

WATER LINE EXTENSION AGREEMENT

THIS AGREEMENT made and entered into this 25th day of July, 1992, by and between BOONESBORO WATER ASSOCIATION, INC., 5687 Lexington Road, Winchester, KY 40391, hereinafter called the "Association", and DONALD M. HALL, hereinafter called the "Developer", whose address is P.O. Box 808, Ashland, Ky 41105.

WITNESSETH: That, whereas, the Developer is the owner and developer of a certain area of land located in Clark County, Kentucky, and which property is identified and diagramed upon the plat attached hereto and made a part of this agreement, and

WHEREAS, the Developer is desirous of extending and constructing a 4" water line and/or main in order to provide water service to that certain area of land described and which is to be immediately made available as construction sites for residential and/or other structures, and

WHEREAS, the Association is desirous of providing the water services herein described;

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

1. Developer shall provide detailed construction plans of the water transmission lines which shall state the expected maximum number of potential retail water customers and, which shall comply with all regulations of any responsible agency of the Commonwealth

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of Kentucky. Said plan shall be prepared in consultation with the Field Manager of the Association and shall comply with specifications established by the Association. The Developer shall obtain approval in writing from the Kentucky Department for Natural Resources and Environmental Protection, Bureau of Environmental Protection, Division of Sanitary Engineering, Frankfort, Kentucky 40601 and all other regulatory agencies before any work is performed on extending any water mains. These plans must be approved by the Association prior to being submitted to the Department for Natural Resources and Environmental Protection. This regulation is in accordance with the Kentucky Public and Semipublic Water Supply Regulations (401 KAR 6015) as relates to the Kentucky Revised Statute Chapter 224.

2. Developer has studied "Standard Operating Procedure for All Contractors or Any Other Person who Desires to Construct Waterlines" as submitted by the Association to the Public Service Commission (2/7/92) and agrees to execute a copy of same and abide thereby.

3. Developer shall construct the water lines pursuant to plans and specifications approved in writing by the Association at the sole cost of the developer subject to the right of the Association to inspect said construction at any and all times. Inspection by the Association shall not be an undertaking by the Association of any supervision of construction, but upon evidence of failure to comply with the specifications, the Association may notify the Developer to halt construction of said project until deficiencies are remedied, and immediately upon receipt of such

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notice, the Developer shall immediately halt construction until the deficiencies are corrected and shall not resume until the Association is satisfied that the deficiencies are remedied.

4. The Developer will execute and have recorded in the County Court Clerk's office a fifteen (15) foot easement for access to proposed water lines along the northern boundary of Parcels 1 and 16 and thence south along the Jones Nursery Road to the property line of Mitchell Berryman which includes the entire width of Parcel 11. The original easement is to be returned to the Association's office after it is recorded.

5. All construction contractors shall be approved in writing by the Association and shall execute a contractor's agreement (attached) before the Developer enters into any construction agreements.

6. The Association is specifically granted the right to extend any water lines 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.

7. If, in the future, adjustments to the waterline, fire hydrants and appurtenances which may arise from changes in the nature of the development and required by any agency of the Commonwealth of Kentucky, the Developer agrees to reimburse the Association for actual expenses incurred for said adjustments.

8. Final authority relative to additions, extensions, taps, and/or uses of the water lines hereinbefore described shall rest within the sound discretion and policy of the Association.

9. Developer shall prepare a certification of construction

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cost upon completion and deliver the same to the Association (attached).

10. The Contractor will perform hydrostatic tests according to Water Association specifications.

11. The Developer shall notify the Association when construction is completed, including all construction clean-up, hydrostatic testing and bacteriological approval. The Association will accept possession of the water transmission lines and appurtenances to the Association, its successors and assigns, with covenants that there are not liens or encumbrances on said lines. All work from the tie-in to the existing water main to the end of the project will have a warranty of one year from the date accepted by the Association.

BOONESBORO WATER  
ASSOCIATION, INC.

DONALD M. HALL

BY: *Steve C. Adams* *Donald M. Hall*  
DATED: 7-25-92 DATE: 7-25-92

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