

April 1, 1970

Blue Sky, Inc.
P. O. Box 7036
Lexington, Kentucky 40502

*Sold to Lex. Water Co.
C3-81*

Gentlemen:

Athens-Boonesboro Road Water District will furnish the properties of Blue Sky Industrial Estates with water service to those applicants for service who sign standard Customer Contracts and pay the appropriate connection fee for metered connections to the existing mains of the District. Interior service lines from the meters to the structures to be served will be installed in the property of the customers at their expense.

At this time we have no main line extending into the subdivided parts of your property and our rules provide that you cannot re-sell or give away water to others. Therefore, a new main line must be extended into certain parts of your property for us to serve them, which main must be the property of the District in order for us to guarantee service.

The new main should be extended at the expense of the District, but we are without funds for such a project at this time, and we do not feel that a new issue of our revenue bonds could be marketed successfully. Therefore, we propose that the new mains be built for the District by you, and that your actual costs for the main be reimbursed by the District on the basis of new customers for the District that will be generated by your development.

In order to provide adequately for the area to be served we require a 6-inch main of asbestos-cement pipe class 150 or its equivalent constructed in the dedicated right-of-way of your interior service road. It appears that, in order to serve all of your property platted for subdivision, some 6,600 linear feet of main line will be required at an estimated cost of \$7.00 per foot or \$46,200.

We propose to divide the costs of the new main by the number of acres in your area zoned for industrial or commercial development, and as each acre is sold or leased to new customers of the District we will reimburse your costs for the main on the basis of the per acre factor multiplied by the amount of acreage occupied by each new customer. If the District notifies you in writing at the time of any contract with a new customer that the District cannot make payment of that portion of the reimbursement in cash, you will accept our Revenue Bonds in a like amount. Bonds issued in lieu of reimbursements will bear interest equal to the prime rate charged by New York banks on the date of their issue, and the District may redeem the bonds at any time for their par value and any interest accrued thereon.



We are ready, willing and able to serve you with water for 2 service stations, a motel and related commercial facilities along with 108 acres of industrial development. Your project will result in greater usage of water by the District and will cause a marked decrease in rate because of a much higher ratio of volume in proportion to the new main to be installed.

If the terms and conditions herein stated are acceptable to you please indicate so by signing in the space provided for you below. Invalidation of any of these terms and conditions by judgement or court order shall in no way affect any of the other provisions which shall remain in full force and effect. *THIS AGREEMENT WILL BE FILED WITH THE KENTUCKY PUBLIC SERVICE COMMISSION AND IS SUBJECT TO ITS APPROVAL.*

ATHENS-BOONESBORO WATER DISTRICT

W. G. J.
Y. H. B.

BY: *W. G. J.*
Title *SECRETARY*

BY: *William Scilford*
Chairman
Grace Henry Baker
COMMISSIONER

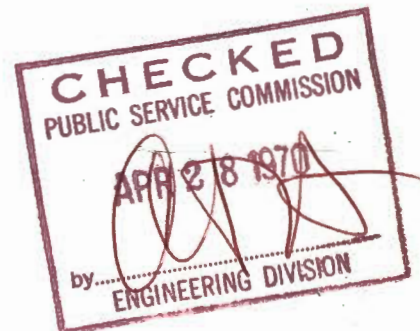
ACCEPTED AND AGREED:

BLUE SKY, INC.

BY: *William M. Brown*
Secretary

BY: *R. S. Suter*
President

C 3-81



Blue Sky, Inc.
P. O. box 7036
Lexington, Kentucky 40502

April 24, 1970

RECEIVED

APR 27 1970

PUBLIC SERVICE
COMMISSION

Athens-Boonesboro Water District
Athens-Boonesboro Road
Lexington, Kentucky

Gentlemen:

Enclosed herewith you will find copies of the comments of the Public Service Commission on our Contract along with our answers to various questions asked by the Commission.

It appears that the second question raised by the Commission requires an addendum to our Contract in order for the question to be fully satisfied as well as answered.

Therefore we propose that Paragraph #3 of the Contract be expanded to say:

..... Such refunds of the costs of new mains shall be made on the basis of additional customers connected during a period of ten years (10) after completion by you of the construction of the main, with the understanding that the total amount refunded shall not exceed the cost of the mains and after the end of the refund period, no refund will be required to be made.

If you agree with this addendum to our Contract please indicate as much in the space provided for your signature(s) below.

BLUE SKY, INC.

[Signature]
Secretary

By: *[Signature]*
President

C3d
Athens-Boonesboro Water District

[Signature], *[Signature]*
Title

[Signature]
Chairman

CHECKED
PUBLIC SERVICE COMMISSION
APR 28 1970
by *[Signature]*
ENGINEERING DIVISION

P. S. C. Ky. No. 1

Cancels P. S. C. Ky. No. _____

Athens Boonsboro Water District

OF

Lexington, Kentucky

Rates, Rules and Regulations for Furnishing

AT

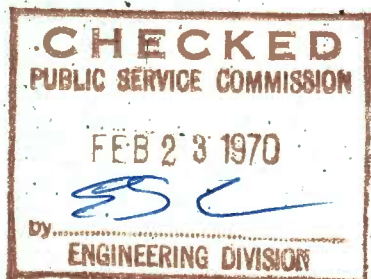
Athens, Kentucky

C 3-81

Filed with PUBLIC SERVICE COMMISSION OF
KENTUCKY

ISSUED August 25 19 70

EFFECTIVE 10-10 19 63



ISSUED BY Athens Boonsboro Water District
(Name of Utility)

BY *Grace Gentry Baker*
Commissioner

Form for filing Rate Schedules

For Entire Area Served
Community, Town or City

P.S.C. NO. 1

Original SHEET NO. 1

CANCELLING P.S.C. NO. _____

_____ SHEET NO. _____

Athens Boonsboro Water District
Name of Issuing Corporation

CLASSIFICATION OF SERVICE

General Service

RATE
 PER UNIT

Applicable: Entire area served

Applicable: To domestic, farm, commercial and
 Industrial customers.

Rates:

First	1,000	Gallons used per month (Min. bill)	\$	4.30
Next	1,000	" " " "		1.85
Next	1,000	" " " "		1.50
Next	2,000	" " " " per thousand gallon		1.00
Next	5,000	" " " " " " "		.90
Over	10,000	" " " " " " "		.75

Minimum charge:

Shall be \$4.30 for which 1,000 gallons or less may be used.



DATE OF ISSUE August 25, 1970 DATE EFFECTIVE 10-10-63

ISSUED BY _____ TITLE Commissioner Grace Henry Barker
 Name of Officer

Issued by authority of an Order of the Public Service Commission of Ky. in
 Case No. _____ dated _____

Form for filing Rate Schedules

For Entire Area Served
Community, Town or City

P.S.C. NO. 1

Original SHEET NO. 2

CANCELLING P.S.C. NO. _____

SHEET NO. _____

Athens Boonesboro Water District
Name of Issuing Corporation

CLASSIFICATION OF SERVICE

General Service

RATE
PER UNIT

Field or Pasture Connections

First 1,000 Gal. used per month (Min. bill) \$ 2.00

Over 1,000 Gal. used per month per thousand gallon .75

Minimum Charge:

Shall be \$2.00 for which 1,000 gallons or less may be used.

LARGE USES Meter

First 11,000 Gallons per month (Min. bill) \$ 10.00

Over 11,000 " " " per thousand gallons .90

Minimum charge:

Shall be \$10.00 for which 11,000 gallons or less may be used.

Fire Hydrants

Annual Rental for water usage \$ 50.00



C3-81

DATE OF ISSUE August 25, 1970

DATE EFFECTIVE 10-10-63

ISSUED BY: Grace Mentry Backe TITLE Commissioner
Name of Officer

Issued by authority of an Order of the Public Service Commission of Ky. in Case No. _____ dated _____