

A G R E E M E N T

THIS AGREEMENT made and entered into this _____ day
of _____ 1964 by and between the CITY OF STANFORD,
KENTUCKY, acting by and through its Board of Council, hereinafter
called the "City", and MCKINNEY WATER DISTRICT of Lincoln County,
Kentucky, acting by and through its Board of Commissioners, hereinafter
called the "District", both municipal corporations or-
ganized in the State of Kentucky,

RECEIVED

MAY 31 1988

WITNESSETH THAT:

RATES AND TARIFFS

WHEREAS, the City desires to sell to the District and
the District desires to buy from the City water, the parties agree
as follows:

1. The City agrees to furnish and sell water to the
District through a 4" or larger meter or meters of standard type
in use in the city, same to be furnished, installed and maintained
by the City at the following point or points:

At the west end of a presently abandoned 6" line
west of Old City Lake on Kentucky 73 together with the right to
construct and tie in to said presently abandoned 6" line a con-
necting 6" line from the northeast end of said presently abandoned
6" line (adjacent to Old City Lake) to 8" line 75 feet west of
abandoned city ice and water plant.

2. The obligation of the City to supply water as agreed
upon under paragraph 1 above is limited to the understanding that
the City shall be required to use reasonable care and diligence
in the operation and maintenance of its existing system to prevent
and avoid interruptions and fluctuations in the supply, that it
cannot and does not guarantee that such interruptions and fluctua-
tions will not occur, or that because of emergencies due to breaks,
leaks, defects, necessary repairs, fires, strikes, Acts of God, or

other causes or unusual demand upon its system there may be periods during which the supply of water may be materially curtailed or interrupted, in which event, the City shall not be held liable for failure to supply the District with its needs.

3. The District agrees to pay / ~~a Connection Fee of \$1,000 and~~ 35¢ ~~2¢~~ per 1,000 gallons of water furnished to the District, as shown by the reading or combined readings of said meter or meters through which the City shall furnish said water to the District. Said payments shall be made monthly and within 30 days after receipt of the bill by the District. Said bills shall be sent the District on such day as the City shall prescribe. In the event the District fails to make any such payment when due, the City may in its discretion impose and inflict upon the District the penalties applicable to delinquent city customers, and may in its discretion suspend service to the District until said delinquent bill and penalty have been paid.

4. The District agrees that from the time the District's line is first constructed and tested at the point or points of supply and a meter or meters through which the District will acquire water have been installed, the District will pay a minimum monthly water bill of \$25.00 per month.

5. Nothing in this contract shall prevent the District from securing water from other sources of supply including purchased water of its own plant.

6. The term of this contract shall be for the period of twenty (20) years, beginning the date of this agreement, and the District is hereby granted an option to renew or extend this contract for an additional term of twenty (20) years commencing at the end of the original term aforesaid, and no notice of extension is required to be given.

7. In the event the City raises its rates to other customers from time to time, in such event the rate prescribed herein in Section 3 shall simultaneously be increased as the City sees fit the same percentage as is the other city customer, or customers, on whom the smallest percentage of rate increase is imposed.

8. The City has the right to limit the District to 100,000 gallons per day but failure of the City to so limit the District at anytime shall not constitute a waiver of the City's right to so limit the District at any future time.

9. At any time after annexation by the City of any area through which the District's mains extend, the City may at its option give the District notice that it desires to acquire said mains located within the city limits as the same may be revised from time to time.

In such event, the City shall appoint an appraiser of the mains and meters located within the city, the District shall appoint an appraiser and the two appraisers shall appoint a third appraiser, which three appraisers shall fix the value for acquisition by the City of said mains and meters based on the cost less depreciation of the mains and meters involved and on the loss of revenue to the District to result from the transfer of ownership.

Upon determination of the appraised value, the City shall, if it sees fit, pay such sum to the District and simultaneously the District shall convey title to said line and meters and easements, if any, however the district shall make no representation as to the validity of said easements.

The City shall from that time have the right to serve all customers fronting on said line acquired by the City within the city limits and the water bills shall be prorated to the day of transfer.

The City shall at its expense relocate the meter or meters through which it sells water to the District simultaneously with the transfer of any line to the City at the eastern end of the line owned by the water district on Kentucky 78 after the transfer.

The City shall relocate at its expense any pumps, tanks or other appurtenances owned by the District and located on line transferred to the City pursuant to this section. Said appurtenances and tanks, if any, shall be relocated at a point on, the District's line designated by the District.

The provision for acquisition of line by the City under this section shall apply only to line located within a radius of one and one-half miles of Lincoln County Courthouse.

Signed the day and year first above written by the Mayor and Clerk of the City of Stanford, and by the Chairman and Secretary of McKinney Water District in multiple copies, each of which shall have the same force and effect as the original.

Attest:

CITY OF STANFORD

Clerk

Mayor

(SEAL)

Attest:

MCKINNEY WATER DISTRICT

Earl Butcher

Secretary

Willard O. Cooper

Chairman

I, the undersigned, Clerk of the City of Stanford, Kentucky, certify that the foregoing contract was executed pursuant to resolution of the Board of Council of the said City of Stanford passed at a meeting _____ 1964.

Clerk