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PUBLIC SERVICE COMMISSION OF KENTUCKY EFFECTIVE

SEP 09 1994

PUBLIC SERVICE COMMISSION

SEP 29 1994

PURSUANT TO 807 KAR 5:011. SECTION 9 (1) BY: Original C. Fleel

referred as the "District", WITNESSETH:

SEWER SERVICES CONTRACT

This CONTRACT and AGREEMENT made and entered into at Mt.

Sterling, Montgomery County, Kentucky this the day of March, 1974,
by and between the CITY OF MT. STERLING, KENTUCKY, a municipal
corporation of the fourth class, its successors and assigns,
hereinafter referred as the "City" and

was a sanitation district organized
pursuant to KRS 220.110, its successors and assigns, hereinafter

WHEREAS, the District is a sanitation District formed under the provisions of Chapter 220 of the Kentucky Revised Statutes and said District, having been given a corporate existence by the order of the Commissioner of Sanitation Districts of the Commonwealth of Kentucky in an Order entered March 6, 1973; and

WHEREAS, the District contends to construct a sanitary sewage collection system to serve the area within the District's boundaries as hereinafter defined; and

WHEREAS, the city is presently operates and maintains a sewage treatment plant with the necessary reserve capacity to adquately process the sewage from the area to be served by the District's sewage collection system; and

WHEREAS, it is mutually desirable and advantageous for both the City and the District to utilize the City's sewage treatment plant,

NOW THEREFORE, in consideration of the premises and the hereinafter set out covenants and agreements and conditions of the parties, it is mutually agreed by and between the city and the

"Petitioner's Exhibit F", page 1

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District as follows:

- 1. The District may connect its sewage collection system to the City's sewage collection system at a point convenient to the District, and the District may discharge all of the sewage collected by its sewage collection system into the City's sewage collection system.
- 2. The City agrees to process the sewage collected and pumped to its plant by the District as aforesaid.
- 3. The City agrees to incorporate the sending and collection of the sewage service charges for the District into its present water billing and collection operation.
- 4. The District will pay to the City at the time that the District's sewer lines are first connected to the City sewer lines the same connection fees as would then be charged by the City, if the residences, trailers, business buildings and other producers of sewage connected to the District's sewer lines were being connected directly to the City sewer line. Thereafter the City will bill directly to customers of the District for connection fees and sewage use charges in the same manner as the City bills customers connected to its own sewer system.

The City will charge and bill the customers of the District the same sum for sewage connection and usage charges as the City charges to others connecting or connected to the City sewer system (currently \$50 connection fee, plus sewer use charge equal to 35% of City water bill).

5. The City shall not be required to maintain or contribute to the maintenance of any of the sewer lines or equipment of

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the District, nor shall the District be required to contribute to the maintenance of any of the sewer lines or equipment of the City

- 6. It is mutually agreed by and between the City and the District that this contract shall remain in full force and effect for a period of sixty (60) years from the date of the execution of this contract.
- 7. It is understood and agreed by and between the City and the District that the boundary covered by this agreement and the boundary from within which the City agrees to process sewage under this agreement is the boundary and territory of the District as set forth in the "Order Declaring Formation of Sanitation District No. 1 of Montgomery County, Kentucky", dated March 6, 1973 and of record in Articles of Incorporation Book 4, Page 423, Montgomery County Court Clerk's office, reference to which is made for a more particular description of the boundaries of said District No new or additional territory or boundaries as may be incorporated into the District shall be included in this agreement and served by the City as provided in this agreement, except pursuant to a written amendment of this contract or a new contract between the parties signed by all authorized representatives of the parties hereto.
- 8. It is understood and agreed that the City's obligation to provide the service set forth herein shall only be effective and binding if the District connects its sewage collection system to the City's sewage collection system, and begins discharging sewage for treatment into the City's system within three (3) years from the date of this agreement.
- 9. It is expressly understood that this contract is subject to the approval of all agencies lending or granting funds

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to the District for construction of its sewage collection system.

IN TESTIMONY WHEREOF, the City of Mt. Sterling has caused this contract to be duly executed in triplicate, each of which shall constitute an original, by virtue of authority of the City Council of Mt. Sterling, Kentucky at a regularly convened meeting on March 12, 1974, and the Sanitation District No. 1 of Montgomery County, Kentucky has caused this contract to be duly executed in like manner by its President, Art Rogers by authority of the Board of Directors of said District, at a special meeting of said Directors held on March 2, 1974.

THE CITY OF MT. STERLING, KENTUCKY
Y: Doop
WESLEY BROOKS, MAYOR

ATTEST:

ColleenWood - City Clerk

SANITATION DISTRICT NO. 1 OF MONTGOMERY COUNTY, KENTUCKY

Y: 4 Fogers

ART ROGERS, PRESIDENT

ATTEST:

Gene McCarty - Secretary-Treasurer

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EFFECTIVE

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PURSUANT TO 807 KAR 5:011,

SECTION 9 (1)

DY: Jacker C. Flash

This Instrument Prepared By:

Alan B. Peck

WHITE AND PECK ATTORNEYS AT LAW

26 Broadway

Mt. Sterling, Kentucky 40353

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