

COPY

FRANCHISE FOR ELECTRICAL SERVICES

THIS AGREEMENT dated this 15 day of August, 2012, between the CITY OF HARDINSBURG, KENTUCKY (hereinafter called "City") and MEADE COUNTY RURAL ELECTRIC COOPERATIVE CORPORATION (hereinafter called "Meade"), entered into the following agreement for a non-exclusive franchise to acquire, construct, install, operate, maintain, repair, remove and replace an electrical distribution system for the sale and distribution of electricity to the residences and businesses within the municipal boundaries of the city with Meade's right to use the public ways within the City for said purposes.

ARTICLE I

DEFINITIONS

For purposes of this Agreement, the following terms shall have the meanings set forth below:

Section 1.1. Electrical Distribution System. The term "Electrical Distribution System" shall mean any and all poles, meters, wire, transformers, facilities, structures, machinery, equipment, and appurtenances of any kind that Meade, in its sole discretion, may deem necessary or advisable for the exercise of the franchise and rights granted to Meade pursuant to this Ordinance.

Section 1.2. Public Ways. The term "Public Ways" shall mean the present and future streets, alleys, avenues, boulevards, lanes, parkways, sidewalks, roads, highways, rights-of-way, and other public ways and real property located within the municipal boundaries of the City and owned by, or under the control of, the City.



ARTICLE II

TERM

Section 2.1. Term. The term of the franchise and rights created hereby shall be for a period of twenty (20) years, commencing on July 7, 2012.

ARTICLE III

OBLIGATIONS OF MEADE

Section 3.1. No Obstruction of Public Property. Meade shall not, unnecessarily or for any reasonable period of time, obstruct or interfere with the public use of any of the Public Ways.

Section 3.2. Repair of Damages. Meade shall repair any and all damages caused solely by Meade to any of the Public Ways and shall restore, as nearly as practicable, such property to substantially its condition immediately prior to the incident causing such damage. Meade shall commence such repairs immediately upon completion of the work or activity in which Meade was involved at the time the damage occurred and shall complete such repairs as promptly as possible.

Section 3.3. Conduct of Work and Activities. Meade shall use reasonable care in conducting its work and activities in order to prevent injury to any person and unnecessary damage to any real or personal property.

ARTICLE IV

GENERAL PROVISIONS

Section 4.1. Removal of Electrical Distribution System. Meade may remove all or any part of the Electrical Distribution System upon the expiration or termination of the franchise and rights granted hereby.



Section 4.2. Force Majeure. Notwithstanding anything expressly or impliedly to the contrary contained herein, in the event Meade is prevented, wholly or partially, from complying with any obligation or undertaking contained herein by reason of any event of force majeure, then, while so prevented, compliance with such obligations or undertakings shall be suspended. The term "force majeure," as used herein, shall mean any cause not reasonably within Meade's control and includes, but is not limited to, acts of God; strikes; lock-outs; wars; riots; orders or decrees of any lawfully constituted federal, state, or local body; contagions or contaminations hazardous to human life or health; fires; storms; floods; wash-outs; explosions; breakages or accidents to machinery or equipment; inability to obtain or delay in obtaining rights-of-way, materials, supplies, or labor permits; permanent or temporary failures of electricity; or necessary repair, maintenance, or replacement of facilities used in the performance of the obligations contained in this Ordinance. Nothing in this force majeure provision or the operation hereof shall cause or be deemed to cause the term of this franchise to extend beyond twenty (20) years as set forth in Section 2.1.

Section 4.3. Assignment. Meade is hereby given the right to assign, with the written consent of the City, the franchise created by this Ordinance to any person, firm, or corporation that has received from the Kentucky Public Service Commission any and all required certificates of convenience and necessity for obtaining a franchise.

ARTICLE V

PAYMENT

Section 5.1 Meade shall pay to the City one (1%) percent of the gross revenue for electrical usage for Meade's customers within the Hardinsburg Municipal boundaries.



Section 5.2 Meade will continue to remit payments monthly to the City unless the parties otherwise agree.

IN WITNESS WHEREOF, the parties hereto, the City of Hardinsburg and Meade County Rural Electric Cooperative Corporation by and through their duly authorized representatives have executed this Agreement on the day and year first above written.

CITY OF HARDINSBURG, KENTUCKY

BY: Wayne Macy
WAYNE MACY, Mayor

MEADE COUNTY RURAL ELECTRIC
COOPERATIVE CORPORATION

BY: Burns E. Mercer
BURNS E. MERCER, President

