



BOWLING GREEN MUNICIPAL UTILITIES
WATER-WASTEWATER DIVISION
BOWLING GREEN, KENTUCKY

ELECTION TO UTILIZE REFUND PROVISIONS OF KRS 96.539

The undersigned developer acknowledges that he (it) has been duly advised by representatives of the Water and Wastewater Division of Bowling Green Municipal Utilities (BGMU) of the provisions of KRS 96.539 (which is set out in its entirety at the bottom of this form) and further acknowledges that he (it) has been advised by representatives of BGMU that under the applicable regulations of BGMU the developer is entitled to enter into a contract with BGMU under the terms of which BGMU will charge privilege fees to customers connecting their service lines to the water and/or wastewater extensions which have been or are now being installed by the developer and to refund to the developer all or a portion of the cost of such water and or wastewater lines over a period not to exceed ten years by utilizing the privilege fees collected from persons attaching to such service lines.

The developer represents to BGMU that he (it) considers it to be in his (its) best interest to attempt to recover the cost of the extended water and/or wastewater facilities as provided by KRS 96.539 and the regulations of BGMU, and does therefore agree to comply with the following regulations:

1. The plat of the development submitted to the Bowling Green-Warren County Planning and Zoning Commission for recordation shall contain language on the face of it and in prominent lettering that any person who desires to connect to the water and/or wastewater mains in that development must pay a privilege fee prior to making the connection.
2. The Registered Professional Engineer (Engineer) employed by the developer shall submit a preliminary agreement to BGMU which includes a cost estimate for the total project and a proposal as to how privilege fees can be determined in order to attempt to provide for recovery of the costs over a period not to exceed ten years. It is suggested in the BGMU Specifications Manual that the privilege fee be based on a formula with the denominator being linear front footage, square footage or service connection numbers and sizes, with the final judgment to be reserved by BGMU. The numerator will be total of all engineering and construction costs, excluding interest.
3. Bids for the water and/or wastewater facilities shall be advertised and received in accordance with KRS 45A.365 and will be opened in the presence of a representative of the Engineer, Developer and BGMU and any bidders who may desire to attend. Subject to joint approval of all three parties, bids will be awarded based on the lowest and/or best bid.

4. A refund agreement shall be prepared based on the preliminary agreement as covered in Item 2 above, stating the exact amount and application of privilege fees, which will be collected by BGMU and paid to the Developer on January 1 of each year over a period not to exceed ten years, with total payment not to exceed total project cost. Where the refund agreement is applicable to a subdivision, a copy of the refund agreement will be lodged for record in the Miscellaneous Book in the office of the Clerk of the Warren County Court in order to enable prospective purchasers of lots, title examiners and the other interested persons to determine from the public records the amount of the privilege fee applicable to any particular lot in the development.

The water and/or wastewater mains extensions which are subject of this election are more particularly described as follows:

This _____, 20_____.

(Name of Developer)

BY: _____

(Title)

96.539

Any water or sewer utility owned by a city shall develop rules to govern extensions of service to unserved customers and areas. These rules may require that the applicants for new service pay to the utility all or part of the cost of extending utility lines. Where such payment is required, however, the cost of any extensions greater than one hundred feet per applicant shall be subject to refund by the utility on a prorated basis for each additional customer whose service line is directly connected to the extension line paid for by the initial applicant or applicants. The refund period shall extend at least ten years, and in no case shall the refund amounts exceed the amount paid. Nothing in this section shall be construed to prevent a water or sewer utility from adopting extension or refund policies which are more lenient to customers than are herein specified.