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OPERATION AND MANAGEMENT AGREEMENT

Public Service
Commission

This **OPERATION AND MANAGEMENT AGREEMENT** (the "**AGREEMENT**") dated March 13, 2017, is entered into between **RED BARN WASTE MANAGEMENT, LLC**, a Kentucky Limited Liability Company, hereinafter referred to as **FIRST PARTY**, and **MERCER COUNTY SANITATION DISTRICT**, hereinafter referred to as **SECOND PARTY**. **FIRST PARTY** is the owner of **ASSETS** located at 220 Chimney Rock Road, Harrodsburg, KY 40330, and **FIRST PARTY** wishes to enter into the **AGREEMENT** with **SECOND PARTY** to operate and manage said **ASSETS**. Both parties mutually agree to the following terms and conditions.

TERMS AND CONDITIONS:

- (1) WHEREAS **SECOND PARTY** will become the responsible party for KPDES No. KY0092631 as described in the Agreed Order for Energy and Environment Cabinet, Division of Enforcement, Case No. 160092, effective April 1, 2017.
- (2) WHEREAS **SECOND PARTY** agrees to maintain sanitary sewer service to 18 existing customers located on Chimney Rock Road, Arthur Court, Klein Court and Ragona Court, effective April 1, 2017.
- (3) WHEREAS **SECOND PARTY** agrees to operate the wastewater facilities under the provisions of the Public Service Commission approved Red Barn Waste Management, LLC Rate & Charges and Rules & Regulations issued on October 16, 2006, until which time that the Transfer Application is approved by the Public Service Commission.
- (4) WHEREAS **FIRST PARTY** agrees that **SECOND PARTY** will collect all sewer user fees for the existing customers effective April 1, 2017.
- (5) WHEREAS **SECOND PARTY** agrees to assume all operational expenses effective April 1, 2017.
- (6) This agreement is construed under the laws of the Commonwealth of Kentucky. Any cause of action resulting from this agreement between First Party and Second Party shall be resolved in the Mercer Circuit Court, Harrodsburg, Kentucky.

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THIS BINDING AGREEMENT IS HEREBY ACCEPTED BY THE UNDERSIGNED PARTIES:

**REDBARN WASTE MANAGEMENT, LLC,
A KENTUCKY LIMITED LIABILITY COMPANY,
FIRST PARTY,**



BY AND THROUGH:
JEFFREY C. RUTTENBURG,

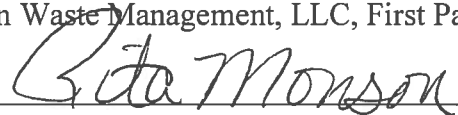
**MERCER COUNTY SANITATION DISTRICT
SECOND PARTY,**



BY AND THROUGH:
JAMES CARPENTER, CHAIRMAN

STATE OF KENTUCKY
COUNTY OF BOYLE

Subscribed, sworn, and attested to before me by Jeffrey C. Ruttenburg, Manager of Redbarn Waste Management, LLC, First Party, this 13th day of March, 2017.



NOTARY PUBLIC,
KENTUCKY STATE AT LARGE

MY COMMISSION EXPIRES: 7-30-2020

ID NO: 560273

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OF KENTUCKY

STATE OF KENTUCKY
COUNTY OF BOYLE

Subscribed, sworn, and attested to before me by James Carpenter, Chairman of Mercer
County Sanitation District, Second Party, this 9 day of March, 2017.

Rita Monson

NOTARY PUBLIC,
KENTUCKY STATE AT LARGE

MY COMMISSION EXPIRES: 7-30-2020

ID NO: 560273

DOCUMENT PREPARED BY:

Chris K. Herron

CHRISTOPHER K. HERRON
CHRISTOPHER K. HERRON, PLLC
P.O. BOX 459
DANVILLE, KY 40423
(859) 236-3777

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