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BEFORE THE PUBLIC SERVICE COMMISSION OF KENTUCKY

OCT 21 2011

PUBLIC SERVICE
COMMISSION

In the Matter of

THE APPLICATION OF SOUTH ANDERSON WATER)
DISTRICT, ANDERSON COUNTY, KENTUCKY,)
(1) FOR A CERTIFICATE OF PUBLIC CONVENIENCE)
AND NECESSITY AUTHORIZING CONSTRUCTION OF) CASE
MAJOR IMPROVEMENTS AND ADDITIONS TO ITS) NO. _____
EXISTING WATER DISTRIBUTION SYSTEM, (2))
SEEKING APPROVAL OF REVISED WATER SERVICE)
RATES AND CHARGES AND (3) SEEKING APPROVAL)
OF THE ISSUANCE OF CERTAIN SECURITIES.)

The Applicant, South Anderson Water District, Anderson County, Kentucky (the “District”), acting by and through its Commission, respectfully tenders this Application and requests that the Public Service Commission of Kentucky enter its Order pursuant to KRS 278.023 and 807 KAR 5:069 issuing a Certificate of Public Convenience and Necessity authorizing the District to construct major improvements and additions to its water distribution system (the “System”) for the purpose of assuring an adequate and potable water supply in the District, approving the adjustment of the District’s water rates and charges and approving the issuance of certain securities by the District. In support of this Application and in conformity with the rules of the Public Service Commission, the District states as follows:

1. The District was originally created by an Order entered by the County Court of Anderson County, Kentucky, on May 5, 1967, and exists as a statutory water district under KRS Chapter 74, serving defined areas in Anderson County. The District is now, and has been since its creation, regulated by the Public Service Commission of Kentucky, and all records and proceedings of the Public Service Commission with reference to the District are incorporated in this Application by reference.

2. The governing body of the District is its Commission, which is a public body corporate, with power to make contracts in furtherance of its lawful and proper purposes as provided in KRS 74.070. In conformity with KRS 74.020(1)(a) the County Judge/Executive of Anderson County, with the approval of the Fiscal Court, has entered appropriate orders from time to time appointing and reappointing Commissioners who were and are residents of the District. The present District Commissioners and officers are Eddie R. Stevens, Chairman, Ollie Neat, Secretary, and Timothy D. Baker, Treasurer. The mailing address of the District is 142 South Main Street, P.O. Box 17, Lawrenceburg, Kentucky 40342.

3. In order to finance water service facilities and improvements, the District has previously issued, and there are presently outstanding, the following revenue bonds payable from the revenues of the System:

- (a) Water System Revenue Bonds, Series of 1975;
- (b) Water System Revenue Bonds, Series of 1981;
- (c) Water System Revenue Bonds, Series 1993;
- (d) Water System Refunding Revenue Bonds, Series 1999A;
- (e) Water System Revenue Bonds, Series 2001; and
- (f) Water System Revenue Bonds, Series 2005.

4. The District's consulting engineer, Kenvirons, Inc., Frankfort, Kentucky (the "Engineer"), has prepared a Preliminary Engineering Report and a Final Engineering Report as well as detailed plans and specifications for the construction and installation of proposed additional water facilities and improvements (the "Project") to serve the District. The Preliminary Engineering Report and Summary Addendum to Preliminary Engineering Report, both dated December 2010, and the Final Engineering Report dated October 3, 2011, are appended hereto as Exhibit A-1, Exhibit A-2 and Exhibit B, respectively. These Exhibits

contain, among other things, descriptions of the Project, cost figures, the proposed water rate adjustments and other pertinent data.

It is the opinion of the Commissioners of the District that the public health, safety and general welfare of the citizens and inhabitants of the District will be promoted and served by the construction of the Project and the financing thereof as herein described.

5. The District has caused public advertising to be made according to law soliciting competitive bids for the construction and installation of the Project; has received, opened and considered the construction bids; and has filed with the United States Department of Agriculture, Rural Development (“USDA”), the data prepared by the Engineer showing the bids received and the recommendations of the Engineer with respect thereto. USDA has approved the District’s proposed award of the best bids as evidenced by the USDA letter of concurrence in the bid award appended hereto as Exhibit C.

The District hereby states, through its undersigned Chairman, that the proposed plans and specifications for the Project have been designed to meet the minimum construction and operating requirements set out in 807 KAR 5:066, Section 4(3) and (4), Section 5(1), Sections 6 and 7, Section 8(1) through (3), Section 9(1), Section 10; that all other state approvals or permits for the Project have been obtained; that the existing water rates of the District will produce total revenue requirements as set out in Exhibits A-1 and A-2; that construction of the Project is expected to begin on or about November 2011, and to end on or about August 2012.

6. The proposed adjusted water rates and charges of the District are set out in a Notice of Adjustment of Water Rates, which is appended hereto as Exhibit D and has been published in the legal newspaper in Anderson County. A newspaper clipping evidencing such

publication in that newspaper is also appended hereto as a part of Exhibit D. The proposed water rates and charges have been approved by USDA, as shown in Exhibit F hereinafter described.

The District further represents that, based upon the projections of the engineers and the financial studies of USDA, the proposed schedule of water service rates and charges will be adequate to amortize the proposed Bonds identified in Section 8 below and to cover other annual debt service and other costs.

7. The estimated costs of and sources of funds for the Project are set out in Exhibit A-1, Exhibit A-2, Exhibit B, and Exhibit F identified below.

8. As shown in Exhibit A-1, Exhibit A-2 and Exhibit F, the District proposes to finance, in part, the construction and installation of the Project by the issuance of its bonds, to be styled "Water System Revenue Bonds, Series 2011" (the "Bonds"), in the principal amount of \$1,000,000. A recent August 2011 draft of the proposed Bond-authorizing Resolution of the District is appended hereto as Exhibit E.

The District has entered into a loan agreement with the USDA pursuant to which USDA will make a loan of \$1,000,000 to the District, to be represented by the Bonds. The Bonds are to bear interest at a single, uniform rate not to exceed 4.25% per annum. Appended hereto as Exhibit F are copies of letters from USDA to the District setting forth terms, conditions and understandings relating to the loan, together with and related correspondence regarding the principal maturities of and interest rate on the Bonds.

With reference to the proposed issuance of the Bonds to USDA, the proceedings relating thereto will provide for the public advertisement of competitive bids for the Bonds according to Kentucky law, and in the event a bid or bids are received for the Bonds at an interest cost to the District more advantageous to the District than the loan commitment of USDA, the Bonds will

be sold to such other bidder; however, it is not expected any other bids will be received in view of the interest rate to be stipulated by USDA. The Bonds will not be delivered to USDA until such time as approximately the amount of the Bonds has been spent on the Project. This procedure is in accord with USDA rules requiring interim financing of USDA projects to the amount of the USDA loan. Accordingly, construction of the Project will be instituted and funded initially from the proceeds of an interim financing loan to be obtained from the Kentucky Rural Water Corporation, at a rate expected not to exceed 6.0% per annum. The interim loan will be secured by (i) the undisbursed proceeds of the interim financing loan and (ii) the proceeds of the Bonds when delivered to USDA according to USDA practices and procedures.

Interim financing is also available to the District from USDA at its current interest rate for loans of this type in the event other interim financing sources are not available or are unreasonable.

9. The Commission of the District respectfully represents to the Public Service Commission that there is a genuine need and demand for the Project and that the Commission should enter herein its Order, in compliance with KRS 278.023 and KAR 5:069, (a) issuing its Certificate of Public Convenience and Necessity pursuant to KRS 278.020 authorizing construction and installation of the Project, (b) approving the proposed schedule of water rates and charges and (c) authorizing pursuant to KRS 278.300 the issuance of \$1,000,000 principal amount of Water System Revenue Bonds, Series 2011, by the District as described herein.

Exhibit A-1

Preliminary Engineering Report



KENVIRONS

**PRELIMINARY ENGINEERING REPORT
PHASE VII EXPANSION PROJECT
SOUTH ANDERSON WATER DISTRICT
LAWRENCEBURG, KENTUCKY**

PROJECT NO. 2008019

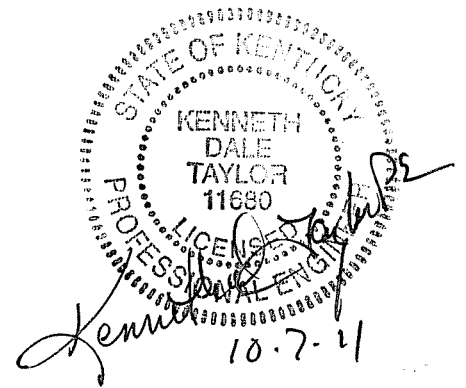
DECEMBER 2010

Kenvirons, Inc.

Civil & Environmental Engineering and Laboratory Services

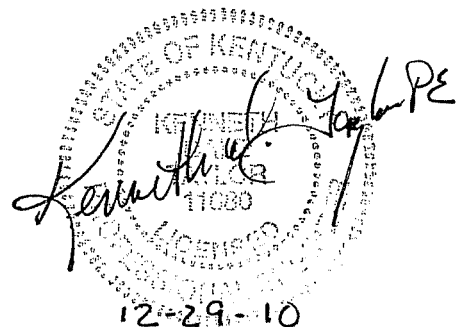
PRELIMINARY ENGINEERING REPORT
PHASE VII EXPANSION PROJECT
SOUTH ANDERSON WATER DISTRICT
LAWRENCEBURG, KENTUCKY

PROJECT NO. 2008019



Kenneth Dale Taylor
10.7.11

DECEMBER 2010



Kenneth Dale Taylor PE
12-29-10

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Exhibits

- I. County Map with Existing Facilities
- II. County Map with Proposed Facilities
- III. USGS Topographic Map
- IV. USGS Topographic Map

Attachments

- I. Opinion of Probable Construction Costs
- II. Forecast of Water Usage and Income – Existing and Proposed Rates
- III. Wholesale Water Rate Determination

Appendix I Hydraulic Model Results

PRELIMINARY ENGINEERING REPORT

PHASE VII EXPANSION PROJECT SOUTH ANDERSON WATER DISTRICT

I. INTRODUCTION

The South Anderson Water District (SAWD) was originally formed to provide a safe, dependable supply of potable water to the citizens of southern Anderson County. Since its inception in 1967, the SAWD has steadily grown until it now serves approximately 2600 customers over a large portion of the County. SAWD's goal has always been to make treated water available to every citizen within its boundary. This project will basically accomplish this as it extends service to the remaining 14 unserved areas within SAWD's boundaries. The extensions will make water service available to approximately 50 households and it is anticipated that approximately 40 of these will become users.

The project also includes a new booster pump station and elevated storage tank to serve the southeastern (US 127/Martha Layne Collins (Bluegrass) Parkway) portion of the system. These facilities will enhance the service in this area which has outgrown the capacities of the original booster pump station and standpipe. The new booster pump station has also been designed to provide 300 gallons per minute of whole sale water to the North Mercer Water District (NMWD) through an interconnection/master meter to be located on US 127 at the Mercer County line. NMWD is providing the interconnection/master meter.

The proposed facilities are modest in design, size and cost and will be constructed and operated in an environmentally responsible manner. If funds permit, the project will also complete four (4) hydraulic loops in the distribution system.

II. PROJECT PLANNING AREA

Included as Exhibit I is a map of Anderson County with SAWD's boundary and existing facilities indicated. Exhibit II is a map of Anderson County with the proposed facilities indicated. The planning area for the proposed project includes all of the area within SAWD's boundary as the entire distribution system must be designed to ultimately provide treated water to the entire area. Toward this goal the facilities previously constructed and planned by SAWD have been designed to provide the necessary volume and pressures for the completed system with the exception of the US 127 booster pump station, Stringtown tank and connecting lines. This tank and booster pump station will be replaced by the new ones in the Phase VII Expansion Project and the connecting line augmented by a parallel line. As previously stated the proposed booster pump station has also been designed to provide 300 gpm to North Mercer Water District. The proposed facilities are shown on Exhibits III and IV which are portions of the USGS 7.5 minute topographic maps of the areas. The specific areas to be served by the project include all or parts of the following roads: Caldwell Lane, Carey Mill Road, Clifton Road, Duncan Road, Fairmont/Watts Run, Hoophole & Cammack Roads, Hungry Run, KY 53 (Willisburg Road), Morgan Brothers Road, Sunrise Lane, Van Buren (River) Road, Wallace Lane, Baxter Ridge Connector and Walter Drury Road. Hydraulic loops are proposed on the following: Leathers Road, Lick Skillet Road, Goodlet Road, and Hickory Grove Road

The project will address a serious problem faced by the residents of these areas, that being the lack of a safe, dependable water supply. The personal health and safety of the residents are threatened by contaminated water sources. A majority of the families are also forced to haul water, creating a financial burden. The District has sampled a cross-section of the water supplies in the area over the years and the majority were contaminated by coliform or other bacteria. Tests conducted by a private water testing laboratory for the Phase VI Expansion Project indicated that 95% of all cisterns and springs had coliform contamination and that 25% were contaminated with E. Coli bacterium. Exposure to E. Coli can lead to a range of maladies, from stomach cramps to total kidney failure. The homes in the project area are mostly clustered together along the ridge lines.

There are no known or anticipated unusual construction conditions. Due to shallow soil depths in much of the area, the unit cost per foot of water line will be slightly higher than in some other areas of the state. The District is not aware of any environmentally significant features, historic sites or important land resources which will be adversely impacted by the project.

III. EXISTING FACILITIES

The District's distribution facilities now consist of approximately 15 miles of 8", 64 miles of 6", 120 miles of 4" and 7 miles of 3" distribution line; 1-50,000 gallon, 3-100,000 gallon, 1-131,000 gallon and 1-184,000 gallon storage tanks; 1- 90 gpm, 2-100 gpm, 1-200 gpm, 1-220 gpm and 1-420 gpm booster pump stations; and assorted accessories such as gate valves, and blow-off hydrants/valves. All of the system is less than 35 years old and the majority is less than 10 years old. All existing facilities are in good to excellent working condition.

The District currently purchases all water. It has a contract with the City of Lawrenceburg for up to 10 million gallons per month through 2037 and one with the Frankfort Plant Board for up to 3.1 million gallons per month through 2040. The parties are currently in the process of amending these contracts to ensure the availability of water through 2050.

Given in the attached Summary/Addendum are the District's current rate schedules, tabulation of users by monthly usage categories, status of existing long-term indebtedness and amounts on deposit in the required reserve accounts. The District is physically and economically sound.

IV. PROPOSED FACILITIES AND SERVICES

General Description. The proposed project will serve two (2) primary functions. In the first approximately 95,000 feet of four (4) and three (3) inch water line and distribution system appurtenances such as gate valves, air release valves, blow-off assemblies, etc. are proposed to serve the remaining unserved residences in the District's service area and complete five (5) loops in the distribution system. The four (4) of the loop lines will be bid as alternate construction as they will serve no new customers and will only be constructed as funds permit.

The other elements of the proposed project will provide additional storage and pumping capacity to the underserved area of the existing distribution system southeast of Lawrenceburg and 300 gpm of water to NMWD at the Mercer County line. These proposed facilities consist of approximately 18,000 feet of ten (10), eight (8), and six (6) inch transmission main with appropriate appurtenances, a 700 gpm booster pump station and a 250,000 gallon elevated storage tank.

The mains will be primarily of PVC. Some small sections of ductile iron pipe and polyethylene pipe may be used in special areas, i.e., stream crossings, past gas tanks, etc. The facilities will be designed to provide the customers with a minimum pressure of 30 psi at the meter at peak flow conditions. Where static pressures exceed 90 psi, individual pressure regulators will be provided to protect fixtures from high pressures.

The booster pumping station will be designed to maintain a minimum operating level in the elevated tank about six (6) feet lower than the overflow elevation of the tank. This will require pumping to begin when the water level in the tank drops to the minimum operating level; pumping will continue until the tank is refilled to just below the overflow level. This procedure will provide adequate pressure stabilization of the system. The hydraulic model of the system has been updated to include the proposed project and significant results of the model are appended to this report in Appendix I.

The locations of the major elements of the project are shown on the attached county road map and portions of the U.S.G.S. topographic maps. An itemized cost estimate is given in Attachment I. The extension of the District's distribution facilities is the only viable alternative for providing water service to these areas of the County and the existing facilities must be upgraded to provide adequate service to the area southeast of Lawrenceburg and NMWD.

Land. A 100 ft. by 100 ft. tract of land has been acquired near the US 127 – Martha Layne Collins Parkway intersection for the construction of the proposed storage tank. The booster pump station will be constructed on US Highway 127 right-of-way. No other land acquisition is anticipated.

Rights-of –Way. The majority of the distribution and transmission mains will be constructed on county or state highway right-of-ways. Permission to use county right-of-way has been granted by resolution of the Anderson County Fiscal Court and encroachment permits have been obtained from the Kentucky Transportation Cabinet for the construction proposed on state/federal highway rights-of-ways including the Martha Layne Collins Parkway crossings. The proposed booster pump station will be on US Highway 127 right-of-way.

A permit has been obtained from the Norfolk-Southern Railroad for the one railroad crossing in the project.

The proposed construction will require the acquisition of approximately 15 private easements. Approximately ten of the easements have been obtained and the remaining easements should be obtained by the end of January 2011. All private property owners involved have been contacted. No major problems are anticipated with the acquisition of the remaining easements with the only reasons for their not having been obtained at this time being multiple out-of-state owners, confirmation of heirs, etc.

Approvals. The proposed construction requires approval of the Kentucky Division of Water (KDOW) and Kentucky Public Service Commission (KPSC). The KDOW permit has been obtained and the KPSC approval (Certificate of Public Convenience and Necessity) will be obtained once construction bids are received.

The proposed construction has gone through the A-95 State Clearinghouse review and the US Fish and Wildlife Service and State Archaeologist have reviewed and cleared the proposed construction.

V. COST ESTIMATE

TABLE 1

PRELIMINARY PROJECT COST ESTIMATE
PHASE VII EXPANSION PROJECT
SOUTH ANDERSON WATER DISTRICT
LAWRENCEBURG, KENTUCKY

Construction Cost Estimate	\$ 2,217,200.00
Contingency	219,600.00
Engineering (Basic)	184,400.00
Construction Inspection	98,800.00
Other Engineering (Geotechnical, Archaeological, Surveying, Preliminary Engineering Report)	25,000.00
Land and Rights	35,000.00
Interest	30,000.00
Administrative/Legal Expenses	<u>40,000.00</u>
TOTAL	\$2,850,000.00

VI. FEASIBILITY STUDY

It is anticipated that this project will be funded with tap fees, a loan and grants. This section contains an economic feasibility analysis to determine the affect of additional borrowing on the District's financial integrity and the possible need for a rate adjustment. The District supplied computer generated billing data for the year beginning October 2009 through September 2010 from which the billing analysis was prepared. The annual operating budget was developed adjusting the 2009 Annual PSC Report and Audit for the additional customers, inflation, employee pay raises, etc.

EXPENSES

Operation and Maintenance Expense

TABLE 2

PROJECTED OPERATION AND MAINTENANCE EXPENSES

Salaries, Wages, Taxes and Benefits	\$335,000.00
Repairs	50,000.00
Insurance	8,000.00
Utilities (Operating and Office)	35,000.00
Materials and Supplies (Operating and Office)	69,000.00
Professional Fees	20,000.00
Transportation Expense	24,000.00
Miscellaneous	14,000.00
P.S.C. Assessment	2,000.00
Rental of Building	12,500.00
Water Testing	3,500.00
Water Purchases	<u>491,000.00</u>
TOTAL	\$1,064,000.00

Debt Payments

TABLE 3

EXISTING DEBT SERVICE REQUIREMENTS

<u>Bond Issue</u>	<u>Balance As of Jan. 1, 2011</u>	<u>Interest Rate</u>
1975	\$ 44,000	5%
1981	25,000	5%
1993	532,000	5.5%
1999	585,000	4.0 – 5.125%
2002	998,000	5%
2005	<u>330,000</u>	4.125%
	\$ 2,514,000	

PRINCIPAL MATURITIES AND INTEREST PAYMENTS

<u>Bond Issue</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
1975	12,925	12,375	11,825	11,275	0
1981	2,713	3,125	3,025	2,925	2,825
1993	40,930	41,243	41,500	40,730	41,905
1999	63,818	62,068	60,318	63,433	61,413
2002	64,350	63,600	63,850	64,050	64,200
2005	18,237	18,551	18,345	18,639	18,412
TOTAL	202,973	200,962	198,863	201,052	188,755

5 - Year Average = \$198,521

Proposed Phase VII Project Debt Repayment

\$1,000,000.00 Loan @ 3.75% - \$1,000,000 (0.0487) **\$48,700.00**

Total Yearly Expenses

Operation and Maintenance	\$1,064,000.00
Existing Debt	198,500.00
Proposed Project Debt Repayment	<u>48,700.00</u>
TOTAL	\$1,311,200.00

TOTAL REVENUES – EXISTING RATES

Retail Water Sales (See Attachment II)	\$1,155,500.00
Wholesale Water Sales – NMWD (See Attachment III).....	105,600.00
Service Fees and Penalties	38,000.00
Interest on Unobligated Accounts.....	<u>5,000.00</u>
TOTAL REVENUES.....	\$1,304,100.00

**AMOUNT AVAILABLE FOR DEPRECIATION AND DEBT COVERAGE
EXISTING RATES**

Total Estimated Yearly Expenses	1,311,500.00
Total Estimated Yearly Revenues.....	<u>1,304,100.00</u>
TOTAL AVAILABLE.....	\$ -7,400.00

TOTAL REVENUES – PROPOSED RATES

Retail Water Sales (See Attachment II)	\$1,297,000.00
Wholesale Water Sales – NMWD (See Attachment III).....	105,600.00
Service Fees and Penalties	38,000.00
Interest on Unobligated Accounts.....	<u>5,000.00</u>
TOTAL REVENUES.....	\$1,445,600.00

**AMOUNT AVAILABLE FOR DEPRECIATION AND DEBT COVERAGE
PROPOSED RATES**

Total Estimated Yearly Expenses	1,311,500.00
Total Estimated Yearly Revenues.....	<u>1,445,600.00</u>
TOTAL AVAILABLE.....	\$ 134,100.00

VII. CONCLUSIONS AND RECOMMENDATIONS

Conclusions

- A. A majority of the residents in the proposed project area do not have an acceptable domestic water source. Also a health hazard exists due to the contamination of many of the sources currently being used.
- B. The extension of the South Anderson Water District water distribution system into the area is the only viable means of providing them with an acceptable water source.
- C. Wholesale water can be provided to NMWD at the Mercer/Anderson County line with the addition of the proposed facilities at the wholesale rate proposed.
- D. Significant grant funds will be required for construction in order to keep the rate schedule at a tolerable level.
- E. The financial feasibility indicates that the South Anderson Water District cannot serve the proposed project area on the existing rates without seriously jeopardizing the financial integrity of the operations with the \$1,000,000.00 loan. The proposed rates are sufficient to cover operating expenses, debt service, bond resolution depreciation reserve funding and provide some net unobligated monies. The revenues are not sufficient to cover the full amount of depreciation allowed in the rate base. The grant is necessary to allow the District to operate comfortably.

Recommendations

The project, as presented herein, is feasible with the assumed levels of grants/loan and the proposed wholesale and retail rates. This will enable the District to accumulate a reasonable amount of monies, which could be used to facilitate additional extensions and/or defray unforeseen expenses. An application should be made to Rural Development for loan funds to construct the water system improvements proposed herein.

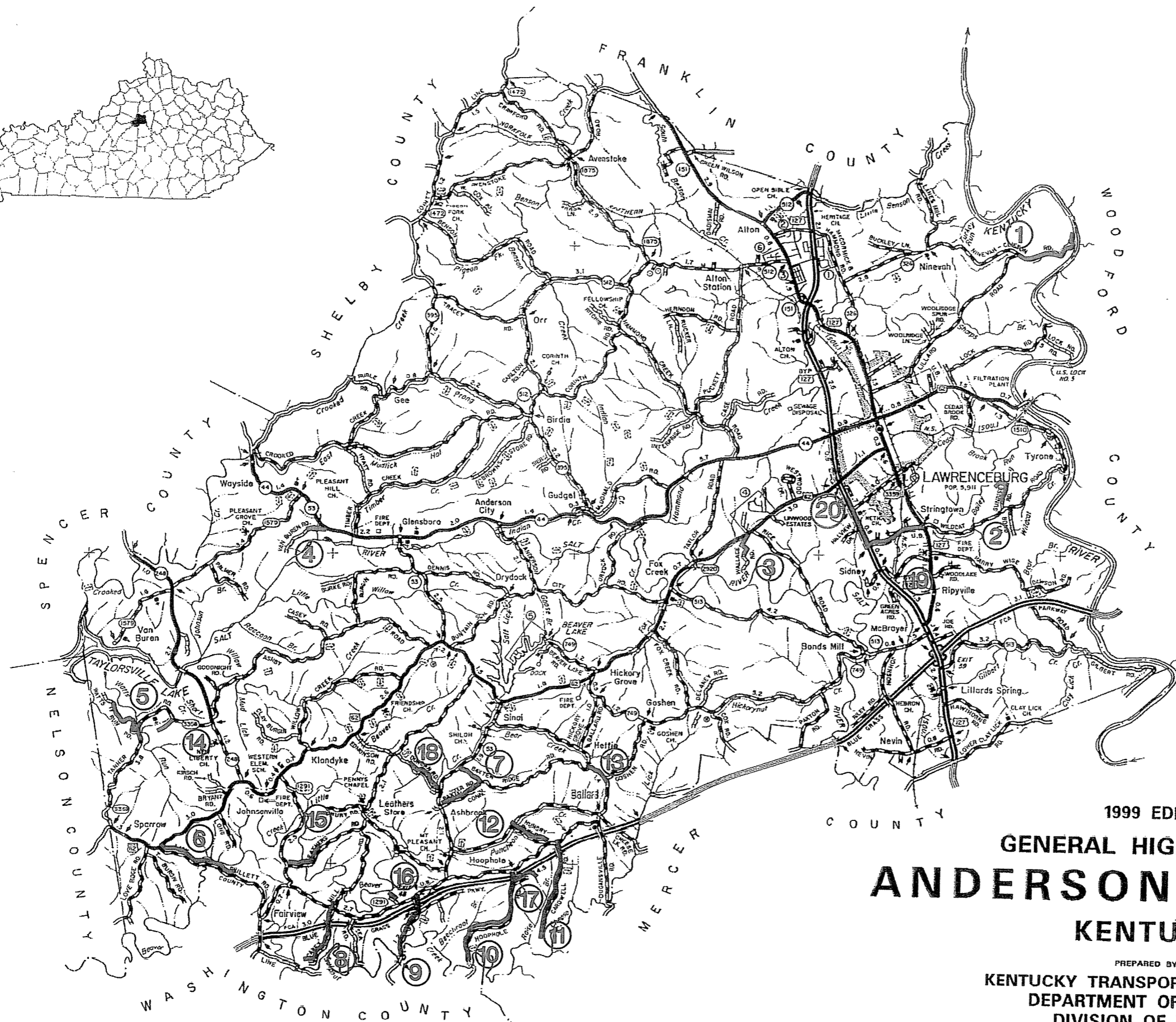
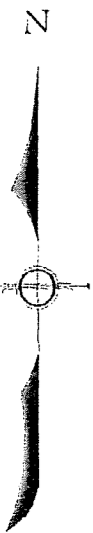
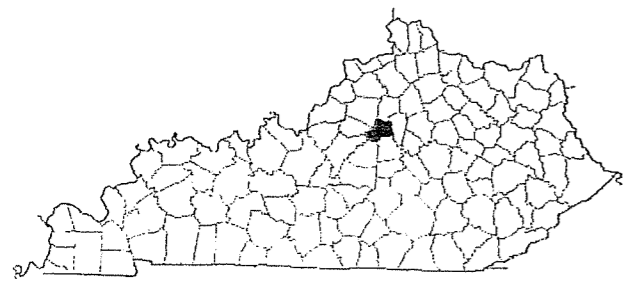
Project Funding:

Kentucky Non-Coal Producing Counties Grant (KIA)	\$ 1,800,000.00
Rural Development Loan	1,000,000.00
Tap Fees	<u>50,000.00</u>
 Total	 \$ 2,850,000.00

EXHIBITS

ATTACHMENTS

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1. Clifton Road
2. Sunrise Lane
3. Wallace Lane
4. River Road
5. Watts Run Road
6. Lick Skillet Road
7. Baxter Ridge Road
8. Carey Mill Road
9. KY. 53
10. Hoophole Road
11. Caldwell Road
12. Hungry Run Road
13. Hickory Grove Road
14. Morgan Brothers Road
15. Leathers Road
16. Walter Drury Road
17. Cammack Road
18. Duncan Road
19. New Water Storage Tank
20. US 127 Upgrade Line

1999 EDITION
GENERAL HIGHWAY MAP
ANDERSON COUNTY
KENTUCKY

PREPARED BY THE
KENTUCKY TRANSPORTATION CABINET
DEPARTMENT OF HIGHWAYS
DIVISION OF PLANNING
IN COOPERATION WITH THE
U.S. DEPARTMENT OF TRANSPORTATION
FEDERAL HIGHWAY ADMINISTRATION

SOUTH ANDERSON WATER DISTRICT
PHASE VII EXPANSION PROJECT
ANDERSON COUNTY, KENTUCKY

DRAWN BY: JKP
 CHECKED BY: MBR
 CHECKED BY: KDT
 DATE: 12/08
 SCALE: 1" = 2 MILES
 REV:

KENVIRONS, INC.
FRANKFORT, KENTUCKY



PROJECT NO.
 2008019
 SHEET NO.
 1 of 1

ATTACHMENT I
OPINION OF PROBABLE CONSTRUCTION COSTS

**South Anderson Water District
Phase VII Expansion Project**

Opinion of Probable Cost

December 15, 2010

Item No.	Item	Unit	Quantity	Unit Price	Item Price
1	10" PVC SDR-21	LF	220	\$16.00	\$3,520.00
2	8" PVC SDR 21 Pipe	LF	16,500	12.00	198,000.00
3	6" PVC SDR 21 Pipe	LF	1,130	9.00	10,170.00
4	4" PVC SDR 17 Pipe	LF	12,710	8.00	101,680.00
5	4" PVC SDR 21 Pipe	LF	54,080	7.40	400,192.00
6	3" PVC SDR 17 Pipe	LF	5,150	7.00	36,050.00
7	3" PVC SDR 21 Pipe	LF	23,095	6.50	150,117.50
8	Bored Encasement for 8" Pipe	LF	192	150.00	28,800.00
9	Bored Encasement for 6" Pipe	LF	0	110.00	0.00
9A	Directional Bore for 6" Pipe	LS	0	20,000.00	0.00
10	Bored Encasement for 3" or 4" Pipe	LF	1,040	90.00	93,600.00
11	Railroad Crossing	LF	140	300.00	42,000.00
12	Open Cut Encasement for 3" or 4" Pipe	LF	600	60.00	36,000.00
13	Directional Bore for 8" Creek Crossing	LS	1	10,000.00	10,000.00
14	Beaver Creek Directional Bore No. 1	LS	1	7,000.00	7,000.00
15	Beaver Creek Directional Bore No. 2	LS	1	6,000.00	6,000.00
16	Beaver Creek Directional Bore No. 3	LS	1	7,000.00	7,000.00
17.1	Creek Crossing for 3" or 4" Pipe	LF	385	90.00	34,650.00
17.2	Directional Bore for 3" or 4" Small Creek Crossing	LS	7	5,000.00	35,000.00
17.3	Directional Bore for 3" or 4" Large Creek Crossing	LS	2	7,500.00	15,000.00
18	Free Bore (all sizes)	LF	250	60.00	15,000.00
19	Tie-In to 8" W.L. (8"x8" TS&V)	EA	3	2,750.00	8,250.00
20	Tie-In to 8" W.L. (8"x6" TS&V)	EA	0	2,500.00	0.00
21	Tie-In to 6" W.L. (6"x6" TS&V)	EA	2	2,250.00	4,500.00
22	Tie-In to 6" W.L. (6"x4" TS&V)	EA	3	2,000.00	6,000.00
23	Tie-In to 6" W.L. (6"x3" TS&V)	EA	2	2,000.00	4,000.00
24	Tie-In to 4" W.L. (4"x4" TS&V)	EA	11	1,750.00	19,250.00
25	Tie-In to 4" W.L. (4"x3" TS&V)	EA	3	1,750.00	5,250.00
26	Tie-In to 3" W.L. (3"x3" TS&V)	EA	2	1,750.00	3,500.00
27	Tie-In to Blow-Off	EA	5	1,000.00	5,000.00
28	8" Gate Valve	EA	9	1,000.00	9,000.00
29	6" Gate Valve	EA	4	800.00	3,200.00
30	4" Gate Valve	EA	22	650.00	14,300.00
31	3" Gate Valve	EA	8	600.00	4,800.00
32	3" Blow-Off Type 1	EA	6	1,250.00	7,500.00
33	3" Blow-Off Type 2	EA	8	1,250.00	10,000.00
34	4" Blow-Off Type 1	EA	2	1,250.00	2,500.00
35	4" Blow-Off Type 2	EA	4	1,250.00	5,000.00
36	Air Release Valve	EA	3	600.00	1,800.00
37	Leak Detection Meter	EA	18	1,250.00	22,500.00
38	Pressure Reducing Station	LS	1	15,000.00	15,000.00
39	Master Meter	LS	1	15,000.00	15,000.00
40	700 gpm Pump Station	LS	1	150,000.00	150,000.00
41	Telemetry	LS	1	26,385.50	26,385.50
42	250,000 Gallon Elevated Water Storage Tank	LS	1	765,000.00	765,000.00
43	3/4" x 5/8" Meter Setting	EA	46	900.00	41,400.00
44	3/4" Service Line	LF	1,395	5.00	6,975.00
45	Pavement Replacement				
45.1	Gravel	LF	2,610	10.00	26,100.00
45.2	Light Duty Bituminous	LF	800	20.00	16,000.00
45.3	Heavy Duty Bituminous	LF	100	35.00	3,500.00
45.4	Concrete	LF	145	45.00	6,525.00
Total Construction Cost Estimate					\$2,438,015.00

Total Construction Cost Estimate	\$2,438,015.00
Base Contract Construction Cost Estimate	\$2,217,200.00
Alternate Construction Cost Estimate	\$220,815.00

ATTACHMENT II
FORECAST OF WATER USAGE AND INCOME
EXISTING AND PROPOSED RATES

EXISTING RATES

FOR Anderson County, Kentucky
Community, Town or City

P.S.C. KY. NO. _____

3rd revised SHEET NO. 4

South Anderson Water District
(Name of Utility)

CANCELLING P.S.C. KY. NO. _____

2nd revised SHEET NO. 4

RATES AND CHARGES

The following rates and charges are prescribed for the customers in the area served by South Anderson Water District. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of the Commission prior to the effective date of this Order.

Monthly Water Rates

First 2,000 gallons	\$16.92 (Minimum bill)
Next 1,000 gallons	\$8.295 per 1,000 gallons
Next 2,000 gallons	\$7.245 per 1,000 gallons
Next 2,000 gallons	\$6.255 per 1,000 gallons
Next 3,000 gallons	\$5.215 per 1,000 gallons
All Over 10,000 gallons	\$4.885 per 1,000 gallons

Bulk Loading Station \$3.57 per 1,000 gallons

DATE OF ISSUE July 20, 2009
Month / Date / Year

DATE EFFECTIVE July 16, 2009
Month / Date / Year

ISSUED BY Eddie R. Steves
(Signature of Officer)

TITLE Chairman

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION OF KY

IN CASE NO. _____ DATED _____

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE
7/16/2009
PURSUANT TO 807 KAR 5:011
SECTION 9 (1)

[Signature]
Executive Director

FORECAST OF WATER USAGE - INCOME - NEW & EXISTING USERS



Meter Size*	Monthly Water Usage			Average	Average Rate	All Users			Non-Residential			
						No. of Users	Usage (1000 gal)	Income (\$1,000)	No. of Users	Usage (1000 gal)	Income (\$1,000)	
	0 -	2,000	Gallons	1,000	16.92	8,194	8,194.37	138,648.76	-	-	-	
	2,000 -	3,000	Gallons	2,500	21.07	5,464	13,660.74	115,132.68	-	-	-	
	3,000 -	4,000	Gallons	3,500	28.84	5,493	19,226.49	158,398.81	-	-	-	
	4,000 -	5,000	Gallons	4,500	36.09	4,282	19,268.94	154,536.87	-	-	-	
	5,000 -	6,000	Gallons	5,500	42.83	2,915	16,034.67	124,866.35	-	-	-	
	6,000 -	7,000	Gallons	6,500	49.09	1,929	12,536.92	94,682.69	-	-	-	
	7,000 -	8,000	Gallons	7,500	54.82	1,171	8,781.90	64,189.85	-	-	-	
	8,000 -	9,000	Gallons	8,500	60.03	698	5,931.21	41,888.32	-	-	-	
	9,000 -	10,000	Gallons	9,500	65.25	503	4,779.96	32,830.80	-	-	-	
5/8 x 3/4	10,000 -	11,000	Gallons	10,500	70.30	331	3,478.60	23,290.03	-	-	-	
Inch	11,000 -	12,000	Gallons	11,500	80.07	280	3,214.60	22,381.97	-	-	-	
	12,000 -	13,000	Gallons	12,500	84.96	175	2,187.06	14,865.03	-	-	-	
	13,000 -	14,000	Gallons	13,500	89.84	166	2,236.24	14,881.76	-	-	-	
	14,000 -	15,000	Gallons	14,500	94.73	124	1,801.42	11,768.84	-	-	-	
	15,000 -	16,000	Gallons	15,500	99.61	94	1,460.29	9,384.45	-	-	-	
	16,000 -	17,000	Gallons	16,500	104.50	66	1,093.27	6,924.06	-	-	-	
	17,000 -	18,000	Gallons	17,500	109.38	69	1,213.89	7,587.13	-	-	-	
	18,000 -	19,000	Gallons	18,500	114.27	42	785.27	4,850.44	-	-	-	
	19,000 -	20,000	Gallons	19,500	119.15	32	625.84	3,824.02	-	-	-	
	20,000 -	30,000	Gallons	23,850	140.51	230	5,485.50	32,317.30	-	-	-	
	30,000 -	50,000	Gallons	37,676	203.95	123	4,634.20	25,085.85	-	-	-	
	>50,000 -		Gallons	90,477	531.62	100	9,047.70	53,162.00	-	-	-	
						Subtotal	32,483	145,679.07	\$ 1,155,498.02	-	-	\$ -
						Average Monthly Bill		\$ 35.57				
						Average Monthly Usage		4,485 gallons				9

FORECAST OF WATER USAGE / INCOME - EXISTING USERS ONLY



Meter Size*	Monthly Water Usage	Average	Average Rate	All Users			Non-Residential		
				No. of Users	Usage (1000 gal)	Income (\$1,000)	No. of Users	Usage (1000 gal)	Income (\$1,000)
	0 - 2,000 Gallons	1,000	16.92	7,915	7,915.00	133,921.80	-	-	-
	2,000 - 3,000 Gallons	2,500	21.07	5,278	13,195.00	111,207.46	-	-	-
	3,000 - 4,000 Gallons	3,500	28.84	5,306	18,571.00	152,998.51	-	-	-
	4,000 - 5,000 Gallons	4,500	36.09	4,136	18,612.00	149,268.24	-	-	-
	5,000 - 6,000 Gallons	5,500	42.83	2,816	15,488.00	120,609.28	-	-	-
	6,000 - 7,000 Gallons	6,500	49.09	1,863	12,109.50	91,454.67	-	-	-
	7,000 - 8,000 Gallons	7,500	54.82	1,131	8,482.50	62,001.42	-	-	-
	8,000 - 9,000 Gallons	8,500	60.03	674	5,729.00	40,460.22	-	-	-
	9,000 - 10,000 Gallons	9,500	65.25	486	4,617.00	31,711.50	-	-	-
5/8 x 3/4	10,000 - 11,000 Gallons	10,500	70.30	320	3,360.00	22,496.00	-	-	-
Inch	11,000 - 12,000 Gallons	11,500	80.07	270	3,105.00	21,618.90	-	-	-
	12,000 - 13,000 Gallons	12,500	84.96	169	2,112.50	14,358.24	-	-	-
	13,000 - 14,000 Gallons	13,500	89.84	160	2,160.00	14,374.40	-	-	-
	14,000 - 15,000 Gallons	14,500	94.73	120	1,740.00	11,367.60	-	-	-
	15,000 - 16,000 Gallons	15,500	99.61	91	1,410.50	9,064.51	-	-	-
	16,000 - 17,000 Gallons	16,500	104.50	64	1,056.00	6,688.00	-	-	-
	17,000 - 18,000 Gallons	17,500	109.38	67	1,172.50	7,328.46	-	-	-
	18,000 - 19,000 Gallons	18,500	114.27	41	758.50	4,685.07	-	-	-
	19,000 - 20,000 Gallons	19,500	119.15	31	604.50	3,693.65	-	-	-
	20,000 - 30,000 Gallons	23,850	140.51	230	5,485.50	32,317.30	-	-	-
	30,000 - 50,000 Gallons	37,676	203.95	123	4,634.20	25,085.85	-	-	-
	>50,000 Gallons	90,477	531.62	100	9,047.70	53,162.00	-	-	-
	Subtotal			31,391	141,365.90	\$ 1,119,873.08			\$ -
	Average Monthly Bill		\$ 35.67				#DIV/0!		
	Average Monthly Usage				4,503 gallons		#DIV/0!		gallons

FORECAST OF WATER USAGE / INCOME - NEW USERS ONLY



Meter Size*	Monthly Water Usage	Average	Average Rate	All Users			Non-Residential		
				No. of Users	Usage (1000 gal)	Income (\$1,000)	No. of Users	Usage (1000 gal)	Income (\$1,000)
	0 - 2,000 Gallons	1,000	16.92	157	156.57	2,649.17	-	-	
	2,000 - 3,000 Gallons	2,500	21.07	104	261.02	2,199.85	-	-	
	3,000 - 4,000 Gallons	3,500	28.84	105	367.36	3,026.54	-	-	
	4,000 - 5,000 Gallons	4,500	36.09	82	368.17	2,952.75	-	-	
	5,000 - 6,000 Gallons	5,500	42.83	56	306.38	2,385.83	-	-	
	6,000 - 7,000 Gallons	6,500	49.09	37	239.54	1,809.11	-	-	
	7,000 - 8,000 Gallons	7,500	54.82	22	167.80	1,226.48	-	-	
	8,000 - 9,000 Gallons	8,500	60.03	13	113.33	800.36	-	-	
	9,000 - 10,000 Gallons	9,500	65.25	10	91.33	627.30	-	-	
5/8 x 3/4	10,000 - 11,000 Gallons	10,500	70.30	6	66.47	445.00	-	-	
Inch	11,000 - 12,000 Gallons	11,500	80.07	5	61.42	427.65	-	-	
	12,000 - 13,000 Gallons	12,500	84.96	3	41.79	284.03	-	-	
	13,000 - 14,000 Gallons	13,500	89.84	3	42.73	284.35	-	-	
	14,000 - 15,000 Gallons	14,500	94.73	2	34.42	224.87	-	-	
	15,000 - 16,000 Gallons	15,500	99.61	2	27.90	179.31	-	-	
	16,000 - 17,000 Gallons	16,500	104.50	1	20.89	132.30	-	-	
	17,000 - 18,000 Gallons	17,500	109.38	1	23.19	144.97	-	-	
	18,000 - 19,000 Gallons	18,500	114.27	1	15.00	92.68	-	-	
	19,000 - 20,000 Gallons	19,500	119.15	1	11.96	73.07	-	-	
	20,000 - 30,000 Gallons	23,850	140.51		-	-	-	-	
	30,000 - 50,000 Gallons	37,676	203.95		-	-	-	-	
	>50,000 Gallons	90,477	531.62		-	-	-	-	
		Subtotal		612	2,417.27	\$ 19,965.62	-	\$ -	
		Average Monthly Bill	\$ 32.62						
		Average Monthly Usage			3,950 gallons			gallons	

FORECAST OF WATER USAGE / INCOME - NEW (PROJECT) USERS ONLY



Meter Size*	Monthly Water Usage	Average	Average Rate	All Users			Non-Residential		
				No. of Users	Usage (1000 gal)	Income (\$1,000)	No. of Users	Usage (1000 gal)	Income (\$1,000)
	0 - 2,000 Gallons	1,000	16.92	123	122.80	2,077.78	-	-	-
	2,000 - 3,000 Gallons	2,500	21.07	82	204.72	1,725.37	-	-	-
	3,000 - 4,000 Gallons	3,500	28.84	82	288.13	2,373.76	-	-	-
	4,000 - 5,000 Gallons	4,500	36.09	64	288.76	2,315.88	-	-	-
	5,000 - 6,000 Gallons	5,500	42.83	44	240.29	1,871.24	-	-	-
	6,000 - 7,000 Gallons	6,500	49.09	29	187.88	1,418.91	-	-	-
	7,000 - 8,000 Gallons	7,500	54.82	18	131.61	961.95	-	-	-
	8,000 - 9,000 Gallons	8,500	60.03	10	88.88	627.74	-	-	-
	9,000 - 10,000 Gallons	9,500	65.25	8	71.63	492.00	-	-	-
5/8 x 3/4	10,000 - 11,000 Gallons	10,500	70.30	5	52.13	349.02	-	-	-
Inch	11,000 - 12,000 Gallons	11,500	80.07	4	48.17	335.42	-	-	-
	12,000 - 13,000 Gallons	12,500	84.96	3	32.78	222.77	-	-	-
	13,000 - 14,000 Gallons	13,500	89.84	2	33.51	223.02	-	-	-
	14,000 - 15,000 Gallons	14,500	94.73	2	27.00	176.37	-	-	-
	15,000 - 16,000 Gallons	15,500	99.61	1	21.88	140.63	-	-	-
	16,000 - 17,000 Gallons	16,500	104.50	1	16.38	103.76	-	-	-
	17,000 - 18,000 Gallons	17,500	109.38	1	18.19	113.70	-	-	-
	18,000 - 19,000 Gallons	18,500	114.27	1	11.77	72.69	-	-	-
	19,000 - 20,000 Gallons	19,500	119.15	0	9.38	57.31	-	-	-
	20,000 - 30,000 Gallons	23,850	140.51		-	-	-	-	-
	30,000 - 50,000 Gallons	37,676	203.95		-	-	-	-	-
	>50,000 - Gallons	90,477	531.62		-	-	-	-	-
		Subtotal		480	1,895.90	\$ 15,659.31	-	-	\$ -
		Average Monthly Bill	\$ 32.62						
		Average Monthly Usage			3,950 gallons				gallons

PROPOSED RATES

**SOUTH ANDERSON WATER DISTRICT
PHASE VII EXTENSION PROJECT**

Proposed Monthly Water Rates

First	2,000 gallons	\$18.61 (minimum bill)
Next	3,000 gallons	\$9.125 per 1,000 gallons
Next	5,000 gallons	\$6.880 per 1,000 gallons
All over	10,000 gallons	\$5.375 per 1,000 gallons
Bulk Loading Station		\$3.57 per 1,000 gallons

FORECAST OF WATER USAGE / INCOME - EXISTING USERS ONLY



Meter Size*	Monthly Water Usage	Average	Average Rate	All Users			Non-Residential		
				No. of Users	Usage (1000 gal)	Income (\$1,000)	No. of Users	Usage (1000 gal)	Income (\$1,000)
	0 - 2,000 Gallons	1,000	18.61	7,915	7,915.00	147,298.15		-	-
	2,000 - 3,000 Gallons	2,500	23.17	5,278	13,195.00	122,291.26		-	-
	3,000 - 4,000 Gallons	3,500	32.30	5,306	18,571.00	171,383.80		-	-
	4,000 - 5,000 Gallons	4,500	41.42	4,136	18,612.00	171,313.12		-	-
	5,000 - 6,000 Gallons	5,500	49.43	2,816	15,488.00	139,194.88		-	-
	6,000 - 7,000 Gallons	6,500	56.31	1,863	12,109.50	104,905.53		-	-
	7,000 - 8,000 Gallons	7,500	63.19	1,131	8,482.50	71,467.89		-	-
	8,000 - 9,000 Gallons	8,500	70.07	674	5,729.00	47,227.18		-	-
	9,000 - 10,000 Gallons	9,500	76.95	486	4,617.00	37,397.70		-	-
5/8 x 3/4	10,000 - 11,000 Gallons	10,500	83.07	320	3,360.00	26,582.40		-	-
Inch	11,000 - 12,000 Gallons	11,500	88.45	270	3,105.00	23,881.50		-	-
	12,000 - 13,000 Gallons	12,500	93.82	169	2,112.50	15,855.58		-	-
	13,000 - 14,000 Gallons	13,500	99.20	160	2,160.00	15,872.00		-	-
	14,000 - 15,000 Gallons	14,500	104.57	120	1,740.00	12,548.40		-	-
	15,000 - 16,000 Gallons	15,500	109.95	91	1,410.50	10,005.45		-	-
	16,000 - 17,000 Gallons	16,500	115.32	64	1,056.00	7,380.48		-	-
	17,000 - 18,000 Gallons	17,500	120.70	67	1,172.50	8,086.90		-	-
	18,000 - 19,000 Gallons	18,500	126.07	41	758.50	5,168.87		-	-
	19,000 - 20,000 Gallons	19,500	131.45	31	604.50	4,074.95		-	-
	20,000 - 30,000 Gallons	23,850	154.83	230	5,485.50	35,610.90		-	-
	30,000 - 50,000 Gallons	37,676	229.14	123	4,634.20	28,184.22		-	-
	>50,000 - Gallons	90,477	512.95	100	9,047.70	51,295.00		-	-
		Subtotal		31,391	141,365.90	\$ 1,257,026.16		-	\$ -
		Average Monthly Bill	\$ 40.04				#DIV/0!		
		Average Monthly Usage			4,503 gallons		#DIV/0!	gallons	

FORECAST OF WATER USAGE - INCOME - PROJECT, GROWTH & EXISTING USERS



Meter Size*	Monthly Water Usage			Average	Average Rate	All Users			Non-Residential		
						No. of Users	Usage (1000 gal)	Income (\$1,000)	No. of Users	Usage (1000 gal)	Income (\$1,000)
	0 - 2,000	Gallons	1,000	18.61	8,194	8,194.37	152,497.24	-	-	-	
	2,000 - 3,000	Gallons	2,500	23.17	5,464	13,660.74	126,607.70	-	-	-	
	3,000 - 4,000	Gallons	3,500	32.30	5,493	19,226.49	177,433.03	-	-	-	
	4,000 - 5,000	Gallons	4,500	41.42	4,282	19,268.94	177,359.86	-	-	-	
	5,000 - 6,000	Gallons	5,500	49.43	2,915	16,034.67	144,107.96	-	-	-	
	6,000 - 7,000	Gallons	6,500	56.31	1,929	12,536.92	108,608.32	-	-	-	
	7,000 - 8,000	Gallons	7,500	63.19	1,171	8,781.90	73,990.45	-	-	-	
	8,000 - 9,000	Gallons	8,500	70.07	698	5,931.21	48,894.13	-	-	-	
	9,000 - 10,000	Gallons	9,500	76.95	503	4,779.96	38,717.70	-	-	-	
5/8 x 3/4	10,000 - 11,000	Gallons	10,500	83.07	331	3,478.60	27,520.66	-	-	-	
Inch	11,000 - 12,000	Gallons	11,500	88.45	280	3,214.60	24,724.43	-	-	-	
	12,000 - 13,000	Gallons	12,500	93.82	175	2,187.06	16,415.22	-	-	-	
	13,000 - 14,000	Gallons	13,500	99.20	166	2,236.24	16,432.22	-	-	-	
	14,000 - 15,000	Gallons	14,500	104.57	124	1,801.42	12,991.31	-	-	-	
	15,000 - 16,000	Gallons	15,500	109.95	94	1,460.29	10,358.61	-	-	-	
	16,000 - 17,000	Gallons	16,500	115.32	66	1,093.27	7,640.98	-	-	-	
	17,000 - 18,000	Gallons	17,500	120.70	69	1,213.89	8,372.34	-	-	-	
	18,000 - 19,000	Gallons	18,500	126.07	42	785.27	5,351.31	-	-	-	
	19,000 - 20,000	Gallons	19,500	131.45	32	625.84	4,218.78	-	-	-	
	20,000 - 30,000	Gallons	23,850	154.83	230	5,485.50	35,610.90	-	-	-	
	30,000 - 50,000	Gallons	37,676	229.14	123	4,634.20	28,184.22	-	-	-	
	>50,000	Gallons	90,477	512.95	100	9,047.70	51,295.00	-	-	-	
			Subtotal		32,483	145,679.07	\$ 1,297,332.39	-	-	\$ -	
			Average Monthly Bill	\$ 39.94							
			Average Monthly Usage			4,485 gallons			9		

FORECAST OF WATER USAGE / INCOME - NEW USERS ONLY



Meter Size*	Monthly Water Usage		Average	Average Rate	No. of Users	All Users		Non-Residential		
						Usage (1000 gal)	Income (\$1,000)	No. of Users	Usage (1000 gal)	Income (\$1,000)
	0 - 2,000	Gallons	1,000	18.61	157	156.57	2,913.78	-	-	-
	2,000 - 3,000	Gallons	2,500	23.17	104	261.02	2,419.10	-	-	-
	3,000 - 4,000	Gallons	3,500	32.30	105	367.36	3,390.23	-	-	-
	4,000 - 5,000	Gallons	4,500	41.42	82	368.17	3,388.83	-	-	-
	5,000 - 6,000	Gallons	5,500	49.43	56	306.38	2,753.48	-	-	-
	6,000 - 7,000	Gallons	6,500	56.31	37	239.54	2,075.19	-	-	-
	7,000 - 8,000	Gallons	7,500	63.19	22	167.80	1,413.74	-	-	-
	8,000 - 9,000	Gallons	8,500	70.07	13	113.33	934.22	-	-	-
	9,000 - 10,000	Gallons	9,500	76.95	10	91.33	739.78	-	-	-
5/8 x 3/4	10,000 - 11,000	Gallons	10,500	83.07	6	66.47	525.84	-	-	-
Inch	11,000 - 12,000	Gallons	11,500	88.45	5	61.42	472.41	-	-	-
	12,000 - 13,000	Gallons	12,500	93.82	3	41.79	313.65	-	-	-
	13,000 - 14,000	Gallons	13,500	99.20	3	42.73	313.97	-	-	-
	14,000 - 15,000	Gallons	14,500	104.57	2	34.42	248.23	-	-	-
	15,000 - 16,000	Gallons	15,500	109.95	2	27.90	197.92	-	-	-
	16,000 - 17,000	Gallons	16,500	115.32	1	20.89	146.00	-	-	-
	17,000 - 18,000	Gallons	17,500	120.70	1	23.19	159.97	-	-	-
	18,000 - 19,000	Gallons	18,500	126.07	1	15.00	102.25	-	-	-
	19,000 - 20,000	Gallons	19,500	131.45	1	11.96	80.61	-	-	-
	20,000 - 30,000	Gallons	23,850	154.83		-	-	-	-	-
	30,000 - 50,000	Gallons	37,676	229.14		-	-	-	-	-
	>50,000	Gallons	90,477	512.95		-	-	-	-	-
			Subtotal		612	2,417.27	\$ 22,589.21	-	-	\$ -
			Average Monthly Bill	\$ 36.91						
			Average Monthly Usage			3,950 gallons				gallons

FORECAST OF WATER USAGE / INCOME - NEW (PROJECT) USERS ONLY



Meter Size*	Monthly Water Usage	Average	Average Rate	All Users			Non-Residential		
				No. of Users	Usage (1000 gal)	Income (\$1,000)	No. of Users	Usage (1000 gal)	Income (\$1,000)
	0 - 2,000 Gallons	1,000	18.61	123	122.80	2,285.32	-	-	-
	2,000 - 3,000 Gallons	2,500	23.17	82	204.72	1,897.34	-	-	-
	3,000 - 4,000 Gallons	3,500	32.30	82	288.13	2,659.00	-	-	-
	4,000 - 5,000 Gallons	4,500	41.42	64	288.76	2,657.91	-	-	-
	5,000 - 6,000 Gallons	5,500	49.43	44	240.29	2,159.59	-	-	-
	6,000 - 7,000 Gallons	6,500	56.31	29	187.88	1,627.60	-	-	-
	7,000 - 8,000 Gallons	7,500	63.19	18	131.61	1,108.82	-	-	-
	8,000 - 9,000 Gallons	8,500	70.07	10	88.88	732.73	-	-	-
	9,000 - 10,000 Gallons	9,500	76.95	8	71.63	580.22	-	-	-
5/8 x 3/4	10,000 - 11,000 Gallons	10,500	83.07	5	52.13	412.42	-	-	-
Inch	11,000 - 12,000 Gallons	11,500	88.45	4	48.17	370.52	-	-	-
	12,000 - 13,000 Gallons	12,500	93.82	3	32.78	246.00	-	-	-
	13,000 - 14,000 Gallons	13,500	99.20	2	33.51	246.25	-	-	-
	14,000 - 15,000 Gallons	14,500	104.57	2	27.00	194.69	-	-	-
	15,000 - 16,000 Gallons	15,500	109.95	1	21.88	155.23	-	-	-
	16,000 - 17,000 Gallons	16,500	115.32	1	16.38	114.51	-	-	-
	17,000 - 18,000 Gallons	17,500	120.70	1	18.19	125.47	-	-	-
	18,000 - 19,000 Gallons	18,500	126.07	1	11.77	80.19	-	-	-
	19,000 - 20,000 Gallons	19,500	131.45	0	9.38	63.22	-	-	-
	20,000 - 30,000 Gallons	23,850	154.83		-	-	-	-	-
	30,000 - 50,000 Gallons	37,676	229.14		-	-	-	-	-
	>50,000 - Gallons	90,477	512.95		-	-	-	-	-
	Subtotal			480	1,895.90	\$ 17,717.02			\$ -
	Average Monthly Bill		\$ 36.91						
	Average Monthly Usage				3,950 gallons				gallons

ATTACHMENT III
WHOLESALE WATER RATE DETERMINATION

**SOUTH ANDERSON WATER DISTRICT – NORTH MERCER WATER DISTRICT
WHOLESALE WATER RATE**

Estimated Construction Costs:

(SAWD & NMWD) – SAWD Only: \$675,200 - \$535,000 = \$140,200
Design Fee: 7.56% of \$140,200 = \$10,600
Inspection Fee: 4.47% of \$140,200 = \$6,300
Total: \$157,100

Estimated Loan Repayment:

USDA – Rural Development Terms – 38 years @ 3.75%
10% Coverage
Capital Recovery Factor – 0.0487
Monthly Payments: $P \times CRF \div 12 = \$157,100 \times 0.0487 \div 12 = \638.00
Coverage @ 10%: $0.10 \times \$638.00 = \64.00
Total Debt Service: $\$638.00 + \$64.00 = \$702.00/\text{mo.}$

Depreciation: \$157,100.00 over 40 yrs. - \$328.00/mo.

Water Costs: City of Lawrenceburg \$2.49/1,000 minimum bill
\$2.34/1,000 over minimum
Minimum Bill for 100,000 gpd or 3,000,000 gallons per month
3,000,000 gallons @ \$2.49/1,000 gallons = \$7,470.00
Pumping Costs: 3,000,000 gallons @ \$0.10/1,000 gallons = \$300.00

Monthly Bill for 3,000,000 gallon (minimum bill):

Debt Service:	\$702.00
Depreciation:	328.00
Water Cost:	7,470.00
Pumping Cost:	<u>300.00</u>
Total	\$8,800.00 for 3,000,000 gallons or \$2.93 per 1,000

All over 3,000,000 gallons per month:

Water Cost:	\$2.34/1,000
Pumping Cost:	<u>0.10/1,000</u>
Total:	\$2.44/1,000 gallons

Wholesale rate South Anderson Water District to
North Mercer Water District

Minimum Monthly Bill for first 3,000,000 gallons: \$8,800.00
All over 3,000,000 at \$2.44 per 1,000 gallons

APPENDIX

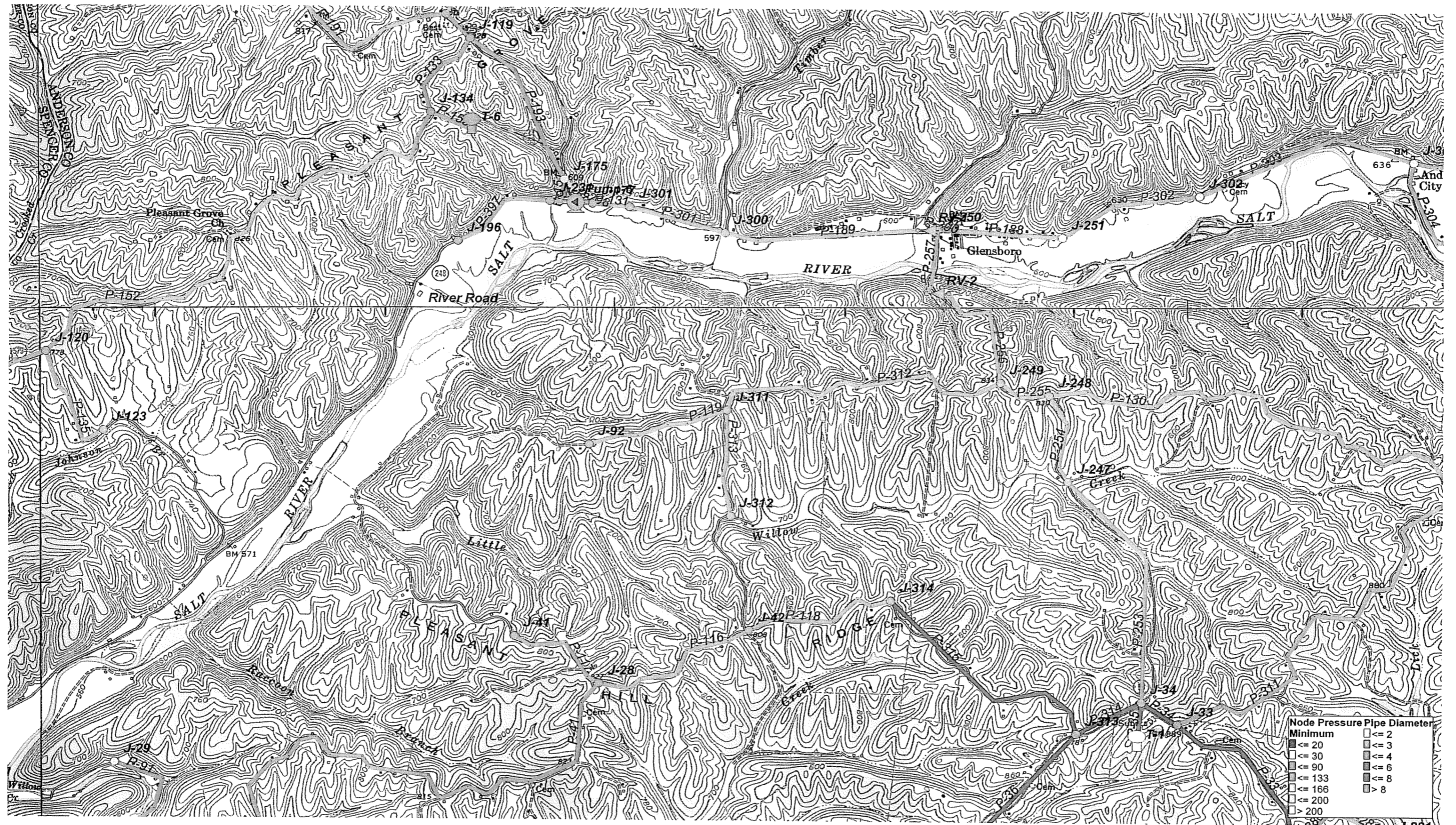


Exhibit A-2

Summary Addendum to
Preliminary Engineering Report



**SOUTH ANDERSON WATER DISTRICT
PHASE VII EXPANSION PROJECT**

**SUMMARY ADDENDUM
TO
PRELIMINARY ENGINEERING REPORT**

Kenvirons, Inc.

Civil & Environmental Engineering and Laboratory Services

SUMMARY ADDENDUM
to
PRELIMINARY ENGINEERING REPORT

DATED DECEMBER 2010

for

SOUTH ANDERSON WATER DISTRICT
(NAME OF WATER FACILITY PROJECT)

APPLICANT CONTACT PERSON BRENDA ROBINSON, OFFICE MANAGER

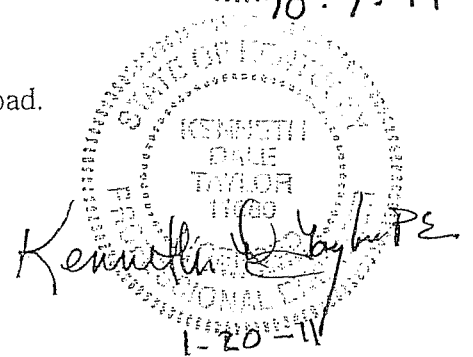
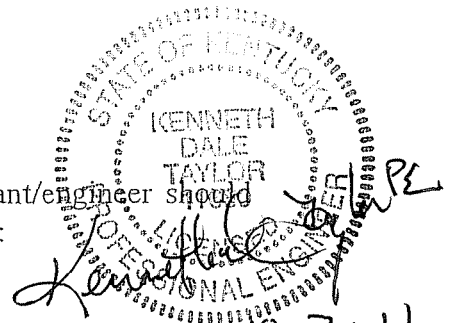
APPLICANT PHONE NUMBER (502) 839-6919

In order to avoid unnecessary delays in application processing, the applicant and its consulting engineer should prepare a summary of the preliminary engineering report in accordance with this Guide. Feasibility reviews and grant determinations may be processed more accurately and more rapidly if the Summary Addendum is submitted simultaneously with the preliminary engineering report, or as soon thereafter as possible.

I. GENERAL

A. Area to be served: In addition to this summary, the applicant/engineer should submit a project map of the service area showing the following:

1. Existing Facilities - Location and Size.
2. Proposed Facilities - Location and Size.
3. New User Location - Also attach a list of new users, by road.
4. Breakdown of project cost for each branch line.



II. FACILITY CHARACTERISTICS OF EXISTING WATER SYSTEM

- A. Water Source: Describe adequacy of source (quality and quantity). Include an explanation of raw water source, raw water intake structure, treatment plant capacity, and current level of production (WTP). Also describe the adequacy of Water Purchase Contract if applicable.

South Anderson Water District (SAWD) purchases all water for resale. SAWD currently has contracts with the City of Lawrenceburg for "in such quantity as may be required by required by the Purchaser but not less than 8 million gallons per month." and one with the Frankfort Plant Board for up to 3.1 million gallons per month. Both sources have excess treatment capacity and have expressed a desire to sell more water to SAWD.

If the applicant purchases water:

Seller(s): City of Lawrenceburg; Frankfort Plant Board

Price/1,000 gallons: L'burg \$2.49 < 8M/2.34 > 8M; FPB \$1.418

Present Estimated Market Value of Existing System: \$6,850,000.00

- B. Water Storage:

Type: Ground Storage Tank 0 Elevated Tank 1

Standpipe 5 Other None

Number of Storage Structures 6

Total Storage Volume Capacity 665,000

Date Storage Tank(s) Constructed 1-1999, 1-1994, 2-1988, 1- 1976, 1-2006

- C. Water Distribution System:

Pipe Material PVC, PE, D.I.

Lineal Feet of Pipe:	3" Diameter	42,250	4"	632,000
	6"	340,000	8"	81,250
			10"	
			12"	

Date(s) Water Lines Constructed Major extensions 1976, 1983, 1988, 1994, 2001 & 2006

Number and Capacity of Pump Station(s) 1 @ 90 GPM, 2 @ 100 gpm, ,
1@ 200 gpm ,1@ 220 gpm and 1@ 420 gpm

D. Condition of Existing Water System:

Briefly describe the condition and suitability for continued use of facility now owned by the applicant. Include any major renovation that will be needed within five to ten years.

All of the District's existing facilities are in good to excellent condition. No major renovations are expected in the next 5-10 years on the existing facilities.

III. EXISTING LONG-TERM INDEBTEDNESS

A. List of Bonds and Notes:

<u>DATE OF ISSUE</u>	<u>PRINCIPAL BALANCE</u>	<u>PRINCIPAL PAYMENT</u>	<u>PAYMENT DATE</u>	<u>BOND/NOTE HOLDER</u>	<u>AMOUNT ON DEPOSIT IN RESERVE ACCOUNT</u>
1975 Issue	<u>53,000</u>	<u>9,000</u>	<u>Jan. 1, 2011</u>	<u>USDA</u>	_____
1981 Issue	<u>26,500</u>	<u>1,500</u>	<u>Jan. 1, 2011</u>	<u>USDA</u>	_____
1993 Issue	<u>544,000</u>	<u>10,000</u>	<u>Jan. 1, 2011</u>	<u>USDA</u>	_____
1999 Issue	<u>585,000</u>	<u>30,000</u>	<u>Jan. 1, 2011</u>	<u>Kirk/Pettis</u>	_____
2002 Issue	<u>1,002,000</u>	<u>12,000</u>	<u>Jan. 1, 2011</u>	<u>USDA</u>	_____
2005 Issue	<u>338,000</u>	<u>4,000</u>	<u>Jan. 1, 2011</u>	<u>USDA</u>	<u>Total \$ 234,653</u>

IV. LAND AND RIGHTS - EXISTING SYSTEMS(S)

Number of Treatment Plant Sites	<u>None</u>
Number of Storage Tank Sites	<u>6</u>
Number of Pump Stations	<u>6</u>
Total Acreage	<u>3.1 Acres</u>
Purchase Price	<u>\$ 39,298.00</u>

V. NUMBER OF EXISTING USERS (As of December, 1997)

A. Water Users:

Residential Size Meters (In Town)*	0
Residential Size Meters/Farmers (Out of Town)*	2677
Larger Users (Larger than 5/8" Meter (In Town))	0
Larger Users (Larger than 5/8" Meter (Out of Town))	35
Total	
Number of Total Potential Users Living in the Service Area	approx. 2,850

***NOTE:** Residential/Farmers Users: Classify by type of user regardless of quantity of water used. This classification should include those meters serving individual rural residence size meters and farmers.

VI. CURRENT CONNECTION FEES FOR EACH SIZE METER CONNECTION

METER SIZE	CONNECTION FEE	MINIMUM WATER USAGE FOR EACH SIZE METER
5/8" x 3/4"	\$1,000.00	2,000 gallons
1-Inch	\$ Cost	2,000 gallons
1-1/2" Inch	\$ Cost	2,000 gallons
2-Inch	\$ Cost	2,000 gallons
3-Inch	\$ Cost	2,000 gallons
4-Inch	\$ Cost	2,000 gallons
5-Inch	\$ Cost	2,000 gallons
6-Inch	\$ Cost	2,000 gallons

VII. WATER RATES - EXISTING RATE SCHEDULE

Date this rate went into effect: 07/16/09

Meter Size All :

First	<u>2,000</u>	Gallons @	<u>\$16.92</u>	minimum
Next	<u>1,000</u>	Gallons @	<u>\$8.295</u>	per 1,000 gallons
Next	<u>2,000</u>	Gallons @	<u>\$7.245</u>	per 1,000 gallons
Next	<u>2,000</u>	Gallons @	<u>\$6.255</u>	per 1,000 gallons
Next	<u>3,000</u>	Gallons @	<u>\$5.215</u>	per 1,000 gallons
Next		Gallons @	<u>\$</u>	per 1,000 gallons
All Over	<u>10,000</u>	Gallons @	<u>\$4.885</u>	per 1,000 gallons

Bulk Loading Station @ \$3.57 per 1,000 gallons

Meter Size _____ :

First		Gallons @	<u>\$</u>	minimum
Next		Gallons @	<u>\$</u>	per 1,000 gallons
Next		Gallons @	<u>\$</u>	per 1,000 gallons
Next		Gallons @	<u>\$</u>	per 1,000 gallons
Next		Gallons @	<u>\$</u>	per 1,000 gallons
Next		Gallons @	<u>\$</u>	per 1,000 gallons
All Over		Gallons @	<u>\$</u>	per 1,000 gallons

Meter Size _____ :

First		Gallons @	<u>\$</u>	minimum
Next		Gallons @	<u>\$</u>	per 1,000 gallons
Next		Gallons @	<u>\$</u>	per 1,000 gallons
Next		Gallons @	<u>\$</u>	per 1,000 gallons
Next		Gallons @	<u>\$</u>	per 1,000 gallons
Next		Gallons @	<u>\$</u>	per 1,000 gallons
All Over		Gallons @	<u>\$</u>	per 1,000 gallons

VII. EXISTING RATE SCHEDULE (Continued)

Meter Size	_____	:		
First	_____	Gallons @	\$ _____	minimum
Next	_____	Gallons @	\$ _____	per 1,000 gallons
Next	_____	Gallons @	\$ _____	per 1,000 gallons
Next	_____	Gallons @	\$ _____	per 1,000 gallons
Next	_____	Gallons @	\$ _____	per 1,000 gallons
Next	_____	Gallons @	\$ _____	per 1,000 gallons
All Over	_____	Gallons @	\$ _____	per 1,000 gallons

Meter Size	_____	:		
First	_____	Gallons @	\$ _____	minimum
Next	_____	Gallons @	\$ _____	per 1,000 gallons
Next	_____	Gallons @	\$ _____	per 1,000 gallons
Next	_____	Gallons @	\$ _____	per 1,000 gallons
Next	_____	Gallons @	\$ _____	per 1,000 gallons
Next	_____	Gallons @	\$ _____	per 1,000 gallons
All Over	_____	Gallons @	\$ _____	per 1,000 gallons

FORECAST OF WATER USAGE - INCOME - NEW & EXISTING USERS



Meter Size*	Monthly Water Usage		Average	Average Rate	All Users			Non-Residential		
					No. of Users	Usage (1000 gal)	Income (\$1,000)	No. of Users	Usage (1000 gal)	Income (\$1,000)
	0 - 2,000	Gallons	1,000	16.92	8,194	8,194.37	138,648.76	-	-	-
	2,000 - 3,000	Gallons	2,500	21.07	5,464	13,660.74	115,132.68	-	-	-
	3,000 - 4,000	Gallons	3,500	28.84	5,493	19,226.49	158,398.81	-	-	-
	4,000 - 5,000	Gallons	4,500	36.09	4,282	19,268.94	154,536.87	-	-	-
	5,000 - 6,000	Gallons	5,500	42.83	2,915	16,034.67	124,866.35	-	-	-
	6,000 - 7,000	Gallons	6,500	49.09	1,929	12,536.92	94,682.69	-	-	-
	7,000 - 8,000	Gallons	7,500	54.82	1,171	8,781.90	64,189.85	-	-	-
	8,000 - 9,000	Gallons	8,500	60.03	698	5,931.21	41,888.32	-	-	-
	9,000 - 10,000	Gallons	9,500	65.25	503	4,779.96	32,830.80	-	-	-
5/8 x 3/4	10,000 - 11,000	Gallons	10,500	70.30	331	3,478.60	23,290.03	-	-	-
Inch	11,000 - 12,000	Gallons	11,500	80.07	280	3,214.60	22,381.97	-	-	-
	12,000 - 13,000	Gallons	12,500	84.96	175	2,187.06	14,865.03	-	-	-
	13,000 - 14,000	Gallons	13,500	89.84	166	2,236.24	14,881.76	-	-	-
	14,000 - 15,000	Gallons	14,500	94.73	124	1,801.42	11,768.84	-	-	-
	15,000 - 16,000	Gallons	15,500	99.61	94	1,460.29	9,384.45	-	-	-
	16,000 - 17,000	Gallons	16,500	104.50	66	1,093.27	6,924.06	-	-	-
	17,000 - 18,000	Gallons	17,500	109.38	69	1,213.89	7,587.13	-	-	-
	18,000 - 19,000	Gallons	18,500	114.27	42	785.27	4,850.44	-	-	-
	19,000 - 20,000	Gallons	19,500	119.15	32	625.84	3,824.02	-	-	-
	20,000 - 30,000	Gallons	23,850	140.51	230	5,485.50	32,317.30	-	-	-
	30,000 - 50,000	Gallons	37,676	203.95	123	4,634.20	25,085.85	-	-	-
	>50,000	Gallons	90,477	531.62	100	9,047.70	53,162.00	-	-	-
	Subtotal				32,483	145,679.07	\$ 1,155,498.02	-	-	\$ -
	Average Monthly Bill				\$ 35.57					
	Average Monthly Usage					4,485 gallons			0	

FORECAST OF WATER USAGE / INCOME - EXISTING USERS ONLY



Meter Size*	Monthly Water Usage	Average	Average Rate	All Users			Non-Residential	
				No. of Users	Usage (1000 gal)	Income (\$1,000)	No. of Users	Usage (1000 gal)
	0 - 2,000 Gallons	1,000	16.92	7,915	7,915.00	133,921.80	-	-
	2,000 - 3,000 Gallons	2,500	21.07	5,278	13,195.00	111,207.46	-	-
	3,000 - 4,000 Gallons	3,500	28.84	5,306	18,571.00	152,998.51	-	-
	4,000 - 5,000 Gallons	4,500	36.09	4,136	18,612.00	149,268.24	-	-
	5,000 - 6,000 Gallons	5,500	42.83	2,816	15,488.00	120,609.28	-	-
	6,000 - 7,000 Gallons	6,500	49.09	1,863	12,109.50	91,454.67	-	-
	7,000 - 8,000 Gallons	7,500	54.82	1,131	8,482.50	62,001.42	-	-
	8,000 - 9,000 Gallons	8,500	60.03	674	5,729.00	40,460.22	-	-
	9,000 - 10,000 Gallons	9,500	65.25	486	4,617.00	31,711.50	-	-
5/8 x 3/4	10,000 - 11,000 Gallons	10,500	70.30	320	3,360.00	22,496.00	-	-
Inch	11,000 - 12,000 Gallons	11,500	80.07	270	3,105.00	21,618.90	-	-
	12,000 - 13,000 Gallons	12,500	84.96	169	2,112.50	14,358.24	-	-
	13,000 - 14,000 Gallons	13,500	89.84	160	2,160.00	14,374.40	-	-
	14,000 - 15,000 Gallons	14,500	94.73	120	1,740.00	11,367.60	-	-
	15,000 - 16,000 Gallons	15,500	99.61	91	1,410.50	9,064.51	-	-
	16,000 - 17,000 Gallons	16,500	104.50	64	1,056.00	6,688.00	-	-
	17,000 - 18,000 Gallons	17,500	109.38	67	1,172.50	7,328.46	-	-
	18,000 - 19,000 Gallons	18,500	114.27	41	758.50	4,685.07	-	-
	19,000 - 20,000 Gallons	19,500	119.15	31	604.50	3,693.65	-	-
	20,000 - 30,000 Gallons	23,850	140.51	230	5,485.50	32,317.30	-	-
	30,000 - 50,000 Gallons	37,676	203.95	123	4,634.20	25,085.85	-	-
	>50,000 - Gallons	90,477	531.62	100	9,047.70	53,162.00	-	-
	Subtotal			31,391	141,365.90	\$ 1,119,873.08	-	\$ -
	Average Monthly Bill		\$ 35.67				#DIV/0!	
	Average Monthly Usage				4,503 gallons		#DIV/0!	gallons

FORECAST OF WATER USAGE / INCOME - NEW USERS ONLY



Meter Size*	Monthly Water Usage	Average	Average Rate	All Users			Non-Residential		
				No. of Users	Usage (1000 gal)	Income (\$1,000)	No. of Users	Usage (1000 gal)	Income (\$1,000)
	0 - 2,000 Gallons	1,000	16.92	157	156.57	2,649.17	-	-	
	2,000 - 3,000 Gallons	2,500	21.07	104	261.02	2,199.85	-	-	
	3,000 - 4,000 Gallons	3,500	28.84	105	367.36	3,026.54	-	-	
	4,000 - 5,000 Gallons	4,500	36.09	82	368.17	2,952.75	-	-	
	5,000 - 6,000 Gallons	5,500	42.83	56	306.38	2,385.83	-	-	
	6,000 - 7,000 Gallons	6,500	49.09	37	239.54	1,809.11	-	-	
	7,000 - 8,000 Gallons	7,500	54.82	22	167.80	1,226.48	-	-	
	8,000 - 9,000 Gallons	8,500	60.03	13	113.33	800.36	-	-	
	9,000 - 10,000 Gallons	9,500	65.25	10	91.33	627.30	-	-	
5/8 x 3/4	10,000 - 11,000 Gallons	10,500	70.30	6	66.47	445.00	-	-	
Inch	11,000 - 12,000 Gallons	11,500	80.07	5	61.42	427.65	-	-	
	12,000 - 13,000 Gallons	12,500	84.96	3	41.79	284.03	-	-	
	13,000 - 14,000 Gallons	13,500	89.84	3	42.73	284.35	-	-	
	14,000 - 15,000 Gallons	14,500	94.73	2	34.42	224.87	-	-	
	15,000 - 16,000 Gallons	15,500	99.61	2	27.90	179.31	-	-	
	16,000 - 17,000 Gallons	16,500	104.50	1	20.89	132.30	-	-	
	17,000 - 18,000 Gallons	17,500	109.38	1	23.19	144.97	-	-	
	18,000 - 19,000 Gallons	18,500	114.27	1	15.00	92.68	-	-	
	19,000 - 20,000 Gallons	19,500	119.15	1	11.96	73.07	-	-	
	20,000 - 30,000 Gallons	23,850	140.51	-	-	-	-	-	
	30,000 - 50,000 Gallons	37,676	203.95	-	-	-	-	-	
	>50,000 Gallons	90,477	531.62	-	-	-	-	-	
	Subtotal			612	2,417.27	\$ 19,965.62	-	\$ -	
	Average Monthly Bill			\$ 32.62					
	Average Monthly Usage			3,950 gallons			gallons		

FORECAST OF WATER USAGE / INCOME - NEW (PROJECT) USERS ONLY



Meter Size*	Monthly Water Usage	Average	Average Rate	All Users			Non-Residential		
				No. of Users	Usage (1000 gal)	Income (\$1,000)	No. of Users	Usage (1000 gal)	Income (\$1,000)
	0 - 2,000 Gallons	1,000	16.92	123	122.80	2,077.78	-	-	-
	2,000 - 3,000 Gallons	2,500	21.07	82	204.72	1,725.37	-	-	-
	3,000 - 4,000 Gallons	3,500	28.84	82	288.13	2,373.76	-	-	-
	4,000 - 5,000 Gallons	4,500	36.09	64	288.76	2,315.88	-	-	-
	5,000 - 6,000 Gallons	5,500	42.83	44	240.29	1,871.24	-	-	-
	6,000 - 7,000 Gallons	6,500	49.09	29	187.88	1,418.91	-	-	-
	7,000 - 8,000 Gallons	7,500	54.82	18	131.61	961.95	-	-	-
	8,000 - 9,000 Gallons	8,500	60.03	10	88.88	627.74	-	-	-
	9,000 - 10,000 Gallons	9,500	65.25	8	71.63	492.00	-	-	-
5/8 x 3/4	10,000 - 11,000 Gallons	10,500	70.30	5	52.13	349.02	-	-	-
Inch	11,000 - 12,000 Gallons	11,500	80.07	4	48.17	335.42	-	-	-
	12,000 - 13,000 Gallons	12,500	84.96	3	32.78	222.77	-	-	-
	13,000 - 14,000 Gallons	13,500	89.84	2	33.51	223.02	-	-	-
	14,000 - 15,000 Gallons	14,500	94.73	2	27.00	176.37	-	-	-
	15,000 - 16,000 Gallons	15,500	99.61	1	21.88	140.63	-	-	-
	16,000 - 17,000 Gallons	16,500	104.50	1	16.38	103.76	-	-	-
	17,000 - 18,000 Gallons	17,500	109.38	1	18.19	113.70	-	-	-
	18,000 - 19,000 Gallons	18,500	114.27	1	11.77	72.69	-	-	-
	19,000 - 20,000 Gallons	19,500	119.15	0	9.38	57.31	-	-	-
	20,000 - 30,000 Gallons	23,850	140.51	-	-	-	-	-	-
	30,000 - 50,000 Gallons	37,676	203.95	-	-	-	-	-	-
	>50,000 Gallons	90,477	531.62	-	-	-	-	-	-
	Subtotal			480	1,895.90	\$ 15,659.31	-	-	\$ -
	Average Monthly Bill		\$ 32.62						
	Average Monthly Usage				3,950 gallons				gallons

IX. FACILITY CHARACTERISTICS OF PROPOSED WATER SYSTEM

A. Water Source: Describe adequacy of source (quality and quantity). Include an explanation of raw water source, raw water intake structure, treatment plant capacity, and current level of production (WTP). Also describe the adequacy of Water Purchase Contract if applicable.

SAWD purchases all water from either the city of Lawrenceburg or the Frankfort Plant Board. Both suppliers are at less than 50% capacity on a normal day.
SAWD is requesting a five (5) year extension in the City of Lawrenceburg contract, which is set to expire in 2049.

B. Water Storage:

Type: Ground Storage Tank - Elevated Tank 1

Standpipe - Other None

Number of Storage Structures 1

Total Storage Volume Capacity 250,000

Date Storage Tank(s) Constructed -

C. Water Distribution System:

Pipe Material PE, PVC & D.I.

Lineal Feet of Pipe: 3" Diameter 28,245 4" 66,790

6" 1,130 8" 16,500 10" 220 12"

Date(s) Water Lines Constructed 2011

Number and Capacity of Pump Station(s) 1 @ 700 gpm

X. LAND AND RIGHTS - PROPOSED WATER SYSTEM(S)

Number of Treatment Plant Sites 0

Number of Pump Sites 1

Number of Other Sites 1

Total Acreage 0.24 Acres

Purchase Price \$ 15,000.00

XI. NUMBER OF NEW USERS

A. Water Users:

Residential Size Meters (In Town)*	0
Residential Size Meters/Farmers (Out of Town)*	40
Larger Users (Larger than 5/8" Meter (In Town))	0
Larger Users (Larger than 5/8" Meter (Out of Town))	0
Total	40
Number of Total Potential Users Living in the Service Area	approx. 50

***NOTE:** Residential/Farmers Users: Classify by type of user regardless of quantity of water used. This classification should include those meters serving individual rural residence size meters and farmers.

XII. PROPOSED CONNECTION FEES FOR EACH SIZE METER CONNECTION

METER SIZE	CONNECTION FEE	MINIMUM WATER USAGE FOR EACH SIZE METER
5/8" x 3/4"	\$1,000.00	2,000 gallons
1-Inch	\$ Cost	2,000 gallons
1-1/2" Inch	\$ Cost	2,000 gallons
2-Inch	\$ Cost	2,000 gallons
3-Inch	\$ Cost	2,000 gallons
4-Inch	\$ Cost	2,000 gallons
5-Inch	\$ Cost	2,000 gallons
6-Inch	\$ Cost	2,000 gallons

XIII. WATER RATES - PROPOSED

A. Proposed Rate Schedule:

First	<u>2,000</u>	Gallons @	<u>\$18.61</u>	minimum
Next	<u>3,000</u>	Gallons @	<u>\$9.125</u>	per 1,000 gallons
Next	<u>5,000</u>	Gallons @	<u>\$6.880</u>	per 1,000 gallons
Next		Gallons @	<u>\$</u>	per 1,000 gallons
Next		Gallons @	<u>\$</u>	per 1,000 gallons
Next	<u>-</u>	Gallons @	<u>\$</u>	per 1,000 gallons
All Over	<u>10,000</u>	Gallons @	<u>\$5.375</u>	per 1,000 gallons

IF MORE THAN ONE RATE, USE ADDITIONAL SHEETS.

Bulk Loading Station @ \$3.57/1,000 gallons

FORECAST OF WATER USAGE / INCOME - EXISTING USERS ONLY



Meter Size*	Monthly Water Usage	Average	Average Rate	All Users			Non-Residential		
				No. of Users	Usage (1000 gal)	Income (\$1,000)	No. of Users	Usage (1000 gal)	Income (\$1,000)
	0 - 2,000 Gallons	1,000	18.61	7,915	7,915.00	147,298.15	-	-	-
	2,000 - 3,000 Gallons	2,500	23.17	5,278	13,195.00	122,291.26	-	-	-
	3,000 - 4,000 Gallons	3,500	32.30	5,306	18,571.00	171,383.80	-	-	-
	4,000 - 5,000 Gallons	4,500	41.42	4,136	18,612.00	171,313.12	-	-	-
	5,000 - 6,000 Gallons	5,500	49.43	2,816	15,488.00	139,194.88	-	-	-
	6,000 - 7,000 Gallons	6,500	56.31	1,863	12,109.50	104,905.53	-	-	-
	7,000 - 8,000 Gallons	7,500	63.19	1,131	8,482.50	71,467.89	-	-	-
	8,000 - 9,000 Gallons	8,500	70.07	674	5,729.00	47,227.18	-	-	-
	9,000 - 10,000 Gallons	9,500	76.95	486	4,617.00	37,397.70	-	-	-
5/8 x 3/4	10,000 - 11,000 Gallons	10,500	83.07	320	3,360.00	26,582.40	-	-	-
Inch	11,000 - 12,000 Gallons	11,500	88.45	270	3,105.00	23,881.50	-	-	-
	12,000 - 13,000 Gallons	12,500	93.82	169	2,112.50	15,855.58	-	-	-
	13,000 - 14,000 Gallons	13,500	99.20	160	2,160.00	15,872.00	-	-	-
	14,000 - 15,000 Gallons	14,500	104.57	120	1,740.00	12,548.40	-	-	-
	15,000 - 16,000 Gallons	15,500	109.95	91	1,410.50	10,005.45	-	-	-
	16,000 - 17,000 Gallons	16,500	115.32	64	1,056.00	7,380.48	-	-	-
	17,000 - 18,000 Gallons	17,500	120.70	67	1,172.50	8,086.90	-	-	-
	18,000 - 19,000 Gallons	18,500	126.07	41	758.50	5,168.87	-	-	-
	19,000 - 20,000 Gallons	19,500	131.45	31	604.50	4,074.95	-	-	-
	20,000 - 30,000 Gallons	23,850	154.83	230	5,485.50	35,610.90	-	-	-
	30,000 - 50,000 Gallons	37,676	229.14	123	4,634.20	28,184.22	-	-	-
	>50,000 - Gallons	90,477	512.95	100	9,047.70	51,295.00	-	-	-
		Subtotal		31,391	141,365.90	\$ 1,257,026.16			\$ -
		Average Monthly Bill	\$ 40.04				#DIV/0!		
		Average Monthly Usage			4,503 gallons		#DIV/0!	gallons	

FORECAST OF WATER USAGE - INCOME - PROJECT, GROWTH & EXISTING USERS



Meter Size*	Monthly Water Usage			Average	Average Rate	All Users			Non-Residential		
						No. of Users	Usage (1000 gal)	Income (\$1,000)	No of Users	Usage (1000 gal)	Income (\$1,000)
	0 - 2,000	Gallons	1,000	18.61	8,194	8,194.37	152,497.24	-	-	-	
	2,000 - 3,000	Gallons	2,500	23.17	5,464	13,660.74	126,607.70	-	-	-	
	3,000 - 4,000	Gallons	3,500	32.30	5,493	19,226.49	177,433.03	-	-	-	
	4,000 - 5,000	Gallons	4,500	41.42	4,282	19,268.94	177,359.86	-	-	-	
	5,000 - 6,000	Gallons	5,500	49.43	2,915	16,034.67	144,107.96	-	-	-	
	6,000 - 7,000	Gallons	6,500	56.31	1,929	12,536.92	108,608.32	-	-	-	
	7,000 - 8,000	Gallons	7,500	63.19	1,171	8,781.90	73,990.45	-	-	-	
	8,000 - 9,000	Gallons	8,500	70.07	698	5,931.21	48,894.13	-	-	-	
	9,000 - 10,000	Gallons	9,500	76.95	503	4,779.96	38,717.70	-	-	-	
5/8 x 3/4	10,000 - 11,000	Gallons	10,500	83.07	331	3,478.60	27,520.66	-	-	-	
Inch	11,000 - 12,000	Gallons	11,500	88.45	280	3,214.60	24,724.43	-	-	-	
	12,000 - 13,000	Gallons	12,500	93.82	175	2,187.06	16,415.22	-	-	-	
	13,000 - 14,000	Gallons	13,500	99.20	166	2,236.24	16,432.22	-	-	-	
	14,000 - 15,000	Gallons	14,500	104.57	124	1,801.42	12,991.31	-	-	-	
	15,000 - 16,000	Gallons	15,500	109.95	94	1,460.29	10,358.61	-	-	-	
	16,000 - 17,000	Gallons	16,500	115.32	66	1,093.27	7,640.98	-	-	-	
	17,000 - 18,000	Gallons	17,500	120.70	69	1,213.89	8,372.34	-	-	-	
	18,000 - 19,000	Gallons	18,500	126.07	42	785.27	5,351.31	-	-	-	
	19,000 - 20,000	Gallons	19,500	131.45	32	625.84	4,218.78	-	-	-	
	20,000 - 30,000	Gallons	23,850	154.83	230	5,485.50	35,610.90	-	-	-	
	30,000 - 50,000	Gallons	37,676	229.14	123	4,634.20	28,184.22	-	-	-	
	>50,000	Gallons	90,477	512.95	100	9,047.70	51,295.00	-	-	-	
	Subtotal				32,483	145,679.07	\$ 1,297,332.39	-	-	\$ -	
	Average Monthly Bill				\$ 39.94						
	Average Monthly Usage					4,485 gallons			9		

FORECAST OF WATER USAGE / INCOME - NEW USERS ONLY



Meter Size*	Monthly Water Usage	Average	Average Rate	All Users			Non-Residential		
				No of Users	Usage (1000 gal)	Income (\$1,000)	No. of Users	Usage (1000 gal)	Income (\$1,000)
	0 - 2,000 Gallons	1,000	18.61	157	156.57	2,913.78	-	-	
	2,000 - 3,000 Gallons	2,500	23.17	104	261.02	2,419.10	-	-	
	3,000 - 4,000 Gallons	3,500	32.30	105	367.36	3,390.23	-	-	
	4,000 - 5,000 Gallons	4,500	41.42	82	368.17	3,388.83	-	-	
	5,000 - 6,000 Gallons	5,500	49.43	56	306.38	2,753.48	-	-	
	6,000 - 7,000 Gallons	6,500	56.31	37	239.54	2,075.19	-	-	
	7,000 - 8,000 Gallons	7,500	63.19	22	167.80	1,413.74	-	-	
	8,000 - 9,000 Gallons	8,500	70.07	13	113.33	934.22	-	-	
	9,000 - 10,000 Gallons	9,500	76.95	10	91.33	739.78	-	-	
5/8 x 3/4	10,000 - 11,000 Gallons	10,500	83.07	6	66.47	525.84	-	-	
Inch	11,000 - 12,000 Gallons	11,500	88.45	5	61.42	472.41	-	-	
	12,000 - 13,000 Gallons	12,500	93.82	3	41.79	313.65	-	-	
	13,000 - 14,000 Gallons	13,500	99.20	3	42.73	313.97	-	-	
	14,000 - 15,000 Gallons	14,500	104.57	2	34.42	248.23	-	-	
	15,000 - 16,000 Gallons	15,500	109.95	2	27.90	197.92	-	-	
	16,000 - 17,000 Gallons	16,500	115.32	1	20.89	146.00	-	-	
	17,000 - 18,000 Gallons	17,500	120.70	1	23.19	159.97	-	-	
	18,000 - 19,000 Gallons	18,500	126.07	1	15.00	102.25	-	-	
	19,000 - 20,000 Gallons	19,500	131.45	1	11.96	80.61	-	-	
	20,000 - 30,000 Gallons	23,850	154.83		-	-	-	-	
	30,000 - 50,000 Gallons	37,676	229.14		-	-	-	-	
	>50,000 Gallons	90,477	512.95		-	-	-	-	
		Subtotal		612	2,417.27	\$ 22,589.21	-	\$ -	
		Average Monthly Bill	\$ 36.91						
		Average Monthly Usage			3,950 gallons			gallons	

**CUSTOMERS ON PHASE 7 /ROADS
JULY 2010**

BAXTER RIDGE

Don Hurst	1574 Baxter Ridge	502-839-6065	Paid
Mark Hurst	1585 Baxter Ridge	502-418-3100	Paid
Marvin Weinberger	1621 Baxter Ridge	502-839-5193	Payments

CALDWELL

William/Gina Brinegar	1195 Caldwell	502-680-1195	Paid
Mack/Wanda Lay	1340 Caldwell	502-839-5481	Payments
Jimmy/Mary Ann Young			

CAMMACK LN (Address Hoophole)

Brent Cammack	1016 Hoophole	502-839-4830	Payments
Bryan/Tracy Cammack	1012 Hoophole	502-839-9459	Paid
John/Beverly Cammack	1018 Hoophole	859-494-5587	Paid

CAREY MILL

Jack/Helen Burgess	1250 Carey Mill	859-325-3423	Paid
Ollie/Tina Neat	1270 Carey Mill	502-680-5147	Paid
Jacky/Pam Richmond	1225 Carey Mill		
William Petrie	Carey Mill	859-806-5313	Payments
Ray Kanatzer	Carey Mill		

CLIFTON

Clifton Anderson/Jo Davis	2140 Clifton	502-839-4224	Paid
Nancy Buhlig	2011 Clifton	502-859-0675	Payments
Daniel/Emily Dial	Lot adjacent to Nancy Buhlig		
Robert Hillenmeyer	2181 Clifton	502-839-1052	Paid
William/Jean Spencer	2001 Clifton		
William/Donna Noe	2261 Clifton	502-859-0163	Paid

DUNCAN

Gwynn Brophy	1151 Duncan	502-859-1910	Paid
Stephen Goodlett	1211 Duncan		
Kevin Katlic/Anne Meeks	1155 Duncan	859-494-6214	Paid
Valerie Stratton	1123 Duncan	502-680-0353	Paid

HOOPHOLE

Kenneth Alexander	1407 Hoophole	502-859-1675(USDA)	Payments
Danny/Constance Adam	1310 Hoophole	502-859-0913 (USDA)	Payments
Gerald/Denise Barr	1527 Hoophole	502-839-9182	Paid
Claude/Emily Bowman	1351 Hoophole		
James/Patsy Cecil	1322 Hoophole	502-348-2236	Paid
Daniel Downey	1400 Hoophole		
Paul/Jerelene Harley	1231 Hoophole	502-839-3766	Paid
Jimmy/Michelle Hooper	1510 Hoophole	502-294-9259	Payments
Ida Hooper	1410 Hoophole		
Wanda Hooper	1531 Hoophole	502-839-4396(USDA)	Payments
William/Priscilla Hooper	1550 Hoophole		
Cheryle Quintell	1326 Hoophole		
Garland/Amy Wilson	1052 Hoophole	502-839-1098	Paid
David Sperow	1318 Hoopole	859-797-0633	Paid

HUNGRY RUN

Brandon Mitchell	1065 Hungry Run	859-481-26-13	Paid
Jimmy/Mary Ann Young			

MORGAN BROTHERS (Address Fairmount)

Susan Iannuzzi	1636 Fairmount	502-839-6426(USDA)	Payments
Jeff Henley	1670 Fairmount		

RIVER

John/Alicia Toppass	1056 River		
Jeff/Melissa Trent	1060 River		

SUNRISE LN

Mike/Rita Carpenter	1074 Sunrise	502-680-5637	Payments
Pete/Wanda Giles	1068 Sunrise	502-839-9807	Paid
Robert/Joanne Powell	1141 Sunrise	502-839-7321	Paid
Alana Vanwinkle	1073 Sunrise		

WALLACE

Ronnie/Elizabeth Gibson	1064 Wallace		
David/Deborah Taylor	1001 Wallace		
Steve Vogelsberg	1060 Wallace	502-322-6979	Paid

WALTER DRURY LN

Steven Sea	1040 Walter Drury	502-600-3022	Paid
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WATTS RUN

Robert/Delores Lawhon	1161 Watts Run		
Robert/Rachel Lawhon II	1167 Watts Run		
George R. Koppel	Watts Run	502-477-5025	Paid
Wilbert Waldrige	Watts Run		

WILLISBURG

Michael/Vicky Davis	2250 Willisburg	502-839-5258 for (3)	Paid
Charles Mauer	2010 Willisburg	502-839-9912	Paid
Charlena Schenk	2205 Willisburg	502-839-7971	Paid
Beverly Chambers	1060 Willisburg		

South Anderson Water District
Phase VII Expansion Project

Opinion of Probable Cost

December 15, 2010

Item No.	Item	Unit	Quantity	Unit Price	Item Price	Watts Run Road		Carey Mill	
						Quantity	Cost	Quantity	Cost
1	10" PVC SDR-21	LF	220	\$16.00	\$3,520.00		\$0.00		\$0.00
2	8" PVC SDR 21 Pipe	LF	16,500	12.00	198,000.00		0.00		0.00
3	6" PVC SDR 21 Pipe	LF	1,130	9.00	10,170.00		0.00		0.00
4	4" PVC SDR 17 Pipe	LF	12,710	8.00	101,680.00	4,000	32,000.00		0.00
5	4" PVC SDR 21 Pipe	LF	54,080	7.40	400,192.00	2,450	18,130.00		0.00
6	3" PVC SDR 17 Pipe	LF	5,150	7.00	36,050.00		0.00	7,400	48,100.00
7	3" PVC SDR 21 Pipe	LF	23,095	6.50	150,117.50		0.00		0.00
8	Bored Encasement for 8" Pipe	LF	192	150.00	28,800.00		0.00		0.00
9	Bored Encasement for 6" Pipe	LF	0	110.00	0.00		0.00		0.00
9A	Directional Bore for 6" Pipe	LS	0	20,000.00	0.00		0.00		0.00
10	Bored Encasement for 3" or 4" Pipe	LF	1,040	90.00	93,600.00	40	3,600.00	205	18,450.00
11	Railroad Crossing	LF	140	300.00	42,000.00		0.00		0.00
12	Open Cut Encasement for 3" or 4" Pipe	LF	600	60.00	36,000.00		0.00	250	15,000.00
13	Directional Bore for 8" Creek Crossing	LS	1	10,000.00	10,000.00		0.00		0.00
14	Beaver Creek Directional Bore No. 1	LS	1	7,000.00	7,000.00		0.00		0.00
15	Beaver Creek Directional Bore No. 2	LS	1	6,000.00	6,000.00		0.00		0.00
16	Beaver Creek Directional Bore No. 3	LS	1	7,000.00	7,000.00		0.00		0.00
17.1	Creek Crossing for 3" or 4" Pipe	LF	385	90.00	34,650.00	160	14,400.00		0.00
17.2	Directional Bore for 3" or 4" Small Creek Crossing	LS	7	5,000.00	35,000.00		0.00		0.00
17.3	Directional Bore for 3" or 4" Large Creek Crossing	LS	2	7,500.00	15,000.00	2	15,000.00		0.00
18	Free Bore (all sizes)	LF	250	60.00	15,000.00		0.00		0.00
19	Tie-in to 8" W.L. (8"x8" TS&V)	EA	3	2,750.00	8,250.00		0.00		0.00
20	Tie-in to 8" W.L. (8"x6" TS&V)	EA	0	2,500.00	0.00		0.00		0.00
21	Tie-in to 6" W.L. (6"x6" TS&V)	EA	2	2,250.00	4,500.00		0.00		0.00
22	Tie-in to 6" W.L. (6"x4" TS&V)	EA	3	2,000.00	6,000.00		0.00		0.00
23	Tie-in to 6" W.L. (6"x3" TS&V)	EA	2	2,000.00	4,000.00		0.00		0.00
24	Tie-in to 4" W.L. (4"x4" TS&V)	EA	11	1,750.00	19,250.00		0.00		0.00
25	Tie-in to 4" W.L. (4"x3" TS&V)	EA	3	1,750.00	5,250.00		0.00	1	1,750.00
26	Tie-in to 3" W.L. (3"x3" TS&V)	EA	2	1,750.00	3,500.00		0.00		0.00
27	Tie-in to Blow-Off	EA	5	1,000.00	5,000.00	2	2,000.00		0.00
28	8" Gate Valve	EA	9	1,000.00	9,000.00		0.00		0.00
29	6" Gate Valve	EA	4	800.00	3,200.00		0.00		0.00
30	4" Gate Valve	EA	22	650.00	14,300.00	3	1,950.00		0.00
31	3" Gate Valve	EA	8	600.00	4,800.00		0.00	1	600.00
32	3" Blow-Off Type 1	EA	6	1,250.00	7,500.00	1	1,250.00		0.00
33	3" Blow-Off Type 2	EA	8	1,250.00	10,000.00		0.00	1	1,250.00
34	4" Blow-Off Type 1	EA	2	1,250.00	2,500.00		0.00		0.00
35	4" Blow-Off Type 2	EA	4	1,250.00	5,000.00	1	1,250.00		0.00
36	Air Release Valve	EA	3	600.00	1,800.00		0.00	1	600.00
37	Leak Detection Meter	EA	18	1,250.00	22,500.00	1	1,250.00	0	0.00
38	Pressure Reducing Station	LS	1	15,000.00	15,000.00		0.00		0.00
39	Master Meter	LS	1	15,000.00	15,000.00		0.00		0.00
40	700 gpm Pump Station	LS	1	150,000.00	150,000.00		0.00		0.00
41	Telemetry	LS	1	26,385.50	26,385.50		0.00		0.00
42	250,000 Gallon Elevated Water Storage Tank	LS	1	765,000.00	765,000.00		0.00		0.00
43	3/4" x 5/8" Meter Setting	EA	46	900.00	41,400.00	4	3,600.00	4	3,600.00
44	3/4" Service Line	LF	1,395	5.00	6,975.00	120	600.00	120	600.00
45	Pavement Replacement						0.00		0.00
45.1	Gravel	LF	2,610	10.00	26,100.00	60	600.00	30	300.00
45.2	Light Duty Bituminous	LF	800	20.00	16,000.00	0	0.00	30	600.00
45.3	Heavy Duty Bituminous	LF	100	35.00	3,500.00		0.00		0.00
45.4	Concrete	LF	145	45.00	6,525.00		0.00		0.00
Total Construction Cost Estimate						\$2,438,015.00	\$95,630.00		\$90,850.00

Total Construction Cost Estimate
Base Contract Construction Cost Estimate
Alternate Construction Cost Estimate

\$2,438,015.00
\$2,217,200.00
\$220,815.00

\$186,480.00

South Anderson Water District
Phase VII Expansion Project

Opinion of Probable Cost

December 15, 2010

Item No.	Item	Unit	Duncan Road		Willisburg Road (KY 53)		Cammack Road		Hoophole Road	
			Quantity	Cost	Quantity	Cost	Quantity	Cost	Quantity	Cost
1	10" PVC SDR-21	LF		\$0.00		\$0.00		\$0.00		\$0.00
2	8" PVC SDR 21 Pipe	LF		0.00		0.00		0.00		0.00
3	6" PVC SDR 21 Pipe	LF		0.00		0.00		0.00		0.00
4	4" PVC SDR 17 Pipe	LF		0.00	2,760	22,080.00		0.00		0.00
5	4" PVC SDR 21 Pipe	LF		0.00	3,900	28,860.00		0.00	11,755	86,987.00
6	3" PVC SDR 17 Pipe	LF		0.00		0.00		0.00		0.00
7	3" PVC SDR 21 Pipe	LF	4,460	28,990.00		0.00	2,950	19,175.00		0.00
8	Bored Encasement for 8" Pipe	LF		0.00		0.00		0.00		0.00
9	Bored Encasement for 6" Pipe	LF		0.00		0.00		0.00		0.00
9A	Directional Bore for 6" Pipe	LS		0.00		0.00		0.00		0.00
10	Bored Encasement for 3" or 4" Pipe	LF	50	4,500.00	30	2,700.00		0.00	175	15,750.00
11	Railroad Crossing	LF		0.00		0.00		0.00	175	10,500.00
12	Open Cut Encasement for 3" or 4" Pipe	LF		0.00		0.00		0.00		0.00
13	Directional Bore for 8" Creek Crossing	LS		0.00		0.00		0.00		0.00
14	Beaver Creek Directional Bore No. 1	LS		0.00		0.00		0.00		0.00
15	Beaver Creek Directional Bore No. 2	LS	1	6,000.00		0.00		0.00		0.00
16	Beaver Creek Directional Bore No. 3	LS		0.00		0.00		0.00		0.00
17.1	Creek Crossing for 3" or 4" Pipe	LF	20	1,800.00		0.00		0.00		0.00
17.2	Directional Bore for 3" or 4" Small Creek Crossing	LS	1	5,000.00		0.00		0.00		0.00
17.3	Directional Bore for 3" or 4" Large Creek Crossing	LS		0.00		0.00		0.00		0.00
18	Free Bore (all sizes)	LF		0.00		0.00		0.00		0.00
19	Tie-In to 8" W.L. (8"x8" TS&V)	EA		0.00		0.00		0.00		0.00
20	Tie-In to 8" W.L. (8"x6" TS&V)	EA		0.00		0.00		0.00		0.00
21	Tie-In to 6" W.L. (6"x6" TS&V)	EA		0.00		0.00		0.00		0.00
22	Tie-In to 6" W.L. (6"x4" TS&V)	EA		0.00		0.00		0.00		0.00
23	Tie-In to 6" W.L. (6"x3" TS&V)	EA	1	2,000.00		0.00		0.00		0.00
24	Tie-In to 4" W.L. (4"x4" TS&V)	EA		0.00	1	1,750.00		0.00	1	1,750.00
25	Tie-In to 4" W.L. (4"x3" TS&V)	EA		0.00		0.00		0.00		0.00
26	Tie-In to 3" W.L. (3"x3" TS&V)	EA	1	1,750.00		0.00		0.00		0.00
27	Tie-In to Blow-Off	EA		0.00		0.00		0.00		0.00
28	8" Gate Valve	EA		0.00		0.00		0.00		0.00
29	6" Gate Valve	EA		0.00		0.00		0.00		0.00
30	4" Gate Valve	EA		0.00	1	650.00		0.00	3	1,950.00
31	3" Gate Valve	EA	1	600.00		0.00	1	600.00		0.00
32	3" Blow-Off Type 1	EA	1	1,250.00		0.00		0.00		0.00
33	3" Blow-Off Type 2	EA		0.00		0.00	1	1,250.00		0.00
34	4" Blow-Off Type 1	EA		0.00		0.00		0.00		0.00
35	4" Blow-Off Type 2	EA		0.00	1	1,250.00		0.00	1	1,250.00
36	Air Release Valve	EA		0.00		0.00		0.00		0.00
37	Leak Detection Meter	EA	1	1,250.00		0.00		0.00		0.00
38	Pressure Reducing Station	LS		0.00		0.00		0.00		0.00
39	Master Meter	LS		0.00		0.00		0.00		0.00
40	700 gpm Pump Station	LS		0.00		0.00		0.00		0.00
41	Telemetry	LS		0.00		0.00		0.00		0.00
42	250,000 Gallon Elevated Water Storage Tank	LS		0.00		0.00		0.00		0.00
43	3/4" x 5/8" Meter Setting	EA	3	2,700.00	6	5,400.00	3	2,700.00	9	8,100.00
44	3/4" Service Line	LF	90	450.00	180	900.00	90	450.00	270	1,350.00
45	Pavement Replacement			0.00		0.00		0.00		0.00
45.1	Gravel	LF	60	600.00	20	200.00	80	800.00	140	1,400.00
45.2	Light Duty Bituminous	LF	0	0.00	0	0.00	30	600.00	40	800.00
45.3	Heavy Duty Bituminous	LF		0.00		0.00		0.00		0.00
45.4	Concrete	LF		0.00		0.00		0.00	15	675.00
Total Construction Cost Estimate				\$56,890.00		\$63,790.00		\$25,575.00		\$131,112.00

Total Construction Cost Estimate \$243,370.00 \$307,160.00 \$332,735.00 \$463,847.00
 Base Contract Construction Cost Estimate
 Alternate Construction Cost Estimate

South Anderson Water District
Phase VII Expansion Project

Opinion of Probable Cost

December 15, 2010

Item No.	Item	Unit	Hungry Run Road		Caldwell Road		Van Buren Road		Baxier Ridge Connector	
			Quantity	Cost	Quantity	Cost	Quantity	Cost	Quantity	Cost
1	10" PVC SDR-21	LF		\$0.00		\$0.00		\$0.00		\$0.00
2	8" PVC SDR 21 Pipe	LF		0.00		0.00		0.00		0.00
3	6" PVC SDR 21 Pipe	LF		0.00		0.00	1,900	15,200.00		0.00
4	4" PVC SDR 17 Pipe	LF		0.00	0	0.00		0.00	5,150	38,110.00
5	4" PVC SDR 21 Pipe	LF	4,550	33,670.00	10,650	78,810.00		0.00		0.00
6	3" PVC SDR 17 Pipe	LF		0.00		0.00		0.00		0.00
7	3" PVC SDR 21 Pipe	LF		0.00		0.00		0.00		0.00
8	Bored Encasement for 8" Pipe	LF		0.00		0.00		0.00		0.00
9	Bored Encasement for 6" Pipe	LF		0.00		0.00		0.00		0.00
9A	Directional Bore for 6" Pipe	LS		0.00		0.00	40	3,600.00	0	0.00
10	Bored Encasement for 3" or 4" Pipe	LF	25	2,250.00	265	23,850.00		0.00		0.00
11	Railroad Crossing	LF		0.00		0.00		0.00		0.00
12	Open Cut Encasement for 3" or 4" Pipe	LF	65	3,900.00	45	2,700.00		0.00		0.00
13	Directional Bore for 8" Creek Crossing	LS		0.00		0.00		0.00		0.00
14	Beaver Creek Directional Bore No. 1	LS		0.00		0.00		0.00		0.00
15	Beaver Creek Directional Bore No. 2	LS		0.00		0.00		0.00		0.00
16	Beaver Creek Directional Bore No. 3	LS		0.00		0.00	40	3,600.00		0.00
17.1	Creek Crossing for 3" or 4" Pipe	LF	70	6,300.00		0.00	1	5,000.00		0.00
17.2	Directional Bore for 3" or 4" Small Creek Crossing	LS	2	10,000.00		0.00		0.00		0.00
17.3	Directional Bore for 3" or 4" Large Creek Crossing	LS		0.00		0.00		0.00		0.00
18	Free Bore (all sizes)	LF		0.00		0.00		0.00		0.00
19	Tie-In to 8" W.L. (8"x8" TS&V)	EA		0.00		0.00		0.00		0.00
20	Tie-In to 8" W.L. (8"x6" TS&V)	EA		0.00		0.00		0.00		0.00
21	Tie-In to 6" W.L. (6"x6" TS&V)	EA		0.00		0.00		0.00	1	2,000.00
22	Tie-In to 6" W.L. (6"x4" TS&V)	EA		0.00		0.00		0.00		0.00
23	Tie-In to 6" W.L. (6"x3" TS&V)	EA		0.00	1	1,750.00		0.00		0.00
24	Tie-In to 4" W.L. (4"x4" TS&V)	EA	2	3,500.00		0.00		0.00		0.00
25	Tie-In to 4" W.L. (4"x3" TS&V)	EA		0.00		0.00		0.00		0.00
26	Tie-In to 3" W.L. (3"x3" TS&V)	EA		0.00		0.00		0.00	1	1,000.00
27	Tie-In to Blow-Off	EA		0.00		0.00		0.00		0.00
28	8" Gate Valve	EA		0.00		0.00		0.00		0.00
29	6" Gate Valve	EA	3	1,950.00	2	1,300.00		0.00	2	1,300.00
30	4" Gate Valve	EA		0.00	0	0.00	1	600.00		0.00
31	3" Gate Valve	EA	1	1,250.00		0.00	1	1,250.00		0.00
32	3" Blow-Off Type 1	EA		0.00	0	0.00		0.00	1	1,250.00
33	3" Blow-Off Type 2	EA		0.00		0.00		0.00		0.00
34	4" Blow-Off Type 1	EA		0.00	1	1,250.00		0.00		0.00
35	4" Blow-Off Type 2	EA		0.00	1	600.00		0.00		0.00
36	Air Release Valve	EA	1	1,250.00	1	1,250.00		0.00	1	1,250.00
37	Leak Detection Meter	EA		0.00		0.00		0.00		0.00
38	Pressure Reducing Station	LS		0.00		0.00		0.00		0.00
39	Master Meter	LS		0.00		0.00		0.00		0.00
40	700 gpm Pump Station	LS		0.00		0.00		0.00		0.00
41	Telemetry	LS		0.00		0.00		0.00		0.00
42	250,000 Gallon Elevated Water Storage Tank	LS		0.00	2	1,800.00	1	900.00	3	2,700.00
43	3/4" x 5/8" Meter Setting	EA	1	900.00	60	300.00	30	150.00	105	525.00
44	3/4" Service Line	LF	30	150.00		0.00		0.00		0.00
45	Pavement Replacement	LF	80	800.00	320	3,200.00	40	400.00	90	900.00
45.1	Gravel	LF	20	400.00	100	2,000.00	0	0.00	20	400.00
45.2	Light Duty Bituminous	LF	0	0.00		0.00		0.00		0.00
45.3	Heavy Duty Bituminous	LF	0	0.00		0.00		0.00		0.00
45.4	Concrete	LF		0.00		0.00		0.00		0.00
Total Construction Cost Estimate				\$66,320.00		\$118,810.00		\$30,700.00		\$49,435.00

Total Construction Cost Estimate
Base Contract Construction Cost Estimate
Alternate Construction Cost Estimate

\$530,167.00

\$648,977.00

\$679,677.00

\$729,112.00

South Anderson Water District
Phase VII Expansion Project

Opinion of Probable Cost

December 15, 2010

Item No.	Item	Unit	Wallace Lane		Clifton Road		Sunrise Lane		Morgan Brothers Road		Waller Drury Road	
			Quantity	Cost	Quantity	Cost	Quantity	Cost	Quantity	Cost	Quantity	Cost
				\$0.00		\$0.00		\$0.00		\$0.00		\$0.00
1	10" PVC SDR-21	LF		0.00		0.00		0.00		0.00		0.00
2	8" PVC SDR 21 Pipe	LF		0.00		0.00		0.00		0.00		0.00
3	6" PVC SDR 21 Pipe	LF		0.00	0	0.00		0.00		0.00		0.00
4	4" PVC SDR 17 Pipe	LF		0.00	1,650	12,210.00		0.00		0.00		0.00
5	4" PVC SDR 21 Pipe	LF		0.00	5,150	36,050.00		0.00		0.00		0.00
6	3" PVC SDR 17 Pipe	LF		0.00		0.00	2,970	19,305.00	1,575	10,237.50	955	6,207.50
7	3" PVC SDR 21 Pipe	LF	2,785	18,102.50		0.00		0.00		0.00		0.00
8	Bored Encasement for 8" Pipe	LF		0.00		0.00		0.00		0.00		0.00
9	Bored Encasement for 6" Pipe	LF		0.00		0.00		0.00		0.00		0.00
9A	Directional Bore for 6" Pipe	LS		0.00		0.00		0.00		0.00		0.00
10	Bored Encasement for 3" or 4" Pipe	LF	40	3,600.00		0.00		0.00		0.00		0.00
11	Railroad Crossing	LF		0.00		0.00		0.00		0.00		0.00
12	Open Cut Encasement for 3" or 4" Pipe	LF		0.00		0.00		0.00		0.00		0.00
13	Directional Bore for 8" Creek Crossing	LS		0.00		0.00		0.00		0.00		0.00
14	Beaver Creek Directional Bore No. 1	LS		0.00		0.00		0.00		0.00		0.00
15	Beaver Creek Directional Bore No. 2	LS		0.00		0.00		0.00		0.00		0.00
16	Beaver Creek Directional Bore No. 3	LS		0.00		0.00		0.00		0.00		0.00
17.1	Creek Crossing for 3" or 4" Pipe	LF	20	1,800.00	25	2,250.00		0.00		0.00		0.00
17.2	Directional Bore for 3" or 4" Small Creek Crossing	LS		0.00	1	5,000.00		0.00		0.00		0.00
17.3	Directional Bore for 3" or 4" Large Creek Crossing	LS		0.00		0.00		0.00		0.00		0.00
18	Free Bore (all sizes)	LF		0.00		0.00		0.00		0.00		0.00
19	Tie-In to 8" W.L. (8"x8" TS&V)	EA		0.00		0.00		0.00		0.00		0.00
20	Tie-In to 8" W.L. (8"x6" TS&V)	EA		0.00		0.00		0.00		0.00		0.00
21	Tie-In to 6" W.L. (6"x6" TS&V)	EA		0.00		0.00		0.00		0.00		0.00
22	Tie-In to 6" W.L. (6"x4" TS&V)	EA		0.00		0.00		0.00		0.00		0.00
23	Tie-In to 6" W.L. (6"x3" TS&V)	EA	1	2,000.00		0.00		0.00		0.00		0.00
24	Tie-In to 4" W.L. (4"x4" TS&V)	EA		0.00	1	1,750.00		0.00		0.00	1	1,750.00
25	Tie-In to 4" W.L. (4"x3" TS&V)	EA		0.00		0.00	1	1,750.00	1	1,750.00		0.00
26	Tie-In to 3" W.L. (3"x3" TS&V)	EA		0.00		0.00		0.00		0.00		0.00
27	Tie-In to Blow-Off	EA		0.00		0.00		0.00		0.00		0.00
28	8" Gate Valve	EA		0.00		0.00		0.00		0.00		0.00
29	6" Gate Valve	EA		0.00	0	0.00		0.00		0.00		0.00
30	4" Gate Valve	EA	1	600.00	3	1,800.00		0.00		0.00		0.00
31	3" Gate Valve	EA		0.00		0.00		0.00		0.00		0.00
32	3" Blow-Off Type 1	EA	1	1,250.00	1	1,250.00	1	1,250.00	1	1,250.00	1	1,250.00
33	3" Blow-Off Type 2	EA		0.00		0.00		0.00		0.00		0.00
34	4" Blow-Off Type 1	EA		0.00		0.00		0.00		0.00		0.00
35	4" Blow-Off Type 2	EA		0.00		0.00		0.00		0.00		0.00
36	Air Release Valve	EA	1	1,250.00	1	1,250.00	1	1,250.00	1	1,250.00		0.00
37	Leak Detection Meter	LS		0.00	1	15,000.00		0.00		0.00		0.00
38	Pressure Reducing Station	LS		0.00		0.00		0.00		0.00		0.00
39	Master Meter	LS		0.00		0.00		0.00		0.00		0.00
40	700 gpm Pump Station	LS		0.00		0.00		0.00		0.00		0.00
41	Telemetry	LS		0.00		0.00		0.00		0.00		0.00
42	250,000 Gallon Elevated Water Storage Tank	LS		0.00	4	3,600.00	3	2,700.00	1	900.00	1	900.00
43	3/4" x 5/8" Meter Setting	EA	1	900.00	4	3,600.00	90	450.00	30	150.00	30	150.00
44	3/4" Service Line	LF	30	150.00	120	600.00	90	450.00	30	150.00	30	150.00
45	Pavement Replacement	LF	20	200.00	170	1,700.00	90	900.00	30	300.00	30	300.00
45.1	Gravel	LF	0	0.00	60	1,200.00	30	600.00	10	200.00	10	200.00
45.2	Light Duty Bituminous	LF		0.00		0.00		0.00		0.00		0.00
45.3	Heavy Duty Bituminous	LF		0.00		0.00		0.00		0.00		0.00
45.4	Concrete	LF		0.00		0.00		0.00		0.00		0.00
Total Construction Cost Estimate				\$29,852.50		\$83,660.00		\$29,555.00		\$16,037.50		\$12,007.50

Total Construction Cost Estimate
Base Contract Construction Cost Estimate
Alternate Construction Cost Estimate

\$756,964.50

\$842,624.50

\$872,179.50

\$888,217.00

\$900,224.50

South Anderson Water District
Phase VII Expansion Project

Opinion of Probable Cost

December 15, 2010

Item No.	Item	Unit	US 127		Ballard/Hickory Grove		Allernate No. 2 Goodlet Road		Allernate No. 3 Leathers Road		Allernate No. 4 Lick Skillet Road	
			Quantity	Cost	Quantity	Cost	Quantity	Cost	Quantity	Cost	Quantity	Cost
1	10" PVC SDR-21	LF	220	\$3,520.00		\$0.00		\$0.00		\$0.00		\$0.00
2	8" PVC SDR 21 Pipe	LF	16500	198,000.00		0.00		0.00		0.00		0.00
3	6" PVC SDR 21 Pipe	LF	1130	10,170.00		0.00		0.00		0.00		0.00
4	4" PVC SDR 17 Pipe	LF		0.00	1,000	8,000.00	850	6,800.00				
5	4" PVC SDR 21 Pipe	LF		0.00	2,000	14,800.00	2,150	15,910.00	4,025	29,785.00	5,800	42,920.00
6	3" PVC SDR 17 Pipe	LF		0.00		0.00		0.00		0.00		0.00
7	3" PVC SDR 21 Pipe	LF		0.00		0.00		0.00		0.00		0.00
8	Bored Encasement for 8" Pipe	LF	192	28,800.00		0.00		0.00		0.00		0.00
9	Bored Encasement for 6" Pipe	LF	0	0.00		0.00		0.00		0.00		0.00
9A	Directional Bore for 6" Pipe	LS	0	0.00		0.00	40	3,600.00			130	11,700.00
10	Bored Encasement for 3" or 4" Pipe	LF		0.00		0.00		0.00		0.00		0.00
11	Railroad Crossing	LF	140	42,000.00		0.00		0.00		0.00		0.00
12	Open Cut Encasement for 3" or 4" Pipe	LF		0.00	65	3,900.00		0.00		0.00		0.00
13	Directional Bore for 8" Creek Crossing	LS	1	10,000.00		0.00		0.00		0.00	1	7,000.00
14	Beaver Creek Directional Bore No. 1	LS		0.00		0.00		0.00		0.00		0.00
15	Beaver Creek Directional Bore No. 2	LS		0.00		0.00		0.00	1	7,000.00		0.00
16	Beaver Creek Directional Bore No. 3	LS		0.00		0.00		0.00	0	0.00		0.00
17.1	Creek Crossing for 3" or 4" Pipe	LF		0.00	50	4,500.00		0.00		0.00		0.00
17.2	Directional Bore for 3" or 4" Small Creek Crossing	LS		0.00	2	10,000.00		0.00		0.00	0	0.00
17.3	Directional Bore for 3" or 4" Large Creek Crossing	LS		0.00		0.00		0.00	0	0.00		0.00
18	Free Bore (all sizes)	LF	250	15,000.00		0.00		0.00		0.00		0.00
19	Tie-In to 8" W.L. (8"x8" TS&V)	EA	3	8,250.00		0.00		0.00		0.00		0.00
20	Tie-In to 8" W.L. (8"x6" TS&V)	EA		0.00		0.00		0.00		0.00		0.00
21	Tie-In to 6" W.L. (6"x6" TS&V)	EA	2	4,500.00		0.00		0.00		0.00	1	2,000.00
22	Tie-In to 6" W.L. (6"x4" TS&V)	EA		0.00		0.00		0.00		0.00		0.00
23	Tie-In to 6" W.L. (6"x3" TS&V)	EA		0.00		0.00		0.00		0.00		0.00
24	Tie-In to 4" W.L. (4"x4" TS&V)	EA	1	1,750.00	2	3,500.00	1	1,750.00	1	1,750.00		0.00
25	Tie-In to 4" W.L. (4"x3" TS&V)	EA		0.00		0.00		0.00		0.00		0.00
26	Tie-In to 3" W.L. (3"x3" TS&V)	EA		0.00		0.00		0.00	1	1,000.00	1	1,000.00
27	Tie-In to Blow-Off	EA		0.00		0.00		0.00		0.00		0.00
28	8" Gate Valve	EA	9	9,000.00		0.00		0.00		0.00		0.00
29	6" Gate Valve	EA	4	3,200.00		0.00		0.00	2	1,300.00	4	2,600.00
30	4" Gate Valve	EA		0.00	2	1,300.00		0.00		0.00		0.00
31	3" Gate Valve	EA		0.00		0.00		0.00	1	1,250.00		0.00
32	3" Blow-Off Type 1	EA		0.00	1	1,250.00	1	1,250.00		0.00		0.00
33	3" Blow-Off Type 2	EA		0.00		0.00		0.00		0.00	1	1,250.00
34	4" Blow-Off Type 1	EA	0	0.00		0.00		0.00		0.00		0.00
35	4" Blow-Off Type 2	EA		0.00		0.00		0.00		0.00		0.00
36	Air Release Valve	EA	0	0.00		0.00		0.00	1	1,250.00	2	2,500.00
37	Leak Delection Meter	EA	2	2,500.00	2	2,500.00	1	1,250.00		0.00		0.00
38	Pressure Reducing Station	LS		0.00		0.00		0.00		0.00		0.00
39	Master Meter	LS	1	15,000.00		0.00		0.00		0.00		0.00
40	700 gpm Pump Station	LS	1	150,000.00		0.00		0.00		0.00		0.00
41	Telemetry	LS	1	26,385.50		0.00		0.00		0.00		0.00
42	250,000 Gallon Elevated Water Storage Tank	LS	1	765,000.00		0.00		0.00		0.00		0.00
43	3/4" x 5/8" Meter Setting	EA		0.00		0.00		0.00		0.00		0.00
44	3/4" Service Line	LF		0.00		0.00		0.00		0.00		0.00
45	Pavement Replacement			0.00		0.00		0.00		0.00		0.00
45.1	Gravel	LF	950	9,500.00	20	200.00	20	200.00	120	1,200.00	240	2,400.00
45.2	Light Duty Bituminous	LF	320	6,400.00	40	800.00	0	0.00	10	200.00	60	1,600.00
45.3	Heavy Duty Bituminous	LF	100	3,500.00	0	0.00		0.00		0.00		0.00
45.4	Concrete	LF	100	4,500.00		0.00		0.00		0.00		0.00
Total Construction Cost Estimate				\$1,316,975.50		\$50,750.00		\$32,760.00		\$44,735.00		\$92,570.00

Total Construction Cost Estimate \$2,217,200.00
 Base Contract Construction Cost Estimate \$50,750.00 \$83,510.00 \$128,245.00 \$220,815.00
 Alternate Construction Cost Estimate \$2,438,015.00

South Anderson Water District
Phase VII Expansion Project

Opinion of Probable Cost

December 15, 2010

Item No.	Item	Unit	Quantity	Unit Price	Item Price	Watts Run Road		Carey Mill	
						Quantity	Cost	Quantity	Cost
1	10" PVC SDR-21	LF	220	\$16.00	\$3,520.00		\$0.00		\$0.00
2	8" PVC SDR 21 Pipe	LF	16,500	12.00	198,000.00		0.00		0.00
3	6" PVC SDR 21 Pipe	LF	1,130	9.00	10,170.00		0.00		0.00
4	4" PVC SDR 17 Pipe	LF	12,710	8.00	101,680.00	4,000	32,000.00		0.00
5	4" PVC SDR 21 Pipe	LF	54,080	7.40	400,192.00	2,450	18,130.00		0.00
6	3" PVC SDR 17 Pipe	LF	5,150	7.00	36,050.00		0.00	7,400	48,100.00
7	3" PVC SDR 21 Pipe	LF	23,095	6.50	150,117.50		0.00		0.00
8	Bored Encasement for 8" Pipe	LF	192	150.00	28,800.00		0.00		0.00
9	Bored Encasement for 6" Pipe	LF	0	110.00	0.00		0.00		0.00
9A	Directional Bore for 6" Pipe	LS	0	20,000.00	0.00		0.00		0.00
10	Bored Encasement for 3" or 4" Pipe	LF	1,040	90.00	93,600.00	40	3,600.00	205	18,450.00
11	Railroad Crossing	LF	140	300.00	42,000.00		0.00		0.00
12	Open Cut Encasement for 3" or 4" Pipe	LF	600	60.00	36,000.00		0.00	250	15,000.00
13	Directional Bore for 8" Creek Crossing	LS	1	10,000.00	10,000.00		0.00		0.00
14	Beaver Creek Directional Bore No. 1	LS	1	7,000.00	7,000.00		0.00		0.00
15	Beaver Creek Directional Bore No. 2	LS	1	6,000.00	6,000.00		0.00		0.00
16	Beaver Creek Directional Bore No. 3	LS	1	7,000.00	7,000.00		0.00		0.00
17.1	Creek Crossing for 3" or 4" Pipe	LF	385	90.00	34,650.00	160	14,400.00		0.00
17.2	Directional Bore for 3" or 4" Small Creek Crossing	LS	7	5,000.00	35,000.00		0.00		0.00
17.3	Directional Bore for 3" or 4" Large Creek Crossing	LS	2	7,500.00	15,000.00	2	15,000.00		0.00
18	Free Bore (all sizes)	LF	250	60.00	15,000.00		0.00		0.00
19	Tie-in to 8" W.L. (8"x8" TS&V)	EA	3	2,750.00	8,250.00		0.00		0.00
20	Tie-in to 8" W.L. (8"x6" TS&V)	EA	0	2,500.00	0.00		0.00		0.00
21	Tie-in to 6" W.L. (6"x6" TS&V)	EA	2	2,250.00	4,500.00		0.00		0.00
22	Tie-in to 6" W.L. (6"x4" TS&V)	EA	3	2,000.00	6,000.00		0.00		0.00
23	Tie-in to 6" W.L. (6"x3" TS&V)	EA	2	2,000.00	4,000.00		0.00		0.00
24	Tie-in to 4" W.L. (4"x4" TS&V)	EA	11	1,750.00	19,250.00		0.00		0.00
25	Tie-in to 4" W.L. (4"x3" TS&V)	EA	3	1,750.00	5,250.00		0.00	1	1,750.00
26	Tie-in to 3" W.L. (3"x3" TS&V)	EA	2	1,750.00	3,500.00		0.00		0.00
27	Tie-In to Blow-Off	EA	5	1,000.00	5,000.00	2	2,000.00		0.00
28	8" Gate Valve	EA	9	1,000.00	9,000.00		0.00		0.00
29	6" Gate Valve	EA	4	800.00	3,200.00		0.00		0.00
30	4" Gate Valve	EA	22	650.00	14,300.00	3	1,950.00		0.00
31	3" Gate Valve	EA	8	600.00	4,800.00		0.00	1	600.00
32	3" Blow-Off Type 1	EA	6	1,250.00	7,500.00	1	1,250.00		0.00
33	3" Blow-Off Type 2	EA	8	1,250.00	10,000.00		0.00	1	1,250.00
34	4" Blow-Off Type 1	EA	2	1,250.00	2,500.00		0.00		0.00
35	4" Blow-Off Type 2	EA	4	1,250.00	5,000.00	1	1,250.00		0.00
36	Air Release Valve	EA	3	600.00	1,800.00		0.00	1	600.00
37	Leak Detection Meter	EA	18	1,250.00	22,500.00	1	1,250.00	0	0.00
38	Pressure Reducing Station	LS	1	15,000.00	15,000.00		0.00		0.00
39	Master Meter	LS	1	15,000.00	15,000.00		0.00		0.00
40	700 gpm Pump Station	LS	1	150,000.00	150,000.00		0.00		0.00
41	Telemetry	LS	1	26,385.50	26,385.50		0.00		0.00
42	250,000 Gallon Elevated Water Storage Tank	LS	1	765,000.00	765,000.00		0.00		0.00
43	3/4" x 5/8" Meter Setting	EA	46	900.00	41,400.00	4	3,600.00	4	3,600.00
44	3/4" Service Line	LF	1,395	5.00	6,975.00	120	600.00	120	600.00
45	Pavement Replacement						0.00		0.00
45.1	Gravel	LF	2,610	10.00	26,100.00	60	600.00	30	300.00
45.2	Light Duty Bituminous	LF	800	20.00	16,000.00	0	0.00	30	600.00
45.3	Heavy Duty Bituminous	LF	100	35.00	3,500.00		0.00		0.00
45.4	Concrete	LF	145	45.00	6,525.00		0.00		0.00
Total Construction Cost Estimate					\$2,438,015.00		\$95,630.00		\$90,850.00

Total Construction Cost Estimate	\$2,438,015.00	
Base Contract Construction Cost Estimate	\$2,217,200.00	\$186,480.00
Alternate Construction Cost Estimate	\$220,815.00	

South Anderson Water District
Phase VII Expansion Project

Opinion of Probable Cost

December 15, 2010

Item No.	Item	Unit	Duncan Road		Willisburg Road (KY 53)		Cammack Road		Hoophole Road	
			Quantity	Cost	Quantity	Cost	Quantity	Cost	Quantity	Cost
1	10" PVC SDR-21	LF		\$0.00		\$0.00		\$0.00		\$0.00
2	8" PVC SDR 21 Pipe	LF		0.00		0.00		0.00		0.00
3	6" PVC SDR 21 Pipe	LF		0.00		0.00		0.00		0.00
4	4" PVC SDR 17 Pipe	LF		0.00	2,760	22,080.00		0.00		0.00
5	4" PVC SDR 21 Pipe	LF		0.00	3,900	28,860.00		0.00	11,755	86,987.00
6	3" PVC SDR 17 Pipe	LF		0.00		0.00		0.00		0.00
7	3" PVC SDR 21 Pipe	LF	4,460	28,990.00		0.00	2,950	19,175.00		0.00
8	Bored Encasement for 8" Pipe	LF		0.00		0.00		0.00		0.00
9	Bored Encasement for 6" Pipe	LF		0.00		0.00		0.00		0.00
9A	Directional Bore for 6" Pipe	LS		0.00		0.00		0.00		0.00
10	Bored Encasement for 3" or 4" Pipe	LF	50	4,500.00	30	2,700.00		0.00	175	15,750.00
11	Railroad Crossing	LF		0.00		0.00		0.00		0.00
12	Open Cut Encasement for 3" or 4" Pipe	LF		0.00		0.00		0.00	175	10,500.00
13	Directional Bore for 8" Creek Crossing	LS		0.00		0.00		0.00		0.00
14	Beaver Creek Directional Bore No. 1	LS		0.00		0.00		0.00		0.00
15	Beaver Creek Directional Bore No. 2	LS	1	6,000.00		0.00		0.00		0.00
16	Beaver Creek Directional Bore No. 3	LS		0.00		0.00		0.00		0.00
17.1	Creek Crossing for 3" or 4" Pipe	LF	20	1,800.00		0.00		0.00		0.00
17.2	Directional Bore for 3" or 4" Small Creek Crossing	LS	1	5,000.00		0.00		0.00		0.00
17.3	Directional Bore for 3" or 4" Large Creek Crossing	LS		0.00		0.00		0.00		0.00
18	Free Bore (all sizes)	LF		0.00		0.00		0.00		0.00
19	Tie-In to 8" W.L. (8"x8" TS&V)	EA		0.00		0.00		0.00		0.00
20	Tie-In to 8" W.L. (8"x6" TS&V)	EA		0.00		0.00		0.00		0.00
21	Tie-In to 6" W.L. (6"x6" TS&V)	EA		0.00		0.00		0.00		0.00
22	Tie-In to 6" W.L. (6"x4" TS&V)	EA		0.00		0.00		0.00		0.00
23	Tie-In to 6" W.L. (6"x3" TS&V)	EA	1	2,000.00		0.00		0.00		0.00
24	Tie-In to 4" W.L. (4"x4" TS&V)	EA		0.00	1	1,750.00		0.00	1	1,750.00
25	Tie-In to 4" W.L. (4"x3" TS&V)	EA		0.00		0.00		0.00		0.00
26	Tie-In to 3" W.L. (3"x3" TS&V)	EA	1	1,750.00		0.00		0.00		0.00
27	Tie-In to Blow-Off	EA		0.00		0.00		0.00		0.00
28	8" Gate Valve	EA		0.00		0.00		0.00		0.00
29	6" Gate Valve	EA		0.00	1	650.00		0.00	3	1,950.00
30	4" Gate Valve	EA		0.00		0.00		0.00		0.00
31	3" Gate Valve	EA	1	600.00		0.00	1	600.00		0.00
32	3" Blow-Off Type 1	EA	1	1,250.00		0.00		0.00		0.00
33	3" Blow-Off Type 2	EA		0.00		0.00	1	1,250.00		0.00
34	4" Blow-Off Type 1	EA		0.00		0.00		0.00		0.00
35	4" Blow-Off Type 2	EA		0.00	1	1,250.00		0.00	1	1,250.00
36	Air Release Valve	EA		0.00		0.00		0.00	1	600.00
37	Leak Detection Meter	EA	1	1,250.00		0.00		0.00		0.00
38	Pressure Reducing Station	LS		0.00		0.00		0.00		0.00
39	Master Meter	LS		0.00		0.00		0.00		0.00
40	700 gpm Pump Station	LS		0.00		0.00		0.00		0.00
41	Telemetry	LS		0.00		0.00		0.00		0.00
42	250,000 Gallon Elevated Water Storage Tank	LS		0.00		0.00		0.00		0.00
43	3/4" x 5/8" Meter Setting	EA	3	2,700.00	6	5,400.00	3	2,700.00	9	8,100.00
44	3/4" Service Line	LF	90	450.00	180	900.00	90	450.00	270	1,350.00
45	Pavement Replacement			0.00		0.00		0.00		0.00
45.1	Gravel	LF	60	600.00	20	200.00	80	800.00	140	1,400.00
45.2	Light Duty Bituminous	LF	0	0.00	0	0.00	30	600.00	40	800.00
45.3	Heavy Duty Bituminous	LF		0.00		0.00		0.00		0.00
45.4	Concrete	LF		0.00		0.00		0.00	15	675.00
Total Construction Cost Estimate				\$56,890.00		\$63,790.00		\$25,575.00		\$131,112.00

Total Construction Cost Estimate
Base Contract Construction Cost Estimate \$243,370.00 \$307,160.00 \$332,735.00 \$463,847.00
Alternate Construction Cost Estimate

South Anderson Water District
Phase VII Expansion Project

Opinion of Probable Cost

December 15, 2010

Item No.	Item	Unit	Hungry Run Road		Caldwell Road		Van Buren Road		Baxter Ridge Connector	
			Quantity	Cost	Quantity	Cost	Quantity	Cost	Quantity	Cost
1	10" PVC SDR-21	LF		\$0.00		\$0.00		\$0.00		\$0.00
2	8" PVC SDR 21 Pipe	LF		0.00		0.00		0.00		0.00
3	6" PVC SDR 21 Pipe	LF		0.00		0.00		0.00		0.00
4	4" PVC SDR 17 Pipe	LF		0.00	0	0.00	1,900	15,200.00		0.00
5	4" PVC SDR 21 Pipe	LF	4,550	33,670.00	10,650	78,810.00		0.00	5,150	38,110.00
6	3" PVC SDR 17 Pipe	LF		0.00		0.00		0.00		0.00
7	3" PVC SDR 21 Pipe	LF		0.00		0.00		0.00		0.00
8	Bored Encasement for 8" Pipe	LF		0.00		0.00		0.00		0.00
9	Bored Encasement for 6" Pipe	LF		0.00		0.00		0.00		0.00
9A	Directional Bore for 6" Pipe	LS		0.00		0.00		0.00		0.00
10	Bored Encasement for 3" or 4" Pipe	LF	25	2,250.00	265	23,850.00	40	3,600.00	0	0.00
11	Railroad Crossing	LF		0.00		0.00		0.00		0.00
12	Open Cut Encasement for 3" or 4" Pipe	LF	65	3,900.00	45	2,700.00		0.00		0.00
13	Directional Bore for 8" Creek Crossing	LS		0.00		0.00		0.00		0.00
14	Beaver Creek Directional Bore No. 1	LS		0.00		0.00		0.00		0.00
15	Beaver Creek Directional Bore No. 2	LS		0.00		0.00		0.00		0.00
16	Beaver Creek Directional Bore No. 3	LS		0.00		0.00		0.00		0.00
17.1	Creek Crossing for 3" or 4" Pipe	LF	70	6,300.00		0.00	40	3,600.00		0.00
17.2	Directional Bore for 3" or 4" Small Creek Crossing	LS	2	10,000.00		0.00	1	5,000.00		0.00
17.3	Directional Bore for 3" or 4" Large Creek Crossing	LS		0.00		0.00		0.00		0.00
18	Free Bore (all sizes)	LF		0.00		0.00		0.00		0.00
19	Tie-In to 8" W.L. (8"x8" TS&V)	EA		0.00		0.00		0.00		0.00
20	Tie-In to 8" W.L. (8"x6" TS&V)	EA		0.00		0.00		0.00		0.00
21	Tie-In to 6" W.L. (6"x6" TS&V)	EA		0.00		0.00		0.00	1	2,000.00
22	Tie-In to 6" W.L. (6"x4" TS&V)	EA		0.00		0.00		0.00		0.00
23	Tie-In to 6" W.L. (6"x3" TS&V)	EA		0.00		0.00		0.00		0.00
24	Tie-In to 4" W.L. (4"x4" TS&V)	EA	2	3,500.00	1	1,750.00		0.00		0.00
25	Tie-In to 4" W.L. (4"x3" TS&V)	EA		0.00		0.00		0.00		0.00
26	Tie-In to 3" W.L. (3"x3" TS&V)	EA		0.00		0.00		0.00	1	1,000.00
27	Tie-In to Blow-Off	EA		0.00		0.00		0.00		0.00
28	8" Gate Valve	EA		0.00		0.00		0.00		0.00
29	6" Gate Valve	EA		0.00		0.00		0.00	2	1,300.00
30	4" Gate Valve	EA	3	1,950.00	2	1,300.00		0.00		0.00
31	3" Gate Valve	EA		0.00	0	0.00	1	600.00		0.00
32	3" Blow-Off Type 1	EA	1	1,250.00		0.00		0.00		0.00
33	3" Blow-Off Type 2	EA		0.00	0	0.00	1	1,250.00		0.00
34	4" Blow-Off Type 1	EA		0.00	1	1,250.00		0.00	1	1,250.00
35	4" Blow-Off Type 2	EA		0.00	1	1,250.00		0.00		0.00
36	Air Release Valve	EA		0.00	1	600.00		0.00		0.00
37	Leak Detection Meter	EA	1	1,250.00	1	1,250.00		0.00	1	1,250.00
38	Pressure Reducing Station	LS		0.00		0.00		0.00		0.00
39	Master Meter	LS		0.00		0.00		0.00		0.00
40	700 gpm Pump Station	LS		0.00		0.00		0.00		0.00
41	Telemetry	LS		0.00		0.00		0.00		0.00
42	250,000 Gallon Elevated Water Storage Tank	LS		0.00		0.00		0.00		0.00
43	3/4" x 5/8" Meter Setting	EA	1	900.00	2	1,800.00	1	900.00	3	2,700.00
44	3/4" Service Line	LF	30	150.00	60	300.00	30	150.00	105	525.00
45	Pavement Replacement	LF		0.00		0.00		0.00		0.00
45.1	Gravel	LF	80	800.00	320	3,200.00	40	400.00	90	900.00
45.2	Light Duty Bituminous	LF	20	400.00	100	2,000.00	0	0.00	20	400.00
45.3	Heavy Duty Bituminous	LF	0	0.00		0.00		0.00		0.00
45.4	Concrete	LF		0.00		0.00		0.00		0.00
Total Construction Cost Estimate				\$66,320.00		\$118,810.00		\$30,700.00		\$49,435.00

Total Construction Cost Estimate \$66,320.00 \$118,810.00 \$30,700.00 \$49,435.00
 Base Contract Construction Cost Estimate \$530,167.00 \$646,977.00 \$679,677.00 \$729,112.00
 Alternate Construction Cost Estimate

South Anderson Water District
Phase VII Expansion Project

Opinion of Probable Cost

December 15, 2010

Item No.	Item	Unit	Wallace Lane		Clifton Road		Sunrise Lane		Morgan Brothers Road		Walter Drury Road	
			Quantity	Cost	Quantity	Cost	Quantity	Cost	Quantity	Cost	Quantity	Cost
1	10" PVC SDR-21	LF		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00
2	8" PVC SDR 21 Pipe	LF		0.00		0.00		0.00		0.00		0.00
3	6" PVC SDR 21 Pipe	LF		0.00		0.00		0.00		0.00		0.00
4	4" PVC SDR 17 Pipe	LF		0.00	0	0.00		0.00		0.00		0.00
5	4" PVC SDR 21 Pipe	LF		0.00	1,650	12,210.00		0.00		0.00		0.00
6	3" PVC SDR 17 Pipe	LF		0.00	5,150	36,050.00		0.00		0.00		0.00
7	3" PVC SDR 21 Pipe	LF	2,785	18,102.50		0.00	2,970	19,305.00	1,575	10,237.50	955	6,207.50
8	Bored Encasement for 8" Pipe	LF		0.00		0.00		0.00		0.00		0.00
9	Bored Encasement for 6" Pipe	LF		0.00		0.00		0.00		0.00		0.00
9A	Directional Bore for 6" Pipe	LS		0.00		0.00		0.00		0.00		0.00
10	Bored Encasement for 3" or 4" Pipe	LF	40	3,500.00		0.00		0.00		0.00		0.00
11	Railroad Crossing	LF		0.00		0.00		0.00		0.00		0.00
12	Open Cut Encasement for 3" or 4" Pipe	LF		0.00		0.00		0.00		0.00		0.00
13	Directional Bore for 8" Creek Crossing	LS		0.00		0.00		0.00		0.00		0.00
14	Beaver Creek Directional Bore No. 1	LS		0.00		0.00		0.00		0.00		0.00
15	Beaver Creek Directional Bore No. 2	LS		0.00		0.00		0.00		0.00		0.00
16	Beaver Creek Directional Bore No. 3	LS		0.00		0.00		0.00		0.00		0.00
17.1	Creek Crossing for 3" or 4" Pipe	LF	20	1,800.00	25	2,250.00		0.00		0.00		0.00
17.2	Directional Bore for 3" or 4" Small Creek Crossing	LS		0.00	1	5,000.00		0.00		0.00		0.00
17.3	Directional Bore for 3" or 4" Large Creek Crossing	LS		0.00		0.00		0.00		0.00		0.00
18	Free Bore (all sizes)	LF		0.00		0.00		0.00		0.00		0.00
19	Tie-In to 8" W.L. (8"x8" TS&V)	EA		0.00		0.00		0.00		0.00		0.00
20	Tie-In to 8" W.L. (8"x6" TS&V)	EA		0.00		0.00		0.00		0.00		0.00
21	Tie-In to 6" W.L. (6"x6" TS&V)	EA		0.00		0.00		0.00		0.00		0.00
22	Tie-In to 6" W.L. (6"x4" TS&V)	EA		0.00		0.00		0.00		0.00		0.00
23	Tie-In to 6" W.L. (6"x3" TS&V)	EA	1	2,000.00		0.00		0.00		0.00		0.00
24	Tie-In to 4" W.L. (4"x4" TS&V)	EA		0.00	1	1,750.00		0.00		0.00		0.00
25	Tie-In to 4" W.L. (4"x3" TS&V)	EA		0.00		0.00	1	1,750.00	1	1,750.00	1	1,750.00
26	Tie-In to 3" W.L. (3"x3" TS&V)	EA		0.00		0.00		0.00		0.00		0.00
27	Tie-In to Blow-Off	EA		0.00		0.00		0.00		0.00		0.00
28	8" Gate Valve	EA		0.00		0.00		0.00		0.00		0.00
29	6" Gate Valve	EA		0.00	0	0.00		0.00		0.00		0.00
30	4" Gate Valve	EA		0.00	3	1,800.00		0.00		0.00		0.00
31	3" Gate Valve	EA	1	600.00		0.00		0.00		0.00		0.00
32	3" Blow-Off Type 1	EA		0.00		0.00		0.00		0.00		0.00
33	3" Blow-Off Type 2	EA	1	1,250.00	1	1,250.00	1	1,250.00	1	1,250.00	1	1,250.00
34	4" Blow-Off Type 1	EA		0.00		0.00		0.00		0.00		0.00
35	4" Blow-Off Type 2	EA		0.00		0.00		0.00		0.00		0.00
36	Air Release Valve	EA		0.00		0.00		0.00		0.00		0.00
37	Leak Detection Meter	EA	1	1,250.00	1	1,250.00	1	1,250.00	1	1,250.00	1	1,250.00
38	Pressure Reducing Station	LS		0.00	1	15,000.00		0.00		0.00		0.00
39	Master Meter	LS		0.00		0.00		0.00		0.00		0.00
40	700 gpm Pump Station	LS		0.00		0.00		0.00		0.00		0.00
41	Telemetry	LS		0.00		0.00		0.00		0.00		0.00
42	250,000 Gallon Elevated Water Storage Tank	LS		0.00		0.00		0.00		0.00		0.00
43	3/4" x 5/8" Meter Setting	EA	1	900.00	4	3,600.00	3	2,700.00	1	900.00	1	900.00
44	3/4" Service Line	LF	30	150.00	120	600.00	90	450.00	30	150.00	30	150.00
45	Pavement Replacement	LF		0.00		0.00		0.00		0.00		0.00
45.1	Gravel	LF	20	200.00	170	1,700.00	90	900.00	30	300.00	30	300.00
45.2	Light Duty Bituminous	LF	0	0.00	60	1,200.00	30	600.00	10	200.00	10	200.00
45.3	Heavy Duty Bituminous	LF		0.00		0.00		0.00		0.00		0.00
45.4	Concrete	LF		0.00		0.00	30	1,350.00		0.00		0.00
Total Construction Cost Estimate				\$29,852.50		\$83,660.00		\$29,555.00		\$16,037.50		\$12,007.50

Total Construction Cost Estimate \$29,852.50 \$83,660.00 \$29,555.00 \$16,037.50 \$12,007.50
 Base Contract Construction Cost Estimate \$758,964.50 \$842,624.50 \$872,179.50 \$886,217.00 \$900,224.50
 Alternate Construction Cost Estimate

South Anderson Water District
Phase VII Expansion Project

Opinion of Probable Cost

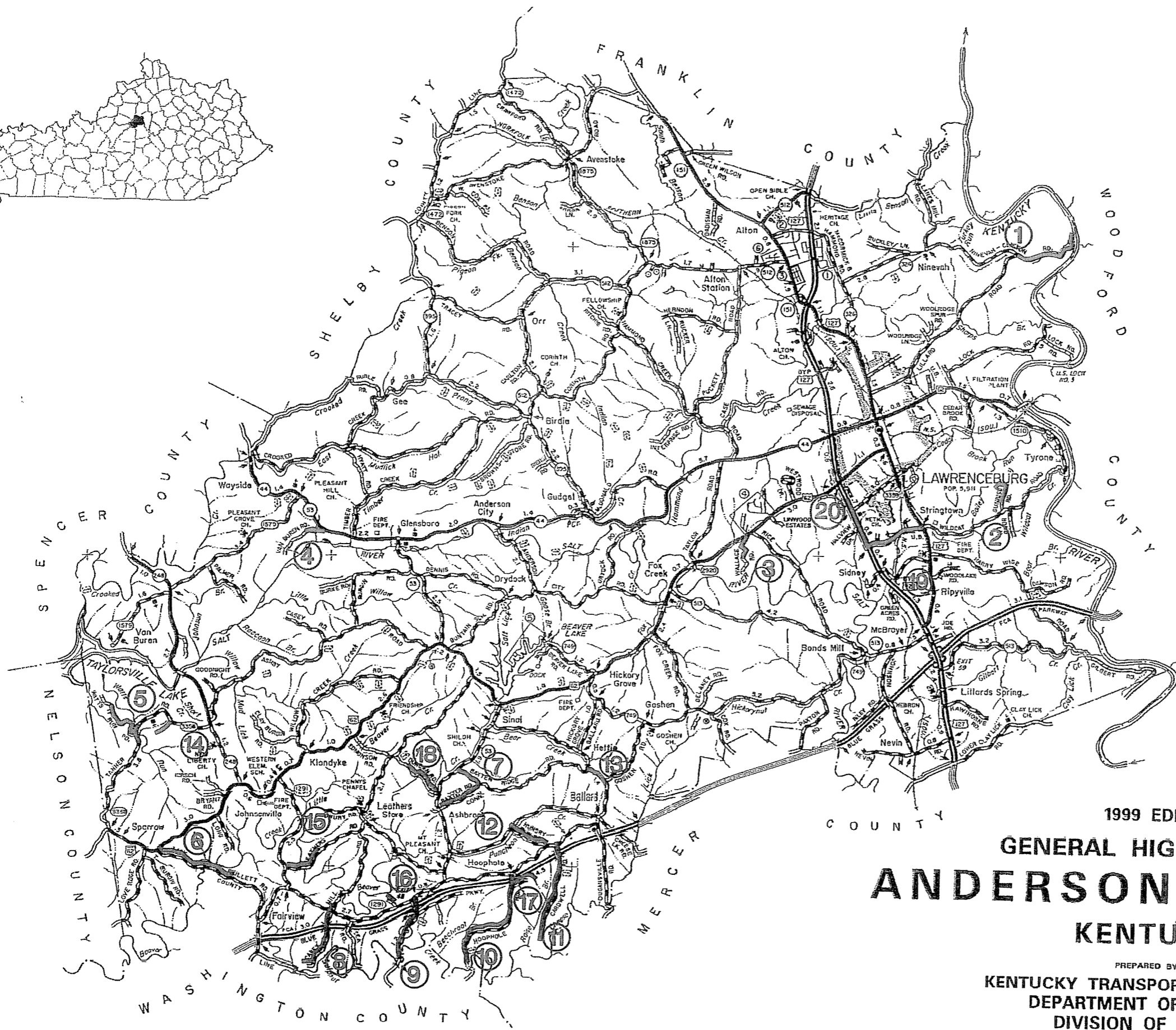
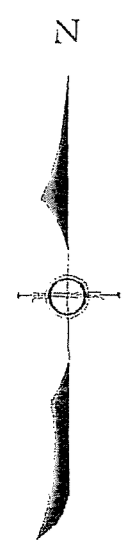
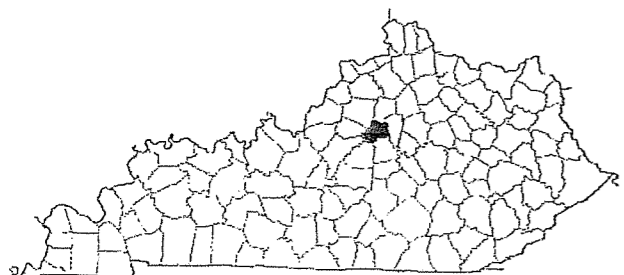
December 15, 2010

Item No.	Item	Unit	US 127		Ballard/Hickory Grove		Goodlet Road		Leathers Road		Lick Skillet Road	
			Quantity	Cost	Quantity	Cost	Quantity	Cost	Quantity	Cost	Quantity	Cost
1	10" PVC SDR-21	LF	220	\$3,520.00		\$0.00		\$0.00		\$0.00		\$0.00
2	8" PVC SDR 21 Pipe	LF	16500	198,000.00		0.00		0.00		0.00		0.00
3	6" PVC SDR 21 Pipe	LF	1130	10,170.00		0.00		0.00		0.00		0.00
4	4" PVC SDR 17 Pipe	LF		0.00	1,000	8,000.00	850	6,800.00		0.00	2,200	17,600.00
5	4" PVC SDR 21 Pipe	LF		0.00	2,000	14,800.00	2,150	15,910.00	4,025	29,785.00	5,800	42,920.00
6	3" PVC SDR 17 Pipe	LF		0.00		0.00		0.00		0.00		0.00
7	3" PVC SDR 21 Pipe	LF		0.00		0.00		0.00		0.00		0.00
8	Bored Encasement for 8" Pipe	LF	192	28,800.00		0.00		0.00		0.00		0.00
9	Bored Encasement for 6" Pipe	LF	0	0.00		0.00		0.00		0.00		0.00
9A	Directional Bore for 6" Pipe	LS	0	0.00		0.00	40	3,600.00		0.00	130	11,700.00
10	Bored Encasement for 3" or 4" Pipe	LF		0.00		0.00		0.00		0.00		0.00
11	Railroad Crossing	LF	140	42,000.00		0.00		0.00		0.00		0.00
12	Open Cut Encasement for 3" or 4" Pipe	LF		0.00	65	3,900.00		0.00		0.00		0.00
13	Directional Bore for 8" Creek Crossing	LS	1	10,000.00		0.00		0.00		0.00	1	7,000.00
14	Beaver Creek Directional Bore No. 1	LS		0.00		0.00		0.00		0.00		0.00
15	Beaver Creek Directional Bore No. 2	LS		0.00		0.00		0.00	1	7,000.00		0.00
16	Beaver Creek Directional Bore No. 3	LS		0.00		0.00		0.00	0	0.00		0.00
17.1	Creek Crossing for 3" or 4" Pipe	LF		0.00	50	4,500.00		0.00		0.00		0.00
17.2	Directional Bore for 3" or 4" Small Creek Crossing	LS		0.00	2	10,000.00		0.00		0.00	0	0.00
17.3	Directional Bore for 3" or 4" Large Creek Crossing	LS		0.00		0.00		0.00	0	0.00		0.00
18	Free Bore (all sizes)	LF	250	15,000.00		0.00		0.00		0.00		0.00
19	Tie-In to 8" W.L. (8"x8" TS&V)	EA	3	8,250.00		0.00		0.00		0.00		0.00
20	Tie-In to 8" W.L. (8"x6" TS&V)	EA		0.00		0.00		0.00		0.00		0.00
21	Tie-In to 6" W.L. (6"x6" TS&V)	EA	2	4,500.00		0.00		0.00		0.00	1	2,000.00
22	Tie-In to 6" W.L. (6"x4" TS&V)	EA		0.00		0.00	1	2,000.00		0.00		0.00
23	Tie-In to 6" W.L. (6"x3" TS&V)	EA		0.00		0.00		0.00	1	1,750.00		0.00
24	Tie-In to 4" W.L. (4"x4" TS&V)	EA	1	1,750.00	2	3,500.00	1	1,750.00	1	1,750.00		0.00
25	Tie-In to 4" W.L. (4"x3" TS&V)	EA		0.00		0.00		0.00		0.00		0.00
26	Tie-In to 3" W.L. (3"x3" TS&V)	EA		0.00		0.00		0.00	1	1,000.00	1	1,000.00
27	Tie-In to Blow-Off	EA		0.00		0.00		0.00		0.00		0.00
28	8" Gate Valve	EA	9	9,000.00		0.00		0.00		0.00		0.00
29	6" Gate Valve	EA	4	3,200.00		0.00		0.00		0.00		0.00
30	4" Gate Valve	EA		0.00	2	1,300.00		0.00	2	1,300.00	4	2,600.00
31	3" Gate Valve	EA		0.00		0.00		0.00		0.00		0.00
32	3" Blow-Off Type 1	EA		0.00	1	1,250.00	1	1,250.00	1	1,250.00		0.00
33	3" Blow-Off Type 2	EA		0.00		0.00		0.00		0.00	1	1,250.00
34	4" Blow-Off Type 1	EA	0	0.00		0.00		0.00		0.00		0.00
35	4" Blow-Off Type 2	EA		0.00		0.00		0.00		0.00		0.00
36	Air Release Valve	EA	0	0.00		0.00		0.00		0.00		0.00
37	Leak Detection Meter	EA	2	2,500.00	2	2,500.00	1	1,250.00	1	1,250.00	2	2,500.00
38	Pressure Reducing Station	LS		0.00		0.00		0.00		0.00		0.00
39	Master Meter	LS	1	15,000.00		0.00		0.00		0.00		0.00
40	700 gpm Pump Station	LS	1	150,000.00		0.00		0.00		0.00		0.00
41	Telemetry	LS	1	26,385.50		0.00		0.00		0.00		0.00
42	250,000 Gallon Elevated Water Storage Tank	LS	1	765,000.00		0.00		0.00		0.00		0.00
43	3/4" x 5/8" Meter Setting	EA		0.00		0.00		0.00		0.00		0.00
44	3/4" Service Line	LF		0.00		0.00		0.00		0.00		0.00
45	Pavement Replacement			0.00		0.00		0.00		0.00		0.00
45.1	Gravel	LF	950	9,500.00	20	200.00	20	200.00	120	1,200.00	240	2,400.00
45.2	Light Duty Bituminous	LF	320	6,400.00	40	800.00	0	0.00	10	200.00	80	1,600.00
45.3	Heavy Duty Bituminous	LF	100	3,500.00	0	0.00		0.00		0.00		0.00
45.4	Concrete	LF	100	4,500.00		0.00		0.00		0.00		0.00
Total Construction Cost Estimate				\$1,316,975.50		\$50,750.00		\$32,760.00		\$44,735.00		\$92,570.00

Total Construction Cost Estimate				
Base Contract Construction Cost Estimate	\$2,217,200.00	\$50,750.00	\$83,510.00	\$128,245.00
Alternate Construction Cost Estimate	\$2,438,015.00			\$220,815.00

Replacement Reserves – Short Lived Assets				
Type of Reserve	User Description	Replacement Cost	Reserve on Hand	Annual Reserve
1-5 Years	Billing System	5,000	2,500	1,000
1-5 Years	5 Trucks	110,000	30,000	22,000
Subtotal 1-5 Years		115,000	32,500	23,000
5-10 Years	Office Equip/Furn	10,000	5,000	2,000
5-10 Years	Telemetry	75,000	37,500	10,000
Subtotal 5-10 Years		85,000	42,500	12,000
10-15 Years	Pumps/Controls	75,000	37,500	5,000
Subtotal 10-15 Years		75,000	37,500	5,000
Replacement Reserve Short Lived Assets		\$275,000	\$112,500	\$40,000

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1. Clifton Road 3"
2. Sunrise Lane 3"
3. Wallace Lane 3"
4. River Road 3"
5. Watts Run Road 4"
6. Lick Skillet Road 4"
7. Baxter Ridge Road 4"
8. Carey Mill Road 3"
9. KY. 53 4"
10. Hoophole Road 4"
11. Caldwell Road 4"
12. Hungry Run Road 4"
13. Hickory Grove Road 4"
14. Morgan Brothers Road 3"
15. Leathers Road 4"
16. Walter Drury Road 3"
17. Cammack Road 3"
18. Duncan Road 3"
19. New Water Storage Tank
20. US 127 Upgrade Line 8"

19. 250,000 GALLONS

1999 EDITION
GENERAL HIGHWAY MAP
ANDERSON COUNTY
KENTUCKY

PREPARED BY THE
KENTUCKY TRANSPORTATION CABINET
DEPARTMENT OF HIGHWAYS
DIVISION OF PLANNING
IN COOPERATION WITH THE
U.S. DEPARTMENT OF TRANSPORTATION
FEDERAL HIGHWAY ADMINISTRATION

SOUTH ANDERSON WATER DISTRICT
PHASE VII EXPANSION PROJECT
ANDERSON COUNTY, KENTUCKY

DRAWN BY: JKP
 CHECKED BY: MBR
 CHECKED BY: KOT
 DATE: 12/08
 SCALE: 1" = 2 Miles
 REV:

KENVIRONS, INC.
FRANKFORT, KENTUCKY



PROJECT NO.
 2008019

SHEET NO.
 1 of 1

Exhibit B

Final Engineering Report



FINAL ENGINEERING REPORT

FOR

**SOUTH ANDERSON WATER DISTRICT
PHASE VII EXPANSION PROJECT
ANDERSON COUNTY, KENTUCKY**

OCTOBER 3, 2011

Kenvirons, Inc.

Civil & Environmental Engineering and Laboratory Services



Kenvirons, Inc.

452 Versailles Road • Frankfort, KY 40601 • Phone: (502) 695-4357 • Fax: (502) 695-4363
Civil & Environmental Engineering and Laboratory Services

October 3, 2011

Mr. Eddie Stevens, Chairman
South Anderson Water District
142 South Main Street
Lawrenceburg, KY 40342

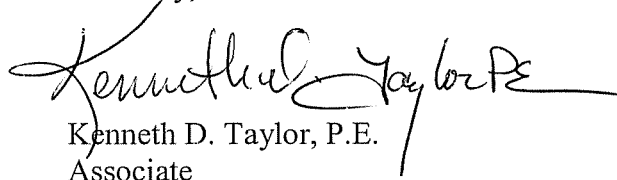
RE: Phase VII Expansion Project

Dear Mr. Stevens:

Attached you will find a Final Engineering Report on the above referenced project based on the low bids received September 23, 2011. As stated in the report we are recommending that all three contracts be awarded to the low bidders: Contract 12 - Southern Backhoe, Inc. with a bid of \$680,657.15; Contract 13 - B. P. Pipeline, LLC with a bid of \$547,690.00; and Contract 14 - Caldwell Tanks, Inc. with a bid of \$636,000.00. We have worked with all three of these contractors in the past and found them capable of performing the specified work.

You will also find a copy of the certified bid tabulation we prepared on the bids as an attachment to the Final Engineering Report for your use. Should you have any questions or need additional information, please call.

Sincerely,


Kenneth D. Taylor, P.E.
Associate

Attachment

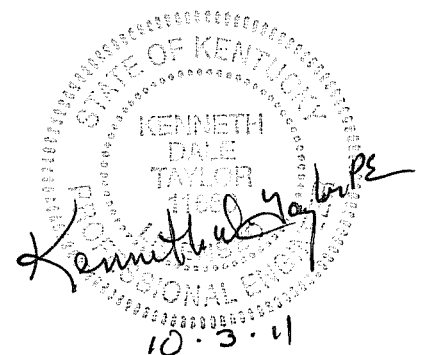
cc: Ernest Scruggs, Jr.
Bryan Kirby
Ray Edelman
Bill Davis

FINAL ENGINEERING REPORT

FOR

**SOUTH ANDERSON WATER DISTRICT
PHASE VII EXPANSION PROJECT
ANDERSON COUNTY, KENTUCKY**

OCTOBER 3, 2011



**FINAL ENGINEERING REPORT
SOUTH ANDERSON WATER DISTRICT
PHASE VII EXPANSION PROJECT**

A Preliminary Engineering Report dated February 2005 describes in detail the scope and need for this project. This Preliminary Engineering Report is included herewith by reference. All elements of the project are basically unchanged except for the revisions to the project budget items resulting from the receipt of construction bids. The available funding is sufficient to cover all anticipated expenses with an adequate contingency fund. However, the District is going to reevaluate the cost effectiveness of the alternates bid in Contract 12 verses other District needs such as a telemetry system and facilities to allow for the purchase of additional wholesale water from the Frankfort Plant Board and will not award the alternates at this time. The alternates only provide loops in the system and no new customers will be served by the alternates.

Bids were received for the three (3) contracts which make-up the project on September 23, 2011. Ten (10) bids were received for Contract 12 – Distribution Extensions, eleven (11) bids were received for Contract 13 – Transmission Main and Pump Station and two (2) bids were received for contract 14 – Sand Springs Water Storage Tank. Southern Backhoe, Inc. was the low bidder on contract 12 with a bid of \$680,657.15, B. P. Pipeline, LLC was the low bidder on Contract 13 with a bid of \$547,690.00 and Caldwell Tanks, Inc. was the low bidder on contract 1 with a bid of \$636,000.00. The District has also already completed approximately \$16,000.00 worth of work near the Mercer County line required to make water available to the North Mercer Water District. Copies of the certified bid tabulations for each contract are included at the end of this report.

The following is an estimated project cost based on the bids received and the funding available.

<u>Budget Item</u>	<u>RD Letter of Conditions</u>	<u>Revised</u>
Development	\$2,217,200	\$1,890,000
Land and Rights	35,000	35,000
Legal and Administrative	40,000	40,000
Engineering	308,200	308,000
Interest	30,000	30,000
Contingencies	<u>219,600</u>	<u>547,000</u>
TOTAL	\$2,850,000.00	\$2,850,000.00

The estimated cost for engineering given above has been adjusted to reflect the construction bids received and the other engineering costs incurred todate.

Funding

<u>SOURCE</u>	<u>BUDGET</u>
Tap Fees - Local	\$50,000.00
KIA Grant	1,800,000.00
RD-RUS Loan	1,000,000.00
	<hr/>
Total	\$2,850,000.00

Since the Preliminary Engineering Report was completed both of the District's wholesale water providers have raised their rates to the District by 6%. To offset these increases the rates in the Preliminary Engineering Report and the Rural Development Letter of Conditions should be increased accordingly. Attachment 2 to this report is a completed Kentucky Public Service Purchased Water Adjustment form which indicates the rates should be adjusted upwards \$0.16/1,000 gallons. Therefore the minimum bill should be adjusted \$0.32 and each 1,000 gallons above the minimum bill usage of 2,000 gallons should be raised \$0.16/1,000 gallons. Attachment 3 to this report is a Tariff Sheet with the recommended rates given.

CONCLUSIONS AND RECOMMENDATIONS

1. The bid amounts for this project, Contract 12, 13 and 14, are in the acceptable range for the types of work involved. The contractors that submitted the low bids are experienced and acceptable. Therefore, it is recommended that the Contracts be awarded to the low bidders, Southern Backhoe, Inc., B. P. Pipeline, LLC and Caldwell Tanks, Inc.
2. Adequate funding is available, based on the budgeted RD loan, KIA Grant and tap fees received, to complete the project.
3. Upon completion of the project, the District will have an adequate customer base to cover operating expenses, debt service, debt service coverage, bond resolution depreciation reserve funding and provide some net unobligated monies at the rates indicated herein.
4. The District should proceed with application to the Public Service Commission for authority to construct the proposed facilities with the implementation of the proposed rates.

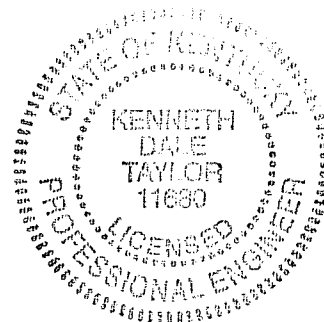
Attachment 1

Bid Tabs

Base Bid				Southern Backhoe, Inc 808 West Main Street Campbellsville, KY 42718		Akins Excavating Company, Inc. 182 Busy Lane Corbin, KY 40701		Little Creek Construction 47 Tolliver Road Greenup, KY 41144	
ITEM NO.	ITEM DESCRIPTION	UNIT	QUANTITY	UNIT COST	COST	UNIT COST	COST	UNIT COST	COST
1	4" PVC SDR 17 Pipe	LF	6,700	\$4.90	\$32,830.00	\$6.35	\$42,545.00	\$6.65	\$44,555.00
2	4" PVC SDR 21 Pipe	LF	40,500	4.60	186,300.00	5.85	236,925.00	6.30	255,150.00
3	3" PVC SDR 17 Pipe	LF	5,400	4.50	24,300.00	5.45	29,430.00	5.95	32,130.00
4	3" PVC SDR 21 Pipe	LF	25,000	4.15	103,750.00	5.20	130,000.00	5.71	142,750.00
5	2" CTS, SDR 9 PE Service Tubing	LF	435	4.00	1,740.00	5.60	2,436.00	6.00	2,610.00
6	Bored Encasement for 3" or 4" Pipe	LF	830	100.00	83,000.00	85.00	70,550.00	110.00	91,300.00
7	Open Cut Encasement for 3" or 4" Pipe	LF	535	40.00	21,400.00	25.00	13,375.00	35.00	18,725.00
8	Beaver Creek Directional Bore No. 1	LS	0		0.00		0.00		0.00
9	Beaver Creek Directional Bore No. 2	LS	1	7,500.00	7,500.00	4,700.00	4,700.00	5,600.00	5,600.00
10	Beaver Creek Directional Bore No. 3	LS	0		0.00		0.00		0.00
11.1	Creek Crossing for 3" or 4" Pipe	LF	300	120.00	36,000.00	35.00	10,500.00	40.00	12,000.00
11.2	Directional Bore for 2' Creek Crossing	LS	1	4,000.00	4,000.00	3,150.00	3,150.00	4,000.00	4,000.00
11.3	Directional Bore for 3" Small Creek Crossing	LS	5	3,000.00	15,000.00	3,325.00	16,625.00	2,000.00	10,000.00
11.4	Directional Bore for 3" Large Creek Crossing	LS	1	5,000.00	5,000.00	4,800.00	4,800.00	3,000.00	3,000.00
11.5	Directional Bore for 4" Small Creek Crossing	LS	1	3,000.00	3,000.00	3,425.00	3,425.00	2,000.00	2,000.00
11.6	Directional Bore for 4" Large Creek Crossing	LS	1	5,000.00	5,000.00	4,500.00	4,500.00	3,000.00	3,000.00
12	Free Bore (all sizes)	LF	1,000	42.00	42,000.00	26.00	26,000.00	10.00	10,000.00
13	Tie-In to 6" W.L. (6" x 4" TS&V)	EA	1	1,500.00	1,500.00	1,735.00	1,735.00	2,000.00	2,000.00
14	Tie-In to 6" W.L. (6" x 3" TS&V)	EA	2	1,500.00	3,000.00	1,550.00	3,100.00	2,000.00	4,000.00
15	Tie-In to 4" W.L. (4" x 4" TS&V)	EA	5	1,500.00	7,500.00	1,720.00	8,600.00	1,800.00	9,000.00
16	Tie-In to 4" W.L. (4" x 3" TS&V)	EA	4	1,200.00	4,800.00	1,525.00	6,100.00	1,800.00	7,200.00
17	Tie-In to 3" W.L. (3" x 3" TS&V)	EA	2	1,200.00	2,400.00	1,525.00	3,050.00	1,700.00	3,400.00
18	Tie-In to Blow-Off	EA	3	475.00	1,425.00	325.00	975.00	350.00	1,050.00
19	4" Gate Valve	EA	14	625.00	8,750.00	760.00	10,640.00	600.00	8,400.00
20	3" Gate Valve	EA	6	575.00	3,450.00	700.00	4,200.00	550.00	3,300.00
21	2" Blow-Off Type 2	EA	1	775.00	775.00	820.00	820.00	800.00	800.00
22	3" Blow-Off Type 1	EA	3	1,100.00	3,300.00	1,060.00	3,180.00	1,075.00	3,225.00
23	3" Blow-Off Type 2	EA	8	1,000.00	8,000.00	935.00	7,480.00	750.00	6,000.00
24	4" Blow-Off Type 1	EA	1	975.00	975.00	1,200.00	1,200.00	1,300.00	1,300.00
25	4" Blow-Off Type 2	EA	4	950.00	3,800.00	1,060.00	4,240.00	1,000.00	4,000.00
26	Air Release Valve	EA	4	390.00	1,560.00	425.00	1,700.00	700.00	2,800.00
27	Leak Detection Meter	EA	10	420.00	4,200.00	572.00	5,720.00	950.00	9,500.00
28	Pressure Reducing Station	EA	2	7,500.00	15,000.00	8,500.00	17,000.00	5,500.00	11,000.00
29	5/8" x 3/4" Meter Setting	EA	21	495.00	10,395.00	560.00	11,760.00	650.00	13,650.00
29A	5/8" x 3/4" Meter Setting w/ Ind. PRV	EA	33	550.00	18,150.00	640.00	21,120.00	725.00	23,925.00
30	3/4" Service Line	LF	1,629	3.35	5,457.15	5.00	8,145.00	6.00	9,774.00
31	Pavement Replacement								
31.1	Light Duty Bituminous	LF	350	10.00	3,500.00	27.00	9,450.00	20.00	7,000.00
31.2	Heavy Duty Bituminous	LF	40	10.00	400.00	35.00	1,400.00	30.00	1,200.00
31.3	Concrete	LF	100	15.00	1,500.00	45.00	4,500.00	35.00	3,500.00
TOTAL BASE PROJECT BID					\$680,657.15		\$735,076.00		\$772,844.00
TOTAL ALTERNATE NO. 1 BID					\$39,990.00		\$39,334.00		\$38,300.00
TOTAL BASE BID					\$720,647.15		\$774,410.00		\$811,144.00
TOTAL ALTERNATE NO. 2 BID					\$23,800.00		\$27,912.00		\$31,885.00
TOTAL ALTERNATE NO. 3 BID					\$34,355.00		\$40,007.00		\$43,505.00
TOTAL ALTERNATE NO. 4 BID					\$65,475.00		\$78,309.00		\$90,240.00
TOTAL BID					\$844,277.15		\$920,638.00		\$976,774.00

* DENOTES AN ARITHMETIC ERROR WAS MADE. AMOUNT HAS BEEN CORRECTED TO REFLECT UNIT PRICE SUBMITTED
 THE ABOVE IS A TRUE AND COMPLETE TABULATION OF BIDS RECEIVED UNTIL 10:00 A.M. LOCAL TIME ON SEPTEMBER 23, 2011

BY: Kenneth D Taylor PE 9-26-11
 Kenneth D Taylor, P.E. DATE



Base Bid				B.P. Pipeline, LLC 269 Pebbles Lane Quincy, KY 41166		Stotts Construction Co., Inc P O Box 1689 Columbia, KY 42728		Salmon Construction, Inc P O Box 97 Mt. Washington, KY 40047	
ITEM NO.	ITEM DESCRIPTION	UNIT	QUANTITY	UNIT COST	COST	UNIT COST	COST	UNIT COST	COST
1	4" PVC SDR 17 Pipe	LF	6,700	\$6.00	\$40,200.00	\$6.50	\$43,550.00	\$6.61	\$44,287.00
2	4" PVC SDR 21 Pipe	LF	40,500	5.80	234,900.00	6.15	249,075.00	6.26	253,530.00
3	3" PVC SDR 17 Pipe	LF	5,400	5.30	28,620.00	5.80	31,320.00	5.88	31,752.00
4	3" PVC SDR 21 Pipe	LF	25,000	5.20	130,000.00	5.55	138,750.00	5.68	142,000.00
5	2" CTS, SDR 9 PE Service Tubing	LF	435	7.00	3,045.00	5.50	2,392.50	5.67	2,466.45
6	Bored Encasement for 3" or 4" Pipe	LF	830	90.00	74,700.00	70.00	58,100.00	160.00	132,800.00
7	Open Cut Encasement for 3" or 4" Pipe	LF	535	30.00	16,050.00	40.00	21,400.00	34.50	18,457.50
8	Beaver Creek Directional Bore No. 1	LS	0		0.00	7,500.00	0.00		0.00
9	Beaver Creek Directional Bore No. 2	LS	1	10,000.00	10,000.00	7,500.00	7,500.00	8,000.00	8,000.00
10	Beaver Creek Directional Bore No. 3	LS	0		0.00	7,500.00	0.00		0.00
11.1	Creek Crossing for 3" or 4" Pipe	LF	300	30.00	9,000.00	50.00	15,000.00	50.00	15,000.00
11.2	Directional Bore for 2" Creek Crossing	LS	1	6,000.00	6,000.00	5,000.00	5,000.00	4,500.00	4,500.00
11.3	Directional Bore for 3" Small Creek Crossing	LS	5	10,000.00	50,000.00	6,000.00	30,000.00	2,000.00	10,000.00
11.4	Directional Bore for 3" Large Creek Crossing	LS	1	12,000.00	12,000.00	6,500.00	6,500.00	6,000.00	6,000.00
11.5	Directional Bore for 4" Small Creek Crossing	LS	1	8,000.00	8,000.00	6,000.00	6,000.00	2,000.00	2,000.00
11.6	Directional Bore for 4" Large Creek Crossing	LS	1	12,000.00	12,000.00	6,500.00	6,500.00	7,500.00	7,500.00
12	Free Bore (all sizes)	LF	1,000	20.00	20,000.00	25.00	25,000.00	25.00	25,000.00
13	Tie-In to 6" W.L. (6" x 4" TS&V)	EA	1	1,400.00	1,400.00	2,000.00	2,000.00	1,500.00	1,500.00
14	Tie-In to 6" W.L. (6" x 3" TS&V)	EA	2	1,300.00	2,600.00	2,000.00	4,000.00	1,600.00	3,200.00
15	Tie-In to 4" W.L. (4" x 4" TS&V)	EA	5	1,200.00	6,000.00	1,900.00	9,500.00	1,500.00	7,500.00
16	Tie-In to 4" W.L. (4" x 3" TS&V)	EA	4	1,200.00	4,800.00	1,800.00	7,200.00	1,550.00	6,200.00
17	Tie-In to 3" W.L. (3" x 3" TS&V)	EA	2	1,200.00	2,400.00	1,500.00	3,000.00	1,450.00	2,900.00
18	Tie-In to Blow-Off	EA	3	300.00	900.00	500.00	1,500.00	800.00	2,400.00
19	4" Gate Valve	EA	14	550.00	7,700.00	700.00	9,800.00	681.00	9,534.00
20	3" Gate Valve	EA	6	540.00	3,240.00	670.00	4,020.00	633.00	3,798.00
21	2" Blow-Off Type 2	EA	1	900.00	900.00	530.00	530.00	865.00	865.00
22	3" Blow-Off Type 1	EA	3	1,500.00	4,500.00	1,000.00	3,000.00	1,096.00	3,288.00
23	3" Blow-Off Type 2	EA	8	1,000.00	8,000.00	725.00	5,800.00	957.00	7,656.00
24	4" Blow-Off Type 1	EA	1	1,400.00	1,400.00	1,250.00	1,250.00	1,000.00	1,000.00
25	4" Blow-Off Type 2	EA	4	1,100.00	4,400.00	1,000.00	4,000.00	1,000.00	4,000.00
26	Air Release Valve	EA	4	400.00	1,600.00	600.00	2,400.00	418.00	1,672.00
27	Leak Detection Meter	EA	10	720.00	7,200.00	1,000.00	10,000.00	600.00	6,000.00
28	Pressure Reducing Station	EA	2	8,000.00	16,000.00	12,000.00	24,000.00	12,000.00	24,000.00
29	5/8" x 3/4" Meter Setting	EA	21	700.00	14,700.00	700.00	14,700.00	675.00	14,175.00
29A	5/8" x 3/4" Meter Setting w/ Ind. PRV	EA	33	780.00	25,740.00	900.00	29,700.00	750.00	24,750.00
30	3/4" Service Line	LF	1,629	4.50	7,330.50	5.00	8,145.00	1.75	2,850.75
31	Pavement Replacement								
31.1	Light Duty Bituminous	LF	350	28.00	9,800.00	10.00	3,500.00	18.00	6,300.00
31.2	Heavy Duty Bituminous	LF	40	38.00	1,520.00	20.00	800.00	20.00	800.00
31.3	Concrete	LF	100	40.00	4,000.00	30.00	3,000.00	25.00	2,500.00
TOTAL BASE PROJECT BID					\$790,645.50		\$797,932.50		\$840,181.70
TOTAL ALTERNATE NO. 1 BID					\$36,620.00		\$47,800.00		\$36,935.50
TOTAL BASE BID					\$827,265.50		\$845,732.50		\$877,117.20
TOTAL ALTERNATE NO. 2 BID					\$27,360.00		\$29,080.00		\$28,946.00
TOTAL ALTERNATE NO. 3 BID					\$42,280.00		\$41,365.00		\$43,042.00
TOTAL ALTERNATE NO. 4 BID					\$80,960.00		\$80,470.00		\$91,642.00
TOTAL BID					\$977,865.50		\$996,647.50		\$1,040,747.20

* DENOTES AN ARITHMETIC ERROR WAS MADE ON BASE BID. AMOUNT HAS BEEN CORRECTED TO REFLECT UNIT PRICE SUBMITTED ON BASE BID

KENVIRONS, INC
 452 VERSAILLES ROAD
 FRANKFORT, KENTUCKY 40601
 TEL (502) 695-4357
 FAX (502) 695-4363

BID TABULATIONS
 PROJECT: Phase VII Expansion Project Contract 12. Distribution Extensions
 LOCATION: South Anderson Water District
 BID DATE: September 23 2011 at 10:00 A.M. Local Time

Base Bid				Hubert Excavating & Contracting 2590 Bondville Road Salvisa, KY 40372		Clay Pipeline 70 Fox Hollow Road Manchester, KY 40962		G & W Construction Co. Inc 6730 Flemingsburg Road Morehead, KY 40351		Cumberland Pipeline LLC P O 277 Russell Springs, KY 42642	
ITEM NO.	ITEM DESCRIPTION	UNIT	QUANTITY	UNIT COST	COST	UNIT COST	COST	UNIT COST	COST	UNIT COST	COST
1	4" PVC SDR 17 Pipe	LF	6,700	\$6.02	\$40,334.00	\$8.06	\$54,002.00	\$6.71	\$44,957.00	\$8.55	\$57,285.00
2	4" PVC SDR 21 Pipe	LF	40,500	5.65	228,825.00	7.65	309,825.00	6.37	257,985.00	8.20	332,100.00
3	3" PVC SDR 17 Pipe	LF	5,400	5.36	28,944.00	7.36	39,744.00	5.95	32,130.00	7.80	42,120.00
4	3" PVC SDR 21 Pipe	LF	25,000	5.02	125,500.00	7.13	178,250.00	5.74	143,500.00	7.55	188,750.00
5	2" CTS, SDR 9 PE Service Tubing	LF	435	5.30	2,305.50	12.60	5,481.00	5.98	2,601.30	8.25	3,588.75
6	Bored Encasement for 3" or 4" Pipe	LF	830	131.90	109,477.00	62.45	51,833.50	83.31	69,147.30	75.00	62,250.00
7	Open Cut Encasement for 3" or 4" Pipe	LF	535	27.00	14,445.00	39.80	21,293.00	44.40	23,754.00	46.00	24,610.00
8	Beaver Creek Directional Bore No. 1	LS	0		0.00		0.00	28,471.34	0.00		0.00
9	Beaver Creek Directional Bore No. 2	LS	1	13,480.00	13,480.00	5,500.00	5,500.00	28,341.79	28,341.79	9,650.00	9,650.00
10	Beaver Creek Directional Bore No. 3	LS	0		0.00		0.00	28,471.34	0.00		0.00
11.1	Creek Crossing for 3" or 4" Pipe	LF	300	66.00	19,800.00	44.00	13,200.00	103.46	31,038.00	42.30	12,690.00
11.2	Directional Bore for 2" Creek Crossing	LS	1	12,972.00	12,972.00	5,190.00	5,190.00	18,444.63	18,444.63	8,400.00	8,400.00
11.3	Directional Bore for 3" Small Creek Crossing	LS	5	3,300.00	16,500.00	5,375.00	26,875.00	15,347.18	76,735.90	4,475.00	22,375.00
11.4	Directional Bore for 3" Large Creek Crossing	LS	1	13,472.00	13,472.00	5,500.00	5,500.00	18,341.79	18,341.79	8,750.00	8,750.00
11.5	Directional Bore for 4" Small Creek Crossing	LS	1	13,842.00	13,842.00	5,400.00	5,400.00	15,471.34	15,471.34	5,675.00	5,675.00
11.6	Directional Bore for 4" Large Creek Crossing	LS	1	13,842.00	13,842.00	5,420.00	5,420.00	18,471.34	18,471.34	11,125.00	11,125.00
12	Free Bore (all sizes)	LF	1,000	45.00	45,000.00	25.00	25,000.00	20.00	20,000.00	50.00	50,000.00
13	Tie-In to 6" W.L. (6" x 4" TS&V)	EA	1	2,308.00	2,308.00	1,430.00	1,430.00	2,428.51	2,428.51	1,950.00	1,950.00
14	Tie-In to 6" W.L. (6" x 3" TS&V)	EA	2	2,375.00	4,750.00	1,280.00	2,560.00	2,393.29	4,786.58	2,050.00	4,100.00
15	Tie-In to 4" W.L. (4" x 4" TS&V)	EA	5	2,160.00	10,800.00	1,420.00	7,100.00	2,115.34	10,576.70	1,750.00	8,750.00
16	Tie-In to 4" W.L. (4" x 3" TS&V)	EA	4	2,120.00	8,480.00	1,270.00	5,080.00	2,080.11	8,320.44	1,700.00	6,800.00
17	Tie-In to 3" W.L. (3" x 3" TS&V)	EA	2	1,940.00	3,880.00	1,270.00	2,540.00	2,080.11	4,160.22	1,350.00	2,700.00
18	Tie-In to Blow-Off	EA	3	508.00	1,524.00	531.00	1,593.00	750.00	2,250.00	900.00	2,700.00
19	4" Gate Valve	EA	14	745.00	10,430.00	770.00	10,780.00	681.03	9,534.42	725.00	10,150.00
20	3" Gate Valve	EA	6	710.00	4,260.00	720.00	4,320.00	633.90	3,803.40	625.00	3,750.00
21	2" Blow-Off Type 2	EA	1	873.00	873.00	815.00	815.00	860.76	860.76	1,000.00	1,000.00
22	3" Blow-Off Type 1	EA	3	1,145.00	3,435.00	1,000.00	3,000.00	1,146.99	3,440.97	1,350.00	4,050.00
23	3" Blow-Off Type 2	EA	8	870.00	6,960.00	900.00	7,200.00	952.50	7,620.00	950.00	7,600.00
24	4" Blow-Off Type 1	EA	1	1,373.00	1,373.00	1,100.00	1,100.00	1,108.80	1,108.80	1,600.00	1,600.00
25	4" Blow-Off Type 2	EA	4	1,088.00	4,352.00	995.00	3,980.00	1,010.45	4,041.80	1,200.00	4,800.00
26	Air Release Valve	EA	4	600.00	2,400.00	585.00	2,340.00	470.31	1,881.24	1,000.00	4,000.00
27	Leak Detection Meter	EA	10	903.00	9,030.00	795.00	7,950.00	600.90	6,009.00	900.00	9,000.00
28	Pressure Reducing Station	EA	2	4,785.00	9,570.00	4,625.00	9,250.00	9,931.60	19,863.20	6,200.00	12,400.00
29	5/8" x 3/4" Meter Setting	EA	21	756.00	15,876.00	912.00	19,152.00	636.06	13,357.26	740.00	15,540.00
29A	5/8" x 3/4" Meter Setting w/ Ind. PRV	EA	33	800.00	26,400.00	1,075.00	35,475.00	722.44	23,840.52	1,025.00	33,825.00
30	3/4" Service Line	LF	1,629	3.81	6,206.49	10.00	16,290.00	4.21	6,858.09	8.00	13,032.00
31	Pavement Replacement										0.00
31.1	Light Duty Bituminous	LF	350	51.00	17,850.00	10.00	3,500.00	20.00	7,000.00	15.00	5,250.00
31.2	Heavy Duty Bituminous	LF	40	51.00	2,040.00	15.00	600.00	30.00	1,200.00	25.00	1,000.00
31.3	Concrete	LF	100	51.00	5,100.00	40.00	4,000.00	40.00	4,000.00	30.00	3,000.00
TOTAL BASE PROJECT BID					\$856,635.99		\$902,568.50		\$947,861.30		\$996,365.75
TOTAL ALTERNATE NO. 1 BID					\$64,710.00		\$48,712.00		\$68,830.52		\$53,671.25
TOTAL BASE BID					\$921,345.99		\$951,280.50		\$1,016,691.82		\$1,050,037.00
TOTAL ALTERNATE NO. 2 BID					\$31,262.00		\$32,400.00		\$30,620.05		\$37,480.00
TOTAL ALTERNATE NO. 3 BID					\$47,271.00		\$45,086.00		\$63,733.94		\$54,335.00
TOTAL ALTERNATE NO. 4 BID					\$94,759.00		\$88,143.00		\$104,101.98		\$105,370.00
TOTAL BID					\$1,094,637.99		\$1,116,909.50		\$1,215,147.79		\$1,247,222.00

* DENOTES AN ARITHMETIC ERROR WAS MADE ON BASE BID. AMOUNT HAS BEEN CORRECTED TO REFLECT UNIT PRICE SUBMITTED ON BASE BID

BY: Kenneth D Taylor, P.E. DATE: _____

KENVIRONS, INC.
 452 VERSAILLES ROAD
 FRANKFORT, KENTUCKY 40601
 TEL (502) 695-4357
 FAX (502) 695-4363

BID TABULATIONS
 PROJECT: Phase VII Expansion Project Contract 12: Distribution Extensions
 LOCATION: South Anderson Water District
 BID DATE: September 23, 2011 at 10:00 A.M. Local Time

Alternate No. 1 - Ballard Hickory Grove

				Southern Backhoe, Inc. 808 West Main Street Campbellsville, KY 42718		Akins Excavating Company, Inc. 182 Busy Lane Corbin, KY 40701		Little Creek Construction 47 Tolliver Road Greenup, KY 41144	
ITEM NO.	ITEM DESCRIPTION	UNIT	QUANTITY	UNIT COST	COST	UNIT COST	COST	UNIT COST	COST
1	4" PVC SDR 17 Pipe	LF	2,000	\$5.00	\$10,000.00	\$6.35	\$12,700.00	\$6.65	\$13,300.00
2	4" PVC SDR 21 Pipe	LF	1,000	4.70	4,700.00	5.85	5,850.00	6.30	6,300.00
7	Open Cut Encasement for 3" or 4" Pipe	LF	65	40.00	2,600.00	25.00	1,625.00	35.00	2,275.00
11.1	Creek Crossing for 3" or 4" Pipe	LF	50	120.00	6,000.00	35.00	1,750.00	40.00	2,000.00
11.5	Directional Bore for 4" Small Creek Crossing	LS	2	4,000.00	8,000.00	3,425.00	6,850.00	2,000.00	4,000.00
12	Free Bore (all sizes)	LF	30	42.00	1,260.00	26.00	780.00	10.00	300.00
15	Tie-In to 4" W.L. (4" x 4" TS&V)	EA	2	1,500.00	3,000.00	1,720.00	3,440.00	1,800.00	3,600.00
19	4" Gate Valve	EA	2	625.00	1,250.00	780.00	1,560.00	600.00	1,200.00
22	3" Blow-Off Type 1	EA	1	1,100.00	1,100.00	1,060.00	1,060.00	1,075.00	1,075.00
26	Air Release Valve	EA	1	390.00	390.00	425.00	425.00	700.00	700.00
27	Leak Detection Meter	EA	2	420.00	840.00	572.00	1,144.00	950.00	1,900.00
31	Pavement Replacement								
31.1	Light Duty Bituminous	LF	50	10.00	500.00	27.00	1,350.00	20.00	1,000.00
31.2	Heavy Duty Bituminous	LF	10	10.00	100.00	35.00	350.00	30.00	300.00
31.3	Concrete	LF	10	25.00	250.00	45.00	450.00	35.00	350.00
TOTAL ALTERNATE NO. 1 BID					\$39,990.00		* \$39,334.00		\$38,300.00

KENVIRONS, INC.
 452 VERSAILLES ROAD
 FRANKFORT, KENTUCKY 40601
 TEL (502) 695-4357
 FAX (502) 695-4363

BID TABULATIONS

PROJECT: Phase VII Expansion Project Contract 12: Distribution Extensions
 LOCATION: South Anderson Water District
 BID DATE: September 23, 2011 at 10:00 A.M. Local Time

Alternate No. 1 - Ballard Hickory Grove

				B.P. Pipeline, LLC 269 Pebbles Lane Quincy, KY 41166		Stotts Construction Co., Inc. P.O. Box 1689 Columbia, KY 42728		Salmon Construction, Inc. P.O. Box 97 Mt. Washington, KY 40047	
ITEM NO.	ITEM DESCRIPTION	UNIT	QUANTITY	UNIT COST	COST	UNIT COST	COST	UNIT COST	COST
1	4" PVC SDR 17 Pipe	LF	2,000	\$6.00	\$12,000.00	\$6.50	\$13,000.00	\$6.61	\$13,220.00
2	4" PVC SDR 21 Pipe	LF	1,000	5.80	5,800.00	6.15	6,150.00	6.26	6,260.00
7	Open Cut Encasement for 3" or 4" Pipe	LF	65	30.00	1,950.00	40.00	2,600.00	34.50	2,242.50
11.1	Creek Crossing for 3" or 4" Pipe	LF	50	25.00	1,250.00	50.00	2,500.00	50.00	2,500.00
11.5	Directional Bore for 4" Small Creek Crossing	LS	2	3,000.00	6,000.00	6,500.00	13,000.00	2,000.00	4,000.00
12	Free Bore (all sizes)	LF	30	20.00	600.00	25.00	750.00	25.00	750.00
15	Tie-In to 4" W.L. (4" x 4" TS&V)	EA	2	1,200.00	2,400.00	1,900.00	3,800.00	1,500.00	3,000.00
19	4" Gate Valve	EA	2	550.00	1,100.00	700.00	1,400.00	681.00	1,362.00
22	3" Blow-Off Type 1	EA	1	1,500.00	1,500.00	1,000.00	1,000.00	633.00	633.00
26	Air Release Valve	EA	1	400.00	400.00	600.00	600.00	418.00	418.00
27	Leak Detection Meter	EA	2	720.00	1,440.00	1,000.00	2,000.00	600.00	1,200.00
31	Pavement Replacement								
31.1	Light Duty Bituminous	LF	50	28.00	1,400.00	10.00	500.00	18.00	900.00
31.2	Heavy Duty Bituminous	LF	10	38.00	380.00	20.00	200.00	20.00	200.00
31.3	Concrete	LF	10	40.00	400.00	30.00	300.00	25.00	250.00
TOTAL ALTERNATE NO. 1 BID					\$36,620.00		\$47,800.00		\$36,935.50

KENVIRONS, INC.
 452 VERSAILLES ROAD
 FRANKFORT, KENTUCKY 40601
 TEL (502) 695-4357
 FAX (502) 695-4363

BID TABULATIONS

PROJECT: Phase VII Expansion Project Contract 12: Distribution Extensions
 LOCATION: South Anderson Water District
 BID DATE: September 23, 2011 at 10:00 A.M. Local Time

Alternate No. 1 - Ballard Hickory Grove				Hubert Excavating & Contracting 2590 Bondville Road Salvisa, KY 40372		Clay Pipeline 70 Fox Hollow Road Manchester, KY 40962		G & W Construction Co., Inc. 6730 Flemingsburg Road Morehead, KY 40351		Cumberland Pipeline, LLC P.O. 277 Russell Springs, KY 42642	
ITEM NO.	ITEM DESCRIPTION	UNIT	QUANTITY	UNIT COST	COST	UNIT COST	COST	UNIT COST	COST	UNIT COST	COST
1	4" PVC SDR 17 Pipe	LF	2,000	\$6.02	\$12,040.00	\$8.06	\$16,120.00	\$6.71	\$13,420.00	\$8.55	\$17,100.00
2	4" PVC SDR 21 Pipe	LF	1,000	5.65	5,650.00	7.65	7,650.00	6.37	6,370.00	8.20	8,200.00
7	Open Cut Encasement for 3" or 4" Pipe	LF	65	27.00	1,755.00	39.80	2,587.00	44.40	2,886.00	46.25	3,006.25
11.1	Creek Crossing for 3" or 4" Pipe	LF	50	66.00	3,300.00	44.00	2,200.00	90.00	4,500.00	42.30	2,115.00
11.5	Directional Bore for 4" Small Creek Crossing	LS	2	13,842.00	27,684.00	5,400.00	10,800.00	15,471.34	30,942.68	5,675.00	11,350.00
12	Free Bore (all sizes)	LF	30	45.00	1,350.00	25.00	750.00	20.00	600.00	50.00	1,500.00
15	Tie-In to 4" W.L. (4" x 4" TS&V)	EA	2	2,160.00	4,320.00	1,420.00	2,840.00	2,115.34	4,230.68	1,750.00	3,500.00
19	4" Gate Valve	EA	2	745.00	1,490.00	770.00	1,540.00	681.03	1,362.06	725.00	1,450.00
22	3" Blow-Off Type 1	EA	1	1,145.00	1,145.00	1,000.00	1,000.00	1,146.99	1,146.99	1,350.00	1,350.00
26	Air Release Valve	EA	1	600.00	600.00	585.00	585.00	470.31	470.31	1,000.00	1,000.00
27	Leak Detection Meter	EA	2	903.00	1,806.00	795.00	1,590.00	600.90	1,201.80	900.00	1,800.00
31	Pavement Replacement										
31.1	Light Duty Bituminous	LF	50	51.00	2,550.00	10.00	500.00	20.00	1,000.00	15.00	750.00
31.2	Heavy Duty Bituminous	LF	10	51.00	510.00	15.00	150.00	30.00	300.00	25.00	250.00
31.3	Concrete	LF	10	51.00	510.00	40.00	400.00	40.00	400.00	30.00	300.00
TOTAL ALTERNATE NO. 1 BID					\$64,710.00		\$48,712.00		\$68,830.52		\$53,671.25

KENVIRONS, INC.
 452 VERSAILLES ROAD
 FRANKFORT, KENTUCKY 40601
 TEL (502) 695-4357
 FAX (502) 695-4363

BID TABULATIONS
 PROJECT: Phase VII Expansion Project Contract 12: Distribution Extensions
 LOCATION: South Anderson Water District
 BID DATE: September 23, 2011 at 10:00 A.M. Local Time

Alternate No. 2 - Goodlet Road

				Southern Backhoe, Inc. 808 West Main Street Campbellsville, KY 42718		Akins Excavating Company, Inc. 182 Busy Lane Corbin, KY 40701		Little Creek Construction 47 Tolliver Road Greenup, KY 41144	
ITEM NO.	ITEM DESCRIPTION	UNIT	QUANTITY	UNIT COST	COST	UNIT COST	COST	UNIT COST	COST
1	4" PVC SDR 17 Pipe	LF	800	\$5.00	\$4,000.00	\$6.35	\$5,080.00	\$7.00	\$5,600.00
2	4" PVC SDR 21 Pipe	LF	2,200	4.70	10,340.00	5.85	12,870.00	6.80	14,960.00
7	Open Cut Encasement for 3" or 4" Pipe	LF	40	40.00	1,600.00	25.00	1,000.00	35.00	1,400.00
12	Free Bore (all sizes)	LF	50	42.00	2,100.00	26.00	1,300.00	20.00	1,000.00
13	Tie-In to 6" W.L. (6" x 4" TS&V)	EA	1	1,500.00	1,500.00	1,735.00	1,735.00	2,000.00	2,000.00
15	Tie-In to 4" W.L. (4" x 4" TS&V)	EA	1	1,500.00	1,500.00	1,720.00	1,720.00	1,800.00	1,800.00
22	3" Blow-Off Type 1	EA	1	1,100.00	1,100.00	1,060.00	1,060.00	1,075.00	1,075.00
26	Air Release Valve	EA	1	390.00	390.00	425.00	425.00	700.00	700.00
27	Leak Detection Meter	EA	1	420.00	420.00	572.00	572.00	950.00	950.00
31	Pavement Replacement								
31.1	Light Duty Bituminous	LF	50	10.00	500.00	27.00	1,350.00	30.00	1,500.00
31.2	Heavy Duty Bituminous	LF	10	10.00	100.00	35.00	350.00	40.00	400.00
31.3	Concrete	LF	10	25.00	250.00	45.00	450.00	50.00	500.00
TOTAL ALTERNATE NO. 2 BID					\$23,800.00		\$27,912.00		\$31,885.00

KENVIRONS, INC.
 452 VERSAILLES ROAD
 FRANKFORT, KENTUCKY 40601
 TEL (502) 695-4357
 FAX (502) 695-4363

BID TABULATIONS
 PROJECT: Phase VII Expansion Project Contract 12: Distribution Extensions
 LOCATION: South Anderson Water District
 BID DATE: September 23, 2011 at 10:00 A.M. Local Time

Alternate No. 2 - Goodlet Road

				B.P. Pipeline, LLC 269 Pebbles Lane Quincy, KY 41166		Stotts Construction Co., Inc. P.O. Box 1689 Columbia, KY 42728		Salmon Construction, Inc. P.O. Box 97 Mt. Washington, KY 40047	
ITEM NO.	ITEM DESCRIPTION	UNIT	QUANTITY	UNIT COST	COST	UNIT COST	COST	UNIT COST	COST
1	4" PVC SDR 17 Pipe	LF	800	\$6.00	\$4,800.00	\$6.50	\$5,200.00	\$6.61	\$5,288.00
2	4" PVC SDR 21 Pipe	LF	2,200	5.80	12,760.00	6.15	13,530.00	6.62	14,564.00
7	Open Cut Encasement for 3" or 4" Pipe	LF	40	30.00	1,200.00	40.00	1,600.00	34.50	1,380.00
12	Free Bore (all sizes)	LF	50	20.00	1,000.00	25.00	1,250.00	25.00	1,250.00
13	Tie-In to 6" W.L. (6" x 4" TS&V)	EA	1	1,500.00	1,500.00	2,000.00	2,000.00	1,500.00	1,500.00
15	Tie-In to 4" W.L. (4" x 4" TS&V)	EA	1	1,300.00	1,300.00	1,900.00	1,900.00	1,500.00	1,500.00
22	3" Blow-Off Type 1	EA	1	1,500.00	1,500.00	1,000.00	1,000.00	1,096.00	1,096.00
26	Air Release Valve	EA	1	400.00	400.00	600.00	600.00	418.00	418.00
27	Leak Detection Meter	EA	1	720.00	720.00	1,000.00	1,000.00	600.00	600.00
31	Pavement Replacement								
31.1	Light Duty Bituminous	LF	50	28.00	1,400.00	10.00	500.00	18.00	900.00
31.2	Heavy Duty Bituminous	LF	10	38.00	380.00	20.00	200.00	20.00	200.00
31.3	Concrete	LF	10	40.00	400.00	30.00	300.00	25.00	250.00
TOTAL ALTERNATE NO. 2 BID					\$27,360.00		\$29,080.00		\$28,946.00

KENVIRONS, INC.
 452 VERSAILLES ROAD
 FRANKFORT, KENTUCKY 40601
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BID TABULATIONS
 PROJECT: Phase VII Expansion Project Contract 12: Distribution Extensions
 LOCATION: South Anderson Water District
 BID DATE: September 23, 2011 at 10:00 A.M. Local Time

Alternate No. 2 - Goodlet Road

				Hubert Excavating & Contracting 2590 Bondville Road Salvisa, KY 40372		Clay Pipeline 70 Fox Hollow Road Manchester, KY 40962		G & W Construction Co., Inc. 6730 Flemingsburg Road Morehead, KY 40351		Cumberland Pipeline, LLC P.O. 277 Russell Springs, KY 42642	
ITEM NO.	ITEM DESCRIPTION	UNIT	QUANTITY	UNIT COST	COST	UNIT COST	COST	UNIT COST	COST	UNIT COST	COST
1	4" PVC SDR 17 Pipe	LF	800	\$6.02	\$4,816.00	\$8.06	\$6,448.00	\$6.71	\$5,368.00	\$8.55	\$6,840.00
2	4" PVC SDR 21 Pipe	LF	2,200	5.65	12,430.00	7.65	16,830.00	6.37	14,014.00	8.20	18,040.00
7	Open Cut Encasement for 3" or 4" Pipe	LF	40	27.00	1,080.00	39.80	1,592.00	44.40	1,776.00	46.25	1,850.00
12	Free Bore (all sizes)	LF	50	45.00	2,250.00	25.00	1,250.00	20.00	1,000.00	50.00	2,500.00
13	Tie-In to 6" W.L. (6" x 4" TS&V)	EA	1	2,308.00	2,308.00	1,430.00	1,430.00	2,428.51	2,428.51	1,950.00	1,950.00
15	Tie-In to 4" W.L. (4" x 4" TS&V)	EA	1	2,160.00	2,160.00	1,420.00	1,420.00	2,115.34	2,115.34	1,750.00	1,750.00
22	3" Blow-Off Type 1	EA	1	1,145.00	1,145.00	1,000.00	1,000.00	1,146.99	1,146.99	1,350.00	1,350.00
26	Air Release Valve	EA	1	600.00	600.00	585.00	585.00	470.31	470.31	1,000.00	1,000.00
27	Leak Detection Meter	EA	1	903.00	903.00	795.00	795.00	600.90	600.90	900.00	900.00
31	Pavement Replacement										
31.1	Light Duty Bituminous	LF	50	51.00	2,550.00	10.00	500.00	20.00	1,000.00	15.00	750.00
31.2	Heavy Duty Bituminous	LF	10	51.00	510.00	15.00	150.00	30.00	300.00	25.00	250.00
31.3	Concrete	LF	10	51.00	510.00	40.00	400.00	40.00	400.00	30.00	300.00
TOTAL ALTERNATE NO. 2 BID					\$31,262.00		\$32,400.00		\$30,620.05		\$37,480.00

KENVIRONS, INC.
 452 VERSAILLES ROAD
 FRANKFORT, KENTUCKY 40601
 TEL (502) 695-4357
 FAX (502) 695-4363

BID TABULATIONS

PROJECT: Phase VII Expansion Project Contract 12: Distribution Extensions
 LOCATION: South Anderson Water District
 BID DATE: September 23, 2011 at 10:00 A.M. Local Time

Alternate No. 3 - Leathers Road

				Southern Backhoe, Inc. 808 West Main Street Campbellsville, KY 42718		Akins Excavating Company, Inc. 182 Busy Lane Corbin, KY 40701		Little Creek Construction 47 Tolliver Road Greenup, KY 41144	
ITEM NO.	ITEM DESCRIPTION	UNIT	QUANTITY	UNIT COST	COST	UNIT COST	COST	UNIT COST	COST
2	4" PVC SDR 21 Pipe	LF	4,100	4.70	19,270.00	5.85	23,985.00	6.80	27,880.00
10	Beaver Creek Directional Bore No. 3	LS	1	7,000.00	7,000.00	6,950.00	6,950.00	6,000.00	6,000.00
12	Free Bore (all sizes)	LF	50	42.00	2,100.00	26.00	1,300.00	20.00	1,000.00
15	Tie-In to 4" W.L. (4" x 4" TS&V)	EA	1	1,500.00	1,500.00	1,720.00	1,720.00	1,800.00	1,800.00
18	Tie-In to Blow-Off	EA	1	475.00	475.00	325.00	325.00	500.00	500.00
19	4" Gate Valve	EA	2	625.00	1,250.00	760.00	1,520.00	600.00	1,200.00
22	3" Blow-Off Type 1	EA	1	1,100.00	1,100.00	1,060.00	1,060.00	1,075.00	1,075.00
26	Air Release Valve	EA	1	390.00	390.00	425.00	425.00	700.00	700.00
27	Leak Detection Meter	EA	1	420.00	420.00	572.00	572.00	950.00	950.00
31	Pavement Replacement								
31.1	Light Duty Bituminous	LF	50	10.00	500.00	27.00	1,350.00	30.00	1,500.00
31.2	Heavy Duty Bituminous	LF	10	10.00	100.00	35.00	350.00	40.00	400.00
31.3	Concrete	LF	10	25.00	250.00	45.00	450.00	50.00	500.00
TOTAL ALTERNATE NO. 3 BID					\$34,355.00		\$40,007.00		* \$43,505.00

KENVIRONS, INC.
 452 VERSAILLES ROAD
 FRANKFORT, KENTUCKY 40601
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BID TABULATIONS
 PROJECT: Phase VII Expansion Project Contract 12: Distribution Extensions
 LOCATION: South Anderson Water District
 BID DATE: September 23, 2011 at 10:00 A.M. Local Time

Alternate No. 3 - Leathers Road

				B.P. Pipeline, LLC 269 Pebbles Lane Quincy, KY 41166		Stotts Construction Co., Inc. P.O. Box 1689 Columbia, KY 42728		Salmon Construction, Inc. P.O. Box 97 Mt. Washington, KY 40047	
ITEM NO.	ITEM DESCRIPTION	UNIT	QUANTITY	UNIT COST	COST	UNIT COST	COST	UNIT COST	COST
2	4" PVC SDR 21 Pipe	LF	4,100	5.80	23,780.00	6.15	25,215.00	6.26	25,666.00
10	Beaver Creek Directional Bore No. 3	LS	1	10,000.00	10,000.00	7,500.00	7,500.00	9,000.00	9,000.00
12	Free Bore (all sizes)	LF	50	20.00	1,000.00	25.00	1,250.00	25.00	1,250.00
15	Tie-In to 4" W.L. (4" x 4" TS&V)	EA	1	1,300.00	1,300.00	1,900.00	1,900.00	1,500.00	1,500.00
18	Tie-In to Blow-Off	EA	1	300.00	300.00	500.00	500.00	800.00	800.00
19	4" Gate Valve	EA	2	550.00	1,100.00	700.00	1,400.00	681.00	1,362.00
22	3" Blow-Off Type 1	EA	1	1,500.00	1,500.00	1,000.00	1,000.00	1,096.00	1,096.00
26	Air Release Valve	EA	1	400.00	400.00	600.00	600.00	418.00	418.00
27	Leak Detection Meter	EA	1	720.00	720.00	1,000.00	1,000.00	600.00	600.00
31	Pavement Replacement								
31.1	Light Duty Bituminous	LF	50	28.00	1,400.00	10.00	500.00	18.00	900.00
31.2	Heavy Duty Bituminous	LF	10	38.00	380.00	20.00	200.00	20.00	200.00
31.3	Concrete	LF	10	40.00	400.00	30.00	300.00	25.00	250.00
TOTAL ALTERNATE NO. 3 BID					\$42,280.00		\$41,365.00		\$43,042.00

KENVIRONS, INC.
 452 VERSAILLES ROAD
 FRANKFORT, KENTUCKY 40601
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BID TABULATIONS
 PROJECT: Phase VII Expansion Project Contract 12: Distribution Extensions
 LOCATION: South Anderson Water District
 BID DATE: September 23, 2011 at 10:00 A.M. Local Time

Alternate No. 3 - Leathers Road

ITEM NO.	ITEM DESCRIPTION	UNIT	QUANTITY	Hubert Excavating & Contracting 2590 Bondville Road Salvisa, KY 40372		Clay Pipeline 70 Fox Hollow Road Manchester, KY 40962		G & W Construction Co., Inc. 6730 Flemingsburg Road Morehead, KY 40351		Cumberland Pipeline, LLC P.O. 277 Russell Springs, KY 42642	
				UNIT COST	COST	UNIT COST	COST	UNIT COST	COST	UNIT COST	COST
2	4" PVC SDR 21 Pipe	LF	4,100	5.65	23,165.00	7.65	31,365.00	6.37	26,117.00	8.20	33,620.00
10	Beaver Creek Directional Bore No. 3	LS	1	13,480.00	13,480.00	5,550.00	5,550.00	28,471.34	28,471.34	9,565.00	9,565.00
12	Free Bore (all sizes)	LF	50	45.00	2,250.00	25.00	1,250.00	20.00	1,000.00	50.00	2,500.00
15	Tie-In to 4" W.L. (4" x 4" TS&V)	EA	1	2,160.00	2,160.00	1,420.00	1,420.00	2,115.34	2,115.34	1,750.00	1,750.00
18	Tie-In to Blow-Off	EA	1	508.00	508.00	531.00	531.00	750.00	750.00	900.00	900.00
19	4" Gate Valve	EA	2	745.00	1,490.00	770.00	1,540.00	681.03	1,362.06	725.00	1,450.00
22	3" Blow-Off Type 1	EA	1	1,145.00	1,145.00	1,000.00	1,000.00	1,146.99	1,146.99	1,350.00	1,350.00
26	Air Release Valve	EA	1	600.00	600.00	585.00	585.00	470.31	470.31	1,000.00	1,000.00
27	Leak Detection Meter	EA	1	903.00	903.00	795.00	795.00	600.90	600.90	900.00	900.00
31	Pavement Replacement										
31.1	Light Duty Bituminous	LF	50	51.00	2,550.00	10.00	500.00	20.00	1,000.00	15.00	750.00
31.2	Heavy Duty Bituminous	LF	10	51.00	510.00	15.00	150.00	30.00	300.00	25.00	250.00
31.3	Concrete	LF	10	51.00	510.00	40.00	400.00	40.00	400.00	30.00	300.00
TOTAL ALTERNATE NO. 3 BID					\$49,271.00		\$45,086.00		\$63,733.94		\$54,335.00

KENVIRONS, INC.
 452 VERSAILLES ROAD
 FRANKFORT, KENTUCKY 40601
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BID TABULATIONS
 PROJECT: Phase VII Expansion Project Contract 12: Distribution Extensions
 LOCATION: South Anderson Water District
 BID DATE: September 23, 2011 at 10:00 A.M. Local Time

Alternate No. 4 - Lick Skillet Road

				Southern Backhoe, Inc. 808 West Main Street Campbellsville, KY 42718		Akins Excavating Company, Inc. 182 Busy Lane Corbin, KY 40701		Little Creek Construction 47 Tolliver Road Greenup, KY 41144	
ITEM NO.	ITEM DESCRIPTION	UNIT	QUANTITY	UNIT COST	COST	UNIT COST	COST	UNIT COST	COST
1	4" PVC SDR 17 Pipe	LF	2,200	\$5.00	\$11,000.00	\$6.35	\$13,970.00	\$7.00	\$15,400.00
2	4" PVC SDR 21 Pipe	LF	5,800	4.70	27,260.00	5.85	33,930.00	6.80	39,440.00
6	Bored Encasement for 3" or 4" Pipe	LF	130	95.00	12,350.00	85.00	11,050.00	110.00	14,300.00
8	Beaver Creek Directional Bore No. 1	LS	1	3,000.00	3,000.00	6,000.00	6,000.00	7,000.00	7,000.00
12	Free Bore (all sizes)	LF	80	42.00	3,360.00	26.00	2,080.00	20.00	1,600.00
13	Tie-In to 6" W.L. (6" x 4" TS&V)	EA	1	1,500.00	1,500.00	1,735.00	1,735.00	2,000.00	2,000.00
18	Tie-In to Blow-Off	EA	1	475.00	475.00	325.00	325.00	500.00	500.00
19	4" Gate Valve	EA	4	625.00	2,500.00	775.00	3,100.00	600.00	2,400.00
24	4" Blow-Off Type 1	EA	2	975.00	1,950.00	1,200.00	2,400.00	1,300.00	2,600.00
26	Air Release Valve	EA	1	390.00	390.00	425.00	425.00	700.00	700.00
27	Leak Detection Meter	EA	2	420.00	840.00	572.00	1,144.00	950.00	1,900.00
31	Pavement Replacement								
31.1	Light Duty Bituminous	LF	50	10.00	500.00	27.00	1,350.00	30.00	1,500.00
31.2	Heavy Duty Bituminous	LF	10	10.00	100.00	35.00	350.00	40.00	400.00
31.3	Concrete	LF	10	25.00	250.00	45.00	450.00	50.00	500.00
TOTAL ALTERNATE NO. 4 BID					\$65,475.00		\$78,309.00		\$90,240.00

KENVIRONS, INC.
 452 VERSAILLES ROAD
 FRANKFORT, KENTUCKY 40601
 TEL (502) 695-4357
 FAX (502) 695-4363

BID TABULATIONS
 PROJECT: Phase VII Expansion Project Contract 12: Distribution Extensions
 LOCATION: South Anderson Water District
 BID DATE: September 23, 2011 at 10:00 A.M. Local Time

Alternate No. 4 - Lick Skillet Road

				B.P. Pipeline, LLC 269 Pebbles Lane Quincy, KY 41166		Stotts Construction Co., Inc. P.O. Box 1689 Columbia, KY 42728		Salmon Construction, Inc. P.O. Box 97 Mt. Washington, KY 40047	
ITEM NO.	ITEM DESCRIPTION	UNIT	QUANTITY	UNIT COST	COST	UNIT COST	COST	UNIT COST	COST
1	4" PVC SDR 17 Pipe	LF	2,200	\$6.00	\$13,200.00	\$6.50	\$14,300.00	\$6.61	\$14,542.00
2	4" PVC SDR 21 Pipe	LF	5,800	5.80	33,640.00	6.15	35,670.00	6.26	36,308.00
6	Bored Encasement for 3" or 4" Pipe	LF	130	90.00	11,700.00	70.00	9,100.00	160.00	20,800.00
8	Beaver Creek Directional Bore No. 1	LS	1	10,000.00	10,000.00	7,500.00	7,500.00	8,000.00	8,000.00
12	Free Bore (all sizes)	LF	80	20.00	1,600.00	25.00	2,000.00	25.00	2,000.00
13	Tie-In to 6" W.L. (6" x 4" TS&V)	EA	1	1,500.00	1,500.00	2,000.00	2,000.00	1,500.00	1,500.00
18	Tie-In to Blow-Off	EA	1	300.00	300.00	500.00	500.00	800.00	800.00
19	4" Gate Valve	EA	4	550.00	2,200.00	700.00	2,800.00	681.00	2,724.00
24	4" Blow-Off Type 1	EA	2	1,400.00	2,800.00	1,250.00	2,500.00	1,000.00	2,000.00
26	Air Release Valve	EA	1	400.00	400.00	600.00	600.00	418.00	418.00
27	Leak Detection Meter	EA	2	720.00	1,440.00	1,000.00	2,000.00	600.00	1,200.00
31	Pavement Replacement								
31.1	Light Duty Bituminous	LF	50	28.00	1,400.00	20.00	1,000.00	18.00	900.00
31.2	Heavy Duty Bituminous	LF	10	38.00	380.00	20.00	200.00	20.00	200.00
31.3	Concrete	LF	10	40.00	400.00	30.00	300.00	25.00	250.00
TOTAL ALTERNATE NO. 4 BID					\$80,960.00		\$80,470.00		\$91,642.00

KENVIRONS, INC.
 452 VERSAILLES ROAD
 FRANKFORT, KENTUCKY 40601
 TEL (502) 695-4357
 FAX (502) 695-4363

BID TABULATIONS
 PROJECT: Phase VII Expansion Project Contract 12: Distribution Extensions
 LOCATION: South Anderson Water District
 BID DATE: September 23, 2011 at 10:00 A.M. Local Time

Alternate No. 4 - Lick Skillet Road

ITEM NO.	ITEM DESCRIPTION	UNIT	QUANTITY	Hubert Excavating & Contracting 2590 Bondville Road Salvisa, KY 40372		Clay Pipeline 70 Fox Hollow Road Manchester, KY 40962		G & W Construction Co., Inc. 6730 Flemingsburg Road Morehead, KY 40351		Cumberland Pipeline, LLC P.O. 277 Russell Springs, KY 42642	
				UNIT COST	COST	UNIT COST	COST	UNIT COST	COST	UNIT COST	COST
1	4" PVC SDR 17 Pipe	LF	2,200	\$6.02	\$13,244.00	\$8.06	\$17,732.00	\$6.71	\$14,762.00	\$8.55	\$18,810.00
2	4" PVC SDR 21 Pipe	LF	5,800	5.65	32,770.00	7.65	44,370.00	6.37	36,946.00	8.20	47,560.00
6	Bored Encasement for 3" or 4" Pipe	LF	130	131.90	17,147.00	62.50	8,125.00	83.31	10,830.30	75.00	9,750.00
8	Beaver Creek Directional Bore No. 1	LS	1	13,480.00	13,480.00	5,450.00	5,450.00	28,471.34	28,471.34	12,200.00	12,200.00
12	Free Bore (all sizes)	LF	80	45.00	3,600.00	25.00	2,000.00	20.00	1,600.00	50.00	4,000.00
13	Tie-In to 6" W.L. (6" x 4" TS&V)	EA	1	2,308.00	2,308.00	1,430.00	1,430.00	2,428.51	2,428.51	1,950.00	1,950.00
18	Tie-In to Blow-Off	EA	1	508.00	508.00	531.00	531.00	750.00	750.00	900.00	900.00
19	4" Gate Valve	EA	4	745.00	2,980.00	770.00	3,080.00	681.03	2,724.12	725.00	2,900.00
24	4" Blow-Off Type 1	EA	2	1,373.00	2,746.00	1,100.00	2,200.00	1,108.80	2,217.60	1,600.00	3,200.00
26	Air Release Valve	EA	1	600.00	600.00	585.00	585.00	470.31	470.31	1,000.00	1,000.00
27	Leak Detection Meter	EA	2	903.00	1,806.00	795.00	1,590.00	600.90	1,201.80	900.00	1,800.00
31	Pavement Replacement										
31.1	Light Duty Bituminous	LF	50	51.00	2,550.00	10.00	500.00	20.00	1,000.00	15.00	750.00
31.2	Heavy Duty Bituminous	LF	10	51.00	510.00	15.00	150.00	30.00	300.00	25.00	250.00
31.3	Concrete	LF	10	51.00	510.00	40.00	400.00	40.00	400.00	30.00	300.00
TOTAL ALTERNATE NO. 4 BID					\$94,759.00		\$88,143.00		\$104,101.98		\$105,370.00

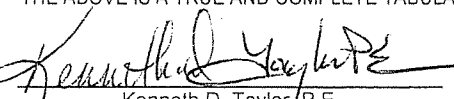
KENVIRONS, INC.
 452 VERSAILLES ROAD
 FRANKFORT, KENTUCKY 40601
 TEL (502) 695-4357
 FAX (502) 695-4363

BID TABULATIONS

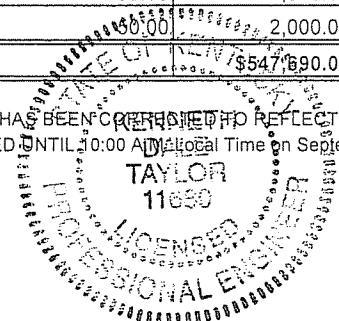
PROJECT: Phase VII Expansion Project Contract 13: Transmission Main and Pump Station
 LOCATION: South Anderson Water District
 BID DATE: September 23, 2011 at 10:00 A.M. Local Time

Base Bid				B.P. Pipeline, LLC 269 Pebbles Lane Quincy, KY 41166		Clay Pipeline 70 Fox Hollow Road Manchester, KY 40962		Akins Excavating Co., Inc. 182 Busy Lane Corbin, KY 40701	
ITEM NO.	ITEM DESCRIPTION	UNIT	QUANTITY	UNIT COST	COST	UNIT COST	COST	UNIT COST	COST
1	10" PVC SDR 21 Pipe	LF	180	\$16.00	\$2,880.00	\$21.00	\$3,780.00	\$20.00	\$3,600.00
2	8" PVC SDR 21 Pipe	LF	16,500	13.00	214,500.00	15.54	256,410.00	13.00	214,500.00
3	6" PVC SDR 21 Pipe	LF	1,200	9.00	10,800.00	13.46	16,152.00	11.00	13,200.00
4	Bored Encasement for 8" Pipe	LF	200	110.00	22,000.00	121.45	24,290.00	160.00	32,000.00
5	Bored Encasement for 6" Pipe	LF	280	100.00	28,000.00	116.60	32,648.00	160.00	44,800.00
6	Railroad Crossing	LF	140	120.00	16,800.00	128.30	17,962.00	165.00	23,100.00
7	Directional Bore for 8" Creek Crossing	LS	1	13,000.00	13,000.00	4,130.00	4,130.00	4,600.00	4,600.00
8	Free Bore (all sizes)	LF	400	20.00	8,000.00	10.00	4,000.00	25.00	10,000.00
9	Tie-In to 8" W.L. (8" x 8" TS&V)	EA	3	2,500.00	7,500.00	2,097.00	6,291.00	2,400.00	7,200.00
10	US 127 6" Tie-In	LS	1	2,500.00	2,500.00	1,830.00	1,830.00	3,000.00	3,000.00
11	Tie-In to 4" W.L. (4" x 4" TS&V)	EA	1	1,000.00	1,000.00	1,402.00	1,402.00	1,600.00	1,600.00
12	10" Gate Valve	EA	1	1,500.00	1,500.00	1,649.00	1,649.00	1,700.00	1,700.00
13	8" Gate Valve	EA	11	1,300.00	14,300.00	1,200.00	13,200.00	1,100.00	12,100.00
14	6" Gate Valve	EA	3	700.00	2,100.00	909.00	2,727.00	845.00	2,535.00
15	Air Release Valve	EA	3	350.00	1,050.00	718.00	2,154.00	400.00	1,200.00
16	Leak Detection Meter	EA	1	1,500.00	1,500.00	2,060.00	2,060.00	1,600.00	1,600.00
17	4" Blowoff Type 1	EA	1	1,500.00	1,500.00	2,060.00	2,060.00	1,600.00	1,600.00
18	Fire Hydrant	LS	1	2,800.00	2,800.00	4,520.00	4,520.00	3,400.00	3,400.00
19	Master Meter	LS	1	16,000.00	16,000.00	17,188.00	17,188.00	20,000.00	20,000.00
20	700 gpm Pump Station	LS	1	130,000.00	130,000.00	121,015.00	121,015.00	140,000.00	140,000.00
21	Telemetry	LS	1	40,000.00	40,000.00	28,210.00	28,210.00	40,000.00	40,000.00
22	Pavement Replacement								
22.1	Light Duty Bituminous	LF	230	28.00	6,440.00	10.00	2,300.00	26.00	5,980.00
22.2	Heavy Duty Bituminous	LF	40	38.00	1,520.00	15.00	600.00	34.00	1,360.00
22.3	Concrete	LF	40	50.00	2,000.00	40.00	1,600.00	44.00	1,760.00
TOTAL BASE BID					\$547,690.00		\$568,178.00		\$590,835.00

*- DENOTES AN ARITHMETIC ERROR WAS MADE ON BASE BID, AMOUNT HAS BEEN CORRECTED TO REFLECT UNIT PRICE SUBMITTED ON BASE BID.
 THE ABOVE IS A TRUE AND COMPLETE TABULATION OF BIDS RECEIVED UNTIL 10:00 A.M. Local Time on September 23, 2011.

BY: 
 Kenneth D. Taylor, P.E.
 #FORM/BIDTAB.XLS/ 9/23/2011

9.26.11
 DATE



KENVIRONS, INC.
 452 VERSAILLES ROAD
 FRANKFORT, KENTUCKY 40601
 TEL (502) 695-4357
 FAX (502) 695-4363

BID TABULATIONS

PROJECT: Phase VII Expansion Project Contract 13: Transmission Main and Pump Station
 LOCATION: South Anderson Water District
 BID DATE: September 23, 2011 at 10:00 A.M. Local Time

Base Bid				Salmon Construction, Inc. P.O. Box 97 Mt. Washington, KY 40047		Southern Backhoe, Inc. 808 West Main Street Campbellsville, KY 42718		Hubert Excavating & Contracting 2590 Bondville Road Salvisa, KY 40372	
ITEM NO.	ITEM DESCRIPTION	UNIT	QUANTITY	UNIT COST	COST	UNIT COST	COST	UNIT COST	COST
1	10" PVC SDR 21 Pipe	LF	180	\$17.00	\$3,060.00	\$20.00	\$3,600.00	\$21.00	\$3,780.00
2	8" PVC SDR 21 Pipe	LF	16,500	13.65	225,225.00	12.75	210,375.00	12.07	199,155.00
3	6" PVC SDR 21 Pipe	LF	1,200	8.10	9,720.00	10.55	12,660.00	9.92	11,904.00
4	Bored Encasement for 8" Pipe	LF	200	181.00	36,200.00	170.00	34,000.00	200.20	40,040.00
5	Bored Encasement for 6" Pipe	LF	280	160.00	44,800.00	160.00	44,800.00	145.00	40,600.00
6	Railroad Crossing	LF	140	195.00	27,300.00	200.00	28,000.00	199.40	27,916.00
7	Directional Bore for 8" Creek Crossing	LS	1	8,000.00	8,000.00	24,000.00	24,000.00	19,700.00	19,700.00
8	Free Bore (all sizes)	LF	400	25.00	10,000.00	50.00	20,000.00	44.75	17,900.00
9	Tie-in to 8" W.L. (8" x 8" TS&V)	EA	3	2,500.00	7,500.00	2,600.00	7,800.00	3,233.00	9,699.00
10	US 127 6" Tie-In	LS	1	4,160.00	4,160.00	3,800.00	3,800.00	4,272.00	4,272.00
11	Tie-in to 4" W.L. (4" x 4" TS&V)	EA	1	2,000.00	2,000.00	1,600.00	1,600.00	2,222.00	2,222.00
12	10" Gate Valve	EA	1	1,644.00	1,644.00	1,875.00	1,875.00	1,810.00	1,810.00
13	8" Gate Valve	EA	11	1,091.00	12,001.00	1,300.00	14,300.00	1,304.55	14,350.05
14	6" Gate Valve	EA	3	800.00	2,400.00	890.00	2,670.00	991.00	2,973.00
15	Air Release Valve	EA	3	500.00	1,500.00	480.00	1,440.00	764.00	2,292.00
16	Leak Detection Meter	EA	1	600.00	600.00	500.00	500.00	685.00	685.00
17	4" Blowoff Type 1	EA	1	1,200.00	1,200.00	1,400.00	1,400.00	1,500.00	1,500.00
18	Fire Hydrant	LS	1	3,300.00	3,300.00	3,500.00	3,500.00	3,280.00	3,280.00
19	Master Meter	LS	1	16,500.00	16,500.00	12,000.00	12,000.00	28,116.00	28,116.00
20	700 gpm Pump Station	LS	1	149,211.00	149,211.00	149,000.00	149,000.00	192,985.00	192,985.00
21	Telemetry	LS	1	27,000.00	27,000.00	28,000.00	28,000.00	24,306.00	24,306.00
22	Pavement Replacement								
22.1	Light Duty Bituminous	LF	230	18.00	4,140.00	15.00	3,450.00	51.00	11,730.00
22.2	Heavy Duty Bituminous	LF	40	20.00	800.00	50.00	2,000.00	51.00	2,040.00
22.3	Concrete	LF	40	20.00	800.00	29.00	1,160.00	51.00	2,040.00
TOTAL BASE BID					\$599,061.00		\$611,930.00		* \$665,295.05

*- DENOTES AN ARITHMETIC ERROR WAS MADE ON BASE BID, AMOUNT HAS BEEN CORRECTED TO REFLECT UNIT PRICE SUBMITTED ON BASE BID.

KENVIRONS, INC.
 452 VERSAILLES ROAD
 FRANKFORT, KENTUCKY 40601
 TEL (502) 695-4357
 FAX (502) 695-4363

BID TABULATIONS
 PROJECT: Phase VII Expansion Project Contract 13: Transmission Main and Pump Station
 LOCATION: South Anderson Water District
 BID DATE: September 23, 2011 at 10:00 A.M. Local Time

Base Bid				Cumberland Pipeline, LLC P.O. Box 277 Russell Springs, KY 42642		Stotts Construction Co., Inc. P.O. Box 1689 Columbia, KY 42728		Twin States Utilities & Excavation, Inc. P.O. Box 14 Mount Hermon, KY 42157	
ITEM NO.	ITEM DESCRIPTION	UNIT	QUANTITY	UNIT COST	COST	UNIT COST	COST	UNIT COST	COST
1	10" PVC SDR 21 Pipe	LF	180	\$28.75	\$5,175.00	\$25.85	\$4,653.00	\$25.00	\$4,500.00
2	8" PVC SDR 21 Pipe	LF	16,500	19.85	327,525.00	17.75	292,875.00	16.00	264,000.00
3	6" PVC SDR 21 Pipe	LF	1,200	17.25	20,700.00	15.70	18,840.00	14.00	16,800.00
4	Bored Encasement for 8" Pipe	LF	200	141.00	28,200.00	150.00	30,000.00	185.00	37,000.00
5	Bored Encasement for 6" Pipe	LF	280	100.00	28,000.00	140.00	39,200.00	140.00	39,200.00
6	Railroad Crossing	LF	140	148.50	20,790.00	200.00	28,000.00	185.00	25,900.00
7	Directional Bore for 8" Creek Crossing	LS	1	13,000.00	13,000.00	20,000.00	20,000.00	27,000.00	27,000.00
8	Free Bore (all sizes)	LF	400	60.00	24,000.00	50.00	20,000.00	40.00	16,000.00
9	Tie-In to 8" W.L. (8" x 8" TS&V)	EA	3	3,000.00	9,000.00	5,000.00	15,000.00	4,200.00	12,600.00
10	US 127 6" Tie-In	LS	1	3,500.00	3,500.00	5,000.00	5,000.00	4,200.00	4,200.00
11	Tie-In to 4" W.L. (4" x 4" TS&V)	EA	1	1,850.00	1,850.00	2,500.00	2,500.00	3,200.00	3,200.00
12	10" Gate Valve	EA	1	1,850.00	1,850.00	2,500.00	2,500.00	1,650.00	1,650.00
13	8" Gate Valve	EA	11	1,250.00	13,750.00	1,900.00	20,900.00	1,100.00	12,100.00
14	6" Gate Valve	EA	3	850.00	2,550.00	1,200.00	3,600.00	760.00	2,280.00
15	Air Release Valve	EA	3	1,000.00	3,000.00	1,000.00	3,000.00	900.00	2,700.00
16	Leak Detection Meter	EA	1	915.00	915.00	1,500.00	1,500.00	850.00	850.00
17	4" Blowoff Type 1	EA	1	1,550.00	1,550.00	2,000.00	2,000.00	1,500.00	1,500.00
18	Fire Hydrant	LS	1	3,650.00	3,650.00	4,000.00	4,000.00	4,000.00	4,000.00
19	Master Meter	LS	1	20,000.00	20,000.00	25,000.00	25,000.00	26,000.00	26,000.00
20	700 gpm Pump Station	LS	1	136,000.00	136,000.00	130,000.00	130,000.00	200,000.00	200,000.00
21	Telemetry	LS	1	25,000.00	25,000.00	32,000.00	32,000.00	40,000.00	40,000.00
22	Pavement Replacement								
22.1	Light Duty Bituminous	LF	230	20.00	4,600.00	40.00	9,200.00	25.00	5,750.00
22.2	Heavy Duty Bituminous	LF	40	30.00	1,200.00	30.00	1,200.00	30.00	1,200.00
22.3	Concrete	LF	40	40.00	1,600.00	30.00	1,200.00	30.00	1,200.00
TOTAL BASE BID					\$697,405.00		\$712,168.00		\$749,630.00

*- DENOTES AN ARITHMETIC ERROR WAS MADE ON BASE BID, AMOUNT HAS BEEN CORRECTED TO REFLECT UNIT PRICE SUBMITTED ON BASE BID.

KENVIRONS, INC.
 452 VERSAILLES ROAD
 FRANKFORT, KENTUCKY 40601
 TEL (502) 695-4357
 FAX (502) 695-4363

BID TABULATIONS
 PROJECT: Phase VII Expansion Project Contract 13: Transmission Main and Pump Station
 LOCATION: South Anderson Water District
 BID DATE: September 23, 2011 at 10:00 A.M. Local Time

Base Bid				Todd Johnson Contracting, Inc. 497 Dillehay Street Danville, KY 40422		Lagco, Inc. 1490 Sunshine Lane Lexington, KY 40505	
ITEM NO.	ITEM DESCRIPTION	UNIT	QUANTITY	UNIT COST	COST	UNIT COST	COST
1	10" PVC SDR 21 Pipe	LF	180	\$29.08	\$5,234.40	\$28.00	\$5,040.00
2	8" PVC SDR 21 Pipe	LF	16,500	17.78	293,370.00	18.59	306,735.00
3	6" PVC SDR 21 Pipe	LF	1,200	14.45	17,340.00	18.50	22,200.00
4	Bored Encasement for 8" Pipe	LF	200	249.18	49,836.00	368.00	73,600.00
5	Bored Encasement for 6" Pipe	LF	280	217.53	60,908.40	218.00	61,040.00
6	Railroad Crossing	LF	140	245.58	34,381.20	410.00	57,400.00
7	Directional Bore for 8" Creek Crossing	LS	1	15,229.94	15,229.94	7,029.00	7,029.00
8	Free Bore (all sizes)	LF	400	140.40	56,160.00	131.00	52,400.00
9	Tie-In to 8" W.L. (8" x 8" TS&V)	EA	3	2,791.19	8,373.57	3,529.00	10,587.00
10	US 127 6" Tie-In	LS	1	3,672.00	3,672.00	2,673.00	2,673.00
11	Tie-In to 4" W.L. (4" x 4" TS&V)	EA	1	1,815.78	1,815.78	2,681.00	2,681.00
12	10" Gate Valve	EA	1	1,863.27	1,863.27	2,053.00	2,053.00
13	8" Gate Valve	EA	11	2,082.90	22,911.90	1,316.00	14,476.00
14	6" Gate Valve	EA	3	1,319.49	3,958.47	1,036.00	3,108.00
15	Air Release Valve	EA	3	825.75	2,477.25	765.00	2,295.00
16	Leak Detection Meter	EA	1	2,302.80	2,302.80	1,461.00	1,461.00
17	4" Blowoff Type 1	EA	1	1,479.87	1,479.87	2,019.00	2,019.00
18	Fire Hydrant	LS	1	3,687.43	3,687.43	3,900.00	3,900.00
19	Master Meter	LS	1	7,704.78	7,704.78	17,497.00	17,497.00
20	700 gpm Pump Station	LS	1	143,708.79	143,708.79	155,789.00	155,789.00
21	Telemetry	LS	1	39,782.88	39,782.88	24,425.00	24,425.00
22	Pavement Replacement						
22.1	Light Duty Bituminous	LF	230	19.44	4,471.20	20.00	4,600.00
22.2	Heavy Duty Bituminous	LF	40	24.30	972.00	32.00	1,280.00
22.3	Concrete	LF	40	40.00	1,600.00	18.00	720.00
TOTAL BASE BID					\$783,241.93		\$835,008.00

*- DENOTES AN ARITHMETIC ERROR WAS MADE ON BASE BID, AMOUNT HAS BEEN CORRECTED TO REFLECT UNIT PRICE SUBMITTED ON BASE BID.

KENVIRONS, INC.
 452 VERSAILLES ROAD
 FRANKFORT, KENTUCKY 40601
 TEL (502) 695-4357
 FAX (502) 695-4363

BID TABULATIONS

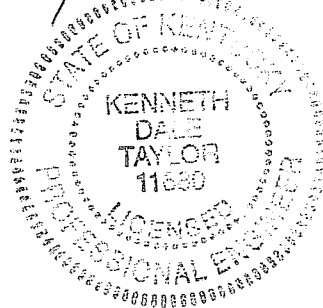
PROJECT: Phase VII Expansion Project Contract 14: Sand Springs Water Storage Tank
 LOCATION: South Anderson Water District
 BID DATE: September 23, 2011 at 10:00 A.M. Local Time

Base Bid				Caldwell Tanks, Inc. 4000 Tower Road / P.O. Box 35770 Louisville, KY 40232-5770		Phoenix Fabricators & Erectors, Inc. 182 South County Road 900 East Avon, IN 46123-8973	
ITEM NO.	ITEM DESCRIPTION	UNIT	QUANTITY	UNIT COST	COST	UNIT COST	COST
1	250,000 Gallon Elevated Water Storage Tank	LS	1	\$370,000.00	\$370,000.00	\$483,609.00	\$483,609.00
2	Earthwork	LS	1	1,500.00	1,500.00	20,000.00	20,000.00
3	Foundation	LS	1	104,000.00	104,000.00	122,000.00	122,000.00
4	Painting	LS	1	110,000.00	110,000.00	73,000.00	73,000.00
5	Yard Work including Lined Channels & Site Restoration	LS	1	4,000.00	4,000.00	19,000.00	19,000.00
6	Yard Piping	LS	1	8,500.00	8,500.00	16,000.00	16,000.00
7	Check Valve Station	LS	1	23,000.00	23,000.00	37,000.00	37,000.00
8	Fencing	LF	400	20.00	8,000.00	24.00	9,600.00
9	Access Road	LS	1	1,000.00	1,000.00	3,200.00	3,200.00
10	Mixing System	LS	1	6,000.00	6,000.00	14,000.00	14,000.00
TOTAL BASE BID					\$636,000.00		\$797,409.00

*- DENOTES AN ARITHMETIC ERROR WAS MADE ON BASE BID, AMOUNT HAS BEEN CORRECTED TO REFLECT UNIT PRICE SUBMITTED ON BASE BID.
 THE ABOVE IS A TRUE AND COMPLETE TABULATION OF BIDS RECEIVED UNTIL 10:00 A.M. Local Time on September 23, 2011.

BY: *Kenn Taylor*
 Kenneth D. Taylor, P.E.

9/26/11
 DATE



Attachment 2

Ky. Public Service Commission
Purchased Water Adjustment Form

**PURCHASED WATER ADJUSTMENT FOR
WATER DISTRICTS AND ASSOCIATIONS
(807 KAR 5:068)**

Name of Utility	South Anderson Water District	
Date	October 3, 2011	
Address	142 South Main Street	
City, State, Zip	Lawrenceburg, Kentucky	40342
Telephone Number	502-839-6919	

1.a. Name of all wholesale suppliers and the base (current) rate and changed rate of each. In the event the water purchased is billed by the supplier on a rate that is not a flat rate schedule, the entire rate schedule must be shown. Attach additional sheets if necessary.

Supplier(s)	Base Rate	Changed Rate
City of Lawrenceburg	\$2.49/1,000>8,000,000 \$2.34/1,000<8,000,000	\$2.64/1,000>8,000,000 \$2.48/1,000<8,000,000
Frankfort Plant Board	\$ 0.0965/1,000 gal. Fee \$1.704/1,000 gal. Rate	No Change \$1.81/1,000 gal.

1.b.

2. Twelve-month period upon which the purchased water adjustment is based. (This twelve-month period must end within 90 days of this filing).

From	September 2010	through	August 2011
	(month and year)		(month and year)

3. Statement of water purchases. Where water is purchased from more than one supplier, purchases from each supplier must be shown separately. If water is purchased through a declining block rate schedule, purchases for each month must be shown. Attach an additional sheet if necessary.

Supplier(s)		Gallons Purchased during 12 month period
City of Lawrenceburg		150,514,000
Frankfort Plant Board		22,629,500
TOTAL PURCHASES		173,143,500
4. Total sales for the 12 month period		153,413,540
5. Increased water cost	$((96,000 \times 0.15) + (54,514 \times 0.14) + (22,629.5 \times 0.106)) =$ <div style="text-align: right;">\$24,430.69</div>	
The increased water cost is the cost difference between purchases at base (current rate) and purchases at new rate.		
6. Purchased water adjustment factor	$\$24,430.69 / 153,413.54 = \$0.16 / 1,000$ gallons	
The purchased water adjustment factor is obtained by dividing the increased cost of water by the total gallons sold.		
<p>Note: The purchased water adjustment factor is added to each thousand gallons sold. If the minimum usage is 2,000 gallons then the purchased water adjustment factor would be added to the minimum bill twice. Revised tariff sheets must be attached showing the rate to be charged by the utility and the effective date of the increased rates.</p>		
7. Proposed effective date	December 1, 2011	
Signature of Utility Officer		
Title		

2011 W/Loss Purchase

09/2010 - 08/2011	Purchased Water L'burg (gals)	Purchased Water F'fort (gals)	Total Water Purchased (gals)	Water Sold (gals)	Cust.	Water Loss		Accounted for Water (gals)	Unaccounted for Water (gals)	Lawrenceburg (\$)	Frankfort (\$)	Combined (\$)	
						(gals)	%						
Sep	12,408,000	2,090,100	14,498,100	14,923,400	2,745	-425,300	-3%	238,000	-663,300	-5%	\$ 31,475.52	\$ 3,763.22	\$ 35,238.74
Oct	13,982,000	2,449,600	16,431,600	15,867,700	2,745	563,900	3%	516,200	47,700	0%	\$ 35,316.08	\$ 4,410.51	\$ 39,726.59
Nov	12,406,000	2,074,800	14,480,800	14,772,900	2,742	-292,100	-2%	755,100	-1,047,200	-7%	\$ 31,470.64	\$ 3,735.68	\$ 35,206.32
Dec	11,252,000	1,704,100	12,956,100	12,945,600	2,730	10,500	0%	478,900	-468,400	-4%	\$ 28,654.88	\$ 3,572.65	\$ 32,227.53
Jan	12,213,000	1,734,500	13,947,500	10,393,800	2,729	3,553,700	25%	888,900	2,664,800	19%	\$ 30,999.72	\$ 2,618.56	\$ 33,618.28
Feb	14,183,000	1,743,400	15,926,400	10,393,800	2,729	5,532,600	35%	717,700	4,814,900	30%	\$ 35,806.52	\$ 3,138.99	\$ 38,945.51
Mar	9,743,000	1,608,400	11,351,400	10,206,600	2,724	1,144,800	10%	580,500	564,300	5%	\$ 24,972.92	\$ 2,895.92	\$ 27,868.84
Apr	11,609,000	1,546,700	13,155,700	10,705,200	2,721	2,450,500	19%	1,220,600	1,229,900	9%	\$ 29,525.96	\$ 2,948.79	\$ 32,474.75
May	11,517,000	1,660,700	13,177,700	11,722,730	2,741	1,454,970	11%	425,900	1,029,070	8%	\$ 30,993.86	\$ 3,002.18	\$ 33,996.04
Jun	13,457,000	1,812,300	15,269,300	15,578,540	2,724	-309,240	-2%	114,300	-423,540	-3%	\$ 35,999.06	\$ 3,455.15	\$ 39,454.21
Jul	12,781,000	2,046,300	14,827,300	12,262,270	2,743	2,565,030	17%	162,600	2,402,430	16%	\$ 34,254.98	\$ 3,901.27	\$ 38,156.25
Aug	14,963,000	2,158,600	17,121,600	13,641,000	2,746	3,480,600	20%	681,000	2,799,600	16%	\$ 39,884.54	\$ 4,115.37	\$ 43,999.91
											\$ 389,354.68	\$ 41,558.29	\$ 430,912.97
Totals	150,514,000	22,629,500	173,143,500	153,413,540									
Avg			14,428,625	12,784,462	2,735	1,644,163	11%	564,975	1,079,188	7%			
Min			11,351,400	10,206,600	2,721	-425,300		114,300	-1,047,200				
Max			17,121,600	15,867,700	2,746	5,532,600		1,220,600	4,814,900				

Attachment 3

Rate Tariff

FOR Anderson County, Kentucky
Community, Town or City

P.S.C. KY. NO. _____

4th Revised SHEET NO. 4

South Anderson Water District
(Name of Utility)

CANCELLING P.S.C. KY. NO. _____

3rd Revised SHEET NO. 4

RATES AND CHARGES

The following rates and charges are prescribed for the customers in the area served by South Anderson Water District. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of the Commission prior to the effective date of this Order.

Monthly Water Rates

First 2,000 gallons	\$18.93 Minimum bill
Next 3,000 gallons	\$9.29 per 1,000 gallons
Next 5,000 gallons	\$7.04 per 1,000 gallons
All Over 10,000 gallons	\$5.54 per 1,000 gallons

Bulk Loading Station \$3.57 per 1,000 gal

DATE OF ISSUE _____
Month / Date / Year

DATE EFFECTIVE _____
Month / Date / Year

ISSUED BY _____
(Signature of Officer)

TITLE _____

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION OF KENTUCKY

IN CASE NO. _____ DATED _____

Exhibit C

USDA Letter of Concurrence



United States Department of Agriculture
Rural Development
Kentucky State Office

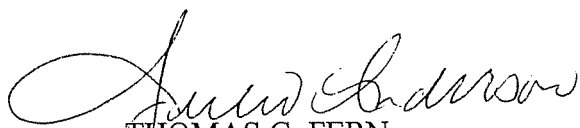
October 20, 2011

SUBJECT: South Anderson Water District
Phase VII Water Expansion Project
Contract Award Concurrence

TO: Area Office
Williamstown, Kentucky

Based on the bids received and the recommendation of the consulting engineer, Rural Development concurs in the award of subject contract to the low bidder for Contract 12, Southern Backhoe, Inc, in the amount of \$680,657.15, the low bidder for Contract 13, B.P. Pipeline, LLC, in the amount of \$547,690.00, and the low bidder for Contract 14, Caldwell Tanks, Inc., in the amount of \$636,000.00.

If you have any questions, please contact Julie Anderson, State Engineer, at (859) 224-7336.


THOMAS G. FERN
State Director
Rural Development

cc: Kenvirons, Inc.
Frankfort, Kentucky

~~Ogden, Newell, and Welch~~
~~Louisville, Kentucky~~

771 Corporate Drive • Suite 200 • Lexington, KY 40503
Phone: (859) 224-7300 • Fax: (859) 224-7425 • TDD: (859) 224-7422 • Web: <http://www.rurdev.usda.gov/ky>

Committed to the future of rural communities.

"USDA is an equal opportunity provider, employer and lender."
To file a complaint of discrimination write USDA, Director, Office of Civil Rights, Room 326-W, Whitten Building, 14th and Independence Avenue, SW, Washington, DC 20250-9410 or call (202) 720-5964 (voice or TDD).

Exhibit D

Notice of Adjustment of Water Rates
and newspaper clipping evidencing publication of same

NOTICE OF ADJUSTMENT OF WATER RATES

South Anderson Water District
Anderson County, Kentucky

Notice is hereby given that, pursuant to an application filed or to be filed with the Public Service Commission of Kentucky under KRS 278.023 by the South Anderson Water District (the "District"), the District proposes to adjust its monthly water service rates and charges as follows:

<u>Existing Rates</u>		<u>Proposed Rates</u>	
First 2,000 gallons	\$16.92 (minimum bill)	First 2,000 gallons	\$18.93 (minimum bill)
Next 1,000 gallons	\$8.295 per 1,000 gallons	Next 3,000 gallons	\$9.29 per 1,000 gallons
Next 2,000 gallons	\$7.245 per 1,000 gallons	Next 5,000 gallons	\$7.04 per 1,000 gallons
Next 2,000 gallons	\$6.255 per 1,000 gallons	All over 10,000 gallons	\$5.54 per 1,000 gallons
Next 3,000 gallons	\$5.215 per 1,000 gallons	Bulk Loading Station	\$3.570 per 1,000 gallons
All over 10,000 gallons	\$4.885 per 1,000 gallons		
Bulk Loading Station	\$3.570 per 1,000 gallons		

By use of federal loan proceeds and state grant proceeds, the District plans to construct a 250,000 gallon elevated storage tank and construct and install approximately 21 miles of water lines to provide new water service to 40 households.

SOUTH ANDERSON WATER DISTRICT
Eddie R. Stevens
Chairman
142 South Main Street
Lawrenceburg, Kentucky 40342
(502) 839-6919

A F F I D A V I T

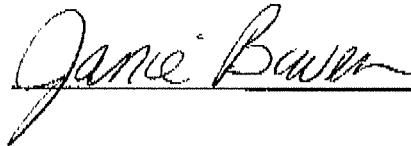
Ben Carlson, general manager of The Anderson News, a newspaper having the greatest circulation in Lawrenceburg, Kentucky hereby declares that the South Anderson Water District notice concerning the adjustment of water rates ran in the October 12, 2011 edition



Ben Carlson
General Manager

Subscribed and sworn to before me, a notary public within and for the State of Kentucky and County of Anderson, by Ben Carlson, of The Anderson News, known by me personally, this 13th day of October, 2011

My commission expires the 5th day of March 2014.



Janie Bowen,
Notary Public, State at Large

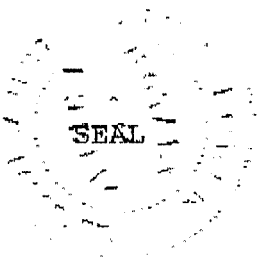


Exhibit E

Proposed Bond-authorizing Resolution of the District

BOND-AUTHORIZING RESOLUTION

A RESOLUTION OF THE COMMISSION OF SOUTH ANDERSON WATER DISTRICT, ANDERSON COUNTY, KENTUCKY, PROVIDING FOR THE CONSTRUCTION AND INSTALLATION OF MAJOR IMPROVEMENTS AND ADDITIONS TO THE DISTRICT'S EXISTING MUNICIPAL WATER DISTRIBUTION SYSTEM; AUTHORIZING THE ISSUANCE OF THE DISTRICT'S \$1,000,000 WATER SYSTEM REVENUE BONDS, SERIES 2011, TO PAY THE COSTS THEREOF (TO THE EXTENT NOT OTHERWISE PROVIDED TO BE PAID); CONFIRMING, RATIFYING AND CONTINUING PRE-EXISTING PROVISIONS PREVIOUSLY ADOPTED BY THE DISTRICT RELATING TO THE COLLECTION, SEGREGATION, DISTRIBUTION AND DISBURSEMENT OF THE INCOME AND REVENUES OF SAID MUNICIPAL WATER DISTRIBUTION SYSTEM; CONFIRMING, RATIFYING AND CONTINUING CONDITIONS AND RESTRICTIONS UNDER WHICH ADDITIONAL BONDS MAY BE ISSUED IN THE FUTURE, PAYABLE FROM THE INCOME AND REVENUES OF THE SYSTEM AND RANKING ON A BASIS OF PARITY WITH THE BONDS HEREIN AUTHORIZED AND OTHER PARITY BONDS OUTSTANDING; AND PROVIDING FOR AN ADVERTISED, PUBLIC, COMPETITIVE SALE OF THE BONDS HEREIN AUTHORIZED.

Adopted _____

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BOND-AUTHORIZING RESOLUTION

A RESOLUTION OF THE COMMISSION OF SOUTH ANDERSON WATER DISTRICT, ANDERSON COUNTY, KENTUCKY, PROVIDING FOR THE CONSTRUCTION AND INSTALLATION OF MAJOR IMPROVEMENTS AND ADDITIONS TO THE DISTRICT'S EXISTING MUNICIPAL WATER DISTRIBUTION SYSTEM; AUTHORIZING THE ISSUANCE OF THE DISTRICT'S \$1,000,000 WATER SYSTEM REVENUE BONDS, SERIES 2011, TO PAY THE COSTS THEREOF (TO THE EXTENT NOT OTHERWISE PROVIDED TO BE PAID); CONFIRMING, RATIFYING AND CONTINUING PRE-EXISTING PROVISIONS PREVIOUSLY ADOPTED BY THE DISTRICT RELATING TO THE COLLECTION, SEGREGATION, DISTRIBUTION AND DISBURSEMENT OF THE INCOME AND REVENUES OF SAID MUNICIPAL WATER DISTRIBUTION SYSTEM; CONFIRMING, RATIFYING AND CONTINUING CONDITIONS AND RESTRICTIONS UNDER WHICH ADDITIONAL BONDS MAY BE ISSUED IN THE FUTURE, PAYABLE FROM THE INCOME AND REVENUES OF THE SYSTEM AND RANKING ON A BASIS OF PARITY WITH THE BONDS HEREIN AUTHORIZED AND OTHER PARITY BONDS OUTSTANDING; AND PROVIDING FOR AN ADVERTISED, PUBLIC, COMPETITIVE SALE OF THE BONDS HEREIN AUTHORIZED.

WHEREAS, pursuant to an approving Order of the Public Service Commission of Kentucky entered on March 14, 1967, and upon petition and hearing, and upon proper public notice according to the provisions of Chapter 74 of the Kentucky Revised Statutes ("KRS"), an Order was duly entered by the County Court of Anderson County, Kentucky, on May 5, 1967, determining necessity for and creating and establishing the South Anderson Water District (the "District"), and the Court then appointed Commissioners of the District, the same constituting and being a public body corporate with all powers and authority as provided in KRS Chapter 74; and the District is at this time a *de jure* water district situated in Anderson County, Kentucky; and

WHEREAS, since 1976 the District has owned and operated its municipal water distribution system (the "System") serving the area of the District, and the District currently has outstanding the following revenue bonds payable from and secured by a pledge of the revenues of the System, on a parity one with the other:

(a) \$ _____ outstanding principal amount of Water System Revenue Bonds, Series of 1975 (the "1975 Bonds"), authorized by Resolution of the Commission of the District adopted on November 6, 1975, as amended by Resolution adopted on April 13, 1999 (collectively the "1975 Resolution");

(b) \$ _____ outstanding principal amount of Water System Revenue Bonds, Series of 1981 (the "1981 Bonds"), authorized by Resolution of the Commission of the District adopted on October 13, 1981, as amended by Resolution adopted on April 13, 1999 (collectively the "1981 Resolution");

(c) \$ _____ outstanding principal amount of Water System Revenue Bonds, Series 1993 (the "1993 Bonds"), authorized by Resolution of the Commission of the District adopted on October 13, 1993, as amended by Resolution adopted on April 13, 1999 (collectively the "1993 Resolution");

(d) \$ _____ outstanding principal amount of Water System Refunding Revenue Bonds, Series 1999A (the "1999 Bonds"), authorized by Resolution of the Commission of the District adopted on April 13, 1999 (the "1999 Resolution");

(e) \$ _____ outstanding principal amount of Water System Revenue Bonds, Series 2001 (the "2001 Bonds"), authorized by Resolution of the Commission of the District adopted on May 15, 2001 (the "2001 Resolution");

(f) \$ _____ outstanding principal amount of the Water System Revenue Bonds, Series 2005 (the "2005 Bonds"), authorized by Resolution of the Commission of the District adopted on September 15, 2005 (the "2005 Resolution"); and

WHEREAS, it is provided in the 1975, 1981, 1993, 1999, 2001 and 2005 Resolutions (the "Prior Resolutions") that the District may issue additional parity bonds ranking on a basis of parity and equality with the outstanding 1975, 1981, 1993, 1999, 2001 and 2005 Bonds (the "Prior Bonds") for the purpose of adding new water distribution system facilities to the System upon a showing of compliance with the parity bond coverage test set forth in the 1999 Resolution, and it has been determined by the Commission of the District that the District may now meet such coverage test so that additional parity bonds, ranking on a parity with the Prior Bonds and styled "Water System Revenue Bonds, Series 2011 (the "2011 Bonds"), may now be issued in the amount of \$1,000,000 for the purpose of financing a portion of the costs of major improvements and additions to the water facilities heretofore approved by the Commission of the District (the "Project"), all as more fully described in the plans and specifications heretofore prepared on behalf of the District by Kenvirons, Inc., Frankfort, Kentucky, and on file in the office of the District; and

WHEREAS, in proceedings before the Public Service Commission of Kentucky, the District has obtained the right and authority to construct and operate major extensions and additions to the System, and plans and specifications have heretofore been prepared by Kenvirons, Inc., Frankfort, Kentucky, the District's consulting engineers, and approved by the District's Commission and all state and other supervisory authorities having jurisdiction thereof; and it is the opinion of the Commission of the District that it is feasible to undertake the construction and installation of such new facilities at this time; and

WHEREAS, it has been determined upon the basis of public bids for construction duly solicited in the manner required by law, and upon the basis of other costs and estimates, that the aggregate of all costs and expenses in connection with the project will be \$2,850,000, and to provide a portion of such funds the District has received from USDA an offer to make a loan to the District in the amount of \$1,000,000 which, together with a KIA Grant in the amount of \$1,800,000 and a District contribution in the amount of at least \$50,000, will be sufficient to pay the estimated costs and expenses; and

WHEREAS, it is now appropriate for the District to provide for borrowing the sum of \$1,000,000 through issuance and sale of its 2011 Bonds, according to authority of Kentucky Revised Statutes (“KRS”) Chapters 74 and 106 and the provisions of the Prior Resolutions permitting the issuance of parity bonds; and

WHEREAS, the 2011 Bonds will be payable as to both principal and interest solely (except as to capitalized interest) from the income and revenues to be derived from the operation of the System and will not constitute an indebtedness of the District within the meaning of debt-limiting provisions of the Constitution of Kentucky.

NOW, THEREFORE, THE COMMISSION OF SOUTH ANDERSON WATER DISTRICT DOES HEREBY RESOLVE AS FOLLOWS:

SECTION 1.

AFFIRMATION OF PREAMBLE RECITALS;
AUTHORIZATION OF THE PROJECT;
DECLARATION OF NECESSITY

All statements and recitals set forth in the preamble of this Resolution, including the terms defined therein, are hereby affirmed and adopted as a part of this Resolution.

It is hereby further determined and declared to be necessary in the interests of the general welfare of the citizens and inhabitants of the District that the District undertake at this time the construction and installation of major additions and extensions (the “Project”) to the System, all substantially according to the plans, specifications and designs prepared for the District by Kenvirons, Inc., Frankfort, Kentucky (the “Engineers”), and on file with the District. Immediate undertaking of such construction and installation is hereby authorized.

SECTION 2.

PROJECT TO BE MUNICIPALLY
OWNED AND OPERATED

The construction and installation of the Project is undertaken by the District for public purposes and the same shall constitute and be a part of the System, and so long as any of the 2011 Bonds hereinafter authorized, or bonds issued on a parity therewith, shall remain outstanding and unpaid as to principal or interest, the System shall continue to be municipally owned, controlled, operated and maintained by the District for the security and source of payment of the 2011 Bonds and all other parity bonds outstanding heretofore or hereafter issued. The Project is to be constructed, installed and acquired and the System is to be operated pursuant to the provisions of KRS Chapters 74 and 106, now in full force and effect.

SECTION 3.

BOND ISSUE AUTHORIZED;
CERTAIN TERMS AND DETAILS

(A) For the purpose of providing funds to defray the costs of the Project (to the extent not otherwise provided to be paid), including all necessary and proper appurtenances, and expenses incident thereto and incident to the issuance of the 2011 Bonds, there are hereby authorized to be issued the District's Water System Revenue Bonds, Series 2011, in the principal amount of \$1,000,000, with reservation of right on the part of the District to issue additional bonds in the future, payable from the income and revenues of the System, subject to the conditions and restrictions hereinafter reaffirmed, readopted and set forth. The 2011 Bonds hereby authorized shall be offered at public sale as provided in Section 4 hereof and shall be issuable in the form of a single fully registered bond as provided in Section 5 hereof.

The 2011 Bonds shall be dated as of the date of delivery to the original purchaser thereof; shall mature as to principal in installments on January 1 in each of the years 2014 to 2051, inclusive, as set forth in the schedule appearing below; and shall bear interest from their date until payment of principal, such interest to the respective principal maturity dates to be payable semiannually on January 1 and July 1 of each year, and such interest to be at such rate as may be established by a supplemental Resolution upon the basis of competitive sale of the 2011 Bonds as hereinafter provided. The installments of principal of 2011 Bonds, in fully registered form as aforesaid, shall be as set forth in the following schedule:

<u>Year</u>	<u>Principal</u>	<u>Year</u>	<u>Principal</u>	<u>Year</u>	<u>Principal</u>
2014	\$11,000	2027	\$19,000	2040	\$32,500
2015	11,500	2028	19,500	2041	34,000
2016	12,000	2029	20,500	2042	35,500
2017	12,500	2030	21,500	2043	37,000
2018	13,000	2031	22,500	2044	38,500
2019	13,500	2032	23,500	2045	40,000
2020	14,000	2033	24,500	2046	41,500
2021	14,500	2034	25,500	2047	43,500
2022	15,500	2035	26,500	2048	45,500
2023	16,000	2036	27,500	2049	47,500
2024	16,500	2037	28,500	2050	49,500
2025	17,500	2038	30,000	2051	49,500
2026	18,000	2039	31,000		

The 2011 Bonds shall be issued as a single fully registered 2011 Bond, numbered R-1, maturing in principal installments in annual amounts corresponding to the schedule immediately above, provided, however, that installments of principal of 2011 Bonds maturing on and after January 1, 2022, shall be subject to prepayment at the option of the District before maturity in whole or from time to time in part in inverse order of maturities (less than all of a single maturity to be selected by lot) on any interest payment date on and after July 1, 2021, upon terms of par plus accrued interest without any prepayment premium, upon thirty (30) days' prior written

notice mailed to the registered holder or holders of the 2011 Bonds; provided, that so long as USDA is the owner of any of the 2011 Bonds, the same may be prepaid in whole or in part at any time at par plus accrued interest, and without notice or prepayment premium. The 2011 Bonds may be prepaid only in increments of \$500.

Both principal of and interest on the 2011 Bonds shall be payable, without deduction for exchange or collection charges, in such coin or currency of the United States of America as at the time of payment shall be legal tender for the payment of debts due the United States of America, to the registered holder at the address shown on the registration books of the District or, so long as USDA is the registered holder, at the office or address as may be designated by USDA from time to time.

If any District officer whose signature appears on any 2011 Bond shall cease to be such officer before delivery, such signature shall nevertheless be valid and binding for all purposes, the same as if such officer had continued in office until the time of delivery of such 2011 Bond. The 2011 Bonds, together with the Prior Bonds, and the interest thereon, and any bonds which may hereafter be issued on a basis of parity therewith subject to the conditions and restrictions hereinafter set forth, shall be payable only out of the Water System Bond and Interest Sinking Fund created by the 1975 Resolution and continued by the remaining Prior Resolutions, and shall be a valid claim of the holder thereof only against said Fund and the fixed portion or amount of the revenues of the System which the District has pledged to said Fund, subject to the terms hereof.

The District finds and declares that the 2011 Bonds shall rank on a basis of parity and equality as to security and source of payment with the District's previously issued and outstanding Prior Bonds inasmuch as the District is in compliance with all covenants and undertakings in connection with the Prior Bonds.

SECTION 4.

PROVISIONS RELATING TO SALE OF BOND ISSUE

The 2011 Bonds authorized by this Resolution shall be publicly offered for sale according to a Notice of Sale of Bonds conforming to the requirements of KRS Chapter 424 (and particularly KRS 424.140(3) and KRS 424.360), which shall be published one time, not less than seven (7) days nor more than twenty-one (21) days before the date therein specified (by and at the discretion of the Chairman of the Commission of the District) for the opening and consideration of purchase bids, in each of the following: (a) the legal newspaper published in Anderson County, Kentucky, which is qualified under KRS 424.120 to publish advertisements for the District; and (b) The Courier-Journal, Louisville, Kentucky, a legal newspaper having statewide circulation.

Said Notice shall state the name and amount of 2011 Bonds to be sold, the time of the sale and other details concerning the 2011 Bonds and the sale, and shall inform prospective bidders that a copy of the Official Notice of Bond Sale, setting out the maturities, security of the 2011 Bonds, provisions as to redemption before maturity and related information, may be

obtained from the District. Such Official Notice shall contain, *inter alia*, substantially the following bidding requirements:

(A) Bidders shall be limited to institutions or persons having knowledge and experience in financial and business matters who are capable of evaluating the merits and risks of the 2011 Bonds and who are not purchasing for more than one account and do not intend to redistribute the 2011 Bonds. The District will make available to any such qualified bidder, upon written request, any financial or other material information regarding the District and the System in the District's possession. Bidders are required to bid a cash price of not less than par value for the 2011 Bonds.

(B) Interest rate must be in a multiple of 1/8 or 1/10 of one percent.

(C) Bids will be considered only for the entire 2011 Bond issue.

(D) Bidders (except USDA) are required to deposit a good faith check by cashier's check or certified check in the minimum amount of 2% of the face amount of the 2011 Bonds for which the bid is submitted, which good faith deposit may be applied as partial payment for such 2011 Bonds, or as liquidated damages in the event that such bidder, if successful, fails to comply with the terms of his bid.

(E) Preference in award will be given to the bid resulting in the lowest net interest cost to the District.

(F) The lowest net interest cost will be determined by deducting the total amount of any premium bid from the aggregate amount of interest upon the 2011 Bonds bid for, computed from the first day of the month following the date of sale of the 2011 Bonds (even though the 2011 Bonds will bear interest only from the date of delivery) to the final maturity specified in each bid.

(G) The District expects to deliver, and the successful bidder must be prepared to accept delivery of and pay for, the 2011 Bonds at the office of the District within 45 days after notice is given of the award. If the 2011 Bonds are not ready for delivery and payment within 45 days from the aforesaid date of sale, the successful bidder shall be relieved of any liability to accept delivery of the 2011 Bonds, except that 2011 Bonds purchased by any agency of the federal government will be delivered to it at a place and time designated by such agency in accordance with its established practices and procedures.

(H) The District reserves the right, in its discretion, to determine the best bid or bids, to waive any informality or irregularity and to reject any or all bids.

(I) The District will furnish the 2011 Bonds, together with evidence of approval of the 2011 Bond issue by the Public Service Commission of Kentucky pursuant to the requirements of KRS Chapter 278, and customary closing documents, including a no-litigation certificate.

(J) The successful bidder will receive the approving legal opinion of Stoll Keenon Ogden PLLC, Bond Counsel, Louisville, Kentucky, as to the legality of and tax-exempt status of interest on the 2011 Bonds, without additional cost to the successful bidder.

In the event that there is no bid, or that all bids are rejected, the District may re-advertise the sale pursuant to this Resolution.

Bond Counsel having submitted to the Commission of the District forms of the Notice of Sale of Bonds and the Official Notice of Bond Sale, together with an Official Bid Form for use by all bidders except USDA, said documents are hereby approved and authorized for use in connection with the aforesaid sale of the 2011 Bonds.

SECTION 5.

2011 BONDS TO BE ISSUED IN FULLY REGISTERED FORM; FULLY REGISTERED BOND FORM

Upon the sale of the 2011 Bonds, the District shall issue a single fully registered 2011 Bond numbered R-1 (hereinafter referred to as the "Fully Registered Bond"). The Fully Registered Bond shall be in the aggregate principal amount of the 2011 Bond issue, maturing as to principal in installments as set out in Section 3 hereof. The Fully Registered Bond shall be of type composition, on paper of sufficient weight and strength to prevent deterioration until the last day of maturity of any installment of principal as stated therein, and shall conform in size to standard practice. The Fully Registered Bond shall, upon execution on behalf of the District (which execution shall be by manual signatures of the Chairman and Secretary of the Commission, and actual impression of the corporate seal), constitute the Bond issue herein authorized and referred to, and shall be non-negotiable, without interest coupons, registered as to principal and interest, and payable as directed by the payee, and be in substantially the form hereinafter set forth.

The District hereby directs that books for the registration and for the transfer of the Fully Registered Bond shall be kept by the Secretary, who is hereby appointed as Bond Registrar in connection with such Bond. The Fully Registered Bond shall be transferable only upon the Bond Registrar's books at the request of the registered holder thereof in person or by his attorney duly authorized in writing, upon surrender thereof together with a written instrument of transfer satisfactory to the Bond Registrar duly executed by the registered holder or his duly authorized attorney. Upon such transfer of the Fully Registered Bond, the Bond Registrar shall complete (with the name of the transferee), date and execute the registration schedule appearing on the Fully Registered Bond and deliver the Fully Registered Bond to such transferee. The person in whose name the Fully Registered Bond shall be properly registered shall be deemed and regarded as the absolute owner thereof for all purposes, and payment of either principal thereof or interest thereon shall be made only to or upon the order of the registered holder thereof or his legal representative, but such registration may be changed as hereinabove provided. All such payments shall be valid and effectual to satisfy and discharge the liability upon the Fully Registered Bond to the extent of the sum or sums so paid. The face amount of the Fully Registered Bond, portions of which mature on different dates, will be reduced upon the payment

of each maturity, and the Secretary shall keep appropriate records of all payments (both principal and interest) with respect to the Fully Registered Bond.

The Fully Registered Bond shall be in substantially the following form (with appropriate insertions and modifications):

(FORM OF FULLY REGISTERED BOND)

UNITED STATES OF AMERICA
COMMONWEALTH OF KENTUCKY
SOUTH ANDERSON WATER DISTRICT
WATER SYSTEM REVENUE BOND, SERIES 2011

No. R-1

\$1,000,000

KNOW ALL MEN BY THESE PRESENTS:

That South Anderson Water District (the "District"), acting by and through its Commission, a public body corporate created and existing pursuant to Chapter 74 of the Kentucky Revised Statutes and situated in Anderson County, Kentucky, for value received, hereby promises to pay to the registered holder hereof, as hereinafter provided, solely from the special fund hereinafter identified, the sum of ONE MILLION DOLLARS (\$1,000,000) on the first day of January in years and installments as follows:

<u>Year</u>	<u>Principal</u>	<u>Year</u>	<u>Principal</u>	<u>Year</u>	<u>Principal</u>
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(Here the printer will print the principal maturities for the Series 2011 Bonds)

without deduction for exchange or collection charges, in such coin or currency of the United States of America as at the time of payment shall be legal tender for the payment of debts due the United States of America, and in like manner, solely from said special fund, to pay interest on the balance of said principal sum from time to time remaining unpaid, without deduction for exchange or collection charges and in like coin or currency, at the rate of _____% per annum, semiannually on the first days of January and July in each year hereafter until said sum is paid, except as the provisions hereinafter set forth with respect to prepayment may be and become applicable hereto, both principal and interest being payable to the registered holder hereof at the address shown on the registration books of the District or, so long as the United States of America, Department of Agriculture, is the registered holder of this Bond, at the office or address as may be designated by said Department of Agriculture from time to time.

This Bond is the Bond in fully registered form representing a total authorized issue of Bonds in the principal amount of \$1,000,000 issued by the District pursuant to the Constitution and Statutes of the Commonwealth of Kentucky, including Chapters 74 and 106 of the Kentucky Revised Statutes, and pursuant to a duly adopted Resolution of the District, for the purpose of paying the costs (to the extent not otherwise provided to be paid) of the construction and installation of major extensions and additions to the District's municipal water distribution system (the "System"), together with appurtenant facilities, and incidental expenses.

This Bond and the issue which it represents, together with such additional bonds ranking on a parity therewith as have heretofore been issued and are outstanding and as may hereafter be issued and outstanding from time to time in accordance with the conditions and restrictions set forth in the resolution authorizing the issuance of this Bond, are payable from and secured by a pledge of a fixed portion of the income and revenues to be derived from the operation of the System, which fixed portion shall be sufficient to pay the principal of and interest on this Bond and the issue which it represents, and any outstanding parity bonds, as and when the same shall become due and payable, and which shall be set aside as a special fund for that purpose and identified as the "Water System Bond and Interest Sinking Fund."

A statutory mortgage lien upon the System and appurtenant facilities, together with all future additions and improvements thereto, and extensions thereof, is created by Section 106.080 of the Kentucky Revised Statutes and by the aforesaid Resolution for the benefit and protection of the holder of this Bond, and the same shall remain in effect until payment in full of the principal of and interest on this Bond.

This Bond does not in any manner constitute an indebtedness of the District within the meaning of the Statutes and Constitution of Kentucky, and the District is not and shall not be obligated to pay this Bond or the interest hereon except from said special fund. The District, acting by and through its Commission, covenants that it will fix, and if necessary adjust from time to time, such rates and charges for use of the services and facilities of the System and will collect and account for the income and revenues therefrom sufficient to pay promptly the interest on and principal of this issue of Bonds, and all other bonds ranking on a parity therewith as may be issued and outstanding from time to time in accordance with the conditions and restrictions prescribed in that connection, as well as to pay the costs of operation and maintenance of the System.

This Bond shall be registered as to principal and interest in the name of the holder hereof, after which it shall be transferable only upon presentation to the Secretary of the District, as the Bond Registrar, with a written transfer duly acknowledged by the registered holder or his duly authorized attorney, which transfer shall be noted upon this Bond and upon the books of the District kept for that purpose.

The District, at its option, shall have the right to prepay, on any interest payment date on and after July 1, 2021, in the inverse chronological order of the installments due on this Bond, the entire principal amount of this Bond then remaining unpaid, or such lesser portion thereof in multiples of Five Hundred Dollars (\$500) as the District may determine, at a price in an amount equivalent to the principal amount to be prepaid plus accrued interest to the date of prepayment, without any prepayment premium. Notice of such prepayment shall be given by registered mail to the registered holder of the Bond at least thirty (30) days before the date fixed for prepayment. Provided, however, that so long as the United States of America, Department of Agriculture, is the registered holder of this Bond, this Bond may be prepaid at any time in whole or in part, at par or face value and without notice or prepayment premium.

Upon default in the payment of any principal or interest payment on this Bond or upon failure by the District to comply with any other provisions of this Bond or with the provisions of

the resolution authorizing the issuance of this Bond, the registered holder may, at his option, institute proceedings to enforce all rights and remedies provided by law or by said resolution.

This Bond is exempt from *ad valorem* taxation in the Commonwealth of Kentucky.

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts, conditions and things required to exist, happen and be performed precedent to and in the issuance of this Bond do exist, have happened and have been performed in due time, form and manner as required by law, and that the face amount of this Bond, being the total authorized amount of Bonds of the issue which this Bond represents, together with all other obligations of the District, does not exceed any limit prescribed by the Constitution or Statutes of the Commonwealth of Kentucky.

IN WITNESS WHEREOF, the South Anderson Water District, in the Commonwealth of Kentucky, by its Commission, has caused this Bond to be executed by the Chairman of its Commission, attested by the Secretary, and its corporate seal to be hereunto affixed, on the date of this Bond, which is Eddie R. Stevens.

SOUTH ANDERSON WATER DISTRICT

By: _____
Chairman of the Commission

ATTEST:

Secretary

(Seal of District)

PROVISION FOR REGISTRATION

This Bond shall be registered on the books of the South Anderson Water District kept for that purpose by the Secretary, as Bond Registrar, upon presentation hereof to the Secretary, who shall make notation of such registration in the registration blank, and this Bond may thereafter be transferred only upon written transfer acknowledged by the registered holder or his attorney, such transfer to be made on said books and endorsed hereon.

(FORM OF REGISTRATION)

Date of Registration	Name of Registered Holder	Signature of the Water District's Bond Registrar
United States of America	Department of Agriculture State Office 771 Corporate Dr., Suite 200 Lexington, Kentucky 40503*	

*(To be inserted if USDA purchases the 2011 Bonds)

SECTION 6.

DISPOSITION OF 2011 BOND PROCEEDS; CONSTRUCTION FUND

The Secretary of the District shall be the custodian of all funds belonging to and associated with the System, as expanded and improved from time to time, and such funds shall be deposited in such bank or banks in Kentucky as the Commission of the District may from time to time designate (hereinafter sometimes referred to, singularly and collectively, as the "Depository Bank"). All such moneys of the District deposited in the Depository Bank in excess of the amount insured by the Federal Deposit Insurance Corporation ("FDIC") shall be secured by the Depository Bank in accordance with U. S. Treasury Department Circular No. 176. The Secretary shall execute a fidelity bond in an amount and with a surety company approved by USDA so long as it is the holder of any of the 2011 Bonds; and USDA and the District shall be named co-obligees in such surety bond, and the amount thereof shall not be reduced without the written consent of USDA. The proceeds of the 2011 Bonds shall be applied as follows:

Upon the issuance and delivery of the 2011 Bonds authorized by this Resolution, the entire proceeds thereof shall be deposited in an account designated "South Anderson Water District 2011 Construction Fund" (the "Construction Fund"), hereby created. The 2011 Bond proceeds shall constitute a part of the Construction Fund and shall be applied, to the extent necessary, in paying the costs incident to constructing, installing and acquiring the Project, including expenses incurred in the issuance of the 2011 Bonds and paying interim financing obligations (both principal and interest) incurred in connection with the Project as authorized by a separate interim financing Resolution of the Commission of the District; provided, however, any 2011 Bond proceeds so used to pay such interim financing obligations may be disbursed directly to the appropriate lending institution(s) without the requirement of being deposited to the Construction Fund.

A sum in the Construction Fund estimated to be equal to interest which will accrue on the 2011 Bonds (following delivery thereof) during construction and development of the Project

shall be earmarked, used and applied to the payment of interest on the 2011 Bonds next becoming due.

Disbursements from the Construction Fund shall be made by checks signed by the District Secretary, and such disbursements shall be authorized and approved in writing by the District Chairman and Secretary and, if USDA is the purchaser of the 2011 Bonds, by USDA (if USDA so requires). Reference is made in this connection to the provisions of the separate interim financing Resolution adopted concurrently herewith.

Pending disbursement, the 2011 Bond proceeds shall be deposited, as aforesaid, in the Construction Fund, and to the extent that such deposit causes the aggregate deposits by the District in the Depository Bank to be in excess of the amount insured by FDIC, the same shall be secured by a surety bond or bonds furnished by a surety company or companies qualified to do business in Kentucky and approved by the Commission of the District, or by a valid pledge of direct obligations of the United States Government, or obligations as to which the payment of principal and interest are guaranteed by the United States Government, having a market value at least equivalent to such deposit.

Where the moneys on deposit in the Construction Fund exceed the estimated disbursements on account of the Project for the next 60 days, the District shall direct the Depository Bank to invest such excess funds in direct obligations of, or obligations the principal of and interest on which are guaranteed by, the United States Government, which shall mature not later than six months after the date of such investment and which shall be subject to redemption at any time by the holder thereof. The earnings from any such investments shall be deposited in the Construction Fund by the District, unless otherwise authorized by USDA.

In the event any unexpected balance shall remain in the Construction Fund after completion of the Project, and payment of all of the costs thereof, as certified by the Engineers, such unexpended balance, subject to the terms and conditions of the aforesaid USDA loan, and to USDA approval, shall be transferred and deposited in the Water System Bond and Interest Sinking Fund, hereinafter referred to, and shall be used at the earliest practicable date for the retirement of 2011 Bonds by purchase thereof (or principal prepayment) in inverse order of maturities or established annual payment amounts, and in proportion to the principal amount of the series (insofar as practicable).

In the event that the amount hereinabove provided to be set aside from 2011 Bond proceeds for payment for interest during the construction and development of the Project should prove to be insufficient for such purpose, additional moneys may, upon approval by USDA, be withdrawn from the Construction Fund and so applied, inasmuch as interest during such period is a proper part of the cost of the Project, to the extent authorized by USDA.

Pending disbursements for the authorized purposes, the proceeds of all 2011 Bonds at any time issued pursuant to this Resolution shall be subject to a first and paramount lien and charge in favor of the holders of 2011 Bonds issued and outstanding hereunder and for their further security.

SECTION 7.

OPERATION OF SYSTEM; FLOW
OF FUNDS; ACCUMULATION OF REVENUES

From and after issuance and delivery of the 2011 Bonds, and so long as any of the 2011 Bonds or parity bonds remain outstanding and unpaid, the System shall continue to be operated on a fiscal year basis beginning each January 1 and ending on the last day of the next December, as at present, and on that basis the income and revenues of the System shall be collected, segregated, accounted for and distributed as follows:

A separate and special fund or account of the District, distinct and apart from all other funds and accounts, was created by the 1975 Resolution and designated and identified as the District's "Water Revenue Fund" (the "Revenue Fund"), which shall continue to be maintained by the District, and into which shall be deposited all income and revenues of the System (to the extent not otherwise provided to be deposited hereinafter). The moneys in the Revenue Fund from time to time shall be used and disbursed and applied by the District, as permitted by applicable statutes, as follows:

(A) A separate and special fund or account of the District, distinct and apart from all other funds and accounts, was created in and by the 1975 Resolution and designated and identified as the District's "Water System Bond and Interest Sinking Fund" (the "Bond Fund"), which shall continue to be maintained so long as any of the Prior Bonds, the 2011 Bonds or parity bonds herein permitted to be issued are outstanding; and all moneys deposited therein from time to time shall be used and disbursed and applied, and are hereby irrevocably pledged, solely for the purpose of paying the principal of and interest on the Prior Bonds, the 2011 Bonds and any parity bonds hereafter issued and outstanding pursuant to the provisions of this Resolution.

There shall continue to be set aside and transferred on or before the 20th day of each month from the Revenue Fund, as a first charge thereon, and deposited in the Bond Fund sums sufficient to pay when due the principal and interest requirements on the Prior Bonds, the 2011 Bonds and any parity bonds. Specifically, there shall be paid into the Bond Fund on or before the 20th day of each month, on account of the Prior Bonds and the 2011 Bonds, not less than the following:

(i) a sum which together with other funds available in the Bond Fund for such purpose will be equal to one-sixth (1/6) of the next succeeding interest installment to become due on all Prior Bonds and 2011 Bonds then outstanding; and

(ii) a sum which together with other funds available in the Bond Fund for such purpose will be equal to one-twelfth (1/12) of the principal of all Prior Bonds and 2011 Bonds maturing on the next succeeding January 1.

In the event additional parity bonds are issued pursuant to the conditions and restrictions hereinafter prescribed in that connection, the monthly deposits to the Bond Fund shall be increased to provide for payment of interest thereon and the principal thereof as the same respectively become due.

If for any reason there should be a failure to pay into the Bond Fund the full amounts above stipulated, then an amount equivalent to such deficiency shall be set apart and paid into the Bond Fund from the first available income and revenues of the System, subject to the aforesaid priorities.

No further payments need be made into the Bond Fund if and when the amount held therein and in the Debt Service Reserve Fund hereinafter created is at least equal to the amount required to retire all outstanding Prior Bonds and 2011 Bonds and parity bonds and paying all interest that will accrue thereon.

(B) A separate and special fund or account of the District, distinct and apart from all other funds and accounts, is hereby created and designated and identified as the "Water System Revenue Bond Debt Service Reserve Fund" (the "Debt Service Reserve Fund"), which shall be maintained so long as there are outstanding any parity bonds herein permitted to be issued on a parity with the Prior Bonds and 2011 Bonds, except those parity bonds the original purchaser or purchasers of which have waived the benefit of, and any claim to, the Debt Service Reserve Fund. Parity bonds which may be issued and outstanding from time to time as hereinafter permitted and with respect to which the original purchaser or purchasers have not waived the benefit of and claim to the Debt Service Reserve Fund are hereafter referred to as "qualified parity bonds." The purchaser of the Prior Bonds other than the 1999 Bonds, by its acceptance of the Prior Bonds other than the 1999 Bonds, has been, and the purchaser of the 2011 Bonds shall be, deemed to have elected, for itself and on behalf of all subsequent holders of the Prior Bonds other than the 1999 Bonds, to waive the benefit of and any claim to the Debt Service Reserve Fund, which presently secures only the 1999 Bonds.

All moneys deposited in the Debt Service Reserve Fund from time to time shall be held and applied, and are hereby irrevocably pledged, solely for the purpose of paying the principal of and interest on the outstanding qualified parity bonds, if any, if and to the extent insufficient funds are available therefor in the Bond Fund. Whenever the amount in the Debt Service Reserve Fund is less than the Reserve Amount, hereinafter defined, the amount necessary to restore the balance in the Debt Service Reserve Fund to the Reserve Amount shall be paid into the Debt Service Reserve Fund in thirty-six (36) equal monthly installments, each payable on the twentieth (20th) day of the month (except that when the twentieth (20th) day of any month shall be a Sunday or a legal holiday, then such payment shall be made on the next succeeding business day) from the Revenue Fund, after making the deposits set out in subsection (B) above, until the Reserve Amount is on deposit in the Debt Service Reserve Fund. The term "Reserve Amount" as used herein means an amount of money equal to the lesser of (i) the maximum principal and interest requirement on the outstanding qualified parity bonds in any year ending January 1, (ii) and amount equal to 125% of the average annual debt service on the outstanding qualified parity bonds in any year ending January 1, and (iii) an amount equal to 10% of the proceeds of all such qualified parity bonds within the meaning of Section 148(d) of the United States Internal Revenue Code of 1986, as amended.

Any amount in the Debt Service Reserve Fund in excess of the Reserve Amount shall be transferred to the Bond Fund and applied as a credit against payments into the Bond Fund from the Revenue Fund on a monthly basis as described in the foregoing subsection (A).

(C) All moneys held in the Revenue Fund, the Bond Fund and the Debt Service Reserve Fund shall be deposited in a bank or banks which are members of the Federal Deposit Insurance Corporation ("FDIC") selected by the District from time to time (in each case, a "Depository Bank"), and all such deposits which cause the aggregate deposits of the District in any one Depository Bank to be in excess of the amount insured by FDIC shall be continuously secured by a valid pledge of direct obligations of the United States of America having an equivalent market value. All or any part of the Revenue Fund and the Bond Fund may, and the Debt Service Reserve Fund shall, be invested in Investment Obligations, as hereinafter defined, maturing or being subject to retirement at the option of the holder on such dates as the same may be needed for meeting interest and/or principal payments, and all such investments shall be carried to the credit of the Fund which supplied the funds for such investments, and the income from such investments shall be credited to the Bond Fund; provided, however, if the amount in the Debt Service Reserve Fund is less than the Reserve Amount, income from investments in the Debt Service Reserve Fund shall be credited to the Debt Service Reserve Fund until the Reserve Amount is accumulated therein. Investment Obligations in the Debt Service Reserve Fund shall be valued at cost.

Investment income accruing to the Bond Fund shall be credited against payments into the Bond Fund from the Revenue Fund on a monthly basis as set out in the foregoing subsection (A) hereof.

As used in this Resolution, the term "Investment Obligations" shall mean any of the following, if and to the extent the following are legal investments for the moneys held in the funds and accounts established pursuant to this Resolution: (i) general obligations of, or obligations the payment of the principal of and interest on which are unconditionally guaranteed by, the United States of America, and any certificate or other evidence of an ownership interest in any such securities or in specified portions thereof consisting of the principal thereof or the interest thereon or any combination thereof; (ii) obligations of any agency or instrumentality of the United States of America the payment of principal of and interest on which is backed by the full faith and credit of the United States of America; (iii) savings accounts, interest-bearing time deposits or certificates of deposit in any national bank or bank chartered in Kentucky authorized to engage in the banking business the deposits of which shall be insured by the Federal Deposit Insurance Corporation ("FDIC") and having a combined capital and surplus aggregating not less than Two Million Dollars (\$2,000,000); provided, however, that each such deposit shall be continuously secured (to the extent not insured by FDIC) by lodging with a separate bank or trust company approved by the District, as custodian, collateral security in the form of obligations described in (i) or (ii) above having a market value (exclusive of accrued interest) at all times not less than the amount of such deposit (to the extent not insured by FDIC), which collateral security shall be valued by the District at least annually and must be unencumbered and not otherwise pledged and shall be subject to a *perfected first lien for the benefit of the District*; (iv) repurchase agreements with banks described in (iii) above, continuously secured as provided in (iii) above; (v) money market funds composed of securities described in (i) and (ii) above and rated AAA (or the equivalent thereof) by Standard and Poor's Ratings Services or Moody's Investors Service, Inc., provided that any such investment in money market funds shall not exceed six (6) months in duration; and (vi) bonds, notes or certificates of indebtedness of the Commonwealth of Kentucky and its agencies and instrumentalities.

(D) A separate and special fund or account of the District was created by the 1975 Resolution designated and identified as the District's "Water Depreciation Fund" (the "Depreciation Fund"). After observing the priority of deposits set forth in (A) through (C) above, which are cumulative, there shall be set apart and paid into the Depreciation Fund each month not less than \$2,205 (or more, if fixed by Resolution of the Commission of the District) from the remaining funds in the Revenue Fund, such monthly deposits to continue so long as any bonds payable from the income and revenues of the System remain outstanding and unpaid or until a minimum balance of \$267,600 is reached.

In addition to the above deposits from the Revenue Fund, there shall also be deposited in the Depreciation Fund, as received, the proceeds of all property damage insurance (except public liability) maintained in connection with the System, and the cash proceeds of any surplus, worn-out or obsolescent properties of the System, if the same be sold upon order of the Commission of the District. Any fees which may be levied and collected by the Commission of the District for the privilege of connecting to the System (excluding initial deposits received in aid of a particular project) shall be paid, as received, into the Depreciation Fund.

The Depreciation Fund shall be available and may be withdrawn and used by the District, upon appropriate certification as to the authorization for such withdrawal, for the purpose of paying the cost of unusual or extraordinary maintenance, repairs, renewals or replacements, not included in the Annual Budget of Current Expenses (as defined in Section 8 hereof), and the cost of constructing additions and improvements to the System which will either enhance its revenue-producing capacity or provide a higher degree of service. The Depreciation Fund shall also be available for transfer to the Bond Fund in order to avoid default in connection with any bonds payable from the Bond Fund or to redeem or purchase Prior Bonds, 2011 Bonds or parity bonds in advance of maturity.

At any time when the accumulations in the Depreciation Fund shall exceed the anticipated current needs for authorized purposes, all or any portion of such excess may be invested and reinvested upon order of the Commission in Investment Obligations (as described in subsection (C) of this Section) maturing or subject to redemption at the option of the holder not later than the time anticipated to be needed by the District, but in any event not later than five (5) years after the date of investment; but as and when funds may be required for authorized purposes a sufficient portion thereof shall be converted into cash and so applied. All investments of money in the Depreciation Fund shall be carried to the credit of the Depreciation Fund; all income from investments and any profit from the sale thereof shall be credited thereto; and any expenses incident to investment or reinvestment, together with any loss from forced conversion of investments into cash, shall be charged thereto.

The District shall also make monthly deposits of \$400 into a special segregated subaccount in the Depreciation Fund to fund costs of short-lived water system assets, as request by USDA.

(E) A separate and special fund or account of the District was created by the 1975 Resolution designated the District's "Operation and Maintenance Fund" (the "Operation and Maintenance Fund"), which shall continue to be maintained for the benefit of the System and all bonds payable from the income and revenues of the System. The District covenants that it will

transfer monthly from the moneys in the Revenue Fund, after making the transfers required by (A) through (D) above, to the Operation and Maintenance Fund sums sufficient to pay as they accrue the Current Expenses of operating and maintaining the System pursuant to the Annual Budget, for which provision is hereafter made, and to accrue an operation and maintenance reserve not in excess of anticipated requirements for a two-month period pursuant to the Annual Budget.

At any time when the accumulations in the Operation and Maintenance Fund shall exceed the anticipated current needs for authorized purposes, all or any portion of such excess may be invested and reinvested upon order of the Commission in Investment Obligations (as described in subsection (C) of this Section) maturing or subject to redemption at the option of the holder not later than the time anticipated to be needed by the District, but in any event not later than ninety (90) days after the date of investment; but as and when funds may be required for authorized purposes a sufficient portion thereof shall be converted into cash and so applied. All investments of money in the Operation and Maintenance Fund shall be carried to the credit of the Operation and Maintenance Fund; all income from investments and any profit from the sale thereof shall be credited thereto; and any expenses incident to investment or reinvestment, together with any loss from forced conversion of investments into cash, shall be charged thereto.

(F) Subject to the provisions of subsections (A) through (E) above, which are cumulative, and after paying or providing for the payment of debt service on any subordinate obligations, there shall be transferred within sixty (60) days after the end of each fiscal year the balance of excess funds in the Revenue Fund on such date to the Depreciation Fund.

* * *

All payments into the above special funds shall be made on or before the twentieth (20th) day of each month, except that when the twentieth (20th) day of any month shall be a Sunday or a legal holiday, then such payment shall be made on the next succeeding business day.

All moneys held in any of the above special funds shall be kept apart from all other District funds and shall be deposited in one or more Depository Bank, and all such deposits which cause the aggregate of all deposits of the District in any Depository Bank to be in excess of the amount secured by FDIC shall (unless invested as herein authorized) be secured by a pledge of direct obligations or by guaranteed bonds or securities of the United States Government having a market value at least equivalent to such excess deposit.

SECTION 8.

COVENANTS TO BONDHOLDERS

The District hereby irrevocably covenants and agrees with the holder or holders of any and all 2011 Bonds and parity bonds at any time issued and outstanding pursuant to authority of this Resolution that so long as the same or any part thereof or interest thereon remain outstanding and unpaid:

(A) It will faithfully and punctually perform all duties with reference to the System required by the Constitution and laws of the Commonwealth of Kentucky, and by the terms and provisions of this Resolution.

(B) It will at all times operate the System on a revenue-producing basis, and will permit no free services to be rendered or afforded thereby.

(C) It will maintain the System in good condition through application of revenues accumulated and set aside for operation and maintenance, as herein provided; and will make unusual or extraordinary repairs, renewals and replacements, as the same may be required, through application of revenues accumulated and set aside for such purposes.

(D) So long as any of the 2011 Bonds are outstanding, it will not sell or otherwise dispose of any of the System facilities or any part thereof, and, except as provided for in this Resolution, it will not create or permit to be created any charge or lien on the revenues thereof ranking equal or before the charge or lien of the 2011 Bonds. Notwithstanding the foregoing, the District may at any time permanently abandon the use of, or sell at fair market value, any of its System facilities, provided that:

(i) it is in compliance with all covenants and undertakings in connection with all of its bonds then outstanding and payable from the revenues of the System;

(ii) it will, in the event of sale, apply the proceeds to either (1) redemption of outstanding 2011 Bonds or parity bonds in accordance with the provisions governing prepayment of bonds in advance of maturity, or (2) replacement of the facility so disposed of by another facility the revenues of which shall be incorporated into the System as hereinbefore provided;

(iii) it certifies, before any abandonment of use, that the facility to be abandoned is no longer economically feasible of producing net revenues; and

(iv) notwithstanding all of the foregoing, no such sale, abandonment or transfer of System facilities shall be made so long as USDA owns any of the 2011 Bonds, without the written consent and approval of USDA.

(E) It will establish, enforce and collect rates and charges for services rendered and facilities afforded by the System; and the same shall be reasonable and just, taking into account and consideration the cost and value of the System, the costs of operating the same and maintaining it in a good state of repair, proper and necessary allowances for depreciation and for additions and extensions, and the amounts necessary for the orderly retirement of all outstanding bonds as aforesaid and the accruing interest thereon, and the accumulation of any required reserves; and such rates and charges shall be adequate to meet all such requirements as provided in this Resolution and shall, if necessary, be adjusted from time to time in order to comply herewith; and such rates and charges shall be adequate to provide 1.20 times coverage of average annual principal and interest on all bonds payable from the Bond Fund.

On or before the date of issuance of the 2011 Bonds, the District will adopt a Budget of Current Expenses for the System for the remainder of the then current fiscal year of the System, and thereafter, on or before the first day of each fiscal year so long as any 2011 Bonds are

outstanding, it will adopt an Annual Budget of Current Expenses for the ensuing fiscal year, and will file a copy of each such Budget, and of any amendments thereto, in the office of the Secretary of the District, and so long as USDA owns any of the Prior Bonds or parity bonds, will file a copy thereof with USDA and will furnish copies thereof to the holder of any 2011 Bond upon written request. The term "Current Expenses," as herein used, includes all reasonable and necessary costs of operating, repairing, maintaining, and insuring the System, but shall exclude any allowance for depreciation, payments into the Depreciation Fund for extensions, improvements and extraordinary repairs and maintenance, and payments into the Bond Fund and the Debt Service Reserve Fund. The District covenants that the Current Expenses incurred in any year will not exceed the reasonable and necessary amounts therefor, and that it will not expend any amount or incur any obligations for operation, maintenance and repairs in excess of the amounts provided for Current Expenses in the Annual Budget, except upon resolution duly adopted by the Commission of the District determining that such expenses are necessary in order to operate and maintain the System. At the same time, and in like manner, the District agrees that it will prepare an estimate of gross revenues to be derived from operation of the System for each fiscal year, and to the extent that said gross revenues are insufficient to provide for of all payments required to be made into the Bond Fund and the Debt Service Reserve Fund during such ensuing fiscal year, and to make required payments into the Depreciation Fund and the Operation and Maintenance Fund, the District covenants and agrees that it will revise its rates and charges for services rendered by the System, so that the same will be adequate to meet all of such requirements.

(F) It will not at any time make any reduction in any prevailing schedule of rates and charges for use of the services and facilities of the System without first obtaining the written determination of a consulting engineer of national reputation that the proposed reduction will not adversely affect the ability of the District to meet all the requirements set forth in this Resolution.

(G) It will at all times segregate the revenues of the System from all other revenues, moneys and funds of the District, and will promptly and regularly make application and distribution thereof into the special funds provided in this Resolution, in the amounts and with due regard for the priorities herein attributed thereto.

(H) It will keep proper books of record and account, separate and clearly distinguishable from all other municipal records and accounts, showing complete and correct entries of all transactions relating to the System, and the same shall be available and open to inspection upon reasonable written notice by any 2011 Bondholder, and any agent or representative of a 2011 Bondholder.

(I) It will, within ninety (90) days after the end of each fiscal year, cause an audit to be made of the books of record and account pertinent to the System, by an independent state-licensed certified public accountant not in the employ of the District on a monthly salary basis, showing all receipts and disbursements, and reflecting in reasonable detail the financial condition and records of the System, including the status of the several funds hereinbefore created and continued, the status of the insurance and fidelity bonding, the number and type of connections, and the current rates and charges, with comments of the auditor concerning whether the books and records are being kept in compliance with this Resolution and in accordance with recognized accounting practices, and will promptly cause a copy of the Audit Report to be filed in the office

of the Secretary where it will be available for public inspection, and will promptly mail a copy thereof to USDA and to any holder of 2011 Bonds upon written request. If requested in writing to do so, the District will furnish to any bondholder a condensed form of the balance sheet, and a condensed form of the operating report, in reasonable detail. All expenses incurred in causing such audits to be made, and copies distributed, shall constitute proper expenses of operating and maintaining the System, and may be paid from revenues allocated for such purposes, as herein provided. Provided, so long as USDA holds any of the bonds of the District, the District shall furnish operating and other financial statements in such form and substance and for such periods as may be requested by USDA.

(J) Any holder of 2011 Bonds may either at law or in equity, by suit, action, mandamus or other proceedings, enforce and compel performance by the District and its officers and agents of all duties imposed or required by law or this Resolution in connection with the operation of the System, including the making and collecting of sufficient rates and segregation of the revenues and application thereof.

(K) If there be any default in the payment of the principal of or interest on any of the 2011 Bonds, then upon the filing of suit by any holder of the 2011 Bonds, any court having jurisdiction of the action may appoint a receiver to administer the System on behalf of the District, with power to charge and collect rates sufficient to provide for the payment of any bonds or obligations outstanding against the System, and for the payment of Current Expenses, and to apply the revenues in conformity with this Resolution and the provisions of said statute laws of Kentucky aforesaid.

(L) The District will cause each officer or other person (other than Depository Banks) having custody of any moneys administered under the provisions of this Resolution to be bonded at all times in an amount at least equal to the maximum amount of such moneys in his custody at any time; each such bond to have surety given by a surety corporation qualified to do business in Kentucky and approved by the Commission, and the premiums for such surety shall constitute a proper expense of operating the System, and may be paid from moneys available in the Operation and Maintenance Fund.

(M) It will procure, and at all times maintain in force, insurance of all insurable properties constituting parts of, or being appurtenant to, the System to the full insurable value thereof, against damage or destruction by fire, windstorm, and the hazards covered by the standard "extended coverage" policy endorsements or provisions, the premiums therefor to be paid from the Operation and Maintenance Fund; and will deposit all sums collected under the terms of such policies in the Depreciation Fund. Such insurance shall be in amounts sufficient to provide for not less than full recovery whenever a loss from perils insured against does not exceed eighty percentum (80%) of the full insurable value of the damaged facility.

(N) The District will procure and at all times maintain public liability insurance relating to the operation of the System, with limits of not less than \$200,000 for one person and \$500,000 for more than one person involved in one accident to protect the District from claims for bodily injury and/or death; and not less than \$100,000 from claims for damage to property of others which may arise from the District's operation of the System.

(O) The District will carry suitable workers' compensation insurance in accordance with law.

(P) If the District owns or operates a vehicle in the operation of the System, the District will procure and at all times maintain vehicular public liability insurance with limits of not less than \$200,000 for one person and \$500,000 for more than one person involved in one accident to protect the District from claims for bodily injury and/or death, and not less than \$100,000 against claims for damage to property of others which may arise from the District's operation of vehicles. Provided, notwithstanding (M), (N) and (O) and the preceding requirements of this subsection (P), that so long as USDA holds any bonds of the District, the District will procure and maintain insurance of such types and amounts as USDA may specify.

(Q) So long as USDA is the holder of any bonds of the District, the District shall not issue any bonds or other obligations for the purpose of defeasing or otherwise terminating the lien of such bonds held by USDA without immediately prepaying all of such bonds held by USDA the lien of which is being so defeased or terminated.

SECTION 9.

PARITY BONDS PERMITTED; TERMS

The 2011 Bonds and outstanding parity bonds, together with any additional parity bonds issued under the restrictions and conditions hereinafter set forth, shall not be entitled to priority one over the other in the application of the income and revenues of the System regardless of the time or times of their issuance, it being the intention that there shall be no priority among such bonds, regardless of the fact that they may be actually issued and delivered at different times.

The District hereby reserves the right and privilege of issuing additional bonds from time to time payable from the income and revenues of the System ranking on a parity with the 2011 Bonds and any outstanding parity bonds (herein sometimes referred to as "additional parity bonds") in order to pay the costs of extensions, additions and improvements to the System, provided that (a) the written consent of the holders of all 2011 Bonds and any outstanding parity bonds is obtained or (b) either of the conditions set forth in (i) or (ii) below is met:

(i) The net income and revenues of the System for the fiscal year preceding the year in which such additional parity bonds are to be issued were at least 120% of the maximum annual debt service requirement (principal and interest) for any year ending January 1 with respect to all 2011 Bonds and parity bonds which are then outstanding and the additional parity bonds then proposed to be issued. The term "net income and revenues" as herein used is defined as gross income and revenues of the System (including all payments to the Revenue Fund and interest earnings accruing to the Bond Fund, the Depreciation Fund and the Operation and Maintenance Fund) less the sum of Current Expenses as defined in subsection (E) of Section 8 hereof. Such showing of net income and revenues for such preceding fiscal year may be represented by the report of the auditors.

(ii) A statement is filed with the Secretary of the District by (a) an independent certified public accountant or firm of certified public accountants not in the regular

employ of the District on a monthly salary basis or (b) an independent professional engineer or firm or firms of professional engineers not in the employ of the District on a monthly salary basis and of recognized expertise and good reputation in the field of water engineering and licensed in Kentucky, reciting the opinion based upon necessary investigation that the net income and revenues of the System as defined in (i) above for twelve (12) consecutive months out of the eighteen (18) months preceding the issuance of said additional parity bonds (with adjustments as hereinafter provided) were equal to at least 120% of the maximum annual debt service requirement (principal and interest) for any year ending January 1 with respect to the 2011 Bonds and any parity bonds then outstanding and the proposed additional parity bonds. The net income and revenues may be adjusted for the purpose of the foregoing computations to reflect any revision in the schedule of rates or charges being imposed at the time of the issuance of any such additional parity bonds, and also to reflect any increase in such net income and revenues by reason of the extensions, additions and improvements to the System the cost of which (in whole or in part) is to be paid through the issuance of such additional parity bonds; but such latter adjustments shall only be made if contracts for the immediate construction or acquisition of such extensions, additions and improvements have been or will be entered into before the issuance of such additional parity bonds. All such adjustments to reflect any revision of rates and charges or an increase in net income and revenues by reason of extensions, additions and improvements to the System as aforesaid shall be based upon written certification by (a) an independent professional engineer or firm of professional engineers not in the employ of the District on a monthly salary basis and of recognized expertise and good reputation in the field of water engineering and licensed in Kentucky or (b) an independent certified public accountant or firm of certified public accountants not in the employ of the District on a monthly salary basis.

The District hereby further reserves the right and privilege of issuing additional parity bonds for the purpose of refunding the 2011 Bonds and any parity bonds, or any portion thereof, as may be outstanding, provided that before any additional parity bonds are issued for such purpose, there shall have been procured and filed with the Secretary of the District either (a) the written consent of the holders of all 2011 Bonds and any outstanding parity bonds (other than the bonds being refunded) to such issuance or (b) a statement by an independent certified public accountant or firm of independent certified public accountants reciting the opinion based upon necessary investigation that after the issuance of such additional parity bonds, the net income and revenues, as adjusted and defined above, of the System for the fiscal year preceding the date of issuance of such additional parity bonds, after taking into account the revised maximum annual debt service resulting from the issuance of such additional parity bonds and from the elimination of the bonds being refunded thereby, are equal to not less than 120% of the maximum annual debt service requirement for any year ending January 1 with respect to the 2011 Bonds and any parity bonds then outstanding and the proposed additional parity bonds and calculated in the manner specified above.

The original purchaser or purchasers of a series of additional parity bonds may waive the benefit of and any claim to the Debt Service Reserve Fund, in which event such bonds shall not be secured by or payable from the Debt Service Reserve Fund; and the District may make it a condition to the original sale of any series of additional parity bonds that the purchaser or purchasers thereof, by offering to purchase or by purchasing the same, has agreed to such waiver.

The interest payment dates for all such additional parity bonds shall be semiannually on January 1 or July 1 of each year, and the principal maturities thereof shall be on January 1 of the year in which any such principal is scheduled to become due.

The additional parity bonds, the issuance of which is restricted and conditioned by this Section, shall be understood to mean bonds payable from the income and revenues of the System on a parity with the 2011 Bonds and outstanding parity bonds, and shall not be deemed to include or prohibit the issuance of other obligations the security and source of payment of which is subordinate and subject to the priority of the payments into the Bond Fund for account of the 2011 Bonds and any parity bonds, and into the Debt Service Reserve Fund for the account of the 1999 Bonds.

SECTION 10.

PROVISIONS OF RESOLUTION CONSTITUTE CONTRACT

The provisions of this Resolution shall constitute a contract between the District and the holders of the 2011 Bonds herein authorized and any parity bonds herein permitted to be issued, and after the issuance of any of the 2011 Bonds, no change, variation or alteration of any kind of the provisions of this Resolution shall be made in any manner without the written consent of the holder or holders of the 2011 Bonds, except as herein provided, until such time as all of the 2011 Bonds and parity bonds issued hereunder, and the interest thereon, have been paid in full.

SECTION 11.

STATUTORY MORTGAGE LIEN ACKNOWLEDGED

A statutory mortgage lien upon the System, together with all appurtenances and additions thereto and extensions thereof, and including the revenues thereof, is granted and created by Section 106.080 of the Kentucky Revised Statutes for the benefit and protection of the holders of the 2011 Bonds issued and parity bonds permitted to be issued under authority of this Resolution, and previously issued and outstanding parity bonds, and of the interest payable thereon; and said statutory mortgage lien is hereby recognized and shall be effective upon delivery of any of the 2011 Bonds and shall continue in full force and effect so long as there shall remain unpaid any part of the principal of or interest on the 2011 Bonds and any parity bonds.

SECTION 12.

TAX COVENANTS AND REPRESENTATIONS

(A) The District certifies, covenants and agrees that the Project will be constructed expeditiously and the expenditure of the portion of the proceeds of the 2011 Bonds deposited in the Construction Fund for the payment of the costs of the Project will be made promptly in order that the Project will be completed and in operation at the earliest possible date. The District further certifies and covenants with the holders of the 2011 Bonds that so long as any of the 2011 Bonds remain outstanding, moneys on deposit in any fund or account in connection with the 2011 Bonds, whether or not such moneys were derived from the proceeds of the sale of the 2011

Bonds or from any other sources, will not be invested or used in a manner which will cause the 2011 Bonds to be “arbitrage bonds” within the meaning of Sections 103(b)(2) and 148 of the Internal Revenue Code of 1986, as amended (the “Code”), and any lawful regulations promulgated or proposed thereunder, as the same presently exist, or may from time to time hereafter be amended, supplemented or revised. The Chairman and/or Secretary as the officers of the District charged with the responsibility for issuing the 2011 Bonds, are authorized and directed, for and on behalf of the District, to execute all papers, documents, certificates and other instruments that may be required for evidencing compliance with federal “arbitrage bond” regulations, and any representations and certifications contained in such papers, documents, certificates and other instruments so executed shall be deemed to constitute representations and certifications of the District.

(B) The District further represents, warrants, agrees, covenants and certifies as follows:

(i) Within the meaning of Section 141 of the Code and the Income Tax Regulations issued thereunder, over the term of the 2011 Bonds (i) less than 10% of the proceeds of the 2011 Bonds, if any, will be applied for any private business use, and the payment of principal of or interest on less than 10% of the amount of the 2011 Bonds, if any, will be secured directly or indirectly by any interest in property used for a private business use, or payments in respect of such property, or will be derived directly or indirectly from payments (whether or not to the District) in respect of such property; (ii) at least 90% of the proceeds of the 2011 Bonds will be applied for a governmental use of the District; (iii) any private business use of the facilities financed by the 2011 Bonds will be related to such governmental use of the District and will not be unrelated or disproportionate; and (iv) none of the proceeds of the 2011 Bonds will be used, directly or indirectly, to make or finance loans to private persons. It is reasonably expected that over the term of the 2011 Bonds (a) the facilities financed by the 2011 Bonds will be available for general public use, in that it will be reasonably available for use by natural persons not engaged in a trade or business on the same basis as any other person or entity, (b) no government person will have any special legal entitlement to use the facilities financed by the 2011 Bonds and (c) there will be no direct or indirect payment made with respect to the facilities financed by the 2011 Bonds or the security of the 2011 Bonds by any persons or entities other than payment by the general public as described in clause (a) above.

(ii) It is reasonably expected that during the term of the 2011 Bonds the facilities financed by the 2011 Bonds will not be disposed of; provided, however, should there be any disposition of any personal property constituting a part of the facilities financed by the 2011 Bonds because it is no longer suitable for its governmental purpose, it is reasonably expected that the fair market value of such personal property will not exceed 25% of its costs.

(iii) The weighted average maturity of the 2011 Bonds does not exceed 120% of the weighted average useful life of the facilities comprising the facilities financed by the 2011 Bonds.

(iv) The District will not use or permit the use of any of the funds provided by the 2011 Bonds in such a manner as to, or take or omit to take any action which would, impair the exclusion from gross income for federal income tax purposes of interest on the 2011 Bonds.

The District shall at all times do and perform all acts and things permitted by law and necessary or desirable in order to assure that interest paid by the District on the 2011 Bonds shall, for the purposes of federal income taxation, be excludable from gross income.

(v) Within the meaning of Section 148(f)(4)(B) of the Code, it is reasonably expected at least 75% of the net proceeds (including investment proceeds) of the 2011 Bonds will be used for construction expenditures with respect to property which is owned by a governmental unit, at least 10% of such proceeds will be spent for the governmental purposes of the issue within six months from the date the 2011 Bonds are issued, at least 45% of such proceeds will be spent for such purposes within one year from such date, at least 75% of such proceeds will be spent for such purposes within eighteen months from such date, and at least 100% of such proceeds will be spent within two years from such date. If for any reason the arbitrage rebate requirements of Section 148(f) of the Code should be deemed to apply to the 2011 Bonds, the District will take all action necessary to comply therewith.

(vi) The 2011 Bonds are not federally guaranteed within the meaning of Section 149(b) of the Code.

(vii) The District will comply with the information reporting requirements of Section 149(e) of the Code.

(viii) This Resolution is intended to and does constitute, in part, a declaration of official intent under applicable Income Tax Regulations.

SECTION 13.

SEVERABILITY CLAUSE

If any section, paragraph, clause or provision of this Resolution shall be held invalid, the invalidity of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this Resolution.

SECTION 14.

REPEAL OF INCONSISTENT PROVISIONS

All resolutions and orders, or parts thereof, in conflict with the provisions of this Resolution are, to the extent of such conflict, hereby repealed.

SECTION 15.

WHEN RESOLUTION EFFECTIVE

This Resolution shall be in full force and effect from and after its adoption, approval and attestation as provided by law.

ADOPTED BY THE COMMISSION OF THE SOUTH ANDERSON WATER DISTRICT, ANDERSON COUNTY, KENTUCKY, at a meeting held on the ____ day of _____, 2011, on the same occasion signed by the Chairman, attested by the Secretary, and declared to be in full force and effect.

(SEAL)

Chairman of the Commission

ATTEST:

Secretary

CERTIFICATION

The undersigned, Secretary of the Commission of South Anderson Water District, Anderson County, Kentucky, hereby certifies that the foregoing is a true, complete and correct copy of a Resolution adopted by the Commission at a properly convened meeting of the Commission of said District held on the ____ day of _____, 2011, signed by the Chairman thereof, and attested under seal by me as Secretary, as shown by the official records in my custody and under my control.

WITNESS my hand this ____ day of _____, 2011.

Secretary

Exhibit F

Letters from USDA to the District and related correspondence



United States Department of Agriculture
Rural Development
Kentucky State Office

March 11, 2011

Eddie Stevens, Chairman
South Anderson Water District
142 South Main Street
Lawrenceburg, Kentucky 40342

Dear Mr. Stevens:

This letter establishes conditions which must be understood and agreed to by you before further consideration may be given to the application. The loan will be administered on behalf of the Rural Utilities Service (RUS) by the State and Area office staff of USDA Rural Development. Any changes in project cost, source of funds, scope of services or any other significant changes in the project or applicant must be reported to and approved by USDA Rural Development, by written amendment to this letter. Any changes not approved by Rural Development shall be cause for discontinuing processing of the application. It should also be understood that Rural Development is under no obligation to provide additional funds to meet an overrun in construction costs.

This letter is not to be considered as loan approval or as a representation as to the availability of funds. The docket may be completed on the basis of a RUS loan not to exceed \$1,000,000; a Kentucky Infrastructure Authority (KIA) grant in the amount of \$1,800,000; and an applicant cash contribution in the amount of \$50,000.

If Rural Development makes the loan, the interest rate will be the lower of the rate in effect at the time of loan approval or the rate in effect at the time of loan closing, unless the applicant otherwise chooses. The loan will be considered approved on the date a signed copy of Form RD 1940-1, "Request for Obligation of Funds," is mailed to you.

Please complete and return the attached Form RD 1942-46, "Letter of Intent to Meet Conditions," if you desire that further consideration be given to your application.

The "Letter of Intent to Meet Conditions" must be executed within three weeks from the date of this letter or it becomes invalid unless a time extension is granted by Rural Development.

If the conditions set forth in this letter are not met within 210 days from the date hereof, Rural Development reserves the right to discontinue the processing of the application.

In signing Form RD 1942-46, "Letter of Intent to Meet Conditions," you are agreeing to complete the following as expeditiously as possible:

771 Corporate Drive • Suite 200 • Lexington, KY 40503
Phone: (859) 224-7336 • Fax: (859) 224-7444 • TDD: (859) 224-7422 • Web: <http://www.rurdev.usda.gov/ky>

Committed to the future of rural communities

"USDA is an equal opportunity provider, employer and lender."
To file a complaint of discrimination write USDA, Director, Office of Civil Rights,
1400 Independence Avenue, SW, Washington, DC 20250-9410

1. Number of Users and Their Contribution:

There shall be 2,657 water users, of which 2,617 are existing users and 40 are new users. The Area Director will review and authenticate the number of users prior to advertising for construction bids.

2. Repayment Period:

The loan will be scheduled for repayment over a period not to exceed 40 years from the date of the Bond. Principal payment will not be deferred for a period in excess of two years from the date of the Bond. Payments will be in accordance with applicable KRS, which requires interest to be paid semi-annually (January 1st and July 1st) and principal will be due on or before the first of January. Rural Development may require the District to adopt a supplemental payment agreement providing for monthly payments of principal and interest so long as the bond is held or insured by RUS. Monthly payments will be approximate amortized installments.

3. Recommended Repayment Method:

Payments on this loan shall be made using the Preauthorized Debit (PAD) payment method. This procedure eliminates the need for paper checks and ensures timely receipt of RD loan payments. To initiate PAD payments, Form RD 3550-28, "Authorization Agreement for Preauthorized Payments," should be signed by the District to authorize the electronic withdrawal of funds from your designated bank account on the exact installment payment due date. The Area Director will furnish the necessary forms and further guidance on the PAD procedure.

4. Reserve Accounts:

Reserves must be properly budgeted to maintain the financial viability of any operation. Reserves are important to fund unanticipated emergency maintenance, pay for repairs, and assist with debt service should the need arise.

The District will be required to deposit \$450 per month into a "Funded Debt Reserve Account" until the account reaches \$54,000. The deposits are to be resumed any time the account falls below the \$54,000.

The required monthly deposits to the Reserve Account and required Reserve Account levels are in addition to the requirements of the District's prior bond resolutions.

The monthly deposits to the Reserve Account are required to commence with the first month of the first full fiscal year after the facility becomes operational.

The District also needs to fund an account for short-lived assets by depositing a sum of \$400 monthly into the account. The funds in the short-lived asset account may be used by the District as needed to replace or add short-lived assets in the District's water system. This short-lived asset reserve amount replaces any previous short-lived assets requirements previously set with any prior RUS loan.

5. Security Requirements:

A pledge of gross water revenue will be provided in the Bond Resolution. Bonds shall rank on a parity with existing bonds, if possible.

If this is not possible, the bond will be subordinate and junior to the existing bonds, in which case the District will be required to abrogate its right to issue additional bonds ranking on a parity with the existing bonds, so long as any unpaid indebtedness remains on this bond issue.

6. Land Rights and Real Property:

The District will be required to furnish satisfactory title, easements, etc., necessary to install, maintain and operate the facility to serve the intended users. The pipelines will be on private rights-of-way where feasible. Easements and options are to be secured prior to advertising for construction bids.

7. Organization:

The District will be legally organized under applicable KRS which will permit them to perform this service, borrow and repay money.

8. Business Operations:

The District will be required to operate the system under a well-established set of resolutions, rules and regulations. A budget must be established annually and adopted by the District after review by Rural Development. At no later than loan pre-closing, the District will be required to furnish a prior approved management plan to include, as a minimum, provisions for management, maintenance, meter reading, miscellaneous services, billing, collecting, delayed payment penalties, disconnect/reconnect fees, bookkeeping, making and delivering required reports and audits.

9. Accounts, Records and Audits:

The District will be required to maintain adequate records and accounts and submit annual budgets and year-end reports (annual audits, in accordance with subsection 1780.47 of RUS Instruction 1780.

The enclosed audit booklet will be used as a guide for preparation of audits. The District shall be required to submit a copy of its audit agreement for review and concurrence by Rural Development prior to pre-closing the loan.

10. Accomplish Audits for Years in Which Federal Financial Assistance is Received:

The District will accomplish audits in accordance with OMB Circular A-133, during the years in which federal funds are received. The District will provide copies of the audits to the Area Office and the appropriate Federal cognizant agency as designated by OMB Circular A-133.

11. Insurance and Bonding:

The following insurance and bonding will be required:

- A. Adequate Liability and Property Damage Insurance including vehicular coverage, if applicable, must be obtained and maintained by the District. The District should obtain amounts of coverage as recommended by its attorney, consulting engineer and/or insurance provider.
- B. Worker's Compensation - The District will carry worker's compensation insurance for employees in accordance with applicable state laws.
- C. Fidelity Bond - The District will provide Fidelity Bond Coverage for all persons who have access to funds. Coverage may be provided either for all individual positions or persons, or through "blanket" coverage providing protection for all appropriate employees and/or officials. The amount of coverage required for all RUS loans is \$130,000.
- D. Real Property Insurance - The District will obtain and maintain adequate fire and extended coverage on all structures including major items of equipment or machinery located in the structures. The amounts of coverage should be based on recommendations obtained by the District from its attorney, consulting engineer and/or insurance provider. Subsurface lift stations do not have to be covered except for the value of electrical and pumping equipment therein.
- E. Flood Insurance - The District will obtain and maintain adequate coverage on any facilities located in a special flood and mudslide prone areas.

12. Planning and Performing Development:

- A. The engineer should not be authorized to commence work on final plans and specifications until a determination has been made that the project can be planned and constructed within the estimated cost shown in paragraph "21" of this letter. The engineer may then proceed to develop final plans and specifications to be completed no later than 180 days from this date, and prepare bid documents. The Area Director is prepared to furnish the necessary guide to follow so as to keep the project plans and documents within our guidelines and requirements. The project should not be advertised for construction bids until all easements and enforceable options have been obtained, and total funds are committed or available for the project.
- B. The following documents will be submitted to Rural Development for review and must be concurred in by Rural Development prior to advertisement for construction bids:
 - 1. Final plans, specifications and bid documents.
 - 2. Applicant's letter on efforts to encourage small business and minority-owned business participation.
 - 3. Legal Service Agreements.

4. Engineering Agreements.

Revision in these documents will be subject to Rural Development concurrence. Any agreements, contracts, etc. not reviewed and approved by Rural Development will not be eligible for payment from project funds or revenues from facilities financed by this Agency.

Prior to receipt of an authorization to advertise for construction bids, the District will obtain advance clearance from Bond Counsel regarding compliance with KRS 424 pertaining to publishing of the advertisement for construction bids in local newspapers and the period of time the notice is required to be published.

13. Civil Rights & Equal Opportunity:

You should be aware of and will be required to comply with other federal statute requirements including but not limited to:

A. Section 504 of the Rehabilitation Act of 1973:

Under Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. 794), no handicapped individual in the United States shall, solely by reason of their handicap, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Rural Development financial assistance.

B. Civil Rights Act of 1964:

All borrowers are subject to, and facilities must be operated in accordance with, Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d et seq.) and Subpart E of Part 1901 of this Title, particularly as it relates to conducting and reporting of compliance reviews. Instruments of conveyance for loans and/or grants subject to the Act must contain the covenant required by paragraph 1901.202(e) of this Title.

C. The Americans with Disabilities Act (ADA) of 1990:

This Act (42 U.S.C. 12101 et seq.) prohibits discrimination on the basis of disability in employment, state and local government services, public transportation, public accommodations, facilities, and telecommunications. Title II of the Act applies to facilities operated by state and local public entities that provide services, programs, and activities. Title III of the Act applies to facilities owned, leased, or operated by private entities that accommodate the public.

D. Age Discrimination Act of 1975:

This Act (42 U.S.C. 6101 et seq.) provides that no person in the United States shall, on the basis of age, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving federal financial assistance.

Rural Development financial programs must be extended without regard to race, color, religion, sex, national origin, marital status, age, or physical or mental handicap.

14. Closing Instructions:

The Office of General Counsel, our Regional Attorney, will be required to write closing instructions in connection with this loan. Conditions listed therein must be met by the District.

15. Compliance with Special Laws and Regulations:

The District will be required to conform to any and all state and local laws and regulations affecting this type project.

16. System Operator:

The District is reminded that the system operator must have an Operator's Certificate issued by the State.

17. Prior to Pre-Closing the Loan, the District Will Be Required to Adopt:

- A. Form RUS Bulletin 1780-27, "Loan Resolution (Public Bodies)."
- B. Form RD 400-1, "Equal Opportunity Agreement."
- C. Form RD 400-4, "Assurance Agreement."
- D. Form AD-1047, "Certification Regarding Debarment, Suspension, and Other Responsibility Matters - Primary Covered Transaction."
- E. Form RD 1910-11, "Applicant Certification Federal Collection Policies for Consumer or Commercial Debts."
- F. RD Instruction 1940-Q, Exhibit A-1, "Certification for Contracts, Grants and Loans."
- G. RUS Bulletin 1780-22, "Eligibility Certification."

18. Refinancing and Graduation Requirements:

The District is reminded that if at any time it shall appear to the Government that the District is able to refinance the amount of the RUS indebtedness then outstanding, in whole or in part, by obtaining a loan from commercial sources at reasonable rates and terms, upon the request of the Government, the District will apply for and accept such loan in sufficient amount to repay the Government.

19. Commercial Interim Financing:

The District will be required to use commercial interim financing for the project during construction for the RUS loan portion of the financing, if available at reasonable rates and terms.

Before the loan is closed, the District will be required to provide Rural Development with statements from the contractor, engineer and attorneys that they have been paid to date in accordance with their contract or other agreements and, in the case of the contractor, that he has paid his suppliers and sub-contractors.

20. Disbursement of Project Funds:

A construction account for the purpose of disbursement of project funds (RUS) will be established by the District prior to start of construction. The position of officials entrusted with the receipt and disbursement of RUS project funds will be covered by a "Fidelity Bond," with USDA Rural Development as Co-Obligee, in the amount of construction funds on hand at any one time during the construction phase.

For each "construction account" as established, if the amount of RUS loan plus any applicant contributions or funds from other sources to be deposited into the account are expected to exceed \$250,000 at any time, the financial institution will secure the amount in excess of \$250,000 by pledging collateral with the Federal Reserve Bank in an amount not less than the excess in accordance with 7 CFR, 1902.7(a).

During construction, the District shall disburse project funds in a manner consistent with subsection 1780.76 (e) of RUS Instruction 1780. Form RD 1924-18, "Partial Payment Estimate," or similar form approved by Rural Development, shall be used for the purpose of documenting periodic construction estimates, and shall be submitted to Rural Development for review and acceptance. Prior to disbursement of funds by the District, the Board of Directors shall review and approve each payment estimate. All bills and vouchers must be approved by Rural Development prior to payment by the District.

Form RD 440-11, "Estimate of Funds Needed for 30-Day Period Commencing _____," will be prepared by the District and submitted to Rural Development in order that a periodic advance of federal cash may be requested.

Borrowers receiving federal loan by EFT will have funds directly deposited to a specified account at a financial institution with funds being available to the recipient on the date of payment. The borrower should complete Form SF-3881, "Electronic Funds Transfer Payment Enrollment Form," for each account where funds will be electronically received. The completed form(s) must be received by Rural Development at least thirty (30) days prior to the first advance of funds.

Monthly audits of the District's construction account records shall be made by Rural Development.

21. Cost of Facility:

Breakdown of Costs:

Development	\$ 2,217,200
Land and Rights	35,000
Legal and Administrative	40,000
Engineering	308,200
Interest	30,000
Contingencies	<u>219,600</u>
TOTAL	\$ 2,850,000

Financing:

RUS Loan	\$ 1,000,000
KIA Grant	1,800,000
Applicant Contribution	<u>50,000</u>
TOTAL	\$ 2,850,000

22. Commitment of Other Project Funds:

This Letter of Conditions is issued contingent upon a firm commitment being in effect prior to advertising for construction bids for the KIA grant in the amount of \$1,800,000.

23. Use of Remaining Project Funds:

The applicant contribution shall be considered as the first funds expended.

24. Proposed Operating Budget:

You will be required to submit to Rural Development a copy of your proposed annual operating budget that supports the proposed loan repayment prior to this agency giving you written authorization to proceed with the bidding phase. The operating budget should be based on a typical year cash flow, subject to completion of this project in the first full year of operation. Form RD 442-7, "Operating Budget," or similar form may be utilized for this purpose.

25. Rates and Charges:

Rates and charges for facilities and services rendered by the District must be at least adequate to meet cost of maintaining, repairing and operating the water system and meeting required principal and interest payments and the required deposits to debt service and/or depreciation reserve.

Water rates will be at least:

First	2,000	gallons @ \$	18.61. - Minimum Bill.
Next	3,000	gallons @ \$	9.13. - per 1,000 gallons.
Next	5,000	gallons @ \$	6.88. - per 1,000 gallons.
All Over	10,000	gallons @ \$	5.38. - per 1,000 gallons.

Bulk loading station \$3.57 per 1,000 gallons.

26. Water Purchase Contract:

The District will submit a Water Purchase Contract for approval by Rural Development before advertising for construction bids. If the contract is not on Form RD 442-30, "Water Purchase Contract," the contract will require approval by our Regional Attorney. The contract must meet the requirements of subsection 1780.62 of RUS Instruction 1780.

27. Compliance with the Bioterrorism Act:

Prior to pre-closing the loan, the District will provide a certification they have completed a Vulnerability Assessment (VA) and prepared an emergency response plan (ERP) as required by the Safe Drinking Water Act (SDWA).

28. Floodplain Construction:

The District will be required to pass and adopt a Resolution or amend its By-Laws whereby the District will deny any water service to any future customer wishing to build on or develop property located within a designated floodplain. If a customer or developer requests service for construction in a designated floodplain, the customer or developer must provide evidence and a justification for approval by the District and Rural Development officials that there are no other alternatives to construction or development within the designated floodplain. The community must be a participant in the National Flood Insurance Program (NFIP) and the customer or developer must obtain the required permits prior to the tap on restrictions being waived.

29. Mitigation Measures:

- A. The project shall be in compliance with all requirements noted in the Governor's Office for Local Development letter dated March 2, 2011, from Ms. Lee Nalley.
- B. The design and construction shall be in compliance with the requirements of the U.S. Fish and Wildlife Service as requested by letter dated November 15, 2010, and signed by Virgil Lee Andrews, Jr., Field Supervisor.
- C. The line design and construction shall be accomplished in a way that will leave flood plains and farmland without effect after construction is complete. The Army Corps of Engineers Nationwide Permit No. 12 applies to all floodplain and wetland utility line construction.
- D. Any excavation by Contractor that uncovers a historical or archaeological artifact shall be immediately reported to Owner and a representative of Agency. Construction shall be temporarily halted pending the notification process and further directions issued by Agency after consultation with the State Historic Preservation Officer (SHPO).
- E. The design and construction shall be in compliance with all local, state and

federal environmental statutes, regulations and executive orders applicable to the project.

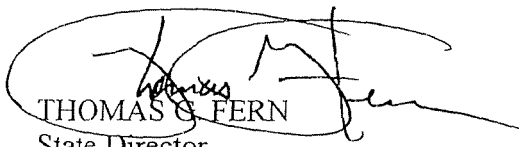
- F. Best Management Practices shall be incorporated into the project design, construction, and maintenance.

30. Final Approval Conditions:

Final approval of this assistance will depend on your willingness, with the assistance of all your co-workers, to meet the conditions of this letter in an orderly and systematic manner. Then too, final approval will depend on funds being available.

If you desire to proceed with your application, the Area Director will allot a reasonable portion of time to provide guidance in application processing.

Sincerely,


THOMAS G. FERN
State Director

Enclosures

cc: Area Director - Shelbyville, Kentucky
Bluegrass ADD - Lexington, Kentucky
Stoll Keenon Ogden - Louisville, Kentucky
Ray Edelman - Lawrenceburg, Kentucky
Kenvirons - Lawrenceburg, Kentucky
PSC - ATTN: Dennis Jones - Frankfort, Kentucky



**United States Department of Agriculture
Rural Development
Kentucky State Office**

October 4, 2011

Eddie Stevens, Chairman
South Anderson Water District
142 South Main Street
Lawrenceburg, Kentucky 40342

Re: Letter of Conditions Dated March 11, 2011

Dear Chairman Stevens:

This letter shall serve as Amendment No. 1 to the Letter of Conditions dated March 11, 2011. The purpose of this amendment is to revise the wholesale water rates as required by Frankfort Plant Board and City of Lawrenceburg.

Paragraph numbered "25" is revised to read as follows:

" 25. Rates and Charges:

Rates and charges for facilities and services rendered by the District must be at least adequate to meet cost of maintaining, repairing and operating the water system and meeting required principal and interest payments and the required deposits to debt service and/or depreciation reserve.

Water rates will be at least:

First	2,000	gallons @ \$	18.93. - Minimum Bill.
Next	3,000	gallons @ \$	9.29. - per 1,000 gallons.
Next	5,000	gallons @ \$	7.04. - per 1,000 gallons.
All Over	10,000	gallons @ \$	5.54. - per 1,000 gallons.

Bulk Loading Station: \$3.57 per 1,000 gallons

All other provisions of the referenced Letter of Conditions remain in full force and unchanged.

Sincerely,

A handwritten signature in black ink, appearing to read "THOMAS G. FERN", is written over a horizontal line. The signature is stylized and somewhat illegible.

THOMAS G. FERN
State Director

- cc: Area Director - Shelbyville, Kentucky
- Area Manager - Williamstown, Kentucky
- Bluegrass ADD - Lexington, Kentucky
- Stoll Keenon Ogden - Louisville, Kentucky
- Ray Edelman - Lawrenceburg, Kentucky
- Rubin & Hays - Louisville, Kentucky
- PSC - ATTN: Dennis Jones - Frankfort, Kentucky



United States Department of Agriculture
Rural Development
Kentucky State Office

July 29, 2011

Stoll Keenon Ogden PLLC
Attn: William W. Davis
2000 PNC Plaza
500 West Jefferson Street
Louisville KY 40202-2874

Re: South Anderson Water District
\$1,000,000 Bond Issue

Dear Mr. Davis:

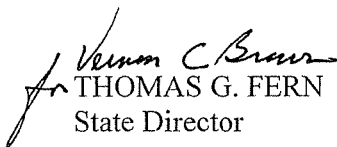
We are enclosing the Maturity Schedule for the referenced Bond Issue. The required deposits to the Funded Depreciation Reserve Account are \$450 per month with a required level of \$54,000. The Rural Development loan of \$1,000,000 was approved at an interest rate of 4.25%.

We are attempting to obtain the Regional Attorney's Closing Instructions at an earlier date in an effort to avoid delays in scheduling bond sales and pre-closing. Hopefully, you will be able to draft the bond authorizing documents at such a time to coincide with the Advertisement for Construction Bids. We plan to request Closing Instructions at the same time we authorize the District to advertise for construction bids.

Please provide this office with one copy of the proposed documents and forward one copy to the Rural Development Area Office.

Please let us know if you have any questions.

Sincerely,


THOMAS G. FERN
State Director

Enclosure

cc: Area Director - Shelbyville, Kentucky
Kenvirons - Frankfort, Kentucky

771 Corporate Drive • Suite 200 • Lexington, KY 40503
Phone: (859) 224-7336 • Fax: (859) 224-7344 • TDD: (859) 224-7422 • Web: <http://www.rurdev.usda.gov/ky>

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1400 Independence Avenue, SW, Washington, DC 20250-9410
or call (800) 795-3272 (voice) or (202) 720-6382 (TDD)

BOND SCHEDULE, 7/29/2011

Name of Borrower: South Anderson Water District			
Amount of Loan	1000000	Annual Interest Rate	0.0425
Number of Initial Interest Only Payments	2	Number of principal and/or Interest Payments	40
Payment Frequency	Annual	This is a split payment bond.	false
Principal Payment Units	500	Interest Payment Units	1

YEAR	PERIOD	NUMBER	PAYMENT	INTEREST	PRINCIPAL	BALANCE
2012	1	1	42500	42500	0	1000000
2013	1	2	42500	42500	0	1000000
2014	1	3	53500	42500	11000	989000
2015	1	4	53533	42033	11500	977500
2016	1	5	53544	41544	12000	965500
2017	1	6	53534	41034	12500	953000
2018	1	7	53503	40503	13000	940000
2019	1	8	53450	39950	13500	926500
2020	1	9	53377	39377	14000	912500
2021	1	10	53282	38782	14500	898000
2022	1	11	53665	38165	15500	882500
2023	1	12	53507	37507	16000	866500
2024	1	13	53327	36827	16500	850000
2025	1	14	53625	36125	17500	832500
2026	1	15	53382	35382	18000	814500
2027	1	16	53617	34617	19000	795500
2028	1	17	53309	33809	19500	776000
2029	1	18	53480	32980	20500	755500
2030	1	19	53609	32109	21500	734000
2031	1	20	53695	31195	22500	711500
2032	1	21	53739	30239	23500	688000
2033	1	22	53740	29240	24500	663500
2034	1	23	53699	28199	25500	638000
2035	1	24	53615	27115	26500	611500
2036	1	25	53489	25989	27500	584000
2037	1	26	53320	24820	28500	555500
2038	1	27	53609	23609	30000	525500
2039	1	28	53334	22334	31000	494500
2040	1	29	53517	21017	32500	462000
2041	1	30	53635	19635	34000	428000
2042	1	31	53690	18190	35500	392500
2043	1	32	53682	16682	37000	355500
2044	1	33	53609	15109	38500	317000
2045	1	34	53473	13473	40000	277000
2046	1	35	53273	11773	41500	235500
2047	1	36	53509	10009	43500	192000
2048	1	37	53660	8160	45500	146500
2049	1	38	53727	6227	47500	99000
2050	1	39	53708	4208	49500	49500
2051	1	40	51604	2104	49500	0
TOTALS			2117571	1117571	1000000	

Warning: This schedule is an estimate of payments. Rural Development calculates interest amounts and principle reduction as of the date the payment is processed. Because over the life of the loan payments will be processed on dates other than the due date, the actual interest amounts and principle reduction will not match the schedule provided here.

CASE NO: 2011-00420

CONTAINS
LARGE OR OVERSIZED
MAP(S)

RECEIVED ON: October 21, 2011