

## WATER SHUT OFF AGREEMENT

This Water Shut Off Agreement, hereinafter referred to as ("Agreement") is made and entered into this 21<sup>st</sup> day of June, 2012 by and between Grant County Sanitary Sewer District, 1 Farrell Drive, Crittenden, Kentucky 41030, by and through Bobby Burgess, Chairman, pursuant to duly authorized and adopted Resolution of its Board of Commissioners (hereinafter referred to as "GCSSD") and Bullock Pen Water District, 1 Farrell Drive, Crittenden, Kentucky 41030, by and through Bobby Burgess, Chairman, pursuant to duly authorized and adopted Resolution of its Board of Commissioners (hereinafter referred to as "BPWD").

### WITNESSETH:

WHEREAS, GCSSD currently owns and operates various sanitary sewer treatment and transmission line facilities located generally in Grant County, Kentucky which are located within the territorial limits of BPWD and,

WHEREAS, BPWD is the owner and operator of various water treatment facilities and transmission lines in the Grant, Boone, Pendleton, Kenton and Gallatin County areas which include, in part, those areas serviced by GCSSD with respect to sewage treatment facilities and transmission lines and,

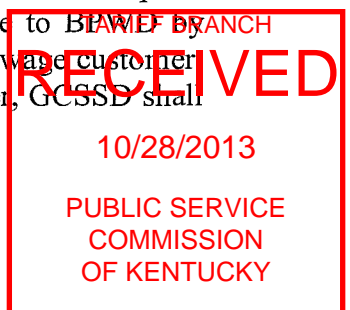
WHEREAS, pursuant to KRS 76.090, GCSSD and BPWD are authorized to enter into various agreements for the handling of delinquent sewage accounts through the shut off of water service and,

WHEREAS, GCSSD and BPWD intend to formalize the terms and conditions of an agreement to provide water shut off services for non-payment of sewage service bills.

NOW, THEREFORE, in consideration of the foregoing premises and mutual promises and undertakings hereinafter specified, GCSSD and BPWD agree as follows:

1. BPWD shall make available to GCSSD all water consumption records collected and maintained by BPWD for those customers of BPWD receiving sewage treatment services through those lines owned and operated by GCSSD. In no event shall BPWD be responsible for supplying water consumption data to GCSSD other than during their regular water meter reading times. It is further acknowledged by GCSSD that occasionally, due to damaged meters and the like, water usage data may be inaccurate. In no event shall BPWD be liable to GCSSD or its customers in any way or in any manner for any inaccurate water consumption data made available to GCSSD regardless of the reason for such inaccuracy.

2. In the event that any customer of GCSSD receiving sewage treatment services should become delinquent in the payment of any bill for sewage treatment services and all statutory and other regulatory requirements have been met for the collection of said delinquent account by GCSSD, then and in such event, BPWD, may, upon written notice to BPWD by GCSSD of such delinquent customer, shut off water service to said delinquent sewage customer. In order for BPWD to shut off any water service to a delinquent sewage customer, GCSSD shall



notify BPWD in writing requesting such water service shut off. Said notice shall also contain a certification by GCSSD that all statutory and regulatory pre-requisites have been met by GCSSD authorizing such water shut off.

3. In the event of any water shut off, BPWD shall be entitled to recover from the delinquent customer any and all costs of such shut off and reconnect fees permitted under the Tariff of BPWD as authorized and approved by the Public Service Commission. In the event that the customer is unable, refuses or does not pay BPWD for such shut off or reconnect fees then, in such event, GCSSD shall reimburse BPWD the cost thereof.

4. In the event GCSSD should direct or authorize BPWD to shut off any water service to any customer of GCSSD and such customer shall make any claim, demand, or pursue any cause of action against BPWD as a result thereof for any reason whatsoever, GCSSD does hereby agree to indemnify and hold harmless BPWD from any such liability, such indemnification and contribution to include but not be limited to the reimbursement of BPWD of any and all legal fees, costs or other expenses incurred in the defense of any and all such claims so instituted against BPWD.

5. GCSSD and BPWD acknowledge that the Rules, Regulations and Statutory requirements governing GCSSD and BPWD may change from time to time and that as a result of such changes, performance of the terms and conditions of this Agreement may become impossible or impractical. In the event of any such changes in the Rules, Regulations or Statutes governing the operation of GCSSD and BPWD should occur as to render any terms or condition of this Agreement illegal or the performance thereof impossible or impractical, then in such event, this Agreement shall be reasonably amended so as to render the performance thereof practical in light of such new Rules, Regulations and/or Statutes. If GCSSD and BPWD are unable to reasonably amend or modify this Agreement to reflect such changes, then and in such event, this Agreement shall become null and void.

6. GCSSD hereby acknowledges that this Agreement is entered into pursuant to a duly authorized and adopted Resolution.

7. BWPD and GCSSD certify that this Agreement is executed pursuant to duly authorized and adopted Resolution of their respective Board of Commissioners.

8. This Agreement shall be binding upon the respective parties, their successors and assigns.

9. Provided GCSSD has not breached any term of this Agreement, this Agreement shall continue for a period of 12 months from the execution hereof and renew automatically thereafter for successive 12 month periods unless either party elects to cancel by notifying the other of such cancellation election no later than 90 days preceding the termination of such initial 12 month term or any renewal 12 month term.

IN WITNESS THEREOF the parties have hereunto set their hands on the date and year first above written.



BULLOCK PEN WATER DISTRICT

BY: *Bobby Burgess*  
BOBBY BURGESS, CHAIRMAN

ATTEST:

*Jimmie King*  
JIMMIE KING, SECRETARY

GRANT COUNTY SANITARY SEWER DISTRICT

BY: *Bobby Burgess*  
BOBBY BURGESS, CHAIRMAN

ATTEST:

*Dan Northcutt*  
DAN NORTH CUTT, SECRETARY

