

AGREEMENT FOR BUSINESS AND CUSTOMER SERVICES BILLING

Come the parties to this agreement, on this the 14th day of March, 2017, by and between the Peaks Mill Water District ("Peaks Mill"), in Frankfort, Franklin County, Kentucky, and the Elkhorn Water District ("Elkhorn"), in Frankfort/Franklin County, Kentucky, and hereby agree as follows.

WITNESSETH:

WHEREAS, Elkhorn is presently providing water services to certain areas of Franklin County and Scott County, Kentucky, pursuant to Ordinance of the Franklin County and Scott County Fiscal Courts; and

WHEREAS Elkhorn as part of its water services division, has created and maintains an administrative, bookkeeping and billing system to track and bill customers for Elkhorn's water services; and

WHEREAS, Peaks Mill provides and manages water services for certain customers in the Franklin County area;

WHEREAS, Elkhorn and Peaks Mill have agreed that Peaks Mill will provide administrative, bookkeeping, business and customer services and billing for the customers of Elkhorn Water District;

WHEREAS, Elkhorn agrees to pay Peaks Mill for the services it will provide to Elkhorn's customer base;

NOW, THEREFORE, in consideration of the mutual promises, benefits and forbearances herein contained, the parties hereto agree as follows:

1. The term of this agreement shall be for one (1) year from the date of execution by the parties hereto or the date this agreement is approved by the Public



Service Commission, whichever is later. Unless terminated by either party hereto upon no later than Ninety (90) days prior written notice to terminate of any term hereunder, this Agreement shall automatically be extended for additional one (1) year terms.

2. Peaks Mill shall provide for Elkhorn Water District's customer base, all aspects of administrative, bookkeeping, business and customer services/billing, including, but not limited to, (1) bill preparation and mailing same to all of Elkhorn's customers,¹ (2) ACH management, and (3) handling, depositing and otherwise managing all monies collected for water services rendered by Elkhorn to its customers.

3. Elkhorn shall provide to Peaks Mills a full and complete listing of its customer addresses for which water billing services are currently provided by Elkhorn. Elkhorn shall further make available to Peaks Mill, all records, documents, customer payment history and other data that may be necessary for Peaks Mill to provide its services hereunder, including, but not limited to, any and all contracts and notices which Elkhorn may from time to time send to any of its customer base.

4. Elkhorn shall update as necessary, and no less frequently than annually, its listing of names and addresses of its entire customer based being provided water services by Elkhorn, and for which Peaks Mill shall provide the services described herein pursuant to this agreement.

5. Peaks Mill shall be responsible for responding to any and all oral or written inquiries, including, but not limited to, the following: all billing inquires, water usage, leak adjustments, requests for new service, requests for termination of service, requests for

¹ Elkhorn will pay for all postage with respect to any billing/mailings/filing fees made by Peaks Mill for its services rendered hereunder.



service reactivation, service disruption issues, including emergency notification, and website management.

6. Expenses for shared items which benefit both Peaks Mill and Elkhorn equally, shall be borne by the parties in the following percentages. Elkhorn will pay 31% of said expenses and Peaks Mill will pay 69% of said expenses, for those items which benefit both parties equally, or nearly equally. For any item which is specific to either party, and designated to that party only, with the benefit to be derived by only that party, the expense shall then be borne 100% by the party so benefited.

7. Peaks Mill shall assist in the preparation and filing of the annual budget with the appropriate regulatory agencies on behalf of Elkhorn. Elkhorn agrees to review, advise and provide oversight with respect to the preparation and filing of the annual budget, as needed.

8. Peaks Mill shall be responsible for the preparation of any reports regarding monthly accounts receivables/payables, and hereby further agrees to prepare, provide and present said reports at the monthly board meetings of the Elkhorn Water District Board.

9. Peaks Mill further agrees to assist in the filing of any and all regulatory filings and reporting documents necessary for Elkhorn Water District to be in good standing and in compliance with all regulatory authorities, including, but not limited to, all reports that must be provided to the Public Service Commission, Commonwealth of Kentucky, Division of Water, the Franklin County Fiscal Court, the United States Department of Agriculture/Rural Development, and the Commonwealth of Kentucky Infrastructure Authority. All regulatory filing/reports shall be timely made by Peaks Mill



in conjunction and collaboration with the Elkhorn Water District Water Superintendent, Board of Commissioners and Consulting Engineer.

10. In consideration for its services to be provided herein, Peaks Mill will be entitled to a fee equal to Two Dollars and Seventy-One Cents (\$2.71) for each active waterline connection, per month. Peaks Mill shall invoice Elkhorn monthly.

11. Peaks Mill further agrees to provide a statement of all accounts billed and all amounts collected on behalf of Peaks Mill, together with an accounting of all monies collected.

12. Peaks Mill shall collect and handle any delinquent accounts which may include the requirement to terminate water service as provided for in Elkhorn's Tariff as filed within the PSC.

13. This agreement shall be binding upon the parties hereto, and their successors, and may not be assigned or encumbered in any fashion.

14. This agreement may not be amended except by a writing signed by both parties hereto.

15. This writing constitutes the entire agreement between the parties, and neither party hereto is relying on any promise, representation or agreement which is not expressly contained herein.

ELKHORN WATER DISTRICT

PEAKS MILLS WATER DISTRICT

By: M. B. Dudgeon
Its: Chairman, SWD

By: Church Purdies
Its: Chairman, PMWD

