

CONTRACT

This Contract entered into the 13th day of December, 2001, between ALTON WATER & SEWER DISTRICT, a body corporate, of Route 4, Lawrenceburg, Kentucky, hereinafter referred to as Alton, and the U. S. 60 WATER DISTRICT OF SHELBY AND FRANKLIN COUNTIES, KENTUCKY, a body corporate, of Bagdad, Kentucky, hereinafter referred to as U. S. 60.

WITNESSETH

WHEREAS, U. S. 60 has been organized and established under the provisions of Chapter 74 of the Kentucky Revised Statutes for the purpose of constructing and operating a water supply distribution system serving water users within its district, in Shelby, Franklin, Spencer and Anderson Counties, and

WHEREAS, Alton has been organized and established under the provisions of Chapter 74 of the Kentucky Revised Statutes for the purpose of constructing and operating a water supply distribution system serving water users within its district, in Anderson County, and

WHEREAS, Alton has an existing distribution line near the southeast corner of Shelby County, which is closer than any of U.S. 60's distribution lines to certain prospective customers on Little Crooked Creek Road in Shelby County, and

WHEREAS the residents along Little Crooked Creek Road have requested that Alton install a distribution line and provide water service beginning at the Shelby/Anderson County line and extending along the length of Little Crooked Creek Road inside Shelby County, and

APPROVED BY THE COMMISSION
OF KENTUCKY
EFFECTIVE

APR 06 2002

PURSUANT TO 807 KAR 5.011.
SECTION 9 (1)
BY: Stephan O. Bell
SECRETARY OF THE COMMISSION

WHEREAS, water districts are authorized to contract with other water utilities to provide for operation of a water system pursuant to Kentucky Revised Statutes 74.414, and

WHEREAS, by resolution of the Board of Commissioners of Alton, enacted on the 19th day of February, 2002, Alton was authorized to enter into a contract with U. S. 60 whereby Alton would provide water service to the aforementioned customers along Little Crooked Creek Road in Shelby County within the territory of U.S. 60, and

WHEREAS, by resolution of the Board of Commissioners of U.S.60, enacted on the 13th day of December, 2001, U.S. 60 consented to the service of water by Alton to the aforementioned customers located in Shelby County within the territory of U.S. 60 and further authorized the execution of this contract with Alton:

NOW, THEREFORE, in consideration of the foregoing and mutual agreements herein set forth,

ALTON AGREES:

To extend water service to the residents of Little Crooked Creek Road within the territory of U.S. 60 in conformance with Alton's rules and regulations of the Public Service Commission of Kentucky.

U.S. 60 AGREES:

To consent to the extension of water service by Alton to the aforementioned area located in Shelby County within the territory of U.S. 60 as authorized by Kentucky Revised Statutes 74.414.

IT IS FURTHER MUTUALLY AGREED BETWEEN U. S. 60 AND ALTON AS FOLLOWS:

PUBLIC SERVICE COMMISSION
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1. That this contract shall extend for a term of forty (40) years from the date of this contract unless sooner terminated by mutual agreement or as herein provided.

2. That at such time as U.S. 60 desires to serve the customers served off the aforementioned Alton lines in Shelby County and within the territory of U.S. 60, it shall have the option to acquire from Alton any such line and facilities located in Shelby County and within the territory of U.S. 60 for service to these customers, upon payment by U.S. 60 to Alton of the depreciated value of said line(s) and facilities. Alton shall deed said line and facilities to U.S. 60 upon payment therefor.

3. That Alton shall serve the aforementioned customers as herein provided at its regularly established rates and subject to its rules and regulations.

4. Upon such acquisition and transfer to U.S. 60 by Alton as herein provided, if any, then this contract shall terminate and be null and void.

5. That this contract shall be submitted to the Public Service Commission of Kentucky and Rural Development for their approval if required.

6. That this contract shall be binding upon the successors and assigns, if any, of U. S. 60 and Alton.

IN WITNESS WHEREOF, the parties hereto, acting under the authority of their respective governing bodies, have caused this contract to be duly executed into counterparts, each of which shall constitute an original.

PUBLIC SERVICE COMMISSION
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ALTON WATER & SEWER DISTRICT

By: James R Smith
Chairman

ATTEST:

Dana C Goodlett
Secretary

U. S. 60 WATER DISTRICT OF
SHELBY & FRANKLIN COUNTIES, KY

By: William Egan
Chairman

ATTEST:

D Brewer
Secretary
Don/Water/US60/Contract

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SECRETARY OF THE COMMISSION