

ROGER W. HALL

Attorney at Law

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October 21, 2015

RECEIVED

OCT 26 2015

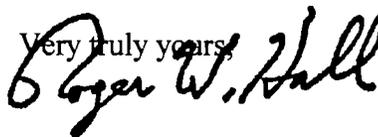
PUBLIC SERVICE
COMMISSION

Kentucky Public Service Commission
211 Sower Boulevard
Frankfort, KY 40601

Re: Joint Application for Approval of Transfer

To Whom it May Concern:

Please find enclosed the Joint Application of Big Sandy Water District and Overland Development Inc. for Approval of Transfer of the Overland water system including water lines and mains to Big Sandy Water District. Please file the Application and send a stamped file copy back to this office in the enclosed self addressed stamped envelop. If this matter could be expedited, it would be greatly appreciated. Thank you for your cooperation in this matter,

Very truly yours,


Roger W. Hall
Attorney for Big Sandy Water District
1200 Bath Avenue, Suite 200
P.O. Box 667
Ashland, KY 41105-0667
Phone: (606) 324-7156
Fax: (606) 329-1430

Encl.

Cc. Overland Development, Inc.
James Taylor
18211 Valleyview Court
Catlettsburg, KY 41129

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

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PUBLIC SERVICE
COMMISSION

IN THE MATTER OF:

THE JOINT APPLICATION OF BIG SANDY WATER
DISTRICT AND OVERLAND DEVELOPMENT INC
FOR APPROVAL OF TRANSFER OF THE OVERLAND
WATER SYSTEM INCLUDING WATER LINES AND
MAINS TO BIG SANDY WATER DISTRICT

Case No. 2015-_____

JOINT APPLICATION FOR APPROVAL OF TRANSFER

Pursuant to KRS Chapter 74, Big Sandy Water District, (hereinafter "District") and the Overland Development Inc. (herein after "Overland") hereby submit to the Public Service Commission of Kentucky ("Commission") this application for the transfer to the District of Overland's water system including water lines and approximately one hundred sixteen (116) meters serving the Lockwood Estates service area in Boyd County, Kentucky, in accordance with the Assets Purchase Agreement executed by the joint Applicants, a copy of which is attached hereto as Exhibit

A. In support of their application, the District and Overland state the following:

1. Overland, the seller under the agreement, is a Kentucky corporation in good standing with its principal place of business at 18211 Valleyview Court, Catlettsburg, Kentucky. A copy of the Articles of Incorporation of Overland is attached hereto as Exhibit B. Overland is subject to commission jurisdiction under KRS Chapter 74. James C. Taylor is the President of Overland and has been duly authorized to execute this Joint Application on behalf of the corporation.
2. The District is a water district created and organized pursuant to KRS Chapter 74 of the Kentucky Revised Statutes, whose address is 18200 State Route 3, Catlettsburg, Kentucky. The District's statutory responsibility includes the furnishing of a public water supply

pursuant to KRS Chapter 74.

3. In order to carry out this responsibility the District provides water to approximately four thousand, six hundred (4,600) customers in Boyd County, Carter County and Lawrence County, Kentucky.
4. Pursuant to KRS 74.100 the District has the legal authority to acquire existing facilities.
5. The District has been in operation since 1981. The District is governed by a Board of Commissioners consisting of five (5) members pursuant to KRS 74.020. Paul Thomas, as the Chairman of the commission is duly authorized to execute this Joint Application on behalf of the District.
6. Under the Agreement between the parties, Overland will sell to the District the water system consisting of water lines and one hundred sixteen (116) meters in the Lockwood Estates area, Boyd County, Kentucky. The conveyance under the agreement will occur within seven (7) business days after the receipt of the approval of this Application for Transfer by the Commission.
7. The District has sufficient financial integrity to ensure the continuity of water service to the former customers of Overland and the District has the financial, technical and managerial abilities to provide reasonable service to Overland's present customers. The water lines and meters shall be maintained by the District.

WHEREFORE, the undersigned Joint Applicants respectfully request the Public Service Commission to issue an Order finding that the District has the financial, technical, and managerial abilities to provide reasonable service to Overland's customers; that the proposed transaction is in accordance with the law, is for a proper purpose, and is consistent with the public interest and that the proposed transfer of the water lines from Overland to the District is authorized and approved

by the Commission.

Respectfully submitted,
BIG SANDY WATER DISTRICT

Paul E Thomas
Paul Thomas, Chairman
Date: 10-19-15

STATE OF KENTUCKY
COUNTY OF BOYD

Acknowledged, subscribed and sworn to before me by
PAUL THOMAS for Big Sandy Water District, on this the 19 day of
OCT, 2015.

My Commission Expires: 4 AUG 18.

Bryan W. Hall
NOTARY PUBLIC (Affix Seal)
515900
NOTARY COMMISSION ID#

OVERLAND DEVELOPMENT INC.

James C. Taylor
James C. Taylor, President
Date: 10-19-15

STATE OF KENTUCKY
COUNTY OF BOYD

Acknowledged, subscribed and sworn to before me by
JAMES TAYLOR for Overland Development Inc., on this the 19 day
of OCT, 2015.

My Commission Expires: 4 AUG 18.

Roger W. Hall
NOTARY PUBLIC (Affix Seal)
515900
NOTARY COMMISSION ID#

Roger W. Hall
ROGER W. HALL
ATTORNEY AT LAW
1200 Bath Avenue, Suite 200
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MEMORANDUM OF AGREEMENT

This Agreement is by and between the Big Sandy Water District ("Buyer") and Overland Development Company Inc. ("Seller").

The Seller agrees to sell and the Buyer agrees to purchase the water lines (including the meters, tools attendant thereto and all other assets necessary to the water operation) serving the Lockwood Estates service area in Boyd County, Kentucky. There are approximately one hundred sixteen (116) meters.

The Buyer shall pay to the Seller the sum of Fifty Thousand Dollars (\$50,000.00) no later than December 31, 2015 (or in the discretion of the Seller no later than January 1, 2016) or within seven (7) business days after receipt of the approval of the Joint Application for Transfer by the Public Service Commission, whichever occurs later. Further, the Buyer shall pay to the Seller an additional Fifty Thousand Dollars (\$50,000.00) payable at the rate of Eight Hundred Fifty Three Dollars and Thirty-three cent (\$853.33) per month for sixty (60) consecutive months. Said payments shall commence when the initial payment set out above is paid.

The Seller shall provide consulting services to the Buyer for the operation and maintenance of the water system to be sold and shall provide timely information and services when requested by the Buyer. These services shall be provided for sixty (60) consecutive months after the first payment as set out above. The Seller shall execute any document that is necessary for the approval of the Joint Application for Transfer by the Kentucky Public Service Commission pursuant to KRS Chapter 74.

The Seller warrants that the system is in good operating condition, that they are no known defects therein and that there are no liens thereon. The Seller agrees to keep the water system fully insured until the initial payment to the Seller is made as set out above.

Executed this the 19th day of OCTOBER, 2015.

BIG SANDY WATER DISTRICT

OVERLAND DEVELOPMENT INC.

Paul Thomas
Paul Thomas, Chairman
Date: 10-19-15

James C. Taylor
James C. Taylor, President
Date: 10-19-15

STATE OF KENTUCKY
COUNTY OF BOYD

Acknowledged, subscribed and sworn to before me by
PAUL THOMAS for Big Sandy Water District, on this the 19th day of
OCT, 2015.

My Commission Expires: 4 AUG 18

Roger W. Hall
NOTARY PUBLIC (Affix Seal)
515900
NOTARY COMMISSION ID#

STATE OF KENTUCKY
COUNTY OF BOYD

Acknowledged, subscribed and sworn to before me by
JAMES TAYLOR for Overland Development Inc., on this the 19 day
of OCT, 2015.

My Commission Expires: 4 AUG 18

Roger W. Hall
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NOTARY COMMISSION ID#

This Document Prepared By:

Roger W. Hall
ROGER W. HALL
ATTORNEY AT LAW
P.O. BOX 667
ASHLAND, KY 41105-0667

39270
Dec. 6 '70
Commonwealth of Kentucky
Department of State



Office of Secretary of State

LEILA F. BEGLEY, SECRETARY

ARTICLES OF INCORPORATION

I, LEILA F. BEGLEY, Secretary of State of the Commonwealth of Kentucky, do hereby certify that Articles of Incorporation of

OVERLAND DEVELOPMENT, INC.

Catlettsburg, Kentucky

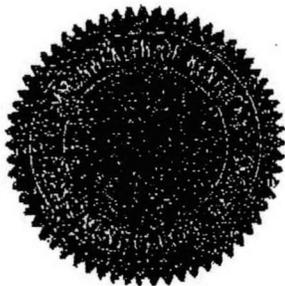
duly signed and acknowledged according to law, have this day been filed in my office. I further certify that all taxes, fees and charges payable upon the filing of said Articles of Incorporation have been paid

Witness my official signature this 17th day

of December, 1970.

Leila F. Begley
Secretary of State

Assistant Secretary of State



SECRETARY OF STATE