

**PEAKS MILL WATER DISTRICT
WATER MAIN EXTENSION AGREEMENT**

THIS AGREEMENT is made and entered into on September 3, 2021, by and between Peaks Mill Water District (PMWD), 7165 US 127, Frankfort, Kentucky, 40601 (hereinafter referred to as the "Utility"), and RK Holdings, LLC (hereinafter referred to as the "Developer"), whose address is: 1705 Manley Leestown Road Frankfort, KY 40601.

WITNESSETH: That, whereas, the Developer is the owner and developer of a certain area of land located in Franklin County, Kentucky, and which property is identified as Cedar Cove Road, (herein referred to as the "Property").


WHEREAS, the Developer is desirous of extending and constructing water mains and appurtenances in order to provide water service to the Property which is to be made available as construction sites for new residential homes and/or other structures;

Whereas, the Kentucky Public Service Commission has approved the Utility's Tariff of Service Rules and Regulations (herein referred to as "Tariff") and this Water Main Extension is authorized in accordance with Section 2 of the Main Extension Procedures of the Tariff (Sheet 19);

WHEREAS, the Utility is desirous of providing the water service in accordance with Utility's Tariff and described herein;


NOW, THEREFORE, for and in consideration of the mutual benefits to be derived by the parties hereto, the Utility and the Developer covenant and agree as follows:

1. The Developer shall employ a Professional Engineer (herein referred to as Developer's Engineer), licensed in Kentucky, to prepare detailed design and construction plans of the proposed water main extension. The plans shall comply with the Utility's Design Standards for Engineers. The Developer's Engineer shall submit the plans to the Utility for its review and approval and the Developer's Engineer may be required by the Utility to revise the plans prior to the Utility issuing its written approval. The

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Developer's Engineer will submit a set of proposed plans to the Utility for final approval.

2. After approval by the Utility, the Developer shall obtain approval from the Kentucky Energy and Environment Cabinet, Division of Water before any work is performed on the water main extension. This requirement is in accordance with the Kentucky Public and Semipublic Water Supplies regulations (401 KAR 8:100) as relates to the Kentucky Revised Statute 224.
3. The Developer or Developer's Engineer will obtain all required easements, both on and off the Developer's property. The Utility's standard easement form must be executed by the property owners involved to allow access to the proposed water mains.
4. The Developer or Developer's Engineer will obtain all required permits or letters of authorization from the applicable city, county, or state agency if proposed facilities encroach in existing public rights-of-way. The Developer is responsible for restoring any right-of-ways obtained for the required water main extension.
5. The Utility shall identify a qualified person to represent the Utility's interest (herein referred to as "Utility Representative") in performing routine engineering, construction inspection and/or operational coordination of the water main extension.
6. The Developer will reimburse the Utility for actual costs involved with engineering and inspection, including work required for as-built drawings, and all other costs incurred by the Utility related to the extension. The Developer's Contractor shall provide an estimate of the construction period and based on this estimate, the Utility will estimate the cost of its services. Before any water main construction begins, the Developer shall deliver a deposit or Letter of Credit to the Utility in the amount equal to its estimated costs. If the expenses for engineering and inspection exceed the deposit or Letter of Credit, the Utility will invoice the Developer for the additional cost. If the expenses are less than the deposit or Letter of Credit, the Utility will refund the remaining balance.
7. Water main connections to the existing water system shall

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be made by the Developer's Contractor in coordination and approval by the Utility's Representative.


8. The Developers will retain a qualified construction Contractor with experience in water main construction to install the water mains and appurtenances. The Developer's construction Contractor shall be experienced in the type of work to be performed and shall be approved in writing by the Utility before the Developer enters into an agreement with the Contractor
9. All water mains and appurtenances shall be constructed in accordance with the approved plans and the Utility's Standard Specifications for Extension Agreements. The Developer shall be responsible to direct the Developer's Contractor and shall authorize and direct all work to be performed in a continuous orderly manner as approved by the Utility Representative at a pre-construction meeting between the Developer, the Contractor and the Utility. If the Contractor does not perform the work in a continuous orderly manner, the Developer shall notify his Contractor to discontinue work until such time as the work can be completed in an orderly manner. The Utility Representative shall have authority to direct the Contractor to cease work until the Developer, the Contractor and the Utility Representative agree on a construction schedule that is mutually acceptable.
10. Water mains shall only be extended parallel to an existing or proposed public road (or along designated Utility easement) which is regularly maintained to allow daily traveling and the following requirements shall apply:
 - a. Where there is a new street or road to be constructed, the rough grade work for the street or road and drainage facilities must be completed prior to the installation of the water main and services. The Utility may, at its own expense, install service lines PUBLIC LOTS across the new street or road from where the water main is installed (to eliminate boring or open cutting of the new street or road).
 - b. The Utility will not be responsible for meeting street compaction requirements of the Planning Commission, the County Road Department, or any other public agency. Compaction of water main and

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service line trenches shall be the responsibility of the Developer's Contractor.

- c. The Developer's Contractor shall be responsible for grading ditches and streets after the water and service line installation. The Developer will be responsible for coordinating the road work with its Contractor installing the water mains and appurtenances. All road construction shall be complete before the water main is accepted by the Utility.
11. The water mains shall be constructed with consideration for future grade work; however, if in the future, the area through which this water main construction passes requires adjustment of the finished grade and adjustments to the water main, fire hydrants, and appurtenances are required, the Developer agrees to reimburse the Utility for expenses incurred for said adjustments.
12. Any changes in the original development plan which cause adjustments to water system facilities, including service lines installed by the Utility, will be at the expense of the Developer. If such adjustments to facilities are required, the Utility will estimate the cost and the Developer will pay an advance deposit in that amount for the Utility to make the adjustments.
13. Connection of the water main extension to the existing water system does not constitute acceptance of the facilities by the Utility. Upon request by the Developer's Contractor the Utility will perform a final inspection, pressure testing and water quality testing of the water main extension. A list of any items not conforming to the approved plans and standard specifications will be provided to the Developer and his Contractor. When all items on the list are performed the construction will be considered complete.
14. The Developer shall provide the Utility with a summary of all construction costs (materials, labor and engineering). The Developer and his Contractor shall each provide Release of Liens to the Utility indicating that related to the water main extension have been paid. When the construction is complete, the Releases of Liens and the Construction Cost Summary are delivered and any amounts due the Utility are paid by the Developer, the Utility will notify the Developer in writing of its acceptance of the

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water main extension. The Utility will not provide service to any customers on the water main extension until the water main extension is accepted.

15. The Developer shall guarantee all materials and work included in the water main extension for a period of one year from the date it is accepted by the Utility. Defective materials or work that does not jeopardize service to the Utility's customers may be corrected by the Developer's Contractor. However, whenever there is any defect in the work or a complaint from anyone granting an easement or right of way and the Developer fails to act in a reasonable time in the judgement of the Utility, then the Utility may take such action deemed necessary. Anytime a failure of the water main extension work creates an emergency which threatens service or poses an inconvenience to the Utility's customers the Utility may perform the work. Work may be performed by the Utility under the above conditions prior to the commencement of the warranty period. The Utility will invoice, and the Developer shall pay the Utility for the actual cost of all such work. The ending date for the warranty period will be included in the Utility's acceptance letter.

16. Upon completion of construction of the water main extension and acceptance by the Utility, the developer shall relinquish any and all control over the facilities covered by this agreement and the facilities constructed in accordance with this agreement shall become the property of the Utility. The Utility shall thereafter be responsible for routine maintenance of the water main extension.

17. The Utility is specifically granted the right to make extensions to any water main which are the subject of this Agreement, at no expense to the Developer, and without any reimbursement to the Developer for any connections made on said extensions constructed by the Utility. Final authority relative to additions, extensions, taps, and appurtenances shall rest solely with the Utility.

18. Any reasonable legal expense incurred by the Developer to enforce provisions of this Agreement shall be paid for by the Developer

19. The Developer or the person applying for water service

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and meter shall pay the standard tap-on and meter fee based on the Utility's Tariff and approved fee for the service/meter size requested.

20. This Water Main Extension Agreement is subject to approval of the Kentucky Public Service Commission.

General Description of Water Main Extension Scope of Work:

Construction of approximately 1800 linear feet of 6- and 3- inch water mains to serve 4 new lots. One new fire hydrant is included. The project shall include boring under Peaks Mill road.

IN WITNESS WHEREOF, witness the hands of the parties hereto on this day and date of this Agreement:

DEVELOPER's Name: R. K. Holdings, LLC

DEVELOPERS's Authorized Representative: Richard Lawrence

Signature:

Richard Lawrence

Title: President

Date: 8/30/21

UTILITY: Peaks Mill Water District
UTILITY'S Authorized Representative: Church

Quarles
Signature:

Church Quarles

Title: Peaks Mill Water District - Board Chairman

Date: 09/03/2021

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