

CONTRACT

THIS CONTRACT made and entered into this the <u>27 ch</u>day of <u>January</u>, 1964, by and between Paducah Water Works, municipally owned, hereinafter referred to as WATER WORKS, and the <u>Hendron</u> Water District, hereinafter referred to as WATER DISTRICT.

-WITNESSETH-

WHEREAS Water District was created and established pursuant to the laws of the Commonwealth of Kentucky for the purpose of providing water to residents within the District, and

WHEREAS Water District desires to purchase water from Water Works and to distribute and sell said water through its mains to its customers within the district.

NOW THEREFORE in consideration of the premises and the mutual agreements herein set out Water Works and Water District agree as follows:

1. Water Works will furnish water to Water District from its 24 inch main at or near the intersection of the Berger Road and the Lone Oak Road, which is hereby designated a stand-by service connection, and from its 12 inch main at or near the intersection of South 28th Street and Miller Street, which is hereby designated the primary connection, at a water rate or charge to be paid by Water District of \$0.2792 per thousand gallons. In the event there shall

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be an increase or decrease in the basic rate charged to consumers within the City of Paducah the rate charged to Water District shall be proportionately increased or decreased by the same formula used by Alvord Burdick and Howson in establishing the above charge as stated in their letter of November 20, 1962, addressed to H. B. Gibbons, Director Paducah Water Works, Paducah, Kentucky.

2. The water furnished to Water District by Water Works under this contract will be registered by two master meters, one to be located at or near each of the connections referred to in paragraph numbered 1 hereof. Said meters will be furnished and installed by Water District at its expense and according to the specifications of Water Works. The meters so furnished and installed by Water District will be Trident Meters approved by Water Works, or such other type of meter as may be approved by Water Works. Water Works shall have the right, upon giving notice to Water District, to test and repair said meters at the expense of Water District at such time as Water Works shall deem necessar;, and both parties hereto shall have access to said meters at any and all times for inspection and reading purposes.

3. Water District will install a booster pump at or near the primary connection through which it will maintain required pressure for its system. (Water Works will not provide pressure for any part of Water District)

4. If, at any time during the period of this agreement, Water Works may consider that it is unable to furnish water to Water District due to an emergency or unusual water demand in the City of Paducah, PUBLIC SERVICE COMMISsion OF KENTUCKY

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breakdowns, strikes or other causes beyond its control, it may discontinue service during such temporary period. Water Works does, however, agree that in such event or events it will re-establish water service to Water District as quickly as possible within the limits of its legal and physical abilities.

5. It is agreed that Water District will not at any time, sell water to any consumer at a rate cheaper or lower than that paid by like customers to Water Works within the corporate limits of the City of Paducah.

6. Water Works will at all reasonable times have the right to inspect and examine the plans and specifications and the water system of Water District. It is agreed that no connection will oe made between any pipe of Water District and any well or other source of water supply and that there shall be no "cross connections" of any kind.

7. Water District will indemnify and hold harmless Water Works on account of any and all expenses, loss, damages, or claims for damages incident to the construction, installation, maintenance and operation of its water system in said Water District.

8. Charges for water furnished under this contract shall be payable monthly and within fifteen days after the dates of bills rendered to Water District by Water Works. Bills will be rendered and charges paid in accordance with rules and regulations now in effect or which may be from time to time adopted by Water Works governing the payment of charges by consumers of water within the corporate limits of the City of Paducah.

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(CT 06 1994 PURSUANT TO 807 KAR 5011, SECTION 9 (1) Y: <u>Cractor C. Reel</u> PUBLIC SERVICE COMMISSION OF NENTLICKY EFFECTIVE

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9. The connection of the mains of Water District with the mains of Water Works will be made by Water District at its expense and in accordance with the specifications of Water Works. Check valves, approved by Water Works will be installed on the mains of Water District at any point of connection with mains of Water Works in a manner approved by Water Works.

10. Water Works recognizes and understands that the water mains, installations and facilities of Water District will necessarily be financed by Water District through a system of loans and grants from an agency of the Federal Government, which loans will be payable solely from the revenues of its water operations. In order to give proper assurance to the Federal Government and holders of any and all such revenue bonds concerning the furnishing of water under this agreement, Water Works agrees that it will continue to supply water to Water District from the same source and of the same purity and potability as furnished its customers within the City of Paducah, under the terms and provisions as stated herein tor so long as any such loan or bond issue may remain outstanding and unpaid, subject only to temporary discontinuance by reason of the existance of an emergency or of a temporary unusual water demand in the City of Paducah as stated above.

11. Copy of the plans and specifications of Water District, as approved by the State Board of Health, will be furnished to Water Works. Also, plans as built, will be furnished at completion of construction, and plans, as built, of all extensions, improvements or alterations thereafter will be furnished at the completion thereof. FUBLIC SERIER ECONTY WHEREOF, witness the hands of the parties hereto OF KENTUCKY EFFECTIVE

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FURSUANT TO 807 KAR 5011. SCOTIGED (1) BY: Coolese C. Hall FORE DR. L. DR. March March 19 by their duly authorized officers this the day and year first above written.

PADUCAH WATER WORKS Jui i In BY-

Approved this 2.3 Approved this 1964. CITY OF ADUCAH on Willin BY Mayor

ATIEST:

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Man Sterre City Clerk

HENDRON WATER DISTRICT

BY Chairman of Board of Commissioners

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