

COMMONWEALTH OF KENTUCKY

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BEFORE THE PUBLIC SERVICE COMMISSION

PUBLIC SERVICE  
COMMISSION

In the Matter of:

JOINT APPLICATION OF R.A. WILLIAMS )  
CONSTRUCTION COMPANY, INC., )  
AND CEDARBROOK UTILITIES, LLC )  
FOR APPROVAL OF THE TRANSFER OF )  
WASTEWATER TREATMENT PLANT TO )  
CEDARBROOK UTILITIES, LLC )

Case No. 2008- 00040

**JOINT APPLICATION FOR APPROVAL OF TRANSFER**

Pursuant to KRS 278.020(4), R.A. Williams Construction Company, Inc., and Cedarbrook Utilities, LLC, hereby submit to the Public Service Commission of Kentucky ("Commission") this application for the transfer of the Wastewater Treatment Plant and collection system serving the Cedarbrook Subdivision in Cynthiana, Harrison County, Kentucky, to Cedarbrook Utilities, LLC in accordance with the Asset Purchase Agreement executed by the Joint Applicants, a copy of which is attached hereto as Exhibit A. In support of their application, R.A. Williams Construction Company, Inc., and Cedarbrook Utilities, LLC, state the following.

1. R.A. Williams Construction Company, Inc., the Seller under the Agreement, is a Kentucky Corporation in good standing, with its principal place of business at 153 Prosperous Place, Suite 1A, Lexington, Kentucky 40509. A copy of the Articles of Incorporation of R.A. Williams Construction Company, Inc., is attached hereto as Exhibit B. R.A. Williams Construction Company, Inc., is subject to Commission jurisdiction under KRS 278.010(3)(f). Ron Osborne is the President of R.A. Williams Construction Company, Inc., and has been duly authorized to execute this joint application on behalf of the corporation. A copy of the resolution of the Board of Directors of R.A. Williams Construction Company, Inc., authorizing the execution of the Agreement transferring the assets of the Cedarbrook Wastewater Treatment Plant and related

assets to Cedarbrook Utilities, LLC, and this Joint Application is attached hereto as Exhibit C.

2. Cedarbrook Utilities, LLC, is the purchaser under the Agreement, and its address is 1706 Bardstown Road, Louisville, Kentucky 40205. Cedarbrook Utilities, LLC, is a Kentucky Limited Liability Company in good standing. A copy of the Articles of Organization of Cedarbrook Utilities, LLC, is attached hereto as Exhibit D. Cedarbrook Utilities, LLC, is a private utility subject to Commission jurisdiction under KRS 278.010(3)(f). Marty Cogan, a member of Cedarbrook Utilities, LLC, is duly authorized to execute this Joint Application on behalf of the limited liability company.

3. The sewer system owned by R.A. Williams Construction Company, Inc., serves approximately 54 single family residences and no multi-family residences in Cedarbrook Subdivision, Cynthiana, Harrison County, Kentucky. There are no commercial connections to the subject wastewater treatment plant.

4. Under the Agreement, R.A. Williams Construction Company, Inc., will sell to Cedarbrook Utilities, LLC, all of the assets making up the wastewater treatment plant and the collection system currently serving the Cedarbrook Subdivision located in and around Cynthiana, Harrison County, Kentucky. The assets purchased by Cedarbrook Utilities, LLC, are described more fully in the Agreement, but include the Cedarbrook Subdivision wastewater treatment plant, the wastewater collection system, force main, easements, and the real property upon which the wastewater treatment plant is located.

Cedarbrook Utilities, LLC, will have the obligation to provide utility services in connection with the operation of the sewer business after the closing. The closing under the Agreement will occur within seven (7) days after receipt of the approval of this Application for Transfer by the Public Service Commission.

5. The Cedarbrook Subdivision wastewater treatment plant is a below grade package sewage

treatment plant. It was constructed in the late 1970's or early 1980's and currently serves 54 single family residences and no multi-family residences in Cynthiana, Harrison County, Kentucky. The design treatment capacity of the Cedarbrook Subdivision wastewater treatment plant is 25,000 gallons per day. The plant is an extended aeration activated sludge plant permitted by the Kentucky Environmental and Public Protection Cabinet (Exhibit E) and services a collection system composed of gravity sewer lines, force main, manholes and one pump station. The treated effluent is discharged into an unnamed tributary to Townsend Creek. The plant currently meets the requirements of its KPDES discharge permit issued by the Kentucky Division of Water.

6. Cedarbrook Utilities, LLC, has the requisite financial, technical and managerial ability to operate the subject wastewater treatment plant and collection system and to provide reasonable service to the wastewater customers of Cedarbrook Utilities, LLC. Cedarbrook Utilities, LLC, has the necessary technical ability to operate the subject wastewater treatment plant.

Mr. Cogan and Lawrence Smither both have substantial experience in the operation of wastewater treatment plants. Mr. Cogan has participated in the operation of a number of wastewater treatment plants located in the Commonwealth of Kentucky over the last twenty (20) years. Mr. Cogan has a Master's Degree in Environmental Engineering from the University of Louisville's Speed Scientific School. Mr. Smither, who is licensed by the Commonwealth of Kentucky as a wastewater treatment plant operator, has extensive experience in wastewater treatment plant operation and design, and has operated package wastewater treatment plants in Kentucky for over thirty (30) years. A copy of Mr. Smither's current Kentucky wastewater treatment operator's license is attached as Exhibit F.

Cedarbrook Utilities, LLC, has the necessary managerial ability to operate the subject wastewater treatment plant, as Mr. Cogan and Mr. Smither own Airview Estates, LLC, the owner and operator of the Airview Estates WWTP, and Brocklyn Utilities, LLC, the owner and operator

of the Brocklyn Subdivision WWTP. Mr. Cogan and Mr. Smither previously owned and operated the Covered Bridge Utilities WWTP and the Glenview Utilities WWTP located in Jefferson County, Kentucky. The Covered Bridge Utilities wastewater treatment plant was sold to the Oldham County Sewer District in 2000. The Glenview Utilities WWTP was sold to the Louisville and Jefferson Metropolitan Sewer District. Mr. Cogan and Mr. Smither have assisted with the management of a number of wastewater treatment plants owned by Mr. Carroll F. Cogan, including the following wastewater treatment plants: Countryside, Willow Creek, Orchard Grass, Hunter's Hollow, Bullitt Hills, Brentwood and Farmdale. Furthermore, since July of 2005, Mr. Smither, as a Member of Covered Bridge Utilities, LLC, has operated the subject wastewater treatment plant for R.A. Williams Construction Company, Inc.

7. In lieu of a third party beneficiary agreement, Cedarbrook Utilities, Inc., is working to obtain the issuance of an Irrevocable Standby Letter of Credit issued by Old National Bank, and the original of same will be submitted to the Commission upon its receipt.

8. The proposed transfer of the assets of the Cedarbrook Subdivision Wastewater Treatment Plant by R.A. Williams Construction Company, Inc., to Cedarbrook Utilities, LLC, will be accomplished in accordance with law, for a proper purpose and, consistent with the public interest:

(a) On or before closing, Cedarbrook Utilities, LLC, will have all necessary permits for the operation of the Cedarbrook Subdivision Wastewater Treatment System. (b) The public interest would be served by the transfer of the sewer business to Cedarbrook Utilities, LLC, as it has the technical expertise to operate the system in accordance with the requirements of the Kentucky Public Service Commission and the Kentucky Division of Water and will obtain the issuance of an Irrevocable Standby Letter of Credit. As stated in Paragraph 6 above, Cedarbrook Utilities, LLC, has the requisite ability to provide adequate sewer services to the residents of the

Cedarbrook Subdivision in Harrison County consistent with the public interest.

9. Cedarbrook Utilities, LLC, will file a Notice of Adoption as described in 807 KAR 5:011.

(See Exhibit H).

10. The journal entry of Cedarbrook Utilities, LLC proposes to make to record the transfer will be provided.

WHEREFORE, the undersigned Joint Applicants respectfully request the Public Service Commission to issue an Order finding that Cedarbrook Utilities, LLC, has the financial, technical, and managerial abilities to provide reasonable service to the wastewater customers of Cedarbrook Subdivision, which includes the Cedarbrook Subdivision Wastewater Treatment System; that the proposed transaction is in accordance with law, is for a proper purpose, and is consistent with the public interest; and that the proposed transfer of the sewer business by R.A. Williams Construction Company, Inc., to Cedarbrook Utilities, LLC, is authorized and approved.

Respectfully submitted,

R.A. WILLIAMS CONSTRUCTION  
COMPANY, INC.

  
\_\_\_\_\_  
Ron Osborne, President

Date: 1-31-08

CEDARBROOK UTILITIES, LLC

  
\_\_\_\_\_  
Lawrence Smither, Member

Date: 2/1/08

STATE OF KENTUCKY )  
 )  
COUNTY OF FAYETTE )

Signed and sworn to before me by Ron Osborne, as President of R.A. Williams Construction Company, Inc., this the 31 day of JAN, 2008.

My commission expires: 5/16/09

  
Notary Public

STATE OF KENTUCKY )  
 )  
COUNTY OF Franklin )  
~~JEFFERSON~~ )

Signed and sworn to before me by Lawrence Smither, as a Member of Cedarbrook Utilities, LLC, this the 1st day of February, 2008.

My commission expires: 2-23-11

  
NOTARY PUBLIC

**ASSET PURCHASE AGREEMENT**

This is an Asset Purchase Agreement ("Agreement") dated as of the 25<sup>th</sup> day of January, 2008, by and between R.A. Williams Construction Company, Inc., 153 Prosperous Place, Suite 1A, Lexington, Kentucky 40509, party of the First Part (hereinafter called the "Seller"), and Cedarbrook Utilities, LLC, 1706 Bardstown Road, Louisville, Kentucky 40205-1212, party of the Second Part (hereinafter called the "Buyer").

**RECITALS**

WHEREAS, the Seller owns and operates certain wastewater collection, conveyance and treatment facilities (the "Wastewater System"), serving land located in or adjacent to property known as Cedarbrook Subdivision in Harrison County, Kentucky. The Wastewater System includes a 25,000 gallon per day wastewater treatment plant and associated sanitary sewers, pumping stations, force mains, sewer easements and land.

WHEREAS, the Seller desires to sell and the Buyer desires to purchase the Wastewater System in accordance with and subject to the provisions of this Agreement.

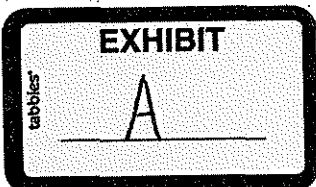
NOW THEREFORE, for good and valuable consideration, the receipt of which is hereby acknowledged by the parties, and in consideration of the mutual covenants and agreements contained in this Agreement, and intending to be legally bound, the parties hereto agree as follows:

**SECTION I  
PURCHASE AND SALE**

Section 1.1 Sale of Assets. The Seller hereby agrees to sell and convey to Buyer, and Buyer hereby agrees to purchase from Seller the below listed assets (the "Assets"). The Assets will be conveyed and transferred to the Buyer at the Closing, which will take place within seven (7) days after entry of the Public Service Commission's order approving the Joint Application for Approval of Transfer of the Wastewater System;

(a) Property. The Cedarbrook wastewater treatment plant and associated sanitary sewers, pumping stations, force mains, equipment, sewer easements and site upon which the wastewater treatment plant is located in Harrison County, Kentucky, serving land located in or adjacent to the property known as Cedarbrook Subdivision in Harrison County, Kentucky, owned and/or operated by Seller. The Seller will convey to Buyer the site upon which the wastewater treatment plant is located and associated easements by quitclaim deed.

(b) Records. Copies of all records of the Seller relating to the ownership, operation, maintenance and design of the Wastewater System, including but not limited to sewer



maps, construction plans and drainage plans that may exist.

(c) Governmental Approvals. Any KPDES discharge permit issued to Seller by the Kentucky Department for Environmental Protection, Division of Water, as amended from time to time, and all other existing approvals, certificates of public convenience and necessity, permits, licenses, orders, tariffs, and similar rights obtained from governments and governmental agencies to the extent Seller's interest therein is transferrable and related to the ownership or operation of the Wastewater System.

Section 1.2 Assumption of Liabilities by Cedarbrook Utilities, LLC. The Buyer assumes all liabilities of the Seller arising out of the operation of the Wastewater System that exists as of the date of the Closing at which the Wastewater system is transferred to Buyer, with the exception of any liability arising out of or relating to Case No. DOW 02501, including but not limited to any civil penalty to be paid to the Kentucky Environmental and Public Protection Cabinet in connection with Case No. DOW 02501.

Section 1.3 Terms and Conditions of Sale.

(a) The purchase price to be paid by Buyer to Seller for the assets described in Section 1.1 above shall be One Dollar (\$1.00). The parties further agree:

(i) Any applicable property tax and other taxes and Public Service Commission Assessments due and payable for 2008 shall be pro-rated as of the date of closing. Buyer shall pay any sales tax due on the sale of the assets to it.

(ii) That customer payments received for services provided prior to Closing shall belong to Seller and customer payments received for services provided after Closing shall belong to Buyer. Seller and Buyer agree that Seller shall issue sewer bills to the Cedarbrook Wastewater System customers prior to Closing and Buyer shall issue bills to the Cedarbrook Wastewater System customers after Closing. However, unless otherwise specified by the customer, the Seller and the Buyer agree that all payments received from customers shall first be applied to current amounts due. Where collection efforts are required in order to recover unpaid amounts due from customers of the Cedarbrook Wastewater System, the Buyer and the Seller agree to cooperate in the collection efforts. The Seller shall bear the cost to collect payments due for services provided prior to Closing and the Buyer shall bear the cost to collect payments due for services provided after Closing.

(iii) Seller agrees to pay to Buyer the amount of Twenty Two Thousand Dollars (\$22,000.00) at the closing of the transfer of the Wastewater System.

(iv) Seller agrees to pay to the Buyer at the Closing Two Thousand Five Hundred Dollars (\$2,500.00) as its share of the legal fees incurred in preparing,



filing and representing the parties in the Joint Application for Approval of Transfer to be filed with the Public Service Commission.

(v) Seller agrees to pay to Covered Bridge Utilities at the Closing the amount of Five Thousand Five Hundred Dollars (\$5,500.00) for the cost of managing the Cedarbrook Wastewater Treatment Plant from February 1, 2007 until the transfer is complete.

## SECTION II

### CLOSING

Section 2.1. Closing. The Closing provided for in this Agreement will take place at the offices of Hazelrigg & Cox, LLP within seven (7) days after the entry of the Kentucky Public Service Commission's Order approving the Joint Application for Approval of Transfer of the Wastewater System.

Section 2.2. Closing Obligations. At the Closing:

(a) Seller will deliver to Buyer:

(i) A Bill of Sale documenting the sale to Buyer of the Wastewater System, including but not limited to the wastewater treatment plant, collection system, and appurtenances, fixtures, supplies and equipment listed on Attachment A;

(ii) A Quit-Claim deed reflecting the conveyance of the Wastewater System Treatment Plant Site located in Harrison County, Kentucky, to Buyer. Said Deed shall be in the form reflected in Attachment B.

(iii) The records set forth on Attachment C and copies of correspondence forwarded to the appropriate government agencies requesting the transfer to Buyer of all permits, licenses, orders, tariffs and other similar rights.

(iv) The amount of Twenty-Two Thousand Dollars (\$22,000.00).

(v) The resolution of the Seller authorizing the Seller to enter into this Agreement.

(vi) The amount of Two Thousand Five Hundred Dollars (\$2,500.00) as its share of the legal fees incurred in preparing, filing and representing the parties in the Joint Application for Approval of Transfer to be filed with the Public Service Commission to be paid to Buyer, and a check made payable to Covered Bridge Utilities, Inc., in the

amount of Five Thousand Five Hundred Dollars (\$5,500.00) for the cost of managing the Cedarbrook Wastewater Treatment Plant from February 1, 2007 until the transfer is complete.

- (b) Buyer will deliver to Seller:
  - (i) Payment of One Dollar (\$1.00);
  - (ii) The resolution of the Buyer authorizing the Buyer to enter into and to perform this Agreement.

### SECTION III REPRESENTATIONS AND WARRANTIES OF THE SELLER

Section 3.01. Organization and Authority. The Seller is a for-profit corporation duly organized and in existence under the laws of the Commonwealth of Kentucky, for which Seller states that all reports required to be filed with the Kentucky Secretary of State have been filed, and for which no articles of dissolution have been filed with the Kentucky Secretary of State. The execution and delivery by Seller of this Assets Purchase Agreement, as well as the documents described herein will constitute the legal, valid, and binding obligations of Seller, enforceable against Seller in accordance with their respective terms. Seller has the absolute authority to execute and deliver these documents and to perform its obligations under same.

Section 3.02. Books and Records. The books and records concerning the design, operation, maintenance, and repair of the Wastewater System have been made available to the Buyer.

Section 3.03. No Undisclosed Liabilities. Seller is not aware of any Company liabilities or obligations of any nature (whether known or unknown and whether absolute, accrued, contingent, or otherwise) except for current liabilities incurred in the Ordinary Course of Business which are known to Buyer or those liabilities arising out of Case No. DOW 02501.

Section 3.04. Disclosure. No representation or warranty of Seller in this Agreement omits a material fact necessary to make the statements herein accurate.

Section 3.05. Brokers or Finders. Seller and his agents have incurred no obligation or liability, contingent or otherwise, for brokerage or finders' fees or agents' commissions or other similar payment in connection with this Agreement.

Section 3.06. KPDES Permit. Seller agrees that it has a current KPDES permit for

the operation of the Wastewater System, and that it will take the necessary steps to ensure that the Wastewater System is properly permitted when it is transferred to the Buyer, including but not limited to by submitting a properly completed application to renew said KPDES permit as required by the applicable regulations.

#### **SECTION IV REPRESENTATIONS AND WARRANTIES OF THE BUYER**

Section 4.01. Approval of Purchase and Authorization, Execution and Delivery of this Agreement. The Buyer has been duly authorized to undertake and fulfill by all necessary action the execution of this Assets Purchase Agreement, and the execution of same constitutes a valid and binding obligation of the Buyer in accordance with its terms.

Section 4.02. Brokers or Finders. The Buyer and its agents have incurred no obligation or liability, contingent or otherwise, for brokerage or finders' fees or agents' commissions or other similar payment in connection with this Agreement.

#### **ARTICLE V COVENANTS OF SELLER**

Section 5.01. Access and Investigation. Between the date hereof and the Closing Date, Seller will (a) afford the Buyer and its Representatives (collectively, "The Buyer's Advisors") full and free access to the Seller's personnel, properties (including subsurface testing), contracts, books and records, and other documents and data, concerning the operation, maintenance and repair of the Cedarbrook Wastewater System.

Section 5.02. Operation of the Businesses of the Company. Between the date hereof and the Closing Date, Seller will:

- (a) conduct its business only in the Ordinary Course of Business;
- (b) use its Best Efforts to maintain the relations and good will with suppliers, customers, landlords, creditors, employees, agents, and others with whom it has business relationships;
- (c) confer with the Buyer concerning operational matters of a material nature; and
- (d) promptly notify the Buyer in writing if Seller becomes aware of any fact or condition that causes or constitutes a Breach of any of Seller's representations and warranties as of the date of this Agreement.

Section 5.03. Required Approvals. As promptly as practicable after the date hereof, Seller will make or assist in the submission of all filings required in order to consummate

the sale of the Wastewater System to the Buyer. Between the date hereof and the Closing Date, Seller will, cooperate with the Buyer with respect to all filings that the Buyer elects to make in connection with the purchase of the Cedarbrook Wastewater System and to obtain any necessary consent(s) to complete this transaction.

Section 5.04. Cooperation: Seller hereby agrees to cooperate fully with the Buyer in the prosecution of the rate case currently pending before the Public Service Commission. This cooperation shall include the provision of records, review of documents and all other reasonable steps and/or assistance requested by Buyer.

Section 5.05. Indemnification. Seller will indemnify and hold harmless Buyer, and will pay to Buyer the amount of any damages, including but not limited to incidental and consequential damages, expenses of investigation, defense, court costs and reasonable attorneys fees, whether or not involving a third-party claim, arising directly or indirectly, from or in connection with (a) any breach of any covenant, obligation, representation or warranty made by Seller, or (b) any liability for damages, claims or causes of action resulting from Case No. DOW 02501.

Section 5.06. Indemnification. Buyer will indemnify and hold harmless Seller, and will pay to Seller, the amount of any damages, including but not limited to incidental and consequential damages, expenses of investigation, defense, court costs and reasonable attorneys fees, whether or not involving a third-party claim, arising directly or indirectly, from or in connection with (a) any breach of any covenant, obligation, representation or warranty made by Buyer, or (b) any liability for claims or causes of action resulting from the operation of the Wastewater System.

## ARTICLE VI COVENANTS OF THE BUYER

Section 6.01. Approvals of Governmental Bodies. As promptly as practicable after the date of this Agreement, the Buyer will make all filings required to consummate the purchase of the Cedarbrook Wastewater System, and will cooperate in the preparation and filing of the Joint Application necessary to obtain the Public Service Commission's approval of said purchase.

Section 6.02. Best Efforts. Between the date of this Agreement and the Closing Date, the Buyer will use its Best Efforts to cause the conditions set forth herein to be satisfied, and to obtain the consents necessary to consummate the transaction contemplated herein.

## ARTICLE VII TERMINATION

Section 7.01. Termination Event. This Agreement may, by notice given prior to or at the Closing, be terminated:

(a) by either the Buyer or Seller if a material Breach of any provision of this Agreement has been committed by the other party and such Breach has not been waived; or

(b) by mutual consent of the Buyer and Seller; or

(c) by either the Buyer or Seller if the Closing has not occurred (other than through the failure of any party seeking to terminate this Agreement to comply fully with its obligations under this Agreement) within thirty (30) days of the date of approval of the transfer by the Public Service Commission or such later date as the parties may agree upon; or

(d) by either party should additional information disclosed after execution of this Agreement, by way of document review, disclosure, or any other means, have a material and adverse affect on the terms of this Agreement.

Furthermore, the parties agree that this Agreement shall terminate and be null and void seven (7) days after the entry of an Order by the Public Service Commission denying the Joint Application for Approval of Transfer. The unimpaired right to pursue all legal and equitable remedies available to the parties shall survive such termination.

### SECTION VIII GENERAL PROVISIONS

Section 8.01. Notices. All notices, requests, demands, and other communications under this Agreement shall be in writing and shall be deemed to have been duly given (a) on the date of service if served personally on the party to whom notice is to be given, (b) on the day after delivery to a nationally recognized overnight courier service, or the Express Mail service maintained by the United States Postal Service, or (c) on the fifth (5<sup>th</sup>) day after mailing, if mailed to the party to whom notice is to be given, by first class mail, registered or certified, postage prepaid, and addressed as follows:

If to Seller, to:  
Ronald J. Osborne, Jr.  
R.A. Williams Construction Company, Inc.  
153 Prosperous Place, Suite 1A  
Lexington, Kentucky 40509

If to the Buyer, to:  
Martin Cogan  
Cedarbrook Utilities, LLC  
1706 Bardstown Road  
Louisville, Kentucky 40205

**Section 8.02. Construction.** The parties have participated jointly in the negotiation and drafting of this Agreement, and, in the event of an ambiguity, or, a question of intent or a need for interpretation arises, this Agreement shall be construed as if drafted jointly by the parties and no presumption or burden of proof shall arise favoring or disfavoring any party by virtue of the authorship of any of the provisions of this Agreement.

**Section 8.03. Severability.** If any provision of this Agreement is declared by any court or other governmental body to be null, void, or unenforceable, this Agreement shall be construed so that the provision at issue shall survive to the extent it is not so declared and that all of the other provisions of this Agreement shall remain in full force and effect.

**Section 8.04. Entire Agreement.** This Agreement contains the entire understanding between the parties to this Agreement with respect to the transactions contemplated by this Agreement and supersedes and replaces all prior and contemporaneous agreements and understandings, oral or written, with regard to those transactions. All exhibits to this Agreement are expressly made a part of this Agreement as fully as though completely set forth herein.

**Section 8.05. Amendments; Waivers.** This Agreement may be amended or modified, and any of the terms, covenants, representations, warranties, or conditions hereof may be waived, only by a written instrument executed by the parties to this Agreement, or in the case of a waiver, by the party waiving compliance.

**Section 8.06. Governing Law, Jurisdiction.** This Agreement shall be construed and enforced in accordance with, and governed by, the laws of the Commonwealth of Kentucky (without giving effect to the principles of conflicts of laws thereof). The parties to this Agreement irrevocably agree and consent to the jurisdiction of the courts of the Commonwealth of Kentucky for the adjudication of any matters arising under or in connection with this Agreement.

**Section 8.07. Survival of Representations and Warranties.** All representations, warranties and covenants by any party to this Agreement contained in this Agreement or in any certificate or other instrument delivered by or on behalf of any party pursuant to this Agreement shall be continuous and shall survive the closing.

IN WITNESS WHEREOF, the parties to this Agreement have executed this Agreement effected as of the date first above written.

**'SELLER'**  
R.A. WILLIAMS CONSTRUCTION  
COMPANY, INC.

*R. Williams* By:

Date and Title: 1/30/08 PRESIDENT

**"BUYER"**  
CEDARBROOK UTILITIES, LLC

By: *[Signature]* 1/25/08  
Date and Title: [Signature] Partner

January 25, 2008

Mr. Ron Osborne  
R. A. Williams Construction Company, Inc.  
153 Prosperous Way, Suite 1A  
Lexington, Kentucky 40509

RE: Binding Letter of Intent between R.A. Williams Construction Company, Inc. ("R.A. Williams") and Cedarbrook Utilities, LLC ("Cedarbrook")

Dear Ron:

The purpose of this Binding Letter of Intent is to confirm the understandings and conversations between R.A. Williams and Cedarbrook concerning Cedarbrook's acquisition of the wastewater collection, conveyance and treatment facilities ("Wastewater System"), serving land located in or adjacent to property known as Cedarbrook Subdivision in Harrison County, Kentucky. R.A. Williams and Cedarbrook hereby agree to the following terms:

1) Within seven (7) days of the signing of this Binding Letter of Intent by both parties, the parties shall file with the Kentucky Public Service Commission ("Commission") a Joint Application for Approval of Transfer of the Wastewater System to Cedarbrook and to cooperate and participate in obtaining approval of said joint application;

2) R.A. Williams has filed or will, within seven (7) days of the signing of this Binding Letter of Intent by both parties, file with the Commission an Application for Rate Adjustment applicable to the customers of the Wastewater System. Both parties to this Binding Letter of Intent agree to cooperate and participate in the prosecution of this Application for Rate Adjustment to its conclusion;

3) The parties have negotiated and executed an Asset Purchase Agreement, attached hereto as Exhibit A, setting forth the details of the transaction whereby Cedarbrook will acquire from R.A. Williams the Wastewater System.

4) The parties agree that in the event the Commission fails to approve the Joint Application for Transfer of wastewater treatment plant, this Binding Letter of Intent shall terminate and become null and void and of no other effect. However, notwithstanding the termination of this Binding Letter of Intent, the parties agree that the following provisions of Paragraph 4(a) and 4(b) shall be binding upon the parties:



(a) R.A. Williams shall pay the amount of Two Thousand Five Hundred Dollars (\$2,500.00) to Cedarbrook within seven (7) days of the entry of an Order by the Public Service

Service  
Mr. Ron Osborne  
January 25, 2008  
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Commission denying the Joint Application for Transfer as its share of the legal fees incurred in preparing, filing and representing the parties in the Joint Application for Approval of Transfer filed with the Public Service Commission;

(b) R.A. Williams shall, within seven (7) days of the entry of an Order by the Public Service Commission denying the Joint Application for Transfer, pay the amount of Two Thousand Seven Hundred Fifty Dollars (\$2,750.00) to Covered Bridge Utilities, Inc., for managing the Cedarbrook Wastewater Treatment Plant from February 1, 2007 to the date of denial.

This Binding Letter of Intent may be executed in any number of separate counterparts, each of which shall be deemed to be an original, which together shall constitute one and the same instrument.

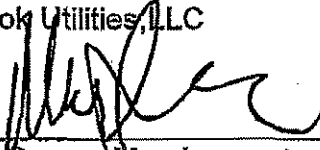
If this Binding Letter of Intent is acceptable and agreeable to you, please execute a copy of this letter in the place indicated below and return it to me at your earliest convenience.

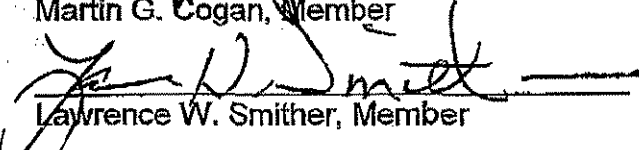
Yours truly,

Robert C. Moore

**ACCEPTED AND AGREED TO BY:**

Cedarbrook Utilities, LLC

  
\_\_\_\_\_  
Martin G. Cogan, Member

  
\_\_\_\_\_  
Lawrence W. Smither, Member

R. A. Williams Construction Company, Inc.

  
\_\_\_\_\_  
Ron Osborne, President

ARTICLES OF INCORPORATION

OF

R. A. WILLIAMS DEVELOPMENT COMPANY, INC.

\*\*\*\*\*

KNOW ALL MEN BY THESE PRESENTS:

THAT, I, R. A. Williams, of Fayette County, Kentucky, do hereby form a corporation under the laws of the State of Kentucky.

ARTICLE I

The name of the corporation is: R. A. WILLIAMS DEVELOPMENT COMPANY, INC. and by said name it may contract and be contracted with, sue and be sued, adopt a corporation seal and conduct and operate its business and affairs.

ARTICLE II

The registered office in this state is 1733 Cameron Court, Lexington, Kentucky, but the corporation may establish such other business offices as the Board of Directors deems advisable. R. A. Williams, 1733 Cameron Court, Lexington, Kentucky is hereby designated as process agent upon whom legal process against the corporation may be served.

ARTICLE III

The purposes of the corporation and the nature of its business shall be as follows:

(a) To acquire, hold, rent, sell, convey, manage, lease, trade, subdivide and otherwise handle and deal in real estate, to engage in building and general contracting.

(b) To develop housing and housing projects both single and multi family for ultimate buyers who can qualify for loans, subsidized or unsubsidized, insured through either the Farmers Home Administration and/or the Federal Housing Administration in either urban or rural areas.

(c) To construct housing units for said project, and others, either in the field or through the utilization of existing



modular or prefabrication manufacturing facilities and/or to develop facilities of its own of this nature of these purposes.

(d) To lend and borrow money on real estate and other kinds of property and to buy, sell, own, keep or deal with in any manner each and every type of personal property, goods, wares, merchandise, intangibles and chattels of every class and description, including, but not by way of limitation, residential subdivisions, shopping centers and related community developments; and the corporation is given the power to hold any real estate it may acquire for an indefinite period or for such period as the corporation may deem advisable;

(e) To enter into, make and perform or assume contracts of every kind and description, including franchise agreements, with any person, firm, association, corporation, municipality, county, state, body politic or government or colony or dependency thereof;

(f) To borrow or raise moneys for any of the purposes of the corporation, and, from time to time without limit as to amount, to draw, make, accept, endorse, execute and issue promissory notes, drafts, bills of exchange, warrants, bonds, debentures and other negotiable or non-negotiable instruments and evidences of indebtedness, and to secure the payment of any thereof and of the interest thereof by mortgage upon or pledge, conveyance or assignment in trust of the whole or any part of the property of the company, whether at the time owned or thereafter acquired, and to sell, pledge or otherwise dispose of such bonds or other obligations of the company for its corporation purposes;

(g) To form additional corporations or companies or enterprises of any type or description calculated to advance the interests of the corporation and to engage in any type of joint enterprise or mutual undertaking with any other person or firm which may serve the interest of the company; and,

(h) Generally to do and perform any and all acts, deeds

and/or things connected with, necessary, incidental, convenient or relating to any or all of the aforesaid objects or purposes.

ARTICLE IV

The duration of the corporation shall be perpetual, unless dissolved pursuant to the laws of the Commonwealth of Kentucky.

ARTICLE V

The total authorized number of shares of stock in said corporation shall be Two Thousand (2,000) and they shall have no par value; the corporation will not authorize any stock with par value; and each such share shall entitle the holder thereof to one (1) vote.

ARTICLE VI

The shares of stock are not to be classified or divided into classes; and the incorporator does not desire to insert any provision limiting or denying to shareholders the pre-emptive right to acquire additional shares of the corporation.

ARTICLE VII

The amount of capital with which the corporation will begin business is one Thousand Dollars (\$1,000.00).

ARTICLE VIII

The name, address and number of shares subscribed by the incorporator is as follows:

R. A. Williams, 1733 Cameron Court, Lexington, Kentucky, one hundred (100) shares.

ARTICLE IX

The business of the corporation shall be conducted by a Board of not less than three (3) directors or more than fourteen (14) directors, the exact number of directors shall be fixed each year by a majority vote of the shareholders of common stock voting by shares at the annual shareholders' meeting, and the first Board of Directors shall be elected by the shareholders as soon as these articles are filed and approved, and shall serve until their successors

are elected and qualify. Thereafter the Board of Directors shall be elected at the annual meeting of shareholders which shall be held at the office of the corporation on the first Monday in January of each year beginning in 1973.

ARTICLE X

The Board of Directors shall meet each year following its election and shall elect from among its members a chairman and secretary of the board, who will also serve as president and secretary of the corporation respectively. The treasurer shall also be elected as a corporate officer at this same meeting. However, the secretary may also hold the office of the treasurer. Other corporate officers may be elected as from time to time in its exercise of discretion as to the needs of the management of the business the Board of Directors may deem it advisable to designate or require. Such additional officers including the treasurer need not be shareholders or directors. The directors need not be shareholders.

ARTICLE XI

All the officers of this corporation shall have the power and shall perform the duties as are generally attached to the office which they fill.

ARTICLE XII

The Board of Directors shall have power to make all such by-laws and rules as may be necessary to regulate the business of the corporation provided that same shall not be inconsistent with the provisions of these Articles of Incorporation or the Constitution of Kentucky.

ARTICLE XIII

Any vacancies in the Board of Directors may be filled by a majority vote of the remaining directors. The person so elected shall serve only until the next annual meeting of the shareholders.

BOOK 11 PAGE 402

ARTICLE XIV

There shall be three initial directors of the corporation whose names and addresses are as follows: R. A. Williams, 1733 Cameron Court, Lexington, Kentucky; R. B. Williams, Post Office Box 470, Barbourville, Kentucky; and Gayle S. Williams, 1733 Cameron Court, Lexington, Kentucky.

IN TESTIMONY WHEREOF, witness my signature this 19th day of September, 1972.

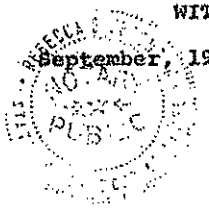
*R. A. Williams*  
R. A. WILLIAMS

STATE OF KENTUCKY  
COUNTY OF BOURBON

I, a Notary Public in and for the County and State aforesaid, do hereby certify that the foregoing Articles of Incorporation of R. A. Williams Development Company, Inc., were this day produced to me by R. A. Williams and acknowledged and delivered by him to be his free act and deed, all done in the aforesaid County and State and in my presence.

My Commission Expires: April 2, 1973.

WITNESS my hand and notarial seal this 19th day of September, 1972.



*Rebecca L. Ferguson*  
Notary Public, Ky. State at Large

ORIGINAL COPY  
FILED  
SECRETARY OF STATE OF KENTUCKY  
FRANKFORT, KENTUCKY

RECORDED  
INDEXED  
FILED  
BY  
CLERK  
OFFICE  
STATE  
KENTUCKY

PREPARED BY  
BRADLEY, BLANTON & PREWITT  
Attorneys at Law  
437 Main Street  
Paris, Kentucky 40361

By *Henry C. Prewitt*  
Henry C. Prewitt

17-448

# Commonwealth of Kentucky

Department of State

Secretary of State

BOB BABBAGE  
FRANKFORT, KENTUCKY

## CERTIFICATE

I, BOB BABBAGE, Secretary of State for the Commonwealth of Kentucky, do certify that the foregoing writing has been carefully compared by me with the original record thereof, now in my official custody as Secretary of State and remaining on file in my office, and found to be a true and correct copy of ARTICLES OF INCORPORATION OF

R. A. WILLIAMS DEVELOPMENT COMPANY, INC. FILED SEPTEMBER 21, 1972,

AMENDMENT FILED SEPTEMBER 28, 1978,

AMENDMENT CHANGING CORPORATE NAME TO R. A. WILLIAMS COMPANY, INC. FILED JANUARY 16, 1991.

IN WITNESS WHEREOF, I have hereunto  
set my hand and affixed my official seal.

Done at Frankfort this 23RD day of

SEPTEMBER, 19 92

  
Secretary of State, Commonwealth of Kentucky

SSC-208

BY: RA

RECEIVED & FILED

ORDERED TO RECORD  
-aid \$ INC. TAX

ARTICLES OF AMENDMENT TO THE  
ARTICLES OF INCORPORATION OF  
R. A. WILLIAMS DEVELOPMENT COMPANY, INC.

JAN 16 8 13 AM '91

JAN 22

CLERK  
STATE  
CLERK  
*Paula Perry*

KNOW ALL MEN BY THESE PRESENTS:  
BY \_\_\_\_\_

That at a duly called meeting of the Board of Directors of R. A. Williams Development Company, Inc. on JANUARY 4, 1991, at the hour of 4:00 p.m. at the Company's main office in Lexington, Kentucky, the following amendment to Article I of the company's Articles of Incorporation was authorized unanimously by the Board of Directors, as shareholder action was not required. Article I shall be amended as follows:

Article I

The name of the corporation shall be the R. A. Williams Company, Inc.

Each and every provision of the Articles of Incorporation and any amendments previously filed shall remain unchanged.

IN WITNESS WHEREOF, R. A. Williams Development Company, Inc., by and through its duly authorized officers, has hereunto subscribed its name as of the day and year first above written.

R. A. Williams Development Company, Inc.

By: *R. A. Williams*  
R. A. Williams, President

ATTEST:

*Ronald J. Osborne, Jr.*  
Ronald J. Osborne, Secretary





STATE OF KENTUCKY

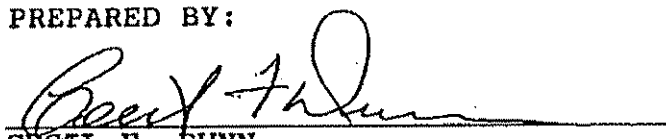
COUNTY OF FAYETTE

The foregoing instrument was acknowledged before me this 4<sup>th</sup>  
day of January, 1991, by R. A. Williams, President, and  
Ronald J. Osborne, Secretary, of R. A. Williams Development  
Company, Inc., a Kentucky Corporation, on behalf of said  
corporation.

  
NOTARY PUBLIC - STATE AT LARGE

MY COMMISSION EXPIRES: Nov. 15, 1994

PREPARED BY:

  
CECIL F. DUNN  
LANDRUM & SHOUSE  
106 WEST VINE STREET  
P.O. BOX 951  
LEXINGTON, KY 40588-0951

## RESOLUTION

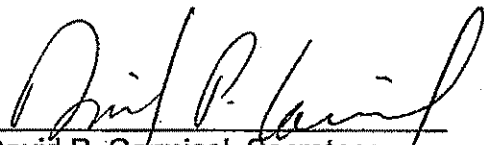
A specially called meeting of the Board of Directors of R. A. Williams Company, Inc., Lexington, Kentucky was held on December 7, 1998 with all Directors present.

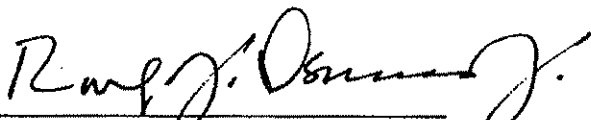
Upon unanimous vote of the Board of Directors, the following action was taken:

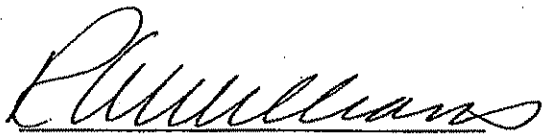
BE IT RESOLVED, that Darren M. Henry has been appointed to the Board of Directors. Following this appointment new officers were elected. The officers and their new positions include: R. A. Williams, *President*; Ronald J. Osborne, Jr., *Vice-President*; David P. Carmical, *Secretary*, Darren M. Henry, *Treasurer*.

The undersigned Secretary of R. A. Williams Company, Inc. certifies that the foregoing is a true and correct copy of the RESOLUTION passed by the Board of Directors at a specially called meeting on December 7, 1998.

ATTEST:

  
David P. Carmical, Secretary

  
Ronald J. Osborne, Jr., Vice-President

  
R. A. Williams, President

0055906.09

Poraline  
PAOA

John Y. Brown III  
Secretary of State  
Received and Filed  
05/14/2003 12:14:01 PM  
Fee Receipt: \$40.00

**AMENDMENT OF  
ARTICLES OF INCORPORATION OF  
R.A. WILLIAMS COMPANY, INC.**

The undersigned, acting as Vice-President of R.A. Williams Company, Inc., under the Kentucky Corporations Act, KRS Chapter 271, adopts the following amendment to the Articles of Incorporation for such corporation:

(1) The name R.A. Williams Company, Inc., shall be amended to be R.A. Williams Construction Company, Inc.. (hereinafter sometimes referred to as "the Corporation").

(2) The amendment to the Articles of Incorporation was approved by said Board of Directors on May 8, 2003, and said amendment was adopted by a majority of the Directors in Office.

IN WITNESS WHEREOF, the undersigned has signed and acknowledged to be bound by the contents of the original and amended Articles of Incorporation and this Amended Articles of Incorporation, this 8th day of May, 2003.

  
RONALD J. OSBORNE, JR.

**Mail / Return to:  
Cecil F. Dunn Law Office  
175 East Main Street  
Suite 300  
Lexington, Kentucky 40507**

STATE OF KENTUCKY

COUNTY OF FAYETTE

The foregoing instrument was acknowledged before me this 8TH day of May, 2003, by Ronald J. Osborne, Jr., Vice-President, R.A. Williams Company, Inc., a Kentucky corporation.

My Commission expires: July 27, 2006

Lori A. Harris  
NOTARY PUBLIC, STATE AT LARGE, KY



This instrument prepared by  
Cecil F. Dunn, Attorney  
175 East Main Street, Suite 300  
Lexington, Kentucky 40507

Cecil F. Dunn  
diane\docs\cfd\corpor\K.A. Williams Amd Articles

I, Donald W Blevins, County Court Clerk  
of Fayette County, Kentucky, hereby  
certify that the foregoing instrument  
has been duly recorded in my office.

Donald W Blevins

By: Marcia DERR, dc

200305190250

May 19, 2003

12:58:57 PM

Fees \$9.00

Tax \$0.00

Total Paid \$9.00

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3 Pages

208 - 210

**MINUTES OF MEETING OF BOARD OF DIRECTORS OF R. A. WILLIAMS  
CONSTRUCTION COMPANY, INC.**

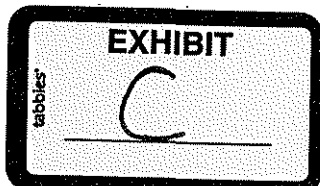
A special meeting of the Board of Directors of R. A. Williams Construction Company, Inc., was held at Lexington, Kentucky, at approximately 3 p.m., on January 30, 2008. Present were Ron Osborne and R.A. Williams, constituting the full membership of the said Board. All members of the Board of Directors waived formal written notice of said Special Meeting. By unanimous consent, Ron Osborne presided as Chairman and Secretary.

The Chairman discussed the negotiation of the sale of the Cedarbrook Subdivision Wastewater System located in Harrison County, Kentucky and related assets to Cedarbrook Utilities, LLC. On motion duly made, seconded and unanimously carried, the following resolution was adopted:

RESOLVED, that R. A. Williams Company, Inc., is hereby authorized to negotiate and complete the sale of the Cedarbrook Subdivision wastewater treatment plant, including but not limited to the real property, easements, and fixtures, machinery, equipment and other personal property related to same, to Cedarbrook Utilities, LLC, to enter into and execute the documents necessary to consummate the sale of said Wastewater system, which will include an Asset Purchase Agreement, and deed conveying the treatment plant site to Cedarbrook Utilities, LLC, and to take all actions necessary to consummate the sale of said Wastewater System to Cedarbrook Utilities, LLC, including the signing of a Joint Application for Approval of Transfer to be submitted to the Public Service Commission.

BE IT FURTHER RESOLVED, Ron Osborne is hereby authorized to enter into and execute any and all documents, including documents to be filed with the Public Service Commission, necessary to consummate the sale of the Cedarbrook Subdivision Wastewater System, including the real property and related assets, to Cedarbrook Utilities, LLC.

There being no further business to come before the meeting, the same was adjourned by unanimous consent.



Ron Osborne  
Ron Osborne, President  
Date: 1-31-08

Ron Osborne  
Ron Osborne, Secretary  
Date: 1-31-08

FILED IN OFFICE

JAN 10 2008

Bobbie Morslow, Clerk  
By \_\_\_\_\_ D.C.

0682691.06

Dornish  
LAOO

Trey Grayson  
Secretary of State  
Received and Filed  
01/09/2008 3:25:26 PM  
Fee Receipt: \$40.00

ARTICLES OF ORGANIZATION  
OF  
CEDARBROOK UTILITIES, LLC

The undersigned organizer, desiring to form a Limited Liability Company under the Kentucky Limited Liability Company Act hereby states as follows:

ARTICLE I

The name of the Limited Liability Company is Cedarbrook Utilities, LLC.

ARTICLE II

The name and address of the original registered agent is Robert C. Moore, 415 West Main Street, P.O. Box 676, Frankfort, Kentucky 40602-0676.

ARTICLE III

The mailing address of the initial principle place of business of the Limited Liability Company is: 1706 Bardstown Road, Louisville, Kentucky, 40205.

ARTICLE IV

The Limited Liability Company has two members.

ARTICLE V

The Limited Liability Company is to be managed by its members.

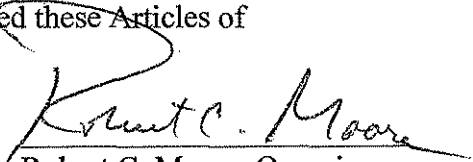
ARTICLE VI

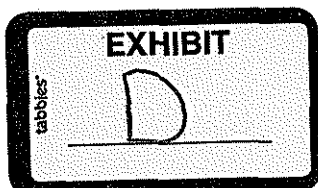
Unless earlier dissolved in accord with the Kentucky Limited Liability Company Act and the operating agreement of the Limited Liability Company, the duration of Cedarbrook Utilities, LLC, is perpetual.

ARTICLE VII

Except as otherwise provided by Kentucky law, no member, manager, agent or employee of the Limited Liability Company shall be personally liable for the debts, obligations, or liabilities of the Limited Liability Company, whether arising in contract, tort or otherwise, or for the acts or omissions of any other member, manager, agent or employee of the Limited Liability Company.

IN TESTIMONY WHEREOF, the undersigned has duly executed these Articles of Organization this ninth day of January, 2008.

  
Robert C. Moore, Organizer





STATE OF KENTUCKY )  
 )SS  
COUNTY OF FRANKLIN )

SWORN TO AND ACKNOWLEDGED before me this 9th day of January, 2008, by Robert C. Moore, organizer.

My commission expires 3/11/10.

*Nancy E. Bailey*  
NOTARY PUBLIC

CONSENT OF INITIAL REGISTERED AGENT FOR SERVICE OF PROCESS

I, Robert C. Moore, registered agent, having a principle place of business of 415 West Main Street, P.O. Box 676, Frankfort, Kentucky 40602-0676, hereby agree and consent to serve as registered officer and agent for service of process of Cedarbrook Utilities, LLC.

*Robert C. Moore*  
Robert C. Moore

STATE OF KENTUCKY )  
 )SS  
COUNTY OF FRANKLIN )

SWORN TO AND ACKNOWLEDGED before me this 9th day of January, 2008, by Robert C. Moore.

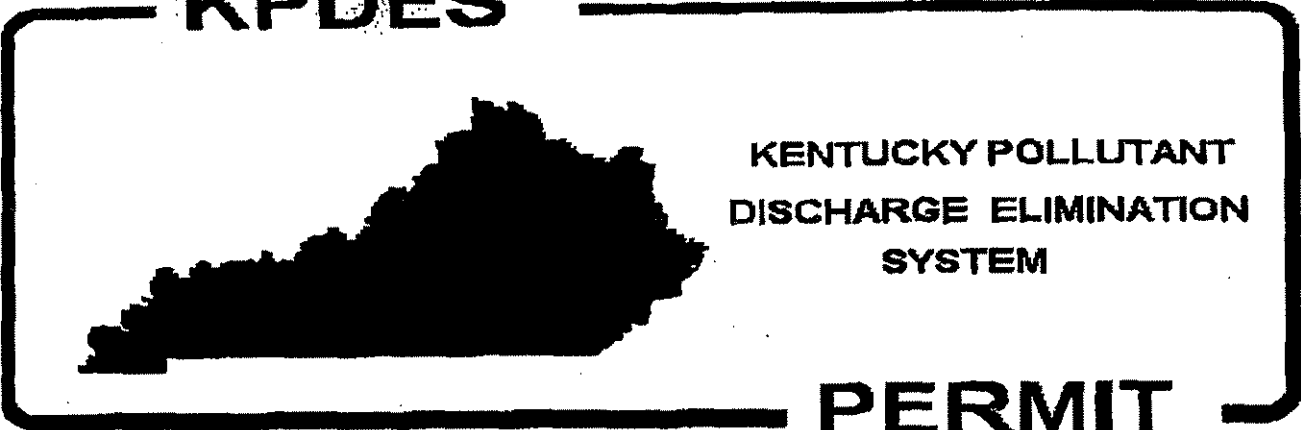
My commission expires 3/11/10.

*Nancy E. Bailey*  
NOTARY PUBLIC

This instrument prepared by:

*John B. Baughman*  
John B. Baughman  
Hazelrigg & Cox, LLP  
415 West Main Street  
P.O. Box 676  
Frankfort, Kentucky 40602-0676

# KPDES



PERMIT NO.: KY0076635

### AUTHORIZATION TO DISCHARGE UNDER THE KENTUCKY POLLUTANT DISCHARGE ELIMINATION SYSTEM

Pursuant to Authority in KRS 224,

R. A. Williams Company, Incorporated  
153 Prosperous Place, Suite 1-A  
Lexington, Kentucky 40509

is authorized to discharge from a facility located at

Cedarbrook Subdivision  
Highway 27, south of  
Lair, Harrison County, Kentucky

to receiving waters named

Unnamed tributary (mile 0.3) of Townsend Creek (mile 2.9)

in accordance with effluent limitations, monitoring requirements, and other conditions set forth in PARTS I, II, and III hereof. The permit consists of this cover sheet, and PART I 2 pages, PART II 1 page, and PART III 1 page.

This permit shall become effective on February 1, 2003.

This permit and the authorization to discharge shall expire at midnight, January 31, 2008.

NOV 25 2002

Date Signed

Jeffrey W. Pratt, Director  
Division of Water

Robert W. Logan  
Commissioner

EXHIBIT

E

DEPARTMENT FOR ENVIRONMENTAL PROTECTION

Division of Water, Frankfort Office Park, 14 Reilly Road, Frankfort, Kentucky 40601

Printed on Recycled Paper

PART I  
Page I-1  
Permit No.: KY0076635

A. EFFLUENT LIMITATIONS AND MONITORING REQUIREMENTS

During the period beginning on the effective date of this permit and lasting through the term of this permit, the permittee is authorized to discharge from Outfall serial number: 001, Sanitary Wastewater.

Such discharges shall be limited and monitored by the permittee as specified below:

EFFLUENT CHARACTERISTICS	DISCHARGE LIMITATIONS			MONITORING REQUIREMENTS		
	lbs/day Monthly Avg.	Daily Max.	Other Units (Specify) Monthly Avg.	Measurement Frequency	Sample Type	Sampling Location
Flow, Design (0.025 mgd)	N/A	N/A	Report	5/Week	Instantaneous	Influent or Effluent
Biochemical Oxygen Demand (5-day), Carbonaceous	6.26	12.5	30 mg/l	60 mg/l	1/Month Composite	Effluent
Total Suspended Solids	6.26	12.5	30 mg/l	60 mg/l	1/Month Composite	Effluent
Fecal Coliform Bacteria, N/100	N/A	N/A	200	400	1/Month Grab	Effluent
Ammonia (as N)	0.83	1.67	4 mg/l*	8 mg/l*	1/Month Composite	Effluent
	2.09	4.17	10 mg/l**	20 mg/l**	1/Month Composite	Effluent

Dissolved Oxygen shall not be less than 7 mg/l

The pH of the effluent shall not be less than 6.0 standard units nor greater than 9.0 standard units and shall be monitored once per Month by grab sample.

There shall be no discharge of floating solids or visible foam in other than trace amounts.

The effluent shall not cause a visible sheen on the receiving water.

Samples taken in compliance with the monitoring requirements specified above shall be taken at the following location: nearest accessible point after final treatment, but prior to actual discharge or mixing with receiving waters.

\* Effective May 1 - October 31  
\*\* Effective November 1 - April 30

PART I  
Page I-2  
Permit No.: KY0076635

B. Schedule of Compliance

1. The permittee shall achieve compliance with all requirements on the effective date of this permit.
2. This treatment unit is temporary and in no way supersedes the need of a regional sewer system. The permittee will eliminate the discharge and treatment unit by connection to a regional sewer system when it becomes available as defined in 401 KAR 5:002.

PART II  
Page II-1  
Permit No.: KY0076635

**STANDARD CONDITIONS FOR KPDES PERMIT**

The permittee is also advised that all KPDES permit conditions in KPDES Regulation 401 KAR 5:065, Section 1 will apply to all discharges authorized by this permit.

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

It is the responsibility of the permittee to demonstrate compliance with permit parameter limitations by utilization of sufficiently sensitive analytical methods.

PART III  
Page III-1  
Permit No.: KY0076635

### PART III

#### OTHER REQUIREMENTS

##### A. Reporting of Monitoring Results

Monitoring results must be obtained for each month and reported on a preprinted Discharge Monitoring Report (DMR) form that will be mailed to you each quarter for the upcoming quarter. The completed DMRs for each month must be sent to the Division of Water at the address listed below (with a copy to the appropriate Regional Office) postmarked no later than the 28<sup>th</sup> day of the month following the completed quarter.

Division of Water  
Frankfort Regional Office  
642 Teton Trail, Suite B  
Frankfort, Kentucky 40601  
Attn: Supervisor

Kentucky Natural Resources and  
Environmental Protection Cabinet  
Dept. for Environmental Protection  
Division of Water/KPDES Branch  
14 Reilly Road, Frankfort Office Park  
Frankfort, Kentucky 40601

##### B. Reopener Clause

This permit shall be modified, or alternatively revoked and reissued, to comply with any applicable effluent standard or limitation issued or approved under 401 KAR 5:050 through 5:080 and KRS 224, if the effluent standard or limitation so issued or approved:

1. Contains different conditions or is otherwise more stringent than any effluent limitation in the permit; or
2. Controls any pollutant not limited in the permit.

The permit as modified or reissued under this paragraph shall also contain any other requirements of KRS Chapter 224 when applicable.

*has fulfilled the requirements of the regulations governing the*  
*of Wastewater Certification*

**Environmental and Public Protection**

**THIS IS TO CERTIFY**

**Lawrence W. Smith**

**Wastewater Treatment Plant Operator**

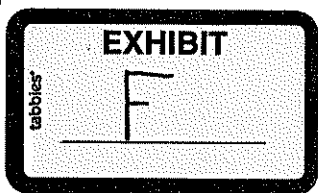
Class II Certification No. 13390

*Given under our hands this* 26<sup>th</sup> April, 2004  
*at Frankfort, Kentucky*

*William W. Smith*  
 DIRECTOR, DIVISION OF WATER

*Stephen S. Wilcher*  
 SECRETARY, ENVIRONMENTAL AND PUBLIC PROTECTION CABINET

*Carol A. Pitzer*  
 COMMISSIONER, DEPARTMENT FOR ENVIRONMENTAL PROTECTION



6322

Attachment C