



CRITTENDEN-LIVINGSTON

County Water District

620 East Main • Salem, Kentucky 42078

Phone (270) 988-2680 • Fax (270) 988-4892

December 7, 2020

Alan Fox
Ledbetter Water District
1483 US 60 West
Ledbetter, Kentucky 42058

Dear Alan,

On behalf of the Crittenden-Livingston County Water District, I acknowledge receipt of the proposed water contract which you left at our office in Salem. After discussion with the Board members, it is the unanimous opinion that before the District would consider any arrangement with Ledbetter, that the ownership of the meter house which is located near the Ledbetter water tower must be addressed.

The meter house was built in the present location as an accommodation to the Ledbetter Water District when the expansion was done in the early 2000's. As it stands now, that meter house was used to void the present agreement. So, the District would either want to buy the land on which the meter house is situated at a fair market price or in turn Ledbetter purchase the meter house at a fair market price.

In the event that the meter house issue is resolved, I would state further the terms of the proposed Water Purchase Agreement are unacceptable as presented. The District would require that Ledbetter purchase a minimum of 3 million gallons per month and the rate increases would be as set by the District and approved by the Public Service Commission. The term of this Contract would need to be nineteen years.

Lastly, absent a new agreement, the District will cease to provide water to Ledbetter effective January 1, 2021. After reviewing this letter, do not hesitate to contact me regarding the meter house when convenient for you.

Sincerely,

Ronnie Slayden
Superintendent

WATER PURCHASE CONTRACT

THIS CONTRACT, made and entered into this ____ day of _____ by and between the CRITTENDEN-LIVINGSTON COUNTY WATER DISTRICT, a municipal corporation organized as a water district under Chapter 74 of the Kentucky Revised Statutes, party of the first part, hereinafter referred to as the "Seller", and the LEDBETTER WATER DISTRICT, a municipal corporation organized under the laws of the Commonwealth of Kentucky, party of the second part, hereinafter referred to as the "Purchaser",

WITNESSETH:

WHEREAS, the Seller has a waterworks system, including a water treatment plant and distribution system, to serve residents of the territory embraced by the seller, and

WHEREAS, The Purchaser contemplates the need, in the foreseeable future, of an additional source of water to serve the citizens and residents of its service area, and

WHEREAS, the Seller has a water plant or plants of sufficient capacity to provide for the currently anticipated needs and requirements of the customers of the Seller and further to serve the Purchaser all of the necessary water needed by the Purchaser, and

WHEREAS, the Seller is willing to sell the Purchaser a supply of available water at such times, as the Purchaser shall need water, which is reasonably expected to be available to the Seller after providing for the reasonably anticipated water service obligations of the Seller to its own residents, and

WHEREAS, the governing bodies of the Purchaser and of the Seller have authorized the execution of this Contract,

NOW, THEREFORE, in consideration of the premises, or the mutual covenants and agreements herein contained, of the prompt payment of the rates as herein agreed to and set out, and of the prompt delivery of the water supply as herein agreed to and set out, the parties hereto have agreed as follows:

1. This contract shall become effective immediately upon its execution and the Purchaser shall be entitled to receive water hereunder, at the option of the Purchaser, as needed, and this contract shall continue for a period of 13 years, at which time it may be renegotiated or extended by mutual agreement of both parties.
2. The effectiveness of this Contract is subject to the approval of the Public Service Commission of Kentucky.
3. The quality of water delivered by the Seller to the Purchaser hereunder shall meet the standards of the United States Public Health Service Limitations for Drinking Water.
4. The Seller shall maintain water pressure of not less than 50 psi at the Connection Point at all times, except in cases of unavoidable casualty, acts of God, strikes, or other instances beyond the control of the Seller.
5. The Seller shall use reasonable diligence and care to provide a regular and uninterrupted supply of water to the Purchaser and to avoid any shortage or interruption of service thereof. The maximum amount which the Seller must furnish during any twenty-four (24) hour period shall be an amount not to exceed a total of 100,000 gallons of water for such twenty-four (24) hour period or not to exceed a rate of 70 gallons per minute during any twenty-four (24) hour period. The purchaser may exceed 100,000 gallons per day or 70 gallons per minute in cases of unavoidable casualty, acts of God, strikes, or other instances beyond the control of the purchaser. The Seller shall not be liable for any failure, interruption, or shortage of water or any loss or damage resulting therefrom, occasioned in whole or in part by any cause beyond the reasonable control of the Seller.
6. That the Seller will, at all times, operate and maintain its system in an efficient manner and will take such action as may be necessary to furnish the Purchaser with quantities of water required by the Purchaser. Temporary or partial failures to deliver water shall be remedied with all possible dispatch. In the event of an extended shortage of water, or the supply of water available to the Seller is otherwise diminished over an extended period of time, the supply of water to Purchaser's consumers shall be reduced or diminished in the same ratio or proportion as the supply to Seller's consumers is reduced or diminished.
7. The Master Meter shall be checked by both the Seller and the Purchaser through their authorized agent(s) or employee(s), and said Master Meter shall be maintained and tested according to any applicable rules and regulations of the Public Service Commission of

Kentucky, and if found to be inaccurate, shall be corrected as soon as practicable (and adjustments based on such meter testings shall be made in previous payments to conform to the results of such tests if purchaser does not make a reasonable effort to correct the problem in a timely manner).

8. The Master Meter shall measure the water furnished by the Seller and used by the Purchaser on a daily basis, and will determine the monthly amounts to be paid by the Purchaser to the Seller for such water. Said Master Meter shall be read periodically, at least once a month, by an officially designated employee of the Seller and such Master Meter shall be accessible at all reasonable times to an officially designated employee of the Seller for the purpose of reading and checking same. The official readings, which will determine the basis of the charges rendered to the Purchaser, will be the readings made by the Seller.
9. The Seller will sell water to the Purchaser and will deliver same to the Connection Point, and the Purchaser agrees to purchase a minimum of 2,500,000 gallons each month and pay for such water at a rate of \$3.08 for 1,000 gallons; provided, however, such rate may be adjusted by the Seller upon 90 days' written notice from the Seller to the Purchaser, as follows:

Upon written request of either party, made at least ninety (90) days in advance of the proposed effective date of such adjustment, which requests shall not be made more frequently than once per year, such rates shall be adjusted based on any increase or decrease in the costs borne by the Seller since the beginning of the initial effective period of such rates, or since the last adjustment in rates between the parties, whichever is later, the cost increases so taken into account being the costs of producing and delivering water to the Master Meter of the Purchaser, such costs to be determined based upon the certified audit of the records of the Seller by a certified public accountant, a copy of which audit shall be furnished to the Purchaser. Any adjustment in rates shall be subject to review and final approval by the Public Service Commission of Kentucky. Such costs per 1,000 gallons of producing water shall be based on the total number of

gallons of water produced by the Seller, regardless of the amount of water sold by the Seller to the Purchaser.

As set out above, any increase or decrease in rates shall be based on a demonstrable increase or decrease in the costs of performance hereunder, but such costs shall not include increased capitalization (being defined as "increased valuation without capital expenditure") of the Seller's system. Other provisions of this Contract may be modified or altered by mutual agreement.

10. The Purchaser agrees to maintain and repair, and keep all of its mains, pipes, services, and facilities in reasonably good condition to enable it to continue purchasing water from the Seller.
11. The Purchaser assumes all responsibility for its own billing and for maintenance of its own system, the responsibility of the Seller being solely to deliver water to the Purchaser at the Connection Point. The Purchaser will assume the burden and cost of distribution of the water to its customers from the point of the Master Meter, including the cost of all electric power, insurance, pumping, storage, and related expense. If any booster pumping station is required by the Purchaser in order to effect the distribution of water purchased from the Seller from the point of the Master Meter to the customers of the Purchaser, the entire cost of such booster pumping station will be borne by the Purchaser, provided, however, that if and to the extent that any such booster pumping station shall be required in order to enable the Seller to deliver water at the Connection Point, the cost thereof will be borne by the Seller.
12. In the event that the population of the territory of the Seller increase to such an extent that the existing facilities of the Seller cannot adequately serve said population, and if same should occur before existing facilities can be expanded by Seller to meet such contingency, the quantity of water supplied to the Purchaser may then be reduced by the same percentage as such quantity is reduced to all other customers of the Seller, for a period of time sufficient to allow the Seller to expand.

13. Nothing contained in this Contract is to be construed or intended by the parties as divesting the Public Service Commission of Kentucky of any of its authority, jurisdiction, control, or prerogatives in connection with either of the parties.
14. In the event of any occurrence rendering the Purchaser incapable of performing under this Contract, any successor of the Purchaser, whether the result of legal process, assignment, or otherwise, shall succeed to the rights of the Purchaser hereunder.
15. If any section, paragraph, or clause of this Contract be held invalid, the invalidity of such section, paragraph, or clause shall not affect any of the remaining provisions of this Contract.
16. The seller will not charge the purchaser the 2.5 million gallon minimum per month if by some occurrence of unavoidable casualty, acts of God, or other instances beyond the control of the seller, the purchaser will be charged only what they use.

IN WITNESS WHEREOF, the Seller, by resolution duly adopted by its Board of Commissioners, authorizing its Chairman and its Secretary, and the Purchaser, by resolution duly adopted by its Board of Commissioners, authorizing its Chairman and its Secretary to affix their respective signatures, together with the seals of said respective parties, have hereunto executed this Contract, as of the date first herein above written.

By _____

Chairman

(Seal of District)

Attest:

Alan H. H. H.
Secretary

LEDBETTER WATER DISTRICT

By _____

Chairman

Joseph R. Kaiwa

(Seal of District)

Don Miller
2/23/2021
CITY OF ALBUQUERQUE

WATER PURCHASE AGREEMENT

THIS WATER PURCHASE AGREEMENT ("Agreement") is entered into by and between _____ of _____, hereinafter referred to as "Seller", and the LEDBETTER WATER DISTRICT of 1483 US-60 West, Ledbetter, KY 42058, hereinafter referred to as "Purchaser," and together with Seller, the "Parties."

W I T N E S S E T H

WHEREAS, Purchaser is a water district formed and operating pursuant to KRS Chapter 74; and

WHEREAS, Purchaser in need of an additional source of water to serve the residents of its service area; and

WHEREAS, Seller is a water district which owns and operates a water treatment and distribution system and has agreed to supply the additional source of water to Purchaser pursuant to the terms of this Agreement; and

WHEREAS, the execution of this agreement has been duly authorized by the governing bodies of the Parties;

NOW THEREFORE, in consideration of the foregoing premises and the mutual covenants contained herein, the parties hereto agree as follows:

1. Purchase and Supply of Water. Seller agrees to sell and Purchaser agrees to purchase a minimum of twenty four million (24,000,000) gallons of water per year. Purchaser may, but shall not be required to, purchase up to four million four hundred thousand (4,400,000) gallons of water per month from Seller.
2. Rate. Purchaser agrees to pay to Seller the amount of _____ (\$_____) per one thousand (1,000) gallons of water supplied. After the expiration of the first two (2) years of the term, this rate may be increased in conjunction with general rate increases made by Seller to its other water users. Said increase may be based upon a demonstrable increase in the cost of performance hereunder, but such costs shall not include increased capitalization of Seller's systems. Seller shall provide Purchaser ninety (90) days' written notice prior to any such increase taking effect.
3. Term. This Agreement shall be effective upon its filing with the Kentucky Public Service Commission and shall continue for a term of five (5) years.

4. Connection Point. Seller's boundaries shall meet Purchaser's boundaries in accordance with the metes and bounds description attached hereto as Exhibit A. Seller shall maintain an eight (8) inch water line from its water treatment facilities located at _____ to a point (the "Connection Point") which intersects the existing water line of Purchaser located at _____. Seller shall, at its own expense, procure, furnish, install, operate and maintain the necessary facilities, right-of-ways, and easements required to furnish the water service to the Connection Point.

5. Master Meter. A master meter or meters ("Master Meter") shall be furnished, installed maintained at the expense of Seller and shall be located within the boundaries of Purchaser at the Connection Point. Such Master Meter shall be equipped with a check valve or valves which shall be located at a reasonable place or places at or near the Connection Point, as mutually agreed upon by the parties. Such Master Meter and check valves shall measure the quantity of water furnished by Seller and used by Purchaser on a daily basis, and will determine the monthly amounts to be paid by Purchaser to Seller for such water pursuant to Section 2 above, subject to all applicable conditions and limitations specified herein. The Master Meter shall be read periodically, not less than once every ten days, by Seller or its designated agent and shall be accessible at all times to Purchaser or its agent for the purpose of reading and checking same. The Master Meter shall be maintained and tested by Seller according to all applicable rules and regulations of the Public Service Commission of Kentucky, and if found to be inaccurate, shall be corrected as soon as practicable. In such event, adjustments shall be made to Purchaser's previous payments to conform to the results of such tests.

6. Water Quality. The quality of water delivered by Seller to Purchaser shall meet or exceed all quality standards as set by the Environmental Protection Agency the Kentucky Energy and Environment Cabinet, Division of Water.

7. Water Pressure. The Seller shall use reasonable diligence and care to provide a regular and uninterrupted supply of water to Purchaser and to avoid any shortage or interruption of service thereof. The minimum amount which the Seller must furnish during any month shall not be less than two million (2,000,000) gallons. The minimum amount which Seller must furnish during any twenty-four (24) hour period shall not be less than one hundred thousand (100,000) gallons of water, or not less than sixty (60) gallons per minute. Seller shall maintain water pressure sufficient to fill any tank in service by purchaser at the Connection Point at all times, except in cases of unavoidable casualty, acts of God, strikes, or other instances beyond the reasonable control of seller.

8. Failure to Deliver. Seller will, at all times, operate and maintain its systems in an efficient manner and will take such action as may be necessary to furnish Purchaser with quantities of water required by Purchaser. Temporary or partial failures to deliver water shall be remedied with all possible dispatch. If Seller fails to provide to Purchaser the quantity of water as agreed upon herein, or if Seller fails to comply with all applicable standards concerning the quality of

water provided, Seller shall pay to Purchaser an amount equal to the difference in the cost of purchasing water from Seller and the cost of purchasing water from a third party. In the event of an extended shortage of water, or if the supply of water available to Seller is otherwise diminished over an extended period of time, the supply to Purchaser for Purchaser's customers shall be reduced or diminished in the same ratio or proportion as the supply to Seller's customers is reduced or diminished. If Seller anticipates such an event, Seller shall notify Purchaser within twenty-four (24) hours of any decision to reduce production.

9. Maintenance and Repair. Seller shall be responsible for maintenance and repair of all of its mains, pipes, services, and facilities required to provide the services agreed to hereunder including the Connection Point and Master Meter. Purchaser agrees to maintain and repair all of its mains, pipes, services, and facilities in reasonably good condition to enable it to continue purchasing water from Seller.

10. Representations and Warranties of Seller. Seller represents and warrants to Purchaser as follows:

- a. The execution and delivery of this Agreement by Seller and the performance by Seller of the obligations contemplated hereby have been duly authorized by all necessary action on the part of Seller and/or its governing bodies.
- b. The execution and delivery of this Agreement by Seller and the performance by Seller of its obligations hereunder do not and will not violate or conflict with the organizational documents of Seller or any law, regulation, permit, license, ordinance or contractual obligation to which Seller is subject or by which it or any of its assets are bound.
- c. This Agreement constitutes the valid and binding agreement of Seller and is enforceable against Seller in accordance with its terms.

11. Representations and Warranties of Purchaser. Purchaser represents and warrants to Seller as follows:

- a. The execution and delivery of this Agreement by Purchaser and the performance by Purchaser of the obligations contemplated hereby have been duly authorized by all necessary action on the part of Purchaser and/or its governing bodies.
- b. The execution and delivery of this Agreement by Purchaser and the performance by Purchaser of its obligations hereunder do not and will not violate or conflict with the organizational documents of Purchaser or any law, regulation, permit, license, ordinance or contractual obligation to which Purchaser is subject or by which it or any of its assets are bound.

- c. This Agreement constitutes the valid and binding agreement of Purchaser and is enforceable against Purchaser in accordance with its terms.

12. Indemnification. Each party shall protect, defend, indemnify and hold harmless the other party and its officers, directors, employees, and agents from any and all liabilities, taxes, penalties, fines, forfeitures, demands, claims, causes of action, suits and costs and expenses incidental thereto (including costs of defense, settlement and reasonable attorney's fees), which such indemnified parties may hereafter suffer, incur, be responsible for or pay out as a result of or arising out of personal injury, bodily injury or property damage attributable to the acts or omissions constituting gross negligence or willful misconduct of the indemnifying party or its agents pursuant to or in connection with this Agreement. The indemnified party shall, in writing and within ten (10) business days of receipt, notify the indemnifying party of any claim, suit, costs, damages, expenses or liabilities for which indemnity is sought hereunder.

13. Notices. All required notices and other communications will be made in writing, and will be deemed to have been given if delivered or mailed by certified mail or by a nationally recognized overnight mail service to the parties at the below addresses. Any party may change the address to which all notices, requests and other communications are to be sent by giving written notice of such address change to the other party, but such change shall not be effective until notice of such change has been received by the other party.

If to Seller:

If to Purchaser:

Ledbetter Water District

Attn: Mr. Alan Fox

1483 US-60 West

Ledbetter, KY 42058

14. Regulatory Agencies. This Agreement is subject to such rules, regulations or laws as may be applicable to similar agreements in this Commonwealth and Seller and Purchaser will collaborate to obtain such permits, certifications or the like, which may be required to comply with said rules, regulations or laws as may now be applicable or as the same may be modified, amended or adopted hereinafter. Nothing contained in the Agreement shall be construed or intended by the Parties as divesting the Public Service Commission of Kentucky of any of its authority, jurisdiction, or control in connection with either of the parties.

15. Miscellaneous.

15.1 This Agreement shall be binding upon the parties hereto and upon their respective permitted successors and transferees.

15.2 This Agreement shall be governed by and construed in accordance with the laws of the Commonwealth of Kentucky.

15.3 If one or more provisions of this Agreement, or the applicability of any such provisions for any set of circumstances shall be determined to be invalid or ineffective for any reason, such determination shall not affect the validity and enforceability of the remaining provisions of this Agreement.

15.4 The waiver by any Party of a breach, default or violation of this Agreement shall not operate as or be construed to be a waiver of any subsequent breach hereof.

15.5 This Agreement may be amended or any of its terms modified only by a written document authorized, executed and delivered by each of the parties hereto.

15.6 This Agreement may not be assigned except with the express, written consent of the non-assigning party.

15.7 This Agreement may be executed in one or more counterparts and when each party hereto has executed at least one counterpart, this Agreement shall become binding on all parties and such counterparts shall be deemed to be one and the same document.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of this ____ day of _____, 2020.

SELLER:

(Name)

By: _____

Title: _____

PURCHASER:

LEDBETTER WATER DISTRICT

By: _____

Title: _____

COMMONWEALTH OF KENTUCKY)

COUNTY OF _____)

Subscribed, sworn to, and acknowledged before me on this ____ day of _____, 2020 by _____, _____ (title) of _____, Seller.

My commission expires: _____

Notary Public, State at Large

COMMONWEALTH OF KENTUCKY)

COUNTY OF _____)

Subscribed, sworn to, and acknowledged before me on this ____ day of _____, 2020 by _____, _____ (title) of Ledbetter Water District, Purchaser.

My commission expires: _____

Notary Public, State at Large

December 3, 2020

Re: Request for Bids for Wholesale Water Purchase Agreement

To Whom It May Concern:

The Ledbetter Water District is seeking bids from qualified bidders for the negotiation of a wholesale water purchase agreement to supply an additional source of water to its service area. Enclosed herewith please find a Water Purchase Agreement for review and negotiation. Interested bidders should review said Agreement and submit proposals to the Ledbetter Water District by December 18, 2020. Proposals should be submitted in a sealed envelope delivered to 1483 US-60 West, Ledbetter, KY 42058. Sealed envelopes shall be marked "Water Purchase Agreement" in the bottom left corner of the envelope. Questions should be directed to Alan Fox, District Manager, at 270-898-3236 or via email to ledbetterwaterdi@bellsouth.net.

Sincerely

Terry Teitloff
Board Chair

LEASE AGREEMENT

This Lease Agreement is made this 26 of March, 2021 by and between THE LEDBETTER WATER DISTRICT, of 1483 U.S. 60 West, Ledbetter, KY 42058, as Lessor, and Crittenden/Livingston CO. WATER DISTRICT of 620 EAST MAIN SALEM Ky 42078, as Lessee.

WITNESSETH:

WHEREAS, Lessor is the owner of a 20x20 parcel of land located at the corner of McGuire Road and U.S. Highway 60 in Ledbetter, Kentucky, on the east/north east corner of which is a meter house owned by Crittenden-Livingston Water District; and

WHEREAS, Lessee is desirous of leasing said property for the purpose of housing said meter house; and

WHEREAS, it is the express intent of the parties hereto to enter into a lease agreement which will set out the terms, conditions and covenants of the parties' contractual relationship;

NOW, THEREFORE, for and in consideration of the terms, covenants and conditions herein set forth and contained, Lessor and Lessee contract and agree as follows:

1. PREMISES: The premises is described as 20x20 parcel of land located at the corner of McGuire Road and U.S. Highway 60, Ledbetter, Kentucky.
2. CONDITION OF PREMISES: Lessee states that it has examined the premises prior to the execution of this lease agreement and is willing to accept the premises in its "AS IS" condition.
3. TERM: Lessor leases to Lessee, and Lessee leases from Lessor the premises for a term of ninety-nine (99) years.
4. RENTAL: Lessee shall pay to Lessor a one-time payment of \$1.00 for the term of this Agreement.
5. USE: Lessee shall only use the premises for purposes of housing and operating a meter house. Any other use is prohibited. Lessee shall comply with all sanitary laws, ordinances, rules, and orders of appropriate governmental authorities affecting the cleanliness, occupancy, and preservation of the premises, during the term of this lease.
6. MAINTENANCE AND REPAIR: Lessee agrees to assume all maintenance and repair in regard to the leased premises and further agrees to maintain and repair all of the leased premises in a state of good condition.
7. INSURANCE: Lessor shall not provide any insurance for the benefit of Lessee. Lessee shall be responsible for providing its own liability and/or contents insurance.

8. INSPECTION OF PREMISES: It is expressly understood by Lessee that Lessor shall have the absolute right to come upon and into the leased premises at reasonable times and upon reasonable notice to inspect the premises to ensure that Lessee is in compliance with the terms and provisions of this lease agreement.

9. RISK OF LESSEES: All personal property, goods and chattels of Lessee placed or stored in or about the premises are at the risk of the Lessee, and Lessor shall not be responsible to Lessee for same.

10. ALTERATIONS AND/OR IMPROVEMENTS: Lessee shall make no alterations or improvements to the premises, construct any building or make any other improvements on the premises, **without the prior written consent of Lessor.**

11. ASSIGNMENT AND SUBLETTING: This lease may not be assigned or sublet without the prior, written consent of Lessor.

12. INDEMNIFICATION. Each party agrees to indemnify and hold the other harmless from and against all third-party claims of whatever nature, to the extent such claims result from an act, omission, or negligence of the indemnifying party, or its officers, employees, or agents.

13. REMEDIES OF LESSOR: The failure of the Lessor to insist upon the strict performance of the terms, covenants, agreements and conditions herein contained shall not constitute or be construed as a waiver or relinquishment of the Lessor's right thereafter to enforce any such term, covenant, agreement, or condition, but the same shall continue in full force and effect, and Lessor's exercise of any right provided herein or by law shall not constitute a waiver of any other right which is provided herein or by law to Lessor.

14. ENTIRETY: This lease contains the entire agreement between the parties hereto, and neither party is bound by any representations or agreements of any kind except as herein contained.

15. EFFECTIVE DATE: The effective date of this agreement shall be the date first written above.

LESSOR:
LEDBETTER WATER DISTRICT

By: Alan Fox
General Manager

LESSEE:
Crittenden/Livingston Co. Water District

By: Joseph R. Kaiser

LEASE AGREEMENT

This Lease Agreement is made this _____ of _____, 2021 by and between THE LEDBETTER WATER DISTRICT, of 1483 U.S. 60 West, Ledbetter, KY 42058, as Lessor, and Crittenden/Livingston CO. WATER DISTRICT of 6020 EAST MAIN SALEM KY 42078, as Lessee.

WITNESSETH:

WHEREAS, Lessor is the owner of a 20x20 parcel of land located at the corner of McGuire Road and U.S. Highway 60 in Ledbetter, Kentucky, on the east/north east corner of which is a meter house owned by Crittenden-Livingston Water District; and

WHEREAS, Lessee is desirous of leasing said property for the purpose of housing said meter house; and

WHEREAS, it is the express intent of the parties hereto to enter into a lease agreement which will set out the terms, conditions and covenants of the parties' contractual relationship;

NOW, THEREFORE, for and in consideration of the terms, covenants and conditions herein set forth and contained, Lessor and Lessee contract and agree as follows:

1. PREMISES: The premises is described as 20x20 parcel of land located at the corner of McGuire Road and U.S. Highway 60, Ledbetter, Kentucky.

2. CONDITION OF PREMISES: Lessee states that it has examined the premises prior to the execution of this lease agreement and is willing to accept the premises in its "AS IS" condition.

3. TERM: Lessor leases to Lessee, and Lessee leases from Lessor the premises for a term of ninety-nine (99) years.

4. RENTAL: Lessee shall pay to Lessor a one-time payment of \$1.00 for the term of this Agreement.

5. USE: Lessee shall only use the premises for purposes of housing and operating a meter house. Any other use is prohibited. Lessee shall comply with all sanitary laws, ordinances, rules, and orders of appropriate governmental authorities affecting the cleanliness, occupancy, and preservation of the premises, during the term of this lease.

6. MAINTENANCE AND REPAIR: Lessee agrees to assume all maintenance and repair in regard to the leased premises and further agrees to maintain and repair all of the leased premises in a state of good condition.

7. INSURANCE: Lessor shall not provide any insurance for the benefit of Lessee. Lessee shall be responsible for providing its own liability and/or contents insurance.

8. INSPECTION OF PREMISES: It is expressly understood by Lessee that Lessor shall have the absolute right to come upon and into the leased premises at reasonable times and upon reasonable notice to inspect the premises to ensure that Lessee is in compliance with the terms and provisions of this lease agreement.

9. RISK OF LESSEES: All personal property, goods and chattels of Lessee placed or stored in or about the premises are at the risk of the Lessee, and Lessor shall not be responsible to Lessee for same.

10. ALTERATIONS AND/OR IMPROVEMENTS: Lessee shall make no alterations or improvements to the premises, construct any building or make any other improvements on the premises, **without the prior written consent of Lessor.**

11. ASSIGNMENT AND SUBLETTING: This lease may not be assigned or sublet without the prior, written consent of Lessor.

12. INDEMNIFICATION. Each party agrees to indemnify and hold the other harmless from and against all third-party claims of whatever nature, to the extent such claims result from an act, omission, or negligence of the indemnifying party, or its officers, employees, or agents.

13. REMEDIES OF LESSOR: The failure of the Lessor to insist upon the strict performance of the terms, covenants, agreements and conditions herein contained shall not constitute or be construed as a waiver or relinquishment of the Lessor's right thereafter to enforce any such term, covenant, agreement, or condition, but the same shall continue in full force and effect, and Lessor's exercise of any right provided herein or by law shall not constitute a waiver of any other right which is provided herein or by law to Lessor.

14. ENTIRETY: This lease contains the entire agreement between the parties hereto, and neither party is bound by any representations or agreements of any kind except as herein contained.

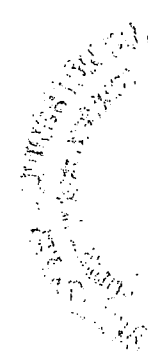
15. EFFECTIVE DATE: The effective date of this agreement shall be the date first written above.

LESSOR:
LEDBETTER WATER DISTRICT

By: _____
General Manager

LESSEE:
Crittenden/Livingston CO. WATER DISTRICT

By: Joseph R. Kaiser

  2/22/2021

WATER PURCHASE CONTRACT

THIS CONTRACT, made and entered into this 26 day of March 2021 by and between the CRITTENDEN-LIVINGSTON COUNTY WATER DISTRICT, a municipal corporation organized as a water district under Chapter 74 of the Kentucky Revised Statutes, party of the first part, hereinafter referred to as the "Seller", and the LEDBETTER WATER DISTRICT, a municipal corporation organized under the laws of the Commonwealth of Kentucky, party of the second part, hereinafter referred to as the "Purchaser",

WITNESSETH:

WHEREAS, the Seller has a waterworks system, including a water treatment plant and distribution system, to serve residents of the territory embraced by the seller, and

WHEREAS, The Purchaser contemplates the need, in the foreseeable future, of an additional source of water to serve the citizens and residents of its service area, and

WHEREAS, the Seller has a water plant or plants of sufficient capacity to provide for the currently anticipated needs and requirements of the customers of the Seller and further to serve the Purchaser all of the necessary water needed by the Purchaser, and

WHEREAS, the Seller is willing to sell the Purchaser a supply of available water at such times, as the Purchaser shall need water, which is reasonably expected to be available to the Seller after providing for the reasonably anticipated water service obligations of the Seller to its own residents, and

WHEREAS, the governing bodies of the Purchaser and of the Seller have authorized the execution of this Contract,

NOW, THEREFORE, in consideration of the premises, or the mutual covenants and agreements herein contained, of the prompt payment of the rates as herein agreed to and set out, and of the prompt delivery of the water supply as herein agreed to and set out, the parties hereto have agreed as follows:

1. This contract shall become effective immediately upon its execution and the Purchaser shall be entitled to receive water hereunder, at the option of the Purchaser, as needed, and this contract shall continue for a period of 13 years, at which time it may be renegotiated or extended by mutual agreement of both parties.
2. The effectiveness of this Contract is subject to the approval of the Public Service Commission of Kentucky.
3. The quality of water delivered by the Seller to the Purchaser hereunder shall meet the standards of the United States Public Health Service Limitations for Drinking Water.
4. The Seller shall maintain water pressure of not less than 50 psi at the Connection Point at all times, except in cases of unavoidable casualty, acts of God, strikes, or other instances beyond the control of the Seller.
5. The Seller shall use reasonable diligence and care to provide a regular and uninterrupted supply of water to the Purchaser and to avoid any shortage or interruption of service thereof. The maximum amount which the Seller must furnish during any twenty-four (24) hour period shall be an amount not to exceed a total of 100,000 gallons of water for such twenty-four (24) hour period or not to exceed a rate of 70 gallons per minute during any twenty-four (24) hour period. The purchaser may exceed 100,000 gallons per day or 70 gallons per minute in cases of unavoidable casualty, acts of God, strikes, or other instances beyond the control of the purchaser. The Seller shall not be liable for any failure, interruption, or shortage of water or any loss or damage resulting therefrom, occasioned in whole or in part by any cause beyond the reasonable control of the Seller.
6. That the Seller will, at all times, operate and maintain its system in an efficient manner and will take such action as may be necessary to furnish the Purchaser with quantities of water required by the Purchaser. Temporary or partial failures to deliver water shall be remedied with all possible dispatch. In the event of an extended shortage of water, or the supply of water available to the Seller is otherwise diminished over an extended period of time, the supply of water to Purchaser's consumers shall be reduced or diminished in the same ratio or proportion as the supply to Seller's consumers is reduced or diminished.
7. The Master Meter shall be checked by both the Seller and the Purchaser through their authorized agent(s) or employee(s), and said Master Meter shall be maintained and tested according to any applicable rules and regulations of the Public Service Commission of

Kentucky, and if found to be inaccurate, shall be corrected as soon as practicable (and adjustments based on such meter testings shall be made in previous payments to conform to the results of such tests if purchaser does not make a reasonable effort to correct the problem in a timely manner).

8. The Master Meter shall measure the water furnished by the Seller and used by the Purchaser on a daily basis, and will determine the monthly amounts to be paid by the Purchaser to the Seller for such water. Said Master Meter shall be read periodically, at least once a month, by an officially designated employee of the Seller and such Master Meter shall be accessible at all reasonable times to an officially designated employee of the Seller for the purpose of reading and checking same. The official readings, which will determine the basis of the charges rendered to the Purchaser, will be the readings made by the Seller.
9. The Seller will sell water to the Purchaser and will deliver same to the Connection Point, and the Purchaser agrees to purchase a minimum of 2,500,000 gallons each month and pay for such water at a rate of \$3.08 for 1,000 gallons; provided, however, such rate may be adjusted by the Seller upon 90 days' written notice from the Seller to the Purchaser, as follows:

Upon written request of either party, made at least ninety (90) days in advance of the proposed effective date of such adjustment, which requests shall not be made more frequently than once per year, such rates shall be adjusted based on any increase or decrease in the costs borne by the Seller since the beginning of the initial effective period of such rates, or since the last adjustment in rates between the parties, whichever is later, the cost increases so taken into account being the costs of producing and delivering water to the Master Meter of the Purchaser, such costs to be determined based upon the certified audit of the records of the Seller by a certified public accountant, a copy of which audit shall be furnished to the Purchaser. Any adjustment in rates shall be subject to review and final approval by the Public Service Commission of Kentucky. Such costs per 1,000 gallons of producing water shall be based on the total number of

gallons of water produced by the Seller, regardless of the amount of water sold by the Seller to the Purchaser.

As set out above, any increase or decrease in rates shall be based on a demonstrable increase or decrease in the costs of performance hereunder, but such costs shall not include increased capitalization (being defined as "increased valuation without capital expenditure") of the Seller's system. Other provisions of this Contract may be modified or altered by mutual agreement.

10. The Purchaser agrees to maintain and repair, and keep all of its mains, pipes, services, and facilities in reasonably good condition to enable it to continue purchasing water from the Seller.
11. The Purchaser assumes all responsibility for its own billing and for maintenance of its own system, the responsibility of the Seller being solely to deliver water to the Purchaser at the Connection Point. The Purchaser will assume the burden and cost of distribution of the water to its customers from the point of the Master Meter, including the cost of all electric power, insurance, pumping, storage, and related expense. If any booster pumping station is required by the Purchaser in order to effect the distribution of water purchased from the Seller from the point of the Master Meter to the customers of the Purchaser, the entire cost of such booster pumping station will be borne by the Purchaser, provided, however, that if and to the extent that any such booster pumping station shall be required in order to enable the Seller to deliver water at the Connection Point, the cost thereof will be borne by the Seller.
12. In the event that the population of the territory of the Seller increase to such an extent that the existing facilities of the Seller cannot adequately serve said population, and if same should occur before existing facilities can be expanded by Seller to meet such contingency, the quantity of water supplied to the Purchaser may then be reduced by the same percentage as such quantity is reduced to all other customers of the Seller, for a period of time sufficient to allow the Seller to expand.

13. Nothing contained in this Contract is to be construed or intended by the parties as divesting the Public Service Commission of Kentucky of any of its authority, jurisdiction, control, or prerogatives in connection with either of the parties.
14. In the event of any occurrence rendering the Purchaser incapable of performing under this Contract, any successor of the Purchaser, whether the result of legal process, assignment, or otherwise, shall succeed to the rights of the Purchaser hereunder.
15. If any section, paragraph, or clause of this Contract be held invalid, the invalidity of such section, paragraph, or clause shall not affect any of the remaining provisions of this Contract.
16. The seller will not charge the purchaser the 2.5 million gallon minimum per month if by some occurrence of unavoidable casualty, acts of God, or other instances beyond the control of the seller, the purchaser will be charged only what they use.

IN WITNESS WHEREOF, the Seller, by resolution duly adopted by its Board of Commissioners, authorizing its Chairman and its Secretary, and the Purchaser, by resolution duly adopted by its Board of Commissioners, authorizing its Chairman and its Secretary to affix their respective signatures, together with the seals of said respective parties, have hereunto executed this Contract, as of the date first herein above written.

By _____

Chairman

(Seal of District)

Attest:

Alan Hirtz
Secretary

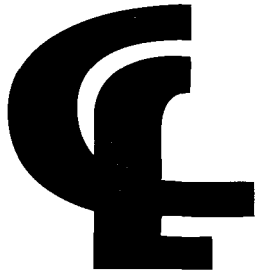
LEDBETTER WATER DISTRICT

By *Terry Lichoff*
Chairman

Joseph K. Kaiser

(Seal of District)

Donna Miller
8/23/2021



CRITTENDEN-LIVINGSTON County Water District

620 East Main • Salem, Kentucky 42078

Phone (270) 988-2680 • Fax (270) 988-4892

March 23, 2021

To The Ledbetter Water District:

The Crittenden-Livingston Co. Water District will not charge the 2.5 million gallon minimum per month if by some reason of unavoidable casualty, acts of God, or other instances beyond the control of the seller. They will be charged only what they use.

Thank You,

Ronnie Slayden
Superintendent