

WATER PURCHASE AGREEMENT

THIS WATER PURCHASE AGREEMENT dated this 20th day of November, 2023, but effective as of the Effective Date defined below, is made by and between the **JONATHAN CREEK WATER DISTRICT** of 7564 U.S. Highway 68E, Benton, KY 42025, (hereinafter referred to as the "District") and the **CITY OF HARDIN, KENTUCKY** of 104 2nd Street, Hardin, KY 42048 (hereinafter referred to as the "City").

WITNESSETH

WHEREAS, the City owns and operates a water supply distribution system serving water users within the area described in plans now on file in the office of the City ("City's Territory") and desires to increase the supply of water available to its users by connecting the District's system to the City's system;

WHEREAS, the District owns and operates a water supply distribution system with a capacity currently capable of serving its present customers and the estimated supplemental water needs to be required by the City;

WHEREAS, the District owns an 8" water main located within the City's Territory along Kentucky Highway 402 that has been connected to the City's System without extending the District's System pursuant to the Water Purchase Agreement entered into by the parties on or about February 8, 2021 ("Prior Contract");

WHEREAS, pursuant to the Prior Contract, the District has purchased the materials necessary to connect the District's System to the City's System and has been reimbursed by the Marshall County Fiscal Court for those materials;

WHEREAS, by Resolution enacted by the District's Board of Commissioners on November 20, 2023, the District approved this Agreement and the District's Chairman to execute this Agreement for and on behalf of

KENTUCKY PUBLIC SERVICE COMMISSION
Lisa C. Bidwell Executive Director
EFFECTIVE 5/17/2024
PURSUANT TO 807 KAR 5:011 SECTION 9 (1)

WHEREAS, by Resolution enacted by the City's council on 1/8/24, the City approved this Agreement and authorized the City's Mayor to execute this Agreement for and on behalf of the City;

WHEREAS, the City and the District are engaged in a cooperative effort to continue to provide an additional/emergency water supply to the City; and


WHEREAS, the parties desire to execute a formal Agreement regarding the duties and responsibilities each shall have in this cooperative effort.

NOW, THEREFORE, in consideration of the foregoing premises and for good and valuable consideration, the legal adequacy and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. **Furnish Water.** During the term of this Agreement or any renewal or extension thereof, the District agrees to sell and furnish the City, at the points of delivery hereinafter specified, such quantities of water as the City may require, but not to exceed 6 Million gallons per month.

2. **Quality of Water.** The quality of the water furnished to the City by the District shall be potable, treated water meeting applicable purity standards of the Commonwealth of Kentucky as defined in KRS 224.032 and in accordance with Kentucky Public and Semi Public Water Supplies Regulations (KAR Title 401, Chapter 6).

3. **Point of Delivery and Pressure.** The District agrees to furnish the water to the City at a reasonably constant pressure. The District will deliver the water to the City from the District's 8" water main supply located along Kentucky Highway 402 to a connection point on the City's System ("Point of Delivery"), the exact location of which to be determined by the District and City within thirty (30) days of the Effective Date. The minimum pressure normally available at the Point of Delivery is required by the C

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greater pressure shall be borne by the City. 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 District from this provision for such reasonable period of time as may be necessary to restore service.

4. **Rate.** The City will pay the District a wholesale rate of \$3.40 per 1,000 gallons of water delivered to it by the District pursuant to this Agreement.

5. **Billing Procedure and Payment Procedure.** The District will furnish the City at the address above not later than the 15th day of each month an itemized statement of the amount of water furnished the City for the preceding month. The City will pay those charges within 15 days of the date of the bill.

6. **No Minimum Usage.** There is no minimum usage required by the City, and the City will not be charged a minimum usage fee.

7. **Term.** The initial term of this Agreement shall be a period of two (2) years from the Effective Date. Upon expiration of the initial term or any renewal term, this Agreement shall be automatically renewed for a one (1) year period unless, at least sixty (60) days prior to the renewal date, either party gives the other party written notice of its intent not to continue the Agreement. During any renewal term, the terms, conditions and provisions set forth in this Agreement shall remain in effect unless modified as permitted herein.

8. **Metering Equipment.** The District agrees to furnish, install, operate and maintain at the point of delivery all fittings and metering equipment and devices required to properly measure the water delivered by the District to the City ("Metering Equipment"), and to calibrate the Metering Equipment whenever requested by the City, but not more frequently than every twelve (12) months. A meter registering within the acceptat Standards shall be deemed to be accurate. If any meter fails t

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amount of water furnished will correspond with the period immediately prior to the failure, unless both parties agree upon a different amount.

9. **Cost to Connect.** The District will use the materials previously purchased with funds of the Marshall County Fiscal Court and provide the labor to connect the District's system to the City's system.

10. **Maintenance of District's System.** The District will, at all times, operate and maintain its system in an efficient manner and will take such action as may be reasonably necessary to furnish the City with quantities of water required by the City. Temporary or partial failures to deliver water shall be remedied with all possible dispatch. In the event an extended shortage of water, or the supply of water available to the District is otherwise diminished over an extended period of time, the supply of water to the City shall be reduced or diminished in the same ratio or proportion as the supply to District's other consumers is reduced or diminished.

11. **Modification of this Agreement.** The provisions of this Agreement pertaining to the rate to be paid by the City for water purchased are subject to modification at the end of every one (1) year period. Any increase or decrease in rates shall be based on the increase or decrease in the cost of performance hereunder, but such cost shall not include capitalization of either system. Other provisions of this Agreement may be modified or altered by mutual agreement.

12. **Regulatory Agencies.** This Agreement is subject to such rules, regulations or laws as may be applicable to similar agreements in the Commonwealth of Kentucky and the parties will collaborate in obtaining such permits, certificates or the like as may be required to comply therewith.

13. **Termination.** The District and the City have the right to terminate this Agreement for just cause upon giving ninety (90) days written notice of termination at the party's address set forth above.



14. **Prior Contracts Superseded.** As of the Effective Date of this Agreement, any prior agreements between the parties relating to the subject matter of this Agreement, and all amendments or modifications thereto, shall be superseded by this Agreement.

15. **Miscellaneous Provisions.** This Agreement represents the entire understanding and agreement of the parties. This Agreement shall be binding upon the parties and deemed fully enforceable in law or in equity. If any provision of this Agreement shall be invalid under applicable law, that invalidity shall affect the remaining provisions of this Agreement. This Agreement shall inure to the benefit and be binding upon the parties hereto and their respective successors and assigns.

16. **Effective Date / PSC Review.** The parties acknowledge that this Agreement will not become effective until it has been accepted for filing by the Kentucky Public Service Commission ("PSC"). Seller will file a fully executed copy of this Agreement with the PSC. This Agreement shall be effective as of date it is stamped effective by the PSC pursuant to 807 KAR 5:011 ("Effective Date").

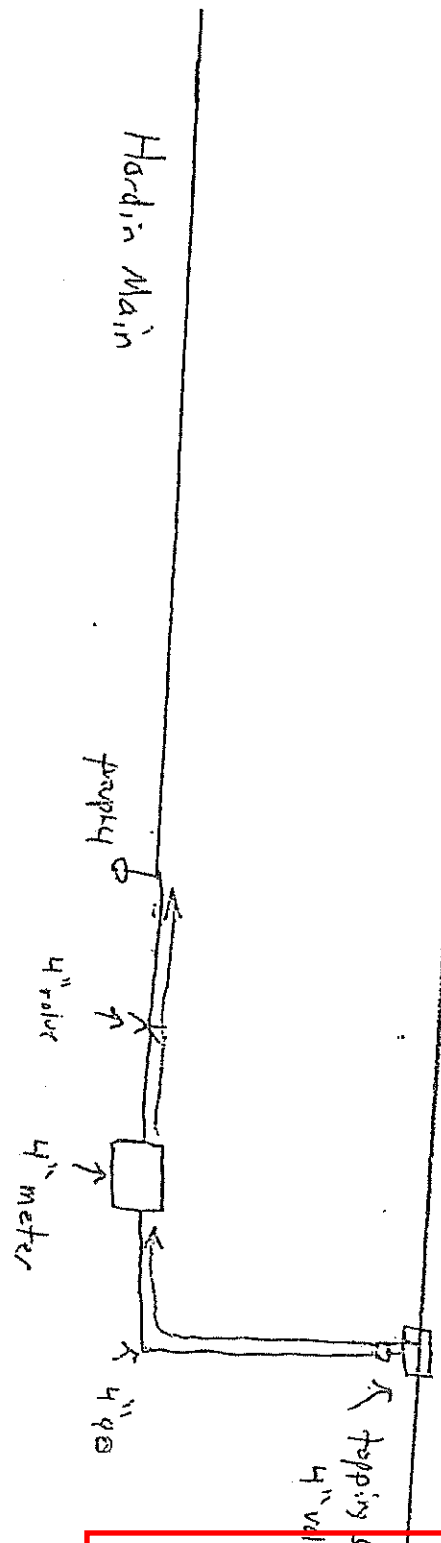
[Signature page follows]



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new 8" water main Jonathan

Brewer Hwy 408



4" meter, valves & accessories with no pressure reducer \$4300.00

4" pressure reducer \$2500.00 with accessories \$6800.00

KENTUCKY PUBLIC SERVICE COMMISSION

Linda C. Bridwell Executive Director

Linda C. Bridwell

EFFECTIVE

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500257
Brewer

Wadesboro Rd

↓

ATTEST: *[Signature]*
Secretary, City of Hardin, Kentucky

By: *[Signature]*
Name: _____
Title: Mayor

CITY OF HARDIN, KENTUCKY
CITY:

ATTEST: *[Signature]*
Secretary, Jonathan Creek Water District

By: *[Signature]*
Name: Jeff O. Bryan
Title: Chairman

JONATHAN CREEK WATER DISTRICT
DISTRICT:

308, the parties have executed this Agreement as of the date set
the Effective Date.

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