

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF THE MEADE COUNTY WATER)	
DISTRICT FOR A CERTIFICATE OF PUBLIC)	
CONVENIENCE AND NECESSITY TO CONSTRUCT)	CASE NO.
A NEW SERVICE CENTER AND HEADQUARTERS)	2001-041
IN MEADE COUNTY, KENTUCKY)	

O R D E R

Meade County Water District ("Meade District") has applied for a Certificate of Public Convenience and Necessity to construct a \$595,535 new office facility and for approval of its plan for financing the project. Having reviewed the application and being otherwise sufficiently advised, the Commission finds that:

1. Meade District proposes to construct a 6,000 square foot one-story frame building, including the basement.
2. The proposed building will be located at the Armory Place in Brandenburg, Kentucky.
3. The proposed construction will concentrate all of Meade District's operations at one central location.
4. Meade District's existing office facility is located in an 800 square foot former residential apartment. The office is insufficient and lacks sufficient space and facilities in order to service Meade District's customers.

5. After allowances for fees, contingencies, and other indirect costs, the total project cost is approximately \$595,535.

6. Meade District proposes to finance the proposed project through a 15-year loan of \$345,535 from the Kentucky Association of County Leasing Trust Program at an annual interest rate of 4.57 percent and \$250,000 from internally generated funds. Meade District does not intend to adjust its rates for water service to cover the project cost.

7. Construction of the proposed building will not result in the wasteful duplication of existing facilities.

8. The public convenience and necessity require the construction of the proposed buildings.

IT IS THEREFORE ORDERED that:

1. Meade District is granted a Certificate of Public Convenience and Necessity to proceed with the proposed construction as set forth in its application.

2. Meade District shall obtain approval from the Commission prior to performing any additional construction not expressly authorized by this Order.

3. Any deviation from the construction approved shall be undertaken only with the prior approval of the Commission.

4. Meade District shall furnish documentation of the total costs of this project including the cost of construction and all other capitalized costs (engineering, legal, administrative, etc.) within 60 days of the date that construction is substantially completed. Construction costs shall be classified into appropriate plant accounts in accordance with the Uniform System of Accounts for water utilities prescribed by the Commission.

5. Meade District shall file a copy of the "as-built" drawings and a certified statement that the construction has been satisfactorily completed in accordance with the contract plans and specifications within 60 days of the substantial completion of the construction certificated herein.

Nothing contained herein shall be deemed a warranty of the Commonwealth of Kentucky, or any agency thereof, of the financing herein accepted.

Done at Frankfort, Kentucky, this 2nd day of July, 2001.

By the Commission

ATTEST:


Executive Director