COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

IN THE MATTER OF:

CARROLL COUNTY WATER DISTRICT NO. 1 COMPLAINANT	)	
VS.	)	CASE NO. 2007-00202
GALLATIN COUNTY WATER DISTRICT DEFENDANT	)	

* * * * * * * * * * * * * * *

DEFENDANT GALLATIN COUNTY WATER DISTRICT'S (HEREINAFTER GALLATIN) ANSWERS TO INTERROGATORIES AND RESPONSES TO REQUESTS FOR PRODUCTION OF DOCUMENTS PROPOUNDED BY PLAINTIFF CARROLL COUNTY WATER DISTRICT NO. 1 (HEREINAFTER CARROLL)

ANSWERS TO INTERROGATORIES
(see next attached for Interrogatories)

1. Morris R. Courtney
2671 Hwy. 455
Sparta, KY 41086
859-643-5200

Victor B. Satchwell, Jr.
720 Hwy. 455
Sparta, KY 41086
859-567-8471

Stephen P. Huddleston
P.O. Box 807
Warsaw, KY 41095
859-567-2818

Tammy Hendren
Gallatin County Water District
4500 Hwy. 455
Sparta, KY 41086
859-643-5200

2. The providing of water service to the area of I-71 at Ky. Hwy. 1039 will not entail the extension of any existing waterline or any new construction. All lines and appurtenant apparati are currently in place, with the possible exception

of the installation of a master meter on Ky. Speedway property for purposes of accurately metering Ky. Speedway usage. The cost of a master meter is estimated to be $4,500.00 which would be paid from general revenues. Other costs associated with the project after completion are only those required for everyday operations, ordinary maintenance, and sterilization and testing. No financing will be required.

Any new construction of line will be the responsibility of, and at the cost of, the prospective user. Said line would run parallel to the east side of Ky. Hwy. 1039 from the user's property to connect with Gallatin existing 8"main.

3. (a) In 1995-96, Gallatin extended lines along the west side of Ky. Hwy. 35 in order to reach unserved properties near the Hwy. 35 and I-71 intersection. The Wash and Craig properties were the largest of the properties involved, both of which operated dairies. A couple years later Ky. Speedway was built on these properties and Gallatin has provided services to that facility since its inception.

The labor was performed by Gallatin and the Gallatin County Road Dept. The cost of the pipe was paid from the general revenue of Gallatin. We are unable at this time to state the costs of the pipe.

(b) In late 1996, Gallatin extended lines along Park Ridge Road, Ky. Hwy. 1130 and Ky. Hwy. 465 in order to provided service to unserved properties (including the Stewart farms now dissected by Hwy. 1039) which Carroll did not wish to serve, presumably because of economic considerations. Service to those customers along that line extension commenced in January, 1997.

The work was performed by Gallatin, the Gallatin County Road Dept. and Lykins Construction, Inc. (P.O. Box 344, Ghent, Kentucky 41045; 502-347-5690). The latter performed road pushes for the project.

No financing was involved. Gallatin paid for the pipe. We are unable at this time to ascertain the cost of the project.

(c) In the spring and summer of 2002, Gallatin laid an 8" line from the Ky. Speedway property along Speedway Drive to old Ky. Hwy. 1130, then south along Hwy. 1130, thence west through the Keeton farm to is present termination point on the east side of Hwy. 1039, approximately 1170' north of the commercial development in progress at Hwy. 1039 and I-71.

The purpose of the project was to bring water to the Stewart farms at I-71 and Hwy. 1039, which Gallatin already served, but now, having been severed by the new Hwy. 1039, contained unserved portions. It was anticipated that this area would develop commercially and Gallatin sought to be in position to serve it when that transpired.

The work was performed by Lykins Construction, Inc. The cost of the project was approximately $61,000.00. No financing was involved. The cost was paid from Gallatin's funds.

(d) In the summer of 2005, Gallatin extended lines westward down Hwy. 465 a distance of 6700' in order to serve additional users. The work was performed by United Pipeline Co., 48 Hogan Street, Tompkinsville, KY 42167.

The cost of the project was $32,768, paid from funds provided through a grant (tobacco settlement monies) from the Kentucky Infrastructure Authority,

which could have been spent anywhere, but which was used to bring water service to four additional customers that Carroll did not want to serve.

4. Morris R. Courtney, Mgr.
Gallatin County Water District
4500 Hwy. 455
Sparta, KY 41086
(859) 643-5200

Tammy Hendren
Admin. Asst.
Gallatin County Water District
4500 Hwy. 455
Sparta, KY 41086
(859) 643-5200

Hon. George W. Zubaty, D.C.
100 Franklin Street
Warsaw, KY 41095
859-567-6371

Hon. Clarence Davis
(businessman)
P.O. Box 127
Glencoe, KY 41046
859-643-3310

Victor B. Satchwell, Jr.
Chairman, GCWD
720 Hwy. 455
Sparta, KY 41086
859-567-8471

Denny L. French (businessman)
5995 U.S. 42 E
Warsaw, KY 41095
859-567-2652

Ron Gastineau (P.E.)
Bill Babington (P.E.)
Gastineau & Assoc.
104 Berkley Estates
Nicholasville, KY 40356
859-887-5796

Darrel Lykins
Owner: Lykins Construction, Inc.
Supt. CCWD
P.O. Box 344
Ghent, KY 41045
502-347-5690

5. See attached Production of Documents/AND Documents Produced to P.S.C.

6. Ron Gastineau and/or Bill Babington, professional engineers (see above for address and telephone no.) will testify as to the manner and process by which Gallatin has extended lines into territory claimed by Carroll and that in their opinion such extensions constitute ordinary extensions of existing systems done in the usual course of business.

Morris R. Courtney, by training, experience and education qualifies as an expert on the operation of water systems. Should a question arise pertaining to the how and why of water system operations, he may express an opinion as to same. See above for address and phone.

7. Ron Gastineau and Bill Babington of Gastineau and Associates. See above for address and phone number.

RESPONSE TO REQUEST FOR
PRODUCTION OF DOCUMENTS
(plaintiff's request is next attached)

OBJECTION: This request, except with respect to the 2002 extension which is the line over which the dispute arises, is unduly burdensome and not calculated to produce evidence material to the issue at hand. Response confined to matters related to the line in question.

1. (a) see attached – Minutes of Gallatin Board recording all discussions of service to the new development, as requested by PSC.

   (b) Unclear as to meaning of request, but whatever defendant has which may be responsive is attached.

   (c) bids attached were negotiated, solicited bids; project done in two phases.

   (d) see attached.

   (e) see attached. Unless otherwise indicated the contractor's bid and its acceptance by Gallatin constituted to contract between.

2. No such application was submitted, the subject projects being exempt from same pursuant to KRS 278.020.

3. See attached. Objection. Same grounds as state in No. 1 above.

4. See attached.

5. See attached.

6. See attached.

Morris R. Courtney, Mgr.
Gallatin County Water District

STATE OF KENTUCKY)
COUNTY OF GALLATIN)

Subscribed and sworn to before me by Morris R. Courtney, Manager of Gallatin County Water District, who being duly sworn, stated before me that each above answer and response is true and accurate to the best of his knowledge, information and belief, formed upon reasonable inquiry, on this the 28th day of September, 2007.

My commission expires: 5/23/09

Notary Public, State at Large, Ky.

CERTIFICATION

This is to certify that the foregoing was prepared by the undersigned counsel for defendant and that same are true and accurate to the best of the undersigned's knowledge, information and belief formed after reasonable inquiry.

Stephen P. Huddleston
Attorney for Gallatin County
Water District
P.O. Box 807
Warsaw, Kentucky 41095
(859) 567-2818

CERTIFICATION

This is to certify that the foregoing was served by ~~mailing~~ delivering a true copy of same by ~~first class mail, postage prepaid~~ HAND to Hon. Ruth H. Baxter, P.O. Box 353, Carrollton, Kentucky 41008, this the 1st day of October, 2007.

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

IN THE MATTER OF:

CARROLL COUNTY WATER DISTRICT NO. 1	)	
	)	
COMPLAINANT	)	
	)	
VS.	)	CASE NO. 2007-00202
	)	
GALLATIN COUNTY WATER DISTRICT	)	
	)	
DEFENDANT	)	

COMPLAINANT CARROLL COUNTY WATER DISTRICT NO. 1'S INTERROGATORIES AND REQUESTS FOR PRODUCTION OF DOCUMENTS PROPOUNDED TO DEFENDANT GALLATIN COUNTY WATER DISTRICT

** ** ** ** **

Comes now Complainant Carroll County Water District No. 1 (CCWD). and propounds the following Interrogatories and Requests for Production of Documents to the Defendant Gallatin County Water District (GCWD):

INTERROGATORIES

1. Identify the name(s), address(es), and telephone number(s) of all person(s) providing information for answers to these Interrogatories.

ANSWER:

2. State in full and complete detail a full description of the proposed location: route or routes of the new construction and/or extension, including a description of the manner in

which same will be constructed for the proposed extension at Interstate 71, Exit 55. the manner in detail in which GCWD proposes to finance the new construction and/or extension, and an estimated cost of operation after the proposed facilities are completed.

ANSWER:

3. State each date(s) when the GCWD first extended its pipeline into any portion of territorial boundar(ies) of the CCWD, and for each such date, state: a.) the purpose of the extension; b.) the name and address of the contractor responsible for the construction work; c.) the cost of the extension of the pipeline; and d.) the source of the payment for the extension of the pipeline.

ANSWER:

4. State the name, occupation, business address, business telephone number, residence address, and residence telephone number of each person you expect to call as a witness at the PSC hearing or who had knowledge of facts and circumstances you rely upon as to any issue in this case, together with a summary of the matters to be testified about or within the knowledge of each such person.

ANSWER:

5. Please identify by name and description each of the items, including but not limited to, documents, photographs, videos, charts, maps, models, plats, drawings or diagrams.

CRAWFORD & BAXTER, P.S.C.
ATTORNEYS-AT-LAW
CARROLLTON, KY

which you intend to use and rely upon as an exhibit, or to which reference will be made, in the course of the PSC hearing of this matter.

ANSWER:

6. State the name, occupation, business address, business telephone number, residence address, and residence telephone number of each person you expect to call as an expert witness at the PSC hearing, the subject matter on which the expert is expected to testify, and the substance of the expert's testimony.

ANSWER:

7. State the name, business address and business telephone number of each engineer who provides technical assistance on GCWD projects, including the Interstate 71, Exit 55, project extension which is the subject of the PSC hearing.

ANSWER:

REQUESTS FOR PRODUCTION OF DOCUMENTS

1. For each date identified in Answer to Interrogatory No. 3, provide: a.) the resolution from the Commissioners of the GCWD authorizing the extension of the pipeline; b.) the request(s) for service necessitating the extension of the pipeline; c.) the advertisement(s) for bids for

the extension of the pipeline; d.) the bid(s) or estimates obtained from contractors for the extension of the pipeline; and e.) the contract(s) with the contractor(s) hired to extend the pipeline.

RESPONSE:

2. For each date identified in Answer to Interrogatory No. 3, provide a true and correct copy of the application of GCWD to the Kentucky Public Service Commission for a certificate of convenience and necessity.

RESPONSE:

3. For each date identified in Answer to Interrogatory No. 3, provide a true and correct copy of the plans and specifications submitted to the Kentucky Division of Water and the permit and/or authorization issued by the Kentucky Division of Water for such extension.

RESPONSE:

4. All correspondence, documents, email, or other written communications by and between the Carroll County Water District No. 1 and the Gallatin County Water District concerning the extension of GCWD pipelines into territory within the territorial boundaries of the CCWD.

RESPONSE:

5. Please produce a copy of the application GCWD made with the Kentucky Division of Water for the extension which is the subject of this controversy, together with copies of the plans and specifications for the extension.

RESPONSE:

6. Please produce a copy of the application of proposed user at the site at Interstate 71, Exit 55, for services of Gallatin County Water District, together with all supporting documentation which establishes the service being requested, the amount of water to be used, and the water pressure being required.

RESPONSE:

CRAWFORD & BAXTER, P.S.C.
ATTORNEYS AT LAW
523 Highland Avenue
P.O. Box 353
Carrollton, Kentucky 41008
Phone: (502) 732-6688
Facsimile: (502) 732-6920
E-mail Address: CBJ523@aol.com

Attorneys for Complainant
Carroll County Water District No. 1

By: _____
Ruth H. Baxter

CERTIFICATE OF SERVICE

This is to certify that a true and correct copy of the foregoing Interrogatories and Requests for Production of Documents was mailed postage prepaid, on this the 27 day of August, 2007, to:

Hon. Stephen P. Huddleston
P.O. Box 807
Warsaw, Kentucky 41095
Attorney for Defendant
Gallatin County Water District

PSC REQUEST
CONTENTS OF ATTACHMENTS

TAB COLOR	RESPONSE TO REQUEST #	CONTENTS
Blue	1	Motions/Resolutions -Board Minutes
Purple	1	Bids for 2002 line Extension
Orange	5	Application for Proposed extension To site in question
Green	3	Application for 2005 Extension
Red	5	Application and Permit 2002 line extension
Clear	6	Communication with Developers; Data concerning development

NOTE: REQUESTED PLANS DELIVERED SEPARATELY

Gallatin County Water District
February 8, 1996

The regular meeting of the Gallatin County Water District was called to order at 9:30 a.m. by Chairman Glenn Martin. Also present at the meeting were Commissioner Lee Burgett, Morris Courtney, Mary McCord, and Kay Simpson.

Glenn Martin announced that the Insurance Company would be paying the Water District approx. $10,997.00 for the totaled Dodge (93) Truck. The Commissioners and Morris Courtney discused the different options available. Lee Burgett presented the Board with information on state Bid which was a "96" Dodge, V-6, air-conditioning, stero, and 2-wheel drive for $ 13,500.00. The option of accepting bids was also discussed. A final decision was not made.

Morris Courtney presented the Board with a letter from the Environmental Protection Cabinet concerning thermal expansion tanks. The letter stated that it is the Water District's responsibility to inform their customers of the dangers of not installing thermal expansion tanks in the personal water system. The Board wants a letter and literature sent out with the March 1 st. billing to every customer.

Glenn Martin motioned to hire a contractor to fix Ken Biddle's rock wall on Ambrose Rd. which was damage during a previous construction. Estimated cost to repair the wall is $200.00. Lee Burgett second the motion.

Glenn Martin mentioned that Judge Davis was planning on extending some water lines and would like the Water District to supply the pipe. The extension would be on Park Ridge and Lick Creek Roads. Morris Courtney will check on prices and have estimated cost figured. No decisions were made.

January minutes were read and approved. January check disbursements and financial statements; February bills and all monthly statements were approved.

Glenn Martin motion to approve and pay mileage, food, and hotel expenses for Morris Courtney to go to classes and recertification testing in Greensville, Ky. on Feb. 25-29. Lee Burgett second the motion.

Glenn Martin motioned to adjourn the meeting at 10:20 a.m. Lee Burgett second the motion.

Minutes and Monthly Statements read and approved by:

Glenn Martin

Lee R Burgett

Gallatin County Water District
May 9,1996

The regular meeting of the Gallatin County Water District was called to order on May 9,1996 at 9:30 a.m. by Chairman, Glenn Martin.

Present at the meeting were Commissioners Glenn Martin and Lee Burgett; Morris Courtney and Mary McCord; Jerry Keith and Logan Murphy with Hicks and Mann.

First order of business was to address Jerry Keith and Logan Murphy. They were wishing to obtain a letter of approval on the plans for a waterline extension into the Mars Place Subdivision on St. Rt. 16. Kennoy Eng. had wrote a letter to the Water District on their opinion of the plans (see attachment). Mr. Murphy stated the installation of air releases would not be a problem. After some discussion it was decided that there was really no way to avoid the seven dead end lines without cutting through the middle of the lots. The addition of homes will be done in phases, so there should not be a strain on the pumping requirements.

Lee Burgett motioned to approve the reading of the minutes, along with April check disbursements, May bills, April balance sheet, and the following leak adjustments and Bad Debts write offs.
No Financial Statement or Bank Rec. were presented due to the fact that Bank Statement were received to late to prepare them

Leak Adjustments
(1) Audrey Hammond -----$27.54
(2) Paul Webster -------$184.86
(3) Mable Wallace -------$18.89
(4) Shelly Maxwell ------ 22.09

Reading Error
(1) Hardin Lowe -----47.08

Bad Debts
(1) Bob Perkins------17.05
(2) Lori Wilson-----196.59
(3) Rose Robbins--- 65.28

Bill Babington, Kennoy Eng. had asked that the Board address what they wanted to do with any remaining Grant Funds from the present project. Mr. Babington recommended that the funds go toward a new pump booster station and the purchase of a new pump for the present station. Being that the system is presently strained to keep up with the demands,this would be the most feasible route to go. Glenn Martin motioned to approve any remaining funds to be used to upgrade the pumping system. Lee Burgett second the motion. *The exact amount of funds that will be remaining has not been determined at this time.*

Lick Creek and Park Ridge waterline must be advertised for bids. Glenn Martin said he would check with Judge Davis to see if he was ready for the waterline.

Lee Burgett announced that Morris Courtney and Mary McCord would be attending the KRWA Management Conference in Bardstown, Ky. on May 21,& 22. It was agreed by the Board Members that hotel stay, food expense,and mileage would be paid for by the Water District.

Mary McCord informed the Board of a problem with customer Robert Deaton. Mr. Deaton is refusing to pay a Service Charge that was added to his bill for non-payment. He claims his late notice was dated 3-28-96. Late Notices are standard form and it was dated 3-25-96. No one else complained of a date error. Mr. Deaton was sent a registered letter informing him the service charge would have to be paid and that he had the right to attend a Board meeting if he disagreed with the service charge. We also asked him to produce the letter to see if there was an error but he could not. The Board instructed to have the service discontinued if payment was not paid by the 20th of May.

Lee Burgett motioned to adjourned the meeting at 10:40 a.m. Glenn Martin second.

Minutes and bills presented and approved by:

Glenn Martin

Lee L Burgett

GALLATIN COUNTY WATER DISTRICT
JUNE 13, 1996

Glenn Martin was the only Board Member present at the June 13, 1996 meeting. The meeting was postponed until June 18, 1996, to be held after the Loan Closing Meeting. Glenn Martin did instruct Mary McCord to pay the bills due and make the necessary transfers for the month.

JUNE 18,1996

Glenn Martin, Chairman, called the meeting of the Gallatin Co. Water District to order at 11:30 a.m. Present at the meeting were, Glenn Martin, Lee Burgett, and Mary McCord.

May minutes were read with a motion for approval from Glenn Martin and second by Lee Burgett.

Lee Burgett motioned an approval for the May check disbursements, financial statements for April & May, and May bank reconciliations.

In reference to old business, advertisements for bids (Lick Creek and Park Ridge) have been placed in the local paper and bids we accepted on 6-17-96 at 9:30 a.m. Water Works of Louisville placed the lowest bid. At a bid of $13,561.60 (.815 per ft.) for 16,640 ft. of 4"pvc SDR21 and $1820.0 (1.14 per ft.) for 1,600 ft. of 4" pvc C900.

Minutes and bills approved by: Glenn Martin

Lee L Burgett

Glenn Martin motioned to adjourn the meeting at 12:00 p.m. Lee Burgett second the motion.

GALLATIN COUNTY WATER DISTRICT
APRIL 10, 1997

The regular meeting of the Gallatin County Water District was called to order at 9:15 a.m. by Chairman, Glenn Martin.

Present at the meeting were Commissioners Glenn Martin and Lee Burgett; Mary McCord, Kay Simpson, Bonnie Erpenbeck (Fogg. Rd. Resident), and Bill Babington (Gastineau & Assoc.).

Ms. Erpenbeck presented the Board with several concerns about her property on Fogg Rd. where the waterline was installed. In her opinion the culverts were removed during construction and not replaced which did not allow proper drainage from her property. Her meter is exposed and has called the Water District several times about this, but still nothing has been done. Since the drainage is poor, she has puddles standing that have odd things growing from them. She has informed the Division of Water of her problems and they will be looking into it this week. She will notify us of their findings. Glenn Martin told Ms. Erpenbeck that the weather had slowed the Contractor's from finishing the clean up.

Bill Babington presented the Board with a $1500.00 bill for services rendered on the Environmental for the 1997 Pre-Application with Rural Development. Glenn Martin motioned approval for payment of the bill and Lee Burgett second the motion. Mr. Babington stated this would be the only bill issued until the Application was funded.

Mary McCord presented the Board with a Safety Manual, required by PSC, for approval. Glenn Martin motioned for approval and Lee Burgett second the motion. Both Commissioners took copies for their own records.

Mary McCord informed the Board that Terry McIntyre was injured on the job Friday, April 4, 1997. Terry was covering newly installed water line, on Park Ridge Rd., with a trencher and was struck in the head with a tree limb. Terry's injuries were minor scratches, but he was haveing difficulty hearing. He reported the accident to Morris Courtney immediately but kept on working. On Monday morning he was still having difficulty hearing, Ms. McCord advised him to go to the doctor asap. Upon going to the doctor, Terry reported that there was no injury to his ear. He had a build up of blood, from his other injuries, on his ear drum which was not allowing him to hear properly. All necessary papers have been filed with KACO Worker's Compensation.

Glenn Martin asked if we had ever heard anything from S&M Truck Stop concerning payment. No correspondence has been received and small claims will be filed.

The Commissioners approved and Glenn Martin signed the Certificate of Engineers for Preliminary wok on Baker Road in the amount of $1819.45.

Lee Burgett questioned Mary McCord as to the notation in the audit concerning uninsured funds. Ms. McCord assured her that she had taken care of the matter and that the Water District now had an additional $125,000 in pledged assests on top of the $150,000 already pledged.

March minutes, financial report, check disbursements, bank reconciliations, and April bills were read and/or approved. Lee Burgett motioned for approval and Glenn Martin second the motion.

Mary McCord presented the Board with her letter of Resignation which will be effective as of April 26, 1997.

Account Adjustments

Wayne Noel	$11.21
Ida Phipps	$14.06
Janelle Eversole	$28.80
Michael Bryan	$39.28
Lois Deitmaring	$43.28

Lee Burgett motioned approval for following Vacation and Holiday changes:

VACATION

After 1 year Employment you will receive 1 week of paid vacation
After 2 years Employ. you will receive 2 weeks of paid vacation
After 5 years Employ. you will receive 3 weeks of paid vacation

HOLIDAYS

There will be 9 paid holidays, which do not include the two paid election days per year.

Holidays are as follows:

New Years Day	Memorial Day
Independence Day	Labor Day
Thanksgiving Weekend (3 days)	
Christmas Eve	Christmas Day

Glenn Martin motioned to adjourn the meeting at 10:15 a.m., Lee Burgett second the motion.

Approved by: Glenn Martin

Lee L Burgett

Gallatin County Water District
August 13, 1998

The regular meeting of the Gallatin County Water District was called to order by Denny French at 9.30 a.m.

Present at the meeting were Commissioners; Lee Burgett and Denny French, Employees; Morris Courtney and Kay Simpson, Engineers; Ron Gastineau and Bill Babington

The first order of business was the Hydraulic Study. The study has been completed and Ron Gastineau demonstrated how the system worked on his lap top computer.

Bill Babington brought to the boards attention that Tri-State Land Corporation has contacted Gastineau & Associates to engineer a new development on part of the Charles Edmonson property on HWY 16. Plan sheets have already been drawn up. Project size is for 35 homes to be filled up in 5 years.

Bill Babington brought to the boards attention that before a well could be dug we would need to get a water withdraw permit from the state of Ky. in order to take water out of the ground. Morris commented that he had a meeting with the well diggers today and he has no information for them.

Denny French commented that we are still interested in purchasing Glencoe and Sparta. Bill Babington commented that was something that would have to be negotiated between us and Tri-Village. Gastineau & Associates has nothing to do with it. Their only concern is the legality of Water Districts not services areas.

Bill Babington inquired about the pump station site on Johnson Road. Denny French commented that he met with the new owner John Lewis yesterday. Mr. Lewis advised him that he would sell us the property needed for $1000.00. This would include the construction easement. Mr. Lewis has 3 concerns; 1) He wanted to be able to mow up around it, 2) He does not want a fence up or anything sticking up out of the ground were he couldn't mow, and 3) He does not want his black top drive way torn up. Denny told him that we had a meeting this morning and that he would get back with him. Denny made a motion that we purchase the 20' x 20' section of land and construction easement for $1000.00. It was put to a vote, passes 2 yeas 0 nays Morris Courtney is to get with Joe Maylor to have the property surveyed. When that is finished it can be taken to Steve Huddleston to have the necessary paperwork drawn up. Denny will go see Mr. Lewis and advise him that we are taking the property.

Morris ask Bill Babinton about the race track. Who do we need to talk to about supply them water. Everyone is wanting a piece of the action. Bill Babington stated that the Race Track in in our service area. They are going to have to pull some strings to take it out of our service area. Morris stated that Carroll county just put a piece in the paper wanting to expand their service area. Bill stated that Judge Davis, along with the Fiscal Court should be able to make that decision. Denny commented that he is going to the Fiscal court meeting today to speak in behalf of the Water District.

Morris advised the board that he had met with Donna from the engineers at the telephone company and was advised that as soon as they get a set of plans for the new Office/Maintenance Building they would relocate the telephone pole and lines .

Denny advised the board that he had met with Eugene Doolin yesterday because Glenn Martin has been sick and has set up a meeting with him for the first of next week to discuss an option on the property needed to dig the test wells.

Bill Babington ask if Steve had written the letter to Boone County Water District and Boone County Fiscal court in regards to crossing into Boone County for the line extention on the upcoming project. Morris advised him that Steve had sent the letter and a response giving us permission has been received.

Lee Burgett inquired about the computer system. Will we be Y2K compliant. Denny advised her that the new system that we are going to purchase prior to the year 2000 will take care of the problem.

Denny questioned the amount of the Hydraulics Study. He understood that it was going to cost between $6,000 & &7,000 not $9,700. Morris mentioned that Tammy had said Bill said it would cost around $10,000. Morris commented that it was in the September 1997 minutes.

Denny inquired about the easements on HWY 127. Morris stated that they were finished and had been filed with the court house. Denny ask when we would start construction. Morris stated as soon as possible, maybe next week or the week after.

Denny suggested that a special meeting be called to discuss the Well issue prior to the next board meeting. Date to be determined.

Lee Burgett made a motion to purchase a tool box for the dump truck. Denny French second the motion. Morris ask Denny about the trailer brakes. Where would he go to have them connected. Denny Suggested The Truck Shop in Sparta. Morris will take it there.

August Minutes
Continued

Glenn Martin came in towards the end of the meeting. Due to Glenn Martins illness Lee Burgett made a motion that Denny French be made Vice-Chairman. In the event that Glenn is unavailable Denny can sign any necessary paperwork. Glenn Martin second the motion.

The board also discussed sending a letter to the Gallatin County Fiscal Court opposing the exteion of Carroll County Water District into the South West area of the county. A vote was take 3 yeas 0 nays in favor of sending a letter.

July minutes, Check Disbursements, Financial Statements, Account Adjustments, Security Deposits Refunds, Bank Reconciliations were all read and or approved.

Denny French made a motion to adjourn at 11:20 a.m. Lee Burgett second the motion.

Approved By: Denny French

Lee R Burgett

_____

Gallatin County Water District
August 25, 1998

The Special Meeting of the Gallatin County Water District was called to order at 1:05 p.m. by Commissioner Denny French.

The purpose of this meeting is to discuss the purchase of the property at the junction of I71 and Hwy 455 and to go on record the Water Districts opposition of the annexation of the Carroll County Water District into Gallatin County.

Present at the meeting were Commissioners; Lee Burgett and Denny French, Employees; Morris Courtney and Tammy Hendren.

The first order of business was to discuss the property. The Water District has received the paperwork from the Commonwealth of Kentucky Transportation Cabinet asking them to forward a cashiers check in the amount of $14,000.00 for the purchase of the property. Upon receipt of payment they will convey the property, Parcels No 61, 62 and 63 (part), Tracts A & B to us. Lee Burgett made a motion to do this. Denny French second the motion. Passes 2 yeas 0 nays. Denny French is to meet with GLenn Martin to have the necessary paperwork signed.

The second order of business was to present the board with a letter that was prepared with the help of Steve Huddleston stating that we feel we can supply the Race Track with water instead of Carroll County expanding their district into Gallatin County. Both Lee Burgett and Denny French have signed the letter. Glenn Martin is aware that a letter was being prepared and Denny French will take it to him for signature. Morris Courtney is to deliver the letter the to the Fiscal Court prior to 8/29/98.

Denny French advised the board that we have taken the paperwork and payment of $1000.00 for the pump station property on Johnson Road to Steve Huddlestons office. Upon signing of the Deed Mr. Huddleston will present Mr. Lewis with payment.

Denny French stated that he would call Gene Doolin and set up a meeting with him to discuss an option on some property for the test wells.

Lee Burgett made a motion to adjourn at 1:30 p.m. Denny French second the motion.

Approved By: Lee Burgett

Denny French

GALLATIN COUNTY WATER DISTRICT
November 12, 1998

The regular meeting of the Gallatin County Water District was held off-site at the Gallatin County Public Library. The meeting was called to order by Chairman Glenn Martin at 9:30 a.m.

Present at the meeting were Commissioners; Glenn Martin, Lee Burgett and Denny French, Newly appointed Commissioners; Juanita Ethridge and J.t. Dossett, Employees; Morris Courtney and Tammy Hendren, attorney; Steve Huddleston and Engineer; Bill babington.

The first order of business was to welcome the newly appointed Commissioners and bring them up-to-date on the status of the District. Steve Huddleston presented the board with an order from Judge Davis appointing the new commissioners for a 4 year term effective November 1, 1998.

The board discussed the recent rate increase imposed on the county by the city. The current contract for the purchase of water was $1.00 per thousand gallons. The city has raised the rate to $1.50 per thousand. Upon seeking the advise of attorney Steve Huddleston the county has refused to pay the increase. A vote of 5-yeas and 0-nays was taken to hire Steve Huddleston to represent the Water District in this matter.

Steve Huddleston informed the board that the easements for the new project were almost complete.

Bill Babington inquired about the extension of the water lines into Boone County. Have we received approval from the Boone County Fiscal Court? Steve Huddleston will do a follow up letter.

Mr. Dossett inquired about the race track, are we going to supply them with water service. After various discussions on this matter, Morris commented that no one really knows who will supply them at this time.

Mr. French addressed the board concerning the test wells. We need to make a decision on what needs to be done. After various discussions on suitable sites it was dtermined the Eugene Doolin has the best location. A vote of 5-yeas and 0-nays was taken in favor of Mr. French meeting with Mr. Doolin to make him an offer of $25,000 on 1 1/4 acres of land. This price can be negotiated up to $50,000 with the option that if we do not find suitable water will pay Mr. Doolin up to $5,000 for damages made to his property.

Mr. French questioned the Edmonson Subdivision. Will we be able to supply them with water. We currently have problems during peak season supply water to Mars Place and Southridge. Mr. Babington commeted that according to our plans they show no reason why we can't. Morris commented that once the new pumping station is installed we should be able to supply them with plenty of water, We need to start on the pumping station as soon as possible. Mr. Babington stated that if we wanted to use our funds to install the pumping station there is a possibility that we can be reimbersed. He will look into the matter.

Morris brought to the attention of Mr. Babington that we have received a petition from the residents at the end of Steels Bottom. They would like to have water. He feels that if they are not included in the new project they may never get water. Mr. Babington stated that it would be very expensive to run the water line. If we want to include them is this new project there would be a delay, everything would have to change. Mr. French commented that they are full time residents and should have water. A vote 5-yeas and0-nays in favor of using any funds left over from the current project and if necessary some of our funds be used to supply these residents with water service.

October minutes, check disbursements, financial statements, security deposit refunds, account adjustments and bank statements were all read and/or approved.

Glenn Martin made a motion to adjourn at 11:00 a.m. Lee Burgett second the motion.

Approved By: Glenn French

Juanita D. Ethridge

Lee L. Burgett

_____

_____

GALLATIN COUNTY WATER DISTRICT
December 10, 1998

The regular meeting of the Gallatin County Water District was called to order at 9:30 a.m. by Vice Chairman Denny French.

Present at the meeting were Commissioners; Denny French, Lee Burgett and Juanita Ethridge, Employees; Morris Courtney, Tammy Hendren and Kay Simpson, Judge Davis.

The first order of business was to approve the November Minutes, Check Disbursements, Financial Statements, Deposit Refunds, Account Adjustments and all other correspondence. Juanita made a motion to approve, Lee second, Motion carries 3-yeas, 0-nays.

OLD BUSINESS

The board discussed the bad debts. There are approximately $1,400 in unpaid accounts. Lee made a motion to remove the bad debts from the system and keep a list. When and if the customer wants to re-connect they will have to pay the bad debt plus the Security Deposit prior to the service being re-connected. The board also discussed Jeff Wheelers account # 26461. There is a balance due of $378.72. Due to the circumstances of Mr. Wheelers death a motion was made to erase the debt and start Mrs. Wheelers billing in January. Juanita second the motions. Both motions carry 3-Yeas, 0-Nays.

Juanita ask Denny if he had spoken to Eugene Doolin. Denny advised the board that he had set up several meetings with Mr. Doolin but they were unsuccessful in meeting. He would try and get in touch with him again. Denny also informed the board that he has talked to Art Hudephol, and Boyde Steel. They own property near Eugene Doolin and would be interested in talking with us. Denny ask the board if he met with Eugene Doolin and Mr. Doolin still wants some type of royalties would they be agreeable to him advising Mr. Doolin that we have some else interested in selling us some property and we are going to speak with them. Both Juanita and Lee were in agreement

Judge Davis informed the board that he has met with the Race Track. They are concerned about water. Bill Moss has informed him that they are going to build a tank. If we can bring a line to the tank, they would give the county the tank. Mr. Moss would like to meet with the Water District to discuss the matter. Judge Davis suggested to the Commissioners that it would be in the best interest of the Water District to call a special meeting involving Mr. Moss and our Engineers. Judge Davis has already spoke to Bill Babington and ask him to speak with Ron Gastineua to see if there are any complications in them giving us the tank.

NEW BUSINESS

Tammy Hendren presented the board with a quote from Rasior, Zapp and Woods to conduct the Water Districts Anual Audit and prepare the Public Service Report. The expected price to be between $3,065- $3,565 not to exceed $3,565. Lee made a motion to let Rasior, Zapp and Woods do the audit. Jaunita second the motion. Motion carries 3-Yeas, 0-Nays

The board discussed raising the Security Deposit from $60.00 to $100.00. This will eliminate some of the loss in bad debts. Lee made a motion to raise the Security Deposit to $100 starting January 1, 1999. Juanita second the motion. Motion carries 3-Yeas, 0-Nays.

Morris brought to the boards attention that Maxwell's have inquired about hooking on to the water line on Meadowlark Lane. That line as of right now belongs to J.L. Davis. He paid for it and installed it. We now have the paperwork just like on Hance road where we can legally take the line over and allow other residents to hook on. J.L has ask to be reimbursed for the pipe that he installed. He hasn't ask for any labor, just the price of the pipe. He wanted a meter [redacted] for his son. Morris advised him that there is no way that we can give a meter away. He did agree with the approval of the board to give him $350 more for labor and he could purchase the meter. Morris presented the board with J.L. 's cancelled check in the amount of $1,526.54 for the price of the pipe. In his opinion that would be a very good deal because we would immediately pick up 2 customers possibly 4. Lee made a motion that we reimburse J.L. Davis $1,876.54 for the line. Juanita second the motion. Motion carries 3-Yeas, 0-Nays.

Morris brought to the boards attention that he would like for both Terry and Mike to get their operators license. His license are in jeopardy each time a line breaks and Terry and Mike do the repairs. He feels that he has two excellent boys and they are capable of doing the job. He thought maybe with some incentive from the board they could be persuade to get their GED's and try for their license. The Division of Water has written us up the last three years for only having one Operator. That is all that is required, but it requires Morris to be on call 24 hrs. With our rapid growth we need to have additional operators. If Terry and Mike are not interested then we need to hire some one else. Denny suggested that the board set up some job classifications and pay scales. Terry and Mike should have the first opportunity . Denny said that he would have no problem talking with them and let them know the boards intentions. Denny suggested that 6-months would be ample time for them to at least be in the process of getting a GED. Juanita and Lee both agreed that Denny should go ahead and talk with them on the matter.

Morris brought to the boards attention Baker road. We still have some retainage money from Coomer. We have received some complaints with yards. He would like to take the retainage money and hire someone to fix the properties. The residents do'not want Coomer. Juanita made a motion that the retainage money be used to hire some one to repair the damages and send Coomer the remainder. Lee second the motion. Motion carries 3- Yeas 0-nays

Lee made a motion to adjourn at 11:00 a.m. Juanita second the motion.

Approved by: _____

_____

_____

Juanita D. Ethridge

_____

Gallatin County Water District
January 14, 1999

The regular meeting of the Gallatin County Water District was held off site at the Gallatin County Public Library and was called to order at 9:30 a.m. by Chairman Glenn Martin.

Present at the meeting were Commissioners; Glenn Martin, Denny French, Juanita Ethridge and J. T. Dossett, Employees; Morris Courtney and Tammy Hendren, Engineer; Bill Babington and Judge Zubaty.

Judge Zubaty addressed the board with two concerns:

1) He would like for the board to establish a personnel policy. This is something that is being done for all Entities of Gallatin County Government. He raised the question of Health Insurance. The county has a policy that the board may want to look into.

2) He would like for the board to check into the possibility of purchasing Sparta and Glencoe from Tri-Village. It would be a golden opportunity right now with the state plans for the Regional Sewage System. A feasibility study has already been started on the Sewage Plant. There will be another meeting with everyone in four weeks with the preliminary engineering report on what is and isn't possible. Juanita ask Bill Babington if we could purchase Sparta & Glencoe from Tri-Village. Bill explained that if they were willing to sell and we had the money it could be done. He explained that we would not just have to purchase the lines in the ground we would have to purchase the revenue that the customers generate. Tri-village probably would not mind loosing Sparta & Glencoe as long as they lost a portion of the debt with RDA. RDA is the one that will have to be satisfied since they hold the bonds. Denny suggested that we go to their board meeting and find out if they are interested and go from there.

Glenn Martin advised the Board that we have received permission from Rural Development to use the existing funds in the Depreciation Account to install the new pump station. Bill informed the board that the plans should be ready by the end of the month. Once the plans are completed they will need to go to the State for their approval. Since there are no government funds involved we will not have to go through the bidding process. It can be bid as soon as we get the approval from the State. He also stated that RDA did not guarantee that they would re-reimbersed us. They will look at the project funds at the end.

Glenn Martin brought to the boards attention that the Water District has approximately $270,000 in a now account drawing only 2.2%. He suggested that we look into putting $100,000 into some other type of account where it could draw more interest. Glenn ask Juanita to look into the matter and get back with us at the next board meeting.

Morris brought to the boards attention that the motion made at last months meeting to raise the Security Deposit from $60 to $100 was not possible. Public Service Rules and Regulations state that the deposit cannot exceed 2 1/2 times the average monthly bill. Our estimated average monthly bill is $25. The deposit will have to remain at $60.00 until our average monthly bill increases.

Bill inquired about the easements for the new project. Morris advised him that we are working on them. We received several from Boone County but we still need a few more. Bill commented that we need to meet the required amount of new customers according to the letter of conditions from RDA. The $350 meter fee will need to be collected from those customers. The total needed is approximately 63.

Glenn Martin informed Bill Babington that the Race Track wants to build a water tank and possibly give it to the county. Is that legal? Bill advised him that there is no problem. There will need to be some hydraulics done on that end of the county. The board discussed the possibility of drilling a well and running a new line out HWY. 35 to the tank. No decisions were made at this time. A meeting will be set up with the Race Track and our engineers.

Glenn Martin made a motion to approve the December minutes, Check Disbursements, Bank Reconciliations, Financial Report and all other Correspondence. Denny French second the motion.

Glenn Martin inquired about Terry and Mike taking their GED test and getting their Operators license. Denny advised Glenn that he has already set up an appointment for both Terry and Mike.

Morris advised the board that he has high pressure line up on Johnson Road that needs some work. Its completely bare where the ground has washed out. He will need a dozer to do the work. As soon as the weather breaks he will get it taken care of.

Morris brought to the boards attention that we still have some clean up on Baker Road. We still have retainage money, approximately $2300. Yard work is needed.

Denny informed the board that he has met with Eugene Doolin about the property for the well site. He wants to lease us the land for 99 years with an option to renew. Right now the property is tied up legally to where upon his death it will go to his son, upon his death it will go to his sons and it cannot be sold. He would be willing to work out a yearly dollar amount for the lease, or a dollar amount on the 1000 gallons. Mr. Doolin did give him a price of 15 cents per 1000 gallons on a lease basis. Judge Zubaty ask if we have talked to anyone else in the surrounding area. Denny stated that he had spoke with Art Hudepol and he would be willing to talk to us. The board would like for Denny to Talk with Hudepol about selling us some property.

J.T. made a motion to approve the 1999 budget. Juanita second the motion. Motion carries 4-Yeas, 0-Nays.

The board met in private session to discuss employee raises. Raises are as follows and are to be retroed back to January 1, 1999.

Morris Courtney	Salary of $30,000 yearly
Terry McIntyre	5% per hour another 5% upon obtaining a GED
Mike Garrett	5% per hour another 5% upon obtaining a GED
Kay Simpson	5% per hour
Tammy Hendren	5% per hour

J.T. moved to include health insurance for employees only. Employees can purchase family plan themselves, plus life insurance for employee only. This would be available for the Commissioners if legal. Juanita second the motion. Motion carries 3-Yeas 0-Nays.

Motion to adjourn at 11:30 a.m.

Approved By: Glenn Martin

Juanita D. Ethridge

Kelly Frank

Gallatin County Water District

January 28, 1999

A special meeting of the Gallatin County Water District was held off site at the Gallatin County Public Library and called to order by Chairman Glenn Martin at 10:00 a.m.

Present at the meeting were Commissioners; Glenn Martin, Lee Burgett, Denny French and J.T. Dossett, Employees; Morris Courtney and Tammy Hendren, Engineer; Ron Gastineau and KY Speedway Representative Bill Moss.

The purpose of this special meeting was to discuss the supply of water to the KY Speedway.

Bill Moss informed the board that the Speedways ultimate requirements are going to be somewhere in the vicinity of 450,000 gallons on a major event. The Speedway is prepared to purchase a water tank and work out something with the water district to take the tank over. The speedway has an option on a 350,000 gallon tank. Mr. Moss has estimated their demands to be about 3.2 gallons per person, per day on a major event. Other than an event day the usage would be minimal. They will have an administrative building with about 10-15 people and a maintenance crew of about 10-15 people.

Mr. Gastineau asked about the events. Do they last one day. Mr. Moss stated that normally it will work out for the event to start on a Thursday and run through Sunday with peak usage on Sunday. Mr. Gastineua ask what the needs would be for a Thursday-Sunday event. Mr. Moss stated the he is basing their needs on a Winston Cup Race and at this time they do not have one scheduled. But he anticipates that there will be. Starting on Thursday there will be approximately 2000 people the crews and staff, Friday will start the qualify so they expect 20,000 people, Saturday 45,000-50,000 and Sunday there will be 65,000 people.

J.T. ask about the tank, is it a new tank, used tank, Stand tank. Mr. Moss stated that it was used tank about 12 years old that was being replaced because of growth. J.T. asked about the price, was there a substantial difference compared to a new tank. Mr. Moss stated since the tank was practically given to him all he has to do is take it down yes there is a substantial difference. J.T. ask if they would certify the time of use, will the tank last 30 years - 40 years etc. Mr. Moss commented that he would have it independently inspected.

In addition to the tank, discussion was held on the possibilities of digging a well outside of Warsaw to supply the race track and that end of the county, also the

possibility of maybe putting is a master meter and selling water to Tri Village to service the Glencoe and Sparta area.

Mr. Moss commented that the Race Track could possibly help with the funding in some way. Several different suggestions were made. Mr. Moss stated that he has funds set aside for water. How he uses it is strictly up to him. They may be in a position to dig the well for us.

J.T. ask about any restraints at the state level. Mr. Gastinuea commented that there will be some restraints because at the state level they are looking at ways to consolidate water producers and we are talking about adding another producer. It will take some political pressure to overcome any hurdles at the state level. Mr. Moss commented that he doesn't anticipate any problems at the state level.

Mr. Moss commented that the time line he is looking at is March 1, 2000.
The board ask that Mr. Gastineau, based on the Speedways anticipated usage provide them with a rough estimate on the cost to supply the Speedway with water service. Mr. Gastinuea will do the preliminary engineering and will have it ready for the next board meeting on February 11, 1999.

The meeting adjourned at 11:45 a.m.

Approved By: Glenn Martin

Denny Frech

Gallatin County Water District
February 11, 1999

The regular meeting of the Gallatin County Water District was held off-site at the Gallatin County Public Library and was called to order at 9:30 a.m. by Chairman Glenn Martin.

Present at the meeting were Commissioners; Glenn Martin, Denny French and Juanita Ethridge, Employees; Morris Courtney and Tammy Hendren, Engineers; Ron Gastineau and Bill Babington, KY Speedway Project Manager Frank Holbert.

The first order of business was to discuss water service for the KY Speedway. Gastineau & Associates presented the board with two (2) proposals for the construction cost. Alternate 1) $721,039 and Alternate 2) $561,517. After various discussion of the two proposals it was decided that Alternate 2 which will run along HWY 35 to Vera Cruz Road and then cut cross country would be the best route to take. Denny French made a motion that we contract Gastineau & Associates for this project. Glenn Martin second the motion. Motion carries 3-Yeas, 0-Nays.

The matter of funding for this project was discussed. Denny French stated that unless the KY Speedway and/or Politics stepped in to help fund this project we could not do it. The water district does not have funds available. Mr. Holbert commented that he will recommend to Jerry Carroll that he speak with the Governor to try and get us some financial help.

Glenn Martin ask how long it would take someone to dig a well. Morris commented that a representative from Reynolds, Inc. has already been in contact with Gastineau & Associates. Mr. Gastineau stated that he has spoke with William Roederer and they could do the test wells fairly quickly once a drill site has been found.

Bill Babington stated that there are two things that needed to be done. 1. Get the funds in order and 2. Get permission from the landowner for the test drill site, with an option to purchase the property.

Juanita made a motion that Denny and Morris speak with J.L. Davis about a well site on his property.

Bill Babington brought to the boards attention that the site for the pump station on Johnson road would have to be changed in order to utilize the flow and capacity that is needed. need. Gastineau & Associates will share in the cost needed to change from the initial site. Morris commented that he has already spoke with Walter Smith on Johnson Road about purchasing a piece of property from him that would be ideal for the pump station. Mr. Smith has not agreed to sell at this time. Morris has another meeting with him next week. If he agrees to sell a 20' x 20' section for $1000 he will have the paper work drawn up.

The board discussed the Public Service Commission Administrative Case No. 375 which requires them to respond to a set of questions in regards to the design and use of system development charges. The Water District must submit an original and eight (8) copies of this questionnaire to PSC prior to March 18, 1999. At which time the water district can withdraw as a party to this proceeding and no longer be required to submit any other correspondence, but will have to comply with the outcome of the case. Mr. Gastineau attended a meeting conducted by the KRWA & PSC and he will send us a sample questionnaire with possible answers that can be used to help us in our response..

Bill Babington brought to the boards attention that we need to have Steve Huddleston do the preliminary Title Opinion on the property that was purchased from the state for the new office building. We are up-to-date on everything else for the new project, with the exception of the easements. Morris commented that we are working on them and things are running smoothly.

Denny brought to the boards attention that he spoke with First Farmers Bank in regards to other types of accounts that we could put money into and earn the most interest. They suggested that we put it into CD's $50,000 each for maybe 6 month increments. The interest rate was 4.65% at the time he spoke with them, but may go down a little Glenn Martin made a motion that we take $150,000 out of CFB and purchase three (3) CD's at First Farmers. We are also to open a 1999 Construction Account for the new project. Juanita second the motion. Denny and Tammy are to make the necessary arrangements. Motion carries 3-Yeas, 0-Nays.

Denny made a motion to accept the January minutes, check disbursements, financial statements, security deposit refunds, account adjustments and any other correspondence. Glenn second the motion. Motion carries 3-Yeas, 0-Nays.

A special meeting was scheduled for February 25, 1999 at 9:30 a.m. to discuss a Personnel Policy and Procedure Manual.

Denny brought to the boards attention that he has spoken to Hudepoles about a well site on their property in Steels Bottom. He and Morris has went several times and looked at the property. He has another meeting with Hudepole on Sunday. Denny ask the board if the terms would be the same as what was offered to Eugene Doolin. Up to $50,000 for the property if purchased and $5,000 for damages if the test well proved to be unsuitable The board agreed the terms should be the same.

Denny brought to the boards attention that he has heard that Tri-Village may be interested in selling us Glencoe and Sparta. Are we interested in persuing this matter. He suggested that we send a couple of people to their board meeting to discuss. Glenn Martin made a motion that Denny and Juanita should attend their next meeting. Tammy is to notify Tri-Village so that they can be placed on the agenda for their March meeting.

Denny brought to the boards attention that both Terry and Mike have taken the pre-test for their GED. Mike passed and is ready to go take the GED. He has it set up to take sometime in March. Terry was very close, but he didn't pass. She is willing to work with him so that he can get some additional help. Terry has already made arrangements with her to attend some evening classes.

Denny brought to the boards attention that there is a Management Conference in Bowling Green on April 14 & 15. Should we make arrangements to attend. Morris, Tammy and Himself attended last year and are interested in going again this year. KRWA is the sponsor and it was very informative last year. Juanita will check with Lee and see if she wants to go.

Tammy ask about Health Insurance. The county does not offer any coverage for the family or the Commissioners. Do we need to talk with the county and let them know that we are not interested and will be looking at other options. Denny commented that we are under not obligation with the county and can do whatever we want. He suggested that we go with whoever is better and cheaper. Tammy commented that she a meeting scheduled with a representative from Humana next week. She will get some other quotes so that the board can review them at the next meeting.

Approved By: Glenn Martin

Juanita S. Bethridge

Denny Grant

Lee L. Burgett

Gallatin County Water District
March 11, 1999

The regular meeting of the Gallatin County Water District was held off-site at the Gallatin County Public Library and called to order at 9:30 a.m. by Chairman Glenn Martin.

Present at the meeting were Commissioners; Glenn Martin, Lee Burgett, Denny French, Juanita Ethridge and J.T. Dossett, Employees; Morris Courtney and Tammy Hendren and Jerilynn Zapp of Raisor, Zapp & Woods, PSC.

The first order of business was to allow Mrs. Zapp to go over the 1998 audit. Mrs.. Zapp thanked the District for allowing them to perform the audit and offered to answer any question that they may have.

Old Business

Denny presented the board with a copy of the land purchase option that was drawn up by Steve Huddleston for the purchase of the Hudepol property on Steels Bottom Road. The contract states that upon singing this agreement the Water District agrees to pay Hudepols a sum of $5000. When the test well are drilled and we find that there is suitable water. The Water District will then pay Hudepol's the balance of $30,000 for the purchase of the land. The Water District will also install a twenty foot gravel road to the well sites. The Hudepols will give the Gallatin County Water District a forty foot right of way easement. If the test wells prove to be unsuitable for use the contract agreement will become void and no additional payment will be required. J.T. made a motion that Denny execute the contract. Glenn Martin second the motion. Motion carries 5-Yeas 0-Nays.

Denny brought to the boards attention that he spoke with J.L. Davis about purchasing some land for a well site needed to supply the Ky. Speedway with water service. J.L. told him that he would sell us an acre of land for $50,000. To save him time and the Board time this was the amount he wanted. He wasn't interested in any other offer. We can dig the test wells at our expense. If no suitable water was available all contracts would be void. After various discussion. Denny made a motion the we proceed in purchasing the land from J.L. J.T. second the motion. The board agreed that Denny should meet with Steve to have the paperwork drawn up. Motion carries 5-Yeas, 0-Nays.

Denny also made a motion the we go ahead and instruct Morris to set up the test drilling for Hudepols as soon as the paperwork is signed and also for J.L.'s property as soon as the paperwork is drawn up and signed. Glenn Martin second the motion. Motion carries 5-Yeas, 0-Nays.

Denny brought to the boards attention that he had stopped out at the Race Track and spoke with Frank Holbert. Mr. Holbert advised him that he had presented the information from the last board meeting to Bill Moss. He does not know anything, but Mr. Moss will be back in town in a few days. Denny suggested that we determine the total cost of the project and meet with the Race Track. How much is the Race Track willing to put in and how much can we afford to put in.

Denny also brought to the boards attention that he and Juanita met with Tri-Village Water District yesterday to discuss the City of Sparta and Glencoe. He commented that when he walked out of the meeting his impression was that if Rural Development would give their blessing, Tri-Village would be willing to sell. The amount would be determined by Rural Development. Tri-Village will contact RD to inquire about the matter. This should also be a factor in deciding how much the Water District is willing to put into the Race Track project. Morris commented that because of old lines, type of lines, line sizes, etc.. we may want to look into installing a master meter and selling water to Tri-Village.

Glenn Martin inquired about the sewage contract that was received from Gerald Deathridge. Mr. Deathridge had a Sewer Fee Collection Agreement drawn up for the Sewage Treatment Plant that he plans to install for the Willow Pointe Subdivision on HWY. 16 near Napoleon. After various discussion on the matter J.T. was opposed to getting involved, we are not a collection agency. Morris commented that we had sent Mr. Deathridge a letter back in the summer stating we were willing to help the developer in accordance with the rules and regulations of PSC and DOW. Glenn Martin made a motion that we have Steve Huddleston look into the matter. Denny French second the motion. Motion carriers 4-yeas, 1-nay.

Morris advised the board that he has been unsuccessful in purchasing another piece of property for the pump station. He has spoken with several residents in the vicinity where the engineers suggested and they have all turned him down. He is still waiting to hear from one resident.

Morris brought to the boards attention the KRWA Management Conference in Bowling Green on April 14 & 15. J.T. made a motion that anyone interested in attending should go. Morris commented that we need to make reservation ASAP and ask who is interested. Denny, J.T., Jaunita, Lee, Morris and Tammy all want to attend. Morris and Tammy will make the necessary arrangements.

Denny inquired about the health benefits where do we stand. Action needs to be taken. Tammy provided the board with quotes from various insurance companies. The only one that would insure the board members was Fulcher & Rankin. After various discussion the board agreed that J.T. should get in touch with Peggy Rankin and discuss the different options and make a decision on what to go with. Peggy will get in contact with Tammy to get the necessary paperwork filled out.

Denny brought to the boards attention that he read in the paper where the city is going to raise our water rate. The rate of $1.50 per thousand will stand. Denny also advised the board that Tri-Village lost their battle to the City of Owenton. PSC allowed Owenton to raise Tri-Village's rate without raising any of their other customers. What action are we going to take on this matter. After various discussion Denny made a motion that we do not pay the rate increase, if it goes to court, then we go to court. Juanita second the motion. Motion carries 5-Yeas, 0-Nays.

February minutes, Special minute, check disbursement, financial statements and various other correspondence were read and/or approved.

Glenn Marting made a motion to adjourn at 11:15 a.m. Juanita second the motion.

Approved by: Glenn Marting

Lee L Burgett

Juanita D. Ethridge

Denny Frued

Gallatin County Water District
March 25, 1999

The Special Meeting of the Gallatin County Water District was held off-site at the Gallatin County Public Library and called to order at 9:30 a.m. by Chairman Glenn Martin.

The purpose of the special meeting was to discuss the funding for the water supply at the KY Speedway.

Present at the meeting were Commissioners; Glenn Martin, Lee Burgett, Denny French, J.T. Dossett and Juanita Ethridge, Employee; Morris Courtney, KY Speedway Representative Bill Moss, and Engineering Representatives Ron Gastineau and Bill Babington.

The board advised Mr. Moss that the estimated cost to supply the KY Speedway with water service is $561,517. This does not include the $50,000 that is needed to purchase the land for the well site. Without financial aid from the KY Speedway or some other type of funding this project cannot be done. The water district is not in a financial position to fund the project alone.

After contacting Judge Executor George Zubaty and Ex-Judge Executor Clarence Davis by telephone it was decided that they would represent the G.C.W.D. at a meeting that Mr. Moss will set up with Governor Patton. The purpose of this meeting will be to discuss possible funding for the aforementioned project. No meeting date was determined at this time. A motion was made to go ahead and proceed with the purchase of the well site property and to set up the test drilling. Juanita made the motion and Lee second. Motion carries 5-Yeas, 0-Nays.

Meeting adjourned at 11:00 a.m.

Approved By: Glenn Martin
Lee L Burgett
Juanita D. Ethridge
Denny French

Gallatin County Water District
May 13, 1999

The regular meeting of the Gallatin County Water District was held off-site at the Gallatin County Public Library and called to order at 9:30 a.m. by Vice-Chairman Denny French.

Present at the meeting were Commissioners; Denny French, Lee Burgett, J.T. Dossett and Juanita Ethridge, Employees; Morris Courtney and Tammy Hendren.

The first order of business was to approve the disbursements, J.T. made a motion to approve the disbursements, Lee second the motion, Motion carries 4-yeas- 0-nays.

J.T. made a motion to approve the Financial Statement, Juanita second the motion, Motion Carries 4-yeas-0-nays.

OLD BUSINESS

J.T. inquired about the Race Track. Was there ever a meeting held with Governor Patton. Morris informed the board that to is knowledge there was never a meeting. Juanita suggested that someone call Bill Moss and find out what his intentions are. Denny advised the board that he heard if American Water purchases Tri-Village they were going to try and serve the Race Track. After various discussion it was decided that Juanita will get with Joe Mylor and try to meet with the governor when he comes in town next week.

Denny brought to the boards attention that the test wells have been drilled at both J.L's and Hudephols. The purchase agreements are different. J.L's agreement states we purchase if there is potable water that suites our needs. Hudephols agreement states that we have 60 days after the wells are dug to decided if we want to purchase. We need to act on Hudephols as soon as possible. Morris informed the board that the lab is currently testing the samples that were taken. Reynolds will be sending a report once the geologist finish their testing. J.T. made a motion to exercise the purchase of the Hudephol property providing the quantity and quality is there. Juanita second the motion. Motion carries 4-yeas 0-nays. Juanita made a motion that we take the money out of the revenue account to purchase the property. Lee second the motion. Motion carries 4-yeas, 0-nays.

J.T. ask the if there was a discrepancy in where the wells were supposed to be drilled on J.L's property. J.L mentioned it to him. Denny talked to J.L both times and J.L. changed the second well site. J.T mention to the board that J.L. told him that if we wanted to buy five acres at $50,000 an acre we could pay it off in five years. Do we have a need for five acres? After various discussion it was decided that we did not need five acres, but we should go ahead and purchase the acre according to the agreement if the quanity and quality is what we need, regardless if we get the Race Track or not.

Lengthy discussions were held on the development of the wells, retention time, storage tanks, cost, etc.. No final decisions were made at this time.

Morris brought to the boards attention the need to get the new pump station in place. We are getting allot of customer complaints with low pressure to no water at all. He spoke with Ron Gastineau and Ron informed him that since we are in an emergency situation we could get a temporary station in place in about 3 weeks. But it would probably cost us around $10,000 more. After discussion J.T. made a motion that we go ahead and spend the extra money, no more than $10,000 to install the temporary station. Lee second the motion. Motions carries 4-yeas and 0-Nays.

Denny inquired about the 1995 construction account, has all the necessary payments been made out of this account. Tammy advised the board that we still have about $2000 in retainage money owed to Coomer for the Baker Road extension. Morris commented that he was satisfied and time limit for clean up was up. Lee made a motion that we settle up with Coomer and pay him what we owe him. Juanita second the motion. Motion carries 4-yeas, 0-nays.

On the balance of the construction account, approximately $27.000, Do we wish to close the account. Denny approached the board with the possibility of paying for the meters needed for the new project. The only thing that is keeping us from bidding the project is the easements and the 63 hook up fees needed. Tammy advised the board that we have approximately 24 people who have signed up and paid for a meter. Morris commented that we have about 5 easements that we need. We can't start nothing until all easements have been signed. The county attorney has to sign off that all easements have been filed. Morris advised the board that Russell Jackson and Doug Harsin don't want to sign. Doug;s is not that critical, but Mr. Jackson's is. J.T. ask if we can run it on state property. Morris commented that we have done that on several other roads, but we would need to check with Boone County. J.T. made a motion that we check into running it on county or state right-of-way. Juanita second the motion. Motions carries 4-yeas, 0-nays. J.T. made a motion the we close the construction account and transfer the money to the revenue account. Juanita second the motion. Motion carries 4-yeas, 0-Nays.

J.T. inquired about the rate increase from the city. If the increase passes will they go back to the first of May and bill us for the difference. Do we need to escrow some money in case that happens? Denny advised J.T. that we discussed that a couple of months ago and decided that we had enough money in the revenue account to cover it.

Morris advised the board the board that he has spoke with Kevin Flowers from the DOW about the low water pressure. He suggested that we issue a boil water advisory until the pressure comes back up. We have done this. He also advised Morris that we needed to have our engineers send a letter to the DOW in Frankfort regarding our emergency situation and that should take some time off the approval needed for the pump station. He will get in touch with Ron Gastineau. Denny suggested that we put an ad in the paper asking our customers to help conserve water. Lee made a motion to run an ad in the paper. J.T. second the motion. Motion carries 4-yeas, 0-Nays.

J.T. inquired about the meter hook up fee. Why is that so high? That's allot of money for some people to come up with? Is there anyway that we can lower that. Can we lower that and pick up the difference in a rate increase? Various discussion was held. No decisions were made at this time.

Juanita made a motion to adjourn at 11:15 a.m. Lee second the motions.

Approved By: Glenn Martin

Juanita D. Etheridge

Lee L. Burzott

Gallatin County Water District
June 10, 1999

The regular meeting of the Gallatin County Water District was held off-site at the Gallatin County Extension Office and was called to order at 9:30 a.m. by Vice- Chairman Denny French.

Present at the meeting were Commissioners; Glenn Martin, Denny French, Lee Burgett, Juanita Ethridge and J.T. Dossett, Employees: Morris Courtney and Tammy Hendren, Attorney Steve Huddleston and An attorney for the KY Speedway.

The first order of business was to discuss the proposal from the KY Speedway in regards to what they are willing to invest to get water supplied to their facility. A letter was presented to the board from Bill Moss indicating that the speedway is willing to install and construct a 350,000 to 400,000 gallon storage tank and turn it over to the District. Become a metered customer of the district, and grant the District any easements necessary to operate and maintain the tank. As for the meeting with Governor Patton to discuss funding, Joe Mylor needed a letter from the speedway indicating their intentions. Upon receipt of the letter Joe Mylor and attorney Mike Guilfoyle will schedule a meeting with the Govenor. Juanita suggested that since Steve Huddleston was our attorney it would be beneficial that he attend this meeting. Also Denny French and/or Morris Courtney should be present because they are aware of our financial position and what is needed to install the lines, etc. Morris commented that he is not a decision maker, a board member should attend, but he is willing to go if needed. J.T. made a motion that Steve and Denny attend the meeting. Juanita second the motion. Motion carries 4-yeas, 0-nays.

Steve Huddleston presented the board with information about the case pending with PSC in regards to the city's intention to raise the water rate. He suggested that it would be in the best interest of the District, as a good faith attempt to try and negotiate with the city and come to a settlement that is agreeable to both parties, without either party going through the expense and the uncertainty of litigation before the PSC. He has drafted a resolution to approach the city, if agreeable to the board he will forward it to the city and PSC along with a letter asking the city for information so that we can analyze it and be able to negotiate. J. T. made a motion that we accept the resolution, Juanita second the motion. Motion carries 4-yeas, 0-nays.

Juanita made a motion to accept the May minutes, Lee second the motion. Motion carries 4-yeas, 0-Nays.

J.T. made a motion to accept the check disbursements, Lee second the motion. Motion carries 4-Yeas, 0-Nays.

Glenn made a motion to accept all other correspondence, bill adjustment, security deposit refunds, etc. J.T. second the motion. Motion carries 4-yeas, 0-Nays.

Morris advised the board that he was getting ready to break the main line and install the by-pass line needed for the new pump station. This will cause us to go under a boil water advisory. We have put a piece in the paper advising customers that we would be going under an advisory. The advisory will be broadcasted on the the local radio station WIKI and will come across the dispatch channel. The temporary system should be up and running this time next week providing everything goes as planned.

Morris advised the board that we still need about 5 more easements on the new project. We have a couple of people who do not want to sign. He is going to set up a meeting with the Boone County Engineer to see if we can't go on state or county property. We have about 34 people who have signed up and paid for meters, we need 63. That will not be a hold up. The easements are the hold up. Once they are complete and Steve Huddleston signs off on them we can bid the project. J.T. inquired about condemning property. Morris commented that he had spoke to Steve about that and it would take 3-4 months. Our best option is to try and go on the state or county property. At the next meeting we should know if we can move to the next process.

The board discussed the Y2K compliance issue. Our current computer system is not Y2K compliant. We will shut down at the end of the year. Tammy advised the board that we are at a point that we need to order supplies, bills, ribbons, print head, etc. . Do we want to order the necessary supplies for the old system or start looking into new ones? We will probably need to go with a partial setup now so that we don't crash at the end of the year. We have been in contact with two or three different software companies who specialize in utility billing. Tammy presented the board with a proposal from United Software. They are in very good standing with PSC. After review and discussion J.T. made a motion to accept. Juanita second the motion. Motion carries 4 yeas, 0-Nays.

J.T. inquired about the test wells, how did they turn out. Morris presented the board with the information received from Reynolds. The two is Steels Bottom are excellent wells, Reynolds seems to think they will produce 500 gallons per minute with no problem, One of the Davis wells will produce 500 gallons, the other is questionable. As far as the Lab results, what was tested for was under the MCL, but still not safe for human consumption without treatment and other testing. With this determined, Glenn Made a motion that we go ahead and purchase both tracks of land. J.T. second the motion that we go ahead and have Steve drawn up the contracts. Motion carriers 4-yeas, 0 Nays

Juanita made a motion that Denny be paid for the meeting that he had with Bill Moss to discuss the Race Track. Lee inquired about making a motion to pay each commissioner for their special meetings. After discussing it was decided to handle each meeting on an individual basis. J.T second the motion to pay Denny for the special meeting. Motion carries 4-yeas, 0-Nays.

J.T. made a motion to adjourn at 11:25 a.m. Lee second the motion.

Approved by: Denny Franks
Glenn Martin
Juanita J. Eldridge
Lee L. Burgett

Gallatin County Water District
March 14, 2003

Chairman Denny French called the regular meeting of the Gallatin County Water District to order at 8:45 a.m.

Present at the meeting were Commissioners; Denny French, Vic Satchwell and Lee Burgett, Employees; Morris Courtney and Tammy Hendren, Attorney; Steve Huddleston and Judge Executive George Zubaty

Judge Zubaty informed the board that Lee Burgett was re-appointed as a commissioner at last night's fiscal court meeting. Since it has been over 90 days her re-appointment is pending the approval of the Public Service Commission. She will not be able to vote on any business until the approval is received and she is sworn in.

Vic made a motion to approve the February Minutes. Denny seconds the motion. Motion carries 2-yeas, 0-nays.

Denny made a motion to approve the February Special Minutes. Vic seconds the motion. Motion carries 2-yeas, 0-nays.

Vic made a motion to approve the Check Disbursements. Denny seconds the motion. Motion carries 2-yeas, 0-nays.

Vic made motion to approve the Account Adjustments. Denny seconds the motion. Motion carries 2yeas, 0-nays.

Denny made a motion to approve the Deposit Refunds. Vic seconds the motion. Motion carries 2-yeas, 0-nays.

Denny brought to the attention of the board that we have received a letter from John Wright advising us that he is unable to provide legal service as required by the Kentucky State Statue. Steve Huddleston was hired as our attorney at the special meeting in February. Judge Zubaty will provide the Water District with a letter authorizing the hire.

Denny brought to the attention of the board that he received a phone call from Clinton Jude in Mars Place Subdivision. He slipped and fell on the road in front of our property and feels that we are responsible for keeping the road clean. The road does not belong to the county and there is nothing is the deed restriction that applies to this. Judge Zubaty commented that the residents are trying to form a road committee. No action was taken.

Denny presented to the board a letter from Rural Development informing us of the amount needed to fully fund the Depreciation Account. The amount is approximately $30,000. and includes the funding needed on the current project. Does the board whish

meter lid had been off for sometime because there was no snow under it. Morris advised Mr. Wagers that he would bring this in front of the board today and they would decide what action to take. Steve suggested that we turn this over to our insurance company. Denny made a motion to turn it over to the insurance company. Vic seconds the motion. Motion carries 2-yeas, 0-nays.

Morris brought to the board's attention that Clarence Stewart has made an offer to dig a water line from the end of old Hwy 1130 down to the Bramblett Church if the Water District would purchase and install the line. It would be an expensive project because we would have to install casing and get state encroachments. Denny made a motion to table until next month. Vic seconds the motion. Motion carries 2-yeas, 0-nays.

Steve informed the board that he has sent a letter to Robert Jumps attorney basically telling them that we did not have a leak in our water line. The problem is a result from the landowner moving the earth, installing a new home and not using the proper fill to restore. Morris commented that Steve did an excellent job in explaining the situation. Steve has left the ball in their court. If they want to sue then they can sue. He has not received a response back from them since the letter was mailed on March 6, 2003.

Steve updated the board on Nugget Sand in Steels Bottom. There was a hearing and it was determined that the mine should not have been issued a permit. Nugget will probably appeal in court and this could go on for a while. He suggested that we just monitor the situation until we find out what happens in the appeal. The board was in agreement.

Steve discussed with the board the proposed tank site at Mars Place. He is not going to be able to provide a clear title opinion to Rural Development due to the deed restrictions. A case could be argued two ways. The people's case is going to be that their property value has decrease due to the tank. Our case can be that it hasn't because you now have an ample supply of water. He feels he can withstand any legal arguments as long as the board understands that it could run into some money if the people want to fight it. Morris asks if we could detach ourselves from the subdivision by making an entrance to the property off Hwy 16? Steve commented that we couldn't do that but it certainly may help. We would not be using the subdivision road to access the property. No further action or discussion was taken.

Denny presented the board with a letter that was received from Rural Development stating that they have reviewed our application for funding on this next project and that our proposal was eligible for funding. They are unable to advise when funds will be available. Denny commented that they are 60% sure that it will get funded in May. Vic asks why the money was available so soon? Denny commented that it was left over money from other projects in the state.

Denny ask Steve about the contracts for Carrollton Utilities. Steve commented that he called them and told them that we wanted a $75.00 cut off fee and a representative to accompany us with the shut off, but he has not heard back from them.

to fully fund the account? Vic made a motion to table the matter until a later date. Denny seconds the motion. Motion carries 2-yeas, 0-nays.

Danny brought to the boards attention that our rates for Health Insurance are going to increase on May 1, 2003. Single coverage will increase from approximately $212.00 per month to $247.00; Family coverage will increase from approximately $678.00 to $791.00. Tammy commented that it might go up even higher since the amount of members has reduced from 11 to 9.

Morris brought the board up-to-date on the Hwy. 35 project. Back in January we received a bill from the state in the amount of $50,160.00. After reviewing the charges he disagreed with them and ask Ron Gastineau to take a look at it. Both he and Ron arrived at a total of $41,510.00. The state has sent us some contracts to sign. We do owe them money but without the signed contracts we do not have to pay them. After we submit the as-built plans to the state along with the invoices we have paid Ron for engineering we should only owe about $30,000.00. After various discussions Denny made a motion to submit the as-built plans and invoices, sign the contracts and send them to the state. We will pay the $41,510.00 and get the reimbursement from the state. Vic seconds the motion. Motion carries 2-yeas, 0-nays.

Morris informed the board that due to the weather Bobby Smith has not bee able to finish the sign.

Morris informed the board the system we are currently installing in not going to work without some additional upgrades. We will need to upgrade some pumps and valves and install a telemetry system. Ron has estimated an additional cost of about $50,000.00. Morris commented that he thinks is will be more than that. We are going to have extra money left over and he feels that it needs to be spent here so that the system will operate properly. Both Vic and Denny wanted to know when this all came about. They are both very upset that we had this project engineered and are now being told it's not going to work. Morris commented that he knew the plans showed a place for the telemetry system but it was not in the bid book. Denny commented that we were all in agreement to spend the extra money and pick up the 21 houses on Hwy 42. We have already told people that is what we were going to do. Now all of a sudden we can't do that because we need to the extra money to make the system work. Both Denny and Vic feel that we were shafted somewhere along the way. Denny made a motion that we have Ron Gastineau attend next months meeting and explain why he designed a system that is not going to work. Vic seconds the motion. Motion carries 2-yeas, 0-nays.

Morris brought to the board's attention that he received a complaint from a resident named Gary Wagers who lives in Hide-Away Hills Subdivision. Mr. Wagers claims that he stepped in his meter pit and hurt is back and foot. He ended up with hospitable bills and also lost his job because he was unable to work. He wants to be compensated for his loses. Morris stated that he had documented all conversation with him and took pictures. You can see in the pictures where an automobile has run over the meter lid. We did not read his meter last month because of the weather. You can tell from the pictures that the

Steve presented the board with a water supply agreement from the city of Warsaw. The supply agreement consisted of the proposed agreement to o the sewer and garbage billing and collection for the Blue Heron Subdivision. They are in agreement with the proposal that the board discussed at last months meeting. There were some questions concerning leak adjustments and the filling of swimming pools. The agreement also details water service areas. Steve will put it all together and back with the city.

Judge Zubaty informed the board that he is going to get another $250,000 for water line improvements. It was passed through the budget and he does not have to apply the money to the water project on Hwy 184. He will try and get the funds as soon as possible.

Judge Zubaty informed the board that he is working on a grant to supply the entire county with sewer service. A feasibility study is being done and a committee will be set up.

Denny informed the board that Kyle has the money for the trailer. He will set up a closing with Steve Huddleston. Lee is authorized to sign the closing documents.

Denny made a motion to appoint Vic Vice Chairman. Lee seconds the motion. Motion carries 2-yeas, 0-nays.

Denny suggested that we look into setting up separate rates for commercial customers. Vic and Lee were both in agreement and ask that Ron Gastineau provide the board with some information at next months meeting.

Vic made a motion to adjourn. Denny seconds the motion. Motion carries 2-yeas, 0-nays.

Approved By: _____

_____

_____

Gallatin County Water District
May 8, 2003

Chairman Denny French called the regular meeting of the Gallatin County Water District to order at 8:40 a.m.

Present at the meeting were Commissioners; Denny French, Lee Burgett and Vic Satchwell, Employees; Morris Courtney and Tammy Hendren, Residents; Clarence Stewart and Sonny Rider, Attorney; Steve Huddleston, Auditor; Jerilyn Zapp and Engineer; Ron Gastineau, and Judge Executive; George Zubaty

Mr. Stewart addressed the board about getting water service extended down Hwy 465 west from the old Hwy. 1130 to the Bramblett Church. Back when the water line was originally installed it was in the plans and approved. The pipe was all laid out and ready to install but for some reason Judge Davis had them pick it up. Mr. Stewart is willing to dig the line if the District will furnish the pipe and install it. He will also give the district an easement anywhere on his property. Denny explained to him that it would have to be engineered again and that it would be more costly this time due to the new bridge. We do have it listed as number 3 on our list of upcoming projects. Since we are already in the process of getting funding for projects 1 and 2 it is actually first on the list. We have our engineer coming this morning and we will discuss the matter with him and get back with you.

Sonny Ryder asks the board if they had any plans to upgrade the water line that supplies the truck stop. Denny informed him that at this time we don't have any plans. Mr. Ryder commented that there may be some interest in development, but could not provide the district with any information as to the type of development. Denny commented that unless we had some idea as to the type of needs we couldn't do anything. Mr. Ryder commented that his plans are to maybe double his operation and there has been some talk of maybe a 52-room motel, but that is not definite. He would like to see the line upgraded to a 6-inch line if possible. Vic commented that he did not know if we could even supply a six-inch line at this time. Mr. Ryder commented that if necessary he is willing to give the district a spot for a new tank. The board advised Mr. Ryder that they would have our engineer look at the supply with the current line and determine what type of upgrades would be needed to install a 6-inch line.

Steve committed that he still has not heard anything from Warsaw or Carrollton on the sewer contracts.

Lee made a motion to approve the April Minutes. Vic seconds the motion. Motion carries 3-yeas, 0-nays.

Vic made a motion to approve the Financial Statement. Lee seconds the motion. Motion carries 3-yeas, 0-nays.

Lee made a motion to approve the Check Disbursements. Vic seconds the motion. Motion carries 3-yeas, 0-nays.

Vic made a motion to approve the Account Adjustments. Lee seconds the motion. Motion carries 3-yeas, 0-nays.

Lee made a motion to approve the Deposit Refunds. Lee seconds the motion. Motion carries 3 yeas, 0-nays.

Jerilyn Zapp presented the 2002 audit to the board. Everything seemed to be in good order. She briefly discussed the financial highlights and advised the board to give her a call if they had any questions.

Judge Zubaty suggested to the board that they consider using part of the $250,000 for a feasibility study on the sewer project and giving Carroll County $25,000 to help fund the water extension on Hwy. 184. Various discussions were held but no decisions were made at this time.

Ron Gastineau presented to the board an estimated cost of $127,827.60 to extend the water on Hwy 42 and install the telemetry system needed for the new pump station. We currently have $151,654.46 left over from project funds. Various discussions were held. Vic made a motion for Ron to proceed with what is necessary to get this done. Lee seconds the motion. Motion carries 3-yes, 0-nays.

The board discussed the new rates for medical insurance. Several different plans were reviewed. Vic made a motion to accept the increase and stay with the current plan coverage. Lee seconds the motion. Motion carries 3-yeas, 0-nays.

Lee made a motion to adjourn. Vic seconds the motion. Motion carries 3-yeas, 0-nays.

Approved By:

Vic Satchwell

Gallatin County Water District
May 13, 2004

The regular meeting of the Gallatin County Water District was called to order at 8:30 a.m. by Chairman Denny French.

Present at the meeting were Commissioners; Denny French, Lee Burgett and Vic Satchwell, Employees; Morris Courtney and Tammy Hendren and Judge Executive; George Zubaty.

Lee made a motion to approve the April Minutes. Vic seconds the motion. Motion carries 3-yeas, 0-nays.

Vic made a motion to approve the Check Disbursements. Lee seconds the motion. Motion carries 3-yeas, 0-nays.

Lee made a motion to approve the Financial Statement. Vic seconds the motion. Motion carries 3-yeas, 0-nays.

Vic made a motion to approve the Deposit Refunds. Lee seconds the motion. Motion carries 3-yeas, 0-nays.

Denny commented that he is upset that Ron is seeking board approval on the Hwy. 42 project. He was under the impression that the board had already given him the O.K. to proceed. It upsets him that we have delayed the project for 3 months. What do we need to do to get Ron going on this? Various discussions were held on the reasons why the project was delayed. Morris commented Ron had submitted the encroachments to the State on April 30th and right now it is in their hands. As soon as the plans are approved he will contact J.S. pipeline with a notice to proceed.

Vic asks if Larry Lewis had started on the Cross Country Line. Morris commented that he did do some work after he was given the notice to proceed because he had 10 days to start. His contract is up around the end of this month. He spoke with Larry Tuesday and his plans are to start next week. Morris commented that we need to have Ron engineer and submit plans to the state to make things legal. Denny made a motion to send Ron a letter and have him submit the plans to the state for approval. Vic seconds the motion. Motion carries 3-yeas, 0-nays.

Judge Zubaty informed the board that the county is going to try and fix the road where Robert Jumps property is slipping. His concern is that the water line may slip and he just wanted us to be prepared.

Morris brought to the boards attention that in the plans for the Tobacco Grant money the board had approved extending the line to the Bramlet Church. The are three residents about 1 mile past the church who are interested in water. Would the board like to go ahead and pick up these customers? Tammy commented that all the paper work has been submitted to the State Clearing House and we are waiting on their approval, once approved it will go to KIA and then funds will be released. After various discussions Vic made a motion to extend the line and pick up the additional customers, and also to send Ron a letter informing him to proceed with the plans for approval. Lee seconds the motion. Motion carries 3-yeas, 0-nays.

Denny presented to the board a letter from RDA approving the 1.3 million dollar loan with an interest rate of 4.375% and a $900,000 grant. This is for the new well, storage tanks and upgrades to the system.

Morris presented to the board a pay request for $31, 473.50 from EIC. This is for the new SCADA/Telemetry system. Vic made a motion to pay and submit paperwork to RDA for reimbursement. Also included in the motion was approval to release the $1,656.50 in retainage. Lee seconds the motion. Motion carries 3-yeas, 0-nays.

Morris inquired about the 1996 Ford Truck. Do we want to put it up for bid? After various discussions Lee made a motion to declare the vehicle excess property and put it up for bid. Vic seconds the motion. Vic made a motion to run an ad in next weeks paper seeking sealed bids through June 9th and opening on the 10th. Lee seconds the motion. Both motions carry 3-yeas, 0-nays.

Morris brought to the board's attention that we have a safety issue at the blue Heron Subdivision. The boys spent 1 whole day installing 2 services due to the dirt caving in when they tried to do the road pushes because the waterlines are under the sidewalks. Some one is going to get hurt. If OSHA were to come in they would shut things down. Vic made a motion that we send the Developers of the Blue Heron Subdivision a letter advising them that future development would require the water service be installed prior to any paving or sidewalk installation. Lee seconds the motion. Motion carries 3-yeas, 0-nays.

Judge Zubaty informed the board that we would be responsible for our part of the road improvements at Mars Place Subdivision. He expects the cost to be around $3,700. The contractors have 70 days from May 1st to complete the project. Denny made a motion to table the matter until we had an exact figure and then make the payment. Lee seconds the motion. Motion carries 3-yeas, 0-nays.

Morris brought to the board's attention that he has received several calls on the lot at Mars place. It needs to be mowed and we don't have the equipment to handle it. Denny suggested contracting it out. He asks Chris Jackson for a bid but has not heard back from him. Vic made a motion to contract it out and keep it looking nice. Lee seconds the motion. Motion carries 3-yeas, 0-nays. Judge Zubaty commented that he would have the county mow it this time and then we could find some one to maintain it.

Morris informed the board that in order to prevent damages to the waterline on Roberts Road. Some repairs were made to the property where G.H. George did his first project. The waterline was only 10 inches deep on one side of the driveway. We had already made some repairs on his second project. Hopefully he will contact us as advised on future projects.

Lee made a motion to adjourn at 9:35 p.m. Vic seconds the motion. Motion carries 3-yeas, 0-nays.

Approved By: _____

_____

_____

Gallatin County Water District
June 10, 2004

The regular meeting of the Gallatin County Water District was called to order by Chairman Denny French at 8:35 a.m.

Present at the meeting were Commissioners; Denny French and Vic Satchwell, Employees; Tammy Hendren and Morris Courtney, Engineer; Ron Gastineau, Judge Executive; George Zubaty and Attorney; Steve Huddleston

Denny made a motion to approve the May Minutes, Vic seconds the motion. Motion carries 2-yeas, 0-nays,

Vic made a motion to approve the Financial Statement, Denny seconds the motion. Motion carries 2-yeas, 0-nays.

Denny made a motion to approve the Check Disbursements, Vic seconds the motion. Motion carries 2-yeas, 0-nays.

Denny made a motion to approve the Account Adjustments, Vic seconds the motion. Motion carries 2-yeas, 0-nays.

Denny made motion to approve the Deposit Refunds, Vic seconds the motion. Motion carries 2-yeas, 0-nays.

Denny informed the board that a letter was sent to Ron Gastineau to proceed with the engineering for the Tobacco Grant funds. 465 W and 467 E Glencoe

Denny informed the board that a letter was sent to the Developers of the Blue Heron Subdivision in regards to the safety concerns.

Morris informed the board that Larry Lewis has the cross county line installed. It has not been loaded or tested. He suggested keeping retainage money. Vic made a motion to make pay in the amount of $10,000.00 and retain $3,960.00. Denny seconds the motion. Motion carries 2-yeas, 0-nays.

One sealed bid was received and opened for the 1996 truck. A bid in the amount of $1,005.00 was received from Howard Marksberry. Denny made a motion to reject the bid. Vic seconds the motion. Motion carries 2-yeas, 0-nays.

Vic made a motion to let the CD renew for another 90 days. Denny seconds the motion. Motion carries.

Ron presented to the board an updated cost estimate from J.S. Pipeline for the Hwy 42 project. There was some discussion in regards to the increases. Both Denny and Vic felt that they were a little high. Denny's concern was the cost of the tie-in $1,500 is just a little steep to put two pipes together. The original project bid last June was $87,059.60. The new bid was $104,463.60. Ron commented that with the changes made in the footage, air-release valves, etc. his new cost estimate is $71,275.60. Vic made a motion to accept this new amount with the exception of the $1,500 tie-in. Denny seconds the motion. Motion carries 2-yeas, 0-nays. Ron will consult with J.S. Pipeline on the matter.

Denny commented that if we get this project done for the above amount we should have roughly $30,000 left over. Can we take that money and extend the water line down Eagle Tunnel. Ron commented that we would not have quite that much left over after they were paid, but yes with the approval of Rural Development can use any left over funds for that purpose. Will they let us furnish the material and bid out the labor? Morris commented that he thought that we were going to pick the two places up on Hwy. 42. Denny commented that was the first project in the Tobacco Grant Money. Morris stated that was not the area he was talking about. He is talking about the old Williams place and the garage. Vic commented that if we go out eagle tunnel we would have to go with something big enough to go over the hill? Denny commented that we need to look at running a 6" line out there. We may want to look at selling water to Bullock Penn. No further action was taken.

The board discussed the tank and well project. The original plans are to run 6" line pararell to our existing line from the new booster station at Concord Road to the new tank at Mars Place. Denny commented that in looking to the future and the possibility of selling water to Bullock Penn should we consider upgrading that line from a 6" to and 8" or 10"? Ron commented that he did not see any reason why we could not. It would be easy to justify. Rons only comment was that we need to look at what affect selling to Bullock Penn will have on our system. More discussion was held. Denny made a motion to have Ron look into the cost of upgrading the line size from Concord Church to Mars Place Subdivision from a six inch to an eight or 10 inch. Vic seconds the motion. Motion carries 2-yeas, 0-nays.

Denny commented that tentatively we are looking at bidding this project sometime January 2005.

Denny ask the status of the Tobacco Grant Money. Tammy commented that it is still in review at the State Clearing House, when approved it will be released through KIA. Denny ask Ron where he stood on engineering the project. Ron commented that he and Morris met last Friday and he is working on it.

New Business

Denny ask Steve if he had anything, is Bobby Jump still going to sue us. Steve commented that he has not heard anymore about it. Judge Zubaty commented that the county is working on fixing the road.

Morris commented that lightning hit his SCADA system he has been trying to fix it. It may require a service call from EIC in Missouri. That could cost around $1,000.00.

Re-Cap of Hwy 42 project: The contractor should start work the first of July. Tammy is to run an ad in the paper for the next couple of weeks regarding the tap fee. The deadline to purchase the tap at the pre-construction cost of $350.00 will be July 30th. All taps after that date will be $500.00. Denny made a motion to allow Morris to hire a temporary employee(s) at the rate of $9.00 per hour for traffic control, Vic seconds the motion. Motion carries 2-yeas, 0-nays.

Denny made a motion to adjourn at 9:30 a.m. Vic seconds the motion. Motion carries 2-yeas, 0-nays.

Approved By: Denny Frost

Lee L Burgett

Vic Satchwell

Gallatin County Water District
August 12, 2004

The regular meeting of the Gallatin County Water District was called to order at 8:40 a.m. by Chairman Denny French.

Present at the meeting were Commissioners; Lee Burgett, Denny French, and Vic Satchwell, Employees; Morris Courtney and Tammy Hendren, Engineers; Bill Babington and Ron Gastineau, Judge Executive; George Zubaty

Lee made a motion to approve the July Minutes, Vic second the motion. Motion carries 3-yeas, 0-nays.

Vic made a motion to approve the Check Disbursements, Lee second the motion. Motion carries 3-yeas, 0-nays.

Vic made motion to approve the Account Adjustments, Lee second the motion. Motion carries 3-yeas, 0-nays.

Lee made a motion to approve the Financial Statement and the corrections made to the May and June construction account, Vic second the motion. Motion carries 3-yeas, 0-nays.

Vic made a motion to approve the Deposit Refunds, Lee second the motion. Motion carries 3-yeas, 0-nays.

Ron Gastineau presented a proposal of $160,000 to install and make operational a back up well on Meadowlark Lane. Various discussions were held. Bill Babington commented that the Hwy. 42 extension was included in the upcoming project with the well in Steels Bottom. There is a possibility that we could use some of that money. Lee made a motion that Denny meet with the Kentucky Speedway and discuss the possibility of them helping with funding, also after meeting with them to follow up with a written request, Vic seconds the motion. Motion carries 3-yeas 0-nays.

Denny made a motion that we incorporate and instruct Ron to include the backup well in the upcoming project with the well in Steels Bottom and that it be bid as an alternate. If we don't have the funding then we don't have to do it. Vic seconds the motion. Motion carries 3-yeas, 4-nays.

Judge Zubaty suggested that we talk with the City of Warsaw. They have plans to install a new well. It's possible that they may be able to use us as a backup.

Vic inquired about the Tobacco Grant project. Tammy commented that the funds were ready and waiting. Ron commented that Denny had mentioned not bidding the project until September. He should have the plans ready to submit to the DOW by the end of this month. Denny wanted to verify what was included in the project. Ron commented that it

entailed the extension down Hwy 465 past Bramlet church, a section on Eagle Tunnel, and Hwy 42 to Miller Owens road. Ron also commented that we can probably go ahead and bid the project and not begin construction until approval was received from the DOW. We can also go ahead and get a draw on the engineering and legal fees. Tammy will get the paperwork submitted.

Morris brought to the board's attention that Larry Lewis still has some clean up work to do. We are still holding retainage. They have not been able to connect, but he will get with him in a few days so they can get is seeded and strawed.

Denny inquired about the Truck. Morris commented that it has been taken care of and is no longer in the District's name. Timmy Mullins ended up with the truck. Morris informed the board that he was going to finance the truck for Howard Marksberry but that didn't work out. Denny wanted to know if it was legal to do that. Morris commented that he did not see why not. Maybe Howard should have done a title only before he let Timmy have it. Morris commented that if there are any problems he would take responsibility.

Morris brought to the board's attention that Bernie Wessels contacted him about water service for the property located across the backwater by the boat launching ramp. He instructed him that he would bring it in front of the board but also advised him that probably the only way he could get service would be the put a meter on Hwy 127 and get an easement from his father Ben and run his own line. The board was in agreement with Morris not further action was needed.

Vic made a motion to adjourn, Lee second the motion. Motion carries 3-yeas, 0-nays.

Approved By: _____

_____

_____

Gallatin County Water District
September 9, 2004

The regular meeting of the Gallatin County Water District was called to order at 8:30 a.m. by chairman Denny French.

Present at the meeting were Commissioners; Lee Burgett, Denny French and Vic Satchwell, Employees; Morris Courtney and Tammy Hendren, Judge Executive; George Zubaty and Attorney; Steve Huddleston

Vic made a motion to approve the August Minutes, Lee seconds the motion. Motion carries 3-yeas, 0-Nays.

Lee made a motion to approve the Check Disbursements, Vic seconds the motion. Motion carries 3-yeas, 0-nays.

Vic made a motion to approve the Account Adjustments, Lee seconds the motion. Motion carries 3-yeas, 0-nays.

Vic made a motion to approve the Deposit refunds, Lee seconds the motion. Motion carries 3-yeas, 0-nays.

Lee made a motion to approve the Financial Statement, Vic seconds the motion. Motion carries 3-yeas, 0-nays.

Old Business

Denny brought to the boards attention that a letter had been sent to Larry Lewis in regards to the clean-up on the cross country line. The letter advises him that he has until October 10, 2004 to finish the job. If the deadline is not met then a portion of the retainage money will be used to hire another contractor to complete the project. Morris commented that the letter was sent certified mail.

All board members were in agreement to let the CD that matures on September 11, 2004 renew for another 90 days.

Morris brought to the boards attention that we need to start thinking about an access road to the well site(s) in Steels Bottom. Tammy commented that she thought that installing a road was one of the conditions of the contract with Hudephols. Denny commented that he did not think so. No further action was taken.

Morris brought to the attention of the board that we needed to discuss the Tobacco Grant Project. In meeting with Ron and reviewing the project plans it has come to Ron's attention that in order to supply Millers Owens Road with water we would need to install a pressurized system. This could cost and additional $80,000 and we would only be able to supply approximately 15 new residents with adequate pressure. If we decide to go

ahead with these plans then it's highly possible that the area will develop and we would be in a situation that would require us to upgrade our system even further in order to maintain the required pressure. Would the board consider changing the plans to extend the water line down Hwy 467 to Glencoe with a 4" line and omit Miller Owens road from the project? If possible Ron would like to have a decision made today so that he can proceed with preparing the plans and getting State approval. The board discussed this in detail. All members were in agreement that they did not want to lay any line smaller than a 6". Vic made the following motions and Lee second the motions. Both motions carry 3-yeas, 0-nays.

1. Changing the Tobacco Grant Project to eliminate Miller Owens Road, extend the water line up Hwy 42 as far as possible without installing a pressurized system. The remaining funds should be used to back up the line 6/10^{ths} of mile on Eagle Tunnel and run a 6" line from that point down Hwy 467 to Glencoe.

2. This motion is in regards to any left over funds on the Hwy 42 extension. There should be approximately $20,000 left over. The board would like to petition Rural Development to release the funds to the District. These funds would be used to purchase the material to extend a water line from Jacobs Ridge off Hwy 42 up Hwy 2850. The District would bid the project out and pay for the cost of labor.

Steve informed the board that he is still working on the Jump case. He has been in contact with our insurance company several times now. He would like to set up a meeting with Morris sometime tomorrow to answers some questions. Morris commented that he would be available just about anytime.

New Business

Morris brought to the boards attention that we are going to have to install a booster pump station at the junction of Hwy 16 and Concord Church Road when this new project gets underway. We currently only have a 15 foot easement. We need at least a 30 x 30 foot easement. Lee will petition the Dyer family for a larger easement.

Denny suggested to the board that they adopt a new procedure regarding the installation of water meters. He feels that prior to the meter being placed inside the meter pit the customer should provide the District with proof that the service has passed inspection by the plumbing inspector. He feels that this would be a protection for the District. What if the system was hooked up improperly and our line was contaminated. Morris commented that is why we have backflow preventions on all of our meters to keep that from happening. Steve ask what was the possibility of that system failing. Morris commented that anything mechanical could fail. He totally disagrees with the proposal. That is the state's job and they should be responsible for it, not us. He is not saying that he won't do it if that is what the board wants to do. After further discussion Vic made a motion to adopt the new procedure, Lee seconds the motion. Motion carries 3-yeas, 0-nays.

Gallatin County Water District
October 14, 2004

The regular meeting of the Gallatin County Water District was called to order at 8:30 a.m. by Chairman Denny French.

Present at the meeting were Commissioners; Lee Burgett, Denny French and Vic Satchwell, Employees; Morris Courtney and Tammy Hendren, Judge Executive; George Zubaty, Engineer; Ron Gastineau and Attorney; Steve Huddleston

Vic made a motion to approve the September Minutes, Lee seconds the motion. Motion carries 3-yeas, 0-nays.

Vic made a motion to approve the Check Disbursements, Lee seconds the motion. Motion carries 3-yeas, 0-nays.

Lee made a motion to approve the Financial Statement, Vic seconds the motion. Motion carries 3-yeas, 0-nays.

Vic made a motion to approve the Account Adjustments, Lee seconds the motion. Motion carries 3-yeas, 0-nays.

Lee made a motion to approve the Deposit Refunds, Vic seconds the motion. Motion carries 3-yeas, 0-nays.

Morris informed the board that Larry Lewis had finished the cleanup on the cross country line. It looks real good. Grass seed has been sowed. Denny signed the check for the final payment in the amount $3,960.

Denny made a motion that the District continue to pay Mike Garrets medical insurance until he is able to return to work. Mike is paying the additional cost to cover his son. Vic seconds the motion. Motion carries 3-yea, 0-nays.

Judge Zubaty informed the board that the public meeting regarding the service boundary changes in the Owen county area for Carroll County Water District went well. Morris supplied him with maps showing our current service area and the proposed area extending down Hwy 465. those differ somewhat from the boundaries that Carroll County published in the paper. Denny made a motion that we send Carroll County a letter disputing the boundaries that were published. Lee seconds the motion. Motion carries 3-yeas, 0-nays.

Morris informed the board that our annual PSC Inspection was scheduled for October 21, 2004. We are in pretty good shape with the exception of our CPR certification. That has expired and Tammy has sent up re-certification in January.

Ron made a recommendation to the board in regards to the Tobacco Grant Project. The board had requested at last months meeting to upgrade the line size on Eagle Tunnel from a 4" line to a 6" line. From an engineering and maintenance standpoint he would like the board to reconsider. He feels that there would be a water quality issue. In order to maintain the chlorine residual needed the line would need to be flushed quite regularly and that is a non-recoverable cost to the District. In addition there would be some added cost, because in order to get the flushing volume needed we would have to go back to the tank and run the line parallel to the existing 3" line. He recommends going with the 4" line. Lee asked about development. Ron commented that Eagle Tunnel is all down grade and a 4" line would serve about 150 homes. Denny ask what happens if we want to sell water to Bullock Pen in Folsom? We have no way of knowing what type of growth to expect but we need to look past today. All the surrounding water districts lay a minimum of 6" even down a dead end road. He is totally against laying a 4" line. Morris disagrees; he can't see a need for a 6" line in the next ten years. We are going to be running water in the creek. Ron commented that he will do what ever the board instructs him to do. Vic commented that he hates to put this 6" line in and have to flush water, but then hates not to if there is a possibility of Bullock Pen buying water. After various discussions Vic made a motion to have Denny talk to Bullock Pen before proceeding and get back with the board. Lee seconds the motion. Motion carries 3-yeas, 0-nays. Denny ask if it would be agreeable with the board to have Ron proceed based on the out come, 6" if they were interested or 4" if they were not. Denny ask Ron what kind of figure could we sell water for. Ron commented that he could not answer that off the top of his head. Judge Zubaty commented that maybe we could sell Bullock Pen water at discounted price rather than dumping it in the creek. Then by installing the 6" line you would be prepared for the future. He believes they pay about a $1.60 per thousand now. Vic suggested maybe cutting that in half. No decision was made on the cost. All board members were in agreement to having Ron precede based the meeting with Bullock Penn.

Ron informed the board that we are ready to close out this last project. Ernest has advised him that RDA would release the remaining funds to the District as long has we had a plan as to what we are going to do with the funds. RDA would then check periodically to make sure that we stuck to that plan. Denny commented that we were going to use that money to buy the material to extend the line from Jacobs Ridge off Hwy 42, up Hwy 2850 then head up the hill into Boone County as far as we can. Ron commented that we could not go very far he has already looked into that on the Tobacco Grant Project. Denny ask who needed to present this plan. Ron commented that it would need to come from the District on their letterhead. Denny ask if there was a motion to send RDA a letter in reference to the above plan. Lee made a motion, Vic seconds the motion. Motion carries 3-yeas, 0-nays.

Denny ask Ron to explain the pressurized system. It is basically a pressure pump like you had before you had city water only on a bigger size. The state will permit that in certain instances with only 15 to 20 homes and no possibility of extensions. Denny ask what would be the difference in putting in a booster station. Ron commented that it would probably cost about the same, but you have to pump into some type of storage tank. So there would be some additional cost there. You would not have the pressure needed with

the booster pump. If the guy at the end of the line would want a little more pressure the booster pump would not be able to supply it. With the pressurized system the pump would kick on when he turns on his faucet and give the extra surge he needs. Denny ask if it would be possible to install the pressurized system if the people paid for a portion of the cost to install it. Boone County does that all the time. The cost for the pressurized system is about $80,000. Denny commented that there are about 9 homes on Miller Owens now. Vic ask if we are talking about using the left over money for this? Both Denny and Morris commented that the $20,000 for material would take us up Hwy 42 and Hwy. 2850 to the point where the pressurize system is needed. Vic commented that he thinks we need to go as far as we can go and then do something different from there. Denny hates to run the line with in sight of someone and not be able to serve them. Morris commented that is where Bullock Penn is right now on the other side of the hill; they only have the pressure to go up so far. Ron commented that we would need a piece of property 20ft square to put the system on. Vic made motion that we go as far as we can with our money and if they want water and are willing to pay for it then we can go from there. Lee seconds the motion. Motion carries 3-yeas, 0-nays.

Ron commented that they are working on the big project with the wells. Denny ask when we would start on that. Ron stated that we would probably be ready to bid early spring. We need to determine how we want to run the line from the well up the hill on Ambrose. Do we want to run the road or go across country through the mine? Morris commented that Denny was going to ask the mine if we could go up the berm. Denny commented that he has not done that yet but he will. Morris commented that it would save us allot of footage.

Vic asks about this project on Eagle Tunnel. Is that ready to bid? Ron commented that we could submit the plans and bid the project if we had a decision on the 6" line.

Steve commented that the only thing he is working on is the Jump case. He finally made contact with the right insurance company. Steve commented that George has a problem; he needs to fix the area so he can keep the road clean. The slippage creates a dangerous situation. George is afraid that any thing he does could cause the line to break. Spike is now involved and has been in contact with Jump's attorney. Steve just does not know what to do about it. We could dig up the line and see if it is leaking, but that presents a number of questions. Number one who is going to pay for digging it up and putting it back, number two, let's say it is leaking. Would we have an answer as to why it was leaking? It could be that he piled all this stuff on it and that why it is leaking, and thirdly if we start disturbing it, the whole thing could come crashing down. He suggests that every party put some money in escrow. If we dig it up and find out our line is fine then Jump would need to put it back and pay for it. However that would not solve George's problem. Morris commented that if our line was in the slippage it would have been broke by now. Denny was in agreement. If it was leaking and as dry as it has been then we would be seeing some water running down the hill. Ron commented that Morris has already put some gauges on the line and in a 5 hour period there was no change in the gauge. The line is not leaking. George commented that he is going to have a meeting with Spike and Jump's lawyers. George would like a disclaimer from both the District and

Jump stating that they would not sue if damage was done when they attempted to repair the slippage. He is afraid that when they start digging the line will blow out or the house will come sliding down. Steve commented that the District would not sue the county if the line broke. Both Denny and Morris commented that if it breaks when they start repairing it then we would just have to go in shut it down and repair it. No other action was taken.

Vic made a motion to adjourn, Lee seconds the motion. Motion carries 3-yeas, 0-nays.

Approved by: _____

_____

_____

Gallatin County Water District
November 11, 2004

The regular meeting of the Gallatin County Water District was called to order at 8:30 a.m. by chairman Denny French.

Present at the meeting were Commissioners; Denny French, Lee Burgett and Vic Satchwell, Employees; Morris Courtney and Tammy Hendren, Judge Executive; George Zubaty, Attorney; Steve Huddleston and Napoleon-Concord Magistrate; Jim Campbell

Vic made a motion to approve the October Minutes, Lee second the motion. Motion carries 3-yeas, 0-nays.

Lee made a motion to approve the Financial Statement, Vic seconds the motion. Motion carries 3-yeas, 0-nays.

Vic made a motion to approve the Check Disbursements, Lee seconds the motion. Motion carries 3-yeas, 0-nays.

Lee made a motion to approve the Deposit Refunds, Vic seconds the motion. Motion carries 3-yeas, 0-nays.

Lee made a motion to approve the Account Adjustments, Vic seconds the motion. Motion carries 3-yeas, 0-nays.

Denny presented to the board a letter that was written to the Carroll County Water District disputing their service boundaries as published in the Gallatin County News. Vic made a motion to send the letter, Lee seconds the motion. Motion carries 3-yeas, -0-nays.

Denny presented to the board a Thanksgiving Greeting from Staffer Pumps. They wish all a happy holiday and have made a donation to the American Red Cross in the Districts name.

Denny presented to the board a proposal from Raisor, Zapp & Woods to conduct our 2004 audit. Tammy commented that due to the GASB34 requirement their fees will increase. The quoted amount is between $3,892 to $4,390. Vic made a motion to obtain their services for the audit, Lee seconds the motion. Motion carries 3-yea, 0-nays.

Denny informed the board that he attended Bullock Pens board meeting, they are not interested in purchasing water for the Folsom area. However once our new well and tanks go in they would like to discuss the possibility of purchasing water on that end. Denny was not able to get in touch with Ron to have him proceed. He is on vacation. Tammy will call him Monday and advise him to proceed with the 4" line.

Vic asks how far out are we? Morris commented that the DOW and PSC have about 45 days to approve it. We are looking at probably bidding in January.

Denny apologized to the board he totally forgot about talking with the Speedway about assisting with a backup well. He will get in touch with Mark Mitchell today.

Denny commented that he will also get in touch with Nugget Sand about running parallel with the berm instead of following along the road for the line that will run from the well up Ambrose Road to the new tank. Morris commented that it would save us allot of money.

Judge Zubaty asks if there was ever a meeting between Steve, Spike and Jumps attorney. No one knew of any meeting taking place.

Judge Zubaty commented that they are having a hard time keeping up with the 911 address. Is it possible for the District to send them a list of changes monthly as people move? Tammy will fax an update to Alma monthly.

Judge Zubaty ask the procedure when installing new meters, is there a monthly fee even if they don't hook up? Morris explained that when then meter is installed everyone has to pay a minimum bill for one year. If they do not pay the bill monthly then it will have to be paid before the service is turned on.

The board discussed purchasing the material for the Tobacco Grant Project and bidding the labor only. All were in agreement that this will save the District money. Vic made a motion we do that on these smaller projects, Lee seconds the motion. Motion carries 3-yeas, 0-nays.

The board discussed capital improvements for the upcoming 2005 budget. Purchasing a trencher, truck and paving the parking lot were discussed. Morris commented that the he was having trouble with the trencher. The board requested that Morris get some bids, both new and used, for the next meeting. Vic commented that we already have the trucks on a 3 year rotation. After further discussion Lee made a motion to budget $45, 00 for capital improvements to include a new trencher and truck, Vic seconds the motion carries 3-yeas, 0-nays.

Steve commented that he has no legal news to report.

The board discussed the Christmas Dinner. All were in agreement to change the meeting time from 8:30 a.m. on December 9th to 10:30 a.m., the office will close for the day at 11:30 a.m. The Christmas Dinner will be held at O'Charleys. Tammy will have the change published in the paper and make the reservations.

Vic made a motion to enter executive session to discuss salary increase and other business, Lee seconds the motion. Motion carries 3-yeas, 0-nays.

Tammy was called back in after executive session and the following information was disclosed:

Effective January 1, 2005 Vic Satchwell will be the new Chairman. There will be a new Commissioner appointed at the December meeting to replace Denny French, who resigned.

Lee made a motion to approve the following salary increases effective January 1, 2005, Vic seconds the motion. Motion carries 3-yeas, 0-nays.

Morris Courtney's salary will increase to $41,000 annually

All hourly employees are to receive a 4% increase.

Vic made a motion to give all employees a $500 (net) bonus in addition to the yearly Christmas service bonus. Bonuses will be presented to the employees in two separate checks at the Christmas Dinner. Lee seconds the motion. Motion carries 3-yeas, 0-nays.

Lee made a motion to adjourn, Vic seconds the motion. Motion carries 3-yeas, 0-nays.

Approved by: Denny French - Last Time

Lee L Burgett

Vic Satchwell

Gallatin County Water District
May 12, 2005

The regular meeting of the Gallatin County Water District was called to order at 8:30 a.m. by Chairman Vic Satchwell.

Present at the meeting were Commissioners; Lee Burgett, Vic Satchwell and David Easton, Employees; Tammy Hendren and Morris Courtney, Engineer; Ron Gastineau and Judge Executive; George Zubaty

Lee made a motion to approve the April Minuets, David seconds the motion. Motion carries 3-yeas, 0-nays.

Lee made a motion to approve the Check Disbursements, David seconds the motion. Motion carries 3-yeas, 0-nays.

David made a motion to approve the Financial Statement, Lee seconds the motion. Motion carries 3-yeas, 0-nays.

David made a motion to approve the Account Adjustments, Lee seconds the motion. Motion carries 3-yeas, 0-nays.

David made a motion to approve the Deposit Refunds, Lee seconds the motion. Motion carries 3-yeas, 0-nays.

Morris brought to the boards attention that Nugget Sand has signed the water line easement and it has been sent to Steve's office. He will pick it up and get it filed. Once that has been done he will contact Kathy Cook about an easement.

Morris brought to the board's attention that we have received some Violations from the Division of Water for not properly testing our well. Since the amount of water we are producing has exceeded the amount of water that we purchase our testing requirements changed. We have since conducted the proper testing and are working with the staff at the Division of Water and Beckmar Labs to make sure we avoid future violations and to ensure that we respond properly to the current violations.

Vic inquired about the new truck. Morris informed him that he talked to Ron Blackburn and was advised that if he waited until June he could get a 2006 model for the same price. It has been ordered.

Judge Zubaty informed the board that the county has just about completed installing the baskets for the slippage at Robert Jumps property.

Morris brought to the board's attention that Mike Satchwell got him some estimates on the culvert. The cost for a 7ft is $73.00 per ft. and 4ft $22.25 per ft. We need 60 feet of the 4ft. culvert. There is currently a 3ft. culvert there.

Judge Zubaty inquired about the Hwy. 465 project, are we getting close, he has had someone to inquire about it. Morris commented that we are waiting on the road encroachment. Vic commented that Ron was going to bring us up to date.

Ron presented to the board cost estimates for the Eagle Tunnel, Hwy 465 and Hwy 42 extensions; Eagle Tunnel -$184,260, Hwy 465 - $47,189 and Hwy 42- $43,088. These estimates reflect, Labor, material, engineering and inspection.

A discussion was held on how to bid the KIA Project, Vic ask if we should bid Eagle Tunnel and Hwy 465 separately? Ron commented that we may get a little better unit price if we bid them together, but it is strictly up to the board. Another option would be to bid the labor only and the Water district furnish the material. All the money will come out of the same pot, but there would be a 6% cost saving right off the top for the material. Vic asks Ron how long before we are ready to bid. Eagle Tunnel we are waiting on the rail road, which could be about 90 days or longer, Hwy 465 we are waiting on the road encroachments. Everything has been submitted to the Division of Water for approval. Once approved then we can proceed. Morris is working on the easements. David made a motion to bid the Hwy 465 job separately, labor only and the District purchase the material, Vic seconds the motion. Motion carries 3-yeas, 0-nays.

Vic commented that we need to stay on top of the other projects. He would like to see something happen soon on the Eagle Tunnel line. Make this a priority.

The board briefly discussed the Boone County extension. Ron estimated a cost of $43,088. Tammy commented that we only have around $22,000 left over from the last project No decision was made at this time.

Ron informed the board that he needed a $750.00 check for the application fee for the railroad crossing and Vic needs to sign application. They will send us back the agreement and we will need to get some special insurance during the construction. Vic asked if we will need to pay an annual fee. Ron commented that he didn't see anything about it in the instructions.

A brief discussion was held on the rate increase for the next project. It should be a substantial amount. Tammy commented that the minimum now is $11.50 for the fist 1000 gallons; we had discussed increasing to around $14-$15.00.

A brief discussion was held on the Ditch Witch. Morris is working on getting a quote.

Lee made a motion to adjourn, David seconds the motion. Motion carries 3-yeas, 0-nays.

Approved by: Vic Satchwell

David F. Easton

Lee L Burgett

Gallatin County Water District
July 14, 2005

The regular meeting of the Gallatin County Water District was called to order at 8:30 a.m. by Chairman Vic Satchwell.

Present at the meeting were Commissioners; Vic Satchwell, Lee Burgett and David Easton, Employees; Morris Courtney and Tammy Hendren, Engineer; Ron Gastineau, Judge Executive; George Zubaty and Attorney; Steve Huddleston

David made a motion to approve the June Minutes, Lee seconds the motion. Motion carries 3-yeas, 0-nays,

David made a motion to approve the Financial Statement, Vic seconds the motion. Motion carries 3-yeas, 0-nays.

Lee made a motion to approve the Check Disbursements, David seconds the motion. Motion carries 3-yeas, o-nays,

Lee made a motion to approve the Account Adjustments, David seconds the motion. Motion carries 3-yeas, 0-nays.

Lee made a motion to approve the Deposit Refunds, Vic seconds the motion. Motion carries 3-yeas, 0-nays.

Morris commented that he has received a copy of a letter that our attorney Rebecca Didadt, sent to Robert Jumps' attorney, requesting that the case be dismissed. She has provided Mr. Jump's attorney with the written report from the Division of Water which indicated that the Water District did not have a leak. We have not heard any response back as of yet.

Morris informed the board that Ken McFarland had ask him if he would change the corp stop on Robert Jumps meter. Mr. McFarland said that he went out and looked at it and he could feel moisture on the bottom of the meter. Morris commented that the meter has been exposed for 2-years. He would have changed it out a long time ago, but he felt that it would make the District look guilty. Mr. McFarland believes that if we did this the problem would go away. Morris informed him that if the board agreed he would change the meter out based on Mr. McFarland's recommendation. After various discussions Vic made a motion to have Morris meet Mr. McFarland at Jumps property, make the change and restore the property back to its original easement condition. Morris will need to document for the Board the changes that were made. Lee seconds the motion. Motion carries 3-yeas, 0-nays.

Morris informed the board that he still feels very strongly about re-negotiating the water purchase contract with the City of Warsaw. Judge Zubaty was very adamant that if we started trying to make changes at this point then he is afraid that we would not get funding from RDA. Morris hates the fact the we are paying from something that we are not getting. The contract should be void if they cannot supply us with the minimum of 5 million. David read from the June minutes the discussion that was held last month stating that Ron and the City's engineer were to meet and discuss what could be done. Ron commented that he has not done that, Morris knows his system better than any one and he would like to get with him to discuss the matter first. Vic was in agreement with Judge Zubaty on the funding issue with RDA but also feels that we should get what we pay for. He suggested that Morris and Ron get together and report back to the board next month.

Judge Zubaty inquired about the Glencoe Sewer project are they planning to lay the sewer line beside our water line. Morris commented that he met with the engineers and the sewer line will be on the opposite side of the road from the water line. Vic inquired as to how far they were going. Judge Zubaty commented that right now they were going to the top of the hill and stopping at Serecey's, but they will eventually go up and cross under the expressway.

Morris informed the board that all the easements were complete and we are ready to bid the Eagle Tunnel and Hwy 465 (KIA) project. Due to the railroad tunnel an alternate cross country route was decided on. Ron said he could have the paperwork ready for bid in about 2 weeks. How does the Board wish to bid the project. Vic commented that he thought that a prior motion was passed to bid the labor only and the District furnish the material. Do we want to bid the projects separately or together? After various discussion on the matter Lee made a motion to bid the projects together, but break them out separately on the bid sheet, we will furnish the materials such as line, pumps, fittings, meters, valves, etc. and the contractor will be responsible for the labor, sand, gravel, etc. David seconds the motion. Motion carries 3-yeas, 0-nays.

Judge Zubaty advised the board that they needed to pass a resolution adopting the National Incident Management System (NIMS), a program that was designed by the Department of Homeland Security to assist county and city entities, such as local utilities and emergency services, develop procedures that will allow them to work more closely in the event there should be a disaster in our community. In order for us to be eligible for future homeland security and other federal and preparedness funding we need to become NIMS compliant before August 1, 2005. David made a motion to pass a resolution adopting NIMS, Lee seconds the motion. Motion carries 3-yeas, 0-nays.

Lee made a motion to appoint Vic and Morris as our voting delegates for KRWA's annual meeting held in August. David seconds the motion. Motion carries 3-yeas, 0-nays.

Vic presented to the board a request for a donation from the youth football cheerleading squad. After various discussions Steve commented that we should refrain from making any charitable donations because it was not our money.

Lee made a motion to adjourn, David seconds the motion. Motion carries 3-yeas, 0-nays,

Approved By: Vic Satchwell

David F. Easton

Lee L Burgett

Gallatin County Water District
September 8, 2005

The regular meeting of the Gallatin County Water District was called to order at 8:30 a.m. by Chairman Vic Satchwell.

Present at the meeting were Commissioners; Lee Burgett, David Easton and Vic Satchwell, Employees; Morris Courtney and Tammy Hendren, Engineer; Ron Gastineau, Judge Executive; George Zubaty and Attorney; Steve Huddleston.

David made a motion to approve the August Minutes, Lee seconds the motion. Motion carries 3-yeas, 0-nays.

Lee made a motion to approve the Check Disbursements, David seconds the motion. Motion carries 3-yeas, 0-nays.

Lee made a motion to approve the Account Adjustments, David seconds the motion. Motion carries 3-yeas, 0-nays.

David made a motion to approve the Deposit Refunds, Vic seconds the motion. Motion carries 3-yeas, 0-nays.

Lee made a motion to approve the Financial Statement, David seconds the motion. David inquired about the Depreciation account. Can we put that into another type of account in order to draw more interest? Vic ask that Tammy check into it. Motion carries 3-yeas, 0-nays.

The Board discussed the Jump property. Morris commented that after we all went out and looked at the property after the meeting last month; he still has some concerns with the exposed area. There are at least four places that if someone wanted to they could take a wrench, hammer, rock, etc. and cause a leak or cause it to blow apart. He feels that we should document it and do something about it. Vic also feels that we should cover it back up. Morris thinks that while it is open we should go ahead and put all new equipment in because if we don't Mr. Jump will just dig it back up. Everything can be replaced in about an hour and Mr. Jump would be the only customer shut off. David also is in agreement, it's our easement and our equipment. Judge Zubaty asks how much digging we would have to do. Morris commented that we would hand dig and the area that is exposed will not be any bigger than it already is. We would just have to take out some of the dirt to get under the waterline. More discussion was held in regards to how the elements could have an effect on the equipment considering the amount of time that it has been exposed. Ron Gastineau, our Engineer was quoted as stating that in his opinion there is no water leak. The area that is exposed has no bearing on the slippage in which Mr. Jump claims was caused by a water leak. David made a motion that we go out and replace our equipment, document what we do, retain the equipment we remove, make

sure that Mr. Jump is aware of what we are doing and close the pit up. Lee seconds the motion. Motion carries 3-yeas, 0-nays.

Morris brought to the boards attention that he has been working with Liberty Cable who are running some test on high speed internet in the area. They are interested in putting up some antennas on the standpipe on Boone Road and the water tank on Eagle Tunnel. He has provided them with the Board Members name and our Attorneys name. Judge Zubaty commented that there was going to be a meeting today at 1:00 p.m. and would like for Morris to attend. If Morris was not available then he would try to get some information on the subject and report back to the board. No decisions were made at this time.

Ron informed the board that we opened bids on the Tobacco Grant Project on August 29, 2005. The contact bids were as follows:

United Pipeline	$153,478.00
French's Backhoe	$160,092.00
D.F. Bailey, Inc.	$161,849.67
Lykins Contracting, Inc.	$256,798.25
SJ Cox Enterprises	$294,301.50

Based on Ron's recommendation David made a motion to award the contract to the low bidder, United Pipeline. Lee seconds the motion. Motion carries 3-yeas, 0-nays.

Ron commented that he has not personally worked with this company but knows other Engineers who have and they have given them glowing reports. He has scheduled a pre-construction meeting for 10:00 a.m. today and will require Vic's signature on some paperwork. Morris has ordered material for the project which saved us about $4,000 in sales tax. Ron commented that he did not see any significant change orders in the project.

Ron informed the board that he should be able to submit the plans for the well project to the Division of Water by the end of the month. There was some delay due to the decision of whether to install elevated tanks or standpipes. He and Morris decided on elevated tanks, a 200,000 gallon storage tank on Ambrose Road and a 100,000 gallon tank at Mars Place.

Vic made Steve aware of our intentions at Robert Jumps. Steve asks that we make sure to document everything we do. He had no other business.

Lee made a motion to adjourn, David seconds the motion. Motion carries 3-yeas, 0-nays.

Approved By: Vic Satchwell

Lee L. Burgett

_____

Gallatin County Water District
August 10, 2006

The regular meeting of the Gallatin County Water District was called to order at 8:30 a.m. by Chairman Vic Satchwell.

Present at the meeting were Commissioners; Lee Burgett, David Easton and Vic Satchwell, Employees; Morris Courtney and Tammy Hendren, Judge Executive; George Zubaty.

David made a motion to approve the July Minutes, Lee seconds the motion. Motion carries 3-yeas, 0-nays.

Lee made a motion to approve the Check Disbursements, Vic seconds the motion. Motion carries 3-yeas, 0-nays.

David made a motion to approve the Financial Statement, Lee seconds the motion. Motion carries 3-yeas, 0-nays. Discussion was held on the interest rate for the Certificate of Deposits. They renew each time at whatever rate is in effect at the time of maturity. The current interest rate for the one that matures on 8/18/06 is 2.48%. First Farmers has a special 4.5% rate on a 15 month CD. David made a motion that we renew the maturing CD with the 15 month special at 4.5%, Vic seconds the motion. Motion carries 3-yeas, 0-nays.

David made a motion to approve the Account Adjustments, Vic seconds the motion. Motion carries 3-yeas, 0-nays.

Lee made a motion to approve the Deposit Refunds, David seconds the motion. Motion carries 3-yeas, 0-nays.

Morris informed the board that he really did not put together any dollar amount for the installation of fire hydrants, but explained that we would have labor for three men, equipment, wet tap, concrete, etc. From start to finish if we had someone purchase the material and drop it off here it would take the biggest part of the day for at least two employees to install. After various discussions the board was in agreement that we stick to the current policy that is already in place.

Morris informed the board that lightning hit the pump station on Johnson road and provided pictures for the board to see. He has had it repaired and will file an insurance claim to cover the cost of the repairs.

Morris informed the board that our annual PSC audit is scheduled for August 30, 2006. He is a couple of months early this year.

Vic inquired as to whether we had ever sent a letter to Lowell Ginn. Both Tammy and Morris commented that we had not. Vic asks that we make sure that it gets done.

Tammy informed the board that United Systems is coming up on the 17th and 18th to train us on the new software. Jerilyn will also be coming up on the 18th to help and advise on the set up of the reports. We will probably do testing throughout the remainder of August and go live in September.

Judge Zubaty inquired as to the water status at the junction of Hwy 465 and the new Hwy 1039. Both Morris and Vic informed him that we have a 4" service line already there and we also have the 8" line with a service connection midway between the interstate and Jerry Carol Blvd off of Hwy 1039. Judge Zubaty commented that in about 2-3 weeks there is going to be a meeting with the developers and engineers to discuss the sewer system. Judge Zubaty feels like we should have a representative there. Morris commented that he would attend. Judge Zubaty will advise him of the exact date. Vic commented that we would like to be as involved as we can.

Steve commented that he checked at the clerk's office and there has been no final paperwork filed on the Jump case.

Morris informed the board that he received a call from Wayne Adams, asking for some help on his water bill. They had a big leak at the restaurant and we had already given him a leak adjustment, but he was hoping for a little more help. Morris advised him that the only thing that we could do was the leak adjustment but he would bring it up to the board. Wayne asked him not to do that.

Tammy informed the board that Ken McFarland had contacted her inquiring about meter taps for residents on a fixed income. Do we have a plan that would allow a resident to make monthly payments on the tap fee, in addition to their regular monthly water bill? Mr. McFarland informed her that he had been contacted by a Mary Richardson on the new line on Hwy 467. Ms. Richardson gave us an easement to go through her property and was under the impression that a meter tap was included. Ms. Richardson is on a fixed income and does not have $500 for the tap fee. Tammy informed Mr. McFarland that we do allow residents to make payments on the tap fee but the meter is not installed until the fee is paid in full, but she would bring it up to the board. In the meantime Mr. McFarland will have Ms. Richardson go down to the Judges office and fill out some paperwork to determine her financial status. The board discussed the matter in detail and sympathizes with Ms. Richardson situation, but does not wish to start any type of payment plan other than the one that currently exists. It is something that we have never done in the past and we don't want to start it now. There should be some organizations out there that can help her get the money. Tammy will inform Mr. McFarland of the board's decision.

Morris informed the board that since we did not purchase a truck this year and we are not handicap accessible maybe we should consider having our parking lot concreted and bringing it up to code as required by PSC & RDA instead. We also should consider purchasing a commercial lawn mower. We are ok now, but once these new sites are

developed we are going to need one. Vic commented that before we discuss the matter any further, he is not advocating buying a truck but we do have a policy in place to rotate our trucks and purchase one every year. We currently have a 2006, 2004 and 2002 truck. They all have low mileage. Vic does not want to see us get into a bind and have to buy two trucks at the same time like we did in 2002. Morris commented that he does not think that will happen. Vic commented that he is willing to be flexible and set this back a year if that's what we need to do. How does the board feel? After various discussion David made a motion that we waive the truck purchase this year and have Morris get some bids on the parking lot and mower. Lee seconds the motion. Motion carries 3-yeas, 0-nays.

David made a motion to adjourn, Lee seconds the motion. Motion carries 3-yeas, 0-nays.

Approved By: Vic Satterwell

David F. Easton

Lee L Burgett

Gallatin County Water District
October 12, 2006

The regular meeting of the Gallatin County Water District was called to order at 8:30 a.m. by Chairman Vic Satchwell.

Present at the meeting were Commissioners; Lee Burgett, David Easton and Vic Satchwell, Engineer; Ron Gastineau and Judge Executive; George Zubaty
Employees: Morris Courtney and Tammy Henderson

David made a motion to approve the September Minutes, Lee seconds the motion. Motion carries 3-yeas, 0-nays.

Lee made a motion to approve the Check Disbursements, David seconds the motion. Motion carries 3-yeas, 0-nays.

David made a motion to approve the Deposit Refunds, Vic seconds the motion. Motion carries 3-yeas, 0-nays.

David made a motion to approve the Account Adjustments, Lee seconds the motion. Motion carries 3-yeas, 0-nays.

Lee made a motion to approve the Financial Statement, David seconds the motion. Motion carries 3-yeas, 0-nays. Discussion was held regarding the KIA Speedway account. David asks why that was not an interest bearing account. Tammy commented that she thought that it was at one time, but for some reason it was changed. She will contact the bank and KIA and see if it can be changed back to an interest bearing account.

Morris informed the board that we have received the final paper work with the Judges signature on the Robert Jump case.

Morris presented to the board estimates for the concrete parking lot. The District will purchase the material needed so the estimates are for labor only.

Shinkel Concrete	$5,200.00
Keaton Concrete	$5,500.00
Carol Concrete	$14,375.00
Straight Edge	$6,300.00

After various discussions David made a motion to hire Shinkle Concrete, Lee seconds the motion. Motion carries 3-yeas, 0-nays.

Morris brought to the boards attention that he stopped at the Kubota dealer and looked at a mower for $9,600.00. After various discussions all board members were in agreement to contact Browns in Indiana and see if they could beat that price, Morris will report back to the board next month.

A brief discussion was held on the water purchase contract with the City of Warsaw. Matter tabled until next month.

Morris brought to the board's attention that someone else is interested in putting an antenna on our Eagle Tunnel Tank. Liberty Cable has not paid the yearly rental fee on that tank site. They also discussed their insurance, they should have climbers insurance. After discussion all board members were in agreement that a letter be sent to Liberty Cable asking them of their intentions.

Ron commented that he was disappointed in the contractors for damaging Kathy Cook's property. She has been very reasonable. Apparently Coomer ran through her golf course with his personal vehicle and then they drove the fuel truck through it. Morris advised her to put a price on it. She commented that the good lord is going to have to freeze and thaw it to straighten it out now. Morris commented that he has not been up there to look at it yet, but he will make it up there today.

Ron informed the board that the contractor doing the 370 foot road bore wants to use a continuous joint pipe rather than the bell pipe that the specs called for. Both Morris and Ron commented that all they have ever seen is the bell pipe. Vic asks if that was the way the contract was bid. If it was he does not see any reason to change it, but feels we should leave it more up to Ron's advice. After discussing the matter all board members were in agreement that if the contractor wanted to use continuous pipe for the same cost then they could use it, if not then they need to stick to the original specs and use the bell pipe.

Ron brought the board up to date on the project. The retention tank at the current well site is complete. They are working on the tank at the new well site. The well contractor will be coming in around the 3rd or 4th, maybe the tank people will be finished by then. Coomer has done a good job on the road to the new well site; they have a good solid base. Overall the entire project seems to be going smoothly.

Judge Zubaty informed the board that the new road Hwy 1039 is supposed to be opened on the 15th of November. Does Carroll County Water District have water out there? Vic commented that they have a 3 inch line to Crawford's' and we have an eight inch line ½ mile from the exit and the Speedway. Morris commented that he met with Jim Smith and he would like for us to put a master meter in and sell them water for that area. Some discussion was held regarding a sewer system out by the new exit. Vic and some others attended a recent meeting. No other discussion was made at this time.

Morris commented that we have one final payment to make on the Tobacco Grant Project. He is waiting for the contractors to satisfy Clarence Stewart and then we can pay them off and close the project.

David made a motion to adjourn, Lee seconds the motion. Motion carries 3-yeas, 0-nays.

Approved By: Vic Satchwell

David F. Eaton

Lee L Burgitt

Gallatin County Water District
February 8, 2007

The regular meeting of the Gallatin County Water District was called to order at 8:32 a.m. by Chairman Vic Satchwell.

Present at the meeting were Commissioners Lee Burgett, David Easton and Vic Satchwell, Employees; Morris Courtney and Tammy Hendren, Deputy Judge Executive; Denny French

Lee made a motion to approve the January Minutes, David seconds the motion. Motion carries 3-yeas, -0-nays.

David made a motion to approve the January Check Disbursements, Lee seconds the motion. Motion carries 3-yeas, 0-nays.

David made a motion to approve the Account Adjustments, Vic seconds the motion. Motion carries 3-yeas, 0-nays.

David made a motion to approve the Deposit Refunds, Lee seconds the motion. Motion carries 3-yeas -0-nays.

David made a motion to approve the Financial Statement, Lee seconds the motion. Motion carries 3-yeas, 0-nays.

Morris informed the board that the water line would have to be relocated where Nugget Sand installed the new road on Hwy. 1992. It is approximately 1400 feet. It is there responsibility to pay for the relocation. Morris has met with them and gave them the plans that the Division of Water has approved.

Morris informed the board that Barnett Auto Body repaired the truck. The damage was estimated at $4,598.04. We received payment of $4,675.23 from the other persons insurance. The $75.00 tow bill was also paid by his insurance.

Morris brought to the board's attention that Caldwell Tanks has requested a 57 day extension on their contract in order to paint the tanks. The contract is up on April 3rd. If we grant them the extension it will delay the other 4 contractors. Various discussions were held and the Board was in agreement to stay with the original contract at this time.

Discussion was held on the purchase of a new truck. We postponed the purchase in 2006 and had the driveway and parking lot paved. We currently have a 2002, 2004 and a 2006 model. Morris has bids on three different types of vehicles. The bids are the basic model without the extras. The subject was tabled until next month. Morris will need to get some more info on the cost for the extras.

Tammy presented the board with some information on a 401K plan offered by Ky. Deferred Comp. There would be no cost to the company if an employee wanted to join plan and no limit on the number of employees who do join. This would be a great opportunity to supplement our current Retirement Plan. Would the board be in favor of making this plan available to its employees? David made a motion to make the plan available, Lee seconds the motion. Motion carries 3-yeas, 0-nays.

The board discussed the development at the new I-71 interchange on Hwy 1039. There is currently some dispute as to who will serve the area. The area is currently in the service boundaries of the Carroll County Water District but is not being served by them. They have a 4" line that stops at Crawford's Junk Yard on the old Hwy 1130. In discussions that Morris and Vic have had with Jim Smith, Carroll County is interested in purchasing water from us to serve the area. We already have an 8" line running to Hwy 1039 that was installed in 2002. Morris informed the board that we have received letters from a Developer and one other resident requesting our water service. Various discussions were held on the matter. Lee made a motion that we inform our attorney Steve Huddleston of our intention to serve the area and ask that he forward correspondence to the Carroll County Water District, the Carroll County Judge Executive and the Gallatin County Judge Executive of our intention, David seconds the motion. Motion carries 3-yeas, 0-nays.

Vic informed the board that he, Morris and Steve met with Mayor Travis Simpson and Warsaw's attorney regarding the water purchase contract. Several topics were discussed such as a possible rate increase from $1.05 to $1.25, maybe giving them the water line from the Nursing home to Smith Avenue and connecting the two systems for a back up. Mayor Simpson will bring the matter before council and get back with us. No decision were made at this time.

Lee made a motion to adjourn, David seconds the motion. Motion carries 3-yeas, 0-nays.

Approved by: Vic Satchwell

David F. Easton

Lee L Burgett

Gallatin County Water District
June 14, 2007

The regular meeting of the Gallatin County Water District was called to order at 8:30 a.m. by Chairman Vic Satchwell.

Present at the meeting were Commissioners; Lee Burgett, David Easton and Vic Satchwell, Employees; Morris Courtney and Tammy Hendren, Engineer; Ron Gastineau and Attorney; Steve Huddleston.

David made a motion to approve the May minutes, Lee seconds the motion. Motion carries 3-yeas, 0-nays.

David made a motion to approve the Special Minutes, Lee seconds the motion. Motion carries 3-yeas, 0-nays.

Lee made a motion to approve the Financial Statement, David seconds the motion. Motion carries 3-yeas, 0-nays.

David made a motion to approve the Check Disbursements, Lee seconds the motion. Motion carries 3-yeas, 0-nays.

Lee made a motion to approve the Deposit refunds, David seconds the motion. Motion carries 3-yeas, 0-nays.

David made a motion to approve the Account Adjustments, Lee seconds the motion. Motion carries 3-yeas, 0-nays.

Steve presented to the board the new water purchase agreement with the City of Warsaw. The new rate is $1.25 per thousand with a minimum purchase amount of 500,000 gallons. We will no longer bill and collect the sewer and garbage for Blue Heron Subdivision. Included in the contract was an agreement to shut off the water for a fee of $75 if the sewer and garbage bill was not paid.

Steve informed the board that there is a meeting scheduled at 2:00 p.m. today at the Judges office to discuss the sewage treatment plant at Scenic View. He has not heard form the property owners so as of right now we do not own it.

Steve informed the board that he has responded to the motion that Carroll County filed with PSC regarding the water line that is running to the new intersection on Hwy 1039. Morris will inform Steve immediately should the developer commence any type of water line construction

Morris informed the board that the tank on Ambrose Road has been filled and is in operation. He will have to run it manually until the SCADA system is fully installed, but it will be a big help with the race coming up this weekend. They are having some trouble with the tank at Mars Place. Ron will be working with Morris today to try and correct the problem.

Ron requested a change order for Lykins Contracting in the amount of $15,808.00. This is for a fire hydrant, some fencing and some electrical problems. A brief discussion was held on the matter and Morris commented that is was a reasonable request. David made a motion to approve the change order in the amount of $15,808.00, Lee seconds the motion. Motion carries 3-yeas, 0-nays.

Tammy presented to the board the new insurance rates from KAco for 2007-2008. The rate for property and liability is $13,256 and the workers comp is $4,997.00. Property and Liability rates however will increase since this quote was received prior to adding the new truck, trailer, well and tanks. No other quotes were provided, but from previous years Kaco remains the lowest and provides excellent coverage. They are also the provider for the County. David made a motion to renew the insurance with KAco, Lee seconds the motion. Motion carries 3-yeas, 0-nays.

Morris commented that we are still a month away from the start up of the new telemetry system. There are some changes that have to be made and we will be moving the main computer out here to this office.

Lee made a motion to adjourn, David seconds the motion. Motion carries 3-yeas, 0-nays.

Approved By: Vic Satchwell

David Easton

Lee L Burgett

Gallatin County Water District
July 12, 2007

The regular meeting of the Gallatin County Water District was called to order at 8:30 a.m. by Chairman Vic Satchwell.

Present at the meeting were Commissioners; Lee Burgett, David Easton, Vic Satchwell, Employee; Morris Courtney, Engineer; Ron Gastineau and Deputy Judge Executive; Denny French.

David made a motion to approve the June Minutes, Lee seconds the motion. Motion carries 3-yeas, 0-nays.

Lee made a motion to approve the Financial Statement, David seconds the motion. Motion carries 3-yeas, 0-nays.

David made a motion to approve the Check Disbursements, Lee seconds the motion. Motion carries 3-yeas, 0-nays.

Lee made a motion to approve the Account Adjustments, David seconds the motion. Motion carries 3-yeas, 0-nays.

David made a motion to approve the Deposit Refunds, Vic seconds the motion. Motion carries 3-yeas, 0-nays.

Morris informed the board that there was a meeting with PSC on June 22nd to discuss the Scenic View Sewage Treatment Plant. Judge French, Steve and he attended the meeting. PSC's lawyer stated that he did not know any water district in the state of Ky that wanted to be in the sewer business. Various discussions were held and the Judge got a lot of his questions answered. PSC recommend to the Judge that his best bet would be to create a sewer board the board could contract out to a private contractor to operate the plant without PSC's tariffs. PSC did state that we could not spend any of our Water District money for sewage treatment. Morris commented that somewhere down the line we need to be reimbursed for the money that we have already spent in legal fees. Denny stated that we needed to send a bill to the County. Vic asks what we as the Water District was doing now. Morris commented that we are not doing anything. He has only been down there twice, once with the Judge and once to take pictures prior to the meeting with PSC. He has not touched anything. We do not own the plant; the county is currently responsible for the plant. Various other discussions were held but no other decisions were made at this time.

Discussion was held on the water line running to the new Hwy. 1039. Morris ask Denny if he every applied for an easement with the state. Denny commented that he is working on it now. He has been hired by the developer to install the water lines. Vic asks Denny when they would need water. Denny commented that they would need water in about 120 days that is when the sewer line is supposed to be completed. Vic commented that

due to the motion that Carroll County has filed with PSC for us to cease construction we are supposed to make Steve aware when the contractor started laying any line. Denny commented that he is supposed to meet with the developers on Monday afternoon to sign the contract. He will start laying line when he gets the easement from the state. Vic asks if this litigation will have any bearing on getting the states easement. Ron commented that they probably do not even know about it. Vic stated that he is not opposed to the contractors doing anything, but as of right now the Water Districts hands are tied and he does not want to create any more problems. Denny will contact the water district before he starts digging and Morris will notify Steve so that he can advise PSC.

Both Ron and Morris brought the board up-to-date on the current project. Morris has been working with EIC on the SCADA system. A week before the Bush race we got the new well in service and running manually on Monday, Wednesday and Fridays. The problem with the booster station on Hwy 16 has been straightened out. David asks what the problem was. Ron explained that the tap on location needed to be moved. There will be a change order for Lykins Construction. Morris commented that he has not filled the tank at Mars Place yet because it will have to be run manually for about two months until the SCADA/telemetry system is completed. We have not received any complaints about water pressure. He does not want to test it or try it out because if the residents get a taste of the pressure and it starts fluctuating during the testing we are going to start getting complaints. David ask how long before the SCADA System would be ready. Morris commented September. Vic inquired about shutting down the system at the old well for 2 or 3 days, what is going on there. Morris commented that it is going to be longer than that. It's already cost a little bit more money but it is worth it. The track, motel, concrete plant, etc have to have water. He has already met with Shawn Fisher with National Water and they are going to meet Monday to set something up using a temporary deep well pump and EIC is going to connect it to the telemetry system so that it can communicate with the tank at the race track. National water has quoted a 4 day rental on the pump @ $356.00 per day. The total cost to install and remove the pumping unit will be $3,824.00. If something happens and the rental for the pump needs to extend longer than the 4 days, there will not be a weekend charge for the rental. Morris commented that if all of this works well he will only be down for ½ day rather than 4 days. Morris commented that it is not uncommon to have change orders for this type of stuff. If there wasn't so much construction going on out that way with the expressway, etc. we may have been able to get by without this additional cost. Ron asks if we wanted him to get a change order written up for Rural Development. Morris commented that it would probably be better to wait until we get the final cost. He just wanted to make the board aware of the situation.

Vic inquired about the contractors pumping water out of our fire hydrants are we keeping track of that. Morris commented that we are billing Howell Contactors based on the number of loads that they use each month for the new truck stop. They have a 4,800 gallon tank and contact us monthly with the number of loads they have used and we calculate them a bill based on our current rates. Faulkner Construction is using metered water and being billed for their usage. The only one that we have had a problem with is Clay Contracting. We have not sent them a bill. Morris talked with them back in the spring. Denny commented that he has the address for Clay Contracting at the office.

Vic asks if we are ready to sell the old truck. Morris commented that with all that is going on he would like to wait a couple of months, but if the board does not want to wait he will go ahead and get it ready. The board was in agreement to wait.

Morris brought to the board's attention that when Judge Davis and Ken McFarland first developed Heritage Hills only the main road was engineered and approved by the Division of Water. The other little roads and extensions that have been added are not legal. They need to be approved. Morris discussed this with Bill Babington and he suggested that while we have this project going on we should go ahead and have Ron draw up the plans and get them approved.

Morris brought to the boards attention that they needed to assign a voting delegate for the Ky. Rural Water Associations annual business meeting scheduled in August. It is a two day session. Is anyone interested in attending the meeting? Vic made a motion to assign Morris as the voting delegate, Lee seconds the motion. Motion carries 3-yeas, 0-nays. No one else will be attending.

Morris informed the board that we have a CD that matures on July 16th. This was a special 7 month CD if we do not change it, it will just roll back to the original 6 months at 2.45%. First Farmers offer's a 7 month or 15 month CD for 5.19%. Integra rates were just a little lower @ 5%. David made a motion to renew with the best rate, Lee seconds the motion. Motions carries 3-yeas, 0-nays.

Discussion was held on the current balance in the revenue account. We have over $300,000 in this account. Vic inquired as to how much reserve we needed to have in this account. Morris commented that he was not real sure, but thought that is used to be around $150,000. David suggested that we see what type of reserve is required, check on different rates and report back next month.

Ron discussed the current project and closing out some of the contracts. Caldwell tanks would like for us to keep their retainage and hire some one to do their clean up. Ron commented that it is about $2000.00. He can do a change order to reduce their contract amount. Morris commented that there is not much to do and we could probably hire someone to do it for that. Lee made a motion to accept Caldwell's offer, David seconds the motion. Motion carries 3-yeas, 0-nays. Ron commented that once the change order is approved by Rural Development we can close out their account.

Ky. Glass Lined Tanks has some overflows to install in the next week and then we can do a final change order for $1000.00 and close their contract out.

David asks if EIC had a contract. Morris commented that they did not have a contract but the cost was included in the project. Ron stated that since they handled our current system and we were only making upgrades we did not have to bid the telemetry system. Morris commented that they should be finished up in September.

David asks if anyone was fined for not getting their contract finished on time. Both Ron and Morris commented that mostly everyone did meet their contract deadline as far as the construction/installation went. We are now into the final stages of tieing everything together and most of the delays have been on our part because of certain timing issues with races, meetings, etc. Ron commented that Morris knows his operation a lot better than he does. He is the one out there running it on a daily basis and knows what works and what does not.

Vic asks where we were on the Baker project. Morris commented that we had discussed this at the last progress meeting and informed Rural Development that we had plans to use some of the left over money for this project since we already have it engineered. Morris commented that this is grant money and we need to use it or lose it. No other discussion was made at this time.

Lee made a motion to adjourn, David seconds the motion. Motion carries 3-yeas, 0-nays.

Approved By: Vic Satchwell

David F. Carter

Lee L Burgett

#1

LYKINS CONSTRUCTION INC.

P.O.Box 344 PHONE: 502-347-5690
GHENT KY 41045-0344
EIN 61-1373967

Invoice

Date	Invoice #
8/29/2002	333

To:

Gallatin Co. Water Dist.
4500 Hwy 455
Sparta KY 41086

BID

Job Location:

Item Code	Quantity	Description	Price Each	Amount
Job		Labor and equipment to install: approximately 8,000' of 8" water line at race track. The road bore can be contracted through the water company, or I will have it done, and be reimbursed at cost. All line and materials will be furnished by the water co.	0.00	
		BID PRICE $3.00 Per foot		

Total $0.00

#7

BETHEL EXCAVATING & LOGGING
KNOX-LILLARD RD
SANDERS KY 41083

859-567-2273

Gallatin Co. Water District

BID: 8-21-02

Job Description:

Install approximately 8,000 feet of 8 inch water line at the Kentucky Speedway.

All materials and necessary road bore are to be furnished by Gallatin Co. Water Dist.

TOTAL BID: $4.25 per foot

#7

ATECK Corporation

P.O. Box 133
Warsaw, Kentucky 41095

Office 859-567-7500
Fax 859-567-1501

September 12, 2002

Gallatin County Water District
4500 Hwy. 455
Sparta, KY 41086

RE: Proposal

Dear Sirs:

ATECK Corporation is pleased to submit the following bid for the extension of the water lines at Kentucky Speedway.

Our proposal is $5.50 per linear foot for labor only.

Thank you for the opportunity to provide this bid.

Sincerely,

Kenny French

#2

LYKINS CONSTRUCTION INC.

P.O.Box 344 PHONE: 502-347-5690
GHENT KY 41045-0344
EIN 61-1373967

Invoice

Date	Invoice #
10/9/2002	360

To:

Gallatin Co. Water Dist.
4500 Hwy 455
Sparta KY 41086

Job Location:	Ky Speedway new Hwy			
Item Code	Quantity	Description	Price Each	Amount
water line	6,620	Phase One Connection ft of water line installed	3.00	19,860.00
			Total	$19,860.00

ALLATIN COUNTY WATER DISTRICT

5874

LYKINS 00005874 10/10/02

LYKINS CONSTRUCTION, INC

****$19,860.00

#7

LYKINS CONSTRUCTION INC.

P.O.BOX 344 PHONE: 502-347-5690
GHENT KY 41045-0344
EIN 61-1373967

Invoice

Date	Invoice #
1/1/2003	407

To:

Gallatin Co. Water Dist.
4500 Hwy 455
Sparta KY 41086

Job Location:

Item Code	Quantity	Description	Price Each	Amount
Job	3,980	Job #2 at race track ft of line installed If you wish to hold out $1 per foot until the clean-up is completed, that is understandable. Clean-up will be done as soon as the weather dries up. 3,980 ft X $ per foot $3,980.00	3.00	11,940.00
		Hold out $4,000.00 for Clean up		
		Thanks Dewell		
	CK# 7940.00			
			Total	$11,940.00

LYKINS 00006221 02/07/03

LYKINS CONSTRUCTION, INC

*****$7,940.00

#7

LYKINS CONSTRUCTION INC.

P.O.Box 344 PHONE: 502-347-5690
GHENT KY 41045-0344
EIN 61-1373967

Invoice

Date	Invoice #
7/13/2003	491

To:

Gallatin Co. Water Dist.
4500 Hwy 455
Sparta KY 41086

Job Location:

Item Code	Quantity	Description	Price Each	Amount
Materials	55	bales of straw	2.50	137.50
Materials	50	pounds of Fescue grass seed	0.84	42.00
Materials	30	pounds of annual rye	1.14	34.20
Job		Amount for cleanup retained from original bid Cleanup on valve #1, #2 and water line completed	4,000.00	4,000.00

Total $4,213.70

GALLATIN COUNTY WATER DISTRICT

6854

LYKINS

00006854 10/03/03

LYKINS CONSTRUCTION, INC

*****$4,213.70

ENVIRONMENTAL AND PUBLIC PROTECTION CABINET

Ernie Fletcher
Governor

DEPARTMENT FOR ENVIRONMENTAL PROTECTION
14 REILLY ROAD
FRANKFORT, KENTUCKY 40601
PHONE (502) 564-2150
FAX (502)564-4245
www.dep.ky.gov

Teresa J. Hill
Secretary

Cheryl A. Taylor
Commissioner

April 10, 2007

Mr. Morris R. Courtney, Manager
Gallatin Co Water District
4500 HWY 455
Sparta, KY 41086

RE: Gallatin Co Water District, PWS--33880
DW #0390130-07-002
KY 1039 Extension
Activity ID # APE20070002
Gallatin County, KY

Dear Mr. Courtney :

We have reviewed the plans and specifications for the above referenced project. The plans include the construction of approximately 3,970 feet of 8-inch PVC water line. This is to advise that plans and specifications for the above referenced project are APPROVED with respect to sanitary features of design, as of this date with the requirements contained in the enclosed waterline extension construction permit.

If you have any questions regarding this decision, please contact Sarah Tucker at 502/564-2225, extension 482.

Sincerely,

for Donna Marlin, Branch Manager
Drinking Water Branch
Division of Water

DSM: SAT

C: Gastineau and Associates, Inc.
Gallatin County H.D.
Public Service Commission

Distribution-Water Line Extension

Gallatin Co Water District

Subject Item Inventory

Activity ID No.: APE20070002

Subject Item Inventory:

ID	Designation	Description
AIOO33880		
PORT10	Water Line	3,970 feet of 8-inch PVC

Subject Item Groups:

ID	Description	Components
GACT8	3,970 feet of 8-inch PVC	PORT10 3,970 feet of 8-inch PVC

KEY

ACTV = Activity
AREA = Area
EQPT = Equipment
PERS = Personnel
STOR = Storage
TRMT = Treatment
AIOO = Agency Interest
COMB = Combustion
MNPT = Monitoring Point
PORT = Transport
STRC = Structure

GACT8 (KY 1039 Extension) 3,970 feet of 8-inch PVC:

Monitoring Requirements:

Condition No.	Parameter	Condition
M-1	Coliform	The presence or absence of total Coliform monitored by sampling and analysis as needed shall be determined for the new or relocated water line(s). Take samples at connection points to existing lines, at 1 mile intervals, and at dead ends without omitting any branch of the new or relocated water line. Sample bottles shall be clearly identified as "special" construction tests. [401 KAR 8:100 Section 1(7), 401 KAR 8:150 Section 4, Recommended Standards for Water Works 8.5.6] This requirement is applicable during the following months: All Year. Statistical basis: Instantaneous determination.

Submittal/Action Requirements:

Coliform:

Condition No.	Condition
S-1	Coliform For new construction projects, the distribution system, using the most expedient method, shall submit Coliform test results to the Cabinet: Due immediately following disinfection and flushing. [401 KAR 8:150 Section 4(2)]

Condition No.	Condition
S-2	For proposed changes to the approved plan, submit information: Due prior to any modification to the Cabinet for approval. Changes to the approved plan shall not be implemented without the prior written approval of the Cabinet. [401 KAR 8:100 Section 1(8)]
S-3	The person who presented the plans shall submit the professional engineer's certification: Due when construction is complete to the Division of Water. The certification shall be signed by a registered professional engineer and state that the water project has been constructed and tested in accordance with the approved plans, specifications, and requirements. [401 KAR 8:100 Section 1(8)]

GACT8 (continued):

Narrative Requirements:

Additional Limitations:

Condition No.	Condition
T-1	Additional Limitations: Chlorinated water resulting from disinfection of project components shall be disposed in a manner which will not violate 401 KAR 5:031. [401 KAR 8:020 Section 2(20)]

Condition No.	Condition
T-2	This project has been permitted under the provisions of KRS Chapter 224 and regulations promulgated pursuant thereto. Issuance of this permit does not relieve the applicant from the responsibility of obtaining any other approvals, permits or licenses required by this Cabinet and other state, federal and local agencies. Further, this permit does not address the authority of the permittee to provide service to the area to be served. [401 KAR 8:100 Section 1(7)]
T-3	Unless construction of this project is begun within 1 year from the issuance date of this permit, the permit shall expire. If requested prior to the permit expiration, an official extension from the Division of Water may be granted. If this permit expires, the original plans and specifications may be resubmitted for a new comprehensive review. If you have any questions concerning this project, please contact the Drinking Water Branch at 502/564-3410. [401 KAR 8:100 Section 1(9)]
T-4	During construction, a set of approved plans and specification shall be available at the job site at all times. All work shall be performed in accordance with the approved plans and specifications. [401 KAR 8:100 Section 1(7)(a)]

PORT10 (Water Line) 3,970 feet of 8-inch PVC:

Limitation Requirements:

Condition No.	Parameter	Condition
L-1	Depth	A continuous and uniform bedding shall be provided in the trench for all buried pipe. Backfill material shall be tamped in layers around the pipe and to a sufficient height above the pipe to adequately support and protect the pipe. Stones found in the trench shall be removed for a Depth >= 6 in below the bottom of the pipe. [Recommended Standards for Water Works 8.5.2] This requirement is applicable during the following months: All Year. Statistical basis: Not applicable.
L-2	Depth	All water lines shall be covered to a Depth >= 30 in to prevent freezing. [Recommended Standards for Water Works 8.5.3, 401 KAR 8:100 Section 1(7)] This requirement is applicable during the following months: All Year. Statistical basis: Minimum.
L-3	Diameter	All new and existing water lines serving fire hydrants or where fire protection is provided shall have Diameter >= 6 in. [Recommended Standards for Water Works 8.1.2] This requirement is applicable during the following months: All Year. Statistical basis: Minimum.
L-4	Distance	Water lines shall have a sufficient quantity of valves so that inconvenience and sanitary hazards will be minimized during repairs. A valve spacing Distance <= 1.0 mi should be utilized. [Recommended Standards for Water Works 8.2] This requirement is applicable during the following months: All Year. Statistical basis: Not applicable.
L-5	Distance	Hydrant drains shall not be connected to sanitary sewers or storm drains and shall be located a Distance > 10 ft from sanitary sewers and storm drains. [Recommended Standards for Water Works 8.3.4] This requirement is applicable during the following months: All Year. Statistical basis: Not applicable.
L-6	Distance	Except when not practical, water lines shall be laid a horizontal Distance >= 10 ft from any existing or proposed sewer. The distance shall be measured edge to edge. In cases where it is not practical to maintain a 10 foot separation, water lines may be installed closer to a sewer provided that the water lines shall be laid in a separate trench or on an undisturbed shelf located on one side of the sewer at such an elevation that the bottom of the water line is at least 18 inches above the top of the sewer. [Recommended Standards for Water Works 8.6.2] This requirement is applicable during the following months: All Year. Statistical basis: Not applicable.

PORT10 (continued):

Limitation Requirements:

Condition No.	Parameter	Condition
L-7	Distance	When water lines and sewers cross, 1) water lines shall be laid such that either a) the the top of the water line is a vertical Distance >= 18 in below the bottom of the sewer line or b) the bottom of the water line is a vertical Distance >= 18 in above the top of the sewer line, 2) 1 full length of the water pipe shall be located so that both joints of the water pipe will be as far from the sewer as possible, and 3) special structural support for the water and sewer pipes may be required. [Recommended Standards for Water Works 8.6.3] This requirement is applicable during the following months: All Year. Statistical basis: Not applicable.
L-8	Distance	The open end of an air relief pipe from automatic valves shall be extended a Distance >= 1.0 ft above grade and provided with a screened, downward-facing elbow. The pipe from a manually operated valve shall be extended to the top of the pit. Use of manual air relief valves is recommended wherever possible. [Recommended Standards for Water Works 8.4.2] This requirement is applicable during the following months: All Year. Statistical basis: Not applicable.
L-9	Pressure	Pipes shall not be installed unless all points of the distribution system remain designed for ground level Pressure >= 20 psi under all conditions of flow. [Recommended Standards for Water Works 8.1.1] This requirement is applicable during the following months: All Year. Statistical basis: Minimum.
L-10	Pressure	Pressure >= 30 psi must be available on the discharge side of all meters. [401 KAR 8:100 Section 4(2)] This requirement is applicable during the following months: All Year. Statistical basis: Instantaneous determination.
L-11	Residual Disinfection	New or relocated water lines shall be thoroughly disinfected (in accordance with AWWA Standard C651) upon completion of construction and before being placed into service. To disinfect the new or relocated lines use chlorine or chlorine compounds in such amounts as to produce an initial disinfectant concentration of at least 50 ppm and a Residual Disinfection >= 25 ppm at the end of 24 hours. Follow the line disinfection with thorough flushing and place the lines into service if, and only if, Coliform monitoring applicable to the line does not show the presence of Coliform. If Coliform is detected, repeat flushing of the line and Coliform monitoring. If Coliform is still detected, repeat disinfection and flushing as if the line has never been disinfected. Continue the described process until monitoring does not show the presence of Coliform. [401 KAR 8:150 Section 4(1), Recommended Standards for Water Works 8.5.6] This requirement is applicable during the following months: All Year. Statistical basis: Minimum.

PORT10 (continued):

Limitation Requirements:

Condition No.	Parameter	Condition
L-12	Velocity	Each blow-off or fire hydrant shall be sized so that Velocity >= 2.5 ft/sec can be achieved in the water main served by the blow-off or hydrant during flushing. [Recommended Standards for Water Works 8.1.6.b, 401 KAR 8:100 Section 1(7)] This requirement is applicable during the following months: All Year. Statistical basis: Minimum.

Monitoring Requirements:

Condition No.	Parameter	Condition
M-1	leaks	The presence or absence of leaks monitored by physical testing as needed shall be determined in all types of installed pipe. Pressure testing and leakage testing shall be in accordance with the latest edition of AWWA Standard C600. [Recommended Standards for Water Works 8.5.5] This requirement is applicable during the following months: All Year. Statistical basis: Instantaneous determination.

Narrative Requirements:

Additional Limitations:

Condition No.	Condition
T-1	Additional Limitations: Water line installation shall be in accordance with AWWA standards or manufacturer recommendations. [Recommended Standards for Water Works 8.5.1]
T-2	Additional Limitations: Pipes, fittings, valves and fire hydrants shall conform to the latest standards issued by the AWWA or NSF (if such standards exist). PVC and PE piping used must be certified to ANSI/NSF Standard 61. [Recommended Standards for Water Works 8.0.1]
T-3	Additional Limitations: At high points in water lines, where air can accumulate, provisions shall be made to remove the air by means of hydrants or air relief valves. Automatic air relief valves shall not be used in situations where manhole or chamber flooding may occur. [Recommended Standards for Water Works 8.4.1]

PORT10 (continued):

Narrative Requirements:

Additional Limitations:

Condition No.	Condition
T-4	Additional Limitations: All tees, bends, plugs and hydrants shall be provided with reaction blocking, tie rods or joints designed to prevent movement. [Recommended Standards for Water Works 8.5.4]
T-5	Additional Limitations: A fire hydrant or blow-off shall be required at the end of each dead end line. [Recommended Standards for Water Works 8.1.6]
T-6	Additional Limitations: For each fire hydrant, auxiliary valves shall be installed in the hydrant lead pipe. [Recommended Standards for Water Works 8.3.3]
T-7	Additional Limitations: No flushing device, blow-off, or air relief valve shall be directly connected to any sewer. Chambers, pits or manholes containing valves, blow-offs, meters, or other such appurtenances shall not be directly connected to any storm drain or sanitary sewer. Such chambers, pits or manholes shall be drained to absorptions pits underground or to the surface of the ground where they are not subject to flooding by surface water. [Recommended Standards for Water Works 8.1.6, Recommended Standards for Water Works 8.4.3]
T-8	Additional Limitations: If water lines are installed or replaced in areas of organic contamination or in areas within 200 ft of underground or petroleum storage tanks, ductile iron or other nonpermeable materials shall be used in all portions of the water line installation or replacement. [401 KAR 8:100 Section 1(5)(d)6, Recommended Standards for Water Works 8.0.2]
T-9	Additional Limitations: No water pipe shall pass through or come in contact with any part of a sewer manhole. [Recommended Standards for Water Works 8.6.6]
T-10	Additional Limitations: If a fire sprinkler system is to be installed, a double check detector assembly approved for backflow prevention shall be utilized. The double check detector assembly of the system shall be accessible for testing. [401 KAR 8:100 Section 1(7)]

GASTINEAU AND ASSOCIATES, Inc.
104 Barkley Estates
Nicholasville, KY 40356
Telephone/Fax (859) 887-5796

May 9, 2005

Ms. Donna Marlin, P.E., Manager
Drinking Water Branch
KY Division of Water
14 Reilly Road
Frankfort, KY 40601

re: Gallatin County Water District
KIA Tobacco Grant

Dear Ms. Marlin:

We are forwarding the following items related to the above referenced project for review by your staff.

1. Four sets of plans showing the proposed construction
2. Hydraulic calculations
3. Pipe2000 data CD for hydraulics submittal
4. Water line submittal checklist
5. Letter from the Owner

At this time we do not have any signed customers on these lines. The District is not accepting water service contracts until construction has started on these facilities.

Sincerely,

Ronald E. Gastineau, P.E.

enclosures

DEP7102
(10-20-95)

DRINKING WATER BRANCH
PLANS REVIEW SECTION
14 REILLY ROAD
FRANKFORT, KENTUCKY 40601

WATER LINE SUBMITTAL CHECKLIST

(For construction, modification, or replacement of devices used to collect, pump, or transport water.)

Project: KIA Tobacco Grant County: Gallatin

Utility: Gallatin County Water District PWSID#: 0390130

Address: 4200 highway 455
Sparta, KY 41086

Engineer: Gastineau and Associates, Inc. Phone: 859-887-5796
Address: 104 Barkley Estates Fax: 859-887-5796
Nicholasville, KY 40356

According to KRS 224.10-110, KRS 322.340, and 401 KAR 8:100, the submittal shall include the following as they apply:

X — 4 sets of detailed plans (no larger than 24" x 36") and specifications, including, but not limited to: vicinity map, size and material type for proposed mains, size and material type for existing mains that are to be tapped, storage facility data, stream crossing details, and scope of project.

X — Plans were prepared, stamped, signed and dated by a professional engineer.

None — Customer list with addresses on existing residences.

N/A — Fee. If project is being funded by a municipality, water district, or other publicly owned treatment works, then the fee is not applicable.

X — Letter of acceptance from utility. If utility is a purchaser and the project demand is greater than 10,000 gallons per day, acceptance letter from the seller is required.

X — Engineering calculations, hydraulic analysis anticipated water demand, etc.

X — Complies with "Recommended Standards for Water Works" 1992 edition (Ten States Standards).

X — Provide design and construction cost estimate for the drinking water portion of the project. $ 185,000

(#3) Phase I

Gallatin County Water District
4500 HWY. 455
Sparta, Ky. 41086
859-643-5200

April 2, 2001

Vicki Ray, Manager
Drinking Water Branch
Division of Water
14 Reilly Road
Frankfort, Ky. 40601

RE: Kentucky Speedway & Hwy.
1130 Connection-Sparta, Ky.

Dear Ms. Ray,

We have reviewed the plans as prepared by Gastineau & Associates for the above referenced project. We accept the plans and request that Gastineau & Associates submit them to your office for approval.

Should you have any questions please feel free to contact Water Superintendent, Morris Courtney, at the above telephone number.

Sincerely,

Denny French, Chairman
Gallatin County Water District

CC: Gastineau & Associates

GASTINEAU AND ASSOCIATES, Inc.
104 Barkley Estates
Nicholasville, KY 40356

Telephone/Fax (859) 887-5796

April 13, 2001

Ms. Vicki Ray, Manager
Drinking Water Branch
Division of Water
14 Reilly Road
Frankfort, KY 40601

re: Kentucky Speedway to KY
1130 Extension
Gallatin County Water District

Dear Ms. Ray;

The attached plans provide the details for an eight inch diameter water distribution line extending from an existing eight inch line at the Kentucky Speedway. This line can deliver 1150 GPM at its end with a residual pressure of at least 30 PSI.

Four sets of plans, a completed water line submittal checklist and a letter from the Owner are included for your review.

Sincerely,

Ronald E. Gastineau, P.E.

enclosures

cc: GCWD

JAMES E. BICKFORD
SECRETARY

PAUL E. PATTON
GOVERNOR

COMMONWEALTH OF KENTUCKY
NATURAL RESOURCES AND ENVIRONMENTAL PROTECTION CABINET
DEPARTMENT FOR ENVIRONMENTAL PROTECTION
FRANKFORT OFFICE PARK
14 REILLY RD
FRANKFORT KY 40601

April 23, 2001

Gallatin County Water District
East Main Street
Warsaw, Kentucky 41095

RE: DW #0390130-01-002
Water Line Extension
Speedway to KY 1130
Gallatin County, Kentucky

Dear Sirs:

We have reviewed the plans and specifications for the above referenced project. The plans include approximately 6600 feet of 8-inch DI water line. This is to advise that plans and specifications covering the above referenced subject are APPROVED with respect to sanitary features of design as of this date with the following stipulations:

1. Upon completion of construction, disinfection shall be strictly in accordance with the procedure designated in the State Regulations, which reads as follows:

   "A water distribution system, including storage distribution tanks, repaired portions of existing systems, or all extensions to existing systems, shall be thoroughly disinfected before being placed into service. A water distribution system shall disinfect with chlorine or chlorine compounds, in amounts as to produce a concentration of at least fifty (50) ppm and a residual of at least twenty-five (25) ppm at the end of 24-hours (24) and the disinfection shall be followed by a thorough flushing."

   New or repaired water distribution lines shall not be placed into service until bacteriological samples taken at the points specified in 401 KAR 8:150 Section 4 (2) are examined and are shown to be negative following disinfection.

2. If PVC piping is used, it must be NSF approved and manufactured in accordance with ASTM standards.

3. All dead end lines must be provided with a properly sized blow-off assembly, flush hydrant or fire hydrant for flushing purposes. Flushing devices should be sized to provide flows which will give a velocity of at least 2.5 feet per second in the water main being flushed. No flushing device shall be directly connected to any sewer.

4. A minimum pressure of 30 psi must be available on the discharge side of all meters. All water mains, including those not designed to provide fire protection, shall be sized after a hydraulic analysis based on flow demands and pressure requirements. The system shall be designed to maintain a minimum pressure of 20 psi (140 kPa) at ground level at all points in the distribution system.

5. Water mains shall be laid at least 10 feet horizontally from any existing or proposed sewer. A sewer is defined as any conduit conveying fluids other than potable water. The distance shall be measured edge to edge. In cases where it is not practical to maintain a 10 foot separation, this office may allow deviation on a case-by-case basis, if supported by data from the design engineer. Such deviation may allow installation of the water main closer to a sewer, provided that the water main is laid in a separate trench or on an undisturbed shelf located on one side of the sewer at such an elevation that the bottom of the water main is at least 18 inches above the top of the sewer. This deviation will not be allowed for force mains.

   Water mains crossing sewers shall be laid to provide a minimum vertical distance of 18 inches between the outside of the water main and the outside of the sewer. This shall be the case where the water main is either above or below the sewer. At crossings, one full length of the water pipe shall be located so both joints will be as far from the sewer as possible. Special structural support for the water and sewer pipes may be required.

6. At high points in water mains where air can accumulate provisions shall be made to remove the air by means of hydrants or air relief valves. Automatic air relief valves shall not be used in situations where flooding of the manhole or chamber may occur.

7. Water lines within a 200 foot radius of oil or gasoline lines, underground storage tanks, petroleum storage tanks or pumping stations shall be constructed of ductile iron pipe. Pipe joint materials which are resistant to permeation of the petroleum products shall be used within the 200 foot radius.

8. When this project is completed, the owner shall submit a written certification to the Division of Water that the above referenced water supply facilities have been constructed and tested in accordance with the approved plans and specifications and the above stipulations. Such certification shall be signed by a licensed professional engineer.

This approval has been issued under the provisions of KRS Chapter 224 and regulations promulgated pursuant thereto. Issuance of this approval does not relieve the applicant from the responsibility of obtaining any other approvals, permits or licenses required by this Cabinet and other state, federal and local agencies.

Unless construction of this project is begun within one year from the date of approval, the approval shall expire. If you have any questions concerning this project, please contact Solitha Dharman at 502/564-2225, extension 572.

Sincerely,

John S. Thomson

John S. Thomson, PE
Supervisor, Plan Review Section
DOW/Drinking Water Branch

JST:SWD:lm

Enclosures

C: Gastineau & Associates
Gallatin County Health Department
Florence Regional Office
Drinking Water Files

(#3) Phase II

JAMES E. BICKFORD
SECRETARY

PAUL E. PATTON
GOVERNOR

COMMONWEALTH OF KENTUCKY
NATURAL RESOURCES AND ENVIRONMENTAL PROTECTION CABINET
DEPARTMENT FOR ENVIRONMENTAL PROTECTION
FRANKFORT OFFICE PARK
14 REILLY RD
FRANKFORT KY 40601

August 5, 2002

Gallatin County Water District
PO Box 159
Warsaw, Kentucky 41095

RE: DW #0390130-02-003
Water Line Extension
KY 1130
Gallatin County, Kentucky

Dear Sirs:

We have reviewed the plans and specifications for the above referenced project. The plans include approximately 3,538 feet of 8-inch PVC water line. This is to advise that plans and specifications covering the above referenced subject are APPROVED with respect to sanitary features of design as of this date with the following stipulations:

1. Upon completion of construction, disinfection shall be strictly in accordance with the procedure designated in the State Regulations, which reads as follows:

   "A water distribution system, including storage distribution tanks, repaired portions of existing systems, or all extensions to existing systems, shall be thoroughly disinfected before being placed into service. A water distribution system shall disinfect with chlorine or chlorine compounds, in amounts as to produce a concentration of at least fifty (50) ppm and a residual of at least twenty-five (25) ppm at the end of 24-hours (24) and the disinfection shall be followed by a thorough flushing."

   New or repaired water distribution lines shall not be placed into service until bacteriological samples taken at the points specified in 401 KAR 8:150 Section 4 (2) are examined and are shown to be negative following disinfection.

2. If PVC piping is used, it must be NSF approved and manufactured in accordance with ASTM standards.

3. At high points in water mains where air can accumulate provisions shall be made to remove the air by means of hydrants or air relief valves. Automatic air relief valves shall not be used in situations where flooding of the manhole or chamber may occur.

4. Chlorinated water resulting from disinfection of treatment facilities and new, repaired, or extended distribution systems shall be disposed in a manner which will not violate 401 KAR 5:031.

5. When this project is completed, the owner shall submit a written certification to the Division of Water that the above referenced water supply facilities have been constructed and tested in accordance with the approved plans and specifications and the above stipulations. Such certification shall be signed by a licensed professional engineer.

This approval has been issued under the provisions of KRS Chapter 224 and regulations promulgated pursuant thereto. Issuance of this approval does not relieve the applicant from the responsibility of obtaining any other approvals, permits or licenses required by this Cabinet and other state, federal and local agencies.

Unless construction of this project is begun within one year from the date of approval, the approval shall expire. If you have any questions concerning this project, please contact Mike Riley, PE at 502/564-2225, extension 592.

Sincerely,

John S. Thomson, PE
Supervisor, Plan Review Section
DOW/Drinking Water Branch

JST:JMR:lm

Enclosures

C: Gastineau & Associates
Gallatin County Health Department
Public Service Commission
Florence Regional Office
Drinking Water files

GASTINEAU AND ASSOCIATES, Inc.
104 Barkley Estates
Nicholasville, KY 40356

Telephone/Fax (606) 887-5796

LETTER OF TRANSMITTAL

ATTENTION: Ms. Vicki Ray, Manager
Drinking Water Branch
Division of Water
Frankfort, KY

DATE: July 30, 2002

RE: Gallatin County Water District
KY 1130 Connection-Phase 2

The following is attached:

____ Prints ____ Shop Drawings X Plans ____ Specifications ____ Copy of Letter X Other

NO. COPIES	DRAWING NO.	DESCRIPTION
4		Plans
1		Water Line Submittal Checklist
1		Hydraulic calculations
1		Letter from Owner

REMARKS: For Review

cc: Gallatin Co. Water District

Signed _____
Ronald E. Gastineau, P.E.

File Copy No. 020603

DEP7102
(10-20-95)

DRINKING WATER BRANCH
PLANS REVIEW SECTION
14 REILLY ROAD
FRANKFORT, KENTUCKY 40601

WATER LINE SUBMITTAL CHECKLIST

(For construction, modification, or replacement of devices used to collect, pump, or transport water.)

Project: KY 1130 Connection-Phase 2 County: Gallatin

Utility: Gallatin County Water District PWSID#: 0390130

Address: P.O. Box 159
Warsaw, KY 40195

Engineer: Gastineau and Associates, Inc. Phone: 606 887-5796
Address: 104 Barkley Estates Fax: 606 887-5796
Nicholasville, KY 40356

According to KRS 224.10-110, KRS 322.340, and 401 KAR 8:100, the submittal shall include the following as they apply:

X — 4 sets of detailed plans (no larger than 24" x 36") and specifications, including, but not limited to: vicinity map, size and material type for proposed mains, size and material type for existing mains that are to be tapped, storage facility data, stream crossing details, and scope of project.

X — Plans were prepared, stamped, signed and dated by a professional engineer.

N/A — Customer list with addresses on existing residences.

N/A — Fee. If project is being funded by a municipality, water district, or other publicly owned treatment works, then the fee is not applicable.

X — Letter of acceptance from utility. If utility is a purchaser and the project demand is greater than 10,000 gallons per day, acceptance letter from the seller is required.

X — Engineering calculations, hydraulic analysis anticipated water demand, etc.

X — Complies with "Recommended Standards for Water Works" 1992 edition (Ten States Standards).

X — Provide design and construction cost estimate for the drinking water portion of the project. $ 26,380

Regina Stewart
PO Box 1005
Warsaw, KY 41095
859-567-5567
regina@whitehorserealtyky.com

February 06, 2007

Gallatin County Water District
Warsaw, KY 41095

Please be advised that we are very much interested in obtaining Gallatin County Water Services at our property located on KY 39.

Sincerely,

Regina Stewart

cc: William D. Stewart

Adams
STEPNER, WOLTERMANN & DUSING, PLLC

Dennis R. Williams
Attorney at Law
e: Dwilliams@aswdlaw.com
t: (859) 394-6200 f: (859) 392-7221

40 W. Pike Street, P.O. Box 861, Covington, KY 41012-0861 | 8100 Burlington Pike, Suite 342 P.O. Box 576, Florence, KY 41022-0576

Reply to: Covington

September 21, 2007

Stephen P. Huddleston
309 W. Main Street
P.O. Box 807
Warsaw, KY 41095

RE: Carroll County Water District, No. 1 v. Whitehorse Development Co. vs. Gallatin County Water District
Case No. 2007-00202

Dear Steve:

Here is the development information provided by my client which we believe answers the discovery propounded to you by the PSC.

Please call if you have any questions.

Sincerely,

ADAMS, STEPNER,
WOLTERMANN & DUSING, P.L.L.C.

Dennis R. Williams

DRW:smg
Enclosure

323237.1

a. The new commercial development consists of 51 acres on the north side of I-71 at exit 55 in Gallatin Co. KY. The property is split by KY 1039 with approximately 24 acres lying on the east side of KY 1039 and approximately 27 acres lying on the west side of KY 1039. (See Attached Plan). Whitehorse Development Group, LLC has been developing the east 24 acres over the course of the last 18 months. Whitehorse has sub-divided the property into two parcels: The first consisting of a 19 acre pad under contract to Loves Country Store. The second parcel consists of a 5 acre site that could stand alone for a hotel, restaurant or retail strip center, or be further subdivided for two smaller fast food type users. In addition to these parcels, Whitehorse has improved the right-of-way in front of the site and has petitioned the state to re-purchase this property with the intent of creating a third commercial pad. This pad would consist of approximately 2.5 acres. The attached letter from MTF engineering, Inc. outlines the water usage calculations for the Loves Country Store. In addition, we have included an estimate for the typical water needs of a 20,000 sq. ft. retail strip center as a potential user for the 5-acre pad. Please be aware that a hotel site could potentially require more gallons per hour at its peak than the retail center. These numbers indicate our IMMEDIATE needs. We have not received authorization from the State allowing us to re-purchase the right of way at this time, therefore, we would be unable to sell this parcel immediately, however, we could be granted approval at any time which would increase our immediate needs.
Whitehorse has not begun to develop the additional 27 acres on the west side of KY 1039, however the water needs will be very similar to the needs described above, once developed.

b. Whitehorse has substantially completed all work on the 24 acre site including rough grading, sanitary sewers and the water line up to within approximately 200 ft. of the Gallatin Co. 8" line. Whitehorse has scheduled an October 4th closing date on the 19-acre pad to Loves Country Store. Loves intends to begin construction of their facility in November 2007. NAI Bergman is currently marketing the additional developed acreage for immediate sale.

c. Whitehorse Development Group, LLC
495 Erlanger Rd.
Suite 201
Erlanger, KY 41018
Contact: Adam Chaney

d. Please see legal descriptions attached.

MTF ENGINEERING, INC.

September 21, 2007

Project: Loves Country Store
Plan Check #:
Project Address:
Subject: Water Usage Calculations

The following water usage calculation is an approximation only. The water usage calculation is based on the table "I-3" found in Appendix "I" of the Uniform Plumbing Code (1994 Edition). This table gives the same calculation method as that found in the Arizona Administrative Code section "Department of Environmental Quality – Water Pollution Control".

The Loves Country Store design has 7 truck bays, and 8 car bays. According to the tables mentioned above, the Uniform Plumbing Code would expect 1,000 gallons/day use for the first bay, and 500 gallons/day use for every additional bay. This would equal approximately 8,000 gallons per day.

Using 20% peak factors the maximum daily would equal approximately 9,600 gallons per day. The maximum hourly would equal approximately 400 gallons per hour. The maximum monthly would equal approximately 288,000 gallons per month.

After discussions with Loves this is very similar to what they would see on a similar size store.

Once again this is only an approximation, based on tables provided by the Uniform Plumbing Code (1994 Edition) and/or the Arizona Administrative Code.

1437 Health Center Parkway Yukon, Oklahoma 73099 Phone 405.265.2879 Fax 405.265.2879

MTF Engineering, Inc.

FIXTURE UNIT CALCULATIONS

FLUSH VALVES = 1, FLUSH TANKS = 2	1

PROJECT NAME: Love's Oakdale, WI
PROJECT NUMBER: 7012.0
DATE: 4/11/07

FIXTURE TYPE	QUANTITY	COLD WATER FIXTURE UNITS		HOT WATER FIXTURE UNITS		WASTE FIXTURE UNITS *		WATER GPM
		FU EACH	TOTAL FU	FU EACH	TOTAL FU	FU EACH	TOTAL FU	
BATHTUB OR COMBINATION BATH/SHOWER		3		3		2.0		
BATHTUB WITH 3/4" FILL VALVE		8		8		2.0		
BIDET		1		1		2.0		
CLOTHES WASHER, DOMESTIC	1	3	3	3	3	3.0	3	
DENTAL UNIT, CUSPIDOR		1		1		1.0		
DISHWASHER, DOMESTIC		1.5		1.5		2.0		
DRINKING FOUNTAIN OR WATERCOOLER		0.5		0		0.5		
FLOOR DRAIN - 1-1/2"		0		0		2.0		
FLOOR DRAIN - 2"	9	0		0		3.0	27	
FLOOR DRAIN - 3"	2	0		0		5.0	10	
FLOOR DRAIN - 4"		0		0		6.0		
FOOD WASTE GRINDER, COMMERCIAL		0		0		3.0		
HOSE BIBB	1	2.5	2.5	0		0.0		
HOSE BIBB, EACH ADDITIONAL	1	1	1	0		0.0		
LAVATORY	11	1	11	1	11	1.0	11	
SHOWER SINGLE HEAD, 2" DRAIN	5	1.5	7.5	1.5	7.5	2.0	10	
SHOWER MULTIPLE HEAD, EACH ADDITIONAL		1.5		1.5		1.0		
SINKS - BAR, PRIVATE		0.75		0.75		1.0		
SINKS - BAR, PUBLIC		1.5		1.5		2.0		
SINKS - CLINICAL		2.5		2.5		6.0		
SINKS - CLINICAL, FLUSH VALVE		8		0		8.0		
SINKS - COMMERCIAL, 1-1/2" OR 2" DRAIN		2.5		2.5		3.0		
SINKS - KITCHEN, DOMESTIC (INCL. DISPOSER)		1.5		1.5		2.0		
SINKS - LAUNDRY, INCLUDING CLOTHES WASHER		1.5		1.5		2.0		
SINKS - SERVICE OR MOP BASIN, 2" DRAIN		2.5		2.5		3.0		
SINKS - SERVICE OR MOP BASIN, 3" DRAIN	1	2.5	2.5	2.5	2.5	3.0	3	
SINKS - SERVICE, FLUSHING RIM		20		0		6.0		
SINKS - SPECIAL PURPOSE, 2" DRAIN		2.5		2.5		3.0		
SINKS - SPECIAL PURPOSE, 3" DRAIN		2.5		2.5		4.0		
SINKS - WASHUP, EACH SET OF FAUCETS		1.5		1.5		2.0		
URINAL, 1.0 GPF FLUSH VALVE	4	13.25	53	0		2.0	8	
URINAL, GREATER THAN 1.0 GPF FLUSH VALVE		0		0		2.0		
URINAL, FLUSH TANK		2		0		2.0		
WASHFOUNTAIN, 1-1/2" DRAIN		3		3		2.0		
WASHFOUNTAIN, 2" DRAIN		3		3		3.0		
WATER CLOSET - 1.6 GPF GRAVITY TANK		2.5		0		4.0		
WATER CLOSET - 1.6 GPF FLUSHOMETER TANK		2.5		0		4.0		
WATER CLOSET - 1.6 GPF FLUSH VALVE	13	15	195	0		4.0	52	
WATER CLOSET - GREATER THAN 1.6 GPF TANK		5.5		0		6.0		
WATER CLOSET - GREATER THAN 1.6 GPF VALVE		0		0		6.0		
KITCHEN EQUIPMENT - WATER GPM								0
TOTALS			275.5		24		124.0	110
			COLD WATER FU		HOT WATER FU		WASTE FU	WATER GPM

SOURCES: UPC; ASPE

Adam,

Unit A: water = 1120 gallons a day sewer = 920 gallons a day
Unit B: water = 1130 gallons a day sewer = 930 gallons a day
Unit C: water = 1800 gallons a day sewer = 1500 gallons a day
Unit D: water = 800 gallons a day sewer = 600 gallons a day

Typical office / retail = 400 gallons a day, sewer and water
(4400 s f)

Florist = 400 gallons a day, sewer and water
(900 s f)

The reason restaurants have less sewer capacity is because you don't count all of the consumed water.

Example: Penn Stations are small with no dishwasher, but they still use 350 gallons a day in a 1600 sf store. The interesting thing is that they have tracked it and they sell 125 - 150 gallons of beverages a day. That means their water usage is 350 and their sewer demand is about 200. Pretty significant percentage!

Customers stay longer in restaurants, which means more restroom use, but you would still count some of the water as consumed.

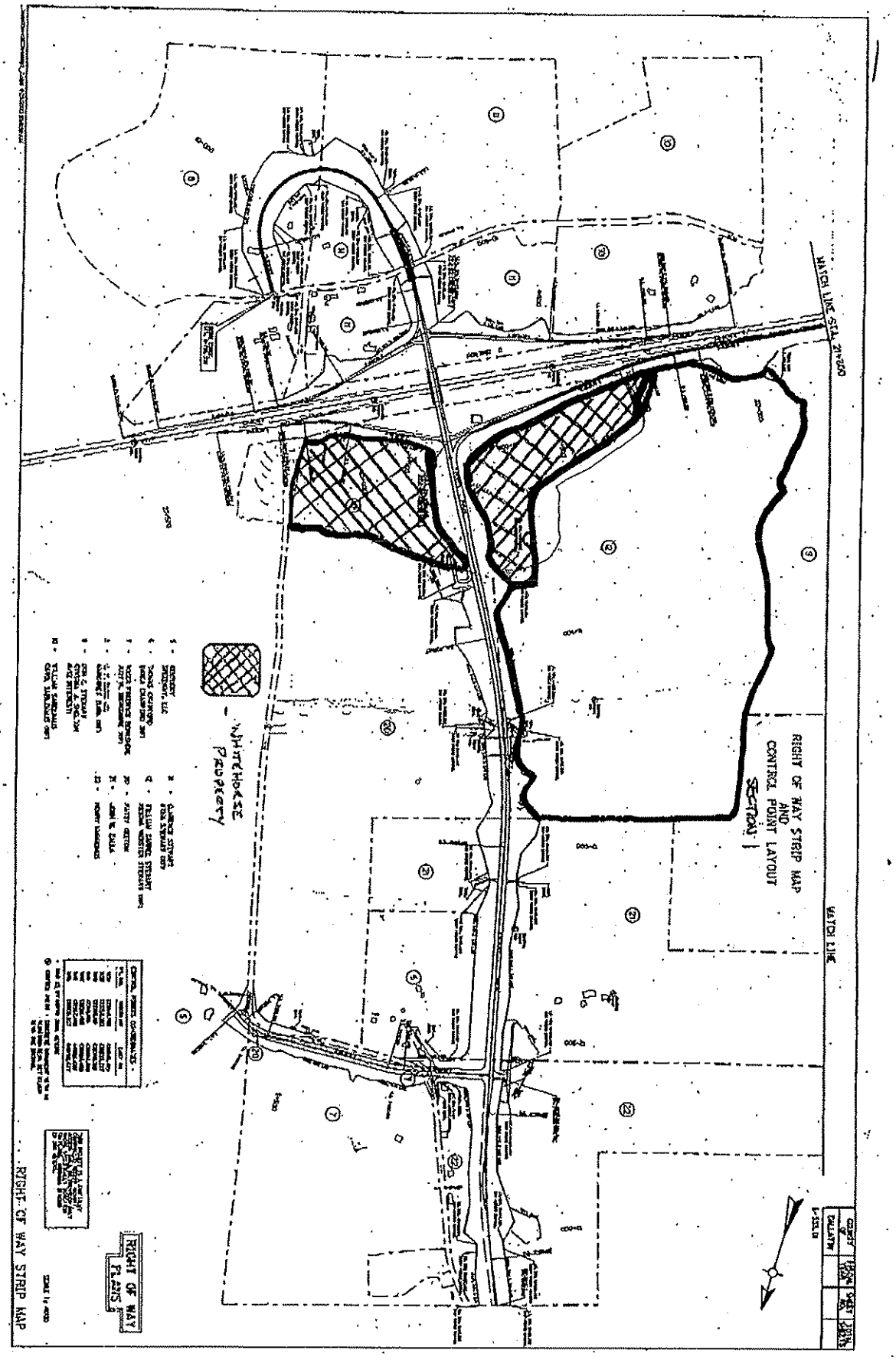
Now if the 4400 sf Office space becomes another restaurant, I would figure it like a full-service restaurant rather than a specialty place. That would raise that space from 12,000 a month to 54,000 a month.

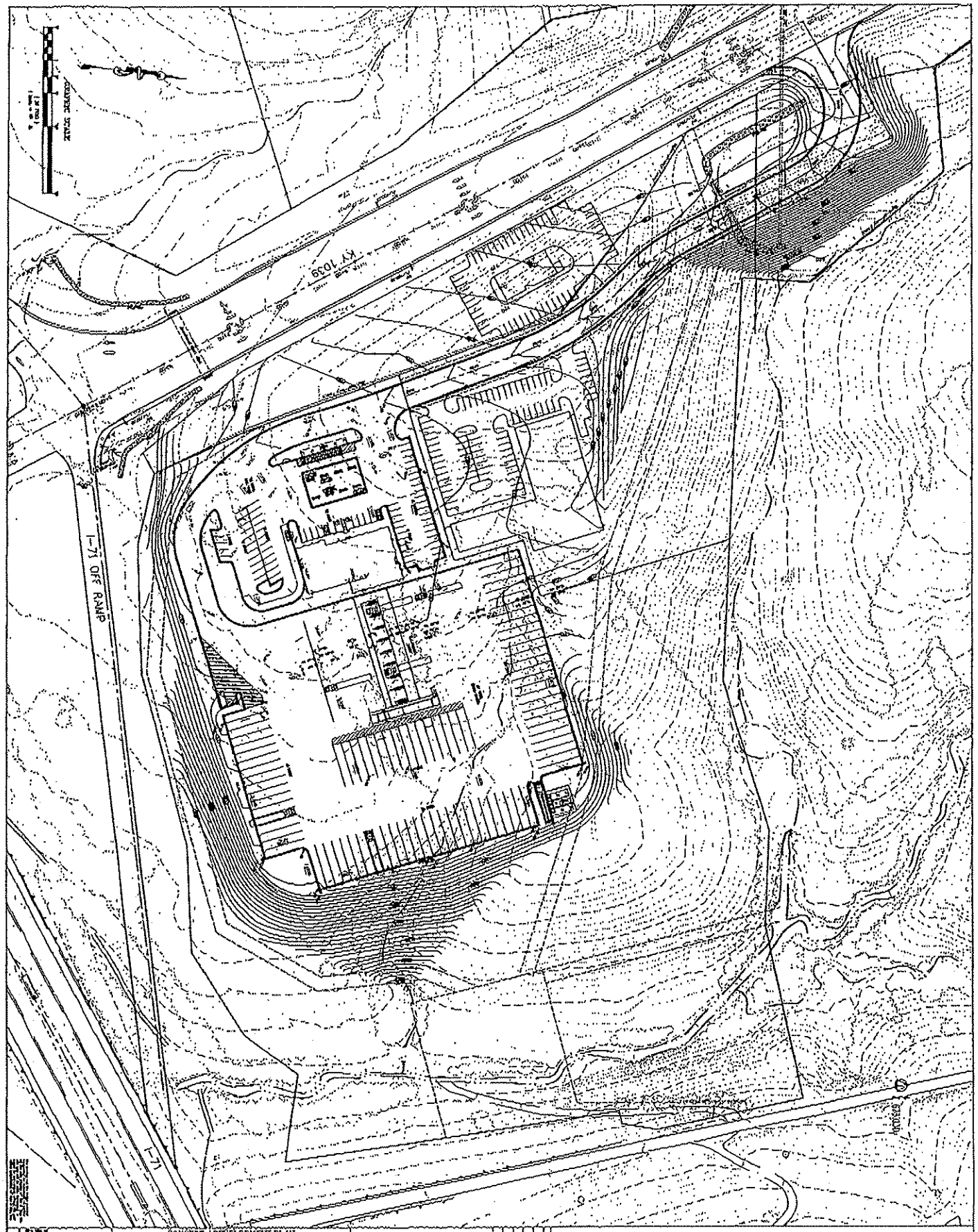
So, best case: 5650 gallons a day X 30 days = 169,500 gallons a month water. 4750 gallons a day X 30 days = 142,500 gallons a month sewer. Nothing figured for landscape water.

Worst case (no Office / retail use except florist): 7050 gallons a day X 30 days = 211,500 gallons a month water. 5850 gallons a day X 30 days = 175,500 gallons a month sewer. Nothing included for Landscape.

Drip irrigation is the best way to water landscape, but I really don't have a good feel for how much water we would use in the 2/3 acre landscape area.

Scot


MATCH LINE STA. 21+500
MATCH LINE
RIGHT OF WAY STRIP MAP
AND
CONTROL POINT LAYOUT
SECTION 1
WHITEHOUSE
PROPERTY
RIGHT OF WAY
PLANS
RIGHT-OF WAY STRIP MAP



CONCEPT / DEVELOPMENT PLAN
WHITE HORSE DEVELOPMENT
GALLATIN COUNTY, KENTUCKY

VIOX&VIOX

NOTES:
1. THE PURPOSE OF THIS PLAT IS TO CREATE TRACT 2
2. THIS PLAT IS SUBJECT TO EASEMENTS AND RESTRICTIONS WHETHER RECORDED OR NOT.

CERTIFICATE OF APPROVAL

Approved this 11 day of Sept 2007
Invalid if not recorded before this date which is 90 days after approval.
By _____
Warsaw, Glencoe, & Gallatin County Planning Commission

Approved subject to attached certificates.
Special requirement (s) _____
Docket Number _____

COUNTY CLERK'S CERTIFICATION

I, TRACY MILES, Gallatin County Clerk certify that this Minor Plat was presented to me in Gallatin County on this 19 day of Sept 2007, at 3:20 P.M. and made a part of this office.
TRACY MILES
Gallatin County Clerk

OWNER'S CERTIFICATION also Deed 91/639

I (we) hereby certify that I am (we are) the owner(s) of record of the property shown and described hereon which is recorded in Deed Book 085 Page 239 in Warsaw Kentucky and do hereby adopt this plan of lots for this property, and do hereby dedicate the streets and any other spaces as indicated to public use, and do establish and reserve the easements indicated for public use, and do establish and reserve the easements indicated to public utility and drainage purposes.

9-19-07 _____ MEMBER
Date Owner & Title

STATE OF KENTUCKY NOTARY PUBLIC
COUNTY of GALLATIN, SCT.
Subscribed and sworn before me by
9-19-07 _____ DC
Date Owner & Title
this 19 day of Sept 2007 Notary Public My Commission Expires 11-16-10

CERTIFICATION OF APPROVAL OF SEWER SYSTEMS

I hereby certify that the sewage disposal systems installed or proposed for installation in this site fully meet the requirements of the Commonwealth of Kentucky and the Gallatin County Health Department and are hereby approved as shown.

N/A
Gallatin County Health Dept. Date

CERTIFICATION OF APPROVAL OF WATER SYSTEMS

I hereby certify that the water supply installed or proposed for installation in this site fully meet the requirements of the Commonwealth of Kentucky and the Gallatin County Water Department and are hereby approved as shown.

9-19-07
Gallatin County Water Dept. Date

CERTIFICATION OF APPROVAL OF SEWER SYSTEMS

I hereby certify that the utilities installed or proposed for installation in this site fully meet the requirements of the Commonwealth of Kentucky and the Carrollton Utilities and are hereby approved as shown.

9-19-07
Carrollton Utilities Date

Land Surveyor's Certificate

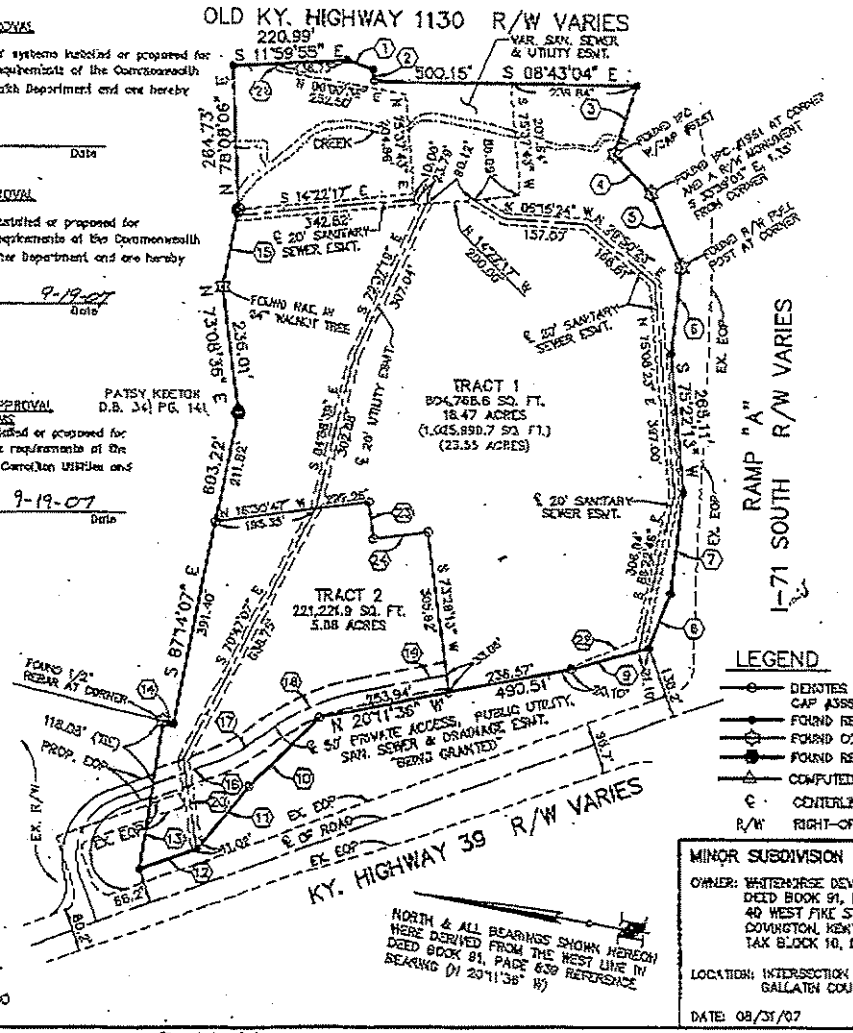
STATE of KENTUCKY BRIAN K. FITZGIBBON 3664 LICENSED PROFESSIONAL LAND SURVEYOR

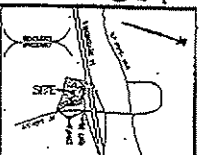
I hereby certify that the survey depicted by this plat was performed by persons under my direct supervision by the method of random traverse with attributes and the unadjusted precision ratio of the traverse exceeds 1:10,000. The bearings, distances and traverse shown hereon were adjusted for closure. This survey meets or exceeds the minimum standards for a class "A" survey as established by the state of Kentucky, per 201 KAR 18.150 and in effect on the date of this survey.

9-14-07
BRIAN K. FITZGIBBON PLS. NO. 3664 DATE

MINDEL, SCOTT & ASSOCIATES, INC.
PLANNING • ENGINEERING • SURVEYING
LANDSCAPE ARCHITECTURE
5151 JEFFERSON BOULEVARD
Louisville, Kentucky 40219
(502) 485-1509

GRAPHIC SCALE 1"=200'
0 100 200 400





BEARINGS & DISTANCES

1	S 09°37'53" W	53.24'
2	S 77°37'11" W	19.97'
3	N 81°29'28" W	133.10'
4	S 36°00'04" W	98.13'
5	S 57°18'00" W	147.20'
6	S 67°32'48" W	159.64'
7	S 68°05'53" W	194.22'
8	N 77°42'05" W	110.49'
9	N 24°37'10" W	154.55'
10	N 52°07'46" W	186.58'
11	N 56°10'14" W	151.42'
12	S 25°15'37" W	118.20'
13	S 89°34'18" E	276.66'
14	S 05°54'03" W	19.95'
15	S 87°18'53" E	141.76'
16	S 28°16'11" E	124.83'
17	S 37°07'34" E R=318.25'	93.00'
18	S 32°38'21" E R=471.78'	216.94'
19	S 20°11'36" E	185.35'
20	N 71°48'04" E	266.02'
21	N 77°57'23" E	13.19'
22	S 31°24'50" E	153.81'
23	S 73°29'36" W	71.59'
24	S 16°30'47" E	103.16'

LEGEND

- DENOTES SET 1/2" REBAR W/ CAP #3664, UNLESS NOTED OTHERWISE.
- FOUND REBAR WITH CAP #1261
- FOUND CORNER AS NOTED
- FOUND REBAR WITH CAP #1989
- COMPUTED UNMARKED POINT
- ℄ CENTERLINE
- R/W RIGHT-OF-WAY

MINOR SUBDIVISION PLAT

OWNER: WATERHORSE DEVELOPMENT GROUP, LLC.
DEED BOOK 91, PAGE 639
40 WEST PIKE STREET
COVINGTON, KENTUCKY 41011
TAX BLOCK 10, LOT 30, SUBLOT 01

LOCATION: INTERSECTION OF I-71 & KY. HWY 39
GALLATIN COUNTY, KENTUCKY

DATE: 08/31/07 SCALE: 1"=200'

Sheet 1 of 1

JOB NO: 2463-MP1

Exhibit "A"

DEED DESCRIPTION

PROPERTY TO BE CONVEYED

PARCEL A & B 23.549 ACRES

Being all remaing property lying on the East side of Ky. No. 39 and being North of I-71 right-of-way and being West of Old Ky. No. 1130, and South of Patsy Keeton property as recorded in Deed Book No. 85, pg. 239 at the Gallatin County Clerk's Office in Warsaw, Kentucky and being more particularly described as follows:

Beginning at the true point of beginning an Iron Pin set in the North right-of-way of I-71 and Ramp A of I-71 and being the West right-of-way of Old Ky. No. 1130, (reference said set Iron Pin being South eighty degrees forty eight minutes twenty five seconds West (S 80°48'25" W), a distance of eighty nine and 56/100 (89.56) feet from a P. K. Nail in the center of Old Ky. No. 1130 and also being Southwest 66.34 feet from Pull Post as shown on plat); thence leaving the West right-of-way of Old Ky. No. 1130 and along the North right-of-way of I-71 Ramp A as it meanders North eighty one degrees twenty four minutes thirty seconds West (N 81°24'30" W), a distance of one hundred thirty three and 31/100 (133.31) feet to an Iron Pin Found; thence with same South thirty five degrees fifty minutes fifty nine seconds West (S 35°50'59" W), a distance of ninety nine and 16/100 (99.16) feet to an Iron Pin set 0.71 feet Northwest of a Concrete Right-of-way Marker; thence with right-of-way fence and North right-of-way of I-71 South fifty seven degrees twenty four minutes twenty three seconds West (S 57°24'23" W), a distance of one hundred forty seven and 40/100 (147.40) feet to a point on concrete base of Pull Post being 0.25 feet Northwest of existing Pull Post; thence with same South eighty seven degrees thirty minutes thirty seven seconds West (S 87°30'37" W), a distance of one hundred fifty nine and 57/100 (159.57) feet to an Iron Pin being 1.88 feet Northwest of existing Pull Post; thence leaving right-of-way fence South seventy five degrees nineteen minutes fifty eight seconds West (S 75°19'58" W), a distance of two hundred sixty five and 17/100 (265.17) feet to an Iron Pin being 24.09 feet South of existing right-of-way fence; thence with said right-of-way South eighty eight degrees nine minutes fifty one seconds West (S 88°09'51" W), a distance of one hundred ninety four and 21/100 (194.21) feet to an Iron Pin being 0.83 feet Northwest of existing Pull Post with fence; thence with I-71 right-of-way and fence as shown on plat North seventy seven degrees forty minutes fifty two seconds West (N 77°40'52" W), a distance of one hundred ten and 49/100 (110.49) feet to an Iron Pin being 1.09 feet Northeast of existing Pull Post and the East right-of-way of Ky. No. 39; thence leaving the North right-of-way of I-71 and along the East right-of-way of Ky. No. 39 as it meanders North twenty four degrees thirty seven minutes ten seconds West (N 24°37'10" W), a distance of one hundred fifty four and 52/100 (154.52) feet to an Iron Pin Set being 68.42 feet Northeast of Power Pole; thence with same North twenty degrees eleven minutes thirty six seconds West (N 20°11'36" W), a distance of four hundred ninety and 43/100 (490.43) feet to an Iron Pin being 3.85 feet Northeast of Pull Post; thence with same North fifty two degrees seven minutes forty six seconds West (N 52°07'46" W), a distance of one hundred eighty six and 55/100 (186.55) feet to an Iron Pin being 1.06 feet

Southeast of Pull Post; thence with same North fifty eight degrees ten minutes eleven seconds West (N 58°10'11" W), a distance of one hundred fifty one and 39/100 (151.39) feet to an Iron Pin being 1.22 feet Northeast of Pull Post; thence with same North twenty eight degrees sixteen minutes five seconds West (N 28°16'05" W), a distance of one hundred eighteen and 18/100 (118.18) feet to an Iron Pin set in the new division line of right-of-way for entrance to Parcel being described (being Northwest 10.25 feet from original property line of Keeton and Stewart as shown on plat said Iron Pin also being Southeast 68.74 feet from a Pull Post at new entrance to said parcel described as shown on plat) ; thence leaving the East right-of-way of Ky. No. 39 and along the right-of-way for entrance to described parcel South eighty nine degrees thirty three minutes fifty seconds East (S 89°33'50" E), a distance of two hundred seventy six and 80/100 (276.80) feet to a point at base of concrete Pull Post being 0.90 feet Southeast of Pull Post; thence leaving said right-of-way for entrance South four degrees six minutes fifty seconds West (S 04°06'50" W), a distance of twenty (20.00) feet to an Iron Pin set in the original property line of Keeton and Stewart; thence with line of Keeton (D. B. 34, pg. 141.) South eighty seven degrees fourteen minutes thirty three seconds East (S 87°14'33" E), a distance of six hundred three and 19/100 (603.19) feet to an Iron Pin Found; thence with same North seventy three degrees ten minutes twenty nine seconds East (N 73°10'29" E), a distance of two hundred thirty five and 98/100 (235.98) feet to a nail in 18" Walnut tree; thence with same South eighty seven degrees twenty three minutes twelve seconds East (S 87°23'12" E), a distance of one hundred forty one and 77/100 (141.77) feet to an Iron Pin Found by 36" Oak tree being 10.05 feet Southwest of existing fence Post; thence with same North seventy eight degrees seven minutes forty one seconds East (N 78°07'41" E), a distance of two hundred sixty Four and 61/100 (264.61) feet to an Iron Pin set being South seventy eight degrees seven minutes forty one seconds West (S 78°07'41" W), a distance of five and 68/100 (5.68) feet from an Iron Pin Found near right-of-way of Old Ky. No. 1130; thence leaving Keeton property line and along the West right-of-way of Old Ky. No. 1130 South twelve degrees two minutes fifty seconds East (S 12°02'50" E), a distance of two hundred twenty one and 3/100 (221.03) feet to an Iron Pin set; thence with same South nine degrees forty five minutes twenty eight seconds West (S 09°45'28" W), a distance of fifty three and 85/100 (53.85) feet to an Iron Pin set; thence with same South seventy seven degrees fifty seven minutes two seconds West (S 77°57'02" W), a distance of twenty (20.00) feet to an Iron Pin set; thence with same South eight degrees forty three minutes twenty one seconds East (S 08°43'21" E), a distance of five hundred and 19/100 (500.19) feet to an Iron Pin and the true point of beginning; and containing twenty three and 55/100 (23.5497) acres, or one million twenty five thousand eight hundred twenty four and 73/100 (1025824.72901) square feet being subject to legal right-of-ways and legal easements on record and/or in existence, according to survey prepared by Joseph B. Mylor LSFSC LS No. 1961, dated 06/03/03.

DEED DESCRIPTION

PROPERTY TO BE CONVEYED

PARCEL 1 & 2 (C & D) 27.018 ACRES WITH AN ENTRANCE TO BE BUILT BY DEVELOPER ON TO KY. NO. 39 ON THE WEST SIDE OF KY. NO. 39 AT STATION 11+317 METERS (190.6 FEET WEST OF CENTER) TO STATION 11+343 METERS (231.33 FEET WEST OF CENTER) AS SHOWN OF SHEET 11 OF 55 ITEM NO.6-333.0

Being all of Parcel 1 & 2 and being C & D as recorded in M. B. 100, pg. 407 at the Gallatin County Clerk's Office in Warsaw, Kentucky and lying North of I-71 and North of Ramp D to I-71 from Ky. No. 39 also being West of Ky. No. 39 in Gallatin County and being more particularly described as follows:

Beginning at the true point of beginning an Iron Pin set at the West side of Ky. No. 39 right-of-way and the Northeast right-of-way of Ramp D (reference being 2.96 feet Northeast of existing Pull Post of right-of-way fence); thence leaving the West right-of-way of Ky. No. 39 and along the North right-of-way of Ramp D of I-71 South twenty six degrees eight minutes fifteen seconds West (S 26°08'15" W), a distance of three hundred twenty nine and 17/100 (329.17) feet to an Iron Pin set (reference Iron Pin being 0.91 feet North of Pull Post of right-of-way fence of I-71 Ramp D); thence with same South fifty six degrees thirteen minutes forty four seconds West (S 56°13'44" W), a distance of two hundred thirty seven and 67/100 (237.67) feet to an Iron Pin 0.91 feet on the North side of Pull Post of right-of-way of I-71; thence with same South forty one degrees thirty three minutes forty nine seconds West (S 41°33'49" W), a distance of two hundred seventy one and 90/100 (271.90) feet to an Iron Pin being 0.71 feet North of Pull Post of existing right-of-way fence of I-71; thence with same South forty nine degrees forty nine minutes forty three seconds West (S 49°49'43" W), a distance of eight hundred twenty nine and 85/100 (829.85) feet to an Iron Pin being 3.59 feet Northeast of Pull Post of right-of-way fence of I-71; thence with same South sixty two degrees forty five minutes forty two seconds West (S 62°45'42" W), a distance of one hundred thirty eight and 97/100 (138.97) feet to an Iron Pin set in the North right-of-way of I-71 and being the new division line of Regina Stewart (D. B. 86, pg. 739) said Iron Pin being North sixty two degrees twenty seven minutes twenty five seconds East (N 62°27'25" E), a distance of thirty eight and 1/100 (38.01) feet from a Pull Post as shown on plat; thence leaving the North right-of-way of I-71 and along new division line of Stewart crossing an existing Pond as shown on plat North thirty seven degrees fifteen minutes forty one seconds West (N 37°15'41" W), a distance of five hundred five and 31/100 (505.31) feet to an Iron Pin set; thence with another new division line of Stewart and passing by the South side of a existing Billboard sign 9.04 feet as shown on plat North forty nine degrees forty nine minutes thirty one seconds East (N 49°49'31" E), a distance of one thousand three hundred twenty five and 3/100 (1325.03) feet to an Iron Pin set; thence with said Stewart new division line North eleven degrees two minutes thirty five seconds West (N 11°02'35" W), a distance of three hundred ninety six and 71/100 (396.71) feet to an Iron Pin set; thence with same North twenty eight degrees thirty three minutes twenty six seconds West (N 28°33'26" W), a distance of

four hundred twenty nine and 60/100 (429.60) feet to an Iron Pin set; thence with same North fifty nine degrees thirty six minutes forty two seconds East (N 59°36'42" E), a distance of two hundred twenty three and 56/100 (223.56) feet to an Iron Pin Found in the West right-of-way of Ky. No. 39 being 0.96 feet Southwest of Pull Post of right-of-way fence; thence leaving the division line of Stewart and along the West right-of-way of Ky. No. 39 as it meanders South fifty three degrees forty two minutes fourteen seconds East (S 53°42'14" E), a distance of three hundred five and 46/100 (305.46) feet to a point on concrete base of Pull Post of 0.51 feet Northwest of said Pull Post (as described at top of description an entrance to be built by developer beginning 138.09 feet Northwest back on last described line as the South side of entrance and being 94.48 feet more Northwest being the width of entrance at the most North end, entrance as shown on plat, sign off by KDOT); thence with same South ten degrees eleven minutes thirteen seconds East (S 10°11'13" E), a distance of one hundred sixty nine and 12/100 (169.12) feet to an Iron Pin set being 0.99 feet Northwest of Pull Post of right-of-way fence; thence with same the West right-of-way of Ky. No. 39 South forty degrees nineteen minutes ten seconds East (S 40°19'10" E), a distance of two hundred ninety eight and 57/100 (298.57) feet to an Iron Pin being 0.47 feet Southwest of Pull Post of right-of-way fence; thence with same South thirty degrees thirteen minutes thirty nine seconds East (S 30°13'39" E), a distance of three hundred eighty four and 8/100 (384.08) feet to an Iron Pin and the true point of beginning; and containing twenty seven and 2/100 (27.01858) acres, or one million one hundred seventy six thousand nine hundred twenty nine and 47/100 (1176929.46814) square feet being subject to legal right-of-ways and legal easements on record and/or in existence, according to survey prepared by Joseph B. Mylor LSPSC LS No. 1961, dated 06/03/03.

WHITEHORSE DEVELOPMENT GROUP, LLC
495 Erlanger Rd. Suite 201A Erlanger, KY 41018

Mr. Denny French
Gallatin Co. Water Dist.
Gallatin County, KY
200 Washington Street
Warsaw, KY 41095

01/30/07

Dear Mr. French:

As we discussed recently, our development continues to move forward. As a result, Whitehorse Development Group, LLC would like to request Gallatin County Water District extend its existing 8" water main to our property line at the intersection of I-71 and KY 1039. We feel that this small investment on the part of Gallatin County Water to extend the main to our property line will pay for itself in a very short period of time based on the anticipated needs of our potential users. Thank you in advance for your consideration and we look forward to working with you on this project.

Sincerely,

Adam Chaney
Chaney Land Developers, LLC
Member
Whitehorse Development Group, LLC

Regina Stewart
PO Box 1005
Warsaw, KY 41095
859-567-5567
regina@whitehorserealtyky.com

February 06, 2007

Gallatin County Water District
Warsaw, KY 41095

Please be advised that we are very much interested in obtaining Gallatin County Water Services at our property located on KY 39.

Sincerely,

Regina Stewart

cc: William D. Stewart

wilson jones.

www.wilsonjones.com