

CONTRACT FOR SEWER COLLECTIONS

THIS CONTRACT made and entered into in Franklin County, Kentucky, this the ____ day of April, 1977, by and between the FARMDALE WATER DISTRICT of Franklin County, Kentucky, hereinafter called "First Party" and FARMDALE DEVELOPMENT CORPORATION, a corporation duly organized and existing under the laws of the Commonwealth of Kentucky, hereinafter called, "Second Party",

WITNESSETH:

WHEREAS, First Party is engaged in the operation of a water distribution system within a large area of Franklin County, Kentucky, which area includes the hereinafter referred to Farmdale Subdivision, and furnishes metered water to the residents of that subdivision and,

WHEREAS, Second Party has been and is engaged in the development of the Farmdale Subdivision in the course of which it has installed and operates for a charge to the users thereof, a sanitary sewer collection and disposal system for which it bills and collects a sewer rental charge (presently \$8.00 plus tax per month to the residents and users of water in the subdivision.) The Second Party has further permitted a few persons outside of the subdivision to tap on the sewage system and they pay the same monthly rental charge.

NOW THEREFORE, it is agreed between the parties as follows:

1. First Party will add to its water bills for those residents of the area using the Farmdale Development Corporation sewage system the monthly charge established from time to time by Second Party (presently \$8.00 plus tax per month) and will act as Agent for Second Party in collecting and accounting for those sewer charges in the course of which First Party will use and apply its collection practices in effect now and approved by the Public Service Commission of Kentucky and as may be in effect from time to time including but not by way of limitation, the enforced collection of the total water and sewer bills by the assessment of penalties, discontinuance of service, etc.

2. Second Party will pay to First Party for its services as set out herein, an amount equal to Fifteen Per Cent (15%) of the total amounts collected for sewer service which First Party may compute and deduct monthly.

3. First Party shall account for and pay over Second Party's portion of the amounts collected monthly.

4. Inasmuch as both parties to this Contract have filed and secured the approval of the Public Service Commission of Kentucky of their rates, practices and procedures and they are not alike in all respects, this Contract is subject for approval by the Public Service Commission of Kentucky and shall be in effect from and after the first calendar month that begins more than Fifteen (15) days after approval is obtained and shall remain in effect until cancelled by either party hereto upon Sixty (60) days written notice to the other party.

IN TESTIMONY OF THE FOREGOING, witness the signatures of the parties in Franklin County, Kentucky, this the first day and date hereinabove written.

FARMDALE WATER DISTRICT

By: N. P. Green
N. P. Green, Chairman

FARMDALE DEVELOPMENT CORPORATION

By: Charles S. Weora
, President