## SPECIAL EXTENSION AGREEMENT

AND

## NEW METER CONTRACT FOR WATER SERVICE

WITH

U. S. 60 WATER DISTRICT OF SHELBY AND FRANKLIN COUNTIES, KENTUCKY

PUBLIC SERVICE COMMISSION ROCKBRIDGE ROAD, IN SHELBY COUNTY OF KENTUCKY **EFFECTIVE** 

APR 1 7 1996

Applicant's Name:			
	First	Middle Initial	Last Scotion 9 (1)
Mailing Address:			SECTION 9 (1)
Service Address:			BY Phillip Fannia
			DIRECTOR GRATES AREST ARCHIDIV.

- 1. Applicant hereby applies for water service from the District upon the terms and conditions set forth in this contract.
- 2. Applicant will, at the time of signing this contract, pay to the District the following non-refundable tap-on fee:

\$515.00 for 5/8 x 3/4" meter \$615.00 for 1" meter

Applicant also agrees to pay, at the time of signing this contract, a deposit in the amount of \$35.00, which is refundable upon termination of water service and payment of all accounts owed.

- 3. Applicant agrees to purchase water service under rates, policies, rules and regulations fixed by the District and approved by the Kentucky Public Service Commission. Copies are available for inspection at the District's office in Bagdad, Kentucky.
- 4. Applicant agrees to pay the District's minimum monthly water bill as soon as the meter is installed by the District and water is made available to the meter, regardless of whether Applicant connects to the meter.
- 5. The meter will be set on Applicant's property adjacent to the side of the road. If Applicant's property is on the opposite side of the road from the water line, the service will be run under the road.
- Applicant grants District a perpetual easement over Applicant's land to install, construct, maintain, repair, and remove existing and future water pipelines, appurtenant facilities, and meters, the right to read those meters, and the right of ingress and egress for these purposes over Applicant's property.
- 7. Applicant will install and maintain at Applicant's expense a service line which shall begin at the water meter and extend to the dwelling or other point of use on Applicant's premises. The service line shall be constructed of material rated at a minimum of 200 psi water pressure. Applicant will be responsible for all water loss occurring on Applicant's side of the water meter.
- 8. Applicant assumes responsibility for any damage to the water lines and meter which occur during Applicant's connection to the meter.
- 9. Applicant agrees to provide without cost to the District any properly signed recordable easements required by the District for the installation and maintenance of the District's water transmission or distribution lines and appurtenant facilities, existing and future; provided such lines and facilities cross Applicant's real estate and are either adjacent and parallel to the right of way for a public roadway or are adjacent and parallel to Applicant's property boundary.

  10. A separate meter shall be installed for service to each residential
- or business unit. Applicant will not permit anyone else to connect to the District's water line and meter or Applicant's service line without the prior written consent of the District.
- 11. Applicant acknowledges the need to avoid contamination of the District's water system by introduction of foreign water, and therefore Applicant agrees that Applicant's present water supply, if any exists, will be disconnected prior to connecting to the District's water system. Applicant will not connect to any other water supply while connected to the District's water system.
- Applicant is responsible for the cost of repairing all damage done to meter tops (covers) regardless of who causes the damage (except damage caused by the District). Applicant is cautioned that many meter tops are
- damaged by power lawn mowers and by being run over by vehicles.

  13. If Applicant's account becomes delinquent, Applicant agrees to pay the District's attorney fees and costs incurred in collecting that account.

## ROCKBRIDGE PROJECT SPECIAL EXTENSION AGREEMENT AND NEW METER CONTRACT, cont'd

- 14. Applicant acknowledges that the water distribution main from which Applicant is to receive water service is subject to the following Special Extension Agreement, which has been approved by the Kentucky Public Service Commission, and which shall be a covenant between the District and all of the District's customers who receive their water service from the distribution main constructed under this Special Extension Agreement.
- 15. The distribution line subject to this Special Extension Agreement is generally described as the line running along Rockbridge Road in Shelby County, plus the connecting line cross-country to the existing water main along Woodlawn Road.
- 16. Distribution line extensions are normally paid for in lump sum, up front contributions by the initial customers to be located on that line. Applicant acknowledges that this Special Extension Agreement is an alternate method of financing the subject line in order to avoid payment of an initial lump sum construction charge.
- 17. The estimated project cost of the Rockbridge Road project is \$131,015.25. The exact project cost will be available at the District office. It is anticipated that 20% of the project cost, in the amount of \$23,941.00, will be paid by a grant from Shelby County Fiscal Court, and part of the project will be paid by \$11,000.00 in tap-on fees. The District has arranged to finance the balance of the project cost, in the amount of \$96,074.00, by a loan from the CoLT leasing trust amortized over a twenty year period (with a balloon payment due in ten years) at approximately 5.8% interest. A portion of this loan will be repaid by the District, and the balance of this loan will be paid by all customers located on the subject line in the manner set forth herein.
- 18. Applicant agrees that, in addition to Applicant's regular water bill, Applicant will pay a surcharge of \$12.00 per month for each meter. The District will place this surcharge in a special federally insured, interest bearing account from which the loan payments will be made. All customers receiving water service from the subject line will be required to begin paying this surcharge with their initial monthly water bill. The surcharge will continue to be collected by the District from all such customers until it is estimated that the District has accumulated sufficient funds in the escrow account to make the remaining loan payments. At this point the surcharge will be suspended for all customers. In the event the escrow account does not contain sufficient funds to make all loan payments, the surcharge will be reinstated by the District for all customers for a sufficient time to generate additional escrow account funds to repay the loan. It is anticipated, although not guaranteed, that the surcharge will continue for approximately twenty years. Applicant understands that the duration of the surcharge depends upon many factors, including the actual cost of construction, the interest collected by the District on the escrow account, and the number of meters paying the surcharge at any given time. Applicant will pay the \$12.00 surcharge, plus the Applicant's regular water bill, for a period of 20 years or the time during which the surcharge is in effect, whichever is less. This Agreement is assumable by any subsequent successor in title to Applicant's premises.
  - 19. The District will not make any contributions toward the construction cost under the fifty foot rule set forth in 807 KAR 5:066 §12 and the District's Rules and Regulations. The Applicant will not be entitled to any refund of any portion of the construction costs of the distribution line extension.

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20. By signature hereon, Applicant acknowledges that he/she has read this entire document, received a copy thereof, agrees to be bound by same, and acknowledges that this is the entire agreement between the parties and that there are no oral agreements between the parties.

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WITNESS the hands of the p	arties this day of, 199
Applicant	PUBLIC SERVICE COMMISSION. 60 Water District of OF KENTUCKY Shelby & Franklin Counties, KY EFFECTIVE
Applicant's Social Security No.	By:
2wtr/60/surchar4.ext {Revised 2/96}	PURSUANT TO 807 KAR 5:011, SECTION 9 (1)
	RY. Phyllis fannin

DIRECTOR PRATES & RESEARCH DIV.