

## ON-SITE AGREEMENT

THIS AGREEMENT, entered into this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, by and between KENTUCKY AMERICAN WATER, a Kentucky corporation, having its office at 2300 Richmond Road, Lexington, Kentucky, hereinafter called "COMPANY" and **Stanford Development, LLC** hereinafter called "SUBDIVIDER",

### WITNESSETH:

THAT, WHEREAS, SUBDIVIDER is the present owner of a certain tract of land located within the service area of COMPANY, which tract is now being developed by SUBDIVIDER as a new subdivision or unit thereof (hereinafter called the subdivision), and

WHEREAS, the Lexington-Fayette County Planning and Zoning Commission has heretofore approved a preliminary or final plat of said proposed subdivision, upon which plat the location and grade of streets, curbs, sidewalks, building plots, building lines and utility easements are depicted, a copy of which plat is annexed hereto and made a part hereof, marked Exhibit 'A' for identification, and

WHEREAS, SUBDIVIDER desires the extension of the water mains and facilities of COMPANY on the site of said subdivision as hereinafter described,

NOW, THEREFORE, in consideration of the premises and the mutual covenants of the parties hereto as hereinafter set forth, it is hereby agreed by and between the parties hereto as follows, to-wit:

**FIRST:** COMPANY contracts and agrees to lay the water main(s) and other related facilities, if any, as shown in red on the plat attached hereto and made a part hereof, marked Exhibit 'A' for identification, which main(s) and facilities, if any, are described and located as follows:

***Task Order 50102087: Install 2400 feet of 8-inch ductile iron pipe***

**SECOND:** It is expressly understood and agreed that if COMPANY shall be delayed or prevented from installing the water main(s) and other related facilities, if any, hereinabove described because of its failure to secure pipe or other construction materials, or for any other cause beyond its control, such failure or delay in performance shall be excused; provided, however, if such failure or delay in performance shall extend for a period of more than ninety (90) days from date of deposit, SUBDIVIDER shall have the right to cancel and terminate this agreement on thirty (30) days' written notice to COMPANY, and thereafter both parties shall be relieved of all duties and obligations arising hereunder. But this right to cancel and terminate by SUBDIVIDER shall not be invoked if COMPANY has received the construction material and SUBDIVIDER has made the deposit as hereinafter required, in which event COMPANY shall have the obligation to prosecute the work diligently to its completion.

**THIRD:** SUBDIVIDER hereby agrees to deposit with COMPANY, upon notice from COMPANY, that it is prepared and able to go forward with the work provided in Paragraph FIRST hereof, the sum of **\$63,096.00** which sum is the presumed cost of installation of said on-

site mains and related facilities, if any, as determined under Section B(4) of Rule 26 of COMPANY'S Rules and Regulations. No adjustment in deposit will be made, either by way of adding to or reducing the deposit required hereunder, because of a variance between the presumed cost mentioned herein and the actual cost of installation of such main(s) and related facilities, if any.

**FOURTH:** SUBDIVIDER represents to and covenants with COMPANY that the number of residential and/or commercial building plots to be developed within said subdivision, as shown on the plat attached hereto as Exhibit "A", being a total of **40** building plots which, according to Section A(2) of Rule 26 of COMPANY'S Rules and Regulations, is equal to **48** lots, will not be decreased in the final plat of said subdivision as the same is hereafter recorded in the office of the Clerk of the Fayette County Court. Upon such representation and covenant, COMPANY hereby agrees to refund to SUBDIVIDER, during the period of ten (10) years from the actual date of deposit, an amount equal to **1/48th** of the total deposit made by SUBDIVIDER under the terms of Paragraph THIRD above, being the sum of **\$1,314.50** for each premises served within said subdivision (as said subdivision is depicted on Exhibit "A" attached hereto) for which a street service connection shall be directly attached to the main extension herein provided between its original beginning and original terminus (not including, however, connections to further extensions or branches thereof, and being limited to one such service connection per building plot) and for which a bona fide residential or commercial customer has executed a service contract with COMPANY, provided, however, that the total amount returned shall not exceed the original deposit, without interest, and that all or any part of the deposit not refunded within said ten (10) year period shall become the property of COMPANY.

**FIFTH:** SUBDIVIDER may request refunds under Paragraph FOURTH, once in each calendar quarter, furnishing COMPANY, at such time, a listing of premises claimed to be additional premises; however, failure on the part of SUBDIVIDER to make such request shall not constitute a waiver of any rights hereunder or relieve COMPANY of the obligation to make refunds with reasonable promptness.

**SIXTH:** As a material consideration for COMPANY'S agreement to design and construct all or some portion of the main(s) and related facilities, if any, described on Exhibit "A" and in Paragraph FIRST hereof on the basis of a preliminary plat of said subdivision, without withholding or delaying such action until a final plat thereof has been approved by the Planning and Zoning Commission and recorded in the office of the Clerk of the Fayette County Court, SUBDIVIDER represents to COMPANY and covenants with COMPANY that the location and grade of streets, sidewalks, curbs, building plots, building lines and utility easements as depicted on the preliminary plat attached hereto as Exhibit "A" will not be altered or changed in any respect in the final plat of said subdivision, as finally approved by the Lexington-Fayette County Planning and Zoning Commission and as recorded in the office of the Clerk of the Fayette County Court. In the event the location or grade of streets, sidewalks, curbs, building plots, building lines or utility easements be altered, amended or changed in the final plat or in an amended plat of said subdivision as approved by said Commission or as recorded in the office of said Clerk, whether such changes are made with or without the consent of SUBDIVIDER, or in the event a final plat is not approved or recorded, and in event such alteration, amendment, change, failure of approval or of recording requires, in the sole judgment of COMPANY, the relocation, removal, replacement, reconstruction, change in size or addition to the main(s) and related facilities to be constructed by COMPANY pursuant to the Agreement, SUBDIVIDER will

immediately, upon demand from COMPANY, pay to COMPANY the actual cost to COMPANY of making such relocations, removals, replacements, changes in sizes and additions to such main(s) and related facilities, if any, so required in the sole judgment of COMPANY, as a result of such changes in location or grade of streets, sidewalks, curbs, building plots, building lines or utility easements. No part of the sums payable to COMPANY by SUBDIVIDER under the terms and provisions of this Paragraph SIXTH shall be subject to refund to SUBDIVIDER. In event SUBDIVIDER fails to pay to COMPANY such sums as may be demanded by COMPANY under provisions of this Paragraph SIXTH within ten (10) days from such demand, COMPANY shall have the right, in addition to and not in limitation of all other remedies, which right shall be superior to the rights of any intervening assignee or creditor of SUBDIVIDER, to apply refunds coming due under Paragraph FOURTH of the Agreement to the reduction and extinguishment of the debt of SUBDIVIDER to COMPANY under terms of this Paragraph SIXTH.

**SEVENTH:** By execution of this Agreement, SUBDIVIDER grants unto COMPANY, its successors and assigns, the permanent right and privilege to lay and construct its main(s) and related facilities, if any, on, over and through the lands of SUBDIVIDER at the locations depicted on Exhibit "A" and described in Paragraph FIRST above, together with the right to enter upon the adjacent lands of SUBDIVIDER for the purpose of installing, construction, repairing, renewing, replacing and inspecting such main(s) and related facilities, if any.

**EIGHTH:** SUBDIVIDER will furnish to COMPANY immediately upon recordation thereof in the office of the Clerk of the Fayette County Court five (5) copies of the final plat of said subdivision as approved by the Lexington-Fayette County Planning and Zoning Commission.

**NINTH:** The ownership of the water main(s) laid hereunder shall at all times be in COMPANY, its successors and assigns.

**TENTH:** This Agreement shall be valid and binding on COMPANY only when executed by its President.

**ELEVENTH:** This Agreement shall be binding upon the heirs, executors, administrators, successors and assigns of the respective parties.

**TWELFTH:** Any notice given hereunder shall be deemed sufficient if in writing and sent by registered mail to COMPANY at 2300 Richmond Road, Lexington, Kentucky and to SUBDIVIDER at **534 Kershaw Lane; Lexington, KY 40507.**

**THIRTEENTH:** This Agreement is entered into pursuant to the legally established Rules and Regulations of COMPANY and the words, phrases and terms hereof are to be understood and interpreted in conformity with said Rules and Regulations, which are hereby incorporated herein by reference.

Executed by the parties hereto in duplicate this the day and year first above written.

**WITNESS:**

**KENTUCKY AMERICAN WATER**

\_\_\_\_\_

By: \_\_\_\_\_  
(President)

**SUBDIVIDER:  
Stanford Development, LLC  
534 Kershaw Lane  
Lexington, KY 40507**

**WITNESS:**

\_\_\_\_\_

By: \_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Print or type name)

\_\_\_\_\_  
(Title/Position)

SAMPLE