, the First Party has agreed to supply water to the Second Party so that the Second Party can serve anticipated customers of the Second Party in an area being developed south of Lake Malone in Muhlenberg County, Kentucky.

WHEREAS, it is the desire of the Parties to reduce that agreement for the sale and purchase of water to writing;

WHEREAS, First Party has agreed to sell and the Second Party has agreed to purchase water on the terms and conditions hereinafter set forth;

NOW, THEREFORE, Parties agree as follows:

1. The Party of the First Part shall sell the Party of the Second Part a quantity of water not to exceed 800,000 gallons per month at a rate of \$4.85 per 1,000 gallons of water sold.

2. The Parties recognize that from time-to-time, the Party of the First Part may experience increases in its cost of water and that those increases shall be passed along to the Party of the Second Part consistent with uniform rate increase which from time-to-time may be passed along to the First Party's customers.

3. The First Party will construct a four-inch PVC water line to the Todd Muhlenberg County line along McPherson Cemetery Road. There shall be constructed at

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Section 11

By   
Executive Director

the Todd-Muhlenberg County line a three-inch master meter. All construction other than the construction of water lines and metering devices set forth in this Paragraph shall be the responsibility of the Second Party.

4. The Parties agree that the Second Party's rate of withdrawal of water from the four-inch water line described above shall not exceed 100 gallons per minute absent emergency circumstances.

5. The Second Party shall be billed on a monthly basis for water purchased from the First Party and all payment for purchased water shall be made by the Second Party to the First Party by the 10<sup>th</sup> day of each month.

6. This Agreement shall be for a term of twenty-five (25) years, unless sooner modified by mutual agreement of the Parties. This Agreement may be continued for an additional number of years by mutual consent of the Parties.

7. This Agreement shall be binding upon the Parties hereto, their successors and assigns.

8. This Agreement shall be subject to approval by the Public Service Commission of the Commonwealth of Kentucky.

9. The Parties hereto, agree that the Todd Circuit Court shall be the appropriate venue to resolve any disputes regarding the terms and conditions hereof. In the event of litigation, the prevailing party shall be entitled to recover Court cost and attorney fees.

In witness whereof, the Parties hereto, have through appropriate resolutions of their Boards of Commissioners, cause this Agreement to be executed.

Dated this 15<sup>th</sup> day of May, 2006.

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SECTION 9 (1)**

By   
Executive Director

TODD COUNTY WATER DISTRICT

BY: George D. Brown  
George D. Brown, Chairman

ATTEST:

Lois E. Brown  
Lois Brown, Secretary

MUHLENBERG COUNTY WATER DISTRICT

BY: Bobby G. Cieger  
Chairman

ATTEST:

Shirley Stutz  
Secretary

COMMONWEALTH OF KENTUCKY )  
 )  
COUNTY OF TODD )

SUBSCRIBED AND SWORN to before me by George D. Brown, Chairman of  
the Todd County Water District, on this the 1<sup>st</sup> day of May, 2006.

My Commission Expires: Feb 14, 2009

John Haley  
Notary Public, Kentucky  
State at Large

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SECTION 9 (1)**  
  
By [Signature]  
Executive Director

COMMONWEALTH OF KENTUCKY )  
 )  
COUNTY OF MUHLENBERG )

SUBSCRIBED AND SWORN to before me by

Bobby G. Creger

Chairman of the Muhlenberg County Water District, on this

the 19<sup>th</sup> day of May, 2006.

My Commission Expires:

March 5, 2007

Gonda Heard  
Notary Public, Kentucky  
State at Large

Prepared by:

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SECTION 9 (1)

By [Signature]  
Executive Director