

COMMONWEALTH OF KENTUCKY
34TH JUDICIAL CIRCUIT
WHITLEY CIRCUIT COURT
CIVIL ACTION NO. 87-CI-515

CITY OF WILLIAMSBURG,

PLAINTIFF
PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

VS: SETTLEMENT AGREEMENT

CUMBERLAND FALLS HIGHWAY
WATER DISTRICT and FARMERS
HOME ADMINISTRATION,

AUG 10 1995

PURSUANT TO 807 KAR 5011,
DEFERRED PAYMENTS
BY: Jordan C. Neel
FOR THE PUBLIC SERVICE COMMISSION

WHEREAS, litigation has arisen in the above captioned action between the City of Williamsburg and the Cumberland Falls Highway Water District relative to certain rates for water sold by the City of Williamsburg to the Cumberland Falls Highway Water District.

WHEREAS, the litigation is ongoing and is costly in both time, effort and expense to the City of Williamsburg and the Cumberland Falls Highway Water District and,

WHEREAS, the City of Williamsburg and the Cumberland Falls Highway Water District recognize the need to promote and maintain a good public and customer relations in Whitley County, and the need to promote and maintain a good working relationship between the City of Williamsburg and the Cumberland Falls Highway Water District and further, to minimize legal costs and time of settlement for both parties,

THIS AGREEMENT and the modifications to the contract between the parties is made and entered into the day and date below written.

Settlement of this matter shall be achieved as follows:

All penalty charges for water bills submitted by the City of Williamsburg

to the Cumberland Falls Highway Water District shall be dropped. This sum amounts to \$34,133.19 as of May 8, 1988.

That a contract modification increasing the rate paid per 1,000 gallons of water supplied to the district shall be \$1.50 effective for water bills dated April 8, 1987 through November 8, 1988. This amount of the retroactive increase is in the sum of ~~\$39,344.00~~ *in correct*
36,429

This amount shall be paid to the City of Williamsburg by the Cumberland Falls Highway Water District in equal monthly installments of \$4,370.17 ^{4,090.00} commencing within twenty (20) days this agreement is executed and continuing at the same rate each month until paid in full. No penalties or interest shall be applied to said ^{past due} payments.

On any water bill dated June 8, 1988, and thereafter, the rates shall be \$1.50 per 1,000 gallons. ✓

No additional rate increase shall be considered by the City of Williamsburg as relates to the Cumberland Falls Highway Water District until May of 1989. Any increase sought thereafter, shall be in accordance with the terms and provisions of the contracts and amendments thereto.

Payment of all sums due hereunder shall be made on or before the 29th day of each calendar month or penalties shall be levied by the City of Williamsburg. All of the foregoing to be subject to approval by the Farmers Home Administration and to be modified, where appropriate by amendment to the water purchase contract.

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

AUG 10 1995

PURSUANT TO 807 KAR 5.011,
SECTION 9(1)

BY: Jordan C. Neal
FOR THE PUBLIC SERVICE COMMISSION

IN WITNESS WHEREOF, the parties have hereunto subscribed their names this the 15 day of November, 1988.

CITY OF WILLIAMSBURG

BY: Donnie Witt
Duly Authorized Representative

CUMBERLAND FALLS HIGHWAY
WATER DISTRICT

BY: Ray P. P. P.
Duly Authorized Representative

STATE OF Kentucky
COUNTY OF Whitley

Produced, acknowledged, subscribed and sworn to before me by Donnie Witt duly authorized representative of the CITY OF WILLIAMSBURG as the duly authorized act and deed of the CITY OF WILLIAMSBURG, this the 15 day of November, 1988.

Evelyn M. Cullah
NOTARY PUBLIC

MY COMMISSION EXPIRES: 9-19-92

STATE OF _____

COUNTY OF _____

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

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FOR THE PUBLIC SERVICE COMMISSION