

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF THE EDMONSON)	
COUNTY WATER DISTRICT FOR THE)	
APPROVAL OF THE USE BY SAID WATER)	
DISTRICT OF CONTRACTS FOR THE)	
CONSTRUCTION AND USE OF WATER)	CASE NO. 90-114
TRANSMISSION LINES BY PRIVATE)	
DEVELOPERS AND PROSPECTIVE)	
CUSTOMERS OF THE WATER DISTRICT,)	
PROVIDING FOR THE REIMBURSEMENT OF)	
CONSTRUCTION COST)	

O R D E R

On May 4, 1990, Edmonson County Water District ("Edmonson") filed an application with the Commission requesting approval of proposed standard contracts for construction and use of water transmission lines by private developers and prospective customers.

In Case No. 89-008,¹ Edmonson had sought approval of similar type contracts. On March 19, 1990, the Commission issued an Order in that case rejecting the proposed contracts and gave directives it considered necessary to make the standard type contract acceptable.

After a review of the application and the information filed in this case, the Commission finds that the contracts filed in

¹ Case No. 89-008, The Application of the Edmonson County Water District for the Approval of the Use By Said Water District of a Contract for the Construction and Use of Water Transmission Lines by Private Developers and Providing for the Reimbursement of Said Developers for the Cost of Construction.

this case are in compliance with the directives set out in the Order dated March 19, 1990 in Case No. 89-008.


IT IS THEREFORE ORDERED that:

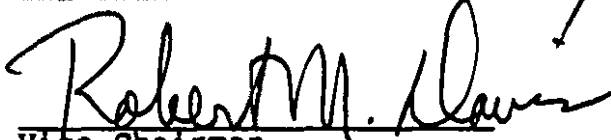
1. The proposed standard contracts filed by Edmonson and set out in Appendix A, which is attached hereto and incorporated herein, shall be and they hereby are approved for services rendered on and after the date of this Order.

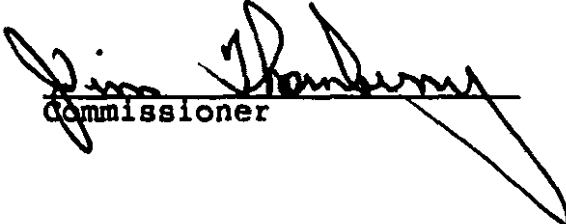
2. Within 30 days from the date of this Order, Edmonson shall file copies of the standard contracts approved herein as part of its tariff on file with the Commission.

Done at Frankfort, Kentucky, this 9th day of July, 1990.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION
IN CASE NO. 90-114 DATED 7/09/90

**NEW LINE EXTENSION CONTRACT
FOR DEVELOPERS IN A PROPOSED REAL ESTATE SUBDIVISION**

This AGREEMENT made and entered into by and between the EDMONSON COUNTY WATER DISTRICT, of Brownsville, Edmonson County, Kentucky, hereinafter called the "District", and _____ of _____, Kentucky hereinafter called the "Developer", whether one or more;

WITNESSETH: That

WHEREAS, the District has engaged in the treatment, transmission and sale of potable water; and

WHEREAS, the Developer is the owner of real property capable of being sub-divided, and has no public water service; and

WHEREAS, The District desires to serve developer with water and developer desires to receive such water service, but the District has not the funds, equipment or manpower to lay and construct lines to serve the Developer;

NOW, THEREFORE, THE PARTIES AGREE:

(1) Developer shall prepare or cause to be prepared and submit plans for the construction of water transmission lines, which shall comply with all regulations of any responsible agency or agencies of the Commonwealth of Kentucky, at the cost to Developer. Said plans shall be prepared in consultation with the Manager of the District and shall comply with specifications established by the District. After approval by the appropriate state agencies, said plans shall be submitted to the Commissioners of the District for consideration or approval.

(2) The Developer and manager of the District shall determine the total cost of the proposed water main extension (exclusive of the meter connections) and the total length of the extension, the expected minimum number of potential water customers. Construction to be done in the most economical manner available. If construction is done by someone other than the District, then the District shall inspect the construction. Copies of quotes, bids, checks, etc., shall be filed with the District for verification of cost where it shall be open to public examination.

The District shall pay that portion of the cost of the water main extension equal to 50 feet for each applicant for service. Each year for a period of ten years after the original construction of the main extension the District will refund an amount equal to the cost of 50 feet of the construction cost for each additional customer connected to the system but in no case shall the total amount refunded exceed the total amount of the construction cost.

(3) Developer and District together shall obtain all necessary easements, licenses or permits for rights-of-way required for the water transmission lines agreements.

(4) The District has the right to extend the lines or to connect laterals therefrom or to connect any customer desiring service upon payment of the approved "Tap-on-tee".

(5) The Developer shall notify the District when construction is complete, including all construction clean-up and Bacteriological approval, the District will accept possession of the water transmission line for the purpose of meter installing and serving customers and general maintenance; and the Developer shall convey the title to all water transmission lines, their appurtenances, to the District, its successors and assigns, with covenants that there are no liens or encumbrances on said lines at the time the line is put in service.

IN TESTIMONY WHEREOF, witness the hands of the Chairman of the Edmonson County Water District and the Developer the day and year appearing to the right of their signatures.

_____ date

Edmonson County Water District

By: _____ date

* * * *

NEW LINE EXTENSION CONTRACT

This CONTRACT made and entered into by and between the EDMONSON COUNTY WATER DISTRICT, a municipal corporation of the Commonwealth of Kentucky, hereinafter called the "District," and

_____ of _____, County of _____, Commonwealth of Kentucky, hereinafter called "Customer," whether one or more,

WITNESSETH: That

WHEREAS, The District is engaged in the treatment, transmission and sale of potable water; and

WHEREAS, The Customer is the owner of real property near or adjacent to the service area of the District with a water transmission line within connecting distance; and

WHEREAS, The Customer desires to receive water service, but the District has not the funds, equipment or manpower to lay and construct lines to serve the Customer;

WHEREAS, The Customer is willing to construct and lay water transmission: line or lines from the end of the District's line; and

NOW, THEREFORE, THE PARTIES AGREE:

1) Customer shall prepare or cause to be prepared and submit plans for the construction of water transmission lines, which shall comply with all regulations of any responsible agency or agencies of the Commonwealth of Kentucky, at the cost to Customer. Said plans shall be prepared in consultation with the Manager of the District and shall comply with specifications established by the District. After approval by the appropriate state agencies, said plans shall be submitted to the Commissioners of the District for consideration or approval.

2) Said plans shall state the number of customers who shall be served upon completion of the project.

3) The customer and the manager of the District shall determine the total cost of the proposed water main extension (exclusive of the meter connections) and the total length of the extension. Construction to be done in the most economical manner available. If construction is done by someone other than the District then the District shall inspect the construction. Copies of quotes, bids, checks, etc., shall be filed with the District for verification of cost where it shall be open to public examination. The District shall pay that portion of the cost of the water main extension equal to 50 feet for each applicant for service. That part of the cost not covered by the District's portion shall be contributed equally by those applicants desiring service on the main extension. Each applicant shall also be required to pay the District's approved "Tap-on-fee" for a meter connection to the main extension.

For a period of ten years after the original construction of the main extension each additional customer directly connected to each particular extension will be required to contribute to the cost of that water main extension based on a recomputation of both the District's portion of the total cost and each customer's contribution as set out above. The District must refund to those customers that have previously contributed to the cost of each main extension itself that amount necessary to reduce their contribution: to the currently calculated amount for each customer connected to that extension. All customers directly connected to each main extension for a ten year period after it is placed in service are to contribute equally to cost of construction of the water main extension itself. In addition each customer must pay the approved "Tap-on-fee" applicable at the time of their application for the meter connection. The "Tap-on-fee" is not part of the refundable cost of the extension it may be changed during the refund period. In no case will the total amount refunded exceed the amount paid by the District. After the ten year refund period expires, any additional customer applying for service on each main extension must be connected for the amount of the approved "tap-on-fee" only.

4) Customer & District together shall obtain and provide all necessary easements, licenses, or permits for rights-of-way required for the water transmission lines.

5) The Customer shall convey the title to all water transmission line their appurtenances, to the District, its successors and assigns, with covenants that there are no liens or encumbrances on said lines at the time the lines are put in service.

6) The District has the right to extend the lines or to connect laterals therefrom.

7) This contract is valid only upon acceptance by the Commissioners of the District and the affixing to this contract of the signature of duly authorized Chairman of the Commission.

IN TESTIMONY WHEREOF, witness the hands of the Chairman of the Edmonson County Water District and the Customer the day and year appearing to the right of their signatures.

Customer Date

EDMONSON COUNTY WATER DISTRICT

By: _____
Chairman Date

ATTEST:

Secretary-Treasurer

STATE OF KENTUCKY

COUNTY OF _____SCT.

I, _____, Notary Public in and for the County and State aforesaid, certify that the foregoing contract, was on this date produced to me in said County and acknowledged to before me by _____ parties thereto be their act and deed.

Given under my hand this _____ day of _____, 19____.

My commission expires: _____

NOTARY PUBLIC

* * * *

2. The anticipated construction under the terms and conditions of these contracts will not encumber the assets of the District and will allow the expansion of its water services to areas not now economically feasible.