

Garrard County Water Association, Inc.

P.O. BOX 670

LANCASTER, KENTUCKY 40444

TELEPHONE 792-4501

January 11, 1999

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PUBLIC SERVICE
COMMISSION

Ms. Helen C. Helton, Executive Director
Public Service Commission
P. O. Box 615
Frankfort, KY 40602

Dear Ms. Helton:

First let me thank you for your letter of November 17, 1998 addressing a question submitted to you by James S. Sanders, Esq., attorney for the City of Lancaster. Your letter was very clear in stating the position of the Commission as it pertains to state statutes and administrative regulations pertaining to water utilities discontinuing service to customers that are delinquent for sewer bills of a sewer providing entity.

Please find enclosed one copy of an agreement entered into by the Garrard County Water Association and the City of Lancaster to effect the discontinuance of service to delinquent sewer customers as they may occur. I am submitting a copy of this agreement so that it might be put in the Association's file in case a complaint is filed with the Commission.

If additional information should be required in this matter, please advise.

Very truly yours,



Harold C. Ward
President/Executive Director

Enclosure

AGREEMENT

This agreement entered into by and between the City of Lancaster, hereinafter known as the City and the Garrard County Water Association, hereinafter known as the Association,

WITNESSETH: that whereas the City of Lancaster is providing sewer services to various businesses and residences which are also being serviced with potable water by the Association and whereas in order for the City of Lancaster to effectively collect delinquent sewer charges, it is necessary for the Association to disconnect water service from delinquent sewer customers, now therefore, it is agreed as follows:

That pursuant to the Kentucky Revised Statues upon the request of the City of Lancaster that the Association disconnect delinquent sewer users from their water services, that upon 48 hours written notice signed by the clerk of the City or the Supervisor of the City sewer department, the Association shall disconnect the designated water user.

It is agreed that the party disconnecting the water user shall be accompanied by a representative of the Sewer Department of the City of Lancaster. It is further agreed that the City of Lancaster shall send written notices to the utility user at least 5 days prior to the time that they make their request for the Association to disconnect service.

The City further agrees that they will send written notice to the Association with the proper address and name of the delinquent sewer utility user.

It is agreed that the City shall pay the Association \$30.00 for each reconnection and that the City shall add this \$30.00 onto the delinquent sewer bill. The City further agrees that upon payment of the delinquent sewer bill along with the \$30.00 reconnection fee, they shall in writing notify the Association so that said Association can reconnect water service.

The City of Lancaster does hereby indemnify the Association from any and all lawsuits or claims which may be made as a result of the Association disconnecting service.

The City of Lancaster agrees to pay the reconnect fee within
30 days of the date that the reconnection service is made.

Agreed to this 8 day of January, 1999.

By: Billy Moss
BILLY MOSS
Mayor, City of Lancaster

By: Harold C. Ward
HAROLD C. WARD
President, Garrard County Water Association