

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AN APPLICATION OF THE SPRING HILL)
SUBDIVISION, THAT THE PUBLIC SERVICE)
COMMISSION APPROVE THE TRANSFER OF) CASE NO. 92-539
SPRING HILL SUBDIVISION WATER)
DISTRIBUTION SYSTEM TO THE CITY OF)
PERRYVILLE)

O R D E R

On December 7, 1992, Spring Hill Subdivision ("Spring Hill") applied for Commission approval of Spring Hill's proposed transfer of the Spring Hill Subdivision water distribution system to the city of Perryville ("Perryville").

Having considered the evidence of record and being otherwise sufficiently advised, the Commission finds that:

1. Spring Hill owns and operates a water distribution system serving approximately 31 customers in the Spring Hill Subdivision in the city of Perryville, Boyle County, Kentucky.

2. Perryville is a municipal corporation of the fifth class situated in Boyle County, Kentucky, and presently owns its municipal water works and distribution system serving approximately 577 customers.

3. By Agreement dated October 8, 1992, Spring Hill agreed to convey ownership of the Spring Hill Subdivision water distribution system to Perryville. The Agreement which sets out the terms and conditions of the transfer is attached hereto as Appendix A and incorporated herein by reference.

4. Paragraph 1 of the Agreement provides that Spring Hill will pay for the actual cost of materials necessary to provide a loop of the existing water lines in the subdivision, the actual cost of drilling under the streets in that process, and the actual cost of rock removal as may be necessary; and Perryville will provide all labor for the installation of the additional lines necessary to provide the loop of the existing lines.

5. KRS 278.020 requires Commission approval of the proposed transfer of ownership of the Spring Hill subdivision water distribution system.

6. The Commission will retain jurisdiction over Spring Hill until such time as formal closing occurs.

IT IS THEREFORE ORDERED that:


1. The transfer of ownership of the Spring Hill Subdivision water distribution system to Perryville, per the terms of the Agreement, be and is hereby granted.

2. Spring Hill shall give notice to the Commission within 30 days of the closing of the proposed transfer.


3. Until formal closing occurs, the Commission shall retain jurisdiction over Spring Hill.

Done at Frankfort, Kentucky, this 19th day of January, 1993.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director

AGREEMENT

This AGREEMENT made and entered into on this 8 day of October, 1992, by and between WILLIAM C. HUNDLEY, JR., EXECUTOR OF W. C. HUNDLEY ESTATE, d/b/a Spring Hill Subdivision, hereinafter referred to as "FIRST PARTY" and/or TRANSFEROR and CITY OF PERRYVILLE, a Municipal Corporation of the Fifth Class under the laws of the Commonwealth of Kentucky, hereinafter referred to as "SECOND PARTY" and/or TRANSFEREE

WITNESSETH:

WHEREAS, First Party has provided water service to the residents of Spring Hill Subdivision by use of a master meter from the Second Party, billed and collected for water services and paid same to Second Party during the lifetime of W. C. Hundley, who is now deceased, and it is the desire of the First Party to terminate the water district and to transfer all ownership and rights in same to Second Party, and to reduce their agreement to writing,

NOW, THEREFORE, for and in consideration of the mutual covenants and promises between the parties hereto it is hereby agreed as follows:

1. In consideration for Second Party continuing to provide water service to the residents of Spring Hill Subdivision, First Party will pay for the actual cost of materials necessary to provide a loop of the existing water

lines in the subdivision, the actual cost of drilling under the streets in that process, (at three locations in the subdivision), and the actual cost of rock removal as may be necessary. The Second Party shall provide all labor for the installation of the additional lines necessary to provide the loop of the existing lines.

2. Effective November 1, 1992, Second Party shall take over exclusive control and operation of the water system in Spring Hill Subdivision and provide water to the existing residents and bill each customer separately in accordance with the rates provided for all other residential customers of Second Party and in accordance with all other regulations applicable to other residential customers of Second Party.

3. First Party does hereby sell, transfer, set-over, and assign to Second Party, all of its right, title and interest in and to the easements, pipes, and appurtenances thereto, meters, and all accessories in the water system now located in the Spring Hill Subdivision, to become the absolute and sole property of Second Party with full rights of ownership to become effective on November 1, 1992 including the rights to collect for all water service provided from and after that date. The transfer of rights of First Party includes any and all lines, meter boxes, fittings, meters, valves, fire hydrants, easements and all other rights of First Party in and to the water system, and

First Party agrees that he will execute any additional bill of sale or transfer as may be required by Second Party to document the full transfer of all of the right, title and interest of First Party to all of same to Second Party.

WITNESS the signatures of the parties hereto on this the year and date first above written, with the City of Perryville executing same pursuant to authority granted the Mayor by the City Commission at a meeting duly and regularly held.

William C. Hundley, Jr.
WILLIAM C. HUNDLEY, JR.,
Executor of W. C. Hundley Estate,
d/b/a Spring Hill Subdivision

FIRST PARTY

CITY OF PERRYVILLE

By: Shelby Evans
Mayor

SECOND PARTY