

SPECIAL
EXTENSION APPLICATION
FOR
WEST SHELBY WATER DISTRICT

APPLICANT(S): Joe Bland, Harold Thornton, Kenneth Miller and
& Charles Jackson

NOTE: All Applicants must sign

AREA TO BE SERVED: Portion of Mahuron Lane

SERVICE APPLIED FOR: Distribution Line Extension X
 Distribution Fire Hydrant One
 Distribution Upgrading _____
 Distribution Relocation _____
 Other (describe) _____

ESTIMATES: Estimated Water Line Size 6-inch
 Estimated Project Cost _____
 Estimated Footage 2700 ft.
 Other (describe) See Exhibit B

EXHIBITS: Map or plat showing streets,
 lots, buildings, proposed
 service route, and easements,
 a copy of which is attached
 hereto and made a part hereof,
 and marked "Exhibit A" for
 identification _____
 Other (describe) _____

CONSTRUCTION COMMENTS: Construction to be performed by District at
 estimated cost of \$6,600.00. Extend line from Taylorwood Road
 along west side of Mahuron Lane to Applicants. The fire hydrant
 will be placed at the end of this extension.

AGREEMENT:

1. Applicant applies for a water line extension upon the terms and conditions set forth in this contract.

2. Applicant agrees to obtain and provide without cost to the District any properly signed recordable easements required by the District for the installation and maintenance of the District's water transmission or distribution lines, existing and future.

3. The water facilities constructed hereunder shall at all times be owned and maintained by the District. The District shall have the right to extend the facilities without compensation to Applicant or the consent of Applicant. The District shall have the right to make service connections thereto without the consent of the Applicant, and subject to the District's construction rebate agreement as hereinafter provided.

4. Upon approval by the District's engineer, manager, and board of directors, the manager and engineer will design and make a cost estimate of the project. The Applicant will, prior to construction, make a deposit to the District's escrow construction account of the entire estimated project cost. If the actual construction cost exceeds the estimate, Applicant will promptly pay the difference. If the actual construction cost is less than the estimate, the District will refund to Applicant any overpayment plus interest at the rate of 6% per annum on the amount of the excess deposit for the period beginning 90 days after completion of all construction, installation and servicing work in connection with the project and ending with the date of payment of refund.

5. Applicant acknowledges that the project cost will include the District's reasonable supervision, engineering, legal and accounting charges attributable to this project.

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SECTION 9 (1)
BY: Sharon Miller
PUBLIC SERVICE COMMISSION MANAGER

6. Since this project is being constructed by the District, no bidding is necessary.

7. Applicant grants District a perpetual easement over Applicant's land to survey, plan, install, construct, maintain, repair, and remove existing and future water pipelines, appurtenant facilities, and meters, the right to read those meters, and the right of ingress and egress for these purposes over Applicant's property.

8. All construction, labor and materials must be in accordance with the District's specifications. Since the construction is being performed by the District, a payment and performance bond will not be required.

9. The facilities will be constructed in accordance with "Exhibit A." If there is no "Exhibit A" to this contract, the extension will be constructed within the District's easements upon Applicant's property. Under no circumstances will construction begin until Applicant has obtained for District all necessary and proper recorded easements.

10. The District agrees that it will perform its obligations under this contract with reasonable diligence, and that construction will begin as soon as reasonably possible. In the event that the construction called for by this contract cannot begin within six (6) months from the date of this contract, then either the District or the Applicant may terminate this agreement by written notice to the other at which time the District will refund the deposit less any cost incurred.

11. This agreement shall be valid and binding on the District only when executed by its Chairman. Any deposit made with this application prior to such signature shall not be construed as an acceptance hereof.

12. The Applicants acknowledge that it was a condition of the Fiscal Court contribution that Fiscal Court be repaid first from any construction rebates. As set out herein, each Applicant hereby assigns to Shelby Fiscal Court that Applicant's construction refund to the extent necessary to first repay Fiscal Court's construction contribution.

13. The District shall determine the total cost of the water main extension (exclusive of the tap on fee). The total construction cost including any cost overruns, minus the Shelby County Fiscal Court \$6,700 contribution (such net figure hereinafter referred to as the "Net Construction Contribution"), shall be contributed by those initial Applicants desiring service on the main extension. The initial cost to be contributed by each Applicant shall be determined by dividing the Net Construction Contribution by the number of initial Applicants. This amount shall be the amount of an initial "Share." Since the District is constructing this project at cost, there will be no 50 foot rule contribution by the District for the Applicant or future customers on this extension. Each Applicant (customer) will also be required to pay the District's approved "Tap-on fee" for a meter connection to the main extension.

For a period of five years after the project has been completed and placed in service, each additional Applicant (customer) directly connected to that portion of the water main constructed under this agreement (not including customer connections to further extensions or branches thereof) will be required to contribute an equal Share to the cost of that extension. Pursuant to this agreement, each future Share contributed shall be paid to Shelby Fiscal Court until the contribution has been fully paid, without interest. When Fiscal Court has been fully repaid, any unused rebate funds shall be equally divided between all customers then having contributed a Share. After Fiscal Court has been paid in full, the amount contributed to the cost of the extension by each new customer connected to that extension shall be based on a re-computed Share.

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DECEMBER 14, 1993
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SECTION 9 (1)

each Shareholder's contribution (i.e., the Net Construction Contribution divided each time by the new total number of customers who have contributed to the extension cost). After Fiscal Court has been paid in full, the District must refund to the holders of each Share that have previously contributed to the cost of each main extension that amount necessary to reduce their contribution per Share to the currently calculated Share amount provided, however, that the total amount returned shall not exceed the total construction cost, without interest. All customers directly connected to this main extension for a five year period after it is placed in service are to contribute equally to the cost of construction of the water main extensions. In addition, each customer must pay the approved tap on fee applicable at the time of their application for the meter connection, which is not refundable and may be changed during the refund period. After the five 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, and all or any part of the construction cost not refunded within said five year period shall become the property of the District. All refunds shall be made on an annual basis and without interest.

14. If Applicant's account becomes delinquent, Applicant agrees to pay the District's attorney fees and costs incurred in collecting that account. Any delinquent account will accrue Twelve Percent (12%) interest. Venue for any action filed on this contract shall be in Shelby County, Kentucky.

15. Any notice given hereunder shall be deemed sufficient if in writing and sent by certified mail to District at P.O. Box 26, Simpsonville, Kentucky 40067, and to Applicant at _____.

16. By signature hereon, Applicant acknowledges that he/she has read the foregoing, received a copy thereof, agrees to be bound by same, and acknowledges that this is the entire agreement between the parties and that there are no oral agreements between the parties.

Date: 10-5-93

APPLICANTS

Joe Bland
Joe Bland

Date: Oct-1-93

Harold Thornton
Harold Thornton

Date: 10-6-93

Kenneth Miller
Kenneth Miller

Date: 10-12-93

Charles Jackson
Charles Jackson

Date: 10-13-93

WEST SHELBY WATER DISTRICT

By: Ray Larmee
Ray Larmee, Chairman

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BY: Glenn Miller
PUBLIC SERVICE COMMISSION MANAGER

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FOR DISTRICT USE ONLY:

Received this <u>13th</u> day of <u>Oct</u> , 19 <u>93</u> ,	
from Applicant for Escrow Construction:	\$ <u>11,340.00</u>
Fiscal Court Contribution	\$ <u>6,700.00</u>
Completed Cost of Project	\$ _____
Balance due from (to) Applicant	\$ _____
Completed Footage of Project	_____

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[9/29/93]

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BY: *Clara Miller*
PUBLIC SERVICE COMMISSION MANAGER