

July 7, 1983

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AUG 19 1994

PUBLIC SERVICE
COMMISSION

RESOLUTION

WHEREAS, the Grayson County Water District, herein referred to as the District, and the City of Leitchfield Utility Commission, herein referred to as the Commission, have disagreed and an ongoing law suit is pending before the Grayson County Circuit Court, and the Judge in the case has discussed with the parties the possibility of settling the case by an Agreed Order;

WHEREAS, the District is agreeable to settling the case by an Agreed Order as suggested by the Judge;

NOW, THEREFORE, BE IT RESOLVED by the District that the Agreed Order contain the following provisions:

1) The Contracts dated April 11, 1978 and August 21, 1982 shall be ratified and reaffirmed except as modified by the Agreed Order.

2) The District shall pay the Commission for water purchased at the rate of 68.76¢/1000 gallons from the date the Public Service Commission approved the 68.76¢/1000 gallon rate to be passed through to the District's customers. The District shall continue to pay the Commission at 68.76¢/1000 gallons up through the effective date of a new rate to the District as specified in Item 3, below.

3) The new rate to the District shall be 95¢/1000 gallons, effective 45 days from the date the Agreed Order is executed. X

4) The 95¢/1000 gallons rate shall remain in effect until six months following the date the 1983-84 audit report is received by the District. The Commission shall instruct their auditors to be effective

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PURSUANT TO 807 KAR 5:011,
SECTION 9 (1)

BY: Jordan C. Ford
FOR THE PUBLIC SERVICE COMMISSION

submit the audit report to the District at the same time the report is submitted to the Commission.

5) The wholesale rate to the District from the Commission shall be determined by the end of the six month period described in Item 4. The determination of the new rate will be based on the revised contract dated April 11, 1978, and shall be made by one engineer appointed by the District and one engineer appointed by the Commission. The respective engineers shall be registered as Professional Engineers in the Commonwealth of Kentucky. Each engineer shall be appointed and the other party advised of the appointee within fifteen days of the date said audit report is received by the District. Rate computations shall use actual expense figures shown in said audit report. The District and the Commission shall instruct their engineers to agree on the new rate and to submit a joint report establishing the new rate within sixty days of the date the District receives said audit report. The engineers' joint report shall be binding on both parties. Should the two engineers fail to agree on a new rate, the Commission and the District shall immediately, jointly request that Public Service Commission's engineering division supply the names of at least three Professional Engineers, registered in the Commonwealth of Kentucky, who are knowledgeable in the establishment of wholesale water rates. Neither party nor their representatives shall contact the Public Service Commission regarding this matter except in a joint manner.

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BY: *Charles P. [Signature]*
FOR THE PUBLIC SERVICE COMMISSION

by the Public Service Commission shall not include any person presently or formerly employed, either directly or indirectly, by the District or the Commission. Upon receipt of the three names from the Public Service Commission, a representative of the District and the Commission shall meet and draw the name of one engineer at random. The three engineers shall jointly, by majority vote, determine the rate. This engineer shall be jointly employed by the District and the Commission to act as an arbitrator in establishing the new wholesale rate with the other two engineers. The arbitrators' decisions shall be final and binding on both parties.

The District and the Commission shall instruct the arbitrating engineers to finalize all rate computations and submit a report of the computations and the final rate to both parties within 135 days from the date the District receives said audit report.

6) A new rate shall be determined every two years and shall be based on actual expenses shown in audit reports last fiscal year as herein described. Each new rate computation shall be performed as outlined in Item 5, above.

AND BE IT FURTHER RESOLVED that a copy of this resolution be delivered to the City of Leitchfield Utility Commission for the Commission's consideration and for such action as it may take to concur with this resolution and thereby expedite said Agreed Order of the Court.

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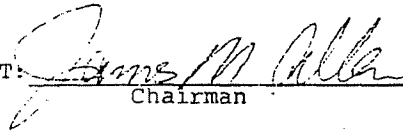
PURSUANT TO 807 KAR 5.011,
SECTION 9 (1)

BY: Judith A. [Signature]
FOR THE PUBLIC SERVICE COMMISSION

ADOPTED after having been moved by Ed Nichols, and second-
ed by Otis Moon, at a regular meeting of the Grayson County Water
District Board of Commissioners on the 7th day of July, 1983.

Secretary

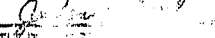
ATTEST:


Chairman

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PURSUANT TO 807 KAR 5:011,
SECTION 9(1)

BY: 
FOR THE PUBLIC SERVICE COMMISSION

COMMONWEALTH OF KENTUCKY

COUNTY OF GRAYSON. CERTIFICATE

I, ED NICHOLS, Secretary of the Board of Commissioners of the Grayson County Water District, do hereby certify that the foregoing resolution is a true and correct copy of the resolution as appears in the minute book of said corporation and having been adopted at a regular meeting of said board of commissioners held on the 7th day of July, 1983.

IN TESTIMONY WHEREOF, witness my hand this 15th day of August, 1983.

Ed Nichols
Secretary

(SEAL)

The foregoing resolution was adopted by unanimous vote of The Leitchfield Utility Commission on the 4th day of August, 1983.

Joe Bill Green
CHAIRMAN

GRAYSON CIRCUIT COURT
CIVIL ACTION FILE # 82-CI-120

CITY OF LEITCHFIELD,

PLAINTIFF,

VS

AGREED JUDGMENT

GRAYSON COUNTY WATER DISTRICT,

DEFENDANT.

Come the parties hereto, by counsel, and agree that judgment be entered as follows:

That the resolution of the parties as adopted by the defendant, Grayson County Water District, on July 7, 1983, and as adopted by the plaintiff, City of Leitchfield, on August 4, 1983, shall constitute the agreement of the parties in the settlement of this action, a copy of which is attached hereto and made a part hereof as though fully set forth herein;

The action shall be dismissed, as settled, and stricken from the docket;

AND THE COURT BEING SUFFICIENTLY ADVISED, IT IS SO ORDERED.

THIS 15th DAY OF August, 1983.

Lauretha A. [Signature]
JUDGE, GRAYSON CIRCUIT COURT

AGREED:

[Signature]
ATTORNEY FOR PLAINTIFF

[Signature]
ATTORNEY FOR DEFENDANT

August 21, 1982

0.6876