

THIS CONTRACT, made and entered into by and between the CITY OF NICHOLASVILLE, a Kentucky municipality, with offices at 517 North Main Street, Nicholasville, Kentucky 40356, hereinafter referred to as "City"; and SPEARS WATER COMPANY, INC., a corporation with offices located at 104 West Maple Street, Kentucky 40356, hereinafter referred to as "Company";

W I T N E S S E T H: That WHEREAS, the Company is in the business of providing retail water service to customers in and around Nicholasville, Kentucky;

WHEREAS, the City is presently providing retail sewer service to certain retail water customers of the Company;

WHEREAS, the City and the Company mutually desire that a satisfactory billing and collection procedure for these "Sewer Only" customers of the City be established;

WHEREAS, the parties have arrived at an oral understanding as to the above referenced procedure and now desire to formalize same in writing;

NOW THEREFORE, in consideration of the above premises, it is hereby agreed as follows:

1. Company will provide the City, on an as-needed basis, with a customer listing of the customers and related information presently served by the Company.

2. City will provide the Company, on an as-needed basis, a listing of Sewer Only customers and related information served by

the City.

3. Company will permit the City to read the water meters of the Company's customers who are Sewer Only customers of the City.

4. Company will permit the City to place a lock on the meter shut-off valve and will allow the City to shut off water service to the City's Sewer Only customers who have not paid their sewer bill in a timely manner, in accordance with City policy.

6. Company will not render water service to any water customers of the Company who are also Sewer Only customers of the City, until said customers produce a statement signed by a representative of the City, certifying that a Sewer Deposit has been paid to the City.

7. It is understood that the City may be damaged as a result of the Company's non-performance of its duties as provided in item 6., above.

8. City recognizes that the Company has the right to interrupt its water service to its customers who may be Sewer Only customers of the City for non-payment of water bills. In such an event, the City recognizes that its sewer services to customers in such situations may be interrupted.

Given under our hands in duplicate on this the ____ day of _____, 1989.

City of Nicholasville, a
Kentucky Municipality

by: _____
Mayor

by: _____
Company

STATE OF KENTUCKY
COUNTY OF JESSAMINE, SCT.....

I, the undersigned Notary Public, certify that the foregoing Contract was acknowledged before me by James C. Mason, Mayor, of the City of Nicholasville, a Kentucky Municipality, on behalf of said municipality, on this the ___ day of _____, 1989.

My Commission Expires: _____.

NOTARY PUBLIC
KENTUCKY STATE-AT-LARGE