

**ORIGINAL**

**For**

# **Responses to Data Request 1, Question 33**

**Internal Memoranda, Correspondence, Email Messages and other Documents**

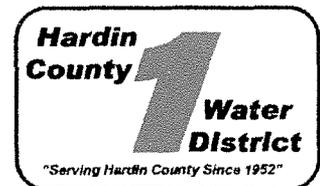
**Radcliff Sewer System  
PSC Case No. 2013-00050**

Presented To:

**Kentucky Public Service Commission  
211 Sower Boulevard  
Frankfort, KY 40602-0615**



**Filed By:**



1400 Rogersville Road  
Radcliff, KY. 40160  
Phone: 270-351-3222  
Mr. Jim Bruce, General Manager

August 27, 2013

**Exhibit 31**

# Hardin County Water District No. 1

*Serving Radcliff and Hardin County for Over 50 Years*

1400 Rogersville Road  
Radcliff, KY. 40160

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March 8, 2006

Mayor Sheila Enyart  
City of Radcliff  
411 W. Lincoln Trail Boulevard  
Radcliff, KY. 40169

RECEIVED  
AUG 27 2013  
PUBLIC SERVICE  
COMMISSION

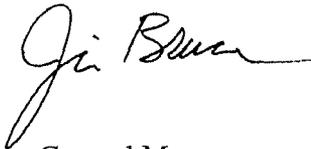
**SUBJECT: Initial Sewer Study Information Request**

Dear Mayor Enyart;

We appreciate your confidence and interest with us to provide a study of possible savings for Radcliff residents by using different approaches to sewer utility management and operations. Our information gathering efforts will require various types of information from the City. Below is our initial list of requested information, including the type and format requested.

I will be the contract person throughout this effort, so please do not hesitate to call me at anytime. We have assembled a qualified team of experts in sewer treatment, operations, finance and management to assist us with this study, some of whom will need to tour parts of your sewer facilities. Please have the appropriate City staff person contact me to set up any requested tours, or when requested data or reports would be ready to pick-up.

Sincerely,



Jim Bruce, General Manager

Cf; Mr. William Rissel, Chairman, HCWD1

Encl.

**HCWD ASSUMING RADCLIFF  
SEWERS (not Storm Water)  
CAN BENEFIT THE AREA**

*May 2006*

# Topics

- Scope of Service
- City Savings Desire
- HCWD Changes to Handle Growth
- Managing Growth

# Scope of Service

- 4 MGD WWTP
- 60 Lift Stations
- 100 miles of line
- Industrial Pre Treatment
- Customer Service
- Debt

# Reducing Sewer Rates

- 10% to 25% reduction to majority of customers
- Change in customer responsibility

# Increasing Investment

- 5 year projection in revenue and costs
- Expanding service area and maximizing capacity

# HCWD Organization



# Managing Growth

# Summary

- Majority of customers receive reduction

Prepared for:

**HARDIN COUNTY WATER DISTRICT #1**

**Premium Comparison**

**and**

**Premium Estimates**

**for**

***The Operation of the City of Radcliff***

***Wastewater Treatment Facility***

Prepared by:

North Hardin Insurance Agency, Inc.  
270-351-4431

05-10-06

Robert W. Shipp

All of the enclosed prices and descriptions are based on current, "In Force" policies insuring the Hardin County Water District #1 and the City of Radcliff. There may be minor variations in pricing and estimated premiums due to insurance company rate changes brought on by normal time lag in the actual issuance of the insurance policies.

Assumptions:

1. Nearly all insurance companies have enjoyed excellent profits for the past two to three years. This means that the market place will become more competitive and we can expect insurance rates to be stable to lower for the next twelve months.
2. Our estimates are based on the assumption that the Water District will have no major claims paid by their insurance company and that Loss Control recommendations will be followed.
3. We are also assuming that there will be no major insured catastrophes in the country for the next twelve months. Even though our area of the country was not effected to any degree by Katrina and other similar storms, reinsurance premiums all companies pay will increase. The insurance companies we represent purchase reinsurance from some of the same reinsurance companies who paid large claims as a result of the coastal catastrophes.
4. We anticipate that the insurance market for Public Entities such as Cities and Water Districts will remain stable. We are noticing increased interest by those insurance companies who write Public Entities.
5. We also assume that increased costs of construction will continue at the rate of 4% to 4.5%, minimum, for the next twelve months. This means that in order to insure your property at levels to adequately provide Replacement Cost Coverage, the limits of coverage will have to be increased each year,
6. Prevailing insurance taxes will be in addition to our projected premium rates as shown.
7. All current and projected premium rates are effective as of 05-09-06, yesterday, and were obtained directly from the underwriters at the insurance company, The St. Paul/Travelers.
8. The Water District will not perform any direct duties in the operation of the Radcliff City Wastewater System. All operational duties will be performed under contract by a separate entity. (Violia)

City of Radcliff Wastewater Treatment Plant (as currently insured):

Property: Includes all buildings, their contents and attached equipment.

Current Limits: \$3,160,000.00 City Rate: .113 / \$100.

Water District Rate: .112 / \$100.

Earnings: \$ 850,000.00 City Rate: .142 / \$100.

Water District Rate: .15 / \$100.

Equipment Breakdown: Incl in Property City Rate: .142 / \$100.

Water District Rate: .01 / \$100.

Contractors Equipment: \$ 94,292.00 City Rate

Water District Rate: .026 / \$100.

Vehicles: 12 Vehicles/Trailers City Cost \$904.00 / Vehicle

Water District Cost: \$1,081.00 / Vehicle

Liability: \$ 1 Million/\$3 Million Included

Water District Cost \$ 2 Million Limits \$ 569.00  
(Lessors Risk Only)

**Premium Summary**

(At Current Limits)

<b><u>Property:</u></b>	<b>\$ 3,539.20</b>
<b><u>Earnings:</u></b>	<b>\$ 952.00</b>
<b><u>Equipment Breakdown:</u></b>	<b>\$ 316.00</b>
<b><u>Contractors Equipment:</u></b>	<b>\$ 500.00 MP</b>
<b><u>Vehicles:</u></b>	<b>\$12,960.00</b>
<b><u>Liability:</u></b>	<b>569.00</b>
<b><u>All Other Lines:</u> Employee Benefit, Employment Pract, Crime, Umbrella, Professional Liability</b>	<b>\$ 2,300.00</b>
<b>Taxes</b>	<b><u>\$ 232.50</u></b>
<b>TOTAL .....</b>	<b>\$ 21,368.70</b>

**NOTE:**

All rates and premiums are estimated and are subject to company approval.  
Current insured limits for City owned property may not reflect replacement cost. We would recommend an appraisal be made to establish current replacement cost values.

## PROPERTY PROTECTION

### Program features

- Blanket building and contents
- Replacement cost coverage

### Standard additional benefits

Accounts receivable	\$100,000
Building ordinances or laws	\$100,000
Computers	\$50,000
Extra expense	\$25,000
Fine arts	\$50,000
Fire department service charge	\$25,000
Inventory and appraisals	\$10,000
Money and securities:	
• Inside	\$10,000
• Outside	\$5,000
Newly acquired property:	
• Building limit	\$1,000,000
• Business personal property limit	\$500,000
Outdoor property (limited to \$1,000/item)	\$50,000
Other peoples' property	\$25,000
Pairs and sets	\$25,000
Personal belongings	\$50,000
Pollution clean-up and removal	\$25,000
Property in transit	\$50,000
Temporary location	\$50,000
Valuable records research	\$100,000
Water damage	\$50,000

### Optional additional benefits

Business income and extra expense	\$100,000
Arson award	\$7,500
Communication equipment (\$1,000 per item)	\$50,000
Commandeered property	\$100,000
Crime reward	\$5,000
Fairs, exhibits or displays (for 90 days)	\$50,000
Free-standing signs	\$25,000
Ground maintenance equipment	\$50,000
Off premises utility failure	\$50,000
Spoilage	\$10,000

### Optional features

- Agreed amount
- Inland marine coverages, including contractors' equipment, miscellaneous property, etc.
- Flood and earthquake
- Loss of tax revenue – contingent business interruption
- Crime: employee theft, forgery or alteration; theft of money and securities; safe burglary or robbery of other property (inside or outside); computer fraud; theft of money orders; counterfeit paper currency
- Equipment breakdown



385 Washington St.; 105P  
Saint Paul, MN 55102-1396  
800.356.4098, ext. 07915

[stpaultravelers.com/publicsector](http://stpaultravelers.com/publicsector)

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## **PUBLIC ENTITY GENERAL LIABILITY**

DESIGNED EXCLUSIVELY FOR PUBLIC ENTITIES

### **Who is protected**

- Public entity or other organization
- Elected or appointed officials and members
- Employees and volunteer workers
- Automatic additional protected persons:
  - Real estate managers
  - Landlords
  - Equipment lessors
  - Operators of registered mobile equipment
  - Users of covered watercraft

### **Program features**

- All premises and operations within the coverage territory are covered, unless specifically excluded
- Extended bodily injury, property damage, including use of reasonable force
- Personal injury and advertising injury
- Leased premises legal liability
- Host liquor liability
- Non-owned watercraft (less than 75 feet)
- Owned watercraft (less than 25 feet)
- Limited contract liability
- First aid/emergency medical services liability, including EMT liability
- Mobile equipment liability
- Pollution coverage for pesticide/herbicide application, water treatment chemicals and hostile fire
- Punitive damages covered where allowed by law

### **Optional features**

- Failure to supply for utilities
- Sewer back-up liability
- Premises medical expenses
- Cemetery professional liability
- Per occurrence deductible
- Per operation aggregate limits
- Occurrence or claims-made forms
- Non-auditable

### **Optional coverage forms**

- Employee benefits liability
- Medical professional liability for EMTs and nurses



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## PUBLIC ENTITY MANAGEMENT LIABILITY – OCCURRENCE

Provides coverage for “wrongful acts” committed by a protected person. “Wrongful act” means any act, error or omission.

### Who is protected

- The public entity
- Elected or appointed officials
- Board members
- Employees
- Estates, heirs, legal representatives or assigns
- Volunteers

### Program features

- Coverage for violation of civil rights
- Punitive damages covered where allowed by law
- Lawyers, architects/engineers professional not excluded
- Per wrongful act deductible, applies to indemnity and defense expenses
- Consent to settle provision

### Optional features

- Sub-limit for defense costs for declaratory/injunctive relief claims



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## **PUBLIC ENTITY EMPLOYMENT PRACTICES LIABILITY**

### **AN INNOVATIVE INSURANCE PRODUCT FOR PUBLIC ENTITIES**

Public entities are experiencing an increase in the number – and seriousness – of employment-related claims. Leading causes of these lawsuits include wrongful termination, discrimination in hiring or promotion and harassment in the workplace. Retaliation or “whistleblower” claims are also becoming more prevalent.

Many insurers try to address these exposures by offering employment-related practices coverage through a public officials’ liability policy. Frequently, this type of coverage proves to be inadequate, resulting in denied claims due to technicalities associated with the lawsuit wording. Further, many public officials coverage forms exclude coverage for back wages, which is an integral part of any employment lawsuit. Employment-related claims will also erode the coverage limits available to pay public official claims. St. Paul Travelers, however, has developed a public entity employment practices liability product to better respond to employment-related exposures faced by public entities. Our separate coverage agreement is designed exclusively for public entities and will protect your entity against employment-related claims.

#### **Key coverage features**

- Claims-made and reported form
- Coverage form and limits are dedicated to covering only employment-related claims
- Punitive damages are covered where insurable by law
- Damages include attorneys’ fees of the person or organization bringing the claim when such fees are recoverable under the law violated by the employment practice offense
- Right and duty to defend claims, including any arbitration, administrative proceeding, alternative dispute resolution proceeding, or hearing, for damages
- Right to defend an administrative proceeding or hearing that does not seek damages but otherwise alleges covered employment injury
- Front and back wages are included as damages
- No exclusion for class-action suits
- Extended reporting period endorsement available

#### **Who is covered**

- Public entities or other organizations
- Elected or appointed officials
- Board members
- Employees and volunteer workers

#### **What is covered**

Wrongful employment practice offenses committed by an insured against your employees and independent contractors, including:

- Employment discrimination
- Wrongful employment termination
- Employment-related harassment
- Retaliatory action against employees
- Wrongful, excessive or unfair discipline
- Wrongful hiring, supervision, demotion or failure to promote
- Employment-related misrepresentation, defamation, libel, slander, disparagement or invasion of privacy

## Limits, deductibles and self-insured retentions

- Each wrongful employment practice offense limit
- Total limit for all wrongful employment practice offenses
- Limits of coverage include defense expenses
- Deductible applies to damages and defense expenses
- Self-insured retention options starting at \$25,000

## Risk control services

Considered to be among the best in the industry, the risk control group at St. Paul Travelers offers services that are critical to a balanced insurance program. We offer the following value-added programs and resources at no charge to our public entity employment practices liability clients:

- **Best Practices Risk Management Line™**: a toll-free telephone consultative service offering proactive, effective information and strategies for managing workplace liability risks.
- **AGOSNET™**: an Internet-based employment practices resource with a wealth of information, including self-assessments, policies and procedures, training bulletins and a best practices knowledgebase.
- **Employment Practices Loss Control Resource Manual**: a reference containing important information on employment practices, including risk control issues and legal risks, and offering numerous samples of policies, forms and resources, as well as an employee manual.
- **Employment Practices Risk Management Made Easy: Let us Walk You Through It**: a mini CD-Rom that contains sample employment applications, a sample employee handbook, sample policies and procedures, a workplace harassment training program and more.
- **In the Public Interest**: a newsletter that addresses loss exposures, including employment practices, and offers recommendations to management on how to address these exposures.

## Financial strength

Our insistence on quality over the long term has made us one of the most respected companies in the United States. With a proud history that spans more than 150 years, we are known for superior products, services and strength, all backed by:

- A commitment to the insurance industry.
- Pro forma assets of \$109 billion (as noted in our 2003 annual report).
- One of the strongest claims-payment reputations in the industry, with consistently high ratings from independent rating services.



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## AUTOMOBILE COVERAGE

### Who is protected

- Public entity
- Elected or appointed officials and members
- Volunteer workers
- Any permitted user
- Owner of a commandeered auto

### Liability program features

- Coverage for law enforcement and emergency vehicles
- Owners of commandeered autos are protected
- Coverage for intentional bodily injury and property damage caused by a covered auto and the use of reasonable force in order to protect people or property
- Bail bonds covered up to \$2,500
- Expenses incurred by protected persons up to \$500 per day

### Physical damage program features

- Coverage for commandeered autos for law enforcement or fire fighting
- No deductible applies to window glass that has been repaired rather than replaced
- Mobile coverage for audio and radar detection equipment, if part of normal inventory of vehicle
- Coverage for intentional bodily injury and property damage caused by a covered auto and the use of reasonable force in order to protect people or property
- Airbag coverage up to \$1,000
- Personal belongings in a stolen vehicle up to \$250
- Fire department endorsement:
  - Limited coverage for freezing of equipment on emergency vehicles
  - Reimbursement of deductible for employees or volunteers using a non-owned, hired or borrowed auto while responding to an emergency

### Optional features

- Agreed value/stated amount valuation
- Automatic coverage – guaranteed cost



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[Home](#) > [Business Insurance](#) > [Public Entities](#) > Water and Sewer Districts

## WATER AND SEWER DISTRICTS

As the largest national provider of property and liability insurance for public entities, we understand the importance of providing protection for critical aspects of your municipal infrastructure. This includes your water and sewer districts.

### COVERAGE HIGHLIGHTS FOR WATER AND SEWER DISTRICTS

St. Paul Travelers provides insurance coverage for water and sewer treatment/distribution operations affiliated with your municipality, either on a stand-alone basis or as part of your comprehensive insurance program. Highlights include:

- General Liability with failure-to-supply limits applicable for water distribution operations
- Broadened pollution provision to address chlorine/ sodium hypochlorite in water or sewage purification processes, as well as sewer back-up incidents
- Auto Liability and physical damage
- Public Entity Management Liability coverage
- Employment Practices Liability coverage
- Property and Inland Marine coverages
- Umbrella
- Large deductible, self-insured retention and maximum retention programs

### TO PURCHASE INSURANCE FROM ST. PAUL TRAVELERS

Contact a [St. Paul Travelers representative](#) to help you find an independent insurance agent or broker. We choose independent agents based on their expertise and ability to provide high quality customer service.

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HDR/QUEST ENGINEERS, INC / WORK ORDER  
DATED MAY 25, 2006

**Project Name:**

**Task 1** – Preliminary Collector Sewer System Master Plan (South End) – PO # 58958, \$8,500.00 for Engineering Services.

- Task 1 Completed and services paid.

**Task 2** – Seven (7) Pump Station and Force Main Improvements – PO # 59923, \$254,240.00 for Engineering Services. The amount is a percentage of estimated cost for construction to complete Task 2. This task is broken into budgetary phases to come out of our Reserve Acct. Listed below is what we budgeted for FY 2007-2008.

- Lincoln Trail Lift Station upgrade - \$134,000
- Lincoln Trail Air Scrubber replacement and upgrade - \$91,000
- Hwy 313 Lift Station, purchase third pump - \$36,000

The above items for Task 2 are in the final stages of Engineering; drawings for submittal to DOW.

Amount Invoiced and Paid, (as of this date 1/9/08): \$28,322.34

**Task 3** – Collector Sewer Extensions (Cowley Crossing) and A. Arnold Lift Station Force Main re-route – PO# 58957, \$124,676.78 for Engineering Services. The amount is a percentage of estimated cost for construction to complete Task 3. This task will come out of our Reserve Acct.

The status on Task 3: Design and DOW approval complete. Is scheduled to bid January 2008.

Amount Invoiced and Paid, (as of this date 1/9/08): \$90,499.17

**Project Name:**

Boone Trace Lift Station and Force Main upgrade - PO# 58956, \$87,000.00 for Engineering Services. PO# 59937, \$27,940.00 for Resident Representation.

Boone Trace Force Main – Completed and Paid out of FY 2006-2007 budget. \$418,651.48 (KIA Grant \$450,000.00) leaving us \$31,348.52 in Grant Monies to be used towards Boone Trace Lift Station upgrade.

Boone Trace Lift Station upgrade: Final stages with Engineering drawings for submittal to DOW. Estimated Construction Cost \$511,000.00, which is in FY 2007-2008 budget.

Amount Invoice and Paid, (as of this date 1/9/08):

PO# 58956 - \$41,594.70                      PO# 59937 - \$5,465.07

**Project Name:**

EQ sludge removal, liner replacement and upgrade. Funded with KIA Grant \$450,000.00.

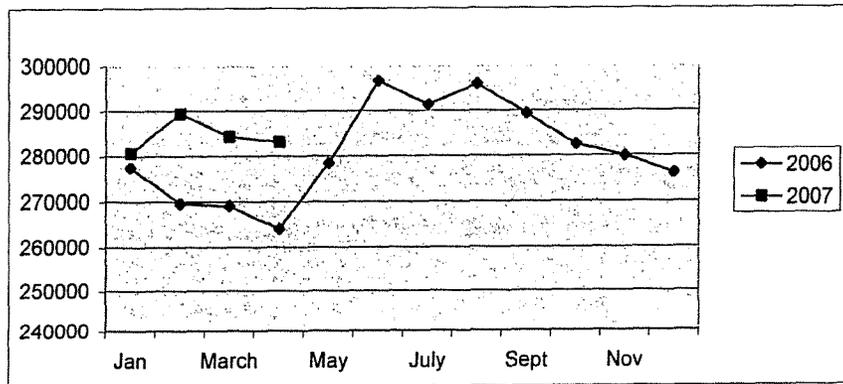
Status: Sludge removal Completed	\$85,924.00
Sludge Disposal Completed	\$78,014.45
Earth work Completed	\$82,170.12
Liner replacement Completed	<u>\$89,949.88</u>
<b>TOTAL</b>	<b>\$336,058.45</b>

\*Electrical and Purchase of Seven floating Aerators is pending, waiting on Quotes from Electrical Contractors. Original Estimate is void, due to Electrical Contractor Decease. Remainder of KIA Grant is \$113,940.65, for electrical work and Aerators.

Month	2006			2007			Difference	Percent	2008		
	Fees	Penalties	Total	Fees	Penalties	Total			Fees	Penalties	Total
January	\$270,282	\$7,105	\$277,387	\$273,214	\$7,465	\$280,679	\$3,292	1.2%	\$273,214	\$7,465	\$299,765
February	\$262,019	\$7,464	\$269,483	\$282,448	\$7,013	\$289,461	\$19,978	7.4%	\$282,448	\$7,013	\$289,461
March	\$261,518	\$7,438	\$268,956	\$276,690	\$7,677	\$284,367	\$15,411	5.7%	\$276,690	\$7,677	\$284,367
April	\$256,911	\$7,083	\$263,994	\$276,086	\$7,112	\$283,198	\$19,204	7.3%	\$276,086	\$7,112	\$283,198
May	\$270,663	\$7,669	\$278,331			\$297,258		6.8%			\$297,258
June	\$288,916	\$7,877	\$296,793			\$316,975		6.8%			\$316,975
July	\$283,285	\$8,022	\$291,307			\$311,116		6.8%			
August	\$287,585	\$8,424	\$296,009			\$316,138		6.8%			
September	\$281,455	\$7,829	\$289,284			\$308,955		6.8%			
October	\$274,512	\$7,971	\$282,483			\$301,692		6.8%			
November	\$271,502	\$8,382	\$279,884			\$298,916		6.8%			
December	\$268,614	\$7,453	\$276,066			\$294,838		6.8%			

FY July 06 to June 07                   \$3,466,970  
Forecast FY July 07 to June 08       \$3,602,679

	Jan	Feb	March	April	May	June	July	Aug	Sept	Oct	Nov	Dec
2006	\$277,387	\$269,483	\$268,956	\$263,994	\$278,331	\$296,793	\$291,307	\$296,009	\$289,284	\$282,483	\$279,884	\$276,066
2007	\$280,679	\$289,461	\$284,367	\$283,198								
Difference	\$3,292	\$19,978	\$15,411	\$19,204								
Percent	1.2%	7.4%	5.7%	7.3%								



FY06 BUDGETARY TOOL

Account Description	Acct. #	Budget 2006	YTD 2006 (7 months)	2006 12-Month Projection	District	Voella
<b>REVENUE</b>						
Sewer Revenue		3,200,000.00	1,973,824.40	3,383,698.97		
Returned Checks		0.00	0.00	0.00		
Sales Tax		35,000.00	21,039.07	36,066.98		
Sewer Taps		20,000.00	26,950.00	46,200.00		
Sale of Cap. Equipment		0.00	0.00	0.00		
Insurance Damage Claims		0.00	0.00	0.00		
Interest on Checking		1,000.00	3,410.33	5,846.28		
Interest of Customer Deposits		0.00	0.00	0.00		
Interest of Bond Reserves		6,300.00	16,789.74	28,782.41		
Interest on Escrow Fund		17,500.00	23,454.23	40,207.25		
State Infrastructure Grant		900,000.00	0.00	0.00		
Misc. Income		700.00	0.00	0.00		
Customer Advances Forfeited		0.00	0.00	0.00		
<b>TOTAL REVENUE</b>		<b>4,180,500.00</b>	<b>2,065,467.77</b>	<b>3,540,901.89</b>	<b>0.00</b>	<b>0.00</b>
<b>EXPENSES</b>						
Administration		54,700.00	31,533.60	54,057.60		
Admin. Assistant		0.00	0.00	0.00		
Collections/Maintenance		304,800.00	170,834.67	292,859.43		
Overtime		4,000.00	2,264.43	3,881.88		
Operations		234,000.00	135,769.48	232,747.68		
On Call/Shift Diff/Pager		9,000.00	4,877.34	8,361.15		
Sick Leave/Retirement Payback		0.00	0.00	0.00		
Social Security		44,000.00	24,242.21	41,558.07		
Retire Fund Contribution		66,600.00	37,911.57	64,991.26		
Liability Ins. & Workers' Comp.		35,300.00	25,493.65	43,703.40		
Unemployment Insurance		6,000.00	1,406.00	2,410.29		
Health, Life & Dental Insurance		81,000.00	45,452.42	77,918.43		
Workers Comp. Self Insured		400.00	0.00	0.00		
Employee Testing		2,200.00	1,072.00	1,837.71		
Travel & Training Expense		3,000.00	3,356.00	5,753.14		
Uniform & Service		7,000.00	3,965.83	6,798.57		
Billing/Collecting Fee		203,000.00	112,889.59	193,490.73		
Kentucky Sales Tax		33,000.00	18,070.04	30,977.21		
Sewer Refunds		3,500.00	4,981.67	8,540.01		
Bad Debts		0.00	0.00	0.00		
Depreciation		0.00	0.00	0.00		
Plant/Bldgs Insurance		17,400.00	5,353.05	9,176.66		
Bldg. Utilities		102,000.00	64,547.64	110,653.10		
Plant Janitorial Expense		4,500.00	3,480.87	5,932.58		
Plant Maintenance & Repairs		85,000.00	28,252.38	48,432.62		
Generator Expense		2,000.00	0.00	0.00		
Plant Lease Agreements		2,250.00	2,250.00	3,857.14		
Plant Chemicals		11,500.00	4,223.98	7,241.11		
Plant Roads & Ground Maint.		39,100.00	36,720.23	62,948.97		
Plant Bldg. Maint. & Repairs		10,000.00	11,365.37	19,483.49		
Plant Laboratory Expense		39,100.00	27,738.78	47,552.19		
Landfill Expense		100,000.00	45,943.61	78,780.47		
Small Equip./Tools & Safe		18,000.00	8,112.95	13,907.91		
Small Equip. Maint. & Repairs		3,000.00	1,738.44	2,976.75		
Publications		300.00	197.75	339.00		
Dues & Subscriptions		600.00	225.00	385.71		
Mowers/Weedeaters		0.00	527.90	904.97		
Contingent Liability		2,500.00	2,500.00	4,285.71		
General Fund Admin. Fee		40,000.00	20,000.00	34,285.71		
Operating Transfer Out		0.00	0.00	0.00		
Stormwater Fee - GPS Tech.		0.00	0.00	0.00		
Misc. Expense		500.00	222.28	381.05		
Change in Accrued Interest		0.00	0.00	0.00		
Danville '97 KML Bond (Princ.)		50,700.00	26,397.48	45,252.82		
Danville '97 KML Bond (Int.)		4,800.00	2,410.98	4,133.11		
KIA Loan '97 (Princ.)		210,100.00	108,031.42	181,788.15		
KIA Loan '97 (Int.)		143,000.00	70,450.46	120,772.22		
KMFC Bond (Princ.)		340,000.00	0.00	0.00		
Bond FD Series (Int.)		38,200.00	22,819.00	39,118.29		
Bond Service & Trustee Fees		0.00	0.00	0.00		
Amortization Exp.		0.00	0.00	0.00		
Danville KML 2001A BD (Int.)		0.00	0.00	0.00		
Office Equipment		0.00	0.00	0.00		
Office Furniture		0.00	0.00	0.00		
Computer Equipment		0.00	0.00	0.00		
Work Equipment		0.00	0.00	0.00		
Laboratory Equipment		0.00	0.00	0.00		
Plant Equipment		450,000.00	0.00	0.00		
Lift Sta. Replacement/Installation		500,000.00	0.00	0.00		
Line Installation/Replacement		0.00	0.00	0.00		
Safety Equipment		0.00	0.00	0.00		
Vehicles/Vehicle Equipment		0.00	0.00	0.00		
Radio Equipment		0.00	0.00	0.00		
Capital Projects/Contingency		329,950.00	0.00	0.00		
<b>TOTAL EXPENSES</b>		<b>3,638,000.00</b>	<b>1,115,587.85</b>	<b>1,912,436.31</b>	<b>0.00</b>	<b>0.00</b>
<b>Balance</b>		<b>544,500.00</b>	<b>949,879.92</b>	<b>1,628,365.58</b>	<b>0.00</b>	<b>0.00</b>

## History of Radcliff Sewer Rates

1995 ~ 2006

	Min	2-13	15 +	5k Bill	Net % Chg	Cum % Chg
1995	7.82	2.54	2.22	15.44		
1996	7.82	2.54	2.22	15.44	0.0%	0.0%
1997	7.82	2.54	2.22	15.44	0.0%	0.0%
1998	12.36	4.03	3.31	24.45	58.4%	58.4%
1999	12.57	4.10	3.27	24.87	1.7%	61.1%
2000	12.77	4.17	3.33	25.28	1.6%	63.7%
2001	13.11	4.29	3.42	25.98	2.8%	68.3%
2002	16.39	5.36	4.28	32.47	25.0%	110.3%
2003	16.64	5.44	4.35	32.96	1.5%	113.5%
2004	17.04	5.57	4.45	33.75	2.4%	118.6%
2005	17.04	5.57	4.45	33.75	0.0%	118.6%
2006	17.04	5.57	4.45	33.75	0.0%	118.6%
2007	17.04	5.57	4.45	33.75	0.0%	118.6%
2008	14.48	4.73	3.78	28.69	-15.0%	85.8%

(2007 - No increase expected, per Kathy Weisner, 8/7/06)

# 05 Radcliff Sewer Bill Tabulation

For: Holly Nicholas  
 By: J. Bruce, 8/7/06

<u>MON</u>		<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>7</u>
0	0		18	4	3	3	2	2
0	1,000	864	1,014	1,049	1,062	1,007	977	1,000
1,000	2,000	1,203	1,332	1,366	1,370	1,319	1,248	1,182
2,000	3,000	1,276	1,469	1,446	1,447	1,398	1,281	1,288
3,000	4,000	1,193	1,268	1,308	1,315	1,293	1,196	1,211
4,000	5,000	1,037	1,027	1,064	1,073	1,043	994	993
5,000	6,000	766	764	736	770	825	823	799
6,000	7,000	546	475	477	484	525	571	549
7,000	8,000	352	282	280	276	299	375	364
8,000	9,000	220	199	212	166	195	247	250
9,000	10,000	144	99	105	105	133	172	188
10,000	11,000	97	60	65	69	75	103	133
11,000	12,000	68	53	45	44	56	84	92
12,000	13,000	36	31	21	28	40	58	56
13,000	14,000	26	28	24	22	27	48	44
14,000	15,000	20	23	12	18	19	29	33
15,000	16,000	20	11	13	14	19	26	27
16,000	17,000	13	21	13	15	12	15	20
17,000	18,000	12	4	9	6	11	14	11
18,000	19,000	10	7	9	5	8	14	13
19,000	20,000	3	6	7	6	7	12	11
20,000	21,000	7	7	4	7	4	10	12
21,000	22,000	3	1	7	3	5	7	7
22,000	23,000	4	2	2	2	4	3	8
23,000	24,000	3	10	4	1	6	11	5
24,000	25,000	5	2	4	3	4	6	6
25,000	30,000	14	24	10	14	13	19	20
30,000	35,000	22	15	10	12	12	10	14
35,000	40,000	6	11	6	8	8	14	9
40,000	45,000	17	9	12	12	4	13	12
45,000	50,000	9	6	4	8	14	9	4
50,000	55,000	6	5	9	4	8	9	7
55,000	60,000	5	6	8	3	3	2	4
60,000	65,000	2	6	4	6	6	5	6
65,000	70,000	1	7	3	4	0	2	2
70,000	75,000	0	5	1	3	2	2	3
75,000	80,000	5	3	1	2	2	1	1
80,000	85,000	2	0	3	1	3	3	2
85,000	90,000	1	1	2	1	1	2	1
90,000	95,000	1	1	1	2	2	2	0
95,000	100,000	6	0	3	2	0	1	4
100,000	105,000	1	1	1	0	0	0	2
105,000	110,000	2	2	2	1	3	1	0
110,000	115,000	1	4	0	1	1	2	2
115,000	120,000	0	1	0	0	0	0	0

120,000	125,000	0	0	1	0	1	0	2
125,000	130,000	0	0	1	0	0	2	0
130,000	135,000	1	1	0	1	1	1	1
135,000	140,000	0	0	0	1	1	0	1
140,000	145,000	0	1	2	1	1	2	1
145,000	150,000	2	0	1	1	0	0	0
150,000	155,000	0	1	0	1	1	1	1
155,000	160,000	1	1	1	3	1	0	1
160,000	165,000	0	1	0	0	1	2	0
165,000	170,000	0	0	0	1	2	2	0
170,000	175,000	2	2	1	0	0	2	0
175,000	180,000	2	0	2	0	1	0	1
180,000	185,000	0	1	0	0	0	0	1
185,000	190,000	1	0	0	0	1	0	0
190,000	195,000	0	1	0	0	1	0	0
195,000	200,000	0	0	1	0	0	0	0
200,000	205,000	0	0	1	0	0	1	1
205,000	210,000	0	1	0	0	0	0	0
210,000	215,000	0	0	0	0	0	1	0
215,000	220,000	0	1	0	1	0	0	0
220,000	225,000	0	0	0	0	0	0	0
225,000	230,000	0	1	0	0	0	0	0
230,000	235,000	0	0	0	0	0	0	0
235,000	240,000	0	0	0	0	0	0	0
240,000	245,000	1	0	0	0	2	2	0
245,000	250,000	0	0	1	0	0	0	0
250,000	255,000	0	0	1	0	0	0	0
255,000	260,000	0	0	2	2	0	0	1
260,000	265,000	0	0	0	0	1	0	1
265,000	270,000	0	0	0	0	0	0	1
270,000	275,000	0	0	0	1	0	0	1
275,000	280,000	0	0	0	1	0	1	0
280,000	285,000	0	0	0	0	0	0	0
285,000	290,000	0	1	0	0	0	0	0
290,000	295,000	0	0	0	0	1	0	0
295,000	300,000	0	0	0	0	0	0	0
300,000	305,000	0	0	0	0	0	0	0
305,000	310,000	0	0	0	0	1	0	0
310,000	315,000	0	0	0	0	0	0	0
315,000	320,000	1	0	0	0	0	1	1
320,000	325,000	0	0	0	0	0	0	0
325,000	330,000	0	1	0	0	0	0	0
330,000	335,000	1	0	0	0	0	0	0
335,000	340,000	0	0	0	0	0	0	0
340,000	345,000	0	1	0	0	0	0	0
345,000	350,000	0	0	0	0	0	0	1
350,000	355,000	0	0	0	0	0	0	0
355,000	360,000	0	0	0	0	0	0	0
360,000	365,000	0	0	0	0	0	0	0
365,000	370,000	0	0	0	0	0	0	0
370,000	375,000	0	0	0	0	0	0	0
375,000	380,000	0	0	0	0	0	0	0

380,000	385,000	0	0	0	0	0	0	0
385,000	390,000	1	0	0	0	0	0	0
390,000	395,000	0	0	0	0	0	0	0
395,000	400,000	0	0	0	0	0	0	0
400,000	405,000	0	0	0	0	0	0	0
405,000	410,000	0	0	0	0	0	0	0
410,000	415,000	0	0	0	0	0	0	0
415,000	420,000	0	0	0	0	0	0	0
420,000	425,000	0	0	0	0	0	0	0
425,000	430,000	0	0	0	0	0	0	0
430,000	435,000	0	0	0	0	0	0	0
435,000	440,000	0	0	0	0	0	0	0
440,000	445,000	0	0	0	0	0	0	0
445,000	450,000	0	0	0	0	0	0	0
450,000	455,000	0	0	0	0	0	0	0
455,000	460,000	0	0	0	0	0	0	0
460,000	465,000	0	0	0	0	0	0	0
465,000	470,000	0	0	0	0	0	0	0
470,000	475,000	0	0	0	0	0	0	0
475,000	480,000	0	0	0	0	0	0	0
480,000	485,000	0	0	0	0	0	0	0
485,000	490,000	0	0	0	0	0	0	0
490,000	495,000	0	0	0	0	0	0	0
495,000	500,000	0	0	0	0	0	0	0
500,000	505,000	0	0	0	0	0	0	0
505,000	510,000	0	0	0	0	0	0	0
510,000	515,000	0	0	0	0	0	0	0
515,000	520,000	0	0	0	0	0	0	0
520,000	525,000	0	0	0	0	0	0	0
525,000	530,000	0	0	0	0	0	0	0
530,000	535,000	0	0	0	0	0	0	0
535,000	540,000	0	0	0	0	0	0	0
540,000	545,000	0	0	0	0	0	0	0
545,000	550,000	0	0	0	0	0	0	0
550,000	555,000	0	0	0	0	0	0	0
555,000	560,000	0	0	0	0	0	0	0
560,000	565,000	0	0	0	0	0	0	0
565,000	570,000	0	0	0	0	0	0	0
570,000	575,000	0	0	0	0	0	0	0
575,000	580,000	0	0	0	0	0	0	0
580,000	585,000	0	0	0	0	0	0	0
585,000	590,000	0	0	0	0	0	0	0
590,000	595,000	0	0	0	0	0	0	0
595,000	600,000	0	0	0	0	0	0	0
600,000	605,000	0	0	0	0	0	0	0
605,000	610,000	0	0	0	0	0	0	0
610,000	615,000	0	0	0	0	0	0	0
615,000	620,000	0	0	0	0	0	0	0
620,000	625,000	0	0	0	0	0	0	0
625,000	630,000	0	0	0	0	0	0	0
630,000	635,000	0	0	0	0	0	0	0
635,000	640,000	0	0	0	0	0	0	0

640,000	645,000	0	0	0	0	0	0	0
645,000	650,000	0	0	0	0	0	0	0
650,000	655,000	0	0	0	0	0	0	0
655,000	660,000	0	0	0	0	0	0	0
660,000	665,000	0	0	0	0	0	0	0
665,000	670,000	0	0	0	0	0	0	0
670,000	675,000	0	0	0	0	0	0	0
675,000	680,000	0	0	0	0	0	0	0
680,000	685,000	0	0	0	0	0	0	0
685,000	690,000	0	0	0	0	0	0	0
690,000	695,000	0	0	0	0	0	0	0
695,000	700,000	0	0	0	0	0	0	0
700,000	705,000	0	0	0	0	0	0	0
705,000	710,000	0	0	0	0	0	0	0
710,000	715,000	0	0	0	0	0	0	0
715,000	720,000	0	0	0	0	0	0	0
720,000	725,000	0	0	0	0	0	0	0
725,000	730,000	0	0	0	0	0	0	0
730,000	735,000	0	0	0	0	0	0	0
735,000	740,000	0	0	0	0	0	0	0
740,000	745,000	0	0	0	0	0	0	0
745,000	750,000	0	0	0	0	0	0	0
750,000	755,000	0	0	0	0	0	0	0
755,000	760,000	0	0	0	0	0	0	0
760,000	765,000	0	0	0	0	0	0	0
765,000	770,000	0	0	0	0	0	0	0
770,000	775,000	0	0	0	0	0	0	0
775,000	780,000	0	0	0	0	0	0	0
780,000	785,000	0	0	0	0	0	0	0
785,000	790,000	0	0	0	0	0	0	0
790,000	795,000	0	0	0	0	0	0	0
795,000	800,000	0	0	0	0	0	0	0
800,000	805,000	0	0	0	0	0	0	0
805,000	810,000	0	0	0	0	0	0	0
810,000	815,000	0	0	0	0	0	0	0
815,000	820,000	0	0	0	0	0	0	0
820,000	825,000	0	0	0	0	0	0	0
825,000	830,000	0	0	0	0	0	0	0
830,000	835,000	0	0	0	0	0	0	0
835,000	840,000	0	0	0	0	0	0	0
840,000	845,000	0	0	0	0	0	0	0
845,000	850,000	0	0	0	0	0	0	0
850,000	855,000	0	0	0	0	0	0	0
855,000	860,000	0	1	0	0	0	0	0
860,000	865,000	0	0	0	0	0	0	0
865,000	870,000	0	0	0	0	0	0	0
870,000	875,000	0	0	0	0	0	0	0
875,000	880,000	0	0	0	0	0	0	0
880,000	885,000	0	0	0	0	0	0	0
885,000	890,000	0	0	0	0	0	0	0
890,000	895,000	0	0	0	0	0	0	0
895,000	900,000	0	0	0	0	0	0	0

900,000	905,000	0	0	0	0	0	0	0
905,000	910,000	0	0	0	0	0	0	0
910,000	915,000	0	0	0	0	0	0	0
915,000	920,000	0	0	0	0	0	0	0
920,000	925,000	0	0	0	0	0	0	0
925,000	930,000	0	0	0	0	0	0	0
930,000	935,000	0	0	0	0	0	0	0
935,000	940,000	0	0	0	0	0	0	0
940,000	945,000	0	0	0	0	0	0	0
945,000	950,000	0	0	0	0	0	0	0
950,000	955,000	0	0	0	0	0	0	0
955,000	960,000	0	0	0	0	0	0	0
960,000	965,000	0	0	0	0	0	0	0
965,000	970,000	0	0	0	0	0	0	0
970,000	975,000	0	0	0	0	0	0	0
975,000	980,000	0	0	0	0	0	0	0
980,000	985,000	0	0	0	0	0	0	0
985,000	990,000	0	0	0	0	0	0	0
990,000	995,000	0	0	0	0	0	0	0
995,000	995,000	0	0	0	0	0	0	0
		8,042	8,318	8,377	8,409	8,433	8,439	8,411

<u>8</u>	<u>9</u>	<u>10</u>	<u>11</u>	<u>12</u>	TOTAL
4	11	6	12	1	66
989	923	920	959	740	10,640
1,230	1,217	1,288	1,360	967	13,879
1,262	1,344	1,431	1,401	923	14,690
1,228	1,211	1,304	1,340	865	13,539
1,027	1,034	1,103	1,070	773	11,201
788	804	754	756	481	8,300
594	584	508	517	328	5,612
398	379	335	314	197	3,499
225	251	213	187	123	2,268
174	180	148	119	76	1,499
117	121	82	72	49	946
97	70	63	52	35	691
58	43	33	26	18	412
39	32	31	26	8	329
24	24	23	20	10	235
23	18	19	17	10	197
17	21	9	5	4	152
12	15	14	12	5	113
13	15	6	13	5	108
13	5	6	4	3	80
9	10	7	3	4	77
11	17	7	6	3	74
1	8	3	5	4	42
6	3	5	3	3	57
5	4	1	4	1	40
30	20	20	11	19	200
21	15	11	14	5	139
9	13	12	11	5	106
10	12	8	11	9	112
7	9	7	9	4	81
3	4	9	2	8	68
4	3	3	3	3	42
3	2	6	3	1	48
5	7	2	4	2	38
2	2	0	5	2	27
1	1	0	2	3	17
2	2	4	2	1	23
0	3	4	1	3	19
4	2	3	2	3	22
2	3	5	1	2	23
3	2	0	1	2	12
1	1	1	0	1	13
1	3	2	1	1	18
1	2	1	1	0	6

0	2	0	2	0	8
1	1	0	0	0	5
1	0	1	1	2	10
1	2	1	1	0	8
2	0	1	1	0	12
0	0	0	1	0	3
0	0	0	1	1	7
1	0	0	0	0	8
0	0	0	0	1	5
0	0	2	2	0	9
0	0	1	1	1	8
0	1	0	0	2	7
2	2	1	2	1	10
0	1	0	0	0	2
3	0	0	0	0	5
0	0	1	0	0	2
0	1	2	1	0	7
0	0	0	0	0	1
0	0	0	2	1	2
0	1	0	0	0	5
0	1	1	0	0	1
0	0	1	0	0	3
0	0	1	0	1	2
2	0	0	0	0	3
0	0	1	1	0	6
0	0	0	0	0	1
0	0	0	1	0	2
1	0	0	0	0	6
0	0	0	0	0	2
0	0	0	1	0	2
0	0	0	0	0	2
1	0	0	0	2	5
0	0	0	0	0	0
0	0	0	0	0	1
0	0	0	0	0	1
0	0	0	0	0	0
0	1	0	0	0	1
1	0	1	1	0	4
0	1	0	0	0	1
0	0	0	0	0	2
0	0	1	0	0	1
0	1	0	0	0	2
0	0	0	0	0	0
0	0	0	0	0	0
0	0	1	0	0	1
0	0	0	1	0	2
0	0	0	0	0	1
0	0	0	1	0	1
0	0	0	0	0	0
0	0	0	1	0	0
1	0	0	0	0	1
0	0	0	0	0	1
0	0	0	0	0	0







**Andrea Palmer**

---

**From:** Nicholas, Robert [Robert.Nicholas@veoliawaterna.com]  
**Sent:** Sunday, November 12, 2006 3:36 PM  
**To:** Jim Bruce; Brett Pyles  
**Subject:** BBB  
**Attachments:** Mayor Presentation (Nov) PART 1 BBB.ppt

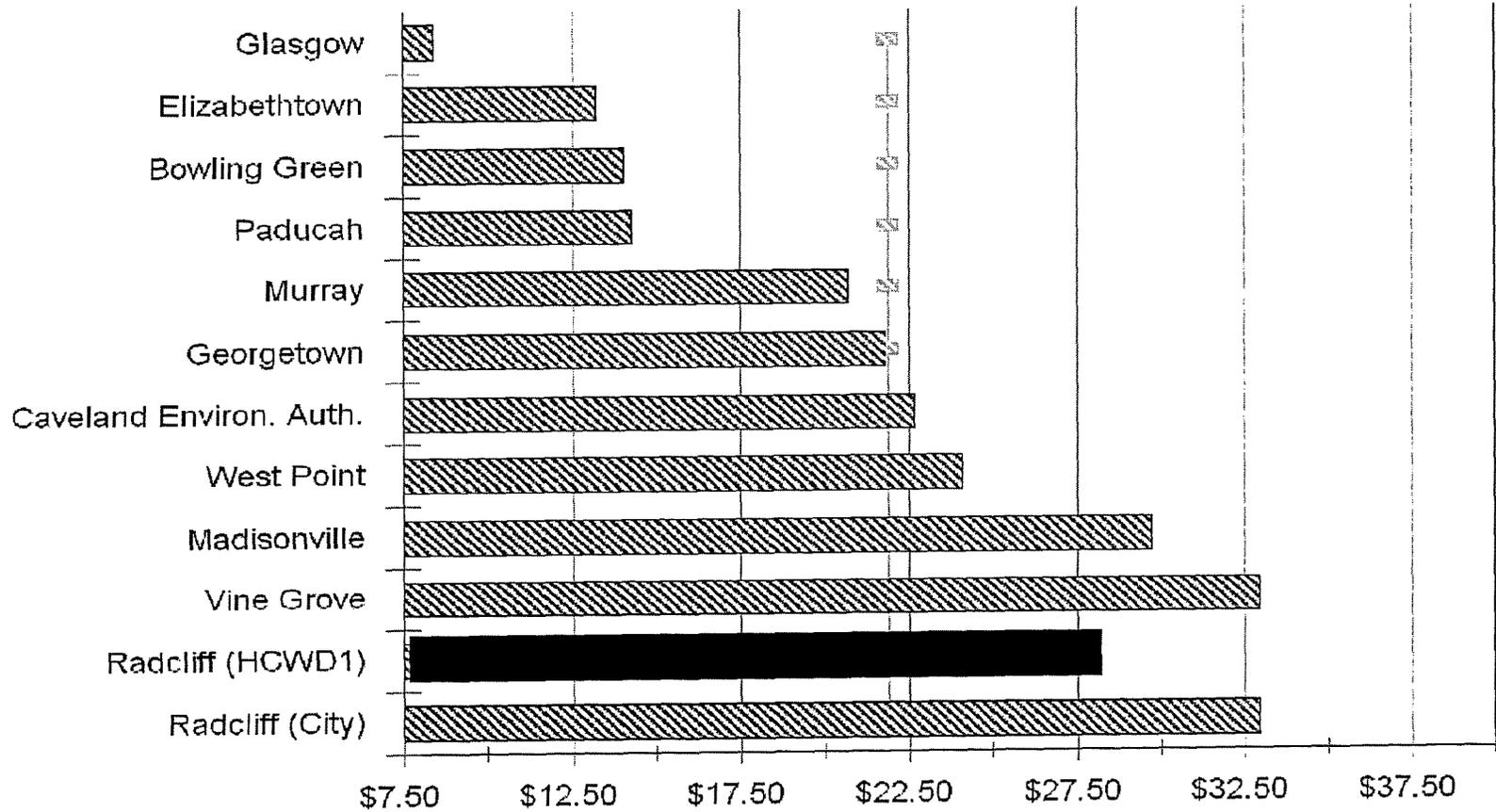
Safety is everyone's job!

Rob Nicholas  
Veolia Water  
412 Michael Court  
Richmond, KY 40475  
859/623-0263  
[robert.nicholas@veoliawaterna.com](mailto:robert.nicholas@veoliawaterna.com)

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# 5 kgal - Monthly Sewer Bill Comparison

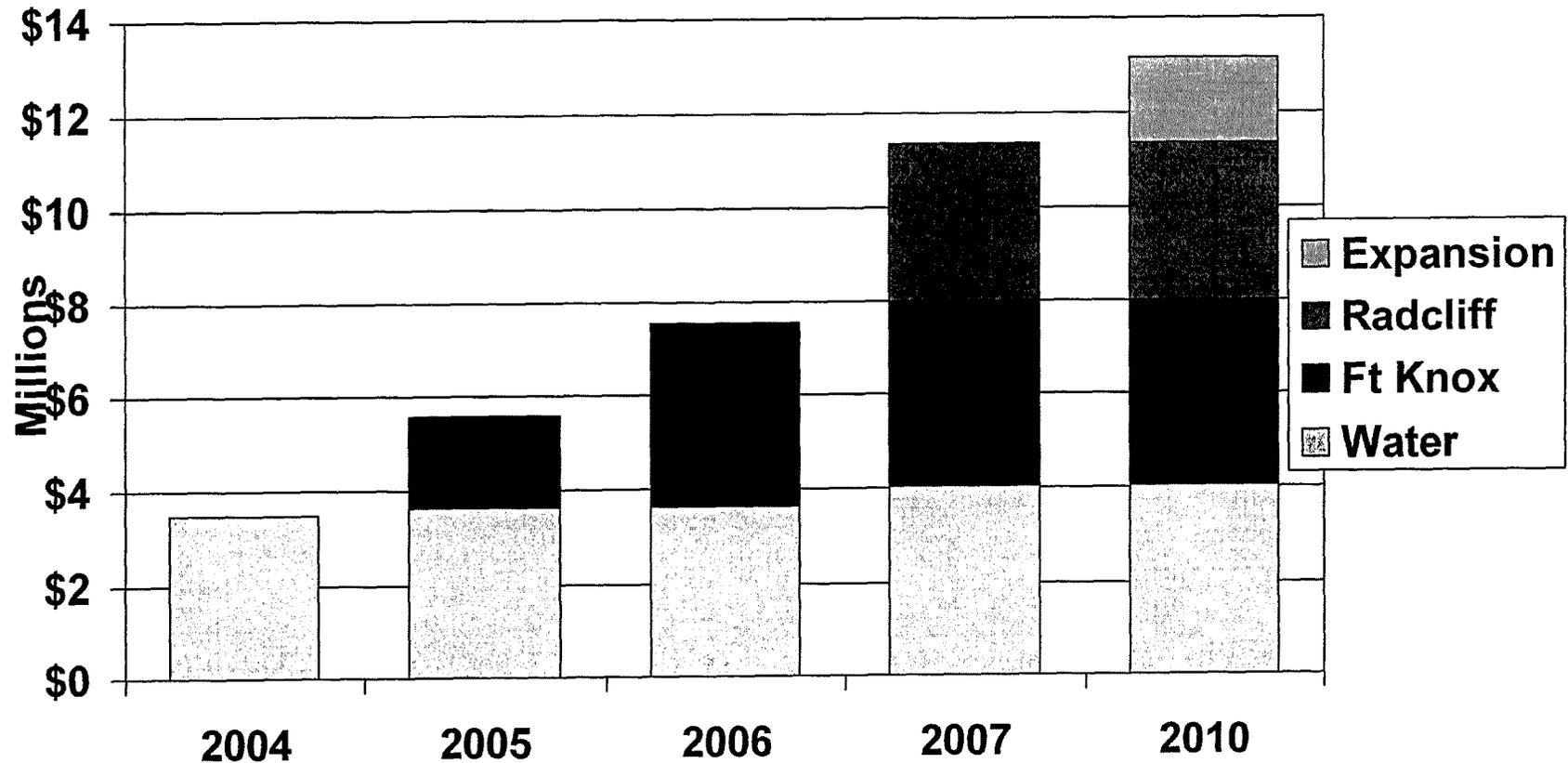
(Residential)



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# Economy of Scale



# Unexpected City Benefit

- \$90,000 A Year Sewer Franchise Fee
- \$50,000 More Than Current \$40,000 Contribution to General Fund

# GROWTH TO KEEP RATES LOW

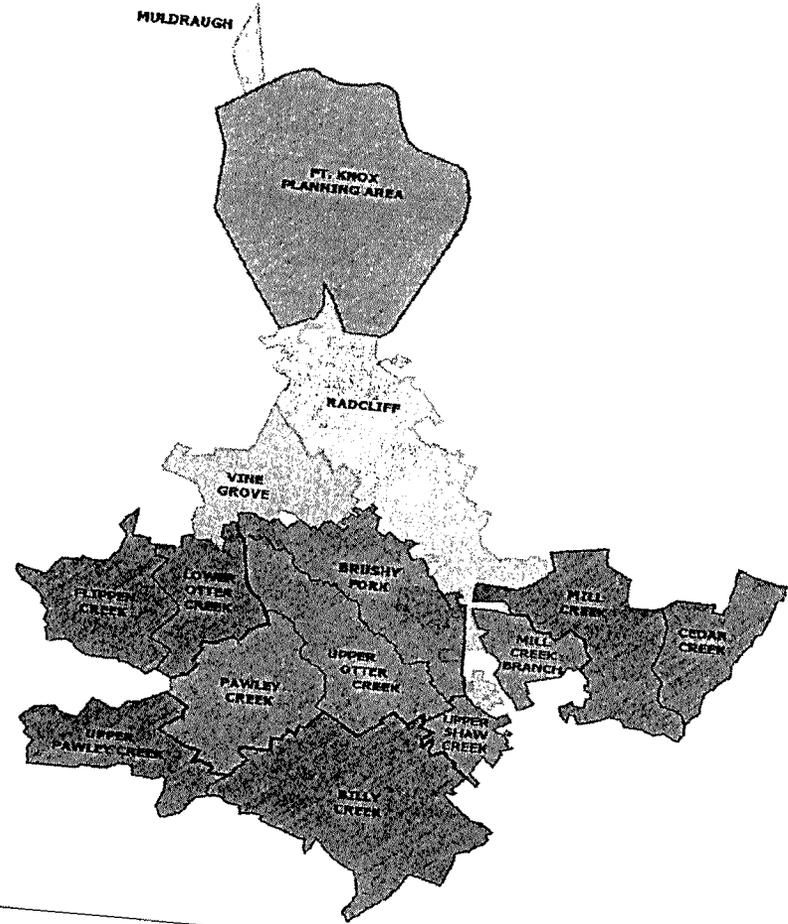
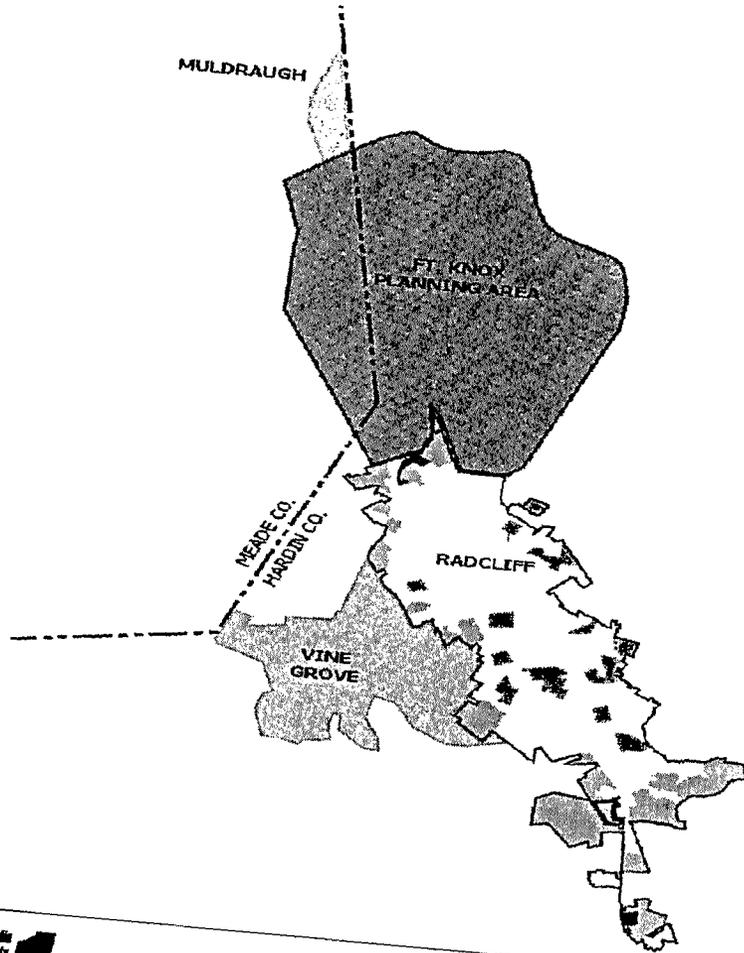
- District Not Restricted to City Boundary
- Growth Reduces Overhead Costs to All Customers Keeping Rates Low
- County Targeting Growth to City and Ft Knox,



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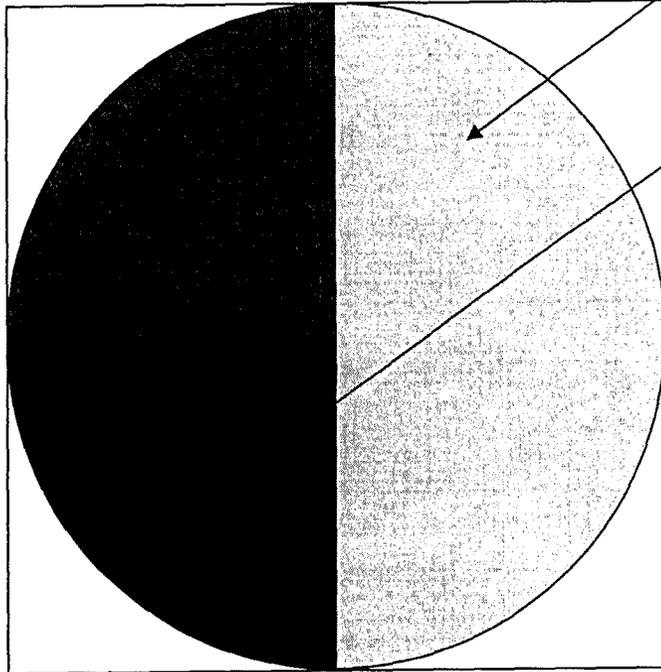
# City vs. District Opportunity



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# Growth Potential and Ability to Reduce Overhead



- Plant at half capacity
- \$1.8 million potential revenue from  $\frac{1}{4}$  of plant
  - 1,000,000 / 200 gpd
  - 5000 cust x \$30 bill
- Reduce rate further or control future rate increases

## Andrea Palmer

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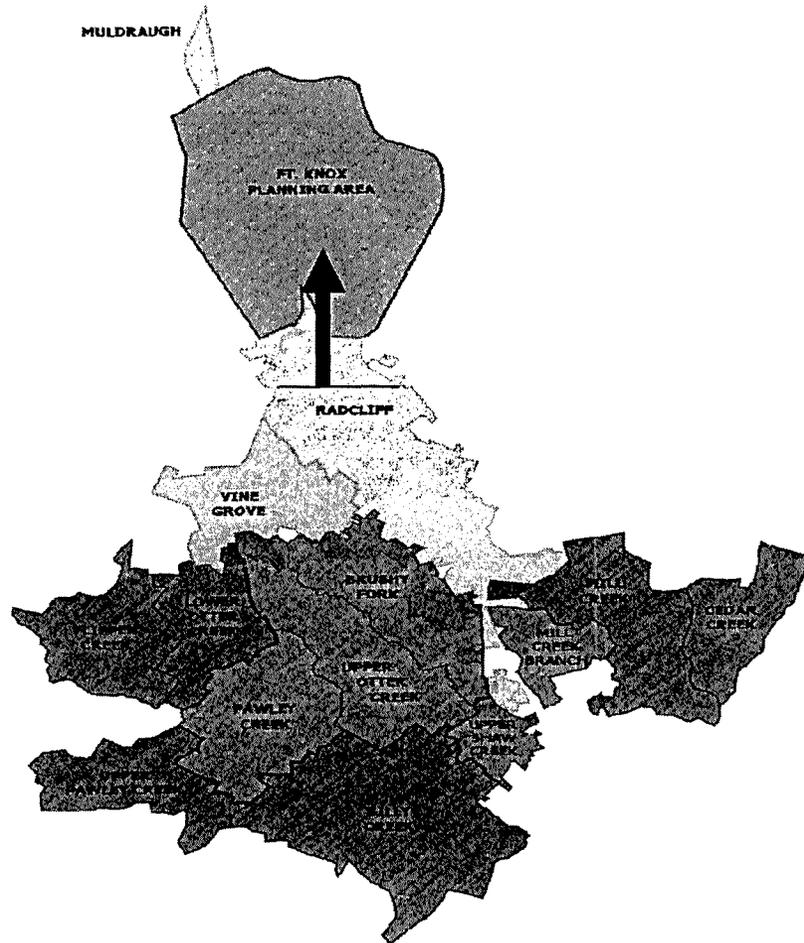
**From:** Nicholas, Robert [Robert.Nicholas@veoliawaterna.com]  
**Sent:** Sunday, November 12, 2006 3:26 PM  
**To:** Jim Bruce; Brett Pyles  
**Subject:** 2nd half  
**Attachments:** Mayor Presentation (Nov) PART 2.ppt

Safety is everyone's job!

Rob Nicholas  
Veolia Water  
412 Michael Court  
Richmond, KY 40475  
859/623-0263  
[robert.nicholas@veoliawaterna.com](mailto:robert.nicholas@veoliawaterna.com)

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# Maximize Plant Capacity



- Expansion opportunity in the south and west
- County plan shows flow to Ft Knox based on cost
- Move a portion of Radcliff flow to Ft Knox and take new flow into Radcliff
- Result is maximizing flow at Radcliff and reducing rates to customers

# MANAGING GROWTH

- County Expecting Growth
- PSC Protects Existing District Customers
- Utility Size Allows Specialized Staff



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# What County Is Doing to Handle BRAC and Sewers

- County Master Plan – District Role Scripted
  - District a good option for expanding sewer to unserved areas outside cities
  - District plant targeted to take flow
  - Vine Grove near capacity and working on plant expansion
- Health Department Plan
  - Poor soil, largest # of septic installations in state pose environmental failure
  - Developer cluster systems need manager
  - Developers can't get Radcliff to expand system

# PSC Growth Protection

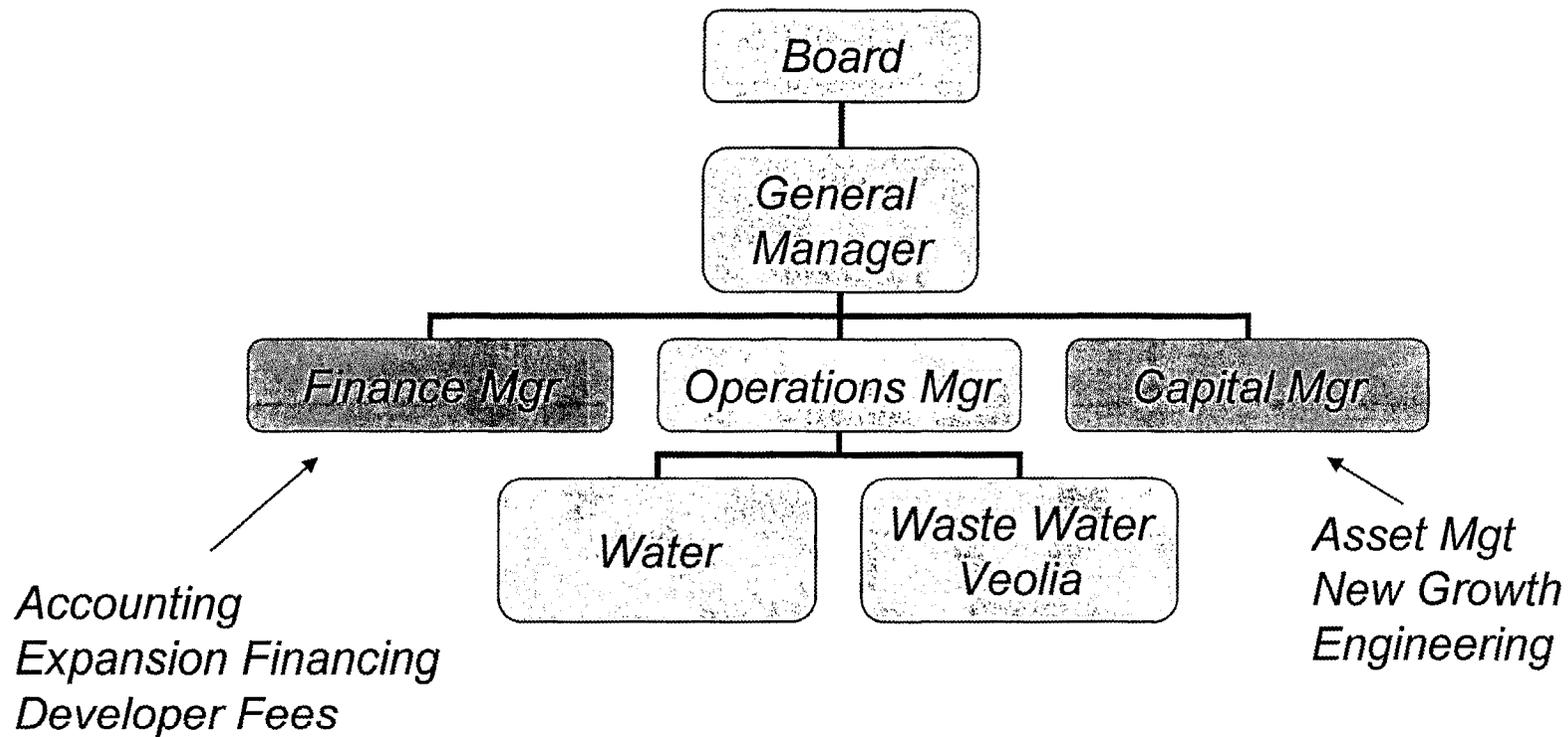
- Need some help Jim



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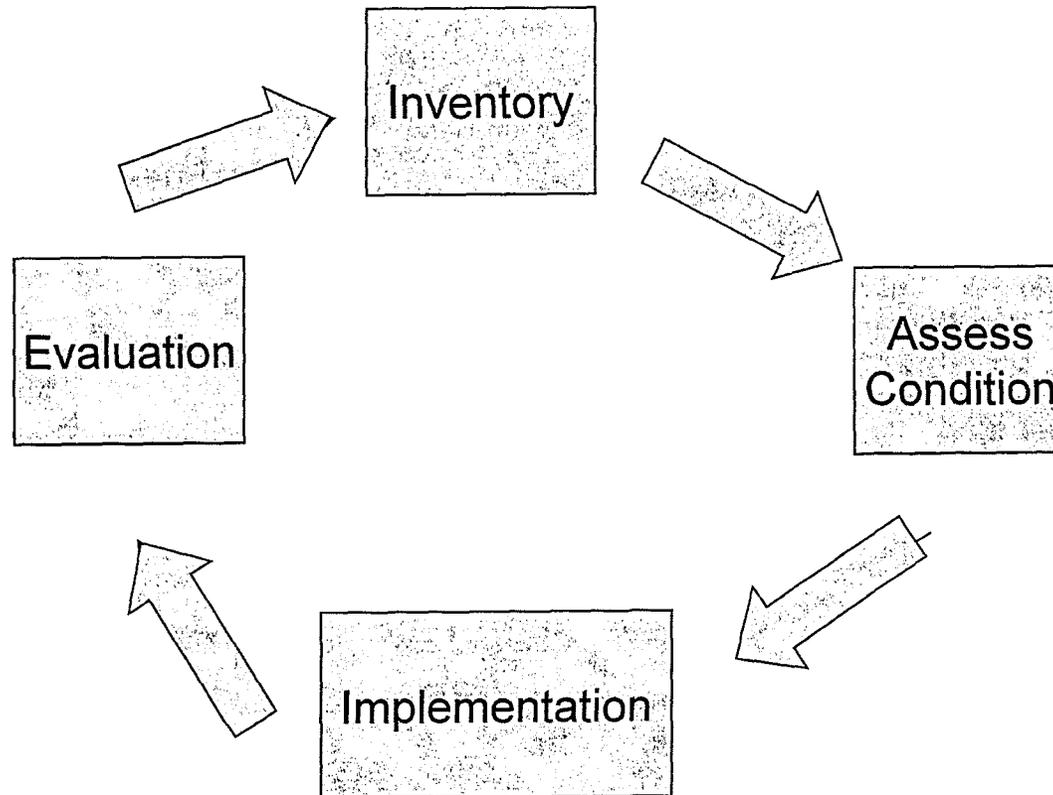
# New Specialized Staff to Handle Growth



# AGING FACILITIES

- Asset Management Approach
- Annual Financial Commitment
- Maximize In House Staff

# Asset Management Cycle



# Financial Projections

Year	H P	Type	Budget	Life	YR 1	YR 2	YR 3	YR 4	YR 5	YR 6	YR 7	YR 8	YR 9	YR 10	YR 11	YR 12	YR 13
1987	5	Pump	\$3500 Repair \$7000 Replace	5/10	\$3.5				\$7					\$3.5			
		Pump	\$3500 Repair \$7000 Replace	5/10			\$3.5					\$7					\$3.5
		Planet	\$5000 Replace	10			\$10										\$10
		Building	\$80,000	30													
		Telemetry	\$15,000	10			\$15										\$15



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# Maximize In House Staff

- Engineer On Staff
- Annual Capital Plan (Combine CMMS)
- GIS Mapping (Merge Systems)
- Flow Analysis
- Smoke Testing
- TV Inspection (PACP Certified)
- Manhole Repairs
- Spot Repairs or Spot Lining

# REALISTIC EXPECTATIONS



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# SIX MONTH PROCESS

Activity	O	N	D	J	F	M	A	M	J	J	A
Board Action – Initial and Follow Up	X	X									
City Action – Initial and Follow Up		X	X								
City and District MOU PSC Submittal and Review				X	X	X	X	X			
Debt Restructure							X	X	X		
Transition									X	X	
Start Up											X

# Minimal Employee Impact

- Offer Job to All Employees
  - Same Wage and Comparable
  - Job Swap Acceptable
  - Cash Option Available
- More Advancement Opportunity

# HCWD1 and VEOLIA SUCCESSFUL TEAM

## Programs In Place

- Operations Monitoring
- Lab QA/QC
- Computerized Maintenance Management
- GIS Mapping
- Annual Capital Review
- Safety Program
- Training Program

## Performance Awards

- District
  - EPA Safe Water
  - AWWA Construction Program
  - AWWA Customer Service
- Veolia Water
  - 3 WEF Operations Awards in 2006 + IPP Awards + Biosolids Awards
  - 260 WWTP Under Contract



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# Transaction Details

- MOU
- City and District Approval
- Continue Capital Projects Underway
- Assume Assets and Liability
- State Approval Required (DOW & PSC)
- Debt Agency Approval Require

# Summary....

- Acquisition - Acquiring sewer system provides most opportunity due to District political structure and regulation
- Cut Rates - Cut sewer rates 10 to 15% and increase double contribution to General Fund
- More Growth - Growth opportunities will help keep rates low for customers in the future
- Staffed for Growth - Size of utility provides specialists to help control growth as well as better coordination from water and sewer in same organization
- Replacement Program - Aging facilities can be more economically replaced through an Asset Management program which maximizes employee contributions
- Implementation - Transaction will take 6 months and include a number of details. The most important is impact on employees who are guaranteed a job.



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# Hardin County Water District No. 1

*Serving Radcliff and Hardin County for Over 50 Years*

1400 Rogersville Road  
Radcliff, KY. 40160

---

November 15, 2006

Mayor Sheila Enyart  
City of Radcliff  
411 W. Lincoln Trail Boulevard  
Radcliff, KY. 40169

**SUBJECT: Radcliff Sewer Study - Board Action**

Dear Mayor Enyart;

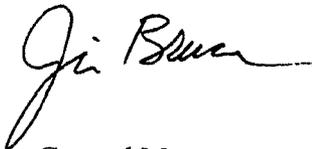
Thank you for meeting with Rob Nicholas and I today about ideas and content for a future presentation to the Radcliff City Council, regarding the findings of our study which was commissioned or agreed to in the March, 2006, Memorandum of Agreement between the District and the City.

I also wanted to provide you this letter to confirm that our Board did vote and approve, at their October 23, 2006 special meeting, to authorize the General Manager and Veolia to proceed with further presentations and discussions with yourself, and the City Council, regarding the findings and recommendations of our study. As we discussed today, our proposal would be to acquire the Radcliff sanitary sewer system, to be owned by the Hardin County Water District No. 1, which would be then be operated by Veolia Water.

We also confirmed that our proposal included offering employment to all City employees affected by this proposal, at their current pay rate and an equivalent benefit package. We will be working on collecting and providing the additional information you requested today, and will be glad to provide a tour of the Ft. Knox Wastewater Treatment Plant, and Veolia operations.

Again, we appreciate your confidence and interest in this study and proposal. We look forward to providing information and a presentation the to City Council at a future date. Please feel free to call me if you have other questions.

Sincerely,



Jim Bruce, General Manager

Cf: Mr. William Rissel, Chairman, HCWD1 Board of Commissioners  
HCWD1 Board of Commissioners  
Mr. Rob Nicholas, Area Vice President, Veolia Water, North America, South

---

Phone 1-270-351-3222

FAX: 1-270-352-3055

**Andrea Palmer**

---

**From:** Nicholas, Robert [Robert.Nicholas@veoliawaterna.com]  
**Sent:** Thursday, November 16, 2006 1:27 PM  
**To:** Brett Pyles  
**Subject:** RE: Radcliff Project - Statement

10-4

-----Original Message-----

**From:** Brett Pyles [mailto:BPyles@HCWD.com]  
**Sent:** Wednesday, November 15, 2006 3:18 PM  
**To:** Nicholas, Robert  
**Subject:** Radcliff Project - Statement

Rob,

Here is invoice that I was discussing with you earlier.

Thanks

Brett

<a href="http://www.hcwd.com">www.hcwd.com</a>	
<b>Brett Pyles</b> <i>Operations Manager</i>	<b>Hardin County Water District No.1</b> 1400 Rogersville Road Radcliff, KY 40160 tel: 270.351.3222 fax: 270.352.3055 mobile: 270.766.9477
<a href="mailto:bpyles@hcwd.com">bpyles@hcwd.com</a>	

Add me to your address book...

Want a signature like this?

**HARDIN COUNTY WATER DISTRICT #1  
1400 Rogersville Rd  
RADCLIFF, KY 40160**

**STATEMENT**

DATE: November 15, 2006

Veolia Water North America  
Fort Knox Waste Water Plant  
P.O. Box 906  
Fort Knox, KY 40121

---

Billing for Quest Engineering Fees - Radcliff Waste Water Treatment Plant Preliminary Hydraulic Review	\$225.00
---	----------

See attached billing from Quest Engineers, Inc.

---

Please remit the above amount to:

Hardin County Water Dist. #1  
Attn: Karen Brown  
1400 Rogersville Rd  
Radcliff, KY 40160

Telephone: 270-352-4280 x 212  
Fax : 270-352-3055

THANK YOU!

## Andrea Palmer

---

**From:** Nicholas, Robert [Robert.Nicholas@veoliawaterna.com]  
**Sent:** Friday, December 29, 2006 7:10 AM  
**To:** Brett Pyles; Greer, Jeffery; Meredith, Thomas  
**Cc:** Jim Bruce  
**Subject:** Radcliff Presentation

Jim and I are going to work on the presentation on Wednesday. We would like you three to shoot holes in it late Wednesday afternoon. The questions you should have for us should be from the vantage point of the scared employee and the interested City Council member.

**Safety is everyone's job!**

Rob Nicholas  
Veolia Water  
412 Michael Court  
Richmond, KY 40475  
859/623-0263  
[robert.nicholas@veoliawaterna.com](mailto:robert.nicholas@veoliawaterna.com)

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## Initial Information Request Radcliff Sewer Study - HCWD1

REQUEST FORMAT - TYPE	DESCRIPTION	DATE OF REQUEST	DATE REQUEST AVAILABLE
CD - DVD Disk or VHS Tape	TV Inspection Videos - Last 24 months		
Copy Regulatory Reports	Any current Agreed Orders or NOV's in last 12 months		
Copy Regulatory Reports	Monthly DMR Operating Report - Last 5 Years		
Exist Doc (We can come to City and review)	O&M Manual for the Plant (Latest and current)		
Exist Doc (We can come to City and review)	Any O&M Manuals for Lift Stations		
Exist Doc (We can come to City and review)	Development Plans (pending new or major re-plats, construction in process or not started)		
Exist Doc (We can come to City and review)	Current Construction or Development Standards (Sanitary & Storm)		
Calculation	Amount of single day, highest increase above average flow after rain event		
List - Copy	Lawsuits Pending (Sewer Related)		
Map Copy GIS File	Map of System (GIS Electronic if available)		
Ordinance - Copy	Sewer Rate Structures (Sanitary & Storm)		
Paper List Copy	Number of Overflows or Backups - Last 24 Months		
Paper List Copy	List of Employees, Titles, Current Wage, Hire Date and Benefits (Names not requested)		
Paper List Copy	Organization Chart (Sewer Dept.)		
Paper List Copy	List of Fleet units or Large wheeled Equipment (with hours / mileage on each)		

<b>REQUEST FORMAT - TYPE</b>	<b>DESCRIPTION</b>	<b>DATE OF REQUEST</b>	<b>DATE REQUEST AVAILABLE</b>
Paper Copy or PM system report	Preventive Maintenance History of Equipment - Last 24 months		
Paper Copy or Work Order system report	Work Order History for problem Calls From Customers - Last 12 months		
Paper List Copy or SCADA System output	Lift Station Capacities, pump gpm's, Flow and Run Times (average per day)		
Paper List Copy	Historical Connection Growth (number of sewer taps, last five years)		
Permit - Copy	Current NPDES Permit & Parameters		
Report / Ordinance Copy	Current Industrial Pretreatment Program (with any associated rates or fines)		
Paper List Copy	List of current Industrial Pretreatment customers (permitted)		
Studies, estimates	Engineering Studies or Proposed Project Estimates		
Exist Doc (We can come to City and review)	Regional Plan - Future Sewer Projects Planned		
Tour	On Site Tours - 1 or 2 Days at the Plant, 3 to 4 Days at the Lift Stations (57 lift stations at 15 minutes each)		
Report	Most recent Audit / Financial Report	Already Provided	
Report	Current Year Budget / Sanitary & Storm with CY Budget, CY expense to date and account numbers	Already Provided	

**Hardin County Water District No. 1**  
**Statement of Revenues, Expenses And Changes**  
**Water, Sewer & Consolidated - 06-11**  
**After Radcliff Sewer Acquisition**

ITEM	Approved 2008	Projected 2007	Projected 2008	Projected 2009	Projected 2010	Projected 2011
<b>WATER OPERATING REVENUES:</b>						
Customer Meter Charges	\$579,684	\$614,466	\$626,755	\$639,290	\$658,469	\$678,223
Residential	\$1,721,501	\$1,930,251	\$1,968,856	\$2,008,233	\$2,068,480	\$2,130,534
Multi-Family	\$110,690	\$124,112	\$126,594	\$129,128	\$133,000	\$136,990
Commercial	\$285,962	\$320,638	\$327,050	\$333,591	\$343,599	\$353,907
Wholesale	\$410,533	\$541,904	\$563,580	\$586,123	\$609,568	\$633,951
Sewer Cost Reimbursement	\$90,000	\$91,250	\$98,094	\$105,451	\$107,580	\$109,711
Franchise Fee	\$68,795	\$76,231	\$77,756	\$79,311	\$81,890	\$84,141
Other Water revenues	\$941,786	\$433,400	\$442,068	\$450,909	\$464,437	\$478,370
<b>SEWER OPERATING REVENUES:</b>						
Radcliff Sewer Charges	\$0	\$3,435,883	\$3,008,116	\$3,098,359	\$3,191,310	\$3,287,049
Radcliff Sewer Billing Fee	\$0	\$193,500	\$197,370	\$201,317	\$205,344	\$209,451
Customer Backup Fees	\$0	\$15,000	\$16,000	\$15,000	\$15,000	\$15,000
Industrial PT Program Fees	\$0	\$16,500	\$16,830	\$17,167	\$17,682	\$18,212
FK Sewer Mgmt Fees	\$0	\$30,000	\$30,900	\$31,827	\$32,762	\$33,765
FK Sewer Charges	\$2,563,908	\$2,563,908	\$2,756,201	\$2,862,916	\$3,022,175	\$3,082,618
FK Storm Sewer Charges	\$405,732	\$405,732	\$436,162	\$468,874	\$478,252	\$487,817
FK Capital Surcharge	\$937,980	\$468,990	\$250,000	\$250,000	\$250,000	\$250,000
Franchise Fee	\$0	\$109,826	\$97,119	\$99,955	\$102,880	\$105,891
Other Sewer Revenues	\$0	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000
TOTAL Water Revenues:	\$4,208,951	\$4,132,251	\$4,230,753	\$4,332,035	\$4,468,803	\$4,605,827
TOTAL Sewer Revenues:	\$3,907,620	\$7,254,340	\$6,822,698	\$7,180,416	\$7,330,423	\$7,504,803
Consolidated HCWD1 Revenues:	\$8,116,571	\$11,386,591	\$11,053,451	\$11,492,451	\$11,797,226	\$12,110,630
<b>WATER OPERATING EXPENSES:</b>						
Source of Supply	\$5,200	\$5,330	\$5,463	\$5,600	\$5,740	\$5,883
Treatment	\$752,723	\$771,541	\$790,830	\$810,600	\$830,865	\$851,637
Distribution	\$700,799	\$718,319	\$736,277	\$754,684	\$773,551	\$792,889
Customer Service	\$339,361	\$347,845	\$356,541	\$365,455	\$374,591	\$383,956
General & Admin	\$923,667	\$945,984	\$970,838	\$994,904	\$1,019,777	\$1,045,271
Franchise Fee	\$68,795	\$76,231	\$77,756	\$79,311	\$81,890	\$84,141
Purchased Water	\$22,000	\$22,550	\$50,000	\$51,000	\$52,530	\$54,106
Large Maint / Repair Projects	\$0	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000
<b>SEWER OPERATING EXPENSES:</b>						
Contractual Services (Rad+FK)	\$1,702,700	\$3,467,322	\$3,520,261	\$3,574,787	\$3,630,950	\$3,688,796
Professional Services	\$12,700	\$28,700	\$29,020	\$29,346	\$29,679	\$30,019
Allocated exp (to water)	\$90,000	\$191,250	\$200,094	\$209,491	\$213,681	\$217,954
Franchise Fee	\$0	\$103,076	\$90,243	\$92,951	\$95,739	\$98,611
Misc Expenses	\$59,250	\$65,750	\$72,380	\$79,143	\$86,040	\$93,076
TOTAL Water O&M Expenses:	\$2,812,745	\$2,938,780	\$3,037,505	\$3,111,553	\$3,188,744	\$3,267,883
TOTAL Sewer O&M Expenses:	\$1,864,650	\$3,856,098	\$3,911,998	\$3,985,718	\$4,056,090	\$4,128,458
Consolidated HCWD1 Expenses:	\$4,677,395	\$6,794,878	\$6,949,502	\$7,097,271	\$7,244,834	\$7,396,342
<b>OPERATING INCOME BEFORE DEPRECIATION</b>						
Water	\$1,396,206	\$1,193,471	\$1,193,248	\$1,220,481	\$1,278,059	\$1,337,943
Sewer	\$2,042,970	\$3,398,241	\$2,910,700	\$3,174,898	\$3,274,334	\$3,376,345
Consolidated HCWD1	\$3,439,176	\$4,591,712	\$4,103,949	\$4,395,179	\$4,552,392	\$4,714,288
Water Depreciation / Amort Exp	(\$625,060)	(\$640,687)	(\$656,704)	(\$673,121)	(\$689,949)	(\$707,198)
Sewer Depreciation / Amort Exp	(\$691,585)	(\$1,431,272)	(\$1,467,054)	(\$1,503,730)	(\$1,541,323)	(\$1,579,858)
<b>OPERATING INCOME:</b>						
Water	\$771,146	\$552,785	\$536,545	\$547,360	\$588,109	\$630,745
Sewer	\$1,351,385	\$1,966,969	\$1,443,647	\$1,670,968	\$1,733,010	\$1,796,488
Consolidated HCWD1	\$2,122,531	\$2,519,754	\$1,980,191	\$2,218,328	\$2,321,120	\$2,427,233
<b>NON OPERATING INCOME:</b>						
Water Interest Income	\$131,500	\$150,000	\$150,000	\$150,000	\$150,000	\$150,000
Water Interest Expense	(\$436,654)	(\$572,320)	(\$543,733)	(\$512,107)	(\$477,003)	(\$442,933)
Water Tap Fees	\$150,000	\$212,500	\$216,750	\$221,085	\$227,718	\$234,549
Sewer Interest Income	\$17,600	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000
Sewer Interest Expense	\$0	(\$147,469)	(\$249,468)	(\$119,522)	(\$104,202)	(\$87,534)
Sewer Tap Fees	\$0	\$50,000	\$51,500	\$53,045	\$54,636	\$56,275
<b>NET OPERATING INCOME:</b>						
Water	\$815,993	\$342,965	\$359,562	\$406,336	\$488,824	\$572,361
Sewer	\$1,368,985	\$1,899,500	\$1,275,878	\$1,634,490	\$1,713,444	\$1,795,230
Consolidated HCWD1	\$1,984,978	\$2,242,465	\$1,635,240	\$2,040,828	\$2,202,268	\$2,387,591
<b>Net Income % of Revenues</b>						
Water	14.6%	8.3%	8.5%	9.4%	10.9%	12.4%
Sewer	35.0%	26.2%	18.7%	22.8%	23.4%	23.9%
Consolidated HCWD1	24.5%	19.7%	14.8%	17.8%	18.7%	19.5%

**Hardin County Water District No. 1**  
**Statement of Cash Flows**  
**Water, Sewer & Consolidated - 06-11**  
**After Radcliff Sewer Acquisition**

ITEM	Approved 2006	Projected 2007	Projected 2008	Projected 2009	Projected 2010	Projected 2011
<b>CASH FLOW FROM OPERATING ACTIVITIES:</b>						
Water	\$615,993	\$342,965	\$359,562	\$406,338	\$488,824	\$572,361
Sewer	\$1,368,985	\$1,899,500	\$1,275,678	\$1,634,490	\$1,713,444	\$1,795,230
Consolidated HCWD1	\$1,984,978	\$2,242,465	\$1,635,240	\$2,040,828	\$2,202,268	\$2,367,591
<b>CASH FLOWS FROM CAPITAL &amp; FINANCING ACTIVITIES:</b>						
Water Capital Construction	(\$247,738)	(\$250,000)	(\$2,250,000)	(\$2,250,000)	(\$1,250,000)	(\$250,000)
Water Debt Interest	(\$436,654)	(\$572,320)	(\$543,733)	(\$512,107)	(\$477,003)	(\$442,933)
Water Principal Payments	(\$680,000)	(\$700,000)	(\$750,000)	(\$800,000)	(\$800,000)	(\$860,000)
Water Grant / Bond Proceeds	\$105,000	\$1,200,000	\$2,800,000	\$1,000,000	\$0	\$0
Water Depreciation Expense	\$625,060	\$640,687	\$656,704	\$673,121	\$689,949	\$707,198
Sewer Capital Construction	(\$1,666,400)	(\$2,218,854)	(\$1,761,955)	(\$1,804,064)	(\$1,866,386)	(\$2,073,927)
Sewer Debt Interest	\$0	(\$147,469)	(\$249,468)	(\$119,522)	(\$104,202)	(\$87,534)
Sewer Principal Payments	\$0	(\$355,848)	(\$379,704)	(\$408,899)	(\$258,447)	(\$268,362)
Sewer Radcliff Acquired Cash Balance	\$0	\$2,490,301	\$0	\$0	\$0	\$0
Sewer Depreciation Expense	\$691,585	\$1,431,272	\$1,467,054	\$1,503,730	\$1,541,323	\$1,579,856
Net Water Adjustments from Cap/Fin Activities	(\$634,332)	\$318,367	(\$87,029)	(\$1,888,986)	(\$1,837,054)	(\$845,735)
Net Sewer Adjustments from Cap/Fin Activities	(\$974,815)	\$1,199,402	(\$924,074)	(\$828,755)	(\$687,712)	(\$849,966)
Net HCWD1 Adjustments from Cap/Fin Activities	(\$1,609,147)	\$1,517,769	(\$1,011,103)	(\$2,717,741)	(\$2,524,765)	(\$1,695,701)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>						
Water Interest Income	\$131,500	\$150,000	\$150,000	\$150,000	\$150,000	\$150,000
Sewer Interest Income	\$17,600	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000
Consolidated HCWD1 Int Income	\$149,100	\$180,000	\$180,000	\$180,000	\$180,000	\$180,000
<b>NET INCREASE (DECREASE) IN CASH</b>						
Water	\$113,161	\$811,331	\$422,532	(\$1,332,648)	(\$1,198,230)	(\$123,374)
Sewer	\$411,770	\$3,128,903	\$381,604	\$835,735	\$1,055,733	\$975,263
HCWD1 Consolidated	\$524,931	\$3,940,234	\$804,137	(\$496,913)	(\$142,497)	\$851,890
<b>CASH IMPACT</b>						
Water Cash Beginning of Year	\$3,607,504	\$3,720,665	\$4,531,996	\$4,954,529	\$3,621,881	\$2,423,651
Sewer Cash Beginning of Year	\$340,729	\$752,499	\$3,881,402	\$4,263,006	\$5,098,741	\$6,154,474
HCWD1 Beginning of Year	\$3,948,233	\$4,473,164	\$8,413,398	\$9,217,535	\$8,720,622	\$8,578,125
Water Cash End of Year	\$3,720,665	\$4,531,996	\$4,954,529	\$3,621,881	\$2,423,651	\$2,300,278
Sewer Cash End of Year	\$752,499	\$3,881,402	\$4,263,006	\$5,098,741	\$6,154,474	\$7,129,737
HCWD1 End of Year	\$4,473,164	\$8,413,398	\$9,217,535	\$8,720,622	\$8,578,125	\$9,430,015

**HARDIN COUNTY WATER DISTRICT NO. 1**  
**BALANCE SHEETS**  
**December 31,**

ASSETS	Water	Sewer	2005 Total	2004 Total
<b>Current Assets</b>				
Cash	\$ 181,233	\$ 340,729	\$ 521,962	\$ 131,522
Investments	1,229,267	-	1,229,267	1,170,205
Accounts receivable, net	503,220	325,635	828,855	493,406
Due from other funds	38,376	-	38,376	-
Inventory - materials and supplies	179,536	-	179,536	69,895
Prepaid expenses	233,847	27,483	261,330	278,325
<b>Total current assets</b>	<u>2,365,479</u>	<u>693,847</u>	<u>3,059,326</u>	<u>2,143,353</u>
<b>Long-term investments</b>				
Unrestricted reserve	312,513	-	312,513	554,922
Restricted assets-reserve funds	2,197,004	-	2,197,004	1,662,696
	<u>2,509,517</u>	<u>-</u>	<u>2,509,517</u>	<u>2,217,618</u>
<b>Property, plant and equipment</b>				
Land	266,023	-	266,023	266,023
Plant and lines	25,940,564	71,104,349	97,044,913	19,443,017
Buildings	139,093	-	139,093	1,677,188
Equipment	2,477,727	272,558	2,750,285	2,287,370
Construction in progress	186,176	309,817	495,993	357,787
<b>Total</b>	<u>29,009,583</u>	<u>71,686,724</u>	<u>100,696,307</u>	<u>24,031,385</u>
Less accumulated depreciation	<u>(8,195,708)</u>	<u>(56,841,593)</u>	<u>(65,037,301)</u>	<u>(7,916,644)</u>
<b>Total property, plant, and equipment</b>	<u>20,813,875</u>	<u>14,845,131</u>	<u>35,659,006</u>	<u>16,114,741</u>
<b>TOTAL ASSETS</b>	<u>\$ 25,688,871</u>	<u>\$ 15,538,978</u>	<u>\$ 41,227,849</u>	<u>\$ 20,475,712</u>
<b>LIABILITIES AND NET ASSETS</b>				
<b>Current Liabilities</b>				
Accounts payable	\$ 75,738	\$ -	\$ 75,738	\$ 264,565
Due to other funds	-	38,376	38,376	-
Customers' deposits	131,516	-	131,516	125,782
Accrued expenses	36,672	-	36,672	38,683
Sewer collections payable	281,923	-	281,923	286,729
State escheatment - reserve for unclaimed funds	13,124	-	13,124	10,983
Liabilities payable from restricted assets:				
Current portion of long-term debt	680,000	-	680,000	840,000
Accrued interest on long-term debt	150,251	-	150,251	64,898
<b>Total current liabilities</b>	<u>1,369,224</u>	<u>38,376</u>	<u>1,407,600</u>	<u>1,631,640</u>
<b>Long-Term Debt</b>				
Bonds payable	13,610,000	-	13,610,000	10,010,000
Less unamortized discount and expenses	<u>(578,356)</u>	<u>-</u>	<u>(578,356)</u>	<u>(538,360)</u>
<b>Long-term debt net</b>	<u>13,031,644</u>	<u>-</u>	<u>13,031,644</u>	<u>9,471,640</u>
<b>Other Liabilities</b>				
Customer advances for construction	196,731	-	196,731	144,595
<b>Total liabilities</b>	<u>14,597,599</u>	<u>38,376</u>	<u>14,635,975</u>	<u>11,247,875</u>
<b>Net Assets</b>				
Invested in capital assets	7,102,231	14,845,131	21,947,362	5,803,101
Restricted	1,424,611	-	1,424,611	912,199
Unrestricted	2,564,430	655,471	3,219,901	2,512,537
<b>Total net assets</b>	<u>11,091,272</u>	<u>15,500,602</u>	<u>26,591,874</u>	<u>9,227,837</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<u>\$ 25,688,871</u>	<u>\$ 15,538,978</u>	<u>\$ 41,227,849</u>	<u>\$ 20,475,712</u>

The accompanying notes are an integral  
part of the financial statements.

**HARDIN COUNTY WATER DISTRICT NO. 1**  
**STATEMENTS OF REVENUES, EXPENSES AND CHANGES**  
**IN RETAINED EARNINGS**  
for the years ended December 31,

	Water	Sewer	2005 Total	2004 Total
<b>OPERATING REVENUE</b>				
Metered water sales	\$ 2,636,307	\$ -	\$ 2,636,307	\$ 2,594,396
Wholesale sales	406,892	-	406,892	341,491
Sewer billing contract revenue	184,207	-	184,207	207,687
Sewer service revenue	-	1,953,808	1,953,808	-
Penalties, service fees and miscellaneous	417,193	326	417,519	335,199
	<u>3,644,599</u>	<u>1,954,134</u>	<u>5,598,733</u>	<u>3,478,773</u>
<b>OPERATING EXPENSES</b>				
Treatment	636,075	-	636,075	631,472
Distribution	440,039	-	440,039	582,566
Customer service	298,983	-	298,983	322,031
General & administrative expenses	609,673	-	609,673	693,121
Purchased water	24,638	-	24,638	44,883
General maintenance	56,906	-	56,906	55,340
Source of supply	13,641	-	13,641	2,568
Sewer	-	959,488	959,488	-
	<u>2,079,955</u>	<u>959,488</u>	<u>3,039,443</u>	<u>2,331,981</u>
<b>Total operating expense</b>				
<b>Operating income before depreciation</b>	1,564,644	994,646	2,559,290	1,146,792
Depreciation & amortization expense	<u>(488,612)</u>	<u>(691,585)</u>	<u>(1,180,197)</u>	<u>(597,686)</u>
<b>OPERATING INCOME</b>	1,076,032	303,061	1,379,093	549,106
<b>Non-operating income (expenses)</b>				
Interest income	126,927	-	126,927	30,772
Interest expense	(452,136)	-	(452,136)	(389,026)
Net unrealized gain (loss)	1,104	-	1,104	-
Gain on sale of equipment	33,446	-	33,446	13,558
	<u>785,373</u>	<u>303,061</u>	<u>1,088,434</u>	<u>204,410</u>
<b>INCOME BEFORE CAPITAL CONTRIBUTIONS</b>				
<b>Capital Contributions</b>				
Government contributions	595,000	15,197,541	15,792,541	-
Tap fees	208,116	-	208,116	99,422
Customer contributions	274,947	-	274,947	150,589
	<u>1,078,063</u>	<u>15,197,541</u>	<u>16,471,604</u>	<u>249,991</u>
<b>Change in net assets</b>	1,863,436	15,500,602	17,364,038	454,421
Net assets, as restated, beginning of year	<u>9,227,836</u>	<u>-</u>	<u>9,227,836</u>	<u>8,773,416</u>
<b>NET ASSETS END OF YEAR</b>	<u>\$ 11,091,272</u>	<u>\$ 15,500,602</u>	<u>\$ 26,591,874</u>	<u>\$ 9,227,837</u>

The accompanying notes are an integral  
part of the financial statements.

**HARDIN COUNTY WATER DISTRICT NO. 1**  
**STATEMENTS OF CASH FLOWS**  
**for the years ended December 31,**

	Water	Sewer	2005 Total	2004 Totals
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Receipts from customers	\$ 3,634,785	\$ 1,628,499	\$ 5,263,284	\$ 3,440,473
Payments to suppliers	(1,125,605)	(959,488)	(2,085,093)	(1,114,745)
Payments for employee services and benefits	(1,207,281)	-	(1,207,281)	(1,218,839)
Other receipts (payments)	(38,376)	10,893	(27,483)	-
<b>Net cash provided by operating activities</b>	<u>1,263,523</u>	<u>679,904</u>	<u>1,943,427</u>	<u>1,106,889</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>				
Contributions in aid of construction	1,078,063	-	1,078,063	250,011
Proceeds from sale of equipment	37,930	-	37,930	17,420
Proceeds from issuance of long-term debt	6,860,000	-	6,860,000	-
Acquisition and construction of capital assets	(5,025,674)	(339,175)	(5,364,849)	(426,233)
Principal paid on long-term debt	(3,420,000)	-	(3,420,000)	(860,000)
Interest paid on long-term debt	(452,136)	-	(452,136)	(374,716)
Cash (paid) received under advance construction contracts	52,136	-	52,136	(22,067)
<b>Net cash( used) by capital and related financing activities</b>	<u>(869,681)</u>	<u>(339,175)</u>	<u>(1,208,856)</u>	<u>(1,415,585)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Interest income	126,927	-	126,927	30,772
Redemption of investments	999,233	-	999,233	1,728,779
Purchase of investments	(1,470,291)	-	(1,470,291)	(1,755,059)
<b>Net cash provided (used) by investing activities</b>	<u>(344,131)</u>	<u>-</u>	<u>(344,131)</u>	<u>4,492</u>
<b>NET INCREASE (DECREASE) IN CASH</b>	<u>49,711</u>	<u>340,729</u>	<u>390,440</u>	<u>(304,204)</u>
Cash at beginning of year	131,522	-	131,522	435,726
<b>CASH AT END OF YEAR</b>	<u>\$ 181,233</u>	<u>\$ 340,729</u>	<u>\$ 521,962</u>	<u>\$ 131,522</u>
<b>Reconciliation of operating income (loss) to net cash provided (used) by operating activities:</b>				
Operating income (loss)	\$ 1,076,032	\$ 303,061	\$ 1,379,093	\$ 549,106
Adjustments to reconcile operating income to net cash provided (used) by operating activities:				
Depreciation expense	488,612	691,585	1,180,197	597,686
Change in assets and liabilities:				
Accounts receivable	(9,814)	(325,635)	(335,449)	(48,682)
Due from other funds	(38,376)	-	-	-
Inventory	(109,641)	-	(109,641)	58,823
Prepaid expenses	44,479	(27,483)	16,996	(234,759)
Accounts payable	(188,827)	-	(188,827)	164,334
Due to other funds	-	38,376	-	-
Accrued expenses	(2,011)	-	(2,011)	(46,439)
Other payables	3,069	-	3,069	66,820
<b>Net cash provided by operating activities</b>	<u>\$ 1,263,523</u>	<u>\$ 679,904</u>	<u>\$ 1,943,427</u>	<u>\$ 1,106,889</u>

The accompanying notes are an integral  
part of the financial statements

HARDIN COUNTY WATER DISTRICT NO. 1 → WITHOUT RADCLIFF  
 STATEMENTS OF CASH FLOWS  
 for the years ended December 31, 04

	Water	Sewer	2005 Total	2004 Totals
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Receipts from customers	\$ 3,634,785	\$ 1,628,499	\$ 5,263,284	\$ 3,440,473
Payments to suppliers	(1,125,605)	(959,488)	(2,085,093)	(1,114,745)
Payments for employee services and benefits	(1,207,281)	-	(1,207,281)	(1,218,839)
Other receipts (payments)	(38,376)	10,893	(27,483)	-
<b>Net cash provided by operating activities</b>	<u>1,263,523</u>	<u>679,904</u>	<u>1,943,427</u>	<u>1,106,889</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>				
Contributions in aid of construction	1,078,063	-	1,078,063	250,011
Proceeds from sale of equipment	37,930	-	37,930	17,420
Proceeds from issuance of long-term debt	6,860,000	-	6,860,000	-
Acquisition and construction of capital assets	(5,025,674)	(339,175)	(5,364,849)	(426,233)
Principal paid on long-term debt	(3,420,000)	-	(3,420,000)	(860,000)
Interest paid on long-term debt	(452,136)	-	(452,136)	(374,716)
Cash (paid) received under advance construction contracts	52,136	-	52,136	(22,067)
<b>Net cash( used) by capital and related financing activities</b>	<u>(869,681)</u>	<u>(339,175)</u>	<u>(1,208,856)</u>	<u>(1,415,585)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Interest income	126,927	-	126,927	30,772
Redemption of investments	999,233	-	999,233	1,728,779
Purchase of investments	(1,470,291)	-	(1,470,291)	(1,755,059)
<b>Net cash provided (used) by investing activities</b>	<u>(344,131)</u>	<u>-</u>	<u>(344,131)</u>	<u>4,492</u>
<b>NET INCREASE (DECREASE) IN CASH</b>	<u>49,711</u>	<u>340,729</u>	<u>390,440</u>	<u>(304,204)</u>
Cash at beginning of year	131,522	-	131,522	435,726
<b>CASH AT END OF YEAR</b>	<u>\$ 181,233</u>	<u>\$ 340,729</u>	<u>\$ 521,962</u>	<u>\$ 131,522</u>
<b>Reconciliation of operating income (loss) to net cash provided (used) by operating activities:</b>				
Operating income (loss)	\$ 1,076,032	\$ 303,061	\$ 1,379,093	\$ 549,106
<b>Adjustments to reconcile operating income to net cash provided (used) by operating activities:</b>				
Depreciation expense	488,612	691,585	1,180,197	597,686
<b>Change in assets and liabilities:</b>				
Accounts receivable	(9,814)	(325,635)	(335,449)	(48,682)
Due from other funds	(38,376)	-	-	-
Inventory	(109,641)	-	(109,641)	58,823
Prepaid expenses	44,479	(27,483)	16,996	(234,759)
Accounts payable	(188,827)	-	(188,827)	164,334
Due to other funds	-	38,376	-	-
Accrued expenses	(2,011)	-	(2,011)	(46,439)
Other payables	3,069	-	3,069	66,820
<b>Net cash provided by operating activities</b>	<u>\$ 1,263,523</u>	<u>\$ 679,904</u>	<u>\$ 1,943,427</u>	<u>\$ 1,106,889</u>

The accompanying notes are an integral part of the financial statements

CITY OF RADCLIFF  
STATEMENT OF NET ASSETS

PROPRIETARY FUNDS

JUNE 30, 2005 (Actual)

BUSINESS TYPE ACTIVITIES - ENTERPRISE FUNDS  
STORMWATER      WASTEWATER      TOTAL

ASSETS			
<b>CURRENT ASSETS:</b>			
Cash and cash equivalents	\$ 530,330	\$ 2,003,310	\$ 2,533,640
Receivables:			
Accounts	51,547	490,928	542,475
Other	<u>—</u>	<u>2,140</u>	<u>2,140</u>
<b>TOTAL CURRENT ASSETS</b>	<b>581,877</b>	<b>2,496,378</b>	<b>3,078,255</b>
<b>NONCURRENT ASSETS:</b>			
Restricted cash:			
Cash and cash equivalents	—	287,931	287,931
Cash with fiscal agent	—	53,394	53,394
Bond costs, net	—	41,837	41,837
Capital assets:			
Land		9,545	9,545
Depreciable capital assets	117,563	27,519,157	27,636,720
Less: accumulated depreciation	<u>(7,500)</u>	<u>(9,541,575)</u>	<u>(9,549,075)</u>
<b>TOTAL NONCURRENT ASSETS</b>	<b>110,063</b>	<b>18,370,289</b>	<b>18,480,352</b>
<b>TOTAL ASSETS</b>	<b><u>691,940</u></b>	<b><u>20,866,667</u></b>	<b><u>21,558,607</u></b>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES:</b>			
Accounts payable	2,054	49,729	51,783
Other liabilities	5,721	27,488	33,209
Customer deposits	—	115,374	115,374
Interest payable	—	16,763	16,763
Current portion compensated absences	313	5,157	5,470
Current portion revenue bonds payable	—	325,337	325,337
Current portion notes payable	—	210,114	210,114
Current portion capitalized lease obligations	<u>—</u>	<u>48,605</u>	<u>48,605</u>
<b>TOTAL CURRENT LIABILITIES</b>	<b>8,088</b>	<b>798,567</b>	<b>806,655</b>
<b>NONCURRENT LIABILITIES:</b>			
Noncurrent compensated absences	628	10,328	10,956
Noncurrent revenue bonds payable	—	608,905	608,905
Noncurrent notes payable	—	3,417,363	3,417,363
Noncurrent capitalized lease obligations	<u>—</u>	<u>54,967</u>	<u>54,967</u>
<b>TOTAL NONCURRENT LIABILITIES</b>	<b>628</b>	<b>4,091,563</b>	<b>4,092,191</b>
<b>TOTAL LIABILITIES</b>	<b><u>8,716</u></b>	<b><u>4,890,130</u></b>	<b><u>4,898,846</u></b>
<b>NET ASSETS:</b>			
Invested in capital assets, net of related debt	110,063	13,321,836	13,431,899
Unrestricted	<u>573,161</u>	<u>2,654,701</u>	<u>3,227,862</u>
<b>TOTAL NET ASSETS</b>	<b><u>\$ 683,224</u></b>	<b><u>\$ 15,976,537</u></b>	<b><u>\$ 16,659,761</u></b>

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See accompanying notes to financial statements.

CITY OF RADCLIFF

STATEMENT OF REVENUES, EXPENSES AND  
CHANGES IN FUND NET ASSETS

PROPRIETARY FUNDS

YEAR ENDED JUNE 30, 2005

	BUSINESS TYPE ACTIVITIES - ENTERPRISE FUNDS		
	STORMWATER	WASTEWATER	TOTAL
<b>OPERATING REVENUE:</b>			
Charges for services	\$ 702,156	\$ 3,357,781	\$ 4,059,937
Other revenue	12,776	4,198	16,974
<b>TOTAL OPERATING REVENUE</b>	<b>714,932</b>	<b>3,361,979</b>	<b>4,076,911</b>
<b>OPERATING EXPENSES:</b>			
Personnel costs	67,606	786,614	854,220
Contract services	148,057	258,712	406,769
Power & utilities	--	188,131	188,131
Repairs & maintenance	15,273	335,424	350,697
Materials & supplies	110,811	57,802	168,613
Other operating costs	60,369	270,004	330,373
Depreciation	5,458	715,338	720,796
<b>TOTAL OPERATING EXPENSES</b>	<b>407,574</b>	<b>2,612,025</b>	<b>3,019,599</b>
<b>INCOME FROM OPERATIONS</b>	<b>307,358</b>	<b>749,954</b>	<b>1,057,312</b>
<b>NON-OPERATING REVENUE (EXPENSE)</b>			
Interest earnings	3,879	37,673	41,552
Amortization expense	--	(24,351)	(24,351)
Bond service expense	--	(10,971)	(10,971)
Interest expense	--	(196,829)	(196,829)
<b>TOTAL NON-OPERATING REVENUE (EXPENSE)</b>	<b>3,879</b>	<b>(194,478)</b>	<b>(190,599)</b>
<b>CHANGE IN NET ASSETS</b>	<b>311,237</b>	<b>555,476</b>	<b>866,713</b>
<b>NET ASSETS-beginning</b>	<b>371,987</b>	<b>15,421,061</b>	<b>15,793,048</b>
<b>NET ASSETS-ending</b>	<b>\$ 683,224</b>	<b>\$15,976,537</b>	<b>\$16,659,761</b>

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See accompanying notes to financial statements.

**CITY OF RADCLIFF**  
**STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUNDS**  
**YEAR ENDED JUNE 30, 2005**

	<u>BUSINESS TYPE ACTIVITIES - ENTERPRISE FUNDS</u>		
	<u>STORMWATER</u>	<u>WASTEWATER</u>	<u>TOTAL</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>			
Cash received from customers and users	\$ 691,504	\$ 3,354,943	\$ 4,046,447
Cash received from other funds for services	12,765	-	12,765
Cash payments to employees	(44,228)	(577,482)	(621,710)
Cash payments for operating expenses	<u>(319,970)</u>	<u>(1,358,749)</u>	<u>(1,678,719)</u>
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	<b>340,071</b>	<b>1,418,712</b>	<b>1,758,783</b>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>			
Acquisition and construction of capital assets	(82,563)	(241,023)	(323,586)
Principal paid on revenue bonds	-	(325,000)	(325,000)
Principal paid on notes payable	-	(202,352)	(202,352)
Capitalized lease obligation	-	(43,515)	(43,515)
Interest paid on revenue bonds	-	(48,708)	(48,708)
Interest paid on notes payable	-	(143,629)	(143,629)
Interest paid on capitalized lease obligation	-	(6,756)	(6,756)
Bond fees	-	(10,971)	(10,971)
<b>NET CASH USED BY CAPITAL AND RELATED FINANCING ACTIVITIES</b>	<b>(82,563)</b>	<b>(1,021,954)</b>	<b>(1,104,517)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>			
Interest received	3,879	37,673	41,552
<b>NET CASH PROVIDED BY INVESTING ACTIVITIES</b>	<b>3,879</b>	<b>37,673</b>	<b>41,552</b>
<b>NET INCREASE IN CASH AND RESTRICTED CASH</b>	<b>261,387</b>	<b>434,431</b>	<b>695,818</b>
<b>CASH AND RESTRICTED CASH, June 30, 2004</b>	<b><u>268,943</u></b>	<b><u>1,910,204</u></b>	<b><u>2,179,147</u></b>
<b>CASH AND RESTRICTED CASH, June 30, 2005</b>	<b><u>\$ 530,330</u></b>	<b><u>\$ 2,344,635</u></b>	<b><u>\$ 2,874,965</u></b>
<b>RECONCILIATION OF INCOME FROM OPERATIONS TO NET CASH PROVIDED BY OPERATING ACTIVITIES:</b>			
Income from operations	\$307,358	\$ 749,954	\$ 1,057,312
Adjustments to reconcile operating income to net cash provided (used) by operating activities:			
Depreciation	5,458	715,338	720,796
Change in assets and liabilities:			
(Increase) decrease in:			
Accounts receivable	28,213	(32,016)	(3,803)
Other receivables	-	27,732	27,732
Increase (decrease) in:			
Accounts payable	(7,152)	(51,042)	(58,194)
Other liabilities	5,484	3,231	8,715
Compensated absences	710	(1,288)	(578)
Customer deposits	-	6,803	6,803
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	<b><u>\$ 340,071</u></b>	<b><u>\$ 1,418,712</u></b>	<b><u>\$ 1,758,783</u></b>

See accompanying notes to financial statements.

## Account Growth - Including New Taps

1996 Through 2006

YEAR >	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
Beg Yr Accis	8,635	8,760	8,885	8,941	9,125	9,001	9,019	9,079	9,079	9,244	9,403
Added Taps	75	87	109	150	84	58	73	217	141	275	320
Yr End	8,760	8,885	8,941	9,125	9,001	9,019	9,079	9,079	9,244	9,403	9,403
Cumm. Change	50	88	35	69	-139	-179	-192	-409	-385	-501	-821
Cumulative %	0.6%	1.0%	0.4%	0.8%	-1.6%	-2.1%	-2.2%	-4.7%	-4.5%	-5.8%	-9.5%
96>05 Possible	0.9%	0.9%	1.0%	1.2%	1.1%	1.1%	1.0%	1.2%	1.2%	1.4%	1.5%
% Growth CY	0.87%	0.99%	1.23%	1.68%	0.92%	0.64%	0.81%	2.39%	1.55%	2.97%	3.40%

LINE CALL OUT SUMMARY  
CITY OF RADCLIFF  
1992 TO 2005

Sorted by Street Alphabetically

ROAD	TOTAL	CITY	CUSTOMER	WSPFLOW
1st St	1	1		
2nd St	2	2		
3rd St	3	3		
4th St	4	4		
5th St	5	5		
6th St	6	6		
7th St	7	7		
8th St	8	8		
9th St	9	9		
10th St	10	10		
11th St	11	11		
12th St	12	12		
13th St	13	13		
14th St	14	14		
15th St	15	15		
16th St	16	16		
17th St	17	17		
18th St	18	18		
19th St	19	19		
20th St	20	20		
21st St	21	21		
22nd St	22	22		
23rd St	23	23		
24th St	24	24		
25th St	25	25		
26th St	26	26		
27th St	27	27		
28th St	28	28		
29th St	29	29		
30th St	30	30		
31st St	31	31		
32nd St	32	32		
33rd St	33	33		
34th St	34	34		
35th St	35	35		
36th St	36	36		
37th St	37	37		
38th St	38	38		
39th St	39	39		
40th St	40	40		
41st St	41	41		
42nd St	42	42		
43rd St	43	43		
44th St	44	44		
45th St	45	45		
46th St	46	46		
47th St	47	47		
48th St	48	48		
49th St	49	49		
50th St	50	50		
51st St	51	51		
52nd St	52	52		
53rd St	53	53		
54th St	54	54		
55th St	55	55		
56th St	56	56		
57th St	57	57		
58th St	58	58		
59th St	59	59		
60th St	60	60		
61st St	61	61		
62nd St	62	62		
63rd St	63	63		
64th St	64	64		
65th St	65	65		
66th St	66	66		
67th St	67	67		
68th St	68	68		
69th St	69	69		
70th St	70	70		
71st St	71	71		
72nd St	72	72		
73rd St	73	73		
74th St	74	74		
75th St	75	75		
76th St	76	76		
77th St	77	77		
78th St	78	78		
79th St	79	79		
80th St	80	80		
81st St	81	81		
82nd St	82	82		
83rd St	83	83		
84th St	84	84		
85th St	85	85		
86th St	86	86		
87th St	87	87		
88th St	88	88		
89th St	89	89		
90th St	90	90		
91st St	91	91		
92nd St	92	92		
93rd St	93	93		
94th St	94	94		
95th St	95	95		
96th St	96	96		
97th St	97	97		
98th St	98	98		
99th St	99	99		
100th St	100	100		

Sorted by Street Alphabetically

ROAD	TOTAL	CITY	CUSTOMER	WSPFLOW
1st St	1	1		
2nd St	2	2		
3rd St	3	3		
4th St	4	4		
5th St	5	5		
6th St	6	6		
7th St	7	7		
8th St	8	8		
9th St	9	9		
10th St	10	10		
11th St	11	11		
12th St	12	12		
13th St	13	13		
14th St	14	14		
15th St	15	15		
16th St	16	16		
17th St	17	17		
18th St	18	18		
19th St	19	19		
20th St	20	20		
21st St	21	21		
22nd St	22	22		
23rd St	23	23		
24th St	24	24		
25th St	25	25		
26th St	26	26		
27th St	27	27		
28th St	28	28		
29th St	29	29		
30th St	30	30		
31st St	31	31		
32nd St	32	32		
33rd St	33	33		
34th St	34	34		
35th St	35	35		
36th St	36	36		
37th St	37	37		
38th St	38	38		
39th St	39	39		
40th St	40	40		
41st St	41	41		
42nd St	42	42		
43rd St	43	43		
44th St	44	44		
45th St	45	45		
46th St	46	46		
47th St	47	47		
48th St	48	48		
49th St	49	49		
50th St	50	50		
51st St	51	51		
52nd St	52	52		
53rd St	53	53		
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68th St	68	68		
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70th St	70	70		
71st St	71	71		
72nd St	72	72		
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89th St	89	89		
90th St	90	90		
91st St	91	91		
92nd St	92	92		
93rd St	93	93		
94th St	94	94		
95th St	95	95		
96th St	96	96		
97th St	97	97		
98th St	98	98		
99th St	99	99		
100th St	100	100		

Sorted by Street Alphabetically

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7th St	7	7		
8th St	8	8		
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10th St	10	10		
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31st St	31	31		
32nd St	32	32		
33rd St	33	33		
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37th St	37	37		
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41st St	41	41		
42nd St	42	42		
43rd St	43	43		
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71st St	71	71		
72nd St	72	72		
73rd St	73	73		
74th St	74	74		
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89th St	89	89		
90th St	90	90		
91st St	91	91		
92nd St	92	92		
93rd St	93	93		
94th St	94	94		
95th St	95	95		
96th St	96	96		
97th St	97	97		
98th St	98	98		
99th St	99	99		
100th St	100	100		

DOES THERE APPEAR TO BE A LIFT STATION PROBLEM NEAR HERE  
NEEDS TO MAKE ON A MAP ALONG WITH LIFT STATION SUMMARY INFORMATION

DO THE CLEANING BEWELL'S REFLECT THIS PRIORITY  
HAS THE FREQUENCY OF BACKLIFE DROPPED OVER YEARS IN RESPONSE TO CLEANING  
DO THE BACKLOGS CORRELATE TO HOWER LIFT STATION FLOW

WHAT TYPE OF REFINISH/ROAD ARE THESE (AGE TYPE OF HOLES TYPE OF PAVING CENTER OR OWNER)  
CAN A LATERAL REPLACEMENT PROGRAM BE FINANCED  
CAN YOU TELL FROM THE PUMP STATION RECORDS WHEN THERE HAVE BEEN ANY PROBLEMS LEAKING IN PUMP  
IS LATERAL CONTRIBUTING TO AN OVERLOAD PUMP STATION  
HOW MUCH TIME CAN BE SAVED NOT RESPONDING TO THESE CALLS OR HOW AN EMERGENCY FINANCED CHARTING FOR IT



## ACQUISITION MOU - DRAFT / TALKING POINTS

1. Purpose
2. Parties
3. Dates, milestones
4. Assets
  - a. What City will transfer
    - i. List of real property, deeds, being transferred
    - ii. List of buildings, structures being transferred
    - iii. List of wheeled vehicles, rolling stock being transferred
    - iv. List of misc. equipment / tools being transferred
  - b. What District will transfer / pay
5. Debt Liability
  - a. What District will accept / assume
  - b. What City will do to transfer
  - c. Other future liabilities, risk District will assume after turnover
6. Franchise Agreement
  - a. What District will agree to
  - b. What City will require, provide, legislate
7. Costs / Expenses
  - a. What District will pay for
  - b. What City will pay for
8. Service Level
  - a. What District will commit to, or deliver
9. Employees
  - a. City's list of employees to be hired by District contractor (Veolia)
  - b. City's detailed information on employees being hired (job, pay rate, hire date)
  - c. Specific agreements from Veolia to District on wages, benefits for employees
  - d. Specific payments from Veolia directly to employees (if any apply)
10. Customer Rates
  - a. Agreement District makes to change customer sewer rates
  - b. Timing of any rate changes
  - c. Future rate changes, District agrees to
11. Future Approvals

- a. What City would need to enact, pass for final approval
  - b. What District would enact, pass for final approval
  - c. Filing to PSC (by District)
  - d. Filing to DoW for permit transfer (by District)
12. Final Turnover Date / Activities
- a. When turnover date is enacted
  - b. What happens on turnover date
  - c. What happens after turnover date

**Radcliff Strategy- HCWD1 Purchase of Utility (Water/Wastewater)**

<b>Radcliff Benefit</b>	<b>How</b>	<b>Elements</b>
Efficiency	Vertical Integration	<ul style="list-style-type: none"> <li>• Eliminates fragmented operations between water and wastewater</li> <li>• Consolidates responsibility into one entity</li> <li>• Removes duplicity of selected operations</li> <li>• Offers benefits of economy of scale</li> <li>• Procurement advantages</li> <li>• Staffing resources sharing</li> </ul>
Financial	Debt Transfer	<ul style="list-style-type: none"> <li>• Enhances borrowing capacity</li> <li>• Improves credit rating</li> <li>• Frees up financial resources for other city commitments</li> </ul>
	Economies of Scale	<ul style="list-style-type: none"> <li>• Regionalization - distribution of costs over a larger base</li> <li>• Procurement advantages</li> <li>• Personnel streamlining</li> <li>• Back office operations</li> <li>• Consolidation of fragmented operations</li> <li>• Centralized management strategy</li> <li>• Best value realization</li> <li>• Customer rate reduction</li> </ul>
Risk Transfer	Consolidated Operations	<ul style="list-style-type: none"> <li>• HCWD1 ownership</li> <li>• Single source of operational responsibility</li> <li>• Committed asset management</li> <li>• Regulatory compliance</li> <li>• Technology enhancements</li> <li>• Streamlined capital commitments</li> </ul>

Planning	User Fees	<ul style="list-style-type: none"> <li>• Integrated planning with regional development activity</li> <li>• Capacity reservation through fees</li> <li>• Proactive versus reactive</li> </ul>
Operations & Maintenance	Sharing	<ul style="list-style-type: none"> <li>• Across a larger base of resources and activities</li> <li>• Procurement advantages due to size</li> <li>• Technology enhancement</li> <li>• Performance driven operating metrics</li> <li>• Reliability and consistency in operations</li> <li>• Centralized management and operations</li> <li>• Single source of responsibility – accountability</li> <li>• Maintenance programmed and scheduled automatically</li> </ul>
Repair and Replacement	Asset Management	<ul style="list-style-type: none"> <li>• Operational reliability – life cycle based</li> <li>• Reduction of long term capital costs</li> <li>• Maximization of operational capacity</li> <li>• Stabilized customer rates</li> <li>• Full risk transfer</li> </ul>
Underground Assets	Management Metrics	<ul style="list-style-type: none"> <li>• Maximum life cycle utilization</li> <li>• Scheduled replacement and rehabilitation</li> <li>• Minimization of infiltration and inflow</li> <li>• Capacity availability</li> </ul>

**Kentucky Infrastructure Authority - (KIA)**

Repayment Schedule

Interest Rate 3.8%  
Principal & Interest 172,990.64

	Payment	Principal	Interest
30-Jun-05			
1-Dec-05	172,990.64	104,068.58	68,922.06
1-Jun-06	172,990.64	106,045.89	66,944.75
1-Dec-06	172,990.64	108,060.76	64,929.88
1-Jun-07	172,990.64	110,113.91	62,876.73
1-Dec-07	172,990.64	112,206.08	60,784.56
1-Jun-08	172,990.64	114,337.99	58,652.65
1-Dec-08	172,990.64	116,510.41	56,480.23
1-Jun-09	172,990.64	118,724.11	54,266.53
1-Dec-09	172,990.64	120,979.87	52,010.77
1-Jun-10	172,990.64	123,278.49	49,712.15
1-Dec-10	172,990.64	125,620.78	47,369.86
1-Jun-11	172,990.64	128,007.57	44,983.07
1-Dec-11	172,990.64	130,439.72	42,550.92
1-Jun-12	172,990.64	132,918.07	40,072.57
1-Dec-12	172,990.64	135,443.51	37,547.13
1-Jun-13	172,990.64	138,016.94	34,973.70
1-Dec-13	172,990.64	140,639.26	32,351.38
1-Jun-14	172,990.64	143,311.41	29,679.23
1-Dec-14	172,990.64	146,034.33	26,956.31
1-Jun-15	172,990.64	148,808.98	24,181.66
1-Dec-15	172,990.64	151,636.35	21,354.29
1-Jun-16	172,990.64	154,517.44	18,473.20
1-Dec-16	172,990.64	157,453.27	15,537.37
1-Jun-17	172,990.64	160,444.88	12,545.76
1-Dec-17	172,990.64	163,493.34	9,497.30
1-Jun-18	172,990.64	166,599.71	6,390.93
1-Dec-18	172,990.64	169,765.10	3,225.54
	5,315,899		

	2007	2008	2009	2010	2011
p	\$374,803	\$355,848	\$379,704	\$408,899	\$258,447
i	\$147,469	\$249,468	\$119,522	\$104,202	\$87,534

Principal  
Balance

---

3,627,476.72  
3,523,408.14  
3,417,362.25  
3,309,301.50  
3,199,187.58  
3,086,981.51  
2,972,643.52  
2,856,133.10  
2,737,408.99  
2,616,429.12  
2,493,150.64  
2,367,529.86  
2,239,522.29  
2,109,082.57  
1,976,164.50  
1,840,720.98  
1,702,704.04  
1,562,064.78  
1,418,753.37  
1,272,719.04  
1,123,910.07  
972,273.72  
817,756.28  
660,303.01  
499,858.12  
336,364.79  
169,765.08  
-0.02

2012

\$268,362  
\$77,620

**CITY OF RADCLIFF**  
**STATEMENT OF NET ASSETS**

**JUNE 30, 2005**

	Governmental Activities	Business- Type Activities	Total	Component Units	
				Convention and Tourism Commission	Industrial Authority
<b>ASSETS</b>					
<u>Current Assets</u>					
Cash and cash equivalents	\$ 3,410,229	\$ 2,533,640	\$ 5,943,869	\$123,848	\$ 5,053
Inventory	5,331	--	5,331	--	--
Accounts receivable:					
Taxes	1,569,557	--	1,569,557	14,687	--
Other	48,127	2,140	50,267	--	--
Accounts	--	542,475	542,475	--	--
Prepaid expenses	14,159	--	14,159	20,103	--
Total Current Assets	5,047,403	3,078,255	8,125,658	158,638	5,053
<u>Noncurrent Assets</u>					
Restricted cash:					
Cash and cash equivalents	689,470	287,931	977,401	--	--
Cash with fiscal agent	20,188	53,394	73,582	--	--
Bond costs, net	--	41,837	41,837	--	--
Capital assets:					
Land	1,750,427	9,545	1,759,972	--	676,483
Depreciable capital assets	28,237,220	27,636,720	55,873,940	23,831	1,504,120
Less: accumulated depreciation	(11,374,512)	(9,549,075)	(20,923,587)	(18,172)	(217,627)
Total Noncurrent Assets	19,322,793	18,480,352	37,803,145	5,659	1,962,976
Total Assets	24,370,196	21,558,607	45,928,803	164,297	1,968,029
<b>LIABILITIES</b>					
<u>Current Liabilities</u>					
Accounts payable	169,315	51,783	221,098	1,312	6,603
Other liabilities	254,131	33,209	287,340	1,296	33,400
Customer deposits	--	115,374	115,374	--	--
Interest payable	14,810	16,763	31,573	--	--
Current portion of capitalized lease obligations	459,741	48,605	508,346	--	--
Current portion of revenue bonds payable	--	325,337	325,337	--	--
Current portion of notes payable	--	210,114	210,114	--	--
Current portion of compensated absences	71,684	5,470	77,154	--	--
Total Current Liabilities	969,681	806,655	1,776,336	2,608	40,003
<u>Noncurrent Liabilities</u>					
Noncurrent portion of capitalized lease obligations	7,757,141	54,967	7,812,108	--	--
Noncurrent portion of revenue bonds payable	--	608,905	608,905	--	--
Noncurrent portion of notes payable	--	3,417,363	3,417,363	--	--
Noncurrent portion of compensated absences	143,369	10,956	154,325	--	--
Total Noncurrent Liabilities	7,900,510	4,092,191	11,992,701	--	--
Total Liabilities	8,870,191	4,898,846	13,769,037	2,608	40,003
<u>Net Assets</u>					
Invested in capital assets, net of related debt	10,396,253	13,431,899	23,828,152	5,659	1,932,976
Restricted for:					
Capital projects	689,470	--	689,470	--	--
Debt service	20,188	--	20,188	--	--
Unrestricted	4,394,094	3,227,862	7,621,956	156,030	(4,950)
Total Net Assets	\$ 15,500,005	\$ 16,659,761	\$ 32,159,766	\$ 161,689	\$ 1,928,026

See accompanying notes to financial statements.

CITY OF RAUCLIFF  
STATEMENT OF ACTIVITIES  
YEAR ENDED JUNE 30, 2005

FUNCTIONS/PROGRAMS	Expenses	Program Revenues		Net (Expenses) Revenues and Changes in Net Assets			Component Unit Activities
		Charges For Services	Operating Grants & Contributions	Governmental Activities	Business-Type Activities	Total	
Primary government:							
Governmental activities:							
Administration	\$ 851,912	\$ 342,690	\$ 16,420	\$ (492,602)	\$ --	\$ (492,602)	\$ --
Law enforcement	3,116,593	28,597	206,691	(2,881,305)	--	(2,881,305)	--
Fire	1,415,217	--	93,214	(1,322,003)	--	(1,322,003)	--
Parks & recreation	481,774	--	50	(481,724)	--	(481,724)	--
Public works	1,564,008	--	390,694	(1,173,314)	--	(1,173,314)	--
Planning	478,596	102,706	--	(375,890)	--	(375,890)	--
Challenger	413,645	105,468	88,631	(219,546)	--	(219,546)	--
Total governmental activities	8,321,745	579,461	795,700	(6,946,584)	--	(6,946,584)	--
Business-type activities:							
Stormwater	407,574	702,156	--	--	294,582	294,582	--
Wastewater	2,844,176	3,357,781	--	--	513,605	513,605	--
Total business-type activities	3,251,750	4,059,937	--	--	808,187	808,187	--
Total primary government	\$ 11,573,495	\$ 4,639,398	\$ 795,700	(6,946,584)	808,187	(6,138,397)	--
Component unit:							
Tourism commission	132,109	--	4,963	--	--	--	(127,146)
Industrial authority	147,901	--	243,232	--	--	--	95,331
Total component unit	\$ 280,010	\$ --	\$ 248,195	--	--	--	(31,815)
General revenues:							
Property taxes, levied for general purposes				1,294,193	--	1,294,193	--
Franchise taxes				695,513	--	695,513	--
Insurance premium taxes				1,948,200	--	1,948,200	--
Occupational tax				2,351,774	--	2,351,774	--
Business license				805,589	--	805,589	--
Transient room tax				--	--	--	103,355
Interest earnings				88,900	41,552	130,452	3,186
Other revenue				76,589	16,974	93,563	250
Total general revenues				7,260,758	58,526	7,319,284	106,791
Gain on sale of assets				4,630	--	4,630	--
Contributed land				8,000	--	8,000	--
Contributed Infrastructure				438,487	--	438,487	--
Loss on disposal of assets				(5,615)	--	(5,615)	--
Change in net assets				759,576	866,713	1,626,389	74,976
Net assets – beginning				16,572,774	15,793,048	32,365,822	182,294
Restatement for component unit presentation				(1,832,445)	--	(1,832,445)	1,832,445
Net assets – ending				\$15,500,005	\$16,659,761	\$32,159,766	\$2,089,715

See accompanying notes to financial statements.

CITY OF RADCLIFF

BALANCE SHEET - GOVERNMENTAL FUNDS

JUNE 30, 2005

	<u>General Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>ASSETS</b>			
Cash and cash equivalents	\$3,398,269	\$11,960	\$3,410,229
Receivables:			
Taxes	1,511,939	--	1,511,939
Taxes - other	48,127	--	48,127
Prepaid expenses	13,414	745	14,159
Restricted assets:			
Cash and cash equivalents	689,470	--	689,470
Cash with fiscal agent	20,188	--	20,188
Inventories	--	5,331	5,331
<b>TOTAL ASSETS</b>	<b><u>\$5,681,407</u></b>	<b><u>\$18,036</u></b>	<b><u>\$5,699,443</u></b>
<b>LIABILITIES AND FUND BALANCES</b>			
Liabilities:			
Accounts payable	\$ 165,868	\$ 3,447	\$ 169,315
Other liabilities	248,299	5,832	254,131
<b>TOTAL LIABILITIES</b>	<b>414,167</b>	<b>9,279</b>	<b>423,446</b>
Fund Balances:			
Reserved for:			
Encumbrances	7,453	--	7,453
Capital lease projects	689,470	--	689,470
Debt service	20,188	--	20,188
Unreserved:			
Undesignated	4,521,131	8,757	4,529,888
Designated for specific fund purpose	28,998	--	28,998
<b>TOTAL FUND BALANCES</b>	<b><u>5,267,240</u></b>	<b><u>8,757</u></b>	<b><u>5,275,997</u></b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b><u>\$5,681,407</u></b>	<b><u>\$18,036</u></b>	<b><u>\$5,699,443</u></b>

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See accompanying notes to financial statements.

CITY OF RADCLIFF

RECONCILIATION OF THE BALANCE SHEET -  
GOVERNMENTAL FUNDS TO THE STATEMENT  
OF NET ASSETS

JUNE 30, 2005

Total fund balance per fund financial statements	\$ 5,275,997
Amounts reported for governmental activities in the statement of net assets are different because:	
Certain receivables (such as property taxes received after 60 days) are not reported in this fund financial statement because they are not available, but they are presented in the Statement of Net Assets.	57,618
Capital assets are not reported in this fund financial statement because they are not current financial resources, but they are reported in the statement of net assets.	18,613,135
Certain liabilities (such as capitalized lease obligations, compensated absences and interest payable) are not reported in the fund financial statement because they are not due and payable in the current period, but they are presented in the statement of net assets.	<u>(8,446,745)</u>
Net assets for governmental activities	<u>\$15,500,005</u>

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See accompanying notes to financial statements.

CITY OF RADCLIFF

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE

GOVERNMENTAL FUNDS

YEAR ENDED JUNE 30, 2005

	<u>GENERAL FUND</u>	<u>OTHER GOVERNMENTAL FUNDS</u>	<u>TOTAL GOVERNMENTAL FUNDS</u>
REVENUES:			
Property taxes	\$1,282,436	\$ --	\$1,282,436
Franchise taxes	695,513	--	695,513
Insurance premium taxes	1,948,200	--	1,948,200
Occupational tax	2,351,774	--	2,351,774
Licenses and permits	901,329	--	901,329
Fines, fees, forfeitures	59,635	--	59,635
Recreation fees	20,732	--	20,732
Other revenue	122,747	7,079	129,826
Intergovernmental revenue	397,468	439,788	837,256
Charges for services	280,537	--	280,537
Program revenue	--	<u>117,925</u>	<u>117,925</u>
<b>TOTAL REVENUES</b>	<b>8,060,371</b>	<b>564,792</b>	<b>8,625,163</b>
EXPENDITURES:			
Current:			
Administration	857,702	--	857,702
Law enforcement	3,073,525	--	3,073,525
Fire	1,449,565	--	1,449,565
Parks & recreation	445,552	--	445,552
Public works	815,377	351,157	1,166,534
Planning & development	466,803	--	466,803
Challenger learning center	--	427,757	427,757
Capital outlay	<u>1,742,449</u>	<u>22,690</u>	<u>1,765,139</u>
<b>TOTAL EXPENDITURES</b>	<b>8,850,973</b>	<b>801,604</b>	<b>9,652,577</b>
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES	(790,602)	(236,812)	(1,027,414)
OTHER FINANCING SOURCES (USES):			
Operating transfers in	--	245,000	245,000
Operating transfers out	(245,000)	--	(245,000)
Proceeds from sale of property	<u>8,630</u>	<u>--</u>	<u>8,630</u>
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>(236,370)</b>	<b>245,000</b>	<b>8,630</b>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	(1,026,972)	8,188	(1,018,784)
FUND BALANCES-beginning	6,352,702	569	6,353,271
Restatement for component unit presentation	<u>(58,490)</u>	<u>--</u>	<u>(58,490)</u>
<b>FUND BALANCES-ending</b>	<b>\$5,287,240</b>	<b>\$ 8,757</b>	<b>\$ 5,275,997</b>

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See accompanying notes to financial statements.

CITY OF RADCLIFF

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF ACTIVITIES

YEAR ENDED JUNE 30, 2005

Net change in total fund balances per fund financial statements	\$(1,018,784)
Amounts reported for governmental activities in the statement of activities are different because:	
Property taxes receivable to be collected after 60 days are reported as revenue in the statement of activity.	11,758
Capital outlays are reported as expenditures in this fund financial statement because they use current financial resources, but they are presented as assets in the statement of activities and depreciated over their estimated economic lives.	1,765,139
Bond and long-term debt payments are recognized as expenditures of current financial resources in the fund financial statement but are reductions of liabilities in the statement of net assets.	424,820
Compensated absences are not recognized as expenditures in fund financial statements, but are recognized as expenses in the statement of activities.	(4,223)
Generally, expenditures recognized in this fund financial statement are limited to only those that use current financial resources, but expenses are recognized in the statement of activities when they are incurred. Depreciation expense is recognized in the statement of activities.	(840,096)
In the statement of activities the loss on disposal of assets and the gain on sale of assets are reported, where in the governmental funds, the proceeds from the sale increase financial resources.	(9,615)
Contributed land and infrastructure are recognized as revenue in the statement of activity, but are not recognized as revenue in the fund financial statements.	446,487
Insurance proceeds included in fund financial statement as other revenue, not included in the statement of activities.	(1,000)
Interest payables are not recognized as expenditures in fund financial statements, but are recognized as expenses in the statement of activities.	<u>(14,810)</u>
Changes in net assets of governmental activities.	<u>\$ 759,676</u>

See accompanying notes to financial statements.

CITY OF RADCLIFF

STATEMENT OF NET ASSETS

PROPRIETARY FUNDS

JUNE 30, 2005

	<u>BUSINESS TYPE ACTIVITIES - ENTERPRISE FUNDS</u>		
	<u>STORMWATER</u>	<u>WASTEWATER</u>	<u>TOTAL</u>
<b>ASSETS</b>			
<b>CURRENT ASSETS:</b>			
Cash and cash equivalents	\$ 530,330	\$ 2,003,310	\$ 2,533,640
Receivables:			
Accounts	51,547	490,928	542,475
Other	<u>    </u>	<u>2,140</u>	<u>2,140</u>
<b>TOTAL CURRENT ASSETS</b>	<b>581,877</b>	<b>2,496,378</b>	<b>3,078,255</b>
<b>NONCURRENT ASSETS:</b>			
Restricted cash:			
Cash and cash equivalents	--	287,931	287,931
Cash with fiscal agent	--	53,394	53,394
Bond costs, net	--	41,837	41,837
Capital assets:			
Land	--	9,545	9,545
Depreciable capital assets	117,563	27,519,157	27,636,720
Less: accumulated depreciation	<u>(7,500)</u>	<u>(9,541,575)</u>	<u>(9,549,075)</u>
<b>TOTAL NONCURRENT ASSETS</b>	<b>110,063</b>	<b>18,370,289</b>	<b>18,480,352</b>
<b>TOTAL ASSETS</b>	<b>691,940</b>	<b>20,866,667</b>	<b>21,558,807</b>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES:</b>			
Accounts payable	2,054	49,729	51,783
Other liabilities	5,721	27,488	33,209
Customer deposits	--	115,374	115,374
Interest payable	--	16,763	16,763
Current portion compensated absences	313	5,157	5,470
Current portion revenue bonds payable	--	325,337	325,337
Current portion notes payable	--	210,114	210,114
Current portion capitalized lease obligations	<u>--</u>	<u>48,605</u>	<u>48,605</u>
<b>TOTAL CURRENT LIABILITIES</b>	<b>8,088</b>	<b>798,567</b>	<b>806,655</b>
<b>NONCURRENT LIABILITIES:</b>			
Noncurrent compensated absences	628	10,328	10,956
Noncurrent revenue bonds payable	--	608,905	608,905
Noncurrent notes payable	--	3,417,363	3,417,363
Noncurrent capitalized lease obligations	<u>--</u>	<u>54,967</u>	<u>54,967</u>
<b>TOTAL NONCURRENT LIABILITIES</b>	<b>628</b>	<b>4,091,563</b>	<b>4,092,191</b>
<b>TOTAL LIABILITIES</b>	<b>8,716</b>	<b>4,890,130</b>	<b>4,898,846</b>
<b>NET ASSETS:</b>			
Invested in capital assets, net of related debt	110,063	13,321,836	13,431,899
Unrestricted	<u>573,161</u>	<u>2,654,701</u>	<u>3,227,862</u>
<b>TOTAL NET ASSETS</b>	<b>\$ 683,224</b>	<b>\$ 15,976,537</b>	<b>\$ 16,659,761</b>

See accompanying notes to financial statements.

CITY OF RADCLIFF  
STATEMENT OF REVENUES, EXPENSES AND  
CHANGES IN FUND NET ASSETS

PROPRIETARY FUNDS

YEAR ENDED JUNE 30, 2005

	<u>BUSINESS TYPE ACTIVITIES - ENTERPRISE FUNDS</u>		
	<u>STORMWATER</u>	<u>WASTEWATER</u>	<u>TOTAL</u>
OPERATING REVENUE:			
Charges for services	\$ 702,156	\$ 3,357,781	\$ 4,059,937
Other revenue	<u>12,776</u>	<u>4,198</u>	<u>16,974</u>
TOTAL OPERATING REVENUE	714,932	3,361,979	4,076,911
OPERATING EXPENSES:			
Personnel costs	67,606	786,614	854,220
Contract services	148,057	258,712	406,769
Power & utilities	--	188,131	188,131
Repairs & maintenance	15,273	335,424	350,697
Materials & supplies	110,811	57,802	168,613
Other operating costs	60,369	270,004	330,373
Depreciation	<u>5,458</u>	<u>715,338</u>	<u>720,796</u>
TOTAL OPERATING EXPENSES	<u>407,574</u>	<u>2,612,025</u>	<u>3,019,599</u>
INCOME FROM OPERATIONS	307,358	749,954	1,057,312
NON-OPERATING REVENUE (EXPENSE):			
Interest earnings	3,879	37,673	41,552
Amortization expense	--	(24,351)	(24,351)
Bond service expense	--	(10,971)	(10,971)
Interest expense	<u>--</u>	<u>(196,829)</u>	<u>(196,829)</u>
TOTAL NON-OPERATING REVENUE (EXPENSE)	<u>3,879</u>	<u>(194,478)</u>	<u>(190,599)</u>
CHANGE IN NET ASSETS	311,237	555,476	866,713
NET ASSETS-beginning	<u>371,987</u>	<u>15,421,061</u>	<u>15,793,048</u>
NET ASSETS-ending	<u>\$ 683,224</u>	<u>\$ 15,976,537</u>	<u>\$ 16,659,761</u>

See accompanying notes to financial statements.

CITY OF RADCLIFF  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
YEAR ENDED JUNE 30, 2005

	<u>BUSINESS TYPE ACTIVITIES - ENTERPRISE FUNDS</u>		
	<u>STORMWATER</u>	<u>WASTEWATER</u>	<u>TOTAL</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>			
Cash received from customers and users	\$ 691,504	\$ 3,354,943	\$ 4,046,447
Cash received from other funds for services	12,765	--	12,765
Cash payments to employees	(44,228)	(577,482)	(621,710)
Cash payments for operating expenses	<u>(319,970)</u>	<u>(1,358,749)</u>	<u>(1,678,719)</u>
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	<b>340,071</b>	<b>1,418,712</b>	<b>1,758,783</b>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>			
Acquisition and construction of capital assets	(82,563)	(241,023)	(323,586)
Principal paid on revenue bonds	--	(325,000)	(325,000)
Principal paid on notes payable	--	(202,352)	(202,352)
Capitalized lease obligation	--	(43,515)	(43,515)
Interest paid on revenue bonds	--	(48,708)	(48,708)
Interest paid on notes payable	--	(143,629)	(143,629)
Interest paid on capitalized lease obligation	--	(6,756)	(6,756)
Bond fees	--	<u>(10,971)</u>	<u>(10,971)</u>
<b>NET CASH USED BY CAPITAL AND RELATED FINANCING ACTIVITIES</b>	<b>(82,563)</b>	<b>(1,021,954)</b>	<b>(1,104,517)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>			
Interest received	<u>3,879</u>	<u>37,673</u>	<u>41,552</u>
<b>NET CASH PROVIDED BY INVESTING ACTIVITIES</b>	<b>3,879</b>	<b>37,673</b>	<b>41,552</b>
<b>NET INCREASE IN CASH AND RESTRICTED CASH</b>	<b>261,387</b>	<b>434,431</b>	<b>695,818</b>
<b>CASH AND RESTRICTED CASH, June 30, 2004</b>	<b><u>268,943</u></b>	<b><u>1,910,204</u></b>	<b><u>2,179,147</u></b>
<b>CASH AND RESTRICTED CASH, June 30, 2005</b>	<b><u>\$ 530,330</u></b>	<b><u>\$ 2,344,635</u></b>	<b><u>\$ 2,874,965</u></b>
<b>RECONCILIATION OF INCOME FROM OPERATIONS TO NET CASH PROVIDED BY OPERATING ACTIVITIES:</b>			
Income from operations	\$307,358	\$ 749,954	\$ 1,057,312
Adjustments to reconcile operating income to net cash provided (used) by operating activities:			
Depreciation	5,458	715,338	720,796
Change in assets and liabilities:			
(Increase) decrease in:			
Accounts receivable	28,213	(32,016)	(3,803)
Other receivables	--	27,732	27,732
Increase (decrease) in:			
Accounts payable	(7,152)	(51,042)	(58,194)
Other liabilities	5,484	3,231	8,715
Compensated absences	710	(1,288)	(578)
Customer deposits	--	<u>6,803</u>	<u>6,803</u>
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	<b><u>\$ 340,071</u></b>	<b><u>\$ 1,418,712</u></b>	<b><u>\$ 1,758,783</u></b>

See accompanying notes to financial statements.

CITY OF RADCLIFF, KENTUCKY  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2005

**NOTE G – LONG TERM LIABILITIES**

	<u>Governmental Activities Debt</u>	<u>Business-Type Activities Debt</u>
<b>Capitalized lease obligations at June 30, 2005, consist of the following:</b>		
On July 30, 1997, the City entered into a lease/purchase payable to Kentucky Municipal League for Multi-City Municipal League Pool, Revenue Refunding Bonds, Series 1997. The general fund used 66.0925% of the proceeds to refinance the construction of the Hall of Justice and renovations to City Hall. The Sewer portion of the capital lease obligation is 33.9075%. The lease is payable in semi-annual installments including interest at 4.5% per annum. Final payment due April, 2007.	\$ 201,882	\$ 103,572
On December 15, 1998, the City entered into lease/purchase agreement payable to Kentucky League of Cities, 98 Series, in the amount of \$2,460,000 with a variable interest rate currently at 3.61%. The proceeds were used to construct and equip the Challenger Learning Center. Principal and payments are due semi-annually and monthly, respectively.	1,895,000	--
On July 9, 2002, the City entered into a lease/purchase agreement payable to the Kentucky League of Cities, Series 2002 in the amount of \$6,760,000 with a variable interest rate of 2.23%. The proceeds were used for equipment and improvements. Principal and interest payments are due quarterly and monthly respectively through July, 2022.	<u>6,120,000</u>	<u>--</u>
<b>Total Capitalized Lease Obligations</b>	<u>8,216,882</u>	<u>103,572</u>
<b>Revenue bonds payable at June 30, 2005 consist of the following:</b>		
\$2,255,000, 2001A Series, Service System Revenue Refunding project due in annual installments through 2010; interest payable semi-annually at rates ranging from 3.8% to 4.4%; collateralized by the revenues of the City of Radcliff Sewer System.	--	1,010,000
The 2001A Series advance refunding resulted in a difference between the reacquisition price and the net carrying amount of the old debt of \$131,965. This difference, reported in the accompanying financial statements as a deduction from bonds payable is being charged to operations through the year 2011 using the effective interest method.	<u>--</u>	<u>(75,758)</u>
<b>Total Revenue Bonds Payable</b>	<u>--</u>	<u>934,242</u>
<b>Notes payable at June 30, 2005 consist of the following:</b>		
Kentucky Infrastructure Authority (KIA), Federally Assisted Wastewater Revolving Loan (Fund A) A-97-03. Loan shall not exceed \$4,836,450 due in semiannual installments from June 1, 1999 through December 1, 2018, interest payable semiannually at 3.8%, collateralized by the revenues of the City of Radcliff Sewer System.	<u>--</u>	<u>3,627,477</u>
<b>Total Notes Payable</b>	<u>--</u>	<u>3,627,477</u>
<b>Total Capitalized Lease, Revenue Bond and Notes Payable</b>	<u>\$8,216,882</u>	<u>\$ 4,665,291</u>

CITY OF RADCLIFF, KENTUCKY  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2005

**NOTE H – CHANGES IN LONG-TERM DEBT**

Long-term debt activity for the year ended June 30, 2005, was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Amount due Within One Year</u>
Governmental Activities					
Capitalized Lease Obligations	\$8,641,702	\$ --	\$(424,820)	\$8,216,882	\$459,741
Other liabilities:					
Compensated absences	<u>210,829</u>	<u>4,224</u>	<u>--</u>	<u>215,053</u>	<u>71,684</u>
Governmental Activities, long-term Liabilities	<u>\$8,852,531</u>	<u>\$ 4,224</u>	<u>\$(424,820)</u>	<u>\$8,431,935</u>	<u>\$531,425</u>
Business-type Activities					
Wastewater debt	\$5,221,495	\$ --	\$(556,204)	\$4,665,291	\$584,056
Other liabilities:					
Compensated absences	<u>17,004</u>	<u>--</u>	<u>(578)</u>	<u>16,426</u>	<u>5,470</u>
Business-type Activities, long-term Liabilities	<u>\$5,238,499</u>	<u>\$ --</u>	<u>\$(556,782)</u>	<u>\$4,681,717</u>	<u>\$589,526</u>

Additions and reductions to compensated absences represent the net change in compensated absences for the fiscal year.

Principal and interest requirements to retire the City's long-term obligations are as follows:

Governmental Activities:

Year	Capitalized Lease Obligations		Total
	Principal	Interest	
2006	\$ 459,741	\$ 312,358	\$ 772,099
2007	477,141	293,827	770,968
2008	390,000	274,806	664,806
2009	400,000	258,765	658,765
2010	425,000	243,430	668,430
2011-2015	2,370,000	956,782	3,326,782
2016-2020	2,640,000	453,809	3,093,809
2021-2030	<u>1,055,000</u>	<u>43,322</u>	<u>1,098,322</u>
<b>TOTAL</b>	<u>\$8,216,882</u>	<u>\$2,837,099</u>	<u>\$11,053,981</u>

Business-type Activities:

Year	Capitalized Lease Obligations		Revenue Bonds		Notes Payable		Total
	Principal	Interest	Principal	Interest	Principal	Interest	
2006	\$ 48,605	\$ 4,778	\$ 325,337	\$ 35,408	\$ 210,114	\$ 135,867	\$ 760,109
2007	54,967	2,542	105,337	26,208	218,175	127,807	535,036
2008	--	--	110,337	21,214	226,544	119,437	477,532
2009	--	--	110,337	15,933	235,235	110,747	472,252
2010	--	--	125,337	10,183	244,258	101,723	481,501
2011-2015	--	--	157,557	3,557	1,369,241	360,666	1,891,021
2016-2019	--	--	--	--	<u>1,123,910</u>	<u>87,024</u>	<u>1,210,934</u>
<b>TOTAL</b>	<u>\$ 103,572</u>	<u>\$ 7,320</u>	<u>\$ 934,242</u>	<u>\$112,503</u>	<u>\$3,627,477</u>	<u>\$1,043,271</u>	<u>\$ 5,828,385</u>

CITY OF RADCLIFF  
STATEMENT OF NET ASSETS  
JUNE 30, 2004

ASSETS	<u>Governmental Activities</u>	<u>Business- Type Activities</u>	<u>Total</u>	<u>Component Unit Convention and Tourism Commission</u>
<u>Current Assets</u>				
Cash and cash equivalents	\$ 3,163,925	\$ 1,512,357	\$ 4,676,282	\$157,883
Inventory	5,034	--	5,034	--
Accounts receivable:				
Taxes	1,317,201	--	1,317,201	--
Other	20,010	29,872	49,882	--
Accounts	--	538,672	538,672	14,417
Prepaid expenses	<u>3,000</u>	<u>--</u>	<u>3,000</u>	<u>8,123</u>
Total Current Assets	4,509,170	2,080,901	6,590,071	180,423
<u>Noncurrent Assets</u>				
<u>Restricted cash:</u>				
Cash and cash equivalents	2,288,766	640,011	2,928,777	--
Cash with fiscal agent	28,650	26,779	55,429	--
Bond costs, net	--	51,526	51,526	--
<u>Capital assets:</u>				
Land	2,360,728	9,545	2,370,273	--
Construction in progress	--	252,320	252,320	--
Depreciable capital assets	27,480,066	27,060,814	54,540,880	21,433
Less: accumulated depreciation	<u>(10,814,619)</u>	<u>(8,828,279)</u>	<u>(19,642,898)</u>	<u>(16,187)</u>
Total Noncurrent Assets	<u>21,343,591</u>	<u>19,212,716</u>	<u>40,556,307</u>	<u>5,246</u>
Total Assets	<u>25,852,761</u>	<u>21,293,617</u>	<u>47,146,378</u>	<u>185,669</u>
<u>LIABILITIES</u>				
<u>Current Liabilities</u>				
Accounts payable	117,890	109,977	227,867	1,854
Other liabilities	309,565	24,494	334,059	1,521
Customer deposits	--	108,570	108,570	--
Interest payable	--	19,029	19,029	--
Current portion of revenue bonds payable	--	310,337	310,337	--
Current portion of capitalized lease obligations	424,820	43,516	468,336	--
Current portion of compensated absences	70,276	5,668	75,944	--
Current portion of notes payable	--	<u>202,352</u>	<u>202,352</u>	<u>--</u>
Total Current Liabilities	922,551	823,943	1,746,494	3,375
<u>Noncurrent Liabilities</u>				
Noncurrent portion of revenue bonds payable	--	934,242	934,242	--
Noncurrent portion of notes payable	--	3,627,477	3,627,477	--
Noncurrent portion of capitalized lease obligations	8,216,883	103,571	8,320,454	--
Noncurrent portion of compensated absences	<u>140,553</u>	<u>11,336</u>	<u>151,889</u>	<u>--</u>
Total Noncurrent Liabilities	<u>8,357,436</u>	<u>4,676,626</u>	<u>13,034,062</u>	<u>--</u>
Total Liabilities	<u>9,279,987</u>	<u>5,500,569</u>	<u>14,780,556</u>	<u>3,375</u>
<u>Net Assets</u>				
Invested in capital assets, net of related debt	10,384,472	13,272,905	23,657,377	5,246
Restricted for:				
Capital projects	2,288,766	--	2,288,766	--
Debt service	28,650	--	28,650	--
Unrestricted	<u>3,870,886</u>	<u>2,520,143</u>	<u>6,391,029</u>	<u>177,048</u>
Total Net Assets	<u>\$ 16,572,774</u>	<u>\$15,793,048</u>	<u>\$32,365,822</u>	<u>\$182,204</u>

See accompanying notes to financial statements.

CITY OF KNOXCLIFF  
STATEMENT OF ACTIVITIES  
YEAR ENDED JUNE 30, 2004

FUNCTIONS/PROGRAMS	Expenses	Program Revenues			Net (Expenses) Revenues and Changes in Net Assets			Component Unit
		Charges For Services	Operating Grants & Contributions	Capital Grants & Contributions	Governmental Activities	Business-Type Activities	Total	
Primary government:								
Governmental activities:								
Administration	\$ 899,539	\$ 317,835	\$ 251,471	\$ 334,124	\$ 13,891	\$ --	\$ 13,891	\$ --
Law enforcement	3,066,710	16,863	209,796	--	(2,840,051)	--	(2,840,051)	--
Fire	1,339,095	--	78,109	--	(1,260,986)	--	(1,260,986)	--
Parks & recreation	423,160	--	3,820	--	(419,340)	--	(419,340)	--
Public works	1,466,830	--	340,119	--	(1,126,711)	--	(1,126,711)	--
Planning	426,660	79,104	--	--	(347,556)	--	(347,556)	--
Challenger	390,553	91,157	103,288	--	(196,108)	--	(196,108)	--
Total governmental activities	8,012,547	504,959	996,503	\$ 334,124	(6,176,861)	--	(6,176,861)	--
Business-type activities:								
Stormwater	238,910	609,904	--	--	--	370,994	370,994	--
Wastewater	2,765,719	3,283,189	--	--	--	517,470	517,470	--
	3,004,629	3,893,093	--	--	--	888,464	888,464	--
	\$ 11,328,682	\$ 4,398,052	\$ 996,603	\$ 334,124	(6,176,861)	888,464	(5,288,397)	--
Component unit:								(157,600)
Tourism and development	\$ 160,495	\$ --	\$ 2,895	\$ --				
General revenues:								
Taxes:								
Property taxes, levied for general purposes					1,235,745	--	1,235,745	--
Franchise taxes					671,857	--	671,857	--
Insurance premiums tax					1,317,496	--	1,317,496	--
Transient room tax					--	--	--	107,753
Occupational tax					2,238,147	--	2,238,147	--
Business license					772,074	--	772,074	--
Interest earnings					115,358	29,318	144,676	3,422
Other revenue					122,832	26,681	149,513	--
Total general revenues					6,473,509	56,999	6,529,508	111,175
Transfers in (out)					352,000	(352,000)	--	--
Loss on sale of assets					(359,058)	--	(359,058)	--
Change in net assets					289,590	592,463	882,053	(46,425)
Net assets - beginning					16,283,184	15,200,585	31,483,769	228,719
Net assets - ending					\$ 16,572,774	\$ 15,793,048	\$ 32,365,822	\$ 182,294

See accompanying notes to financial statements.

## CITY OF RADCLIFF

BALANCE SHEET - GOVERNMENTAL FUNDSJUNE 30, 2004

	<u>General Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>ASSETS</b>			
Cash and cash equivalents	\$3,158,334	\$ 5,591	\$3,163,925
Receivables:			
Taxes	1,271,341	--	1,271,341
Taxes - other	20,010	--	20,010
Prepaid expenses	3,000	--	3,000
Restricted assets:			
Cash and cash equivalents	2,288,766	--	2,288,766
Cash with fiscal agent	28,650	--	28,650
Inventories	--	5,034	5,034
<b>TOTAL ASSETS</b>	<b><u>\$6,770,101</u></b>	<b><u>\$10,625</u></b>	<b><u>\$6,780,726</u></b>
<b>LIABILITIES AND FUND BALANCES</b>			
Liabilities:			
Accounts payable	\$ 114,099	\$ 3,791	\$ 117,890
Other liabilities	<u>303,300</u>	<u>6,265</u>	<u>309,565</u>
<b>TOTAL LIABILITIES</b>	<b>417,399</b>	<b>10,056</b>	<b>427,455</b>
Fund Balances:			
Reserved for:			
Encumbrances	7,710	--	7,710
Capital lease projects	2,288,766	--	2,288,766
Debt service	28,650	--	28,650
Unreserved:			
Undesignated	3,910,395	569	3,910,964
Designated for specific fund purpose	<u>117,101</u>	<u>--</u>	<u>117,101</u>
<b>TOTAL FUND BALANCES</b>	<b><u>6,352,702</u></b>	<b><u>569</u></b>	<b><u>6,353,271</u></b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b><u>\$6,770,101</u></b>	<b><u>\$10,625</u></b>	<b><u>\$6,780,726</u></b>

See accompanying notes to financial statements.

CITY OF RADCLIFFRECONCILIATION OF THE BALANCE SHEET -  
GOVERNMENTAL FUNDS TO THE STATEMENT  
OF NET ASSETSJUNE 30, 2004

Total fund balance per fund financial statements	\$ 6,353,271
Amounts reported for governmental activities in the statement of net assets are different because:	
Certain receivables (such as property taxes received after 60 days) are not reported in this fund financial statement because they are not available, but they are presented in the Statement of Net Assets.	45,860
Capital assets are not reported in this fund financial statement because they are not current financial resources, but they are reported in the statement of net assets.	19,026,175
Certain liabilities (such as bonds and capital leases, certain payables and accrued sick leave are not reported in this fund financial statement because they are not due and payable, but they are presented in the statement of net assets.	<u>(8,852,532)</u>
Net assets for governmental activities	<u>\$16,572,774</u>

See accompanying notes to financial statements.

CITY OF RADCLIFF  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE

GOVERNMENTAL FUNDS

JUNE 30, 2004

	<u>GENERAL FUND</u>	<u>OTHER GOVERNMENTAL FUNDS</u>	<u>TOTAL GOVERNMENTAL FUNDS</u>
<b>REVENUES:</b>			
Property taxes	\$1,189,885	\$ --	\$1,189,885
Franchise taxes	671,857	--	671,857
Insurance premium taxes	1,317,496	--	1,317,496
Occupational fees	2,238,147	--	2,238,147
Fees, fines & forfeitures	74,704	--	74,704
License & permits	848,441	--	848,441
Recreation department	14,365	--	14,365
Intergovernmental revenue	602,484	376,956	979,440
Other revenue	426,591	66,821	493,412
State surplus revenue	334,124	--	334,124
Program revenue	<u>--</u>	<u>101,464</u>	<u>101,464</u>
<b>TOTAL REVENUES</b>	<b>7,718,094</b>	<b>545,241</b>	<b>8,263,335</b>
<b>EXPENDITURES:</b>			
<b>Current:</b>			
Challenger center	--	400,526	400,526
Law enforcement	2,903,213	--	2,903,213
Administration	846,448	--	846,448
Fire department	1,358,555	--	1,358,555
Parks & recreation	379,989	--	379,989
Public works	722,847	328,668	1,051,515
Planning	403,400	--	403,400
Capital outlay	<u>2,539,101</u>	<u>--</u>	<u>2,539,101</u>
<b>TOTAL EXPENDITURES</b>	<b><u>9,153,553</u></b>	<b><u>729,194</u></b>	<b><u>9,882,747</u></b>
<b>EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES</b>	<b>(1,435,459)</b>	<b>(183,953)</b>	<b>(1,619,412)</b>
<b>OTHER FINANCING SOURCES (USES):</b>			
Operating transfers in	352,000	164,000	516,000
Operating transfers out	(164,000)	--	(164,000)
Proceeds from sale of property	<u>99,295</u>	<u>--</u>	<u>99,295</u>
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b><u>287,295</u></b>	<b><u>164,000</u></b>	<b><u>451,295</u></b>
<b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES</b>	<b>(1,148,164)</b>	<b>(19,953)</b>	<b>(1,168,117)</b>
<b>FUND BALANCES, July 1, 2003</b>	<b><u>7,500,866</u></b>	<b><u>20,522</u></b>	<b><u>7,521,388</u></b>
<b>FUND BALANCES, June 30, 2004</b>	<b><u>\$6,352,702</u></b>	<b><u>\$ 569</u></b>	<b><u>\$ 6,353,271</u></b>

See accompanying notes to financial statements.

CITY OF RADCLIFF

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF ACTIVITIES

JUNE 30, 2004

Net change in total fund balances per fund financial statements	\$(1,168,117)
Amounts reported for governmental activities in the statement of activities are different because:	
Property taxes receivable to be collected after 60 days are reported as revenue in the statement of activity.	45,860
Capital outlays are reported as expenditures in this fund financial statement because they use current financial resources, but they are presented as assets in the statement of activities and depreciated over their estimated economic lives.	2,539,101
Bond and long-term debt payments are recognized as expenditures of current financial resources in the fund financial statement but are reductions of liabilities in the statement of net assets.	410,396
Compensated absences are not recognized as expenditures in fund financial statements, but are recognized as expenses in the statement of activities.	(210,775)
Generally, expenditures recognized in this fund financial statement are limited to only those that use current financial resources, but expenses are recognized in the statement of activities when they are incurred. Depreciation expense is recognized in the statement of activities.	868,521
In the statement of activities the loss on sale of assets is reported, where in the governmental funds, the proceeds from the sale increase financial resources.	<u>(458,354)</u>
Changes in net assets of governmental activities.	<u>\$ 289,590</u>

See accompanying notes to financial statements.

CITY OF RADCLIFF  
STATEMENT OF NET ASSETS  
PROPRIETARY FUNDS

JUNE 30, 2004

	BUSINESS-TYPE ACTIVITIES-		
	STORMWATER	WASTEWATER	TOTAL
<b>ASSETS</b>			
<b>CURRENT ASSETS:</b>			
Cash and cash equivalents	\$ 268,943	\$ 1,548,669	\$ 1,817,612
Receivables:			
Accounts	79,760	458,912	538,672
Other	--	29,872	29,872
TOTAL CURRENT ASSETS	348,703	2,037,453	2,386,156
<b>NONCURRENT ASSETS:</b>			
Restricted cash:			
Cash and cash equivalents	--	334,756	334,756
Cash with fiscal agent	--	26,779	26,779
Bond costs, net	--	51,526	51,526
Capital assets:			
Land	--	9,545	9,545
Construction in process	--	252,320	252,320
Depreciable capital assets	35,000	27,025,814	27,060,814
Less: accumulated depreciation	(2,042)	(8,826,237)	(8,828,279)
TOTAL NONCURRENT ASSETS	32,958	18,874,503	18,907,461
TOTAL ASSETS	381,661	20,911,956	21,293,617
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES:</b>			
Accounts payable	9,206	100,771	109,977
Other liabilities	237	24,257	24,494
Customer deposits	--	108,570	108,570
Interest payable	--	19,029	19,029
Current portion compensated absences	77	5,591	5,668
Current portion revenue bonds payable	--	310,337	310,337
Current portion notes payable	--	202,352	202,352
Current portion capitalized lease obligations	--	43,516	43,516
TOTAL CURRENT LIABILITIES	9,520	814,423	823,943
<b>NONCURRENT LIABILITIES:</b>			
Noncurrent compensated absences	154	11,182	11,336
Noncurrent revenue bonds payable	--	934,242	934,242
Noncurrent notes payable	--	3,627,477	3,627,477
Noncurrent capitalized lease obligations	--	103,571	103,571
TOTAL NONCURRENT LIABILITIES	154	4,676,472	4,676,626
TOTAL LIABILITIES	9,674	5,490,895	5,500,569
<b>NET ASSETS:</b>			
Invested in capital assets, net of related debt	32,958	13,239,947	13,272,905
Unrestricted	339,029	2,181,114	2,520,143
TOTAL NET ASSETS	\$ 371,987	\$ 15,421,061	\$ 15,793,048

See accompanying notes to financial statements.

CITY OF RADCLIFF  
STATEMENT OF REVENUES, EXPENSES AND  
CHANGES IN FUND NET ASSETS

PROPRIETARY FUNDS

JUNE 30, 2004

	BUSINESS-TYPE ACTIVITIES-		
	ENTERPRISE FUNDS		
	<u>STORMWATER</u>	<u>WASTEWATER</u>	<u>TOTAL</u>
OPERATING REVENUE:			
Charges for services	\$ 609,904	\$ 3,283,189	\$ 3,893,093
Other revenue	<u>—</u>	<u>26,681</u>	<u>26,681</u>
TOTAL OPERATING REVENUE	609,904	3,309,870	3,919,774
OPERATING EXPENSES:			
Personnel costs	568	793,373	793,941
Contract services	145,053	225,396	370,449
Power & utilities	8,152	178,208	186,360
Repairs & maintenance	18,259	309,713	327,972
Materials & supplies	58,360	95,478	153,838
Other operating costs	6,476	283,814	290,290
Depreciation	<u>2,042</u>	<u>623,213</u>	<u>625,255</u>
TOTAL OPERATING EXPENSES	<u>238,910</u>	<u>2,509,195</u>	<u>2,748,105</u>
INCOME FROM OPERATIONS	370,994	800,675	1,171,669
NON-OPERATING REVENUE (EXPENSE):			
Interest earnings	993	28,325	29,318
Amortization expense	—	(24,793)	(24,793)
Bond service expense	—	(12,825)	(12,825)
Interest expense	<u>—</u>	<u>(218,906)</u>	<u>(218,906)</u>
TOTAL NON-OPERATING REVENUE (EXPENSE)	<u>993</u>	<u>(228,199)</u>	<u>(227,206)</u>
NET INCOME BEFORE CONTRIBUTIONS AND TRANSFERS	371,987	572,476	944,463
TRANSFERS OUT	<u>—</u>	<u>(352,000)</u>	<u>(352,000)</u>
CHANGE IN NET ASSETS	371,987	220,476	592,463
NET ASSETS, July 1, 2003	<u>-0-</u>	<u>15,200,585</u>	<u>15,200,585</u>
NET ASSETS, June 30, 2004	<u>\$ 371,987</u>	<u>\$15,421,061</u>	<u>\$15,793,048</u>

See accompanying notes to financial statements.

CITY OF RADCLIFF  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS

JUNE 30, 2004

	BUSINESS-TYPE ACTIVITIES- ENTERPRISE FUNDS		
	<u>STORMWATER</u>	<u>WASTEWATER</u>	<u>TOTAL</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>			
Cash received from customers and users	\$ 530,144	\$ 3,219,848	\$ 3,749,992
Cash received from other funds for services	-	26,681	26,681
Cash payments to employees	(100)	(790,681)	(790,781)
Cash payments for operating expenses	<u>(227,094)</u>	<u>(1,122,607)</u>	<u>(1,349,701)</u>
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	<b>302,950</b>	<b>1,333,241</b>	<b>1,636,191</b>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>			
Operating transfers to other funds	<u>-</u>	<u>(352,000)</u>	<u>(352,000)</u>
<b>NET CASH (USED) BY NONCAPITAL FINANCING ACTIVITIES</b>	<b>-</b>	<b>(352,000)</b>	<b>(352,000)</b>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>			
Acquisition and construction of capital assets	(35,000)	(418,035)	(453,035)
Principal paid on revenue bonds	-	(310,000)	(310,000)
Principal paid on notes payable	-	(194,876)	(194,876)
Capitalized lease obligation	-	(73,681)	(73,681)
Interest paid on revenue bonds	-	(81,409)	(81,409)
Interest paid on notes payable	-	(151,106)	(151,106)
Interest paid on capitalized lease obligation	-	(8,865)	(8,865)
Bond fees	<u>-</u>	<u>(12,825)</u>	<u>(12,825)</u>
<b>NET CASH USED BY CAPITAL AND RELATED FINANCING ACTIVITIES</b>	<b>(35,000)</b>	<b>(1,230,797)</b>	<b>(1,265,797)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>			
Interest received	<u>993</u>	<u>28,325</u>	<u>29,318</u>
<b>NET CASH PROVIDED BY INVESTING ACTIVITIES</b>	<b>993</b>	<b>28,325</b>	<b>29,318</b>
<b>NET INCREASE (DECREASE) IN CASH AND RESTRICTED CASH</b>	<b>268,943</b>	<b>(221,231)</b>	<b>47,712</b>
<b>CASH AND RESTRICTED CASH, July 1, 2003</b>	<b><u>-0-</u></b>	<b><u>2,131,435</u></b>	<b><u>2,131,435</u></b>
<b>CASH AND RESTRICTED CASH, June 30, 2004</b>	<b><u>\$ 268,943</u></b>	<b><u>\$ 1,910,204</u></b>	<b><u>\$ 2,179,147</u></b>
<b>RECONCILIATION OF INCOME FROM OPERATIONS TO NET CASH PROVIDED BY OPERATING ACTIVITIES:</b>			
Income from operations	\$ 370,994	\$ 800,675	\$ 1,171,669
Adjustments to reconcile operating income to net cash provided (used) by operating activities:			
Depreciation	2,042	623,215	625,257
Change in assets and liabilities:			
(Increase) decrease in:			
Accounts receivable	(79,760)	(63,341)	(143,101)
Other receivables	-	(29,872)	(29,872)
Increase (decrease) in:			
Accounts payable	9,206	(4,503)	4,703
Other liabilities	237	129	366
Compensated absences	231	2,563	2,794
Customer deposits	<u>-</u>	<u>4,375</u>	<u>4,375</u>
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	<b><u>\$ 302,950</u></b>	<b><u>\$ 1,333,241</u></b>	<b><u>\$ 1,636,191</u></b>

See accompanying notes to financial statements.

CITY OF RADCLIFF, KENTUCKY  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2004

**NOTE G -- LONG TERM LIABILITIES**

Capitalized lease obligations at June 30, 2004, consist of the following:

	<u>Governmental Activities Debt</u>	<u>Business-Type Activities Debt</u>
On July 30, 1997, the City entered into a lease/purchase payable to Kentucky Municipal League for Multi-City Municipal League Pool, Revenue Refunding Bonds, Series 1997. The general fund used 66.0925% of the proceeds to refinance the construction of the Hall of Justice and renovations to City Hall. The Sewer portion of the capital lease obligation is 33.9075%. The lease is payable in semi-annual installments including interest at 4.5% per annum. Final payment due April, 2007.	\$ 286,703	\$ 147,087
On December 15, 1998, the City entered into lease/purchase agreement payable to Kentucky League of Cities, 98 Series, in the amount of \$2,460,000 with a variable interest rate currently at 3.61%. The proceeds were used to construct and equip the Challenger Learning Center. Principal and payments are due semi-annually and monthly, respectively.	1,995,000	--
On July 9, 2002, the City entered into a lease/purchase agreement payable to the Kentucky League of Cities, Series 2002 in the amount of \$6,760,000 with a variable interest rate of 2.23%. The proceeds were used for equipment and improvements. Principal and interest payments are due quarterly and monthly respectively through July, 2022.	<u>6,360,000</u>	<u>--</u>
<b>Total Capitalized Lease Obligations</b>	<u>8,641,703</u>	<u>147,087</u>

Revenue bonds and notes payable at June 30, 2004 consist of the following:

	<u>Governmental Activities Debt</u>	<u>Business-Type Activities Debt</u>
\$2,255,000, 2001A Series, Service System Revenue Refunding project due in annual installments through 2010; interest payable semi-annually at rates ranging from 3.8% to 4.4%; collateralized by the revenues of the City of Radcliff Sewer System.	--	1,335,000
The 2001A Series advance refunding resulted in a difference between the reacquisition price and the net carrying amount of the old debt of \$131,965. This difference, reported in the accompanying financial statements as a deduction from bonds payable is being charged to operations through the year 2011 using the effective interest method.	<u>--</u>	<u>(90,421)</u>
<b>Total Revenue Bonds Payable</b>	<u>--</u>	<u>1,244,579</u>
Kentucky Infrastructure Authority (KIA), Federally Assisted Wastewater Revolving Loan (Fund A) A-97-03. Loan shall not exceed \$4,836,450 due in semiannual installments from June 1, 1999 through December 1, 2018, interest payable semiannually at 3.8%, collateralized by the revenues of the City of Radcliff Sewer System.	<u>--</u>	<u>3,829,829</u>
<b>Total Notes Payable</b>	<u>--</u>	<u>5,074,408</u>
<b>Total Capitalized Lease, Revenue Bond and Notes Payable</b>	<u>\$8,641,703</u>	<u>\$ 5,221,495</u>

CITY OF RADCLIFF, KENTUCKY  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2004

**NOTE H - CHANGES IN LONG-TERM DEBT**

Long-term debt activity for the year ended June 30, 2004, was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Amount due Within One Year</u>
Governmental Activities					
Capitalized Lease Obligations	\$9,052,098	\$ --	\$(410,395)	\$8,641,703	\$424,820
Other liabilities:					
Compensated absences	<u>222,476</u>	<u>--</u>	<u>(11,647)</u>	<u>210,829</u>	<u>70,276</u>
Governmental Activities, long-term Liabilities	<u>\$9,274,574</u>	<u>\$ --</u>	<u>\$(422,042)</u>	<u>\$8,852,532</u>	<u>\$495,096</u>
Business-type Activities					
Wastewater debt	\$5,785,389	\$ --	\$(563,894)	\$5,221,495	\$556,205
Other liabilities:					
Compensated absences	<u>14,210</u>	<u>2,794</u>	<u>--</u>	<u>17,004</u>	<u>5,668</u>
Business-type Activities, long-term Liabilities	<u>\$5,799,599</u>	<u>\$ 2,794</u>	<u>\$(563,894)</u>	<u>\$5,238,499</u>	<u>\$561,873</u>

Additions and reductions to compensated absences represent the net change in compensated absences for the fiscal year.

Principal and interest requirements to retire the City's long-term obligations are as follows:

Year	Capitalized		Lease Obligations		Total		Total
	Principal	Interest	Principal	Interest	Principal	Interest	
2005	\$ 424,820	\$ 194,536	\$ 194,536	\$ 619,356	\$ 619,356		\$ 619,356
2006	459,741	183,297	183,297	643,038	643,038		643,038
2007	477,142	170,762	170,762	647,904	647,904		647,904
2008	390,000	157,768	157,768	547,768	547,768		547,768
2009	400,000	148,426	148,426	548,426	548,426		548,426
2010-2014	2,285,000	599,438	599,438	2,884,438	2,884,438		2,884,438
2015-2019	2,710,000	320,699	320,699	3,030,699	3,030,699		3,030,699
2020-2029	<u>1,495,000</u>	<u>53,888</u>	<u>53,888</u>	<u>1,548,888</u>	<u>1,548,888</u>		<u>1,548,888</u>
TOTAL	<u>\$8,641,703</u>	<u>\$1,828,814</u>	<u>\$1,828,814</u>	<u>\$10,470,517</u>	<u>\$10,470,517</u>		<u>\$10,470,517</u>

Year	Notes Payable		Revenue Bonds		Capitalized Lease Obligations		Total
	Principal	Interest	Principal	Interest	Principal	Interest	
<b>Business-type Activities</b>							
2005	\$ 202,352	\$ 143,629	\$ 310,337	\$ 48,708	\$ 43,516	\$ 6,758	\$ 755,300
2006	210,114	135,867	325,337	35,408	48,605	4,778	760,109
2007	218,175	127,807	105,337	26,208	54,966	2,542	535,035
2008	226,544	119,437	110,337	21,214	--	--	477,532
2009	235,235	110,747	110,337	15,933	--	--	472,252
2010-2014	1,318,656	411,251	282,894	13,740	--	--	2,026,541
2015-2019	<u>1,418,753</u>	<u>138,182</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>1,556,915</u>
TOTAL	<u>\$ 3,829,829</u>	<u>\$ 1,186,900</u>	<u>\$ 1,244,579</u>	<u>\$ 161,211</u>	<u>\$ 147,087</u>	<u>\$ 14,078</u>	<u>\$ 6,583,684</u>

CITY OF RADCLIFF, KENTUCKY

COMBINED BALANCE SHEET

ALL FUND TYPES, ACCOUNT GROUPS AND  
DISCRETELY PRESENTED COMPONENT UNIT

JUNE 30, 2003

	<u>Governmental Fund Types</u>	
<u>ASSETS AND OTHER DEBITS</u>	<u>General</u>	<u>Special Revenue</u>
Cash and cash equivalents	\$2,297,390	\$ 19,872
Receivables		
Accounts	--	--
Taxes	923,724	--
Other	44,142	868
Prepaid expenses	3,000	--
Restricted assets:		
Cash and cash equivalents	4,509,279	--
Cash with fiscal agent	28,770	--
Inventory	--	6,996
Fixed assets, net	--	--
Land costs, net	--	--
Amount to be provided for retirement of general long-term debt	--	--
<b>TOTAL ASSETS AND OTHER DEBITS</b>	<u>\$7,806,305</u>	<u>\$ 27,736</u>
 <u>LIABILITIES, FUND EQUITY AND OTHER CREDITS</u>		
<b>LIABILITIES</b>		
Accounts payable	\$ 62,281	\$ 2,728
Compensated absences payable	--	--
Escrow - bonding	11,170	--
Accrued expenses	159,518	4,486
Other current liabilities	72,470	--
Payable from restricted assets:		
Customer deposits	--	--
Capitalized lease obligations	--	--
Revenue bonds payable	--	--
Notes payable	--	--
<b>TOTAL LIABILITIES</b>	<u>305,439</u>	<u>7,214</u>
 <b>FUND EQUITY AND OTHER CREDITS</b>		
Contributed capital	--	--
Investments in general fixed assets	--	--
Retained earnings	--	--
Fund balance - Reserved for encumbrances	7,710	--
Fund balance - Reserved for capital lease projects	4,509,279	--
Fund balance - Reserved for debt service	28,770	--
Fund balance - Unreserved, undesignated	2,813,591	20,522
Fund balance - Unreserved, designated for specific fund purposes	<u>141,516</u>	<u>--</u>
<b>TOTAL FUND EQUITY AND OTHER CREDITS</b>	<u>7,500,866</u>	<u>20,522</u>
<b>TOTAL LIABILITIES, FUND EQUITY AND OTHER CREDITS</b>	<u>\$7,806,305</u>	<u>\$ 27,736</u>

See notes to financial statements.

Proprietary Fund Type	Account Groups		Totals (Memorandum Only)	Component Unit	Totals (Memorandum Only)
	General Fixed Assets	General Long-Term Debt	Primary Government	Convention and Tourism Commission	Reporting Entity
\$ 1,477,434	\$ --	\$ --	\$ 3,794,696	\$200,212	\$ 3,994,908
395,571	--	--	395,571	15,453	411,024
--	--	--	923,724	--	923,724
--	--	--	45,010	--	45,010
--	--	--	3,000	8,123	11,123
597,837	--	--	5,107,116	--	5,107,116
56,164	--	--	84,934	--	84,934
--	--	--	6,996	--	6,996
18,438,782	15,928,269	--	34,367,051	26,261	34,393,312
61,657	--	--	61,657	--	61,657
--	--	9,274,574	9,274,574	--	9,274,574
<u>\$21,027,445</u>	<u>\$15,928,269</u>	<u>\$9,274,574</u>	<u>\$54,064,329</u>	<u>\$250,049</u>	<u>\$54,314,378</u>
\$ 105,274	\$ --	\$ --	\$ 170,283	\$ --	\$ 170,283
14,210	--	222,476	236,686	--	236,686
--	--	--	11,170	--	11,170
45,629	--	--	209,633	--	209,633
8,135	--	--	80,605	--	80,605
96,060	--	--	96,060	--	96,060
220,768	--	9,052,098	9,272,866	--	9,272,866
1,539,916	--	--	1,539,916	--	1,539,916
4,024,705	--	--	4,024,705	--	4,024,705
6,054,697	-0-	9,274,574	15,641,924	-0-	15,641,924
9,318,069	--	--	9,318,069	--	9,318,069
--	15,928,269	--	15,928,269	26,261	15,954,530
5,654,679	--	--	5,654,679	--	5,654,679
--	--	--	7,710	--	7,710
--	--	--	4,509,279	--	4,509,279
--	--	--	28,770	--	28,770
--	--	--	2,834,113	123,788	2,957,901
--	--	--	141,516	100,000	241,516
972,748	15,928,269	-0-	38,422,405	250,049	38,672,454
<u>21,027,445</u>	<u>\$15,928,269</u>	<u>\$9,274,574</u>	<u>\$54,064,329</u>	<u>\$250,049</u>	<u>\$54,314,378</u>

## CITY OF RADCLIFF, KENTUCKY

COMBINED STATEMENT OF REVENUES  
EXPENDITURES AND CHANGES IN FUND BALANCESALL GOVERNMENTAL FUND TYPES AND DISCRETELY PRESENTED  
COMPONENT UNIT

YEAR ENDED JUNE 30, 2003

	Governmental Fund Types		Totals (Memorandum Only)	Component Unit	Totals (Memorandum Only)
	General	Special Revenue	Primary Government	Convention and Tourism Commission	Reporting Entity
REVENUES:					
Property taxes	\$1,136,975	\$ --	\$1,136,975	\$ --	\$1,136,975
Franchise taxes	643,695	--	643,695	--	643,695
Insurance premium taxes	1,217,861	--	1,217,861	--	1,217,861
Occupational fees	1,052,784	--	1,052,784	--	1,052,784
Fees, fines and forfeitures	139,343	--	139,343	--	139,343
Licenses and permits	620,643	--	620,643	--	620,643
Recreation department	7,204	--	7,204	--	7,204
Intergovernmental revenues	1,177,504	346,934	1,524,438	2,920	1,527,358
Other revenue	371,706	168,645	540,351	5,898	546,239
Transient room tax	--	--	--	125,078	125,078
Challenger center revenue	--	93,662	93,662	--	93,662
TOTAL REVENUES	6,367,715	609,241	6,976,956	133,886	7,110,842
EXPENDITURES:					
Challenger center	--	547,171	547,171	--	547,171
Law enforcement	3,448,014	--	3,448,014	--	3,448,014
Administrative	2,200,719	--	2,200,719	--	2,200,719
Fire department	1,584,712	--	1,584,712	--	1,584,712
Parks and recreation	457,272	--	457,272	--	457,272
Maintenance department	835,126	329,022	1,164,148	--	1,164,148
Planning department	484,398	--	484,398	--	484,398
Capital outlay	1,889,802	96,000	1,985,802	--	1,985,802
Tourism	--	--	--	125,025	125,025
TOTAL EXPENDITURES	10,900,043	972,193	11,872,236	125,025	11,997,261
EXCESS REVENUES OVER (UNDER) EXPENDITURES	(4,532,328)	(362,952)	(4,895,280)	8,861	(4,886,419)
OTHER FINANCING SOURCES:					
Operating transfers in (out)	(140,000)	140,000	--	--	--
Sales of fixed assets	719,735	--	719,735	--	719,735
Capital lease proceeds	6,760,000	--	6,760,000	--	6,760,000
NET OTHER FINANCING SOURCES	7,339,735	140,000	7,479,735	-0-	7,479,735
EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES	2,807,407	(222,952)	2,584,455	8,861	2,593,316
FUND BALANCE - beginning	4,693,459	243,474	4,936,933	214,927	5,151,860
FUND BALANCE - ending	\$7,500,866	\$ 20,522	\$7,521,388	\$223,788	\$7,745,176

See notes to financial statements.

CITY OF RADCLIFF, KENTUCKY

COMBINED STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL

ALL GOVERNMENTAL FUND TYPES

YEAR ENDED JUNE 30, 2003

	<u>General Fund</u>		
	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
REVENUES:			
Property taxes	\$1,159,500	\$1,136,975	\$ (22,525)
Franchise taxes	600,000	643,695	43,695
Insurance premium taxes	1,150,000	1,217,861	67,861
Occupational fees	975,000	1,052,784	77,784
Fees, fines and forfeitures	137,500	139,343	1,843
Licenses and permits	676,500	620,643	(55,857)
Recreation department	17,000	7,204	(9,796)
Intergovernmental revenues	1,214,983	1,177,504	(37,479)
Other revenue	327,450	371,706	44,256
Charges for services	15,400	--	(15,400)
Challenger center revenue	--	--	--
<b>TOTAL REVENUES</b>	<b>6,273,333</b>	<b>6,367,715</b>	<b>94,382</b>
EXPENDITURES:			
CURRENT:			
-Challenger center	--	--	--
-Law enforcement	3,622,985	3,448,014	174,971
-Administrative	2,546,078	2,200,719	345,359
-Fire department	1,659,985	1,584,712	75,273
-Parks and recreation	562,865	457,272	105,593
-Maintenance department	960,465	835,126	125,339
-Planning department	535,900	484,398	51,502
-Capital outlay	<u>2,184,675</u>	<u>1,889,802</u>	<u>294,873</u>
<b>TOTAL EXPENDITURES</b>	<b>12,072,953</b>	<b>10,900,043</b>	<b>1,172,910</b>
EXCESS REVENUES OVER (UNDER) EXPENDITURES	(5,799,620)	(4,532,328)	1,267,292
OTHER FINANCING SOURCES:			
Transfers In(Out)	--	(140,000)	(140,000)
Sales of fixed assets	--	719,735	719,735
Capital lease proceeds	<u>4,606,725</u>	<u>6,760,000</u>	<u>2,153,275</u>
<b>NET OTHER FINANCING SOURCES</b>	<b>4,606,725</b>	<b>7,339,735</b>	<b>2,733,010</b>
EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES	(1,192,895)	2,807,407	4,000,302
FUND BALANCE, beginning	<u>1,192,895</u>	<u>4,693,459</u>	<u>3,500,564</u>
FUND BALANCE, ending	<u>\$ -0-</u>	<u>\$7,500,866</u>	<u>\$7,500,866</u>

See notes to financial statements.

<u>Special Revenue Funds</u>			<u>Totals (Memorandum only)</u> <u>Primary Government</u>		
<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
\$ --	\$ --	\$ --	\$1,159,500	\$1,136,975	\$ (22,525)
--	--	--	600,000	643,695	43,695
--	--	--	1,150,000	1,217,861	67,861
--	--	--	975,000	1,052,784	77,784
--	--	--	137,500	139,343	1,843
--	--	--	676,500	620,643	(55,857)
--	--	--	17,000	7,204	(9,796)
360,000	346,934	(13,066)	1,574,983	1,524,438	(50,545)
57,000	168,645	111,645	384,450	540,351	155,901
--	--	--	15,400	--	(15,400)
<u>347,455</u>	<u>93,662</u>	<u>(253,793)</u>	<u>347,455</u>	<u>93,662</u>	<u>(253,793)</u>
764,455	609,241	(155,214)	7,037,788	6,976,956	(60,832)
587,455	547,171	40,284	587,455	547,171	40,284
--	--	--	3,622,985	3,448,014	174,971
--	--	--	2,546,078	2,200,719	345,359
--	--	--	1,659,985	1,584,712	75,273
--	--	--	562,865	457,272	105,593
340,000	329,022	10,978	1,300,465	1,164,148	136,317
--	--	--	535,900	484,398	51,502
<u>97,000</u>	<u>96,000</u>	<u>1,000</u>	<u>2,281,675</u>	<u>1,985,802</u>	<u>295,873</u>
<u>1,024,455</u>	<u>972,193</u>	<u>52,262</u>	<u>13,097,408</u>	<u>11,872,236</u>	<u>1,225,172</u>
(260,000)	(362,952)	(102,952)	(6,059,620)	(4,095,280)	1,164,340
--	140,000	140,000	--	--	--
--	--	--	--	719,735	719,735
--	--	--	<u>4,606,725</u>	<u>6,760,000</u>	<u>2,153,275</u>
<u>-0-</u>	<u>140,000</u>	<u>140,000</u>	<u>4,606,725</u>	<u>7,479,735</u>	<u>2,873,010</u>
(260,000)	(222,952)	37,048	(1,452,895)	2,584,455	4,037,350
<u>260,000</u>	<u>243,474</u>	<u>(16,526)</u>	<u>1,452,895</u>	<u>4,936,933</u>	<u>3,484,038</u>
<u>-0-</u>	<u>\$ 20,522</u>	<u>\$ 20,522</u>	<u>\$ -0-</u>	<u>\$7,521,388</u>	<u>\$7,521,388</u>

CITY OF RADCLIFF, KENTUCKY  
COMBINED STATEMENT OF REVENUES, EXPENSES  
AND CHANGES IN RETAINED EARNINGS

ALL PROPRIETARY FUND TYPES

YEAR ENDED JUNE 30, 2003

	<u>Proprietary Fund Types</u>
	<u>Enterprise</u>
OPERATING REVENUES:	
Charges for services	\$3,278,613
Other revenues	<u>36,527</u>
TOTAL OPERATING REVENUES	3,315,140
OPERATING EXPENSES:	
Personnel costs	755,766
Contract services	184,088
Power and utilities	180,951
Repairs and maintenance	232,785
Materials and supplies	125,130
Other operating costs	223,348
Depreciation	<u>672,463</u>
TOTAL OPERATING EXPENSES	<u>2,374,531</u>
OPERATING INCOME	940,609
NON-OPERATING REVENUES (EXPENSES):	
Interest earnings	72,903
Gain on sale of surplus property	10,290
Bond service fees	(11,693)
Amortization	(35,784)
Interest expense	<u>(243,961)</u>
NET NON-OPERATING EXPENSES	<u>(208,245)</u>
NET INCOME	732,364
RETAINED EARNINGS, beginning	<u>4,922,315</u>
RETAINED EARNINGS, ending	<u>\$5,654,679</u>

See notes to financial statements.

CITY OF RADCLIFF, KENTUCKY  
COMBINED STATEMENT OF CASH FLOWS  
ALL PROPRIETARY FUND TYPES  
YEAR ENDED JUNE 30, 2003

	<u>Proprietary Fund Types</u>
	<u>Enterprise</u>
CASH FLOWS FROM OPERATING ACTIVITIES:	
Operating income	\$ 940,609
Adjustments to reconcile operating income to net cash provided by operating activities:	
Depreciation	672,463
Change in assets and liabilities:	
Decrease in accounts receivable	30,424
Decrease in restricted assets	1,325,373
Decrease in accounts payable	(86,212)
Decrease in compensated absences payable	(4,205)
Increase in accrued expenses	1,703
Increase in customer deposits	<u>4,761</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES	2,884,916
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:	
Proceeds from sale of surplus property	10,290
Principal payments on bonds and notes	(1,319,430)
Interest paid on bonds and notes	(250,349)
Bond service fees	(11,693)
Construction/Purchase of fixed assets	<u>(418,978)</u>
NET CASH USED BY CAPITAL AND RELATED FINANCING ACTIVITIES	(1,990,160)
CASH FLOWS FROM INVESTING ACTIVITIES:	
Interest received	<u>83,691</u>
NET CASH PROVIDED BY INVESTING ACTIVITIES	<u>83,691</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	978,447
CASH AND CASH EQUIVALENTS, beginning	<u>498,987</u>
CASH AND CASH EQUIVALENTS, ending	<u>\$1,477,434</u>

See notes to financial statements.

CITY OF RADCLIFF, KENTUCKY  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2003

NOTE F - CAPITALIZED LEASE OBLIGATIONS - GENERAL LONG-TERM  
DEBT ACCOUNT GROUP

Capitalized lease obligations at June 30, 2003 consist of the following:

On July 30, 1997, the City entered into a lease/purchase payable to Kentucky Municipal League for Multi-City Municipal League Pool, Revenue Refunding Bonds, Series 1997. The general fund used 66.0925% of the proceeds to refinance the construction of the Hall of Justice and renovations to City Hall. The lease is payable in semi-annual installments including interest at 4.5% per annum. Final payment due April, 2007. \$ 362,098

On December 15, 1998, the City entered into lease/purchase agreement payable to Kentucky League of Cities, 98 Series, in the amount of \$2,460,000 with a variable interest rate currently at 3.61%. The proceeds were used to construct and equip the Challenger Learning Center. Principal and interest payments are due semi-annually and monthly, respectively. 2,095,000

On July 9, 2002, the City entered into a lease/purchase agreement payable to the Kentucky League of Cities, Series 2002 in the amount of \$6,760,000 with a variable interest rate of 2.23%. The proceeds were used for equipment and improvements. Principal and interest payments are due quarterly and monthly respectively through July, 2022. 6,595,000

TOTAL CAPITALIZED LEASE OBLIGATIONS \$9,052,098

CITY OF RADCLIFF, KENTUCKY  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2003

**NOTE G - REVENUE BONDS, NOTES, LEASES AND REVOLVING LOANS  
 PROPRIETARY FUND LONG-TERM DEBT**

Revenue bonds, notes, leases, and revolving loans payable at June 30, 2003 consist of the following:

Sewer portion of capital lease obligation at 33.9075% as explained in Note F to Kentucky Municipal Finance Corporation; principal and interest due in semiannual installments through 2007.

\$ 185,768

On August 19, 2000, the City entered into a lease/purchase agreement payable to Kentucky League of Cities, 89 Series, in the amount of \$200,000 with a variable interest rate. The proceeds were used to purchase a combination sewer cleaner/vacuum truck. Principal and interest payments are due quarterly and monthly, respectively, through July 2, 2003.

35,000

CAPITALIZED LEASE OBLIGATIONS

220,768

\$2,255,000, 2001A Series, Service System Revenue Refunding Project due in annual installments through 2010; interest payable semi-annually at rates ranging from 3.8% to 4.4%; collateralized by the revenues of the City of Radcliff Sewer System.

1,645,000

The 2001A Series advance refunding resulted in a difference between the reacquisition price and the net carrying amount of the old debt of \$131,965. This difference, reported in the accompanying financial statements as a deduction from bonds payable is being charged to operations through the year 2011 using the effective interest method.

(105,084)

REVENUE BONDS PAYABLE

1,539,916

Kentucky Infrastructure Authority (KIA), Federally Assisted Wastewater Revolving Loan (Fund A) A-97-03. Loan shall not exceed \$4,836,450 due in semiannual installments from June 1, 1999 through December 1, 2018, interest payable semiannually at 3.8%, collateralized by the revenues of the City of Radcliff Sewer System.

4,024,705

NOTES PAYABLE

4,024,705

TOTAL PROPRIETARY FUND LONG-TERM DEBT

\$5,785,389

CITY OF RADCLIFF, KENTUCKY  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2003

**NOTE H - CHANGES IN LONG-TERM DEBT**

The following is a summary of long-term debt transactions of the General Long-Term Debt Account Group and the Proprietary Fund of the City for the year ended June 30, 2003.

	General Long-Term Debt	
	<u>Account Group</u>	<u>Proprietary Fund</u>
	Capitalized Lease Obligations	Bonds, Notes, Leases and Revolving Loan
Balance, July 1, 2002	\$4,920,913	\$7,090,157
Increases:		
Bonds, notes and lease purchase agreements issued	6,760,000	--
Decreases:		
Bonds, notes and leases retired	(2,628,815)	(1,319,430)
Deferred amount of refunding	--	14,662
Balance, June 30, 2003	<u>\$9,052,098</u>	<u>\$5,785,389</u>

The annual requirements to amortize long-term debt outstanding as of June 30, 2003 including interest payments of \$4,679,442, are as follows:

Year Ending June 30	General Long-Term Debt		Totals
	<u>Account Group</u>	<u>Proprietary Fund</u>	
	Capitalized Lease Obligations	Bonds, Notes, Leases and Revolving Loan	
2004	\$ 730,874	\$ 785,271	\$ 1,516,145
2005	700,162	755,300	1,455,462
2006	725,925	760,109	1,486,034
2007	726,714	535,035	1,261,749
2008	622,323	477,532	1,099,855
2009-2013	8,641,977	2,152,811	10,794,788
2014-2018	--	1,729,905	1,729,905
2019-2023	--	172,991	172,991
	<u>\$12,147,975</u>	<u>\$ 7,368,954</u>	<u>\$19,516,929</u>

**NOTE I - FUND EQUITY**

Reserved Fund - Reservations of equity show amounts that are not appropriate for expenditure or are legally restricted for specific uses. Reserved fund balance at June 30, 2003, in the amount of \$7,710 represents outstanding encumbrances.

# Kentucky League of Cities

## Kentucky Municipal League Pooled Lease Financing Program

### Radcliff - Sewer System Revenue Refunding Project - Series 2001-A

Bank of New York Trust

#### EXHIBIT B - Base Rentals Schedule

#	Date	Base Rental Principal Component	Base Rental Interest Component	Ongoing Admin Fees	Credit Fees	Fiduciary Fees	Total Base Rental	Pay Balance	Admin Fees Paid by Fund
	09/05/2001	<-Closing Date						2,255,000.00	
1	11/15/2001	310,000.00	21,248.57	1,521.92	0.00	308.42	333,078.91	1,945,000.00	0.00
2	05/15/2002	0.00	39,203.75	2,747.50	0.00	556.79	42,508.04	1,945,000.00	0.00
3	11/15/2002	300,000.00	39,203.75	2,747.50	0.00	556.79	342,508.04	1,645,000.00	0.00
4	05/15/2003	0.00	33,803.75	2,323.72	0.00	470.91	36,598.38	1,645,000.00	0.00
5	11/15/2003	310,000.00	33,803.75	2,323.72	0.00	470.91	346,598.38	1,335,000.00	0.00
6	05/15/2004	0.00	27,603.75	1,885.82	0.00	382.17	29,871.74	1,335,000.00	0.00
7	11/15/2004	325,000.00	27,603.75	1,885.82	0.00	382.17	354,871.74	1,010,000.00	0.00
8	05/15/2005	0.00	21,103.75	1,426.72	0.00	289.13	22,819.60	1,010,000.00	0.00
9	11/15/2005	340,000.00	21,103.75	1,426.72	0.00	289.13	362,819.60	670,000.00	0.00
10	05/15/2006	0.00	14,303.75	946.44	0.00	191.80	15,441.99	670,000.00	0.00
11	11/15/2006	120,000.00	14,303.75	946.44	0.00	191.80	135,441.99	550,000.00	0.00
12	05/15/2007	0.00	11,903.75	776.93	0.00	157.45	12,838.13	550,000.00	0.00
13	11/15/2007	125,000.00	11,903.75	776.93	0.00	157.45	137,838.13	425,000.00	0.00
14	05/15/2008	0.00	9,310.00	600.35	0.00	121.66	10,032.01	425,000.00	0.00
15	11/15/2008	125,000.00	9,310.00	600.35	0.00	121.66	135,032.01	300,000.00	0.00
16	05/15/2009	0.00	6,622.50	423.78	0.00	85.88	7,132.16	300,000.00	0.00
17	11/15/2009	140,000.00	6,622.50	423.78	0.00	85.88	147,132.16	160,000.00	0.00
18	05/15/2010	0.00	3,560.00	226.02	0.00	45.80	3,831.82	160,000.00	0.00
19	11/15/2010	160,000.00	3,560.00	226.02	0.00	45.80	163,831.82	0.00	0.00
20	05/15/2011	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
		2,255,000.00	356,078.57	24,236.48	0.00	4,911.60	2,640,226.65		0.00

6000 87097  
" 87098

KENTUCKY INFRASTRUCTURE AUTHORITY  
 REPAYMENT SCHEDULE  
 LOAN #A97-03  
 RADCLIFF, CITY OF  
 FINAL

Item #8

6000 8705  
 " 8706

3.80% Rate  
 \$172,990.64 P & I Calculation

Payment Date	Principal Due	Interest Due	Interest Rate	Principal & Interest	Servicing Fee	Credit Due	Total Payment	Principal Balance	R & M Reserve	Total Reserve
								\$4,422,889.00		
06/01/99	\$74,825.05	\$82,349.57	3.8000%	\$157,174.63	\$4,422.89	\$0.00	\$161,597.52	\$4,734,826.94	\$0.00	\$0.00
12/01/99	\$83,028.93	\$88,545.57	3.8000%	\$171,574.49	\$4,734.83	\$0.00	\$176,309.32	\$4,651,798.01	\$30,860.00	\$30,860.00
06/01/00	\$84,606.48	\$88,384.16	3.8000%	\$172,990.64	\$4,651.80	\$0.00	\$177,642.44	\$4,567,191.54	\$0.00	\$30,860.00
12/01/00	\$86,214.00	\$86,776.64	3.8000%	\$172,990.64	\$4,567.19	\$0.00	\$177,557.83	\$4,480,977.54	\$30,860.00	\$61,720.00
06/01/01	\$87,852.07	\$85,138.57	3.8000%	\$172,990.64	\$4,480.98	\$0.00	\$177,471.62	\$4,393,125.47	\$0.00	\$61,720.00
12/01/01	\$89,521.26	\$83,469.38	3.8000%	\$172,990.64	\$4,393.13	\$0.00	\$177,383.76	\$4,303,604.21	\$30,860.00	\$92,580.00
06/01/02	\$91,222.16	\$81,768.48	3.8000%	\$172,990.64	\$4,303.60	\$0.00	\$177,294.24	\$4,212,382.05	\$0.00	\$92,580.00
12/01/02	\$92,955.38	\$80,035.26	3.8000%	\$172,990.64	\$4,212.38	\$0.00	\$177,203.02	\$4,119,426.67	\$30,860.00	\$123,440.00
06/01/03	\$94,721.53	\$78,269.11	3.8000%	\$172,990.64	\$4,119.43	\$0.00	\$177,110.07	\$4,024,705.14	\$0.00	\$123,440.00
12/01/03	\$96,521.24	\$76,469.40	3.8000%	\$172,990.64	\$4,024.71	\$0.00	\$177,015.34	\$3,928,183.90	\$30,860.00	\$154,300.00
06/01/04	\$98,355.15	\$74,635.49	3.8000%	\$172,990.64	\$3,928.18	\$0.00	\$176,918.82	\$3,829,828.76	\$0.00	\$154,300.00
12/01/04	\$100,223.89	\$72,766.75	3.8000%	\$172,990.64	\$3,829.83	\$0.00	\$176,820.47	\$3,729,604.86	\$30,860.00	\$185,160.00
06/01/05	\$102,128.15	\$70,862.49	3.8000%	\$172,990.64	\$3,729.60	\$0.00	\$176,720.24	\$3,627,476.72	\$0.00	\$185,160.00
12/01/05	\$104,068.58	\$68,922.06	3.8000%	\$172,990.64	\$3,627.48	\$0.00	\$176,618.12	\$3,523,408.13	\$30,860.00	\$216,020.00
06/01/06	\$106,045.88	\$66,944.75	3.8000%	\$172,990.64	\$3,523.41	\$0.00	\$176,514.05	\$3,417,362.25	\$0.00	\$216,020.00
12/01/06	\$108,060.76	\$64,929.88	3.8000%	\$172,990.64	\$3,417.36	\$0.00	\$176,408.00	\$3,309,301.49	\$30,860.00	\$246,880.00
06/01/07	\$110,113.91	\$62,876.73	3.8000%	\$172,990.64	\$3,309.30	\$0.00	\$176,299.93	\$3,199,187.58	\$0.00	\$246,880.00
12/01/07	\$112,205.08	\$60,784.56	3.8000%	\$172,990.64	\$3,199.19	\$0.00	\$176,189.83	\$3,086,981.51	\$30,860.00	\$277,740.00
06/01/08	\$114,337.99	\$58,652.65	3.8000%	\$172,990.64	\$3,086.98	\$0.00	\$176,077.62	\$2,972,643.52	\$0.00	\$277,740.00
12/01/08	\$116,510.41	\$56,480.23	3.8000%	\$172,990.64	\$2,972.64	\$0.00	\$175,963.28	\$2,856,133.10	\$30,860.00	\$308,600.00
06/01/09	\$118,724.11	\$54,266.53	3.8000%	\$172,990.64	\$2,856.13	\$0.00	\$175,846.77	\$2,737,408.99	\$0.00	\$308,600.00
12/01/09	\$120,979.87	\$52,010.77	3.8000%	\$172,990.64	\$2,737.41	\$0.00	\$175,728.05	\$2,616,429.12	\$0.00	\$308,600.00
06/01/10	\$123,278.49	\$49,712.15	3.8000%	\$172,990.64	\$2,616.43	\$0.00	\$175,607.07	\$2,493,150.64	\$0.00	\$308,600.00
12/01/10	\$125,620.78	\$47,369.86	3.8000%	\$172,990.64	\$2,493.15	\$0.00	\$175,483.79	\$2,367,529.86	\$0.00	\$308,600.00
06/01/11	\$128,007.57	\$44,983.07	3.8000%	\$172,990.64	\$2,367.53	\$0.00	\$175,358.17	\$2,239,522.29	\$0.00	\$308,600.00
12/01/11	\$130,439.72	\$42,550.92	3.8000%	\$172,990.64	\$2,239.52	\$0.00	\$175,230.16	\$2,109,082.57	\$0.00	\$308,600.00
06/01/12	\$132,918.07	\$40,072.57	3.8000%	\$172,990.64	\$2,109.08	\$0.00	\$175,099.72	\$1,976,164.50	\$0.00	\$308,600.00
12/01/12	\$135,443.51	\$37,547.13	3.8000%	\$172,990.64	\$1,976.16	\$0.00	\$174,966.80	\$1,840,720.99	\$0.00	\$308,600.00
06/01/13	\$138,016.94	\$34,973.70	3.8000%	\$172,990.64	\$1,840.72	\$0.00	\$174,831.36	\$1,702,704.05	\$0.00	\$308,600.00
12/01/13	\$140,639.26	\$32,351.38	3.8000%	\$172,990.64	\$1,702.70	\$0.00	\$174,693.34	\$1,562,064.79	\$0.00	\$308,600.00
06/01/14	\$143,311.41	\$29,679.23	3.8000%	\$172,990.64	\$1,562.06	\$0.00	\$174,552.70	\$1,418,753.38	\$0.00	\$308,600.00
12/01/14	\$146,034.33	\$26,956.31	3.8000%	\$172,990.64	\$1,418.75	\$0.00	\$174,409.39	\$1,272,719.05	\$0.00	\$308,600.00
06/01/15	\$148,808.98	\$24,181.86	3.8000%	\$172,990.64	\$1,272.72	\$0.00	\$174,263.36	\$1,123,910.08	\$0.00	\$308,600.00
12/01/15	\$151,636.35	\$21,354.29	3.8000%	\$172,990.64	\$1,123.91	\$0.00	\$174,114.55	\$972,273.73	\$0.00	\$308,600.00
06/01/16	\$154,517.44	\$18,473.20	3.8000%	\$172,990.64	\$972.27	\$0.00	\$173,962.91	\$817,756.29	\$0.00	\$308,600.00
12/01/16	\$157,453.27	\$15,537.37	3.8000%	\$172,990.64	\$817.76	\$0.00	\$173,808.40	\$660,303.02	\$0.00	\$308,600.00
06/01/17	\$160,444.88	\$12,545.76	3.8000%	\$172,990.64	\$660.30	\$0.00	\$173,650.94	\$499,858.14	\$0.00	\$308,600.00
12/01/17	\$163,493.33	\$9,497.30	3.8000%	\$172,990.64	\$499.86	\$0.00	\$173,490.50	\$336,364.80	\$0.00	\$308,600.00
06/01/18	\$166,599.71	\$6,390.93	3.8000%	\$172,990.64	\$336.36	\$0.00	\$173,327.00	\$169,765.10	\$0.00	\$308,600.00
12/01/18	\$169,765.10	\$3,225.54	3.8000%	\$172,990.64	\$169.77	\$0.00	\$173,160.40	(\$0.01)	\$0.00	\$308,600.00
Totals	\$4,809,652.01	\$2,092,741.41		\$6,902,393.42	\$110,307.52	\$0.00	\$7,012,700.94		\$308,600.00	

3A

by KIA on 10/19/1999

**CITY OF DANVILLE (KY) MULTI-CITY MUNICIPAL LEAGUE POOL  
 REVENUE REFUNDING BONDS, SERIES 1997**

**CITY OF RADCLIFF  
 DEBT SERVICE REQUIREMENTS**

*JP Morgan Trust*

Date	Series 1997 Debt Service Requirements			Less Reserve Withdrawal	Net City Payments
	Principal	Interest	Total		
10/01/97	\$66,044	\$9,760.87	\$75,804.87	(\$5,253.50)	\$70,551.37
04/01/98	66,044	28,802.58	94,846.58	(5,253.50)	89,593.08
10/01/98	59,665	26,094.77	85,759.77	(4,878.50)	80,881.27
04/01/99	59,665	26,094.77	85,759.77	(4,878.50)	80,881.27
10/01/99	61,916	23,648.51	85,564.51	(4,878.50)	80,686.01
04/01/00	61,917	23,648.51	85,565.51	(4,878.50)	80,687.01
10/01/00	64,918	21,048.01	85,966.01	(5,253.50)	80,712.51
04/01/01	64,919	21,048.01	85,967.01	(5,253.50)	80,713.51
10/01/01	67,545	18,256.52	85,801.52	(5,253.50)	80,548.02
04/01/02	67,545	18,256.52	85,801.52	(5,253.50)	80,548.02
10/01/02	61,166	15,284.54	76,450.54	(5,253.50)	71,197.04
04/01/03	61,166	15,284.54	76,450.54	(5,253.50)	71,197.04
10/01/03	57,038	12,532.07	69,570.07	(4,878.50)	64,691.57
04/01/04	57,038	12,532.07	69,570.07	(4,878.50)	64,691.57
10/01/04	64,168	9,965.36	74,133.36	(5,253.50)	68,879.86
04/01/05	64,168	9,965.36	74,133.36	(5,253.50)	68,879.86
10/01/05	71,673	7,045.71	78,718.71	(5,629.00)	73,089.71
04/01/06	71,673	7,045.71	78,718.71	(5,629.00)	73,089.71
10/01/06	81,054	3,748.75	84,802.75	(6,004.00)	78,798.75
04/01/07	81,054	3,748.75	84,802.75	(6,004.00)	78,798.75
<b>Total</b>	<b>\$1,310,376</b>	<b>\$313,811.93</b>	<b>\$1,624,187.93</b>	<b>(\$105,072.00)</b>	<b>\$1,519,115.93</b>

Only 2.1695% of annual debt is charged to the sewer system!

Item #8

New RA: 10/1/97:  
 63,923 587.00  
 513.5 687.00  
 33,907.5 02-11-687.00

6000	8700
"	8702
500	8700
"	8702
300	2700
"	8702
35	

33.9075%  
 63.923%  
 2.1695%

Item A9

KIA Loan

ARTICLE III

AUTHORITY'S AGREEMENT TO MAKE LOAN; TERMS

Section 3.1. Determination of Eligibility. Pursuant to the terms of the Act and the Indenture, the Authority has determined that the Governmental Agency's Project is a Treatment Works Project under the Act and the Governmental Agency is entitled to financial assistance from the Authority in connection with financing the Construction of the Project.

Section 3.2. Principal Amount of Loan Established; Loan Payments; Disbursement of Funds. The principal amount of the Loan shall be the Loan Amount as identified in the Project Specifics, subject to such adjustments as may be set forth in the Schedule of Payments. Principal payments shall be made semiannually in the amounts and on the dates to be established by the Schedule of Payments, which Schedule of Payments shall provide for approximately level debt service payments over the Repayment Term set forth in the Project Specifics, commencing with the Amortization Commencement Date set forth in the Project Specifics.

The Loan shall bear interest, payable semiannually, at the Loan Rate identified in the Project Specifics, and after the Amortization Commencement Date, in the amounts (based on such Loan Rate) and on the dates set forth in the Schedule of Payments; provided that, should an Event of Default occur, such payments of interest shall be made on the first day of each month during the continuation of such Event of Default.

The Authority shall advance the proceeds of the Loan as Construction of the Project progresses upon the submission by the Governmental Agency of a Requisition for Funds in substantially the same form as Exhibit B hereto. Each disbursement under a Requisition for Funds representing a portion of the principal amount of the Loan shall bear interest at the Loan Rate from the date of the disbursement; subject to the requirements set forth in Article IV hereof.

Payments of principal and interest on the Loan shall be made at the principal office of the Authority or the Trustee, as designated by the Authority.

Section 3.3. Governmental Agency's Right to Prepay Loan. The Governmental Agency shall have the right to prepay and retire the entire amount of the Loan at any time without penalty upon written notice to the Authority no less than five (5) Business Days in advance of said prepayment.

Notwithstanding the foregoing, upon the determination by the Authority that it intends to issue revenue bonds secured by a pledge of the payments on the Loan, the Authority shall advise the Governmental Agency (i) of its intention to proceed with the authorization of such bonds (ii) of the limitation on prepayments after such bonds are issued and (iii) that the Governmental Agency has thirty (30) days from its receipt of said notice to exercise its option to prepay the Loan. Upon the expiration of said thirty day period the Governmental Agency's right to prepay the Loan shall be limited to the terms described in such notice.

Section 3.4. Subordination of Loan. The Authority hereby agrees that, subject to compliance by the Governmental Agency with the covenants and conditions set forth in Exhibit

## FINAL REMARKETING CIRCULAR DATED AUGUST 21, 2001

BOOK-ENTRY-ONLY-SYSTEM**BANK QUALIFIED  
REMARKETING**

In the opinion of Bond Counsel, under existing laws, regulations and judicial decisions in effect on the date of delivery of the Bonds, and assuming continuing compliance with certain covenants made by the Issuer, the Corporation and the Lessee, interest on the Bonds is excludable from gross income for federal income tax purposes on the conditions and subject to the limitations set forth herein under "TAX TREATMENT" and is not a specific item of tax preference under Section 57(a)(5) of the Code, in computing the alternative minimum tax for individuals and corporations. Interest on the Bonds is also exempt from income taxation by the Commonwealth of Kentucky and the Bonds are exempt from ad valorem taxation by the Commonwealth of Kentucky and its political subdivisions (See "TAX TREATMENT" herein).

\$2,255,000

**CITY OF DANVILLE, KENTUCKY  
MULTI-CITY LEASE REVENUE BONDS  
(CITY OF RADCLIFF, KENTUCKY  
SEWER SYSTEM REVENUE REFUNDING PROJECT)  
FIXED RATE SERIES 2001-A**

Fixed Rate Conversion Date: September 5, 2001

Mandatory Tender or Redemption Date: December 1, as shown below

On March 9, 1989, the City of Danville, Kentucky (the "Issuer") issued \$152,975,000 Money Market Municipal Multi-City Lease Revenue Bonds (Kentucky Municipal League Pooled Lease Financing Program) Series 1989 (the "Original Bonds"). The Original Bonds are special and limited obligations of the Issuer payable from (i) unexpended 1989 Bond proceeds and investment earnings thereon and available for such payment under a Trust Indenture dated as of March 1, 1989, as amended and supplemented (the "Indenture") among the Issuer, the Kentucky Municipal Finance Corporation (the "Corporation") and Chase Manhattan Trust Company, National Association (successor by acquisition to PNC Bank, National Association formerly known as Citizens Fidelity Bank and Trust Company), Louisville, Kentucky, as trustee (the "Trustee") and (ii) payments made to the Trustee under certain lease agreements executed by participants in the pooled leasing program, as described herein. The Original Bonds are also payable from funds drawn under an irrevocable direct pay Letter of Credit issued by PNC Bank, National Association.

On September 5, 2001, a portion of the Original Bonds in the amount of \$2,255,000 (the "Bonds") will be converted to a Fixed Rate for the periods set forth below. The Fixed Rate for the Bonds will be determined by the Remarketing Agent in accordance with the Indenture.

THE BONDS WILL BE SECURED SOLELY BY PAYMENTS TO BE MADE TO THE TRUSTEE UNDER A LEASE DATED AS OF SEPTEMBER 5, 2001 (THE "LEASE") BETWEEN THE CITY OF RADCLIFF, KENTUCKY (THE "LESSEE") AND THE CORPORATION, AS DESCRIBED HEREIN.

The Bonds will bear interest for the Fixed Rate Periods commencing September 5, 2001, at the rates, and will be subject to mandatory tender or redemption on the dates for termination of the Fixed Rate Periods, in the amounts, as follows:

Date	Amount	Interest Rate	Cusip # 236672	Date	Amount	Interest Rate	Cusip # 236672
12/1/2001	\$310,000	3.40%	QP 9	12/1/2008	\$125,000	4.30%	QT 1
12/1/2002	300,000	3.60	QQ 7	12/1/2009	140,000	4.375	QU 8
12/1/2007	125,000	4.15	QS 3	12/1/2010	160,000	4.45	QV 6

\$1,095,000 4.00% Term Bonds Subject to Mandatory Tender for Purchase on December 1, 2006 - Cusip # 236672 QR 5

The Bonds will be issued and registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"). DTC will act as securities depository for the Bonds. Purchasers will not receive certificates representing their ownership interest in the Bonds. Accordingly, principal, interest and premium, if any, on the Bonds will be paid by the principal corporate trust office of Bank One, Kentucky, NA, Lexington, Kentucky, as Paying Agent and Registrar, directly to DTC or Cede & Co., its nominee. DTC will in turn remit such principal, interest or premium to the DTC Participants (as defined herein) for subsequent distribution to the Beneficial Owners (as defined herein) of the Bonds. The Bonds will be issued in denominations of \$5,000 each or integral multiples thereof, and will bear interest payable on December 1, 2001 and thereafter semiannually on each June 1 and December 1.

The Bonds are not subject to optional redemption prior to their stated maturities. The Bonds are subject to mandatory tender for purchase as described herein.

THE BONDS ARE NOT GENERAL OBLIGATIONS OF THE ISSUER OR THE CORPORATION OR THE LESSEE, BUT ARE LIMITED OBLIGATIONS PAYABLE ONLY FROM THE SERIES TRUST ESTATE APPLICABLE TO THE BONDS AND COMPRISED OF PAYMENTS TO BE MADE BY THE LESSEE UNDER THE LEASE REFERRED TO ABOVE. THE BONDS DO NOT CONSTITUTE AN INDEBTEDNESS OR CHARGE AGAINST THE GENERAL CREDIT OR THE TAXING POWER OF THE ISSUER OR THE LESSEE, IF ANY, OR THE GENERAL CREDIT OF THE CORPORATION AND ARE NOT IN ANY WAY AN OBLIGATION, INDEBTEDNESS OR CHARGE AGAINST THE GENERAL CREDIT OR TAXING POWER OF THE COMMONWEALTH OF KENTUCKY.

Certain matters in connection with the remarketing of the Bonds are subject to the approval thereof by Peck, Shaffer & Williams LLP, Covington, Kentucky, Bond Counsel. It is expected that the remarketed Bonds will be available for delivery in definitive form on or about September 5, 2001.

**FIRST KENTUCKY SECURITIES CORPORATION**

None of the Issuer, the Lessee or the Paying Agent and Registrar represent or give any assurances that DTC, the DTC Participants or Indirect Participants or others will distribute payments of debt service charges on the Bonds paid to DTC or its nominee, as the registered owner, or any redemption or other notices, to the Beneficial Owners, or that they will do so on a timely basis, or that DTC will serve and act in the manner described in this Official Statement.

### Purchase and Redemption

Conversion of Interest Rate. The interest rate on the Bonds will automatically convert to another interest rate in the amounts and on the dates for termination of the Fixed Rate Periods set forth on the cover hereof. The Bonds are subject to mandatory tender for purchase on such Conversion Dates at a Purchase Price equal to the principal amount thereof plus accrued interest thereon. Owners of Bonds converting to another interest rate will have no option to retain the Bonds upon such conversion.

Notice of Mandatory Purchase. Except for mandatory tenders occurring in accordance with the schedule set forth on the cover hereof, the Paying Agent will give notice by Mail to the Owners of Bonds of the Purchase Date for such Bonds, containing the information set forth in the Indenture (the "Conversion Notice"), not less than 30 days prior to the proposed Purchase Date.

Delivery of Bonds Subject to Purchase. On the applicable Conversion Date, all Bonds must be delivered to the Paying Agent for purchase (with all necessary endorsements) at the Purchase Price. Bonds will be deemed to have been tendered for purchase on the Conversion Date whether or not delivered to the Paying Agent.

Delivery of Bonds (with an appropriate transfer of registration executed in blank in form satisfactory to the Paying Agent) at the designated office of the Paying Agent at or prior to 10:00 a.m., New York City time, on the Purchase Date will be required for payment in same-day funds of the Purchase Price due on such Purchase Date. No owner of Bonds will be entitled to payment of the Purchase Price due on the Purchase Date except upon surrender of such Bonds as described above.

Undelivered Bonds will be deemed tendered for purchase and will be deemed no longer Outstanding. Interest on such Undelivered Bonds will cease to accrue on the applicable Purchase Date and the Owner thereof will not be entitled to any payment other than the Purchase Price for such Undelivered Bond and such Undelivered Bond will no longer be entitled to the benefits of the Indenture, except for the payment of the Purchase Price thereof upon presentation of such Bond.

Redemption. Under certain circumstances the Bonds will be subject to mandatory redemption rather than mandatory purchase. In such event, the provisions described above regarding mandatory purchase, notice of mandatory purchase and delivery of Bonds subject to purchase will apply to the redemption of Bonds so that the Bonds will be subject to mandatory redemption in the same manner as described for the mandatory purchase of Bonds.

The Bonds are not subject to optional redemption prior to their stated maturities.

Mandatory Sinking Fund Purchase. The Bonds which have a Fixed Rate Period ending December 1, 2006, will be subject to mandatory tender for purchase at a Purchase Price equal to the principal amount thereof, plus accrued interest, on the Purchase Date and in the amounts, as follows:

<u>Purchase Date</u>	<u>Amount</u>
December 1, 2003	\$310,000
December 1, 2004	325,000
December 1, 2005	340,000
December 1, 2006	120,000 (final maturity)

	CLASS OR LEVEL	NAME	DATE OF I	HOURLY WAGE
WW UTILITY DIRECTOR		THURMAN, J.		30.6296
COLLECTIONS MANAGER	CIV	KENDELL, R.	09/10/89	24.5710
CHIEF OPERATOR SUP	CIV	WRIGHT, D.	10/23/88	22.7275
CHIEF LABORATORY TECH (7/01/07)		JURY, L	07/25/04	16.4489
CODE ENFORCE/INSP 7/18/04		MILLER, W	07/18/04	21.6996
OPER TECH I, 9/5/04 (Grade 6)	CI (7/03)	GARDNER, R	03/10/02	15.1283
OPER TECH, 1, II, III (Grade 6)	CI(7/03)_	SHANKLIN, P.	05/29/94	18.5004
OPER TECH, 1, II,III (Grade 6)	CI (7/03)	POWELL, W.	04/30/95	18.3231
OPER TECH, 1, II,III (Grade 6)	CI (07/06)	ROACH, D.	11/28/04	15.2254
OPER TECH, 1, II,III (Grade 6)	CI (07/07)	TURNER, N	08/12/02	14.9000
OPER TECH, 1, II,III (Grade 6)	CI (07/07)	HOUSTON, J	08/11/02	14.7419
PLANT OPERATOR, I, II, III (Grd 5) (Cert 7/1/07)	II (7/05)	DANIEL, M	06/05/05	14.0718
PLANT OPERATOR TRAINEE (Grade 4)	I (11/07)	YOUNG, D	11/25/07	12.1317
MECHANICAL OPERATOR I, II, III (Cert 7/1/07)	II (7/05)	SANDERS, J	09/26/04	14.0718
MECHANICAL OPERATOR TR		VACANT		
SLUDGE TECHNICIAN/OPER, I AND II (Grade 5)	CII (7/06)	BINGLE, R.	11/29/92	16.5173
ADMINISTRATIVE ASSISTANT (/06 RI) (Grade 5)	II	FOX, B	09/05/06	15.9377
ADMINISTRATIVE AIDE, I, II		VACANT		

BI-WEEKLY	ANNUAL	HEALTH INS	EMPLOYER	EMPLOYEE	TOTAL PREMIUM
2450.37	63709.62	Single	356.04		356.04
1965.68	51107.68	Empl/Child	390.00	179.66	569.66
1818.20	47273.20	Single	356.04		356.04
1315.91	34213.66	Single	356.04		356.04
1735.97	45135.22	Single	356.04		356.04
1210.26	31466.76	Single	356.04		356.04
1480.03	38480.78	Empl/Spouse	390.00	272.22	662.22
1465.85	38112.10	Family	390.00	500.06	890.06
1218.03	31668.78	Waived			
1192.00	30992.00	Empl/Child	390.00	179.66	569.66
1179.35	30663.10	Single	356.04		356.04
1125.74	29269.24	Single	356.04		356.04
970.53	25233.90	Empl/Child	390.00	179.66	569.66
1125.74	29269.24	Family	390.00	500.06	890.06
1321.38	34355.88	Single	356.04		356.04
1275.02	33150.52	Single	356.04		356.04

**Key Issues for Radcliff Presentations**

	<b>Bill</b>	<b>HCWD Board</b>	<b>Radcliff Council</b>	<b>Veolia Water</b>
<b>Synergy</b>	<ul style="list-style-type: none"> <li>• Efficiency</li> <li>• Resources</li> <li>• Management</li> <li>• Economy of Scale</li> </ul>	<ul style="list-style-type: none"> <li>• Efficiency</li> <li>• Resources</li> <li>• Management</li> <li>• Economy of Scale</li> </ul>	<ul style="list-style-type: none"> <li>• Depth of Resources</li> <li>• Performance</li> <li>• Staff Retention</li> <li>• Efficiency</li> <li>• Economy of Scale</li> <li>• Rate Protection (PSC)</li> </ul>	<ul style="list-style-type: none"> <li>• Economy of Scale</li> <li>• Resources</li> <li>• Management</li> <li>• Efficiency</li> </ul>
<b>Financial</b>	<ul style="list-style-type: none"> <li>• Rate Reduction</li> <li>• City Benefit</li> <li>• Rate Stability</li> </ul>	<ul style="list-style-type: none"> <li>• HCWD Economic Advantage</li> <li>• Capital Management</li> </ul>	<ul style="list-style-type: none"> <li>• Economic Benefit</li> <li>• Rate Reduction</li> <li>• Capital Commitment</li> <li>• Debt Transfer</li> </ul>	<ul style="list-style-type: none"> <li>• Margin</li> </ul>
<b>Risk</b>	<ul style="list-style-type: none"> <li>• Quantification</li> <li>• Allocation</li> <li>• Assumption</li> </ul>	<ul style="list-style-type: none"> <li>• Risk vs Return</li> <li>• Assumption vs Mitigation</li> </ul>	<ul style="list-style-type: none"> <li>• Full Transfer</li> </ul>	<ul style="list-style-type: none"> <li>• Assumption</li> <li>• Mitigation</li> </ul>
<b>Planning</b>	<ul style="list-style-type: none"> <li>• Synergy</li> <li>• BRAC</li> <li>• County</li> </ul>	<ul style="list-style-type: none"> <li>• BRAC</li> <li>• Synergy</li> <li>• Expansion</li> </ul>	<ul style="list-style-type: none"> <li>• Growth Management</li> <li>• System Upgrades</li> </ul>	<ul style="list-style-type: none"> <li>• Capital Projects</li> <li>• Management</li> </ul>
<b>Operations &amp; Maintenance</b>	<ul style="list-style-type: none"> <li>• Performance</li> <li>• Guarantees</li> </ul>	<ul style="list-style-type: none"> <li>• Performance</li> <li>• Guarantees</li> </ul>	<ul style="list-style-type: none"> <li>• Guarantees</li> <li>• Reliability</li> <li>• Compliance</li> </ul>	<ul style="list-style-type: none"> <li>• Resources</li> <li>• Management</li> <li>• Due Diligence</li> </ul>
<b>Repair &amp; Replacement</b>	<ul style="list-style-type: none"> <li>• Capital Projects</li> <li>• Bucket of Bolts</li> </ul>	<ul style="list-style-type: none"> <li>• Programmed</li> <li>• Capital Availability</li> <li>• Management</li> </ul>	<ul style="list-style-type: none"> <li>• 5-yr Rolling Plan</li> <li>• Life-cycle</li> <li>• 2% Underground Asset</li> <li>• I&amp;I Reduction</li> <li>• System Upgrades</li> </ul>	<ul style="list-style-type: none"> <li>• Due Diligence</li> <li>• Cost/pricing</li> </ul>
<b>Underground Assets</b>	<ul style="list-style-type: none"> <li>• Unknowns</li> <li>• Wildcard</li> </ul>	<ul style="list-style-type: none"> <li>• Rehab/replace strategy</li> <li>• Capital Projects</li> <li>• Planning</li> <li>• Management</li> </ul>	<ul style="list-style-type: none"> <li>• Rehab/replace metrics</li> <li>• I&amp;I Reduction</li> <li>• Risk Transfer</li> </ul>	<ul style="list-style-type: none"> <li>• Implementation</li> <li>• Planning</li> </ul>

# Chairman Presentation

Helping Radcliff and County Grow  
with BRAC and Support Economic  
Development

# HCWD#1 Objectives

- Participate - Growth in Radcliff and County
- Assimilate - BRAC impacts
- Foster - Economic development
- Implement – Upgrades and expansions
- Operate – Best in class system
- Rates – Lower and stabilized
- Economy – Benefits of scale

# Areas of Concern

- Synergy
  - Ownership of wastewater utility
  - Existing operations
  - Personnel resources
  - Management resources
- Financial
  - Rate reduction
  - City benefit
  - Rate stability
- Risk
  - Quantification
  - Allocation
  - Assumption
- Planning
  - Synergy
  - BRAC
  - County Plans
- Operations & Maintenance
  - Performance
  - Guarantee
- Repair & Replacement
  - Capital projects
  - Bucket of bolts
- Underground Assets
  - Unknowns
  - Wildcard

# Synergy

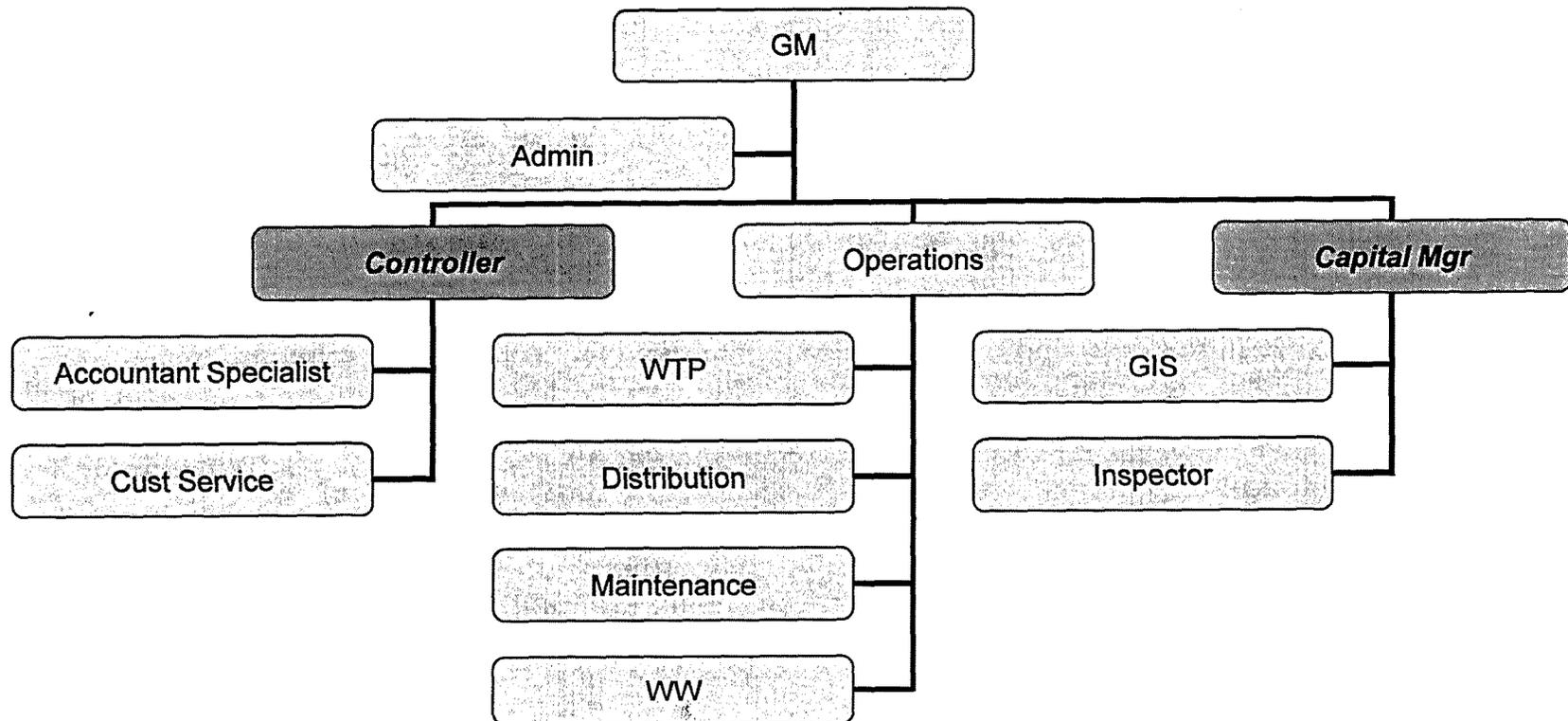
## Ft Knox

- 6 MGD Plant
- 23 Lift Stations
- 100 Miles of Line
- Industrial Pretreatment Program
- Storm Water System
- Contract Operations Veolia Water

## Radcliff

- 4 MGD Plant
- 52 Lift Stations
- 120 Miles of Line
- Industrial Pretreatment Program
- Customer Billings
- Contract Operations Veolia Water

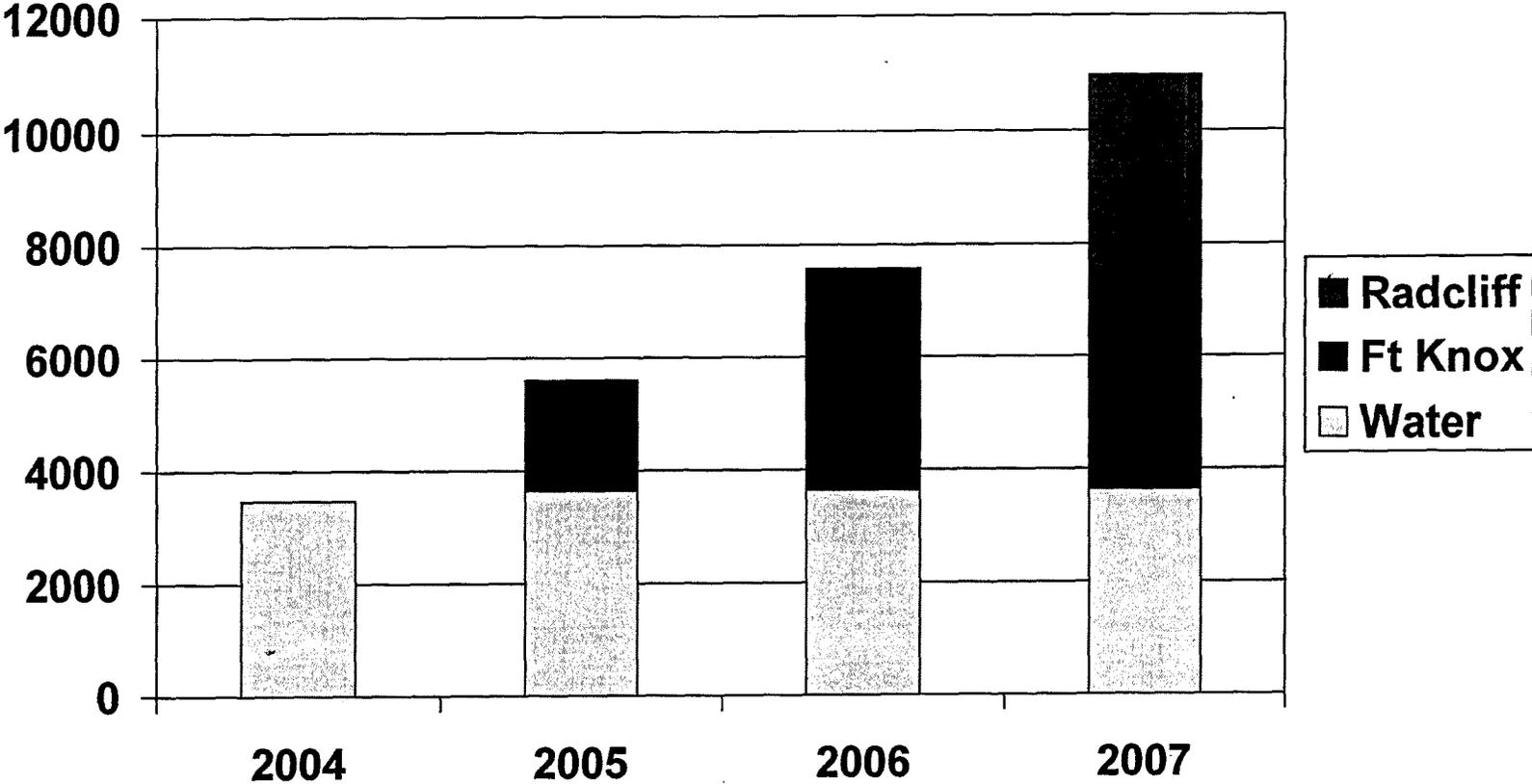
# Management and Resources Profile HCWD and Veolia Water



# Rate Reduction 75% of Citizens Benefit

	Old	New
Minimum	\$17	\$14
Next 13,000	\$5	\$7
Over	\$4	\$7
Minimum	\$17	\$14
Average	\$38	\$35

# District Revenue



# Upsides & Benefits

- **City Benefits**
  - **Instantaneous lower rate for service**
  - **Stabilized rate**
  - **Efficient capital management**
  - **Development and commercial friendly service**
  - **Visible community improvements justifying rates**
  - **Public Service Commission jurisdiction**
  - **Risk Transfer**
  - **Operations Guarantee**
- **Positive PR**
  - **Rate Reduction**
  - **Rate Stability**
  - **Visibility**
  - **System replacement**
  - **BRAC sensitive**
  - **Developer friendly**

# Risk Profile

- HCWD assumes risk for wastewater utility and CPI increments
- Operations & Maintenance risk transferred to Veolia Water
- Repair and replacement risk monetized within rate estimate for above ground and underground assets
- Unforeseen circumstances requiring capital projects can be funded through rate increase

# Planning

- County Master Plan
  - District a good option for expanding sewer to non sewer served areas outside cities
  - District plant targeted to take flow
  - Vine Grove at capacity and County suggesting new plants
- Health Department Plan
  - Poor soil, largest # of septic installations in state pose environmental failure
  - Developer cluster systems need manager
  - Developers can't get Radcliff to expand system
- BRAC
  - Ft. Knox experience and first hand knowledge
  - Capital planning
- Ageing Assets
  - System upgrades
  - Rehabilitation and replacements
  - Commitment to capital projects
- Developers
  - Capacity
  - Availability
  - Proactive
  - Reservation fees

# Operations & Maintenance Plan

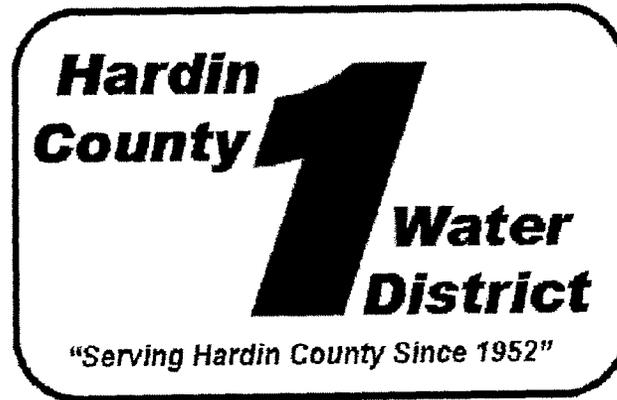
- Shared Resources
  - Management
  - Field services
  - Equipment
- Resident Engineer
  - New hire
- Replicate Ft. Knox
  - operations, lab, maintenance, safety, training, GIS, line cleaning/inspection and capital planning programs
- Technical Support Services
  - Local
  - Regional
  - National
  - Worldwide
- Guarantees
  - Plant performance
  - Fixed cost (R&M and lift electric excluded)
  - Response time to call outs

# Repair & Replacement Capital

- Above Ground Assets
  - Life cycle based
  - Programmed and scheduled
  - Budgeted
- Underground Assets
  - 1.5% replacement annual
  - 1.5% rehabilitation annual
  - Programmed and scheduled
  - Budgeted

# Underground Assets

- Repair and replacement strategy established
- Budgeted
- Programmed and scheduled
- I&I reduction strategy



# District Acquisition of City Sewer System Protects Employees Jobs

August 2007

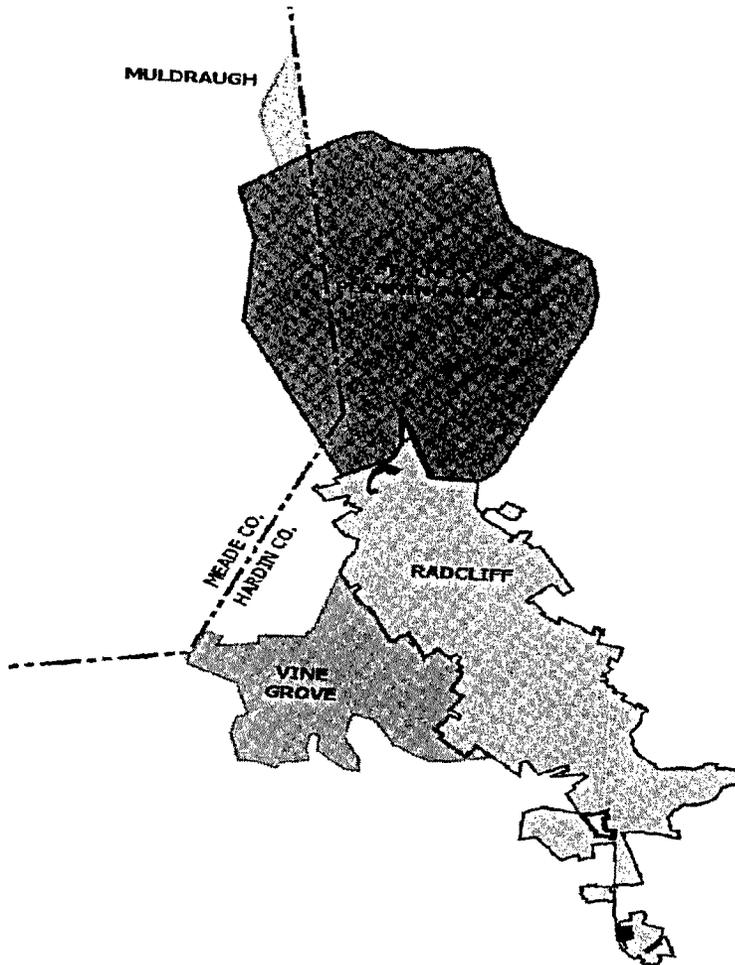
# IMPORTANT TOPICS

- Explain What City and District Are Discussing
- Confirm Contractual Guarantees Between City, District and Veolia Water
- Explain There Will Be Minimal Impact to You
- Answer Common Questions

# DISTRICT & CITY DISCUSSING SALE OF SEWER SYSTEM

- Initiated By City
- Study Looked at Several Options
- Single Ownership (water & sewer) Best Option to:
  - Manage Growth from BRAC
  - Control Rates to Customers
  - Address System Deficiencies
- Decisions in the Next Few Months

# Comparison of Services



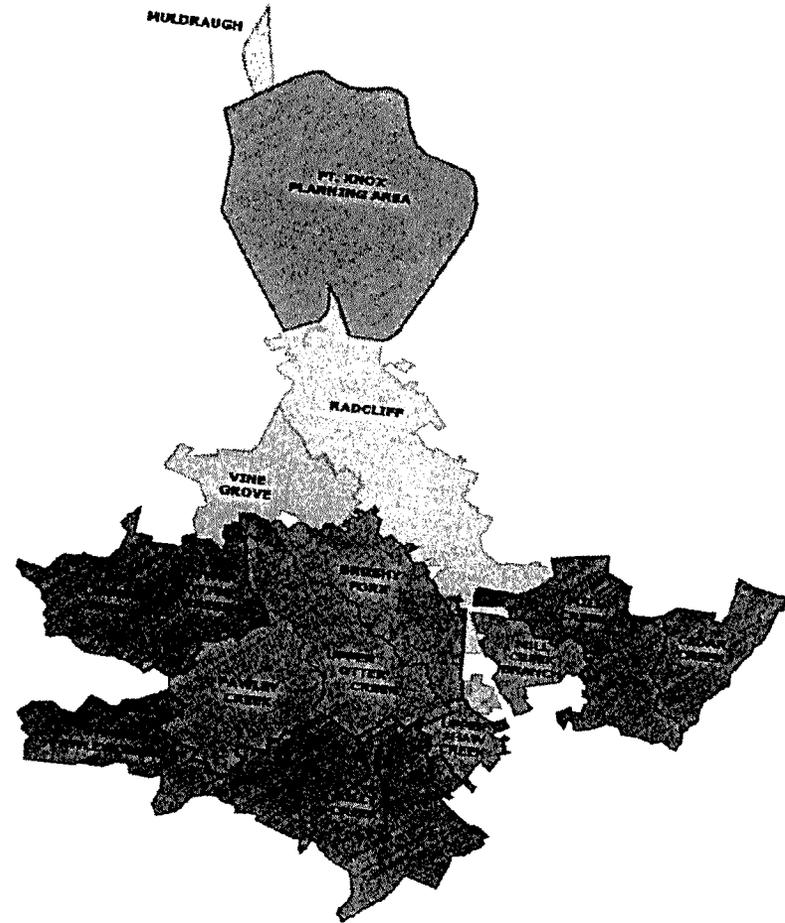
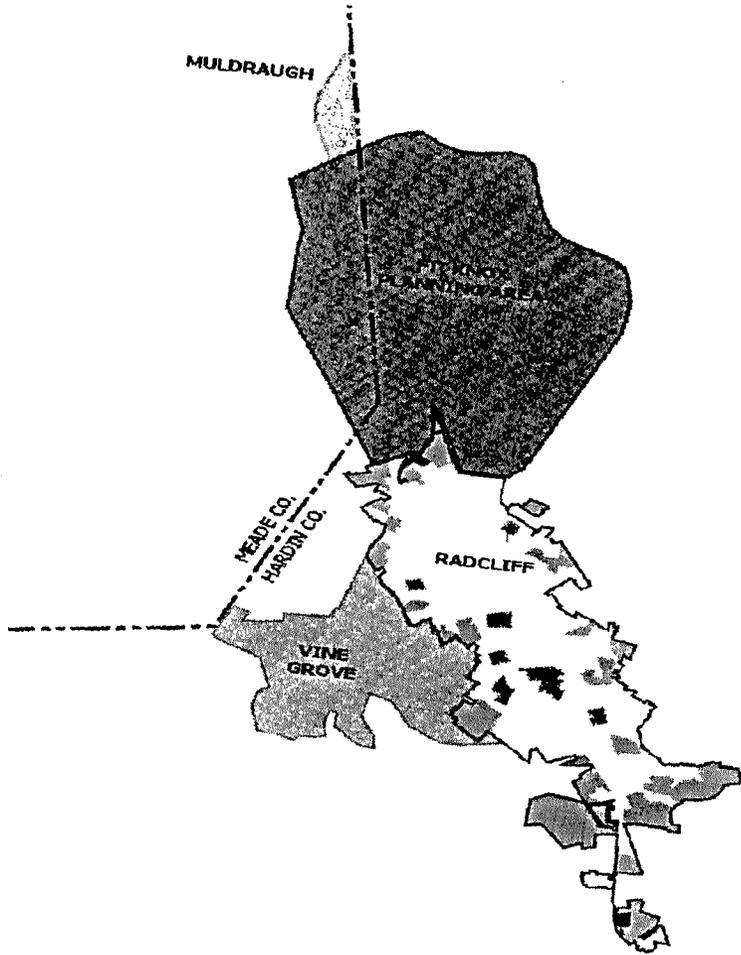
## Ft Knox

- 6 MGD Plant
- 23 Lift Stations
- 150 Miles of Line
- Industrial Pretreatment
- Storm Water

## Radcliff

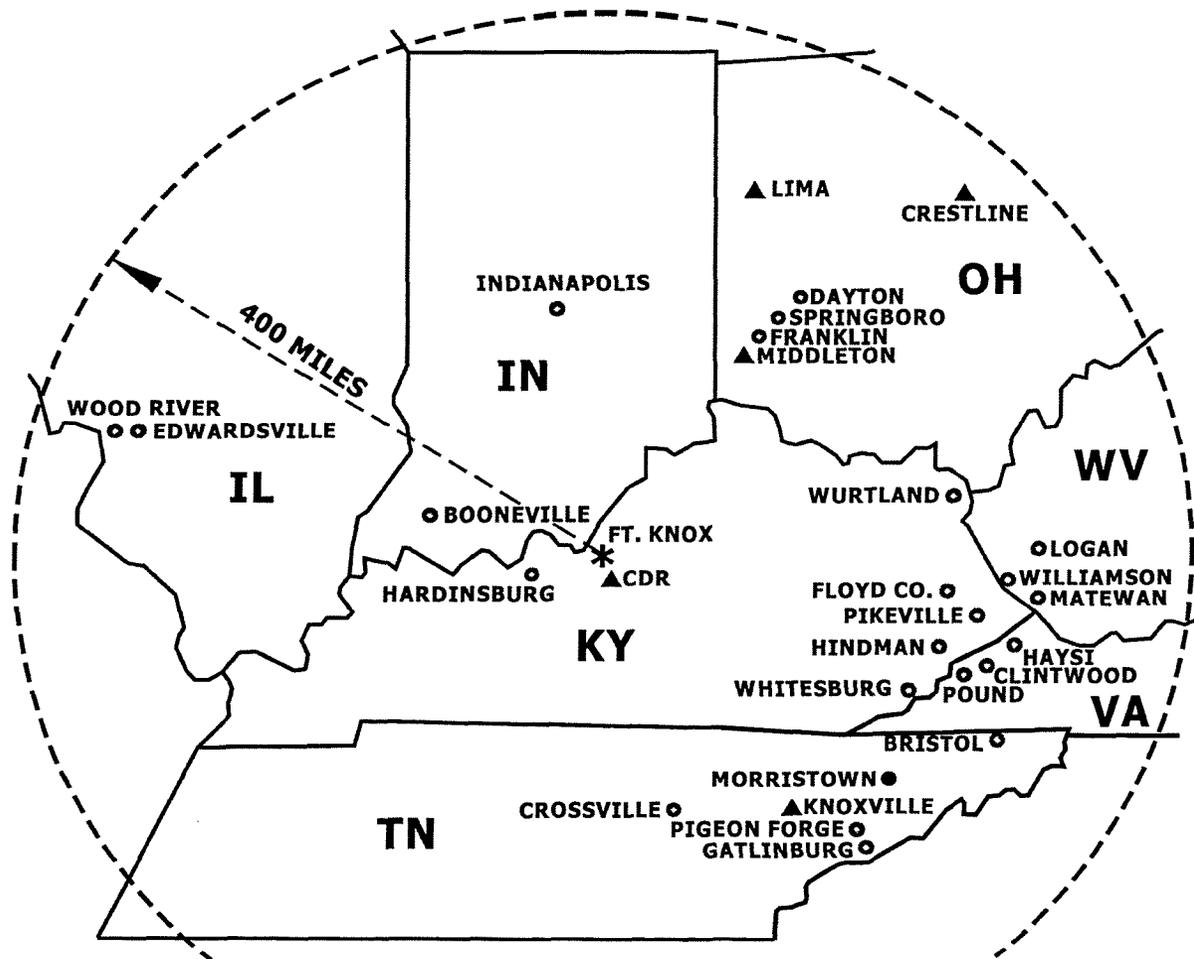
- 4 MGD Plant
- 52 Lift Stations
- 120 Miles of Line

# City vs. District Opportunity

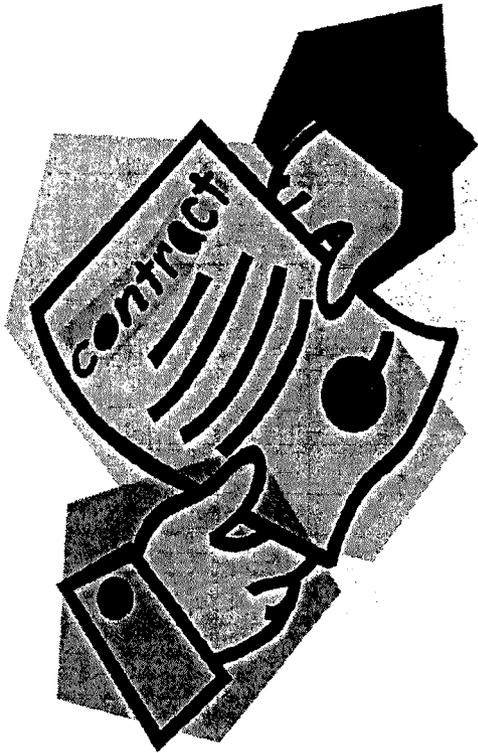


# Project Locations

## Near Hardin County



# CONTRACT GUARANTEES



- Initial Agreement Between City and District Assures Employees a Job
- MOU Requires Offer of Employment to All Employees
- District and Veolia Water Agreements Require Offer of Job to All Employees
- Final Contract Will Specify a Job Offer

# TYPICAL QUESTIONS

- Will I have a job? YES (Upon completion of pre-employment drug test and physical)
- Will my wage change? SAME WAGE plus possibility of BONUS
- Type of benefits? SIMILAR TO YOURS NOW
- Will I have to move? NO
- Will we be fired later? Veolia is a performance based employer
- Will my hours change? DO THEY NEED TO?
- Will supervisors change? ADD A NEW MANAGER
- Will procedures change? SOME WILL
- Type of operations desired? AWARD WINNING

# WHAT'S IT LIKE

- Ask US
  - Rob Nicholas – 20 Years & 5 Locations
  - Jeff Greer – 15 Years & 3 Locations
  - TJ Meredith – 4 Years (CDR and VW)
  - Anthony Link – 12 Years & 2 Locations
  - Melvin Carman – 12 Years
  - Matt Priddy – 20 Years (CDR and VW)
  - Mark Montgomery – xx Years (Army & VW)

# AWARD WINNING GOALS

## DISTRICT

- KY/TN AWWA
  - Customer Relations
  - Internal Relations
  - Safety Award
- EPA Partnership for Safe Water (2% of US)
- 2007 Finalist for the KRWA *Wooden Bucket Award*

## VEOLIA WATER

- KY/TN WEF
  - 10 OpEx Awards in last 3 years
  - Bio Solids of Year
  - IPP of Year
- OSHA Gold Star (Only W/S in US)
- ISP 9001 (Only W in US)

# BENEFIT COMPARISON

	<b>Radcliff</b>	<b>Veolia</b>
<b>Wages</b>	Current	Match Current +poss. of 4% Bonus, + \$700 Maximum Safety Bonus
<b>Retirement</b>	State Pension (CERS)	401k – Matches up to 50% of up to 7% voluntary contrib.
<b>Health Insurance</b>	Employee - \$0 Spouse - + \$247 Family - + \$467	Employee - \$0 Spouse - \$____ Family - + \$206 (Multiple Plans Offered)
<b>Paid Leave</b>	39 Days Max (Sick, Vacation, Holiday)	41 Days Max (15 yrs +) (Sick, Vacation, Holiday)
<b>Career Advancement</b>	As openings become available at Radcliff	As available (600 positions within 150 miles of Radcliff)
<b>Seniority</b>	Current	Veolia will assume current For accrued Vacation

# QUESTIONS

## Andrea Palmer

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**From:** Nicholas, Robert [Robert.Nicholas@veoliawaterna.com]  
**Sent:** Wednesday, January 03, 2007 2:01 PM  
**To:** Brett Pyles; Jim Bruce  
**Subject:** FW: presentation help  
**Attachments:** factsheet-vpp.pdf

-----Original Message-----

**From:** Ritchey, Jay  
**Sent:** Wednesday, January 03, 2007 12:58 PM  
**To:** Nicholas, Robert  
**Subject:** RE: presentation help

Attached is a fact sheet on the OSHA VPP/ STAR program. Last month the Elementis Chromium project in Wilmington, NC got re-certified for their OSHA STAR (state OSHA program). They have had it for 6 years. The Atlanta Fulton County WTP was officially notified last month that we obtained a Gold STAR which will be presented next month. It is the first Federal OSHA STAR awarded to a publicly owned/contracted operated site in the US. The South has the only projects that have these awards. In the industrial world and EHS&S world, this is like winning a national championship.

-----Original Message-----

**From:** Nicholas, Robert  
**Sent:** Wednesday, January 03, 2007 1:43 PM  
**To:** Ritchey, Jay  
**Subject:** presentation help

I am doing a presentation to Racliff and am listing the awards. Give me an explanation of how big a deal the OSHA Gold Star. That's what we won at the plant in Wilimington? I need a reference point in how important the award is or what it signifies.

**Safety is everyone's job!**

Rob Nicholas  
Veolia Water  
412 Michael Court  
Richmond, KY 40475  
859/623-0263  
[robert.nicholas@veoliawaterna.com](mailto:robert.nicholas@veoliawaterna.com)

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# OSHA FactSheet

## Voluntary Protection Programs

**Created in 1982, OSHA's Voluntary Protection Programs recognize and partner with businesses and worksites that show excellence in occupational safety and health. Sites are committed to effective employee protection beyond the requirements of OSHA standards. VPP participants develop and implement systems to effectively identify, evaluate, prevent, and control occupational hazards to prevent employee injuries and illnesses. As a result, the average VPP worksite has a lost workday incidence rate at least 50 percent below the average of its industry. In return, OSHA removes participants from programmed inspection lists and does not issue citations for standards violations that are promptly corrected.**

### Scope

All groups covered by OSHA, including federal agencies, are eligible to join the Voluntary Protection Programs. Each worksite that applies must show a commitment to effective safety and health management systems and work to be an industry leader in occupational safety and health.

### General Requirements

**An effective, ongoing safety and health program.** OSHA believes an effective safety and health management system is the best way to prevent occupational illnesses and injuries. By meeting performance-based criteria, the VPP participant is expected to use a comprehensive system geared toward each worksite's needs. Management leadership and employee participation, in addition to company self-evaluations, are key elements of this process. Annual self-evaluations measure success and identify areas needing improvement.

**Cooperation.** VPP emphasizes trust and cooperation among OSHA, the employers, employees and employee representatives. Since 1982, this cooperation – and the excellent protection found at VPP sites – complements the agency's enforcement activity without replacing it, allowing the agency to focus its inspection resources on high-risk establishments. Although VPP sites are exempt from programmed inspections, employers and employees retain their rights and responsibilities under the Occupational Safety and Health Act.

**Good performance.** Voluntary Protection Programs participants are selected based on their written safety and health management system and ongoing performance. OSHA also conducts a thorough on-site evaluation to judge how well the site's protective system is working, including a review of site injury/illness rates. Continuous improvement is expected.

### Star

The Star Program is designed for exemplary worksites with comprehensive, successful safety and health management systems. Companies in the Star Program have achieved injury and illness rates at or below the national average of their respective industries. These sites are self-sufficient in their ability to control workplace hazards. Star participants are reevaluated every three to five years, although incident rates are reviewed annually.

### Merit

Merit is an effective stepping stone to Star. Merit sites have good safety and health management systems, but these systems need some improvement to be judged excellent. Merit sites demonstrate the potential and the commitment to meet goals tailored to each site and to achieve Star quality within three years. However, each Merit site is limited to one three-year term unless a second term is approved by the Assistant Secretary of Labor for Occupational Safety and Health. On-site evaluations occur every 18 to 24 months.

### **Star Demonstration**

The Star Demonstration program is designed for worksites with Star quality safety and health protection to test alternatives to current Star eligibility and performance requirements. Promising and successful projects are considered for changes to Star requirements. Star Demonstration program participants are evaluated every 12 to 18 months.

### **OSHA Responsibilities**

**Application review.** Each applicant undergoes a review of its safety and health programs. The multi-stepped on-site review requires about four days, depending on the size of the facility and complexity of the operations. In addition to a review of records, logs and inspection history, the on-site review includes an initial meeting with management staff and employees, a walk-through of the facilities to determine hazards and precautions, formal and informal interviews, and a closing meeting to discuss findings and recommendations. Current employees of a VPP site can serve on an evaluation team by volunteering for an OSHA training course and becoming a Special Government Employee.

**Evaluation.** Star Demonstration sites are evaluated every 12 to 18 months, Merit sites every 18 to 24 months, and Star sites every three to five

years. Injury and illness rates are compared to national averages. Merit sites must show a commitment toward gaining Star status within three years.

**Contact person.** OSHA assigns a VPP site representative to each VPP workplace to provide ongoing guidance and assistance.

**Inspections.** Participation in VPP does not eliminate the rights or responsibilities of employers or employees under the Occupational Safety and Health Act. OSHA enforcement inspections will result from valid complaints, workplace accidents or fatalities, chemical leaks and spills and other significant events.

All states with approved occupational safety and health programs offer VPP programs. A list of states with approved programs is available at OSHA's website. For further information about a specific state program, contact the state program directly.

For more information on joining VPP, contact OSHA's Office of Partnerships and Recognition at (202) 693-2213 or the VPP Manager at your OSHA Regional Office.

**This is one in a series of informational fact sheets highlighting OSHA programs, policies or standards. It does not impose any new compliance requirements. For a comprehensive list of compliance requirements of OSHA standards or regulations, refer to Title 29 of the Code of Federal Regulations. This information will be made available to sensory impaired individuals upon request. The voice phone is (202) 693-1999; teletypewriter (TTY) number: (877) 889-5627.**

For more complete information:



U.S. Department of Labor  
**www.osha.gov**  
**(800) 321-OSHA**

4/2004

# Key Points to Veolia Radcliff Operating Agreement

(By: J. Bruce - January 14, 2008)

1. How Long is the Term? 3.1 - For 17 years, from 2/1/08. This is the same ending term as the FK agreement, which started out as a 20 year agreement.
2. What do we pay to Cancel? App F. - We agree if we cancel the agreement, we will reimburse them up to \$75,000 which they fronted to complete the feasibility study. Each year, this amount will drop by \$4,411 until the 17th year when it is fully amortized. After start-up, we agree to pay them (from sewer reserves) \$168,000 or actual one-time, start up costs, mostly which are employee buy-out costs.
3. How Much is their annual Fee? 6.0 - Their current planned beginning fee is a fixed \$1,650,000 per year, plus \$200,000 (\$154,170/month) for Repair & Maintenance projects for repairs over \$2,500 which require prior District approval. If in a year, they do not spend the \$200,000 R&R amount, this goes back to the District as a refund. (Currently, their FK fee is \$1,678,658, which we agreed to in June, 2005).
4. What are the Cancellation Options? Section 3 - We can terminate each 5 years with 120 day notice. If we are not terminating for cause, have to pay them the balance of their up-front costs (See item 2 above). If the District chooses to terminate, Veolia has to agree to assist us in finding a replacement contractor. We can terminate for cause, and not pay the unamortized costs.
5. How is Their Fee Revised? 6.11 - After the first 17 months, then Veolia and District will negotiate an increase. If the parties cannot agree, then Veolia will be allowed to use the cost adjustment formula in the agreement, which uses indices and fixed percent changes to actual costs. 4.27.8 also provides that if needed, the District may need to secure PSC approval for a rate increase, BEFORE, Veolia could have its fee increased, but if the lack of increased payment to Veolia causes them to violate law or permit, the District will hold them harmless for that. (David W. has some concerns about this section and wants it changed).
6. How Does the Fee Increase Formula Work? Section 4.27 allows annual increases for certain changes in scope, or asking them to do more than originally contracted for. Section 6.4 sets forth key operating measurement variables which they have assumed. If these increase by 5% or more, that is a Scope Change which they can ask for fee increase for. If both parties cannot agree on negotiated fee change, App E presents a formula to be used to calculate the new fee. This formula uses actual, current Veolia costs, plus 15%. These variables include; CPI change, Health Insurance costs (above base amount of \$148,086/yr) and dental/vision/disab/life insurance cost increases.
7. What Type of Insurance / Bond Are They Providing? 8 and 11 - They must provide various types of liability insurance which together, provide \$10M of coverage. In addition, they have to provide an annual performance bond, from a large insurance company, equal to their annual fee. In the event of a default, or their inability to complete the contract, the bond should allow us to hire a replacement contractor.
8. What Service Level / QC do they Propose? Sect 4 - Outlines all the duties and responsibilities Veolia is to perform. They also agree to meet all State and Federal regulations, and pay fines if they are negligent (4.21.1). They must also provide 24x7 coverage, and be able to respond to an emergency in 15 minutes (4.25.3). They must also write and follow: Safety Plan, Service Interrrption Plan, Operational Transition Plan, System Cleaning & Inspection Program and Quality Assurance Plan. There are many other specific tasks listed, in addition to providing all day to day operations and management of the system.
9. What if We Don't Like the Project Manager? Our FK agreement includes clause the PM selected must meet our approval (within reason). We will ask Rob to add same to this agreement as well.
10. Can We Terminate This Agreement, but keep the FK? Yes, the two agreements can be independently terminated or renewed.
11. What Assistance Does Veolia Provide in Capital Project Management? 4.7 - Veolia must assist District with list of annual recommended capital improvements, and also produce an annual Capital Improvement Plan report (4.20.7). The District retains all funds, keeps all working capital, and approves all project budgets and bids and in most cases, will contract directly with the contractor for all capital projects.

**Andrea Palmer**

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**From:** Nicholas, Robert [Robert.Nicholas@veoliawaterna.com]  
**Sent:** Wednesday, February 28, 2007 1:58 PM  
**To:** Jim Bruce  
**Cc:** Brett Pyles  
**Subject:** RE: Radcliff Capital

We need to know what the latest list is – lagoon, Boone Trace, the line up the hill to the subdivision and then all the little lift stations. They have to adjust the capital plan and I just need to know what would be taken care of last year and this year by the cash surplus.

-----Original Message-----

**From:** Jim Bruce [mailto:jbruce@hcwd.com]  
**Sent:** Wednesday, February 28, 2007 1:56 PM  
**To:** Nicholas, Robert  
**Cc:** Brett Pyles  
**Subject:** RE: Radcliff Capital

Rob – NOT

We could ask Chance with City, or maybe call Benton at HDR (Quest) in Lexington. Let me know what you need.

Jim

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**From:** Nicholas, Robert [mailto:Robert.Nicholas@veoliawaterna.com]  
**Sent:** Wednesday, February 28, 2007 1:54 PM  
**To:** Jim Bruce; Meredith, Thomas; O'Brien, Thomas J.; Greer, Jeffery  
**Subject:** Radcliff Capital

Jim – Tom, TJ and Jeff are up dating the O&M and Capital models. Do you have the latest capital list that Julia has HDR/Quest performing? We are including a raise for employees as of July 1.

**Safety is everyone's job!**

Rob Nicholas  
Veolia Water  
412 Michael Court  
Richmond, KY 40475  
859/623-0263  
[robert.nicholas@veoliawaterna.com](mailto:robert.nicholas@veoliawaterna.com)

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April 23, 2007

Mr. Jim Bruce  
Hardin County Water District No. 1  
1400 Rogersville Road  
Radcliff, Kentucky 40160

Subject: Radcliff

Dear Jim:

Veolia Water North America – South, LLC wants to operate and maintain the Radcliff Wastewater Plant and Collection System if the District and City decide to move forward.

Nothing demonstrates this commitment more than our efforts in providing O&M and Repair and Replacement cost estimates to the District for the project. A \$75,000 cap on development funds has been set for costs related to pricing the project which would be reimbursed if the project moves forward. No funds have been nor will be spent on behalf of the District for the acquisition without a written request by the District.

The best option for contracting services, if the acquisition takes place, would be to amend the existing O&M agreement. This seems most practical given that a major benefit is sharing personnel and equipment between the Ft Knox and Radcliff projects.

We stand ready to help in any way possible to move the project forward. If you have any questions or need additional information, please call me.

Respectfully,

A handwritten signature in black ink, appearing to read "Rob Nicholas".

Rob Nicholas  
Area Vice President

Cc: Tom O'Brien  
Steve Kruger  
Stu McKenzie

Veolia Water North America  
612 Michael Court, Richmond, KY 40475  
Tel 859.624.3766 / Fax 859.624.3766  
Robert.Nicholas@veoliawaterna.com

**90% REDUCTION IN 2006/07 PROJECTED REVENUE**

Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14
30-Jun-12	30-Jun-13	30-Jun-14	30-Jun-15	30-Jun-16	30-Jun-17	30-Jun-18	30-Jun-19	30-Jun-20
3,385,661	3,487,231	3,591,848	3,699,603	3,810,591	3,924,909	4,042,656	4,163,936	4,288,854
101,570	104,617	107,755	110,988	114,318	117,747	121,280	124,918	128,666
39,430	40,219	41,023	41,843	42,680	43,534	44,405	45,293	46,199
57,964	59,703	61,494	63,339	65,239	67,196	69,212	71,288	73,427
17,389	17,911	18,448	19,002	19,572	20,159	20,764	21,386	22,028
19,128	19,702	20,293	20,902	21,529	22,175	22,840	23,525	24,231
34,778	35,822	36,896	38,003	39,143	40,317	41,527	42,773	44,056
28,982	29,851	30,747	31,669	32,619	33,598	34,606	35,644	36,713
<b>3,684,902</b>	<b>3,795,054</b>	<b>3,908,504</b>	<b>4,025,349</b>	<b>4,145,691</b>	<b>4,269,635</b>	<b>4,397,288</b>	<b>4,528,763</b>	<b>4,664,173</b>
110,408	112,616	114,869	117,166	119,509	121,899	124,337	126,824	129,361
101,570	104,617	107,755	110,988	114,318	117,747	121,280	124,918	128,666
39,430	40,219	41,023	41,843	42,680	43,534	44,405	45,293	46,199
8,281	8,446	8,615	8,787	8,963	9,142	9,325	9,512	9,702
24,290	24,776	25,271	25,777	26,292	26,818	27,354	27,901	28,459
9,385	9,572	9,764	9,959	10,158	10,361	10,569	10,780	10,996
7,177	7,320	7,466	7,616	7,768	7,923	8,082	8,244	8,408
213,640	217,912	222,271	226,716	231,250	235,875	240,593	245,405	250,313
<b>514,179</b>	<b>525,478</b>	<b>537,034</b>	<b>548,852</b>	<b>560,939</b>	<b>573,301</b>	<b>585,945</b>	<b>598,877</b>	<b>612,103</b>
1,728,790	1,780,654	1,834,073	1,889,095	1,945,768	2,004,141	2,064,266	2,126,194	2,189,979
258,927	266,695	274,696	282,936	291,424	300,167	309,172	318,447	328,001
-	-	-	-	-	-	-	-	-

<b>1,987,717</b>	<b>2,047,348</b>	<b>2,108,769</b>	<b>2,172,032</b>	<b>2,237,193</b>	<b>2,304,309</b>	<b>2,373,438</b>	<b>2,444,641</b>	<b>2,517,980</b>
350,330	349,798	349,246	348,672	348,077	347,459	519,978		
350,330	349,798	349,246	348,672	348,077	347,459	519,978	0	0
65,000	65,000	65,000	65,000	65,000	65,000	65,000	65,000	65,000
200,000	200,000	200,000	200,000	250,000	250,000	200,000	300,000	300,000
250,000	300,000	325,000	325,000	325,000	325,000	300,000	450,000	450,000
300,000	300,000	300,000	350,000	350,000	350,000	300,000	600,000	650,000
815,000	865,000	890,000	940,000	990,000	990,000	865,000	1,415,000	1,465,000
17,676	7,430	23,455	15,792	9,482	54,566	52,928	70,245	69,090
1,073,927	1,131,695	1,164,696	1,222,936	1,281,424	1,290,167	1,174,172	1,733,447	1,793,001

Year 15	Year 16	Year 17	Year 18
30-Jun-21	30-Jun-22	30-Jun-23	30-Jun-24
4,417,519	4,550,045	4,686,546	4,827,143
132,526	136,501	140,596	144,814
47,123	48,065	49,026	50,007
75,629	77,898	80,235	82,642
22,689	23,370	24,071	24,793
24,958	25,706	26,478	27,272
45,378	46,739	48,141	49,585
37,815	38,949	40,118	41,321
<b>4,803,636</b>	<b>4,947,274</b>	<b>5,095,212</b>	<b>5,247,578</b>
131,948	134,587	137,279	140,024
132,526	136,501	140,596	144,814
47,123	48,065	49,026	50,007
9,896	10,094	10,296	10,502
29,029	29,609	30,201	30,805
11,216	11,440	11,669	11,902
8,577	8,748	8,923	9,102
255,319	260,426	265,634	270,947
<b>625,632</b>	<b>639,470</b>	<b>653,624</b>	<b>668,103</b>
2,255,679	2,323,349	2,393,050	2,464,841
337,841	347,976	358,415	369,168
-	-	-	-

2,593,520      2,671,325      2,751,465      2,834,009

0

65,000      65,000      65,000      65,000  
300,000      300,000      300,000      300,000  
450,000      500,000      500,000      500,000  
700,000      700,000      700,000      700,000

1,515,000      1,565,000      1,565,000      1,565,000

69,485      71,479      125,122      180,466  
1,852,841      1,912,976      1,923,415      1,934,168

**Hardin County Water**  
Wastewater - Enterprise Fund

Veolia Annual Inflation Escalator **3.0%**  
Hardin Co. Annual Inflation Escalator **2.0%**  
Revenue Annual Inflation Escalator **3.0%**

		Year 1	Year 2	Year 3	Year 4	Year 5
Year Ended		30-Jun-07	30-Jun-08	30-Jun-09	30-Jun-10	30-Jun-11
<b>Operating Revenue:</b>						
Charges For Services		3,435,883	3,008,116	3,098,359	3,191,310	3,287,049
Franchise Fee		103,076	90,243	92,951	95,739	98,611
Taxes		35,713	36,427	37,156	37,899	38,657
Tap Development (Raised Fee \$50)	250 \$ 200	50,000	51,500	53,045	54,636	56,275
Customer Backup (New Fee Never Charged)	200 \$ 75	15,000	15,450	15,914	16,391	16,883
IPP	55 \$ 300	16,500	16,995	17,505	18,030	18,571
Planning and Mgt Fees of Ft Knox	\$ 30,000	30,000	30,900	31,827	32,782	33,765
Other Revenue		25,000	25,750	26,523	27,318	28,138
<b>Total Operating Revenues</b>		<b>3,711,173</b>	<b>3,275,382</b>	<b>3,373,279</b>	<b>3,474,106</b>	<b>3,577,950</b>
<b>Operating Expenses:</b>						
<i>District</i>						
Personnel - Construction Mgr/Finance		100,000	102,000	104,040	106,121	108,243
Franchise Fee	3%	103,076	90,243	92,951	95,739	98,611
Taxes		35,713	36,427	37,156	37,899	38,657
Lawyer		7,500	7,650	7,803	7,959	8,118
Insurance		22,000	22,440	22,889	23,347	23,814
Accounting		8,500	8,670	8,843	9,020	9,201
Reg Assessment Fee		6,500	6,630	6,763	6,898	7,036
Billing Costs		193,500	197,370	201,317	205,344	209,451
<b>Total District Expenses</b>		<b>476,789</b>	<b>471,431</b>	<b>481,762</b>	<b>492,327</b>	<b>503,130</b>
<b>Veolia Operations</b>						
Operations & Maintenance	(cost model rev9)	1,491,269	1,536,007	1,582,088	1,629,550	1,678,437
Repair & Maintenance	(cost model rev9)	223,353	230,053	236,955	244,063	251,385
Inspection - Tap Development	(equal to revenue)	-	-	-	-	-

<b>Total Veolia Expenses</b>	<b>1,714,622</b>	<b>1,766,061</b>	<b>1,819,042</b>	<b>1,873,614</b>	<b>1,929,822</b>
KIA 2001-A (p+i) (actually KLC pool)	148,280	147,870	142,164	150,964	163,831
KIA Loan A97-03 R&M Reserve Fund	30,100	30,100	30,100	30,100	30,100
KIA Loan A97-03 (p+i)	352,708	352,268	351,811	351,335	350,842
Danville Bonds (p+i)	169,606				
<b>Total Debt</b>	<b>700,694</b>	<b>530,238</b>	<b>524,075</b>	<b>532,399</b>	<b>544,773</b>
Fleet Replacement	13,800	13,800	25,000	35,000	65,000
Plant Replacement	50,000	50,000	75,000	75,000	100,000
Lift Station Replacement	575,000	225,000	225,000	225,000	225,000
Line Replacement	150,000	200,000	200,000	225,000	225,000
Engineering Design/Inspection					
Misc Planning & Studies					
<b>Replacement Subtotal</b>	<b>788,800</b>	<b>488,800</b>	<b>525,000</b>	<b>560,000</b>	<b>615,000</b>
<b>Total</b>	<b>30,267</b>	<b>18,852</b>	<b>23,399</b>	<b>15,766</b>	<b>-14,776</b>
R&M Combined	1,012,153	718,853	761,955	804,063	866,385
<b>Non Operating Impact</b>					
Non Operating Revenue					
Grant Money	950,000				
Non Restricted Cash Carry Over	2,533,640				
KIA Loan A97-03 R&M Reserve Fund	287,931				
Restricted Cash Carry Over	53,394				
A/R	542,475				
Deposits	115,374				
<b>Total Non Operating Revenue</b>	<b>4,482,814</b>				
<b>Non Operating Expense</b>					

WWTP Eq Basins  
Boone Trace  
KIA Loand A97-03 R&M Reserve Fund  
A/R  
Deposits  
Transition Costs  
Accountant  
Local Lawyer  
PSC Lawyer  
VW Development Fee  
Total Non Operating Expense  
Balance

450,000  
450,000  
287,931  
542,475  
115,374  
  
6,000  
6,000  
15,000  
100,000  
  
1,972,780  
  
2,540,301

## Andrea Palmer

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**From:** Nicholas, Robert [Robert.Nicholas@veoliawaterna.com]  
**Sent:** Monday, May 21, 2007 12:57 PM  
**To:** Jim Bruce; Greer, Jeffery; Meredith, Thomas; O'Brien, Thomas J.; Brett Pyles  
**Subject:** Radcliff Accounting  
**Attachments:** Cashflow for District Presentation.xls

Jim and I are going to meet Friday with the auditor for the District. We are going to work with him to build a set of books and review our projections. Some things we may need to up date or have available for him:

- Radcliff 05/06 Audit
- Radcliff 06/07 Year to Date Financials
- Radcliff Current Balances of Non Operating Income and Expense – grant funds yet to receive, construction contracts committed, A/R, deposits, reserve funds etc.
- Radcliff Impact of Rate Increase – Can we tell based on District billings the amount of increased revenue from the Jan 1 rate increase?
- Updated O&M Price – TJ and Jeff can you bring the summary with you to dinner.
- Updated Capital Projection – same as above
- Review – The City had some lift stations targeted for improvements. Do we know which ones? If that work is stopped as of the MOU, can we inspect them to see what was going to be done and we determine if it can be fixed in house, is an immediate problem or can wait. Capital will be tight the first few years. There also is an issue with the odor at the Lincoln Trail lift station. Can we take H2SO4 readings there and at the station below the District office to determine if an odor control chemical would be effective. If not, I want to look at the existing scrubber and talk to our in house people about options.
- Jim – Can you send your last projection

## Safety is everyone's job!

Rob Nicholas  
Veolia Water  
412 Michael Court  
Richmond, KY 40475  
859/623-0263  
[robert.nicholas@veoliawaterna.com](mailto:robert.nicholas@veoliawaterna.com)

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SLIDE 2

RADCLIFF CASHFLOW PROJECTION										
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Year Ended	30-Jun-07	30-Jun-08	30-Jun-09	30-Jun-10	30-Jun-11	30-Jun-12	30-Jun-13	30-Jun-14	30-Jun-15	30-Jun-16
<b>Operating Revenue:</b>										
Charges for Services	\$ 3,432,882	\$ 3,008,119	\$ 3,086,336	\$ 3,191,218	\$ 3,267,049	\$ 3,346,861	\$ 3,427,231	\$ 3,511,544	\$ 3,600,023	\$ 3,693,391
Franchise Fee	\$ 103,076	\$ 107,923	\$ 112,811	\$ 117,728	\$ 122,678	\$ 127,661	\$ 132,681	\$ 137,735	\$ 142,823	\$ 147,944
Taxes	\$ 35,713	\$ 36,427	\$ 37,136	\$ 37,839	\$ 38,537	\$ 39,230	\$ 39,918	\$ 40,601	\$ 41,279	\$ 41,952
Tap Development (Shared fee SD)	\$ 20,000	\$ 21,000	\$ 22,000	\$ 23,000	\$ 24,000	\$ 25,000	\$ 26,000	\$ 27,000	\$ 28,000	\$ 29,000
Customer Backup (New Fee New Charge)	\$ 15,000	\$ 15,450	\$ 15,914	\$ 16,381	\$ 16,851	\$ 17,324	\$ 17,801	\$ 18,281	\$ 18,764	\$ 19,251
CCP	\$ 16,500	\$ 16,950	\$ 17,500	\$ 18,000	\$ 18,500	\$ 19,000	\$ 19,500	\$ 20,000	\$ 20,500	\$ 21,000
Printing and Mfg Fees of R. Focus	\$ 30,000	\$ 30,900	\$ 31,827	\$ 32,781	\$ 33,761	\$ 34,766	\$ 35,796	\$ 36,841	\$ 37,901	\$ 38,976
Other Revenue	\$ 22,000	\$ 22,700	\$ 23,429	\$ 24,187	\$ 24,964	\$ 25,761	\$ 26,578	\$ 27,415	\$ 28,272	\$ 29,149
<b>Total Operating Revenue</b>	<b>\$ 3,711,173</b>	<b>\$ 3,275,382</b>	<b>\$ 3,372,279</b>	<b>\$ 3,474,198</b>	<b>\$ 3,577,950</b>	<b>\$ 3,684,927</b>	<b>\$ 3,795,954</b>	<b>\$ 3,910,584</b>	<b>\$ 4,029,348</b>	<b>\$ 4,152,681</b>
<b>Operating Expenses:</b>										
Contract	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000
Personnel - Construction Mgr/France	\$ 103,076	\$ 107,923	\$ 112,811	\$ 117,728	\$ 122,678	\$ 127,661	\$ 132,681	\$ 137,735	\$ 142,823	\$ 147,944
Franchise Fee	\$ 35,713	\$ 36,427	\$ 37,136	\$ 37,839	\$ 38,537	\$ 39,230	\$ 39,918	\$ 40,601	\$ 41,279	\$ 41,952
Taxes	\$ 7,500	\$ 7,650	\$ 7,800	\$ 7,950	\$ 8,100	\$ 8,250	\$ 8,400	\$ 8,550	\$ 8,700	\$ 8,850
Laborer	\$ 22,000	\$ 22,440	\$ 22,880	\$ 23,327	\$ 23,771	\$ 24,212	\$ 24,650	\$ 25,085	\$ 25,517	\$ 25,947
Insurance	\$ 8,500	\$ 8,670	\$ 8,843	\$ 9,018	\$ 9,195	\$ 9,374	\$ 9,555	\$ 9,738	\$ 9,923	\$ 10,109
Accounting	\$ 4,500	\$ 4,630	\$ 4,763	\$ 4,898	\$ 5,034	\$ 5,171	\$ 5,310	\$ 5,451	\$ 5,594	\$ 5,739
Mfg Assessment Fee	\$ 13,500	\$ 13,725	\$ 13,951	\$ 14,177	\$ 14,404	\$ 14,631	\$ 14,859	\$ 15,087	\$ 15,316	\$ 15,545
Mfg Cost	\$ 478,789	\$ 478,431	\$ 478,073	\$ 477,715	\$ 477,357	\$ 477,000	\$ 476,642	\$ 476,284	\$ 475,926	\$ 475,568
<b>Total Operating Expenses</b>	<b>\$ 478,789</b>	<b>\$ 478,431</b>	<b>\$ 478,073</b>	<b>\$ 477,715</b>	<b>\$ 477,357</b>	<b>\$ 477,000</b>	<b>\$ 476,642</b>	<b>\$ 476,284</b>	<b>\$ 475,926</b>	<b>\$ 475,568</b>
<b>Vehicle Operation:</b>										
Operation & Maintenance	\$ 1,491,388	\$ 1,538,007	\$ 1,584,086	\$ 1,629,520	\$ 1,674,317	\$ 1,718,479	\$ 1,762,004	\$ 1,804,993	\$ 1,847,447	\$ 1,889,366
Tyres & Maintenance	\$ 275,353	\$ 285,000	\$ 294,750	\$ 304,500	\$ 314,250	\$ 324,000	\$ 333,750	\$ 343,500	\$ 353,250	\$ 363,000
Inspection - Tap Development	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total Vehicle Expenses</b>	<b>\$ 1,766,741</b>	<b>\$ 1,823,007</b>	<b>\$ 1,878,836</b>	<b>\$ 1,934,020</b>	<b>\$ 1,988,567</b>	<b>\$ 2,042,479</b>	<b>\$ 2,095,754</b>	<b>\$ 2,148,493</b>	<b>\$ 2,200,697</b>	<b>\$ 2,252,366</b>
<b>IAA 2001-4 (incl) (incl) ILC Comp</b>	<b>\$ 146,260</b>	<b>\$ 147,870</b>	<b>\$ 149,480</b>	<b>\$ 151,090</b>	<b>\$ 152,700</b>	<b>\$ 154,310</b>	<b>\$ 155,920</b>	<b>\$ 157,530</b>	<b>\$ 159,140</b>	<b>\$ 160,750</b>
<b>IAA Loan APT-03 ILM Reserve Fund</b>	<b>\$ 30,120</b>									
<b>IAA Loan APT-03 ILM</b>	<b>\$ 352,700</b>									
<b>General Bonds (incl)</b>	<b>\$ 182,808</b>									
<b>Total Debt</b>	<b>\$ 709,888</b>									
<b>Plant Replacement</b>	<b>\$ 13,660</b>									
<b>Plant Replacement</b>	<b>\$ 50,800</b>									
<b>Plant Replacement</b>	<b>\$ 275,353</b>									
<b>Plant Replacement</b>	<b>\$ 150,000</b>									
<b>Plant Replacement</b>	<b>\$ 788,800</b>									
<b>Plant Replacement</b>	<b>\$ 30,267</b>									
<b>Plant Replacement</b>	<b>\$ 1,012,152</b>									

NOTES

First year cash flow and capital are high due to capital projects the City may have under construction at the time of utility transfer. Assumed total balance is also reported to be utilized to finance the capital projects the City may have under construction. Transfer costs would be assumed to be borne of both the District, City and Village Water. Second year cash flow includes a 12% reduction in rates. Revenue and Expenses include a 3% increase due to be paid to the City by the same as currently charged for the water service. New fees will be included for grease trap inspection, new tap inspection and customer back ups.

SLIDE 3

CASH AND LIABILITIES ASSUMED	
<b>Net Operating Revenue</b>	<b>\$ 300,000</b>
Grant Money	\$ 2,522,648
IAA Loan APT-03 ILM Reserve Fund	\$ 291,571
Retained Cash Carry Over	\$ 52,384
Autumn Retainage	\$ 113,374
Debt	\$ -
<b>Total Non Operating Revenue</b>	<b>\$ 4,882,814</b>
<b>Operating Expenses</b>	<b>\$ 450,000</b>
WWTP Op Exps	\$ 450,000
Beaver Treat	\$ 287,831
IAA Loan APT-03 ILM Reserve Fund	\$ 545,875
Facilities Maintenance	\$ 115,374
Debt	\$ 6,000
Adjusted	\$ 6,000
Legal Lawyer	\$ 6,000
PTC Lawyer	\$ 15,000
VW Development Fee	\$ 150,000
<b>Total Non Operating Expenses</b>	<b>\$ 1,872,730</b>
<b>Balance</b>	<b>\$ 2,540,301</b>

SLIDE 1

RADCLIFF CASH FLOW SUMMARY										
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Year 1	30-Jun-07	30-Jun-08	30-Jun-09	30-Jun-10	30-Jun-11	30-Jun-12	30-Jun-13	30-Jun-14	30-Jun-15	30-Jun-16
<b>Revenue</b>	<b>\$ 3,711,173</b>	<b>\$ 3,275,382</b>	<b>\$ 3,372,279</b>	<b>\$ 3,474,198</b>	<b>\$ 3,577,950</b>	<b>\$ 3,684,927</b>	<b>\$ 3,795,954</b>	<b>\$ 3,910,584</b>	<b>\$ 4,029,348</b>	<b>\$ 4,152,681</b>
<b>Operating Expenses</b>	<b>\$ 478,789</b>	<b>\$ 478,431</b>	<b>\$ 478,073</b>	<b>\$ 477,715</b>	<b>\$ 477,357</b>	<b>\$ 477,000</b>	<b>\$ 476,642</b>	<b>\$ 476,284</b>	<b>\$ 475,926</b>	<b>\$ 475,568</b>
<b>Vehicle Operation Cost</b>	<b>\$ 1,766,741</b>	<b>\$ 1,823,007</b>	<b>\$ 1,878,836</b>	<b>\$ 1,934,020</b>	<b>\$ 1,988,567</b>	<b>\$ 2,042,479</b>	<b>\$ 2,095,754</b>	<b>\$ 2,148,493</b>	<b>\$ 2,200,697</b>	<b>\$ 2,252,366</b>
<b>Debt</b>	<b>\$ 709,888</b>									
<b>Capital</b>	<b>\$ 788,800</b>									
<b>Balance</b>	<b>\$ 50,267</b>	<b>\$ 16,451</b>	<b>\$ 23,288</b>	<b>\$ 15,798</b>	<b>\$ 14,776</b>	<b>\$ 17,478</b>	<b>\$ 7,436</b>	<b>\$ 23,453</b>	<b>\$ 15,782</b>	<b>\$ 6,462</b>
<b>Assets Assumed</b>	<b>\$ 4,442,814</b>									
<b>Liabilities Assumed</b>	<b>\$ 1,845,780</b>									
<b>Transfer Costs</b>	<b>\$ 177,000</b>									
<b>Balance</b>	<b>\$ 2,637,034</b>									

NOTES

First year cash flow and capital are high due to capital projects the City may have under construction at the time of utility transfer. Assumed total balance is also reported to be utilized to finance the capital projects the City may have under construction. Transfer costs would be assumed to be borne of both the District, City and Village Water. Second year cash flow includes a 12% reduction in rates. Revenue and Expenses include a 3% increase due to be paid to the City by the same as currently charged for the water service. New fees will be included for grease trap inspection, new tap inspection and customer back ups.

**JUNE 2007 BOARD MEETING  
RADCLIFF SEWER SYSTEM FINANCIAL PROJECTION  
REVISED PROJECTION - WITH COMMENTS ON CHANGES**

Assumed starting 7/07.

Revenue with rate increase is projected at \$3,466,970 for end of this FY. 2007/08 would be projected at \$3,602,679. 85% 2nd year would be \$3,062,277 + 1% growth

ASSUMPTIONS INCLUDED  
 Veolia Annual Inflation Escalator 2.5%  
 Hardin Co. Annual Inflation Escalator 2.5%

Cut to from \$51,000 to \$18,750 1st year due to new construction off and new fees must be approved by PSC

Cut from \$15,000 to \$7,500 1st year because City is not currently charging. Cut from \$15,500 to \$8,250 1st Year. Ordinance is in place.

Fee will stop use of City cleaning lateral lines.

Assume 10% Rate Increase

Hardin County Water  
Wastewater - Enterprise Fund

	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11
Annual Growth	0%	1%	3%	3%	4%	3%	10%	1%	1%	1%	1%	10%
Customers	6500	8585	8843	9196	9472	10419	10524	10629	10735	10842	11927	11927
Year Ended	30-Jun-08	30-Jun-09	30-Jun-10	30-Jun-11	30-Jun-12	30-Jun-13	30-Jun-14	30-Jun-15	30-Jun-16	30-Jun-17		
<b>Operating Revenue:</b>												
Charges For Services	\$ 3,602,879	\$ 3,062,899	\$ 3,185,686	\$ 3,313,113	\$ 3,412,507	\$ 3,753,757	\$ 3,791,295	\$ 3,829,208	\$ 3,867,500	\$ 3,906,175	\$ 4,296,799	
Franchise Fee	\$ 108,080	\$ 94,767	\$ 95,571	\$ 99,393	\$ 102,375	\$ 112,513	\$ 113,739	\$ 114,876	\$ 116,025	\$ 117,185	\$ 128,904	
Taxes	\$ 35,713	\$ 36,070	\$ 36,972	\$ 37,896	\$ 38,844	\$ 39,815	\$ 40,810	\$ 41,830	\$ 42,876	\$ 43,948	\$ 45,047	
Tap Development (Raised Fee \$50)	\$ 18,750	\$ 17,170	\$ 53,056	\$ 73,570	\$ 56,833	\$ 208,387	\$ 21,047	\$ 21,258	\$ 21,470	\$ 21,685	\$ 238,533	
Customer Backup (New Fee Never Charged)	\$ 7,500	\$ 15,000	\$ 10,000	\$ 5,000	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	
JPP	\$ 8,250	\$ 16,500	\$ 16,985	\$ 17,675	\$ 18,205	\$ 20,226	\$ 20,428	\$ 20,632	\$ 20,839	\$ 21,047	\$ 22,923	
Planning and Mgt Fees of Ft Knox	\$ 30,800	\$ 30,300	\$ 31,209	\$ 32,457	\$ 33,431	\$ 36,774	\$ 37,142	\$ 37,513	\$ 37,888	\$ 38,267	\$ 42,094	
Other Revenue - Interest, late fees and other	\$ 25,000	\$ 25,250	\$ 26,008	\$ 27,048	\$ 27,859	\$ 30,645	\$ 30,952	\$ 31,261	\$ 31,574	\$ 31,889	\$ 35,078	
<b>Total Operating Revenues</b>	<b>\$ 3,835,972</b>	<b>\$ 3,325,976</b>	<b>\$ 3,455,496</b>	<b>\$ 3,806,153</b>	<b>\$ 3,892,654</b>	<b>\$ 4,204,517</b>	<b>\$ 4,057,710</b>	<b>\$ 4,098,875</b>	<b>\$ 4,140,466</b>	<b>\$ 4,182,489</b>	<b>\$ 4,811,871</b>	
<b>Operating Expenses:</b>												
District												
Personnel - Construction Mgr/Finance	\$ 100,000	\$ 102,500	\$ 105,063	\$ 107,689	\$ 110,381	\$ 113,141	\$ 115,969	\$ 118,850	\$ 121,840	\$ 124,886	\$ 128,008	
Franchise Fee	\$ 108,080	\$ 92,787	\$ 95,571	\$ 99,393	\$ 102,375	\$ 112,513	\$ 113,739	\$ 114,876	\$ 116,025	\$ 117,185	\$ 128,904	
Taxes	\$ 35,713	\$ 36,070	\$ 36,972	\$ 37,896	\$ 38,844	\$ 39,815	\$ 40,810	\$ 41,830	\$ 42,876	\$ 43,948	\$ 45,047	
Lawyer	\$ 7,500	\$ 7,688	\$ 7,880	\$ 8,077	\$ 8,279	\$ 8,486	\$ 8,693	\$ 8,915	\$ 9,138	\$ 9,366	\$ 9,601	
Insurance	\$ 22,000	\$ 22,550	\$ 23,114	\$ 23,692	\$ 24,284	\$ 24,891	\$ 25,513	\$ 26,151	\$ 26,805	\$ 27,475	\$ 28,162	
Accounting	\$ 8,500	\$ 8,713	\$ 8,930	\$ 9,154	\$ 9,382	\$ 9,617	\$ 9,857	\$ 10,104	\$ 10,356	\$ 10,615	\$ 10,881	
Reg Assessment Fee	\$ 6,500	\$ 6,663	\$ 6,829	\$ 7,000	\$ 7,175	\$ 7,354	\$ 7,538	\$ 7,726	\$ 7,920	\$ 8,118	\$ 8,321	
Billing Costs	\$ 193,500	\$ 188,338	\$ 203,296	\$ 208,378	\$ 213,588	\$ 218,927	\$ 224,401	\$ 230,011	\$ 235,761	\$ 241,655	\$ 247,686	
<b>Total District Expenses</b>	<b>\$ 481,793</b>	<b>\$ 475,307</b>	<b>\$ 487,854</b>	<b>\$ 501,279</b>	<b>\$ 514,308</b>	<b>\$ 528,043</b>	<b>\$ 546,525</b>	<b>\$ 558,482</b>	<b>\$ 570,721</b>	<b>\$ 583,249</b>	<b>\$ 606,619</b>	
Veolia Operations												
Operations & Maintenance	\$ 1,615,257	\$ 1,655,638	\$ 1,697,029	\$ 1,739,455	\$ 1,782,941	\$ 1,827,515	\$ 1,873,203	\$ 1,920,033	\$ 1,968,034	\$ 2,017,235	\$ 2,067,666	
Repair & Maintenance	\$ 208,602	\$ 213,817	\$ 219,162	\$ 224,642	\$ 230,258	\$ 236,014	\$ 241,914	\$ 247,962	\$ 254,161	\$ 260,516	\$ 267,028	
<b>Total Veolia Expenses</b>	<b>\$ 1,823,859</b>	<b>\$ 1,869,455</b>	<b>\$ 1,916,192</b>	<b>\$ 1,964,097</b>	<b>\$ 2,013,199</b>	<b>\$ 2,063,529</b>	<b>\$ 2,115,117</b>	<b>\$ 2,167,995</b>	<b>\$ 2,222,195</b>	<b>\$ 2,277,750</b>	<b>\$ 2,334,694</b>	
KIA 2001-A (p+i) (actually KLC pool)	\$ 148,200	\$ 147,870	\$ 142,184	\$ 150,964	\$ 163,831	\$ 163,831	\$ 163,831	\$ 163,831	\$ 163,831	\$ 163,831	\$ 163,831	
KIA Loan A97-03 R&M Reserve Fund	\$ 30,100	\$ 30,100	\$ 30,100	\$ 30,100	\$ 30,100	\$ 30,100	\$ 30,100	\$ 30,100	\$ 30,100	\$ 30,100	\$ 30,100	
KIA Loan A87-03 (p+i)	\$ 352,708	\$ 352,268	\$ 351,811	\$ 351,335	\$ 350,842	\$ 350,330	\$ 349,798	\$ 349,246	\$ 348,672	\$ 348,077	\$ 347,459	
Danville Bonds (p+i)	\$ 169,606											
<b>Total Debt</b>	<b>\$ 700,694</b>	<b>\$ 530,238</b>	<b>\$ 524,075</b>	<b>\$ 532,399</b>	<b>\$ 544,773</b>	<b>\$ 550,330</b>	<b>\$ 549,798</b>	<b>\$ 549,246</b>	<b>\$ 548,672</b>	<b>\$ 548,077</b>	<b>\$ 547,459</b>	
Fleet Replacement	\$ 13,800	\$ 13,800	\$ 25,000	\$ 35,000	\$ 65,000	\$ 65,000	\$ 65,000	\$ 65,000	\$ 65,000	\$ 65,000	\$ 65,000	
Plant Replacement	\$ 50,000	\$ 50,000	\$ 75,000	\$ 75,000	\$ 75,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 250,000	
Lift Station Replacement	\$ 575,000	\$ 200,000	\$ 200,000	\$ 225,000	\$ 225,000	\$ 250,000	\$ 300,000	\$ 325,000	\$ 325,000	\$ 325,000	\$ 325,000	
Line Replacement	\$ 150,000	\$ 150,000	\$ 200,000	\$ 225,000	\$ 225,000	\$ 300,000	\$ 300,000	\$ 300,000	\$ 300,000	\$ 300,000	\$ 350,000	
Engineering Design/Inspection												
Misc Planning & Studies												
<b>Replacement Subtotal</b>	<b>\$ 788,800</b>	<b>\$ 413,800</b>	<b>\$ 500,000</b>	<b>\$ 560,000</b>	<b>\$ 590,000</b>	<b>\$ 815,000</b>	<b>\$ 865,000</b>	<b>\$ 890,000</b>	<b>\$ 890,000</b>	<b>\$ 890,000</b>	<b>\$ 950,000</b>	
<b>Total</b>	<b>\$ 40,826</b>	<b>\$ 37,176</b>	<b>\$ 27,575</b>	<b>\$ 48,379</b>	<b>\$ 30,274</b>	<b>\$ 440,614</b>	<b>\$ 181,270</b>	<b>\$ 133,151</b>	<b>\$ 108,876</b>	<b>\$ 83,413</b>	<b>\$ 533,100</b>	

We included the cost of billing that is already being paid.  
 Cost being adjusted up because of 2007 raises proposed for City staff. Final numbers in process.

A July 07 of later start would not have this expense.

Hardin County Water  
Wastewater - Enterprise Fund

Veolia Annual Inflation Escalator  
Hardin Co Annual Inflation Escalator  
Revenue Annual Inflation Escalator

3.0%  
3.0%  
3.0%

Year Ended	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18
	30-Jun-07	30-Jun-08	30-Jun-09	30-Jun-10	30-Jun-11	30-Jun-12	30-Jun-13	30-Jun-14	30-Jun-15	30-Jun-16	30-Jun-17	30-Jun-18	30-Jun-19	30-Jun-20	30-Jun-21	30-Jun-22	30-Jun-23	30-Jun-24
<b>Operating Revenue:</b>																		
Charges For Services	3 082 340	3 174 610	3 270 054	3 368 156	3 469 201	3 573 277	3 680 475	3 790 889	3 904 616	4 021 754	4 142 407	4 268 679	4 398 680	4 532 520	4 670 316	4 812 185	4 958 251	5 104 638
Tax Development	250	150	37 500	38 625	39 784	40 977	43 473	44 777	46 120	47 504	48 929	50 397	51 909	53 466	55 070	56 722	58 424	60 176
Customer Backup	250	75	18 000	15 450	15 914	16 391	16 883	17 389	17 911	18 446	19 002	19 572	20 159	20 764	21 386	22 026	22 684	23 370
Enterprise Fee	30 000	30 900	31 827	32 782	33 765	34 778	35 822	36 896	38 003	39 143	40 317	41 527	42 773	44 056	45 378	46 739	48 141	49 585
Other Revenue	25 000	23 750	25 533	27 318	29 136	31 000	32 921	34 900	36 939	39 039	41 199	43 421	45 706	48 056	50 472	52 955	55 506	58 136
<b>Total Operating Revenue</b>	<b>3 196 840</b>	<b>3 286 836</b>	<b>3 384 191</b>	<b>3 488 624</b>	<b>3 599 183</b>	<b>3 697 899</b>	<b>3 808 826</b>	<b>3 922 101</b>	<b>4 040 784</b>	<b>4 162 017</b>	<b>4 286 878</b>	<b>4 414 484</b>	<b>4 544 949</b>	<b>4 684 387</b>	<b>4 832 818</b>	<b>4 989 886</b>	<b>5 154 768</b>	<b>5 328 219</b>
<b>Operating Expenses:</b>																		
District																		
Personnel - Engineering Inspector	58 000	59 160	60 343	61 550	62 781	64 037	65 317	66 624	67 958	69 319	70 707	72 116	73 558	75 035	76 539	78 070	79 629	81 214
Franchise Fee	92 470	95 244	98 102	101 045	104 076	107 198	110 414	113 727	117 138	120 653	124 272	128 000	131 840	135 796	139 869	144 068	148 395	152 850
Taxes	30 713	36 427	37 156	37 899	38 657	39 430	40 219	41 023	41 843	42 680	43 534	44 405	45 293	46 199	47 123	48 065	49 026	50 007
Lawyer	7 500	7 800	7 903	7 959	8 118	8 281	8 448	8 615	8 787	8 963	9 142	9 325	9 512	9 702	9 896	10 094	10 296	10 502
Insurance	22 000	22 440	22 889	23 347	23 814	24 290	24 776	25 271	25 777	26 292	26 818	27 354	27 901	28 459	29 028	29 609	30 201	30 805
Accounting	6 500	6 670	6 843	7 020	7 201	7 385	7 572	7 764	7 961	8 162	8 368	8 579	8 794	9 014	9 239	9 468	9 701	9 938
Rec Assessment Fee	6 500	6 630	6 763	6 898	7 036	7 177	7 320	7 465	7 614	7 767	7 923	8 082	8 244	8 408	8 577	8 748	8 923	9 102
Billing Costs	193 500	197 370	201 317	205 344	209 451	213 640	217 912	222 271	226 718	231 250	235 875	240 593	245 405	250 313	255 319	260 426	265 634	270 947
<b>Total District Expenses</b>	<b>424 183</b>	<b>433 582</b>	<b>443 218</b>	<b>453 061</b>	<b>463 133</b>	<b>473 438</b>	<b>483 877</b>	<b>494 551</b>	<b>505 469</b>	<b>516 632</b>	<b>528 050</b>	<b>539 734</b>	<b>551 685</b>	<b>563 914</b>	<b>576 432</b>	<b>589 250</b>	<b>602 378</b>	<b>615 817</b>
<b>Veolia Operations</b>																		
Operations & Maintenance (cost model rev)	0	#N/A																
Repair & Maintenance (cost model rev)	0	#N/A																
Inspection - Tax Development (equal to revenue)	37 500	38 625	39 784	40 977	43 473	44 777	46 120	47 504	48 929	50 397	51 909	53 466	55 070	56 722	58 424	60 176	61 982	
<b>Total Veolia Expenses</b>	<b>#N/A</b>																	
<b>Income From Operations</b>	<b>#N/A</b>																	
<b>Non-Operating Revenue (Expense)</b>																		
Interest Earnings	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Gain on Sale of Surplus Property	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Amortization Expense	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Bond Service Expense	-2 073	-1 658	-1 232	-781	-272	0	0	0	0	0	0	0	0	0	0	0	0	0
Interest Expense	-156 556	-140 651	-128 879	-111 905	-95 913	-82 623	-72 521	-62 031	-51 136	-39 827	-28 083	-15 888	-3 228	0	0	0	0	0
<b>Total Non-Operating Revenue (Expense)</b>	<b>-158 629</b>	<b>-142 307</b>	<b>-127 911</b>	<b>-112 687</b>	<b>-96 186</b>	<b>-82 823</b>	<b>-72 521</b>	<b>-62 031</b>	<b>-51 136</b>	<b>-39 827</b>	<b>-28 083</b>	<b>-15 888</b>	<b>-3 228</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Income from Operations</b>	<b>#N/A</b>																	

Available Cash Flow																		
<b>Income from Operations</b>	#N/A																	
Add Back - Depreciation	193 500	197 370	201 317	205 344	209 451	213 640	217 912	222 271	226 718	231 250	235 875	240 593	245 405	250 313	255 319	260 426	265 634	270 947
Principal - Revenue Bonds	-120 000	-128 000	-128 000	-140 000	-160 000	0	0	0	0	0	0	0	0	0	0	0	0	0
Principal - Notes Payable	-218 175	-228 544	-235 235	-244 258	-253 628	-263 358	-273 460	-283 951	-294 843	-306 154	-317 890	-330 093	-342 765	0	0	0	0	0
Capital Lease Obligation	-64 967	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Capital Improvements</b>																		
Lines	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Fleet	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Lifts	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Plant	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Annual Available Cash Flow</b>	<b>#N/A</b>																	

**JUNE 2007 BOARD MEETING  
RADCLIFF SEWER SYSTEM FINANCIAL PROJECTION  
REVISED PROJECTION - WITH COMMENTS ON CHANGES**

Assumed starting 7/07.

Revenue with rate increase is projected at \$3,466,970 for end of this FY. 2007/08 would be projected at \$3,602,6

Cut to from \$51,000 to \$18,750 1st yea

Hardin County Water  
Wastewater - Enterprise Fund

ASSUMPTIONS INCLUDED	
Veolia Annual Inflation Escalator	2.5%
Hardin Co. Annual Inflation Escalator	2.5%

Cut from \$15,000 t  
Cut from \$16,500 t

Fee will stop use c

Assume 10% Rate

	Year 1 0	Year 2 1%	Year 3 2%	Year 4 4%	Year 5 3%	Year 6 10%
Customers	8500	8585	8843	9196	9472	10419
Year Ended	30-Jun-08	30-Jun-08	30-Jun-09	30-Jun-10	30-Jun-11	30-Jun-12
<b>Operating Revenue:</b>						
Charges For Services	\$ 3,602,679	\$ 3,092,898	\$ 3,185,686	\$ 3,313,113	\$ 3,412,507	\$ 3,753,757
Franchise Fee	\$ 108,080	\$ 92,787	\$ 95,571	\$ 99,393	\$ 102,375	\$ 112,613
Taxes	\$ 35,713	\$ 38,070	\$ 36,972	\$ 37,896	\$ 38,844	\$ 39,815
Tap Development (Raised Fee \$50)	\$ 18,750	\$ 17,170	\$ 53,055	\$ 73,570	\$ 56,833	\$ 208,387
Customer Backup (New Fee Never Charged)	\$ 7,500	\$ 15,000	\$ 10,000	\$ 5,000	\$ 2,500	\$ 2,500
IPP	\$ 8,250	\$ 16,500	\$ 16,995	\$ 17,875	\$ 18,205	\$ 20,026
Planning and Mgt Fees of Ft Knox	\$ 30,000	\$ 30,300	\$ 31,209	\$ 32,457	\$ 33,431	\$ 36,774
Other Revenue - Interest, late fees and other	\$ 25,000	\$ 25,250	\$ 26,008	\$ 27,048	\$ 27,859	\$ 30,645
<b>Total Operating Revenues</b>	<b>\$ 3,835,972</b>	<b>\$ 3,325,976</b>	<b>\$ 3,455,495</b>	<b>\$ 3,606,153</b>	<b>\$ 3,692,554</b>	<b>\$ 4,204,517</b>
<b>Operating Expenses:</b>						
<i>District</i>						
Funds in hand with Ft Knox project.						
Personnel - Construction Mgr/Finance	\$ 100,000	\$ 102,500	\$ 105,063	\$ 107,689	\$ 110,381	\$ 113,141
Franchise Fee	\$ 108,080	\$ 92,787	\$ 95,571	\$ 99,393	\$ 102,375	\$ 112,613
Taxes	\$ 35,713	\$ 38,070	\$ 36,972	\$ 37,896	\$ 38,844	\$ 39,815
Lawyer	\$ 7,500	\$ 7,688	\$ 7,880	\$ 8,077	\$ 8,279	\$ 8,486
Insurance	\$ 22,000	\$ 22,550	\$ 23,114	\$ 23,692	\$ 24,284	\$ 24,891
Accounting	\$ 8,500	\$ 8,713	\$ 8,930	\$ 9,154	\$ 9,382	\$ 9,617
Reg Assessment Fee	\$ 6,500	\$ 6,663	\$ 6,829	\$ 7,000	\$ 7,175	\$ 7,354
Billing Costs	\$ 193,500	\$ 198,338	\$ 203,296	\$ 208,378	\$ 213,588	\$ 218,927
<b>Total District Expenses</b>	<b>\$ 481,793</b>	<b>\$ 475,307</b>	<b>\$ 487,654</b>	<b>\$ 501,279</b>	<b>\$ 514,308</b>	<b>\$ 534,843</b>
<i>Veolia Operations</i>						
Operations & Maintenance	\$ 1,615,257	\$ 1,655,638	\$ 1,697,029	\$ 1,739,455	\$ 1,782,941	\$ 1,827,515
Repair & Maintenance	\$ 208,602	\$ 213,817	\$ 219,162	\$ 224,642	\$ 230,258	\$ 236,014
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total Veolia Expenses</b>	<b>\$ 1,823,859</b>	<b>\$ 1,869,455</b>	<b>\$ 1,916,192</b>	<b>\$ 1,964,097</b>	<b>\$ 2,013,199</b>	<b>\$ 2,063,529</b>
KIA 2001-A (p+i) (actually KLC pool)	\$ 148,280	\$ 147,870	\$ 142,164	\$ 150,964	\$ 163,831	
KIA Loan A97-03 R&M Reserve Fund	\$ 30,100	\$ 30,100	\$ 30,100	\$ 30,100	\$ 30,100	
KIA Loan A97-03 (p+i)	\$ 352,708	\$ 352,268	\$ 351,811	\$ 351,335	\$ 350,842	\$ 350,330
Danville Bonds (p+i)	\$ 169,606					
<b>Total Debt</b>	<b>\$ 700,694</b>	<b>\$ 530,238</b>	<b>\$ 524,075</b>	<b>\$ 532,399</b>	<b>\$ 544,773</b>	<b>\$ 350,330</b>
Fleet Replacement	\$ 13,800	\$ 13,800	\$ 25,000	\$ 35,000	\$ 65,000	\$ 65,000
Plant Replacement	\$ 50,000	\$ 60,000	\$ 75,000	\$ 75,000	\$ 75,000	\$ 200,000
Lift Station Replacement	\$ 575,000	\$ 200,000	\$ 200,000	\$ 225,000	\$ 225,000	\$ 250,000
Line Replacement	\$ 150,000	\$ 150,000	\$ 200,000	\$ 225,000	\$ 225,000	\$ 300,000
Engineering Design/Inspection						
Misc Planning & Studies						
<b>Replacement Subtotal</b>	<b>\$ 788,800</b>	<b>\$ 413,800</b>	<b>\$ 500,000</b>	<b>\$ 560,000</b>	<b>\$ 590,000</b>	<b>\$ 815,000</b>
<b>Total</b>	<b>\$ 40,826</b>	<b>\$ 37,176</b>	<b>\$ 27,575</b>	<b>\$ 48,379</b>	<b>\$ 30,274</b>	<b>\$ 440,814</b>

We included the cost of billing that is already being paid  
Cost being adjusted up because of 2007 raises propose

A July 07 or later start would not have this expense.

79. 85% 2nd year would be \$3,062,277 + 1% growth

ir due to new construction off and new fees must be approved by PSC

o \$7,500 1st year because City is not currently charging.

o \$8,250 1st Year. Ordinance is in place.

if City cleaning lateral lines.

Increase

	Year 7 1% 10524 30-Jun-13	Year 8 1% 10629 30-Jun-14	Year 9 1% 10735 30-Jun-15	Year 10 1% 10842 30-Jun-16	Year 11 10% 11927 30-Jun-17
\$	3,791,295	\$ 3,829,208	\$ 3,867,500	\$ 3,906,175	\$ 4,296,793
\$	113,739	\$ 114,876	\$ 116,025	\$ 117,185	\$ 128,904
\$	40,810	\$ 41,830	\$ 42,876	\$ 43,948	\$ 45,047
\$	21,047	\$ 21,258	\$ 21,470	\$ 21,685	\$ 238,533
\$	2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500
\$	20,226	\$ 20,428	\$ 20,632	\$ 20,839	\$ 22,923
\$	37,142	\$ 37,513	\$ 37,888	\$ 38,267	\$ 42,094
\$	30,952	\$ 31,261	\$ 31,574	\$ 31,889	\$ 35,078
\$	4,057,710	\$ 4,098,875	\$ 4,140,466	\$ 4,182,489	\$ 4,811,871
\$	115,969	\$ 118,869	\$ 121,840	\$ 124,886	\$ 128,008
\$	113,739	\$ 114,876	\$ 116,025	\$ 117,185	\$ 128,904
\$	40,810	\$ 41,830	\$ 42,876	\$ 43,948	\$ 45,047
\$	8,698	\$ 8,915	\$ 9,138	\$ 9,366	\$ 9,601
\$	25,513	\$ 26,151	\$ 26,805	\$ 27,475	\$ 28,162
\$	9,857	\$ 10,104	\$ 10,356	\$ 10,615	\$ 10,881
\$	7,538	\$ 7,726	\$ 7,920	\$ 8,118	\$ 8,321
\$	224,401	\$ 230,011	\$ 235,761	\$ 241,655	\$ 247,696
\$	546,525	\$ 558,482	\$ 570,721	\$ 583,249	\$ 606,819
\$	1,873,203	\$ 1,920,033	\$ 1,968,034	\$ 2,017,235	\$ 2,067,666
\$	241,914	\$ 247,962	\$ 254,161	\$ 260,515	\$ 267,028
\$	-	\$ -	\$ -	\$ -	\$ -
\$	2,115,117	\$ 2,167,995	\$ 2,222,195	\$ 2,277,750	\$ 2,334,694
\$	349,798	\$ 349,246	\$ 348,672	\$ 348,077	\$ 347,459
\$	349,798	\$ 349,246	\$ 348,672	\$ 348,077	\$ 347,459
\$	65,000	\$ 65,000	\$ 65,000	\$ 65,000	\$ 65,000
\$	200,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 250,000
\$	300,000	\$ 325,000	\$ 325,000	\$ 325,000	\$ 325,000
\$	300,000	\$ 300,000	\$ 300,000	\$ 300,000	\$ 350,000
\$	865,000	\$ 890,000	\$ 890,000	\$ 890,000	\$ 990,000
\$	181,270	\$ 133,151	\$ 108,878	\$ 83,413	\$ 533,100

d for City staff. Final numbers in process.

S

## CITY OF RADCLIFF PAST AND FUTURE UTILITY FINANCIAL

	-3 2003/04	-2 2004/05	-1 2005/06	1 2006/07	2 2007/08	3 2008/09	4 2009/10	5 2010/11
<b>O&amp;M Revenue</b>	0	0	0	0	0	0	0	0
Fees for Consumptions	0	0	0	0	0	0	0	0
Service Charges	0	0	215000	215000	215000	215000	215000	215000
Annual Customer Growth %			3.0%	3.0%	4.0%	5.0%	5.0%	3.0%
Annual Customer Growth \$			6450	12900	21500	32250	43000	49450
<b>Total Revenue</b>	0	0	221450	227900	236500	247250	258000	264450
<b>O&amp;M Expenses</b>								
District Salaries/Benefits	0	0	58000	59160	60343.2	61550.064	62781.06528	64036.68659
Legal	0	0	7500	7500	7500	7500	7500	7500
Accounting	0	0	8500	8670	8670	8843.4	8843.4	8843.4
Insurance	0	0	22000	22440	22888.8	23346.576	23813.50752	24289.77767
Reg Assesment Fee	0	0	6500	6500	6500	6500	6500	6500
Franchise Fee	0	0	0	0	0	0	0	0
<b>Administration Subtotal</b>	0	0	102500	104270	105902	107740.04	109437.9728	111169.8643
Veolia Operations	0	0	0	0	0	0	0	0
Veolia Maintenance	0	0	0	0	0	0	0	0
<b>Subtotal Veolia</b>	0	0	0	0	0	0	0	0
<b>Current Debt Service</b>			888832	670594	500138	493975	502299	514673
<u>New Debt Service:</u>								
Principal	0	0	0	0	0	0	0	0
Interest	0	0	0	0	0	0	0	0

<b>Total New Debt Payment</b>	0	0	0	0	0	0	0	0
New Bond Proceeds	0	0	0	0	-0	0	0	0
Fleet Replacement	0	0	0	0	0	0	0	0
Plant Replacement	0	0	0	0	0	0	0	0
Lift Station Replacement	0	0	0	0	0	0	0	0
Line Replacement	0	0	0	0	0	0	0	0
Engineering Design/Inspection	0	0	0	0	0	0	0	0
Misc Planning & Studies	0	0	0	0	0	0	0	0
<b>Replacement Subtotal</b>	0	0	0	0	0	0	0	0
<b>Total Expense</b>	0	0	102500	104270	105902	107740.04	109437.9728	111169.8643
<b>Balance</b>	0	0	118950	123630	130598	139509.96	148562.0272	153280.1357
<b>Debt Coverage Ratio</b>								

First year would be our pricing

This info from City Audits of last 3 years.

# L PROJECTION

6	7	8	9	10	11	12
2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18
0	0	0	0	0	0	0
0	0	0	0	0	0	0
215000	215000	215000	215000	215000	215000	215000
2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
53750	58050	62350	66650	70950	75250	79550
<b>268750</b>	<b>273050</b>	<b>277350</b>	<b>281650</b>	<b>285950</b>	<b>290250</b>	<b>294550</b>
65317.42032	66623.76872	67956.2441	69315.36898	70701.67636	72115.70989	73558.02408
7500	7500	7500	7500	7500	7500	7500
9020.268	9020.268	9020.268	9200.67336	9200.67336	9200.67336	9384.686827
24775.57322	25271.08469	25776.50638	26292.03651	26817.87724	27354.23478	27901.31948
6500	6500	6500	6500	6500	6500	6500
0	0	0	0	0	0	0
<b>113113.2615</b>	<b>114915.1214</b>	<b>116753.0185</b>	<b>118808.0788</b>	<b>120720.227</b>	<b>122670.618</b>	<b>124844.0304</b>
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
350330	349798	349246	348672	348077	347459	519978
0	0	0	0	0	0	0
0	0	0	0	0	0	0

0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
113113.2615	114915.1214	116753.0185	118808.0788	120720.227	122670.618	124844.0304	
155636.7385	158134.8786	160596.9815	162841.9212	165229.773	167579.382	169705.9696	

model and future years projections except for debt which is scheduled

# Ray, Foley, Hensley & Company, PLLC

Certified Public Accountants and Consultants

Dennis H. England, CPA  
Michael D. Foley, CPA  
Lyman Hager, Jr., CPA  
Jerry W. Hensley, CPA  
J. Carroll Luby, CPA  
Marc T. Ray, CPA-ABV

Board of Commissioners  
Hardin County Water District No. 1  
1400 Rogersville Road  
Radcliff, KY 40160

Dear Sirs:

We have been asked by Jim Bruce, General Manager to review the reasonableness of the overall estimated projections for the Districts acquisition and operation of the City of Radcliff's wastewater collection and treatment system. These estimates were developed by Jim Bruce and Rob Nicholas of Veolia Water, North America, South.

We obtained the detailed spreadsheets in electronic and paper form including all the underlying assumptions and supporting documents, including board minutes, City of Radcliff's 2006 audit report, the City of Radcliff's interim financial statements for the period ended April 30, 2007, and projected budgets for HCWD1 for 2006 to 2011.

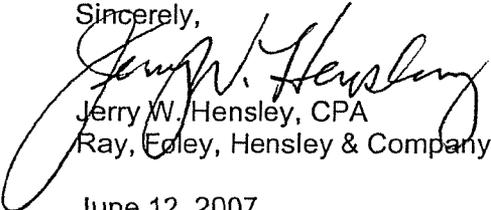
We understand that you are aware of each of the underlying assumptions used in the preparation of the projections.

Please be cautioned that prospective financial results may not be achieved. Projected results are dependent upon the realization of the underlying assumptions.

We believe the overall projections to be reasonable and the effect on the District's financial position will be positive if the key elements of the Memorandum of Understanding are agreed as proposed.

This letter is intended for management use only and is not intended to be distributed to any other parties.

Sincerely,

  
Jerry W. Hensley, CPA  
Ray, Foley, Hensley & Company, PLLC

June 12, 2007

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Members American Institute of Certified Public Accountants and Kentucky Society of Certified Public Accountants

**CITY OF RADCLIFF, KENTUCKY**

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**INDEPENDENT AUDITOR'S REPORT ON FINANCIAL STATEMENTS  
AND SUPPLEMENTARY INFORMATION**

**YEAR ENDED JUNE 30, 2007**

CITY OF RADCLIFF, KENTUCKY

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INDEPENDENT AUDITOR'S REPORT

Honorable Mayor,  
Members of the City Council  
and Director of Finance  
City of Radcliff, Kentucky

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Radcliff, Kentucky, as of and for the year ended June 30, 2007, which collectively comprise the City's basic financial statements, as listed in the table of contents. These financial statements are the responsibility of the City of Radcliff, Kentucky's management. Our responsibility is to express opinions on these financial statements based on our audit.

Except as discussed in the following paragraph, we conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

The financial statements of North Hardin Economic Development Authority, Inc. have not been audited, and we were not engaged to audit the North Hardin Economic Development Authority, Inc.'s financial statements as part of our audit of the City's basic financial statements. North Hardin Economic Development Authority, Inc.'s financial activities are included in the City's basic financial statements as a discretely presented component unit and represent 94%, 94%, and 63% of the assets, net assets, and revenues, respectively, of the City's aggregate discretely presented component units.

In our opinion, except for the effects of such adjustments, if any, as might have been determined to be necessary had North Hardin Economic Development Authority, Inc.'s financial statements been audited, the financial statements referred to above present fairly, in all material respects, the financial position of the aggregate discretely presented component units for City of Radcliff, as of June 30, 2007, and the changes in financial position thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In addition, in our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information for City of Radcliff, Kentucky, as of June 30, 2007, and the respective changes in financial position, and, where applicable, cash flows, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

## INDEPENDENT AUDITOR'S REPORT, Continued

In accordance with *Government Auditing Standards*, we have also issued our report dated December 18, 2007, on our consideration of City of Radcliff, Kentucky's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The management's discussion and analysis and the budgetary comparison information, on pages 3 through 8 and 30, are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Radcliff, Kentucky's basic financial statements. The combining and individual nonmajor fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual nonmajor fund financial statements have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

*Clauson, Messer & Co., PC*

Certified Public Accountants  
December 18, 2007

REQUIRED SUPPLEMENTARY INFORMATION

**CITY OF RADCLIFF, KENTUCKY  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED JUNE 30, 2007**

The discussion and analysis of City of Radcliff, Kentucky's financial performance provides an overall review of the City's financial activities for the fiscal year ended June 30, 2007. The intent of this discussion and analysis is to review the City's financial performance as a whole. Readers should also review the basic financial statements and notes to the basic financial statements to enhance their understanding of the City's financial performance.

**FINANCIAL HIGHLIGHTS**

- The ending cash balance for the General Fund was \$4.38 million; the ending cash balance for the Sewer Fund was \$3.30 million; and the ending cash balance for the Stormwater Utility Fund was approximately \$443,500. The combined cash balances for the City was \$8.13 million, which reflects an increase in cash during the year of approximately \$383,000.
- Governmental activities (General Fund and Challenger Special Revenue Fund) had \$13.4 million and business-type activities (Sewer Fund and Stormwater Utility Fund) had \$4.9 million in revenue for the year. Combined revenue for the City was \$18.3 million, which reflects an increase in revenue during the year of approximately \$2.4 million.
- Governmental activities had \$10.5 million and business-type activities had \$3.4 million (including sewer and stormwater system improvements) in expenses for the year. Combined expenses for the City were \$13.9 million, which reflects a decrease in expenses during the year of approximately \$110,000.
- The City incurred new debt in August for \$1.75 million by entering into a four-year repayment lease for the purpose of purchasing capital equipment over the next three fiscal years.
- The City paid off old debt in April by retiring a twenty-year obligation of which proceeds were used for the construction of the Hall of Justice and the upgrading of the Radcliff sewer system.
- Governmental activities retired total debt of \$976,770 during the fiscal year leaving a principal balance of \$9.58 million and business-type activities retired total debt of \$378,479 leaving a principal balance of \$3.7 million.
- Accepted subdivision roads during the year added \$2.66 million to the City's General Fund fixed assets
- End-of-year capital assets listed at purchase price less accumulated depreciation totaled \$23.3 million for governmental activities and \$18.8 million for business-type activities for a total of \$42.1 million, which is up \$4.2 million from last year.

USING THIS ANNUAL REPORT

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

**Government-wide financial statements.** The government-wide financial statements are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private-sector business.

Component units, which are other governmental units over which the City can exercise influence and/or may be obligated to provide financial subsidy, are presented as a separate column of the government-wide financial statements. The focus of the statements is clearly on the primary government and the presentation allows the user to address the relative relationship with the component units.

The statement of net assets presents information on all of the City's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The statement of activities presents information showing how the City's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

The government-wide financial statements outline functions of the City that are principally supported by property taxes, license fees and permits, insurance premiums taxes, user charges and intergovernmental revenues (governmental activities). The governmental activities of the City include administration, law enforcement, fire, public works, parks and recreation, planning, and challenger. The business-type activities of the City include wastewater and stormwater. Fixed assets and related debt are also supported by the revenue sources mentioned above.

The government-wide financial statements can be found on pages 9-10 of this report.

**Fund financial statements.** A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into two categories: governmental and proprietary. The proprietary funds are wastewater and stormwater. All other activities of the City are included in the governmental funds.

The basic fund financial statements can be found on pages 11-17 of this report.

**Notes to the financial statements.** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 18-29 of this report.

## THE CITY AS A WHOLE

The City's combined net assets increased approximately \$4,707,048, or 14 percent, from a year ago. Our analysis below focuses on the net assets and changes in net assets of the primary government.

### Net Assets June 30, 2007 and 2006

	Governmental Activities		Business-type Activities		Total Primary Government	
	2007	2006	2007	2006	2007	2006
Current and Other Assets	\$ 6,512,033	\$ 5,833,351	\$ 4,369,388	\$ 4,176,774	\$10,881,421	\$ 10,010,125
Capital Assets	<u>23,313,344</u>	<u>20,235,539</u>	<u>18,841,929</u>	<u>17,707,264</u>	<u>42,155,273</u>	<u>37,942,803</u>
<b>Total Assets</b>	<b><u>29,825,377</u></b>	<b><u>26,068,890</u></b>	<b><u>23,211,317</u></b>	<b><u>21,884,038</u></b>	<b><u>53,036,694</u></b>	<b><u>47,952,928</u></b>
Long-term debt	9,795,379	9,042,474	3,726,279	4,108,217	13,521,658	13,150,691
Other Liabilities	<u>481,168</u>	<u>448,346</u>	<u>299,862</u>	<u>326,933</u>	<u>781,030</u>	<u>775,279</u>
<b>Total Liabilities</b>	<b><u>10,276,547</u></b>	<b><u>9,490,820</u></b>	<b><u>4,026,141</u></b>	<b><u>4,435,150</u></b>	<b><u>14,302,688</u></b>	<b><u>13,925,970</u></b>
<b>Net Assets</b>						
Investment in capital assets (net of debt)	13,734,934	11,430,359	15,139,173	13,626,030	28,874,107	25,056,389
Restricted	1,246,533	494,638	—	—	1,246,533	494,638
Unrestricted	<u>4,567,363</u>	<u>4,653,073</u>	<u>4,046,003</u>	<u>3,822,858</u>	<u>8,613,366</u>	<u>8,475,931</u>
<b>Total Net Assets</b>	<b><u>\$19,548,830</u></b>	<b><u>\$16,578,070</u></b>	<b><u>\$19,185,176</u></b>	<b><u>\$17,448,888</u></b>	<b><u>\$38,734,006</u></b>	<b><u>\$34,026,958</u></b>

Approximately 77.8 percent of the City's net assets are restricted as to the purpose they can be used for or are invested in capital assets. Those net assets increased approximately 17.9 percent. This increase is primarily due to the addition of \$2.66 million of city subdivision accepted roads.

The remaining 22.2 percent of the City's net assets are unrestricted. Unrestricted net assets can be used to finance the day-to-day operations without constraints established by debt covenants, enabling legislation or other legal requirements. Unrestricted net assets increased approximately 1.6 percent. The increase is primarily due to additional sewer revenues being escrowed into Sewer Fund reserves for future system improvements.

**Changes in Net Assets**  
**Years Ended June 30, 2007 and 2006**

	Governmental Activities		Business-type Activities		Total Primary Government	
	2007	2006	2007	2006	2007	2006
<b>REVENUES:</b>						
<b>Program revenues:</b>						
Charges for services	\$ 280,444	\$ 404,684	\$4,080,069	\$4,070,900	\$ 4,360,513	\$ 4,475,584
Operating grants and contributions	1,620,074	785,238	--	25,000	1,620,074	810,238
Capital grants and contributions	397,223	1,130,852	642,920	--	1,040,143	1,130,852
<b>General revenues:</b>						
Property taxes	1,446,519	1,470,639	--	--	1,446,519	1,470,639
Franchise taxes	582,009	684,952	--	--	582,009	684,952
Insurance premium taxes	2,011,655	1,998,605	--	--	2,011,655	1,998,605
Occupational tax	2,900,546	2,605,361	--	--	2,900,546	2,605,361
Licenses & permits	1,032,533	1,054,674	--	--	1,032,533	1,054,674
Fees, fines, forfeitures	202,986	72,688	--	--	202,986	72,688
Other revenue	250,901	234,675	215,674	160,451	466,575	395,126
Transfers In (Out)	(9,146)	(1,500)	9,146	1,500	--	--
Gain on sale of assets	12,024	240,977	--	--	12,024	240,977
Contributed infrastructure	<u>2,659,387</u>	<u>968,223</u>	<u>--</u>	<u>--</u>	<u>2,659,387</u>	<u>968,223</u>
<b>Total revenues</b>	<b>13,387,155</b>	<b>11,650,068</b>	<b>4,947,809</b>	<b>4,257,851</b>	<b>18,334,964</b>	<b>15,907,919</b>
<b>EXPENSES:</b>						
<b>Governmental activities:</b>						
Administration	1,095,405	1,927,363	--	--	1,095,405	1,927,363
Law enforcement	3,871,020	3,705,012	--	--	3,871,020	3,705,012
Fire	1,908,815	1,657,702	--	--	1,908,815	1,657,702
Parks & recreation	625,417	469,370	--	--	625,417	469,370
Public works	2,053,141	1,878,101	--	--	2,053,141	1,878,101
Planning & development	540,554	545,218	--	--	540,554	545,218
Challenger learning center	421,895	386,005	--	--	421,895	386,005
Loss on sale of asset	6,930	3,232	--	--	6,930	3,232
<b>Business-type activities:</b>						
Stormwater	--	--	550,497	517,830	550,497	517,830
Wastewater	--	--	<u>2,856,233</u>	<u>2,950,894</u>	<u>2,856,233</u>	<u>2,950,894</u>
<b>Total expenses</b>	<b><u>10,523,177</u></b>	<b><u>10,572,003</u></b>	<b><u>3,406,730</u></b>	<b><u>3,468,724</u></b>	<b><u>13,929,907</u></b>	<b><u>14,040,727</u></b>
<b>Changes in net assets</b>	<b><u>\$2,863,978</u></b>	<b><u>\$1,078,065</u></b>	<b><u>\$1,541,079</u></b>	<b><u>\$ 789,127</u></b>	<b><u>\$ 4,405,057</u></b>	<b><u>\$ 1,867,192</u></b>

Revenues increased approximately 15 percent overall. The two greatest increases came from contributed infrastructure by the acceptance of \$2.66 million of city accepted subdivision roads and from operating grants by receiving state grants for road resurfacing for \$542,271 and new sidewalk construction in the amount of \$280,212.

Total expenses decreased approximately .79 percent. The decrease in expenses is largely due to the reduction in Administration from the previous years economic development incentive contribution in the amount of \$900,000. All other departments other than two, Planning/Development and Wastewater, had increases to their operational expenditures.

The difference between the change in net assets on page 4 and the change in net assets above is \$301,991, which includes two prior period adjustments. One prior period adjustment in the amount of \$106,782 is included in the general fund government-wide Statement of Activities and was for property abatement receivables that were measurable, but not available. The other prior period adjustment in the amount of \$195,209 is included in the wastewater fund Statement of Activities and was for accumulated depreciation differences.

To aid in the understanding of the Statement of Activities some additional explanation is given. Of particular interest is the format that is significantly different than a typical Statement of Revenues, Expenditures and Changes in Fund Balance. You will notice that expenses are listed in the first column with revenues from that particular program reported to the right. The result is a net (expense)/revenue. The reason for this kind of format is to highlight the relative financial burden of each of the functions of the City.

## FINANCIAL ANALYSIS OF THE CITY'S GOVERNMENTAL FUNDS

At the completion of the City's fiscal year end, the governmental funds as presented in the balance sheet on page 11 increased approximately \$430,000 or 8 percent from the prior year. There are two factors that had an impact on this overall increase, even though the cash and cash equivalents decreased by approximately \$600,000. Total account receivables at year end increased approximately \$300,000 and restricted assets investments increased approximately \$1,000,000 due to new lease financing in August of \$1.75M for equipment and capital projects.

### GENERAL FUND – BUDGET HIGHLIGHTS

The City's budget is prepared according to Kentucky law. The most significant budgeted fund is the General Fund.

Revenues were budgeted at \$9.9 million with actual amounts of \$9.9 million. Budgeted expenditures of \$11.9 million compare with actual expenditures of \$10.9 million. The variance between budgeted expenditures and actual expenditures is favorable.

### CAPITAL ASSET AND DEBT ADMINISTRATION (FY 2006-2007)

Capital purchases and projects funded during FY 2007 were funded from either operating budget revenue, borrowed lease proceeds, or grant program proceeds. The appropriations include the following departmental purchases of note: five police MDT laptops for \$23K; a generator for the police radio tower at CLC for \$20K; a van for the police evidence section for \$16K; six MDT equipped police cruisers for \$239K; an economic development study by The Buxton Co. for \$60K; a compressor cascade system for the Fire Dept for \$30K; trench rescue equipment for the Fire Dept for \$31K; a vehicle for the additional hired Fire Inspector for \$34K; chassis payment for a new Fire Dept tanker truck for \$83K; a replacement truck in the Recreation Dept for \$18K; upgrades to the kitchen appliances at the Colvin Center for \$17K(state funded GOLD grant); Dawley Park project development expenses for \$30K; Atcher Cabin relocation to Saunders Springs for \$36K; two trucks for Public Works Dept for \$50K; side sickle and median mowers for \$21K; replacement project of city street signs for \$72K; sidewalk construction along S Wilson Rd and W Lincoln Trail for \$280K(federal funded grant); street resurfacing for \$756K(state funded grant portion \$292K); a vehicle in the Planning Dept for \$19K; an underground stormwater mapping project with the University of Kentucky for \$49K; completion of drainage enhancement projects for \$161K; a lift station bypass pump for \$28K; a replacement Bobcat loader for the Sewer Dept for \$23K; new sewer system lift stations and line replacements for \$111K; sewer plant basin's cleanout and replacement for \$247K; Boone Trace force main replacement project for \$421K; and Hwy 313 to Cowley Estates sewer line extension project for \$662K.

The City of Radcliff entered into a three-year capital funding lease plan in August of 2006 to address the capital purchase needs of the City for the next three fiscal years concluding FY 2008-2009. The total amount borrowed was \$1.75 million to be paid off in four years ending in June 2010. The amount allocated from this lease for current fiscal year expenses is approximately \$834,700. A road resurfacing improvement lease entered into last fiscal year for \$1.1 million was fully expended in August 2006. This lease has a ten-year repayment obligation to be paid off in August 2015. The need of those funds was to allow the City to resurface all maintained streets every fifteen years rather than every twenty years which was the plan in place prior to the availability of those funds. The twenty-year lease obligation for the construction of the police station and system improvements to the sewer system was paid off in April 2007. The retirement of this debt made available \$157,600 to be reallocated elsewhere in the General and Sewer Fund budgets for FY 2008. The Special Revenue Fund (Challenger Center) continues to payback the debt for the construction of the Learning Center in 1999 by allocating \$215,000 for the fiscal year with full retirement of the debt in December of 2018. The Sewer Fund had three existing debt obligations entering FY 2007. The first for system improvements was retired in April. The second was started in 1999 for the construction expansion of the sewer plant and will pay out in December 2018. The last obligation started in 1991 was for further system improvements and will pay out in November 2010.

## ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES (FY 2006-2007)

The ad valorem real property tax rate for FY 2006-2007 (2006 tax year) was set at .162 per \$100 of assessed valuation and the personal property tax rate was set at .203 per \$100. These rates were established after the City voted in October of 2006 to set the rates 2.5% above the computed (compensating) rates of .158 for real property and .198 for personal property. New property added to the tax roll for FY 2007 over the previous year is nearly \$18M and the total taxable real property increase is \$43M. The total assessed homestead/disability exempted real property for FY 2007 is \$32.2M, which is \$600K more than last year. The cost to the City for FY 2007 in having Hardin Co PVA assess city property and provide certified valuations is \$38K.

The largest revenue source to the City's General Fund continues to be occupational payroll taxes with a budget of \$2.8M for FY 2006-2007. Economic development relocation incentives continue to be a part of the occupational tax revenue of the City. The City continues to rebate payroll taxes to both Cardinal Health and Pulau Electronics as part of ten year agreements. The City entered into a third ten year incentive rebate program in March of 2007 with the expansion of US Cavalry into the Millpond Business Park.

Several federal and state awarded grants continue to aid the City in supplanting current General and Sewer Fund expenses. A 2005 COPS Technology Initiative grant awarded in December of 2004 was fully expended during the fiscal year for \$62K. A federal transportation grant for \$467,366 administered by the Ky Transportation Cabinet for new sidewalk construction along S. Wilson Rd and W. Lincoln Trail awarded in March of 2006 began with expenses of \$280K during the year. The balance of this grant will be fully expended next fiscal year. A federal Staffing for Adequate Fire & Emergency Response (SAFER) grant was awarded in October of 2006 for the staffing of three new full-time firefighters over a four year period. The federal share portion of this grant is \$306K. A state grant from the Ky Transportation Cabinet for \$292K to resurface city streets was awarded and fully expended. A state grant from the Governor's Office For Local Development (GOLD) was awarded for \$250K in order to renovate the Colvin Community Center and city pool. Only a portion of these funds were expended during the fiscal year. Finally, two remaining state grants of significance awarded to the Sewer Department were initiated during the year. Grant funds of \$643K awarded by the Ky Infrastructure Authority(KIA) were spent for the replacement of the plant basin liners and for the replacement of the Boone Trace force main and lift station.

The rising retirement employer contribution rates continue to be a significant threat to the General Fund budget of the City. Employer rates for FY 2008 of 16.17% and 33.87% for non-hazardous and hazardous duty employees cost the City over \$1.2M. The dollar impact of this increase in FY 2008 over FY 2007 is \$240K. The Kentucky League of Cities on behalf of all Kentucky cities is participating in the Governor's Blue Ribbon Commission on public employee's retirement systems to identify funding problems and obstacles and hopefully outline potential solutions to lessen the financial impact on cities. Another financial impact to cities is the potential loss of local government insurance premium taxes due to miscoding of risk locations by insurance companies. Cities are very limited in the amount of information they can be provided by the insurance industry when questions of inconsistency are raised. Several city sponsored state associations have hired the consulting firm of Thompson Consulting Group LLC to research the current collection problems with this tax and to provide recommendations to the Kentucky legislature and the Kentucky Department of Revenue. Hopefully solutions will be enacted by statute in the near future.

There have been new revisions to Chapter 67 of the Ky Revised Statutes (KRS) pertaining to the amendment of local occupational/business license tax ordinances and the corresponding compliance deadline of July 2008. The purpose of this statute revision is to create a uniform method of apportionment of the license fee of gross receipts and net profits in every local taxing jurisdiction. The City has been drafting a revision to its business license ordinance to comply with the new statute which will be presented for consideration in the near future. It is unknown at this time on how the new apportionment calculation method of the license fee will impact either positively or negatively the City's business license revenues.

The City of Radcliff and Hardin County Water District #1 (HCWD) entered into a Memorandum Of Understanding (MOU) in March of 2006 to study the possibility of HCWD providing sewer utility services for Radcliff residents in the ownership and operation of the Radcliff wastewater system. Findings of this study were presented by HCWD to the City in January of 2007. Based upon those findings, both parties then jointly agreed to begin the process of drafting a MOU for the potential transfer of the sewer system to HCWD. A completed MOU draft voted on by both parties is expected to be completed in the Fall of 2008. Subsequent to this document and vote, a final contract for the system transfer would still need to be voted on by both parties. The system transfer would include both the assets (cash, equipment, inventory, system infrastructure) and liabilities (debt service, system maintenance, capital improvements) of the system.

**REQUESTS FOR INFORMATION**

This financial report is designed to provide a general overview of the City's finances for all those with an interest in the City's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Finance Director, City of Radcliff, P.O. Drawer 519, 411 W. Lincoln Trail Blvd., Radcliff, Kentucky 40159-0519.

**BASIC FINANCIAL STATEMENTS**

## CITY OF RADCLIFF, KENTUCKY

## STATEMENT OF NET ASSETS

JUNE 30, 2007

ASSETS	Governmental Activities	Business- Type Activities	Total	Component Units	
				Convention and Tourism Commission	Industrial Authority
<b>ASSETS</b>					
<u>Current Assets</u>					
Cash and cash equivalents	\$ 3,167,535	\$ 3,323,593	\$ 6,491,128	\$ 86,604	\$ 103,249
Inventory	3,912	-	3,912	-	-
Accounts receivable:					
Taxes	1,502,091	-	1,502,091	-	-
Other	583,560	-	583,560	-	-
Accounts	-	578,376	578,376	14,113	-
Prepaid expenses	35,821	6,193	42,014	20,277	-
Accrued interest	-	15,685	15,685	-	-
Total Current Assets	<u>5,292,919</u>	<u>3,923,847</u>	<u>9,216,766</u>	<u>120,994</u>	<u>103,249</u>
<u>Noncurrent Assets</u>					
Restricted cash:					
Cash and cash equivalents	666	375,605	376,271	-	-
Cash with fiscal agent	-	47,475	47,475	-	-
Investment	1,218,448	-	1,218,448	-	-
Bond costs, net	-	22,461	22,461	-	-
Capital assets:					
Land	1,441,529	9,545	1,451,074	-	623,214
Depreciable capital assets	35,215,070	29,597,223	64,812,293	26,366	1,569,955
Less: accumulated depreciation	(13,343,255)	(10,764,839)	(24,108,094)	(18,912)	(294,005)
Total Noncurrent Assets	<u>24,532,458</u>	<u>19,287,470</u>	<u>43,819,928</u>	<u>7,454</u>	<u>1,899,164</u>
Total Assets	<u>29,825,377</u>	<u>23,211,317</u>	<u>53,036,694</u>	<u>128,448</u>	<u>2,002,413</u>
<b>LIABILITIES</b>					
<u>Current Liabilities</u>					
Accounts payable	176,887	131,793	308,480	-	218
Other liabilities	284,829	34,867	319,696	-	114,183
Customer deposits	-	120,095	120,095	-	-
Interest payable	19,651	13,107	32,758	-	-
Current portion of capitalized lease obligations	913,227	-	913,227	-	-
Current portion of revenue bonds payable	-	110,337	110,337	-	-
Current portion of notes payable	-	226,544	226,544	-	-
Current portion of compensated absences	71,599	7,763	79,362	-	-
Total Current Liabilities	<u>1,465,993</u>	<u>644,506</u>	<u>2,110,499</u>	<u>-</u>	<u>114,401</u>
<u>Noncurrent Liabilities</u>					
Noncurrent portion of capitalized lease obligations	8,665,183	-	8,665,183	-	-
Noncurrent portion of revenue bonds payable	-	393,231	393,231	-	-
Noncurrent portion of notes payable	-	2,972,644	2,972,644	-	-
Noncurrent portion of compensated absences	145,371	15,760	161,131	-	-
Total Noncurrent Liabilities	<u>8,810,554</u>	<u>3,381,635</u>	<u>12,192,189</u>	<u>-</u>	<u>-</u>
Total Liabilities	<u>10,276,547</u>	<u>4,026,141</u>	<u>14,302,688</u>	<u>-</u>	<u>114,401</u>
<u>Net Assets</u>					
Invested in capital assets, net of related debt	13,734,934	15,139,173	28,874,107	7,454	1,786,164
Restricted for:					
Capital projects	1,219,114	-	1,219,114	-	-
Other purposes	27,419	-	27,419	-	-
Unrestricted	<u>4,567,363</u>	<u>4,046,003</u>	<u>8,613,366</u>	<u>120,994</u>	<u>101,848</u>
Total Net Assets	<u>\$ 19,548,830</u>	<u>\$ 19,185,176</u>	<u>\$ 38,734,006</u>	<u>\$ 128,448</u>	<u>\$ 1,888,012</u>

See accompanying notes to financial statements.

CITY OF RADCLIFF, KENTUCKY

STATEMENT OF ACTIVITIES

YEAR ENDED JUNE 30, 2007

FUNCTIONS/PROGRAMS	Expenses	Program Revenues			Net (Expenses) Revenues and Changes in Net Assets			Component Unit Activities
		Charges For Services	Operating Grants & Contributions	Capital Grants & Contributions	Governmental Activities	Business-Type Activities	Total	
Primary government:								
Governmental activities:								
Administration	\$1,095,405	\$ 117,381	\$ 246,431	\$ --	\$ (731,593)	\$ --	\$ (731,593)	\$ --
Law enforcement	3,871,020	15,000	281,487	117,011	(3,457,522)	--	(3,457,522)	--
Fire	1,908,815	6,000	181,409	--	(1,721,406)	--	(1,721,406)	--
Parks & recreation	625,417	30,580	--	--	(594,837)	--	(594,837)	--
Public works	2,053,141	--	910,747	280,212	(862,182)	--	(862,182)	--
Planning	540,554	--	--	--	(540,554)	--	(540,554)	--
Challenger	421,895	111,483	--	--	(310,412)	--	(310,412)	--
Total governmental activities	10,616,247	280,444	1,620,074	397,223	(8,218,506)	--	(8,218,506)	--
Business-type activities:								
Stormwater	550,497	684,292	--	--	--	133,795	133,795	--
Wastewater	2,856,233	3,395,777	--	642,920	--	1,182,464	1,182,464	--
Total business-type activities	3,406,730	4,080,069	--	642,920	--	1,316,259	1,316,259	--
Total primary government	\$ 13,922,977	\$ 4,360,513	\$ 1,620,074	\$ 1,040,143	(8,218,506)	1,316,259	(6,902,247)	--
Component unit:								
Tourism commission	143,300	--	12,530	--	--	--	--	(130,770)
Development authority	160,310	--	50,000	--	--	--	--	(110,310)
Total component unit	\$ 303,610	\$ --	\$ 62,530	\$ --	--	--	--	(241,080)
General revenues:								
Property taxes, levied for general purposes					1,446,519	--	1,446,519	--
Franchise taxes					582,009	--	582,009	--
Insurance premium taxes					2,011,655	--	2,011,655	--
Occupational tax					2,900,546	--	2,900,546	--
Licenses & permits					1,032,533	--	1,032,533	--
Fines, fees, forfeitures					202,986	--	202,986	--
Transient room tax					--	--	--	111,050
Other revenue					250,901	215,674	466,575	6,174
Total general revenues					8,427,149	215,674	8,642,823	117,224
Gain on sale of assets					12,024	--	12,024	165,315
Contributed Infrastructure					2,659,387	--	2,659,387	--
Transfers in (out)					(9,146)	9,146	--	--
Loss on disposal of assets					(6,930)	--	(6,930)	--
Change in net assets					2,863,978	1,541,079	4,405,057	41,459
Net assets - beginning					16,578,070	17,448,888	34,026,958	1,975,000
Prior Period adjustment					106,782	195,209	301,991	-0-
Net assets - ending					\$19,548,830	\$19,185,176	\$38,734,006	\$2,016,459

See accompanying notes to financial statements

CITY OF RADCLIFF, KENTUCKY  
BALANCE SHEET – GOVERNMENTAL FUNDS

JUNE 30, 2007

	<u>General Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>ASSETS</b>			
Cash and cash equivalents	\$3,148,846	\$18,689	\$3,167,535
Receivables:			
Taxes	1,484,471	--	1,484,471
Taxes – other	354,001	9,400	363,401
Prepaid expenses	33,812	2,009	35,821
Restricted assets:			
Cash and cash equivalents	666	--	666
Investments	1,218,448	--	1,218,448
Inventories	<u>--</u>	<u>3,912</u>	<u>3,912</u>
<b>TOTAL ASSETS</b>	<u>\$6,240,244</u>	<u>\$34,010</u>	<u>\$6,274,254</u>
<b>LIABILITIES AND FUND BALANCES</b>			
Liabilities:			
Accounts payable	\$ 174,000	\$ 2,687	\$ 176,687
Other liabilities	<u>276,353</u>	<u>8,476</u>	<u>284,829</u>
<b>TOTAL LIABILITIES</b>	450,353	11,163	461,516
Fund Balances:			
Reserved for:			
Encumbrances	339	--	339
Capital lease projects	1,219,114	--	1,219,114
Unreserved:			
Undesignated	4,543,019	22,847	4,565,866
Designated for specific fund purpose	<u>27,419</u>	<u>--</u>	<u>27,419</u>
<b>TOTAL FUND BALANCES</b>	<u>5,789,891</u>	<u>22,847</u>	<u>5,812,738</u>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<u>\$6,240,244</u>	<u>\$34,010</u>	<u>\$6,274,254</u>

See accompanying notes to financial statements.

CITY OF RADCLIFF, KENTUCKY  
RECONCILIATION OF THE BALANCE SHEET –  
GOVERNMENTAL FUNDS TO THE STATEMENT  
OF NET ASSETS

JUNE 30, 2007

Total fund balance per fund financial statements	\$ 5,812,738
Amounts reported for governmental activities in the statement of net assets are different because:	
Certain receivables (such as property taxes received after 60 days and certain property abatement receivables) are not reported in the fund financial statement because they are not available, but they are presented in the Statement of Net Assets.	237,779
Capital assets are not reported in the fund financial statement because they are not current financial resources, but they are reported in the statement of net assets.	23,313,344
Certain liabilities (such as capitalized lease obligations, compensated absences and interest payable as detailed in Note B) are not reported in the fund financial statement because they are not due and payable in the current period, but they are presented in the statement of net assets.	<u>(9,815,031)</u>
Net assets for governmental activities	<u>\$19,548,830</u>

See accompanying notes to financial statements.

CITY OF RADCLIFF, KENTUCKY  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE

GOVERNMENTAL FUNDS

YEAR ENDED JUNE 30, 2007

	<u>GENERAL FUND</u>	<u>OTHER GOVERNMENTAL FUNDS</u>	<u>TOTAL GOVERNMENTAL FUNDS</u>
<b>REVENUES:</b>			
Property taxes	\$1,450,485	\$ --	\$1,450,485
Franchise taxes	582,009	--	582,009
Insurance premium taxes	2,011,655	--	2,011,655
Occupational tax	2,900,546	--	2,900,546
Licenses and permits	1,032,533	--	1,032,533
Fines, fees, forfeitures	89,609	--	89,609
Other revenue	266,639	19,712	286,351
Intergovernmental revenue	1,410,150	607,148	2,017,298
Charges for services	138,381	111,483	249,864
Recreation fees	<u>30,580</u>	<u>--</u>	<u>30,580</u>
<b>TOTAL REVENUES</b>	<b>9,912,587</b>	<b>738,343</b>	<b>10,650,930</b>
<b>EXPENDITURES:</b>			
<b>Current:</b>			
Administration	1,112,792	--	1,112,792
Law enforcement	4,020,878	--	4,020,878
Fire	1,990,924	--	1,990,924
Parks & recreation	612,229	--	612,229
Public works	971,283	607,148	1,578,431
Planning & development	539,000	--	539,000
Challenger learning center	--	451,308	451,308
Capital outlay	<u>1,717,951</u>	<u>7,101</u>	<u>1,725,052</u>
<b>TOTAL EXPENDITURES</b>	<b><u>10,965,057</u></b>	<b><u>1,065,557</u></b>	<b><u>12,030,614</u></b>
<b>EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES</b>	<b>(1,052,470)</b>	<b>(327,214)</b>	<b>(1,379,684)</b>
<b>OTHER FINANCING SOURCES (USES):</b>			
Operating transfers in	--	342,000	342,000
Operating transfers out	(342,000)	--	(342,000)
Proceeds from sale of property	59,838	--	59,838
Loan proceeds	<u>1,750,000</u>	<u>--</u>	<u>1,750,000</u>
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b><u>1,467,838</u></b>	<b><u>342,000</u></b>	<b><u>1,809,838</u></b>
<b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES . AND OTHER USES</b>	<b>415,368</b>	<b>14,786</b>	<b>430,154</b>
<b>FUND BALANCES-beginning</b>	<b><u>5,374,523</u></b>	<b><u>8,061</u></b>	<b><u>5,382,584</u></b>
<b>FUND BALANCES-ending</b>	<b><u>\$ 5,789,891</u></b>	<b><u>\$ 22,847</u></b>	<b><u>\$ 5,812,738</u></b>

See accompanying notes to financial statements.

CITY OF RADCLIFF, KENTUCKY

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF ACTIVITIES

YEAR ENDED JUNE 30, 2007

Net change in total fund balances per fund financial statements	\$ 430,154
Amounts reported for governmental activities in the statement of activities are different because:	
Property taxes receivable to be collected after 60 days are reported as revenue in the statement of activities.	(3,967)
Property abatement receivables that are not available are reported as revenue in the Statement of Activities.	113,376
Capital outlays are reported as expenditures in the fund financial statement because they use current financial resources, but they are presented as assets in the statement of activities, net of transfer of equipment to stormwater, and depreciated over their estimated economic lives.	1,725,052
Bond and long-term debt payments are recognized as expenditures of current financial resources in the fund financial statement but are reductions of liabilities in the statement of net assets.	976,770
Compensated absences are not recognized as expenditures in fund financial statements, but are recognized as expenses in the statement of activities.	20,326
Generally, expenditures recognized in the fund financial statement are limited to only those that use current financial resources, but expenses are recognized in the statement of activities when they are incurred. Depreciation expense is recognized in the statement of activities.	(1,238,629)
In the statement of activities the loss on disposal of assets and the gain on sale of assets are reported, where in the governmental funds, the proceeds from the sale increase financial resources.	(58,859)
Contributed infrastructure is recognized as revenue in the statement of activities, but is not recognized as revenue in the fund financial statements.	2,659,387
Interest payable is not recognized as expenditures in fund financial statements, but is recognized as expenses in the statement of activities.	(486)
Loan proceeds provide current financial resources to governmental funds, but they are presented as liabilities in the statement of net assets.	(1,750,000)
In the statement of activities, a transfer is recorded for the transfer of an asset between the General fund and Wastewater fund. In the governmental funds, it is not presented.	<u>(9,146)</u>
Changes in net assets of governmental activities.	<u>\$ 2,863,978</u>

See accompanying notes to financial statements.

CITY OF RADCLIFF, KENTUCKY

STATEMENT OF NET ASSETS

PROPRIETARY FUNDS

JUNE 30, 2007

	<u>BUSINESS TYPE ACTIVITIES - ENTERPRISE FUNDS</u>		
	<u>STORMWATER</u>	<u>WASTEWATER</u>	<u>TOTAL</u>
<b>ASSETS</b>			
<b>CURRENT ASSETS:</b>			
Cash and cash equivalents	\$ 443,410	\$ 2,880,183	\$ 3,323,593
Receivables:			
Accounts	79,983	498,393	578,376
Prepaid expenses	325	5,868	6,193
Accrued interest income	--	15,685	15,685
TOTAL CURRENT ASSETS	<u>523,718</u>	<u>3,400,129</u>	<u>3,923,847</u>
<b>NONCURRENT ASSETS:</b>			
Restricted cash:			
Cash and cash equivalents	--	375,605	375,605
Cash with fiscal agent	--	47,475	47,475
Bond costs, net	--	22,461	22,461
Capital assets:			
Land	--	9,545	9,545
Depreciable capital assets	625,198	28,972,025	29,597,223
Less: accumulated depreciation	<u>(50,098)</u>	<u>(10,714,741)</u>	<u>(10,764,839)</u>
TOTAL NONCURRENT ASSETS	<u>575,100</u>	<u>18,712,370</u>	<u>19,287,470</u>
<b>TOTAL ASSETS</b>	<u>1,098,818</u>	<u>22,112,499</u>	<u>23,211,317</u>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES:</b>			
Accounts payable	8,161	123,632	131,793
Other liabilities	3,357	31,510	34,867
Customer deposits	--	120,095	120,095
Interest payable	--	13,107	13,107
Current portion compensated absences	964	6,799	7,763
Current portion revenue bonds payable	--	110,337	110,337
Current portion notes payable	--	226,544	226,544
TOTAL CURRENT LIABILITIES	<u>12,482</u>	<u>632,024</u>	<u>644,506</u>
<b>NONCURRENT LIABILITIES:</b>			
Noncurrent compensated absences	1,957	13,803	15,760
Noncurrent revenue bonds payable	--	393,231	393,231
Noncurrent notes payable	--	2,972,644	2,972,644
TOTAL NONCURRENT LIABILITIES	<u>1,957</u>	<u>3,379,678</u>	<u>3,381,635</u>
<b>TOTAL LIABILITIES</b>	<u>14,439</u>	<u>4,011,702</u>	<u>4,026,141</u>
<b>NET ASSETS:</b>			
Invested in capital assets, net of related debt	575,100	14,564,073	15,139,173
Unrestricted	<u>509,279</u>	<u>3,536,724</u>	<u>4,046,003</u>
<b>TOTAL NET ASSETS</b>	<u>\$ 1,084,379</u>	<u>\$ 18,100,797</u>	<u>\$ 19,185,176</u>

See accompanying notes to financial statements.

CITY OF RADCLIFF, KENTUCKY  
STATEMENT OF REVENUES, EXPENSES AND  
CHANGES IN FUND NET ASSETS

PROPRIETARY FUNDS

YEAR ENDED JUNE 30, 2007

	<u>BUSINESS TYPE ACTIVITIES - ENTERPRISE FUNDS</u>		
	<u>STORMWATER</u>	<u>WASTEWATER</u>	<u>TOTAL</u>
OPERATING REVENUE:			
Charges for services	\$ 684,292	\$ 3,395,777	\$ 4,080,069
Other revenue	12,042	10,872	22,914
Grants	<u>—</u>	<u>642,920</u>	<u>642,920</u>
TOTAL OPERATING REVENUE	696,334	4,049,569	4,745,903
OPERATING EXPENSES:			
Personnel costs	153,306	862,489	1,015,795
Contract services	289,189	237,755	526,944
Power & utilities	—	235,715	235,715
Repairs & maintenance	2,560	374,954	377,514
Materials & supplies	45,655	49,710	95,365
Other operating costs	28,754	209,620	238,374
Depreciation	<u>31,033</u>	<u>696,758</u>	<u>727,791</u>
TOTAL OPERATING EXPENSES	<u>550,497</u>	<u>2,667,001</u>	<u>3,217,498</u>
INCOME FROM OPERATIONS	145,837	1,382,568	1,528,405
NON-OPERATING REVENUE (EXPENSE):			
Interest earnings	13,900	178,860	192,760
Amortization expense	—	(24,351)	(24,351)
Bond service expense	—	(9,616)	(9,616)
Interest expense	—	(155,265)	(155,265)
Transfers in	<u>—</u>	<u>9,146</u>	<u>9,146</u>
TOTAL NON-OPERATING REVENUE (EXPENSE)	<u>13,900</u>	<u>(1,226)</u>	<u>12,674</u>
CHANGE IN NET ASSETS	159,737	1,381,342	1,541,079
NET ASSETS-beginning	924,642	16,524,246	17,448,888
Prior Period Adjustment	<u>—</u>	<u>195,209</u>	<u>195,209</u>
NET ASSETS-ending	<u>\$1,084,379</u>	<u>\$18,100,797</u>	<u>\$19,185,176</u>

See accompanying notes to financial statements.

## CITY OF RADCLIFF, KENTUCKY

## STATEMENT OF CASH FLOWS

## PROPRIETARY FUNDS

## YEAR ENDED JUNE 30, 2007

	BUSINESS TYPE ACTIVITIES - ENTERPRISE FUNDS		
	STORMWATER	WASTEWATER	TOTAL
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>			
Cash received from customers and users	\$ 707,530	\$ 4,050,795	\$ 4,758,325
Cash payments to employees	(110,080)	(618,479)	(728,559)
Cash payments for operating expenses	(418,000)	(1,367,811)	(1,785,811)
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	<b>179,450</b>	<b>2,064,505</b>	<b>2,243,955</b>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>			
Acquisition and construction of capital assets	(161,539)	(1,496,563)	(1,658,102)
Principal paid on revenue bonds	--	(120,000)	(120,000)
Principal paid on notes payable	--	(218,175)	(218,175)
Capitalized lease obligation	--	(54,967)	(54,967)
Interest paid on revenue bonds	--	(26,208)	(26,208)
Interest paid on notes payable	--	(127,807)	(127,807)
Interest paid on capitalized lease obligation	--	(2,541)	(2,541)
Bond fees	--	(9,616)	(9,616)
<b>NET CASH USED BY CAPITAL AND RELATED FINANCING ACTIVITIES</b>	<b>(161,539)</b>	<b>(2,055,877)</b>	<b>(2,217,416)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>			
Interest received	13,900	175,905	189,805
<b>NET CASH PROVIDED BY INVESTING ACTIVITIES</b>	<b>13,900</b>	<b>175,905</b>	<b>189,805</b>
<b>NET INCREASE (DECREASE) IN CASH AND RESTRICTED CASH</b>	<b>31,811</b>	<b>184,533</b>	<b>216,344</b>
CASH AND RESTRICTED CASH, June 30, 2006	411,599	3,118,730	3,530,329
CASH AND RESTRICTED CASH, June 30, 2007	\$ 443,410	\$ 3,303,263	\$ 3,746,673
<b>RECONCILIATION OF INCOME FROM OPERATIONS TO NET CASH PROVIDED BY OPERATING ACTIVITIES:</b>			
Income from operations	\$ 145,837	\$ 1,382,568	\$ 1,528,405
Adjustments to reconcile operating income to net cash provided (used) by operating activities:			
Depreciation	31,033	696,758	727,791
Change in assets and liabilities:			
(Increase) decrease in:			
Accounts receivable	11,412	5,849	17,261
Prepaid expense	(325)	62	(263)
Increase (decrease) in:			
Accounts payable	(8,975)	(13,870)	(22,845)
Other liabilities	946	742	1,688
Compensated absences	(478)	(2,981)	(3,459)
Customer deposits	--	(4,623)	(4,623)
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	<b>\$ 179,450</b>	<b>\$ 2,064,505</b>	<b>\$ 2,243,955</b>

See accompanying notes to financial statements.

CITY OF RADCLIFF, KENTUCKY  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2007

**NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Introduction** – The basic financial statements of the City of Radcliff, Kentucky (City) are prepared in accordance with accounting principles generally accepted in the United States of America. The City's reporting entity applies all relevant Governmental Accounting Standards Board (GASB) pronouncements. The proprietary fund applies Financial Accounting Standards Board (FASB) pronouncements and Accounting Principles Board (APB) opinions, unless those pronouncements conflict with or contradict GASB pronouncements, in which case, GASB prevails.

The accounting and reporting framework and the more significant accounting principles and practices are discussed in subsequent sections of this Note. The remainder of the Notes are organized to provide explanations, including required disclosures, of the City's financial activities for the fiscal year ended June 30, 2006.

**Financial Reporting Entity** – The City of Radcliff, Kentucky, operates under a Mayor-Council form of government and provides the following services: public safety (police and fire), highways and street, public improvements, planning, development, and general administrative services. As required by accounting principles generally accepted in the United States of America, the financial statements of the reporting entity include those of the City of Radcliff, Kentucky (the primary government) and its component units. Component units generally are legally separate entities for which a primary government is financially accountable. Financial accountability ordinarily involves meeting both of the following criteria: the primary government is accountable for the potential component unit and the primary government is able to impose its will upon the potential component unit, or there is a possibility that the potential component unit may provide specific financial benefits or impose specific financial burdens on the primary government. The component units discussed below are included in the City's reporting entity because of the significance of their operational or financial relationships with the City.

**Blended Component Units Reported with the Primary Government**

**Radcliff Public Properties Corporation** – The purpose of this corporation is to acquire and hold title to real and personal property for the use and benefit of the City of Radcliff. The seven directors of this Corporation consist of the Mayor and six council members. Any operations of the Corporation would be included in the General Fund.

**Discretely Presented Component Units** – The component unit columns in the combined financial statements include the financial data of the Radcliff Convention and Tourism Commission and the North Hardin Economic Development Authority, Inc.

The Radcliff Convention and Tourism Commission was created to account for monies derived from transient room tax from local motels to be expended on promotion of convention and tourist activities. The City has the authority to appoint the Commission's governing body and the ability to impose its will on the organization. The separately issued financial statements of the Radcliff Convention and Tourism Commission can be obtained by writing to Radcliff Convention and Tourism Commission, P.O. Box 845, Radcliff, Kentucky 40159-0845.

The purpose of the North Hardin Economic Development Authority, Inc. is to acquire and hold title to real property for the industrial use and benefit of the City of Radcliff. The City has the authority to appoint the Authority's governing body and the ability to impose its will on the organization. Separately issued financial statements were not prepared by the Authority. The financial statements as presented have not been audited.

**Government-Wide Financial Statements** – The government-wide financial statements (i.e., the Statement of Net Assets and the Statement of Activities) report information on all of the activities of the primary government. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which primarily rely on fees and charges for support.

**CITY OF RADCLIFF, KENTUCKY**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2007**

**Fund Financial Statements** – Fund financial statements report detailed information about the City. The focus of governmental and enterprise fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column.

**Governmental Funds** – All governmental funds are accounted for using modified accrual basis of accounting and the current financial resources measurement focus. Under this basis, revenues are recognized in the accounting period in which they become measurable and available. Expenditures are recognized in the accounting period in which the fund liability is incurred, if measurable.

The following are the City's Governmental Fund Types:

**General Fund** – The General Fund is the main operating fund of the City. This fund is used to account for all financial resources not accounted for in other funds. All general tax revenues and other receipts that are not restricted by law or contractual agreement to some other fund are accounted for in this fund. General operating expenditures, fixed charges and capital improvement costs that are not paid through other funds are paid from the General Fund. This is a major fund for the City.

**Special Revenue Funds** – The Special Revenue Funds are used to account for the proceeds of specific revenue resources (other than assessments) that are legally restricted to expenditures for specified purposes. These funds include: Municipal Aid, LGEA and Challenger Learning Center.

**Proprietary Funds** – Proprietary funds are accounted for using the accrual basis of accounting and the economic resources measurement focus. These funds account for operations that are primarily financed by user charges. The economic resources measurement focus concerns determining costs as a means of maintaining the capital investment and management control. Revenues are recognized when earned and expenses are recognized when incurred. Allocations of costs, such as depreciation, are recorded in these funds. Unbilled utility receivables are recorded at June 30.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of all the City's enterprise funds are charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

The following are the City's Proprietary Fund types:

**Wastewater Fund** – To account for the provision of sewer treatment to the residential and commercial users of the City. This is a major fund for the City.

**Stormwater Utility Fund** – To account for the provision of stormwater runoff to the residential and commercial users of the City and to improve stormwater and drainage services. This is a major fund for the City.

**Basis of Accounting** – The government-wide statements report using the economic resources measurement focus and the accrual basis of accounting generally. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Revenues are recognized in the year for which they are due. This is the same approach used in the preparation of the proprietary fund financial statements, but differs from the manner in which governmental fund financial statements are prepared. Therefore, governmental fund financial statements include reconciliations with brief explanations to better identify the relationship between the government-wide statements and the statements of governmental funds.

CITY OF RADCLIFF, KENTUCKY  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2007

The government-wide statement of activities presents a comparison between expenses and program revenues for each segment of the business-type activities of the City and for each governmental program. Program revenues include charges paid by the recipients of the goods or services offered by the programs and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues not classified as program revenues are presented as general revenues. The comparison of program revenues and expenses identifies the extent to which each program or business segment is self-financing or draws from the general revenues of the City.

Net assets should be reported as restricted when constraints placed on net asset use are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or imposed by law through constitutional provisions or enabling legislation.

Separate financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

The governmental fund financial statements are prepared using the modified accrual basis of accounting for governmental fund types. The modified accrual basis of accounting recognizes revenues when both "measurable and available". Measurable means the amount can be determined. Available means collectible within the period or soon enough thereafter to pay current liabilities. The City considers property taxes as available if they are collected within 60 days after year end. A one-year availability period is used for revenue recognition for all other governmental fund revenues. Also, under the modified accrual basis of accounting, expenditures are recorded when the related fund liability is incurred, except for general obligation bond principal and interest which are reported as expenditures in the year due.

Those revenues susceptible to accrual are property taxes, franchise taxes, insurance premium taxes, occupational taxes, licenses, interest revenue and charges for services. See Note D for property tax information.

The accrual basis of accounting is used in proprietary fund types. The accrual basis of accounting recognizes revenues when earned. Expenses are recorded when incurred.

**Budget Policy and Practice** - The City follows these procedures in establishing the budgetary data reflected in the financial statements.

1. The Mayor submits to the City Council a proposed operating budget for the fiscal year commencing the following July 1. The operating budget includes proposed expenditures and the means of financing them.
2. Public hearings are held to obtain taxpayer comments.
3. The budget is legally enacted through passage of an ordinance.
4. Budgets are adopted for the General Fund, Special Revenue Fund and Enterprise Funds.
5. Budgeted amounts are as originally adopted by the City Council, adjusted by amendments to the budget, if any.
6. All annual appropriations lapse at fiscal year end.

**CITY OF RADCLIFF, KENTUCKY**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2007**

**Cash and Cash Equivalents** – For purposes of the statement of cash flows, the City considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

**Inventory** – Inventory which consists of merchandise held for resale is stated at the lower of cost or market. Cost is determined by the first-in, first-out method, and market represents the lower of replacement cost or estimated net realizable value.

**Prepaid Assets** - Payments made that will benefit periods beyond June 30, 2007, are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of the purpose and an expenditure/expense is reported in the year in which services are consumed.

**Capital Assets** – General capital assets are those assets not specifically related to activities reported in the proprietary funds. These assets generally result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the government-wide statement of net assets but are not reported in the fund financial statements. Capital assets utilized by the proprietary funds are reported both in the business-type activities column of the government-wide statement of net assets and in the respective funds.

All capital assets are recorded at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated fixed assets are recorded at fair market value as of the date received. The City maintains a minimum capitalization threshold of \$3,500. Improvements are capitalized; the cost of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not.

All reported capital assets are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets. No depreciation is taken in the year of purchase except for infrastructure. Depreciation is computed using the straight-line method over the following useful lives for both general capital assets and proprietary fund assets:

<u>Description</u>	<u>Estimated Lives</u>
Infrastructure	20-50 years
Buildings and improvements	20-50 years
Equipment	5-15 years
Vehicles	5-15 years

**Accrued Liabilities and Long-Term Obligations** – All payable, accrued liabilities and long-term obligations are reported in the government-wide financial statements, and all payables, accrued liabilities and long-term obligations payable from proprietary funds are reported on the proprietary fund financial statements.

**Interest Capitalization** – Interest costs are capitalized when incurred by proprietary funds on debt where proceeds were used to finance the construction of assets.

**Estimates** – The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures during the reporting period. Accordingly, actual results could differ from those estimates.

CITY OF RADCLIFF, KENTUCKY  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2007

**NOTE B – RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS**

Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net assets:

The governmental fund balance sheet includes reconciliation between fund balance - total governmental funds and net assets - governmental activities as reported in the government-wide statement of net assets. One element of that reconciliation explains that certain liabilities are not due and payable in the current period and therefore are not reported in the funds. The details of that difference are as follows:

Capitalized lease obligations	\$9,578,410
Compensated absences	216,970
Interest payable	<u>19,651</u>
Net adjustment to reduce fund balance – total governmental funds to arrive at net assets – governmental activities	<u>\$9,815,031</u>

Another element of the reconciliation explains that certain receivables are not reported in the fund financial statement because they are not available. The details of that difference are as follows:

Property taxes	\$ 17,619
Property abatements	<u>220,160</u>
Net adjustment to increase fund balance – total governmental funds to arrive at net assets – governmental activities	<u>\$ 237,779</u>

**NOTE C – SECURED DEPOSITS AND INVESTMENTS**

**Secured Deposits**

All the City's deposits are either insured or collateralized. All deposits exceeding the federal depository insurance coverage level are collateralized with securities held by the City's agents in the unit's name. The City has no policy regarding custodial credit risk for deposits.

At June 30, 2007, the City had deposits with financial institutions with a carrying amount of \$6,914,874. The bank balances with the financial institutions were \$7,046,958. Of these balances, \$600,000 were covered by federal depository insurance and \$6,214,663 were collateralized with securities held by the City, its agent or by the pledging financial institution's trust department or agent in the name of the City or applicable public trust. The difference of \$232,295 was not insured or collateralized.

For additional descriptive information, see Note A.

**Investments**

As of June 30, 2007, the City's reporting entity had the following investments:

<u>Types of Investments</u>	<u>Fair Value/ Carrying Amount</u>	<u>Cost</u>
<b>Primary Government</b>		
<b><u>NON-POOLED INVESTMENTS:</u></b>		
U.S. Treasury notes & bills	\$1,218,448	\$1,218,448

CITY OF RADCLIFF, KENTUCKY  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2007

**Investment Policies**

Investment policies for the City's reporting entity are maintained by the Director of Finance. Summarizations follow in subsequent section of this note.

**City Policy**

**Credit Risk** is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Generally, the City's investment activities are managed under the custody of the Director of Finance. Investing is performed in accordance with investment policies adopted by the City Council complying with State Statutes and the City Charter. City funds may be invested in: (1) direct obligations of the U.S. government, its agencies or instrumentalities to the payment of which the full faith and credit of the U.S. government is pledged, or obligations to the payment of which the full faith and credit of the State of Kentucky is pledged; (2) obligations of the Government National Mortgage Association, Federal National Mortgage Association, or Federal Home Loan Mortgage Corporation, or any Federal farm credit bank, Federal land bank, or Federal home loan bank notes or bonds; (3) collateralized or insured certificates of deposit and other evidences of deposits at banks, savings and loan associations, and credit unions located in the City when secured by appropriate collateral; (4) repurchase agreements that have underlying collateral of obligations of the U.S. government, its agencies, and instrumentalities; (5) money market funds regulated by the Securities and Exchange Commission which consist of authorized domestic securities with restrictions as specified in state law; (6) State and Local Government Series (SLGS); and (7) City direct debt obligations for which an ad valorem tax may be levied.

**Interest Rate Risk** is the risk that changes in interest rates will adversely affect the fair value of an investment. Investments held for longer periods are subject to increased risk of adverse interest rate changes. The City policy provides that to the extent practicable, investments are matched with anticipated cash flows. Investments are diversified to minimize the risk of loss resulting from over-concentration of assets in a specific maturity period, a single issuer, or an individual class of securities. Unless matched to a specific cash flow, investments are not made in securities maturing more than one year from the date of purchase. Certificates of deposit may not be purchased with maturities greater than 365 days from date of purchase.

**Concentration of Credit Risk** is the risk of loss attributed to the magnitude of the City's investment in a single issuer. Reserve funds may be invested in securities exceeding one year, if maturity of the investments are made to coincide as nearly as practicable with the expected use of the funds.

For investments, **custodial credit risk** is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities in the possession of an outside party. City policy provides that investment collateral is held by a third party custodian with whom the City has a current custodial agreement in the City's name or be held in the name of both parties by the Federal Reserve Bank servicing Kentucky. The City follows the requirements of Kentucky as written in KRS 41.240.

**NOTE D – PROPERTY TAX**

Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied on January 1, and payable on December 31. The City bills and collects its own property taxes. City property tax revenues are recognized when levied to the extent that they result in current receivables.

At June 30, 2007, delinquent property taxes totaling \$66,795 plus penalties, interest and advertising costs remain uncollected. Due to the uncertainty of collection, an allowance for doubtful accounts has been provided for all delinquent property taxes not collected within 60 days after year end.

**CITY OF RADCLIFF, KENTUCKY**  
**NOTES TO FINANCIAL STATEMENTS**

**YEAR ENDED JUNE 30, 2007**

<u>Year</u>	<u>Government-wide Financial Statements</u>	<u>Fund Financial Statements</u>
1996-2006	\$ 66,795	\$ 66,795
Less allowance for doubtful accounts	<u>43,830</u>	<u>57,437</u>
Balance	<u>\$ 22,965</u>	<u>\$ 9,358</u>

An additional \$17,619 property tax receivable after the 60 day period is added to the accrual in the government-wide financial statements.

**NOTE E – RESTRICTED ASSETS**

Unexpended 2002 Variable Rate Lease Funds and Revenue Bonds 1989 Series Lease Funds available for subsequent year requisitions totaled \$1,219,114 at June 30, 2007; \$666 and \$1,218,448, respectively.

The KIA Revolving Loan requires the City to fund a reserve account of \$310,000 to be funded over a ten year period beginning in fiscal year ended June 30, 1999. This requirement has been met with funding the amount of \$31,000 per year with a balance of \$375,605 at June 30, 2007.

The Revenue Refunding Bonds of 2001 established a debt service fund in the amount of \$401,179. At June 30, 2007, the account is funded with a balance of \$47,475.

**NOTE F – CAPITAL ASSETS AND DEPRECIATION**

Capital asset activity for governmental activities for the year ended June 30, 2007, was as follows:

	<u>Primary Government</u>			
	<u>Beginning Balance</u>	<u>Additions</u>	<u>Retirements</u>	<u>Ending Balance</u>
Governmental activities:				
Non-Depreciable Assets:				
Land	\$ 1,441,529	\$ --	\$ --	\$ 1,441,529
Depreciable Assets:				
Buildings & improvements	10,928,923	43,564	--	10,972,487
Infrastructure	14,976,726	3,695,838	--	18,672,564
Vehicles, machinery & equipment	<u>5,236,819</u>	<u>648,466</u>	<u>(315,266)</u>	<u>5,570,019</u>
Totals at historical cost	<u>32,583,997</u>	<u>4,387,868</u>	<u>(315,266)</u>	<u>36,656,599</u>
Less accumulated depreciation for:				
Buildings & improvements	(2,880,055)	(254,541)	--	(3,134,596)
Infrastructure	(7,375,549)	(586,454)	--	(7,962,003)
Vehicles, machinery & equipment	<u>(2,092,854)</u>	<u>(397,634)</u>	<u>243,832</u>	<u>(2,246,656)</u>
Total accumulated depreciation	<u>(12,348,458)</u>	<u>(1,238,629)</u>	<u>243,832</u>	<u>(13,343,255)</u>
Governmental activities capital assets, net	<u>\$20,235,539</u>	<u>\$3,149,239</u>	<u>\$ (71,434)</u>	<u>\$23,313,344</u>

CITY OF RADCLIFF, KENTUCKY  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2007

Depreciation was charged to functions as follows:

Governmental activities:	
Administration	\$ 42,955
Law enforcement	240,496
Fire	127,615
Public works	668,406
Parks & recreation	60,965
Planning & development	16,970
Challenger learning center	<u>81,222</u>
Total governmental activities depreciation expense	<u>\$1,238,629</u>

Additions include current year capital outlay expenditures, accepted infrastructure and asset transfers between funds. Retirements include sales of properties and removal of obsolete equipment and associated accumulated depreciation. Retirements include transfers of assets between funds.

Capital asset activity for business-type activities for the year ended June 30, 2007, was as follows:

	Primary Government			
	Beginning Balance	Additions	Retirements	Ending Balance
Business-type activities:				
Non-Depreciable Assets:				
Land	\$ 9,545	\$ --	\$ --	\$ 9,545
Depreciable Assets:				
Buildings	150,000	--	--	150,000
Wastewater & stormwater systems	26,900,931	1,602,904	(84,700)	28,419,135
Machinery & equipment	<u>930,292</u>	<u>97,796</u>	<u>--</u>	<u>1,028,088</u>
Totals at historical cost	<u>27,990,768</u>	<u>1,700,700</u>	<u>(84,700)</u>	<u>29,606,768</u>
Less accumulated depreciation for:				
Buildings	(91,922)	(3,000)	--	(94,922)
Wastewater & stormwater systems	(9,689,924)	(654,362)	84,700	(10,259,586)
Machinery & equipment	<u>(306,449)</u>	<u>(103,882)</u>	<u>--</u>	<u>(410,331)</u>
Total accumulated depreciation	<u>(10,088,295)</u>	<u>(761,244)</u>	<u>84,700</u>	<u>(10,764,839)</u>
Business-type activities capital assets, net	<u>\$17,902,473</u>	<u>\$ 939,456</u>	<u>\$ -0-</u>	<u>\$18,841,929</u>

Depreciation was charged to functions as follows:

Business-type activities:	
Wastewater	\$ 696,758
Stormwater	<u>31,033</u>
Total business-type activities depreciation expense	<u>\$ 727,791</u>

Current year activity includes the acquisition of equipment and construction of waterways in the Stormwater System, as well as the transfer of a vehicle from the General Fund.

CITY OF RADCLIFF, KENTUCKY  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2007

**NOTE G – LONG TERM LIABILITIES**

	<u>Governmental Activities Debt</u>	<u>Business-Type Activities Debt</u>
<b>Capitalized lease obligations at June 30, 2007, consist of the following:</b>		
On December 15, 1998, the City entered into lease/purchase agreement payable to Kentucky League of Cities, 98 Series, in the amount of \$2,460,000 with a variable interest rate currently at 3.61%. The proceeds were used to construct and equip the Challenger Learning Center. Principal and payments are due semi-annually and monthly, respectively.	\$1,675,000	--
On July 9, 2002, the City entered into a lease/purchase agreement payable to the Kentucky League of Cities, Series 2002 in the amount of \$6,760,000 with a variable interest rate of 2.23%. The proceeds were used for equipment and improvements. Principal and interest payments are due quarterly and monthly respectively through July, 2022.	5,605,000	--
On August 17, 2005, the City entered into a lease/purchase agreement payable to the Kentucky League of Cities, Series 2004 in the amount of \$1,100,000 with a variable interest rate of 3.85%. The proceeds were used for road improvements. Principal and interest payments are due quarterly and monthly respectively through August, 2015.	953,410	--
On August 15, 2006, the city entered into a lease/purchase agreement payable to the Kentucky League of Cities, series 1989, in the amount of \$1,750,000 with an annual interest rate of 3.97%. The proceeds were used for equipment and improvements. Principal and interest payments are due quarterly and monthly, respectively through June, 2010.	<u>1,345,000</u>	<u>--</u>
Total Capitalized Lease Obligations	<u>9,578,410</u>	<u>--</u>
<b>Revenue bonds payable at June 30, 2007 consist of the following:</b>		
\$2,255,000, 2001A Series, Service System Revenue Refunding project due in annual installments through 2010; interest payable semi-annually at rates ranging from 3.8% to 4.4%; collateralized by the revenues of the City of Radcliff Sewer System.	--	550,000
The 2001A Series advance refunding resulted in a difference between the reacquisition price and the net carrying amount of the old debt of \$131,965. This difference, reported in the accompanying financial statements as a deduction from bonds payable is being charged to operations through the year 2011 using the effective interest method.	<u>--</u>	<u>(46,432)</u>
Total Revenue Bonds Payable	<u>--</u>	<u>503,568</u>
<b>Notes payable at June 30, 2007 consist of the following:</b>		
Kentucky Infrastructure Authority (KIA), Federally Assisted Wastewater Revolving Loan (Fund A) A-97-03. Loan shall not exceed \$4,836,450 due in semiannual installments from June 1, 1999 through December 1, 2018, interest payable semiannually at 3.8%, collateralized by the revenues of the City of Radcliff Sewer System.	<u>--</u>	<u>3,199,188</u>
Total Notes Payable	<u>--</u>	<u>3,199,188</u>
Total Capitalized Lease, Revenue Bond and Notes Payable	<u>\$9,578,410</u>	<u>\$ 3,702,756</u>

CITY OF RADCLIFF, KENTUCKY  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2007

**NOTE H – CHANGES IN LONG-TERM DEBT**

Long-term debt activity for the year ended June 30, 2007, was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Amount due Within One Year</u>
Governmental Activities					
Capitalized Lease Obligations	\$8,805,180	\$1,750,000	\$(976,770)	\$9,578,410	\$913,227
Other liabilities:					
Compensated absences	<u>237,296</u>	--	<u>(20,326)</u>	<u>216,970</u>	<u>71,599</u>
Governmental Activities, long-term Liabilities	<u>\$9,042,476</u>	<u>\$1,750,000</u>	<u>\$(997,096)</u>	<u>\$9,795,380</u>	<u>\$984,826</u>
Business-type Activities					
Wastewater debt	\$4,081,235	\$ --	\$(378,479)	\$3,702,756	\$336,881
Other liabilities:					
Compensated absences	<u>26,982</u>	--	<u>(3,459)</u>	<u>23,523</u>	<u>7,763</u>
Business-type Activities, long-term Liabilities	<u>\$4,108,217</u>	<u>\$ --</u>	<u>\$(381,938)</u>	<u>\$3,726,279</u>	<u>\$344,644</u>

Additions and reductions to compensated absences represent the net change in compensated absences for the fiscal year.

Principal and interest requirements to retire the City's long-term obligations are as follows:

## Governmental Activities:

Year	<u>Capitalized Lease Obligations</u>		<u>Total</u>
	<u>Principal</u>	<u>Interest</u>	
2008	\$ 913,227	\$ 360,583	\$ 1,273,810
2009	951,964	323,003	1,274,967
2010	1,000,844	285,293	1,286,137
2011	544,872	252,628	797,500
2012	569,052	231,334	800,386
2011-2017	2,993,451	803,700	3,797,151
2018-2022	2,485,000	255,390	2,740,390
2023-2031	<u>120,000</u>	<u>401</u>	<u>120,401</u>
<b>TOTAL</b>	<b><u>\$9,578,410</u></b>	<b><u>\$2,512,332</u></b>	<b><u>\$12,090,742</u></b>

## Business-type Activities:

Year	<u>Revenue Bonds</u>		<u>Notes Payable</u>		<u>Total</u>
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	
2008	\$ 110,337	\$ 21,214	\$ 226,544	\$119,437	\$ 477,532
2009	110,337	15,933	235,235	110,747	472,252
2010	125,337	10,183	244,258	101,723	481,501
2011	157,557	3,557	253,629	92,353	507,096
2012-2016	--	--	1,421,766	308,137	1,729,903
2017-2019	--	--	<u>817,756</u>	<u>47,200</u>	<u>864,956</u>
<b>TOTAL</b>	<b><u>\$ 503,568</u></b>	<b><u>\$ 50,887</u></b>	<b><u>\$3,199,188</u></b>	<b><u>\$ 779,597</u></b>	<b><u>\$ 4,533,240</u></b>

CITY OF RADCLIFF, KENTUCKY  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2007

**NOTE I – FUND BALANCES**

**Reserved Fund Balances** - Reservations of fund balances show amounts that are not appropriate for expenditure or are legally restricted for specific uses. Reserved fund balances at June 30, 2007 consist of \$339 reserved for encumbrances, \$1,219,114 reserved for capital projects.

**Designated Fund Balance** – Designations of fund balance are used to show the amounts within unreserved fund balance which are intended to be used for specific purposes, but are not legally restricted. Designated fund balance is intended for the following purposes:

<u>Fund</u>	<u>Amount</u>	<u>Purpose</u>
General fund	\$ 23,890	Police Evidence
	1,491	Sister City Program
	2,038	Dare Program
<b>TOTAL PRIMARY GOVERNMENT</b>	<b><u>\$ 27,419</u></b>	

**NOTE J – RETIREMENT PLAN**

The City participates in the County Employees Retirement System (CERS) pension plan (Plan). CERS is a cost-sharing multiple-employer defined benefit pension plan that covers substantially all regular full-time members employed in both hazardous and non-hazardous duty positions of each county and school board, and any additional eligible local agencies electing to participate in the Kentucky Retirement System. The Plan provides for retirement, disability, and death benefits to plan members. Retirement benefits may be extended to beneficiaries of Plan members under circumstances. Cost-of-living adjustments (COLA) are provided at the discretion of the State legislature. The Kentucky Retirement System issues a publicly available financial report that includes financial statements and required supplementary information for the Plan. That report may be obtained by writing to Kentucky Retirement System, Perimeter Park West, 1260 Louisville Road, Frankfort, KY 40601.

Hazardous and non-hazardous CERS plan members are required to contribute 8.0% and 5.0%, respectively, of their annual creditable compensation and the City is required to contribute at an actuarially determined rate.

The table below summarizes employer contribution rates and amounts contributed to the Plan for the year ended June 30, 2007 and the preceding two years.

	<u>Contribution Rate</u>		<u>Creditable Compensation</u>	<u>Employee Contribution</u>	<u>Employer Contribution</u>	<u>Total Contribution</u>
	<u>Employee</u>	<u>Employer</u>				
FY 2007 Hazardous	8.0%	28.21%	2,464,540	197,163	695,247	892,410
FY 2007 Nonhazardous	5.0%	13.19%	2,731,521	136,577	360,289	496,866
FY 2006 Hazardous	8.0%	25.01%	2,179,119	174,330	544,998	719,328
FY 2006 Nonhazardous	5.0%	10.98%	2,630,606	131,530	288,841	420,371
FY 2005 Hazardous	8.0%	22.08%	2,101,891	168,151	464,098	632,249
FY 2005 Nonhazardous	5.0%	8.48%	2,482,853	124,143	210,546	334,689

CITY OF RADCLIFF, KENTUCKY  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2007

**NOTE K – RISK MANAGEMENT**

The City is exposed to various forms of loss of assets associated with the risks of fire, personal liability, theft, vehicular accidents, errors and omissions, fiduciary responsibility, etc. The City purchases commercial insurance to mitigate the risk of loss to which the City is exposed in normal operations.

**NOTE L – CONTINGENCIES**

The City is subject to legal actions in various stages of litigation, the outcome of which is not determinable at this time. City officials and legal counsel do not anticipate that there will be any material effect on the financial statements as a result of any cases presently in progress.

**NOTE M – INTERFUND TRANSFERS**

	<u>Transfers In</u>	<u>Transfers Out</u>
General Fund	\$ --	\$ 342,000
Nonmajor Governmental Funds:		
Challenger Learning Center Fund	<u>342,000</u>	<u>--</u>
	<u>\$ 342,000</u>	<u>\$ 342,000</u>

These transfers were eliminated in the preparation of the government-wide financial statements.

**NOTE N – REQUIRED INDIVIDUAL FUND DISCLOSURES**

Expenditures may not legally exceed budgeted appropriations at the function level. Any revisions to the budget that would alter total revenues and expenditures of any fund must be approved by the Council; however, with proper approval by the Council, budgetary transfers between departments can be made. All appropriations lapse at fiscal year end.

For the year ended June 30, 2007, expenditures exceeded appropriations in the following departments (the legal level of budgetary control) of the general fund. Over-expenditures in these departments were funded by under-expenditures in other departments.

	<u>Budgeted Expenditures</u>	<u>Actual Expenditures</u>	<u>Excess of Actual Over Budgeted Expenditures</u>
General Fund: Public Works	\$ 948,800	\$ 971,283	\$ 22,483

**NOTE O – PRIOR PERIOD ADJUSTMENTS**

An adjustment was made to the government-wide net assets to reflect a property abatement receivable which was measurable, but not available, therefore this adjustment did not affect the fund balance in the fund financial statements. As a result, the beginning net assets increased by \$106,782.

An adjustment was made to the proprietary fund net assets to reflect a decrease in accumulated depreciation. As a result, the beginning net assets invested in capital assets, net of related debt increased \$195,209.

**REQUIRED SUPPLEMENTARY INFORMATION**

CITY OF RADCLIFF, KENTUCKY

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCES - BUDGET AND ACTUAL

GENERAL FUND

YEAR ENDED JUNE 30, 2007

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
REVENUES:				
Property taxes	\$1,472,000	\$1,472,000	\$1,450,485	\$ (21,515)
Franchise taxes	595,000	595,000	582,009	(12,991)
Insurance premium taxes	2,135,000	2,135,000	2,011,655	(123,345)
Occupational tax	2,752,000	2,852,000	2,900,546	48,546
Licenses and permits	1,027,500	1,066,500	1,032,533	(33,967)
Fines, fees, forfeitures	66,900	66,900	89,609	22,709
Other revenue	224,700	230,700	266,639	35,939
Intergovernmental revenue	1,107,600	1,288,500	1,410,150	121,650
Charges for services	161,750	161,750	138,381	(23,369)
Recreation fees	<u>24,500</u>	<u>24,500</u>	<u>30,580</u>	<u>6,080</u>
TOTAL REVENUES	9,566,950	9,892,850	9,912,587	19,737
EXPENDITURES:				
Current:				
Administration	1,549,700	1,549,700	1,112,792	436,908
Law enforcement	4,047,550	4,090,050	4,020,878	69,172
Fire	1,883,550	1,999,550	1,990,924	8,626
Parks & recreation	524,600	684,600	612,229	72,371
Public works	1,374,700	948,800	971,283	(22,483)
Planning & development	552,600	555,300	539,000	16,300
Capital outlay	<u>1,630,800</u>	<u>2,061,400</u>	<u>1,717,951</u>	<u>343,449</u>
TOTAL EXPENDITURES	<u>11,563,500</u>	<u>11,889,400</u>	<u>10,965,057</u>	<u>924,343</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(1,996,550)	(1,996,550)	(1,052,470)	944,080
OTHER FINANCING SOURCES (USES):				
Operating transfers in	--	--	--	--
Operating transfers out	--	--	(342,000)	(342,000)
Proceeds from sale of property	--	--	59,838	59,838
Loan proceeds	<u>834,700</u>	<u>834,700</u>	<u>1,750,000</u>	<u>915,300</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>834,700</u>	<u>834,700</u>	<u>1,467,838</u>	<u>633,138</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	(1,161,850)	(1,161,850)	415,368	1,577,218
FUND BALANCES, beginning	<u>1,161,850</u>	<u>1,161,850</u>	<u>5,374,523</u>	<u>4,212,673</u>
FUND BALANCES, ending	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$5,789,891</u>	<u>\$ 5,789,891</u>

**COMBINING FINANCIAL STATEMENTS**

CITY OF RADCLIFF, KENTUCKY  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL-SPECIAL REVENUE FUNDS

JUNE 30, 2007

<u>ASSETS</u>	<u>Challenger Center</u>	<u>Municipal Road Aid</u>	<u>LGEA</u>	<u>Total</u>
Cash and cash equivalents	\$18,689	\$ --	\$ --	\$ 18,689
Inventory	3,912	--	--	3,912
Prepaid expenses	2,009	--	--	2,009
Other receivables	<u>9,400</u>	<u>--</u>	<u>--</u>	<u>9,400</u>
<b>TOTAL ASSETS</b>	<b><u>\$34,010</u></b>	<b><u>\$ -0-</u></b>	<b><u>\$ -0-</u></b>	<b><u>\$ 34,010</u></b>
 <u>LIABILITIES AND FUND BALANCE</u>				
<b>LIABILITIES:</b>				
Accounts payable	\$ 2,687	\$ --	\$ --	\$ 2,687
Accrued expenses	<u>8,476</u>	<u>--</u>	<u>--</u>	<u>8,476</u>
<b>TOTAL LIABILITIES</b>	<b>11,163</b>	<b>--</b>	<b>--</b>	<b>11,163</b>
 <b>FUND BALANCE:</b>				
Fund balance – unreserved, Undesignated	<u>22,847</u>	<u>--</u>	<u>--</u>	<u>22,847</u>
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<b><u>\$34,010</u></b>	<b><u>\$ -0-</u></b>	<b><u>\$ -0-</u></b>	<b><u>\$ 34,010</u></b>

CITY OF RADCLIFF, KENTUCKY  
COMBINING STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL-SPECIAL REVENUE FUNDS  
YEAR ENDED JUNE 30, 2007

	<u>Challenger Center</u>	<u>Municipal Road Aid</u>	<u>LGEA</u>	<u>Total</u>
<u>REVENUES</u>				
Intergovernmental revenue	\$ --	\$596,549	\$10,599	\$607,148
Other revenue	19,712	--	--	19,712
Charges for services	<u>111,483</u>	<u>--</u>	<u>--</u>	<u>111,483</u>
TOTAL REVENUES	131,195	596,549	10,599	738,343
<u>EXPENDITURES</u>				
Challenger center	451,308	--	--	451,308
Maintenance department	--	596,549	10,599	607,148
Capital outlay	<u>7,101</u>	<u>--</u>	<u>--</u>	<u>7,101</u>
TOTAL EXPENDITURES	<u>458,409</u>	<u>596,549</u>	<u>10,599</u>	<u>1,065,557</u>
EXCESS EXPENDITURES OVER REVENUES	(327,214)	-0-	-0-	(327,214)
OTHER FINANCING SOURCES:				
Operating transfers in	<u>342,000</u>	<u>--</u>	<u>--</u>	<u>342,000</u>
NET OTHER FINANCING SOURCES	<u>342,000</u>	<u>--</u>	<u>--</u>	<u>342,000</u>
EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES	14,786	--	--	14,786
FUND BALANCE, beginning	<u>8,061</u>	<u>-0-</u>	<u>-0-</u>	<u>8,061</u>
FUND BALANCE, ending	<u>\$ 22,847</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ 22,847</u>

**INTERNAL CONTROL AND COMPLIANCE**

# Clauson, Mouser & Co., PSC

CERTIFIED PUBLIC ACCOUNTANTS

KENNETH D. CLAUSON, CPA  
SUSAN C. MOUSER, CPA

BONNIE M. BEAM, CPA  
MELISSA S. MARTIN, CPA

## REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Honorable Mayor,  
Members of the City Council  
and Director of Finance  
City of Radcliff, Kentucky

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of City of Radcliff, with the exception of the North Hardin Economic Development, Inc. (a component unit), which we did not audit, as of and for the year ended June 30, 2007, which collectively comprise the City of Radcliff's basic financial statements and have issued our report thereon dated December 18, 2007. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

### Internal Control Over Financial Reporting

In planning and performing our audit, we considered City of Radcliff's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City of Radcliff's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the City of Radcliff's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the City of Radcliff's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the City of Radcliff's financial statements that is more than inconsequential will not be prevented or detected by the City of Radcliff's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the City of Radcliff's internal control.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

### Compliance and Other Matters

As part of obtaining reasonable assurance about whether City of Radcliff's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of management, the City Council, federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

*Clauson, Mouser & Co., PSC*

Certified Public Accountants

December 18, 2007

Activities

11-Feb

18-Feb

**PERSONNEL**

Project Manager Selection	Meredith	Pre screening Employee meeting and application distribution	Phone Interviews
Employee Hiring Process	Hovance		Interviews
Retirement Buyout Timing VW Orientation	Priddy		
Computer Based Ethics & Email OSHA Orientation	Eads Ritchey		
Uniform and Shoes	Eads		
DQ File	Eads		
Army Security Clearance	Greer		

**COMPANY PROGRAMS**

Buy Computer	Eads
Job Plus	Melosi
Ops and PCMP	Greer
Lab QA/QC	Kinder
GIS	Bollinger

**O&M STAFF**

Plant Walk Through	Greer
Ft Knox Staff WWTP Integration	Greer

FT Knox Staff Coll Integration Master Calendar	Greer/Walker Meredith
Licolen Trail Lift Station Odor Study Lock Change Out Lift Station Signage	Greer Walker Walker
Telemetry Check	Meredith
WWTP 24 to 8hr Transition Fire and Police Dept Meeting	Greer Ritchey
Change Lift Station Check Process Order Confined Space Equipment Inventory	Walker Ritchey Meredith

### CUSTOMER SERVICE

Train customer service reps at office Newspaper Article Roll Telephone Numbers Over Night Transfer to Ft Knox Team Shirts	Bruce Bruce Bruce Greer Nicholas
Board Tour / Orientation Public Signage Plan	Meredith Walker
Client Report	Greer

### ACCOUNTING

Set up vendor files	Eads
Change Internet Access Change Phone	Eads Eads
Change Electric Bill	Eads
Change Gas Bill Order Cell Phones	Eads Henry

### FLEET

Order PM pick up/SUV	Meredith Russelberg
Safety Inspection	g
Clean off decals add HCWD Signs	Pyles

### CAPITAL

Pole Camera Quiggins Basin	Walker
Flow Monitor Quiggins Basin	Walker
Mission Software Utilization	Meredith
Lincoln Trail Odor Logger	Greer
Brightside Decision	Bruce
Transfer GIS Data	Bollinger
Simplified Lift Station Map	Bollinger
Lift Stations	Walker

Master Sewer Map on the Wall	Bollinger
Simplified Capital Plan - 1sheet	Nicholas
Capital Plan	Greer

Flow Meter / HR Meter Plan	Walker
Asset Management Table Update	Greer

City Planning and Code Meeting	Walker
Revised Developer Intro Plan	Pyles

**DISTRICT**

PSC Application Package	Nicholas	draft
KIA Package	Pyles	
Transfer truck licenses	Bruce	
Official Record Transfer	Pyles	
Deed and Easement Transfer	Bruce	
Financial Transfer	Bruce	

# CITY OF RADCLIFF, KY TRANSITION PLAN SCHEDULE

25-Feb

3-Mar

10-Mar

17-Mar

In Person Interviews    Offers

Background checks    Job Offers  
Contact Retirement  
Fund

Response Required  
and Physicals and  
Drug Tests

Orientation

Orientation  
Uniform size and  
shoe order

**Plan a walk through  
of facilities that  
week for pre  
transition planning**



Order computer

Order handhelds  
Obtain back up of  
Access data base  
Review existing  
system  
Review existing  
system  
Review existing  
system

Order supplies

Obtain back up disk

Plant walk through -  
clearly get current op  
status

Make permit list

Confirm file transfer

Integration plan		Walk through facilities
Review operation	Find and order odor logger	
Count locks	Order locks	
Order signs		
Review current processes	Determine how to down load data	Order additional units
Review current processes	Propose plan	
Review current procedure		Propose changes
Inventory	Order Equipment	

draft article

walk through situation and introduce people

Draft logo and signs    create some signs

match up with ft knox

obtain vendor list  
 find out current service level  
 get phone number

get current meter list    draft letter to vendors

get current meter list    draft letter to vendors  
 talk to vendor

Ask for permission to do a test study if not all of basin  
Plan locations for meters  
Determine use of readings for flow monitoring

Review existing TV results

Visit site

Install odor logger

Basic map of lift stations  
Maintenance review with staff

Print for office and provide a one page map for use in simplified planning map  
Draft

Preliminary idea for collecting data by hand or with mission software

draft  
Plan coordination process

Meet with City

Draft

submit



24-Mar

April

May

June



**Estimate  
d start  
date**

1/2 Employees

1/2  
Employee  
s

Set up files

Set up  
Army  
clearnace  
and ID  
cards

Melodie on site

Initiate new system

1 day on site

Set up  
PCMP  
1 visit per  
week

Implement odor  
monitoring  
Install locks  
Install signs

Install  
telemetry

Implement Changes  
Coordination

Implement Changes

[REDACTED]

Offer employee tour  
or BBQ at WWTP  
publish  
test roll over  
test calls

offer tour and photo  
op

[REDACTED]

[REDACTED]

All vehicles and do a  
maintenance review  
Night or weekend  
work

[REDACTED]

Odor testing at  
stations feeding  
Lincoln Trail

Bid  
decision

Final

draft

Final

Begin collecting data

Final

Final



## Andrea Palmer

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**From:** Nicholas, Robert [Robert.Nicholas@veoliawaterna.com]  
**Sent:** Wednesday, July 25, 2007 9:55 PM  
**To:** Wakefield, David; rwmacy@yahoo.com  
**Cc:** Jim Bruce; Brett Pyles; O'Brien, Thomas J.  
**Subject:** Radcliff Visit

Any help you could provide would be appreciated. The deal involves Hardin County Water District No 1 acquiring the sewer system. They would contract operations to Veolia Water but would continue to manage finances, bill customers, handle GIS mapping and construction projects.

A few council members are concerned with 1) a profit making enterprise running their city 2) the impact on employees 3) concern of a private company for the customers 4) consideration of the company for growth and new development and line extensions. Any help you can provide would be appreciated.

**Safety is everyone's job!**

Rob Nicholas  
Veolia Water  
412 Michael Court  
Richmond, KY 40475  
859/623-0263  
[robert.nicholas@veoliawaterna.com](mailto:robert.nicholas@veoliawaterna.com)

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## Andrea Palmer

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**From:** Nicholas, Robert [Robert.Nicholas@veoliawaterna.com]  
**Sent:** Sunday, June 03, 2007 8:24 PM  
**To:** Jim Bruce  
**Cc:** Brett Pyles  
**Subject:** RE: Sewer Info Update Request

I need the current exact wage for each person and their projected wage increase so I can confirm who is still at the site. It effects our benefits and holding costs for excess employees.

-----Original Message-----

**From:** Jim Bruce [mailto:jbruce@hcwd.com]  
**Sent:** Tuesday, May 29, 2007 3:09 PM  
**To:** Nicholas, Robert; jhensley@rfhco.com  
**Subject:** FW: Sewer Info Update Request

Rob / Jerry;

Here is latest wage increase info sent in March 07 from City. I would say we can add same number in July 07. I hate to keep calling them and asking same info again, esp when we just asked them 2 months ago. Let me know if you want any more detail.

Thanks

Jim

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**From:** Chance Fox [mailto:cfox@radcliff.org]  
**Sent:** Tuesday, March 06, 2007 5:11 PM  
**To:** Jim Bruce  
**Subject:** Re: Sewer Info Update Request

Up until about 5 yrs. ago, we did operate under a step and grade pay plan very similar to civil service. That is in fact how we duplicated our pay plan. We changed our pay plan because Mayor Enyart did not favor giving every employee an annual step increase within their assigned pay grade level because she felt it was unfair to reward someone with a pay increase if they did not warrant the increase due to their job performance. She supported a merit based pay plan in lieu of a step increase pay plan. This way your pay increases according to your job performance, not because you simply worked for the City for another year.

Chance

----- Original Message -----

**From:** Jim Bruce  
**To:** Chance Fox  
**Cc:** Greer, Jeffery  
**Sent:** Tuesday, March 06, 2007 4:20 PM  
**Subject:** RE: Sewer Info Update Request

Chance;

Thanks very much for the clarification. That was very helpful, and I think the info we needed. I guess I was assuming that the Radcliff pay plan was similar to the US Govt and civil service, as Mayor Smith told me once it was similar to the GSA plan and method.

Appreciate you taking the time to provide this info.

Jim Bruce

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**From:** Chance Fox [mailto:cfox@radcliff.org]  
**Sent:** Tuesday, March 06, 2007 4:00 PM  
**To:** Jim Bruce  
**Subject:** Re: Sewer Info Update Request

Jim,

Again, we do not have step increases. We do have merit pay increases as recommended by the dept. manager and approved by the Mayor. The amt. could be from \$100 annually to a cap. of \$1,000. This merit award is added to the employee's annual salary effective July 1st of a year with the new budget. In other words, if someone received a merit of \$1,000, that amt. would be divided by the # of payrolls in a year (typically 26) and paid on each payroll as a permanent amt. to their salary. It is not a one-time gift. It is forever a part of their annual salary. This is only done once a year made effective at the beginning of July. I do not know, going back in time, at what point you received our WW payroll figures. We did pass on to all City employees 7/1/06 a 3.38% COLA. As far as certification pay increases go, if an employee receives the increase it will be a 3.67% increase over their current salary.

Chance

----- Original Message -----

**From:** Jim Bruce  
**To:** Chance Fox  
**Sent:** Tuesday, March 06, 2007 12:19 PM  
**Subject:** RE: Sewer Info Update Request

Chance;

Is the step increase the same % increase between steps? -- and does that occur once / year? (if so, what is the % increase between steps?)

Since we first started our analysis with wages as of June, 2006, would it be safe to assume that overall wages for WW employees has increased 2.5%, or should we also add another percent for the step increase?

Thanks for your input and responses

Jim

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**From:** Chance Fox [mailto:cfox@radcliff.org]  
**Sent:** Tuesday, March 06, 2007 12:14 PM  
**To:** Jim Bruce  
**Subject:** Re: Sewer Info Update Request

Jim,

There are no current % increase raises that you refer to for WW employees! All raises for City employees, to include WW employees, will be budgeted for to take effect 7/1/07 for FY 07-08. The adopted rate has not yet been approved by the Council as part of the FY 08 budget since we have not yet met to talk about next years budget. However, the COLA amt. provided to us recently by the Governor's Office for Local Development is 2.561%. In most years, the Council will approve this COLA rate for the upcoming budget. Also, we have no step increases in our pay plan. We only have COLA, merit pay, and pay increases as a result of achieving various levels of state certification. I do not know at this point in time what the payroll costs will be next fiscal year because I have not seen what recommendations Julia will be providing to me to be placed in the budget. I'm sure some employees have earned a merit pay increase and some employees have earned a pay increase as a result of certification achievement.

Chance

----- Original Message -----

**From:** Kathy Weisner

**To:** 'Chance Fox'

**Sent:** Tuesday, March 06, 2007 10:40 AM

**Subject:** FW: Sewer Info Update Request

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**From:** Jim Bruce [mailto:jbruce@hcwd.com]

**Sent:** Tuesday, March 06, 2007 10:12 AM

**To:** Kathy Weisner

**Cc:** Brett Pyles; Greer, Jeffery

**Subject:** Sewer Info Update Request

Kathy;

We are updating our sewer cost model. Please provide latest % increase of raises provided to Radcliff wastewater employees, and whether there are two increases (step + COLA) or just one each year. Also, would be helpful to know when next increase is planned, and if you have an idea of what percent that would be as well.

Thanks

Jim Bruce

**Andrea Palmer**

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**From:** Nicholas, Robert [Robert.Nicholas@veoliawaterna.com]  
**Sent:** Monday, July 30, 2007 1:52 PM  
**To:** Jim Bruce; Brett Pyles; O'Brien, Thomas J.  
**Subject:** RE: Rate Change Chart

That's great.

-----Original Message-----

**From:** Jim Bruce [<mailto:jbruce@hcwd.com>]  
**Sent:** Monday, July 30, 2007 1:47 PM  
**To:** Nicholas, Robert; Brett Pyles; O'Brien, Thomas J.  
**Subject:** Rate Change Chart

How does this look? To show difference in rate increases on same basis since 1990. Trying to defend Chuck's comment that HCWD1 has raised rates, often and PSC would approve easily. In same period, Radcliff has raised rates 7 times, HCWD1 3 times

Jim

**Andrea Palmer**

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**From:** Nicholas, Robert [Robert.Nicholas@veoliawaterna.com]  
**Sent:** Monday, July 30, 2007 5:35 PM  
**To:** Jim Bruce; Brett Pyles; O'Brien, Thomas J.  
**Subject:** RE: Use of Funds chart

Absolutely! It diminishes us in the picture and shows they aren't thinking about the whole utility.

-----Original Message-----

**From:** Jim Bruce [<mailto:jbruce@hcwd.com>]  
**Sent:** Monday, July 30, 2007 2:45 PM  
**To:** Nicholas, Robert; Brett Pyles; O'Brien, Thomas J.  
**Subject:** Use of Funds chart

Rob;

Is this what you had in mind in place of flow chart? Could replace % with \$ if that would be better.

Jim

# Hardin County Water District No. 1

*Serving Radcliff and Hardin County for Over 50 Years*

1400 Rogersville Road  
Radcliff, KY 40160

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August 2, 2007

Mayor Shelia Enyart  
City of Radcliff  
113 Johns Road  
Radcliff, KY 40160

**SUBJECT: Follow-up to Council Questions**

Dear Mayor Enyart

We want to thank you for the opportunity to attend the 23-July Council Study Session. We would like to provide this information, to respond to some of the key questions brought out at the meeting, and provide additional answers that required more research or data. We have also provided a questions and answers that cover our overall proposal, and the process that has been used in this effort. This may be helpful for answering questions for your constituents or the press in the future.

There were some excellent questions brought out in the meeting. This is a major decision for the City of Radcliff and its residents, and we understand that Council members want to have all their questions answered before making a decision. We believe this transaction would be in the best interest for the residents of Radcliff. Most of our customers are Radcliff residents, so we of course want to also work to save them money, and continue to provide excellent sewer service.

The District provides a unique opportunity to provide cost savings and reduced sewer rates to your residents. The District owning two sewer treatment plants, with discharge points within five miles and on the same stream, also can create elimination of duplication and maximization of capacity for the benefit of both Radcliff residents and Fort Knox, in the future.

\* \* \* \* \*

1. *Are other Cities talking to the District?*

At this time, the District has only been approached by the City of Radcliff for completing a study and presenting a proposal. The City of Vine Grove has not asked the District for a similar study.

As required in its contract with Ft. Knox (FK), the District has also filed a new tariff to provide sewer treatment services for the City of Muldraugh. The District's new rate per thousand gallons treated will be 35% lower than what the Government had been charging the City.

The U. S. Government, in 2001, did solicit bids to privatize and transfer the Fort Knox (FK) sanitary and storm sewer systems. The other bidders were MSD (Metropolitan Sewer District, Louisville) and

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Phone 1-270-351-3222

FAX: 1-270-352-3055

**[www.HCWD.com](http://www.HCWD.com)**

Continued

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American Water Company (owners, Kentucky-American/Lexington KY). The District was the successful bidder and the system was turned over to the District in July, 2005. The District's bid to the Government was about 30% lower than the next lowest bid, submitted by a shareholder owned, private water corporation.

2. How will service response be affected?

There will be no reduction in service levels or response time. At FK, the District is required to respond in 15 minutes. There were 35 times last year at FK for after-hour sewer emergencies, and met this service level each time.

The District will have the same number of sewer employees available for response, as well as other employees assigned at Ft. Knox. Sewer equipment transferred from the City to District will be used in Radcliff, and other equipment at Ft. Knox will also be available to be used in Radcliff. An added benefit is the fact that Veolia has personnel and equipment in the region can also be used in Radcliff as needed, as well as all current District employees could be dispatched as need in response to a natural disaster or emergency).

With the FK and Radcliff systems, two employees will actually be on-call, 24x7x365 at all times to respond to emergency call outs. In addition to the on-call personnel, four District department heads/managers live in Radcliff, or within a 5 minute drive of Radcliff, and are all on-call 24x7.

The District also receives an annual inspection by the PSC. This includes reviewing customer complaints. The PSC inspectors also randomly picks 10 customers to call to see if they have been satisfied with service levels. For the last three years, the PSC found no deficiencies, or unresolved customer complaints.

The District expects responses to be as good or better than City crews have been able to respond. The District works closely with RPD-911 Dispatch for emergency calls, and provides updated contact information for that office. We would continue to do so, and have a District employee coordinate a response within 15 minutes, irregardless of a sewer or water problem.

3. Could not the City directly contract with Veolia and still retain ownership?

Yes, the City has that option, or with any other contract operator. The savings to the customers are however not just operational. The method of managing the administration, finances, debt and capital improvements also contributes to reducing costs. The key differences the District ownership offers over City ownership / contract operations are;

- > The District will be able to share equipment and personnel between FK and Radcliff which will hold down costs and maximize economies of scale. This would not be possible if the City contracted directly with Veolia. There also is the ability to shift employees to critical jobs such as better managing financing and capital project

Continued

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- management. These areas represent more than 50% of the total costs of running the Radcliff system.
- > By the District owning both the FK sewer system, a water system and the Radcliff sewer system, it will be able to keep costs lower to all customers because fixed costs will be able to be spread over or shared by more customers. Duplication will also be eliminated in many instances, lowering capital and operating costs.
  - > The District will aggressively pursue new customers and developments outside the City limits, including non-contiguous properties, in order to lower the cost per customer in the future. Using grants and unique financing, the District has recently installed more than 75 miles of new water mains in the county, to facilitate growth and development on those roads.
  - > Areas studied and planned send flows to Radcliff, as part of the Hardin County Sewer Facilities Study, will also be able to become new customers of the District, whereas the City does not pursue new developments in the county. (This \$160,000 study is being carried out by Hardin County Water District No. 2, and funded by a federal grant).
  - > The District has the potential to connect both the Radcliff and Ft. Knox sewer treatment plants in the future, to avoid or postpone an expensive Radcliff Sewer Treatment Plant expansion, which will save both Radcliff residents and FK money over the long run.
  - > The Radcliff resident will have the protection and assistance of the Public Service Commission. This is provided by a toll free number, and required response and investigation by the PSC into a customer complaint. Any future rate increases must be based on cost of service, and will be thoroughly investigated by the PSC before approval. Any Radcliff resident, as a customer of the District, would also have standing and ability to protest a rate increase during the process.

4. Will the District provide sewer service to same growth areas that the City would?

Absolutely. The key to financial success for the Radcliff sewer system is serving more customers, both inside Radcliff and outside City limits. This would include seeking various funding sources, and working within the Hardin County Sewer Facilities Plan (being completed by HCWD2), to extend sewer into areas within the County, and outside Radcliff City limits. This should result in more growth than just those areas within city limits, or contiguous parcels anticipated to annex. Much of undeveloped area within existing City limits already have sewer mains nearby, so there would not be excessive costs to provide sewer service to many of those parcels.

The District works with developers weekly in planning and overseeing the construction and addition of water lines to assist growth in Radcliff. This would be no different than for sewer projects. It would

Continued

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be in the District's best interest, and Radcliff residents, to add customers and expand the system to new areas.

5. Will the District be able to pay for new sewer lines to or within a new development?

The District will work with each developer to determine the best way to serve their needs. We have done this with water expansions in Radcliff for years. The District does however follow strict rules regarding incentives regulated by the State. As a PSC regulated utility, the District cannot selectively provide a service or waive a charge for some customers, and not for others. We also could not use existing customers reserves, or funds acquired from operations, to invest in capital facilities for a developer's project, in order to increase a developer's profit, or decrease their development costs.

KRS 278.170 prohibits free or reduced services, or unreasonable preference or discrimination, to one or selected customers. The PSC require all utilities to base their costs and fees on actual cost of service.

The District also believes that KRS 74.130 provides an opportunity for a developer to have water, sewer and other public improvements within his/her development financed through future property tax assessments. This is used often in other high growth states and areas, but has not typically been used in Kentucky. However, state law does extend this authority to a county water district, and the District is interested in pursuing this option for an interested developer in the future.

6. What benefit is it to City to own District parcels & buildings if they are already under lease?

If the MOU terms were accepted as currently written, the District would transfer ownership of three parcels to the City. Two of these the City pays a lease payment to the District. The most recent lease agreement is for the annex or old District office building. That lease has expired, and the City is paying month to month basis. If the new lease rate were \$1,600/month, so the City owning this building would save the City \$19,200 per year. Ownership of the parcels would allow the City to use this land and buildings at their discretion in the future, or sell them if they should ever choose to do that.

7. Could the District transfer the current County Clerk (Vehicle Registration / License Plates) building to the City?

The current lease between the District and County Clerk expires in 2013. There is a clause wherein the County Clerk cannot assign the lease to another, but no clause prohibiting the District from assigning the lease. The County currently pays the District \$6,623 / year in accordance with the lease terms. The District's Board would have to approve transfer of the property and assignment of the lease to the City. It is assumed that if the City owned the building, they would have to honor the current lease terms to the County.

Continued

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8. Will customers be charged for an after hours service call?

Any services to repair, maintain, correct or fix a public (non-private) sewer main or public portion of a service line, even if brought to the attention of the District by a customer, would be at no charge to that customer.

KRS 278.170 prohibits free or reduced services, or unreasonable preference or discrimination, to one or selected customers. The PSC require all utilities to base their costs and fees on actual cost of service. The District could not provide a service to benefit a customer's private property, without charging a fee, or selectively choose who should or should not pay the fee.

If the City is currently not charging a customer to un-plug their private sewer line, on private property, the District would not be able to continue that practice.

9. Will employees be required to move?

No. The current MOU states that employees would receive a job with comparable duties in Radcliff, and receive the same pay and same years of service for calculating paid leave. Some benefits actually would be better than those provided by the City. It is likely, however, that employees will work between FK and Radcliff at different times.

10. What will the District do with sewer funds transferred?

All funds received by the District will be used for, or reserved for, the Radcliff sewer system. This will include paying for any capital projects underway, set aside as a reserve to maintain requirements of bonds or loans, or be used for future projects to improve or repair the Radcliff sewer system. The District could not, nor would, use any of the funds on water projects, or on sewer projects at FK.

11. Will the Sewer Billing fee become profit to the District?

No. The District currently charges the City about \$2.03/month/customer for all sanitary sewer billing services. This was last adjusted in July, 2004, and was about 30% of the total cost to do water and sewer billing. This is based on a cost analysis, which allocates costs between water and sewer and includes meter reading, Customer Service staff & supervisor (6.3 office FTE's, 3 field FTE's), computer software/hardware, depreciation on meters, meter reading vehicles & equipment, bill printing & postage and part of the utilities expense at the Customer Service Center.

Once the District operated the system, the sewer customer would still be paying about \$2.03/month for all sewer billing services. The District could not use those revenues to pay water related costs, nor pay for any expenses related to FK sewer.

The City currently charges \$17.62 as a minimum monthly sewer bill to all residents. When the District revises and lowers sewer rates, we would look closely at replacing the "minimum bill" with a "customer billing charge", (for sewer bills), which could be closer to the \$2.03 / month.

Continued

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12. Will the District change sewer rates?

Yes, the District has proposed a 15% rate reduction after one year of operation. At the end of the first year, the District would then file a rate change case with the PSC, to lower sewer rates. Radcliff residents will pay about \$500,000 less per year in sewer charges to the District after the rate decrease. If the District owned both the water and sewer utilities, it would also pay the City of Radcliff about \$160,000 per year in utility franchise fees, which go directly to the City's general fund and can be used for any City operations or capital project.

Future rate increases would only be when justified, after a study by a professional consultant, and after review and approval by the PSC. In 2001, the District adjusted its water rates which took eight months to get approved by the PSC. Another adjustment was filed in November, 2006 and has yet to be approved.

The District believes that future sewer rate increases will be fewer, and of lower amounts, by District ownership than under City ownership, due to the elimination of duplication, economies of scale, added customer base and the District being able to allocate fixed costs over three utilities. (See attached chart showing history of water and sewer rate increases, compared to the inflation rate).

13. What will become of sewer projects underway by City?

The projects will continue. Any projects under contract (construction) would be completed. Any projects under design will be evaluated as part of a system wide, master-plan approach and be considered as part of a 5-Year Capital Plan that would be developed in the first year.

The District would look at all future projects based on a cost/benefit, business approach as to which are most beneficial to the operation and benefit the most customers for the least cost. This includes looking at low maintenance, innovative construction methods and materials. The District will also compare cost of replacing new, re-building, using in-house forces and using historical facility maintenance records in determining where best to spend capital funds.

As we do with the FK system, we will also evaluate projects that reduce I&I (inflow and infiltration of non sewer water into the system) to free up capacity in the existing system, as opposed to adding new or larger pipes to add capacity. Often an I&I reduction project is lower cost per gallon, than building larger capacity assets.

For example, in 2005, the District was the first water utility in Kentucky to build a composite, glass-lined elevated water tank that will never require painting. We were the first in Hardin County to install an all concrete, ground storage tank that also will never need painting. The District and its Board often use life-cycle, cost benefit analyses (what is least cost over the life of the asset, not just the lowest initial cost) in making decisions on capital projects.

Continued

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14. What other cities in Kentucky use Veolia Water for contract operations?

Veolia Water has existing Kentucky contracts with cities of Hardinsburg, Wurtland, Whitesburg, Hindman, and CDR/Flint Ink in Elizabethtown, in addition to Hardin County Water District No. 1. You are invited to contact any of them (See attached Veolia reference list). City Council members may also want to talk to Fort Knox Garrison Commander, Colonel Mark Needham (270-624-2749), about the arrangement of District ownership / Veolia operations on post.

Veolia Water provides services to more than 600 communities nationwide, including; City of Indianapolis, Oklahoma City, Atlanta/Fulton County and New Orleans. The District would be glad to provide a tour of its FK Sewer facility. Two Council members have already spoken to Mayor Macy at Hardinsburg, and toured the FK facility.

Veolia Water is proud of its quality service. The company just won three operating excellence awards for the best operated plants in all of KY and TN. These included systems of a similar size of Radcliff or larger - Morristown, Gatlinburg and Crossville, TN.

(See also: <http://www.veoliawater.com/municipal.government/default.htm>)

15. How much of annual revenues would actually be paid to Veolia?

About 27% of the District's total revenues (assuming adding Radcliff sewer) would be paid to Veolia. The enclosed pie chart is provided to help show where total District funds would be spent. Veolia will use its annual fee to; pay employees, pay for operating supplies and utilities, make routine repairs and small capital projects, pay taxes, hire local contractors, pay other business license fees and a reasonable amount of profit.

The balance of the revenues received by the District (73 percent) will be used to; pay existing or future debt service, pay its own employees, pay billing & collection costs, pay liability insurance, pay a franchise fee to the City, hire contractors and consultants and annual capital replacement and improvement projects for the benefit of the Radcliff sewer system.

16. How much does Ft. Knox pay the District for a typical monthly sewer bill?

It is difficult to compare equivalent dwelling units from a military base to a municipality. Radcliff has more small commercial business properties, and residential rental property than FK has on post. However, two different comparison methods can be used;

Method 1 (Flows): The FK sewer system flows are about 18% higher than Radcliff's. If FK had an equivalent of 18% more "customers" than Radcliff, the monthly customer sewer bill, based on the District's sewer charge to the Government, would be \$20.40/month per customer.

Follow-up to 23-July City Council Study Session  
Questions & Answers

Continued

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Method 2 (Population): Using current FK daily on-post population, and assuming 2.5 persons per household, FK would have about 10,800 customer units. Using that amount, the typical monthly sewer bill charged by the District would be \$19.40 per month per customer.

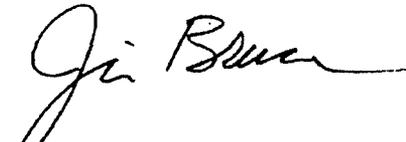
These amounts would be 36% and 39% less, respectively, than an average current Radcliff residential monthly sewer bill.

\* \* \* \* \*

Again, we appreciate the opportunity to attend your meeting and answer questions. We would be glad to attend another meeting with the City Council, or the Mayor and her staff, at any time. Also, if any Council member would like a tour of the District facilities, including Ft. Knox sewer, please do not hesitate to call me and we can set up a time.

We look forward to working toward saving Radcliff residents money on their utility bills, and providing excellent sewer service.

Sincerely,



Jim Bruce  
General Manager

Encl;

Cf: Radcliff City Council  
Mayor of Radcliff  
HCWD1 Board of Commissioners  
Mr. Rob Nicholas, Regional Vice President, Veolia Water, North America

## Andrea Palmer

---

**From:** Nicholas, Robert [Robert.Nicholas@veoliawaterna.com]  
**Sent:** Thursday, August 30, 2007 11:20 AM  
**To:** Brett Pyles; Greer, Jeffery  
**Cc:** O'Brien, Thomas J.  
**Subject:** Radcliff Employee Meeting

Brett – Do you want to get with the guy you have cater the Board dinners and see if he can't put something together for the employee meeting. It might just be donuts, coffee and juice but something nicely done could set a good tone. I would say have it set up by 8:30 or before that morning.

**Safety is everyone's job!**

Rob Nicholas  
Veolia Water  
412 Michael Court  
Richmond, KY 40475  
859/623-0263  
[robert.nicholas@veoliawaterna.com](mailto:robert.nicholas@veoliawaterna.com)

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## Andrea Palmer

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**From:** Nicholas, Robert [Robert.Nicholas@veoliawaterna.com]  
**Sent:** Friday, August 31, 2007 11:28 AM  
**To:** Hovance, LaVerna; O'Brien, Thomas J.; Greer, Jeffery; Meredith, Thomas  
**Cc:** Brett Pyles; Jim Bruce  
**Subject:** Draft Presentation  
**Attachments:** EMPLOYEE Presentation.ppt

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**District Acquisition of City Sewer  
System Protects Employees Jobs**

**August 2007**

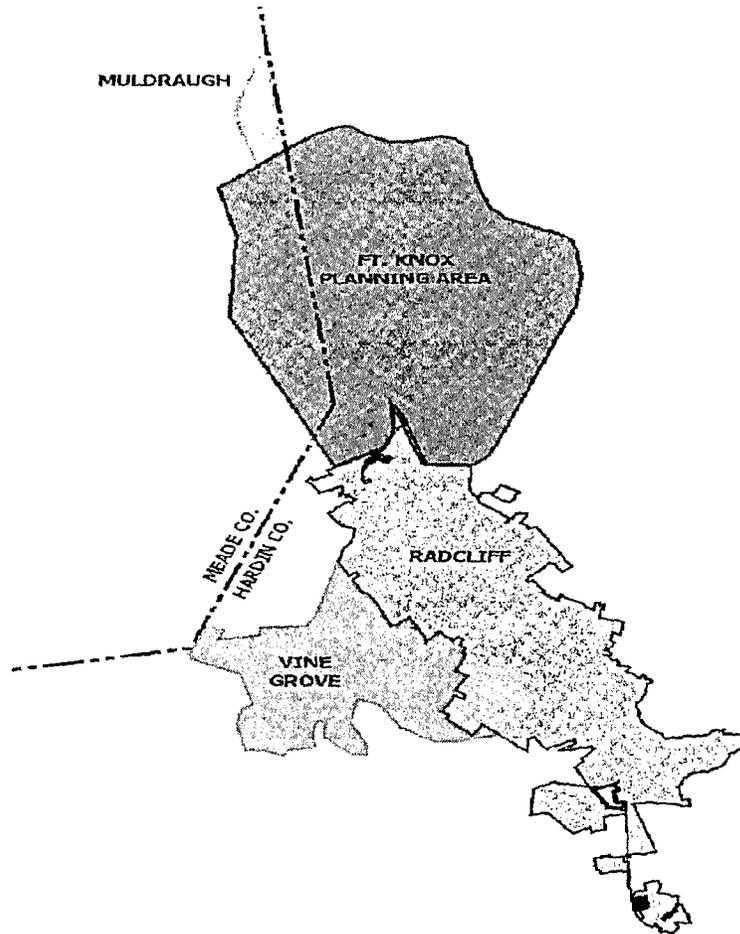
# IMPORTANT TOPICS

- Explain What City and District Are Discussing
- Confirm Contractual Guarantees Between City, District and Veolia Water
- Explain There Will Be Minimal Impact to You
- Answer Common Questions

# DISTRICT & CITY DISCUSSING SALE OF SEWER SYSTEM

- Initiated By City
- Study Looked at Several Options
- Single Ownership Best Option to:
  - Manage Growth from BRAC
  - Control Rates to Customers
  - Address System Deficiencies
- Decisions in the Next Few Months

# Comparison of Services



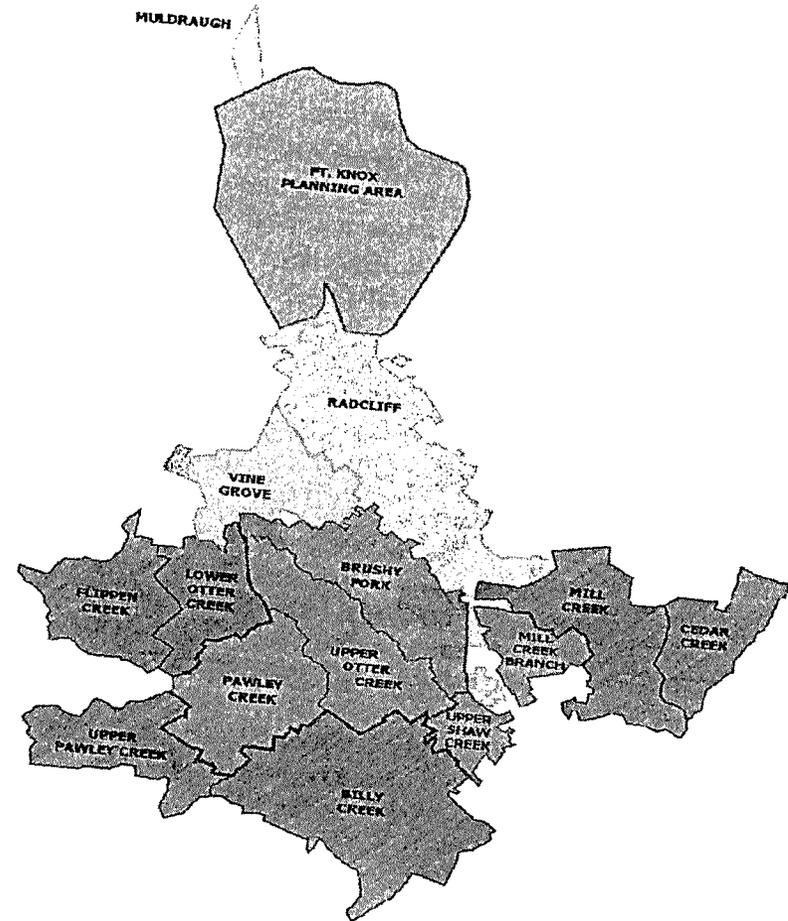
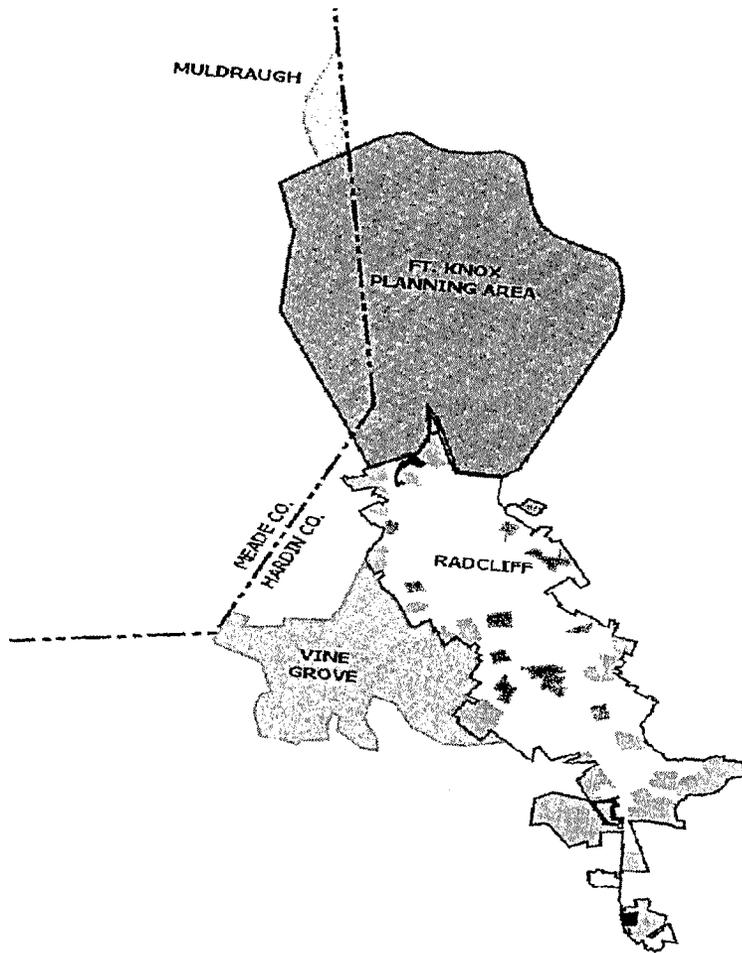
## Ft Knox

- 6 MGD Plant
- 23 Lift Stations
- 150 Miles of Line
- Industrial Pretreatment
- Storm Water

## Radcliff

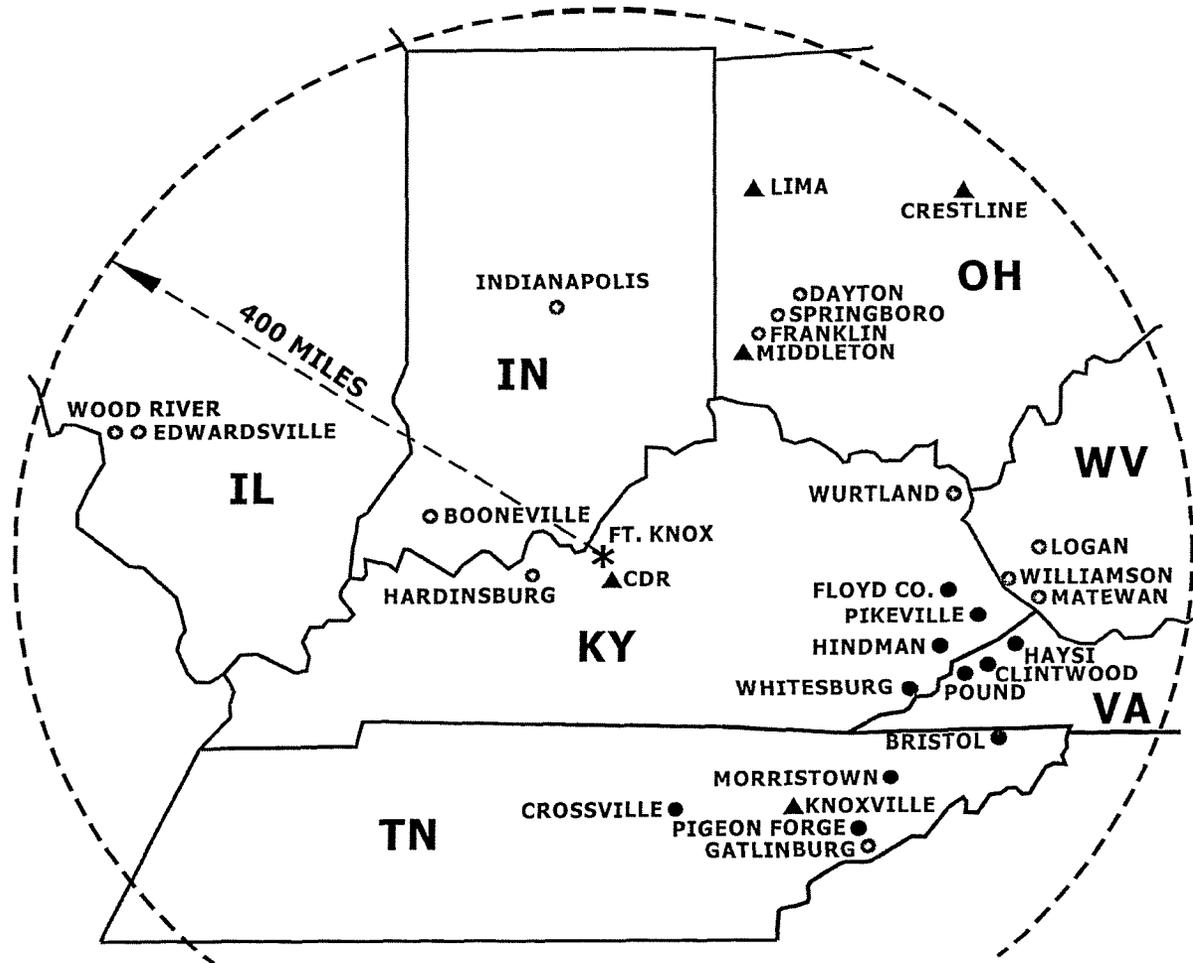
- 4 MGD Plant
- 52 Lift Stations
- 120 Miles of Line

# City vs. District Opportunity

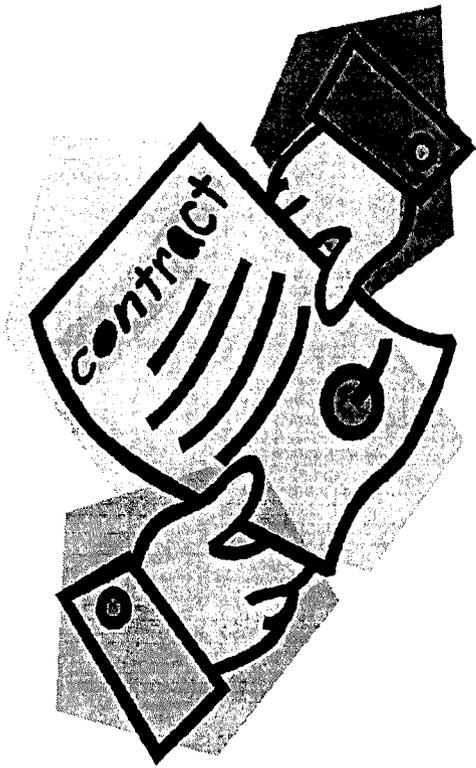


# Project Locations

## Near Hardin County



# CONTRACT GUARANTEES



- Initial Agreement Between City and District Assures Employees a Job
- MOU Requires Offer of Employment to All Employees
- District and Veolia Water Agreements Require Offer of Job to All Employees
- Final Contract Will Specify a Job Offer

# TYPICAL QUESTIONS

- Will I have a job? YES (if pass drug test)
- Will my wage change? SAME WAGE PLUS A BONUS
- Type of benefits? SIMILAR TO YOURS NOW
- Will I have to move? NO
- Will we be fired later? ONLY IF DESERVED. LOOK AT GROWTH
- Will my hours change? DO THEY NEED TO
- Will supervisors change? ADD A NEW MANAGER
- Will procedures change? SOME WILL
- Type of operations desired? AWARD WINNING

# WHAT'S IT LIKE

- Ask US
  - Rob Nicholas – 20 Years & 5 Locations
  - Jeff Greer – 15 Years & 3 Locations
  - TJ Meredith – 4 Years (CDR and VW)
  - Anthony Link – 12 Years & 2 Locations
  - Melvin Carman – 12 Years
  - Matt Priddy – 20 Years (CDR and VW)
  - Mark Montgomery – xx Years (Army & VW)

# AWARD WINNING GOALS

## DISTRICT

- KY/TN AWWA
  - Customer Relations
  - Internal Relations
  - Safety Award
- EPA Partnership for Safe Water (2% of US)

## VEOLIA WATER

- KY/TN WEF
  - 10 OpEx Awards in last 3 years
  - Bio Solids of Year
  - IPP of Year
- OSHA Gold Star (Only W/S in US)
- ISP 9001 (Only W in US)

# BENEFIT COMPARISON

	<b>Radcliff</b>	<b>Veolia</b>
<b>Wages</b>	Current	Match Current + 4% Bonus and \$700 Maximum Safety Bonus
<b>Retirement</b>	State Pension (CERS)	401k – Matches up to 50% of up to 7% voluntary contrib.
<b>Health Insurance</b>	Employee - \$0 Spouse - + \$247 Family - + \$467	Employee - \$0 Spouse - \$____ Family - + \$206 (Multiple Plans Offered)
<b>Paid Leave</b>	39 Days Max (Sick, Vacation, Holiday)	41 Days Max (15 yrs +) (Sick, Vacation, Holiday)
<b>Career Advancement</b>	As openings become available at Radcliff	As available (600 positions within 150 miles of Radcliff)
<b>Seniority</b>	Current	Veolia will assume current For accrued Vacation

# QUESTIONS

**Andrea Palmer**

---

**From:** Hovance, LaVerna [LaVerna.Hovance@veoliawaterna.com]  
**Sent:** Tuesday, September 04, 2007 8:55 AM  
**To:** Nicholas, Robert; O'Brien, Thomas J.; Greer, Jeffery; Meredith, Thomas  
**Cc:** Brett Pyles; Jim Bruce  
**Subject:** RE: Draft Presentation  
**Attachments:** EMPLOYEE Presentation Radcliff.ppt

**Importance:** High

I have made a few adjustments. Looks Good.

**La Verna Hovance**  
**Human Resource Manager**  
Veolia Water North America - South LLC  
14055 Riveredge Drive  
Suite 240  
Tampa, FL 33637  
Office: (813) 983-2803  
Cell: (727) 389-8702  
Fax: (813) 830-7374  
[Laverna.hovance@veoliawaterna.com](mailto:Laverna.hovance@veoliawaterna.com)

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**From:** Nicholas, Robert  
**Sent:** Friday, August 31, 2007 11:28 AM  
**To:** Hovance, LaVerna; O'Brien, Thomas J.; Greer, Jeffery; Meredith, Thomas  
**Cc:** 'Brett Pyles'; 'Jim Bruce'  
**Subject:** Draft Presentation

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**Safety is everyone's job!**

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412 Michael Court  
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[robert.nicholas@veoliawaterna.com](mailto:robert.nicholas@veoliawaterna.com)

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Jim/Rob meet w/ PSC

List of Tasks for Radcliff Sewer Acquisition

Latest Date: November 21, 2007

PHASE	TASK	BY / LEAD PARTY	RESOURCES	DAYS	DEADLINE
Regulatory Approval PSC/CONF SYSTEM JERRY APPROVAL PSC APPROVAL 9 AM CONF AT	HCWD1 Final Board Approval 1/15/08	JSB		1	1/15/08
	City final approval	Kathy W	Mike Pike	1	1/31/08
	Both parties execute final agreement	Jim & Rob, write draft	SBW&P write	5	1/31/08
	Tariff Filing / Writing	Jim / Brett		5	
	Tariff Filing / Writing - Public Notice (?)	Jim			
	KPDES Permit (re-name, assign)	Veolia	JEFF CAM		2/3/08
	Notify PSC of emergency contact names / numbers	Brett			AFTER TAKEOVER
Contractual PERF BOND LETTER AGT VEOLIA/CITY	Prepare addendum for Veolia added scope	Jim & Rob & David	Rob / Jeff / Jim		
	Have Board approve Veolia addendum CONTRACT	Jim to Board			1/15/08
	New tariff agreement with City	MIKE P.			
	Sign / execute Veolia addendum CO-SIGNED LETTER TO KIA	Whoever authorized			1/15/08
Debt Re-Assignment SENT LETTER KIA/AML	Get approval letters passed and signed	City & District	CPA's if needed		
	Meet with KIA Dir. as needed	District / Veolia			
	Provide copies of annual reports (3 years)	District	CPA's if needed		
	Secure KIA Board approval	KIA			
	Set up restricted funds as needed, invest deposits	District / Jenny	CD Banks	7	
Employee Hire / Transfer 20 DAYS PROCESS EMPLOYEES	Veolia HR group meeting	Veolia			
	Veolia meet with individuals	Veolia			
	Veolia determines any retirement payments	Veolia	City Emp / CERS		
	Secure employment commitments	Veolia			
	Veolia advertise for any additional needed	Veolia			

NOTICE, DEVL TEST APPLICATION - BUY OUT OFFER

PHASE	TASK	BY / LEAD PARTY	RESOURCES	DAYS	DEADLINE
	Veolia processes all new employees (City and non-City)	Veolia -			
	Notify CERS of employment termination	City of Radcliff			
Asset Valuation / Transfer	Get list of City assets	HCWD1 / Jenny	Chance at Radcliff		
	X Put into SS depreciation format	JENNY			
	X Check all estimated purchase dates, life of assets, annual depreciation				
	X Calculate any unknown asset value, annual depreciation	Jim / Rob			
	X Set up monthly depreciation amount	Jenny			
Insurance	Provide list of assets to NHI		DISTRICT		
	Ask Board to bid all insurance?	Jim			
	Secure quote / accept	Jim / Board			
	Get final policy binder				
	Have Veolia get proof of insurance	Veolia / Brett			
Land Parcel Transfer	Make total list of properties	HCWD1 / DC			
	Complete any parcel surveying / deed research	Brett	Surveyor (Mike B?)		
	Prepare deed / transfer document				
	Determine final closing costs, escrow amounts (unpaid rent)				
	Closing / recording of deed transfers				
	Adjust insurance policies as needed				
Physical Turnover	Get final, updated list of equipment to transfer	Brett	City / Kathy		
	Re-visit major lift stations, talk to Julia	Veolia / Brett	Julia		
	Talk to Benton Hanson / Quest about current projects	Rob / Jim	Quest		
	Contact utility companies for account info change / all locations	Veolia			

locks signs

INVENTORY

DISTRICT NAME  
VEOLIA PRYER - LETTER TO TRANSFER

PHASE	TASK	BY / LEAD PARTY	RESOURCES	DAYS	DEADLINE
X AMERICAN PADLOCKS @ LL	<del>Shadow operators for ? days</del> ANTHONY	Veolia	Julia		
	Get all SCADA, other systems passwords needed COLE CHANGE BATE	Veolia / Brett	Julia		
	Get files for GIS data / layers	Brett / Daniel	<del>Julia</del>		
	Day of turnover, get all keys for buildings, equipment, vehicles - make inventory list CHUCK	Veolia / Stephanie	Julia		
	Meet at plant for actual turnover, take photos, have extra personnel available	Veolia			
	Contact RPD / Dispatch to give new emergency contact info	Brett			-7
✓	Funds Transfer	Set up required bank accounts	District / Jenny		
	Add bond trustee to co-owner of accounts	District / Jenny			
	Make sure PNC has approval to invest funds (if allowed in their ordinance)	District / Bond Counsel			
	Transfer funds from City to District	City			
✓	Billing / Accounting Changes	Set up additional Chart of Accounts FK RMCCLIFF	HCWD1	Jim, Karen, Jenny	
	Set up new rate codes	HCWD1		Charlene, Linda	
	Change bill design / W, S, TRASH, STORM				
	Set up monthly franchise payment form				
✓	HCWD1 Management Staffing	Finalize job descriptions, salary ranges (CFO, Eng. Mgr)	District / Jim		+6 MOS.
	Get Board approval on JD and salary				+6
	Advertise positions	District			
	Fill / Hire positions	District			
	Finalize building expansion DB / Cost estimate				w/ 6 mos.
✓	HCWD1 Building Expansion	Meet with JE to review scope	Jim / Brett		
	Secure Lump Sum price				
	Get Board approval				

PHASE	TASK	BY / LEAD PARTY	RESOURCES	DAYS	DEADLINE
	Sign DB contract				
	Construction				
	Purchase furnishing / equipment				
Public Relations	Develop ad campaign				
	Print design for ad				
	Newsletter				

ARTICLE  
 TV/RADIO  
 STUFFER/MULTIPLE -

- FISCAL COVER ~~BY~~ SEWER SERVICE AREA

## Andrea Palmer

---

**From:** Holly Nicholas [nicholhl@obg.com]  
**Sent:** Monday, November 26, 2007 4:04 PM  
**To:** Jim Bruce  
**Cc:** robert.nicholas@veoliawaterna.com  
**Subject:** RE: KIA Approval Process

No new debt. But to assume the existing loan of the City, KIA says that you have to complete an application form. Most of the questions in the app will be "N/A" but they want to know that HCWD#1 has the financial capability to assume the existing loan.

Holly L. Nicholas  
Sr. Project Financing Specialist  
O'Brien & Gere Engineers  
1019 Majestic Drive, Suite 110  
Lexington KY 40513  
Cell : 859.333.9742

and:

5071 Endview Pass  
Brooksville FL 34601

>>> "Jim Bruce" <jbruce@hcwd.com> 11/26/07 3:33 PM >>>

Holly;

I am confused. I thought we were assuming existing debt through an administrative process. Are you suggesting we apply for a new loan? I need to know ASAP because we have a Board meeting tomorrow night, and one Board member has already asked if we have to issue new debt or loans. If we have to go through new debt, is there going to be issuance costs, KY KIA fee, loan administrator fees or other?

Thanks

Jim

-----Original Message-----

**From:** Holly Nicholas [mailto:nicholhl@obg.com]  
**Sent:** Monday, November 26, 2007 1:52 PM  
**To:** Jim Bruce; [Robert.Nicholas@veoliawaterna.com](mailto:Robert.Nicholas@veoliawaterna.com)  
**Subject:** Re: KIA Approval Process

The Fund A forms can be found at: <http://kia.ky.gov/loan/funda.htm>

The application form, instructions, and other required documents are listed on the right hand side of this web page.

I will be happy to complete the application for HCWD however, I will need to charge the District for my time. If you are interested in having me complete the forms, we can discuss a fee.

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and:  
5071 Endview Pass  
Brooksville FL 34601  
>>> "Nicholas, Robert" <[Robert.Nicholas@veoliawaterna.com](mailto:Robert.Nicholas@veoliawaterna.com)> 11/26/07 8:57  
AM >>>  
Good Morning Jim

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Holly will send the applications and forms that are required. We can go over them with Chance when we meet with the City on Thursday.

New Address and Phone Number

Rob Nicholas

Veolia Water

5071 Endview Pass

Brooksville, FL 34601

859/582-0104

[robert.nicholas@veoliawaterna.com](mailto:robert.nicholas@veoliawaterna.com)

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-----

## Andrea Palmer

---

**From:** Holly Nicholas [nicholhl@obg.com]  
**Sent:** Tuesday, November 27, 2007 8:46 AM  
**To:** Jim Bruce  
**Subject:** RE: KIA Approval Process

Jim:

If you decide to do the app in house - just give me a call if you have questions, my advice is free! Just remember to answer every question - if it is not applicable put "N/A" in the answer space. The three year financials for you would be PSC reports or audits (audits would be preferable to KIA) for 2004, 2005, 2006. KIA knows the 2007 data is not available.

Holly L. Nicholas  
Sr. Project Financing Specialist  
O'Brien & Gere Engineers  
1019 Majestic Drive, Suite 110  
Lexington KY 40513  
Cell : 859.333.9742

and:

5071 Endview Pass  
Brooksville FL 34601

>>> "Jim Bruce" <jbruce@hcwd.com> 11/26/07 4:22 PM >>>

Thanks Holly, that clears it up. We will look at app and see if we will need your assistance.

Jim Bruce

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**Cc:** robert.nicholas@veoliawaterna.com  
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The application form, instructions, and other required documents are listed on the right hand side of this web page.

I will be happy to complete the application for HCWD however, I will need to charge the District for my time. If you are interested in having me complete the forms, we can discuss a fee.

Holly L. Nicholas  
Sr. Project Financing Specialist  
O'Brien & Gere Engineers  
1019 Majestic Drive, Suite 110  
Lexington KY 40513  
Cell : 859.333.9742  
and:

5071 Endview Pass  
Brooksville FL 34601

>>> "Nicholas, Robert" <Robert.Nicholas@veoliawaterna.com> 11/26/07 8:57 AM >>>

Good Morning Jim

Holly has been on the phone with KIA. The City and District are going to need to provide some information including three years of financials on both entities. The next board meeting is January and we probably need to get the information in quickly so there is time for review. I have mentioned this to Roger as well in case we need his help. He is on the new Governors Transition Team.

Holly will send the applications and forms that are required. We can go over them with Chance when we meet with the City on Thursday.

New Address and Phone Number

Rob Nicholas  
Veolia Water

5071 Endview Pass

Brooksville, FL 34601

859/582-0104

robert.nicholas@veoliawaterna.com

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**Andrea Palmer**

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**From:** Holly Nicholas [NicholHL@obg.com]  
**Sent:** Wednesday, November 28, 2007 9:17 AM  
**To:** Jim Bruce  
**Cc:** Robert Nicholas  
**Subject:** Proposal

Jim:

If you are interested in me doing the SRF application for you, O'Brien and Gere would only charge the District my current billing rate which is around \$100 per hour. I've sent an email to the accounting department to get the exact number. We would cap the expense at 40 hours and I really think it take much less than 40 hours including attending the KIA Board meeting when the transfer is on the agenda for approval.

Holly L. Nicholas  
Sr. Project Financing Specialist  
O'Brien & Gere Engineers  
1019 Majestic Drive, Suite 110  
Lexington KY 40513  
Cell : 859.333.9742  
and:  
5071 Endview Pass  
Brooksville FL 34601

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**Brett Pyles**

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**From:** Jim Bruce  
**Sent:** Thursday, November 29, 2007 1:54 PM  
**To:** Kathy Weisner; Mike Pike, SBW  
**Cc:** Nicholas, Robert; 'Tom O'Brien (thomas.obrien@veoliawaterna.com)'; Meredith, Thomas  
**Subject:** Information Exchange

Kathy;

Here is a list of items we understood from today's meeting that need to be exchanged;

From City;

12 months DMR and MOR reports from WWTP  
Copy of current NPDES permit for Radcliff WWTP Letter to electric / gas utilities granting permission to release historical account use info to HCWD1 List of all current gas, and electric accounts related to sewer facilities  
Copy of current Sewer Use Ordinance Copy of current Sewer rates, fees and charges Current wastewater employee list with wage and type of health coverage Draft of final agreement for final consideration by staff, then HCWD1 Board and City Council

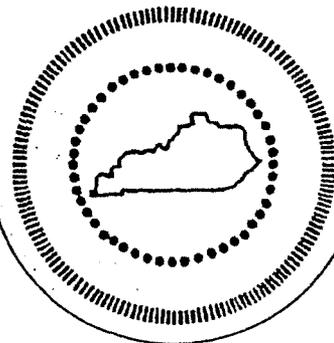
From / By District;

District will draft letter to KIA requesting list of language needed in final agreement (letter to be signed by Mayor, Bill Rissel) District / Rob meet with PSC attorney District provide updated task list to all parties (to be added by anyone and send back to Jim)

Let me know if I forgot anything

Thanks

Jim Bruce



November 30, 2007

Brandenburg Telephone Company  
316 West Lincoln Trail  
Radcliff, Kentucky 40160

Gentlemen:

I, the undersigned, herein authorized the release of any and all information requested by Hardin County Water District No. 1 pertaining to certain accounts currently in the name of the City of Radcliff. For your convenience I have attached a master list of the accounts in question.

If you have any questions, please feel free to contact me at 270-351-4714.

Your help and cooperation are greatly appreciated.

Sincerely,

Sheila C. Enyart  
Mayor  
City of Radcliff

Wastewater

SP-01	FORD	2003 F250	3FTNF21L53MB421158	KK9-274	25,619
SP-02	CHEVY	1997 C2500	1GCGK24J5VZ116997	KJ2-079	79,296
SP-03	FORD	1999 F250	1FTNF21L2X3C09469	KJ7-183	67,987
SP-04	FORD	1989 F350 DUMP	1FDJF37Y5KNA54542	LP7-596	63,872
SP-05	BOBCAT	2006 SK LOADER	526214901		
SP-07	CHEVY	1992 DUMP-KOD	1GBT7H4J6NJ105531	KH1-851	45,183
SP-08	FORD	1993 F350 CRANE	1FDJF37MXPNA22657	KH2-069	55,633
SP-09	FORD	1993 F350 UTIL	1FDHF38M1PNA38243	KH2-605	98,444
SP-10	J DEERE	96/00 2/J DEERE 345			
SP-12	STERLING	2001 VACTOR	2FZAA0RX1AB42837	K36-555	15,629
SP-13	FORD	2002 F150	1FTRF17291NA22881	KK4-394	46,095
SP-14	CUBCADET	2007 TANK	6B157Z80006		
SP-17	CASE	2004 580S BKHO	46358059		
SP-18	J DEERE	2003 5105 TRTR	LV5105C311322		
SP-19	FORD	2003 F150	1FTRF17W63NA31363	KK7-988	30,179
SP-20	FORD	2003 F350	1FDSF35L53EA86209	KK9-107	28,535
TRL	TMBERWLF	2000 TRAILER	48FCE161311005557	KLO-687	
<del>SP-11</del>	<del>JEEP</del>	<del>2000 CHEROKEE</del>	<del>V1J4FF28S4YL191811</del>	<del>KK1-121</del>	<del>38,341</del> City is keeping 11/30/07

Jim,

If possible we would like to keep the 2000 Jeep. Our fire department could make good use of it. The only other item of interest is the 2007 Cub Cadet mower, but you should know that it is new, zero radius and may be something you need to keep. We can live with it either way.

# Hardin County Water District No. 1

*Serving Radcliff and Hardin County for Over 50 Years*

1400 Rogersville Road  
Radcliff, KY. 40160

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December 3, 2007

Mr. Garrett Drakeford  
Financial Services  
Kentucky League of Cities  
P.O. Box 34128  
Lexington, KY 40508-4128

**SUBJECT: Intent to Assume Debt  
Kentucky Municipal Finance Corporation, Series 2001A Pooled Revenue Bond Issue**

Dear Mr Drakeford:

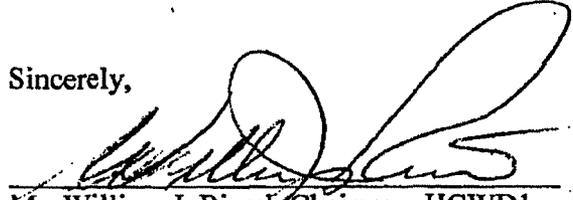
The City of Radcliff and Hardin County Water District No. 1 have entered into a Memorandum of Understanding whereby the District will assume ownership of the City's sanitary sewer system. An objective of this agreement is to for the District to carry over and assume current sewer rates, accounts, assets, liabilities and staff with no changes in the first year.

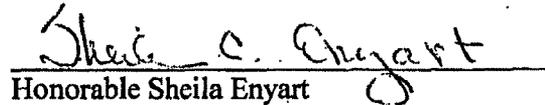
A final contract is being drafted for both parties consideration and approval. Both entities believe it is prudent to contact KLC to determine if any specific language is required in a contract and what procedures are required for the transfer of the current loans from the City to the District.

Also, if there is a specific application or forms we need to fill out to assume this debt, we would also like to know what those are and how to obtain these forms.

The City and District have designated Mr. Jim Bruce, General Manager, with the District as the primary contact for information exchange (phone: 270-351-3222). He will call you regarding this transaction.

Sincerely,

  
Mr. William J. Rissel, Chairman, HCWD1

  
Honorable Sheila Enyart  
City of Radcliff  
411 W. Lincoln Trail Boulevard  
Radcliff, KY 40160 (Phone: 270-351-4714)

Cf: Mr. Mike Pike, City Attorney, Radcliff  
Mr. David Wilson II, HCWD1 Attorney  
Mr. Jim Bruce, HCWD1, General Manager

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Phone 1-270-351-3222

FAX: 1-270-352-3055

[www.HCWD.com](http://www.HCWD.com)

## Andrea Palmer

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**From:** Nicholas, Robert [Robert.Nicholas@veoliawaterna.com]  
**Sent:** Monday, December 03, 2007 8:42 AM  
**To:** Jim Bruce; Kathy Weisner  
**Cc:** Brett Pyles; Meredith, Thomas  
**Subject:** RE:

We probably need a list of details like this for Mike Pike in case he just needs a list of assets and what is not going.

-----Original Message-----

**From:** Jim Bruce [mailto:jbruce@hcwd.com]  
**Sent:** Monday, December 03, 2007 8:41 AM  
**To:** Kathy Weisner  
**Cc:** Brett Pyles; Nicholas, Robert; Meredith, Thomas  
**Subject:** RE:

Kathy;

We understand that WWTP has 3 licenses of ESRI (main GIS software) and 3 seats for SDI (GIS WW software). Since we would continue to update WW maps, we could use two of those to transfer (1 for Veolia to use at WWTP, 1 for our main office for our GIS person to also update as needed). The third seat license you may want to use in engineering to view / update WW maps if needed.

We are checking on the GPS device. The one you have is the same type we used to use, but have since upgraded. The CMT ones are very rugged and work fine, but do not operate with Windows OS and are larger. Will let you know.

As for computers / laptops, if they are over 4 or 5 years old, we probably would not use. Veolia leases / provides their own computer equipment. The PC in Julia's office (I think) has the web based SCADA system, which Veolia would need to continue to use. Not sure if that can be transferred to another PC, but until it was, would need that PC.

Will get you an answer on the GPS device.

Thanks

Jim

-----Original Message-----

**From:** Kathy Weisner [mailto:kweisner@radcliff.org]  
**Sent:** Friday, November 30, 2007 4:37 PM  
**To:** Jim Bruce  
**Subject:**

Jim,

Remember the comments we made about things will keep coming up that we had not discussed. I don't think were estimating high enough. I'll probably run you crazy by the time this is over.

This hour's question has to do with computers, radios, laptops, software and software license. Do we have anything that is compatible and do you plan to use any of what we have? I am not really asking for anything at this point.

I am not sure if we can use any of it either. I won't consider it until I know what your plans are. I think our GSI/GPS stuff is compatible and I don't know if you even use radios. I know some software runs specific functions at the plant but maybe you prefer other systems to do that.

Just let me know.

KW

**Andrea Palmer**

---

**From:** Nicholas, Robert [Robert.Nicholas@veoliawaterna.com]  
**Sent:** Wednesday, December 05, 2007 8:54 AM  
**To:** Jim Bruce; Meredith, Thomas  
**Cc:** Brett Pyles  
**Subject:** RE:

I'll call her. TJ is traveling today and not on email.

-----Original Message-----

**From:** Jim Bruce [<mailto:jbruce@hcwd.com>]  
**Sent:** Wednesday, December 05, 2007 8:24 AM  
**To:** Nicholas, Robert; Meredith, Thomas  
**Cc:** Brett Pyles  
**Subject:** FW:

TJ / Rob;

Can you advise before I call her? I know of no fed reg that would mandate a SCADA upgrade

Jim

-----Original Message-----

**From:** Kathy Weisner [<mailto:kweisner@radcliff.org>]  
**Sent:** Tuesday, December 04, 2007 5:19 PM  
**To:** Jim Bruce  
**Subject:**

Jim,

Would you please give Julia a call and talk with her about the SCADA equipment? Apparently there is a federal regulation that will require us to upgrade or be shut down in February. She has been pricing and planning for that move, but there is no point in us spending "your" money on something you don't need at this point.

There is no problem with us doing the upgrade. We just want to be sure you need it first.

Thanks,

Kathy

## Brett Pyles

---

**From:** Meredith, Thomas [thomas.meredith@veoliawaterna.com]  
**Sent:** Friday, December 07, 2007 3:54 PM  
**To:** Meredith, Thomas; Jim Bruce; Greer, Jeffery; Nicholas, Robert; O'Brien, Thomas J.; Brett Pyles  
**Subject:** Radcliff Progress Call

**Contract amendment** — contract amendment is being circulated internally by Veolia—where applicable the language and format matches that of the existing Veolia contract.

**Telemetry**— Radcliff telemetry license with OMNI expires February 1<sup>st</sup>. The telemetry should remain operational thru the transition. A month to month agreement for the 20 OMNI sites would be ideal while we evaluate our monitoring options.

**Inventory**— An inventory of plant equipment and supplies has been completed by Radcliff personnel. Jim and Jeff will coordinate a site visit to review/reconcile. Please be certain that in addition to the physical assets we secure Geodata, maintenance history, and operational data (electronic or otherwise).

**Electronics**—Radcliff IT staff is evaluating computers. We need the maintenance, operational and geo PC's for data migration, the Veolia operation model uses Nextel cellular phones for communication. Truck radios should go back to the City if possible.

**Utilities**—Brett will engage the appropriate utilities to secure a 12 month run history once we have authorization from Radcliff.

**Task List**—Rob is keeping the task list and will periodically publish with updates.

Please dial in Wednesday the 12<sup>th</sup> @3:30 p.m. for a conference call.

Dial In --877-809-2014  
Passcode --6174589274

Thomas Meredith  
District Manager  
Veolia Water North America  
305 Ring Road  
Elizabethtown, KY 42701  
(270)-706-6028  
(270)-737-1658 (fax)  
[thomas.meredith@veoliawaterna.com](mailto:thomas.meredith@veoliawaterna.com)

# HCWD1 Radcliff Sewer Utility - Financial Model

PSC / Local Govt Format - Updated through 12/31/07

Row	Item / Description	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12
<b>Metrics and Variable Assumptions:</b>													
1	Inflation %	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%
2	Rate Change %	0.0%	-15.0%	0.0%	0.0%	0.0%	0.0%	0.0%	9.0%	0.0%	0.0%	0.0%	0.0%
3	Account Growth	0.0%	1.5%	2.5%	4.0%	3.0%	2.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%
4	# Taps Added	0	131	221	362	282	242	149	151	154	156	158	161
5	Active Accounts	8,700	8,831	9,052	9,414	9,696	9,938	10,087	10,238	10,392	10,548	10,706	10,867
<b>Operating Revenues:</b>													
6	Wastewater Charges	\$3,600,000	\$2,896,574	\$2,968,988	\$3,087,748	\$3,180,380	\$3,259,890	\$3,308,788	\$3,656,211	\$3,711,054	\$3,766,720	\$3,823,221	\$3,880,569
7	Customer Billing Charges	\$7,500	\$222,541	\$228,105	\$237,229	\$244,346	\$250,454	\$254,211	\$280,903	\$285,117	\$289,394	\$293,735	\$298,141
8	Industrial Pretreatment Fees	\$8,250	\$16,500	\$16,913	\$17,589	\$18,117	\$18,570	\$18,848	\$20,827	\$21,140	\$21,457	\$21,779	\$22,105
9	Allocated costs to Ft Knox Sewer	\$30,000	\$30,450	\$31,364	\$32,304	\$33,274	\$33,265	\$38,839	\$39,421	\$40,012	\$40,613	\$41,245	\$41,905
10	Penalties, Service Call, Other Fees	\$113,224	\$137,500	\$137,500	\$137,500	\$137,500	\$137,500	\$137,500	\$149,875	\$149,875	\$149,875	\$149,875	\$149,875
11	Total Operating Revenues >	\$3,758,974	\$3,303,565	\$3,382,870	\$3,512,370	\$3,613,617	\$3,704,679	\$3,758,187	\$4,147,238	\$4,207,198	\$4,268,058	\$4,335,314	\$4,397,395
<b>Operating Expenses:</b>													
12	Personnel (District)	\$30,000	\$250,000	\$258,750	\$267,806	\$277,179	\$286,881	\$296,922	\$307,314	\$318,070	\$329,202	\$340,724	\$352,650
13	Professional Services	\$8,000	\$8,280	\$8,570	\$8,870	\$9,181	\$9,501	\$9,834	\$10,178	\$10,534	\$10,903	\$11,285	\$11,675
14	Fixed Charges	\$28,500	\$29,498	\$30,530	\$31,599	\$32,705	\$33,849	\$35,034	\$36,260	\$37,529	\$38,843	\$40,202	\$41,605
15	Contract Operating Fee	\$1,850,000	\$1,907,750	\$1,967,521	\$2,029,384	\$2,093,413	\$2,189,682	\$2,258,271	\$2,329,261	\$2,402,735	\$2,486,831	\$2,601,245	\$2,691,245
16	Reg Assessment Fee	\$0	\$6,500	\$6,662	\$6,929	\$7,137	\$7,315	\$7,425	\$8,205	\$8,328	\$8,453	\$8,579	\$8,708
17	Total Operating Expenses >	\$1,916,500	\$2,202,028	\$2,272,034	\$2,344,588	\$2,419,615	\$2,527,228	\$2,607,486	\$2,691,217	\$2,777,196	\$2,874,232	\$3,002,036	\$3,014,090
18	Operating Income Before Depreciation >	\$1,842,474	\$1,101,537	\$1,110,836	\$1,167,782	\$1,194,001	\$1,177,451	\$1,150,701	\$1,456,020	\$1,430,002	\$1,393,826	\$1,333,278	\$1,383,305
<b>Depreciation &amp; Other Extraordinary Items:</b>													
19	Interest Income	\$75,000	\$83,900	\$90,900	\$98,700	\$112,600	\$123,800	\$126,800	\$122,900	\$129,400	\$136,100	\$141,900	\$141,900
20	Depreciation Expense	-\$717,000	-\$751,483	-\$771,483	-\$792,483	-\$813,483	-\$839,883	-\$877,683	-\$922,483	-\$965,483	-\$1,007,483	-\$1,049,483	-\$1,103,483
21	Interest Expense	-\$131,065	-\$119,522	-\$104,202	-\$87,534	-\$77,620	-\$67,325	-\$56,636	-\$45,536	-\$34,011	-\$22,043	-\$9,616	\$0
22	Net Operating Income >	\$1,069,409	\$314,432	\$326,051	\$386,465	\$415,499	\$394,043	\$343,182	\$610,901	\$559,908	\$500,401	\$416,079	\$421,722
23	Income % of Revenues >	28.4%	9.5%	9.6%	11.0%	11.5%	10.6%	9.1%	14.7%	13.3%	11.7%	9.6%	9.6%
<b>Cash Flow / Working Capital Funds:</b>													
24	Beginning Period Working Capital >	\$1,900,024	\$2,173,435	\$2,385,846	\$2,593,681	\$3,061,582	\$3,418,601	\$3,477,271	\$3,318,590	\$3,506,729	\$3,700,949	\$3,866,095	\$4,241,892
25	+ Net Income	\$1,069,409	\$314,432	\$326,051	\$386,465	\$415,499	\$394,043	\$343,182	\$610,901	\$559,908	\$500,401	\$416,079	\$421,722
26	+ Depreciation Expense	\$717,000	\$751,483	\$771,483	\$792,483	\$813,483	\$839,883	\$877,683	\$922,483	\$965,483	\$1,007,483	\$1,049,483	\$1,103,483
27	+ Tap Development Fee (Raised Fee \$50)	\$17,850	\$26,200	\$44,200	\$72,400	\$56,400	\$48,400	\$29,800	\$30,200	\$30,800	\$31,200	\$31,600	\$32,200
28	- Debt Principal Payments	-\$355,848	-\$379,704	-\$408,899	-\$258,447	-\$268,362	-\$278,656	-\$289,346	-\$300,445	-\$311,971	-\$323,938	-\$336,365	\$0
<b>Capital Construction Projects:</b>													
29	- Vehicles & General Plant	-\$250,000	-\$50,000	-\$50,000	-\$50,000	-\$60,000	-\$70,000	-\$70,000	-\$50,000	-\$50,000	-\$50,000	-\$50,000	-\$50,000
30	- WWTP Projects	-\$50,000	-\$50,000	-\$75,000	-\$75,000	-\$100,000	-\$150,000	-\$200,000	-\$200,000	-\$200,000	-\$200,000	-\$400,000	-\$400,000
31	- Lift Station Projects	-\$675,000	-\$200,000	-\$200,000	-\$200,000	-\$250,000	-\$350,000	-\$350,000	-\$325,000	-\$300,000	-\$300,000	-\$400,000	-\$400,000
32	- Collection System Projects	-\$200,000	-\$200,000	-\$200,000	-\$200,000	-\$250,000	-\$375,000	-\$500,000	-\$500,000	-\$500,000	-\$500,000	-\$500,000	-\$500,000
33	Total Capital Construction Projects >	-\$1,175,000	-\$500,000	-\$525,000	-\$525,000	-\$660,000	-\$945,000	-\$1,120,000	-\$1,075,000	-\$1,050,000	-\$1,050,000	-\$1,350,000	-\$1,350,000
34	Ending Period Working Capital >	\$2,173,435	\$2,385,846	\$2,593,681	\$3,061,582	\$3,418,601	\$3,477,271	\$3,318,590	\$3,506,729	\$3,700,949	\$3,866,095	\$3,676,892	\$4,449,297
35	Net Change in Working Capital >	\$998,435	\$212,411	\$207,835	\$467,901	\$357,019	\$58,670	-\$158,681	\$188,139	\$194,220	\$165,145	-\$189,203	\$772,405
<b>Restricted Bond Reserve</b>													
	Int Rate APR	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
	Calculated Interest Income >	\$75,000	\$83,300	\$89,800	\$96,100	\$110,300	\$121,200	\$122,900	\$118,100	\$123,800	\$129,800	\$134,800	\$129,000
	Calculated Bond Coverage >	3.55	2.02	2.05	3.33	3.39	3.35	3.25	4.16	4.12	4.06	3.92	

**HCWD1 Radcliff Sewer Utility - Financial Model**  
PSC / Local Govt Format - Updated through 12/31/07

Row	Item / Description	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12
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**Matrix and Variable Assumptions:**

1	Inflation %	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%
2	Rate Change %	0.0%	-15.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
3	Account Growth	0.0%	1.5%	2.5%	4.0%	3.0%	2.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%
4	# Taps Added	0	131	221	362	282	242	149	151	154	156	158	161
5	Active Accounts	8,700	8,831	9,052	9,414	9,698	9,938	10,087	10,238	10,392	10,548	10,706	10,867

**Operating Revenues:**

6	Wastewater Charges	\$ 3,800,000	\$ 2,898,574	\$ 2,968,988	\$ 3,087,748	\$ 3,180,380	\$ 3,259,890	\$ 3,308,788	\$ 3,656,211	\$ 3,711,054	\$ 3,766,720	\$ 3,823,221	#####
7	Customer Billing Charges	\$ 7,500	\$ 222,541	\$ 228,105	\$ 237,229	\$ 244,348	\$ 250,454	\$ 254,211	\$ 280,903	\$ 285,117	\$ 289,394	\$ 293,735	\$ 298,141
8	Industrial Pretreatment Fees	\$ 8,250	\$ 16,500	\$ 16,913	\$ 17,589	\$ 18,117	\$ 18,570	\$ 18,848	\$ 20,827	\$ 21,140	\$ 21,457	\$ 21,779	\$ 22,105
9	Allocated costs to Ft Knox Sewer	\$ 30,000	\$ 30,450	\$ 31,364	\$ 32,304	\$ 33,274	\$ 33,265	\$ 36,839	\$ 39,421	\$ 40,012	\$ 40,613	\$ 46,705	\$ 48,705
10	Penalties, Service Call, Other Fees	\$ 113,224	\$ 137,500	\$ 137,500	\$ 137,500	\$ 137,500	\$ 137,500	\$ 137,500	\$ 149,875	\$ 149,875	\$ 149,875	\$ 149,875	\$ 149,875
11	Total Operating Revenues >	\$ 3,758,974	\$ 3,303,565	\$ 3,382,870	\$ 3,512,370	\$ 3,613,617	\$ 3,704,679	\$ 3,758,187	\$ 4,147,238	\$ 4,207,188	\$ 4,268,058	\$ 4,335,314	#####

**Operating Expenses:**

12	Personnel (District)	\$ 30,000	\$ 250,000	\$ 258,750	\$ 267,808	\$ 277,179	\$ 286,881	\$ 296,922	\$ 307,314	\$ 318,070	\$ 329,202	\$ 340,724	\$ 352,650
13	Professional Services	\$ 8,000	\$ 8,280	\$ 8,570	\$ 8,870	\$ 9,181	\$ 9,501	\$ 9,834	\$ 10,178	\$ 10,534	\$ 10,903	\$ 11,285	\$ 11,685
14	Fixed Charges	\$ 28,500	\$ 29,498	\$ 30,530	\$ 31,599	\$ 32,705	\$ 33,849	\$ 35,034	\$ 36,260	\$ 37,529	\$ 38,843	\$ 40,202	\$ 40,202
15	Contract Operating Fee	\$ 1,850,000	\$ 1,907,750	\$ 1,967,521	\$ 2,029,384	\$ 2,093,413	\$ 2,169,882	\$ 2,248,271	\$ 2,329,261	\$ 2,402,735	\$ 2,488,831	\$ 2,601,245	#####
16	Reg Assessment Fee	\$ 0	\$ 6,500	\$ 6,663	\$ 6,929	\$ 7,137	\$ 7,315	\$ 7,425	\$ 8,205	\$ 8,328	\$ 8,453	\$ 8,579	\$ 8,708
17	Total Operating Expenses >	\$ 1,916,500	\$ 2,202,028	\$ 2,272,034	\$ 2,344,588	\$ 2,418,615	\$ 2,527,228	\$ 2,607,486	\$ 2,691,217	\$ 2,777,196	\$ 2,874,232	\$ 3,002,036	#####

18	Operating Income Before Depreciation >	\$ 1,842,474	\$ 1,101,537	\$ 1,110,836	\$ 1,167,782	\$ 1,194,001	\$ 1,177,451	\$ 1,150,701	\$ 1,456,020	\$ 1,430,002	\$ 1,393,826	\$ 1,333,278	#####
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**Depreciation & Other Extraordinary Items:**

19	Interest Income	\$ 75,000	\$ 83,900	\$ 90,900	\$ 98,700	\$ 112,800	\$ 123,800	\$ 128,800	\$ 122,900	\$ 129,400	\$ 136,100	\$ 141,900	\$ 141,900
20	Depreciation Expense	-\$ 717,000	-\$ 751,483	-\$ 771,483	-\$ 792,483	-\$ 813,483	-\$ 839,883	-\$ 877,683	-\$ 922,483	-\$ 965,483	-\$ 1,007,483	-\$ 1,049,483	#####
21	Interest Expense	-\$ 131,065	-\$ 119,522	-\$ 104,202	-\$ 87,534	-\$ 77,620	-\$ 67,325	-\$ 56,636	-\$ 45,536	-\$ 34,011	-\$ 22,043	-\$ 9,816	\$ 0
22	Net Operating Income >	\$ 1,069,409	\$ 314,432	\$ 326,051	\$ 386,465	\$ 415,499	\$ 394,043	\$ 343,182	\$ 610,901	\$ 559,908	\$ 500,401	\$ 416,079	\$ 421,722
23	Income % of Revenues >	28.4%	9.5%	9.6%	11.0%	11.5%	10.6%	9.1%	14.7%	13.3%	11.7%	9.8%	9.6%

**Cash Flow / Working Capital Funds:**

24	Beginning Period Working Capital >	\$ 1,900,024	\$ 2,173,435	\$ 2,385,846	\$ 2,593,681	\$ 3,061,582	\$ 3,418,601	\$ 3,477,271	\$ 3,318,590	\$ 3,506,729	\$ 3,700,949	\$ 3,866,095	#####
25	+ Net Income	\$ 1,069,409	\$ 314,432	\$ 326,051	\$ 386,465	\$ 415,499	\$ 394,043	\$ 343,182	\$ 610,901	\$ 559,908	\$ 500,401	\$ 416,079	\$ 421,722
26	+ Depreciation Expense	\$ 717,000	\$ 751,483	\$ 771,483	\$ 792,483	\$ 813,483	\$ 839,883	\$ 877,683	\$ 922,483	\$ 965,483	\$ 1,007,483	\$ 1,049,483	#####
27	+ Tap Development Fee (Raised Fee \$50)	\$ 17,850	\$ 28,200	\$ 44,200	\$ 72,400	\$ 56,400	\$ 48,400	\$ 29,800	\$ 30,200	\$ 30,800	\$ 31,200	\$ 31,600	\$ 32,200
28	- Debt Principal Payments	-\$ 355,848	-\$ 379,704	-\$ 408,899	-\$ 258,447	-\$ 268,362	-\$ 278,658	-\$ 289,348	-\$ 300,445	-\$ 311,971	-\$ 323,938	-\$ 336,365	\$ 0

**Capital Construction Projects:**

29	- Vehicles & General Plant	-\$ 250,000	-\$ 50,000	-\$ 50,000	-\$ 50,000	-\$ 60,000	-\$ 70,000	-\$ 70,000	-\$ 50,000	-\$ 50,000	-\$ 50,000	-\$ 50,000	-\$ 50,000
30	- WWTP Projects	-\$ 50,000	-\$ 50,000	-\$ 75,000	-\$ 75,000	-\$ 100,000	-\$ 150,000	-\$ 200,000	-\$ 200,000	-\$ 200,000	-\$ 200,000	-\$ 400,000	#####
31	- Lift Station Projects	-\$ 675,000	-\$ 200,000	-\$ 200,000	-\$ 200,000	-\$ 250,000	-\$ 350,000	-\$ 350,000	-\$ 325,000	-\$ 300,000	-\$ 300,000	-\$ 400,000	#####
32	- Collection System Projects	-\$ 200,000	-\$ 200,000	-\$ 200,000	-\$ 200,000	-\$ 250,000	-\$ 375,000	-\$ 500,000	-\$ 500,000	-\$ 500,000	-\$ 500,000	-\$ 500,000	#####
33	Total Capital Construction Projects >	-\$ 1,175,000	-\$ 500,000	-\$ 525,000	-\$ 525,000	-\$ 680,000	-\$ 945,000	-\$ 1,120,000	-\$ 1,075,000	-\$ 1,050,000	-\$ 1,050,000	-\$ 1,350,000	#####

34	Ending Period Working Capital >	\$ 2,173,435	\$ 2,385,846	\$ 2,593,681	\$ 3,061,582	\$ 3,418,601	\$ 3,477,271	\$ 3,318,590	\$ 3,506,729	\$ 3,700,949	\$ 3,866,095	\$ 3,876,802	#####
35	Net Change in Working Capital >	\$ 212,411	\$ 207,635	\$ 497,901	\$ 367,019	\$ 58,670	-\$ 158,681	\$ 188,139	\$ 164,220	\$ 165,145	-\$ 189,203	\$ 772,405	

	Restricted Bond Reserves	\$ 585,000	\$ 585,000	\$ 585,000	\$ 585,000	\$ 585,000	\$ 585,000	\$ 585,000	\$ 585,000	\$ 585,000	\$ 585,000	\$ 585,000	\$ 0
	Int Rate APR	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
	Calculated Interest Income >	\$ 75,000	\$ 83,300	\$ 89,800	\$ 98,100	\$ 110,300	\$ 121,200	\$ 122,900	\$ 118,100	\$ 123,800	\$ 128,800	\$ 134,800	\$ 129,000
	Calculated Bond Coverage >	3.55	2.02	2.05	3.33	3.39	3.35	3.25	4.18	4.12	4.08	3.92	

	KIA 2001-A (p+i) (actually KLC pool)	\$147,870	\$142,164	\$150,954	\$163,831								
	KIA Loan A97-03 R&M Reserve Fund	\$30,100	\$30,100	\$30,100	\$30,100	\$30,100							
	KIA Loan A97-03 (p+i)	\$352,708	\$352,288	\$351,811	\$351,335	\$350,842	\$350,330	\$349,798	\$349,246	\$348,672	\$348,077	\$347,459	
	Danville Bonds (p+i)	\$-											
	Total Debt	\$530,678	\$524,532	\$532,875	\$545,266	\$380,942	\$350,330	\$349,798	\$349,246	\$348,672	\$348,077	\$347,459	

PHASE	TASK	BY / LEAD PARTY	RESOURCES	DAYS	DEADLINE
Regulatory Approval	HCWD1 Final Board Approval	JSB		1	
	City final approval	Kathy W	Mike Pike	1	
	Both parties execute final agreement	Jim & Rob, write	SBW&P write	5	
	Tariff Filing / Writing	Jim / Brett		5	
	Tariff Filing / Writing - Public Notice (?)	Jim			
	KPDES Permit (re-name, assign)	Veolia	Jeff		
	Notify PSC of emergency contact names /	Brett			
Contractual	Prepare addendum for Veolia added scope	Jim & Rob & David	Rob / Jeff / Jim		
	Have Board approve Veolia addendum	Jim to Board			
	New tariff agreement with City				
	Sign / execute Veolia addendum	Whoever			
Debt Re-Assignment	Veolia provide Performance Bond to District	Veolia			
	Get approval letters passed and signed	City & District	CPA's if needed		
	Meet with KIA Dir. as needed	District / Veolia			
	Provide copies of annual reports (3 years)	District	CPA's if needed		
	Secure KIA Board approval	KIA			
Employee Hire /	Set up restricted funds as needed, invest	District / Jenny	CD Banks	7	
	Veolia HR group meeting	Veolia			
	Veolia meet with individuals	Veolia			
	Veolia determines any retirement payments	Veolia	City Emp / CERS		
	Secure employment commitments	Veolia			
	Veolia advertise for any additional needed	Veolia			
	Veolia processes all new employees (City	Veolia			
	Notify CERS of employment termination	City of Radcliff			
Insurance	Veolia to present employee lease	Veolia			
	Provide list of assets to NHI				
	Ask Board to bid all insurance?	Jim			
	Secure quote / accept	Jim / Board			
Land Parcel Transfer	Get final policy binder				
	Have Veolia get proof of insurance	Veolia / Brett			
	Make total list of properties	HCWD1 / DC			
	Complete any parcel surveying / deed	Brett	Surveyor (Mike B?)		
	Prepare deed / transfer document				
	Determine final closing costs, escrow				
Closing / recording of deed transfers					
Adjust insurance policies as needed					

PHASE	TASK	BY / LEAD PARTY	RESOURCES	DAYS	DEADLINE	
Regulatory Approval Physical Turnover	HCWD1 Final Board Approval	JSB		1		
	Get final, updated list of equipment to	Brett	City / Kathy			
	Re-visit major lift stations, talk to Julia	Veolia / Brett	Julia			
	Talk to Benton Hanson / Quest about	Rob / Jim	Quest			
	Contact utility companies for account info	Veolia				
	Pre-transition staff meetings (3 min.)	Veolia / District /	Kathy, Jim, Rob, Julia			
	Get all SCADA, other systems passwords	Veolia / Brett	Julia			
	Get files for GIS data / layers	Brett / Daniel	Julia			
	Day of turnover, get all keys for buildings,	Veolia / Stephanie	Julia			
	Meet at plant for actual turnover, take	Veolia				
	List of vehicle VIN to be transferred, with a	City	Chance / Kathy			
	Contact RPD / Dispatch to give new	Brett				
	Install new signs at facilities, logos on trucks	Brett	Sign suppliers			
	Funds Transfer	Set up required bank accounts	District / Jenny			
		Add bond trustee to co-owner of accounts	District / Jenny			
Make sure PNC has approval to invest		District / Bond				
Transfer funds from City to District		City				
Billing / Accounting	Set up additional Chart of Accounts	HCWD1	Jim, Karen, Jenny			
	Set up new rate codes	HCWD1	Charlene, Linda			
	Change bill design					
	Set up monthly franchise payment form					
HCWD1 Management	Finalize job descriptions, salary ranges	District / Jim				
	Get Board approval on JD and salary					
	Advertise positions	District				
	Fill / Hire positions	District				
HCWD1 Building	Finalize building expansion DB / Cost					
	Meet with JE to review scope	Jim / Brett				
	Secure Lump Sum price					
	Get Board approval					
	Sign DB contract					
	Construction					
Public Relations	Purchase furnishing / equipment					
	Develop ad campaign					
	Print design for ad					
	Newsletter					

List of Tasks - Radcliff Sewer Acquisition

<u>PHASE</u>	<u>TASK</u>	<u>BY / LEAD PARTY</u>
	Prepare draft final agreement	M. Pike
	Prepare final agreement	M. Pike
Regulatory Approval	HCWD1 Final Board Approval	Jim
Regulatory Approval	City final approval	Kathy W
Regulatory Approval	Tariff Filing / Writing	Jim / Brett
Regulatory Approval	KPDES Permit (file to transfer name)	Veolia
Regulatory Approval	Notify PSC of emergency contact names / numbers	Brett
Regulatory Approval	Transfer FK WWTP Property lease / easement transfer	District
Contractual	Prepare agreement for Veolia added scope	Jim & Rob & David
Contractual	Have Board approve Veolia agreement	Jim to Board
Contractual	Revise franchise agreement with City	Mike P
Contractual	City / District approve franchise agreement	
Contractual	Sign / execute Veolia addendum	Whoever
Contractual	Veolia provide Performance Bond to District	Veolia
Debt Re-Assignment	Get approval letters passed and signed	City & District
Debt Re-Assignment	Prepare KIA Loan application package	District
Debt Re-Assignment	Meet with KIA Dir. as needed	District / Veolia
Debt Re-Assignment	Provide copies of annual reports (3 years)	District
Debt Re-Assignment	Secure KIA Board approval	KIA
Debt Re-Assignment	Set up restricted funds as needed, invest deposits	District / Jenny
Employee Hire / Transfer	Veolia HR group meeting	Veolia
Employee Hire / Transfer	Veolia meet with individuals	Veolia
Employee Hire / Transfer	Veolia determines any retirement payments	Veolia
Employee Hire / Transfer	Secure employment commitments	Veolia
Employee Hire / Transfer	Veolia advertise for any additional needed	Veolia
Employee Hire / Transfer	Veolia processes all new employees (City and non-City)	Veolia
Employee Hire / Transfer	Notify CERS of employment termination	City of Radcliff
Employee Hire / Transfer	Veolia to present employee lease agreement to City (if needed)	Veolia
Insurance	Provide list of assets to NHI	
Insurance	Ask Board to bid all insurance?	Jim
Insurance	Secure quote / accept	Jim / Board
Insurance	Get final policy binder	
Insurance	Have Veolia get proof of insurance	Veolia / Brett
Land Parcel Transfer	Make total list of properties	HCWD1 / DC
Land Parcel Transfer	Complete any parcel surveying / deed research	Brett
Land Parcel Transfer	Prepare deed / transfer document	
Land Parcel Transfer	Determine final closing costs, escrow amounts (unpaid rent)	
Land Parcel Transfer	Closing / recording of deed transfers	
Land Parcel Transfer	Adjust insurance policies as needed	
Physical Turnover	Get preliminary equipment / tools inventory (>\$200)	City
Physical Turnover	Get final, updated list of equipment to transfer	Brett
Physical Turnover	Re-visit major lift stations, talk to Julia	Veolia / Brett

PHASE

TASK

BY / LEAD PARTY

<u>PHASE</u>	<u>TASK</u>	<u>BY / LEAD PARTY</u>
	Prepare draft final agreement	M. Pike
	Prepare final agreement	M. Pike
Regulatory Approval	HCWD1 Final Board Approval	Jim
Physical Turnover	Talk to Benton Hanson / Quest about current projects	Rob / Jim
Physical Turnover	Contact utility companies for account info change / all locations	Veolia
Physical Turnover	Pre-transition staff meetings (3 min.)	Veolia / District /
Physical Turnover	Get all SCADA, other systems passwords needed	Veolia / Brett
Physical Turnover	Get files for GIS data / layers	Brett / Daniel
Physical Turnover	Day of turnover, get all keys for buildings, equipment, vehicles - check inventory	Veolia / Stephanie
Physical Turnover	Meet at plant for actual turnover, take photos, have extra personnel available	Veolia
Physical Turnover	List of vehicle VIN to be transferred, with a BOS for each vehicle to take to	City
Physical Turnover	Contact RPD / Dispatch to give new emergency contact info	Brett
Physical Turnover	Install new signs at facilities, logos on trucks	Brett
Funds Transfer	Set up required bank accounts	District / Jenny
Funds Transfer	Add bond trustee to co-owner of accounts	District / Jenny
Funds Transfer	Make sure PNC has approval to invest funds (if allowed in their ordinance)	District / Bond
Funds Transfer	Transfer funds from City to District	City
Billing / Accounting Changes	Set up additional Chart of Accounts	HCWD1
Billing / Accounting Changes	Set up new rate codes	HCWD1
Billing / Accounting Changes	Change bill design	
Billing / Accounting Changes	Set up monthly franchise payment form	
HCWD1 Management	Finalize job descriptions, salary ranges (CFO, Eng. Mgr)	District / Jim
HCWD1 Management	Get Board approval on JD and salary	
HCWD1 Management	Advertise positions	District
HCWD1 Management	Fill / Hire positions	District
HCWD1 Management	Finalize building expansion DB / Cost estimate	
HCWD1 Building Expansion	Meet with JE to review scope	Jim / Brett
HCWD1 Building Expansion	Secure Lump Sum price	
HCWD1 Building Expansion	Get Board approval	
HCWD1 Building Expansion	Sign DB contract	
HCWD1 Building Expansion	Construction	
HCWD1 Building Expansion	Purchase furnishing / equipment	
Public Relations	Develop ad campaign	
Public Relations	Print design for ad	
Public Relations	Newsletter	
Public Relations	Meet with news / radio for coverage	

<u>RESOURCES</u>	<u>DAYS</u>	<u>DEADLINE</u>
		12/15/2007
		12/31/2007
	1	1/8/2008
Mike Pike	1	1/15/2007
David Wilson	21	1/30/2008
Jeff		3/31/2008
		2/1/2008
FK/ Real Property		1/15/2008
Rob / Jeff / Jim		12/11/2007
		12/18/2007

CPA's if needed  
O-Brian / Gere

CPA's if needed

CD Banks                   7

City Emp / CERS

Surveyor (Mike B?)

Kathy	12/13/2007
City / Kathy	
Julia	

RESOURCES

DAYS

DEADLINE  
12/15/2007  
12/31/2007  
1/8/2008

1

Quest

Kathy, Jim, Rob, Julia  
Julia  
Julia  
Julia

Chance / Kathy

Sign suppliers

Jim, Karen, Jenny  
Charlene, Linda

**Kentucky Infrastructure Authority - (KIA)**

Repayment Schedule

Interest Rate 3.8%

Principal & Interest \$ 172,990.64

	Payment	Principal	Interest	Principal Balance
30-Jun-05				\$ 3,627,476.72
1-Dec-05	\$ 172,990.64	\$ 104,068.58	\$ 68,922.06	\$ 3,523,408.14
1-Jun-06	\$ 172,990.64	\$ 106,045.89	\$ 66,944.75	\$ 3,417,362.25
1-Dec-06	\$ 172,990.64	\$ 108,060.76	\$ 64,929.88	\$ 3,309,301.50
1-Jun-07	\$ 172,990.64	\$ 110,113.91	\$ 62,876.73	\$ 3,199,187.58
1-Dec-07	\$ 172,990.64	\$ 112,206.08	\$ 60,784.56	\$ 3,086,981.51
1-Jun-08	\$ 172,990.64	\$ 114,337.99	\$ 58,652.65	\$ 2,972,643.52
1-Dec-08	\$ 172,990.64	\$ 116,510.41	\$ 56,480.23	\$ 2,856,133.10
1-Jun-09	\$ 172,990.64	\$ 118,724.11	\$ 54,266.53	\$ 2,737,408.99
1-Dec-09	\$ 172,990.64	\$ 120,979.87	\$ 52,010.77	\$ 2,616,429.12
1-Jun-10	\$ 172,990.64	\$ 123,278.49	\$ 49,712.15	\$ 2,493,150.64
1-Dec-10	\$ 172,990.64	\$ 125,620.78	\$ 47,369.86	\$ 2,367,529.86
1-Jun-11	\$ 172,990.64	\$ 128,007.57	\$ 44,983.07	\$ 2,239,522.29
1-Dec-11	\$ 172,990.64	\$ 130,439.72	\$ 42,550.92	\$ 2,109,082.57
1-Jun-12	\$ 172,990.64	\$ 132,918.07	\$ 40,072.57	\$ 1,976,164.50
1-Dec-12	\$ 172,990.64	\$ 135,443.51	\$ 37,547.13	\$ 1,840,720.98
1-Jun-13	\$ 172,990.64	\$ 138,016.94	\$ 34,973.70	\$ 1,702,704.04
1-Dec-13	\$ 172,990.64	\$ 140,639.26	\$ 32,351.38	\$ 1,562,064.78
1-Jun-14	\$ 172,990.64	\$ 143,311.41	\$ 29,679.23	\$ 1,418,753.37
1-Dec-14	\$ 172,990.64	\$ 146,034.33	\$ 26,956.31	\$ 1,272,719.04
1-Jun-15	\$ 172,990.64	\$ 148,808.98	\$ 24,181.66	\$ 1,123,910.07
1-Dec-15	\$ 172,990.64	\$ 151,636.35	\$ 21,354.29	\$ 972,273.72
1-Jun-16	\$ 172,990.64	\$ 154,517.44	\$ 18,473.20	\$ 817,756.28
1-Dec-16	\$ 172,990.64	\$ 157,453.27	\$ 15,537.37	\$ 660,303.01
1-Jun-17	\$ 172,990.64	\$ 160,444.88	\$ 12,545.76	\$ 499,858.12
1-Dec-17	\$ 172,990.64	\$ 163,493.34	\$ 9,497.30	\$ 336,364.79
1-Jun-18	\$ 172,990.64	\$ 166,599.71	\$ 6,390.93	\$ 169,765.08
1-Dec-18	\$ 172,990.64	\$ 169,765.10	\$ 3,225.54	\$ (0.02)

P	I	All P	All I	
\$ 230,848.40	\$ 115,132.88	355,848	133,753	2008
\$ 239,703.98	\$ 106,277.30	379,704	119,522	2009
\$ 248,899.26	\$ 97,082.02	408,899	104,202	2010
\$ 258,447.29	\$ 87,533.99	258,447	87,534	2011
\$ 268,361.59	\$ 77,619.69	268,362	77,620	2012
\$ 278,656.20	\$ 67,325.08	278,656	67,325	2013
\$ 289,345.74	\$ 56,635.54	289,346	56,636	2014
\$ 300,445.33	\$ 45,535.95	300,445	45,536	2015
\$ 311,970.71	\$ 34,010.57	311,971	34,011	2016
\$ 323,938.22	\$ 22,043.06	323,938	22,043	2017
\$ 336,364.81	\$ 9,616.47	336,365	9,616	2018

## List of City of Radcliff - Sewer Fund Locations

Restricted & Unrestricted

<u>GL Account Name</u>	<u>M/E Acct Bal 02/29</u>	<u>Bank Name</u>	<u>Bank Acct #</u>
Sewer Reserves	\$3,106,896.00	First Citizens	8604053
Sewer Operations	\$50,123.00	First Citizens	7635478
Bond Reserve Fund 1997	\$385,708.00	First Citizens	103203
Bond Reserve Fund 2007	\$175,000.00	KNB	5004638116
Bond P&I Fund 2001A*	\$49,278.00	BKNY	595663
	\$3,767,005.00		

\*I have made recent inquiry as to the ownership status of the funds in the account

Bank Acct Name

City of Rad Sew Escrow 2002  
City of Rad Sew Revenue FD 2004  
City of Rad R&R FD 1997  
City of Rad BD Rsve FD 2007  
Radcliff 2001A Revenue

Rest/Unrest

Unrestricted  
Unrestricted  
Restricted  
Restricted  
Restricted

Account Purpose

Operating Investments  
Operating Account  
Bond Rsve FD 1997 KIA  
Bond Rsve FD 1991 KLC  
P&I Receipt/Release Acct

Trustee Controlled?

No

Int Rate

2.28% apy

Bank Acct Type

Money Market

No

2.28% apy

Check w/ Int

No

5.1% apy

CD exp 4/05/08

No

5.2% apy

CD exp 4/05/08

Yes

3.33% apy

Money Market

# Radcliff Electrical Utility Study

	Lift Station Name	Meter #	Bill Identifier	Provider	Basin
1	A. Arnold				Quiggins
2	Byerly Blvd				Lincoln Trail
3	Cement				Lincoln Trail
4	City Hall				Lincoln Trail
5	Classic Cars				Lincoln Trail
6	Drug Store				Plant
7	Elm				Plant
8	Globe Street				Redmar
9	Hensley				Lincoln Trail
10	Lincoln Trail				Plant
11	Quiggins				Boone Trace
12	Safari Trail				Seminole
13	Sherwood				Boone Trace
14	Spring Street				Plant
15	Swope				Lincoln Trail
16	Seminole	39238	965 Seminole Rd	Nolin	Lincoln Trail
17	Applewood	41027	Applewood Ln	Nolin	Quiggins
18	Wendover Ct	41046	106 Wendover	Nolin	Seminole
19	Audubon	41053	Audobon Ct	Nolin	Seminole
20	Boone Trace	41059	Boone Trace	Nolin	Plant
21	Battle Training	41072	Battle Training	Nolin	Quiggins
22	Hillcrest	41091	Hillcrest Dr	Nolin	Seminole
23	North Logsdon	41115	Logsdon Pkwy	Nolin	Seminole
24	Doc's	41117	171 N Deepwood	Nolin	Lincoln Trail
25	Conroe Drive	59237	1392 Blackjack	Nolin	Quiggins
26	Maple Forest	60040	Andra Dr	Nolin	Lincoln Trail
27	Crocus	60041	673 Crocus Dr	Nolin	Lincoln Trail
28	Greenview Lane	60147	Greenview Ln	Nolin	Lincoln Trail
29	C-□	60149	1452 W Lincoln Tr	Nolin	Lincoln Trail
30	Hwy 313	60157	Logsdon Pkwy	Nolin	Lincoln Trail
31	Watkins	60224	N Dixie Hwy	Nolin	Quiggins
32	John Hardin	60226	7122 S Wilson	Nolin	Quiggins
33	Paradise #1	60232	Hill St 1444	Nolin	Seminole
34	Industrial Park	60233	Radcliff Ind. Park	Nolin	Seminole
35	Marvin	60236	168 S Logsdon Pky	Nolin	Lincoln Trail
36	Peyton Place	60237	Payton Place	Nolin	Seminole
37	Cypress Drive	60241	1606 Cypress Dr	Nolin	Seminole
38	Red Hawk Drive	60242	Red Hawk Drive	Nolin	Seminole
39	Church	60243	275 S Woodland	Nolin	Lincoln Trail
40	Stovall	60244	Stovall Church	Nolin	Lincoln Trail
41	Kindergarten	60246	400 S Woodland	Nolin	Lincoln Trail
42	Oak Dr	60247	570 Oak Drive	Nolin	Boone Trace
43	Deer Haven	60249	Deer Haven Dr	Nolin	Quiggins
44	Woodcreek	60250	Woodcreek Dr	Nolin	Plant
45	Skylard Circle	60254	Skylark Cir	Nolin	Quiggins
46	Paradise #2	C35057	Brooke Tr. Lot 78	KU	Seminole
47	Logan	C513111	Logan Street	KU	Lincoln Trail
48	Brown	C51377	805 Brown Street	KU	Plant
49	Indiana	C513840	Indiana TRL	KU	Lincoln Trail
50	Master Street	C514093	Hilltop Terrace	KU	Quiggins
51	Redmar	C520068	North Wilson Road	KU	Plant
52	Emmaus Circle	L056783	Emmaus Circle	KU	Quiggins

# Radcliff Electrical Utility Study

KU S Wilson Rd Pump - 157631  
KU Hilltop Terrace Pump - 542035  
KU S Wilson Pump 27 - 039363

No bills

No bills

KU N Wilson Pump 25 - Acct 159311  
KU Elm Road Pump 26 - Act 104312  
KU Lift St 30 - 051288

KU S Dixie Blvd Pump 28 - 129418

KU WLT Pump 1 - 032418

Pending

Nolin Acct 0118050500

Lift Sta 36 - 097418

KU Oak St Pump - 479881

Paid by building

S Heights Subdiv - Nolin

ID	KEYNUMBER	PVANUMBER	ADDRESS	GRANTOR	DESCRIPTION
6	1382001019	138-20-01-019	298 Safari Trail,	Nelson and Winnie Combs	
7	1382001023	138-20-01-023	230 Safari Trail	Elmer and Elsie Green	Vine Grove
8	1382001025	138-20-01-025	190 Safari Trail	Linda M. Frye	Vine Grove
9	1382001026	138-20-01-026	180 Safari Trail	David S. and Millie G. Clark	Vine Grove
10	1382001027	138-20-01-027	164 Safari Trail	David S. and Millie G. Clark	Vine Grove
11	1382001028	138-20-01-028	168 Safari Trail	David E. and Donna G. Clark	Vine Grove
12	1382001041(1)	138-20-01-041	Safari Trail Area	Nelson and Winnie Combs	Route #2
13	1382001041(2)	138-20-01-041		Pearman and Dalton, INC	Safari Trail Area
14	1382002003	138-20-02-003	1890 Hill Street	Universal Interiors, INC.	WEST SIDE OF HILL STREET
15	1382002004	138-20-02-004	1908 Hill Street	Hallie Lindsey	
16	1382002014	138-20-02-014	1931 Hill Street (?)	Carol A. Hayes	
17	1382002015	138-20-02-015	1836 Hill Street	Bruce and Beversly Beasley, Anne and	
18	1382002021	138-20-02-021	1233 North Logsdon Parkway	T. J. Patterson	
19	1383000021	138-30-00-021	1857 Preston	JAMES AND MARY WADELL	Lot 27 and 28, Preston Subdivision
20	1383000032(1)	138-30-00-032	1910 Preston Street	Wilbur and Gloria Duggins	
21	1383000032	138-30-00-032	1910 Preston Street	Wilbur and Gloria Duggins	
22	1383000033	138-30-00-033	1944 Preston Street	Sid and Virginia McKain	
23	1383000034	138-30-00-034	1970 Preston Street	Arthur Cockriel	Received from Edith Cockriel
24	1384001011	138-40-01-011	1582 Hill Street	Lois and Shirley Ann Basham	
25	1384001071	138-40-01-071	753 W. Hill Street	John and Ingeborg Ginn	Red Hill Road
26	1384001073	138-40-01-073	1445 Hill Street	Richard DeRuiter	Paradise Mobile Home Park
27	1384001074	138-40-01-074	1511 W Hill Street	James H. Royally	
28	1384001075	138-40-01-075	1523 Hill Street	Willie and Ila Yates	
29	1384001076	138-40-01-076	1535 Hill Street	James Duncan	
30	1384001077	138-40-01-077	1547 Hill Street	William W. Ocheltree	RT 1, PO 337E RADCLIFF, KY
31	1384003018	138-40-03-018	1164 Hill Street	Fritz and Emma Wein	
32	1384003019	138-40-03-019	1156 Hill Street	Fritz and Emma Wein	
33	1384003020	138-40-03-020	1148 Hill Street	Boyd and Faye Brown	
34	1384003021	138-40-03-021	1138 Hill Street	Lee and Irene Stephens	SOUTH SIDE OF HILL STREET
35	1384003022	138-40-03-022	1118 Hill Street	Edward and Juanita Deaton	Red Hill Road (KY State Route 391)
36	1384003025	138-40-03-025	1066 Hill Street	Girthleen Moore	
37	1384003026	138-40-03-026	1055 Hill Street	Mattie Shelton	
38	1384003046	138-40-03-046	H. C. and Amby Davis	1227 Cheryl Avenue	By 31W and Globe street, Must See
39	1384003061	138-40-03-061	1587 N Dixie Blvd	Charles and Margie Estes	1600 Block of North Dixie
40	1384004014	138-40-04-014	1498 North Dixie	Dwight and Irene Leonard	Lot 3 Red Dixie
41	1384004040	138-40-04-040	241 Oakridge Drive	LOLEITA LOVELACE	Lot 6, McLyndee Acres
42	1384004054(1)	138-40-04-054 (1)	670 Knox Blvd	Dwight and Irene Leonard	Lot 3 Redmar HEIGHTS
43	1384004054(2)	138-40-04-054	670 Knox Blvd	Dwight and Irene Leonard	Lot 3 Redmar HEIGHTS
44	1384004055(1)	138-40-04-055 (1)	680 Knox Blvd	Dwight and Irene Leonard	Pt 2 Redmar
45	1384004055	138-40-04-055	Pt 2 Redmar	680 Knox Blvd	Dwight and Irene Leonard
46	1384004056	138-40-04-056	680 Knox Blvd	Dwight and Irene Leonard	Lot 1, Pt 2 Redmar
47	1391001023	139-10-01-023	2010 Hill Street	Al and Janet Griffiee	Lot 3, Leonard Subdivision
48	1391001026(1)	139-10-01-026	2624 Hill Street	James and Daisey Allen	
49	1391001026	139-10-01-026	2624 Hill Street	James and Daisey Allen	
50	1391001026	139-10-01-026	2624 Hill Street	James and Daisey Allen	
51	1391001026	139-10-01-026	2624 Hill Street	James and Daisey Allen	
52	1391001042	139-10-01-042	2267 Hawkins Drive	Charles and Mildred Walls	
53	1391001043	139-10-01-043	2227 Hill Street	Gisela A. Seacrist	
54	1391001044	139-10-01-044	2217 Hill Street	James E. and Herta Dozier	
55	1391001046	139-10-01-046	2131 Hill Street	Emerson and Betty Rinard	
56	1391001047	139-10-01-047	2025 Hill Street	Verner and Lottie Drake	
57	1391003073(1)	139-10-03-073	2478 Hill Street	Robert and Pamela Lynch, William and	
58	1391003073	139-10-03-073	2478 Hill Street	Robert and Pamela Lynch	William and Connie Reynolds
59	1391003074	139-10-03-074	2484 Hill Street	Marie Clifford	
60	1391003075	139-10-03-075	2490 Hill Street	Robert and Patricia MCCollum	
61	1391003076	139-10-03-076	2527 Hill Street	Lloyd and Eva Stewart	
62	1392009012	139-20-09-012	Lot 12	Bob O Link	1041 Robin Road
63	1392009026	139-20-09-026	Lot 27 Bob-O-Link	1041 Crocus Drive	J. L. and Virginia Sherrard
64	1393004026	139-30-04-026	Evelyn Drive, Carter Tract	Norman and Jeanne Carter	Lot 12, Indian Hills Subdivision secti
65	1393007018	139-30-07-018	717 Cherrywood Drive	Bruce E. and Anita R. Cupp	Lot 18, PT 25-26, Scenic Acres
66	1393007032	139-30-07-032	1111 Ellen Drive	VERNON SMITHERS	Lot 5, Scenic Acres
67	1393008003	139-30-08-003	864 Hillcrest Drive	David and Lois Gray	Scenic Acres
68	1393008006	139-30-08-006	991 Seminole	T. BROWN LOGSDON (TRUSTEE)	Lot 53, Scenic Acres 287



COMMENTS

16' WIDE, ACCESS ROAD TO LIFT STATION, 50' SQUARE AROUND LIFT STATION, 20' WIDE EASEMENT, 10' OFF CENTERLINE OF SEWER LINE.  
20' WIDE  
20' WIDE, TURNS NORTH AT AN UNKNOWN LENGTH, FOLLOWS SEWER LINE  
10' WIDE, UNKNOWN LOCATION  
20' WIDE  
20' WIDE, 10' OFF THE CENTERLINE OF THE SEWER  
UNKNOWN WIDTH, LENGTH, DIRECTION, AND LOCATION. MAP AND DESCRIPTION NOT ATTACHED.  
20' WIDE  
20' WIDE  
20' WIDE  
UNKNOWN LOCATION, 20' WIDE  
20' WIDE. LOCATION UNKNOWN, MAP NOT ATTACHED, PVA NUMBER AND ADDRESS ARE WRONG.  
10' WIDE  
UNKNOWN WIDTH, LENGTH, LOCATION, AND DISTANCE. MAP AND CALLS NOT INCLUDED.  
UNKNOWN WIDTH, LENGTH, LOCATION, AND DIRECTION.  
UNKNOWN WIDTH, LENGTH, LOCATION, AND DIRECTION. MAP AND CALLS NOT INCLUDED. DOCUMENT NOT DATED OR NOTARIZED.  
UNKNOWN WIDTH, LENGTH, LOCATION, AND DISTANCE. DOCUMENT ALSO REFERS TO 138-30-00-032. DOCUMENT NOT NOTARIZED.  
UNKNOWN WIDTH  
WIDTH, LENGTH, DIRECTION, LOCATION, AND ADDRESS UNKNOWN (ADDRESS AND PVA ABOVE WERE ON EASEMENT).  
UNKNOWN WIDTH, LENGTH, LOCATION, AND DIRECTIONS. INSTRUCTIONS AND MAP NOT INCLUDED ON EASEMENT.  
UNKNOWN WIDTH LENGTH LOCATION AND DIRECTION. EASEMENT SAYS 841 W HILL STREET.  
UNKNOWN WIDTH, LENGTH, LOCATION, AND DIRECTION. MAP AND CALLS NOT INCLUDED. EASEMENT HAS 937 HILL ST WRITTEN.  
UNKNOWN WIDTH, LENGTH, LOCATION, AND DIRECTION. MAP AND INSTRUCTIONS NOT ATTACHED. 755 HILL STREET IS ADDRESS ON EASEMEN  
UNKNOWN WIDTH, LENGTH, LOCATION, AND DIRECTION. MAP AND CALLS NOT ATTACHED.  
12' WIDE, FOLLOWS HILL ST.  
  
12' WIDE, SHOULD BE 12' OFF THE NORTH PROP LINE  
12' WIDE  
12' WIDE  
12' WIDE, SHOULD BE 73' LONG  
12' WIDE  
15' WIDE  
UNKNOWN WIDTH. SHOULD BE ~270' LONG.  
15' WIDE  
10' WIDE  
15' WIDE  
15' WIDE  
15' WIDE  
  
15' WIDE  
  
10' WIDE, STARTS AT INTERSECTION OF HILL AND HAWKINS  
  
  
20' WIDE  
20' WIDE  
20' WIDE, SHOULD ONLY BE 10' LONG  
UNKNOWN WIDTH, LENGTH, LOCATION, AND DIRECTION. MAP AND CALLS NOT INCLUDED.  
20' WIDE, 41' LONG  
  
10' WIDE, COULD BE WRONG PROPERTY  
10' WIDE  
10' WIDE  
10' WIDE  
  
15' WIDE, DESCRIPTION ON EASEMENT DOES NOT MATCH DRAWING ON ATTACHED MAP  
20' WIDE  
15' WIDE  
UNKNOWN WIDTH  
12' WIDE

ID	KEYNUMBER	PVANUMBER	ADDRESS	GRANTOR	DESCRIPTION
69	1393008007(1)	139-30-08-007	965 Seminole Drive	T. Brown Logsdon (trustee)	Lot 52 - Pt 51, Scenic Acres
70	1393008007	139-30-08-007	965 Seminole Drive	SANDRA J. AND JOHN MULLINS	Lot 52 - Pt 51, Scenic Acres
71	1393008008	139-30-08-008	733 Scenic Drive	T. Brown Logsdon (trustee)	Lot 51, Scenic Acres
72	1393008019	139-30-08-019	933 Scenic Drive	Rudy Pitvorec	Lot 44 and 45, Scenic Acres
73	1393009091	139-30-09-091	1217 Lyndon Lane	Delbert and Catherine Roseberry	Lot 18, Plantation Acres
74	1393010002	139-30-10-002	611 Audubon Court	T. Brown Logsdon (trustee)	Lot 60, Scenic Acres
75	1393010003	139-30-10-003	579 Audubon Court	T. Brown Logsdon (trustee)	Lot 61, Scenic Acres
76	1393010004(1)	139-30-10-004	555 Audubon Court	T. Brown Logsdon	Lot 62 and 63, Scenic Acres 35
77	1393010004	139-30-10-004	555 Audubon Court	T. Brown Logsdon	LOT 63, 64 SCENIC ACREA 3
78	1393010005(1)	139-30-10-005 (1)	529 Audubon Court	T. Brown Logsdon	Lot 64, Scenic Acres 2
79	1393010005	139-30-10-005 (1)	Lot 64	Scenic Acres 2	529 Audubon Court
80	1393010015(1)	139-30-10-015	416 North Logsdon Parkway	Violet Hopkins	Lot 5, Plantation Acres Subdivision
81	1393010025(2)	139-30-10-025	648 Hillcrest	T. Brown Logsdon (trustee)	Lot 34, and 35, Scenic Acres
82	1393010025(1)	139-30-10-025	648 Hillcrest	T. BROWN LOGSDON (TRUSTEE)	Lot 35, Scenic Acres
83	1393010025	139-30-10-025	648 Hillcrest	T. Brown Logsdon	Lot 34, Scenic Acres
84	1393010026(1)	139-30-10-026	644 Hillcrest	T. Brown Logsdon (trustee)	Lot 36, Scenic Acres, corner of Hillcrest
85	1393011015	139-30-11-015	161 Neptune Drive	Lemuel and Anita Young	Lot 15, Meadowview
86	1393012006	139-30-12-006	374 Audubon Court	Raymond and Betty Bailey	Lot 61, Plantation Acres
87	1393012010	139-30-12-010	460 Audubon Court	Michael and Darlene Welch	Lot 3, Plantation Acres 4
88	1393012011	139-30-12-011	538 Audubon Court	Darsey and Isabel Mason	
89	1393012027	139-30-12-027	429 Sunset	Doll B. Spencer	
90	1393012029	139-30-12-029	Neptune Road	Wesley P and Callie Anderson	Vacant Lot
91	1393012030	139-30-12-030	Condemnation	411 Sunset Drive	Dennis and Florence Padgett
92	1393012033	139-30-12-033	363 Sunset Drive	Alvin and Anna Burgess	
93	1394003036	139-40-03-036	270 Deepwood Drive	T. Brown and Lorraine Logsdon	Lot 10, Forrest Hills 2
94	1394003037	139-40-03-037	172 Deepwood Drive	T. Brown and Lorraine Logsdon	Lot 9, Forrest Hills 2
95	1394003038	139-40-03-038	156 Deepwood Drive	Luther and Christine Herron	Lot 8, Forest Hills 2
96	1394003038(1)	139-40-03-038	156 Deepwood Drive	Gerald and Janet Herron	Lot 8, Forest Hills 2
97	1394003043	139-40-03-043	163 North Deepwood	Richard and Dorothy Morse	Lot 4, Forest Hills 2
98	1394003050	139-40-03-050	150 N Logsdon	Elmer and Martha Clark	Lot 34 Pt 35, Forrest Hills
99	1394003051	139-40-03-051	114 N Logsdon	John and Wyona Owens	Lot 33 Pt 34, Forrest Hills
100	1394007040	139-40-07-040	Corner of Highland Drive and G	Clifton and Renate Gosser	3 easements
101	1394007047(1)	139-40-07-047		T. Brown and Lorraine Logsdon	vacant lot at the corner of Crocus Drive
102	1394007048	139-40-07-048	1135 Crocus Drive	T. Brown Logsdon (trustee)	Lot 32, Bob O Link, corner of Highland
103	1394007050	139-40-07-050	1155 Fairview Drive	Robert and Martha Pearman	Lot 11, Bob O Link
104	1394007051	139-40-07-051	410 Highland Drive	Kenneth and Minnie Yates	Lot 12-Pt 13, Bob O Link 2
105	1394007062	139-40-07-062	1003 W Vine Street	Dennis and Edna Siders	
106	1394007066	139-40-07-066.01	1061 West Vine Street	Ralph and Catherine Perry	
107	1394007069(1)	139-40-07-069	Vacant Lot off Vine Street	Mr. and Mrs. J. H. Atcher	Lot 8, Bob O Links Acres Addition, v
108	1394007069	139-40-07-069	Vacant Lot off Vine Street	BERNARD P. AND LILLIAN M. SULLIVAN	
109	1394007070(1)	139-40-07-070	1133 Robin Road	Clifton and Martha York	
110	1394007070	139-40-07-070	1133 Robin Road	Clifton and Martha York	
111	1394008002	139-40-08-002	107 Edgewood Drive	John and Pauline Tully	Lot 5, Forest Hills
112	1394008004	139-40-08-004	138 Edgewood	O. D. and Gisolette Griffin	between Lot 2 and 3, Forest Hills Subdivision
113	1394008005	139-40-08-005	129 Edgewood Drive	Ronald and Karoline Barrett	Forest Hills Subdivision Between Lot
114	1394008006	139-40-08-006	231 Edgewood Road	Graydon and Orpha Allen	Lot 1, Forest Hills
115	1394008016	139-40-08-016	200 BLOCK OF LOGSDON	LENN LEE AND HAZEL NELSON	
116	1394008018(1)	139-40-08-018	325 South Logsdon	Christy Pearman (Now Cox) and Wayne	Lots 50-57, Nelson Heights
117	1394008019	139-40-08-019	335 South Logsdon Pkwy	Lawrence and Mayonia Ireland	Bob O Link Acres Addition (Lot 3 Nelson
118	1394008019(1)	139-40-08-019	335 South Logsdon Pkwy	James E. and Carol J. King	Bob O Link Acres Addition (Lot 3 Nelson
119	1394009001	139-40-09-001	1118 Robin Road	Clarice Keyes	Lot 7, Lot 8, Bob O Link Acres Addition
120	1394009003	139-40-09-003	1074 Robin Road	Charles and Gudrun Mills	Lot 6, Bob O Link
121	1394009004	139-40-09-004	1058 Robin Road	John and Marie Hyder	Lot 5, Bob O Link
122	1394009005	139-40-09-005	1040 Robin Road	Robert V and Gladys King	Lot 4, Bob O Link
123	1394009006	139-40-09-006	1022 Robin Road	Floyd and Thea Roegner	Lot 3, Bob O Link
124	1394009007(1)	139-40-09-007	1006 Robin Road	Lloyd and Geneva Brandt	Lot 7, Bob O Link Acres Addition
125	1394009007	139-40-09-007	1066 Robin Road	Robert and Corina Willingham	Lot 2, Bob O Link
126	1394009010	139-40-09-010	1007 Robin Road	Telespor and Mildred Trembly	Lot 10, Bob O Link
127	1394009011	139-40-09-011	1025 ROBIN CIRCLE	Everette and Thelma Powers	Lot 11, Bob O Link
128	1394009013	139-40-09-013	1057 Robin Road	Herschel and Dorothy Young	Lot 13, Bob O Link
129	1394009014	139-40-09-014	1073 Robin Road	Robert Schaffner	Lot 14, Bob-O-Link
130	1394009017(2)	139-40-09-017	1116 Crocus Drive	Homer L. and Mary G. Knight	Lot 23 of Bob O Link Acres Addition,
131	1394009017(1)	139-40-09-017	1116 Crocus Drive	Homer L. and Mary G. Knight	Lot 23 of Bob O Link Acres Addition,

TYPE	ESMTDATE	ESMTDEED	PROPDATE	PROPDEED
sewer line	2/8/1964	183,318		
LIFT STATION	3/20/1985	534,182	11/2/1983	489,289 AND 52
sewer line	2/8/1964	183,336		
SEWER LINE	3/4/1985	531,60	10/22/1975	282,276
SEWER LINE	3/5/1973	587,10	8/6/1962 AND 1	172,218 AND 17
sewer line	2/8/1964	255,295		
sewer line	2/8/1964	183,321		
SEWER LINE	2/8/1964	183,309		
SEWER LINE	2/8/1964	183,324		
sewer line	2-8-1964	183,327		
T. Brown Logsdon	.			
sewer line	2/10/1964	183,439		
sewer line	2/8/1964	183,312		
T. Brown Logsdon	2/8/1964	183,333		
SEWER LINE	2-8-1964	183,339		
sewer line	2/8/1964	183,315		
SEWER LINE	3/20/1985	532,290	6/5/1975	274,403
sewer line	4-4-1984	534,196	8/13/1974	267,366and377
SEWER LINE	1/17/1985	531,58	10/12/1979	383,274
SEWER LINE	4/6/1985	534,178	9/12/1969	220,588
SEWER LINE	11/9/1972	253,569	FEB/1943	118,196
sewer line	6-7-1985	540,126	7/7/1978	348,151
sewer line	2/22/1973	253,572	5/2/1964	184,493
sewer line	5/24/1963	183,299		
sewer line	5/24/1963	183,299		
sewer line	6/3/1963	180,361		
drainage tile	5/13/2002	1036,490	4/11/2002	1031,368
SEWER LINE	11/11/1970	587,341	8/14/1959	158,110
sewer line	10/28/1993	772,490	10/7/1985	552,292
SEWER LINE	10/28/1993	773,66	3/9/1984	499,327
sewage line	10-1-1982	456,51	8/18/1982	452,193
sewer line	3/20/1985	531,24	Jul-58	157,433
sewer line	5/24/1963	180,373		
SEWER LINE	5/27/1963	253,560		
SEWER LINE	10/3/1973	262,183	5/31/1973	255,260
SEWER LINE	9/1/1964			
SEWER LINE	4/24/1985	534,31	4/7/1952	136,632
sewer line	6-8-1963			
SEWER LINE	4/23/1985	534,186	7/23/1977	322,220
SEWER LINE	3/2/1985	531,62	6/15/1977	317,195
SEWER LINE	6/7/1963	180,406		
SEWER LINE	1/23/1973	253,595	1/4/1960	164,485
sewage line	2-5-1973	253,614	11/7/1978	214,654
sewer line	1-24-1973	253,579	9/21/1966	200,523
sewer line	1-25-1973	253,590	2/29/1960	165,179
SEWER LINE	2/14/1973	255,323	7/1928	122,524
sewer line	7/30/2001	1007,159		761,469
sewer line	6/17/1963	180,355		
sewer line	7/18/2001	1004,462		234,343
sewer line	6/7/1963	180,367		
SEWER LINE	7/9/1963	180,379		
sewer line	6/8/1963	180,358		
sewer line	6/28/1963	180,370		
SEWER LINE	6/8/1963			
sewer line	6/8/1963	180,343		
SEWER LINE	6/8/1963	180,409		
SEWER LINE	6/7/1963	180,412		
SEWER LINE	6/17/1963	180,388		
SEWER LINE	6/3/1963	180,403		
SEWER LINE	6/7/1963	180,397		
sewer line	6/12/1963	183,144		
sewer line	9/3/1963	182,642		

COMMENTS

12' WIDE

12' WIDE

10' WIDE,

UNKNOWN WIDTH, LENGTH, LOCATION, AND DIRECTION. MAP AND CALLS NOT INCLUDED ON EASEMENT.

12' WIDE, 193' LONG

INCLUDES A SMALL PORTION OF LOT 62, 139-30-10-005

6' WIDE

15' WIDE, 170 FT FROM LOGSDON PARKWAY AT N 52,35 W

12' WIDE

12' WIDE

12' WIDE

10' WIDE

UNKNOWN LEGTH, WIDTH, LOCATION, AND DIRECTION. CALLS ON EASEMENT EXCEED PROPERTY BOUNDARY.

20' WIDE

50' X 50' WIDE, SHOULD BE 5' FROM SE PROPERTY CORNER

15' WIDE

10' WIDE

~10' X 75'

INCLUDES 172 DEEPWOOD, LOT 9 FOREST HILLS 2, 139-40-03-037 / 12' WIDE

12' WIDE, SW EDGE SHOULD REACH DEEPWOOD DRIVE. ALIGNED WITH LIFT STATION

WIDTH, LENGTH, LOCATION, AND DIRECTION UNKNOWN. MAP AND CALLS NOT INCLUDED.

20' WIDE

10' WIDE

20' WIDE, LOCATION UNKNOWN

10' WIDE

15' WIDE

15' WIDE,

UNKNOWN WIDTH, LENGTH, LOCATION, AND DIRECTION. MAP AND CALLS NOT INCLUDED.

10' WIDE, 48' LONG

10' WIDE,

15' WIDE, SHOULD BE AT S 50 E

10' WIDE

10' WIDE

15' WIDE

15' WIDE

15' WIDE

15' WIDE

15' WIDE

UNKNOWN WIDTH, BUT 25' OR LESS.

50' OFF THE CENTERLINE OF THE SEWER.

15' WIDE, PERMANENT EASEMENT

TEMPORARY EASEMENT, 50' WIDE

10' WIDE

10' WIDE

10' WIDE

10' WIDE

10' WIDE

10' WIDE, 75' LONG, PVA NUMBER AND ADDRESS WRONG ?

10' WIDE

10' WIDE, PARALLEL AND ADJACENT TO EXISTING 5' EASEMENT OFF NORTH PROP LINE

10' WIDE

10' WIDE, PARALLEL AND ADJACENT TO AN EXISTING 5' EASEMENT ALONG NORTH LINE.

10' WIDE

15' WIDE

20' WIDE ON NORTH PROP LINE. 5' OFF EAST PROP LINE

ID	KEYNUMBER	PVANUMBER	ADDRESS	GRANTOR	DESCRIPTION
132	1394009017	139-40-09-017	1116 Crocus Drive	Homer and Mary Knight	Lot 23 of Bob O Link Acres Addition,
133	1394009022	139-40-09-022	982 Crocus Drive	Earl and Kathleen Baird	Lot 22, Bob O Links Acres Addition
134	1394009023	139-40-09-024	977 Crocus Drive	Shelby and Beatrice Rose	LOT 25-26, Bob O Link
135	1394009025	139-40-09-025	1025 Crocus Drive	Donald and Louella Ormsby	Lot 26, Bob O Link
136	1394009027	139-40-09-027	1051 Crocus Drive	Gerald and Nina Atcher	Lot 28-Pt 29, Bob O Link Acres Addit
137	1394009028(1)	139-40-09-028	1077 Crocus Drive	Gerald and Nina Atcher	Lot 29-Pt 30, Bob O Link Acres Addit
138	1394009028	139-40-09-028	1077 Crocus Drive	HARRY AND LILLIAN RODGERS	Lot 29-Pt 30, Bob O Link
139	1394009029	139-40-09-029	1119 Crocus Drive	Chester Frydrych and Mrs. Chester Frydr	Lot 31 - 30, Bob O Link Acres Additi
140	1394009915	139-40-09-915	Lot 15	Bob O Link	1101 Robin Road
141	1400000006	140-00-00-006	1170 West Vine Grove	Claude and Mary Ruth Nelson	
142	1403002003	140-30-02-003	Lot 19-21 Pt 18-29	Nelson Subdivision	1221 West Vine Grove
143	1403002004	140-30-02-004	Lot 11-14, Nelson Subdivision	Claude and Mary Ruth Nelson	1329 West Vine
144	1403002005	140-30-02-005	1329 West Vine	Claude and Mary Ruth Nelson	Lot 07-10, Nelson Subdivision
145	1403002006	140-30-02-006	Lot 4 - 6, Nelson Subdivision	Claude and Mary Ruth Nelson	1323 West Vine
146	1403002007	140-30-02-007	Lot 1 - 3, Nelson Subdivision	Claude and Mary Ruth Nelson	1381 West Vine
147	1403002012	140-30-02-012	W Vine Street	John and Ruth Hartzog	North Side of KY 144 (West Vine Str
148	1403002017	140-30-02-017	1561 W Vine	Glenn and Frances Fisher	North Side of KY 144 (West Vine Str
149	1403002018	140-30-02-018	Not in city	1491 W Vine Street	Emmett and Elmyra Harper
150	1403002019	140-30-02-019	1617 W Vine	Glenn and Frances Fisher	North Side of KY 144 (West Vine Str
151	1403003001	140-30-03-001	W Vine Street	L. N. Carnes Inc.	Old Maple Forrest / Lazy Acres Mob
152	1403003001(1)	140-30-03-001	1234 West Vine Street	Lazy Acres Trailer Park, Inc.	old Mobile Home Park
153	1403004002	140-30-04-002	Periwinkle Drive/Not in City	John and Vicky Knightly	Lot 2A, #1 Rainbow Village/corner of
154	1403003003	140-30-03-003	Amber Ct/Not in City	John and Vicky Knightly	Lot 3A, #1 Rainbow Village/corner of
155	1403003027	140-30-03-027	1550 West Vine Street	Steve and Mildred McDonald	
156	1403006002	140-30-06-002	103 ACADEMY LN	Glenn and Sandra Turner	Lot 2, Academy Heights
157	1403009020	140-30-09-020	Not in the City	1675 West Vine Street	Ethel Powell
158	1522000054	152-20-00-054	975 North Wilson Road	Edwad and Garnet Fisher	
159	1592001029	158-20-01-029	166 Redmar Lane	J. B. and Eula Clark	Lot 15, Redmar Subdivision
160	1592000003(2)	159-20-00-003	1463 N Wilson	Fort Knox Broadcasting	Corner of Wilson Road and Redmar
161	1592000003(1)	159-20-00-003 (1)	1463 N WILSON	Dwight and Irene Leonard	Fort Knox Broadcasting
162	1592000004	159-20-00-004	Redmar Plaza	Dwight and Irene Leonard	PARKING LOT AREA
163	1592000006	159-20-00-006	Lot 1	Frisbee Addition	944 North Dixie
164	1592000008	159-20-00-008	219 Oak Rldge Drive	Tommie and Dana Wells	Lot 5, McLyndee Acres
165	1592000017	159-20-00-017	1051 North Dixie Blvd	Bryant and Nellie Payne	
166	1592000028(1)	159-20-00-028	Redmar Plaza	Dwight and Irene Leonard	VD AND REDMAR LN
167	1592000033	159-20-00-033	North Wilson Road	W. E. Duvall	
168	1592000035(2)	159-20-00-035	1187 North Wilson Road	W.E. Duvall	
169	1592000035	159-20-00-035	1187 North Wilson Road	Donald and Wilma Brainard	
170	1592000045	159-20-00-045	1075 North Wilson Road	Leonard and Beulah Cole	
171	1592000046	159-20-00-046		Marie Stinson	OFF STINSON PLACE
172	1592000047	159-20-00-047		Burton and Bertie Davis	Off North Dixie
173	1592000051	159-20-00-051	955 N Wilson Road	Marie Stinson	
174	1592000053	159-20-00-053	925 North Wilson Road	G. W. and Alice Moore	
175	1592000064	159-20-00-064	844 North Dixie Blvd	Patricia and Edward Durnil, and Elizabet	Lot 15A, Frisby Addition
176	1592000065	159-20-00-065	916 N Dixie Blvd	R. W. and Evelyn Smith, James England	Lot 2 - 13 & Pt, Frisby Addition
177	1592000066	159-20-00-066	934 N Dixie Blvd	James England and R. W. and Evelyn S	Lot 1, Frisby Addition
178	1592000078	159-20-00-078	987-975 North Dixie Blvd	Lot 1, Prather Subdivision	H. W. and Nellie Waldman
179	1592000084	159-20-00-084	1014 Hill Street	Ewing and Eliza Gross	
180	1592000086	159-20-00-086	1034 Hill Street	Howard and Elizabeth Curry	
181	1592000099	159-20-00-099	801 Brown Street	Robert and Darlene Wilson	Lot 5, Highland Subdivision
182	1592000101	159-20-00-101 (1)	739 Brown Street	John and Theresa Grana	Lot 7, Highland Sub
183	1592000101(2)	159-20-00-101	739 Brown Street	John and Ruby Lowe	Lot 7, Highland Sub
184	1592001011	159-20-01-011	1355 Wingard Drive	Arnold and Melva Davis	Lot 37, Redmar Subdivision
185	1592001014	159-20-01-014	278 Redmar Lane	Post Cab Company	Lot 40, Redmar Subdivision
186	1592001015	159-20-01-015		Post Cab Company	vacant lot off of North Dixie
187	1592001017	159-20-01-017		262 Redmar Lane	Lot 10 and 11, Redmar
188	1592001021	159-20-01-021	183 Redmar Lane	Post Cab Company	LOT 5, REDMAR SUBDIVISION
189	1592001033	159-20-01-033	1361 Wingard Drive	Post Cab Company	Lot 19, Redmar Subdivision
190	1592001034	159-20-01-034	1345 Wingard Drive	Post Cab Company	Lot 20, Redmar Subdivision
191	1592001035	159-20-01-035	1332 Wingard Drive	Post Cab Company	Redmar Subdivision
192	1592001036	159-20-01-036	1339 Wingard Drive	Post Cab Company	Lot 22, Redmar Subdivision
193	1592001039	159-20-01-039	1380 Wingard Drive	Post Cab Company	Lot 25, Redmar Subdivision
194	1592002009(1)	159-20-02-009	228 Eagle Pass	Burton and Bertie Davis	Lot 9A, Walnut Grove 293

TYPE	ESMTDATE	ESMTDEED	PROPDATE	PROPDEED
sewer line	1/14/1985	532,296	10/12/1963 (?)	168,627
sewer line	6-26-1963	180,346		
SEWER LINE	6/8/1963	180,394		
SEWER LINE	6/8/1963	180,382		
sewage line	6-12-1963	180,352		
sewage line	6-12-1963	180,352		
SEWER LINE	6/7/1963	180,391		
sewer line	6/8/1963	180,334		
John and Marilyn Crowe				
SEWER LINE	2/27/1969	587,336		
Claude and Mary Ruth Ne				
SEWER LINE	2/27/1969	587,339		
SEWER LINE	2/27/1969	587,339		
SEWER LINE	2/27/1969	687,339		
SEWER LINE	2/27/1969	587,339		
sewer line	7/14/1983	479,33		257,144
sewer line	7/14/1983	479,23		257,137
sewer line	7/14/1983	479,21		257,137
sewer and water line	7/14/1983	479,31		231,352
sewer line	2-12-1969	253,565		
sewer line	7/1/1992	738,185	12/22/1986	592,215
sewer line	7/1/1992	738,185	12/22/1986	592,215
SEWER LINE	7/13/1994	793,305	6/9/1986	574,341
sewer line	12/19/1963	253,428		
sewer line	12/2/1963	184,115 ?		
sewer line and sewer lift s	4/19/1985	534,184	8/29/1955	147,503
SEWER LINE	2-14-1964	189,137		
SEWER LINE	2-14-1964	189,137		
James England	R. W. and Evel			
SEWER LINE	4/14/1969	587,334		
SEWER LINE	2-14-1964	189,137		
sewer line	12/16/1963	253,488		
sewer line	12/5/1963	253,485		
sewer line	12/10/1963			
SEWER LINE	12/10/1963	253,491		
sewer line	12/5/1963	253,464		
SEWER LINE	5/5/1964			
SEWER LINE	12/19/1963	253,543		
sewer line	1/14/1964	183,436		
SEWER LINE	2/3/1964	203,359		
SEWER LINE	3/1/1963	253,500		
SEWER LINE	12/21/1963	253,527		
sewage line	5-26-1965			
sewer line	4/29/1964	253,494		
SEWER LINE	10/15/1963	183,580		
sewer line	10-21-1963	183,539		
SEWER LINE	10-21-1963	183,577		
sewer line	5/26/1965			
SEWER LINE	5/26/1965			
SEWER LINE	5/26/1965	253,497		
SEWER LINE	1/16/1967	202,155		
SEWER LINE	12/2/1963	183,468		
SEWER LINE	12/2/1963	183,471		
SEWER LINE	12/2/1963	183,471		
SEWER LINE	12/2/1963	183,471		
SEWER LINE	12/2/1963	183,471		
SEWER LINE	12/2/1963	183,471		
SEWER LINE	12/2/1963	183,471		
SEWER LINE	3/25/1963	183,388		

COMMENTS

10' WIDE

10' WIDE, SHOULD BE 100' LONG

0' WIDE

10' WIDE

10' WIDE

10' WIDE

10' WIDE

10' WIDE, 235' LONG, S 79 35 E.

15' WIDE, 5' TO THE RIGHT, 10' TO THE LEFT.

15' WIDE, 5' THE RIGHT AND 10' TO THE LEFT.

15' WIDE, 5' TO THE RIGHT, 10' TO THE LEFT.

15' WIDE, 5' TO THE RIGHT, 10' TO THE LEFT

20' WIDE

20' WIDE. MAY BE 10' OFF AND PARALLEL TO THE SOUTH PROP LINE.

20' WIDE, FOLLOWS SEWER LINE SO MAY NOT BE AT THIS ANGLE.

UNKNOWN WIDTH, LENGTH LOCATION, AND DIRECTION. MAP AND DIRECTIONS NOT ATTACHED. FILED UNDER 'C' FOR 'L.N. CARNES'

20' WIDE

20' WIDE, COULD INCLUDE VALLEY HEIGHTS SUBDIVISION

12' WIDE

12' WIDE, LOCATION UNKNOWN, SHOULD BE ONLY 70' LONG

12' WIDE OFF WEST PROP LINE.

435.7' FROM INTERSECTION, NORTH 40' TO POINT OF BEGINNING.

15' WIDE

5' WIDE

10' WIDE, UNKNOWN LENGTH, ANGLE, AND LOCATION. MAP AND CALLS NOT INCLUDED.

15' WIDE

12' WIDE

6' WIDE

THIS IS THE POLYGON GIVEN BY THE CALLS OF THE EASEMENT, UP TO 12' WIDE AND DOWN TO 6' WIDE.

UP TO 6' WIDE. POLYGON GIVEN BY CALLS IN EASEMENT.

15' WIDE

12' WIDE, 15' LONG

12' WIDE, 109' LONG, N 59 E

4' WIDE

12' WIDE,

15' WIDE

12' WIDE

12' WIDE

12' WIDE

15' WIDE

15' WIDE, LOCATION INFERED FROM DRAWING

LOCATION INFERRED FROM DRAWING

12' WIDE

12' WIDE

12' WIDE

12' WIDE, Condemnation

12' WIDE, CENTER LINE SHOULD BE 17' OFF THE WEST PROP LINE AT N 22 W,

12' WIDE

12' WIDE

12' WIDE

12' WIDE

12' WIDE

15' WIDE

ID	KEYNUMBER	PVANUMBER	ADDRESS	GRANTOR	DESCRIPTION
195	1592002011(1)	159-20-02-011	236 Eagle Pass	Burton and Bertie Davis	Lot 11A, Walnut Grove
196	1592002012(1)	159-20-02-012	242 Eagle Pass	Burton and Bertie Davis	Lot 12A, Walnut Grove
197	1592002012	159-20-02-012.01	240 Eagle Pass	Burton and Bertie Davis	Lot 12B, Walnut Grove
198	1592002013	159-20-02-013	244 Eagle Pass	Burton and Bertie Davis	Lot 13A, Walnut Grove
199	1592002018(1)	159-20-02-018	225 Eagle Pass	Burton and Bertie Davis	Lot 18A, Walnut Grove
200	1592002019	159-20-02-019	221 Eagle Pass	Burton and Bertie Davis	Lot 19A, Walnut Grove
201	1592002020	159-20-02-020	217 Eagle Pass	Burton and Bertie Davis	Lot 20A, Walnut Grove
202	1592002021	159-20-02-021	213 Eagle Pass	Burton and Bertie Davis	Lot 21A, Walnut Grove
203	1592000060	159-20-00-060	833 North Wilson Road	W.M. Boling, Sr. and Frances Boling	Lot 25-27, Frisby Addition
204	1592000062	159-20-00-062	809 North Wilson Road	W.M. Boling, Sr. and Frances Boling	Lot 1-4, Frisby Addition
205	1601001003	160-10-01-003	Radcliff Plaza/N Dixie	Norman Banks and W. R. Kunneke	
206	1601001004	160-10-01-004	306 Hill St	Norman and Jeanne Carter	
207	1601001008	160-10-01-008	731 North Wilson Road	Harry Zwicker	
208	1601001013	160-10-01-013	705 North Dixie	L. L. Hargan	Corner of Wilson Road and Dixie Hig
209	1601001014	160-10-01-014	673 North Dixie Blvd	Earl and Eugenia Brown	
210	1601001039	160-10-01-039	471 Elm Road	Arthur E. Davis	
211	1601001043	160-10-01-043	Elm Road	Virginia Heil	
212	1601003008	160-10-03-008	306 North Wilson Road	Elmer and Edna Hargan	Close to West Spring Street
213	1601003010	160-10-03-010	337 North Wilson Road	Elmer and Edna Hargan	Corner of Wilson Road and West Sp
214	1601003011	160-10-03-011	375 North Wilson	Ruby Zwicker	
215	1601003015	160-10-03-015	North Wislon Road	Paul and Mary Brown	Lot 20-24, Ethel Davis Subdivision
216	1601003021	160-10-03-021	555 North Wilson	Hickman and Ethel Wingfield	CORNER OF ELM ROAD AND NOR
217	1601006007(1)	160-10-06-007	624 AND 704 North Dixie Blvd	Elmer and Edna Hargan	Lot 3A, Hargan Subdivision
218	1601006007	160-10-06-007	704 North Dixie Blvd	Elmer and Edna Hargan	Hargan Subdivision
219	1601006017	160-10-06-017	934 New Street	W. M. and Ada Brown and D. E. New	Lot 16, Arcadia Heights Addition
220	1601006038	160-10-06-038	319 Park Avenue	Robert and Delores Underdonk	Lot 51, Arcadia Heights
221	1601006040	160-10-06-040	356 Park Avenue	Byron and Mary Stiles	
222	1601006041	160-10-06-041	366 Park Avenue	Johnson and Nettie Allmond	Lot 42-Pt 41, Arcadia Heights
223	1601006042	160-10-06-042	376 Park Avenue	MACK D. AND JEANINE L. MASON	Lot 43, Arcadia Heights
224	1601007020(1)	160-10-07-020	425 New Street	James E. and Carol J. King	Arcadia Height
225	1601007020	160-10-07-020	425 New Street	W. M. Brown, Ada Brown, D. E. New, an	Arcadia Height
226	1601007026	160-10-07-026	95 Park Avenue	Lyon Hibberd, W.M. Brown, and Oscar B	Stilhton Baptist Church, off North Dix
227	1601007027	160-10-07-027	508 North Dixie Blvd	Ira and Dorothy Pfeiffer	
228	1601007029	160-10-07-029	416, 428, AND 430 North Dixie	Hottie and Elsie Howell	NW past the corner of North Dixie an
229	1601007030	160-10-07-030	430 North Dixie Blvd	Hottie and Elsie Howell	off the corner of North Dixie and E. S
230	1601007032(1)	160-10-07-032	400 North Dixie Blvd	Dewey and Mary Hargan	Off North Dixie by E. Spring Street
231	1601007032	160-10-07-032	400 North Dixie Blvd	Dewey and Mary Hargan	Off North Dixie by E. Spring Street
232	1601007033	160-10-07-033	374 North Dixie Blvd	Weldon and Betty Peete, Marshall and L	
233	1601007035	160-10-07-035	332 N Dixie Blvd	Homer Benningfield and Elizabeth	
234	1601007035(2)	160-10-07-035	332 N Dixie Blvd	Homer Benningfield and Elizabeth	
235	1601007035(1)	160-10-07-035	332 N Dixie Blvd	Elizabeth Benningfield	,widowed and not remarried
236	1601007050	160-10-07-050	511 Brown Street	W. M. Brown, Ada Brown, D. E. New, an	
237	1601007057	160-10-07-057	201 Spring Street	Earnest Masters	
238	1601007061	160-10-07-061	Wood Briar Sub	W. M. Brown, Ada Brown, D. E. New, an	Radcliff Homes, Off New Street
239	1601007061(1)	160-10-07-061		Radcliff Homes INC	Wood Briar Sub Off New Street
240	1602002019	160-20-02-019	334 Deepwood Drive	A. K. and Christine Reising	
241	1602002020	160-20-02-020	354 Deepwood Drive	E. V. and Wilma Moore	Lot 9 and 10, Castlewood MNR
242	1602002036	160-20-02-036	371 Brookwood Drive	Mr. and Mrs. Robert Kelly	Lot 9, Castlewood Manor Addition
243	1602002037	160-20-02-037	351 Brookwood Drive	George and Mary Stokes	Lot 10, Castlewood Manor
244	1603002052	160-30-02-052	354 Boone Trace	Ralph and Carol Depenbrok	Lot 52, Lincoln Trail 4
245	1602003001	160-20-03-001	590 West Lincoln Trail Blvd	United States Post Office (SIGNED MILL	RADCLIFF POST OFFICE
246	1602003002	160-20-03-002	550 W Lincoln Trail Blvd	Donald and Diana Skeeters, R. Terry and	
247	1602003003	160-20-03-003	500 West Lincoln Trail Blvd	Bank of North Hardin Building Corp	
248	1602003028	160-20-03-028	275 South Woodland Drive	Marvin Logsdon, T. B. Logsdon, and Burt	Radcliff Methodist Church
249	1602003029	160-20-03-029	384 Western Drive	Leonard and Mary Casey	
250	1602003030	160-20-03-030	446 South Woodland Drive	Carey and Johnnie McCracken	
251	1602004006	160-20-04-006	641 S Woodland Drive	John and Helen Forsee Jr.	Lot 15, Section 2 Woodland Park Ad
252	1602004033	160-20-04-033	560 Brookwood Drive	Clare Willcut	Lot 8, WOODLAND PK
253	1602004034	160-20-04-034	550 Brookwood Drive	Edward and Betty Zurinkas	Lot 6, Woodland Park Subdivision
254	1602004035	160-20-04-035	548 Brookwood Drive	Kenneth and Patsy Parisean	Lot 5, Woodland Park 2
255	1602005003	160-20-05-003	459 S Wilson Road	Burton and Ruby Raine	
256	1602005004	160-20-05-004	445 South Wilson Road	Alvin and Beulah Jerome	
257	1602005005	160-20-05-005	425 South Wilson Road	D. E. New, Hottie and Elsie Howell	

TYPE	ESMTDATE	ESMTDEED	PROPDATE	PROPDEED
SEWER LINE	12/5/1963	183,391		
SEWER LINE	12/5/1963	183,391		
SEWER LINE	12/5/1963	183,391		
SEWER LINE	12/5/1963	183,391		
SEWER LINE	3/25/1963	183,388		
SEWER LINE	3/25/1963	183,388		
SEWER LINE	3/25/1963	183,388		
SEWER LINE	3/25/1963	183,388		
sewer line	1/14/1964	255,304		
sewer line	1/14/1964	255,304		
sewage line	12-12-1963	255,307		
sewer line	3/31/1964	253,546		
SEWER LINE	1/11/1971	587,338		
sewer line	10/5/1963	253,509		954,507
sewer line	10/15/1963	253,468		
sewer line	3/26/1973	255,314	6/25/1956	150,256
sewer line and appurtena	5/1/1962	177,186		
sewer line	9/12/1963	253,452		
SEWER LINE	9/9/1963	183,401		
sewer line	3/1/1963			
SEWER LINE	9/25/1963	255,301		
sewer line	10/5/1963	253,446		
sewer line	10/5/1963	253,446		
sewer line	9/24/1963	182,639		
SEWER LINE	10/15/1963	183,542		
SEWER LINE	9/12/1963	182,663		
sewer line	9-18-1963	182,636		
SEWER LINE	9/14/1995		9/13/1994	796,231
sewer line	3/6/1985	531,44	8/31/1968	213,514
sewer line and appurtena	5/1/1962	177,176		
sewer line	10/15/1963	253,548		
SEWER LINE	4/9/1963	180,385		
sewer line	4/9/1963	183,409		
sewer line	4/9/1963	183,409		
sewer line and appurtena	5/1/1962	176,191		
sewer line	4/4/1963	183,183		
SEWER LINE	5/24/1962	177,187	3/18/1954	142,604
sewer line (2) and appurtena	9-3-1963	183,15	9/19/1960	167,215
SEWER LINE	9-3-1963	183,15	9/19/1960	167,215
sewer line	4/23/1985	534,194	9/19/1960	167,215
sewer line and appurtena	5/1/1962	177,176		
SEWER LINE	3/23/1973	255,321	5/5/1956	131,220
sewer line and appurtena	5/1/1962	177,176		
SEWER LINE	3/8/1985	531,42	8/21/1984	514,281
SEWER LINE	7/30/1963	183,18		
SEWER LINE	6/26/1963	255,311		
sewer line	7/9/1963	180,364		
SEWER LINE	7/30/1963	180,415		
sewer line	7/25/1986	587,411		548,142
SEWER LINE	2/12/1985	531,38	6/18/1981	422,251
sewer line	3/8/1985	531,36	11/29/1984	522,116
sewer line	12-19-1984	531,34	6/10/1980	398,88
sewer line and lift station	4/1/1963	183,364		
drainage, utility, and access	10/16/1999	949,306		578,177
DRAINAGE, UTILITY, AND ACCESS	10/16/1999	949,309		192,603
sewer line	7/30/1963	180,337		
SEWER LINE	1/25/1973	253,589	3/14/1964	183,555
sewer line	1/29/1973	253,611	10/26/1959	163,618
SEWER LINE	9/4/1973	257,473	3/30/1955	146,195
SEWER LINE	2/4/1964	183,442		
sewer line	4/4/1964	253,470		
SEWER LINE	5/1/1964			

COMMENTS

12' WIDE  
12' WIDE  
12' WIDE  
12' WIDE  
15' WIDE  
15' WIDE  
15' WIDE  
15' WIDE

12' WIDE  
12' WIDE

12' WIDE, LOCATION UNKNOWN MAP NOT ATTACHED  
UNKNOWN WIDTH, LENGTH, LOCATION, AND DISTANCE.

10' WIDE  
10' WIDE, SHOULD BE 10' OFF NE PROP LINE

20' WIDE  
10' WIDE  
15' WIDE  
15' WIDE  
10' WIDE  
20' WIDE

15' WIDE AND 25' WIDE

15' WIDE

15' WIDE  
15' WIDE

10' WIDE, ORIGNAL EASEMENT GIVEN BY RAY AND MARIE MCNAUGHTON, 9/21/1963, 182,645. RELEASED 9/14/1995.  
10' WIDE

15' WIDE, SHOULD COME 20' FROM TURN OF NEW STREET  
10' WIDE, SHOULD BE 184' AWAY FROM RIGHT OF WAY OF DIXIE, AND AT N 27 W.  
10' WIDE, SHOULD BE AT N 27 W 195'

10' WIDE

10' WIDE, SHOULD BE 103.5' LONG

10' WIDE, UNKNOWN LOCATION

12' WIDE, NW LEG SHOULD BE 366' EAST OF DIXE AT TIP

WRONG PVA NUMBER/ADDRESS ? 10' WIDE, 371' LONG

10' WIDE, INCLUDES PROPERTY FROM 160-10-07-061 AND 160-10-07-020

UNKNOWN, WIDTH, LENGTH, LOCATION, AND DIRECTION. MAP AND CALLS NOT INCLUDED.

10' WIDE

15' WIDE

15' WIDE

15' WIDE OFF WEST PROP LINE

15' WIDE

5' WIDE, OFF OF EXISTING UTILITY EASEMENT

10' WIDE

10' wide

10' WIDE, 5' OFF BACK PROP LINE

15' WIDE AND 10' WIDE

SHOULD START 325.23' FROM INTERSECTION OF WOODLAND AND CROCUS

5' WIDE

15' WIDE

WIDTH, LENGTH, AND DIRECTION UNKNOWN

12' WIDE

12' WIDE,

12' WIDE

D.	KEYNUMBER	PVANUMBER	ADDRESS	GRANTOR	DESCRIPTION
258	1602005009	160-20-05-009.01	South Wilson Road	Blance and E. T. Murphy	
259	1602005011	160-20-05-011	357 S Wilson road	Blance and E. T. Murphy	
260	1602005014	160-20-05-014	273 South Wilson Road	Horace and Goldie Durham	
261	1602005017	160-20-05-017	237 South Wilson Road	Lynn and Teddy Alexander	Lot 59 Atcher Subdivision (206 S. Wi
262	1602005018	160-20-05-018	273 South Wilson Road	Horace and Goldie Durham	
263	1602005019	160-20-05-019	311 South Wilson Road	Edward and Elizabeth Haire	Lot 6A, Henry Atcher Estate
264	1602005021(1)	160-20-05-021	209 South Wilson Road	Ian and Ben Atcher	
265	1602005022(1)	160-20-05-022	(WEST OF) 169 South Wilson	Marion and Judy Atcher	
266	1602005022	160-20-05-022	169 South Wilson Road	Ina and Ben Atcher	
268	1602005023(1)	160-20-05-023	316 West lincoln Trail Blvd	Brandenburg Telephone Company	2 easments
269	1602005023	160-20-05-023	316 West lincoln Trail Blvd	Brandenburg Telephone Company	2 easments
270	1602005024	160-20-05-024	University Acres	Robert and Martha Pearman	
271	1602005027(1)	160-20-05-027	311 South Wilson Road	Byrd and Ella Taulbee	
272	1602005027	160-20-05-027	311 South Wilson Road	Byrd and Ella Taulbee	
273	1602005029	160-20-05-029	South Wilson Road	Mr. and Mrs. J. S. Bean	
274	1602005058	160-20-05-058	South Wilson Road	Vincent and Margaret Kieta	adjoining Radcliff Municipal Housing,
275	1602005066	160-20-05-066	383 West Vine Street	Glen and Juanita Jasper	
276	1603002003	160-30-02-003	657 E Lincoln Trail	James England, Earl and Daurice Cato	Lot 3, Lincoln Trail 4
277	1603002044(1)	160-30-02-044	609 E Lincoln Trail Blvd	James England, Earl and Daurice Cato	LOT 44, LINCOLN TRAIL 4
278	1603002008	160-30-02-008	585 E Lincoln Trail	James England, Earl and Daurice Cato	Lot 8, Lincoln Trail 4
279	1603002009	160-30-02-009	573 E Lincoln Trail	James England, Earl and Daurice Cato	Lot 9, Lincoln Trail 4
280	1603002016	160-30-02-016	Commercial	East Lincoln Trail	James England
281	1603002044	160-30-02-044	317 Boone Trace	James England, Earl and Daurice Cato	Lot 44, Lincoln Trail 4
282	1603002050(1)	160-30-02-050	394 Boone Trace	Earl and Daurice Cato	Lot 50 Lincoln Trail 4
283	1603002050	160-30-02-050	394 Boone Trace	James and Barbara Rowlett	Lot 50, Lincoln Trail 4
284	1603002051	160-30-02-051	374 Boone Trace	Wallace and Sherrill Goodman	Lot 51 #4, Lincoln Trail
285	1603002054	160-30-02-054	318 Boone Trace	James England, Earl and Daurice Cato	Lot 54, Lincoln Trail 4,
286	1603002054(1)	160-30-02-054	318 Boone Trace	James England, Earl and Daurice Cato	Lot 54, Lincoln Trail 4,
287	1603002055	160-30-02-055	300 Boone Trace	James England, Earl and Daurice Cato	Lot 55, Lincoln Trail 4,
288	1603002056	160-30-02-056	282 Boone Trace	James England, Earl and Daurice Cato	Lot 56, Lincoln Trail 4,
289	1603003001	160-30-03-001	630 Brown Street	Ira and Dorothy Pfeiffer	
290	1603003007	160-30-03-007		Albert England	Lots 3 and 9, Hargan Subdivision
291	1603003008	160-30-03-008	605 Brown Street	Guy and Betty Berry	Lot 1 and 2, Hargan Subdivision
292	1603003009	160-30-03-009	552 Brown Street	Marjorie McClain	Lot 6 and 8, Hargan Subdivision
293	1604000031	160-40-00-031	1943 South Dixie Blvd	Albert and Waltrand Dishon	
294	1604001032	160-40-01-032	256 Indiana Trail	Charles and Josephine Hogg	Lot 50, Lincoln Trail Acres section 2
295	1604003001(1)	160-40-03-001	513 South Wilson Road	H. James and Charlotte Blouse	
296	1604003001	160-40-03-001	513 South Wilson Road	H. L. Froman	
297	1604003002	160-40-03-002	541 South Wilson Road	H. L. Froman	
298	1604003004	160-40-03-004	605 South Wilson Road	Wilbur Stone	
299	1604003005	160-40-03-005	619 South Wilson Road	Ralph and Hazel Brakebill	
300	1604003012	160-40-03-012	South Wilson Road	HC Water District No. 1	
301	1604003032	160-40-03-032	103 Vine Street	J. K. and Evelyn Vance	
302	1604003057	160-40-03-057	634 South Dixie Blvd	Robert Cooper, et al	M.B. Const. Co.
303	1604003058	160-40-03-058	636 S Dixie	J. K. and Evelyn Vance	
304	1604003079	160-40-03-079	310 South Dixie Blvd	W. H. and Nancy Millard	
305	1604004055(1)	160-40-04-055	610 Terrace Drive	James K and Sunny Mills	Lot 64A, Hillcrest 3
306	1604004016	160-40-04-016	Lot 16	Hillcrest Estates 1	Bernice and Martin Straney
308	1604004017(1)	160-40-04-017	468 Terrace Drive	Richard A. Champine, and Opal I. Cham	Lot 17
309	1604004018(1)	160-40-04-018	470 Terrace Drive	Richard A. Champine, and Opal I. Cham	Lot 18
310	1604004019(1)	160-40-04-019	500 Terrace Drive	Richard A. Champine, and Opal I. Cham	Lot 19
311	1604004020(1)	160-40-04-020	516 Terrace Drive	Richard A. Champine, and Opal I. Cham	Lot 20
312	1604004021(1)	160-40-04-021	1148 Sherwood Drive	Richard A. Champine, and Opal I. Cham	Lot 21
313	1604004022(1)	160-40-04-022	550 Terrace Drive	Richard A. Champine, and Opal I. Cham	Lot 22
314	1604004023(1)	160-40-04-023	566 Terrace Drive	Richard A. Champine, and Opal I. Cham	Lot 23
315	1604004024	160-40-04-024	566 Terrace Drive	Richard A. Champine, and Opal I. Cham	Lot 23
316	1604004052	160-40-04-052	201 Terrace Drive	Richard and Opal Champine	Lot 61, Hillcrest 3
317	1604004055	160-40-04-055	Lot 64A	Hillcrest Estates 1	582 Terrace Drive
318	1604004056(1)	160-40-04-056	Lot 66, Hillcrest 3	Charles and ChiKang Newton	582 Terrace Drive
319	1604004056	160-40-04-056	582 Terrace Drive	Charles and ChiKang Newton	Lot 66, Hillcrest 3
320	1604004057	160-40-04-057	Lot 67	Hillcrest Estates 1	570 Terrace Drive
321	1604004063(1)	160-40-04-063		Ghazi and Aida Qaisi	Hillcrest
322	1604004063	160-40-04-063		Ghazi and Aida Qaisi	Hillcrest

TYPE	ESMDATE	ESMTDEED	PROPCDATE	PRORDEED
SEWER LINE	11/15/1968	215,21	7/1/1936	96,224
sewer line	4/8/1964	187,464-466		
sewer line	4-10-1964			
sewer line	4/8/1964	187, 464 and		
sewer line	2/15/1964	253,476		
sewer line	2-8-1964	183,361		
sewer line	3-13-1985	531,28	3/27/1964	187,212
sewer line	3-23-1963	183,358		
sewer line	4/24/1985	534,314	12/6/1956	151,363
sewer line	12/19/1984	531,30	12/8/1956	151,363
SEWER LINE	2/8/1964	253,540		
SEWER LINE	4/23/1963			
sewer line	3/25/1963	182, 695		
sewer line	3/7/1974	587,12	11/6/1967	208,112
sewer line	5/14/1992		7/9/1982	449,220
sewer line	3/22/1985	556,339	3/30/1972	243,395
sewer line (SEWER LIFT)	3/22/1985	556,339	3/30/1972	243,395
sewer line	3/22/1985	556,339	3/30/1972	243,395
sewer line	3/22/1985	556,339	3/30/1972	243,395
Earl and Daurice Cato				
sewer line, sewer lift stati	4/22/1985	556,346	3/30/1972	243,395
sewer line	7/23/1986	587,413		362,70 and 369,
SEWER LINE	1/15/1985	531,56	3/31/1982	442,121
sewer line	7-25-1986	587,409		547,235
sewer line and lift station	3/22/1985	556,339	3/30/1972	243,395
sewer line	4/22/1985	556,341	3/30/1972	243,395
sewer line	3/22/1985	556,339	3/30/1972	243,395
sewer line	3/22/1985	556,339	3/30/1972	243,395
SEWER LINE	9/21/1963	182,648		
sewer line	1/15/1985	532,294	5/12/1972	243,18
sewer line	9-24-1963			
SEWER LINE	1/18/1985	531,40	5/23/1972	243,340
sewer line	3/8/1985	531,26	10/15/1980	406,131
sewer line	2/6/1964	183,433		
sewer line	3/21/1964	253,512		
sewer line	3/21/1964	253,512		
SEWER LINE	2/13/1964			
sewer line	2/8/1964	253,458		
SEWER LINE	3/5/1974	262,181	SEPT/1972	247,307
sewer line	8/21/1963			
SEWER LINE	3/5/1974	262,180	SEPT/1969	260,229
SEWER LINE	2/17/1964	253,479		
SEWER LINE	3/24/1985	532,298	7/28/1983	480,277
Hassie and A. G. Straney				
sewer line	12/7/1977	332,216	7/16/1968	212,491
sewer line	12/7/1977	332,216	7/16/1968	212,491
sewer line	12/7/1977	332,216	7/16/1968	212,491
sewer line	12/7/1977	332,216	7/16/1968	212,491
sewer line	12/7/1977	332,216	7/16/1968	212,491
sewer line	12/7/1977	332,216	7/16/1968	212,491
sewer line	12/7/1977	332,216	7/16/1968	212,491
sewer line	12/7/1977	332,216	7/16/1968	212,491
sewer line	12/7/1977	332,216	7/16/1968	212,491
sewer line	6/25/1986	587,407		212,419
Bernice and Martin Strane	Hassie and A.			
SEWER LINE	3/23/1985	532,300	7/19/1983	479,140
SEWER LINE	6/23/1986		7/19/1983	479,140
Bernice and Martin Strane	Hassie and A.			
SEWER LINE	4/4/1985	533,248	11/7/1983	490,53
SEWER LINE	6/23/1986	587,415	432,116 AND 49	10/27/1981 AND

COMMENTS

15' WIDE, 40' LONG. LOCATION AND DIRECTION UNKNOWN. MAP NOT ATTACHED.

6' WIDE, WAS ONE PEICE OF PROPERTY WITH 160-20-05-018

2' WIDE, S 25 E, PARALLEL TO WILSON

6' WIDE, WAS ONE PEICE OF PROPERTY WITH 160-20-05-014

12' WIDE, PARALLEL TO WILSON

6' WIDE

10' WIDE, SOUTHERN MEMBER SHOULD BE AT AN 87' ANGLE TO THE REST OF THE POLYGON. COULD BE LOCATED AT 160-20-05-021, LOCATION

10' WIDE

10' WIDE

10' WIDE

6' WIDE

10' WIDE

10' WIDE

WIDTH, LENGTH, AND DIRECTION UNKNOWN

WIDTH, LENGTH, DIRECTION, AND LOCATION UNKNOWN. DRAWING/DESCRIPTION NOT ATTACHED TO EASEMENT

10' WIDE

10' WIDE, 20' LONG, 31' WEST FROM NE CORNER.

5' WIDE

10' WIDE,

5' WIDE

10' WIDE

15' WIDE

10' WIDE

--35 X 35', INSTRUCTION SAY SHOULD BE IN NORTHWEST CORNER

12' WIDE, PVA NUMBER AND ADDRESS IS MISPRINTED ON EASEMENT BUT STILL REPRESENTED HERE.

12' WIDE

12' WIDE

12' WIDE

12' WIDE

UNKNOWN WIDTH, LENGTH, LOCATION, AND DIRECTION. CALLS AND MAP NOT INCLUDED WITH EASEMENT.

12' WIDE

UNKNOWN WIDTH, LENGTH, LOCATION, AND DIRECTION. MAP AND CALLS NOT INCLUDED WITH EASEMENT.

12' WIDE

10' WIDE

20' WIDE OFF BACK PROP LINE

20' WIDE OFF BAKC PROP LINE

20' WIDE OFF THE BACK PROP LINE

20' WIDE OF BACK PROP LINE

5' WIDE, LOCATION COULD BE WRONG

10' WIDE

5' WIDE, 5' NORTH OF SEWER CENTERLINE. PVA ON EASEMENT IS "160-40-01-018?"

10' WIDE

5' WIDE, 5' NORTH OF THE CENTERLINE OF A SANITARY SEWER.

ID	KEYNUMBER	PVANUMBER	ADDRESS	GRANTOR	DESCRIPTION
323	1604030026	160-40-30-026.02	160 Logan Street	Church of the Living God	
324	1610000001(1)	161-00-00-001	1190 South Dixie Blvd	Jack and Marguerite Jahr	Yarwood Trailer Court
325	1610000001	161-00-00-001	1190 South Dixie Blvd	Marguerite Jahr, Gus and Arlene Meldru	Yarwood Trailer Court
326	1610000002	161-00-00-002.01	1751 South Logsdon Pkwy	Radcliff Presbyterian Church	CORNER OF LOGSDON AND 313
327	1610000004	161-00-00-004 at	Lot 1 313	Dunaway Lane/313	Wilson and June Dunaway
328	1611001019	161-10-01-019	820 West Vine Street	William and Etta Macy	
329	1611001021	161-10-01-021	840 West Vine Street	Homer Trent	Lot 5, Barbara Ct
330	1611001027(1)	161-10-01-027	902 West Vine Street	Raymond and Marjorie Dawley	Lottie Patterson Estate
331	1611001027	161-10-01-027	876 West Vine Street	Marjorie L. Dawley for Lottie Patterson E	Lottie Patterson Estate
332	1611001030	161-10-01-030	930 W Vine Street	Mary Ellen Kocher	
333	1611002028	161-10-02-028	916 West Vine St	Andrew and Betty Kieta	
334	1611002029	161-10-02-029	928 West Vine St	Andrew and Betty Kieta	
335	1611002093	161-10-02-093	119 Wesley Court	Richard and Rosa Lanham	Lot 93, Pearman Manor
336	1611005002	161-10-05-002	801 South Logsdon Parkway	Hardin County Board of Education	North Hardin High School
337	1611005005	161-10-05-005	South Logsdon Parkway	Jarrell and Linda Mason	
338	1611005006	161-10-05-006	1359 South Logsdon Parkway	Carroll and Phyllis McDonald	
339	1611005007	161-10-05-007	1375 South Logsdon Pkwy	Magdalene Lewis	
340	1611005009	161-10-05-009	921 Rogersville Road	Clarence and Pauline Brangers	
341	1611005010(1)	161-10-05-010	929 Rogersville Road	Mary Faye Carr	
342	1611005011	161-10-05-011	939 Rogersville Road	Stovall United Methodist Church (SIGNE	
343	1611005014	161-10-05-014	Stovall Church Road	Stanley and Dawn Gentry	Route 1, Radcliff, Off Rogersville Ro
344	1611005016	161-10-05-016		R. W. Smith	ROUTE 1
345	1611005019	161-10-05-019	599 Rogersville Road	EPI Corporation (Nursing Home)	Off S. Logsdon Parkway
346	1611005026	161-10-05-026	508 Rogersville Road	Nancy L. Englett	
347	1611005027	161-10-05-027		James and Doris Scifres	Vacant Lot, Rogersville Road
348	1611005028	161-10-05-028	614 Rogersville Road	Charles and Cheryl Darnell	
349	1611005029	161-10-05-029	614 Rogersville Road	Charles and Cheryl Darnell	
350	1611005031	161-10-05-031	640 Rogersville Road	Edward and Um Sum Kitzero	
351	1611006089	161-10-06-089	1269 S Woodland Drive	James and Patricia Stewart	Lot 89, Woodlawn Acres
352	1612000011	161-20-00-011	Highway 313	Irven and Patricia Graham	vacant lot
353	1612000017	161-20-00-017	288 Dunaway Lane	Steven and Deborah Buchanan	
354	1612000028	161-20-00-028		Adrian and Radine Ray, Alvin and Anna	Bush Clark Sub
355	1612000029	161-20-00-029	800 Rogersville Road	Thomas and Lula Farmer	Lot 1, Bush Clark Subdivision
356	1612000030	161-20-00-030	949 Shelton Street	David and Alice Leftwich	Lot 2,
357	1612000031	161-20-00-031	986 Shelton	James and Cheryl Tomassi	Lot 3, Bush Clark 2
358	1612000034	161-20-00-034	964 Shelton Road	Fern Bailey	Lot 1 Bailey Subdivision
359	1612000034(1)	161-20-00-034	964 Shelton Road	Fern Bailey	Lot 1 Bailey Subdivision
360	1612000034(2)	161-20-00-034.01	964 Shelton Road	Fern Bailey	Lot 1 Bailey Subdivision
361	1612000034	161-20-00-034.02	964 Shelton Road	Fern Bailey	Lot 3 Bailey Subdivision
362	1612000034(3)	161-20-00-034.03	964 Shelton Road	Fern Bailey	Lot 4 Bailey Subdivision
363	1612000034(5)	161-20-00-034.03	Near 964 Shelton Road	Errol and Jacquelyn Deveaux	Lot 4 Bailey Subdivision
364	1612000034(4)	161-20-00-034.04	964 Shelton Road	Fern Bailey	Lot 5 Bailey Subdivision
365	1612000034	161-20-00-034.04	964 Shelton Road	Fern Bailey	Lot 5 Bailey Subdivision
366	1612000035	161-20-00-035	Shelton Road	Fern Bailey	
367	1612001003	161-20-01-003	281 South Deepwood Drive	Martin and Maxine High	
368	1612005025	161-20-05-025		Robert and Martha Pearman	Lot 92 - 93, University 2
369	1613000026	161-30-00-026	1826 South Wilson Road	Preston and Leona Jones	Corner of Blackjack Road and Wilso
370	1613002006	161-30-02-006	1384 South Wilson Road	Hollis and Anna England	first two apartments
371	1613002012(1)	161-30-02-012	1296 S Wilson Road	RAWLY AND ELIZABETH SHARP	
372	1613002012	161-30-02-012	1296 S Wilson Road	Donald and Donna Smith	
373	1613002016(2)	161-30-02-016	Principal Court	Lynn and Ora Cates	Lot 1 Cates - 3 Easements, Runs le
374	1613002016(1)	161-30-02-016	Principal Court	Lynn and Ora Cates	Lot 1 Cates - 3 Easements, Runs le
375	1613002016	161-30-02-016	Principal Court	Lynn and Ora Cates	Lot 1 Cates - 3 Easements, Runs le
376	1613002023(2)	161-30-02-023	1145 South Dixie Blvd	Hardin County Board of Education	Radcliff Middle School
377	1613003001	161-30-03-001	1112 S Dixie Blvd	Bernice and Martin Straney, Hassie and	Lot 2, Hillcrest 4
378	1613003002(1)	161-30-03-002	South Dixie Blvd	Richard and Opal Champine	Terrace and Sherwood Drive
380	1613003046(1)	161-30-03-046	1469 Hargan Street	Irwin and Margaret Massie	
381	1613003046	161-30-03-046	1469 Hargan Street	Irwin and Margaret Massie	Raymond and Sophia Schmitt
382	1613004001	161-30-04-001		H. C. Rogers	Masden Mobile Home Pk
383	1613004007	161-30-04-007	Browns Court	Hays Morgan and Fannie Brown	
384	1613004012	161-30-04-012	1419 South Wilson Road	Harry and Pearl Corum	
385	1613004013	161-30-04-013	1439 South Wilson Road	Harry and Pearl Corum	
386	1613004021	161-30-04-021	4 Pearman 1	106 Honeysuckle	H. C. Rogers

TYPE	ESMTDATE	ESMTDEED	PROPDATE	PROPDEED
sewer line	2/25/1963	177,166		
sewer line	2/11/1978			
SEWER LINE	7/12/1992	749,111		
SEWER LINE	12/5/1966	587,328		
SEWER LINE	7/14/1983	479,27		142,45
sewer line	12/6/1966	587,326		
SEWER LINE	12/6/1966			
sewer line	12/5/1966	587,327		142,16
sewer line	12/5/1966	587,325		
sewer line	12/5/1966	587,325		
sewer line	3-1-1974	262,182	9-12-1973	258,12
sewer line	2/27/1969	587,330		
SEWER LINE	7/9/1986	578,417		295,445
SEWER LINE	1/23/1986	566,313		239,428
sewer line	3/10/1986	568,292		304,91
sewer line	9/24/1994	719,64		243,207
sewer line	9/24/1991	719,70		357,266
SEWER LINE	3/11/1986	568,287	8/31/1982	16,565 , 144,343
sewer line	6-9-1986	613,120	11/7/1984	520,211
SEWER LINE	4/16/1985	533,240	11/26/1984	522,223 , 340,23
sewer line	10/30/1992		10/4/1982	456,48
sewer line	9/14/1984	516,327	8/4/1982	451,156
SEWER LINE	9/10/1984	516,326	10/6/1982	278,261
sewer line	9/12/1984	516,324	5/11/1979	370, 304 and 30
sewer line	9/12/1984	516,324	5/11/1979	370, 304 and 30
sewer line	4/11/1991	706,480	7/27/1984	512,20
SEWER LINE	5/20/1987	628,55		320,127
sewer line	10-26-1992	749,110	3-2-1984	499,77
sewer line	9/23/1992	745,637		399,231
SEWER LINE	3/21/1988	628,49	9/22/1978 AND	355,78 AND 608,
sewer line and/or sewer	3/11/1988	628,39	9/15/1987	612,435
sewer line and/or sewer	3-9-1988	628,43	10-27-1980, 4-27	407,76 / 444,319
SEWER LINE	3/9/1988	628,46	1/22/1988	621,281
sewer line	3-16-2000	444,163 (title)	8/4/1972	250,67
sewer line	3-16-2000	444,163 (title)	8/4/1972	250,67
sewer line, sewer manhol	3-15-1988	628, 51	8-4-1972 and 4-1	250,67 and 444,
sewer line, sewer manhol	3-15-1988	628,51	8-4-1972 and 4-1	250,67 and 444,
sewer line, sewer manhol	3-15-1988	628,51	8-4-1972 and 4-1	250,67 and 444,
sewer line, sewer manhol	4-5-2000		6-20-1997	872,561
sewer line, sewer manhol	3-15-1988	628,51	8-4-1972 and 4-1	250,67 and 444,
sewer line, sewer manhol	3-15-1988	628,51	8-4-1972 and 4-1	250,67 and 444,
sewer line force main	1/13/2000	956,664		302,259
SEWER LINE	3/11/1963	253,533		
sewer line	12/30/1963	183,586		
sewer line	2/25/1963	177,207		
SEWER LINE	3/26/1963	253,440		
SEWER LINE	10/16/1985	555,319	6/22/1976	293,122
sewer line	7/3/1986	587,419	9/29/1954	144,456
sewer line	2/25/1963	177,202	9/29/1954	144,456
sewer line	2/25/1963	177,202	9/29/1954	144,456
sewer line	3/19/1985	531,54	1/5/1957	152,106
SEWER LINE	12/12/1963			
sewer line	23/22/1985	532,292	7/16/1968	212,491
SEWER LINE	4/4/1963	253,443		
SEWER LINE	3/16/1964	253,431		
SEWER LINE	4/12/1963	183,166		
sewer line	4/9/1963	253,503		
sewer line	4/9/1963	253,503		

COMMENTS

15' WIDE. DOES NOT MATCH CENTERLINE DEFINED IN EASEMENT. TURN ON CONSTRUCTION LAYER TO SEE THE DEFINED EASEMENT.

20' WIDE

20' WIDE

UNKNOWN WIDTH, LENGTH, LOCATION, AND DIRECTION. MAP AND CALLS NOT INCLUDED.

20' WIDE, EXTENDS FROM EAST PROP LINE TO NORTH PROP LINE.

UNKNOWN WIDTH, LENGTH, LOCATION, AND DIRECTION. INSTRUCTIONS AND MAP NOT INCLUDED. THIS IS THE WRONG LOCATION.

UNKNOWN WIDTH, LENGTH, LOCATION, AND DIRECTION.

WIDTH, DIRECTION, LOCATION, AND LENGTH UNKNOWN

WIDTH, DIRECTION, AND LENGTH UNKNOWN

WIDTH, DIRECTION, LOCATION, AND LENGTH UNKNOWN

UNKNOWN WIDTH, LENGTH, AND LOCATION

10' WIDE

10' WIDE

10' WIDE ALONG WEST PROP LINE

LOCATION UNKNOWN, RUNS BETWEEN TWO EXISTING MANHOLES. 20' WIDE

RUNS BETWEEN TWO MANHOLES. 20' WIDE

DOUBLE CHECK PVA NUMBER

10' WIDE, UNKNOWN LOCATION. SHOULD MATCH UP WITH MANHOLES. NEAR ILLINOIS ROAD?

12' WIDE

UNKNOWN, WIDTH, LENGTH, LOCATION, AND DISTANCE. MAP AND INSTRUCTIONS NOT INCLUDED.

12' WIDE

12' WIDE, LOCATION DIRECTION AND LENGTH UNKNOWN. MAP NOT ATTACHED.

DIRECTION AND LOCATION UNKNOWN, 12' WIDE 150' LONG

2' WIDE ADJACENT AND PARALLEL TO EXISTING 8' UTILITY EASEMENT. INCLUDES 25' TEMPORARY EASEMENT.

20' WIDE

20' WIDE, PROPERTY LINE ON MAP DOES NOT EXTENT PAST DUNAWAY LANE

10' WIDE

10' WIDE

~10' x 10'

10' WIDE AT NORTH PROP LINE.

20' WIDE, SHOULD START 132.42' FROM THE SE CORNER

20' WIDE

20' WIDE

20' WIDE

20' WIDE, 30' TEMPORARY CONSTRUCTION EASEMENT NOT DRAWN

10' WIDE

10' WIDE

15' WIDE

10' WIDE

10' WIDE, SHOULD BE ADJACENT TO AND SOUTH OF AN EXISTING EASEMENT.

10' WIDE, UNKNOWN LOCATION, CALLS DO NOT MATCH SEWER LINE, MAN HOLES, OR PROPERTY LINES.

15' WIDE. STARTS IN CORNER OF CATES, BOARD OF EDUCATION, AND 31-W PROPERTY

10' WIDE

175' LONG AND 18' WIDE, LOCATION UNKNOWN.

10' WIDE, PVA NUMBER AND ADDRESS IS WRONG, SHOULD BE 160-40-04-053 OFF TERRACE DRIVE

10' WIDE

15' WIDE, DOES NOT ALIGN WITH CENTERLINE DESCRIBED IN EASEMENT.

10' WIDE

10' WIDE

10' WIDE

ID	KEYNUMBER	PVANUMBER	ADDRESS	GRANTOR	DESCRIPTION
387	1613004023	161-30-04-023	107 Honeysuckle	H. C. Rogers	Lot 6, Pearman 1
388	1613004032	161-30-04-032	1536 Dabra	H. C. Rogers	Lot 2, Roger 2
389	1613004035	161-30-04-035	1489 Dabra	H. C. Rogers	
390	1613004036	161-30-04-036	Lot 19-20 Rogers Sub	Dabra Street	H. C. Rogers
391	1613004037	161-30-04-037	1519 Dabra Street	H. C. Rogers	Lot 15-16, Rogers Sub
392	1613004038	161-30-04-038	Dabra Street	H. C. Rogers	Lot 13-14, Rogers Sub
393	1613004043	161-30-04-043	1534 Rogers	Charles and Laura McCamish	Lot 1, Rogers Subdivision 2
394	1613004049	161-30-04-049.02	355 Rogersville Road	Lewis and Martha Clark	Lot 4, Clark-Forman Subdivision
395	1613004050	161-30-04-050	343 Rogersville Road	May B and Anthony Robbins	
396	1613004051	161-30-04-051	363 Rogersville Road	Evelyn L. Berry	
397	1613005005	161-30-05-005	Lot 4	Harper Farm	Lynwood and Shirley Wiseman
398	1613005027	161-30-05-027	150 Blackjack Road	B. W. and Roxie Wheatley	
399	1613005029	161-30-05-029	186 Blackjack Road	Linden and Zorada South	
400	1613005030	161-30-05-030	186 BLACKJACK ROAD OR 2	Carolyn Rigsby AND Sarah Holloway, O	
401	1613005048	161-30-05-048	Lot 1, Shively's Add	H. F. and Hazel Shively	LOT 1, SHIVELY'S ADDITION
402	1613005049	161-30-05-049	1778 South Wilson Road	H. F. and Hazel Shively	LOT 2, Shively's Add
403	1613005050	161-30-05-050	1762 South Wilson Road	H. F. and Hazel Shively	LOT 3, Shively's Add
404	1613005051	161-30-05-051	1740 South Wilson Road	H. F. and Hazel Shively	LOT 4, Shively's Add
405	1613005052(1)	161-30-05-052	1726 South Wilson Road	Howard and Stella Hugo	Lots 6, Pt 5 and 7, Shively Addition (
406	1613005052	161-30-05-052	1726 South Wilson Road	H.F. AND HAZEL SHIVELY	Lot 5, Shively Addition
407	1613005073(1)	161-30-05-073	1671 South Dixie Blvd	Curtis and Jessie Graham	
408	1613005073	161-30-05-073	1671 South Wilson Road	Big Three Gas Company	
409	1613005075	161-30-05-075	1713 South Dixie Blvd	Howard and Marie Shively	
410	1613006006	161-30-06-006	425 Smith Avenue	G. L. and Dewey Smith	
411	1613006007	161-30-06-007	483 Smith Avenue	George and Emily Maxwell	
412	1613006011	161-30-06-011	376 Smith Avenue	G. L. and Dewey Smith	
413	1613006019	161-30-06-019	515 Mill Creek Road	Arthur and Stella Helton	
414	1613006026	161-30-06-026	605 E Mill Creek Road	Veron and Ada Amos	Lot 10, Homer Minor Subdivision
415	1613006039(1)	161-30-06-039	1740 South Dixie Blvd	Churchill and Ellen Hatfield	
416	1613006039	161-30-06-039	1740 South Dixie Blvd	Churchill and Ellen Hatfield	
417	1613006052	161-30-06-052	1922 South Wilson Road	Robert and Keiko Trigg	
418	1613006053	161-30-06-053	1936 S Dixie Blvd	Richard and Hettie Ratliff	
419	1613006054	161-30-06-054	1958 South Wilson Road	Ray Stegall	
420	1613006055	161-30-06-055	1964 South Dixie Blvd	Loyd and Gladys Powell	
421	1614000002	161-40-00-002	1855 South Wilson Road	Lynwood and Shirley Wiseman, and Lind	
422	1614000019(1)	161-40-00-019	224 Seminole Road Elizabethho	William and Helen Goldie	2 easments
423	1614000019	161-40-00-019		William and Helen Goldie	
424	1614000023	161-40-00-023	2079 South Dixie Blvd	S. E. and Dorothy Emberton	
425	1614000037	161-40-00-037	1856 South Wilson Road	William and Regina Shain	
426	1614000038(1)	161-40-00-038	1878 S Wilson Road	Wayne and Patricia Lackey	Lot 1, Easy Acres
427	1614000043	161-40-00-043	1928 S. Wilson	Charles and Beulah Anderson	Lot 4-Pt 5, Easy Acres
428	1614000044	161-40-00-044	1934 South Wilson Road	Samuel and Flora Stallins	Lot 6-Pt 5, Easy Acres
429	1614000049	161-40-00-049	1946 South Wilson	R. W. and Evelyn Smith	Lot 7, Easy Acres Sub
430	1614000050	161-40-00-050	1976 South Wilson Road	Hollie and Anna England	Lot 8, Easy Acres Subdivision
431	1614000051(2)	161-40-00-051	2024 South Wilson Road	Tollie and Mertie Lynn	
432	1614000052(2)	161-40-00-052	2038 South Wilson Road	W. B. and Eunice Lambert	
433	1614000054(1)	161-40-00-054	2076 South Wilson Road	James and Jolene DeBord	
434	1614000054(2)	161-40-00-054	2076 South Wilson Road	Lawrence and Betty French	
435	1614000057	161-40-00-057	2024 S Wilson Road	Tollie and Mertie Lynn	
436	1614000069	161-40-00-069	2265 South Wilson Road	Harolds Tibbits	SOUTH SIDE OF SHELTON ROAD
437	1610000002(1)	161-00-00-002	391 Dunaway	Wilson and June Dunaway	also covers 162-00-00-001, and 161-
438	1620000002	162-00-00-002	391 Dunaway	Wilson and June Dunaway	391 Dunaway Lane
439	1620000004	162-00-00-004	Dunaway Acres	Wilson and June Dunaway	Lot 1, off HW 313
440	1620000027	162-00-00-027		S Wilson Road	WEST SIDE OF HW 313, EAST OF
441	1620000033	162-00-00-033	S Wilson Road	North Hardin Developers	OFF HW-313
442	1623002017	162-30-02-017	280 Miller Avenue	Vernon W. Vinson	Lot 100, Happy Valley, Sec 3
443	1623002018	162-30-02-018	268 Miller Avenue	Patricia A. Skelton	Lot 101, Happy Valley, Sec. 3
444	1623003004	162-30-03-004	114 Miller Avenue	Norris Allen Sizemore	Lot 44, Happy Valley, Sec 2
445	1623003017	162-30-03-017	2649 Lavon Court	Frances G. Guanella	Lot 31, Happy Valley, Sec 2
446	1623003041	162-30-03-041	2699 South Wilson Road	Johnsey Hedgespeth	2600 Block of South Wilson road
447	1623003048	162-30-03-048	2643 South Wilson Road	Donald and Hildegard Hite	
448	1644000031(1)	164-40-00-31	Albert and Waltrand Dishon	1943 S Dixie	
449	1801001045	180-10-01-045	687 Southland Drive	Reinhold and Della Schneider	

TYPE	ESMTDATE	ESMTDEED	PROPDATE	PROPDEED
SEWER LINE	3/16/1964	253,431		
SEWER LINE	3/16/1964	253,431		
SEWER LINE	3/16/1964	253,431		
SEWER LINE	3/16/1964	253,431		
SEWER LINE	3/16/1964	253,431		
SEWER LINE	3/25/1964	187,461		
sewer line	4/28/1988	628,57	11/12/1955	148,350
SEWER LINE	4/28/1988	628,61	1/31/1959	161,5
sewer line, sewer manhol	4-28-1988	628,59	8/8/1957	154,604
Linda Poole Maggard and	Ronald Maggar			
SEWER LINE	12/30/1963	183,583		
SEWER LINE	5/26/1965 AND	189,378		
SEWER LINE	4/8/1964	189,150		
SEWER LINE	4/8/1964	189,150		
SEWER LINE	4/8/1964	189,150		
SEWER LINE	4/8/1964	189,150		
sewer line	4/24/1964	187,495-497		
SEWER LINE	4/8/1964	189,150		
sewer line	5-3-1964	189,371		
sewer line	4/3/1964	189,657		
SEWER LINE	3/25/1963	183,381		
SEWER LINE	4/1/1963	199,322		
SEWER LINE	3/26/1963	253,537		
SEWER LINE	4/1/1963	199,322		
sewer line	4/11/1963	255,298		
sewer line	1-17-1967	189,142		
sewer line	3/8/1968	587,323		
sewer line	2/10/1964	187,458-460		
SEWER LINE	3/3/1964	253,551		
SEWER LINE	3/3/1964	253,473		
SEWER LINE	3/3/1964	253,455		
SEWER LINE	3/3/1964	253,524		
SEWER LINE	4/18/1984	535,259	8/1/1982	453,187
sewer line	10-6-1998	915,279		380,302
sewer line	1-22-1985	513,50	12/23/1976	305,97
sewer line	3/23/1963	532,286		
SEWER LINE	12/30/1963	183,589		
SEWER LINE	12-30-1963	185,548		
sewer line	12-7-1963	185,539		
SEWER LINE	12/7/1963	185,560		
SEWER LINE	12/7/1963	185,554		
sewer line	4/5/1963	182,668		
sewer line	4-11-1963	182,674		
sewer line	5-27-1963	182,671		
sewer line	3/28/1963	182,677		
sewer line	4/17/1985	534,190	2/27/1985	528,279
SEWER LINE	10/5/1984	517,267		134,622
sewer line	8/11/1992	749,98		146,334 AND 13
sewer line	8/11/1992	749,98		136,140
sewer line	8/11/1992	749,98		726,271
Larry and Virginia Richter	10/22/1992	749,108	8/20/1984	513,223
SEWER LINE	10/22/1992	749,105		491,280
SEWER LINE	9/28/1998	915,270	5/29/1997	872,19
SEWER LINE	10/26/1998	915,276	1/9/1996	832,1
SEWER LINE	9/25/1998	915,273	11/13/1970	228,461
sewer line	10-13-1998	915,282	10/13/1993	771,748
sewer line.	6/2/1976	293,183		267,521
sewer line	1/17/1985	531,52	10/7/1976	299,271
sewer line.	1/26/1964	183,456		
SEWER LINE	3/29/1963	253,461		

COMMENTS

15' WIDE, DOES NOT ALIGN WITH CENTERLINE DESCRIBED IN EASEMENT.  
15' WIDE, DOES NOT ALIGN WITH CENTERLINE DESCRIBED IN EASEMENT  
15' WIDE  
15' WIDE  
15' WIDE, DOES NOT ALIGN WITH DESCRIBED CENTERLING FROM EASEMENT.  
15' WIDE  
20' WIDE, PVA NUMBER OF EASEMENT IS WRONG  
20' WIDE  
20' WIDE  
10' WIDE  
12' WIDE. SHOULD BE ADJACENT TO EAST PROP LINE. TWO EASEMENT FOR THE SAME PROPERTY.  
12' WIDE  
12' WIDE  
12' WIDE  
12' WIDE  
12' WIDE,  
12' WIDE  
12' WIDE, 195' FROM WEST RIGHT OF WAY LINE OF DIXIE  
12' WIDE, SHOULD ONLY BE 225' LONG, AND 195' FROM DIXIE.  
12' WIDE  
10' WIDE, DOES NOT FOLLOW CENTERLINE DESCRIBED IN EASEMENTS  
10' WIDE  
10' WIDE, DOES NOT FOLLOW CENTERLINE DESCRIBED IN EASEMENTS.  
10' WIDE  
6' WIDE  
WIDTH, LENGTH, DIRECTION AND LOCATION UNKNOWN  
12' WIDE  
12' WIDE  
12' WIDE  
12' WIDE  
12' WIDE, SHOULD BE 188.8' FROM DIXIE AT NORTH END, AND 196' FROM DIXIE AT SOUTH END.  
10' WIDE, EASEMENT HAS WRITTEN LOT 4 HARPER FARM SUBDIVISION 161-30-05-005, BUT DOES NOT MATCH DESCRIBED CENTERLINE. FILED U  
20' WIDE, ADDRESS IS OF THE OWNERS, NOT THE PROPERTY  
20' WIDE  
10' WIDE  
10' WIDE  
10' WIDE  
10' WIDE, SHOULD BE AT S 31 E  
10' WIDE, SHOULD BE N 31 W.  
10' WIDE, SHOULD BE AT S 53 E  
10' WIDE  
12' WIDE  
10' WIDE  
10' WIDE  
10' WIDE  
20' WIDE  
20' WIDE  
20' WIDE  
20' WIDE, PVA NUMBER IS WRONG, ADDRESS IS WRONG. EASEMENT SHOWS MORE MANHOLES AND TURNS THAN PRESENT ON MAP.  
20' WIDE, SHOULD BE A MANHOLE DIRECTLY TO THE EAST OF SHOWN MANHOLE.  
20' WIDE  
20' WIDE  
20' WIDE  
UNKNOWN WIDTH, LENGTH, LOCATION, AND DIRECTION  
10' WIDE, 85 (+) FT WEST FROM NE PROP CORNER  
12' WIDE  
12' WIDE

ID	KEYNUMBER	PVANUMBER	ADDRESS	GRANTOR	DESCRIPTION
450	1801001055	180-10-01-055.01	Lot 5, Lilly Cove	Southland Drive	James England
451	1801001059(1)	180-10-01-059	704 Chandler Avenue	JIMMY AND TRULA SUMPTER	Lot 15, Dogwood Manor
452	1801001059	180-10-01-059	Lot 15 Dogwood Manor	704 Chandler Avenue	
453	1801001062	180-10-01-062	OFF CORNER OF WATERFIE	Elmer and Bertie Oliver	Lot 52-54, Dogwood Manor
454	1801001064	180-10-01-064		Harry and Maria Sheets	LOT 14, Dogwood Manor
455	1801002001	180-10-02-001	Oak Drive and Edgewood Drive	James England	Herd Subdivision, section 3 (P.C. 1,
456	1801002011	180-10-02-011	521 E Blackjack Road	Roscoe and Mildred Shelton	Lots 1-3 PT 2, Gill Sub
457	1801002012	180-10-02-012	546 Blackjack Road	Roscoe and Mildred Shelton	
458	1801002014	180-10-02-014	737 Blackjack	Joseph and Anna Heard	Lot 1, Heard Subdivision 1 (Heard S
459	1802001001	180-20-01-001	2012 South Dixie Blvd	Walter and Viola Blair	
460	1802001038	180-20-01-038		John C. and Shelby Quiggins	Lot 4, Quiggins, OFF EAST SIDE O
461	1802001041	180-20-01-041	2142 South Dixie Blvd	Shelby Bewley	
462	1802001044(1)	180-20-01-044		James England, Earl and Daurice Cato	Route 1, Radcliff
463	1802001044(2)	180-20-01-044	Route 1, Radcliff	James England, Earl and Daurice Cato	WEST OF DIXIE, CLOSE TO US CA
464	1802001044	180-20-01-044	Route 1, Radcliff	James England	Earl and Daurice Cato
465	1810000009	181-00-00-009	South Boundry Road	Hollis and Anna England	Off S. Boundary and Deer Haven
466	1810000010	181-00-00-010	South Boundry and 31-W	Newcomb Oil Company	
467	1810000012	181-00-00-012	149 South Boundry Road	Mary Hobbs	Deer Haven
468	1810000012(1)	181-00-00-012	149 South Boundry Road	Mary Hobbs	Deer Haven
469	1810000013	181-00-00-013	149 South Boundry Road	Mary Hobbs	Deer Haven
470	1810000029	181-00-00-029		SPC Land Company	South side Ky 434
471	1810000031(1)	181-00-00-031	South side Ky 434	SPC Land Company (SIGNED EARL CA	
472	1810000031	181-00-00-031	South side Ky 434	Elizabethtown	SPC Land Company
473	1810000032	181-00-00-032	South side Ky 434	Elizabethtown	SPC Land Company
474	1810000035	180-00-00-035	7038 Dixie Highway	Ray and W. C. Henderson	
475	1810000036	181-00-00-036	2051 S Wilson	Ranson and Helen Maynard	
476	1810000037	181-00-00-037	North Dixie	Jay and Sandy Duvall	Elizabethtown
477	1810000043	181-00-00-043		North Hardin Developers	Lot 2, ACROSS FROM Radcliff Hosp
478	1810000045	181-00-00-045	South Wilson Road	Virgil and Wilma Pearman	Lincoln Trail 4
479	1810000047	181-00-00-047	3371 South Wilson Road	W. D. and Mary Ellen Dunaway	
480	1810000048(1)	181-00-00-048	3315 South Wilson Road	Sarah Cowley	see agreement
481	1810000048	181-00-00-048.01	see agreement	3315 South Wilson Road	Elizabethtown
482	1810000049	181-00-00-049	3271 South Wilson Road	Herbert E. Hanna	
483	1810000050	181-00-00-050	3253 South Wilson Road	Eddis and Keelen Kirk	Not In City, Condemnation
484	1810000051	181-00-00-051	Condemnation	R. A. and Lucille Masters	
485	1810000053	181-00-00-053	2945 South Wilson Road	Lavern and Gertrud Purscell	
486	1810001012	181-00-01-012	3828 Deer Haven Drive	Myrtle and Harlon Davis	Lot 27, Deer Haven
487	1810001020	181-00-01-020	3813 Deer Haven Drive	William and Marie Parker	Lot 19, Deer Haven Estates
488	1811000017	181-10-00-017	Corner 313 West	Chom Sun Meinke	
489	1811000063(1)	181-10-00-063	91 Nalls Lane	Edna C. Cooke	Elizabethtown
490	1811000019	181-10-00-019	5 Nall Lane	Clarence and Mina Helmer	Lot 31, Joe Thomas Subdivision
491	1811000035	181-10-00-035	2686 South Wilson Road	Charles and Kathryn Ashley	
492	1811000036	181-10-00-036	2692 South Wilson Road	Billy Joe and Kathy Medley	
493	1811000045	181-10-00-045	2914 WILSON	Oscar and Emilia Villanueva	
494	1811000046	181-10-00-046	2920 South Wilson Road	Margaret E. Howe	
495	1811000048	181-10-00-048	2920 1/2 South Wilson Road	John and Cleo Bowie Jr.	
496	1811000059	181-10-00-059	2946 South Wilson Road	Plezzie Lambert	Corner of Wilson Rd and Nalls Ln
497	1811000018	181-10-00-018	91 Nalls Lane	Elizabethtown	Edna C. Cooke
498	1811000064	181-10-00-064	59 Nalls Lane, Elizabethtown	Vernon and Janice Bradley	
499	1811000066(1)	181-10-00-066	119 Nalls Lane	Lorraine M. Jordan	Lot 22, Joe Thomas Subdivision
500	1811000066	181-10-00-066	119 Nalls Lane	Lorraine M. Jordan	Lot 22, Joe Thomas Subdivision
501	1812000002	181-20-00-002	Near 447 Route 4, Elizabethto	Thomas Hadley on behalf of Ruby B. Car	Condemnation
502	1812000006(1)	181-20-00-006	Ky 434/Longview/31w ext.	Maria Blake Brown executrix for estate of	
503	1812000006	181-20-00-006.01	Ky 434/Longview/31w ext.	Maria Blake Brown for Bennett	
504	1812000006(2)	181-20-00-006.02	Ky 434/Longview/31w ext.	Maria Blake Brown executrix for estate of	
505	1812000018	181-20-00-018	South Wilson Road	Robert and Pat Frakes	
506	1812000021	181-20-00-021	South Wilson Road	Robert and Pat Frakes	
507	1812000022	181-20-00-022	South Wilson Road	Robert and Pat Frakes	
508	1812000023(1)	181-20-00-023	N Dixie Blvd	SPC Land Co (SIGNED EARL CATO)	
509	1812000023	181-20-00-023	N Dixie Blvd	SPC Land Co (SIGNED EARL CATO)	
510	1812000024	181-20-00-024	N Dixie	Kenneth R. and Jo Ann James	Elizabethtown
511	1812001002	181-20-01-002	Lot 2 Deer Haven	Lester Stafford and Mary Blome	LOT 2, DEER HAVEN
512	1812001028	181-20-01-028	3811 Deer Haven Drive	John M. and Jennie Miller	

TYPE	ESMTDATE	ESMTDEED	PROPDATE	PROPDEED
SEWER LINE	10/13/1970	228,67	2/2/1970	223,429
SEWER LINE	3/23/1963			
SEWER LINE	10/13/1970	228,65	4/4/1969	217,614
LIFT STATION	9/12/2003	1090, 573		183,297 and 227
SEWER LINE	3/4/1963	253,557		
SEWER LINE	2/27/1964			
sewer lines	2/20/1974	262,109	2/10/1959	160,305
sewer line	3/24/1964	253,521		
SEWER LINE	3/2/1973	253,596		
sewer line	1/30/1973	253,654	11/21/1936	96,563
sewer line, and sewer lift	10/5/1984	517,268		312,163
sewer line	4/22/1985	556,343	3/25/1976 AND	286,204 and 312
sewer line(?)	10/20/1988	643,62	Apr-67	204,47
SEWER LINE	2/8/1999	924,737	12/29/1994	804,71
sewer line	7/18/1996	846,603	5/23/1969	218,621
sewer line	6/14/1988	643,60	5/23/1969	218,621
sewer line	6/14/1988	643,60	5/23/1969	218,621
SEWER LINE	4/12/1994	793,307	7/7/1987	607,274
SEWER LINE	6/11/1993	769,253	6/13/1989 AND	656,607 AND 40
sewer line	12/15/1992	753,507	10/17/1990	694,69
SEWER LINE	11/25/1992	753,513	11/25/1992	451,244
sewer line	1/20/1993	753,511	2/24/1986	565,194
SEWER LINE	4/29/1988	628,53	1/10/1984	495,70
SEWER LINE	9/24/1991	719,67		344,270
sewer line	6/18/1986	578,419		101,44
sewer line	6/30/1986	578,415		193,79
Sarah Cowley				
sewer line	7/17/1986	579,419		421,150
sewer line	5/5/1987	603,12		200,691
SEWER LINE	5/5/1987	603,18		99,505
SEWER LINE	8/29/1986			384,127
SEWER LINE SERVICES	11/10/1988	643,64		388,257
SEWER LINE	1/20/1985	628,41	8/26/1981	428,80
SEWER LINE	12/21/1998	921,16	11/19/1998	917,7
sewer line	10/26/1988	643,046		162,281
sewer line	10/26/1988	643,58		250,37
sewer line	6-25-1976	293,180	12/6/1973	260,31
SEWER LINE	6/7/1976	293,179		276,204
SEWER LINE/MANHOLE	1/21/1988	628,17	6/4/1986	578,140
sewer line	1/15/1988	628,19	5/28/1969	219,15
sewer line	1/13/1988	628,37	12/27/1974	471,4
sewer line and/or sewer	10-19-1988	643,52	5-13-1966	363,335
sewer line	10/26/1988	643,56		534,42
sewer line	10/26/1988	643,54	2/13/1950	131,402
sewer line	12/27/1998	920,67	2/13/1950	131,402
sewer line	7/12/1988	633,12		
sewer line	9/7/1993	768,438	8/29/1941	104,438 and Will
sewer line	9/7/1993	768,438	8/29/1941	104,438 and Will
sewer line	9/24/1991	719,73		383,253 and 494
sewer line	9/24/1991	719,73	8/13/1982 AND	383,253 and 494
sewer line	9/24/1991	719,73		383,253 and 494
SEWER LINE OR SEWE	6/28/1988	643,48	6/28/1985	541,311
SEWER LINE	12/10/1992	753,517	6/28/1985	541,311
sewer line	11/23/1992	753,519	1/24/1991	700,463
SEWER LINE/MANHOLE	1/4/1988	628,29	11/21/1984	522,1
SEWER LINE/SEWER M	12/18/1987	628,35	4/19/1985	534,70

COMMENTS

5' WIDE, 80' LONG, ALONG EAST PROP LINE

15' WIDE, DOES NOT FOLLOW CENTERLINE DESCRIBED IN EASEMENT. also on 161-30-03-009

5' WIDE, 80' LONG, ALONG WEST BOUNDARY OF LOT 14 DOGWOOD MANOR. COULD BE LOT 24 AND 25 DOGWOOD, 717 CHANDLER.

15' WIDE

12' WIDE

7.5' WIDE

LOCATION UNKNOWN, SHOULD COME 196' THEN 224' OFF OF DIXIE, 12' WIDE

20' WIDE, SHOULD BE 158' LONG AT N 72 27 E .

LOCATION UNKNOWN, 20' WIDE

20' WIDE, SHOULD BE AT N 48,30 E 400'

10' WIDE

20' WIDE

20' WIDE. MAP NOT ATTACHED.

20' WIDE, N 77,46,57 E

INCLUDES 181-00-00-013

15' WIDE

20' WIDE, UNKNOWN LENGTH, LOCATION, AND DISTANCE. MAP AND CALLS NOT ATTACHED.

20' WIDE

20' WIDE

20' WIDE

20' WIDE

20' WIDE, EASEMENT DOES NOT FOLLOW MAP.

20' WIDE, SHOULD EXTEND TO W.D. DUNNAWAYS NORTH PROPERTY LINE.

20' WIDE, S 11,9,40 W 100.95 FT, PLACEMENT IS WRONG

20' WIDE

20' WIDE

20' WIDE

10' WIDE, AND 20' WIDE

10' WIDE

20' WIDE

20' WIDE, STARTS AT SE CORNER OF LOT 23 OF JOE THOMAS SUB. LOT 25 UNKNOWN LOCATION.

10' WIDE

UNKNOWN WIDTH, LENGTH, DIRECTION OR LOCATION. NO DRAWING OR INSTRUCTION.

UNKNOWN WIDTH, LENGTH, LOCATION, AND DIRECTION.

20' WIDE

20' WIDE

20' WIDE

LOCATION UNKNOWN, MAP NOT ATTACHED. 13' WIDE, 3' NORTH AND 10' SOUTH.

LOCATION UNKNOWN MAP NOT ATTACHED, 20' WIDE

20' WIDE

12' WIDE

20' WIDE

20' WIDE

20' WIDE, EASEMENT SHOWS TWO MANHOLES NOT ONE ON PROPERTY

10' WIDE

10' WIDE

ID	KEYNUMBER	PVANUMBER	ADDRESS	GRANTOR	DESCRIPTION
513	1812001029	181-20-01-029	Vacant Lot	John M. and Jennie Miller	
514	1812001030(1)	181-20-01-030	3805 Deer Haven	Roy and Lilliam Elmore, and Reesor Ent	Lot 16 Deer Haven
515	1812001031	181-20-01-031	3805 Deer Haven	Roy and Lilliam Elmore, and Reesor Ent	Lot 15 Deer Haven
516	1812001032	181-20-01-032	3803 Deer Haven Drive	James Lee and Harmony K. Jones	Lot 14, Deer Haven
517	1812001033	181-20-01-033	3801 Deer Haven Drive	Thomas J. Ball and Reesor Enterprises #	Lot 13
518	1812001034	181-20-01-034	3799 Deer Haven Drive	Delora English, Lundy and Gloria Hellem	Lot 12, Deer Haven Estates
519	1812001035	181-20-01-035	3797 Deer Haven Drive	Larry G. and Jackie De Barge	Lot 11, Deer Haven Estates
520	1820000007(1)	182-00-00-007	6210 N Dixie	Fentress Land Co, Victor Fentress Presi	Elizabethtown
521	1820000007	182-00-00-007	6210 N Dixie	Elizabethtown	Fentress Land Co
522	1820000014	182-00-00-014	6425 N Dixie Highway	Christopher and Danell Knight	Blair Est
523	1820002005	182-00-02-005	Lots 1 - 67	Meadow Woods	S Wilson Road
524	1821000027(1)	182-10-00-027	4830 S Wilson	Lawrence and Vella Fatkin	Lot 1-2, Blair Est. , Elizabethtown
525	1821000027	182-10-00-027	4830 S Wilson	Lawrence and Vella Fatkin	Elizabethtown
526	1821000029	182-10-00-029	S Wilson Road	Kenneth Ivey, Sr., Linda Ivey, Roy and Br	Lot 4A, Blair Subdivision, Elizabethto
527	1821000030(1)	182-10-00-030	S Wilson Road	Kenneth Ivey, Sr., Linda Ivey, Roy and Br	Lot 5A, Blair Subdiision, Elizabethto
528	1821000030	182-10-00-030.01	S Wilson Road	Kenneth Ivey, Sr., Linda Ivey, Roy and Br	Lot 6B, Blair Subdivision, Elizabethto
529	1821000031	182-10-00-031	S Wilson Road	Kenneth Ivey, Sr., Linda Ivey, Roy and Br	Lot 6, Blair Subdivision, Elizabethtow
530	1821000032(1)	182-10-00-032	S Wilson Road	Kenneth Ivey, Sr., Linda Ivey, Roy and Br	Lot 7A, Blair Subdivision, Elizabethto
531	1821000032	182-10-00-032	S Wilson Road	Kenneth Ivey, Sr., Linda Ivey, Roy and Br	Lot 7A, Blair Subdivision, Elizabethto
532	1821000033	182-10-00-033	S Wilson Road	Wilburn C. and Helen Jones	Lot 8, Blair Subdivision, Elizabethtow
533	1821000034	182-10-00-034	4658 S Wilson Road	Marclia Leach	Lot 9 Blair Subdivision, Elizabethtow
534	1821000035	182-10-00-035	2748 S Wilson	Raymond and Beverly Powell	
535	1821000036(1)	182-10-00-036	2748 S Wilson	Raymond and Beverly Powell	
536	1821000036	182-10-00-036.01	2748 S Wilson	Raymond and Beverly Powell	
537	1821000037	182-10-00-037	4648 S Wilson	Craig and Lou Ann Gladson	
538	1821000038	182-10-00-038	4618 South Wilson	Charles and Ada Mae Slack	
539	1821000041	182-10-00-041	2800 S Wilson Road, Elizabeth	A. Arnold & Son Tr. & Stg. Co Inc.	
540	1821000042	182-10-00-042	2866 Wilson Road	Larry and Patricia Butcher	also includes 044 and 045; owner's a
541	1821000043	182-10-00-043	2890 Wilson Road	Fentress Land Co., Victor Fentress Pres.	also includes 044 and 045; owner is
542	1821000044	182-10-00-044	4502 Wilson Road	Fentress Land Co., Victor Fentress Pres.	also includes 044 and 045; owner is
543	1821000045	182-10-00-045	4490 Wilson Road	Fentress Land Co., Victor Fentress Pres.	also includes 044 and 045; owner is
544	1821000046	182-10-00-046	2930 S Wilson Road	Michael Maddox	
545	1821000047	182-10-00-047	2948 S Wilson Road	Carl and Louise Harrison	Elizabethtown
546	1821000048	182-10-00-048	2990 S Wilson Road	Aline Atcher James	Elizabethtown
547	1821000049	182-10-00-049	2998 S Wilson Road	Walter and Lizzie Compton	Elizabethtown
548	1821000050	182-10-00-050	2996 S Wilson Road	Everett R. Craig	
549	1821000051	182-10-00-051	Lots 47-49, Mobley Farm	Robert and Mary Retziaff	
550	1821000057	182-10-00-057	S Wilson Road	Charles and Laverne Dyer	4-7 Mobley Farm, Elizabethtown
551	1980000025	198-00-00-025	Ky 434	James and Elizabeth Mayer	
552	1394007040(2)	139-40-07-040	Corner of Highland Drive and G	Clifton and Renate Gosser	off Greenview, 3 easments
553	1394007040(3)	139-40-07-040	Corner of Highland Drive and G	Clifton and Renate Gosser	off Greenview, 3 easments
554	1394009041	139-40-09-041	1083 Fairview Drive	Roselain Atherton	
555	1394009041(1)	139-40-09-041	1083 Fairview Drive	Roselain Atherton	
556	1394009012	139-40-09-012	1041 Robin Drive	Bobby and Ardith Bailey	Lot 12, Bob O Link Acres Addition
557	1602004005	160-20-04-005	621 South Woodland Drive	William and Edith Blankenship	Lot 14, section 2 in Woodland Park
558	1382001033	138-20-01-033	Saltsman Lane	Joy Boulware	
559	1821000043(1)	182-10-00-043.01	102 Lakeview Drive, Elizabethht	Donald and William Brandenburg	VACANT LOT
560	1382002039	138-20-02-039	1400 North Logsdon	Terry and Suzanne Broadwater	
561	1403003005	140-30-03-005	1280 West Vine Strees	Zelma Burnett	
562	1403003007	140-30-03-007	764 Briar Gate Court	Daniell and Frances Campbell	2 Green Meadows
563	1611005010	161-10-05-010	929 Rogersville Road	Mary Faye Carr	
564	1623001056	162-30-01-056	Happy Valley Subdivision	Michael W. and Morene J. Cicero	Lot 56-A, Section #4
565	138-40-06-058	138-40-06-058	964 Temberwood	Radcliff Kentucky	Lot 58, crestview estates section 3
566	1613001039	161-30-01-039	862 S. Atcher Strees	Radcliff Kentucky	Lot 39, Pearman Manor Subdivision,
567	1393006003	139-30-06-003	1266 Sunset Drive	Elmer J. and Martha Clark	Lot 3, Plantation Subdivision, Sectin
568	1394009040	139-40-09-040	1049 Fairview Drive	Elonda Crafton	Lot 44
569	1394009015	139-40-09-015	1101 Robin Road	John Crowe Jr. and Marilyn Crowe	Lot 15, Bob O Link Acres Addition
570	1592000088	159-20-00-088	NW of 1034 Hill	Howard F. and Elizabeth M. Curry	Vacant Lot
571	1601001038	160-10-01-038	471 Elm Road	Arthur E. Davis	
572	1592002008	159-20-02-008.01	230 Eagle Pass	Burton and Bertie Davis	Lot 9B, Walnut Grove
573	1592002018	159-20-02-018.01	227 Eagle Pass	Burton and Bertie Davis	Lot 18B, Walnut Grove
574	1592002019(1)	159-20-02-019.01	223 Eagle Pass	Burton and Bertie Davis	Lot 19B, Walnut Grove
575	1592002020(1)	159-20-02-020.01	219 Eagle Pass	Burton and Bertie Davis	Lot 20B, Walnut Grove

TYPE	ESMTDATE	ESMTDEED	PROPRDATE	PROPDEED
SEWER LINE/SEWER M	12/18/1987	628,33	4/19/1985	534,70
sewer line and/or sewer	1/15/1988	628,31		381,329 and 237
sewer line and/or sewer	1/15/1988	628,21		381,331 and 381
sewer line and/or sewer	7/15/1988	643,50	8/7/1987	609,434
sewer line and/or sewer	12-18-1987	628,23	9/22/1971	237,32
sewer line and/or sewer	1/13/1988	628,25	5/5/1977	394,272
sewer line and/or sewer	1/19/1988	628,27	11/29/1982	464,137
sewer line	6/1/1993	761,698	12/23/1992	750,647
sewer line	6/24/1992		8-5-1993	765,748
Elizabethtown	Howard Pence,			
sewer line	6/1/1993	761,696		397,39
sewer line	7/17/1992	740,152		397,39
sewer line	7/20/1992	749,115	8/5/1986	580,380
sewer line	7/20/1992	749,115	8/5/1986	580,380
sewer line	8/25/1992	749,113	8/5/1986	580,380
sewer line	7/20/1992	749,115	8/5/1986	580,380
sewer line	7/20/1992	749,115	8/5/1986	580,380
sewer line	8/25/1992	749,113	8/5/1986	580,380
sewer line	6/24/1992			271,216
sewer line	6-23-1992	740,146		
SEWER LINE.	6/23/1992	740,148		
SEWER LINE	6/23/1992	740,148		
SEWER LINE	6/23/1992	740,148		
sewer line	6-16-1992	740,150	4-6-1989	652,68
SEWER LINE	5/8/1992	740,143		327,275
sewer line	5-12-1992	738,183		179,396
sewer line and a 20' wide	5/24/1992	738,192		711,371
sewer line and a 20' wide	5/24/1992	738,192	9/1/1983 AND 6/	484,083 AND 71
sewer line and a 20' wide	5/24/1992	738,192	9/1/1983 AND 6/	484,083 AND 71
sewer line and a 20' wide	5/24/1992	738,192	9/1/1983 AND 6/	484,083 AND 71
Elizabethtown	5/19/1992	738,194	12/17/1990	698,117
sewer line	6/15/1992	738,190		377,65
sewer line	5/14/1992	738,196		121,84
sewer line	5/7/1992	738,200		157,072
sewer line	5/7/1992	738,198		227,438
SEWER LINE	6/29/1992	738,188		338,122
sewer line	12/18/1992	753,509		517,2
SEWER LINE	8/12/1993	769,254		
sewer line	4-4-1985	533,246	11/14/1983	490,122
sewer line services (pump	4-4-1985	533,244	11/14/1983	490,122
sewer line	8-10-2001	1007,158		636,236
temporary construction ea	7-18-2001	1007,161		636,236
sewer line	6-3-1963	180,349		
sewer line	7/30/1963	253,530		
sewer line	6/5/1984		7-17-1975 and 9-	275,683 and 428
sewer line	5/12/1992			
sewer/water line	8/21/1984	518,11	7/16/1981	424,242
sewer line	8/19/1974	273,123	6/21/1963	178,602
sewer line	8/22/1974	273,121	8/14/1968	213,245
sewer line	1/27/1991	566,315		357,266
sewer line	9/13/1988	Plat Cabinet #		
drainage and utility	8/24/1987	Plat Cabinet #		
drainage and utility	10/14/1986	Plat Cabinet #		
sewer line	2/28/1973	255,322	11/27/1972	249,61
sewer line	7/18/2001	1004, 466		188,130
sewer line	6/7/1963	180,340		
sewer line	4/29/1964	253,494		
street	6/28/1977	318,282	6/2/1966	255,492
sewer line	3/25/1963	183,388		
sewer line	3/25/1963	183,388		
sewer line	3/25/1963	183,388		
sewer line	3/25/1963	183,388		

COMMENTS

10' WIDE

10' WIDE

10' WIDE

10' WIDE, 10' OFF BACK PROP LINE

10' WIDE, 10' OFF BACK PROP LINE

10' WIDE

15' AND THEN 20' WIDE

20' WIDE, FOLLOWS SEWER LINE

20' WIDE

20' WIDE, FOLLOWS SEWER LINE, EXACT LOCATION OF TURNS AND ANGLES UNKNOWN.

20' WIDE

20' WIDE, COVERS MANHOLE

20' WIDE, SHOUD REACH DIXE

20' WIDE

20' WIDE, EASEMENT SAYS 2996 S WILSON, SHOULD BE 4404 S. WILSON.

20' WIDE

20' WIDE, LOCATION UNKNOWN, SEWERLINE AND MANHOLE SHOULD BE ON/NEAR EASEMENT.

20' WIDE, LOCATION, LENGTH, DIRECTION, UNKNOWN.

10' WIDE,

~50' X 20'

50' WIDE, SEE EASEMENT 1007, 161 AS WELL

10' WIDE

12' WIDE

12' WIDE

10' WIDE

20' WIDE, FOR THE MOST PART

WIDTH, LENGTH, LOCATION, AND DIRECTION UNKNOWN. MAP NOT ATTACHED

WIDTH, LENGTH, LOCATION, AND DIRECTION UNKNOWN. MAP NOT ATTACHED

RELEASE OF EASEMENT. PROP LINES WRONG?

RELEASE OF EASEMENT. 8' WIDE. PROP LINES WRONG.

WIDTH, LENGTH, DIRECTION, AND LOCATION UNKNOWN. MAP NOT ATTACHED.

50' TEMPORARY EASEMENT, 25' OFF THE CENTERLINE OF THE SEWER.

10' WIDE

12' WIDE

60' WIDE, LENGTH OF EASEMENT UNKNOWN, BUT IT ENDS AT ELM ROAD.

15' WIDE

15' WIDE

15' WIDE

ID	KEYNUMBER	PVANUMBER	ADDRESS	GRANTOR	DESCRIPTION
576	1592002021(1)	159-20-02-021.01	215 Eagle Pass	Burton and Bertie Davis	Lot 21B, Walnut Grove
577	1592002022	159-20-02-022.01	211 Eagle Pass	Burton and Bertie Davis	Lot 22B, Walnut Grove
578	1592002023	159-20-02-023.01	207 Eagle Pass	Burton and Bertie Davis	Lot 23B, Walnut Grove
579	1592002013(1)	159-20-02-013.01	246 Eagle Pass	Burton and Bertie Davis	Lot 13B, Walnut Grove
580	1592002011	159-20-02-011.01	238 Eagle Pass	Burton and Bertie Davis	Lot 11B, Walnut Grove
581	1612000034	161-20-00-034	964 Shelton Drive	Errol and Jacquelyn Deveaux	Lot 4, Bailey Subdivision (591 Yates
582	1592000035(1)	159-20-00-035	1187 North Wilson Road	Donald and Wilma Brainard	
583	1394008018	139-40-08-018	325 South Logsdon	Christy Pearman Cox and Wayne Cox	Lot 50 - 57, Nelson Heights
584	1801001005	180-10-01-005.01	Off Southland Drive, near Chan	James England	Lot 5, Lisa Estates
585	1802001044(3)	180-20-01-044	Route 1, Radcliff	James England, Earl L. and Darice D. Ca	WEST OF DIXIE, CLOSE TO US CA
586	1603001016	160-30-01-016		James England, Earl L. and Darice D. Ca	commercial
587	1801001029	180-10-01-029	652 East Mill Creek	Charlie and Alice Fields	LOT 5, MINGR SUBDIVISION
588	1602003004(1)	160-20-03-004	500 W Lincoln Trail	Financial Dominion of Kentucky Corporat	Between West Lincoln Train Blvd an
589	1602003004	160-20-03-004	500 W Lincoln Trail	Financial Dominion of Kentucky Corporat	Between West Lincoln Train Blvd an
590	DACA272041188	DACA27-2-04-118	Sanders Springs Entrance	United States Army	Entrance off of Wilson Road
591	1383000022	138-30-00-022	Northern Road	Charles and Edith Frost	Between Northern Road and Preston
592	1383000022(1)	138-30-00-022	Northern Road	Charles and Edith Frost	Between Northern Road and Preston
593			Off North Dixie Blvd	First Citizens Bank HardIn County	Easement for First Citizens Bank Ha
594		PROPERTY LOCA	Route 3, Vine Grove Kentucky	Verner and Lottie Drake	
595			North of Highway # 86	Nettie Drake and Lois Taber	1.5 miles from Vertrees,Ky
596		PROPERTY LOCA	West Vine Street	Melba Anne Davis	Approximately 700' South of KY 144
597	1614000068	161-40-00-068		Norman and Jeanne Carter	Off KY 447 (Wilson Road)
598	1613002023(1)	161-30-02-023	1145 Dixie Highway	Hardin County Board of Education	Off Dixe Highway, between RMS and
599	1613002023	161-30-02-023	1145 Dixie Highway	Hardin County Board of Education	Radcliff Middle School
600	3		350 New Street	Dewey and Mary Hargan	Corner of Spring Street and Brown S
601	1801001003	180-10-01-003		Robert Hitechew	Lot 4, Lilly Cove Estates
602	1403002010	140-30-02-010	1491 West Vine Street	Emmett and Elmyra Harper	North Side of KY. 144
603	1801002015	180-10-02-015	200 Woodside	Joseph and Anna Heard	Lot 2, Heard Subdivision 1
604	1801002016	180-10-02-016	216 Woodside	Joseph and Anna Heard	Lot 3, Heard Subdivision 1
605	1801002017	180-10-02-017	228 Woodside	Joseph and Anna Heard	Lot 4, Heard Subdivision 1
606	1801002018	180-10-02-018	240 Woodside	Joseph and Anna Heard	Lot 5, Heard Subdivision 1
607	1801002013	180-10-02-013		Joseph and Anna Heard	Lot 6-7 not plated
608	1403003006	140-30-03-006	748 Briargate Court	William and Ginsepine Hensley	Lot 1, Green Meadow
609	1394003031(1)	139-40-03-031.01	887 Elm Road	Roderic and Mary Ellen Hollis	Corner of Logsdon Parkway and Elm
610	1394003031	139-40-03-031	885 Elm Road	Roderic and Mary Ellen Hollis	Corner of Logsdon Parkway and Elm
611	1394007021(?)	139-40-07-021	Bloomington Road (?)	Gerald and Laverne Howard, Kenneth an	Pin Oaks Subdivision
612	1382001041(SE)	138-20-01-041(SE)	Near Red Hill, off of Hill street	Illinois Central Gulf Railroad Company	Mile Post 33 + 2437 feet (SW), betw
613	1394008020(1)	139-40-08-020	300 South Logsdon Parkway	Kentucky Association of Christian Churc	off the west side of Logsdon Parkwa
614	1403004001	140-30-04-001	1524 West Vine Street	John R. and Vicky Knightly	Lot 1, Rainbox Village Subdivision
615			Crocus Drive	T. Brown and Lorraine Logsdon	
616	1393000004	139-30-00-004	555 Audubon	T. Brown Logsdon (trustee)	Lot 63, Scenic Acres
617	1393010005	139-30-10-005	529 Audubon	T. Brown Logsdon (trustee)	Lot 2, Scenic Acres
618	1394007040(1)	139-40-07-040	OFF GREENVIEW LANE	T. BROWN AND LORRAIN LOGSDON	
619	1382002018	138-20-02-018	Hill Street	The Louisville Gas and Electric Company	Corner of Red Hill Road and Hill Stre
620	1592000004(1)	159-20-00-004	Redmar Plaza	Dwight and Irene Leonard	North Right of Way of Knox Blvd
621	1614000051(1)	161-40-00-051	2024 South Wilson Road	Tollie and Mertie Lynn	
622	1614000052(1)	161-40-00-052	2038 South Wilson Road	W. B. and Eunice Lambert	
623	1403003001(2)	140-30-03-001	1234 West Vine Street	Lazy Acres Trailer Park, Inc.	old Mobile Home Park
624	1394008020(2)	139-40-08-020	300 South Logsdon Parkway	Kentucky Association of Christian Churc	off the west side of Logsdon Parkwa
625	1394008020(3)	139-40-08-020	300 South Logsdon Parkway	Kentucky Association of Christian Churc	off the west side of Logsdon Parkwa
626	1833000022	183-30-00-022	John Hardin High School	Hardin County Board of Education	off Deckard School Rd and Wilson R
627	1822001045	182-20-01-045		Allan and Carol Fear	Lot 45 Windsor Forest
628	1822003022	182-20-03-022	Brightside/Mallard Creek area	Ricky Minton	Lot 22 Brightside Estates
629	1822000053.01	182-20-00-053.01	Brightside/Mallard Creek area	Patrick Mills	Rear of Mallard Creek Property
630	1822000054	182-20-00-054	Brightside/Mallard Creek area	J & S Hardin Properties (S. Pawley)	Adjoins Lot 22 Brightside
639	1613003002	161-30-03-002		Ghazi and Aida Qaisi	Lot 1, Hillcrest 4
640	1382001041	138-20-01-041	Next to David Clark Property, s	Safari Trail Area	V. Pearman, G. Dalton
641	1614000054	161-40-00-054	2076 South Wilson Road	Lawrence and Betty French	
642	1644000031	164-40-00-31	5 Lots	S Wilson Road	Albert Dishon
643	1812001030	181-20-01-030	3805 Deer Haven	Roy and Lilliam Elmore	Lot 16 Deer Haven
644	1592000003	159-20-00-003	Fort Knox Broadcasting	Dwight and Irene Leonard	Redmar Blvd MELVA AVE
645	1393010015	139-30-10-015	416 North Logsdon Parkway	Gladys Jenkins	
646	1403003002	140-30-03-002	Amber Ct/Not in City	Rainbow Village/Vine Street	John and Vicky Knightly

TYPE	ESMDATE	ESMDEED	PRODATE	PROPDEED
sewer line	3/25/1963	183,388		
sewer line	3/25/1963	183,388		
sewer line	3/25/1963	183,388		
sewer line	12/5/1963	183,391		
sewer line	12/5/1963	183,391		
sewer line	4/5/2000		6/20/1997	872,561
sewer line	12/5/1963	237,535		
Robert and Martha Pearn	7/30/2001	1007, 159		
sewer line (FORCE MAIN	9/12/2003	1090, 571	9/26/1994	797,276
sewer line	3/22/1985	556,337	3/25/1976 and 3/	286,204 and 312
sewer line	3/22/1985	556,339	3/30/1972	243,395
sewer line	8/1/1974	273,124	7/26/1968	212,646
sewer line	1/17/1985	531,32	7/14/1983	479,117
sewer line	4/23/1985	534,188	7/14/1983	479,117
Public Road or Street	8/17/2004			
lift station and constructio	6/20/2002	1039, 558		950,295
sewer line and lift station (	6/20/2002	1039, 555		950,295
sewer line	3/23/1993			701,103 and 739
sewer line	5/25/1976	293,181		150,566
Transmission Lines	3/18/1965	194,260	2/4/1935	94,211
sewer line	7/14/1983	479,29		459,135
sewer line	4/19/1971	273,126	9/10/1969	220,686
sewer line force main	2/25/1963	179,601	1/5/1957	152,106
sewer line	2/25/1963	179,617	1/5/1957	152,106
sewer line and appurtena	5/1/1962	177,190		
sewer line	10/17/2003	1095, 273	11/10/1997	884,28
sewer line	7/14/1983	479,35		144,492
sewer line	2/20/1974	262,109	2/10/1959	160,305
sewer line	2/20/1974	262,109	2/10/1959	160,305
sewer line	2/20/1974	262,109	2/10/1959	160,305
sewer line	2/20/1974	262,109	2/10/1959	160,305
sewer line	2/20/1974	262,109	2/10/1959	160,305
sewer line	8/21/1974	273,122	11/6/1970	228,405
sewer line	12/9/2002	1058, 726	9/1/1994	795,348
sewer line	12/9/2002	1058, 722	9/1/1994	795,352
road	4/3/1989		5/8/1986	572,115
sewer line	3/20/1973			
sewer and water drainage	1/26/1973	253,580	7/19/1969	219,656
sewer line	7/9/1996		12/22/1986	592,215
sewer line	9/4/1973	257,473	3/30/1955	146,195
sewer line	2/8/1964	183,324		
sewer line	2/8/1964	183,324		
SEWER LINE	5/2/1963	180,376		
sewer line	3/21/1975	273,128		
SEWER LINE	2-14-1964	189,137		
sewer line	4-11-1963	182,674		
sewer line	5-27-1963	182,671		
lift station	2-12-1969	253,565		
LIFT STATION	1/26/1973	253,584	7/19/1969	219,656
sewer and water drainage	1/26/1973	253,580	7/19/1969	219,656
sewer line	11-15-2004	1135, 582	2-21-2002, 2-6-2	1026, 150 and 9
sewer line	11-16-2007	1245, 14-16		57,164
sewer line	11-16-2007	1245, 17-18		1079-146
sewer line	10-23-2007	1242,655-656		745,335
sewer line	10/17/2007	1242,305-306		1205,260
SEWER LINE	4/4/1985	533,250	11/7/1983	490,53
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Reesor Enterprises	.	.	.	.
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COMMENTS

15' WIDE

15' WIDE

12' WIDE

12' WIDE

LOCATION UNKNOWN, 12' WIDE

20' WIDE

~40' X 50'

UNKNOWN WIDTH, LENGTH, LOCATION, AND DIRECTION. MAP AND INSTRUCTIONS NOT ATTACHED.

10' WIDE

10' WIDE

56' WIDE, FILED UNDER "F" AND "S" AT CITY HALL EASEMENTS.

~100' X 50'

20' WIDE. ADDRESS AND PVA NOT WRITTEN ON EASEMENT.

5' WIDE

10' WIDE

LOCATION UNKNOWN, PARALLEL AND ADJACENT TO EXISTING EASEMENTS. 20' WIDE

20' WIDE

7.5' WIDE

7.5' WIDE

7.5' WIDE

7.5' WIDE

7.5' WIDE

NO MAP OR INSTRUCTIONS. UNKNOWN WIDTH, LENGTH, DIRECTION, AND LOCATION.

20' WIDE, SHOULD ALIGN WITH PROP LINES

20' WIDE, SHOULD BE 57.73 FT (LOWER EASEMENT LINE) FROM ELM

LOCATION UNKNOWN

UNKNOWN WIDTH, 80' LONG. NOT ACTUAL PVA NUMBER, BUT SOUTH EAST (SE) OF IT.

20' WIDE

20' WIDE

12' WIDE, THEN 6' WIDE

15' WIDE

UNKNOWN WIDTH

15' WIDE, NOT ACTUAL PVA NUMBER

10' WIDE

10' WIDE

~20' x 20'

~40' X 40'

15' WIDE

20' WIDE

VARIES FROM 8' TO 20'. 1,190 SQ FT, 0.03 ACRES

20' WIDE

20' WIDE

20' WIDE

10' WIDE

ID	KEYNUMBER	PVANUMBER	ADDRESS	GRANTOR	DESCRIPTION
647	1592000028	159-20-00-028 (2)	Redmar Plaza	Dwight and Irene Leonard	VD AND REDMAR LN
648	1614000038(2)	161-40-00-038	1878 S Wilson Road	Wayne and Patricia Lackey	Lot 2, Easy Acres
649	1614000038(3)	161-40-00-038	1878 S Wilson Road	Wayne and Patricia Lackey	Lot 3, Easy Acres
650	1592000028(2)	159-20-00-028	Redmar Plaza	Dwight and Irene Leonard	VD AND REDMAR LN
652	4			Dewey and Mary Hargan	Between E New Street and E Spring
653	5			Dewey and Mary Hargan	off E New Street
654	1801002014(1)	180-10-02-014	737 Blackjack	Joseph and Anna Heard	Heard Subdivision 1 (Heard Subdivis
657	1801002013(1)	180-10-02-013		Joseph and Anna Heard	Lot 6-7 not plated
658	1801001003(1)	180-10-01-003.04		Robert Hitechew	Lot 5, Lilly Cove Estates
659	1611005009(1)	161-10-05-009	921 Rogersville Road	Clarence and Pauline Brangers	
660	6		961 HILLCREST	LYNN AND ORA CATES	SOUTH OF RADCLIFF MIDDLE SC
661	7		961 HILLCREST	LYNN AND ORA CATES	SOUTH OF RADCLIFF MIDDLE SC
662	1384006058	138-40-06-058	964 HILLCREST	CITY OF RADCLIFF	LOT 58, CRESTVIEW 3
663	1382001019(1)	138-20-01-019	298 Safari Trail,	Nelson and Winnie Combs	
664	1613004012(1)	161-30-04-012	1419 South Wilson Road	Harry and Pearl Corum	
666	1592002022(1)	159-20-02-022	209 EAGLE PASS	BURTON AND BERTIE DAVIS	LOT 22A, WALNUT GROVE #1
668	1592000048	159-20-00-048	1301 STINSON PLACE	BURTON AND BERTIE DAVIS	
669	1592000047(1)	159-20-00-047	MOCKINGBIRD DRIVE	Burton and Bertie Davis	
670	1602005014(1)	160-20-05-014	273 South Wilson Road	Horace and Goldie Durham	
671	1614000023(1)	161-40-00-023	2079 South Dixie Blvd	Spencer and Dorothy Emberton	
672	1611005019(1)	161-10-05-019	599 Rogersville Road	EPI Corporation (Nursing Home)	Off S. Logsdon Parkway
673	1611001020	161-10-01-020	830 WEST VINE	WILLIAM AND ALMA MAHANNA	
674	1393012011(1)	139-30-12-011	538 AUDUBON	DARSEY AND ISABEL MASON	
675	1393012011(2)	139-30-12-011	538 AUDUBON	DARSEY AND ISABEL MASON	
676	1384001070	138-40-01-070	1401 HILL STREET	WILLIAM AND LINDA MATTINGLY	
677	1603003009(1)	160-30-03-009	552 BROWN STREET	MARJORIE MCCLAIN	LOT 6-8
678	1603003009(2)	160-30-03-009	552 BROWN	MARJORIE MCCLAIN	LOT 6-8
679	1403003029	140-30-03-029	1550 WEST VINE	STEVE AND MILDRED MCDONALD	
680	1394003026	139-40-03-026	206 NORTH LOGSDON	GILBERTO MEDINA	
681	1604004005				
682	1604004055(2)	160-40-04-005	610 TERRACE	JAMES K. AND SUNNY L. MILLS	LOT 64A, HILLCREST 3
683	1393008007(2)	139-30-08-007	965 SEMINOLE	SANDRA AND JOHN F. MULLINS	LOT 52 PT 51, SCENIC ACRES
684	1602005011(1)	160-20-05-011	357 SOUTH WILSON	BLANCHE MURPHEY	
685	1403002033	140-30-02-033	1255 WEST VINE	CLAUDE AND MARY RUTH NELSON	
686	1400000006(1)	140-00-00-006	1170 WEST VINE	W NELSON AND MARY RUTH NELSON	
687	1400000006(2)	140-00-00-006	1170 WEST VINE	MARY RUTH NELSON, CARROLL C. N	
688	1393005033	139-30-05-033	629 SEMINOLE ROAD	RONALD WALKER	CORNER OF CHEYENNE ROAD A
689	1393005025	139-30-05-025	627 SEMINOLE	RONALD WALKER	CORNER OF NORTH WOODLAND
690	1613003009	161-30-03-009		ELMER AND BERTIE OLIVER	TRIANGLE MOBILE HOME PARK
691	1602004035(1)	160-20-04-035	548 BROOKWOOD	KENNETH AND PATSY PARISEAN	LOT 5, WOODLAND PARK SECTIO
692	7			T.J. PATTERSON AND W.A. BROWN	
693	1592000077	159-20-00-077	1051 NORTH DIXE	BRYANT AND NELLIE PAYNE	
694	8			ROBERT AND MARTHA PEARMAN, EL	OFF DEERING, OFF WEST SIDE O
695	9			ROBERT AND MARTHA PEARMAN, EL	OFF HILLCREST DRIVE
696	10	160-10-06-037	305 PARK	CLARA PELPHREY	
697	182000A001	182-00-0A-005		DONNA, FRANCES, PATSY, DAVID, MI	LOTS 1-67, MEADOW WOODS, ES
698	1403003021	140-30-03-021	1468 WEST VINE	EDWARD AND GARNET FISHER	
699	1403002020	140-30-02-020	1675 WEST VINE	ETHEL POWELL	NOT IN CITY
700	1613003002(2)	161-30-03-002		GHAZI H. AND AIDA G. QAISE	LOT 1, HILLCREST
701	11			JOHN AND SHELBY QUIGGINS	
702	1614000020	161-40-00-020	2119 S DIXIE	JOHN Q. RENTALS, INC. (SIGNED JOH	WEST SIDE OF DIXIE
703	1802001044(4)	180-20-01-044		JOHN AND SHELBY QUIGGINS	
704	1613003009(1)	161-30-03-009.01		RADCLIFF MHP LTD	
705	1384004054	138-40-04-054	654 KNOX	RADCLIFF ASSOCIATES	NORTH SIDE OF DOGWOOD DRIV
706	1394003025	139-40-03-025	225 LOGSDON	ANDRE AND SHEILA ROBINSON	
707	1614000051	161-40-00-051	2024 S WILSON	ARLAND AND HARRIETTE ROGERS	
708	1603002050(2)	160-30-02-050	394 BOON TRC	JAMES AND BARBARA ROWLETT	LOT 50, LINCOLN TRAIL 4
709	1613006051	161-30-06-051	1912 S DIXIE	W.M.J. AND WINIFRED ROYALTY	
710	1384001069	138-40-01-069		JAMES H. AND OPAL J. ROYALTY	LOT 1-3, PRESTON SUBDIVISON
711	1384001068	138-40-01-068	1527 PRESTON	JAMES H. AND OPAL J. ROYALTY	LOT 4, PRESTON SUBDIVISION
712	1810000029(1)	181-00-00-029		SPC LAND COMPANY	SOUTH SIDE OF HW434
713	1604003026	160-40-03-026.02	160 LOGAN ST	SANDESON MEMORIAL CHURCH OF T	LOT 2A, QUIGGINS
714	1612005027	161-20-05-027	311 S ATCHER	CARL E SCHAFFNER CO., INC.	

TYPE	ESMTDATE	ESMTDEED	PROPPATE	PROPDEED
SEWER LINE	2-14-1964	189,137		
SEWER LINE	12-30-1963	185,544		
SEWER LINE	12-30-1963	185,542		
SEWER LINE	2-14-1964	189,137		
Sewage Treatment Plant	2-21-1963	177,117	9-9-1959	163,245
road to Sewage Treatment	2-21-1963	177,117	9-9-1959	163,245
access road	2/20/1974	262,107	2/10/1959	160,305
sewer line	2/20/1974	262,109	2/10/1959	160,305
sewer line	10/17/2003	1095, 273	11/10/1997	884,28
sewer line	3/10/1986	568,290		243,207
SEWER LINE	5/1/1985		9/29/1954	144,456
SEWER LINE	5/1/1985		9/29/1954	144,456
SEWER LINE, UTILITY,	8/24/1987			PLAT CABINET
sewer line plus lift station	9/6/1994	802,716	6/2/1965	191,384
sewer line	3/9/1964	253,506		
SEWER LINE	3/25/1963	183,388		
SEWER LINE	3/25/1963	183,388		
sewer line	3/25/1963	183,388		
sewer line	2/26/1963	179,598		
LIFT STATION	2/22/1963			
drainage	10/30/1992		10/4/1982	456,48
SEWER LINE	12/7/1966	587,324		
SEWER LINE (FORCE M	4/6/1985	533,242	9/12/1969	220,588
SEWER LINE	4/6/1985	533,242	9/12/1969	220,588
SEWER LINE (FORCE M	6/20/2002	1039,559		375,396
SEWER LINE	1/18/1985	531,46	5/23/1972	243,340
SEWER LINE	1/18/1985	531,48	5/23/1972	243,340
SEWER AND WATER LI	7/14/1983	479,25	3/29/82	442,13
SEWER LINE	12/9/2002	1058, 724	7/2/2002	1039,668
SEWER LINE	6/24/1986	587,405	7/28/1983	480,277
SEWER LINE	3/20/1985	534, 202	11/2/1983 AND	489,525 AND 28
SEWER LINE	9/3/1963			
SEWER LINE	2/27/1969	587,339		
SEWER LINE	11/23/1966			
SEWER LINE	7/1/1985	556,348	4/7/1934 AND 1	95,20 AND 95,39
DRAINAGE LINE	5/12/2005	1153, 413	3/7/1996	835,377
DRAINAGE LINE	5/11/2005	1153, 410	1/12/1998	888,276
SEWER LINE	3/23/1963			
SEWER LINE	1/29/1973	253,608	8/24/1972	235,580
LIFT STATION	4/4/1964			
SEWER LINE	2/14/1964	187,498		
SEWER LINE	2/2/1973	253,599	6/24/1967	205,508
LIFT STATION	2/2/1973	253,603	6/24/1967	205,508
SEWER LINE?				
SEWER LINE	8/4/1992	740,530	10/6/1988	639,285
SEWER LINE	3/10/1975	273,131	4/7/1956 AND 3/	149,65 AND 157,
SEWER LINE	7/14/1983	479,19		312,194
SEWER LINE	6/23/1986	587,417	10/27/1981 AND	432,116 AND 49
SEWER LINE	4/29/1971	273,127	10/31/1968	216,51
SEWER LINE	3/14/1985	531,66	8/28/1980	402,284
SEWER LINE	1/14/1985	534,192	12/26/1972	249,434
SEWER LINE	3/20/2004		11/24/1999	952,746
SEWER LINE	4/28/1980			
SEWER LINE	12/10/2002	1058, 720	6/28/2000	971,283
SEWER LINE	4/19/1985	534,200	4/14/1977	312,191
SEWER LINE	7/25/1986	587,403	4/1/1982	442,121
SEWER LINE	3/3/1964	253,554		
SEWER LINE				
SEWER LINE				
SEWER MAIN/LINE AND	8/31/1993	769,256	6/13/1989 AND	656,407 AND 60
SEWER LINE	1/14/1999	921,586	7/8/1989	723,569
SEWER LINE	2/26/1963	179,609		

COMMENTS

15' WIDE
10' WIDE
10' WIDE
25' WIDE
DEED
DEED
50' WIDE
20' WIDE
LOCATION UNKNOWN, PARALLEL AND ADJACENT TO EXISTING EASEMENT. 20' WIDE
10' WIDE
10' WIDE
10' WIDE
RELEASE OF EASEMENT
UNKNOWN WIDTH, LENGTH, AND LOCATION. CLEAN OUT FOR SEWER LINE.
10' WIDE
15' WIDE
15' WIDE
15' WIDE
10' WIDE
~40' X 40'
12' WIDE
UNKNOWN WIDTH, LENGTH, LOCATION, AND DIRECTION. MAP AND CALLS NOT INCLUDED.
20' WIDE
10' WIDE, SHOULD BE SE 83', AND END 51' WEST FROM SW PROP CORNER.
20' WIDE
10' WIDE, SHOULD BE ABOUT 15' OFF THE EAST PROP LINE.
10' WIDE
20' WIDE
20' WIDE, INCLUDED A 50' TEMPORARY EASEMENT.
5' WIDE, 5' NORTH OF THE CENTERLINE OF A SANITARY SEWER.
10' WIDE, SHOULD BE MANHOLE AT SOUTHERN TURN. SHOULD BE ADJUSTED.
15' WIDE, INCLUDED 30' TEMPORARY EASEMENT.
15' WIDE, 5' TO THE RIGHT, 10' TO THE LEFT.
UNKNOWN WIDTH, LENGTH, DIRECTION, AND LOCATION. MAP AND CALLS NOT INCLUDED.
10' WIDE,
30' WIDE, 10' TO THE NORTH, 20' TO THE SOUTH. 100' PARALLEL TO NORTH PROP LINE.
50' X 50' AND 20' WIDE OFF THE NORTH PROPERTY LINE
15' WIDE, DOES NOT MATCH CENTERLINE DESCRIBED IN EASEMENT.
15' WIDE
UNKNOWN LOCATION.
10' WIDE ON HW-31W, THEN 6' WIDE AT SW TURN, THEN 5' EXPANDING TO 10' WIDE AT SE TURN.
25' WIDE
50' X 50', DEED OF RELEASE REQUESTED 7/24/1978 FOR LOT 36, KENDALE EST. DRIVEWAY ENCROACHES ON EASEMENT.
20' WIDE. NO EASEMENT INCLUDED, JUST MAP AND CALLS.
20' WIDE
UNKNOWN WIDTH, LENGTH, LOCATION, AND DIRECTION. MAP AND CALLS NOT ATTACHED. DOCUMENT TAPED TOGETHER, MAY NOT BE LEGAL
20' WIDE, 200' OFF THE NORTH RIGHT OF WAY OF VINE STREET, FROM EAST PROP LINE TO WEST PROP LINE.
10' WIDE
15' WIDE, SHOULD BE 138' LONG FROM EXISTNG MANHOLE NEAR LIFT STATION AND EXTENDS TO PROPERTY LINE AT S 17 25 E .
10' WIDE, PVA NUMBER AND ADDRESS ARE WRONG.
UNKNOWN WIDTH, LENGTH, LOCATION, AND DIRECTION. SHOULD BE
10' WIDE, PARALLEL AND ADJACENT TO EXISTING 20' EASEMENT
15' WIDE, GRANTED BY RELEASE OF PREVIOUS EASEMENT.
20' WIDE
10' WIDE, NORTH END IS 133' FROM WILSON, SOUTH END IS 150' FROM WILSON.
5' WIDE, PARALLEL TO EXISTING UTILITY STRIP
MAP ON EASEMENT HAS M. KIES AS OWNER.
7.5' WIDE. PLAT RECORDED IN DEED BOOK 151, PAGE 300. EASEMENT NOT NOTARIZED.
7.5' WIDE, PLAT RECORDED IN DEED BOOK 151, PAGE 300. EASEMENT NOT NOTARIZED.
20' WIDE, EASEMENT INCLUDES 181-00-00-032 AND 181-00-00-031
20' WIDE
10' WIDE

ID	KEYNUMBER	PVANUMBER	ADDRESS	GRANTOR	DESCRIPTION
715	1613003049	161-30-03-049		RAYMOND SCHMITT	
716	1611005025	161-10-05-025	506 ROGERSVILLE	JAMES E. AND DORIS L. SCIFRES	
717	1614000037(1)	161-40-00-037	1856 S WILSON	WILLIAM L. AND REGINA K. SHAIN	
718	1801002011(1)	180-10-02-011	521 BLACKJACK	ROSCOE AND MILDRED SHELTON	LOT 1-3 PT 2, GILL
719	12		BLACKJACK ROAD	ROSCOE AND MILDRED SHELTON	
720	1394009026	139-40-09-026	1041 CROCUS	J.L. AND VIRGINIA SHERRARD	LOT 27, BOB O LINK
721	1613005041	161-30-05-041	1709 RODNEY	H.F. AND HAZEL SHIVELY	9 SHIVELY
722	1613005042	161-30-05-042		H.F. AND HAZEL SHIVELY	10 SHIVELY
723	1613005043	161-30-05-043	1735 RODNEY	H.F. AND HAZEL SHIVELY	11 SHIVELY
724	1613005044	161-30-05-044	1737 RODNEY	H.F. AND HAZEL SHIVELY	12 SHIVELY
725	1613005045	161-30-05-045	1759 RODNEY	H.F. AND HAZEL SHIVELY	13 SHIVELY
726	1613005046	161-30-05-046	1771 RODNEY	H.F. AND HAZEL SHIVELY	14 SHIVELY
727	1613005047	161-30-05-047	161 BLACKJACK	H.F. AND HAZEL SHIVELY	LOT 15-16, SHIVELY
728	1613005075(1)	161-30-05-075	1771 S DIXIE	H.F. AND HAZEL SHIVELY	
729	1613005040	161-30-05-040	1710 RHODNEY	H.F. AND HAZEL SHIVELY	24 SHIVELY
730	1393010034	139-30-10-034	467 NORTH LOGSDON	MILLARD E. AND EFFIE SMITH	LOT 14, PLANTATION
731	1393010036	139-30-10-036	435 NORTH LOGSDON	MILLARD AND EFFIE SMITH	PLANTATION ACRES
732	1394003001	139-40-03-001	324 SYCAMORE	MILLARD E. AND EFFIE SMITH	LOT 67, PLANTATION ACRES
733	1393010039	139-30-10-039	1047 DELMAR	MILLARD E. AND EFFIE SMITH	LOT 66, PLANTATION ACRES
734	1393010033	139-30-10-033	483 N LOGSDON	MILLARD E AND EFFIE SMITH	LOT 15, PLANTATION ACRES
735	1393010027	139-30-10-027		MILLARD AND EFFIE SMITH	HILLCREST
736	1393010027(1)	139-30-01-027		MILLARD AND EFFIE SMITH	HILLCREST
737	1592000066(1)	152-20-00-066	934 N DIXIE	R.W. AND EVELYN SMITH, AND JAME	LOT 1, FRISBY
738	1592000066(2)	159-20-00-066	934 N DIXIE	R.W. SMITH AND JAMES ENGLAND	LOT 1, FRISBY
739	1614000049(1)	161-40-00-049	1946 WILSON	R.W. AND EVELYN SMITH	LOT 8, EASY ACRES
740	1812000006(3)	181-20-00-006.01		DANA AND JOE SMOLENSKI	KY 434, OFF NORTH DIXIE
741	13			BERNICE AND MARTIN L STRANEY	EAST OF DIXIE, NORTH OF YARW
742	14		91 NALLS LN	MARTY AND BOBBY SWOFFORD	
743	1592000051(1)	159-20-00-051	955 WILSON	JOHN ROBERT TINDALL	
744	1611001021(1)	161-10-01-021	840 W VINE	MOLLIE TRENT	LOT 5, BARBARA CT
745	1821000058	182-10-00-058	3110C S WILSON	REGGIE P AND BRENDA TWYMAN	
746	1592000106	159-20-00-106		SANDRA TURNER	
747	DACA2717050	DACA-27-1-70-50		DEPARTMENT OF THE ARMY	
748	15	159-20-00-106		UNITED STATES OF AMERICA	NORTH OF PARK AVENUE
749	DA15029ENG7156	DA-15-029-ENG-7		DEPARTMENT OF THE ARMY	INSIDE SEWAGE PLANT
750	DA15029ENG7156	DA-15-029-ENG-7		DEPARTMENT OF THE ARMY	BETWEEN THE NORTH WILSON R
751	1391003012	139-10-03-012	750 YATES	NOLIN RURAL ELECTRIC COOPERATI	LOT 34 PT 33, KENDALE ESTATES
752	1810000048(2)	181-00-00-048.01	3015 S WILSON	JAMES V. AND NOREIDA H. REESOR	
753	1601006002	160-10-06-002	1165 WALMART WAY	WALMART REAL ESTATE BUSINESS T	LOT 3A, STITHON/ENGLAND EST
754	1601001016	160-10-01-016	N DIXIE	J.T. AND KATIE WATSON	KROGER BLDG
755	1394003019	138-40-03-019	1156 HILL ST	FRITZ AND EMMA WEIN	
756	1614000002(1)	161-30-05-025		LYNWOOD AND SHIRLEY WISEMAN,	
757	1802001042	180-20-01-042		JOHN AND SHELBY QUIGGINS	CORNER OF DIXIE AND CENTENN
758	1602005022(2)	160-20-05-022		MARION L. AND JUDY CATHERINE AT	EAST OF BRANDENBURG TELEP
759	16			SHELBY BEWLY	
760	1384001073(1)	138-40-01-073		JAMES AND ZELPHA BOWLING	PARADISE MHP
761	18			SPENCER E. AND DOROTHY R. EMBE	
762	17			JAMES AND ZELPHA BOWLING	
763	19			JOSEPH D. AND ANNA G. HEARD	
764	1601001042	160-10-01-042		VIRGINIA HEIL	OFF ELM ROAD, SOUTH OF THE I
765	1610000001(2)	161-10-00-001		JULIUS AND MARGUERITE JAHR	YARWOOD MHP
766	1602005022(3)	160-20-05-022		T. BROWN AND LORRAINE LOGSDON	EASE OF BRANDENBURG TELEP
767	20			T. BROWN AND LORRAINE LOGSDON	LOT 8, FOREST HILLS ADDITION
768	1394007040(4)	139-40-07-040		T. BROWN AND LORRAIN LOGSDON	OFF GREENVIEW DRIVE
769	1393008007(3)	139-30-08-007		T. BROWN LOGSDON (TRUSTEE)	SOUTHEAST CORNER OF HILLCR
770	1602002018	160-20-02-018	275 WOODLAND DRIVE.	T. BROWN AND MARVIN LOGSDON, A	RADCLIFF METHODIST CHURCH.
771	21			W.C. NELSON AND MARY RUTH NELS	SE OF INTERSECTION OF VINE A
772	1602004035(2)	160-20-04-035	548 BROOKWOOD	KENNETH AND PATSY PARISEAN	LOT 5, WOODLAND PARK
773	22	160-20-03-028		T.J. PATTERSON AND ROBERT PEAR	532' SOUTH OF COLLEGE DRIVE
774	23			KENNETH R. AND ELIZABETH SMITH,	
775	1393010036(1)	139-30-10-036		MILLARD AND EFFIE SMITH	LOT 65, PLANTATION ACRES
776	24			JAMES W. AND DOLL B. SPENCER	LOT 15, MEADOWVIEW
777	25			MARTIN LOUIS AND BERNICE STRAN	RADCLIFF CONCRETE DI-MIX

TYPE	ESMDATE	ESMTDEED	PROPDATE	PROPDEED
SEWER LINE	4/4/1963	180,400		
SEWER LINE	9/10/1984	516,325	4/17/1952	136,612
SEWER LINE	4/6/1985	534,198	2/27/1961	168,594
LIFT STATION	2/20/1963	179,612		
SEWER LINE	6/24/1974	273,125		148,48
SEWER LINE	6/17/1963	180,421		
SEWER LINE	3/21/1963	183,384		
SEWER LINE	3/21/1963	183,384		
SEWER LINE	3/21/1963	183,384		
SEWER LINE	3/21/1963	183,384		
SEWER LINE	3/21/1963	183,384		
SEWER LINE	3/21/1963	183,384		
SEWER LINE	3/21/1963	183,384		
SEWER LINE	3/21/1963	183,384		
SEWER LINE	3/21/1963	183,384		
SEWER LINE	6/17/1963	182,660		
SEWER LINE	6/17/1963	253,449		
SEWER LINE	6/17/1963	182,657		
SEWER LINE	6/17/1963	182,651		
SEWER LINE	6/17/1963	182,654		
SEWER LINE	1/23/1973	253,657	4/11/1950	130,149
SEWER LINE	1/23/1973	253,657	4/11/1950	130,149
SEWER LINE	2/3/1964	203,359		
SEWER LINE	12/19/1963	253,437		
SEWER LINE	12/7/1963	185,557		
SEWER LINE	12/1/1992	753,515	5/8/1989	654,126
SEWER LINE	2/28/1963	177,205		
SEWER LINE	12/18/1998	920,170	9/28/1998	911,584
SEWER LINE	10/22/2004	1132,357	4/2/2002	1030,468
SEWER LINE	11/3/1966			
SEWER LINE	12/29/1992	753,505		381,72
SEWER LINE (FORCE M	6/20/2002	1039,557	1/4/2002	1021,178
SEWAGE TREATMENT	11/1/1969 (UP			
SEWER LINE AND LIFT	4/3/1963		9/30/1958	159,206
SEWAGE PLANT EFFLU	7/6/1962			
SEWER LINE	7/6/1962			
UTILITY EASEMENT	6/5/1989		6/1/1984	507,231
SEWER LINE	5/5/1987	603,15	11/15/1983	490,185
SEWER LINE	7/21/2004	1122,341	11/15/2002	1054,433
SEWER LINE	10/15/1963	253,482		
SEWER LINE	4/20/1964	186,635		
SEWER LINE	4/18/1984	535,261	8/1/1982	453,184
LIFT STATION	3/1/1973	253,575	12/26/1972	249,434
LIFT STATION	3/13/1985	534,180	3/27/1964	187,212
LIFT STATION	4/12/1963	179,597	7/17/1941	104,224
LIFT STATION	3/27/1973		10/4/1964	187,404
LIFT STATION	4/10/1963	532,282	6/13/1962	174,120
LIFT STATION	3/27/1973		10/4/1964	187,404
LIFT STATION	2/20/1974	262,105	2/10/1959	160,305
LIFT STATION	3/26/1973	255,317	6/25/1956	150,256
LIFT STATION	2/28/1963	177,204	8/8/1957	156,279
LIFT STATION	7/10/1962	177,119	4/9/1955	146,223
LIFT STATION	3/30/1963	179,605	6/17/1955	147,41
LIFT STATION	3/30/1963	179,606	6/23/1958	157,433
SEWER LINE	3/30/1963	179,604	12/30/1961	173,334
LIFT STATION	3/19/1964	184,134	9/3/1960	167,109
LIFT STATION	11/23/1966	253,563	6/23/1941	104,140
LIFT STATION	1/29/1973	253,617	8/24/1971	235,580
DEED (FOR LIFT STATI	4/11/1963	179,607	5/14/1962	173,561
DEED FOR ROAD (LINC	2/26/1974	262,15	11/8/1968	214,680
LIFT STATION	4/3/1963	179,614	4/11/1950	130,149
LIFT STATION?	11/11/1972	253,567	FEB/1943	118,196
LIFT STATION	2/28/1963	177,203	2/9/1955	145,530

COMMENTS

12' WIDE

12' WIDE

10' WIDE

~40' X 40'

UNKNOWN WIDTH, LENGTH, LOCATION, AND DIRECTION. MAP AND CALLS NOT INCLUDED WITH EASEMENT.

10' WIDE

12' WIDE

15' WIDE,

15' WIDE, DOES NOT FOLLOW CENTERLINE DESCRIBED IN EASEMENT. LOCATION UNKNOWN.

12' WIDE

12' WIDE, SHOULD BE AT S 65 W

10' WIDE

20' WIDE, SHOULD BE PARALLEL TO BATTLETRAIN ROAD.

15' WIDE. DOES NOT MATCH CENTERLINE DEFINED IN EASEMENT. TURN ON CONSTRUCTION LAYER TO SEE DEFINED EASEMENT.

20' WIDE, UNKNOWN WIDTH, LENGTH, AND LOCATION.

20' WIDE

UNKNOWN WIDTH, LENGTH, LOCATION, AND DIRECTION. MAP AND CALLS NOT INCLUDED WITH EASEMENT.

20' WIDE, UNKNOWN LENGTH AND LOCATION. CALLS NOT INCLUDED.

20' WIDE

LEASED FOR 55 YEARS AT \$2,250 A MONTH. FILED UNDER 'U' IN THE EASEMENTS CABINET AT RADCLIFF CITY HALL.

CONSENT INSTRUMENT PERFORMED BY THE UNITED STATES OF AMERICA. 15' WIDE, AND 40'X40'.

10' WIDE, FILED UNDER 'U' AT RADCLIFF CITY HALL EASEMENT CABINET.

10' WIDE. FILED UNDER 'U' AT RADCLIFF CITY HALL EASEMENT CABINET.

RELEASE OF EASEMENT RUNNING THROUGH THE HOUSE. FILED UNDER 'T' AT RADCLIFF CITY HALL EASEMENT CABINET.

20' WIDE, PROPERTY LOCATION UNKNOWN.

20' WIDE

10' WIDE

12' WIDE, FOLLOWS HILL ST

10' WIDE, EASEMENT HAS 161-40-00-002 AND 1855 WILSON WRITTEN, BUT DOES NOT MATCH DESCRIBED CENTERLINE. FILED UNDER 'W'.

~50' X 30'

~40' X 40'

~30' X 30'

~40' X 40'

~30' X 30'

~30' X 50', SHOULD BE OFF AN ENTRANCE ROAD

~ 40' X 25'

~40' X 40'

~40' X 40'

~50' X 50'

~40' X 40'

~40' X 40',

50' X 30'

~20' X 25'

50' X 100'

UNKNOWN LOCATION, ALONG LINCOLN TRAIL. CHRISTOPHER SQ?

60' X 50'

~30' X 30'

~40' X 40'

ID	KEYNUMBER	PVANUMBER	ADDRESS	GRANTOR	DESCRIPTION
778	26			T.J.P. , INC.	OFF CORNER OF CONGRESS AN
779	27			MYRIS AND MAVIS WARD	BETWEEN BROWN AND E NEW S
780	DACA272946	DACA27-2-94-6		DEPARTMENT OF THE ARMY	OFF OF SEWAGE PLANT EASEME
781	28			NELSON AND WINNIE COMBS	OFF NORTH RIGHT OF WAY OF S
782	1382001019(2)	138-20-01-019	298 SAFARI TRAIL	NELSON AND WINNIE COMBS	
783	1613005035	161-30-05-035	1774 RODNEY STREET	RANDY AND REBECCA HEBNER	LOT 19, SHIVELY ADDITION
784	1383000066	138-30-00-066.01	9222 DIXIE	EARL L. AND DAURICE D. CATO	LOT 2, LEXAVILLA SUBDIVISION.
785	1623003015	162-30-03-015	2677 LAVON		LOT 33, HAPPY VALLEY SUBDIVIS
786	1393010013			JOHN RAINEY?	
787	1384003028	138-40-03-028		ROBERT SHEETS?	
788	1613004015	161-30-04-015		ARTHUR AND RENODA CURRY?	
789	1382001016	138-20-01-016		CITY OF RADCLIFF	CORNER OF HILL STREET AND L
790	1833000022(1)	183-30-00-022	W.A. JENKINS	HARDIN COUNTY SCHOOL DISTRICT	BLUEGRASS MIDDLE SCHOOL
791	1393014008	139-30-14-008	1142 LOGSDON	WALTER D. AND ANN MARIE MEINSH	
792	1382001005	138-20-01-005		RADCLIFF INDUSTRIAL FOUNDATION	LOT 3A #A, RADCLIFF IND PK
793	29			VIRGIL L. AND WILMA J. PEARMAN	SOUTH SIDE OF SPRING STREET
794	1810000054	181-00-00-054	7070 DIXIE	HASSAM MOOSSUN	LOT 1, OUTDOORS SUBDIVISION
795	1393002033	139-30-02-033	911 CHAD	ELDON L. AND BEVERLY J. DEKAY	LOT 33 SECTION 4, WOODS HOLL
796	1601006029	160-10-06-029	145 PARK	CITY OF RADCLIFF	LOT 24, ARCADIA HEIGHTS ADDIT
797	1614001088	161-40-01-088	170 MEADOWLAKE	CITY OF RADCLIFF	LOT 88, SECTION 8, MEADOWLAK
798	162000E073	162-00-0E-073	192 SKYLINE	CITY OF RADCLIFF	LOT 73 SECTION 5, HILLTOP TER
799	1611006097	161-10-06-097	411 WEST LINCOLN TRAIL	CITY OF RADCLIFF	LOT 97, WOODLAWN ACRES
800	30			RICHARD AND URSULA STRAUSS	NW CORNER OF INTERECTION O
801	DACA272854	DACA-27-2-85-4		DEPARTMENT OF THE ARMY	NORTH PART OF LINCOLN TRAIL
802	DACA272854(1)				
803	1601003051	160-10-03-051	418 WOODCREEK	CITY OF RADCLIFF, KU COMPANY, HA	LOT 12 # 2, ELMWOOD GARDENS
804	1601003052	160-10-03-052	412 WOODCREEK	CITY OF RADCLIFF, KU COMPANY, HA	LOT 13 #2, ELMWOOD GARDENS
805	1393009060	139-30-09-060		BERKLEY O. AND ESTHER E. BRYANT	LOT 9 #2, KENDALE ESTATES
806	1393009071	139-30-09-071	1264 LYNDON	ULRICH AND KRISTEN STICH FOERST	LOT 1 #2, KENDAL ESTATES.
807	1790000002	179-00-00-002		ELIZABETH HOWEY	
808	1790000004			ELIZABETH HOWEY	
809	31			SHELBY AND SANDRA BEWLEY, WILL	ACROSS FROM LOT 93 #4, HAPPY
810	1611002072	161-10-02-072	768 PEARMAN	VIRGIL AND WILMA PEARMAN	LOT 72 #1, PEARMAN MNR
811	1821000054	182-10-00-054	4320 WILSON	LONGVIEW METHODIST CHURCH	
812	1821000055	182-10-00-055	4320 WILSON	LONGVEIW METHODIST CHURCH	
813	1821000056	182-10-00-056	4320 WILSON	LONGVIEW METHODIST CHURCH	
814	1821000057(1)	182-10-00-057	4292 WILSON	MELVA J. ADKINS	
815	1821000058(1)	182-10-00-058	4294 WILSON	WALTER F. AND UMEKO F. CORVIN	
816	1611005003	161-10-05-003.01		NEW ELIZABETH TOWN MEMORIAL G	WEST OF PARKWAY ELEMENTAR
817	1810000009(1)	181-00-00-009.01		HOLLIS A. AND ANNA BELLE ENGLAN	
818	1601001047	160-10-01-047		THE BANK OF NORTH HARDIN	LOT 1, BASHAM ADDITION
819	32			NORTH HARDIN DEVELOPERS, INC.	SOUTH BOUNDARY LINE OF NOR
820	1810000056	181-00-00-056	LINCOLN TRAIL HOSPITAL	UNITED HEALTHCARE OF HARDIN, IN	NORTH PROPERTY LINE OF LINC
821	1382001016(1)	138-20-01-016		ALFRED G. AND MARY ANN DOWDIN	NORTH OF INTERSECTION OF HIL
822	1393010028	139-30-10-028	547 LOGSDON	OVAL AND ZETA KERSEY	LOT 3A-3B #7, PLANTATION ACRE
823	1393010029	139-30-10-029		OVAL AND ZETA KERSEY	LOT 2A #7, PLANTATION ACRES
824	1384002037	138-40-02-037	1323 BRAMBLETT	IRMGARD MERCER	LOT 37B #3, ROLLING OAKS
825	1384002037(1)	138-40-02-037	1321 BRAMBLETT	IRMGARD MERCER	LOT 37A #3, ROLLING OAKS
826	1604004060				
827	33			REESOR ENTERPRISES #6, INC	LOT 20-33, DEERHAVEN EST
828	34			JOE AND JUDY TRABUE	INTERSECTION OF GLOBE AND D
829	35			REESOR ENTERPRISES #6, INC	DEER HAVEN ESTATES
830	36			REESOR ENTERPRISES #6, INC	DEER HAVEN SUBDIVISION
831	37			IRWIN L. AND MARGARET M. MASSIE	INTERSECTION OF SOUTHLAND
832	1602005065	160-20-05-065		T. BROWN AND LORRAINE LOGSDON	
833	1602005065(1)	160-20-05-065		WALTER AND ELIZABETH SMITH	
834	1602005065(2)	160-20-05-065		T. BROWN AND LORRAINE LOGSDON	
835	1602002011	160-20-02-011		T. BROWN AND LORRAINE LOGSDON	
836	1394008021	139-40-08-021	300 LOGSDON	KENTUCKY ASSOCIATION OF CHRIST	
837	38			ROMAN AND VIRGINA SCHLAACK	
838	39			ANTHONY AND M. NATALIE KIETA	CORNER OF ELM AND WILSON
839	40			ANTHONY AND M. NATALIE KIETA	BLOCK A, LOT 1; BLOCK B, LOTS
840	41			DEPARTMENT OF THE ARMY	SANDERS SPRINGS PARK ENTRA

TYPE	ESMDATE	ESMDEED	PROPCDATE	PROPDEED
DEED FOR ROAD (LINC	3/5/1974	262,41	12/31/1968	216,522
DEED	1/5/1984	494,238	2/5/1975	271,364
SEWER LINE (27" WAST	11/30/1993			
ACCESS ROAD	3/16/1974	262,475		191,384
SEWER LINE	1/4/1995	806,432		191,384
TRENCH FOR TRAPPIN	9/13/1991		8/2/1990	688,365
WELCOME SIGN	1/5/1995		12/13/1993	776,1
DRAINAGE AND UTILITY	1/26/1970	PLAT CABIN		
WARNING SIREN	4/28/2000			
SEWER LINE	2/4/1992	726,356	8/3/1989	660,278
DRAINAGE RETENSION	9/18/1990		8/20/1980	403,273
ELECTRIC LINES	12/11/1984			
INGRESS/EGRESS	8/17/1990		1/31/1983	464,69
SEWER LINE	8/23/1993	767,401	4/4/1985	532,350
DEED OF RELEASE	8/14/1990			
UTILITY EASEMENT DE	2/21/1990			
DEED OF RELEASE	1/16/1990			
RELEASE OF DRAINAG	8/15/1989			
RELEASE OF DRAINAG	1/25/1989			
SEWER LINE/MANHOLE	1/7/1988	621,22		388,315
ACCESS ROAD	3/28/1985			
DEED OF RELEASE FO	5/20/1980			
DEED OF RELEASE FO	5/20/1980			
DRAINAGE	11/14/1979	398,340	8/24/1978	352,85
DRAINAGE	11/14/1979	398,338	12/1/1976	303,270
SEWER LINE	12/12/1977	ORDER BOO		WILL BOOK P.5
SEWER LINE	12/12/1977	ORDER BOO	11/13/1942	108,610
ROAD EXTENSION	2/28/1976	284,275	2/13/1937	97,127
SIDEWALK	10/17/1975	278,447	5/16/1968	211,479
ROAD (RIGHT OF WAY)	12/13/1989	675,97		113,523 , 175,17
RIGHT OF WAY	12/13/1989	675,97		113,523 , 175,17
RIGHT OF WAY	12/13/1989	675,97		113,523 , 175,17
RIGHT OF WAY	12/13/1989	675,97	7/31/1985	545,99
RIGHT OF WAY	12/13/1989	675,97	4/3/1974	263,17
DEED	4/3/1989	652,34	8/26/1969	220,378
DEED	10/20/1988	643,67	4/26/1967	204,47
DEED	2/29/1988	639,135	8/15/1986	588,143
DEED FOR RIGHT OF W	10/30/1986	591,491	1/10/1984	495,70
DEED FOR RIGHT OF W	10/27/1986	591,489	12/24/1985	561,8
DEED	4/1/1986	569,180	8/18/1981	427,168
DEED	6/1/1985	555,241	4/22/1985	535,323
DEED	6/1/1985	555,241	4/22/1985	535,323
DEED	5/29/1985	538,59	12/22/1983	493,37
DEED	5/29/1985	538,59	12/22/1983	493,37
DEED FOR ROAD	11/7/1979		9/22/1971	237,32
DEED	11/29/1978	362,112	9/1/1942	108,154
DEED FOR DOE RUN D	9/22/1976			PLAT BOOK 5,3
DEED FOR DEER HAVE	9/22/1976			PLAT BOOK 5,3
DEED FOR SOUTHLAND	11/24/1975	282,113	3/6/1946 , 11/9/1	117,636 , 135,33
DEED	3/31/1975	282,117	3/18/1975	271,444
DEED	3/31/1975	282,115	4/28/1948	154,254
DEED	3/20/1975	282,119		165,363
DEED	3/26/1975	274,560	6/17/1955	147,41
DEED (FOR LIFT STATI			7/19/1969	219,656
DEED	6/11/1968	253,564	3/15/1968	210,277
DEED	3/24/1960		12/8/1952	139,7
DEED	3/24/1960		12/8/1952	139,7
SITE OF LOG CABIN HIS	7/12/2004			

COMMENTS

120' WIDE, 765' LONG.

DOES NOT MATCH DESCRIBED CALLS IN EASEMENT. ACCESS ROAD GIVEN BY DEED OF CORRECTION.

20' WIDE.

30' WIDE, WIDENED TO 60' IN DEED DATED 11/18/1976, 305,64

20' WIDE, UNKNOWN LENGTH INTO NELSON PROPERTY

UNKNOWN WIDTH, LENGTH, AND DIRECTION. EASEMENT STATES REAR YARD.

DEED OF RELEASE 11/30/1987 INSOMUCH AS EASEMENT IS AFFECTED BY STRUCTURE

10' WIDE

UNKNOWN WIDTH, LENGTH, LOCATION, AND DIRECTION. MAP AND CALLS NOT INCLUDED. INCLUDES RIGHT TO INGRESS AND EGRESS.

20' WIDE

INCLUDES A SEWER HOOKUP LINE.

30' WIDE

20' WIDE

20' WIDE. WIDTH, LENGTH, DIRECTION, AND LOCATION UNKNOWN. MAP AND CALLS NOT INCLUDED.

RELEASE OF EASEMENT INSOMUCH AS EASEMENT IS AFFECTED BY EXISTING STRUCTURE.

RELEASE OF EASEMENT INSOMUCH AS EASEMENT IS AFFECTED BY THE STRUCTURE.

RELEASE OF EASEMENT INSOMUCH AS EASEMENT IS AFFECTED BY EXISTING STRUCTURE.

DEED OF RELEASE INSOMUCH AS EASEMENT IS AFFECTED BY EXISTING STRUCTURE.

DEED OF RELEASE FOR DARRELL W. AND PATRICIA S. MORGAN INSOMUCH AS EASEMENT IS AFFECTED BY EXISTING STRUCTURE.

20' WIDE, UNKNOWN LOCATION.

RELEASE OF EASEMENT

RELEASE OF EASEMENT

SW LOT CORNER. DOES NOT MATCH CALLS DESCRIBED IN EASEMENT.

~20' WIDE

10' TO THE LEFT, 15' TO THE RIGHT

10' TO THE LEFT, 15' TO THE RIGHT

10' WIDE

5' WIDE

30' WIDE

30' WIDE

30' WIDE

30' WIDE

30' WIDE

30' X 66'

30' X 60'

~200' X 83'

SHOULD BE AT N 64,1,6 E 1,211.73'.

SHOULD BE AT N 64,1,6, E 1,211.73'.

~23' WIDE

40' WIDE

NOT DATED, SIGNED, OR NOTARIZED.

UNKNOWN LOCATION, 200' N 19,24W OFF SEMINOLE RD.

15' WIDE

15' WIDE

~200' X 65'

ID	KEYNUMBER	PVANUMBER	ADDRESS	GRANTOR	DESCRIPTION
841	1592000107	159-20-00-107		HARDIN COUNTY WATER DISTRICT N	SANDERS SPRINGS PARK
842	42			HARDIN COUNTY	LOGSDON PKWY
843	43				
844	1601001016(1)	160-10-01-016	N DIXIE	JAMES T. AND KATIE L. WATSON	NORTH OF KROGER BLDG
845	44			MILLARD E. AND EFFIE SMITH	LOT 2B, PLANTATION ACRES
846	45			CITY OF RADCLIFF	
847	1601006042(1)	160-10-06-042	376 PARK AVE	RAY AND MARIE MCNAUGHTON	LOT 43, ARCADIA HEIGHTS
848	46			HARDIN COUNTY (SIGNED GLEN DAL	
849	1810000015	181-00-00-015	195 S BOUNDARY	DENNIS PROPERTIES INC.	LOT 3, ALLIE KATE MEADOWS
850	1810000017	181-00-00-017	233 S BOUNDARY	DENNIS PROPERTIES INC.	LOT 2, ALLIE KATE MEADOWS
851	47			GLENN S. AND SANDRA GRAHAM TU	ACADEMY HEIGHTS
852	48			ALLEN T. AND LORENE N. BELL	LOT 4-5, ALLEN LORENE BELL ES
853	49			ALLEN T. AND LORENE N. BELL	LOT 4-6, ALLEN LORENE BELL ES
854	50			ALLEN T. AND LORENE N. BELL	LOT 4-6, ALLEN LORENE BELL ES
855	51	181-00-00-018.09		DR. JAMES MAYER	LOT 6, AUBURN HILLS #4
856	52			DR. JAMES ALLEN	LOT 7-9, AUBURN HILLS ESTATES
857	53			SKEETERS AND BENNETT RENTALS	LOT 1-2, B & W ESTATES #1
858	54	161-20-00-034	964 SHELTON	FERN BAILEY	LOT 1, BAILEY
859	55			BOB CROSS	LOT 2-5, BARBARA CT
860	56	161-10-01-026	100 BARBARA COURT	BOB CROSS	LOT 1, BARBARA COURT
861	57	139-10-01-024.01	2080 HILL STREET	LONNIE BASHAM	LOT 1 AND PT LOT 2, BASHAM ES
862	58			SPC LAND COMPANY	LOT 1, BATTLE DIXIE SUBDIVISIO
863	59			SPC LAND COMPANY	LOT 2, BATTLE DIXIE
864	60			SPC LAND COMPANY	LOT 3, BATTLE DIXIE
865	61		42 BATTLE TRAIN	SPC LAND COMPANY	LOT 2-3, BATTLE DIXIE
866	62			SPC LAND COMPANY	LOT 1-2, BATTLE DIXIE
867	63	138-40-03-007	1235 HILL	RADCLIFF CHURCH OF GOD, AND EA	LOT 1A, BEL AIR ESTATES
868	64	138-40-03-038		RADCLIFF CHURCH OF GOD, AND EA	LOT 1B, BEL AIR ESTATES
869	65		944 DIXIE	R.W. SMITH	LOT 1B, BERNIE FRISBY ADDITIO
870	66	159-20-00-066.02	934 DIXIE	R.W. SMITH	LOT 1C, BERNIE FRISBY ADDITIO
871	67	159-20-00-066	924 DIXIE	R.W. SMITH	LOT 1A, BERNIE FRISBY ADDITIO
872	68	159-20-00-056	914 DIXIE	R.W. SMITH	LOT 36A, BERNIE FRISBY ADDITI
873	69	159-20-00-064		R.W. SMITH	LOT 15A, BERNIE FRISBY ADDITI
874	70		844 DIXIE	R.W. SMITH	LOT 19A, BERNIE FRISBY ADDITI
875	71	159-20-00-056		R.W. SMITH	
876	72	159-20-00-066		R.W. SMITH	
877	73	159-20-00-056		R.W. SMITH	LOT 36A, BENIE FRISBY ADDITIO
878	74			WALTON AND EDNA MAE SHANKS	LOT 2A AND 9A, BERNIE FRISBY
879	75			WALTON AND EDNA MAE SHANKS	LOT 2A AND 9A, BERNIE FRISBY
880	76	159-20-00-065.01	916 DIXIE	WALTON AND EDNA MAE SHANKS	LOT 9A, BERNIE FRISBY
881	77	159-20-00-056	914 DIXIE	WALTON AND EDNA MAE SHANKS	LOT 36A, BERNIE FRISBY ADDITI
882	78	182-10-00-032		DOUGLAS GOODMAN	
883	79	182-10-00-032		DOUGLAS GOODMAN	LOT 7A-7B, BLAIR HEIRS SUBDIVI
884	80	182-00-00-014.01		LEONARD A. AND HEDWIG M. MCNUT	LOT 26A, BLAIR SUBDIVISION
885	81	182-00-00-014.01			LOT 26A, BLAIR SUBDIVISION
886	1592000106(1)	159-20-00-106.02		GLENN S. AND SANDRA G. TURNER	LOT 1B, RADCLIFF SUPER CENTE
887	82			T. BROWN LOGSDON, AND MARVIN L.	BOB O LINK ACRES ADDITION 43
888	83	139-40-09-032	1048 FAIRVIEW	EULA ALIENE COOMER	LOT 36A, BOB O LINK
889	84			T. BROWN LOGSDON	LOTS 1-7, BOB O LINK ACRES AD
890	91			T. BROWN LOGSDON, AND T.J. PATT	LOTS 1-8, BOB O LINK ACRES AD
891	85			T. BROWN LOGSDON	LOTS 10-13, BOB O LINK ACRES A
892	86			T. BROWN LOGSDON	LOTS 8-9, BOB O LINK ACRES AD
893	87	139-40-06-030	162 EXECUTIVE	T. BROWN LOGSDON	LOT 30, BOB O LINK ACRES ADDI
894	88	139-40-06-031	178 EXECUTIVE	T. BROWN LOGSDON	LOT 31, BOB O LINK ACRES ADDI
895	89	139-40-06-024	1115 LINCOLN	T. BROWN LOGSDON	LOT 24, BOB O LINK ACRES ADDI
896	90	139-40-06-023	1097 LINCOLN	T. BROWN LOGSDON	LOT 23, BOB O LINK ACRES ADDI
897	92			T. BROWN LOGSDON, AND T.J. PATT	LOTS 9-15, BOB O LINK ACRES A
898	93	139-40-05-022	242 SENATE	T. BROWN LOGSDON, AND T.J. PATT	LOT 22, BOB O LINK ACRES ADDI
899	94			T. BROWN LOGSDON, AND T.J. PATT	LOT 23 AND 28, BOB O LINK ACRES
900	95			T.J. PATTERSON	LOT 1-9, BOB O LINK ACRES ADDI
901	96			T.J. PATTERSON	LOT 9,10,27, AND 28; BOB O LINK
902	97			T.J. PATTERSON	LOTS 28-36, BOB O LINK ACRES A
903	98			T.J. PATTERSON	LOTS 10-18, BOB O LINK ACRES A

TYPE	ESMTDATE	ESMTDEED	PROPCDATE	PROPDEED
DEED	2/8/1994	779,574	4/13/1954	143,121
DEED FOR LOGSDON P	5/19/1986	575,96	5/30/1964	185,326
SEWER LINE	11/20/1965		9/19/1960	126,623
DEED	4/19/1971	273,120	4/11/1950	130,149
RIGHT OF WAY	5/23/1978		4/16/1975	274,565
SEWER LINE	9/21/1963	182,645		
SEWER LINE (FORCE M	3/16/1992	729,20		199,561
UTILITY EASEMENT (EL	6/17/2004	3670	3/25/2004 AND	1109,323 AND 1
UTILITY (ELECTRIC, TEL	6/17/2004	1109,323 AN	3/25/2004 AND	1109,323 AND 1
SEWER LINE	12/29/1986		6/9/1986	574,341
INGRESS/EGRESS	7/25/2000	PLAT #2714		171,455 , 146,15
UTILITY EASEMENT, (K	7/25/2000	PLAT# 2714		171,455 , 146,15
TELEPHONE	7/25/2000	PLAT# 2714		171,455 , 146,15
UTILITY (NOLIN RECC E	9/26/2002	SHEET# 3236		
ASHLAND PIPE LINE (24	9/26/2002	SHEET# 3236		
UTILITY (NOLIN RECC E	1/27/1997	SHEET#1907		
L.G.&E. COMPANY	9/5/1991	SHEET# 1192		
DRAINAGE AND UTILITY	9/7/1972 (?)			
DRAINAGE AND UTILITY	9/7/1972			
NOLIN RECC UTILITY LI	3/27/1990	SHEET# 1077		120,250
DRAINAGE AND UTILITY	6/2/1998	SHEET# 2198	7/2/1985	541,311
DRAINAGE AND UTILITY	6/2/1998	SHEET# 2198	7/2/1985	541,311
DRAINAGE AND UTILITY	6/2/1998	SHEET# 2198	7/2/1985	541,311
10' STORM DRAIN	6/2/1998	SHEET# 2198	7/2/1985	541,311
PERMANENT EASEMEN	6/2/1998	SHEET# 2198	7/2/1985	541,311
KU ELECTRIC, BRANDE	7/19/1996	SHEET# 1793		184,545 , 825,55
KU ELECTRIC EASEME	7/19/1996	SHEET# 1793		184,545 , 825,55
KU ELECTRIC, TEPEPH	2/28/1992	SHEET# 1237		405,330
KU ELECTRIC, TEPEPH	2/28/1992	SHEET# 1237		405,330
KU ELECTRIC, TEPEPH	2/28/1992	SHEET# 1237		405,330
KU ELECTRIC, TEPEPH	2/28/1992	SHEET# 1237		405,330
KU ELECTRIC, TEPEPH	2/28/1992	SHEET# 1237		405,330
KU ELECTRIC, TEPEPH	2/28/1992	SHEET# 1237		405,330
INGRESS/EGRESS FOR	2/28/1992	SHEET# 1237		405,330
INGRESS/EGRESS FOR	2/28/1992	SHEET# 1237		405,330
KU ELECTRIC LINE	2/28/1992	SHEET# 1237		405,330
KU UTILITIES	9/17/2003	SHEET# 3489		407,178
WATER LINE (HCWD#1)	9/17/2003	SHEET# 3489		407,178
BRANDENBURG TELEP	9/17/2003	SHEET# 3489		407,178
BRANDENBURG TELEP	2/28/1992	SHEET# 1237		405,330
INGRESS/EGRESS FOR	7/31/2003	SHEET# 3448	8/14/2002	1044,401
UTILITY (KU ELECTRIC,	7/31/2003	SHEET# 3448	8/14/2002	1044,401
KU UTILITIES	12/8/1997	SHEET# 2099	8/5/1993	765,748
INGRESS/EGRESS FOR		REFERENCE		
UTILITY	6/17/2005	1156,383	1/4/2002	1021,178
NOLIN RECC, BRANDEN	7/20/2004	SHEET# 3684	8/19/1997	877,162
	10/1/1968			
		PLAT BOOK	6/10/1970	
	10/1/1968			
	10/1/1968			
	10/1/1968			
	10/1/1968			
	10/1/1968			
	6/10/1970	PLAT BOOK		
	6/10/1970	PLAT BOOK		
	6/10/1970	PLAT BOOK		
	10/29/1971 (?)			
	10/29/1971 (?)			
	10/29/1971 (?)			
	10/29/1971 (?)			

COMMENTS

30' WIDE ROAD, ~1000' X 1000' PARCEL OF LAND  
 100' WIDE, POLYGON DERIVED FROM CALLS DESCRIBED IN DEED.

0' WIDE  
 UNKNOWN WIDTH AND LENGTH. LOT DOES NOT EXIST ANYMORE.

5.5 ACRES. UNKNOWN WIDTH, LENGTH, LOCATION, AND DIRECTION. BOUNDED ON NORTH BY VINCENT KIETA, EAST BY HCWD1, WEST BY CAT  
 15' WIDE  
 10' WIDE. UNKNOWN WIDTH, LENGTH, LOCATION, AND DIRECTION. STARTS AT NELSON PROP LINE, ENDS AT NORTH HARDIN HIGH NW CORNER

20' WIDE  
 20' WIDE  
 EASEMENT FROM RECORD PLAT OF ACADEMY HEIGHTS.  
 OVER EXISTING DRIVEWAY. EASEMENT FROM PLAT OF SUBDIVISION.  
 30' WIDE. EASEMENT FROM PLAT OF SUBDIVISION.  
 20' WIDE. EASEMENT FROM PLAT OF SUBDIVISION.  
 30' WIDE. EASEMENT FROM PLAT OF SUBDIVISION.  
 50' WIDE. EASEMENT FROM PLAT OF SUBDIVISION.  
 25' WIDE, AND 60' WIDE.  
 30' WIDE  
 8' WIDE AND 20' WIDE AT NORTH END.  
 8' WIDE  
 30' WIDE.  
 10' WIDE, AND 20' WIDE.  
 10' WIDE, AND 20' WIDE  
 10' WIDE, 20' WIDE, AND 40' WIDE.  
 10' WIDE  
 20' X 100'  
 20' WIDE, AND 10' WIDE.  
 30' WIDE  
 10' WIDE, 20' WIDE, AND 40' WIDE.  
 10' WIDE, 20' WIDE, AND 40' WIDE.  
 10' WIDE, AND 40' WIDE.  
 10' WIDE, AND 40' WIDE.  
 10' WIDE, 20' WIDE, AND 40' WIDE.  
 10' WIDE, 20' WIDE, AND 3.8'-5.9' WIDE.

35' WIDE  
 30' WIDE.  
 30' WIDE.  
 20' WIDE  
 20' WIDE.  
 20' WIDE

30' WIDE.  
 30' WIDE  
 16' WIDE, REFERENCED IN PLAT# 2099  
 5' ADDITION ON A 10' EASEMENT. 15' TOTAL.  
 5' WIDE. SOURCE OF EASEMENT IS A PHOTOCOPY OF THE SUBDIVISION PLAT. ORIGINAL COPY NOT AVAILABLE.  
 10' WIDE (SIDE), 20' WIDE (FRONT), AND 25' WIDE (BACK). 5' SIDEWALK. AMENDED RECORD PLAT.  
 5' WIDE. SOURCE IS A PAPER COPY OF SUBDIVISION PLAT. NOT SIGNED OR NOTARIZED.  
 5' WIDE. SOURCE IS A PAPER COPY OF SUBDIVISION PLAT.  
 5' WIDE. SOURCE IS A PAPER COPY OF SUBDIVISION. NOT SIGNED OR NOTARIZED.  
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 5' WIDE. SOURCE IS A PAPER COPY OF SUBDIVISION PLAT.  
 5' WIDE. SOURCE IS A PAPER COPY OF SUBDIVISION PLAT. NOT NOTARIZED.  
 10' WIDE. SOURCE IS A PAPER COPY OF SUBDIVISION PLAT. NOT NOTARIZED.  
 5' WIDE. SOURCE IS A PAPER COPY OF SUBDIVISION. NOT NOTARIZED.  
 5' WIDE. SOURCE IS A PAPER COPY OF SUBDIVISION PLAT. NOT NOTARIZED.

ID	KEYNUMBER	PVANUMBER	ADDRESS	GRANTOR	DESCRIPTION
904	99			T.J. PATTERSON	LOTS 19-27, BOB O LINK ACRES A
905	100	139-40-04-041		T.J. PATTERSON	LOT 5, BOB O LINK ACRES ADDITI
906	101	139-40-04-041		T.J. PATTERSON	LOT 6, BOB O LINK ACRES ADDITI
907	102	139-40-04-035		T.J. PATTERSON	LOT 14, BOB O LINK ACRES ADDI
908	103	139-40-04-035		T.J. PATTERSON	LOT 13, BOB O LINK ACRES ADDI
909	104	139-40-04-027		T.J. PATTERSON	LOT 25, BOB O LINK ACRES ADDI
910	105	139-40-04-027		T.J. PATTERSON	LOT 26, BOB O LINK ACRES ADDI
911	106				BOB O LINK ACRES ADDITION #5
912	107			LYNWOOD WISEMAN	LOT 1 AND 7, BOND VIEW HEIGHT
913	108			LYNWOOD WISEMAN	LOT 1 AND 7, BOND VEIWH HEIGHT
914	109	161-30-05-063	139 MILLCREEK	STEVEN AND DORCAS MANN	LOT 1, BRAMBLEWOOD PLACE
915	1822003007	182-20-03-007		HOWARD CONCRETE AND CONSTRU	LOT 7, BRIGHT SIDE ESTATES #2
916	1822003006	182-20-03-006		HOWARD CONCRETE AND CONSTRU	LOT 6, BRIGHT SIDE ESTATES #2
917	1822003021	182-20-03-021		HOWARD CONCRETE AND CONSTRU	LOT 21, BRIGHT SIDE ESTATES #
918	1822003021(1)	182-20-03-021		HOWARD CONCRETE AND CONSTRU	LOT 21, BRIGHT SIDE ESTATES #
919	110			HOWARD CONCRETE AND CONSTRU	LOT 19-21, BRIGHT SIDE ESTATE
920	111			HOWARD CONCRETE AND CONSTRU	LOTS 14-18, BRIGHT SIDE ESTAT
921	112			HOWARD CONCRETE AND CONSTRU	LOTS 4-13, BRIGHT SIDE ESTATE
922	1822003098	182-20-03-098		HOWARDS CONCRETE AND CONSTR	LOT 98, BRIGHT SIDE ESTATE #2
923	1822003003	182-20-03-003		HOWARD CONCRETE AND CONSTRU	LOT 3, BRIGHT SIDE ESTATES #1
924	1822003002	182-20-03-002		HOWARD CONCRETE AND CONSTRU	LOT 2, BRIGHT SIDE ESTATES #1
925	1822003001	182-20-03-001		HOWARD CONCRETE AND CONSTRU	LOT 1, BRIGHT SIDE ESTATES #1
926	113			HOWARD CONCRETE AND CONSTRU	LOTS 22-39, BRIGHT SIDE ESTAT
927	114	182-20-03-001		HOWARD CONCRETE AND CONSTRU	LOT 1, BRIGHT SIDE ESTATES #1
928	115			HOWARD CONCRETE AND CONSTRU	LOTS 39 AND 42, BRIGHT SIDE ES
929	116			HOWARD CONCRETE AND CONSTRU	LOTS 38,39,41, AND 42 , BRIGHT S
930	117			WARNER AND ANITA SMITH	BUD SEYMOUR DIVISION
931	1822003021(2)	182-20-03-021		HOWARD CONCRETE AND CONSTRU	LOT 21, BRIGHT SIDE ESTATES #
932	1384001090	138-40-01-090	1480 HILL	W.C. CAMPBELL	LOT 1, JOSH CAMPBELL DIVISION
933	1384001083	138-40-01-083	1490 HILL	W.C. CAMPBELL	LOT 2, JOSH CAMPBELL DIVISION
934	118	160-40-03-043		JENNINGS SMITH	LOT 2B, CAPTAIN D'S PLAZA
935	119			DAVID CATES	LOTS 4-6, CATES SUBDIVISION
936	120			DAVID CATES	LOTS 6-8, CATES SUBDIVISION
937	121			EARL CATO AND T.B. LOGSDON	NEAR THE INTERSECTION OF LIN
938	122			EARL CATO AND T.B. LOGSDON	OFF WOODLAND, AT THE INTERS
939	123	160-20-02-053	555 LINCOLN	EARL CATO AND T.B. LOGSDON	LOT 2, CATO AND LOGSDON SUB
940	124			EARL CATO AND T.B. LOGSDON	OLD WALMART
941	125			EARL CATO AND T.B. LOGSDON	OLD WALMART LOT
942	126			EARL CATO AND T.B. LOGSDON	OLD WALMART
943	128			EARL CATO AND T.B. LOGSDON	OLD WALMART/HOUNCHENS BAC
944	127	160-20-02-053	555 LINCOLN	EARL CATO AND T.B. LOGSDON	LOT 2, CATO AND LOGSDON SUB
945	1601004029	160-10-04-029		EARL CATO AND T.B. LOGSDON	
946	129	160-10-04-029		EARL CATO AND T.B. LOGSDON	BACK OF LOT 3, CATO AND LOGS
947	130	160-10-04-028		EARL CATO AND T.B. LOGSDON	OFF REAR LOT LINE OF OLD HOU
948	131	160-10-04-015		EARL CATO AND T.B. LOGSDON SUB	NEAR OLD WALMART
949	132	180-20-01-042.01		SKEETERS & BENNETT	LOT 1, CAVALRY PLACE
950	133	180-20-01-042	2855 CENTENNIAL	SKEETERS & BENNETT	LOT 2, CAVALRY PLACE (CAVALR
951	134			SKEETERS & BENNETT	LOTS 1-2, CAVALRY PLACE
952	135	181-00-00-009		CITY OF RADCLIFF	LOT 1D, CHALLENGER CAMPUS S
953	136			CITY OF RADCLIFF	LOTS 1A,1B, AND 1C, CHALLENGE
954	137			CITY OF RADCLIFF	LOTS 1A, 1B, AND 1C, CHALLENG
955	138	160-40-03-033	138 VINE	DAVID L AND SHERRY CHANDLER	LOT 1, CHANDLER ESTATES
956	139	160-40-03-034	168 VINE	DAVID L AND SHERRY CHANDLER	LOT 2, CHANDLER ESTATES
957	140	160-40-03-034.01		DAVID L AND SHERRY CHANDLER	LOT 3, CHANDLER ESTATES
958	141			DAVID L AND SHERRY CHANDLER	LOT 1-3, CHANDLER ESTATES
959	142			DAVID L AND SHERRY CHANDLER	LOT 1 AND 3, CHANDLER ESTATE
960	143			DAVID L AND SHERRY CHANDLER	LOTS 1 AND 2, CHANDLER ESTAT
961	1394008001	139-40-08-001	1060 LINCOLN	FIRST CHRISTIAN CHURCH OF RADC	
962	1393007019	139-30-07-019	713 CHERRYWOOD DRIVE	WAYNE AND CYNTHIA LITTLE	LOT 24 SCENIC ACRES
963	1620000034	162-00-00-034	2851 S WILSON ROAD	ELIZABETH TORI	
964	1393007006	139-30-07-006	716 NORTH LOGSDON	CHARLES AND ROSALEE NORMAN	LOT 24, PLANTATION ACRES
965	1393007005	139-30-07-005	732 NORTH LOGSDON	HARRY AND MARY TINGLER	LOT 43, PLANTATION ACRES
966	1614000015	161-40-00-015.01	2529 S WILSON RD	HOWARD MILLS	

TYPE	ESMTDATE	ESMTDEED	PROPPATE	PROPPDEED
	10/29/1971			
DRAINAGE AND UTILITY	10/29/1971 (?)			
DRAINAGE AND UTILITY	10/29/1971 (?)			
DRAINAGE AND UTILITY	10/29/1971 (?)			
DRAINAGE AND UTILITY	10/29/1971 (?)			
DRAINAGE AND UTILITY	10/29/1971 (?)			
SEWER (?)				
KU UTILITIES	4/26/1999	SHEET# 2422		453,178
SIDEWALK	4/26/1999	SHEET# 2422		453,178
UTILITY (KU ELECTRIC,	8/25/2004	SHEET# 3708	1/22/1998 AND	889,100 AND 10
PROPANE STORAGE TA	7/18/2003	SHEET #3435	1/12/2000	956,305
PROPANE STORAGE TA	7/18/2003	SHEET# 3435	1/12/2000	956,305
DRAINAGE AND WALKI	7/18/2003	SHEET# 3435	1/12/2000	956,305
LIFT STATION	7/18/2003	SHEET# 3435	1/12/2000	956,305
UTILITY, WALKING TRAI	7/18/2003	SHEET# 3435	1/12/2000	956,305
DRAINAGE AND WALKI	7/18/2003	SHEET# 3435	1/12/2000	956,305
DRAINAGE AND WALKI	7/18/2003	SHEET# 3435	1/12/2000	956,305
PROPANE TANK	7/18/2003	SHEET# 3435	1/12/2000	956,305
WALKING TRAIL	6/20/2001	SHEET# 2929	1/12/2000	956,305
WALKING TRAIL	6/20/2001	SHEET# 2929	1/12/2000	956,305
UTILITY (KENTUCKY UT	6/20/2001	SHEET# 2929	1/12/2000	956,305
WALKING TRAIL AND U	6/20/2001	SHEET# 2929	1/12/2000	956,305
SIDEWALK	6/20/2001	SHEET# 2929	1/12/2000	956,305
SIDEWALK	6/20/2001	SHEET# 2929	1/12/2000	956,305
DETENTION BASIN	6/20/2001	SHEET# 2929	1/12/2000	956,305
ELECTRIC	3/8/1978	SHEET# 2032	10/14/1976	301,42
DETENTION BASIN	7/18/2003	SHEET# 3435	1/12/2000	956,305
UTILITY (ELECTRIC, TE	~11/30/1984			
UTILITY (ELECTRIC, TE	~11/30/1984			
TELEPHONE	12/12/1994	SHEET# 1573		591,452 , 598,40
DRAINAGE AND CONSE	~7/22/1983			144,456
DRAINAGE SWELL	~7/22/1983			144,456
INGRESS/EGRESS	12/4/1985	SHEET# 678		279,369
DRAINAGE AND UTILITY	12/4/1985	SHEET# 678		279,369
DRAINAGE AND UTILITY	12/4/1985	SHEET# 679		279,369
DRAINAGE AND UTILITY	12/4/1985	SHEET# 678		279,369
INGRESS/EGRESS	12/4/1985	SHEET# 678		279,369
WATER (HCWD#1) AND	12/4/1985	SHEET# 678		279,369
DRAINAGE AND UTILITY	12/4/1985	SHEET# 678		279,369
15' DRAINAGE AND UTIL	12/4/1985	SHEET# 678		279,369
INGRESS/EGRESS	12/4/1985	SHEET# 678		279,369
INGRESS/EGRESS	12/4/1985	SHEET# 678		279,369
NOLIN RECC	12/4/1985	SHEET# 678		279,369
DRAINAGE AND UTILITY	1/19/1996	SHEET#1716		
DRAINAGE AND UTILITY	1/19/1996	SHEET# 1716		
SEWER LINE	1/19/1996	SHEET# 1716		
TRANSMISSION LINE (P	12/11/1998	SHEET#2336	8/17/1988	906,619
SEWER LINE	12/11/1998	#2336	8/17/1988	906,619
WATER LINE	12/11/1998	SHEET# 2336	8/17/1988	906,619
DRAINAGE AND UTILITY	11/21/2002	SHEET# 3270	8/16/1985 AND	546,345 AND 72
DRAINAGE AND UTILITY	11/21/2002	SHEET# 3270	8/16/1985 AND	546,345 AND 72
DRAINAGE AND UTILITY	11/21/2002	SHEET# 3270	8/16/1985 AND	546,345 AND 72
UTILITY (ELECTRIC)	11/21/2002	SHEET# 3270	8/16/1985 AND	546,345 AND 72
SEWER LINE	11/21/2002	SHEET# 3270	8/16/1985 AND	546,345 AND 72
TELEPHONE	11/21/2002	SHEET# 3270	8/16/1985 AND	546,345 AND 72
DRAINAGE	7-29-2005	1161,559		284,88 AND 977,
SEWER LINE	4-25-2005	1165,143		866,286
DRAINAGE	8-5-2005	1165,147		404,221
SEWER LINE	4-13-2005	1165,141		233,552
SEWER LINE	4-13-2005	1165,152		233,552
DRAINAGE DITCH	5-8-2006		8-23-1996	849,234

COMMENTS

5' WIDE. SOURCE IS A PAPER COPY OF SUBDIVISION PLAT. NOT NOTARIZED.

5' WIDE. SOURCE IS A PAPER COPY OF SUBDIVISION PLAT. NOT NOTARIZED.

5' WIDE. SOURCE IS A PAPER COPY OF SUBDIVISION PLAT. NOT NOTARIZED.

5' WIDE. SOURCE IS A PAPER COPY OF SUBDIVISION PLAT. NOT NOTARIZED.

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5' WIDE. SOURCE IS A PAPER COPY OF SUBDIVISION PLAT. NOT NOTARIZED.

5' WIDE. SOURCE IS A PAPER COPY OF SUBDIVISION PLAT. NOT NOTARIZED.

5' WIDE. SOURCE IS A PAPER COPY OF SUBDIVISION PLAT. NOT SIGNED OR NOTARIZED.

100' WIDE.

5' WIDE.

8' WIDE, 20' WIDE, AND 25' WIDE.

10' WIDE, AND 50' X 50'

10' WIDE.

10' WIDE.

50' X 50'

100' WIDE.

25' WIDE.

25' WIDE.

~33' X 25'

10' WIDE

10' WIDE

25' WIDE, AND ~30' X 52' .

~30' WIDE.

5' WIDE

5' WIDE.

UNKNOWN WIDTH. ESMT MAY HAVE EXISTED BEFORE PLAT.

~200' X 300'

8' WIDE

8' WIDE.

20' WIDE

~30'-43' WIDE.

20' WIDE

30' WIDE

50' WIDE

20' WIDE

20' WIDE

30' WIDE

30' WIDE

15' WIDE

15' WIDE

25' WIDE

25' OR 40' WIDE?

30' WIDE

20' WIDE, AND 10' WIDE.

20' WIDE, AND 10' WIDE.

20' WIDE

70' WIDE

20' WIDE

20' WIDE

20' WIDE AND 10' WIDE

20' WIDE AND 10' WIDE

20' WIDE AND 10' WIDE

30' WIDE

20' WIDE

20' WIDE

50' WIDE

20' WIDE

50' WIDE

20' WIDE

20' WIDE

50' WIDE

ID	KEYNUMBER	PVANUMBER	ADDRESS	GRANTOR	DESCRIPTION
967	DACA31278156	DACA-31-2-78-156		DEPARTMENT OF THE ARMY	LEASE OF LAND FOR FORCE MAI
968	1393007020	139-30-07-020	755 CHERRYWOOD DR	THOMAS NESSELRODT	755 CHERRYWOOD
969			RADCLIFF CITY PARK NORT	CITY OF RADCLIFF TO HCWD #1	RADCLIFF CITY PARK NORTH
970	1384003038	138-40-03-038	866 SUNSET DRIVE	EARL AND DAURICE CATO	LOT 3 DOUGLAS ESTATES
971	1613003009.01	161-30-03-009.01	WATERFIELD STREET	RADCLIFF MHP LOT 51-52	HOMESTEAD EST
972	1603001007	161-30-01-007	SPRING ST/SOUTHERN HGT	RONALD AND ROBERTA HOCKMAN	PERUNA SUB
973	1620000042	162-00-00-042	HIGHWAY 313	JAMES V AND NOREIDA REESOR	HIGHWAY 313
974	1620000043	162-00-00-043	DECKARD SCH RD/COWLEY	JANE PFEIFFER	DECKARD SCH RD/COWLEY
975					

TYPE	ESMTDATE	ESMTDEED	PROPDATE	PROPDEED
FORCE MAIN	7-13-06 (DATE)		5-18-78 (ORIGIN)	
SEWER LINE	07-09-2007	1232,643		1179,709
WATER LINE	09-08-1958	1231,455	06-15-2007	158,152
SEWER LINE		1224,456	04-05-2007	605,353
SEWER LINE	03-20-2004	1240-673/674		952,746
SEWER LINE	12-04-2006	1212,128	10-23-2001	1013,644
SEWER LINE	11-1-2006	1208,006	3-29-1998	897,553
SEWER LINE	12-07-2006	1212,131	04-21-1967	690,162

COMMENTS

FILED UNDER LEASES. LEASE EXPIRES 10-31-2024.

10' WIDE

20' WIDE

0' WIDE

20' WIDE

20' WIDE

20' WIDE

20' WIDE

111

**Client References -- KY/TN**

<b>Project Name</b>	<b>Location</b>	<b>CLIENT CONTACT</b>
Flint Ink	KY	Mr. Chris Teeley 305 Ring Road Elizabethtown, KY 42701 270.737.1700; Fax: 270.737.9179
Fort Knox	KY	Jim Bruce-General Manager Hardin County Water District 1 1400 Rogersville Road Radcliff, KY 40160 270-352-4280 Fax-270-352-3055 jbruce@hcwd.com
Hardinsburg	KY	Wayne Macy Mayor City of Hardinsburg 220 South Main Street - PO Box 149 Hardinsburg, KY 40143 502.756.2213 fax: 502.756.2029
Hindman	KY	Janice Jarrell Mayor Hindman City Hall 24 Professor Clark Circle Hindman, KY 41822 606.785.5545; fax: 606.785.0799
Whitesburg	KY	Nathan Baker Mayor City of Whitesburg Whitesburg, KY 41858 606.633.3700 fax: 606.633.3712
Wurtland	KY	Donna Hayes Mayor City of Wurtland 500 Wurtland Avenue Wurtland, KY 41144 606.836.9166 fax: 606.836.5544
Crossville	TN	J.H. Graham III Mayor City of Crossville 104 Henry Ave. Crossville, TN 38555 615.484.7060 fax: 615.484.7713
Pigeon Forge	TN	Earlene Teaster City Manager City of Pigeon Forge P.O. Drawer 1066 Pigeon Forge, TN 37868 423.453.9061 fax: 423.429.7305

**Radcliff Construction**

Project	Cost	Status	Suggested Priority	Why Priority	Scope of Work
Brown Street Pump Station	\$130,000	Planning	Low	Installed 1987 -Not designed for existing development - Walmart Etc.	Pump and Controls Storage Capacity - Control Cabinet in Stock
Redmar Pump Station	\$329,000	Planning	Low	21 Years old - Does not meet 2hr holding time	Pump and Controls Storage Capacity - Control Cabinet in Stock
Siminole Pump Station	\$79,000	Planning	Low	Installed 1987 - Does not meet 2hr holding time	Storage Capacity
Christopher Pump Station	\$239,000	Planning	Low	Installed 1987 - Does not meet 2hr holding time	Pump and Controls Storage Capacity
Greenview Lane Pump Station	\$372,000	Planning	Low	Installed 1987 - Does not meet 2hr holding time	Pump and Controls - Storage Capacity - Parallel Force Main
Lincoln Trail Pump Station	\$225,000 Budgeted FY 2007-2008	Planning	High	Installed 1987 - Oder issues and Storage Capacity	Storage Capacity - Air Scrubber Upgrade
Quiggins Lift Station	\$442,000	Planning	High	Installed 1987 - Floods - Old Clay - I&I - Check with City Eng. Working on draiage plans & funding, may require moving lift station and lines.	Pump and Controls - Parallel Force Main - I&I Study
Boone Trace Lift Station	\$511,000 Budgeted FY 2007-2008	Engineering Drawings	Low	Installed 1987	Pump and Controls - Storage Capacity
Peerman Subdivision - Thomas Street - Mr. McBeth	In House	Planning	High	Old Clay - I&I - Backs up from Wilson Rd. - Customer calls DOW, Mayor, Gov.	Smoke Test - I&I Study
Peerman Subdivision - Wilma Ave - Sam Miller	In House	Planning	High	Old Clay - I&I - Backs up from Wilson Rd. - Customer calls DOW, Mayor, Gov.	Smoke Test - I&I Study
Elm Road Pump Station		Planning	Low	Eliminate Emm Rd Station	Eliminate Elm Rd and Gravity to Woodcreek - Upgrade Woodcreek
Sminole Manhole Overflows	In House	Planning	High	Overflows	I&I Study

## DRAFT PRESS RELEASE

An existing partnership between Hardin County Water District No. 1 ("District") in Radcliff, Kentucky, and Veolia Water, North America-South, have received another sanitary sewer utility to own and operate. The City of Radcliff voted at their January 22 meeting to turn over their wastewater utility to the water District, pending approval of the Kentucky Public Service Commission. The City and District have partnered for decades to provide water and sewer utility services to Radcliff residents. Radcliff is a fairly young city of about 20,000, incorporated in 1956 and lies along the south boundary of the U.S. Army, Ft. Knox military reservation, and U.S. Depository Gold Vault. The District has already provided sewer billing service to the City, for its sewer customers within Radcliff.

The District and City sign an agreement in March, 2006, to complete a feasibility study of various options to operate or own the City's sewer system. Veolia provided technical and professional services to complete the study over the next six months. In late, 2006, Veolia and the District presented the City with a recommendation that the District take over ownership, and contract with Veolia to operate it. There were several benefits identified with this option. The District believes it will be able to lower customer sewer rates by 10 to 15 percent, after the first year of operations. Customers will also receive regulatory protection under the Public Service Commission. The City would also receive additional franchise fee revenues, which are available to city governments in Kentucky, through franchise agreements with all utility companies. Veolia also agreed to offer employment to all the City's current sewer department employees.

The District will also be able to expand the system into unincorporated areas outside the City limits. Significant residential growth is expected in the next few years, as the Ft. Knox Army Base is realigned due to BRAC (Base Realignment And Closure) changes which will transform Ft. Knox into a key U.S. Army administrative and personnel center. Over 4,000 new jobs are expected to be created at Ft. Knox by 2011. The City felt that the District / Veolia option could also add more customers to the current system, lowering costs for all existing customers.

The District will own the utility system which includes 120 miles of wastewater collection pipelines, 8,700 sewer connections, 52 wastewater lift stations, a 4-million-gallon-per-day (MGD) wastewater treatment plant and a water quality test laboratory. Under a 17-year, \$32 million public-private partnership agreement, Veolia Water will operate the systems within Radcliff.

The District was formed in 1952 and has 9,700 retail customers and provides water to two other water systems. The service area includes the City of Radcliff, as well as 120 square miles covering the northwest corner of Hardin County, in addition to the cantonment area on post. In March, 2002, the District and Veolia formed a public/private partnership with the intention of pursuing a bid to own/operate the Ft. Knox sewer system privatization. In late 2004, the partnership was successful with their bid, and took over operations and ownership of the Ft. Knox systems (sanitary and storm sewer) in July, 2005.

Veolia Water North America is the leading provider of comprehensive water and wastewater services to municipal and industrial customers, providing services to approximately 14 million people in more than 600 communities. In Kentucky, Veolia Water partners with six other communities besides Fort Knox for water, wastewater or public works services including the cities of Ft. Knox, Hardinsburg, Hindman, Whitesburg, Wurtland and the Southern Water & Sewer District in McDowell. The company is part of Veolia Water, the No. 1 water company in the world serving, more than 110 million customers. Veolia Water is the Water Division of Veolia Environment (NYSE:VE and Paris Bourse: VIE), the largest environmental services company in the world, with more than 252,000 employees in more than 80 countries and annual revenues of more than \$33.6 billion. Visit the North

American web site at [www.veoliawaterna.com](http://www.veoliawaterna.com) and the global web site at [www.veoliawater.com](http://www.veoliawater.com).

Provide contact info for quotes;

Mayor Enyart - 270-351-4714, Cell 270-268-2666 (Mayor, City of Radcliff)

Kathy Weisner - 270-351-4714 (Chief Operating Officer, City of Radcliff)

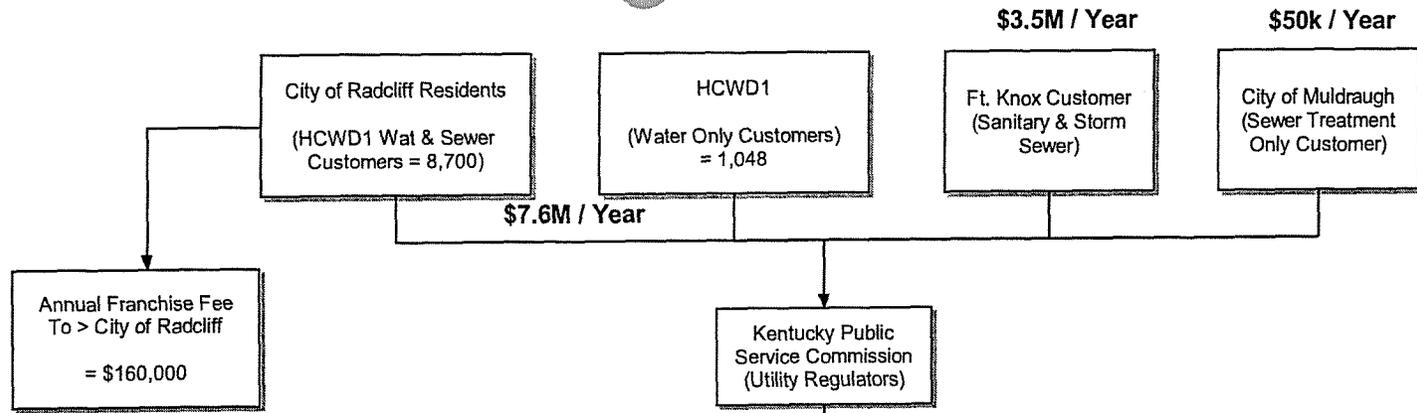
Bill Rissel - 270-272-7575 (Chairman, HCWD1 Board of Commissioners)

John Tindall - 270-272-4579

Jim Bruce - 270-268-4069 (General Manager, HCWD1)

Rob Nicholas - 859-582-0104

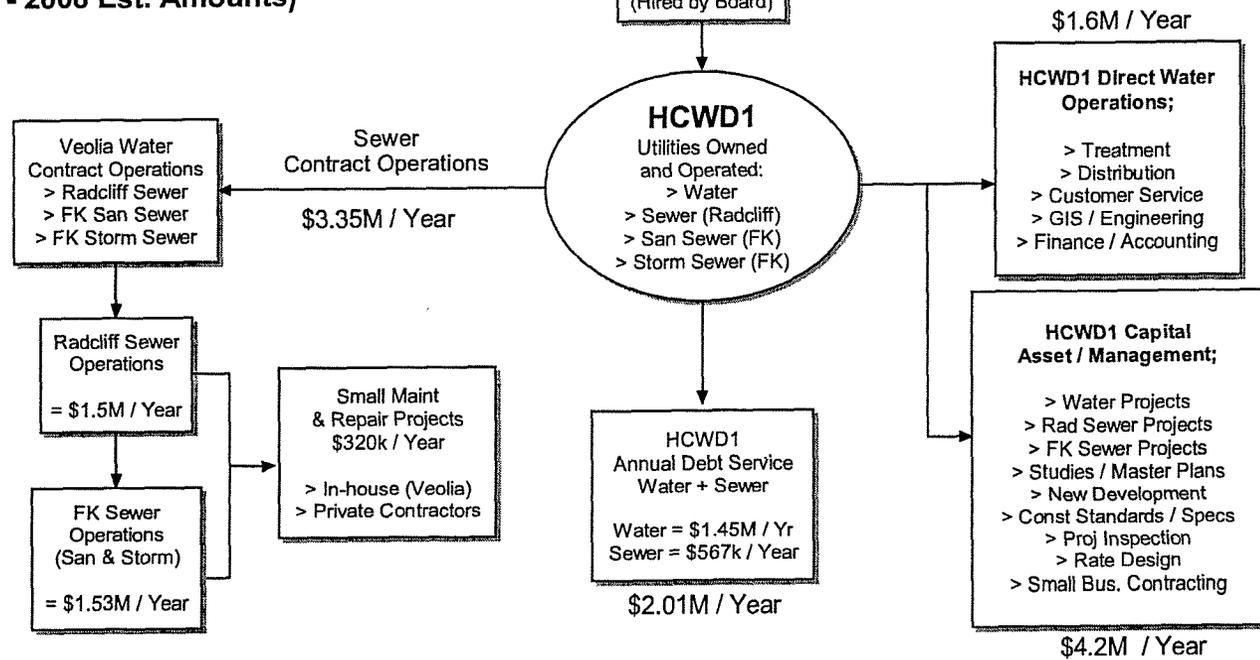
<u>Name</u>	<u>Position</u>
Buddy Miller	CONSTRUCTION SECT. SUPERVISOR
Ray Gardner	VAC-TRUCK OPERATOR
LORI JURY	Lab / Pretreatment Coord / Safety
John Houston	VAC-TRUCK - pump repair
Jake Sanders.	Construction Section.
DVANE WRIGHT	CHIEF OPERATOR
Nick [unclear]	CAMERA INSPECTION / VAC-TRUCK
DAVE ROACH	CAMERA/GPS
Wilson Powell	Mechanical Tech Operator.
Robert S. Kendall	MAINTENANCE MANAGER
Phillip M. Shanklin	Operator
Barbara Fox	Admin. ASST / Data Clerk



## HCWD1

### Water & Sewer Utility Ownership & Operations Schematic

(Includes Radcliff Sewer - 2008 Est. Amounts)



# BOARD PRESENTATION

# IMPORTANT TOPICS

- *Scope of Work*

# SCOPE OF SERVICE

- 4 MGD Plant
- 52 Lift Stations
- 100 Miles of Line
- 6 MGD Plant
- 23 Lift Stations
- 100 Miles of Line

# COMMONALITY

- Same discharge stream
- Billing
- GIS

# WHY DISTRICT INVOLVEMENT

- No service area border like City
  - Already in sewer business
  - Duplicating service now – billing, GIS and development management
  - Vine grove
-

# ACTIVITIES OCCURRING

- County plan
- Health department plan

# MANAGING CHANGE

- Board work load
- Staff work load

# PUBLIC PERCEPTION

- Home owners know rate cut
  - Developer and growth in one stop
  - New business development planning
-



# City of Radcliff Wastewater Study Conclusions



*<< The Professional Utility Management Team in Northern Hardin County >>*



# IMPORTANT TOPICS

- Scope of Work and Options Considered
- 10 to 15% Rate Reduction
- More Growth to Keep Rates Low
- Better Able to Control Growth
- Asset Management to Repair System
- Realistic Expectations of Completing

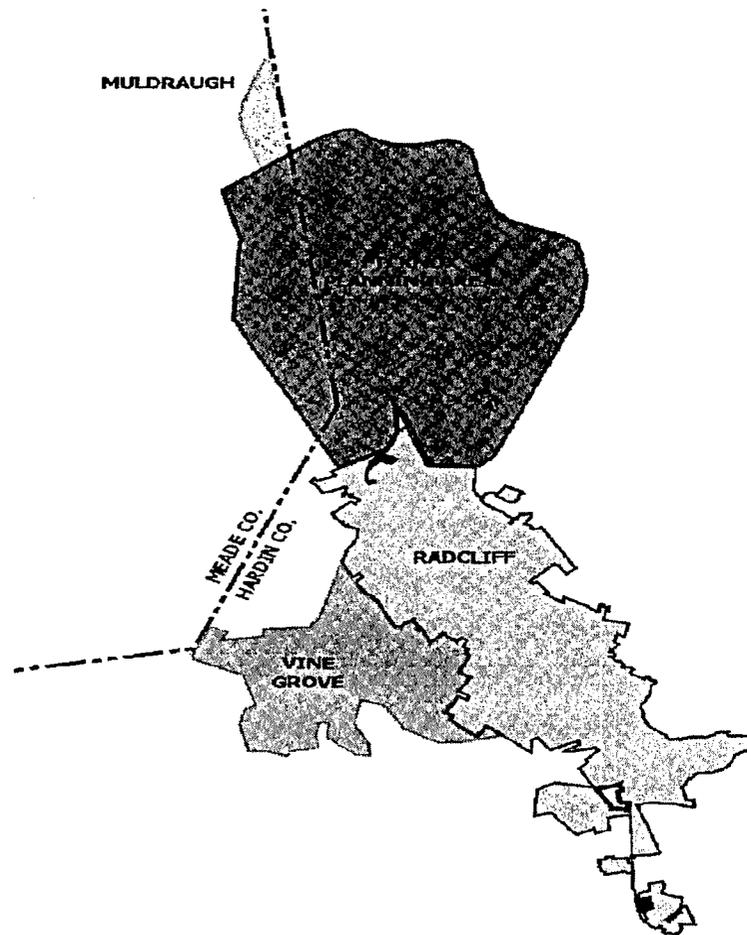


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# SCOPE OF WORK AND OPTIONS REVIEWED

# Comparison of Work



## Ft Knox

- 6 MGD Plant
- 23 Lift Stations
- 150 Miles of Line
- Industrial Pretreatment

## Radcliff

- 4 MGD Plant
- 52 Lift Stations
- 120 Miles of Line
- NOT Storm Water



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# Storm Water NOT Included Because.....

- Storm Water is integrated with the street department and not wastewater so that separation would create problems for both departments
- Permit **REQUIRES** brush / mulch program
- Future permit changes could treat each sinkhole as discharge monitoring point (Tremendous monitoring, testing and permit oversight costs)
- Capital program undocumented, list of projects in future unknown, trying to finance in-house, but not sure if all funding is from current fees

# EVALUATION OF OPTIONS

	No Change	Contract O&M	Acquire
<b>Expand Service Area</b>	Limited to City	Limited to City	Double Service Area
<b>Rate Control</b>	Highest Rate	Highest Rate	10 to 15% Reduction
<b>Service Delivery</b>	Good	Good	Good
<b>Coordination</b>	2 Governments	2 Government & Partner	One entity
<b>Construction Management</b>	No Coordination	No Coordination	One entity
<b>Customer Protection</b>	City Council	City Council	PSC



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# 10% to 15% RATE REDUCTION

Economy of Scale  
and

Elimination of Duplication

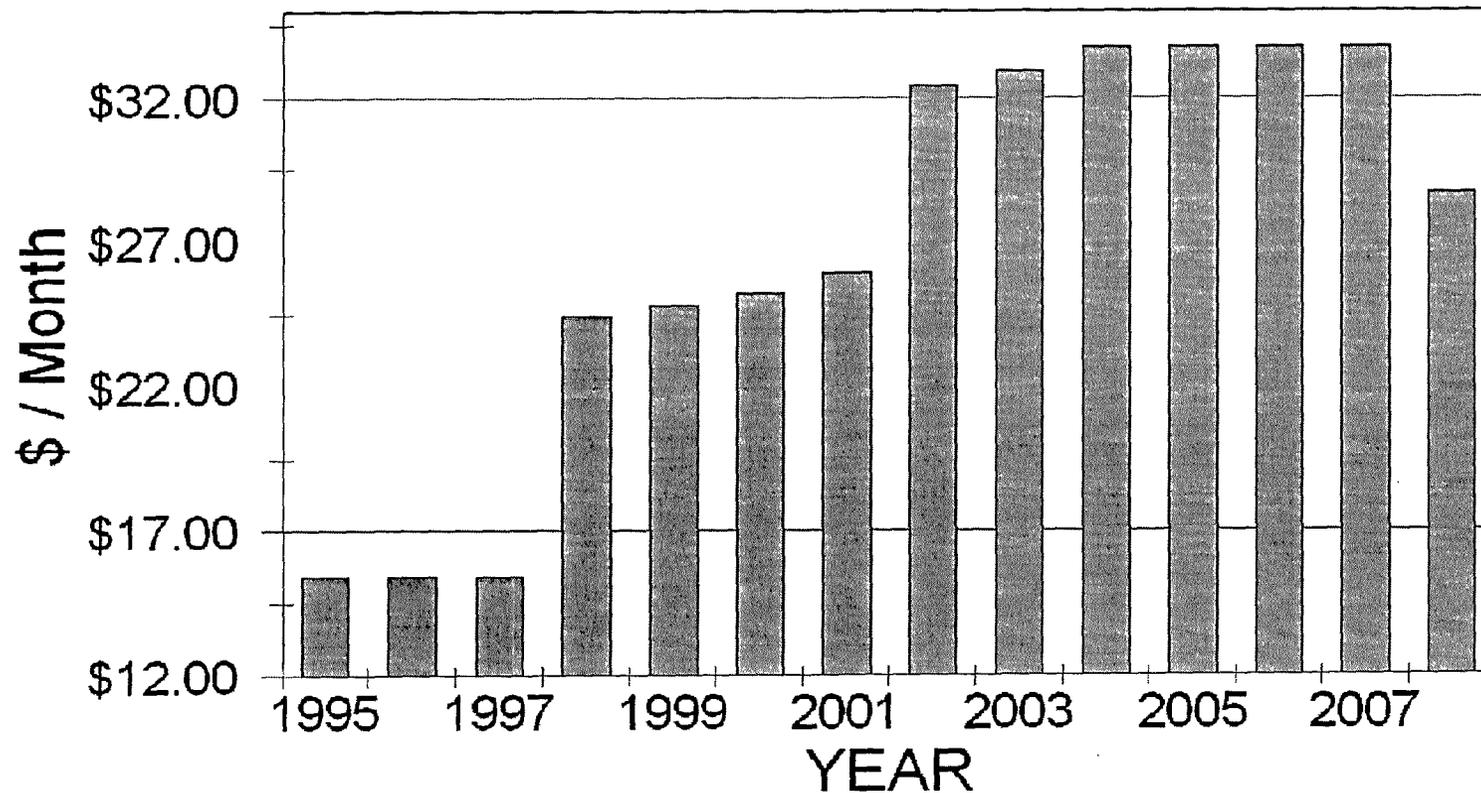


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# Radcliff Sewer Bill History

Sanitary Sewer Only - 5 kgal / Month



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# CITY OF RADCLIFF, KY TRANSITION PLAN SCHEDULE

Activities	11 Feb	18 Feb	25 Feb	3 Mar	10 Mar	17 Mar	24 Mar	April	May	June
<b>Project Manager Selection</b>	Meredith	Pre screenings Employee meeting and application distribution	Phone Interviews	In Person Interviews	Offers	Response Required and Physicals and Drug Tests		Estimate of start date		
<b>Employee Hiring Process</b>	Hovance		Interviews	Background checks Contact Placement Fund	Job Offers					
<b>Placement Beyond Timing WW Orientation</b>	Priddy					Orientation		1/2 Employee s		
<b>Computer Based Ethics &amp; Email OBHA Orientation</b>	Eads Richey					Orientation Uniform size and shoe order				
<b>Uniform and Shoes</b>	Eads									
<b>DQ File</b>	Eads			Plan a walk through of facilities that works for job transition planning				Get up files		
<b>Army Security Clearance</b>	Greer								Set up Army clearance and ID cards	
<b>Buy Computer</b>	Eads		Order computer		Order hardware Check back up of Access date base					
<b>Job PHS</b>	Melba				Review existing system			Make on site update new system		Set up PCASP 1 visit per week
<b>Ops and PCMP</b>	Greer				Review existing system	Order supplies		1 day on site		
<b>Lab DAVOC</b>	Kinder				Review existing system					
<b>GIS</b>	Bollinger					Obtain back up disk				
<b>Plant Walk Through PI Knox East WWTP Integration</b>	Greer Greer Greer/Wal for Meredith			Plant walk through - clearly get current ap status	Make permit list	Confirm file transfer				
<b>FT Knox Staff Call Integration Master Calendar</b>				Integration plan		Walk through facilities				
<b>Lincoln Trail LR Station Odor Study Lock Change Out LR Station Storage</b>	Greer Walker Walker			Review operation Court locks Order signs	Find and order odor logger Order locks			Implement odor monitoring install locks install signs		Install Inometry
<b>Telemetry Check</b>	Meredith			Review current processes	Determine how to down load data	Order additional units				
<b>WWTP 24 to the Transition Pins and Pullout Draft Meeting</b>	Greer Richey			Review current processes	Propose plan			Implement Changes Coordination		
<b>Change LR Station Check Process Order Confined Space Equipment Inventory</b>	Walker Richey Meredith			Review current processes	Order Equipment	Propose changes		Implement Changes		
<b>Train customer service room at office Newspaper Article Rail Telephone Numbers Over Night Transfer to Ft Knox Team Shifts</b>	Bruce Bruce Bruce Greer Nichols			draft article		walk through situation and introduce people		Offer employees tour at BEC at WWTP submit last rail over last calls		
<b>Board Tour / Orientation Public Storage Plan</b>	Meredith Walker			draft logs and signs	create some signs			offer tour and photo op		
<b>Client Report</b>	Greer			match up with B line						
<b>Set up vendor files</b>	Eads			obtain vendor list find out current service level get phone number						
<b>Change Internet Access Change Phone</b>	Eads Eads									
<b>Change Electric Bill</b>	Eads			get current meter list	draft letter to vendors					
<b>Change Gas Bill Order Call Phones</b>	Eads Henry			get current meter list talk to vendor	draft letter to vendors					
<b>Order PHS pack up/BUY</b>	Meredith Busscher s									
<b>Safety Inspection</b>										All vehicles and do a maintenance review night or weekend work
<b>Clean off decade old HCWD Signs</b>	Pyke									
<b>Pole Camera Outgoing Beah</b>	Walker			Ask for permission to do a test study if not all of basin Flag locations for meters	Review existing TV results					
<b>Flow Monitor Outgoing Beah</b>	Walker			Determine use of readings for flow monitoring						
<b>Mission Software Utilization</b>	Meredith							Order testing at stations feeding Lincoln Trail		
<b>Lincoln Trail Odor Logger</b>	Greer			Visit site	Install odor logger					Bid decision
<b>Briarcliffe Decision Transfer GIS Data</b>	Bruce Bollinger									
<b>Simplified LR Station Map</b>	Bollinger			Basic map of LR stations Maintenance review with staff						
<b>LR Stations</b>	Walker					Print for office and provide a one page map for use in situation planning map Draft				Final draft Final
<b>Master Sewer Map on the Wall Simplified Capital Plan - 1 sheet Capital Plan</b>	Bollinger Nichols Greer			Preliminary idea for collecting data by hand or with mission software						
<b>Flow Meter / HR Meter Plan Asset Management Table Update</b>	Walker Greer							Begin collecting data		Final
<b>City Planning and Code Meeting Revised Developer Site Plan</b>	Walker Pyke			Meet with City	draft Plan coordination process Draft					Final
<b>PSC Allocation Packages</b>	Nichols		draft	submit						
<b>IRA Packages</b>	Pyke									
<b>Transfer Truck Services</b>	Bruce									
<b>Official Record Transfer</b>	Pyke									
<b>Deed and Easement Transfer</b>	Bruce									
<b>Financial Transfer</b>	Bruce									

	Annual Capital	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
Collection System	<b>\$347,032</b>	\$347,032	\$347,032	\$347,032	\$347,032	\$347,032	\$347,032	\$347,032	\$347,032	\$347,032	\$347,032	\$347,032	\$347,032	\$347,032	\$347,032	\$347,032	\$347,032	\$347,032	\$347,032	\$347,032	\$347,032
Lift Station	<b>\$225,154</b>	\$67,290	\$85,235	\$252,150	\$252,350	\$261,615	\$217,215	\$65,405	\$117,750	\$116,600	\$256,900	\$311,840	\$347,035	\$200,000	\$256,900	\$343,405	\$379,905	\$246,395	\$356,715	\$185,815	\$182,560
Plant	<b>\$247,191</b>	\$425,215	\$455,515	\$272,990	\$380,602	\$288,707	\$525,560	\$209,515	\$501,790	\$161,290	\$155,245	\$178,810	\$185,815	\$165,790	\$150,190	\$122,945	\$196,960	\$159,915	\$153,940	\$133,790	\$119,245
<b>Total</b>	<b>\$819,378</b>	\$839,537	\$887,782	\$872,172	\$979,984	\$897,354	\$1,089,807	\$621,952	\$966,572	\$624,922	\$759,177	\$837,682	\$879,882	\$712,822	\$754,122	\$813,382	\$923,897	\$753,342	\$857,687	\$666,637	\$648,837

**Questions & Answers About Hardin County Water District  
No. 1 Acquisition of Radcliff Sewer Utility  
(By: Jim Bruce, HCWD1 / Rob Nicholas, Veolia Water)**

**Q1: Why did the City and District do the study?**

After the District won the bid to own and operate the Ft. Knox sewer systems in 2004, several City Council members contacted the District manager about how the District and Veolia might help lower sewer rates. Mr. Bruce discussed this with his Board, who advised him to meet with Mayor Enyart. After that meeting, it was decided to develop a MOU (Memorandum of Understanding) between the District and City to complete a study. At the February 13, 2006 City Council meeting, the City agreed to enter into the study MOU. The District, using its operating partner, Veolia Water, agreed to complete the study at no cost to the City. The study MOU was signed on March 9, 2006.

**Q2: What was the conclusion?**

The study found that the District, by owning the system, and contracting with Veolia to operate, could lower Radcliff sewer rates by at least 15%. The conclusion recommended that the City divest its sewer system, including assets, to the District as the owner. The District would then amend its operating contract with Veolia Water to operate the sewer system on behalf of the District.

**Q3: What happened after the study was complete?**

In August, District and Veolia management met with the District's Board Chairman, and the Mayor to review the findings and recommendations of the study. A special meeting of the District was held on October 23, 2006 to present recommendations and options gained from the study. The Board advised staff to continue to meet with City officials and share information.

In November, a presentation was also made to the Mayor, her staff and the City Attorney explaining the conclusions and recommendations of the study. It was decided to have the City Attorney draft another MOU which would set out the terms and actions to carry out the recommendations of the study. The District manager met several times with the Mayor, City Attorney and her staff to work out the terms of the second MOU.

**Questions & Answers About Hardin County Water District  
No. 1 Acquisition of Radcliff Sewer Utility  
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On January 8, 2007, the District's Board attended a special City Council meeting to make a presentation on the proposal, the terms of the second MOU and answered questions of the Council. The Mayor was directed to continue finalizing the MOU and terms of a future agreement.

**Q4: What would the District own?**

The District would own all the sewer system assets including lift stations, sewer collection lines and manholes, the wastewater treatment plant, and fixed or rolling sewer equipment the City would turn over to the District, and any sewer generated funds or reserves turned over to the District.

**Q5: What Radcliff assets would Veolia own?**

None. The District currently has a 20 year operating contract with Veolia, to operate the Ft. Knox sanitary and storm sewer systems. Equipment that Veolia provides to operate a client's system is typically leased on a national basis (trucks, heavy equipment, specialty equipment).

**Q6: What exactly is proposed by the District?**

The proposal by the District would be that the City divest the sanitary sewer system ownership to the District. The District would then incorporate this system into its existing management and operations structure. The District would also amend its operating contract with Veolia Water, to have them also operate the Radcliff sewer system.

The City would also transfer all sewer assets to the District, including sewer funds and reserves. All outstanding bonds or loans would be assigned to the District, and the District would pay off that debt with future revenues.

At the end of one year of operations, the District would then file a rate case with the Public Service Commission, to lower sewer rates by 15%. All future decisions on policies, rates, capital projects and other oversight of the system would be made by the District's Board of

**Answers About Hardin County Water District  
No. 1 Acquisition of Radcliff Sewer Utility  
(By: Jim Bruce, HCWD1 / Rob Nicholas, Veolia Water)**

Commissioners. Commissioners are appointed by the Judge Executive to four year, staggered terms. As the District is regulated by the PSC, rate increases and customer policies (tariff changes) would have to be filed with and approved by the PSC.

The District would transfer ownership of three parcels of land, and one building to the City, currently leased to and used by the City. The District would also be able to offer sewer service to properties outside the City limits, and also route sewer flows from county areas to the Radcliff sewer treatment plant, which could eliminate the need for a future county sewer treatment plant.

**Q7: What would the City get?**

The City would get title to the District property near City Hall. The District would pay \$1, to enact the transfer the system between the parties. All current sewer debt would be removed from the City's balance sheet. The responsibility of the EPA permit (DMR) and liability for future compliance would transfer from the City to the District. All future responsibility to operate, replace, maintain, expand and all future construction of sewer projects would transfer from the City to the District.

As a utility operating within the City, the City can also assess a franchise fee. The District already pays a franchise fee for operating the water system in Radcliff. Adding the sewer system with a franchise fee would add another \$90,000 annual payment to the City's general fund. The City could use this money for any kind of expense, capital or equipment purchase. This is about double from what the City currently takes from sewer rates for general City operations.

**Q8: Why shouldn't the District pay the City total price for the system?**

This transfer is unique and unusual. The residents of Radcliff own the sewer system, and have also pay most of the costs and paid for the assets of the District water system. If the City required the District to pay original cost for the system, the only place the District gets its funds is from the same City residents.

**Questions & Answers About Hardin County Water District  
No. 1 Acquisition of Radcliff Sewer Utility  
(By: Jim Bruce, HCWD1 / Rob Nicholas, Veolia Water)**

Also, as a locally owned Government entity, the City can transfer assets to the District, or another government entity without payment. This has been done throughout the state. The District is a publically owned, tax exempt, non-profit entity, so paying to "buy" the system would be redundant, when the public has already paid for the system.

This is the same arrangement the U.S. Government chose in 2004 when it selected the District to own and operate its sanitary and storm sewer systems. The District paid the Government \$1 for each system. If the City were selling its system to a private, for-profit corporation, or to another group of residents from another city, then it would be reasonable to expect that entity to pay for the system.

**Q9: What benefit would this be to customers?**

Lower sewer rates, regulated utility service, local ownership and control. Since 1990, the sewer rates in Radcliff have increased 7 times, while water rates have increased 3 times. Compared to the inflation rate over the same period, sewer rates are now 45% more than the inflation rate, while water rates are 7% more.

A regulated utility affords customers representation through the Public Service Commission. This means that the District must comply with many service, financial and regulatory policies meant to protect the customer. All customer policies, fees and rates must be submitted to the PSC first for approval. All rates must be based on demonstrated actual cost of service. Any customer can file a complaint to the utility, who must research and respond to the complaint in a timely manner. The PSC regulates about 1,500 utility system in the Commonwealth including county water districts.

Operations of the system would be by a national leader in water utility operations, and who already operates the Ft. Knox sewer system next to Radcliff. Equipment and personnel could be shared, which will eliminate duplication and added costs to operate the systems.

**Questions & Answers About Hardin County Water District  
No. 1 Acquisition of Radcliff Sewer Utility  
(By: Jim Bruce, HCWD1 / Rob Nicholas, Veolia Water)**

**Q10: Why does the District believe it can operate the sewer system cheaper?**

The main reason is reducing duplication, and increasing economies of scale. Instead of three managers for three utilities (FK sewer, Radcliff sewer, District water), just one manager is needed. There are many other examples of reduced duplication. In the future, some sewer equipment can be used at both the Radcliff and FK systems, eliminating the need to buy two.

Economy of scale means a fixed cost being divided by more customers, lowering the per unit cost. For example, if the District needed to purchase a new vehicle for a construction inspector, it could divide that cost over all its water AND sewer customers. Instead of 9,700 accounts paying for a \$20,000 vehicle, or \$2.06 each, the cost could be divided over 18,400 accounts which lowers the cost per account to \$1.08 each, or a reduction of 48%. Again, this would occur many times over in the future.

The District and City already share the expense of Customer Service and Billing. A component of that is postage. The total postage cost per year is about \$60,000 to mail all water and sewer bills. The sewer customer pays about 48% of that, and the water 52%. If both entities did not share the single billing cost, a customer would have to pay double the postage - once for the sewer bill, and again for the water bill.

Using a large company by Veolia also provides savings. Veolia operates hundreds of systems around the company, and can spread many of their operating costs over very large customer base. For example, their Accounts Payable, Payroll and Purchasing is centralized in one location for many states. This means locally they do not have to create all that expense, just for one location. There are many other examples of how the District can operate more efficiently, that we could explain in more detail if you were interested.

**Questions & Answers About Hardin County Water District  
No. 1 Acquisition of Radcliff Sewer Utility  
(By: Jim Bruce, HCWD1 / Rob Nicholas, Veolia Water)**

**Q11: Who would operate the system if Veolia went out of business?**

The District requires Veolia to provide an annual performance bond, equal to its annual fee. This means an insurance policy for the District, the guarantees performance of all the tasks Veolia is required to do. If Veolia were not to be able to perform its duties, the District could use the bond to replace Veolia with another contract operator. There are several other large companies that operate sewer systems for cities.

If Veolia were to voluntarily withdraw from the contract, they are also required to assist the District in securing a replacement contractor. As an alternate, the District could also hire its own employees, and begin self-operating the system, as it has the water system for over 50 years.

**Q12: What would happen to City sewer employees?**

In its proposal, the District has ensured that all City employees will be hired by Veolia. They would receive the same pay rate, and their duties would be comparable to their current duties. Their years of seniority would continue to be used by Veolia to calculate paid leave time.

Veolia will offer a generous benefit package as well. Health insurance purchased for spouse or family would be much less cost to the employee than the City must charge. Employees can also earn an annual bonus, and a cash safety bonus with Veolia. Future promotions or job opportunities are more likely, as Veolia has 600 other job positions in the region, within a five hour drive of Radcliff.

**Q13: Would the City have any control over District operations?**

Not directly. It would be the same arrangement the City has with utility companies or providers to residents of electricity, cable TV, telephone, internet, natural gas and garbage pick-up services. The City, as a customer of the District, would have standing with the PSC for any kind of complaint about service, or rate change request by the District.

Board members are local residents, appointed by the County Judge Executive. Three of the five current Board members are long time

**Answers About Hardin County Water District  
No. 1 Acquisition of Radcliff Sewer Utility  
(By: Jim Bruce, HCWD1 / Rob Nicholas, Veolia Water)**

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Radcliff residents. The District has owned and operated the Radcliff since 1952, before Radcliff was incorporated as a City.

By divesting the sewer system, the City and City Council could further focus and concentrate on other key City services such as Police, Fire, Planning & Development, Streets, Drainage, Public Works, Youth Programs, Parks & Recreation and general City government management and operations.

**AMENDMENT ONE**  
**To**  
**June 20, 2005 AGREEMENT**  
**AGREEMENT**

**BY AND BETWEEN**

**HARDIN COUNTY WATER DISTRICT No. 1**

**AND**

**VEOLIA WATER NORTH AMERICA – SOUTH, LLC**

**TO PROVIDE**

**OPERATIONS MAINTENANCE AND MANAGEMENT OF  
WASTEWATER ~~AND STORM WATER~~ UTILITY SYSTEMS**

**AT**  
**RADCLIFF FORT KNOX, KY**

**January ~~une 28, 2008~~5**

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## AMENDMENT AGREEMENT

THIS AMENDMENT AGREEMENT, made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 200\_\_\_\_, 200\_\_\_\_, LLC hereinafter referred to as "VEOLIA WATER."

WITNESSETH:

WHEREAS, the DISTRICT and VEOLIA WATER entered into an Agreement Memorandum of Understanding ("Agreement MOU") in ~~June, March, 2005~~<sup>March, 2005</sup> to work together to ~~propose on the~~ Defense Energy Support Center Solicitation No. SP0600-01-R-0121 for the privatization of the wastewater and storm water utility systems at Ft. Knox, Kentucky (the "Fort Knox System") under Defense Energy Support Center Solicitation No. SP0600-01-R-0121; and

WHEREAS, ~~t~~The success of that Agreement brought about interest by the City of Radcliff ("City") in determining whether economies of scale that could reduce costs and provide more effective service in the operation, maintenance and management of the City's wastewater utility system (the "Radcliff System"); DISTRICT as the prime contractor and VEOLIA WATER and others (MetroplexCore) as subcontractors, submitted the original proposal on May 30, 2002 and submitted revisions dated March 25, 2003, December 12, 2003, March 12, 2004 and August 30, 2004 ("Proposal"); and

WHEREAS, ~~t~~The DISTRICT entered into a Memorandum of Agreement with the City of Radcliff to carry out a study to determine if opportunities exists to reduce rates and to improve and expand service to meet the needs of the BRAC activities on Ft Knox; and, Government has awarded Utilities Privatization Contract SP0600-04-C-8275 ("Contract",) executed September 30, 2004, for ownership, operation, maintenance, repairs, upgrades and improvements of the wastewater and stormwater utility systems to the DISTRICT who shall furnish all necessary labor, management, supervision, permits, equipment, supplies, materials, transportation, and any other incidental services for the complete ownership, operation, maintenance, repair, upgrades and improvements to the wastewater and stormwater utility systems, and

WHEREAS, ~~It~~the DISTRICT and the City of Radcliff entered into a Memorandum of Understanding on November 26, 2007 (the "Radcliff MOU") to proceed toward the transfer of all assets and liabilities of the Radcliff System to the DISTRICT, which included, as part of the Radcliff MOU, VEOLIA WATER providing O&M services to the DISTRICT in connection with operation, maintenance and management of the Radcliff System was provided in and was the intent of the MOU that the parties negotiate in good faith an agreement providing for the performance by VEOLIA WATER the scope of services generally defined therein and that this Agreement represents that effort in which VEOLIA WATER would provide operation and maintenance of the wastewater and stormwater utility systems and act as the coordinator of the other parties in completing the transition of service from the Government to the DISTRICT, initial capital upgrades and annual improvements; and,

WHEREAS, the DISTRICT and VEOLIA WATER entered into this Amendment to provide the terms under which VEOLIA WATER will operate, maintain and manage the Radcliff System; no ~~Certain terms that are used in this Agreement are defined under APPENDIX A at the end of~~

~~this Agreement under "Definitions" and any question of meaning of these terms shall be resolved or directed to the definitions provided herein, and,~~

~~WHEREAS, the DISTRICT desires to employ the services of VEOLIA WATER in the management, operation and maintenance of these facilities, and that VEOLIA WATER desires to perform such services for the compensation provided for herein;~~

~~\_\_\_\_\_ NOW, THEREFORE, in consideration of the mutual covenants and agreement~~Amendment s  
hereinafter set forth, the DISTRICT and the VEOLIA WATER agree as follows:

~~1~~Section General Terms of the AgreementAmendment :

~~.1~~ Scope of this Amendment: The intention of the parties is that the terms of this Amendment will exclusively govern the services to be performed by VEOLIA WATER in connection with the Radcliff System and that the terms of the main Agreement pertaining to the Fort Knox System, including the Federal Acquisition Regulations and other federal procurement laws incorporated therein by reference, shall not apply to the services performed under this Amendment unless otherwise specifically stated herein. This Amendment shall not modify or change the terms under which VEOLIA WATE performs services for the DISTRICT in connection with the Fort Knox System. Definitions of words and phrases used in this ~~Definitions of words and phrases used in this Agreement and Amendment and~~ the attachments are contained in APPENDIX A.

~~.2~~ DISTRICT Property: All land, buildings, facilities, easements, licenses, rights-of-way, equipment and vehicles presently or hereinafter acquired or owned by the DISTRICT shall remain the exclusive property of the DISTRICT unless specifically provided for otherwise in this Agreement.Amendment.

~~\_\_\_\_\_~~Binding Agreement: This Agreement shallAmendment shall be binding upon the successors and assigns of each of the parties, but neither party shall assign this ~~Agreement without~~Amendment without the prior written consent of the other party. Consent shall not be unreasonably withheld, conditioned or delayed.

~~.3~~  
~~.4~~

~~.5~~ Notices: All notices shall be in writing and transmitted to the party's addresses and persons listed below. All notices shall be deemed effectively given when delivered, if delivered personally or by courier, mail service, i.e., Federal Express or DHL; delivered after such notice has been deposited in the United States mail postage prepaid, if mailed certified or registered U.S. mail, return receipt requested; or received by the party for which notice is intended, if given in any other manner.

~~\_\_\_\_\_~~  
~~\_\_\_\_\_~~If to the DISTRICT to:

Primary Address;

~~With~~with a copy to:

Hardin County Water District No.1  
Mr. Jim Bruce, General Manager  
1400 Rogersville Road  
Radcliff, KY 40160

Mr. David Wilson  
Skeeters, Bennett, ~~and Wilson and Pike~~  
550 West Lincoln Trail Blvd.  
Radcliff, KY 40160

If to VEOLIA WATER to:

Veolia Water North America – South, LLC  
Mr. Robert Nicholas, Area Manager  
~~14055 Riveredge Drive – Suite 240412 Michael Court~~  
~~Tampa, Florida 33637~~Richmond, KY 40475

With a copy to:

Veolia Water North America - ~~South~~Operating Service, LLC  
Mr. Van Cates, Senior Counsel  
~~14055 Riveredge Drive – Suite 240~~  
~~Tampa, Florida 33637~~

~~14950 Heathrow Forest Parkway, Suite 200~~  
~~Houston, Texas 77032~~

- ~~6.5~~ Radcliff MOU: It is understood that certain requirements from the Radcliff MOU are set forth in portions of the DISTRICT's Contract with the Government, are set forth in APPENDICES G through K and are incorporated herein for all purposes. of this Agreement and the requirements therein, are a part of this Agreement and VEOLIA WATER hereby agrees to comply with all such requirements thereof, including the adoption of a Small Business Subcontracting Plan that complies with FAR Clause 52.219-9, Small Business Subcontracting Plan, incorporated by reference in APPENDIX H.
- ~~7.6~~ Entire Agreement: This Agreement, Amendment, including APPENDICES A through J, is the entire Agreement between Amendment between the parties with respect to the Radcliff System. This Agreement may Amendment may be modified only by written agreement signed Amendment signed by both parties. Wherever used, the terms "VEOLIA WATER" and "DISTRICT" shall include the respective officers, agents, directors, elected or appointed officials and employees, where appropriate VEOLIA WATER's or anyone acting on their behalf.
- ~~8.7~~ Savings Clause: If any term, provision, covenant or condition of this Agreement is Amendment is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remainder of the provisions shall remain in full force and effect, and shall in no way be affected, impaired or invalidated.
- ~~9.8~~ Nature of Services: The services provided under this Agreement are Amendment are of a professional nature and shall be performed in accordance with good and accepted industry practices for contract operators similarly situated. However, such services shall not be considered engineering services, and nothing herein is intended to imply that VEOLIA WATER is to supply professional engineering services to the DISTRICT, unless specifically stated in this Agreement to Amendment to the contrary.

~~10.9 Attorneys Fees:~~ If any litigation is necessary to enforce the terms of this ~~Agreement, Amendment,~~ the prevailing party shall be entitled to reasonable attorney's fees, which are directly attributed to such litigation, in addition to any other relief to which it may be entitled.

~~11.10 No Third Party Beneficiaries:~~ Nothing in this ~~Agreement shall Amendment shall~~ be construed to create in any third party or in favor of any third party any right(s), license(s), power(s) or privilege(s).

~~12.11 Designated Representative:~~ Prior to the commencement of work under this ~~Agreement, Amendment,~~ each party shall designate in writing an employee or other representative of the designating party who shall have full authority to approve changes in the Scope of Work and compensation therefore, execute written Change Orders reflecting such changes, render decisions promptly, and furnish information expeditiously to the other party when necessary.

~~13. Governing Law:~~ This ~~Agreement shall Amendment shall~~ be governed by, construed and interpreted in accordance with the laws of the Commonwealth of Kentucky, excluding any choice of law rules, which may direct the application of the laws of any other jurisdiction. More particularly, any action pertaining to this ~~Agreement Amendment~~ taken in a court of law shall, unless otherwise prevented by law, shall be subject to venue and jurisdiction in Hardin County, Kentucky, ~~provided however, that claims by VEOLIA WATER against the DISTRICT, after having been handled pursuant to the Dispute Resolution as set forth herein, which requires intervention by the Government may have venue and jurisdiction at a different location as set forth by the Government, involving the Government shall be handled pursuant to Paragraph 1.15 herein and that venue and jurisdiction thereof shall be the Armed Services Board of Contract Appeals or the United States Court of Federal Claims.~~

~~13.12~~

~~14.13 Severability:~~ If any provision of this ~~Agreement Amendment~~ is deemed invalid, illegal, such provision will be deemed amended to conform to applicable laws so as to be valid and enforceable, or if it cannot be so amended without materially altering the intention of the parties, it will be stricken, (ii) the validity, legality and enforceability of such provision will not in any way be affected or impaired thereby in any other jurisdiction, and (iii) the remainder of this ~~Agreement Amendment~~ will remain in full force and effect.

~~15.14 Dispute Resolution:~~ In the event of dispute between DISTRICT and VEOLIA WATER, said parties shall immediately enter into discussions to arrive at a mutually satisfactory solution to said dispute. If a mutually satisfactory solution cannot be reached between VEOLIA WATER and the DISTRICT, then the parties hereby knowingly, voluntarily and irrevocably agree that any disputes or conflicts in any way arising out of or relating to this ~~Agreement Amendment~~ shall first be mediated, by a professional mediator, based in Kentucky and mutually agreed to by both parties, and if mediation fails to resolve the dispute between the Parties, then the dispute shall be resolved by binding arbitration after which each party would select an arbitrator, and those two arbitrators would then select the final arbitrator who would finally arbitrate the dispute.

The foregoing notwithstanding, in the event of a dispute involving the Government, the parties agree that the dispute shall be subject to resolution in accordance with Paragraph 5 of APPENDIX H.

~~16.15~~ Work Deliverables: All documentation pertaining to any and all services and work performed, pertaining to this contract, including but not limited to: photos, videos, compact disc, studies, data, computations, reports, etc., excluding VEOLIA WATER proprietary software processes, shall be provided to the DISTRICT upon request. Moreover, VEOLIA WATER hereby agrees that all photos, videos, studies and related data, reports and any other data completed as a deliverable requirement under this Agreement is Amendment is the sole property of the DISTRICT.

~~17.16~~ Labor Dispute: In the event activities by employee groups or unions cause a disruption in VEOLIA WATER's ability to perform at the Project, the DISTRICT, with VEOLIA WATER's assistance or VEOLIA WATER at its own option, may seek appropriate injunctive court orders. During any such disruption, VEOLIA WATER shall operate the facilities on a best efforts basis until any such disruptions cease.

~~18.17~~ Force Majeure: Neither party shall be liable for its failure to perform its obligations under this Agreement, Amendment, if such failure is due to any Unforeseen Circumstances beyond its reasonable control. However, this Section may not be used by either party to avoid, delay or otherwise affect any payments due to the other party.

~~19.18~~ Entire Agreement; Amendment: This Agreement ~~constitutes~~ Amendment constitutes the entire understanding and agreement ~~between~~ Amendment between the parties relating to the services provided by VEOLIA WATER to DISTRICT and supersedes any and all prior ~~agreement~~ Amendment s whether written or oral, which may exist between the parties regarding the services. This Agreement ~~may~~ Amendment may be amended only by a written instrument signed by each party.

~~20.19~~ Successors and Assigns: This Agreement ~~shall~~ Amendment shall be binding upon, and to the benefit of the parties hereto, their successors and assigns.

## **2Section** Status as Contractor, Sub-Contractor:

- .1 The parties agree that VEOLIA WATER shall be an independent contractor and both VEOLIA WATER and his/her employees, sub-contractors and agents shall not be considered to be an employees of the DISTRICT.
- .2 VEOLIA WATER shall not employ any subcontractor, supplier, or other individual or entity against whom the DISTRICT may have reasonable objection. VEOLIA WATER shall not be required to employ any subcontractor, supplier or other individual or entity to furnish or perform any of VEOLIA WATER's work against whom VEOLIA WATER has reasonable objection.
- .3 VEOLIA WATER shall be solely responsible for scheduling and coordinating their sub-contractors, suppliers and other individuals and entities performing or furnishing any of the work under a direct or indirect contract with VEOLIA WATER. All work performed for VEOLIA

WATER by a subcontractor or supplier will be pursuant to an appropriate sub-agreement ~~or Amendment~~ or purchase order between VEOLIA WATER and the subcontractor or supplier which specifically binds the subcontractor or supplier to the applicable terms and conditions of this Agreement. ~~Amendment.~~

~~.4 Subcontractors and suppliers of VEOLIA WATER shall utilize small business concerns to the maximum extent practical and if such subcontractor or supplier is a large business and the value of the subcontract or purchase order from VEOLIA WATER exceeds \$500,000 (\$1,000,000 for construction), such subcontractor or supplier shall adopt a written small business subcontracting plan that complies with FAR Clause 52.219-9, Small Business Subcontracting Plan.~~

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.5 VEOLIA WATER agrees to cooperate with other DISTRICT subcontractors, engineers, consultants or other agencies ~~who~~that would not be under contract to VEOLIA WATER but to the DISTRICT which said cooperation may require reasonable access to data and reports, access to facilities owned by the DISTRICT or sharing other information about the operations of the Project as requested by the DISTRICT.

.6 All employees, contractors and representatives of VEOLIA WATER, performing work at the Project ~~in Fort Knox Kentucky,~~ shall provide proof of security clearance required by Fort Knox Government security clearance because of the interchange of personnel and equipment.

**3Section AgreementAmendment Term:**

.1 The Initial Term of this AgreementAmendment shall begin February 1, 2008 and shall terminate on the same date as the Fort Knox agreement between DISTRICT and VEOLIA WATER (i.e., with seventeen years (17 years) and five months be twenty (20) years and (5) months remaining commencing July 1, 2005 (the "Commencement Date" or "Performance Start Date"). Thereafter, this AgreementAmendment shall be automatically renewed for successive terms of five (5) years each, unless canceled in writing by either party no less than one hundred and twenty (120) days prior to expiration.

.2 The DISTRICT may terminate this Agreement ~~(Amendment~~ (1) if the GOVERNMENT terminates the Contract with the DISTRICT for Ft Knox; (2) the District sells or transfers the Radcliff Sewer System to another entity; or (3) on the tenth and fifteenth anniversary of the Ft Knox Agreement Commencement Date for convenience with 120 day prior written notice. Either party may terminate this Agreement ~~at Amendment~~ at anytime for a material breach of the Agreement ~~by Amendment~~ by the other party; only after giving written notice of breach; and, except in case of a breach by the DISTRICT for non-payment of VEOLIA WATER's invoices, in which case termination may be immediate by VEOLIA WATER, only after allowing the other party sixty (60) days to cure or commence taking reasonable steps to cure the breach.

.3 In the event that this AgreementAmendment or the original Agreement is terminated for the DISTRICT's convenience prior to the expiration of the initial term or any successive term, the DISTRICT shall pay VEOLIA WATER a termination fee based on the remaining unamortized

balance of start up costs and capital expenditures made by VEOLIA WATER, all as set forth in APPENDIX F, ~~and any additional amounts allowed for recovery under FAR 52.249-2.~~

- .4 Upon notice of termination by the DISTRICT, VEOLIA WATER shall assist the DISTRICT in assuming operation of the Project. If additional Cost is incurred by VEOLIA WATER at request of the DISTRICT, the DISTRICT shall pay VEOLIA WATER such Cost within the same terms of a routine monthly invoice as provided for herein.
- .5 Upon termination or expiration of this ~~Agreement and Amendment~~ and all renewals and extensions of it, VEOLIA WATER will return the Project to the DISTRICT in the same condition as it was upon the effective date of this ~~Agreement, Amendment~~, ordinary wear and tear excepted. Equipment and other personal property purchased by VEOLIA WATER for use in the operation or maintenance of the Project shall remain the property of VEOLIA WATER upon termination or expiration of this ~~Agreement, Amendment~~, unless the property was directly paid for by the DISTRICT, or the DISTRICT specifically reimbursed VEOLIA WATER for the cost incurred to purchase the property, or this ~~Agreement provides Amendment provides~~ to the contrary.

#### 4Section General Duties of VEOLIA WATER:

- .1 VEOLIA WATER shall operate and maintain the systems so as to provide reliable, cost-effective, and compliant service ("work") over the term of the contract as described herein. The work to be provided by VEOLIA WATER is divided into various categories and sections which are further defined and described in this section.
- ~~.2~~ VEOLIA WATER shall establish, maintain and adhere to a Quality Management Plan with in ninety (90) days of project start. The plan shall include staffing, customer feedback system, method of system inspection, record keeping and environmental compliance plan. as described in APPENDIX G.
- ~~.2~~
- .3 The DISTRICT reserves the right to monitor and evaluate the progress and performance of VEOLIA WATER to assure that the terms of this ~~Agreement are Amendment are~~ being met in accordance with applicable wastewater and storm water industry monitoring and evaluating criteria and standards. VEOLIA WATER shall cooperate with the DISTRICT relating to such monitoring and evaluation.
- .4 VEOLIA WATER shall develop and/or supply and utilize computerized programs for process control, maintenance, and laboratory Quality Assurance/Quality Control. The maintenance program will be capable of exporting information to the DISTRICT's GIS Mapping system.
- .5 VEOLIA WATER shall provide sufficient financial information to the DISTRICT for the purposes of preparing accounting reports which classify costs into categories or accounts as required by the Government, and the Kentucky Public Service Commission. In lieu of duplicate reports, VEOLIA may produce for the DISTRICT a digital computer file with its costs allocated to its own account numbers, into a spreadsheet or database program, with sufficient other

explanation or use for each expense for the DISTRICT to further categorize the expenses into other required Uniform System Chart of Accounts.

- .6 VEOLIA WATER will provide for the collection and hauling of solid waste, screenings, grit, sludge and scum ("Waste") to the DISTRICT's existing or approved disposal sites. It shall be the sole right and responsibility of the DISTRICT to designate, approve or select disposal sites to be used by VEOLIA WATER for the DISTRICT's waste materials. All Waste and/or byproduct treated and/or generated during VEOLIA WATER's performance of services is and shall remain the sole and exclusive property of the DISTRICT. All manifests or other documentation required for disposal of Waste shall be signed by or in the name of the DISTRICT or its authorized representative.
- .7 Upon request of the DISTRICT, VEOLIA WATER will provide a listing of recommended capital improvements required for the Project. VEOLIA WATER will not be relieved of its responsibility to perform if the recommendations are not implemented; provided however, that the capital improvement necessary to: (i) meet effluent requirements; (ii) meet federal, state or local laws, rules or regulations for the safety of persons in or about the Project; or (iii) meet ADA (Americans with Disabilities Act) requirements. If the project(s) are approved, the DISTRICT will make arrangements for the design and construction of said improvements.
- .8 VEOLIA WATER shall provide its own enter into a joint use agreement with the installation's telephone company, cable television company, computer internet, natural gas and electrical service. The DISTRICT and VEOLIA WATER however do agree that if service is less expensive in rates with a municipality then the service will be in the name of the DISTRICT and paid by VEOLIA WATER. other service providers as described in APPENDIX G.
- .9 Prior to operating two-way, portable, or land mobile devices on the installation VEOLIA WATER shall be certain these are compatible with Ft Knox regulations because of the interchange of personnel and equipment between the two project. obtain approval of the Installation Communication Group by requesting an available clear frequency as described in APPENDIX G.
- .10 VEOLIA WATER will be permitted to locate offices, maintenance shops, and materials storage/staging areas at Radcliff on Fort Knox and will be responsible for acquiring all utilities, janitorial services, building maintenance, and ground maintenance as described in APPENDIX G.
- .11 VEOLIA WATER shall be responsible for the disposition of VEOLIA WATER removed or salvaged materials in accordance with City, County, State and Federal regulations, as described in APPENDIX G.
- .12 VEOLIA WATER shall provide a the vehicles for its project manager and a lawn mower required to perform cut grass the work other than a vacuum truck and large farm tractor. The above property Those vehicles shall be readily identifiable as to include both the DISTRICT and VEOLIA WATER markings on the graphics, signs or logos on each vehicle.

1. ~~VEOLIA WATER shall respond to installation emergency and crisis situations as described in APPENDIX G. employ sound utility practices to ensure continuous, dependable, and reliable utility service is provided to the Installation 24 hours each day and to minimize the scope and length of any service disruption. VEOLIA WATER shall ensure it is able to receive the Service Requests 24 hours a day, every day. Once a request is received, VEOLIA WATER shall respond in accordance with their Service Interruption/Contingency Plan which shall be provided to the DISTRICT ninety (90) days after start of the contract. The standards shall distinguish between different categories (routine, emergency) of service requests and service interruptions and, identify response times for each category. The standards will match those currently being utilized in the service provided to Ft Knox.~~

.13 Intentionally Left Blank

.14 VEOLIA WATER shall comply with all applicable State and Federal environmental laws and regulations as described in APPENDIX G.

.15 VEOLIA WATER shall comply with industry standards regarding the Installation procedures and standards for work in and around environmentally sensitive or contaminated property as described in APPENDIX G.

.16 VEOLIA WATER shall provide an inventory of all materials, tools, chemicals and supplies on hand at the site with in 24 hours of starting the contract. adhere to the Inventory and Transfer Requirements as described APPENDIX G.

.17 Intentionally Left Blank In the event of Government Mobilization or Other Contingencies VEOLIA WATER shall promptly take those measures requested by the DISTRICT to meet any new demands placed upon the DISTRICT as described in APPENDIX G, Paragraph XIII. Extra work effort of VEOLIA WATER under these circumstances may entitle VEOLIA WATER to equitable adjustment under the Changes Clause FAR 52.243-1 Alt 1, Changes Fixed Price.

.18 VEOLIA WATER shall at its expense comply with all applicable laws on occupational safety and health, the handling and storage of hazardous materials included in its scope of work and the proper handling and disposal of hazardous wastes and hazardous substances generated by VEOLIA WATER during its activities, as described in H.7 of APPENDIX G.

~~.19 Prior to operating two-way, portable, land mobile devices, telemetry or any electronic devices on the installation VEOLIA WATER shall obtain approval of the Installation Communication Group by requesting an available clear frequency as described in APPENDIX G.~~

~~.20.~~ VEOLIA WATER Duties - Personnel related work and scope:

.1 VEOLIA WATER will offer employment to all existing full time City of Radcliff employees as long as their positions are necessary to VEOLIA WATER'S performance under this Agreement and they continue to perform their duties in a satisfactory manner and subject to such all such individuals taking and successfully passing a drug screen test and a physical evaluation to be administered by a VEOLIA WATER company physician.

- .2 VEOLIA WATER will agree to lease a single employee for a period not to exceed six months per the Utility Transfer Agreement signed between the DISTRICT and the City of Radcliff, Kentucky. VEOLIA WATER will enter into a separate agreement with the City of Radcliff for that employee and will reimburse them for that cost. The employee after the six months would be offered employment under the same terms listed in Section 19.1.
- .2.3 VEOLIA WATER will as an alternative to offering full time employment, provide three employees with a cash settlement option that would meet the requirements of the DISTRICT in the Utility Transfer Agreement signed between the DISTRICT and the City of Radcliff. The cash settlement will not exceed one year's base wage and will require that the individual in exchange for a cash settlement terminate employment with the City of Radcliff and waive any right to employment with VEOLIA WATER. The completion of the transaction to occur before start of the contract. ~~first right of refusal of employment to those qualified GOVERNMENT workers displaced by the Government's award of the Contract to the DISTRICT provided full-time positions are available and subject to such all such individuals taking and successfully passing a drug screen test to be administered by VEOLIA WATER.~~
- .2.4 VEOLIA WATER will provide said employees with ~~the same~~ competitive wage as paid by the City of Radcliff on July 1, 2007 and industry competitive fringe benefits package that meet or exceed the minimum requirements of the Service Contract Act and associated Wage Determination 94-2224 Rev (13) Area: KY, Louisville set forth in APPENDIX I package. VEOLIA WATER will accept existing Radcliff employee time with the city in establishing their vacation time with VEOLIA WATER.
- .3.5 VEOLIA WATER will continue to provide employment to all personnel who accept employment with VEOLIA WATER, so long as their positions are necessary to VEOLIA WATER's performance under this Agreement, Amendment, and they continue to perform their duties in a satisfactory manner. Where applicable, all such personnel must hold current licenses, certificates or authority to perform the work required of their respective positions.
- .4.6 VEOLIA WATER will implement and maintain an employee safety program in compliance with applicable laws, rules and regulations and make recommendations to the DISTRICT regarding the need, if any, for the DISTRICT to rehabilitate, expand or modify the Project to comply with governmental safety regulations applicable to VEOLIA WATER's operations hereunder and federal regulations promulgated pursuant to ADA.
- .5.7 VEOLIA WATER because of cross utilization of staff from Radcliff at Ft Knox shall not employ any person for work on this Agreement ~~if~~ Amendment if such person is identified as a potential threat to the health, safety, security, general well

being, or operational mission of the Ft Knox installation or population ~~as described in C.5.2 of APPENDIX G.~~

~~6.8~~ VEOLIA WATER's personnel shall present a neat appearance and be readily recognized as VEOLIA WATER employees and shall due to cross utilization of staff at the Ft Knox installation, will ensure each employee obtains from Security Forces and ID card that shall include at a minimum the employee's name, photograph and VEOLIA WATERS name as described in C.5.2.1 of APPENDIX G. At the DISTRICT's discretion, uniforms worn by VEOLIA WATER employees shall include the DISTRICT's name or logo.

~~7.9~~ VEOLIA WATER shall ensure that employees meet all applicable federal, state, and local certification, licensing, and health and safety requirements to perform all assigned tasks and functions of this contract as described in C.5.2.2 of APPENDIX G.

~~8.10~~ VEOLIA WATER because of cross utilization of the staff at Ft Knox shall provide sufficient information to obtain complete and favorable National Agency Check (NAC) investigations for its employees for unescorted entrance into restricted areas on the Postbase as described in C.5.2.3 of APPENDIX G.

~~9.11~~ VEOLIA WATER due to cross utilization of staff at Ft Knox shall apply for personnel security clearances required for performance after the contract is awarded as described in C.5.2.4 of APPENDIX G.

~~10.12~~ VEOLIA WATER shall maintain a current list of employees, ~~as described in C.5.2.5 of APPENDIX G.~~

~~11.13~~ Within a reasonable time after start-up, if a majority of existing staff do not transfer employment, VEOLIA WATER will staff the Project with employees who have met appropriate licensing and certification requirements of the Commonwealth of Kentucky.

~~12.14~~ VEOLIA WATER shall provide ongoing training and education for appropriate personnel in all necessary areas of modern wastewater process control, operations, maintenance, safety, and supervisory skills.

~~13.15~~ VEOLIA WATER shall operate, maintain and/or monitor the Project on a 24 hour per day, seven day per week schedule. This does not mean initially means staffing the wastewater plant 24 hour per day 7 day per week. ~~The DISTRICT and VEOLIA WATER agree to review the around the clock staffing requirement periodically through out the term of this Agreement.~~

~~21.20~~ VEOLIA WATER's Duties - Maintenance related scope and work ;

.1 VEOLIA WATER shall be responsible for the maintenance of the Wastewater treatment plant and Collection Stormwater Utility Ssystem s as described in

APPENDIX B so as to provide reliable, cost effective and compliant service over the term of the contract. The utility system shall be operated and maintained in accordance with all applicable federal, state and local laws/regulations. At a minimum, performance standards and /or specification shall follow best engineering and management practices consistent with the following:

- a. Wastewater collection system(s): The most recent edition of reference materials published by the American Water Works Association (AWWA), Water Environment Federation (WEF), American Society of Civil Engineers (ASCE), National Fire Protection Association (NFPA) and Factory Mutual Global. Additional standards for operations and maintenance of the utility systems the Offeror proposes.
  - b. C.12.1 Quality Management Plan: VEOLIA WATER shall establish, maintain and adhere to a Quality Management Plan to ensure the provision of reliable, cost-effective and compliant service over the term of the contract.
- .2 VEOLIA WATER shall be responsible for maintaining all manufacturers' warranties on new equipment purchased by the DISTRICT and assist the DISTRICT in enforcing existing equipment warranties and guarantees.
  - .3 VEOLIA WATER shall provide the DISTRICT with full documentation that preventive maintenance is being performed on the DISTRICT owned equipment, in accordance with manufacturer's recommendations, at intervals and in sufficient detail as may be determined by the DISTRICT. Such a maintenance program must include documentation of corrective and preventive maintenance and a spare parts inventory.
  - .4 VEOLIA WATER may modify the process and/or facilities to achieve the objectives of this Agreement and Amendment and charge the Costs to the Maintenance and Repair Limit; provided, however, no modification shall be without the DISTRICT's prior written approval, if the complete modification Cost shall be in excess of Two Thousand Five Hundred Dollars (\$2,500.00).
  - .5 In any emergency affecting the safety of persons or property, VEOLIA WATER may act without written amendment or change order, at VEOLIA WATER's discretion, to prevent threatened damage, injury or loss. VEOLIA WATER shall be compensated by the DISTRICT for any such emergency work notwithstanding the lack of a written amendment. Such compensation shall include VEOLIA WATER's Costs for the emergency work plus a reasonable mark-up for overhead and profit.
  - .6 Subject to the availability of funds within the Maintenance and Repair Limit, VEOLIA WATER will perform all Maintenance and Repairs for the Project, and submit a monthly accounting to the DISTRICT, along with a detailed invoice, if Maintenance and Repair expenditures for the Project exceed the Maintenance and Repair Limit specified in Section 6, "Fees and Compensation."

- .7 VEOLIA WATER shall assist the DISTRICT in preparing an Annual Renewals and Replacement plan which shall be completed submitted to the Government no later than October February 1 of the first full year following the Contract award. Thereafter the plan shall be submitted no later than February 1 of each year. This document will be separate from the plan prepared for the Ft Knox utility systems.

22.21 VEOLIA WATER's Duties -- Radcliff Wastewater Treatment Plant related work and scope;

- .1 VEOLIA WATER shall be liable for those fines or civil penalties imposed by a regulatory or enforcement agency for violations occurring on or after July 1, 2005, February 1, 2008 of the effluent quality requirements provided for in APPENDIX C-1 that are a result of VEOLIA WATER's negligence. The DISTRICT will assist VEOLIA WATER to contest any such fines in administrative proceedings and/or in court prior to any payment by VEOLIA WATER. VEOLIA WATER shall pay the cost of any such contest.
- .2 Within the design capacity and capabilities of the Radcliff Wastewater Treatment Plant ("Plant") described in APPENDIX B, VEOLIA WATER will manage, operate and maintain the Plant so that effluent discharged from the Plant's out-falls meets the requirements specified in APPENDIX C, Section 1.
- .3 VEOLIA WATER shall maintain the present industrial waste sampling and laboratory analysis program, as described in APPENDIX D. Results of all industrial sampling and testing shall be reported to the DISTRICT in a timely manner.
- .4 As required by law, permit or court order and government contract, VEOLIA WATER will prepare Plant performance reports and submit them to the DISTRICT for signature and transmittal to appropriate authorities.
- .5 VEOLIA WATER will provide laboratory testing and sampling presently required by Plant performance portions of the NPDES permit, the Clean Water Act, the Safe Drinking Water Act, and/or any federal, state or local rules and regulations, statutes or ordinances, permit or license requirements or judicial and regulatory orders and decrees and shall keep results of said testing and reports readily available and on-site at the Plant for inspection, review and copying by the DISTRICT whenever requested.
- .6 VEOLIA WATER will be responsible for reading, maintaining, and calibrating all meters on the utility systems, as required in C.3.3 of APPENDIX G.
- .7 Intentionally Left Blank ~~VEOLIA WATER shall implement and maintain a Pretreatment Plan in accordance with the KPDES permit.~~

23.22 VEOLIA WATER's Duties -- Radcliff Wastewater and Storm Water Collection System related scope and work;

- .1 This section shall apply to VEOLIA WATER's maintenance and repair services for the District's Radcliff Wastewater Collection System and Storm Water Collection System.
- .2 Services pursuant to this Article are limited to 12,480~~10,400~~ actual straight time and 624~~520~~ overtime man-hours per annum for six~~five~~ (65) personnel (four (4) field workers and two (2) lift station mechanics). In an Emergency requiring the payment of overtime, VEOLIA WATER shall invoice the DISTRICT for the premium portion of the costs, if overtime is required above and beyond 624~~520~~ hours but is not regularly scheduled overtime associated with a shift.
- .3 For purposes of this Section, an "actual straight time man-hour" shall mean an actual hour of labor by one person unburdened by vacation, holiday or other leave allowances.
- .4 For purposes of this Section, the "premium portion of the costs" shall mean that multiplier required by the governmental overtime law(s) plus any additional taxes, fees or insurance resulting from the extra money paid; i.e., FICA, unemployment insurance, and workers' compensation.
- .5 Costs associated with the services described in this Section shall be charged to the Maintenance and Repair Limit.
- .6 ~~Intentionally Left~~ VEOLIA WATER will extend temporary service to the Government as described in C.4.1 of APPENDIX G Blank.
- .7 VEOLIA WATER shall establish a Wastewater Collection System cleaning and inspection program which monitors 10% of the line and manholes every year after the first year of the contract. The program should include a combination of flow monitoring, smoke testing, water jet cleaning and TV inspection. The inspection information shall be in a format which can be tracked by the computerized maintenance system and be exported to the DISTRICT's GIS Mapping and its engineering consultant.
- .8 VEOLIA WATER shall provide information to the DISTRICT to up date record drawings for all existing and new facilities installed on a regular basis. ~~in accordance with APPENDIX G.~~
- ~~.9 Intentionally Left Blank~~ VEOLIA WATER shall establish a Storm Water Collection System cleaning and inspection program. The program should include visual inspection, smoke testing, water jet cleaning and TV inspection. The inspection information shall be in a format which can be tracked by the computerized maintenance system and be exported to the DISTRICT GIS Mapping and its engineering consultant.
- .9

.10 VEOLIA WATER shall perform day to day maintenance of the Radcliff Wastewater Collection System including responding to sewer line blockages, raising manhole rings and making dig down repairs to problems in the Wastewater Collection System.

.11 ~~Intentionally Left Blank~~VEOLIA WATER shall perform day to day maintenance of the Storm Water Collection System including responding to culvert and drop box blockages, raising manhole rings, raising drop box grates and making dig down repairs to problems in the system. ~~VEOLIA WATER shall target an annual rehabilitation and repair program of 10 culverts, 25 drop boxes and 500 lineal feet of concrete lined ditches.~~

.12 ~~Intentionally Left Blank~~VEOLIA WATER shall be responsible for clearing debris around culvert headwalls and drain inlets before each wet season and immediately after heavy rains.

~~24.23~~VEOLIA WATER Duties - Transition Service related scope and work;

.1 VEOLIA WATER shall assist the DISTRICT in the coordination of DISTRICT sub contractors working on the Radcliff Wastewater and ~~Storm Water~~ Utility Systems.

.2 VEOLIA WATER shall assist the DISTRICT in the transition from the City of Radcliff GOVERNMENT to DISTRICT ownership including all meetings, tasks, measurements, documentation and certification required.

.3 Fifteen (15) days ~~after prior to~~VEOLIA WATER begins~~ing~~ service under this ~~Agreement~~,Amendment, VEOLIA WATER shall provide a physical inventory of the DISTRICT's vehicles and equipment in use at the Project and a general statement as to the condition of each vehicle or piece of equipment.

.4 VEOLIA WATER shall provide the DISTRICT with a physical inventory of chemicals and other consumables on hand when VEOLIA WATER begins services under this ~~Agreement~~,Amendment.

.5 VEOLIA WATER shall provide the DISTRICT with the same quantity of chemicals or equivalent upon termination of this ~~Agreement~~,Amendment. VEOLIA WATER shall propose an Operational Transition Plan as described in C.13 of APPENDIX G.

.6 VEOLIA WATER shall provide periodic reports to the DISTRICT for their use and for dissemination ~~to the Government~~. These reports will include a monthly reporting that includes State required reports, maintenance/rehabilitation/replacement effort undertaken and outages.

.7 VEOLIA WATER will also assist the DISTRICT by providing information required for the annual Public Service Commission ~~report~~reports due by February 1 each year and the Upgrades, Renewals and Replacement Plan ~~by required by the Government~~ February~~October~~ 1 of each year.



~~25.24~~ VEOLIA WATER Duties - Initial Capital Upgrades related scope and work;

- .1 VEOLIA WATER shall assist the DISTRICT in the coordination of Initial Capital Upgrades required as part of the transfer including but not limited to signage, security and ~~maintenance.~~
- .2 VEOLIA WATER shall assist the DISTRICT with installing alarms and, lights and radio telemetry / SCADA system at the Plant and largest lift stations.
- .3 ~~Intentionally Left Blank~~ ~~VEOLIA WATER shall assist the DISTRICT with installing the instrumentation and remote controls at the Plant.~~
- .4 VEOLIA WATER shall identify in the first thirty (30) days ~~make minor repairs to the facilities and equipment, on a one-time basis not to exceed Twenty Five Thousand Dollars (\$25,000.00).~~

~~26.25~~ VEOLIA WATER Duties - Customer Service related scope and work;

- .1 Visits may be made at a reasonable time by the DISTRICT's employees so designated by the DISTRICT's representative. Keys for the Project shall be provided to the DISTRICT by VEOLIA WATER for such visits. All visitors to the Project shall comply with VEOLIA WATER's operating and safety procedures.
- .2 Access to the ~~installation and~~ utility systems is granted to VEOLIA WATER by the DISTRICT.
- .3 VEOLIA WATER shall at Radcliff follow the ~~comply with response times set out in the~~ to Service Interruptions and Contingencies in place for Ft Knox as described in C.7 of APPENDIX G. This requires a telephone response to any Emergency where power is off or sewerage is being spilled in 15 minutes and a physical presence at the location of the problem with in one hour to the notification.
- .4 VEOLIA WATER shall provide a repair response notification procedure to the DISTRICT on the first day of the contract ~~as described in C.8 of APPENDIX G.~~
- .5 Routine work, such as the scheduled repair, replacement, or removal of system components that require service interruption, shall be coordinated with the District Contracting Officer's Representative at least 2 weeks prior to implementation ~~as described in C.9.1 of APPENDIX G.~~
- .6 VEOLIA WATER shall record all service request calls and provide a monthly accounting to the DISTRICT ~~as described in C.9.2 of APPENDIX G.~~
- .7 VEOLIA WATER shall coordinate connections or disconnections with the DISTRICT ~~as described in C.9.3 of APPENDIX G.~~

.8 VEOLIA WATER will follow all State and Federal requirements requiring pre dig notification and coordination. ~~be required to obtain excavation permits as described in C.9.5 of APPENDIX G.~~

.9 VEOLIA WATER shall be responsible for locating underground utility system components required by State and Federal requirements. ~~as described in C.9.6 of APPENDIX G.~~

.10 VEOLIA WATER shall be available for meetings with the ~~GOVERNMENT and DISTRICT as described in C.9.7 of APPENDIX G.~~

~~27.26~~ VEOLIA WATER Duties - Capital Upgrades, Renewals and Replacements related scope and work;

.1 VEOLIA WATER shall assist the DISTRICT in coordinating DISTRICT subcontractors in carrying out capital upgrades and renewals and replacements.

.2 VEOLIA WATER shall participate with the DISTRICT in preparing an Capital Annual Capital Upgrades and Renewals and Replacement report ~~as described in C.11.2 of APPENDIX G.~~

~~28.27~~ Scope Changes: For Changes in Scope related to the services described in Section 4.1 through 4.26 above, Section 4.1 through 4.27, the Annual Fee shall be increased (or decreased) by an amount equal to VEOLIA WATER's additional (reduced) Cost associated with the Change in Scope plus fifteen percent (15%). Modifications of the Annual Fee as a result of conditions described in Section 4.28 below Section 4.28 shall be effective at the beginning of the next Agreement year Amendment year. A Change in Scope of services shall occur when and as VEOLIA WATER's costs of providing services under this Agreement Amendment change as a result of and limited to;

.1 Any change in Project operations, personnel qualifications or staffing or other cost which is a result of an Unforeseen Circumstance;

.2 Increases or decreases of not less than five percent (5%) in the influent flow or loadings as demonstrated by a twelve month moving average compared to the twelve month period ending on the effective date of this Agreement Amendment (baseline flow and loading information is located in APPENDIX C);

.3 Increases or decreases in rates or other related charges (including taxes) imposed upon VEOLIA WATER by a utility provider (see Section 4.8) or taxing authority, excluding taxes based on VEOLIA WATER's net income.

.4 The DISTRICT's request of VEOLIA WATER and VEOLIA WATER's consent to provide additional services.

.5 Increases or decreases in insurance premium costs or healthcare benefit costs which are not caused by the fault of either party.

- .6 ~~Intentionally Left Blank~~ VEOLIA WATER shall adhere to the Government's right to postpone service interruptions as described in C.9.4 of APPENDIX G.
- .7 ~~Intentionally Left Blank~~ Stop Work Order or Partial Termination of Work Tasks: The DISTRICT reserves the right to stop work or partially terminate any of the tasks identified in the Scope of Services upon thirty (30) written notice to VEOLIA WATER. Said stop work order or partial termination of work tasks may only be in direct and proportional response to a stop work order or partial termination of the DISTRICT's Contract issued by the Government and which reduces the amount of revenue or fees paid to the DISTRICT by the Government. It is understood by the parties that any stop work order or partial termination of work tasks may adversely impact VEOLIA WATER's ability to perform some or all of its obligations under this Agreement. Should such an impact occur, VEOLIA WATER will bring it to the attention of the DISTRICT but in no event, shall VEOLIA WATER be responsible for non-compliance or failure to perform resulting there from.

.8 Notwithstanding the terms all of this section 4.27 entitled "Scope Changes", the parties agree that in the first three years of this Agreement, additional compensation requested by VEOLIA WATER shall be subject to approval the following: 1) Government agrees to pay the DISTRICT the of additional compensation which will allow the DISTRICT to pay VEOLIA WATER the additional requested amount, and 2) An equivalent increase in the tariff rate from the Government to the DISTRICT are contingent upon the approval of the Kentucky Public Service Commission. Until such time conditions 1) and 2) above are met and this Amendment is modified by the parties in writing to memorialize, no such change, no additional compensation shall be paid to VEOLIA WATER and, provided however, VEOLIA WATER shall not be obligated to perform any change or incur any cost in connection with a change. The until the provisions of conditions 1) and 2) herein are met and this Agreement is modified bilaterally executed amendment. Furthermore, the DISTRICT shall indemnify and hold VEOLIA WATER harmless from non-compliance with any of a regulatory change affecting the discharge permit requirements and any fines or penalties resulting therefrom or non-compliance with any other obligation under this Agreement, Amendment, until such time as the parties have executed the established by the written change amendment described above, and bilaterally executed amendment.

29.28 Additional Work: Additional Work outside of the initial work may be proposed by VEOLIA WATER and subject to approval by the DISTRICT. ~~DISTRICT~~. Work associated with Additional Work shall not begin nor shall fees accrue until a written Notice to Proceed has been issued to VEOLIA WATER from the DISTRICT. A Notice to Proceed shall be issued for each Additional Work proposed.

- .1 All Additional Work, which shall be requested in writing by VEOLIA WATER, shall require VEOLIA WATER to provide appropriate documentation which might include a schedule of milestones, work schedules, complete cost estimates, estimated hours and sub-contractor costs. Said estimate

may be requested by the DISTRICT as either a Not to ~~Exceed~~Exceed amount, a time and materials estimate, or an hourly cost estimate with or without a Not to Exceed amount.

- .2 All Additional Work requests shall be in writing on a form acceptable to the DISTRICT and shall be submitted no less than forty-five (45) days prior to when the work is proposed to begin by VEOLIA WATER. At its discretion, the DISTRICT may reduce or waive the 45 day period.

**5Section** DISTRICT Duties; This AgreementAmendment requires the DISTRICT to perform certain tasks and activities and responsibilities which have been agreed to and are generally as follows;

- .1 The DISTRICT shall request funding as needed ~~from the Government as needed~~ to fund and provide all necessary Capital Upgrades and Renewals and Replacements. Priority shall be given to safety and regulatory ~~the ADA~~-related expenses described in the Annual Capital Upgrades and Renewals and Replacement Plan prepared and submitted to the DISTRICT with the assistance of VEOLIA WATER. Any loss, damage, or injury resulting from the DISTRICT's failure to provide capital improvements and/or funds in excess of the Maintenance and Repair Limit, when reasonably requested by VEOLIA WATER, shall be the sole responsibility of the DISTRICT.
- .2 The DISTRICT shall keep in force all Project warranties, guarantees, easements and licenses that have been granted to the DISTRICT and are not transferred to VEOLIA WATER under this AgreementAmendment.
- .3 The DISTRICT shall pay all ~~exise~~excises, ad valorem, property, franchise and ~~and disposal~~-occupational fees, or other fees associated with the Project, if any, other than fees or taxes imposed upon VEOLIA WATER's net income and/or payroll taxes for VEOLIA WATER's employees.
- .4 In the event VEOLIA WATER is required to pay any sales tax or use taxes on the value of the services provided by VEOLIA WATER hereunder or the services provided by any VEOLIA WATER of VEOLIA WATER, such payments shall be reimbursed by the DISTRICT, unless the DISTRICT furnishes a valid and properly executed exemption certificate relieving the DISTRICT and VEOLIA WATER of the obligation for such taxes. In the event the DISTRICT furnishes an exemption certificate which is invalid or not applicable to services by VEOLIA WATER, the DISTRICT shall indemnify VEOLIA WATER for any taxes, interest, penalties, and increment costs, expenses or fees which it may incur as a result of VEOLIA WATER's reliance on such certificate.
- .5 The DISTRICT shall provide VEOLIA WATER, within a reasonable time after request and on an "as available" basis, with the temporary use of any piece of the DISTRICT's heavy equipment that is available so that VEOLIA WATER may discharge its obligations under this Agreement, ~~in~~Amendment in the most cost effective manner.
- .6 The DISTRICT shall provide all registrations and licenses for the DISTRICT's vehicles used in connection with the Project.

- .7 The DISTRICT shall provide for VEOLIA WATER's exclusive use of all vehicles and equipment presently in full-time by the City of Radcliff excluding a Jeep and a lawn mower in use at the Project. It is agreed by both parties that the existing vehicles are aged and the DISTRICT will have to replace over the next few years.
- .8 The DISTRICT shall provide the Project with appropriate security personnel and/or devices to protect against any losses resulting from the theft, damage, or unauthorized use of property owned by the DISTRICT and shall accept liability for such losses, except to the extent such losses are directly caused by the negligent acts or omissions of VEOLIA WATER.
- .9 The DISTRICT warrants that during the interim period between the initial Project inspection by VEOLIA WATER and when VEOLIA WATER commences full operations and maintenance, the plants, facilities and equipment have been operated only in the normal course of business, all scheduled and proper maintenance have been performed, and there are no issues known to the DISTRICT regarding the condition of the Project and Facility composing the Project and/or any equipment used by the Project.
- .10 The DISTRICT shall be responsible for paying all Cost associated with: (I) bringing the Project into compliance with Title III, Section 112 of the Federal Clean Air Act (hereinafter "Risk Management Program") on or before 1-July-2007 including any Cost associated with design, engineering, or construction related thereto. The DISTRICT acknowledges and agrees that the DISTRICT shall be responsible for any fines or civil penalties imposed by any regulatory or enforcement agencies resulting from the DISTRICT's failure to implement the Risk Management Program or convert the Project as referenced above.
- .11 The parties anticipate that the Project, as of the Commencement Date, will not be required to comply with the Accidental Release Prevention Program as set forth in the applicable sections of the Federal Clean Air Act ("RMP"). Following the Commencement Date, in the event it is later determined that the Project must comply with RMP, the DISTRICT shall be responsible for all Costs associated with bringing the Project into RMP compliance.
- .12 DISTRICT shall perform Environmental Reviews ~~Impact Assessments~~ when the utility system is modified per local, State and Federal regulations ~~as described in APPENDIX G.~~
- .13 DISTRICT shall be responsible for accomplishing all required upgrades and renewals and replacements; ~~which have been funded by the Government to the DISTRICT,~~ to maintain and operate the utility system in a safe, reliable condition.
- .14 DISTRICT shall be responsible for providing VEOLIA WATER with copies of digital GIS Mapping data and information for use in operation and maintenance activities. VEOLIA agrees to purchase any licenses or software required to utilize and access said information provided by the DISTRICT.
- .15 Intentionally Left Blank ~~DISTRICT and VEOLIA WATER have incorporated in this Subcontract specific clauses from the Contract that the parties agree are applicable to the work of VEOLIA WATER, including certain Federal Acquisition Regulation (FAR) and Defense Federal~~

Acquisition Regulation Supplements (DFARS) clauses. However, in the event additional FAR or DFARS clauses set forth in the DISTRICT's Contract with the Government clearly apply to the VEOLIA WATER's work under this Agreement, the parties will negotiate in good faith and, to the extent permitted by the Government, agree upon the inclusion of the FAR or DFARS clauses(s) as appropriate. If the obligation is related to ownership, administrative or capital, the DISTRICT shall be responsible. If the obligation is related to operations it shall be the responsibility of VEOLIA WATER. If the inclusion of the particular FAR or DFARS clause will cause VEOLIA WATER to incur substantial additional costs under this Agreement, VEOLIA WATER will be entitled to an equitable adjustment in its compensation under this Agreement.

**6Section Fees and Compensation:**

.1 ~~VEOLIA WATER's compensation under this Agreement for~~ Amendment for the first ~~seventeen (17) months~~ three (3) Agreement Years shall consist of five months at \$---- per month for a total of \$----- and \$ ----- for the next twelve months termed the annual fee. ~~consist of an Annual Fee of \$1,678,658.00 or \$5,035,974.00 for the first three years.~~ The Maintenance and Repair Limit included in the first five months is \$----- and for the next twelve months will be Annual Fee is \$ \_\_\_\_\_ 160,921.00 annually or \$482,763.00 for the first three years. The Electrical Limit included in the first five months is \$----- and for the next twelve months will be \$-----. The Odor Control Limit included in the first five months is \$----- and for the next twelve months will be \$-----.

.2 ~~Agreement Year~~ Amendment Year: ~~Agreement Year~~ Amendment Year, for the purposes of this Agreement shall Amendment shall mean an increment of twelve calendar months commencing July 1, 20085.

.3 VEOLIA WATER has based its Annual Fee on offering employment to hiring a maximum of 162 (sixteentwelve) existing personnel in addition to a VEOLIA WATER Project Manager. An effort will be made to hire those qualified City of Radcliff Government workers for the positions available from the existing staff at the Wastewater System Plant identified on the list of displaced or adversely affected workers provided to the DISTRICT as part of the Utility Transfer Agreement with the City of Radcliff. ~~by the Government and furnished to VEOLIA WATER no later than May 11, 2005.~~ VEOLIA WATER shall pay the employees their current wage identified in the Utility Transfer Agreement and a similar benefit package. It is also agreed by the DISTRICT and VEOLIA WATER that VEOLIA WATER in that seventeen employees may offer a buyout option or may lease employees from the City of Radcliff, not less than the minimum monetary wages and shall furnish fringe benefits in accordance with Wage Determination set forth in APPENDIX I. Should for any reason the DISTRICT or the Government require VEOLIA WATER to hire more than 162 personnel or pay wages above those proposed for positions set forth in APPENDIX I VEOLIA WATER shall be entitled to request and negotiate additional compensation and adjusted Annual Fee.

.4 The Annual Fee for services under this Agreement Amendment is based upon the following wastewater treatment influent characteristics:

- .1 Flow = 2.07952.796 million gallons per day
- .2 CBOD5 = 209.112 mg/l

~~1.3~~ TSS = ~~241192~~ mg/l  
~~1.4~~ Ammonia Nitrogen = ~~?????23~~ mg/l  
~~H2SO4 ?????~~

The above influent characteristics are the actual twelve (12) months' average for the period ended ~~September~~~~October~~~~December~~ 31, 2007~~3~~. Any change of five percent (5%) or more in any of these characteristics, based upon a twelve (12) month moving average, will constitute a Change in Scope.

- .5 VEOLIA WATER's expenses for hauling by truck and disposing of Waste are based on paying \$ ~~180~~~~200~~ a pull and \$ ~~23.7519~~ a ton for eligible ~~Outerloop~~ Waste at the ~~Outer Loop~~ Landfill facility which is approximately ~~3135~~ road miles from the Project. Any change in Costs shall give rise to a Change in Scope and the additional costs shall be added to the Annual Fee.
- .6 ~~VEOLIA WATER shall provide~~ The Government will provide at no cost natural gas and electricity, and water required to operate the Project and have based its costs on current rates. Any decrease or increase in rates or other related charges (including taxes) imposed upon VEOLIA WATER by a utility provided or taxing authority – excluding taxes based on VEOLIA WATER's net income shall be considered a change in scope of service. VEOLIA WATER has not budgeted for water or sewer service which the DISTRICT will provide free of charge under the agreement if used in reasonable amounts. Should the Government's provision of such utilities change and VEOLIA WATER is required to pay directly for utilities consumed to perform its obligations hereunder, VEOLIA WATER shall be entitled to an equitable adjustment to the Annual Fee.
- .7 The Performance Start Date is ~~February 1, 2008~~~~July 1, 2005~~. VEOLIA WATER shall not be able to bill or recover any amounts, expenses or costs prior to the Performance Start Date and all prior costs may only be recovered or included in the above agreed Annual Fee amount.
- .8 If actual Maintenance and Repair expenditures are less than the Maintenance and Repair Limit for any Agreement year~~Amendment year~~, VEOLIA WATER will rebate the entire difference to the DISTRICT in accordance with Section 7.2. If actual Maintenance and Repair expenditures exceed the Maintenance and Repair Limit, the DISTRICT will pay the excess to VEOLIA WATER in accordance with Section 7.2. VEOLIA WATER will notify the DISTRICT when actual Maintenance and Repair expenditures equal eighty percent (80%) of Maintenance and Repair Limit.
- .9 If actual Electrical expenditures are less than the Electrical Limit for any Amendment year, VEOLIA WATER will rebate the entire difference to the DISTRICT in accordance with Section 7.2. If actual Electrical expenditures exceed the Electrical Limit, the DISTRICT will pay the excess to VEOLIA WATER in accordance with Section 7.2. VEOLIA WATER will notify the DISTRICT when actual Electrical expenditures equal eighty percent (80%) of Electrical Limit.
- ~~8.10~~ If actual Odor Control Chemical expenditures are less than the Odor Control Chemical Limit for any Amendment year, VEOLIA WATER will rebate the entire difference to the DISTRICT in accordance with Section 7.2. If actual Odor Control Chemical expenditures exceed the Odor

Control Chemical, the DISTRICT will pay the excess to VEOLIA WATER in accordance with Section 7.2. VEOLIA WATER will notify the DISTRICT when actual Odor Control Chemical expenditures equal eighty percent (80%) of Odor Control Chemical Limit.

~~9.11~~ Any increases in the Annual Fee shall be negotiated each year after the first seventeen (17) months~~three years~~ at least four (4) months prior to the anniversary of this Agreement's Amendment's Commencement Date. Should the DISTRICT and VEOLIA WATER fail to agree, the increase in the Annual Fee will be determined by the application of the procedures in APPENDIX E. The Maintenance and Repair Limit shall increase or decrease by a percentage equal to the change in the Annual Fee.

~~10.12~~ In addition to the Annual Fee, the DISTRICT shall provide a one time payment not to exceed \$~~168,000~~25,000 ~~f~~ for the purpose of completing employee transition, ~~minor repairs to the facilities and equipment as part of the Initial Capital Upgrades program.~~

~~11.13~~ The cost of temporary connections will be charged against the Maintenance and Repair Limit.

**7Section Method of Payment:** The DISTRICT agrees to pay VEOLIA WATER for services rendered pursuant to this Agreement Amendment the sums set forth and in the manner set forth in this Agreement Amendment and computed as follows:

- .1 VEOLIA WATER shall invoice the DISTRICT monthly an amount equivalent to One-twelfth (1/12) of the Annual Fee for the current year which shall be due and payable with thirty (30) days after the DISTRICT has received an invoice. VEOLIA WATER shall provide an invoice for services rendered and compensation due on or before the thirtieth (30) day of each month and no more than once for each thirty day period.
- .2 The DISTRICT agrees to pay VEOLIA WATER for services rendered pursuant to this agreement Amendment. Payment shall be made within thirty (30) days after receiving an invoice.
- .3 Any monies payable pursuant to Section 6.9 ~~Section 6.9~~ will be paid within sixty (60) calendar days after the end of each Agreement Year Amendment Year.
- .4 All other compensation to VEOLIA WATER is due upon receipt of VEOLIA WATER's invoice and payable within thirty (30) days after presenting an invoice to the DISTRICT.
- .5 The DISTRICT reserves the right to make payment to VEOLIA WATER electronically or by ACH bank transfer (wire) method into an account as designated by VEOLIA WATER and any added costs for said payment method shall be paid or absorbed by each party whose own bank or bank account sending or receiving payment assesses said fee(s).
- .6 Intentionally Left Blank~~Initial Government Payment Delay: Due to a potential delay in the Government initially paying the DISTRICT in the first month of performance only and as a result, potential delays in the DISTRICT paying VEOLIA WATER, , VEOLIA WATER agrees to not suspend work for up to ninety (90) days after the completion of the first month of service~~

~~in the event of such a potential payment delay. No interest shall be due or owing on payments made by 1 October 2005. Thereafter, the normal payment provisions will apply.~~

- .7 Interest on Unpaid Amounts: The DISTRICT shall pay interest at an annual rate equal to the prime rate as shown in the Wall Street Journal, said rate of interest not to exceed any limitation provided by law, on payments not paid and received within thirty (30) calendar days of the due date, such interest being calculated from the due date of the payment. In the event the charges hereunder might exceed any limitation provided by law, such charges shall be reduced to the highest rate or amount within such limitation. This provision does not apply to payments made in accordance with the preceding paragraph.

**8Section Insurance Requirements:**

- .1 Each party shall obtain and maintain insurance coverage of a type and in the amounts described in this section. Each party shall provide the other party with satisfactory proof of insurance.
- .2 Insurance required shall be with companies qualified to do business in the Commonwealth of Kentucky with a general policyholder's financial rating of not less than "A as set forth in the most current edition of "A.M. Best".
- .3 No such policies shall be cancelable or subject to material reduction in coverage limits or other modification except after thirty (30) days prior written notice to the Owner. VEOLIA WATER shall not do nor permit to be done anything which shall invalidate the insurance policies referred to in this section. If any insurance policy referred to in this AgreementAmendment are cancelled or terminated for any reason and are not replaced with an insurance policy of the type and coverage specified herein, the DISTRICT, at its own discretion, may terminate this AgreementAmendment pursuant to Section 3 of this AgreementAmendment.
- .4 VEOLIA WATER will provide at least thirty (30) days' notice of the cancellation of any policy it is required to maintain under this Agreement-Amendment. VEOLIA WATER may self-insure reasonable deductible amounts under the policies it is required to maintain to the extent permitted by law. Each party shall include the other party as an additional insured on the coverages, excluding workers' compensation, employer's liability and professional liability, required to be maintained hereby.
- .5 VEOLIA WATER will be required to provide various type of insurance, and coverage limits as listed in the following table;

Type of Coverage	Coverage	Annual Aggregate	Other Requirements
Commercial General Liability	\$2,000,000 per occurrence	\$4,000,000	Claims which may arise from all operations including completed operations
Business Automobile Liability	\$2,000,000 combined single limit		
Fire Legal Liability	\$500,000 any one fire	\$1,000,000	

Type of Coverage	Coverage	Annual Aggregate	Other Requirements
Workers' Compensation	Statutory		
Employer's Liability Each Accident –	\$1,000,000	NA	Shall be plan acceptable and licensed for use in the Commonwealth of Kentucky
Employer's Liability Disease – Each Employee	\$1,000,000	NA	Shall be plan acceptable and licensed for use in the Commonwealth of Kentucky
Employer's Liability Disease – Policy Limit	\$1,000,000	NA	Shall be plan acceptable and licensed for use in the Commonwealth of Kentucky
Contractor's Pollution Liability	\$5,000,000 Each Claim	\$5,000,000	Shall include errors and omissions coverage

- .1 VEOLIA WATER shall maintain during the term of this ~~Agreement~~ Amendment at least the insurance ~~coverages~~ coverage shown above, and shall require their insurance carrier to submit certificate(s) of insurance to DISTRICT evidencing the maintenance of at least the above insurance coverage. All such insurance coverage and submission of certificate(s) evidencing same shall be maintained throughout the course of the work and Owner shall be noticed in the event of changes to same. All policies shall be written through a company duly authorized by the Commonwealth of Kentucky licensed to transact that class of insurance in the Commonwealth of Kentucky.
- .2 VEOLIA WATER shall maintain Commercial General Liability insurance, insuring VEOLIA WATER's negligence, in an amount not less than \$2,000,000 each occurrence and \$4,000,000 aggregate for bodily injury and/or property damage. The DISTRICT will be included as an additional insured on VEOLIA WATER's Commercial General Liability policy but solely with respects to claims arising out of the negligence of VEOLIA WATER.
- .3 VEOLIA WATER shall maintain Business Automobile Liability insurance, insuring owned, non-owned and hire automobiles in an amount not less than \$2,000,000 combined single limit. The DISTRICT will be included as an additional insured on VEOLIA WATER's Business Automobile Liability policy but solely with respects to claims arising out of the negligence of VEOLIA WATER.
- .4 The DISTRICT agrees to also maintain insurance coverage equivalent to;
  - .1 Statutory workers' compensation for all of the DISTRICT's employees associated with the Project as required by the Commonwealth of Kentucky.
  - .2 Property damage insurance for all property, including vehicles owned by the DISTRICT and operated by VEOLIA WATER under this ~~Agreement~~ Amendment. Any property,

including vehicles, not properly or fully insured shall be the financial responsibility of the DISTRICT.

**210Section**     Indemnity and Liability:

1.5 VEOLIA WATER agrees to indemnify and save the DISTRICT harmless from and against all third party claims, demands, liability, damages, suits, actions or causes of action of every kind and nature, which may be brought or asserted against the DISTRICT to the extent caused by the negligent acts, errors or omissions of VEOLIA WATER or their consultants or sub-contractors in the performance of this AgreementAmendment.

2.6 DISTRICT agrees to indemnify and hold VEOLIA WATER harmless from and against all third party claims, demands, liability, damages, suits, actions or causes of action of every kind and nature which may be brought or asserted against VEOLIA WATER to the extent caused by the negligent acts, errors or omissions of the DISTRICT or its consultants or subcontractors in the performance of this AgreementAmendment.

3.7 Neither party nor their affiliated companies, nor the officers, agents and employees or DISTRICT's of any of the foregoing, shall be liable to the other in any action or claim for consequential or special damages, loss of profits, loss of opportunity, loss of product or loss of use. Any protection against liability for losses or damages afforded any individual or entity by these terms shall apply whether the action in which recovery of damages is sought is based on contract, tort (including sole, concurrent or other negligence and strict liability of any protected individual or entity), and statute or otherwise. To the extent permitted by law, any statutory remedies which are inconsistent with these terms are waived.

4.8 The DISTRICT shall be liable for those fines or civil penalties imposed by any regulatory or enforcement agencies on the DISTRICT and/or VEOLIA WATER that are not a result of VEOLIA WATER's negligence, willful misconduct and or omissions, or are otherwise directly related to the ownership of the Project and shall indemnify and hold VEOLIA WATER harmless from the payment of any such fines and/or penalties.

5.9 To the fullest extent permitted by law and notwithstanding any other provision of this AgreementAmendment, VEOLIA WATER's liability for performance or non-performance of any obligation arising under the AgreementAmendment (whether arising under breach of contract, tort, strict liability, or any other theory of law or equity) including, but not limited to its indemnity obligations specified in Section 9.1 of this AgreementAmendment, shall be limited to a cumulative aggregate over the full initial term and any extended term(s) of this AgreementAmendment of an amount not to exceed \$8,000,000. The above limit does not apply to or include proceeds or recoveries from the insurance policies provided by VIOLA WATER under this agreementAmendment.

6.10 To the fullest extent permitted by law and not withstanding any other provision of this agreementAmendment, DISTRICT's liability for performance or non-performance of any obligation arising under this agreementAmendment (whether arising under breach of contract, tort, strict liability, or any other theory of law or equity) including, but not limited to its indemnity obligations specified in Section 9.1 of this AgreementAmendment, shall be limited to

a accumulative aggregate over the full initial term and any extended term(s) of this ~~Agreement~~Amendment of an amount to exceed \$5,000,000. The above limit does not apply to or include proceeds or recoveries from the insurance policies provided by the DISTRICT under this ~~Agreement~~Amendment.

**11Section** — Annual Performance Bond Provided by VEOLIA WATER;

1 VEOLIA WATER agrees to provide an annual Performance ~~Bond~~Bond or other surety instrument acceptable to the DISTRICT, in an amount equal to the Annual Fee. Evidence of said bond for the second and subsequent years, in form acceptable to the DISTRICT, shall be provided to the DISTRICT no later than the end of the eleventh month of each year. The conditions, specific obligation and use of said bond shall comply with the following;

.11 That VEOLIA WATER shall carry out its duties and obligations under the terms of this ~~Agreement~~Amendment, to the extent that the DISTRICT is not required to obtain a replacement contractor to take the place of VEOLIA WATER, and that VEOLIA WATER does not operate or cause the DISTRICT to be fined, sued or otherwise found in default of their Contract with the Government. Said replacement of VEOLIA WATER can only be after the DISTRICT and VEOLIA WATER have attempted to resolve the dispute in accordance with terms of this ~~Agreement~~Amendment.

.2.12 The DISTRICT may not use the bond in the event that VEOLIA WATER requests to be released from this ~~Agreement~~Amendment, and the DISTRICT agrees to provide said release, and that VEOLIA WATER provides all assistance, cooperation and payment of additional costs or advertising as needed to obtain a replacement contractor who is able to take over and carry out all terms of this ~~Agreement~~Amendment.

.3.13 The bond shall be for the current Contract Year, but may include an automatic extension clause as long as the amount of the ~~bond~~bond equals the Annual Fee.

.4.14 The surety shall appear in the Treasury Department's most current list (Circular 570 as amended) and be authorized to transact business in the Commonwealth of Kentucky.

.5.15 Any fee or premium to purchase required bond shall be paid directly by VEOLIA WATER, however, cost of same may be recovered in the Annual Fee.



# APPENDIX A

## DEFINITIONS

1. "Adequate Nutrients" means plant influent nitrogen, phosphorus and iron contents proportional to BOD5 in the ratio of five (5) parts nitrogen, one (1) part phosphorus, and one-half (0.5) part iron for each one hundred (100) parts BOD5.
2. "Annual Fee" means a predetermined, fixed sum for VEOLIA WATER's services. The Annual Fee includes Cost and profit.
3. "Biologically Toxic Substances" means any substance or combination of substances contained in the plant influent in sufficiently high concentration so as to interfere with the biological processes necessary for the removal of the organic and chemical constituents of the wastewater required to meet the discharge requirements of DISTRICT's Certificate of Approval. Biologically toxic substances include, but are not limited to, hazardous wastes, ~~hazardous~~, hazardous substances, heavy metals, phenols, cyanides, pesticides and herbicides.
4. "Capital Expenditures" means any expenditures for (1) the purchase of new equipment or facility items that cost more than Two Thousand Five Hundred Dollars (\$2,500); or (2) major repairs which significantly extend equipment or facility service life and cost more than Two Thousand Five Hundred Dollars (\$2,500) or (3) expenditures that are planned, non-routine and budgeted by the DISTRICT.
5. "Change in Law" means (a) the enactment, adoption, promulgation, modification or repeal after the Contract Date of any federal, State, or local law, ordinance, code, rule, regulation or other similar legislation or the repeal, modification or change in interpretation after the Contract Date, of any federal, State, or local law, ordinance, code, rule, regulation, official permit, license or approval by any regulatory or judicial entity having jurisdiction with respect to the design, construction, operation, maintenance, or management of the Facility, or (b) the imposition, after the Contract Date, of any material conditions on the issuance, modification or renewal of any official permit, license or approval necessary for the operation and maintenance of the Facility, which, in either case, modifies the Company's obligations of Facility performance or decreases or increases the cost of the Company's operation or maintenance of the Facility.
6. "Commencement Date" or "Performance Start Date" means July 1, 2005.
7. "Contract Date" means the first date written on page 1 of this ~~Agreement~~. Amendment.
8. "Cost" means all Direct Cost and indirect cost determined on an accrual basis in accordance with generally accepted accounting principles.
9. "Direct Cost" means the actual cost incurred for the direct benefit of the Project including, but not limited to, expenditures for project management and labor, employee benefits, chemicals, lab supplies, repairs, repair parts, maintenance parts, safety supplies, gasoline, oil, equipment rental,

legal and professional services, quality assurance, travel, office supplies, other supplies, uniforms, telephone, postage, utilities, tools, memberships and training supplies.

10. "Facility" or "Facilities" means the wastewater and ~~stormwater~~storm water utility systems that are the subject of the prime contract between the DISTRICT and the Government.
11. "Government" means the United States Government.
12. "Maintenance" means those routine and/or repetitive activities required or recommended by the equipment or facility manufacturer or by VEOLIA WATER to maximize the service life of the equipment, sewer, vehicles and facilities.
13. "Maintenance and Repair Limit" means the total Maintenance and Repair expenditures that VEOLIA WATER has included in the Annual Fee. Such expenditures exclude any labor costs for VEOLIA WATER's staff assigned to the Project. VEOLIA WATER's specialized maintenance personnel, not assigned at the Project, who provide such specialized services such as, but not limited to, vibration, thermo graphic and electrical analyses, instrumentation maintenance and repair will be charged to the Maintenance and Repair Limit.
14. "Project" means all equipment, vehicles, grounds, rights of way, sewers and facilities described in APPENDIX B and, where appropriate, the management, operations and maintenance of such.
15. "Repairs" means those non-routine/non-repetitive activities required for operational continuity, safety and performance generally due to failure or to avert a failure of the equipment, sewer, vehicles or facilities or some component thereof.
16. "Unforeseen Circumstances" shall mean any event or condition which has an effect on the rights or obligations of the parties under this AgreementAmendment , or upon the Project, which is beyond the reasonable control of the party relying thereon and either impacts the costs of performing hereunder or constitutes a justification for a delay in or non-performance of action required by this AgreementAmendment , including but not limited to (I) an act of God, landslide, lightning, earthquake, tornado, fire, explosion, flood, failure to possess sufficient property rights, acts of the public enemy, war, blockade, sabotage, insurrection, riot or civil disturbance, (ii) preliminary or final order of any local, province, administrative agency or governmental body of competent jurisdiction, (iii) any change in law, regulation, rule, requirement, interpretation or statute adopted, promulgated, issued or otherwise specifically modified or changed by any local, province or governmental body, (iv) labor disputes, strikes, work slowdowns or work stoppages, but excluding labor disputes, strikes, work slowdowns or work stoppages by employees of VEOLIA WATER; (v) loss of or inability to obtain service from a utility necessary to furnish power for the operation and maintenance of the Project, (vi) for the benefit of the DISTRICT only, delays or additional costs caused by the negligent acts or omissions of VEOLIA WATER or its subcontractors, (vii) for the benefit of VEOLIA WATER only, delays or additional costs caused by the negligent acts or omissions of DISTRICT or its other subcontractors, and (viii) the presence of hazardous wastes or hazardous substances at the Project or in the plant influent that is not caused by the negligence or willful misconduct of VEOLIA WATER.
17. Utility Transfer Agreement shall mean the agreement between the City of Radcliff and the DISTRICT transferring the Radcliff sewer system to the DISTRICT.

# APPENDIX B

## DESCRIPTION OF PROJECT

VEOLIA WATER agrees to provide the services necessary for the management, operation and maintenance of the following:

1. All equipment and facilities now existing within the present property boundaries of or being used to operate the DISTRICT's Wastewater Treatment Plant that services the City of Radcliff as described in Attachment J32 of APPENDIX J. The Wastewater Treatment Plant consists of the following:

- a.1. Preliminary Treatment
2. Three Equalization Basins – Two Lined and One Unlined
- a.3. Two Mechanical Bar Screens
- a.4. Two Vortex Grit Removal System
- a.5. Influent Lift Station
- a.6. Septage Receiving Station
- a.7. Three Two Extended Aeration Oxidation Ditches with four Brush Surface Rotors
- a.8. Three Four Secondary Clarifiers
- h.9. Sludge pumping including six 15 hp return activated sludge pumps and six 5 hp waste activated sludge pumps
- i. Two Ultraviolet Disinfection Chambers Chlorine Contact Basins
- i.10. Two Gravity Sludge thickeners
- i.11. Two Aerobic Digesters and three 150 hp Blowers
- i.12. Sludge Dewatering Facility with one (1) two Belt Press Systems
- i.13. Non potable water system

2. Intentionally Left Blank Sludge Drying Beds and filtrate return pumps are excluded from VEOLIA WATER's scope of services.

3. The Emergency Generator at the plant will be owned and maintained by Nolin RECC.

4. All equipment and facilities now existing within the present property boundaries of pumping stations as described as Attachment J32 in APPENDIX J. Pumping stations consist of the following:

- |  |                             |
|--|-----------------------------|
| a.1. <u>(Jeff and TJ – need list of lifts Sewage Injector, Building 4002 City Hall</u> | 8. <u>Skylark Drive</u>     |
| 2. <u>Conroe Drive</u>   | 9. <u>Woodcreek</u>         |
| 3. <u>Safari Trail</u>   | 10. <u>Apple Wood</u>       |
| 4. <u>Sherwood</u>   | 11. <u>Cypress Drive</u>    |
| 5. <u>Spring Street East</u>   | 12. <u>Redmar Boulevard</u> |
| 6. <u>Watkins</u>  | 13. <u>Doc's</u>            |
| 7. <u>Crocus Drive</u>   | 14. <u>Elm Road</u>         |
|  | 15. <u>Paradise No. 2</u>   |
|  | 16. <u>Byerly Boulevard</u> |

- 17. Church Methodist
- 18. Deerhaven
- 19. Globe
- 20. Kindergarten (Woodland)
- 21. Logan
- 22. Maple Forest Dry Pits in Buildings;  
4208, 5540 and 7873
- 23. Marvin's
- 24. Master Street
- 25. Red Hawk Drive
- 26. Wendover Court
- 27. Classic Cars
- 28. Swope's
- 29. Audobon
- 30. Drug Store
- 31. Hensley's
- 32. Indiana Trail
- 33. Paradise No. 1
- 34. A. Arnold and Son

- 35. Emmaus Circle
- 36. Hillcrest
- 37. Industrial Park
- 38. John Hardin
- 39. Peyton Place
- 40. Cement
- 41. North Logsdon
- 42. Stovall
- 43. Battle Training Road
- 44. Oadk Drive (Hearde)
- 45. Highway 313
- 46. Boone Trace
- 47. Brown Street
- 48. Seminole
- 49. Christopher Court
- 50. Quiggins
- 51. Greenview Lane
- 2-52. Lincoln Trail

e. Submersibles in Buildings; 2389A, 2389B, 4015, 6151, 4767, 4990, 6035, 7233, 7238, 7241, 9384, 9101A, 9387, 5543 ad 9101B

d. Generators in Buildings; 4002, 4015, 4208, 5540, 6151, 7873 and 4767

5. All equipment, grounds and facilities now existing within the present easement for the sewer lines lines described in Attachment J32 of APPENDIX J. Sewer lines consists of the following:

Diameter	Lineal Feet
<del>2-inch</del> <u>2 inch</u>	<del>3,000</del> <u>783</u>
<del>4-6 inch</del>	<del>763-16,300</del>
<del>6-8 inch</del>	<del>42,568-263,500</del>
<del>8-10 inch</del>	<del>3,224-14,000</del>
<del>10-12 inch</del>	<del>9-52,200</del>
<del>12-inch</del> <u>Unknown</u>	<del>586,039-54,300</del>
<del>15-inch</del>	<del>43,000</del>
<del>18-inch</del>	<del>28,100</del>
<del>20-inch</del>	<del>4,600</del>
<del>21-inch</del>	<del>3,000</del>
<del>24-inch</del>	<del>17,700</del>
<del>30-inch</del>	<del>15,600</del>
<del>36-inch</del>	<del>7,070</del>

Manholes = 2,485 as of 4/10/061,745

1. All equipment and facilities now existing within the present easement for the storm water lines as described in Attachment J32 of APPENDIX J. Stormwater lines consist of the following:

Diameter	Lineal Feet
2 inch	1,904
4 inch	1,711
5 inch	1,247
6 inch	18,862
8 inch	35,209
10 inch	8,353
12 inch	97,424
14 inch	49
15 inch	40,788
16 inch	883
18 inch	51,289
20 Inch	186
21 inch	10,560
22 inch	51
24 inch	43,367
27 inch	2,194
28 inch	477
30 inch	20,565
34 inch	756
35 inch	234
36 inch	10,808
42 inch	3,632
48 inch	2,527
54 inch	832
60 inch	2,872

Diameter	Lineal Feet
72 inch	6,372
Unknown Diam	10,057
Concrete Ditch	33,721
TOTAL	409,930

## APPENDIX C

### NPDES PERMIT AND PROJECT CHARACTERISTICS WASTEWATER TREATMENT

1. VEOLIA WATER will operate so that effluent will meet the requirement of NPDES permit No. KY ~~00223900002917~~ Outfall 001 (issued on ~~October 8, 2004~~ March 1, 2003 and revised in April 2005 to include the District as a co-permittee) a full and complete copy of which is adopted by reference herein as of the date hereof. VEOLIA WATER shall be responsible for meeting the effluent quality requirements of the Permit unless one or more of the following occurs:
  - a. The Project influent does not contain Adequate Nutrients to support operation of Project biological processes and/or contains Biologically Toxic Substances which cannot be removed by the existing process and facilities,
  - b. Dischargers into the DISTRICT's sewer system violate any or all regulations as stated in the DISTRICT's Industrial Water and Sewer Permit or as required by law,
  - c. The flow or influent BOD5 and/or suspended solids exceeds the Project design parameters which are 46 million gallons of flow per day, ~~3,471~~ pounds of BOD5 per day, ~~4.6~~
  - d. If the Project is inoperable or can operate only at a reduced capacity on account of construction activities, fire, flood, adverse weather conditions, labor disputes or other causes beyond VEOLIA WATER's control.
  - e. In the event any one of the Project influent characteristics, suspended solids, BOD5 or flow, exceeds the design parameters stated above, VEOLIA WATER shall return the plant effluent to the characteristics required by NPDES in accordance with the following schedule after Project influent characteristics return to within design parameters;

Characteristics Exceeding	Recovery Period
<u>Design Parameters By</u>	<u>Maximum</u>
10% or Less	5 days
Above 10% Less than 20%	10 days
20% and Above	30 days
  - f. Notwithstanding the above schedule, if the failure to meet effluent quality limitations is caused by the presence of Biologically Toxic Substances or the lack of Adequate Nutrients in the influent, then VEOLIA WATER will have a thirty (30) day recovery period after the influent is free from said substances or contains Adequate Nutrients.
2. VEOLIA WATER shall not be responsible for fines or legal action as a result of discharge violations within the period and any subsequent recovery period that (1) influent exceeds design parameters; or (2) does not contain Adequate Nutrients; or (3) contains Biologically Toxic Substances; or (4) is inoperable unless rendered inoperable due to the negligence or willful misconduct or omissions of VEOLIA WATER.

## APPENDIX D

### INDUSTRIAL WASTE DISCHARGERS AND MONITORING PROGRAM

~~Adopted as a part of this Agreement is the current Government's Industrial Waste Discharge and Monitoring Program as written by Weston Solutions for the current permit. Said program and all permits heretofore issued by the DISTRICT of Industrial Waste Dischargers are adopted herein by reference, as of the date hereof.~~

There is currently no Industrial Waste Discharges and Monitoring Program other than normal inspection provided for in the Wastewater Ordinance adopted by the DISTRICT in whole from the City of Radcliff Utility Transfer Document.

## APPENDIX E

### ANNUAL FEE ADJUSTMENT FORMULA

1. Any increase in the Annual Fee shall be negotiated each year after the first seventeen months~~rst three years~~ at least four (4) months prior to the anniversary of this Agreement's Amendment's~~Agreement's~~ Commencement Date. Should the DISTRICT and VEOLIA WATER fail to agree, the Annual Fee will be determined by the application of the formula set forth below. The Maintenance and Repair Limit shall increase or decrease by a percentage equal to the change in the Annual Fee. VEOLIA WATER's cost for providing Health Care benefits coverage (Health, Dental Vision and Accidental Death and Dismemberment) for its Project employees will be based on documented budgetary increases plus overhead and profit of 15%.

a. Formula =  $AAF = [(AFo \text{ minus } Ho) \text{ times } \frac{C}{Co} \text{ divided by } Co]$  plus (H times 1.15)

where;

AFo = Annual Fee specified in the Section entitled "Fees and Compensation" before any annual modification.

AAF = Adjusted Annual Fee.

Co = Consumer Price Index for All Urban Consumers (U.S. City Average) as published by the U.S. Department of Labor, Bureau of Labor Statistics in the CPI Detailed Report for the month three (3) months prior to VEOLIA WATER beginning service under this Agreement's Amendment.

C = Consumer Price Index for All Urban Consumers (U.S. City Average) as published by the U.S. Department of Labor, Bureau of Labor Statistics in the CPI Detailed Report for the month three (3) months prior to the beginning of the period for which an adjusted base fee is being calculated.

Ho = VEOLIA WATER's budgetary health care costs for providing its Project employees medical, dental, vision and accidental death and dismemberment benefits coverage in the amount of \$148,086 included in the Annual Fee specified in the Section entitled "Fees and Compensation" before any annual modification.

H = VEOLIA WATER's documented budgetary health care costs for its Project employees medical, dental, vision and accidental death and dismemberment benefits coverage three (3) months prior to the beginning of the period for which an adjusted base fee is being calculated, however, in no event shall H be less than Ho.

## APPENDIX F

### SCHEDULE OF AMORTIZED EXPENDITURES

1. The parties mutually agree that for all purposes, the beginning principal shall be \$ ~~476,346~~ which represents \$ ~~166,184~~ of start up costs, \$ ~~127,314~~ of equipment and \$ 75,000 ~~182,848~~ of development costs. The interest rate applied shall be calculated at the same rate as provided for in the ~~Agreement for~~ Amendment for approved, ~~approved~~ and late payments to VEOLIA WATER.

Beginning of Year No.	Balance
1	\$476,346
2	\$452,529
3	\$428,711
4	\$404,894
5	\$381,077
6	\$357,260
7	\$333,442
8	\$309,625
9	\$285,808
10	\$261,990
11	\$238,173
12	\$214,356
13	\$190,538
14	\$166,721
15	\$142,904
16	\$119,087
17	\$95,269
18	\$71,452
19	\$47,635
20	\$23,817



~~APPENDIX G~~

~~CONTRACT CLAUSES~~

~~This Subcontract is subject to certain clauses contained in Section C and Section H of the Contract between the DISTRICT and the Government, in effect as of the date of the execution of the Contract, which are incorporated herein in full text.~~

~~To the extent of operations, maintenance and management of the wastewater and stormwater utility systems and the planning assistance and coordination of renewals, repairs, replacements, metering, upgrades and permitting, VEOLIA WATER assumes towards the DISTRICT the same duties, obligations and responsibilities as DISTRICT has assumed towards the Government.~~

~~The DISTRICT shall remain responsible for all aspects of ownership of the wastewater and stormwater utility systems and for the renewals, replacements, repairs, metering, upgrades and permitting associated therewith.~~

~~Clauses from Section C and Section H of Contract which VEOLIA WATER assumes the same obligation and responsibilities are;~~

- ~~1. C.2.3 Utility Service Providers: Services provided shall comply with all applicable federal, state, and local laws and regulations, as they may be amended from time to time, including those requirements relating to health, safety and the environment. DISTRICT shall modify its service practice as necessary to accomplish such compliance.~~

~~If a change in the service requirement necessitated by such compliance constitutes reasonable cause for an adjustment to the service charge, the charge will be adjusted in accordance with FAR 52.243-1 Alt 1, Changes - Fixed Price or FAR 52.241-7 Changes in Rates or Terms and Conditions of Service for Regulated Services as applicable.~~

- ~~2. C.3.1 Utility Service Requirement: This contract does not include the purchase of commodities. DISTRICT shall obtain and maintain current any and all licenses, permits, or certifications necessary to own, maintain, and operate its utility system(s). Access to its utility systems will be as specified in paragraph C.6, Access to the Utility System.~~

- ~~3. C.3.2 Performance Standards: Unless otherwise provided for in this contract, DISTRICT shall perform its required service(s) in accordance with industry standard construction, operations, maintenance, management, environmental, safety and other relevant standards, that apply to similarly situated utility service customers whose service characteristics are comparable to the service characteristics of the Installation.~~

~~DISTRICT shall comply with all applicable Federal, state and local laws/regulations and installation specific requirements, as defined in the utility specific attachments (Section J), in performing its duties under the contract(s). DISTRICT shall identify and incorporate standards and specifications not established by this statement of work in the Operations and Maintenance Plan, Section C.12, Operations and Maintenance. DISTRICT shall modify its service practices as~~

applicable when applicable Federal, state, or local laws/regulations are changed or new ones are enacted.

4. ~~C.3.3 Metering:~~ DISTRICT shall be responsible for reading, maintaining, and calibrating all meters on the utility system(s), including those additional meters identified in the utility-specific attachments (Section J42) to be installed by DISTRICT. Those additional meters shall be installed within the transition period defined in paragraph C.13, Operational Transition Plan. The Government will identify in Section J42 any meters on the systems that DISTRICT will not be required to read, maintain and calibrate.

All costs for providing, installing, reading, reporting, and maintaining the meters shall be the responsibility of DISTRICT. Calibration of meters shall be in accordance with the manufacturer's recommendations and any applicable regulations that govern meter calibration. Readings from each meter will be provided to the Government on a monthly basis. Meter reading reports shall be submitted to the recipient identified in the utility-specific attachments (Section J42 of Contract).

5. ~~C.3.3.1 Future Meters:~~ DISTRICT shall provide, install, read, maintain, and calibrate meters requested by the Government for any purpose throughout the contract period. Installation of and responsibility for future meters (not on the systems at the time of conveyance or identified for installation as part of the service contract) may constitute reasonable cause for a service charge adjustment. Any service charge adjustment as a result of these actions will be in accordance with FAR 52.243-1 Alt I, Changes - Fixed Price.

6. ~~C.3.4 Energy and Water Efficiency and Conservation:~~ DISTRICT shall strive to provide energy and water efficient systems. The Government has an established program for conducting and implementing energy and water saving and conservation projects to reduce utility usage and costs. Some of these have resulted in the Government entering into long-term financing arrangements with non-government entities. The utility-specific attachments (Section J42) identify any such energy and water savings projects that are currently in place for the specific utility system.

DISTRICT agrees to use its best efforts to ensure that DISTRICT's actions will not negatively impact these projects. Additionally, the Government reserves the right to enter into any future energy and water savings projects with the goal of reducing Government costs. DISTRICT will facilitate the implementation of any such future energy and water savings projects.

Government will provide natural gas, electricity and water required to operate wastewater system and Contractor is encouraged to propose projects to the Government that will increase the overall efficiency of the utility system. These three commodities (natural gas, electricity, water) will be metered to determine usage and any savings realized by efficiency measures implemented by DISTRICT. Efficiency projects shall be proposed to the Government in accordance with paragraph C.11, Upgrades and Renewals and Replacements. The Government may consider cost-savings sharing and incentives either through service charge adjustments or lump-sum payments. Service charge adjustments resulting from future efficiency projects will be handled in accordance with paragraph G.3, Service Charge Adjustment.

7. ~~C.4 Service Area:~~ The service area is defined as all areas within the Government installation boundaries and any other facilities and property boundaries under the control of the Installation as defined in the utility-specific attachments (Section J42). Within the service area and upon the Government's request, DISTRICT shall provide utility service to all existing and new customers and service connections. At any time, the Administrative Contracting Officer may designate any location within the service area where utility service under this contract shall commence or be discontinued, subject to the requirements of the Easement. Any service charge adjustment as a result of these actions will be in accordance with FAR 52.243-1 Alt I, Changes - Fixed Price or FAR 52.241-7 Changes in Rates or Terms and Conditions of Service for Regulated Services whichever may be applicable.

8. ~~C.4.1 Temporary Connections:~~ DISTRICT shall extend temporary service to the Government or other contractors performing construction projects or other work on the Installation when requested by the Administrative Contracting Officer. The Administrative Contracting Officer will identify the party responsible for reimbursing DISTRICT for temporary connections or utility usage. The Administrative Contracting Officer shall be provided the following information regarding any temporary service connections:

- a. ~~Name of Contractor/customer~~
- a. ~~Expected duration of the connection~~
- a. ~~Description of the connection, including route and type of material~~

9. ~~C.4.3 Joint Use and C.4.3.1 Government Use:~~ The Government may have property and equipment installed on or attached to poles, conduits, pipes, ductbanks, towers, buildings and other portions of the utility systems to be transferred. The Government reserves the right to continue to use the property to be transferred for this purpose, to enter on the transferred property to maintain, repair, operate, upgrade and replace its property and equipment, and to install new property and equipment, all at no cost to itself.

10. ~~C.4.3.2 Commercial Use:~~ DISTRICT shall enter into joint use agreements with the installation's telephone company, cable television company, and other service providers in accordance with applicable law and regulation. DISTRICT shall permit joint use by other commercial service providers at no cost until the Government's current agreements with such providers expire.

11. ~~C.5.1.4 Contractor Facilities:~~ Unless otherwise provided for in this contract, DISTRICT will be permitted to locate offices, maintenance shops, and materials storage/staging areas on post, on property provided by the Government. DISTRICT, at its expense, shall acquire, furnish, install, and operate and maintain all these facilities if required to provide the utility service(s) hereunder. DISTRICT shall have title to all facilities it builds and equipment it installs under this contract, except as otherwise specifically provided.

DISTRICT will be responsible for acquiring all utilities, janitorial services, building maintenance, and ground maintenance for these facilities. The Government may, if its capabilities permit, consent to provide certain of these services to DISTRICT on a reimbursable basis.

~~12. C.5.2 Employees: DISTRICT shall not employ any person for work on this contract if such person is identified to DISTRICT as a potential threat to the health, safety, security, general well being, or operational mission of the Installation or population.~~

~~Where reading, understanding and discussing environmental, health and safety warnings are an integral part of a contract employee's duties, that employee shall be able to understand, read, write, and speak the English language. All employees that interface with customers shall be able to speak and understand the English language.~~

~~13. C.5.2.1 Personnel Appearance and Identification: DISTRICT's personnel shall present a neat appearance and be readily recognized as Contractor employees. If required by the Installation, DISTRICT shall ensure each employee obtains from Security Forces an identification card that shall include at a minimum the employee's name, photograph, and Contractor's name. Each Contractor employee shall follow established Installation procedures for displaying their identification card while within the boundaries of the Installation.~~

~~14. C.5.2.2 Employee Certification: DISTRICT shall ensure that employees meet all applicable federal, state, and local certification, licensing, and health and safety requirements to perform all assigned tasks and functions as defined in this contract.~~

~~15. C.5.2.3 National Agency Check: DISTRICT shall provide sufficient information to obtain complete and favorable National Agency Check (NAC) investigations for its employees for unescorted entrance into restricted areas on base. Normal access to the installation shall be in accordance with paragraph C.6, Access to the Utility System. DISTRICT shall justify to the Installation Security Forces requests for NAC on Contractor employees requiring unescorted entry into restricted areas. Final approval for unescorted entry into restricted areas rests with the Installation Commander.~~

~~16. C.5.2.4 Controlled Access Areas: DISTRICT shall apply for personnel security clearances required for performance after the contract is awarded. Personnel requiring access to secured areas or restricted areas under the control of the Installation shall comply with applicable regulations~~

~~17. C.5.2.5 Listing of Employees and Subcontractors: DISTRICT shall maintain a current list of employees, subcontractors, and employees of subcontractors. The list will include employee names, social security numbers, and security clearance levels. This list shall be validated by DISTRICT's security manager and provided to the Administrative Contracting Officer and Contracting Officer's Representative at the contract start date. DISTRICT shall provide updated lists upon change of employees and subcontractors.~~

~~18. C.5.3 Contractor Vehicles: All of DISTRICT's vehicles shall be readily identifiable. Identification shall include displaying DISTRICT's name in a clear and unobstructed location on the vehicle. DISTRICT may register vehicles with Installation Provost Marshall Office, building 204, and obtain post vehicle stickers good for one year. The stickers will be renewable at the end of each year.~~

~~19. C.5.4 Contractor Radios: Prior to operating two-way, portable, or landmobile devices on the installation, DISTRICT shall obtain approval of the Installation Communication Group by~~

requesting an available clear frequency. DISTRICT shall follow all installation procedures for operating radios on the installation IAW DFARS 252.235-7003, Frequency Authorization. DISTRICT shall furnish their own radio equipment.

20. ~~C.7 Response to Service Interruptions and Contingencies:~~ DISTRICT shall employ sound utility practices to ensure continuous, dependable, and reliable utility service is provided to the Installation 24 hours each day and to minimize the scope and length of any service disruption. DISTRICT shall ensure it is able to receive the Installation's Service Requests 24 hours a day, every day. Once a request is received, DISTRICT shall respond in accordance with their Service Interruption/Contingency Plan. DISTRICT shall establish and adhere to standards for responding to service requests and service interruptions. The standards shall distinguish between different categories (routine, emergency) of service requests and service interruptions and, identify response times for each category. In the event that installation specific minimum standards and/or response times are established in Section J, DISTRICT shall meet or exceed said standards. DISTRICT shall incorporate the Standards and operational plans for meeting the standards in a Service Interruption/Contingency Plan. The Service Interruption/Contingency Plan will be incorporated in the contract at time of award.

In the event the Installation has an Emergency Restoration Plan that prioritizes service restoration, DISTRICT shall adhere to the priority list established by the plan.

21. ~~C.8 Repair Response Notification Procedures:~~ DISTRICT shall provide to the Government clearly defined procedures by which installation personnel can submit service requests to DISTRICT. The Government will be responsible for disseminating such procedures within the Installation. DISTRICT shall provide to the Administrative Contracting Officer the name of the local Project Manager or other responsible person and an alternate with after hours contacts' telephone numbers.

22. ~~C.9 Coordination of Work:~~

- a. ~~C.9.1 Routine Work:~~ Routine work, such as the scheduled repair, replacement, or removal of system components that require service interruption, shall be coordinated with the Contracting Officer's Representative at least 2 weeks prior to commencing work unless mutually agreed to otherwise to ensure minimal impact to the mission and operations. DISTRICT and Government shall each provide a single point of contact for coordination.
- b. ~~C.9.2 Service Requests:~~ DISTRICT shall record all service request calls, documenting the time of the call, time of service response, cause of request, and action taken (including time and date completed). Such records shall be retained for 2 years and may be reviewed by the Administrative Contracting Officer upon reasonable request and with reasonable notice. If the request affects building operations, DISTRICT shall coordinate all work with the person responsible for the building or facility. The Government will provide DISTRICT with a list of Government representatives and the buildings or facilities for which they are responsible. Emergency service requests submitted to DISTRICT, or emergencies identified by DISTRICT, shall be reported immediately to the Contracting Officer's Representative.

**JANUARY 2008  
RADCLIFF SEWER SYSTEM FINANCIAL PROJECTION  
REVISED PROJECTION - WITH COMMENTS ON CHANGES**

Assumed starting 3/08 but estimate for the whole year.

Revenue is based on four month actual from City FY 07/08

Based on 2007/08 YTD Budget - New taps in 07 were 144,

Hardin County Water  
Wastewater - Enterprise Fund

**ASSUMPTIONS INCLUDED**  
Veolia Annual Inflation Escalator 3.5%  
Hardin Co. Annual Inflation Escalator 3.5%

Higher growth based on BRAC activities moving peo Inspection fees primarily on grease

12.5% rate reduction

Fee will stop use of City cleaning later

Assume 15% Rate Increase

	Year 1 0 0 6500	Year 2 1.5% 128 8628	Year 3 3.0% 259 8686	Year 4 3.0% 267 9153	Year 5 3.0% 275 9428	Year 6 15.0% 1414 10842	Year 7 1.5% 163 11004
Year Ended	31-Dec-08	31-Dec-09	31-Dec-10	31-Dec-11	30-Dec-12	30-Dec-13	30-Dec-14
<b>Operating Revenue:</b>							
Charges For Services	\$ 3,600,000	\$ 3,150,000	\$ 3,244,500	\$ 3,341,835	\$ 3,442,090	\$ 3,958,404	\$ 4,017,780
Franchise Fee	\$ 108,000	\$ 94,500	\$ 97,335	\$ 100,255	\$ 103,263	\$ 118,752	\$ 120,533
Taxes	\$ 38,724	\$ 39,305	\$ 40,681	\$ 42,104	\$ 43,578	\$ 45,103	\$ 46,682
Tap Development (Raised Fee \$50)	\$ 17,850	\$ 25,883	\$ 53,318	\$ 54,917	\$ 56,565	\$ 325,249	\$ 33,013
Customer Service Charges	\$ 7,500	\$ 15,000	\$ 10,000	\$ 5,000	\$ 2,500	\$ 2,500	\$ 2,500
IPP	\$ 8,250	\$ 16,500	\$ 16,995	\$ 17,505	\$ 18,030	\$ 20,734	\$ 21,046
Planning and Mgt Fees of Ft Knox	\$ 30,800	\$ 30,450	\$ 31,364	\$ 32,304	\$ 33,274	\$ 38,265	\$ 38,839
Other Revenue - Interest, late fees and other	\$ 163,224	\$ 50,000	\$ 51,500	\$ 53,045	\$ 54,636	\$ 62,832	\$ 63,774
<b>Total Operating Revenues</b>	<b>\$ 3,973,548</b>	<b>\$ 3,421,637</b>	<b>\$ 3,545,692</b>	<b>\$ 3,646,966</b>	<b>\$ 3,753,936</b>	<b>\$ 4,571,839</b>	<b>\$ 4,344,166</b>
<b>Operating Expenses:</b>							
<b>District</b>							
Personnel - Construction Mgr/Finance	\$ 30,000	\$ 110,000	\$ 113,850	\$ 117,835	\$ 121,959	\$ 126,228	\$ 130,645
Franchise Fee	\$ 108,000	\$ 94,500	\$ 97,335	\$ 100,255	\$ 103,263	\$ 118,752	\$ 120,533
Taxes	\$ 38,724	\$ 39,305	\$ 40,681	\$ 42,104	\$ 43,578	\$ 45,103	\$ 46,682
Lawyer	\$ 3,000	\$ 3,105	\$ 3,214	\$ 3,328	\$ 3,443	\$ 3,563	\$ 3,688
Insurance	\$ 22,000	\$ 22,770	\$ 23,567	\$ 24,392	\$ 25,246	\$ 26,129	\$ 27,044
Accounting	\$ 5,000	\$ 5,175	\$ 5,356	\$ 5,544	\$ 5,738	\$ 5,938	\$ 6,146
Reg Assessment Fee	\$ 8,500	\$ 6,728	\$ 6,963	\$ 7,207	\$ 7,459	\$ 7,720	\$ 7,990
Billing Costs	\$ 193,500	\$ 200,273	\$ 207,282	\$ 214,537	\$ 222,046	\$ 229,817	\$ 237,861
<b>Total District Expenses</b>	<b>\$ 406,724</b>	<b>\$ 481,855</b>	<b>\$ 498,247</b>	<b>\$ 515,199</b>	<b>\$ 532,730</b>	<b>\$ 563,251</b>	<b>\$ 580,589</b>
<b>Veolia Operations</b>							
Operations & Maintenance	\$ 1,650,000	\$ 1,707,750	\$ 1,767,521	\$ 1,829,384	\$ 1,893,413	\$ 1,959,682	\$ 2,028,271
Repair & Maintenance	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 230,000	\$ 230,000
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total Veolia Expenses</b>	<b>\$ 1,850,000</b>	<b>\$ 1,907,750</b>	<b>\$ 1,967,521</b>	<b>\$ 2,029,384</b>	<b>\$ 2,093,413</b>	<b>\$ 2,189,682</b>	<b>\$ 2,258,271</b>
KIA 2001-A (p+i) (actually KLC pool)	\$ 147,870	\$ 142,164	\$ 150,964	\$ 163,831			
KIA Loan A97-03 R&M Reserve Fund	\$ 30,100	\$ 30,100	\$ 30,100	\$ 30,100	\$ 30,100		
KIA Loan A97-03 (p+i)	\$ 352,708	\$ 352,268	\$ 351,811	\$ 351,335	\$ 350,842	\$ 350,330	\$ 349,798
Darville Bonds (p+i)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total Debt</b>	<b>\$ 530,678</b>	<b>\$ 524,532</b>	<b>\$ 532,875</b>	<b>\$ 545,266</b>	<b>\$ 380,942</b>	<b>\$ 350,330</b>	<b>\$ 349,798</b>
Fleet Replacement	\$ 75,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 100,000	\$ 70,000	\$ 70,000
Plant Replacement	\$ 50,000	\$ 50,000	\$ 75,000	\$ 75,000	\$ 100,000	\$ 300,000	\$ 200,000
Lift Station Replacement	\$ 675,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 250,000	\$ 350,000	\$ 350,000
Line Replacement	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 250,000	\$ 700,000	\$ 500,000
Transition Cost - Legal, Start Up	\$ 175,000						
Engineering Design/Inspection							
Misc Planning & Studies							
<b>Replacement Subtotal</b>	<b>\$ 1,175,000</b>	<b>\$ 500,000</b>	<b>\$ 525,000</b>	<b>\$ 525,000</b>	<b>\$ 700,000</b>	<b>\$ 1,420,000</b>	<b>\$ 1,120,000</b>
<b>Total</b>	<b>\$ 11,146</b>	<b>\$ 7,501</b>	<b>\$ 22,048</b>	<b>\$ 32,116</b>	<b>\$ 46,851</b>	<b>\$ 48,575</b>	<b>\$ 35,507</b>

We included the cost of billing that is already being paid.

Veolia expenses include labor, benefits, lab, electric, gas, maintenance, fuel,

A July 07 or later start would not have this expense.

R&M is fixed until PSC approved rate changes.

253 In 06, 256 in 05.

ple to Radcliff area.

al lines.

	Year 8 1.5% 165 11169 30-Dec-15	Year 9 1.5% 168 11337 29-Dec-16	Year 10 1.5% 170 11507 29-Dec-17	Year 11 15.0% 1725 13233 29-Dec-18
\$	4,078,046	\$ 4,139,217	\$ 4,201,305	\$ 4,831,501
\$	122,341	\$ 124,177	\$ 126,039	\$ 144,945
\$	48,316	\$ 50,007	\$ 51,757	\$ 53,568
\$	33,508	\$ 34,011	\$ 34,521	\$ 396,988
\$	2,500	\$ 2,500	\$ 2,500	\$ 2,500
\$	21,361	\$ 21,682	\$ 22,007	\$ 25,308
\$	39,421	\$ 40,012	\$ 40,613	\$ 46,705
\$	64,731	\$ 65,702	\$ 66,667	\$ 76,690
\$	<b>4,410,225</b>	\$ <b>4,477,307</b>	\$ <b>4,545,429</b>	\$ <b>5,578,206</b>
\$	135,218	\$ 139,951	\$ 144,849	\$ 149,919
\$	122,341	\$ 124,177	\$ 126,039	\$ 144,945
\$	48,316	\$ 50,007	\$ 51,757	\$ 53,568
\$	3,817	\$ 3,950	\$ 4,089	\$ 4,232
\$	27,990	\$ 28,970	\$ 29,984	\$ 31,033
\$	6,361	\$ 6,584	\$ 6,814	\$ 7,053
\$	8,270	\$ 8,559	\$ 8,859	\$ 9,169
\$	246,166	\$ 254,803	\$ 263,721	\$ 272,951
\$	<b>598,499</b>	\$ <b>617,000</b>	\$ <b>636,112</b>	\$ <b>672,870</b>
\$	2,099,261	\$ 2,172,735	\$ 2,248,781	\$ 2,327,488
\$	230,000	\$ 230,000	\$ 238,050	\$ 273,758
\$	-	\$ -	\$ -	\$ -
\$	<b>2,329,261</b>	\$ <b>2,402,735</b>	\$ <b>2,486,831</b>	\$ <b>2,601,246</b>
\$	349,246	\$ 348,672	\$ 348,077	\$ 347,459
\$	349,246	\$ 348,672	\$ 348,077	\$ 347,459
\$	50,000	\$ 50,000	\$ 50,000	\$ 50,000
\$	200,000	\$ 200,000	\$ 200,000	\$ 400,000
\$	35,000	\$ 300,000	\$ 300,000	\$ 400,000
\$	500,000	\$ 500,000	\$ 500,000	\$ 500,000
\$	785,000	\$ 1,050,000	\$ 1,050,000	\$ 1,350,000
\$	348,218	\$ 58,900	\$ 24,410	\$ 606,631

sludge and chemicals.

**JANUARY 2008  
RADCLIFF SEWER SYSTEM FINANCIAL PROJECTION  
REVISED PROJECTION - WITH COMMENTS ON CHANGES**

Assumed starting 3/08 but estimate for the whole year.

Revenue is based on four month actual from City FY 07/08

ASSUMPTIONS INCLUDED  
 Veolia Annual Inflation Escalator 3.5%  
 Hardin Co. Annual Inflation Escalator 3.5%

Based on 2007/08 YTD Budget - New taps in 07 were 144, 253 in 08, 256 in 09.  
 Higher growth based on BRAC activities moving people to Radcliff area.  
 Inspection fees primarily on grease

12.5% rate reduction

Fee will stop use of City cleaning lateral lines.  
 Assume 15% Rate Increase

Year Ended	Year 1 0 31-Dec-08	Year 2 1 31-Dec-09	Year 3 2 31-Dec-10	Year 4 3 31-Dec-11	Year 5 4 30-Dec-12	Year 6 5 30-Dec-13	Year 7 6 30-Dec-14	Year 8 7 30-Dec-15	Year 9 8 29-Dec-16	Year 10 9 29-Dec-17
Annual Growth	0	1.5%	3.0%	3.0%	3.0%	15.0%	1.5%	1.5%	1.5%	1.5%
Customers	8900	8628	8856	9153	9428	10842	11004	11169	11337	11507
Operating Revenue:	\$ 3,600,000	\$ 3,650,000	\$ 3,744,500	\$ 3,841,835	\$ 3,942,090	\$ 3,958,404	\$ 4,017,780	\$ 4,078,046	\$ 4,139,217	\$ 4,201,305
Charges For Services	\$ 108,000	\$ 94,500	\$ 97,335	\$ 100,255	\$ 103,263	\$ 118,752	\$ 120,533	\$ 122,341	\$ 124,177	\$ 126,039
Franchise Fee	\$ 38,724	\$ 39,305	\$ 40,681	\$ 42,104	\$ 43,578	\$ 45,103	\$ 46,682	\$ 48,316	\$ 50,007	\$ 51,757
Taxes	\$ 17,850	\$ 25,883	\$ 53,318	\$ 54,917	\$ 56,565	\$ 325,249	\$ 33,013	\$ 33,508	\$ 34,011	\$ 34,521
Tap Development (Raised Fee \$50)	\$ 7,500	\$ 15,000	\$ 10,000	\$ 5,000	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500
Customer Service Charges	\$ 8,250	\$ 18,500	\$ 16,995	\$ 17,505	\$ 18,030	\$ 20,734	\$ 21,948	\$ 23,161	\$ 24,374	\$ 25,587
IPP	\$ 30,000	\$ 30,450	\$ 31,364	\$ 32,304	\$ 33,274	\$ 38,265	\$ 38,839	\$ 39,421	\$ 40,012	\$ 40,613
Planning and Mat Fees of Ft Knox	\$ 163,294	\$ 50,000	\$ 51,500	\$ 53,045	\$ 54,636	\$ 62,632	\$ 63,774	\$ 64,731	\$ 65,702	\$ 66,687
Other Revenue - Interest, late fees and other										
<b>Total Operating Revenues</b>	<b>\$ 3,873,544</b>	<b>\$ 3,821,837</b>	<b>\$ 3,846,892</b>	<b>\$ 3,846,966</b>	<b>\$ 3,753,936</b>	<b>\$ 4,571,838</b>	<b>\$ 4,344,166</b>	<b>\$ 4,419,225</b>	<b>\$ 4,477,207</b>	<b>\$ 4,548,428</b>
Operating Expenses:										
District	\$ 30,000	\$ 110,000	\$ 113,850	\$ 117,835	\$ 121,959	\$ 126,228	\$ 130,645	\$ 135,218	\$ 139,951	\$ 144,849
Personnel - Construction Mat/Finance	\$ 108,000	\$ 94,500	\$ 97,335	\$ 100,255	\$ 103,263	\$ 118,752	\$ 120,533	\$ 122,341	\$ 124,177	\$ 126,039
Franchise Fee	\$ 38,724	\$ 39,305	\$ 40,681	\$ 42,104	\$ 43,578	\$ 45,103	\$ 46,682	\$ 48,316	\$ 50,007	\$ 51,757
Taxes	\$ 3,000	\$ 3,105	\$ 3,214	\$ 3,326	\$ 3,443	\$ 3,563	\$ 3,688	\$ 3,817	\$ 3,950	\$ 4,089
Lawyer	\$ 22,000	\$ 22,770	\$ 23,567	\$ 24,382	\$ 25,246	\$ 26,129	\$ 27,044	\$ 27,990	\$ 28,970	\$ 29,984
Insurance	\$ 5,000	\$ 5,175	\$ 5,356	\$ 5,544	\$ 5,738	\$ 5,938	\$ 6,146	\$ 6,361	\$ 6,584	\$ 6,814
Accounting	\$ 6,500	\$ 6,728	\$ 6,963	\$ 7,207	\$ 7,459	\$ 7,720	\$ 7,990	\$ 8,270	\$ 8,559	\$ 8,859
Risk Assessment Fee	\$ 193,500	\$ 200,273	\$ 207,282	\$ 214,537	\$ 222,046	\$ 229,817	\$ 237,861	\$ 246,186	\$ 254,803	\$ 263,721
Billing Costs										
<b>Total District Expenses</b>	<b>\$ 488,724</b>	<b>\$ 481,855</b>	<b>\$ 498,247</b>	<b>\$ 515,199</b>	<b>\$ 532,730</b>	<b>\$ 583,251</b>	<b>\$ 588,589</b>	<b>\$ 598,499</b>	<b>\$ 617,090</b>	<b>\$ 636,112</b>
Veolia Operations	\$ 1,650,000	\$ 1,707,750	\$ 1,767,521	\$ 1,829,384	\$ 1,893,413	\$ 1,959,692	\$ 2,028,271	\$ 2,099,261	\$ 2,172,735	\$ 2,248,781
Operations & Maintenance	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 230,000	\$ 230,000	\$ 230,000	\$ 230,000	\$ 238,050
Repair & Maintenance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total Veolia Expenses</b>	<b>\$ 1,850,000</b>	<b>\$ 1,907,750</b>	<b>\$ 1,967,521</b>	<b>\$ 2,029,384</b>	<b>\$ 2,093,413</b>	<b>\$ 2,189,692</b>	<b>\$ 2,258,271</b>	<b>\$ 2,329,261</b>	<b>\$ 2,402,735</b>	<b>\$ 2,486,831</b>
KIA 2001-A (p+i) (actually KLC pool)	\$ 147,870	\$ 142,164	\$ 150,964	\$ 153,831	\$ 160,100	\$ 166,730	\$ 173,718	\$ 181,074	\$ 188,809	\$ 196,934
KIA Loan A97-03 R&M Reserve Fund	\$ 30,100	\$ 30,100	\$ 30,100	\$ 30,100	\$ 30,100	\$ 30,100	\$ 30,100	\$ 30,100	\$ 30,100	\$ 30,100
KIA Loan A97-03 (p+i)	\$ 352,708	\$ 352,269	\$ 351,811	\$ 351,335	\$ 350,842	\$ 350,330	\$ 349,798	\$ 349,246	\$ 348,672	\$ 348,077
Danville Bonds (p+i)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total Debt</b>	<b>\$ 530,678</b>	<b>\$ 524,532</b>	<b>\$ 532,675</b>	<b>\$ 545,266</b>	<b>\$ 560,942</b>	<b>\$ 567,160</b>	<b>\$ 569,714</b>	<b>\$ 570,416</b>	<b>\$ 570,672</b>	<b>\$ 570,077</b>
Fleet Replacement	\$ 75,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 100,000	\$ 70,000	\$ 70,000	\$ 50,000	\$ 50,000	\$ 50,000
Plant Replacement	\$ 50,000	\$ 50,000	\$ 75,000	\$ 75,000	\$ 100,000	\$ 300,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000
Lift Station Replacement	\$ 675,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 250,000	\$ 350,000	\$ 350,000	\$ 35,000	\$ 30,000	\$ 30,000
Line Replacement	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 250,000	\$ 700,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000
Transition Cost - Legal, Start Up	\$ 175,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Engineering Design/Inspection	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Misc Planning & Studies	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Replacement Subtotal</b>	<b>\$ 1,175,000</b>	<b>\$ 500,000</b>	<b>\$ 525,000</b>	<b>\$ 525,000</b>	<b>\$ 700,000</b>	<b>\$ 1,420,000</b>	<b>\$ 1,120,000</b>	<b>\$ 785,000</b>	<b>\$ 1,050,000</b>	<b>\$ 1,050,000</b>
<b>Total</b>	<b>\$ 11,146</b>	<b>\$ 7,501</b>	<b>\$ 22,048</b>	<b>\$ 32,116</b>	<b>\$ 46,851</b>	<b>\$ 48,875</b>	<b>\$ 35,507</b>	<b>\$ 348,218</b>	<b>\$ 58,900</b>	<b>\$ 24,410</b>

We included the cost of billing that is already being paid.

Veolia expenses include labor, benefits, lab, electric, gas, maintenance, fuel, sludge and chemicals.

A July 07 of later start would not have this expense.

R&M is fixed until PSC approved rate changes.

## Andrea Palmer

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**From:** Kathy Weisner [kweisner@radcliff.org]  
**Sent:** Wednesday, January 02, 2008 10:47 AM  
**To:** Jim Bruce  
**Subject:** RE: Sewer Agt / Other

Welcome Back. You have really been busy this morning. Sounds like we are on the right track. The Council is getting anxious to finish this up, which is a good thing.

I'll do a little research on the garbage billing and see what I can find out. Working through the Water District would certainly improve the billing and collection operation.

Thanks,

Kathy

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**From:** Jim Bruce [mailto:jbruce@hcwd.com]  
**Sent:** Wednesday, January 02, 2008 9:25 AM  
**To:** Kathy Weisner  
**Cc:** Nicholas, Robert; Brett Pyles  
**Subject:** Sewer Agt / Other

Kathy;

I am now back from vacation since 12/20. A few things;

I will contact Mike Pike about status of final agreement. We have been working on our end still assuming 2/1 takeover, but that will depend on when agreement is ready and when approved by both parties. I will email Mike today. We have talked to both KML and KIA about our letters sent, and have received positive news that the debt transfer should not be a problem, and is fairly routine. Both said they needed to talk more with their legal counsel / bond counsel, about specific language we may need in final agreement, or any resolutions that either party may need to pass.

We received the WWTP inventory list, and have passed on to Veolia. We plan to have them get any comments back to you in next week or so.

Our 08 Budget is now approved, so I can finish updating Storm billing fee. As soon as I have ready, I will call you and bring over to you to review

I talked to 2 of my Board members about doing billing for trash pick-up. They both were very open to it. Can you provide # of customers they have, and if possible, total revenues they receive? This would help me factor in that revenue. I could also do storm fee with and without trash billing, as the storm fee (and water and sewer) would go down slightly, as some of fixed costs would be shared by trash. Our billing software and bill printing / mailing vendor can both handle adding another enterprise being billed

Let me know if we need to have another meeting on the sewer. We have been having periodic conference calls at our end, as we get info from City and progress toward a possible takeover.

Thanks

Jim

**Andrea Palmer**

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**From:** Nicholas, Robert [Robert.Nicholas@veoliawaterna.com]  
**Sent:** Thursday, January 03, 2008 9:13 AM  
**To:** Brett Pyles; Jim Bruce; Meredith, Thomas  
**Subject:** RE: Sewer Tap Paid Update

We should get some of them. I was more worried about some of our projections but the growth hasn't begun.

-----Original Message-----

**From:** Brett Pyles [mailto:bpyles@hcwd.com]  
**Sent:** Thursday, January 03, 2008 8:31 AM  
**To:** Nicholas, Robert; Jim Bruce; Meredith, Thomas  
**Subject:** RE: Sewer Tap Paid Update

Rob,

Our taps for 2007 did slow quite a bit. We had 339 in 2006 and 154 in 2007. Of the 154, 100 were in the city limits of Radcliff. In 2006, of the 339, 264 were in the city limits of Radcliff. Our number do not include HCWD2 water taps that were installed in Radcliff.

The main thrust of BRAC has not hit yet, but I'm not sure how many of the (estimated) 10,000+ people (approx. 3,000 services) will live in Radcliff. My concern is, that most are going to live in Louisville, E-town or in the county (Hardin and Meade). So I guess my answer is, I don't know how much of the growth will affect Radcliff.

Thanks

Brett

<b>Organization</b>	<b>Estimated Arrival Timeframe</b>	<b>Approx. # of personnel</b>
19 <sup>th</sup> Engineer Battalion	Arrived Jan-Jun 2006	700
3 <sup>rd</sup> Expeditionary Sustainment Command	Summer 2007	257
Human Resource Command	2009-2010	3,100
3 <sup>rd</sup> Brigade, 1 <sup>st</sup> Infantry Division	Late 2009	3,400
84 <sup>th</sup> Army Reserve Region Training Center	2009-2011	500*
U.S. Army Accessions Command & U.S. Army Cadet Command	2009-2010	380

**(Permanent Position)**

<b>Year</b>	<b>Military</b>	<b>Civilian</b>	<b>Contractor</b>	<b>Total</b>	<b>+ Family</b>
2005	8,472	3,569	3,844	15,885	21,674

2011	9,965	5,354	4,289	19,608	29,450
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Estimated on post permanent position increase = 3,723

Estimated regional population increase (includes family) = 11,499

\*Info above from One Knox website. <http://www.oneknox.com/about-BRAC.php>

<b>Hardin County Water District No. 1</b>		"Serving Hardin County for over 50 years"
<b>Brett Pyles</b> Operations Manager	1400 Rogersville Road Radcliff, KY 40160	
bpyles@hcwd.com www.HCWD.com	tel: 270.351.3222 fax: 270.352.3055 mobile: 270.766.9477	
Want to always have my latest info?	Want a signature like this?	

**From:** Nicholas, Robert [mailto:Robert.Nicholas@veoliawaterna.com]

**Sent:** Wednesday, January 02, 2008 6:28 PM

**To:** Jim Bruce; Brett Pyles; Meredith, Thomas

**Subject:** RE: Sewer Tap Paid Update

That shows 144 new taps in 2007. Did you have that many new water customers inside the city limits? Do we expect that to continue? She shows 7 taps in November and 19 in October. Are you seeing a slow down in building or is it moving along at a solid clip? I am worried about the Utility Financial Model that we showed the high growth and should we temper it back some.

-----Original Message-----

**From:** Jim Bruce [mailto:jbruce@hcwd.com]

**Sent:** Wednesday, January 02, 2008 9:15 AM

**To:** Brett Pyles; Nicholas, Robert; Meredith, Thomas

**Subject:** FW: Sewer Tap Paid Update

**From:** Kathy Weisner [mailto:kweisner@radcliff.org]

**Sent:** Friday, December 28, 2007 12:41 PM

**To:** Jim Bruce

**Subject:** FW: Sewer Tap Paid Update

Jim,

This is the entire "paid" sewer tap list from the beginning through 12/27/2007. This probably will be useful because every now and then we have to determine if a sewer tap was paid for in 1969 or something for a particular address. If you want this in a different format just let me know and I'll get it done.

Kathy

**From:** Julia Thurman [mailto:julia@bbtel.com]

**Sent:** Thursday, December 27, 2007 1:23 PM

**To:** 'Kathy Weisner'

**Subject:** Sewer Tap Paid Update

*Kathy,*

*Here is your sewer tap paid update. We received seven for the month of November 2007.*

*Julia Thurman*

No virus found in this outgoing message.

Checked by AVG Free Edition.

Version: 7.5.516 / Virus Database: 269.17.11/1200 - Release Date: 12/27/2007 1:34 PM

List of Tasks for Radcliff Sewer Acquisition

**DRAFT**

60,000 Latest Date: ~~1-8-08~~ 1-8-08

40,000

PHASE	TASK	BY / LEAD PARTY	RESOURCES	DAYS	DEADLINE
Regulatory Approval	HCWD1 Final Board Approval	JSB		1	1-15-08
	City final approval	Kathy W.	Mike Pike	1	1-31-08
	Both parties execute final agreement	Jim & Rob, write draft	SBW&P write	5	1-31-08
	* Tariff Filing / Writing	Jim / Brett		5	
	Tariff Filing / Writing - Public Notice (?)	Jim			
	KPDES Permit (re-name, assign)	Veolia			3-31-08
	Notify PSC of emergency contact names / numbers <i>after take over</i>	Brett			<i>after take over</i>
Contractual	Prepare addendum for Veolia added scope	Jim & Rob & David	Rob / Jeff / Jim		
	Have Board approve Veolia addendum	Jim to Board			1-15-08
	New tariff agreement with City <i>Franchise Fee</i>	<i>Mike Pike</i>			
	Sign / execute Veolia addendum	Whoever authorized			1-16-08
Debt Re-Assignment	Get approval letters passed and signed	City & District	CPA's if needed		
	Meet with KIA Dir. as needed	District / Veolia			
	Provide copies of annual reports (3 years)	District	CPA's if needed		
	Secure KIA Board approval	KIA			
	Set up restricted funds as needed, invest deposits	District / Jenny	CD Banks	7	
Employee Hire / Transfer	Veolia HR group meeting	Veolia			
	Veolia meet with individuals	Veolia			
	Veolia determines any retirement payments	Veolia	City Emp / CERS		
	Secure employment commitments	Veolia			
	<del>W/ PSC</del> w/ PSC - Conf. Call	Rob & Jim			
	VWNA Lease agree w/city/employee)	Rob			<i>417 before take over</i>

43

PHASE	TASK	BY / LEAD PARTY	RESOURCES	DAYS	DEADLINE
	Talk to Benton Hanson / Quest about current projects	Rob / Jim	Quest		
	Contact utility companies for account info change / all locations	Veolia			
	<del>Shadow operators for ? days</del>	Veolia	Julia		
	* Get all SCADA, other systems passwords needed	Veolia / Brett	Julia		
	Get files for GIS data / layers	Brett / Daniel	Julia		
	Day of turnover, get all keys for buildings, equipment, vehicles - make inventory list	Veolia / Stephanie	Julia		
	Meet at plant for actual turnover, take photos, have extra personnel available	Veolia			
	* Contact RPD / Dispatch to give new emergency contact info	Brett			
Funds Transfer	Set up required bank accounts	District / Jenny			
	Add bond trustee to co-owner of accounts	District / Jenny			
	Make sure PNC has approval to invest funds (if allowed in their ordinance)	District / Bond Counsel			
	Transfer funds from City to District	City			
Billing / Accounting Changes	Set up additional Chart of Accounts	HCWD1	Jim, Karen, Jenny		
	Set up new rate codes	HCWD1	Charlene, Linda		
	Change bill design				
	Set up monthly franchise payment form				
HCWD1 Management Staffing	Finalize job descriptions, salary ranges (CFO, Eng. Mgr)	District / Jim			+6 months
	Get Board approval on JD and salary				
	Advertise positions	District			
	Fill / Hire positions	District			

45

\* Call TJ about missing electric pumps - send list to Kathy - what is deal w/

## Andrea Palmer

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**From:** Kathy Weisner [kweisner@radcliff.org]  
**Sent:** Wednesday, January 09, 2008 5:07 PM  
**To:** Jim Bruce  
**Subject:** FW: Project Status  
**Attachments:** Project Status.doc

Jim,

Let me know if this makes any sense.

KW

---

**From:** Julia Thurman [mailto:julia@bbtel.com]  
**Sent:** Wednesday, January 09, 2008 2:27 PM  
**To:** 'Kathy Weisner'  
**Subject:** Project Status

*Kathy,*  
*If you have any questions, just give me a call.*

*Julia Thurman*

No virus found in this outgoing message.  
Checked by AVG Free Edition.  
Version: 7.5.516 / Virus Database: 269.19.0/1216 - Release Date: 1/9/2008 10:16 AM

HDR/QUEST ENGINEERS, INC / WORK ORDER  
DATED MAY 25, 2006

**Project Name:**

**Task 1** – Preliminary Collector Sewer System Master Plan (South End) – PO # 58958, \$8,500.00 for Engineering Services.

- Task 1 Completed and services paid.

**Task 2** – Seven (7) Pump Station and Force Main Improvements – PO # 59923, \$254,240.00 for Engineering Services. The amount is a percentage of estimated cost for construction to complete Task 2. This task is broken into budgetary phases to come out of our Reserve Acct. Listed below is what we budgeted for FY 2007-2008.

- Lincoln Trail Lift Station upgrade - \$134,000
- Lincoln Trail Air Scrubber replacement and upgrade - \$91,000
- Hwy 313 Lift Station, purchase third pump - \$36,000

The above items for Task 2 are in the final stages of Engineering; drawings for submittal to DOW.

Amount Invoiced and Paid, (as of this date 1/9/08): \$28,322.34

**Task 3** – Collector Sewer Extensions (Cowley Crossing) and A. Arnold Lift Station Force Main re-route – PO# 58957, \$124,676.78 for Engineering Services. The amount is a percentage of estimated cost for construction to complete Task 3. This task will come out of our Reserve Acct.

The status on Task 3: Design and DOW approval complete. Is scheduled to bid January 2008.

Amount Invoiced and Paid, (as of this date 1/9/08): \$90,499.17

**Project Name:**

Boone Trace Lift Station and Force Main upgrade - PO# 58956, \$87,000.00 for Engineering Services. PO# 59937, \$27,940.00 for Resident Representation.

Boone Trace Force Main – Completed and Paid out of FY 2006-2007 budget. \$418,651.48 (KIA Grant \$450,000.00) leaving us \$31,348.52 in Grant Monies to be used towards Boone Trace Lift Station upgrade.

Boone Trace Lift Station upgrade: Final stages with Engineering drawings for submittal to DOW. Estimated Construction Cost \$511,000.00, which is in FY 2007-2008 budget.

Amount Invoice and Paid, (as of this date 1/9/08):

PO# 58956 - \$41,594.70                      PO# 59937 - \$5,465.07

**Project Name:**

EQ sludge removal, liner replacement and upgrade. Funded with KIA Grant \$450,000.00.

Status: Sludge removal Completed	\$85,924.00
Sludge Disposal Completed	\$78,014.45
Earth work Completed	\$82,170.12
Liner replacement Completed	<u>\$89,949.88</u>
<b>TOTAL</b>	<b>\$336,058.45</b>

\*Electrical and Purchase of Seven floating Aerators is pending, waiting on Quotes from Electrical Contractors. Original Estimate is void, due to Electrical Contractor Decease. Remainder of KIA Grant is \$113,940.65, for electrical work and Aerators.

## Andrea Palmer

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**From:** Kathy Weisner [kweisner@radcliff.org]  
**Sent:** Thursday, January 10, 2008 1:34 PM  
**To:** Jim Bruce  
**Subject:** RE:

Absolutely perfect and brilliant. Thank you, thank you.

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**From:** Jim Bruce [mailto:jbruce@hcwd.com]  
**Sent:** Thursday, January 10, 2008 1:00 PM  
**To:** Kathy Weisner  
**Cc:** Mike Pike, SBW; Nicholas, Robert  
**Subject:** RE:

Kathy;

I was able to talk to Rob on phone. He did not see any problem with language addressing this. Below is our version Rob and I talked about on phone, but I tried to modify your version;

*"The District agrees that for a period of three years following the execution of said contract, the District will focus on securing external funding, grants or other property assessment financing methods available under KRS 74.130 ~ 74.230, in order to expand sewer service to those residential areas or properties currently located within the Radcliff city limits which do not presently have sewer service, or those areas that are annexed into the city limits during this time period. This section does not forbid or preclude the District from also developing or pursuing other projects outside the city limits, but does require the District to prioritize efforts to those properties or parcels listed herein".*

How does that sound?

Thanks

Jim

-----Original Message-----  
**From:** Kathy Weisner [mailto:kweisner@radcliff.org]  
**Sent:** Thursday, January 10, 2008 12:02 PM  
**To:** Jim Bruce  
**Subject:**

Jim,

This is my first attempt at fixing our problem. I have sent it to Mike too.

I have no idea if it will fly. I tried to say something without saying

anything. My hope is we can work this out without having to bring it to the attention of anyone other than those of us who already know about it. Just let me know where we can go with it (don't be too literal).

Kathy

"Hardin County Water District No. 1 and the City of Radcliff agree that for a period of three years following the execution of said contract, Hardin County Water District No. 1 will give priority consideration to the expansion of residential wastewater service to areas in the existing corporate limits and areas annexed into the corporate limits during that three year period."

## Andrea Palmer

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**From:** Kathy Weisner [kweisner@radcliff.org]  
**Sent:** Thursday, January 10, 2008 4:29 PM  
**To:** Jim Bruce  
**Subject:** RE: Radcliff Electric Utilities

Jim,

The majority of these locations do have bills. I have identified the providers for Chance and asked him to get me the info. Hope to have it in a day or two.

Kathy

---

**From:** Jim Bruce [mailto:jbruce@hcwd.com]  
**Sent:** Thursday, January 10, 2008 3:34 PM  
**To:** Kathy Weisner  
**Subject:** FW: Radcliff Electric Utilities

Kathy;

Please see Veolia's attached SS analysis of sewer electric bills. Hope his explanation below makes sense. On the SS, rows 2 – 16 are those addresses we do not have electric bills for. We just need to know if there are indeed electric bills that the sewer fund pays, or, if the electric is paid from another source or possibly the building owner where the facility is located at.

Thanks

Jim

---

**From:** Meredith, Thomas [mailto:thomas.meredith@veoliawaterna.com]  
**Sent:** Thursday, January 10, 2008 3:18 PM  
**To:** Jim Bruce; Brett Pyles; Nicholas, Robert; Greer, Jeffery  
**Cc:** Daniel Clifford  
**Subject:** Radcliff Electric Utilities

Hello gentlemen, With the capable help of Mr. Clifford, we were able to reconcile 37 bills. We have two bills labeled as follows with no obvious lift station association— Preston Street and Oak Street (both KU services). After we identify the associated lift station for those two bills, it leaves 13 "bill-less" stations (I don't think that is a word—forgive me).

Thomas Meredith  
District Manager  
Veolia Water North America  
305 Ring Road  
Elizabethtown, KY 42701  
(270)-706-6028  
(270)-737-1658 (fax)  
[thomas.meredith@veoliawaterna.com](mailto:thomas.meredith@veoliawaterna.com)

## Jim Bruce

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**From:** Jim Bruce  
**Sent:** Friday, January 11, 2008 1:30 PM  
**To:** 'Nicholas, Robert'; 'Meredith, Thomas'  
**Cc:** Brett Pyles  
**Subject:** Revised Radcliff Model  
**Attachments:** Utility model 0108 JSB.pdf; Utility model 0108 JSB.qpw; Utility model 0108 JSB.xls

Rob;

Attached is my revised version. I made the format similar to our annual PSC report, and the financial report we have to turn in to GOLD. The income is also same way our CPA does it. I also include however (below income statement) a cash flow analysis. See my row numbers and explanations to changes I made from yours;

Row 2 - I changed slightly the rate change %. This row affects amount of annual sewer charges, and penalties and fees

Row 3 - You had 1,414 new customers in Year 6. I changed this to the same as the % increase for that year. I also made Year 1 8,700 accounts, since that is what we are currently billing. I changed the % changes each year slightly for peak in Yr 4 of 4%, then back down to 1.5%.

Row 6 - Now called WW charges, which is basically the volume / unit charge on a bill. Increases each year by the account growth PLUS the rate increase

Row 8 - Pretreatment fees grow by same method as Row 6

Row 9 - Allocated costs to FK is same as your Planning & Mgmt fees. This just means that some things charged originally to Radcliff sewer, will be reimbursed from FK

I took out Franchise and taxes rows as income and expense. We do not show these anywhere on PSC reports, since it is just an add on and pass through added to the customer bill and forwarded to the receiving agency. GOLD does not want taxes shown on a utility income statement, because they are already shown on another local or state govt financial report. Since you had it as an in - out, did not affect income

Row 7 - I separated in 2nd year cust billing charges and lowered same from wastewater charges. This is because now, our customer billing expense is all collected from the WATER meter / customer charge, which Radcliff reimburses us about \$200k for. When we change the rates, we will most likely have sewer show its own portion of customer charge, and water will drop same amount

Row 10 - I added about \$80k/year here. This is because all our 10% late fees, turn off and on charges, and new account charges are booked to water. It is all our water staff that incurs all expense for these, so we charge the customer. In future, we can split these revenues between water and sewer. There would be a corresponding decrease to water revenues, but we will also lower water CS expenses. These grow each year by same % as cust growth and rate changes

Row 12 - District personnel includes new positions (eng / CFO) PLUS part of CS department expenses. See 2 previous paragraphs. This replaces Rob's "Billing costs" row

Row 13 - Prof services is legal and acctg

Row 14 - Fixed charges is basically insurance

Row 15 - Contract Op fee is Veolia, including R&R component. Same way we show it on water

Row 18 - Is Oper income BEFORE depreciation and other impacts. Looks GREAT!!!

Rows 19 - 21 - Our CPA and PSC show these below Gross income calculation. Int income has been calculated based on TOTAL cash reserves from below. Depreciation changes each year by prior year added capital construction, divided by 25 years (avg life of new assets). Int expense is charged to Gross income, and is actual schedule of future bond int payments

Row 22 - Net Operating Income - Still LOOKS GREAT!!

Row 24 - This is really current City unrest sewer funds, LESS about \$1,077,976 which is all the unbilled Quest engineering (from memo they sent) plus some construction that will be paid for before we take over. They actually have about \$3M now, so I am assuming they burn another \$1M before we take over

Rows 25-28 - Are adds or deducts to beginning working capital cash. Net income is added from operations, depr adds cash, tap dev fees are not considered operating revenue (contributed capital), less debt principal payments which are not charged to net income. Rob had \$325,249 in tap fees in Yr 6, so I changed that to the avg of the yr before and after.

Row 29 - First row of capital expenditures and use of working capital. I added the \$175k reimb to Veolia for start up costs here. Future years is where any vehicle or general plant capital expenses would be charged

Rows 30-32 - On other capital funding, I levelized some of amounts. I know Veolia used a replacement model for yearly R&R. Some of the annual amounts jumped almost \$500K (LS in yr 6), so I levelized it more. The total amount for capital each year is still very good, and averages about \$906,000 per year

Row 34 - Shows ending year, working capital balance. This is after all O&M is paid, and all capital projects planned. Again, looks VERY GOOD. Year 6 and 7 are low, but we still end the year with a balance of over \$3M, which is GREAT! This balance does not include bond reserve funds which are \$565,000. Not sure what happens to those reserves when final bond payments are made. Sometimes, those balances become available and unrestricted for the debtor, so we may have another \$565,000 to spend after year 11.

Row 35 - Shows change in working capital from prior year. I also added 12th year, to show how cash flow improves after debt is paid off. The net income does not jump that much, since interest payments taper off to so little in 11th year, but cash flow greatly improves since principal payments stop. Also I show in 12th year that bond reserve funds go to zero, and assume that the \$565,000 becomes available as working capital. At end of year 12, we have almost \$4.5M in bank. At that rate, we should not need to borrow much or any for next WWTP expansion, which may not be needed if we connect the FK and Radcliff plants together.

I also calculate bond coverage on last row, which looks outstanding. Am not sure if the KIA or KML debt has a coverage requirement, but even if it were 1.50 (our water bonds are 1.20), the lowest we show is 2.02 the first year we lower rates. GREAT!!

I have also saved as Excel file, so you can make changes to this as well in future. I plan to have a copy of this to include in Board packet, in case they want to see latest impact to income, and fund balance. I have had a Board member call me, and is worried we will start out with zero cash, and a bunch of project bills to pay, forcing us to borrow \$ right away. I told him that should not happen, and this SS shows that.

Let me know if you have any questions

 Thanks

Jim



**Andrea Palmer**

---

**From:** Kathy Weisner [kweisner@radcliff.org]  
**Sent:** Friday, January 11, 2008 11:46 AM  
**To:** Jim Bruce  
**Subject:** Emailing: Jim and Rob.doc  
**Attachments:** Jim and Rob.doc

The message is ready to be sent with the following file or link attachments:

Jim and Rob.doc

Note: To protect against computer viruses, e-mail programs may prevent sending or receiving certain types of file attachments. Check your e-mail security settings to determine how attachments are handled.

Jim and Rob,

I am sorry it has taken so long to get this information to you. It has been a week of fire fighting and nothing else.

We do not pay employees for sick leave when they leave our employment. Since this is something of a "transfer" you might want to consider allowing employees to keep all or part of their sick leave if they accept employment with Veolia. If they don't, they lose it.

It is different for retirees. As per our contract with the state, if anyone takes retirement the sewer system will be responsible for paying for up to six months of sick leave. We will need to plan for that in our budget meetings.

I checked with the state yesterday on the issue of unemployment. I am sure you know how that works. Eligible employees draw it now and then in a year or so the employer gets a huge bill from the fund. Any employee offered a comparable job with comparable salary and benefits that declines the employment will **NOT** be eligible. So that is one worry we should not have to deal with

Just let me know what else I can do.

Name	Hours of Sick Leave 1/09/08	Hours of Annual Leave 1/09/08
Bingle	1191.00	147.25
Daniel	194.25	40.25
Fox	16.75	64.75
Houston	107.75	52.50
Jury	35.00	10.50
Kendall	147.50	109.25
Miller	169.75	96.25
Powell	524.25	7.25
Roach	562.00	80.50
Sanders	126.25	43.25
Shanklin	592.75	173.25
Thurman	112.25	116.25
Turner	441.00	36.25
Wright	1017.00	51.50

# Skeeters, Bennett, Wilson, and Pike

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January 14, 2008

Jim Bruce  
Hardin County Water District  
P.O. Box 489  
Radcliff, Ky 40160

Re: VEOLIA WATER AGREEMENT

Dear Jim:

I have reviewed the new proposed contract with VEOLIA regarding Radcliff Sewer. My observation/questions are as follows:

1. I would suggest that the second Whereas be change to read as follows: "the success of that agreement brought about interest by the City of Radcliff ("City") in determining whether economies of scale exist that could likewise reduce costs ...;
2. The second Whereas as identifies the City of Radcliff as "City". However, throughout the remainder of the document City is not used but rather the City of Radcliff. A minor point but I wanted to bring it to your attention.
3. Section 1.1 specifically says that this amended agreement with VEOLIA "shall not modify or change the terms under which VEOLIA Wate (water is misspelled) performs services for the District in connection with the Fort Knox System". In my experience, an amendment means we are changing the underlying agreement. By the very provisions of 1.1 we are not changing the underlying agreement relative to Fort Knox. Accordingly, I do not understand why the new agreement with VEOLIA relative to Radcliff Sewer is called an amendment. It does not really amend anything but it is an entirely new agreement. I am sure that is some explanation that eludes me. However, I do not know what that explanation is and would like to understand that more clearly.
4. Section 1.3 reflects the contract is assignable. That is pretty standard but it means VEOLIA could assign its obligation to someone else.
5. Note that Section 1.14 binds the District to mandatory arbitration in the event of a dispute. I do not have a problem with that, just want to make sure you are aware.

6. Section 3 deals with the terms of the contract. As I am sure you are aware these are very similar to our original agreement with VEOLIA. It allows the District to end the contract on the 10<sup>th</sup> and 15<sup>th</sup> anniversary of the Fort Knox commencement date for convenience, which means simply because we wish to. However, 3.3 obligates us to pay a sum certain to VEOLIA as calculated in Appendix F.

7. Section 4.8 makes reference to the fact that "the District and VEOLIA WATER do agree that the service is less expensive in rates with a municipality then the service will be in the name of the District." I find that to be somewhat unclear, particularly, the provision "with a municipality".

8. Section 4.10 specifies that offices, materials storage/staging areas will be permitted at Radcliff. I find that to be rather broad and somewhat vague. What exactly is meant by 4.10?

9. Section 4.19.2 makes reference to leasing a single employee for a certain period of time. I presume this is something you are aware of or perhaps it is spelled out in the MOU. I wanted to bring the point to your attention.

10. Section 4.19.8 has a grammatical problem. I think we need to say as follows: "VEOLIA WATER's personnel shall present a neat appearance and be readily recognized as VEOLIA WATER and shall, due to cross utilization of staff at the Fort Knox installation, ensure each employee obtains ...;

11. Section 4.19.9 refers to this "contract" which is inconsistent with all the other places that refer to this "amendment".

12. Section 4.19.10 and 4.19.11, I would recommend commas before and after "because of cross utilization of the staff at Fort Knox,".

13. Section 4.25.3 reflects that "VEOLIA WATER shall at Radcliff follow the response times set out ... The phrase "shall at Radcliff" seems a little awkward to me.

14. Section 4.27.8 is in need of serious revision.

15. Section 5.10 obligates the District to pay costs associated with the Federal Clean Air Act as of July 1, 2007. Is this something you are comfortable with?

16. Section 6.1 has multiple blanks and therefore makes it difficult to evaluate the provision.

17. Section 6.6 provide we will provide free water. Generally, as you know, we cannot do that. I presume it would be acceptable in this situation since we own the sewer

facility. However, we certainly cannot provide VEOLIA WATER, we can only provide it to ourselves at no charge. We probably need to discuss this paragraph.

18. Section 6.12 provides for a one time payment for employee transition. When is that going to be paid? Is it a lump sum or could it change? That is a fair amount of money, but not much detail.

19. Section 10 caps VEOLIA's exposure at \$8,000,000 and the District at \$5,000,000. As I recall we negotiated that extensively during the original contract with VEOLIA and I am comfortable with same.

20. The heading under Exhibit C has a spacing error.

21. I hope you can interpret Appendix E for I cannot.

22. Exhibit F needs the numbers filled in the blank.

23. Exhibit G that I received is not clear. It contains various comments from different people such as Rob Nichols and Jeff Greer and then contains multiple definitions. Is this what you expect to see? I would note that there appears to be significant and important details found in Exhibit G

24. Exhibit H contains the various identifiable contracting law requirements which I believe should be included.

25. My last exhibit is Exhibit I. Is that consistent with your understanding of the agreement?

In short, I think the agreement is obviously very thorough. I suggest we probably need to have some conversation about these points that I have raised.

Sincerely,

SKEETERS, BENNETT, WILSON & PIKE



David T. Wilson II

DTW:dnf

## Andrea Palmer

---

**From:** Kathy Weisner [kweisner@radcliff.org]  
**Sent:** Monday, January 14, 2008 1:55 PM  
**To:** Jim Bruce  
**Subject:** RE:

It helps. It is just something we are kicking around. We are absolutely not adding any employees in this budget or the next, so there won't be much to offer anyone. It is just something we are kicking around.

-----Original Message-----

**From:** Jim Bruce [mailto:jbruce@hcwd.com]  
**Sent:** Monday, January 14, 2008 12:38 PM  
**To:** Kathy Weisner  
**Subject:** RE:

Kathy;

I recall Rob saying they are open to that, as long as the employees are qualified to be trained, or complete existing work. The exception would be licensed plant operators, who Veolia would like to hire all, or need to know who is not coming so they can advertise and hire from the outside (or transfer other Veolia employees).

Hope that helps.

Jim

-----Original Message-----

**From:** Kathy Weisner [mailto:kweisner@radcliff.org]  
**Sent:** Monday, January 14, 2008 12:33 PM  
**To:** Jim Bruce  
**Subject:**

Hi,

Here is new question I never imagined asking. If there are workers at Wastewater who would like to stay with the City and workers with the City who would like to move to Veolia, would there be any interest in trading.

Please note that I didn't say it would necessarily be even up. (That sounds awful, like we are trading vehicles or something)

Just curious.

Kathy

**Andrea Palmer**

---

**From:** Kathy Weisner [kweisner@radcliff.org]  
**Sent:** Monday, January 14, 2008 12:33 PM  
**To:** Jim Bruce

Hi,

Here is new question I never imagined asking. If there are workers at Wastewater who would like to stay with the City and workers with the City who would like to move to Veolia, would there be any interest in trading.

Please note that I didn't say it would necessarily be even up. (That sounds awful, like we are trading vehicles or something)

Just curious.

Kathy

## Andrea Palmer

---

**From:** Kathy Weisner [kweisner@radcliff.org]  
**Sent:** Wednesday, January 16, 2008 8:57 AM  
**To:** Jim Bruce

Hi,

We have been discussing personnel for several days. I would like to run this past you. I know you will need to share this with Rob, but for now, I would appreciate it if it stays between the three of us.

We could possibly have a position for either Lori Jury or Duane Wright, however, they are both very skilled plant and lab operators. We will leave them alone completely if you want us to. In Lori's case we can not offer her anything more than she makes right now. Duane would have to take a substantial cut in pay to stay with us. Neither of them may be interested.

Your offer will probably be better for both of them. If we have your permission to make a pitch we will. If not, we won't.

We definitely plan to make offers to Jake Sanders and Buddy Miller as a part of a complete reorganization of public works and storm water. In order to accommodate them in our budget we will have three employees who can be traded or will be let go simply because we need them, but have no place in the budget to make them fit. We have other general laborers but we do not have another equipment operator or operator's assistant with the skills that Buddy and Jake have.

The available employees would be:

Rob Sisco originally hired as a wastewater employee. He is a trained vac truck operator and a trained mechanical operator. He has issues with Julia and asked to be transferred to public works. He is now a general laborer.

John Grimm has been with the City since 2001. He is a general laborer. He is 54 years old but in good health and is trainable.

Kevin Hardman has been with the City since 2000. He is also a general laborer. He is 27 years old and smart enough to learn to do anything he wants to do.

There are so many ifs, but if anyone is interested in anything we are offering we will move to make it happen. You can interview the three employees if you would like, assuming they want a job badly enough to make the move or we can arrange it anyway you want to.

Obviously we could transfer them today, but I don't think that is a fair way to play this game. I would rather work it out and make sure you get staff you want and not staff that doesn't know anything more about a wastewater operation than you have to push the handle to flush and can't learn any more.

Think about it and let me know.

Kathy

## Andrea Palmer

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**From:** Kathy Weisner [kweisner@radcliff.org]  
**Sent:** Wednesday, January 16, 2008 4:50 PM  
**To:** 'Julia Thurman'  
**Subject:** RE: Radcliff Electrical Utility Study

Jim,

I think you and Rob might find this list more useful than the one Chance sent you as least as far as identifying stations goes. I hope he gave you the costs, but if not just let me know and I'll take care of it myself.

Kathy

---

**From:** Julia Thurman [mailto:julia@bbtel.com]  
**Sent:** Wednesday, January 16, 2008 4:50 PM  
**To:** 'Kathy Weisner'  
**Subject:** Radcliff Electrical Utility Study

*Kathy,  
Hope this answers their questions. Please contact me if you have any questions.*

*Thanks,  
Julia Thurman*

No virus found in this outgoing message.  
Checked by AVG Free Edition.  
Version: 7.5.516 / Virus Database: 269.19.5/1228 - Release Date: 1/16/2008 9:01 AM

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Checked by AVG Free Edition.  
Version: 7.5.516 / Virus Database: 269.19.5/1228 - Release Date: 1/16/2008 9:01 AM

## Andrea Palmer

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**From:** Kathy Weisner [kweisner@radcliff.org]  
**Sent:** Thursday, January 17, 2008 8:42 AM  
**To:** Jim Bruce  
**Subject:** FW: Radcliff Electrical Utility Study

---

**From:** Kathy Weisner [mailto:kweisner@radcliff.org]  
**Sent:** Wednesday, January 16, 2008 4:50 PM  
**To:** 'Julia Thurman'  
**Subject:** RE: Radcliff Electrical Utility Study

Jim,

I think you and Rob might find this list more useful than the one Chance sent you as least as far as identifying stations goes. I hope he gave you the costs, but if not just let me know and I'll take care of it myself.

Kathy

---

**From:** Julia Thurman [mailto:julia@bbtel.com]  
**Sent:** Wednesday, January 16, 2008 4:50 PM  
**To:** 'Kathy Weisner'  
**Subject:** Radcliff Electrical Utility Study

*Kathy,*

*Hope this answers their questions. Please contact me if you have any questions.*

*Thanks,  
Julia Thurman*

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Version: 7.5.516 / Virus Database: 269.19.5/1228 - Release Date: 1/16/2008 9:01 AM

## Andrea Palmer

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**From:** Kathy Weisner [kweisner@radcliff.org]  
**Sent:** Thursday, January 17, 2008 9:13 AM  
**To:** Jim Bruce  
**Subject:** FW: Radcliff Electrical Utility Study  
**Attachments:** RE: Radcliff Electrical Utility Study

Jim,

I am trying this one more time.

Kathy

---

**From:** Julia Thurman [mailto:julia@bbtel.com]  
**Sent:** Wednesday, January 16, 2008 5:18 PM  
**To:** 'Kathy Weisner'  
**Subject:** FW: Radcliff Electrical Utility Study

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Version: 7.5.516 / Virus Database: 269.19.5/1228 - Release Date: 1/16/2008 9:01 AM

**Andrea Palmer**

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**From:** Brett Pyles  
**Sent:** Friday, January 18, 2008 9:15 AM  
**To:** 'Nicholas, Robert'  
**Cc:** Jim Bruce  
**Subject:** Radcliff Sewer  
**Attachments:** Doc080118(001).PDF

Rob,

FYI...Please find attached an advertisement that we noticed in the News Enterprise. Here goes another half a million or so. Jim and I discussed this, and after the council vote Jim may send a letter to the mayor asking them NOT to award this project and let us handle it.

Thanks

Brett

<b>Hardin County Water District No.1</b>		"Serving Hardin County for over 50 years"
<b>Brett Pyles</b> <i>Operations Manager</i>		1400 Rogersville Road Radcliff, KY 40160
bpyles@hcwd.com www.HCWD.com		tel: 270.351.3222 fax: 270.352.3055 mobile: 270.766.9477
Want to always have my latest info?		Want a signature like this?

## Andrea Palmer

---

**From:** Kathy Weisner [kweisner@radcliff.org]  
**Sent:** Tuesday, January 22, 2008 10:10 AM  
**To:** Jim Bruce  
**Subject:** RE: Sewer Billing Costs

I am going to keep this to myself until after 4:00 p.m. today. The Council is probably going to have a seizure of some sort. We'll work it out, but not today. Don Shaw has already called this morning with a bucket full of silly questions. They don't need anything else to worry about right now.

Have you and Rob had any thoughts on the possibility of trading some employees?

Kathy

-----Original Message-----

**From:** Jim Bruce [mailto:jbruce@hcwd.com]  
**Sent:** Tuesday, January 22, 2008 9:53 AM  
**To:** Kathy Weisner  
**Subject:** Sewer Billing Costs

Kathy;

Maybe last minute, but I did get the billing cost analysis and updated for all 3 utilities. There is some good news and bad news. When reviewing the numbers, here are some things to consider;

1. Last update was in July 04, or 3 1/2 years ago. We of course have had significant increases in meter reading and billing since then
2. When we updated the costs in 2004, since 2001 (storm added in 2003), we only passed on 1/2 of the increase to the City (see attached letter to Mayor). In my current calculations, I do not make that assumption that our Board would cut the increase in half. 4/5's of our Board has changed since then.
3. I dropped the variable + fixed method, just split based on 7 different methods between water, sewer and storm (see row 77-82)
4. Any meter reading costs (only to W&S, not storm) include higher fuel costs, insurance and switching to radio read meters. While we will eventually have a corresponding decrease in reading labor and vehicle costs, we do not have enough radio read meters installed yet to cut back on those costs, so even though our capital costs are more, it takes same amount of labor as before
5. Our Customer Service staff has also increased. We now have 4 CSR's, a CS Manager, and the Billing Specialist. We used to have 2 CSR's + 1 part time

The summary of all 3 utility costs are at rows 83~85. While the storm fee would increase from current (which are really 2003 costs, catching up to 100% of total costs, not cutting the 2004 increase in half), it still seems reasonable and low per bill. Here are the summary by utility;

Utility Revenues	\$ Year	\$ Monthly Bill	% Annual
Water 12.1%	\$447,802	\$3.83	
Sewer 11.7%	\$407,002	\$3.90	
Storm 4.7%	\$31,650	\$0.41	

As you can see, the water and sewer are pretty evenly distributed. The storm pays much lower percent of the total, and a lower percent of billing and collection costs to total revenues, about 60% less than the other utilities (5% versus 12%)

You will notice in my allocations, I tried to only allocate costs to storm for the functions you would have to provide if you did it stand alone. These include IT hardware + software, bill printing and postage, and some of the fiscal related costs such as credit card fees, armored car service, credit check for new accounts. I also added a new allocation method which lowered some of storm costs from before, which is using square inches of bill used (people say I am too detail minded??), which made storm only about 12% of total for certain costs.

So, if the Council wants to know what will happen to storm billing costs - I am not sure, it is up to our Board. But, if they used my cost of service method, storm would pay about \$0.41/bill per month. That is up considerably from the current fee, but most of the current was a fixed cost, and we are billing a considerable higher number of storm customers than before, and the revenue collected is now about \$680k/year.

As for adding trash, I would think we could split the storm in half, if that was agreeable to City, or I could add trash and use some of my allocation method. Splitting with storm would seem OK to us, and the City would cut the storm billing cost in half. That would make storm and trash about \$0.20/month

Our Board has not seen this yet, so I am not sure whether they would agree with my methods, or approve it as is. They are pretty business savvy, so I would think they would agree to base it on actual costs (as accurate as you can get allocating costs between different users).

If a Council member did think our storm fee was too high, they should probably consider if the City could duplicate all their storm billing, collection, deposits and customer service functions for less than \$0.41/customer per month. As you know, just a stamp, an envelope and a printed bill in the envelope would probably be at least that, before you added any labor, customer service area, computer hardware or software.

I am open to any suggestions or criticism you have on my allocation methods. Feel free to suggest changes if you see any. I will wait until I hear back from you. If the sewer thing does NOT GO, I assume we will be updating these costs to the City anyway. We are also working on updating all our other fees and charges, some which are 8 years old, so our Board wants everything updated to current, which I assume they would want to include Radcliff billing fees.

Hope this helps

Thanks

Jim Bruce

## Andrea Palmer

---

**From:** Kathy Weisner [kweisner@radcliff.org]  
**Sent:** Friday, January 25, 2008 4:09 PM  
**To:** Jim Bruce

Jim,

We seem to have a mini revolt brewing at the wastewater plant. It was the understanding of the Mayor and Council that the employee health insurance benefits would be structured as they are now. We pay for a single health insurance plan, the employee pays for spouse and family.

The Mayor, in an attempt to be honest and upfront with the employees, made a visit to Wastewater on Wednesday. She mentioned that their benefits would be the same or better and that immediately set off a landslide of comments like "that is not what Veolia said. They said we have to pay for our insurance." They are all now convinced that someone is lying to them and they are a pretty angry lot.

I will have to admit that I never heard a word at any meeting about the employees having to pay for their health insurance. Where are we with this and what is the truth? These employees are undoubtedly going to run straight to their council members, then the council will be up in arms about being misled. When push comes to shove I need to know what the party line is going to be.

I also just had a conversation with Mike about the private subdivision issue with the fire hydrants. I want to assure you that I knew nothing about the PSC involvement until I saw a letter acknowledging the inquiry. We will take care of it. Mike is sending me info and addresses and the Mayor will withdraw the inquiry ASAP on Monday morning. I have already typed a rough draft of the letter. I am sorry. I feel certain that we can solve any issues just as we always have and without the PSC.

I don't know about you but I sure am glad it is Friday!

Kathy

## Andrea Palmer

---

**From:** Kathy Weisner [kweisner@radcliff.org]  
**Sent:** Tuesday, January 29, 2008 1:54 PM  
**To:** Jim Bruce  
**Subject:** RE: Veolia Health Ins

It does answer the question. It doesn't really matter how it gets structured as long as the employee doesn't have to pay for a single plan, at least for now. I couldn't guarantee that employees will never have to pay even if the city kept the operation. The time is probably coming.

Employees with dependent coverage are certainly going to get a break, but there aren't very many of them.

Kathy

-----Original Message-----

**From:** Jim Bruce [mailto:jbruce@hcwd.com]  
**Sent:** Tuesday, January 29, 2008 1:20 PM  
**To:** Kathy Weisner  
**Cc:** Nicholas, Robert  
**Subject:** Veolia Health Ins

Kathy;

I talked to Rob again. He said that they have planned, and are prepared, to match the current Radcliff health ins costs, which do not charge the employee anything for the employee health ins premium.

However, he may have to add some to employee paycheck, or set aside in a pre-tax Health Savings Account, so provide the actual funds to pay the premium. He said most Veolia employees pay about \$80/month for their own insurance. Veolia can also write that into the employment agreement.

As for the spouse or family premiums, he is still waiting on the latest amounts, which just changed recently. He still thinks those will be about 1/2 of current Radcliff premium costs for employee.

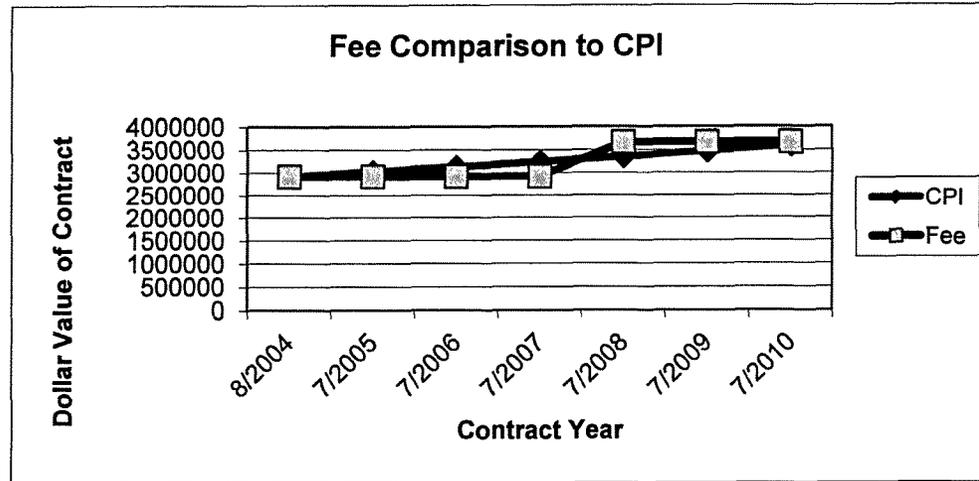
Let me know if that answers your question.

Thanks

Jim Bruce

	8/2004	7/2005	7/2006	7/2007	7/2008	7/2009	7/2010
CPI	2918604	3021782	3128609	3239211	3353724	3472285	3595037
Fee	2918604	2918604	2918604	2918604	3668638	3668638	3668638
		103.54%	103.54%	103.54%	103.54%	103.54%	103.54%

**TABLE 2  
COST IMPACT COMPARED TO CPI**



This table shows the comparison of the District fee change to the CPI. The fee was submitted in 8/2004 and unchanged through today. The District therefore has been on the Years 8/2004 to 3/2008 are actual. The figure is based on projecting the past rate forward. Costs however are changing more dramatically than the past CPI reflects. The country is at or near a recession. Fuel for example based on a 4/22/08 article shows fuel prices being \$2.867 the same date last year and \$3.508 today - an 18% difference in one year. Worst is that a 2004 pricing model has gasoline at \$1.51 per gallon.

**TABLE 1**

The change in fee would be effective in July 1, 2008. A comparison of past and future fees is below. It should be noted that the original fee was from 8/2004 and the new fee will carry through 6/2011.

	2004 Modified	2008 Proposed	Difference
Month	243217	305720	62503
Annual	2918604	3668640	750036

Modified relates to deduction of Maldraugh rate.

**TABLE 3**

	Original	New	Difference	
Management and Administration	164647	253520	88873	54%
Operations and Maintenance	1678658	1898190	219532	13%
System Replacement	1126341	1516928	390587	35%
	2969646	3668638	698992	24%

! same cost for almost 4 years.

our

# CITY OF RADCLIFF, KY TRANSITION PLAN SCHEDULE

Activities	11 Feb	18 Feb	25 Feb	3 Mar	10 Mar	17 Mar	24 Mar	Apr	May	June
<b>Project Manager Selection</b>	Meredith	Pre screening Employee meeting and application distribution	Phone Interviews	In Person Interviews	Offers	Response Required and Physicals and Drug Tests		← Estimate of start date		
<b>Employee Hiring Process</b>	Hervance		Interviews	Background checks Criminal record Finger	Job Offers		Orientation	1/2 Employee s		
<b>Retirement Buyout Timing</b>	Piddy						Orientation			
<b>Computer Based Ethics &amp; Email</b>	Eads						Orientation			
<b>OSHA Orientation</b>	Richey						Orientation Uniform site and shoe order	1/2 Employee s		
<b>Uniform and Shoes</b>	Eads									
<b>DO File</b>	Eads						Set up file			
<b>Army Security Clearance</b>	Greer								Set up Army clearance and ID cards	
<b>Bury Computer</b>	Eads		Order computer							
<b>Job Plus</b>	Meehl									
<b>Ops and PCMP</b>	Greer									
<b>Lab OAVOC</b>	Kinder						Order supplies			
<b>GIS</b>	Bollinger						Chain back up disk			
<b>Plant Walk Through</b>	Greer									
<b>RI Knox Staff WWTP Integration</b>	Greer/ Walker/ Meredith									
<b>FT Knox Staff Col Integration</b>	Meredith									
<b>Master Calendar</b>										
<b>Lincen Trail LR Station Odor Study</b>	Greer									
<b>Lock Change Out</b>	Walker									
<b>LR Station Science</b>	Walker									
<b>Telemetry Check</b>	Meredith									
<b>WWTP 24 to the Transition</b>	Greer									
<b>Fire and Police Dept Meeting</b>	Richey									
<b>Change LR Station Check Process</b>	Walker									
<b>Order Confined Space Equipment</b>	Richey									
<b>Inventory</b>	Meredith									
<b>Train customer service reps at office</b>	Bruce									
<b>Newspaper Article</b>	Bruce									
<b>Roll Telephones Numbers Over</b>	Bruce									
<b>Night Transfer to RI Knox</b>	Greer									
<b>Team Shifts</b>	Nicholas									
<b>Board Tour / Orientation</b>	Meredith									
<b>Public Storage Plan</b>	Walker									
<b>Client Report</b>	Greer									
<b>Set up vendor files</b>	Eads									
<b>Change Internet Access</b>	Eads									
<b>Change Phone</b>	Eads									
<b>Change Electric Bill</b>	Eads									
<b>Change Gas Bill</b>	Eads									
<b>Order Call Phones</b>	Henry									
<b>Order PM pick up/SUV</b>	Meredith									
<b>Safety Inspection</b>	Russelber g									
<b>Clean off 4 wheels add HOWD Signs</b>	Pyke									
<b>Take Camera Outgoing Basin</b>	Walker									
<b>Flow Monitor Outgoing Basin</b>	Walker									
<b>Mission Software Utilization</b>	Meredith									
<b>Lincen Trail Odor Logger</b>	Greer									
<b>Brishbade Decision</b>	Bruce									
<b>Transfer GIS Data</b>	Bollinger									
<b>Simplified LR Station Map</b>	Bollinger									
<b>LR Stations</b>	Walker									
<b>Master Sewer Map on the Wall</b>	Bollinger									
<b>Simplified Capital Plan - 1 street</b>	Nicholas									
<b>Capital Plan</b>	Greer									
<b>Flow Meter / LR Meter Plan</b>	Walker									
<b>Asset Management Table Update</b>	Greer									
<b>City Planning and Code Meeting</b>	Walker									
<b>Revised Developer Intro Plan</b>	Pyke									
<b>PSC Application Packages</b>	Nicholas		draft	submit						
<b>KA Packages</b>	Pyke									
<b>Transfer truck licenses</b>	Bruce									
<b>Official Record Transfer</b>	Pyke									
<b>Deed and Easement Transfer</b>	Bruce									
<b>Financial Transfer</b>	Bruce									

## Andrea Palmer

---

**From:** Nicholas, Robert [Robert.Nicholas@veoliawaterna.com]  
**Sent:** Thursday, February 07, 2008 10:29 PM  
**To:** Jim Bruce; Brett Pyles; Meredith, Thomas; Greer, Jeffery; Walker, James  
**Cc:** Nicholas, Robert  
**Subject:** Quest Engineering Information

Jim, Brett and I met with Benton Hanson of HDR/Quest this afternoon. Benton clarified that Quest had not been asked to do any study work. They were told to design what the client requested. The summary of the conversation goes as follows:

**Line Extension** – The City bid a line extension on Rt 313 to eliminate the Brightside Lift Station. This bid is being put on a 90 day hold which means we have to decide sometime before May 7 if it should be accepted and proceed. The bid is at a good price.

**EQ Basin Linings** – Completed with a \$34k balance left on a grant.

**Boone Trace Lift Station** – The force main has been enlarged to the plant providing a little additional capacity. The lift station however needs to have a larger wet well and a third pump put in. There may also be an odor problem. The purpose of the improvements is to help relieve flooding around Quiggins. They also are doing the Line Extension on Rt 313 to move Brightside and then Arnold off of Quiggins. We need to quickly look at the I&I problems in the lines feeding Quiggins which we believe is the neighborhood behind US Calvary. We would like to do a pole camera inspection for a quick decision on line condition, then smoke test, flow monitor and then TV if the pole photos, flow monitoring and smoke show obvious problems.

**Lincoln Trail Lift Station** – The plan is to replace the existing odor control system with a new model just like it. We need to review what is there and determine if that is even the source of the problem or the best solution. The force main from Rt 313 actually discharges at a gravity manhole up stream from the lift station. We would like to install an odor logger to determine the severity and when odor is occurring. There is also a flow problem at the lift station in that high flow problems exist. It is believed a bigger wet well will resolve the problem. After Quiggins, we need to pole camera; smoke test and flow monitor the lines feeding the lift station. This will allow us to decide the priority of work.

**Other Work** – There is also proposed another six lift stations with problems.

**During the conversation it became clear to us that we need the following as quickly as possible**

- A good overall map of the system
- A map of the lift station locations and information
- Lift station run time information on key lift stations either in daily reads of hour meters or in mission software readings
- A quick review of the Quiggins and Lincoln Trail sewer basins with pole camera, smoke and flow monitoring. Is there a big break in a creek crossing that helps us?
- A simplified map with our master plan on it for work we know about plus what ever major development is planned

## New Address and Phone Number

Rob Nicholas  
Veolia Water  
5071 Endview Pass  
Brooksville, FL 34601  
859/582-0104  
[robert.nicholas@veoliawaterna.com](mailto:robert.nicholas@veoliawaterna.com)

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## Andrea Palmer

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**From:** Nicholas, Robert [Robert.Nicholas@veoliawaterna.com]  
**Sent:** Thursday, February 07, 2008 10:12 PM  
**To:** Jim Bruce; Brett Pyles; Meredith, Thomas; Greer, Jeffery; Eads, Deana; Ritchey, Jay; Hovance, LaVerna; Milas, Deshay; Walker, James  
**Cc:** Kruger, Steven; O'Brien, Thomas J.  
**Subject:** Radcliff Transition Schedule  
**Attachments:** Transition List.xls

You will find attached a "Draft" Transition Schedule. This list is primarily related to the activities VW must complete as part of the start up of the contract.

The intent is to develop a list of all the activities that must be undertaken, who would be response and when it would occur. The hope is that in early March we can do a walk through of the facilities and review operating procedures. That would give us a few weeks to work out any details of the transition. The start up date is expected after March 15.

Jim and Brett - This is the first time I have put Deshay Milas on the email list. She is our new Accounting Manager and will help Deana Eads the CDR Administrative Assistant with the set up of the VW accounting records. Jay Ritchey is the regional safety manager. You may have met him before.

Everyone should feel free to send me changes to the schedule either in the timing of events or in additional steps that should be listed.

### New Address and Phone Number

Rob Nicholas  
Veolia Water  
5071 Endview Pass  
Brooksville, FL 34601  
859/582-0104  
[robert.nicholas@veoliawaterna.com](mailto:robert.nicholas@veoliawaterna.com)

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## Andrea Palmer

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**From:** Kathy Weisner [kweisner@radcliff.org]  
**Sent:** Thursday, February 07, 2008 11:36 AM  
**To:** Jim Bruce

Jim,

Chance has questions about when we would be doing the last payroll and the last check run for accounts payable. We do accounts payable check runs on the 10th and 20th, but they can be done any time. Payroll is biweekly. Pay weeks and pay periods end on Saturday.

I would assume that everything depends on the take over date, but I said I would ask how you would normally handle that.

Also Julia wants to know if she and Duane have to go through the application process since they know that they are not going to accept an offer of employment, just a severance offer?

All of her employees will be available on Monday and I am booking out space in our building for Tuesday. Will the Veolia employee who will be here need a computer hook up or wireless or any special stuff that I might have to get arranged to make her life a little easier?

Kathy

# AGENDA

## HARDIN COUNTY WATER DISTRICT No. 1 BOARD OF COMMISSIONERS SPECIAL Commission Meeting

**NOTICE:** This is planned as a Video teleconference with locations being the District offices, 1400 Rogersville Road, Radcliff, Kentucky, and one Board member attending by video teleconference from Ft. Meyers, Florida. In the event the remote the video conference cannot be established, only those Board members attending the meeting in-person will be voting during the meeting.

**FRIDAY, February 8, 2008 at 11:00 AM**

Meeting Room - Customer Service Center  
1400 Rogersville Road - (Lunch provided for Board)

**Time: 11:00 A.M.**

Commissioners: Mr. William J. Rissel, Chairman  
Mr. Bill Gossett, Treasurer  
Mr. John Tindall, Secretary  
Mr. Ron Hockman, Commissioner  
Mr. Les Powers, Commissioner

- A. 11:00 am - Call to Order - PUBLIC COMMENTS (NONE)
1. Veolia Operations Contract - Radcliff Sewer Operations
2. ADJOURN

COUNCIL CENTER  
MEETING  
TO INTRODUCE  
VETINA - PR

MEMBERS  
w/ PHONE  
NUMBERS

7.5 JT  
7.5 RH

ADJOURN 11:10  
BILL R - COMMENT STAFF  
RHS  
HOPKINS  
CITY, RESIDENT &  
WATER COMPANY

**HARDIN COUNTY WATER DISTRICT No. 1**  
Staff Information Item

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**DATE:** February 8, 2008

**AGENDA ITEM NO.:** 1

**ITEM:** Veolia Operations Contract - Radcliff Sewer Operations

**SUBMITTED BY:** Jim Bruce, General Manager *Jim Bruce*

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Mr. Rob Nicholas with Veolia will be at the meeting to present the revised version of a new operations agreement, for operating the Radcliff Sewer System. A copy of the latest version is enclosed.

Rob has incorporated all of David Wilson's latest comments as well. We also removed the "buy out" penalty clause, which would have been required if we cancelled the contract early. Instead of that requirement, we instead reimburse Veolia for their up-front costs initially, which funds would be available from the sewer funds transferred.

The term "amendment" has also been removed and it is now just called an "agreement". Most of the requirements, sections and language is the same as our Ft. Knox - Veolia agreement, which was signed in June, 2005.

Veolia needs to have an executed agreement in order to proceed with ordering needed equipment, purchase required bonds and liability insurance, and to meet with Radcliff Sewer employees and make them employment offers. We are still working toward a system transfer date of April 1, 2008.

**RECOMMENDATION:** Approve the agreement, with any changes by Board, and authorize signature and execution of the agreement.

**Suggested Motion Language:** *SECRETED*  
"Motion to authorize Chairman, and General Manager to execute an agreement with Veolia Water, North America, South, LLC, to operate the Radcliff sewer system, pending approval by the Public Service Commission, for an initial term of seventeen years, and for an initial annual fee of \$1,879,800 and notify Veolia to proceed with all needed tasks required to enact the transfer and start-up of operations of the utility system at the earliest possible date".

*W/ AMENDMENTS*

*LP - / PASSED  
RH ABSTAIN - DUE TO  
RELATIVE w/ VEOLIA 452*

**AGREEMENT**

**BY AND BETWEEN**

**HARDIN COUNTY WATER DISTRICT No. 1**

**AND**

**VEOLIA WATER NORTH AMERICA – SOUTH, LLC**

**TO PROVIDE**

**OPERATIONS MAINTENANCE AND MANAGEMENT OF  
WASTEWATER UTILITY SYSTEM**

**AT  
RADCLIFF, KY**

**February 8, 2008**

**DRAFT**

**DRAFT**

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**DRAFT**

**AGREEMENT**

LINE

**THIS AGREEMENT**, made and entered into this seventh day of February, 2008 (hereinafter referred to as the "Agreement"), by and between the **HARDIN COUNTY WATER DISTRICT No. 1** hereinafter referred to as the "DISTRICT", and **Veolia Water North America – South, LLC** hereinafter referred to as "VEOLIA WATER."

**WITNESSETH:**

**WHEREAS**, the DISTRICT and VEOLIA WATER entered into an Agreement ("Agreement") in June,, 2005 to work together to privatize the wastewater and storm water utility systems at Ft. Knox, Kentucky(the "Fort Knox Operations") under Defense Energy Support Center Solicitation No. SP0600-01-R-0121; and

**WHEREAS**, the success of that Agreement brought about interest by the City of Radcliff ("CITY") in determining whether economies of scale exist that could likewise reduce costs and provide more effective service in the operation, maintenance and management of the CITY's wastewater utility system (the "Radcliff System"); and

**WHEREAS**, the DISTRICT entered into a Memorandum of Agreement with the CITY to carry out a study to determine if opportunities exists to reduce rates and to improve and expand service to meet the needs of the BRAC activities on Ft Knox; and,

**WHEREAS**, the DISTRICT and the CITY entered into a Wastewater System Acquisition Agreement on January 31, 2008 (the "Radcliff Agreement") to enact the transfer of all assets and liabilities of the CITY System to the DISTRICT, which included, as part of the Radcliff Agreement, VEOLIA WATER providing O&M services to the DISTRICT in connection with opeatoin, maintenance and management of the Radcliff System; and,

**WHEREAS**, the DISTRICT and VEOLIA WATER shall enter into this Agreement to provide the terms under which VEOLIA WATER will operate, maintain and manage the CITY System only if the transfer of the CITY system to the DISTRICT is approved by the Kentucky Public Service Commission; and,

**NOW, THEREFORE**, in consideration of the mutual covenants and Agreement s hereinafter set forth, the DISTRICT and the VEOLIA WATER agree as follows:

**1. General Terms of the Agreement:**

- .1 Scope of this Agreement: The intention of the parties is that the terms of this Agreement will exclusively govern the services to be performed by VEOLIA WATER in connection with the Radciff Sewer System. A separate document sets forth terms regarding VEOLIA WATER and the DISTRICT's other relationship regarding the Fort Knox Operations which requires specialized language relating to the Federal Acquisition Regulations and other federal procurement laws incorporated therein by reference but which shall not apply to the services

performed under this Agreement unless otherwise specifically stated herein. This Agreement shall not modify or change the terms under which VEOLIA WATER performs services for the DISTRICT in connection with the Fort Knox Operations. Definitions of words and phrases used in this Agreement and the attachments are contained in APPENDIX A.

- .2 DISTRICT Property: All land, buildings, facilities, easements, licenses, rights-of-way, equipment and vehicles presently or hereinafter acquired or owned by the DISTRICT shall remain the exclusive property of the DISTRICT unless specifically provided for otherwise in this Agreement.
- .3 Binding Agreement: This Agreement shall be binding upon the successors and assigns of each of the parties, but neither party shall assign this Agreement without the prior written consent of the other party. Consent shall not be unreasonably withheld, conditioned or delayed.
- .4 Notices: All notices shall be in writing and transmitted to the party's addresses and persons listed below. All notices shall be deemed effectively given when delivered, if delivered personally or by courier, mail service, i.e., Federal Express or DHL; delivered after such notice has been deposited in the United States mail postage prepaid, if mailed certified or registered U.S. mail, return receipt requested; or received by the party for which notice is intended, if given in any other manner.

If to the DISTRICT to:

Primary Address;

Hardin County Water District No.1  
Mr. Jim Bruce, General Manager  
1400 Rogersville Road  
Radcliff, KY 40160

with a copy to:

Mr. David Wilson  
Skeeters, Bennett, Wilson and  
Pike  
550 West Lincoln Trail Blvd.  
Radcliff, KY 40160

If to VEOLIA WATER to:

Veolia Water North America – South, LLC  
Mr. Robert Nicholas, Area Manager  
14055 Riveredge Drive – Suite 240  
Tampa, Florida 33637

With a copy to:

Veolia Water North America - South, LLC  
Mr. Van Cates, Senior Counsel  
14055 Riveredge Drive – Suite 240  
Tampa, Florida 33637

- .5 Radcliff Agreement: It is understood that certain requirements from the Radcliff Agreement are set forth in Appendix F is incorporated herein for all purposes. VEOLIA WATER agrees to comply with all such requirements..
- .6 Entire Agreement: This Agreement, including APPENDICES A through F, is the entire Agreement between the parties with respect to the Radcliff Sewer System. This Agreement may be modified only by written Agreement signed by both parties. Wherever used, the terms "VEOLIA WATER" and "DISTRICT" shall include the respective officers, agents, directors, elected or appointed officials and employees, where appropriate VEOLIA WATER's or anyone acting on their behalf.
- .7 Savings Clause: If any term, provision, covenant or condition of this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remainder of the provisions shall remain in full force and effect, and shall in no way be affected, impaired or invalidated.
- .8 Nature of Services: The services provided under this Agreement are of a professional nature and shall be performed in accordance with good and accepted industry practices for contract operators similarly situated. However, such services shall not be considered engineering services, and nothing herein is intended to imply that VEOLIA WATER is to supply professional engineering services to the DISTRICT, unless specifically stated in this Agreement to the contrary.
- .9 Attorneys Fees: If any litigation is necessary to enforce the terms of this Agreement, the prevailing party shall be entitled to reasonable attorney's fees, which are directly attributed to such litigation, in addition to any other relief to which it may be entitled.
- .10 No Third Party Beneficiaries: Nothing in this Agreement shall be construed to create in any third party or in favor of any third party any right(s), license(s), power(s) or privilege(s).
- .11 Designated Representative: Prior to the commencement of work under this Agreement, each party shall designate in writing an employee or other representative of the designating party who shall have full authority to approve changes in the Scope of Work and compensation therefore, execute written Change Orders reflecting such changes, render decisions promptly, and furnish information expeditiously to the other party when necessary.
- .12 Governing Law: This Agreement shall be governed by, construed and interpreted in accordance with the laws of the Commonwealth of Kentucky, excluding any choice of law rules, which may direct the application of the laws of any other jurisdiction. More particularly, any action pertaining to this Agreement taken in

a court of law shall, unless otherwise prevented by law, be subject to venue and jurisdiction in Hardin County, Kentucky,

- .13 Severability: If any provision of this Agreement is deemed invalid, illegal, such provision will be deemed amended to conform to applicable laws so as to be valid and enforceable, or if it cannot be so amended without materially altering the intention of the parties, it will be stricken, (ii) the validity, legality and enforceability of such provision will not in any way be affected or impaired thereby in any other jurisdiction, and (iii) the remainder of this Agreement will remain in full force and effect.
- .14 Dispute Resolution: In the event of dispute between DISTRICT and VEOLIA WATER, said parties shall immediately enter into discussions to arrive at a mutually satisfactory solution to said dispute. If a mutually satisfactory solution cannot be reached between VEOLIA WATER and the DISTRICT, then the parties hereby knowingly, voluntarily and irrevocably agree that any disputes or conflicts in any way arising out of or relating to this Agreement shall first be mediated, by a professional mediator, based in Kentucky and mutually agreed to by both parties, and if mediation fails to resolve the dispute between the Parties, then the dispute shall be resolved by binding arbitration after which each party would select an arbitrator, and those two arbitrators would then select the final arbitrator who would arbitrate the dispute.
- .15 Work Deliverables: All documentation pertaining to any and all services and work performed, pertaining to this contract, including but not limited to: photos, videos, compact disc, studies, data, computations, reports, etc., excluding VEOLIA WATER proprietary software processes, shall be provided to the DISTRICT upon request. Moreover, VEOLIA WATER hereby agrees that all photos, videos, studies and related data, reports and any other data completed as a deliverable requirement under this Agreement is the sole property of the DISTRICT.
- .16 Labor Dispute: In the event activities by employee groups or unions cause a disruption in VEOLIA WATER's ability to perform at the Project, the DISTRICT, with VEOLIA WATER's assistance or VEOLIA WATER at its own option, may seek appropriate injunctive court orders. During any such disruption, VEOLIA WATER shall operate the facilities on a best efforts basis until any such disruptions cease.
- .17 Force Majeure: Neither party shall be liable for its failure to perform its obligations under this Agreement, if such failure is due to any Unforeseen Circumstances beyond its reasonable control. However, this Section may not be used by either party to avoid, delay or otherwise affect any payments due to the other party.

- .18 Entire Agreement: This Agreement constitutes the entire understanding and Agreement between the parties relating to the services provided by VEOLIA WATER to DISTRICT and supersedes any and all prior Agreement s whether written or oral, which may exist between the parties regarding the services. This Agreement may be amended only by a written instrument signed by each party.
- .19 Successors and Assigns: This Agreement shall be binding upon, and to the benefit of the parties hereto, their successors and assigns.

**2. Status as Contractor, Subcontractor:**

- .1 The parties agree that VEOLIA WATER shall be an independent contractor and both VEOLIA WATER and his/her employees, subcontractors and agents shall not be considered to be employees of the DISTRICT.
- .2 VEOLIA WATER shall not employ any subcontractor, supplier, or other individual or entity against whom the DISTRICT may have reasonable objection. VEOLIA WATER shall not be required to employ any subcontractor, supplier or other individual or entity to furnish or perform any of VEOLIA WATER's work against whom VEOLIA WATER has reasonable objection.
- .3 VEOLIA WATER shall be solely responsible for scheduling and coordinating their subcontractors, suppliers and other individuals and entities performing or furnishing any of the work under a direct or indirect contract with VEOLIA WATER. All work performed for VEOLIA WATER by a subcontractor or supplier will be pursuant to an appropriate sub-Agreement or purchase order between VEOLIA WATER and the subcontractor or supplier which specifically binds the subcontractor or supplier to the applicable terms and conditions of this Agreement.
- .4 Intentionally Left Blank
- .5 VEOLIA WATER agrees to cooperate with other DISTRICT subcontractors, engineers, consultants or other agencies that would not be under contract to VEOLIA WATER but to the DISTRICT which said cooperation may require reasonable access to data and reports, access to facilities owned by the DISTRICT or sharing other information about the operations of the Project as requested by the DISTRICT.
- .6 All employees, contractors and representatives of VEOLIA WATER, performing work at the Project shall provide proof of security clearance required by Fort Knox because of the interchange of personnel and equipment.

3. Agreement Term:

.1 The Initial Term of this Agreement shall begin March 15, 2008 and shall terminate on the same date as the Fort Knox agreement between DISTRICT and VEOLIA WATER (i.e., with seventeen years (17 years) and four (4) months remaining. Thereafter, this Agreement shall be automatically renewed for successive terms of five (5) years each, unless canceled in writing by either party no less than one hundred and twenty (120) days prior to expiration.

Sooner or Earlier?

.2 Both parties agree that the beginning date of March 15, 2008 may be sooner or later based on the time required to obtain final state agency approval but with no change in the end dates. All costs would be prorated accordingly.

OK

.3 The DISTRICT may terminate this Agreement (1) if the GOVERNMENT terminates the Contract with the DISTRICT for Ft Knox; (2) the District sells or transfers the Radcliff Sewer System to another entity; or (3) on the tenth and fifteenth anniversary of the Ft Knox Agreement Commencement Date for convenience with 120 day prior written notice. Either party may terminate this Agreement at anytime for a material breach of the Agreement by the other party; only after giving written notice of breach; and, except in case of a breach by the DISTRICT for non-payment of VEOLIA WATER's invoices, in which case termination may be immediate by VEOLIA WATER, only after allowing the other party sixty (60) days to cure or commence taking reasonable steps to cure the breach.

?

.4 In the event that this Agreement or the original Agreement is terminated for the DISTRICT's convenience prior to the expiration of the initial term or any successive term, the DISTRICT shall pay VEOLIA WATER a termination fee based on the remaining unamortized balance of start up costs and capital expenditures made by VEOLIA WATER, all as set forth in APPENDIX F.

Not Right?

.5 Upon notice of termination by the DISTRICT, VEOLIA WATER shall assist the DISTRICT in assuming operation of the Project. If additional Cost is incurred by VEOLIA WATER at request of the DISTRICT, the DISTRICT shall pay VEOLIA WATER such Cost within the same terms of a routine monthly invoice as provided for herein.

.6 Upon termination or expiration of this Agreement and all renewals and extensions of it, VEOLIA WATER will return the Project to the DISTRICT in the same condition as it was upon the effective date of this Agreement, ordinary wear and tear excepted. Equipment and other personal property purchased by VEOLIA WATER for use in the operation or maintenance of the Project shall remain the property of VEOLIA WATER upon termination or expiration of this Agreement, unless the property was directly paid for by the DISTRICT, or the DISTRICT specifically reimbursed VEOLIA WATER for the cost incurred to purchase the property, or this Agreement provides to the contrary.

**4. General Duties of VEOLIA WATER:**

- .1 VEOLIA WATER shall operate and maintain the system so as to provide reliable, cost-effective, and compliant service ("work") over the term of the contract as described herein. The work to be provided by VEOLIA WATER is divided into various categories and sections which are further defined and described in this section.
- .2 VEOLIA WATER shall establish, maintain and adhere to a Quality Management Plan within ninety (90) days of project start. The plan shall include staffing, customer feedback system, method of system inspection, record keeping and environmental compliance plan.
- .3 The DISTRICT reserves the right to monitor and evaluate the progress and performance of VEOLIA WATER to assure that the terms of this Agreement are being met in accordance with applicable wastewater industry monitoring and evaluating criteria and standards. VEOLIA WATER shall cooperate with the DISTRICT relating to such monitoring and evaluation.
- .4 VEOLIA WATER shall develop and/or supply and utilize computerized programs for process control, maintenance, and laboratory Quality Assurance/Quality Control. The maintenance program will be capable of exporting information to the DISTRICT's GIS Mapping system.
- .5 VEOLIA WATER shall provide sufficient financial information to the DISTRICT for the purposes of preparing accounting reports which classify costs into categories or accounts as required by the Kentucky Public Service Commission. In lieu of duplicate reports, VEOLIA may produce for the DISTRICT a digital computer file with its costs allocated to its own account numbers, into a spreadsheet or database program, with sufficient other explanation or use for each expense for the DISTRICT to further categorize the expenses into other required Uniform System Chart of Accounts.
- .6 VEOLIA WATER will provide for the collection and hauling of solid waste, screenings, grit, sludge and scum ("Waste") to the DISTRICT's existing or approved disposal sites. It shall be the sole right and responsibility of the DISTRICT to designate, approve or select disposal sites to be used by VEOLIA WATER for the DISTRICT's waste materials. All Waste and/or byproduct treated and/or generated during VEOLIA WATER's performance of services is and shall remain the sole and exclusive property of the DISTRICT. All manifests or other documentation required for disposal of Waste shall be signed by or in the name of the DISTRICT or its authorized representative.
- .7 Upon request of the DISTRICT, VEOLIA WATER will provide a listing of recommended capital improvements required for the Project. VEOLIA WATER will not be relieved of its responsibility to perform if the recommendations are not

implemented; provided however, that the capital improvement necessary to: (I) meet effluent requirements; (ii) meet federal, state or local laws, rules or regulations for the safety of persons in or about the Project; or (iii) meet ADA (Americans with Disabilities Act) requirements. If the project(s) are approved, the DISTRICT will make arrangements for the design and construction of said improvements.

- .8 VEOLIA WATER shall provide its own telephone, cable television company, computer internet, natural gas and electrical service. The DISTRICT and VEOLIA WATER however do agree that if the rates are less expensive as government rates versus a corporate rate then the service will be in the name of the DISTRICT and paid by VEOLIA WATER.
- .9 Prior to operating two-way, portable, or land mobile devices VEOLIA WATER shall be certain these are compatible with Ft Knox regulations because of the interchange of personnel and equipment between the two project.
- .10 VEOLIA WATER will be permitted to use the offices, maintenance shops, and materials storage/staging areas at Radcliff for the operation of the project but not for non related project activities unless provided for in writing from the DISTRICT.
- .11 VEOLIA WATER shall be responsible for the disposition of VEOLIA WATER removed or salvaged materials in accordance with CITY, County, State and Federal regulations..
- .12 VEOLIA WATER shall provide a vehicle for its project manager and a lawn mower required to cut grass. The above property shall be readily identifiable as to include both the DISTRICT and VEOLIA WATER markings on each vehicle.
- .13 VEOLIA WATER shall employ sound utility practices to ensure continuous, dependable, and reliable utility service is provided to the Installation 24 hours each day and to minimize the scope and length of any service disruption. VEOLIA WATER shall ensure it is able to receive the Service Requests 24 hours a day, every day. Once a request is received, VEOLIA WATER shall respond in accordance with their Service Interruption/Contingency Plan which shall be provided to the DISTRICT ninety (90) days after start of the contract. The standards shall distinguish between different categories (routine, emergency) of service requests and service interruptions and, identify response times for each category. The standards will match those currently being utilized in the service provided to Ft Knox.
- .14 Intentionally Left Blank
- .15 VEOLIA WATER shall comply with all applicable State and Federal environmental laws and regulations.

- .16 VEOLIA WATER shall comply with industry standards regarding work in and around environmentally sensitive or contaminated property.
- .17 VEOLIA WATER shall provide an inventory of all materials, tools, chemicals and supplies on hand at the site within 24 hours of starting the contract. .
- .18 Intentionally Left Blank
- .19 VEOLIA WATER shall at its expense comply with all applicable laws on occupational safety and health, the handling and storage of hazardous materials included in its scope of work and the proper handling and disposal of hazardous wastes and hazardous substances generated by VEOLIA WATER during its activities.
- .20 VEOLIA WATER Duties - Personnel related work and scope:
- .1 VEOLIA WATER will offer employment to all existing full time CITY employees as long as their positions are necessary to VEOLIA WATER'S performance under this Agreement and they continue to perform their duties in a satisfactory manner and subject to all such individuals taking and successfully passing a drug screen test and a physical evaluation to be administered by a VEOLIA WATER company physician.
  - .2 VEOLIA WATER will agree to lease a single employee for a period not to exceed six months per the Utility Transfer Agreement signed between the DISTRICT and the CITY. VEOLIA WATER will enter into a separate agreement with the CITY for that employee and will reimburse them for that cost. The employee after the six months would be offered employment under the same terms listed in Section 20.1.
  - .3 VEOLIA WATER will as an alternative to offering full time employment, provide three employees with a cash settlement option that would meet the requirements of the DISTRICT in the Utility Transfer Agreement signed between the DISTRICT and the CITY. The cash settlement will not exceed one year's base wage and will require that the individual in exchange for a cash settlement terminate employment with the CITY and waive any right to employment with VEOLIA WATER. The completion of the transaction to occur before start of the contract.
  - .4 VEOLIA WATER will provide said employees with the same wage as paid by the CITY on July 1, 2007 and industry competitive fringe benefits package. VEOLIA WATER will accept existing CITY employee time with the CITY in establishing their vacation time with VEOLIA WATER.

PLUS EQUIPMENT STATE & FEDERAL TAXES

- .5 VEOLIA WATER will continue to provide employment to all personnel who accept employment with VEOLIA WATER, so long as their positions are necessary to VEOLIA WATER's performance under this Agreement, and they continue to perform their duties in a satisfactory manner. Where applicable, all such personnel must hold current licenses, certificates or authority to perform the work required of their respective positions.
- .6 VEOLIA WATER will implement and maintain an employee safety program in compliance with applicable laws, rules and regulations and make recommendations to the DISTRICT regarding the need, if any, for the DISTRICT to rehabilitate, expand or modify the Project to comply with governmental safety regulations applicable to VEOLIA WATER's operations hereunder and federal regulations promulgated pursuant to ADA.
- .7 VEOLIA WATER because of cross utilization of staff from Radcliff at Ft Knox shall not employ any person for work on this Agreement if such person is identified as a potential threat to the health, safety, security, general well being, or operational mission of the Ft Knox installation or population.
- .8 VEOLIA WATER's personnel shall present a neat appearance and be readily recognized as VEOLIA WATER employees and shall, due to cross utilization of staff at the Ft Knox installation, ensure each employee obtains from Security Forces an ID card that shall include at a minimum the employee's name, photograph and VEOLIA WATERS name. At the DISTRICT's discretion, uniforms worn by VEOLIA WATER employees shall include the DISTRICT's name or logo.
- .9 VEOLIA WATER shall ensure that employees meet all applicable federal, state, and local certification, licensing, and health and safety requirements to perform all assigned tasks and functions of this Agreement..
- .10 VEOLIA WATER, because of cross utilization of the staff at Ft Knox, shall provide sufficient information to obtain complete and favorable National Agency Check (NAC) investigations for its employees for unescorted entrance into restricted areas on the Post.
- .11 VEOLIA WATER, due to cross utilization of staff at Ft Knox, shall apply for personnel security clearances required for performance after the contract is awarded.
- .12 VEOLIA WATER shall maintain a current list of employees.

- .13 Within a reasonable time after start-up, if a majority of existing staff do not transfer employment, VEOLIA WATER will staff the Project with employees who have met appropriate licensing and certification requirements of the Commonwealth of Kentucky.
  - .14 VEOLIA WATER shall provide ongoing training and education for appropriate personnel in all necessary areas of modern wastewater process control, operations, maintenance, safety, and supervisory skills.
  - .15 VEOLIA WATER shall operate, maintain and/or monitor the Project on a 24 hour per day, seven day per week schedule. This does not mean staffing the wastewater plant 24 hour per day 7 day per week..
- .21 VEOLIA WATER's Duties - Maintenance related scope and work:
- .1 VEOLIA WATER shall be responsible for the maintenance of the Wastewater treatment plant and Collection system so as to provide reliable, cost effective and compliant service over the term of the contract. The utility system shall be operated and maintained in accordance with all applicable federal, state and local laws/regulations. At a minimum, performance standards and /or specification shall follow best engineering and management practices consistent with the following:
    - a. Wastewater collection system(s): The most recent edition of reference materials published by the American Water Works Association (AWWA), Water Environment Federation (WEF), American Society of Civil Engineers (ASCE), National Fire Protection Association (NFPA) and Factory Mutual Global. Additional standards for operations and maintenance of the utility systems the Offeror proposes.
    - b. C.12.1 Quality Management Plan: VEOLIA WATER shall establish, maintain and adhere to a Quality Management Plan to ensure the provision of reliable, cost-effective and compliant service over the term of the contract.
  - .2 VEOLIA WATER shall be responsible for maintaining all manufacturers' warranties on new equipment purchased by the DISTRICT and assist the DISTRICT in enforcing existing equipment warranties and guarantees.
  - .3 VEOLIA WATER shall provide the DISTRICT with full documentation that preventive maintenance is being performed on the DISTRICT owned equipment, in accordance with manufacturer's recommendations, at intervals and in sufficient detail as may be determined by the DISTRICT. Such a maintenance program must include documentation of corrective and preventive maintenance and a spare parts inventory.

- .4 VEOLIA WATER may modify the process and/or facilities to achieve the objectives of this Agreement and charge the Costs to the Maintenance and Repair Limit; provided, however, no modification shall be without the DISTRICT's prior written approval, if the complete modification Cost shall be in excess of Two Thousand Five Hundred Dollars (\$2,500.00).
  - .5 In any emergency affecting the safety of persons or property, VEOLIA WATER may act without written Agreement or change order, at VEOLIA WATER's discretion, to prevent threatened damage, injury or loss. VEOLIA WATER shall be compensated by the DISTRICT for any such emergency work notwithstanding the lack of a written Agreement. Such compensation shall include VEOLIA WATER's Costs for the emergency work plus a reasonable mark-up for overhead and profit.
  - .6 Subject to the availability of funds within the Maintenance and Repair Limit, VEOLIA WATER will perform all Maintenance and Repairs for the Project, and submit a monthly accounting to the DISTRICT, along with a detailed invoice, if Maintenance and Repair expenditures for the Project exceed the Maintenance and Repair Limit specified in Section 6, "Fees and Compensation."
  - .7 VEOLIA WATER shall assist the DISTRICT in preparing an Annual Renewals and Replacement plan which shall be completed no later than October 1 of each year. This document will be separate from the plan prepared for the Ft Knox utility systems.
- .22 VEOLIA WATER's Duties – Radcliff Wastewater Treatment Plant related work and scope:
- .1 VEOLIA WATER shall be liable for those fines or civil penalties imposed by a regulatory or enforcement agency for violations occurring on or after the start-up date of the effluent quality requirements provided for in APPENDIX C-1 that are a result of VEOLIA WATER's negligence. The DISTRICT will assist VEOLIA WATER to contest any such fines in administrative proceedings and/or in court prior to any payment by VEOLIA WATER. VEOLIA WATER shall pay the cost of any such contest.
  - .2 Within the design capacity and capabilities of the Radcliff Wastewater Treatment Plant ("Plant") described in APPENDIX B, VEOLIA WATER will manage, operate and maintain the Plant so that effluent discharged from the Plant's out-falls meets the requirements specified in APPENDIX C, Section 1.

- .3 VEOLIA WATER shall maintain the present industrial waste sampling and laboratory analysis program, as described in APPENDIX D. Results of all industrial sampling and testing shall be reported to the DISTRICT in a timely manner.
  - .4 As required by law, permit or court order and government contract, VEOLIA WATER will prepare Plant performance reports and submit them to the DISTRICT for signature and transmittal to appropriate authorities.
  - .5 VEOLIA WATER will provide laboratory testing and sampling presently required by Plant performance portions of the NPDES permit, the Clean Water Act, the Safe Drinking Water Act, and/or any federal, state or local rules and regulations, statutes or ordinances, permit or license requirements or judicial and regulatory orders and decrees and shall keep results of said testing and reports readily available and on-site at the Plant for inspection, review and copying by the DISTRICT whenever requested.
  - .6 VEOLIA WATER will be responsible for reading, maintaining, and calibrating all meters on the utility systems..
  - .7 Intentionally Left Blank
- .23 VEOLIA WATER's Duties – Radcliff Wastewater Collection System related scope and work:
- .1 This section shall apply to VEOLIA WATER's maintenance and repair services for the District's Radcliff Wastewater Collection System.
  - .2 Services pursuant to this Article are limited to 12,480 actual straight time and 624 overtime man-hours per annum for six (6) personnel (four (4) field workers and two (2) lift station mechanics). In an Emergency requiring the payment of overtime, VEOLIA WATER shall invoice the DISTRICT for the premium portion of the costs, if overtime is required above and beyond 624 hours but is not regularly scheduled overtime associated with a shift.
  - .3 For purposes of this Section, an "actual straight time man-hour" shall mean an actual hour of labor by one person unburdened by vacation, holiday or other leave allowances.
  - .4 For purposes of this Section, the "premium portion of the costs" shall mean that multiplier required by the governmental overtime law(s) plus any additional taxes, fees or insurance resulting from the extra money paid; i.e., FICA, unemployment insurance, and workers' compensation.

- .5 Costs associated with the services described in this Section shall be charged to the Maintenance and Repair Limit.
- .6 Intentionally Left Blank.
- .7 VEOLIA WATER shall establish a Wastewater Collection System cleaning and inspection program which monitors 10% of the line and manholes every year after the first year of the contract. The program should include a combination of flow monitoring, smoke testing, water jet cleaning and TV inspection. The inspection information shall be in a format which can be tracked by the computerized maintenance system and be exported to the DISTRICT's GIS Mapping and its engineering consultant.
- .8 VEOLIA WATER shall provide information to the DISTRICT to up date record drawings for all existing and new facilities installed on a regular basis.
- .9 Intentionally Left Blank
- .10 VEOLIA WATER shall perform day to day maintenance of the Radcliff Wastewater Collection System including responding to sewer line blockages, raising manhole rings and making dig down repairs to problems in the Wastewater Collection System.
- .11 Intentionally Left Blank.
- .12 Intentionally Left Blank.
- .24 VEOLIA WATER Duties - Transition Service related scope and work:
  - .1 VEOLIA WATER shall assist the DISTRICT in the coordination of DISTRICT sub contractors working on the Radcliff Wastewater Utility System.
  - .2 VEOLIA WATER shall assist the DISTRICT in the transition from the CITY of Radcliff to DISTRICT ownership including all meetings, tasks, measurements, documentation and certification required.
  - .3 Fifteen (15) days after VEOLIA WATER begins service under this Agreement, VEOLIA WATER shall provide a physical inventory of the DISTRICT's vehicles and equipment in use at the Project and a general statement as to the condition of each vehicle or piece of equipment.

- .4 VEOLIA WATER shall provide the DISTRICT with a physical inventory of chemicals and other consumables on hand when VEOLIA WATER begins services under this Agreement.
  - .5 VEOLIA WATER shall provide the DISTRICT with the same quantity of chemicals or equivalent upon termination of this Agreement. VEOLIA WATER shall propose an Operational Transition Plan as described in ~~C.13 of APPENDIX G.~~
  - .6 VEOLIA WATER shall provide periodic reports to the DISTRICT for their use and for dissemination. These reports will include a monthly reporting that includes State required reports, maintenance/rehabilitation/replacement effort undertaken and outages.
  - .7 VEOLIA WATER will also assist the DISTRICT by providing information required for the annual Public Service Commission reports due by February 1 each year and the Upgrades, Renewals and Replacement Plan by October 1 of each year.
- .25 VEOLIA WATER Duties - Initial Capital Upgrades related scope and work:
- .1 VEOLIA WATER shall assist the DISTRICT in the coordination of Initial Capital Upgrades required as part of the transfer including but not limited to signage, security and maintenance.
  - .2 VEOLIA WATER shall assist the DISTRICT with installing alarms and lights at the Plant and largest lift stations.
  - .3 Intentionally Left Blank
  - .4 VEOLIA WATER shall identify in the first thirty (30) days minor repairs to the facilities and equipment.
- .26 VEOLIA WATER Duties - Customer Service related scope and work:
- .1 Visits may be made at a reasonable time by the DISTRICT's employees so designated by the DISTRICT's representative. Keys for the Project shall be provided to the DISTRICT by VEOLIA WATER for such visits. All visitors to the Project shall comply with VEOLIA WATER's operating and safety procedures.
  - .2 Access to the utility systems is granted to VEOLIA WATER by the DISTRICT.
  - .3 VEOLIA WATER shall follow the same response times, as set out in the Service Interruptions and Contingencies in place for Ft Knox, for the

Radcliff system. This requires a telephone response to any Emergency where power is off or sewerage is being spilled in 15 minutes and a physical presence at the location of the problem within one hour to the notification.

- .4 VEOLIA WATER shall provide a repair response notification procedure to the DISTRICT on the first day of the contract.
  - .5 Routine work, such as the scheduled repair, replacement, or removal of system components that require service interruption, shall be coordinated with the District at least 2 weeks prior to implementation.
  - .6 VEOLIA WATER shall record all service request calls and provide a monthly accounting to the DISTRICT.
  - .7 VEOLIA WATER shall coordinate connections or disconnections with the DISTRICT.
  - .8 VEOLIA WATER will follow all State and Federal requirements requiring pre dig notification and coordination. .
  - .9 VEOLIA WATER shall be responsible for locating underground utility system components required by State and Federal requirements. .
  - .10 VEOLIA WATER shall be available for meetings with the DISTRICT.
- .27 VEOLIA WATER Duties - Capital Upgrades, Renewals and Replacements related scope and work:
- .1 VEOLIA WATER shall assist the DISTRICT in coordinating DISTRICT subcontractors in carrying out capital upgrades and renewals and replacements.
  - .2 VEOLIA WATER shall participate with the DISTRICT in preparing an Annual Capital Upgrades and Renewals and Replacement report.
- .28 Scope Changes: For Changes in Scope related to the services described in Section 4.1 through 4.26 above, the Annual Fee shall be increased (or decreased) by an amount equal to VEOLIA WATER's additional (reduced) Cost associated with the Change in Scope plus fifteen percent (15%). Modifications of the Annual Fee as a result of conditions described in Section 4.28 below shall be effective at the beginning of the next Agreement year. A Change in Scope of services shall occur when and as VEOLIA WATER's costs of providing services under this Agreement change as a result of and limited to;

- .1 Any change in Project operations, personnel qualifications or staffing or other cost which is a result of an Unforeseen Circumstance;
  - .2 Increases or decreases of not less than five percent (5%) in the influent flow or loadings as demonstrated by a twelve month moving average compared to the twelve month period ending on the effective date of this Agreement (baseline flow and loading information is located in APPENDIX C);
  - .3 Increases or decreases in rates or other related charges (including taxes) imposed upon VEOLIA WATER by a utility provider (see Section 4.8) or taxing authority, excluding taxes based on VEOLIA WATER's net income.
  - .4 The DISTRICT's request of VEOLIA WATER and VEOLIA WATER's consent to provide additional services.
  - .5 Increases or decreases in insurance premium costs or healthcare benefit costs which are not caused by the fault of either party.
  - .6 Intentionally Left Blank.
  - .7 Intentionally Left Blank.
  - .8 ~~Notwithstanding the terms of this section, additional compensation requested by VEOLIA WATER could be subject to approval of an equivalent increase in the tariff rate from the Kentucky Public Service Commission. Until such time, no additional compensation shall be paid to VEOLIA WATER and VEOLIA WATER shall not be obligated to perform any change or incur any cost in connection with a change. The the DISTRICT shall indemnify and hold VEOLIA WATER harmless from non-compliance with any of a regulatory change affecting the discharge permit requirements and any fines or penalties resulting therefrom or non-compliance with any other obligation under this Agreement, until such time as the parties have executed the written change Agreement described above.~~
- .29 Additional Work: Additional Work outside of the initial work may be proposed by VEOLIA WATER and subject to approval by the DISTRICT. Work associated with Additional Work shall not begin nor shall fees accrue until a written Notice to Proceed has been issued to VEOLIA WATER from the DISTRICT. A Notice to Proceed shall be issued for each Additional Work proposed.
- .1 All Additional Work, which shall be requested in writing by VEOLIA WATER, shall require VEOLIA WATER to provide appropriate

documentation which might include a schedule of milestones, work schedules, complete cost estimates, estimated hours and subcontractor costs. Said estimate may be requested by the DISTRICT as either a Not to Exceed amount, a time and materials estimate, or an hourly cost estimate with or without a Not to Exceed amount.

- .2 All Additional Work requests shall be in writing on a form acceptable to the DISTRICT and shall be submitted no less than forty-five (45) days prior to when the work is proposed to begin by VEOLIA WATER. At its discretion, the DISTRICT may reduce or waive the 45 day period.

**5 DISTRICT Duties:** This Agreement requires the DISTRICT to perform certain tasks and activities and responsibilities which have been agreed to and are generally as follows;

- .1 The DISTRICT shall request funding as needed to fund and provide all necessary Capital Upgrades and Renewals and Replacements. Priority shall be given to safety and regulatory related expenses described in the Annual Capital Upgrades and Renewals and Replacement Plan prepared and submitted to the DISTRICT with the assistance of VEOLIA WATER. Any loss, damage, or injury resulting from the DISTRICT's failure to provide capital improvements and/or funds in excess of the Maintenance and Repair Limit, when reasonably requested by VEOLIA WATER, shall be the sole responsibility of the DISTRICT.
- .2 The DISTRICT shall keep in force all Project warranties, guarantees, easements and licenses that have been granted to the DISTRICT and are not transferred to VEOLIA WATER under this Agreement.
- .3 The DISTRICT shall pay all excises, ad valorem, property, franchise and occupational fees, or other fees associated with the Project, if any, other than fees or taxes imposed upon VEOLIA WATER's net income and/or payroll taxes for VEOLIA WATER's employees.
- .4 In the event VEOLIA WATER is required to pay any sales tax or use taxes on the value of the services provided by VEOLIA WATER hereunder or the services provided by any VEOLIA WATER of VEOLIA WATER, such payments shall be reimbursed by the DISTRICT, unless the DISTRICT furnishes a valid and properly executed exemption certificate relieving the DISTRICT and VEOLIA WATER of the obligation for such taxes. In the event the DISTRICT furnishes an exemption certificate which is invalid or not applicable to services by VEOLIA WATER, the DISTRICT shall indemnify VEOLIA WATER for any taxes, interest, penalties, and increment costs, expenses or fees which it may incur as a result of VEOLIA WATER's reliance on such certificate.
- .5 The DISTRICT shall provide VEOLIA WATER, within a reasonable time after request and on an "as available" basis, with the temporary use of any piece of the

DISTRICT's heavy equipment that is available so that VEOLIA WATER may discharge its obligations under this Agreement in the most cost effective manner.

- .6 The DISTRICT shall provide all registrations and licenses for the DISTRICT's vehicles used in connection with the Project.
- .7 The DISTRICT shall provide for VEOLIA WATER's exclusive use of all vehicles and equipment presently in full-time by the CITY of Radcliff excluding a Jeep and a lawn mower in use at the Project. It is agreed by both parties that the existing vehicles are aged and the DISTRICT will have to replace over the next few years.
- .8 The DISTRICT shall provide the Project with appropriate security personnel and/or devices to protect against any losses resulting from the theft, damage, or unauthorized use of property owned by the DISTRICT and shall accept liability for such losses, except to the extent such losses are directly caused by the negligent acts or omissions of VEOLIA WATER.
- .9 The DISTRICT warrants that during the interim period between the initial Project inspection by VEOLIA WATER and when VEOLIA WATER commences full operations and maintenance, the plants, facilities and equipment have been operated only in the normal course of business, all scheduled and proper maintenance have been performed, and there are no issues known to the DISTRICT regarding the condition of the Project and Facility composing the Project and/or any equipment used by the Project.
- .10 Intentionally Left Blank .
- .11 The parties anticipate that the Project, as of the Commencement Date, will not be required to comply with the Accidental Release Prevention Program as set forth in the applicable sections of the Federal Clean Air Act ("RMP"). Following the Commencement Date, in the event it is later determined that the Project must comply with RMP, the DISTRICT shall be responsible for all Costs associated with bringing the Project into RMP compliance.
- .12 DISTRICT shall perform Environmental Reviews when the utility system is modified per local, State and Federal regulations .
- .13 DISTRICT shall be responsible for accomplishing all required upgrades and renewals and replacements to maintain and operate the utility system in a safe, reliable condition.
- .14 DISTRICT shall be responsible for providing VEOLIA WATER with copies of digital GIS Mapping data and information for use in operation and maintenance activities. VEOLIA agrees to purchase any licenses or software required to utilize and access said information provided by the DISTRICT.

.15 Intentionally Left Blank .

6. **Fees and Compensation:**

- .1 VEOLIA WATER's compensation under this Agreement through June 30, 2009 is \$156,650 per month or \$1,879,800 for a twelve month period termed the Annual Fee. The Maintenance and Repair Limit included in Annual Fee is \$16,100 a month and \$193,200 for twelve months. The Electrical Limit included in the Annual Fee is \$11,564 per month and \$138,768 for twelve months. The Odor Control Limit included in the Annual Fee is \$1,250 a month or \$15,000 for twelve months. Both parties agree the start date could fluxuate, if so, the monthly compensation will be prorated.
- .2 Agreement Year: Agreement Year, for the purposes of this Agreement shall mean an increment of twelve calendar months commencing July 1, 2008.
- .3 VEOLIA WATER has based its Annual Fee on offering employment to a maximum of 16 (sixteen) existing personnel in addition to a VEOLIA WATER Project Manager. An effort will be made to hire those qualified CITY workers for the positions available from the existing staff at the Wastewater System identified on the list of displaced or adversely affected workers provided to the DISTRICT as part of the Utility Transfer Agreement with the CITY. VEOLIA WATER shall pay the employees their current wage identified in the Utility Transfer Agreement and a similar benefit package. It is also agreed by the DISTRICT and VEOLIA WATER that VEOLIA WATER may offer a buyout option or may lease employees from the CITY. Should for any reason the DISTRICT require VEOLIA WATER to hire more than 16 personnel, VEOLIA WATER shall be entitled to request and negotiate additional compensation and adjusted Annual Fee.
- .4 The Annual Fee for services under this Agreement is based upon the following wastewater treatment influent characteristics:
  - .1 Flow = 2.0795 million gallons per day
  - .2 CBOD5 = 209 mg/l
  - .3 TSS = 241 mg/l
  - .4 Ammonia Nitrogen = 23 mg/l

The above influent characteristics are the actual twelve (12) months' average for the period ended October, 2007. Any change of five percent (5%) or more in any of these characteristics, based upon a twelve (12) month moving average, will constitute a Change in Scope.

- .5 VEOLIA WATER's expenses for hauling by truck and disposing of Waste are based on paying \$179 a pull and \$23.57 a ton for eligible Outerloop Landfill

facility which is approximately 31 road miles from the Project. Any change in Costs shall give rise to a Change in Scope and the additional costs shall be added to the Annual Fee.

- .6 VEOLIA WATER shall provide natural gas and electricity required to operate the Project and have based its costs on current rates. Any decrease or increase in rates or other related charges (including taxes) imposed upon VEOLIA WATER by a utility provided or taxing authority – excluding taxes based on VEOLIA WATER's net income shall be considered a change in scope of service. VEOLIA WATER has not budgeted for water or sewer service which the DISTRICT will provide for use in operating and maintaining the system...
- .7 The Performance Start Date is February 1, 2008. VEOLIA WATER shall not be able to bill or recover any amounts, expenses or costs prior to the Performance Start Date and all prior costs may only be recovered or included in the above agreed Annual Fee amount.
- .8 If actual Maintenance and Repair expenditures are less than the Maintenance and Repair Limit for any Agreement year, VEOLIA WATER will rebate the entire difference to the DISTRICT in accordance with Section 7.2. If actual Maintenance and Repair expenditures exceed the Maintenance and Repair Limit, the DISTRICT will pay the excess to VEOLIA WATER in accordance with Section 7.2. VEOLIA WATER will notify the DISTRICT when actual Maintenance and Repair expenditures equal eighty percent (80%) of Maintenance and Repair Limit.
- .9 If actual Electrical expenditures are less than the Electrical Limit for any Agreement year, VEOLIA WATER will rebate the entire difference to the DISTRICT in accordance with Section 7.2. If actual Electrical expenditures exceed the Electrical Limit, the DISTRICT will pay the excess to VEOLIA WATER in accordance with Section 7.2. VEOLIA WATER will notify the DISTRICT when actual Electrical expenditures equal eighty percent (80%) of Electrical Limit.
- .10 If actual Odor Control Chemical expenditures are less than the Odor Control Chemical Limit for any Agreement year, VEOLIA WATER will rebate the entire difference to the DISTRICT in accordance with Section 7.2. If actual Odor Control Chemical expenditures exceed the Odor Control Chemical, the DISTRICT will pay the excess to VEOLIA WATER in accordance with Section 7.2. VEOLIA WATER will notify the DISTRICT when actual Odor Control Chemical expenditures equal eighty percent (80%) of Odor Control Chemical Limit.
- .11 Any increases in the Annual Fee shall be negotiated each year after the first seventeen (17) months at least four (4) months prior to the anniversary of this Agreement's Commencement Date. Should the DISTRICT and VEOLIA

WATER fail to agree, the increase in the Annual Fee will be determined by the application of the procedures in APPENDIX E. The Maintenance and Repair Limit shall increase or decrease by a percentage equal to the change in the Annual Fee.

- .12 In addition to the Annual Fee, the DISTRICT shall reimburse VEOLIA WATER for documented costs associated with severance or employee buyouts related to the transition of CITY staff which could include wage, taxes and benefits estimated to be one year of salary for a maximum of three employees. These costs would be paid within ninety days of the start of the contract. For estimating purposes only, the cost is proposed to be \$168,000 in wages..
- .13 In addition to the Annual Fee, the DISTRICT shall reimburse VEOLIA WATER for \$115,000 in development cost, start up costs and equipment purchases. These costs would be paid within ninety days of the start of the contract.
- .14 The cost of temporary connections will be charged against the Maintenance and Repair Limit.

7 **Method of Payment:** The DISTRICT agrees to pay VEOLIA WATER for services rendered pursuant to this Agreement the sums set forth and in the manner set forth in this Agreement and computed as follows:

- .1 VEOLIA WATER shall invoice the DISTRICT monthly an amount equivalent to One-twelfth (1/12) of the Annual Fee for the current year which shall be due and payable with thirty (30) days after the DISTRICT has received an invoice. VEOLIA WATER shall provide an invoice for services rendered and compensation due on or before the thirtieth (30) day of each month and no more than once for each thirty day period.
- .2 The DISTRICT agrees to pay VEOLIA WATER for services rendered pursuant to this Agreement. Payment shall be made within thirty (30) days after receiving an invoice.
- .3 Any monies payable pursuant to Section 6.9 will be paid within sixty (60) calendar days after the end of each Agreement Year.
- .4 All other compensation to VEOLIA WATER is due upon receipt of VEOLIA WATER's invoice and payable within thirty (30) days after presenting an invoice to the DISTRICT.
- .5 The DISTRICT reserves the right to make payment to VEOLIA WATER electronically or by ACH bank transfer (wire) method into an account as designated by VEOLIA WATER and any added costs for said payment method shall be paid or absorbed by each party whose own bank or bank account sending or receiving payment assesses said fee(s).

.6 Intentionally Left Blank.

.7 Interest on Unpaid Amounts: The DISTRICT shall pay interest at an annual rate equal to the prime rate as shown in the Wall Street Journal, said rate of interest not to exceed any limitation provided by law, on payments not paid and received within thirty (30) calendar days of the due date, such interest being calculated from the due date of the payment. In the event the charges hereunder might exceed any limitation provided by law, such charges shall be reduced to the highest rate or amount within such limitation. This provision does not apply to payments made in accordance with the preceding paragraph.

8. **Insurance Requirements:**

- .1 Each party shall obtain and maintain insurance coverage of a type and in the amounts described in this section. Each party shall provide the other party with satisfactory proof of insurance.
- .2 Insurance required shall be with companies qualified to do business in the Commonwealth of Kentucky with a general policyholder's financial rating of not less than "A as set forth in the most current edition of "A.M. Best".
- .3 No such policies shall be cancelable or subject to material reduction in coverage limits or other modification except after thirty (30) days prior written notice to the Owner. VEOLIA WATER shall not do nor permit to be done anything which shall invalidate the insurance policies referred to in this section. If any insurance policy referred to in this Agreement are cancelled or terminated for any reason and are not replaced with an insurance policy of the type and coverage specified herein, the DISTRICT, at its own discretion, may terminate this Agreement pursuant to Section 3 of this Agreement .
- .4 VEOLIA WATER will provide at least thirty (30) days' notice of the cancellation of any policy it is required to maintain under this Agreement. VEOLIA WATER may self-insure reasonable deductible amounts under the policies it is required to maintain to the extent permitted by law. Each party shall include the other party as an additional insured on the coverages, excluding workers' compensation, employer's liability and professional liability, required to be maintained hereby.
- .5 VEOLIA WATER will be required to provide various type of insurance, and coverage limits as listed in the following table:

Type of Coverage	Coverage	Annual Aggregate	Other Requirements
Commercial General Liability	\$2,000,000 per occurrence	\$4,000,000	Claims which may arise from all operations including completed operations

Type of Coverage	Coverage	Annual Aggregate	Other Requirements
Business Automobile Liability	\$2,000,000 combined single limit		
Fire Legal Liability	\$500,000 any one fire	\$1,000,000	
Workers' Compensation	Statutory		
Employer's Liability Each Accident –	\$1,000,000	NA	Shall be plan acceptable and licensed for use in the Commonwealth of Kentucky
Employer's Liability Disease – Each Employee	\$1,000,000	NA	Shall be plan acceptable and licensed for use in the Commonwealth of Kentucky
Employer's Liability Disease – Policy Limit	\$1,000,000	NA	Shall be plan acceptable and licensed for use in the Commonwealth of Kentucky
Contractor's Pollution Liability	\$5,000,000 Each Claim	\$5,000,000	Shall include errors and omissions coverage

- .6 VEOLIA WATER shall maintain during the term of this Agreement at least the insurance coverage shown above, and shall require their insurance carrier to submit certificate(s) of insurance to DISTRICT evidencing the maintenance of at least the above insurance coverage. All such insurance coverage and submission of certificate(s) evidencing same shall be maintained throughout the course of the work and Owner shall be noticed in the event of changes to same. All policies shall be written through a company duly authorized by the Commonwealth of Kentucky licensed to transact that class of insurance in the Commonwealth of Kentucky.
- .7 VEOLIA WATER shall maintain Commercial General Liability insurance, insuring VEOLIA WATER's negligence, in an amount not less than \$2,000,000 each occurrence and \$4,000,000 aggregate for bodily injury and/or property damage. The DISTRICT will be included as an additional insured on VEOLIA WATER's Commercial General Liability policy but solely with respects to claims arising out of the negligence of VEOLIA WATER.
- .8 VEOLIA WATER shall maintain Business Automobile Liability insurance, insuring owned, non-owned and hire automobiles in an amount not less than \$2,000,000 combined single limit. The DISTRICT will be included as an additional insured on VEOLIA WATER's Business Automobile Liability policy but solely with respects to claims arising out of the negligence of VEOLIA WATER.

- .9 The DISTRICT agrees to also maintain insurance coverage equivalent to:
  - .1 Statutory workers' compensation for all of the DISTRICT's employees associated with the Project as required by the Commonwealth of Kentucky.
  - .2 Property damage insurance for all property, including vehicles owned by the DISTRICT and operated by VEOLIA WATER under this Agreement. Any property, including vehicles, not properly or fully insured shall be the financial responsibility of the DISTRICT.

9. **Indemnity and Liability:**

- .1 VEOLIA WATER agrees to indemnify and save the DISTRICT harmless from and against all third party claims, demands, liability, damages, suits, actions or causes of action of every kind and nature, which may be brought or asserted against the DISTRICT to the extent caused by the negligent acts, errors or omissions of VEOLIA WATER or their consultants or subcontractors in the performance of this Agreement.
- .2 DISTRICT agrees to indemnify and hold VEOLIA WATER harmless from and against all third party claims, demands, liability, damages, suits, actions or causes of action of every kind and nature which may be brought or asserted against VEOLIA WATER to the extent caused by the negligent acts, errors or omissions of the DISTRICT or its consultants or subcontractors in the performance of this Agreement.
- .3 Neither party nor their affiliated companies, nor the officers, agents and employees or DISTRICT's of any of the foregoing, shall be liable to the other in any action or claim for consequential or special damages, loss of profits, loss of opportunity, loss of product or loss of use. Any protection against liability for losses or damages afforded any individual or entity by these terms shall apply whether the action in which recovery of damages is sought is based on contract, tort (including sole, concurrent or other negligence and strict liability of any protected individual or entity), and statute or otherwise. To the extent permitted by law, any statutory remedies which are inconsistent with these terms are waived.
- .4 The DISTRICT shall be liable for those fines or civil penalties imposed by any regulatory or enforcement agencies on the DISTRICT and/or VEOLIA WATER that are not a result of VEOLIA WATER's negligence, willful misconduct and or omissions, or are otherwise directly related to the ownership of the Project and shall indemnify and hold VEOLIA WATER harmless from the payment of any such fines and/or penalties.

- .5 To the fullest extent permitted by law and notwithstanding any other provision of this Agreement, VEOLIA WATER's liability for performance or non-performance of any obligation arising under the Agreement (whether arising under breach of contract, tort, strict liability, or any other theory of law or equity) including, but not limited to its indemnity obligations specified in Section 9.1 of this Agreement, shall be limited to a cumulative aggregate over the full initial term and any extended term(s) of this Agreement of an amount not to exceed \$8,000,000. The above limit does not apply to or include proceeds or recoveries from the insurance policies provided by VIOLA WATER under this Agreement.
- .6 To the fullest extent permitted by law and not withstanding any other provision of this Agreement, DISTRICT's liability for performance or non-performance of any obligation arising under this Agreement (whether arising under breach of contract, tort, strict liability, or any other theory of law or equity) including, but not limited to its indemnity obligations specified in Section 9.1 of this Agreement, shall be limited to a accumulative aggregate over the full initial term and any extended term(s) of this Agreement of an amount to exceed \$5,000,000. The above limit does not apply to or include proceeds or recoveries from the insurance policies provided by the DISTRICT under this Agreement.

**10. Annual Performance Bond Provided by VEOLIA WATER:**

- .1 VEOLIA WATER agrees to provide an annual Performance Bond or other surety instrument acceptable to the DISTRICT, in an amount equal to the Annual Fee. Evidence of said bond for the second and subsequent years, in form acceptable to the DISTRICT, shall be provided to the DISTRICT no later than the end of the eleventh month of each year. The conditions, specific obligation and use of said bond shall comply with the following:
- .1 That VEOLIA WATER shall carry out its duties and obligations under the terms of this Agreement, to the extent that the DISTRICT is not required to obtain a replacement contractor to take the place of VEOLIA WATER, and that VEOLIA WATER does not operate or cause the DISTRICT to be fined, sued or otherwise found in default of their Contract with the Government. Said replacement of VEOLIA WATER can only be after the DISTRICT and VEOLIA WATER have attempted to resolve the dispute in accordance with terms of this Agreement.
- .2 The DISTRICT may not use the bond in the event that VEOLIA WATER requests to be released from this Agreement, and the DISTRICT agrees to provide said release, and that VEOLIA WATER provides all assistance, cooperation and payment of additional costs or advertising as needed to obtain a replacement contractor who is able to take over and carry out all terms of this Agreement.

- .3 The bond shall be for the current Contract Year, but may include an automatic extension clause as long as the amount of the bond equals the Annual Fee.
- .4 The surety shall appear in the Treasury Department's most current list (Circular 570 as amended) and be authorized to transact business in the Commonwealth of Kentucky.
- .2 Any fee or premium to purchase required bond shall be paid directly by VEOLIA WATER, however, cost of same may be recovered in the Annual Fee.

**WITNESSETH:**

Both parties indicate their approval of this Agreement by their signatures below, and each party warrants that all corporate or governmental actions necessary to bind the parties to the terms of this Agreement have been and will be taken.

**HARDIN COUNTY WATER DISTRICT No. 1**

By: \_\_\_\_\_  
William Rissell, Chairperson of Board of Commissioners

By: \_\_\_\_\_  
John Tindall, Secretary of Board of Commissioners

**VEOLIA WATER NORTH AMERICA – SOUTH, LLC**

By: \_\_\_\_\_  
Signature, Authorized Person

By: \_\_\_\_\_  
Printed Name, Title, Authorized Person

**NOTARY STATEMENTS:**

On this \_\_\_\_ day of \_\_\_\_\_, 2008, the above named person(s) personally appeared before me, and did provide evidence that they officially represent HARDIN COUNTY WATER DISTRICT No. 1, and that the instrument was signed on behalf of the organizations which they represent.

\_\_\_\_\_  
Notary Public, Commonwealth of Kentucky

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Date Commission Expires

On this \_\_\_\_ day of \_\_\_\_\_, 2008, the above named person(s) personally appeared before me, and did provide evidence that they officially represent VEOLIA WATER NORTH AMERICA – SOUTH, LLC, and that the instrument was signed on behalf of the organizations which they represent.

\_\_\_\_\_  
Notary Public, State of Texas

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Date Commission Expires

## APPENDIX A

### DEFINITIONS

1. "Adequate Nutrients" means plant influent nitrogen, phosphorus and iron contents proportional to BOD5 in the ratio of five (5) parts nitrogen, one (1) part phosphorus, and one-half (0.5) part iron for each one hundred (100) parts BOD5.
2. "Annual Fee" means a predetermined, fixed sum for VEOLIA WATER's services. The Annual Fee includes Cost and profit.
3. "Biologically Toxic Substances" means any substance or combination of substances contained in the plant influent in sufficiently high concentration so as to interfere with the biological processes necessary for the removal of the organic and chemical constituents of the wastewater required to meet the discharge requirements of DISTRICT's Certificate of Approval. Biologically toxic substances include, but are not limited to, hazardous wastes, hazardous substances, heavy metals, phenols, cyanides, pesticides and herbicides.
4. "Capital Expenditures" means any expenditures for (1) the purchase of new equipment or facility items that cost more than Two Thousand Five Hundred Dollars (\$2,500); or (2) major repairs which significantly extend equipment or facility service life and cost more than Two Thousand Five Hundred Dollars (\$2,500) or (3) expenditures that are planned, non-routine and budgeted by the DISTRICT.
5. "Change in Law" means (a) the enactment, adoption, promulgation, modification or repeal after the Contract Date of any federal, State, or local law, ordinance, code, rule, regulation or other similar legislation or the repeal, modification or change in interpretation after the Contract Date, of any federal, State, or local law, ordinance, code, rule, regulation, official permit, license or approval by any regulatory or judicial entity having jurisdiction with respect to the design, construction, operation, maintenance, or management of the Facility, or (b) the imposition, after the Contract Date, of any material conditions on the issuance, modification or renewal of any official permit, license or approval necessary for the operation and maintenance of the Facility, which, in either case, modifies the Company's obligations of Facility performance or decreases or increases the cost of the Company's operation or maintenance of the Facility.
6. "Commencement Date" or "Performance Start Date" means March 15, 2008, or the ultimate date upon which final state agency approval is obtained by the parties.
7. "Contract Date" means the first date written on page 1 of this Agreement.
8. "Cost" means all Direct Cost and indirect cost determined on an accrual basis in accordance with generally accepted accounting principles.

9. "Direct Cost" means the actual cost incurred for the direct benefit of the Project including, but not limited to, expenditures for project management and labor, employee benefits, chemicals, lab supplies, repairs, repair parts, maintenance parts, safety supplies, gasoline, oil, equipment rental, legal and professional services, quality assurance, travel, office supplies, other supplies, uniforms, telephone, postage, utilities, tools, memberships and training supplies.
10. "Facility" or "Facilities" means the wastewater and storm water utility systems that are the subject of the prime contract between the DISTRICT and the Government.
11. "Government" means the United States Government.
12. "Maintenance" means those routine and/or repetitive activities required or recommended by the equipment or facility manufacturer or by VEOLIA WATER to maximize the service life of the equipment, sewer, vehicles and facilities.
13. "Maintenance and Repair Limit" means the total Maintenance and Repair expenditures that VEOLIA WATER has included in the Annual Fee. Such expenditures exclude any labor costs for VEOLIA WATER's staff assigned to the Project. VEOLIA WATER's specialized maintenance personnel, not assigned at the Project, who provide such specialized services such as, but not limited to, vibration, thermo graphic and electrical analyses, instrumentation maintenance and repair will be charged to the Maintenance and Repair Limit.
14. "Project" means all equipment, vehicles, grounds, rights of way, sewers and facilities described in APPENDIX B and, where appropriate, the management, operations and maintenance of such.
15. "Repairs" means those non-routine/non-repetitive activities required for operational continuity, safety and performance generally due to failure or to avert a failure of the equipment, sewer, vehicles or facilities or some component thereof.
16. "Unforeseen Circumstances" shall mean any event or condition which has an effect on the rights or obligations of the parties under this Agreement , or upon the Project, which is beyond the reasonable control of the party relying thereon and either impacts the costs of performing hereunder or constitutes a justification for a delay in or non-performance of action required by this Agreement , including but not limited to (I) an act of God, landslide, lightning, earthquake, tornado, fire, explosion, flood, failure to possess sufficient property rights, acts of the public enemy, war, blockade, sabotage, insurrection, riot or civil disturbance, (ii) preliminary or final order of any local, province, administrative agency or governmental body of competent jurisdiction, (iii) any change in law, regulation, rule, requirement, interpretation or statute adopted, promulgated, issued or otherwise specifically modified or changed by any local, province or governmental body, (iv) labor disputes, strikes, work slowdowns or work stoppages, but excluding labor disputes, strikes, work slowdowns or work stoppages by employees of VEOLIA WATER; (v) loss of or inability to obtain service from a utility necessary to furnish power for the operation and

maintenance of the Project, (vi) for the benefit of the DISTRICT only, delays or additional costs caused by the negligent acts or omissions of VEOLIA WATER or its subcontractors, (vii) for the benefit of VEOLIA WATER only, delays or additional costs caused by the negligent acts or omissions of DISTRICT or its other subcontractors, and (viii) the presence of hazardous wastes or hazardous substances at the Project or in the plant influent that is not caused by the negligence or willful misconduct of VEOLIA WATER.

17. Utility Transfer Agreement shall mean the agreement between the CITY of Radcliff and the DISTRICT transferring the Radcliff sewer system to the DISTRICT.

## APPENDIX B

### DESCRIPTION OF PROJECT

VEOLIA WATER agrees to provide the services necessary for the management, operation and maintenance of the following:

1. All equipment and facilities now existing within the present property boundaries of or being used to operate the DISTRICT's Wastewater Treatment Plant that services the CITY of Radcliff. . The Wastewater Treatment Plant consists of the following:
  1. Preliminary Treatment
  2. Three Equalization Basins – Two Lined and One Unlined
  3. Mechanical Bar Screens
  4. Vortex Grit Removal System
  5. Influent Lift Station
  6. Septage Receiving Station
  7. Three Extended Aeration Oxidation Ditches
  8. Three Secondary Clarifiers
  9. Sludge pumping including return activated sludge pumps and waste activated sludge pumps
  10. Two Ultraviolet Disinfection Chambers
  11. Two Aerobic Digesters and three 150 hp Blowers
  12. Sludge Dewatering Facility with one (1) Belt Press
  13. Non potable water system
2. Intentionally Left Blank
3. The Emergency Generator at the plant.
4. All equipment and facilities now existing within the present property boundaries of pumping stations. Pumping stations consist of the following:

1. CITY Hall	27. Classic Cars
2. Conroe Drive	28. Swope's
3. Safari Trail	29. Audubon
4. Sherwood	30. Drug Store
5. Spring Street East	31. Hensley's
6. Watkins	32. Indiana Trail
7. Crocus Drive	33. Paradise No. 1
8. Skylark Drive	34. A. Arnold and Son
9. Woodcreek	35. Emmaus Circle
10. Apple Wood	36. Hillcrest
11. Cypress Drive	37. Industrial Park
12. Redmar Boulevard	38. John Hardin
13. Doc's	39. Peyton Place

- |                             |                          |
|-----------------------------|--------------------------|
| 14. Elm Road                | 40. Cement               |
| 15. Paradise No. 2          | 41. North Logsdon        |
| 16. Byerly Boulevard        | 42. Stovall              |
| 17. Church Methodist        | 43. Battle Training Road |
| 18. Deerhaven               | 44. Oak Drive (Heards)   |
| 19. Globe                   | 45. Highway 313          |
| 20. Kindergarten (Woodland) | 46. Boone Trace          |
| 21. Logan                   | 47. Brown Street         |
| 22. Maple Forest            | 48. Seminole             |
| 23. Marvin's                | 49. Christopher Court    |
| 24. Master Street           | 50. Quiggins             |
| 25. Red Hawk Drive          | 51. Greenview Lane       |
| 26. Wendover Court          | 52. Lincoln Trail        |

5. All equipment, grounds and facilities now existing within the present easement for the sewer lines. Sewer lines consists of the following;

Diameter	Lineal Feet
2 inch	783
6 inch	763
8 inch	42,568
10 inch	3,224
12 inch	9
Unknown	586,039

Manholes = 2,485 as of 4/10/06

APPENDIX C

NPDES PERMIT AND PROJECT CHARACTERISTICS  
FOR WASTEWATER TREATMENT

1. VEOLIA WATER will operate so that effluent will meet the requirement of NPDES permit No. KY0022390 (issued on March 1, 2003 ) a full and complete copy of which is adopted by reference herein as of the date hereof. VEOLIA WATER shall be responsible for meeting the effluent quality requirements of the Permit unless one or more of the following occurs:
  - a. The Project influent does not contain Adequate Nutrients to support operation of Project biological processes and/or contains Biologically Toxic Substances which cannot be removed by the existing process and facilities,
  - b. Dischargers into the DISTRICT's sewer system violate any or all regulations as stated in the DISTRICT's Industrial Water and Sewer Permit or as required by law,
  - c. The flow or influent BOD5 and/or suspended solids exceeds the Project design parameters which are 4 million gallons of flow per day, 3,471 pounds of BOD5 per day, 4,021 pounds of suspended solids and a daily peaking factor of 3 times flow,
  - d. If the Project is inoperable or can operate only at a reduced capacity on account of construction activities, fire, flood, adverse weather conditions, labor disputes or other causes beyond VEOLIA WATER's control.
  - e. In the event any one of the Project influent characteristics, suspended solids, BOD5 or flow, exceeds the design parameters stated above, VEOLIA WATER shall return the plant effluent to the characteristics required by NPDES in accordance with the following schedule after Project influent characteristics return to within design parameters;

Characteristics Exceeding	Recovery Period
<u>Design Parameters By</u>	<u>Maximum</u>
10% or Less	5 days
Above 10% Less than 20%	10 days
20% and Above	30 days
  - f. Notwithstanding the above schedule, if the failure to meet effluent quality limitations is caused by the presence of Biologically Toxic Substances or the lack of Adequate Nutrients in the influent, then VEOLIA WATER will have a thirty (30) day recovery period after the influent is free from said substances or contains Adequate Nutrients.
2. VEOLIA WATER shall not be responsible for fines or legal action as a result of discharge violations within the period and any subsequent recovery period that (1) influent exceeds design parameters; or (2) does not contain Adequate Nutrients; or (3) contains Biologically Toxic Substances; or (4) is inoperable unless rendered inoperable due to the negligence or willful misconduct or omissions of VEOLIA WATER.

**APPENDIX D**

**INDUSTRIAL WASTE DISCHARGERS AND MONITORING PROGRAM**

There is currently no Industrial Waste Discharges and Monitoring Program other than normal inspection provided for in the Wastewater Ordinance adopted by the DISTRICT in whole from the CITY of Radcliff Utility Transfer Document.

## APPENDIX E

### ANNUAL FEE ADJUSTMENT FORMULA

Any increase in the Annual Fee shall be negotiated each year after the first seventeen months at least four (4) months prior to the anniversary of this Agreement's Commencement Date. Should the DISTRICT and VEOLIA WATER fail to agree, the Annual Fee will be determined by the application of the formula set forth below. The Maintenance and Repair Limit shall increase or decrease by a percentage equal to the change in the Annual Fee. VEOLIA WATER's cost for providing Health Care benefits coverage (Health, Dental Vision and Accidental Death and Dismemberment) for its Project employees will be based on documented budgetary increases plus overhead and profit of 15%.

$$\text{Formula} = \text{AAF} = [(\text{AFo minus Ho}) \text{ times C divided by Co}] \text{ plus } (\text{H times } 1.15)$$

where:

AFo = Annual Fee specified in the Section entitled "Fees and Compensation" before any annual modification.

AAF = Adjusted Annual Fee.

Co = Consumer Price Index for All Urban Consumers (U.S. CITY Average) as published by the U.S. Department of Labor, Bureau of Labor Statistics in the CPI Detailed Report for the month three (3) months prior to VEOLIA WATER beginning service under this Agreement .

C = Consumer Price Index for All Urban Consumers (U.S. CITY Average) as published by the U.S. Department of Labor, Bureau of Labor Statistics in the CPI Detailed Report for the month three (3) months prior to the beginning of the period for which an adjusted base fee is being calculated.

Ho = VEOLIA WATER's budgetary health care costs for providing its Project employees medical, dental, vision and accidental death and dismemberment benefits coverage in the amount of \$148,086 included in the Annual Fee specified in the Section entitled "Fees and Compensation" before any annual modification.

H = VEOLIA WATER's documented budgetary health care costs for its Project employees medical, dental, vision and accidental death and dismemberment benefits coverage three (3) months prior to the beginning of the period for which an adjusted base fee is being calculated, however, in no event shall H be less than Ho.

## Andrea Palmer

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**From:** Nicholas, Robert [Robert.Nicholas@veoliawaterna.com]  
**Sent:** Friday, February 08, 2008 8:58 AM  
**To:** Jim Bruce; Meredith, Thomas; Greer, Jeffery  
**Cc:** Brett Pyles  
**Subject:** RE: vehicles to district.xls

10-4 I think Brett however was going to strip the vehicles and put the District logo on them at some point. It would probably be easier to do this as a team effort in some organized fashion after 3 some day and get them all done after work.

-----Original Message-----

**From:** Jim Bruce [mailto:jbruce@hcwd.com]  
**Sent:** Friday, February 08, 2008 8:56 AM  
**To:** Meredith, Thomas; Greer, Jeffery; Nicholas, Robert  
**Cc:** Brett Pyles  
**Subject:** vehicles to district.xls

TJ;

I think you have this, but here is the vehicle list we are getting from City. The Jeep is staying with them. I think (but cannot remember) the new ZTR mower is also staying with them. They are removing all the UHF truck radios from the vehicles. I assume we (our guys, or both) will;

1. Remove all Radcliff decals
2. Do a quick safety check of each for any major problems
3. Have Veolia go over each and let us know what you DO NOT want
4. The ones we are keeping, will attach new decals, lights, etc (whatever is needed)
5. The ones we do not keep, will get our Board approval to auction off
6. When we get \$ proceeds, will check with Veolia to see if there is other vehicle(s) needed

Sound good?

Thanks

Jim

<<vehicles to district.xls>>

**Hardin County Water District No. 1  
Minutes of Special Meeting  
of the Board of Commissioners**

**February 8, 2008**

Chairman Bill Rissel called the meeting to order at 11:03 a.m. with Commissioners Ron Hockman, Les Powers and John Tindall attending. Commissioner William Gossett was out of town but attended the meeting by video teleconference (Required advance public notice of the special meeting and agenda was provided to the media by staff). Staff present included Jim Bruce, General Manager; Brett Pyles, Operations Manager; Stephanie Brown, Administrative Assistant and attorney, David Wilson II. Veolia Water North America, South, LLC was represented by; Mr. Rob Nicholas, Vice President; Mr. Jeffrey Greer, Ft. Knox Project Manager and Mr. T.J. Meredith, Kentucky Regional Manager. Lunch was provided for the Board and staff.

Chairman Rissel opened the floor for any public comments. There were no public comments offered and the floor was closed to public comment.

**Veolia Operations Contract - Radcliff Sewer Operations:** Mr. Bruce distributed a more recent version of an operations contract with Veolia for the operation of the Radcliff sewer system. Mr. Bruce and Mr. Nicholas went over all the changes that had been made in the contract since the last meeting. There was discussion regarding the amortization of the development and start up costs. Chairman Rissel asked the Board their comments on how the amortization should be handled. There was a consensus from the Board to leave the start up costs as an amortized payout over a 7 ½ year period, only to be paid if the District were to cancel the agreement.

Mr. Nicholas explained the process that will be in place for Veolia to begin operations at the Radcliff Sewer Utility. Mr. Nicholas informed the Board that an implementation schedule is in place, that includes both a person and time for which each task should be completed by. Mr. Nicholas also went over the hiring process for the employees who will operate the Radcliff Sewer System.

Mr. Bruce also informed the Board that the City of Radcliff had completed the bid process for an upcoming sewer project, but the District had asked that the City not award the bid, to which the City agreed. This will allow the District and Veolia to evaluate the need for the project after the District has taken over the system and operations have begun.

After all other questions from the Board were answered, Secretary Tindall made a motion to authorize the Chairman and Secretary to execute an agreement, with the amendments that were covered in the discussion, with Veolia Water, North America, South, LLC, to operate the Radcliff sewer system, pending approval by the Public Service Commission, for an initial term of seventeen years, and for an initial annual fee of \$1,895,664 and notify Veolia to proceed with all needed tasks required to enact the transfer and start-up of operations of the utility system at the earliest possible date. Commissioner Powers seconded the motion and it was passed. Commissioner Hockman, while stating he could support the agreement, abstained from the vote due to having a relative employed by Veolia.

Chairman Rissel stated that the District's intention and hope is that this transfer of the Radcliff Sewer Utility will provide long term benefits to the City, community, the District, citizens of Radcliff, officials, and Veolia. Secretary Tindall asked if an analysis could be done after a few months of operations to determine what funds will be available to complete projects both inside and outside the city limits of Radcliff. Mr. Nicholas stated that with BRAC coming that the capital projects completed would be both inside and outside the city limits. Chairman Rissel also thanked Mr. Bruce, Mr. Pyles, Mr. Nicholas and his staff for their hard work and efforts over the last two years to make this transaction happen.

**Hardin County Water District No. 1  
Minutes of Special Meeting of the Board of Commissioners  
February 8, 2008**

**Continued**

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Commissioner Hockman also suggested that the District hold a town hall meeting in order to introduce Veolia to the community as well as issue a press release in order to inform the customers of the phone numbers and give them assurance that the customers will not experience much change.

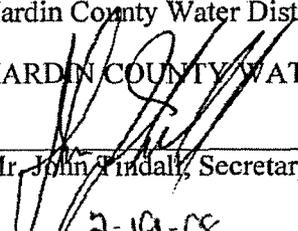
Being no further business before the Board, Secretary Tindall made a motion to adjourn at 11:55 a.m. and it was seconded by Commissioner Hockman and passed.

(Minutes submitted by Ms. Stephanie Brown)

**APPROVAL OF MINUTES**

I hereby certify that the foregoing minutes were duly approved by the Board of Commissioners of the Hardin County Water District No. 1 at a meeting held on the date shown below:

HARDIN COUNTY WATER DISTRICT No.1

  
\_\_\_\_\_  
Mr. John Tindall, Secretary

2-19-08  
\_\_\_\_\_  
Date Approved

**Andrea Palmer**

---

**From:** Kathy Weisner [kweisner@radcliff.org]  
**Sent:** Monday, February 11, 2008 10:31 AM  
**To:** Jim Bruce  
**Subject:** FW: residential utilities

Jim,

Does this affect you in any way?

Kathy

---

**From:** Donald Bloodworth [mailto:dbloodworth@radcliff.org]  
**Sent:** Friday, February 08, 2008 11:25 AM  
**To:** Kathy Weisner  
**Subject:** residential utilities

<http://www.lrc.ky.gov/record/08RS/HB209.htm>

ACT relating to residential utilities.

Amend KRS 139.470 to exempt sewer, water, and fuel billed to a multi-unit residential facility; EFFECTIVE August 1, 2008.

Jan 8-introduced in House  
Jan 11-to Appropriations & Revenue (H)

not sure I like the sound of this... would it mean we can no longer expect property owner to pay?

## Andrea Palmer

---

**From:** Nicholas, Robert [Robert.Nicholas@veoliawaterna.com]  
**Sent:** Wednesday, February 13, 2008 10:51 PM  
**To:** Jim Bruce; Brett Pyles; Kathy Weisner; Meredith, Thomas; Nicholas, Robert  
**Cc:** Greer, Jeffery; Walker, James; Henry, Amy; Eads, Deana; Hovance, LaVerna; Ritchey, Jay; Kinder, Jeffrey; Milas, Deshay; Cloke, Preston; O'Brien, Thomas J.; Kruger, Steven  
**Subject:** Radcliff Transition

As many of you know already, the transfer of the sewer system from the City to the District has been completed at the local level and is being sent to the PSC for approval. The District and Veolia have likewise signed an agreement. It is likely the actual transfer of land, buildings and employees will occur in the next six weeks.

It behooves us to begin planning for that date because of all the small details that must be accomplished. Our experience including that at Ft Knox indicates that it is best to have a Transition Manager assigned who manages the schedule of events, assures regular conference calls and coordinates the various visits, documents and activities. Jay Ritchey will fill that role for the Radcliff project. He has more than 20 years experience both as an operator and maintenance man plus his role as Safety Manager for the region. He has been through a lot of transitions.

Each of you on this email has been volunteered for some activity or will be involved due to your job. Jay will begin having transition conference calls next week. This initially will involve Kathy Weisner from the City, Jim Bruce and Brett Pyles from the District plus TJ, Jeff and I for Veolia. Kathy, Jim and I have been having regular calls as the whole process has occurred. The effort now will be to bring each of you into those calls as needed and keep a log of activities.

This is a really exciting project and all of us look forward to it starting.

Kathy, Jim and Brett are included on this email so all of you will have their email addresses. The official point of contact between the City and District will be Kathy and Jim. That means we will run any request we have for information or meetings through Jim.

### New Address and Phone Number

Rob Nicholas  
Veolia Water  
5071 Endview Pass  
Brooksville, FL 34601  
859/582-0104  
[robert.nicholas@veoliawaterna.com](mailto:robert.nicholas@veoliawaterna.com)

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## Andrea Palmer

---

**From:** Hovance, LaVerna [LaVerna.Hovance@veoliawaterna.com]  
**Sent:** Friday, February 15, 2008 4:23 PM  
**To:** Kathy Weisner  
**Cc:** Nicholas, Robert; Jim Bruce  
**Subject:** RE:

Great - Thank you. I will be there Thursday morning and will give you a call when I arrive.

La Verna Hovance  
Human Resource Manager  
Veolia Water North America - South LLC  
14055 Riveredge Drive  
Suite 240  
Tampa, FL 33637  
Direct Line: (813) 983-2803  
Toll Free Office: (866) 286-3807 ext.: 2803  
Cell: (727) 389-8702  
Fax; (813) 830-7374  
[Laverna.hovance@veoliawaterna.com](mailto:Laverna.hovance@veoliawaterna.com)

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**From:** Kathy Weisner [<mailto:kweisner@radcliff.org>]  
**Sent:** Friday, February 15, 2008 4:21 PM  
**To:** Hovance, LaVerna  
**Subject:**

Hi LaVerna,

I haven't forgotten our conversation about garnishments and child support deductions. I have contacted all the agencies except one and I'll take care of them on Tuesday. It looks like a simple letter identifying the new employer and a contact name is going to take care of it. I'll have it all together by the time you get here.

Have a good weekend. We are closed on Monday but I will be here so just e-mail me if you need me.

Kathy

## Andrea Palmer

---

**From:** Hovance, LaVerna [LaVerna.Hovance@veoliawaterna.com]  
**Sent:** Friday, February 15, 2008 11:16 AM  
**To:** Jim Bruce; Nicholas, Robert  
**Subject:** RE: Benefit Issue

As an update. I will be traveling back to the Radcliffe facility next Thursday and Friday morning to start the interviews with the employees. The meetings this past week went well from the feedback I received. Please keep me posted as to what feedback you all receive. The employees are just anxious to move forward with the transition but feel much better now that they have received input from Veolia as they felt they were receiving conflicting information.

La Verna Hovance  
Human Resource Manager  
Veolia Water North America - South LLC  
14055 Riveredge Drive  
Suite 240  
Tampa, FL 33637  
Direct Line: (813) 983-2803  
Toll Free Office: (866) 286-3807 ext.: 2803  
Cell: (727) 389-8702  
Fax; (813) 830-7374  
[laverna.hovance@veoliawaterna.com](mailto:laverna.hovance@veoliawaterna.com)

Confidentiality Note: This e-mail and any attachments to it are intended for the named recipients and may contain legally privileged and/or confidential information. If you are not the intended recipient(s), please do not duplicate or forward this e-mail message and immediately delete it from your computer -----Original Message-----

**From:** Jim Bruce [<mailto:jbruce@hcwd.com>]  
**Sent:** Monday, January 28, 2008 8:41 AM  
**To:** Nicholas, Robert  
**Cc:** Hovance, LaVerna  
**Subject:** RE: Benefit Issue

LaVerna & Rob;

Here is draft of slide presentation you made on 9/5/07 at WWTP. Also have sign-in sheet. This clearly shows zero cost for employee, and about 1/2 cost for spouse. Please send me final version for my files if you have it.

Thanks

Jim Bruce

Rob;

I know we included a slide at WWTP, or City Council meeting, that actually showed types and cost of health insurance. I cannot wonder if this is last ditch effort on some employees part to delay or derail the project

Jim

-----Original Message-----  
**From:** Nicholas, Robert [<mailto:Robert.Nicholas@veoliawaterna.com>]

Sent: Monday, January 28, 2008 8:18 AM  
To: Jim Bruce  
Cc: Hovance, LaVerna  
Subject: Benefit Issue

LaVerna and I will be in the same place this afternoon. We'll get the summary and call you. Most people pay less a couple will pay more. We can fix that. Typical concerns. Just keep information flowing.

-----Original Message-----

From: Jim Bruce [<mailto:jbruce@hcwd.com>]  
Sent: Monday, January 28, 2008 8:18 AM  
To: Nicholas, Robert  
Subject: FW:

Rob - Got some suggested language or response?

I thought we showed them comparisons, and Veolia total insurance package was lower cost. Also remembered that you offered several types of policies, and they could choose what was best.

Thanks

Jim

-----Original Message-----

From: Kathy Weisner [<mailto:kweisner@radcliff.org>]  
Sent: Friday, January 25, 2008 4:09 PM  
To: Jim Bruce  
Subject:

Jim,

We seem to have a mini revolt brewing at the wastewater plant. It was the understanding of the Mayor and Council that the employee health insurance benefits would be structured as they are now. We pay for a single health insurance plan, the employee pays for spouse and family.

The Mayor, in an attempt to be honest and upfront with the employees, made a visit to Wastewater on Wednesday. She mentioned that their benefits would be the same or better and that immediately set off a landslide of comments like "that is not what Veolia said. They said we have to pay for our insurance." They are all now convinced that someone is lying to them and they are a pretty angry lot.

I will have to admit that I never heard a word at any meeting about the employees having to pay for their health insurance. Where are we with this and what is the truth? These employees are undoubtedly going to run straight to their council members, then the council will be up in arms about being misled. When push comes to shove I need to know what the party line is going to be.

I also just had a conversation with Mike about the private subdivision issue with the fire hydrants. I want to assure you that I knew nothing about the PSC involvement until I saw a letter acknowledging the inquiry. We will take care of it. Mike is sending me info and addresses and the Mayor will withdraw the inquiry ASAP on Monday morning. I have already typed a rough draft of the letter. I am sorry. I feel certain that we can solve any issues just as we always have and without the PSC.

I don't know about you but I sure am glad it is Friday!

## Andrea Palmer

---

**From:** Kathy Weisner [kweisner@radcliff.org]  
**Sent:** Tuesday, February 19, 2008 8:50 AM  
**To:** Jim Bruce  
**Subject:** Emailing: 17CHPT17.WPD  
**Attachments:** 17CHPT17.WPD

Jim,

Chapter 17 of our Code of Ordinances deals with sewer, including rates. Section 17-25 and Section 17-32 might be of particular interest. This is a pretty old document and it has been through a dozen or so updates and conversions, so if e-mailing this makes everything look like scrambled eggs let me know, I'll print hard copies.

I have forwarded your question on the bond issue to Chance but I'll make sure he stays with it and we get you a speedy answer.

Thanks,

Kathy

The message is ready to be sent with the following file or link attachments:

17CHPT17.WPD

Note: To protect against computer viruses, e-mail programs may prevent sending or receiving certain types of file attachments. Check your e-mail security settings to determine how attachments are handled.

BEFORE THE PUBLIC SERVICE COMMISSION OF KENTUCKY

IN THE MATTER OF:

APPLICATION OF THE )  
HARDIN COUNTY WATER DISTRICT NO.1 )  
FOR APPROVAL OF AN AGREEMENT WITH THE )  
CITY OF RADCLIFF, KENTUCY TO ACQUIRE AND )  
OPERATE THE RADCLIFF WASTEWATER )  
TREATMENT AND COLLECTION SYSTEM )

CASE NO. \_\_\_\_\_

\*\*\*\*\*  
APPLICATION  
\*\*\*\*\*

The Petition of the Hardin County Water District No.1, respectfully shows:

1. Applicant is a duly organized and operating water district, established in 1952 under the laws of the Commonwealth of Kentucky (KRS 74 ET. SEQ.) and is engaged in producing, selling and purchasing potable water. The applicant now operates and does business in an existing service area that includes the City of Radcliff and portions of Hardin and Meade Counties immediately north of Vine Grove. The applicant also sells water, wholesale to the City of Vine Grove. The entire service area is within the boundaries of the Commonwealth of Kentucky. The District's post office address is 1400 Rogersville Road, Radcliff, Kentucky 40160. **807 KAR 5:001: Section 8(1).**
2. A certified copy of the order of the Hardin County Fiscal Court establishing the water district and all amendments was included in the most recent filing of the Applicant. Case No. \_\_\_\_\_ and is incorporated by reference.
3. The Applicant accepted the assets of the Fort Knox Army base sanitary sewer treatment and collection system in September 2004. On July 1, 2005, the Applicant through an operations contract with Veolia Water North America began operating the base's sanitary sewer system.
4. The Applicant has entered into an agreement wit the City of Radcliff dated January 31, 2008 that provides for the transfer of the sanitary sewer system assets, liabilities, and the operation of the system to the Applicant. The Acquisition Agreement is enclosed as **Exhibit No. 1.** The Applicant signed an operations contract with Veolia Water North America for operations of the Radcliff sanitary sewer service on February 8, 2008. This Agreement is enclosed as **Exhibit No. 2.**
5. The current Kentucky Pollutant Discharge Elimination System permit held by the City of Radcliff will need to be transferred to Hardin County Water District No. 1. This request will be made to the Kentucky Cabinet for Natural Resources Department Division of Water, after the Kentucky Public Service Commission approves the Acquisition Agreement.

6. Certain liabilities of the City of Radcliff related to the sanitary sewer system require approval from the initial funding agencies. The Kentucky Infrastructure Authority and Kentucky League of Cities hold bonds and/or loans with the City of Radcliff. These agencies have been notified. The Applicant and the City of Radcliff have notified the Kentucky Infrastructure Authority and the Kentucky League of Cities of the acquisition of the City's sanitary sewer system by the Applicant. These letters are attached as **Exhibit No. 3**. The Kentucky Infrastructure will approve the transfer of the Wastewater Revolving Fund loan at its March 2008 Board of Directors meeting. The total debt outstanding that will be transferred from the City of Radcliff to the Applicant is summarized in Table 1 below.

**Table 1**

Agency	Principal Outstanding at 6/30/06	Final Payment Date
Kentucky Infrastructure Authority	\$3,417,362	12/1/2018
Kentucky League of Cities	\$670,000	2010

7. An area map showing the geographical location of the City of Radcliff's sanitary sewer system is enclosed as **Exhibit No. 4**.
8. The Applicant's Board minutes recording the approval of the Acquisition Agreement and submitting an application to the Commission are enclosed as **Exhibit No. 5**.
9. The Applicant hereby notifies the Kentucky Public Service Commission, per **807 KAR 5:011 Section 11**, that it will adopt without change for at least one year the current rules, regulations, and rates for sanitary service of the City of Radcliff. The rates, rules and regulation, on a form furnished by the Kentucky Public Service Commission are enclosed as **Exhibit No. 6**.

WHEREFORE, Hardin County Water District No.1, hereinafter referred to as Applicant, request that the Public Service Commission of the Commonwealth of Kentucky issues approval of the Acquisition Agreement between the District and the City of Radcliff for the ownership and continued operation of the Radcliff sanitary sewer system.

Dated at Radcliff, Kentucky, this \_\_\_\_ day of February 2008.

HARDIN COUNTY WATER DISTRICT No. 1

By: \_\_\_\_\_  
 David T. Wilson II, Attorney at Law  
 Attorney for Hardin County Water District No.1  
 Skeeters, Bennett, Wilson and Pike, PLC  
 550 West Lincoln Trail Boulevard, PO Box 610  
 Radcliff, Kentucky 40160  
 (270) 351-4404  
[david.wilson@sbw-law.com](mailto:david.wilson@sbw-law.com)

The foregoing statements are true and correct to the best of my knowledge and belief.

\_\_\_\_\_  
Mr. Jim Bruce, General Manager  
Hardin County Water District No.1  
1400 Rogersville Road  
Radcliff, Kentucky 40160  
(270) 351-3222  
jbruce@hcwd.com

STATE OF KENTUCKY  
COUNTY OF HARDIN

Subscribed, sworn and acknowledged before me by Jim Bruce on this \_\_\_\_ day of \_\_\_\_\_  
2008 to be his true act and deed.

My Commission Expires: \_\_\_\_\_

\_\_\_\_\_  
Notary Public

List of Exhibits to attach to PSC Application:

Exhibit 1 - HCWD #1/Radcliff Acquisition Agreement

Exhibit 2 - HCWD #1/Veolia Operations Agreement

Exhibit 3 - KIA/KLC Letters

Exhibit 4 - Map Radcliff Sanitary Sewer System

Exhibit 5 - Minutes of HCWD #1 Board Meeting Approving Acquisition

Exhibit 6 - Rules, Regulations, Rates of Radcliff Sanitary Sewer System

## Andrea Palmer

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**From:** Holly Nicholas [nicholhl@obg.com]  
**Sent:** Tuesday, February 19, 2008 10:33 AM  
**To:** Jim Bruce; Robert.Nicholas@veoliawaterna.com  
**Subject:** PSC Application  
**Attachments:** Word for Windows 97; Rich-Text-Format

Jim & Rob:

Attached are two documents. One is the PSC Application. There are two places you will see yellow highlights; these are places I need information. One is the case number for the last PSC filing by the District. The other is the principal balance of the outstanding debt as of 6/30/07. I only have the 2006 audit for Radcliff.

The second attachment is a list of Exhibits that will be sent with the application. Are there any other documents that you think should be included?

I will make all the copies here and number the exhibits if that is what you both want. The District's Attorney and Jim will need to sign all the copies. Or I can send one original to Jim and HCWD make all the copies. Let me know which you prefer.

I am working on putting the Radcliff rules/regs on PSC Tariff forms. That will take a little while to finish - probably by the end of today.

Holly L. Nicholas  
Sr. Project Financing Specialist  
O'Brien & Gere Engineers  
1019 Majestic Drive, Suite 110  
Lexington KY 40513  
Cell : 859.333.9742  
and:  
5071 Endview Pass  
Brooksville FL 34601

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## Andrea Palmer

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**From:** Hovance, LaVerna [LaVerna.Hovance@veoliawaterna.com]  
**Sent:** Wednesday, February 20, 2008 10:31 PM  
**To:** Kathy Weisner  
**Cc:** Jim Bruce; Nicholas, Robert; O'Brien, Thomas J.; Meredith, Thomas  
**Subject:** RE:

Kathy - Yes I was to arrive at 10:30 pm tonight - but unfortunately due to weather in Houston I was delayed until arrival in Radcliff at 2pm tomorrow. The interviews are scheduled to begin at 10:00 am. Tom O'Brien and T.J. Meredith will be interviewing tomorrow at the Wastewater plant as I will not be able to arrive on my flights. It seems poor weather is following me these past couple of weeks. The employees that are not in tomorrow's round of interviews will be in interviews 2 weeks from this week. I will schedule another trip to complete. I looking forward to these. I will see you in 2 weeks. You can fax to my laptop at (813) 830-7374 or hold on to them for my return trip. Hopefully we can reschedule our lunch for then. I will give you a call on Friday when I return to the office to touch base. Thank you for your assistance.

La Verna Hovance  
Human Resource Manager  
Veolia Water North America - South LLC  
14055 Riveredge Drive  
Suite 240  
Tampa, FL 33637  
Direct Line: (813) 983-2803  
Toll Free Office: (866) 286-3807 ext.: 2803  
Cell: (727) 389-8702  
Fax; (813) 830-7374  
[Laverna.hovance@veoliawaterna.com](mailto:Laverna.hovance@veoliawaterna.com)

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-----Original Message-----

**From:** Kathy Weisner [<mailto:kweisner@radcliff.org>]  
**Sent:** Wednesday, February 20, 2008 5:08 PM  
**To:** Hovance, LaVerna  
**Subject:**

Hi,

I know you will be with us tomorrow, so I'll give you a call or stop by Wastewater. I didn't think to ask if you wanted to talk with employees at an off site location. Better late than never I guess. I do have space available if you need it.

I have the information we need on the garnishments. Once I have information from you I will take care of it.

Just call me at 351-4714 in the morning if you would like to use space here.

Kathy

## Andrea Palmer

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**From:** Hovance, LaVerna [LaVerna.Hovance@veoliawaterna.com]  
**Sent:** Wednesday, February 20, 2008 7:27 AM  
**To:** Nicholas, Robert; Meredith, Thomas; Jim Bruce  
**Subject:** RE: Warning - Mayor and Employee Turmoil

**Importance:** High

Jim – Can you arrange for the employees in Radcliff to sign an Interview Appointment Sign In Sheet to start interviews at 10:00 am tomorrow (Thursday) and go every 30 minutes or let them know we will be interviewing those who have completed there applications already tomorrow so that they can make themselves available. It appears as though Jeff Greer is out of town. TJ Meredith will be getting back into town tonight and will be interviewing with me tomorrow. This is the employees who are currently working at Radcliff. I will be training all day today so will be available via cell phone after 3pm.

I appreciate your assistance.

**La Verna Hovance**  
**Human Resource Manager**

Veolia Water North America - South LLC  
14055 Riveredge Drive  
Suite 240  
Tampa, FL 33637  
Direct Line: (813) 983-2803  
Toll Free Office: (866) 286-3807 ext.: 2803  
Cell: (727) 389-8702  
Fax: (813) 830-7374  
[Laverna.hovance@veoliawaterna.com](mailto:Laverna.hovance@veoliawaterna.com)

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**From:** Nicholas, Robert  
**Sent:** Monday, February 18, 2008 3:01 PM  
**To:** Hovance, LaVerna; Meredith, Thomas; 'Jim Bruce'  
**Subject:** Warning - Mayor and Employee Turmoil

The City Attorney warned Jim that the Mayor was getting involved in employee issues. This is not good from his point of view or Jim and mine.

LaVerna - This is probably the reason for your lunch invitation on Thursday. If that is the case, find out what the issue is and tell them you will check on it if its not a clear cut HR issue. You, TJ, Jim and I can do a group grope on how to handle it depending on if it is a money issues or a political one. The terms of handling the employees is laid out in the agreement between the City and District and then the District and VW.

### New Address and Phone Number

Rob Nicholas  
Veolia Water  
5071 Endview Pass  
Brooksville, FL 34601  
859/582-0104  
[robert.nicholas@veoliawaterna.com](mailto:robert.nicholas@veoliawaterna.com)

**Andrea Palmer**

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**From:** Holly Nicholas [nicholhl@obg.com]  
**Sent:** Thursday, February 21, 2008 11:40 AM  
**To:** Jim Bruce  
**Subject:** RE: PSC Application

Will do...don't forget to email me the sewer rates.

>>> "Jim Bruce" <jbruce@hcwd.com> 02/21/08 11:29 AM >>>  
Holly;

If you can send on CD, with hard copies, that would be fine.

Thanks

Jim

-----Original Message-----

**From:** Holly Nicholas [mailto:NicholHL@obg.com]  
**Sent:** Thursday, February 21, 2008 11:00 AM  
**To:** Jim Bruce  
**Subject:** RE: PSC Application

Jim: do you want me to email the documents to you or put on a CD and include with the hard copy? I have the application set up for your attorney to sign. The PSC hates for us engineers (or engineer types) to submit stuff - better that they think the attorney did it all!

>>> "Jim Bruce" <jbruce@hcwd.com> 2/21/2008 10:33 AM >>>  
Holly / Rob;

When you send the application, we also need the Word or WP files you used to create them. We need to have our attorney review, and certify. We may also want to change some wording or add. Since this is being filed by District, we need to be able to revise the text as needed.

Thanks

Jim Bruce

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not accept liability for any damage caused by any virus transmitted by this email. The recipient should check this email and any attachments for the presence of viruses.

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## Andrea Palmer

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**From:** Holly Nicholas [NicholHL@obg.com]  
**Sent:** Thursday, February 21, 2008 11:00 AM  
**To:** Jim Bruce  
**Subject:** RE: PSC Application

Jim: do you want me to email the documents to you or put on a CD and include with the hard copy? I have the application set up for your attorney to sign. The PSC hates for us engineers (or engineer types) to submit stuff - better that they think the attorney did it all!

>>> "Jim Bruce" <jbruce@hcwd.com> 2/21/2008 10:33 AM >>>  
Holly / Rob;

When you send the application, we also need the Word or WP files you used to create them. We need to have our attorney review, and certify. We may also want to change some wording or add. Since this is being filed by District, we need to be able to revise the text as needed.

Thanks

Jim Bruce

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## Andrea Palmer

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**From:** Hovance, LaVerna [LaVerna.Hovance@veoliawaterna.com]  
**Sent:** Friday, February 22, 2008 11:46 AM  
**To:** Jim Bruce  
**Cc:** Nicholas, Robert  
**Subject:** FW: Updated Transfer Task List  
**Attachments:** Rad transf tasklist.pdf

Employees were interviewed yesterday by TJ Meredith and Tom O'Brien due to flight issues La Verna could not attend but will be receiving a recap this afternoon and Monday.

La Verna Hovance  
Human Resource Manager  
Veolia Water North America - South LLC  
14055 Riveredge Drive  
Suite 240  
Tampa, FL 33637  
Direct Line: (813) 983-2803  
Toll Free Office: (866) 286-3807 ext.: 2803  
Cell: (727) 389-8702  
Fax; (813) 830-7374  
[Laverna.hovance@veoliawaterna.com](mailto:Laverna.hovance@veoliawaterna.com)

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-----Original Message-----

**From:** Jim Bruce [<mailto:jbruce@hcwd.com>]  
**Sent:** Thursday, February 21, 2008 8:58 AM  
**To:** Kathy Weisner; Karen Brown; Brett Pyles; Stephanie Brown; Jenny Huff; Charlie Miller; Charlene Easter; Meredith, Thomas; Nicholas, Robert; Hovance, LaVerna  
**Subject:** Updated Transfer Task List

All;

Here is District's latest revised task list since last meeting. We will review and update weekly from now on.

Thanks

Jim  
<<Rad transf tasklist.pdf>>

No virus found in this incoming message.

Checked by AVG - [www.avg.com](http://www.avg.com)

Version: 8.5.325 / Virus Database: 270.12.17/2095 - Release Date: 05/05/09 08:05:00

TO TRANSITION TEAM

Jim Bruce	Brett Pyles
Kathy Weisner	LaVerna Hovance
TJ Meredith	Tom O'Brien
Rob Nicholas	Jay Ritchey

FROM JAY RITCHEY

DATE FEBRUARY 25, 2008

SUBJECT TRANSITION MEETING 1 – FEBURARY 25, 2008

#### Retirement Payout

- Employee 1 – Employee 1 is just anxious to move forward. The payout has indicated to be 1.5 of the annual salary grossed up. This needs to be confirmed in writing from the retirement fund by LaVerna.
- Employee 2 – Employee 2 must be employed until March 31 to be eligible for his insurance along with his vacation and sick
- Previous Employee – A previous employee has asked if there are benefits from Veolia. He is no longer an employee so no relationship and offer. Cathy will pass that on if a request is made again or will reference the employee to LaVerna.
- Retirement Agreement – We need to have an agreement drafted by Van that includes a confidentiality agreement which requires repayment. LaVerna needs to get with Van on a draft agreement.

City Employee Offers – City will make offers to two or three employees after Veolia has issued its offers. The City has two or three who would be possible that would be made offers. We would interview any displaced people but no guarantee.

Employee Leasing – LaVerna needs to get with Van to develop an employee lease agreement with the City in case that option is to be used.

Employee Morale – The employees did not appear to be up set with the problem based on conversations during interviews. It may be more of insubordination because existing management is going to change.

Vacation and Sick Leave – Chance can pay you any unused vacation time and the sick leave they have remains viable for their life and it goes into their retirement at that time. Vacation will be paid out.

Blogs – The belief that this is one of the relatives of an employee we will be hiring. No response is anticipated at this time.

Schedule

- Tour – A tentative tour has been schedule for the week of March 10<sup>th</sup> for the plant and lift stations.
- Planning Meetings – The District has been attending meetings with developers as requested by Julia.
- Customer Notification – No major press announcements or customer notification beyond what has already been done until PSC approval.
- Work Order Transfer – A system needs to be worked out between the District and Veolia for exchanging work orders.
- Final rounds of employee interviews scheduled for March 6<sup>th</sup> by TJ and Laverna.

**Andrea Palmer**

---

**From:** Nicholas, Robert [Robert.Nicholas@veoliawaterna.com]  
**Sent:** Monday, February 25, 2008 5:12 PM  
**To:** Brett Pyles; Meredith, Thomas  
**Cc:** Ritchey, Jay  
**Subject:** Bonds and Insurance

Brett - The performance bond and insurance documentation has been requested. They will be sent to TJ for delivery to you.

**New Address and Phone Number**

Rob Nicholas  
Veolia Water  
5071 Endview Pass  
Brooksville, FL 34601  
859/582-0104  
[robert.nicholas@veoliawaterna.com](mailto:robert.nicholas@veoliawaterna.com)

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## Andrea Palmer

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**From:** Nicholas, Robert [Robert.Nicholas@veoliawaterna.com]  
**Sent:** Monday, February 25, 2008 12:24 PM  
**To:** Ritchey, Jay; Meredith, Thomas; Hovance, LaVerna; Greer, Jeffery; O'Brien, Thomas J.; Brett Pyles; Jim Bruce  
**Subject:** Reminder - 2PM EST RADCLIFF CALL TODAY

Just a reminder of the conference call today at 2 pm EST. The call in number is 888/651-0033. Pass code 727 375 0220.

For some reason I got a cancellation notice on Friday but Jay just said the call is still on.

### New Address and Phone Number

Rob Nicholas  
Veolia Water  
5071 Endview Pass  
Brooksville, FL 34601  
859/582-0104  
[robert.nicholas@veoliawaterna.com](mailto:robert.nicholas@veoliawaterna.com)

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## Andrea Palmer

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**From:** Nicholas, Robert [Robert.Nicholas@veoliawaterna.com]  
**Sent:** Tuesday, February 26, 2008 12:23 PM  
**To:** Brett Pyles; Jim Bruce  
**Cc:** Meredith, Thomas; O'Brien, Thomas J.; Greer, Jeffery  
**Subject:** RE: Radcliff Sewer

The purpose of the walk through on the week of March 10<sup>th</sup> would be to look for information such as this. What are the run times on those lift stations, etc. It may help us better understand what is going on. TJ has great records from the inspection he made of the lift stations which will also help.

-----Original Message-----

**From:** Brett Pyles [mailto:bpyles@hcwd.com]  
**Sent:** Tuesday, February 26, 2008 8:31 AM  
**To:** Jim Bruce  
**Cc:** Nicholas, Robert; Meredith, Thomas; O'Brien, Thomas J.; Greer, Jeffery  
**Subject:** RE: Radcliff Sewer

Jim,

Concerning the A. Arnold part of the projects, Copper Cove (Daniel and I met w/ Julia and Jeremy w/ Turner Eng) is slated to be tied to that part of the system. I don't remember the exact house count but I believe it is somewhere around 30-40 houses. Not sure how this will affect the LS capacity, but it is something we will need to consider.

Thanks

Brett

<b>Hardin County Water District No. 1</b>		"Serving Hardin County for over 50 years"
<b>Brett Pyles</b> <i>Operations Manager</i>		1400 Rogersville Road Radcliff, KY 40160
bpyles@hcwd.com www.HCWD.com		tel: 270.351.3222 fax: 270.352.3055 mobile: 270.766.9477
Want to always have my latest info?		Want a signature like this?

---

**From:** Jim Bruce  
**Sent:** Tuesday, February 26, 2008 8:26 AM  
**To:** Nicholas, Robert; Meredith, Thomas; Brett Pyles; Greer, Jeffery; 'Tom O'Brien (thomas.obrien@veoliawaterna.com)'  
**Subject:** FW: Radcliff Sewer

See my comments below (J Bruce)

---

**From:** Hanson, Benton [mailto:Benton.Hanson@hdrinc.com]  
**Sent:** Monday, February 25, 2008 4:28 PM  
**To:** Jim Bruce  
**Cc:** Scroggin, Charlie; Schaffer, Tom; Brian, Kevin  
**Subject:** Radcliff Sewer

Jim -

Based on your and Charlie's conversations concerning Radcliff's sewer system following is an update of information and current status of projects. If you have any questions please give us a call. If you want us to come over one day we can go through all our information developed to date.

1. Brightside PS Elimination - The Hwy 313 Interceptor Extension project was just bid. The bid tab is attached. This project extended the existing Hwy 313 Interceptor up to Brightside PS thus eliminating the PS. The project bid also included redirecting the end of the A. Arnold PS's force main from Quiggins PS to the Hwy 313 Interceptor. (If Quiggins can be repaired, peak flows reduced, this project may not be needed for years)
2. The current project under design includes a new wet well/pumps/controls at the Boone Trace PS. The force main for the Boone Trace PS project, which included a 16" DI force main, has been constructed. The design also includes adding a new wet well and odor control system at the Lincoln Trail PS. Also, a third pump will be installed at the Hwy 313 PS. Wet well, valving and controls are currently setup to accept the third pump at this location. (Not sure if he means the only project under design, or one of several. Not sure if he is including design of the odor control system. If he is, I think we issue them a stop work order the day after takeover, so we can look at other options for odor control.)
3. The remaining six (6) pumps station have not been authorized to begin design as follows: See attached cost estimates for each and proposed improvements.
  - Brown Street
  - Redmar
  - Seminole
  - Christopher Square
  - Greenview Lane
  - Quiggins (Need to look at his cost estimates. Maybe have VVNA start comparing costs to rebuild, or wait until they get a chance to look at each more closely)
4. Due to the future growth potential in the Hwy 313 PS drainage basin, this PS and FM was originally designed to handle flows from the southern portion of the City including the A. Arnold PS per the City. Another consultant sized and designed these improvements. (Same as #1. Currently, the growth is at a standstill and may be years before starts up again)
5. Other than the above, no other projects have been obligated by the City. The City has talked about the possibility of a new screening and grit system at the WWTP. (VVNA can advise after starting up, and incorporate into capital plan)
6. We can model Radcliff's sewer system. The EPANET software is a pressure flow system. We can use this but the typical gravity sewer system software that we use is SWMM, XPSWMM, or SEWER CAD. (HDR/Quest seemed to say they had little or no experience in KY. Charlie S did say that he is sure HDR has extensive experience which they could draw on if needed. We may want to include open channel modeling as an item in the District's upcoming general RFP for engineering services)
7. We will use the old HCWD#1 1995 contract on all future work for Radcliff as requested. (Charlie hinted that HDR may be wanting theirs to be used in future, but not for now)

Again, if you have any questions please give us a call.

**P. Benton Hanson, P.E.**

Project Manager

**HDR/Quest ONE COMPANY | *Many Solutions***

2517 Sir Barton Way

Lexington, KY 40509-2275

Office: 859.223-3755

Fax: 859.223-3150

E-mail: Benton.Hanson@hdrinc.com

## Andrea Palmer

---

**From:** Nicholas, Robert [Robert.Nicholas@veoliawaterna.com]  
**Sent:** Tuesday, February 26, 2008 1:21 PM  
**To:** Jim Bruce; Kathy Weisner; Meredith, Thomas; O'Brien, Thomas J.; David Wilson, SBW; Mike Pike, SBW; Chance Fox  
**Cc:** Brett Pyles; Charlene Easter; Karen Brown; Jenny Huff; Ritchey, Jay; Hovance, LaVerna  
**Subject:** RE: Transfer Date?

Retirement Payments are a critical timing issue for us and the two impacted employees. We need PSC approval so we can issue a check and the employees can get retirement payment to the fund. This will take a few days. If we have to pay for the one or two employees to stay on the city payroll until then it can be reimbursed.

We can manage the difference in payroll dates if needed. An end of the month transfer is also easier on the accounting process both for the close out of the City books and opening of the District books.

We also at some point need to consider what is the best way to keep the 8000+ customers informed so a April 1 change would be easy for that. Unless April Fools Day is a bad omen.

-----Original Message-----

**From:** Jim Bruce [mailto:jbruce@hcwd.com]  
**Sent:** Tuesday, February 26, 2008 11:16 AM  
**To:** Kathy Weisner; Nicholas, Robert; Meredith, Thomas; O'Brien, Thomas J.; David Wilson, SBW; Mike Pike, SBW; Chance Fox  
**Cc:** Brett Pyles; Charlene Easter; Karen Brown; Jenny Huff  
**Subject:** Transfer Date?

All;

I am down to final few sections of PSC application. One of the PSC attorneys yesterday suggested we include an effective date our tariff (rates to be charged) are proposed to go into affect, but no less than 30 days after we file application with PSC.

So, we need to pick the date. I know we have talked about various "critical path" or driving issues that may drive the best turnover date. These have included;

Final pay period date for City employees pay period Final accounts payable check writing date for City Last meter reading / billing date for customers & HCWD1

Please let me know which of these you think overrides the others, or is most critical. I do not think it matters to the District, but the City may prefer one of these over another. We also talked about the District picking a date after which all sewer collections (not billed receivables) are then kept by District and deposited into new sewer revenue accounts of the District, and no longer forward those to the City. If that is the case, we can do that change after any transfer date.

Some of the other tasks or things that will follow after the turnover date are; 1) execution and approval of new franchise agreement, 2) transfer of all real properties between parties 3) adjustment sewer rates to be lowered by same amount of franchise fee to City 4) transfer of NPDES permit between parties 5) transfer of US Govt easement for WWTP property between City and District 6) transfer of or new lease signed between City and County Clerk for

building rental. All other tasks on our lists, we anticipate will be complete before or on the transfer date.

I will let you all know what I hear back, and propose the actual date.

Thanks

Jim Bruce

## Andrea Palmer

---

**From:** Nicholas, Robert [Robert.Nicholas@veoliawaterna.com]  
**Sent:** Monday, March 03, 2008 2:21 PM  
**To:** Meredith, Thomas; Ritchey, Jay; Greer, Jeffery; Wakefield, David; Jim Bruce; Brett Pyles  
**Subject:** March 11 Visit To Do List

- Capital Review with Julia
- On site inspection of the Lincoln Trail lift station and others listed as priority by Julia for work
- Ability to pull a few manholes in the Quiggins Basin to look at lines with our camera equipment
- A walk through of all rolling stock and big equipment
- A walk through of the plant to look at processes
- A review of current hours of staffing

### New Address and Phone Number

Rob Nicholas  
Veolia Water  
5071 Endview Pass  
Brooksville, FL 34601  
859/582-0104  
[robert.nicholas@veoliawaterna.com](mailto:robert.nicholas@veoliawaterna.com)

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**Andrea Palmer**

---

**From:** Nicholas, Robert [Robert.Nicholas@veoliawaterna.com]  
**Sent:** Wednesday, March 05, 2008 10:06 AM  
**To:** Brett Pyles  
**Subject:** RE: KIA Meeting

No. I won't be at the meeting.

-----Original Message-----

**From:** Brett Pyles [mailto:[bpyles@hcwd.com](mailto:bpyles@hcwd.com)]  
**Sent:** Tuesday, March 04, 2008 4:14 PM  
**To:** Nicholas, Robert  
**Subject:** KIA Meeting

Rob,

You mentioned on the Radcliff transition call that you would not be able to be at the meeting on the 6<sup>th</sup>. Is that still the case? Just wanting to confirm.

Thanks

Brett

**Hardin County Water District No.1**

"Serving Hardin County for over 50 years"

**Brett Pyles**  
*Operations Manager*

1400 Rogersville Road  
Radcliff, KY 40160

[bpyles@hcwd.com](mailto:bpyles@hcwd.com)  
[www.HCWD.com](http://www.HCWD.com)

tel: 270.351.3222  
fax: 270.352.3055  
mobile: 270.766.9477

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## Andrea Palmer

---

**From:** Kathy Weisner [kweisner@radcliff.org]  
**Sent:** Monday, March 10, 2008 5:00 PM  
**To:** Jim Bruce  
**Subject:** RE: Update on PSC Case - Radcliff Transfer

**Sensitivity:** Confidential

Chance,

Read this and talk to me.

KW

-----Original Message-----

**From:** Jim Bruce [mailto:jbruce@hcwd.com]  
**Sent:** Monday, March 10, 2008 4:53 PM  
**To:** Nicholas, Robert; Kathy Weisner; Meredith, Thomas; Brett Pyles; Charlene Easter; [david.wakefield@veoliawaterna.com](mailto:david.wakefield@veoliawaterna.com); Ritchey, Jay; Hovance, LaVerna  
**Cc:** [wjrisse@fortknoxfcu.net](mailto:wjrisse@fortknoxfcu.net); David Wilson, SBW; [kybruce@bbtel.com](mailto:kybruce@bbtel.com); [wwjtin@aol.com](mailto:wwjtin@aol.com); [lsgmprs@aol.com](mailto:lsgmprs@aol.com); [hockman@bbtel.com](mailto:hockman@bbtel.com); [gompa@aol.com](mailto:gompa@aol.com)  
**Subject:** Update on PSC Case - Radcliff Transfer  
**Sensitivity:** Confidential

All;

Today we received notice that our PSC filing was rejected due to deficiencies in the filing. This happens on about 90% of the cases filed with PSC. This means that the tariff and application has not officially been filed, until the deficiencies are corrected.

I called them today to ask specifically what they were looking for. They say since we are assuming Radcliff debt, they need to look at our EXISTING debt as well. They listed all sections from reg's on a financial filing, but only the sections related to bonds are those that apply to us.

As the letter says, as soon as we get info, they will consider re-starting the case analysis. BUT, they also say the tariff effective date must be no less than 30 days after we file the requested info. We are already getting the info together, and hope to have to them by Wednesday of this week. 30 days after that would make the effective date about April 9, not April 1.

Kathy, please let me know if that date works for payroll cut off, or do you want another date past the 9th. The PSC person I talked to said they are aware we are asking for an expedited approval, and once the filing info is corrected, they will do what they can to issue order within 30 TO 60 DAYS, which means we still may have to wait 60 days.

Thanks

Jim Bruce

## Andrea Palmer

---

**From:** Hovance, LaVerna [LaVerna.Hovance@veoliawaterna.com]  
**Sent:** Tuesday, March 11, 2008 4:30 PM  
**To:** kweisner@radcliff.org; Jim Bruce  
**Cc:** Meredith, Thomas; O'Brien, Thomas J.; Nicholas, Robert; Hovance, LaVerna; Ritchey, Jay  
**Subject:** Radcliff, KY Update - Veolia Water  
**Attachments:** Loaned Labor Agreement.doc

**Importance:** High

**John Houston** – Offered/Accepted position – Pre-employment assessments expire 4/9/08  
**David P. Roach** – Offered/Accepted position – Pre-employment assessments expire 4/10/08  
**Nick L. Turner** – Offered/Accepted position – Pre-employment assessments expire 4/10/08  
**Wilson C. Powell, Jr.** – Offered/Accepted position – Pre-employment assessments expire 4/11/08  
**Daniel A. Young** – Offered/Accepted position - Pre-employment assessments expire 4/09/08  
**Ricky L. Bingle** – Offered/Accepted position – Pre-employment assessments expire 4/09/08  
**Phillip M. Shanklin** – Offered/Accepted position – Pre-employment assessments expire 4/12/08  
**William C. Miller** – Offered position – He has not accepted – He will let me know on Friday morning what his decision is. He is considering other offers. Pre-employment assessments expire 4/12/08 if taken as scheduled on 4/13/08 and offer is accepted.

**Jacob D. Sanders** – Offered/Accepted position – Pre-employment assessments expire 4/12/08

**Raymond M. Gardner** – Offered/Accepted position – Pre-employment assessments expire 4/12/08

**Michael W. Daniel** – Offered/Accepted position – Pre-employment assessments expire 4/11/08

**Barbara W. Fox** – Offered/Accepted position – Pre-employment assessments expire 4/09/08

**Julia Thurman** – Has requested retirement information from the State. Existing retirement paperwork expires 3/20. She will be requesting a new Retirement request 3/21/08. When received Veolia will be back in contact with her regarding documents for retirement. Offer/Buyout.

**Lori Jury** – Verbal offer extended – she would prefer staying with the City as an active employee and is looking at other offers. Verbal offer was extended – not accepted at this time. State medical eligibility requirement is that she must work thru 5/2/08. Lease agreement is attached for possible lease of employee.

**Duane Wright** – Retirement eligibility requires that he be an active employee of the City thru 4/24/08 additionally applying his sick time of 6 months. On or after 3/25/08 employment will be offered for a start date of 4/25/08 with option of him taking his retirement. Offer extended not more than 30 days prior to event. Lease agreement is attached. Offer/Buyout.

So that the data is accurate when the employees start with Veolia, please provide at the time of PSC approval sick and vacation carryover information from the City to Veolia.

Also, we discussed on the phone how sick and vacation is to be handled in the transition to Veolia, so that I have something in writing please provide me with the understanding regarding the Radcliff employees sick and vacation time. An e-mail communication regarding this will be sufficient.

Thank you. If anyone needs any additional information, please don't hesitate to let me know. All in all it was a good week. I will be at the Radcliff plant in the morning and leave approx 11:00 am. I will return the week of 3/24 to address Duane Wright and Julia Thurman retirement/offer/buyout.

Kathy – when I return maybe we can have that lunch that the weather canceled with myself, yourself and the mayor.

### **La Verna Hovance**

#### **Human Resource Manager**

Veolia Water North America - South LLC

14055 Riveredge Drive

Suite 240

Tampa, FL 33637

Direct Line: (813) 983-2803

Toll Free Office: (866) 286-3807 ext.: 2803

Cell: (727) 389-8702

Fax: (813) 830-7374

[Laverna.hovance@veoliawaterna.com](mailto:Laverna.hovance@veoliawaterna.com)

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## STAFFING AGREEMENT

THIS STAFFING AGREEMENT ("Agreement") is made this \_\_\_ day of \_\_\_\_\_, 2008, by and between the City of Radcliff, Kentucky (the "CITY") and Veolia Water North America – South, LLC, a Delaware limited liability company ("VEOLIA").

### BACKGROUND

WHEREAS, CITY desires to loan an employee of the CITY to VEOLIA on a temporary basis to help VEOLIA manage and operate the CITY's former wastewater utility, and VEOLIA agrees to accept and manage such employee under the terms of this Agreement.

NOW, THEREFORE, in consideration of the premises and mutual promises contained herein, the parties agree as follows:

1. **TERM.** This Agreement shall commence on the date this Agreement is executed by all parties, and continue for an initial term of \_\_\_\_\_ year, and shall continue thereafter on a month-to-month basis unless earlier terminated as provided herein. This Agreement may be terminated by either party upon thirty (30) days prior written notice.
2. **CONTRACT EMPLOYEES.**
  - 2.1 CITY shall provide to VEOLIA the employee listed in *Exhibit A* (hereinafter referred to as "Contract Employee"), which Contract Employee shall provide services under VEOLIA's management, supervision and control for the standard and overtime hourly billing rates described in *Exhibit A*.
  - 2.2 It shall be the VEOLIA's responsibility to control, manage and supervise the work of the Contract Employee assigned to VEOLIA pursuant to this Agreement. The Contract Employee shall perform only the duties and functions of the specific jobs set forth opposite the Contract Employee's name on Exhibit A or on the job description attached to this Agreement, and in no event shall any Contract Employee be assigned or permitted to perform any other duties or functions other than those specified in Exhibit A for VEOLIA without the express written consent of CITY.
3. **INDEPENDENT CONTRACTOR STATUS.** With respect to the loan of the Contract Employee to VEOLIA under this Agreement, CITY shall be considered to be an independent contractor. CITY shall be responsible for providing any salary or other benefits to such Contract Employee; will make all appropriate tax, social security, Medicare and other withholding deductions and payments; and will make all appropriate unemployment tax, withholding tax, and workers' compensation payments.
4. **INVOICES.** CITY shall submit weekly invoices to VEOLIA for services rendered by Contract Employee for the number of hours worked by Contract Employee the previous week. Overtime will be billed at the rates listed on *Exhibit A* or as otherwise agreed by both parties, for hours worked by Contract Employee in excess of forty (40) hours per week or as otherwise required by law. For weeks that have a National Holiday, overtime rates shall be billed for hours worked in excess of thirty-two (32) hours per week.

Invoices submitted by CITY to VEOLIA are presumed to be accurate and fully payable on the terms contained therein unless disputed by VEOLIA within five (5) business days of VEOLIA's receipt of the invoice.

5. **PAYMENT; DEFAULT.** Payment in full for invoices shall be due within days from invoice date, to CITY at \_\_\_\_\_. Invoices that are more than thirty (30) days past due are subject to a late charge of one percent (1%) per month on the amount of the past due balance.
6. **EXPENSES.** VEOLIA shall reimburse CITY for all ordinary, necessary, and reasonable travel expenses incurred by Contract Employee while performing services on behalf of VEOLIA that require Contract Employee to travel away from VEOLIA's primary job site.
7. **COLLECTION.** If the VEOLIA's account, after default, is referred to an attorney or collection agency for collection, VEOLIA shall pay all of CITY's expenses incurred in such collection efforts including, but not limited to, court costs and reasonable attorneys' fees.
8. **RESTRICTIVE COVENANT.** During the term of this Agreement and for the one hundred eighty (180) day period immediately following the period for which a Contract Employee last performed services for the VEOLIA under this Agreement, VEOLIA shall not directly or indirectly, for itself, or on behalf of any other person, firm, corporation or other entity, whether as principal, agent, employee, stockholder, partner, member, officer, director, sole proprietor, or otherwise, solicit, participate in or promote the solicitation of such Contract Employee to leave the employ of CITY, or hire or engage such Contract Employee without the prior written consent of the CITY.
9. **CONTRACT EMPLOYEE PERFORMANCE.** If VEOLIA is dissatisfied with the performance of the Contract Employee, and VEOLIA wishes CITY to terminate its engagement of such Contract Employee, VEOLIA will notify the CITY and may terminate this Agreement. VEOLIA shall pay for all hours worked by the terminated Contract Employee from the first hour of work up to and including the date of termination.
10. **LIMITATION OF LIABILITY.** CITY does not warrant or guarantee that the Contract Employee placed pursuant to this Agreement will produce any particular result or any solution to VEOLIA's particular needs. Because CITY is providing supplemental staffing services only, and VEOLIA is directing and supervising the Contract Employee who renders these services, CITY shall not be liable (i) for any claims, costs, expenses, damages, obligations or losses arising from or in connection with the acts or omissions of any Contract Employee, including, but not limited to, work on engineering or design concepts or calculations or related drawings, environmental cleanup or remediation services, designs or documentation, or (ii) for any indirect, special or consequential damages, including, but not limited to, loss of profits, interest, earnings or use, whether arising in contract, tort or otherwise. VEOLIA shall indemnify CITY and hold it harmless against and from any such claims made or brought by third parties

11. **VEOLIA PROPERTY.**

**11.1 Work Product.** All work product of every kind performed by any Contract Employee on behalf of VEOLIA shall be the sole and exclusive property of VEOLIA.

**11.2 Confidentiality.** CITY recognizes that while performing its duties under this Agreement, CITY and its Contract Employee may be granted access to certain proprietary and confidential information regarding VEOLIA's business, customers, and employees. CITY and Contract Employee agree to keep such information confidential and the obligations of this paragraph will survive the termination of this Agreement. This paragraph does not apply to information that was previously known or information that is available in the public domain. The Contract Employee may be required by VEOLIA to sign an appropriate agreement that bonds the Contract Employee to maintain the confidentiality of VEOLIA's information as provided above.

12. **TIME RECORDS.** A CITY time card shall be the final time record for purposes of VEOLIA payment under Sections 4 and 5 herein.

13. **NOTICES.**

Any notice or other communication ("Notice") required or permitted under this Agreement shall be in writing and either delivered personally or sent by facsimile, overnight delivery, express mail, or certified or registered mail, postage prepaid return receipt requested.

A Notice shall be addressed in the case of CITY to:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

A Notice shall be addressed in the case of VEOLIA to:

Veolia Water North America - South, LLC  
14055 Riveredge Drive, Suite 240  
Tampa, FL 33637  
Attention: \_\_\_\_\_  
Phone: 813-983-2800  
Fax: 813-983-2821

14. **MISCELLANEOUS.**

**14.1 Governing Law.** The laws of the State of Kentucky shall govern the validity and construction of this Agreement and any dispute arising out of or relating to this Agreement, without regard to the principles of conflict of laws.

- 14.2 **Severability.** A ruling by any court that one or more of the provisions contained in this Agreement is invalid; illegal or unenforceable in any respect shall not affect any other provision of this Agreement so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner materially adverse to any party. Thereafter, this Agreement shall be construed as if the invalid, illegal or unenforceable provision had been amended as originally contemplated by this Agreement to the greatest extent possible.
- 14.3 **Counterparts.** This Agreement may be executed simultaneously in two or more counterparts, each of which shall be deemed an original. In that event, in providing this Agreement it shall not be necessary to produce or account for the counterpart signed by the party against whom the proof is being presented.
- 14.4 **Headings.** The section and subsection headings have been included for convenience only, are not part of this Agreement and shall not be taken as an interpretation of any provision of this Agreement.
- 14.5 **Binding Effect.** This Agreement shall be binding upon and shall inure to the benefit of the parties and their respective heirs, legatees, personal representatives and other legal representatives, successors and permitted assigns. CITY and VEOLIA specifically acknowledge and agree that this Agreement governs and applies to the relationship between CITY and VEOLIA. Except as otherwise specifically provided, this Agreement is not intended and shall not be considered to confer upon or to give any person other than the parties any rights or remedies.
- 14.6 **Amendments and Modifications.** This Agreement may be amended, waived, changed, modified or discharged only by an agreement in writing signed by all of the parties.
- 14.7 **Entire Agreement.** This Agreement constitutes the entire agreement between the parties, and there are no representations, warranties, covenants or obligations except as set forth in this Agreement. This Agreement supersedes all prior and contemporaneous agreements, understandings, negotiations and discussions, written or oral, of the parties, relating to any transaction contemplated by this Agreement.
- 14.8 **Waiver.** Failure to insist upon strict compliance with any of the terms, covenants or conditions of this Agreement shall not be deemed a waiver of that term, covenant or condition or of any other term, covenant or condition of this Agreement. Any waiver or relinquishment of any right or power hereunder at any one or more times shall not be deemed a waiver or relinquishment of that right or power at any other time.
- 14.9 **Remedies Cumulative.** Any remedies set forth in this Agreement are cumulative and are in addition to any other remedies allowed at law or in equity. Resort to one form of remedy shall not constitute a waiver of alternate remedies.

**14.11 Assignment.** No party shall transfer or assign any or all of its rights or interests under this Agreement or delegate any of its obligations without the prior written consent of the other party; provided, however, that CITY may transfer or assign its rights or interests, or delegate its obligations, under this Agreement to any of CITY's other divisions, business units, subsidiaries or affiliates without the prior written consent of VEOLIA.

**IN WITNESS WHEREOF**, the parties have executed this Agreement, under seal, the day and year first above written.

CITY OF RADCLIFF, KENTUCKY

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

VEOLIA WATER NORTH AMERICA – SOUTH, LLC

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

## Andrea Palmer

---

**From:** Hovance, LaVerna [LaVerna.Hovance@veoliawaterna.com]  
**Sent:** Tuesday, March 11, 2008 4:35 PM  
**To:** kweisner@radcliff.org; Jim Bruce  
**Cc:** Meredith, Thomas; O'Brien, Thomas J.; Nicholas, Robert; Ritchey, Jay; Hovance, LaVerna  
**Subject:** RE: Radcliff, KY Update - Veolia Water - Revised  
**Attachments:** Loaned Labor Agreement.doc

**Importance:** High

**John Houston** – Offered/Accepted position – Pre-employment assessments expire 4/9/08  
**David P. Roach** – Offered/Accepted position – Pre-employment assessments expire 4/10/08  
**Nick L. Turner** – Offered/Accepted position – Pre-employment assessments expire 4/10/08  
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Also, we discussed on the phone how sick and vacation is to be handled in the transition to Veolia, so that I have something in writing please provide me with the understanding regarding the Radcliff employees sick and vacation time. An e-mail communication regarding this will be sufficient.

Thank you. If anyone needs any additional information, please don't hesitate to let me know. All in all it was a good week. I will be at the Radcliff plant in the morning and leave approx 11:00 am. I will return the week of 3/24 to address Duane Wright and Julia Thurman retirement/offer/buyout.

Kathy – when I return maybe we can have that lunch that the weather canceled with myself, yourself and the mayor.

### **La Verna Hovance**

#### **Human Resource Manager**

Veolia Water North America - South LLC

14055 Riveredge Drive

Suite 240

Tampa, FL 33637

Direct Line: (813) 983-2803

Toll Free Office: (866) 286-3807 ext.: 2803

Cell: (727) 389-8702

**Andrea Palmer**

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**From:** Hovance, LaVerna [LaVerna.Hovance@veoliawaterna.com]  
**Sent:** Thursday, March 13, 2008 2:32 PM  
**To:** Jim Bruce; Meredith, Thomas; Nicholas, Robert  
**Cc:** Karen Brown  
**Subject:** RE: CERS Re-employment rules

Thank you. Yes - this is what we understood. This information is very helpful.

La Verna Hovance  
Human Resource Manager  
Veolia Water North America - South LLC  
14055 Riveredge Drive  
Suite 240  
Tampa, FL 33637  
Direct Line: (813) 983-2803  
Toll Free Office: (866) 286-3807 ext.: 2803  
Cell: (727) 389-8702  
Fax; (813) 830-7374  
[Laverna.hovance@veoliawaterna.com](mailto:Laverna.hovance@veoliawaterna.com)

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-----Original Message-----

**From:** Jim Bruce [<mailto:jbruce@hcwd.com>]  
**Sent:** Thursday, March 13, 2008 2:26 PM  
**To:** Meredith, Thomas; Hovance, LaVerna; Nicholas, Robert  
**Cc:** Karen Brown  
**Subject:** CERS Re-employment rules

TJ / LaVerna;

Here are new rules issued by state retirement board last year. It seems they have really tightened up the rules and added restrictions for CERS/KERS retirees for "double dipping" It used to be common to retire on a Friday, and practically be re-hired on Monday into your old job, same pay, but you start getting your retirement check as well.

Not sure if this will be helpful with some of Radcliff employees, but it does give you an idea of the new rules that may affect them.

FYI

Jim Bruce

**Andrea Palmer**

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**From:** Kathy Weisner [kweisner@radcliff.org]  
**Sent:** Friday, March 14, 2008 2:24 PM  
**To:** Jim Bruce  
**Subject:** RE: Request to suspend bid award - UPDATE

Lunch would be good. I'll be out Wednesday and Thursday next week for Grandbaby duty, but other than that my calendar looks half decent.

-----Original Message-----

**From:** Jim Bruce [mailto:jbruce@hcwd.com]  
**Sent:** Friday, March 14, 2008 12:58 PM  
**To:** Kathy Weisner  
**Subject:** RE: Request to suspend bid award - UPDATE

Kathy;

Thanks for the info and insight. I think it would be good if you and I sat down, maybe over lunch and talked about some of these items. I have been concerned about Steve and us working together in future. I suspected he was not happy over decision for City to give up sewer, and I am afraid that may be influencing him since.

I will get with you next week and set up a day and time that is good for you.

Thanks

Jim Bruce

-----Original Message-----

**From:** Kathy Weisner [mailto:kweisner@radcliff.org]  
**Sent:** Thursday, March 13, 2008 7:59 PM  
**To:** Jim Bruce  
**Subject:** RE: Request to suspend bid award - UPDATE

Jim,

I have taken care of this. The bid will be award at Tuesday's Council meeting. We'll get all the other details worked out as far as possibly transferring payments and inspections and everything after that.

I have to apologize for being somewhat less than helpful this week. My only excuse is that I have been absolutely swamped for some reason and just can't seem to get ahead of things. I am particularly sorry that I held up the resubmission of the application to PSC. I simply did not take the time to realize that you were waiting to hear from me. I intended the whole day to discuss the issue with Chance and just never got it done. I'll do better from here on out.

I want to say something privately that I will not say publically. I also have to apologize for not handling establishing a new transfer date as well as I should have. Obviously I was distracted by things that were going on here while I was trying to talk to Brett and afterwards when I had time to think I realized that there was no reason to wait until the 14th. I am not criticizing Chance in any way. He is a great financial officer but being an old person and having had way too much experience, I don't share his anxiety about having to do a special payroll on any day of the week. Stepping outside the box makes him nervous. I rarely know where the box is.

Lord

knows we have done interim payrolls for reasons not nearly so important.

This is especially easy since it is a final pay. The last day the employees work is the last day they work. We can do a special payroll the next day.

Don't let us hold you up again over the payroll date issue.

On a different note, I noticed that Steve attempted to do a little bargaining with Charlene to reduce the new proposed stormwater billing charge in exchange for providing sewer tap information. I have only read the copies of their e-mails and you know how that goes. What you read is totally subject to interpretation and usually depends on how you feel the day you read it, but I am not sure those two are off to a friendly start and that won't do. When you have time I'd like to talk with you about this and other things and how we are going to preserve the good relationship that has existed between our agencies for all these years. If I know what your expectations are, I can help get things started. I won't be here to safeguard things and I am a little worried.

One other little thing. Could you please tell me how much rent you are actually collecting annually from the County Clerk. I know it has been adjusted since the property was leased in 1991, I just don't know by how much.

I cannot think of anything else to bother you with right now. Hope you are feeling better.

Kathy

-----Original Message-----

From: Jim Bruce [mailto:jbruce@hcwd.com]

Sent: Thursday, March 13, 2008 10:24 AM

To: Kathy Weisner; Chance Fox

Cc: Nicholas, Robert; Mike Pike, SBW; Meredith, Thomas; Brett Pyles; david.wakefield@veoliawaterna.com

Subject: RE: Request to suspend bid award - UPDATE

Kathy;

After having spent more time reviewing the low bid received, and talking with Julia and Quest, and looking at run times on downstream lift stations, we now would recommend that the City accept and award the low bid for this project. As for the Notice to Proceed date, whatever you decide is fine with us. The City could either begin the project and we could take over inspection and future payments after the turnover date, or if you prefer, you could wait until the turnover date and then we could begin overseeing all phases of the project. I assume the contract will still be between the City and low bidder, but in your agreement, you may want to say that the City reserves the right to assign the contract.

Let me know if you need more information.

Thanks

Jim Bruce

Kathy;

Thanks for your consideration. We will get started on reviewing this project and other needs immediately after the turnover. Please tell Mayor Enyart thanks also for giving this consideration.

Jim Bruce

-----Original Message-----

From: Kathy Weisner [mailto:kweisner@radcliff.org]  
Sent: Wednesday, February 06, 2008 1:25 PM  
To: Jim Bruce  
Subject: RE: Request to suspend bid award

Jim,

This is fine. We will not award the bid. I don't see how it could have been awarded anyway since there is no financing arranged to fund it.

We'll

open it and just hold it and we'll get you copies of everything.

Kathy

-----Original Message-----

From: Jim Bruce [mailto:jbruce@hcwd.com]  
Sent: Tuesday, February 05, 2008 4:57 PM  
To: Kathy Weisner  
Cc: wjrissel@fortknoxfcu.net; Nicholas, Robert  
Subject: Request to suspend bid award

Kathy;

We understand that bids will be opened on February 7 for the "A. Arnold Force Main Relocation Project". It is our understanding based on Schedule D of the agreement, that this is one of the projects that would require new financing.

As this project will use a considerable amount of current reserves, and we are so close to the transfer of the system, we would like to be able to complete a comprehensive review of all system needs, and prioritize the most critical, customer service related projects, in order to maximize return on investment of construction dollars spent.

We understand that section 10A requires the District to complete certain projects which provide capacity to areas along Wilson, which the City has committed to. Should the City decide to postpone the award of this project, we fully understand that a project will need to still be completed in the future.

We also understand, however, that if this project must proceed to solve an existing liability or customer service problem, then the City most likely should and will proceed with the award of a construction contract to begin construction as soon as possible.

Therefore, we respectfully request that the City consider postponing the award of this project, until we are able to complete our overall system evaluation and prioritization of needed projects. The investment into design and engineering of this project will not be wasted, as these plans would be used when the project were constructed by the District. Any DoW permit can also be renewed after a 1 year period, which is a fairly common process.

We understand that the contractors must hold their pricing for 90 days, which may provide us time needed to do our evaluation. We have found recently that contractors have been cooperative to extend price holds for more than 90 days, in this construction market.

We appreciate your consideration of this request. Let me know if we need to meet to discuss further.

Thank You

**Andrea Palmer**

---

**From:** Hovance, LaVerna [LaVerna.Hovance@veoliawaterna.com]  
**Sent:** Thursday, March 20, 2008 12:45 PM  
**To:** Kathy Weisner  
**Cc:** Meredith, Thomas; O'Brien, Thomas J.  
**Subject:** RE:

Kathy - our process is that a requisition would be created and posted for 10 days - we have not yet posted. These should be posted sometime the beginning of next week. At which time both internal employees and external candidates could apply by responding to [vwnasouthjobs@veoliawaterna.com](mailto:vwnasouthjobs@veoliawaterna.com) They could also e-mail TJ or myself directly with there resumes. Prior to an interview being conducted a Veolia Water application will need to be completed. After speaking with TJ Interviews will take place after the 10 day period to make sure that we have received all interested parties resumes.

In summary - please do not schedule any interviews at this time for these displaced employees with Veolia.

I hope this sufficiently answers your questions.

Where would you like to meet on Monday upon my arrival for lunch?  
Please re-send me your contact phone number as well so that I have with me for Monday.

I have received Duane's updated retirement information and will be providing him with his letter/options on Monday afternoon after lunch.

La Verna Hovance  
Human Resource Manager  
Veolia Water North America - South LLC  
14055 Riveredge Drive  
Suite 240  
Tampa, FL 33637  
Direct Line: (813) 983-2803  
Toll Free Office: (866) 286-3807 ext.: 2803  
Cell: (727) 389-8702  
Fax; (813) 830-7374  
[Laverna.hovance@veoliawaterna.com](mailto:Laverna.hovance@veoliawaterna.com)

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-----Original Message-----  
From: Kathy Weisner [<mailto:kweisner@radcliff.org>]  
Sent: Wednesday, March 19, 2008 12:01 PM  
To: Hovance, LaVerna  
Subject:

Hi,

On Friday we are going terminate the employment of two people in public works. How would you like me to handle setting up interviews for them?

Do you want us to give them a set time and place or would you like to have them contact your or T. J. to set something up?

You just let me know. The third person is still a work in progress. We have some issues there that I'll talk to you about when we go to lunch.

Thanks,

Kathy

## Andrea Palmer

---

**From:** Hovance, LaVerna [LaVerna.Hovance@veoliawaterna.com]  
**Sent:** Friday, March 28, 2008 3:13 PM  
**To:** Meredith, Thomas  
**Cc:** O'Brien, Thomas J.; Nicholas, Robert; Kathy Weisner; Jim Bruce  
**Subject:** Duane Wright - Radcliff, KY

**Importance:** High

Intended as an update: Duane Wright, who was offered the Operator 3 position or the option of a buyout of his retirement has decided to join Veolia Water rather than take his buyout.

***La Verna Hovance***  
***Human Resource Manager***  
Veolia Water North America - South LLC  
14055 Riveredge Drive  
Suite 240  
Tampa, FL 33637  
Direct Line: (813) 983-2803  
Toll Free Office: (866) 286-3807 ext.: 2803  
Cell: (727) 389-8702  
Fax: (813) 830-7374  
[Laverna.hovance@veoliawaterna.com](mailto:Laverna.hovance@veoliawaterna.com)

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## Andrea Palmer

---

**From:** Nicholas, Robert [Robert.Nicholas@veoliawaterna.com]  
**Sent:** Sunday, March 30, 2008 6:55 PM  
**To:** Jim Bruce; Meredith, Thomas; Wakefield, David; Brett Pyles; Ritchey, Jay  
**Cc:** Walker, James  
**Subject:** RE: Dr Flores Update

We need to get a summary of all the problems and if they have any plans (including cross sections) and TV of the line on that street.

-----Original Message-----

**From:** Jim Bruce [mailto:jbruce@hcwd.com]  
**Sent:** Friday, March 28, 2008 1:09 PM  
**To:** Meredith, Thomas; Wakefield, David; Brett Pyles; Ritchey, Jay; Nicholas, Robert  
**Subject:** Dr Flores Update

Kathy from City called me today. Dr Flores is another customer who has had sewer back-up on Wilma, very close to NHHS. Julia had designed a project a couple years ago, but then had Quest (?) do a different design for fixing problem. She said that it would have been done last year, but City told her to stop all sewer projects, so it was not.

Last week, sewer again backed up in his house. Kathy wanted to know if she should tell Julia to go ahead with project, or tell him the District will do the project. I told her that since we are so close, and there are other issues on Wilma, we would prefer to wait until we get a chance to look at causes, and solutions. She said that was fine, she would let Dr. Flores know that we will be studying the problem after we take over.

FYI

Jim

# Radcliff Sewer Takeover Financial Analysis by CPA

## Scope of Service Requested

1. Collect & receive existing data
  - a. 2005/06 Radcliff Audit Report
  - b. HCWD1 2006 Audit Report
  - c. Projected HCWD1 Water Budgets / Updated (2006 ~ 2011)
  - d. Veolia / District 5 year O&M Operating Cost Projections
  - e. Veolia / District 5 year Sewer Revenue Projections
  - f. Veolia / District 5 year CIP / Capital Project Projections
  
2. Prepare 5 Year Revised HCWD1 Financial Statements
  - a. Balance Sheet Impact (to W&S)
  - b. Income Statement Impact
  - c. Cash Flow Analysis - YE Cash Balance
  
3. Letter / Statement of Opinion
  - a. Reasonableness of Projections / Estimates Used
  - b. Statement of Negative or Positive Impact to HCWD1 Water & Sewer Utilities
  - c. Disclaimers as required
  
4. Deliverables
  - a. Cost estimate / Not to Exceed
  - b. Time commitment (Need by June 15, 2007)
  - c. Letter report with attached statements / 10 Copies
  
5. Contact Information
  - a. Jim Bruce (HCWD1 Contact info)
  - b. Rob Nicholas
    - i. Phone: 1-859-623-0263
    - ii. Email: [Robert.Nicholas@veoliawaterna.com](mailto:Robert.Nicholas@veoliawaterna.com)



KENTUCKY INFRASTRUCTURE AUTHORITY

Steven L. Beshear  
Governor

1024 Capital Center Drive, Suite 340  
Frankfort, Kentucky 40601  
Phone (502) 573-0260  
Fax (502) 573-0157  
<http://kia.ky.gov>

Tim Thomas  
Executive Director

April 1, 2008

William J. Rissell  
Chairman  
Hardin County Water District #1  
1400 Rogersville Road  
Radcliff, Kentucky 40160

KENTUCKY INFRASTRUCTURE AUTHORITY  
CONDITIONAL COMMITMENT LETTER FOR THE ASSUMPTION OF  
FEDERALLY ASSISTED WASTEWATER REVOLVING LOAN A97-03

Dear Mr. Rissell:

The Kentucky Infrastructure Authority (KIA) commends your efforts to improve public service facilities in your community. Your letter of request to the KIA for assumption of the Federally Assisted Wastewater Revolving Loan listed above was approved by KIA on March 6, 2008. The attached credit analysis and the Letter requesting assumption are incorporated herein by reference and fully describe the request.

Attached is an update of the credit analysis reflecting the change in ownership. The loan assumption must undergo review by the Capital Projects and Bond Oversight Committee of the Kentucky Legislature and the Asset Purchase Agreement outlining the transfer of assets from the City of Radcliff to the Hardin County Water District #1 must be approved by the Public Service Commission prior to the execution of the Supplemental Assistance Agreement. All conditions contained within the original Assistance Agreement, remain in effect for the life of the loan. If you have any questions, please feel free to call.

Sincerely,

Sandy Williams  
Financial Analyst

Please sign and return a copy of this letter indicating your acceptance of this commitment and its terms.

Accepted \_\_\_\_\_

Date \_\_\_\_\_

attachments

cc: Jim Bruce, Hardin County Water District #1  
Lola Lyle, Division of Water  
Dirk Bedarff, Peck, Shaffer & Williams  
Lonnle Campbell, State Local Debt Officer, GOLD



<b>EXECUTIVE SUMMARY</b>		Reviewer:	Sandy Williams
<b>KENTUCKY INFRASTRUCTURE AUTHORITY</b>		Date:	March 6, 2008
<b>FUND A, FEDERALLY ASSISTED WASTEWATER</b>		KIA Loan Number:	A97-03
<b>REVOLVING LOAN FUND</b>		WRIS Number	N/A
<b>BORROWER:</b>	Hardin County Water District #1 Hardin County	HUC Code:	N/A
<b>BRIEF DESCRIPTION:</b>	The City of Radcliff and Hardin County Water District No. 1 have entered into a Memorandum of Understanding and have executed a Wastewater System Acquisition Agreement whereby the District will assume ownership of the City's sanitary sewer system. Concurrent with the transfer of the assets, the District requests assumption of the City's KIA loan A97-03 in the amount of \$3,086,981.51.		
<b>PROJECT FINANCING:</b>		<b>PROJECT BUDGET</b>	
Fund A Loan	\$ 3,086,981.51	A97-03 Loan Assumption	3,086,981.51
<b>TOTAL</b>	<b>3,086,981.51</b>	<b>TOTAL</b>	<b>3,086,981.51</b>
<b>REPAYMENT</b>		Rate	3.80%
		Term	11 years
		Est. Annual Payment	\$352,155
		1st Payment	6 Mo. after first draw
<b>PROFESSIONAL SERVICES</b>	Engineer	N/A	
	Bond Counsel	Peck, Shafer, & Williams	
<b>PROJECT SCHEDULE</b>	System Transfer	June 30, 2008	
<b>DEBT PER CUSTOMER</b>	Existing:	\$	1,564.91
	Proposed:	\$	2,565.16
<b>OTHER DEBT</b>	See Attached		
<b>OTHER STATE-FUNDED PROJECTS LAST 5 YRS</b>	See Attached		
<b>RESIDENTIAL RATES</b>		<u>Users</u>	<u>Avg. Bill</u>
	Current - Radcliff	8,697	\$29.12 (for 4,000 gallons)
	Additional - Radcliff	0	\$29.12 (for 4,000 gallons)
<b>REGIONAL COORDINATION</b>	This project is consistent with regional planning recommendations.		
<b>CASHFLOW</b>	<b>Cash Available for</b>	<b>Income after Debt</b>	
	<b>Debt Service</b>	<b>Debt Service</b>	<b>Service Coverage Ratio</b>
Audited 2004	1,261,866	1,249,026	12,840 1.01
Audited 2005	2,154,175	1,292,136	862,039 1.67
Audited 2006	2,063,949	1,245,245	818,704 1.66
Projected 2007	2,109,786	1,272,320	837,466 1.66
Projected 2008	2,025,166	1,649,581	375,585 1.23
Projected 2009	2,060,414	1,691,811	368,603 1.22
Projected 2010	2,005,734	1,685,902	319,832 1.19

**KENTUCKY INFRASTRUCTURE AUTHORITY  
 WASTEWATER REVOLVING LOAN FUND (FUND "A")  
 HARDIN COUNTY WATER DISTRICT NO. 1  
 LOAN ASSUMPTION  
 CITY OF RADCLIFF KIA LOAN A97-03**

**I. PROJECT DESCRIPTION**

The City of Radcliff and Hardin County Water District No. 1 have entered into a Memorandum of Understanding and have executed a Wastewater System Acquisition Agreement whereby the District will assume ownership of the City's sanitary sewer system. Concurrent with the transfer of the assets, the District requests assumption of the City's KIA loan A97-03 in the amount of \$3,086,981.51.

The original loan request was approved in June 1997 in the amount of \$4,836,450. The final loan amount of \$4,809,652.01 was established at project completion in October 1999. The loan proceeds were used to design and construct and expansion and modification of the existing 2.81 MGD oxidation ditch wastewater treatment plant to 4.0 MGD. The renovation was to allow the city to comply with all regional water quality needs and accommodate expected future growth.

**II. PROJECT BUDGET**

	<u>Total</u>
A97-03 Loan Assumption	<u>3,086,982</u>
<b>Total</b>	<b>3,086,982</b>

**III. PROJECT FUNDING**

	<u>Amount</u>	<u>%</u>
Fund A Loan	<u>3,086,981.51</u>	<u>100%</u>
<b>Total</b>	<b>3,086,981.51</b>	<b>100%</b>

**IV. KIA DEBT SERVICE**

Construction Loan	\$ 3,086,982
Interest Rate	3.80%
Remaining Loan Term (Years)	11
Estimated Annual Debt Service	\$ 345,981
Administrative Fee (0.20%)	<u>6,174</u>
<b>Total Estimated Annual Debt Service</b>	<b>\$ 352,155</b>



**REPLACEMENT RESERVE**

The replacement reserve has been funded in the amount of \$277,740. Under the terms of the original loan approval, one additional payment of \$30,860 must be made into the reserve account to meet the terms of the original assistance agreement.

**IX. DEBT OBLIGATIONS**

<u>Debt Issue</u>	<u>Outstanding</u>	<u>Maturity</u>
<b>Radcliff</b>		
Series 2001 Revenue Bonds	550,000.00	2010
KIA Loan A97-03	3,086,981.51	2018
Radcliff Subtotal	3,636,981.51	
<b>Hardin County Water District No. 1</b>		
Series 2005 Revenue Bonds	\$6,795,000	2025
Series 2002 Revenue Bonds	\$4,270,000	2022
Series 1998 Refunding Revenue Bonds	\$2,545,000	2012
HCWD1 Subtotal	\$13,610,000	
<b>TOTAL</b>	<b>17,246,981.51</b>	

**X. OTHER STATE OF FEDERAL FUNDING IN PAST FIVE YEARS**

<u>Project Title</u>	<u>Funding Source</u>	<u>Amount</u>	<u>Type</u>
<b>Radcliff</b>			
Upgrade Boone Trace Lift Station	HB 267	\$450,000	Grant
Replacement of Two EQ Basin Liners	HB 267	\$450,000	Grant
<b>Hardin Co. WD #1</b>			
Constantine Rd Water System Improvements	HB 380	\$1,000,000	Grant
Pirtle Spring WTP Reconstruction Project	HB 380	\$2,000,000	Grant
Water System Improvements	HB 267	\$2,000,000	Grant

**XI. CONTACTS**

<b>Applicant</b>	
Name	Hardin County Water District #1
Address	1400 Rogersville Road Radcliff, Kentucky 40160
County	Hardin County
Contact	William J. Rissell
Phone	270-351-3222

**Applicant Contact**

Name Hardin County Water District #1  
Address 1400 Rogersville Road  
Radcliff, Kentucky 40160  
County Hardin County  
Contact Jim Bruce  
Phone 270-351-3222

**XII. RECOMMENDATIONS**

KIA staff recommends approval of the loan with the standard conditions and following special conditions.

1. The Assumption Agreement will be executed after the Public Service Commission has issued the order that the acquisition of the Radcliff sewer system by the Hardin County Water District No.1 is approved.

**EXHIBIT 1**  
**Hardin County Water District #1**  
**CASHFLOW ANALYSIS**

	Audited 2004	% Change	Audited 2005	% Change	Audited 2006	Projected 2007	Projected 2008	Projected 2009	Projected 2010
<b>Revenues</b>									
Metered Water Sales	2,594,396	2%	2,636,307	0%	2,637,828	2,664,206	2,690,848	2,717,757	2,744,934
Wholesale Sales	341,491	19%	406,892	6%	431,090	456,955	484,373	513,435	544,241
Sewer Billing Contract Revenue	207,887	-11%	184,207	11%	204,215	204,215	204,215	204,215	204,215
Sewer Service Revenue	0	-	1,953,808	100%	3,907,327	3,907,327	3,907,327	3,907,327	3,907,327
Penalties, Service Fees and Misc.	335,199	25%	417,519	12%	468,892	468,892	468,892	468,892	468,892
<b>Total Revenues</b>	<b>3,478,773</b>	<b>61%</b>	<b>5,598,733</b>	<b>37%</b>	<b>7,649,352</b>	<b>7,701,596</b>	<b>7,755,655</b>	<b>7,811,626</b>	<b>7,869,610</b>
<b>Expenses</b>									
Treatment	631,472	1%	636,075	17%	745,236	782,498	805,973	830,152	855,056
Distribution	582,568	-24%	440,039	35%	595,501	539,369	595,501	595,501	595,501
Customer Service	322,031	-7%	298,983	15%	342,495	321,170	342,495	321,170	342,495
General & Administrative	693,121	-12%	609,673	8%	657,236	653,343	657,236	653,343	657,236
Purchased Water	44,883	-45%	24,638	222%	79,353	79,353	79,353	79,353	79,353
General Maintenance	55,340	3%	56,906	25%	71,312	71,312	71,312	71,312	71,312
Source of Supply	2,568	431%	13,641	4%	14,245	10,151	14,245	10,151	14,245
Sewer	0	-	959,488	97%	1,886,380	1,886,380	1,942,971	2,001,261	2,061,298
Depreciation	597,686	97%	1,180,197	83%	2,155,385	2,155,385	2,155,385	2,155,385	2,155,385
Replacement Reserve	0	-	0	-	0	0	30,860	0	0
<b>Total Expenses</b>	<b>2,929,667</b>	<b>44%</b>	<b>4,219,640</b>	<b>55%</b>	<b>6,547,143</b>	<b>6,498,961</b>	<b>6,695,331</b>	<b>6,717,628</b>	<b>6,831,882</b>
<b>Net Income Cash</b>	<b>549,106</b>	<b>-151%</b>	<b>1,379,093</b>	<b>20%</b>	<b>1,102,209</b>	<b>1,202,635</b>	<b>1,060,324</b>	<b>1,093,998</b>	<b>1,037,728</b>
<b>Non-Operating Revenues and Expenses</b>									
Investment Income	30,772	-	126,927	-	154,314	155,857	157,416	158,990	160,580
Other	99,422	-	208,116	-	211,925	211,925	211,925	211,925	211,925
<b>Total Non-Operating Rev &amp; Exp</b>	<b>130,194</b>	<b>157%</b>	<b>335,043</b>	<b>9%</b>	<b>366,239</b>	<b>367,782</b>	<b>369,341</b>	<b>370,915</b>	<b>372,505</b>
<b>Add Non-Cash Expenses</b>									
Depreciation	582,566	-	440,039	-	595,501	539,369	595,501	595,501	595,501
<b>Cash Available for Debt Service</b>	<b>1,261,866</b>	-	<b>2,154,175</b>	-	<b>2,063,949</b>	<b>2,109,786</b>	<b>2,025,166</b>	<b>2,060,414</b>	<b>2,005,734</b>
<b>Debt Service</b>									
Existing Debt	1,249,026	-	1,292,136	-	1,245,245	1,272,320	1,293,733	1,312,107	1,277,003
Debt Assumption	0	-	0	-	0	0	355,848	379,704	408,899
<b>Total Debt Service</b>	<b>1,249,026</b>	-	<b>1,292,136</b>	-	<b>1,245,245</b>	<b>1,272,320</b>	<b>1,649,581</b>	<b>1,691,811</b>	<b>1,685,902</b>
<b>Income After Debt Service</b>	<b>12,840</b>	-	<b>862,039</b>	-	<b>818,704</b>	<b>837,466</b>	<b>375,585</b>	<b>368,603</b>	<b>319,832</b>
<b>Debt Coverage Ratio</b>	<b>1.01</b>	-	<b>1.67</b>	-	<b>1.66</b>	<b>1.66</b>	<b>1.23</b>	<b>1.22</b>	<b>1.19</b>

**Hardin County Water District #1  
BALANCE SHEETS**

	<b>ASSETS</b>			
	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>Upon Project Completion</u>
<b>Current Assets</b>				
Cash and Cash Equivalents	131,522	521,962	653,315	653,315
Investments	1,170,205	1,229,267	779,890	779,890
Receivables	493,406	867,231	856,098	856,098
Inventory	69,895	179,536	182,842	182,842
Prepaid Expenses	278,325	42,748	16,822	16,822
<b>Total Current Assets</b>	<u>2,143,353</u>	<u>2,840,744</u>	<u>2,488,967</u>	<u>2,488,967</u>
<b>Long Term Investments</b>				
Unrestricted Reserve	554,922	312,513	795,717	795,717
Restricted Assets - Reserve Funds	1,662,696	2,197,004	1,911,129	1,911,129
<b>Total Long Term Investments</b>	<u>2,217,618</u>	<u>2,509,517</u>	<u>2,706,846</u>	<u>2,706,846</u>
<b>Property, Plant and Equipment</b>				
Utility Systems	23,673,598	100,418,896	103,591,700	131,109,264
Construction in Progress	357,787	495,993	324,206	324,206
Less Accumulated Depreciation	(7,916,644)	(65,037,301)	(67,026,594)	(77,291,033)
<b>Total Fixed Assets</b>	<u>16,114,741</u>	<u>35,877,588</u>	<u>36,889,312</u>	<u>54,142,437</u>
<b>Total Assets</b>	<u>20,475,712</u>	<u>41,227,849</u>	<u>42,085,125</u>	<u>59,338,250</u>
<b>LIABILITIES</b>				
<b>Current Liabilities</b>				
Accounts Payable	264,565	75,738	371,176	371,176
Due to Other Funds	0	38,376	45,145	45,145
Meter Deposits and Other Liabilities	125,782	131,516	133,507	133,507
Accrued Expenses	38,683	36,672	63,488	63,488
Sewer Collections Payable	286,729	281,923	273,983	273,983
Other	10,983	13,124	9,547	9,547
<b>Total Current Liabilities</b>	<u>726,742</u>	<u>577,349</u>	<u>896,846</u>	<u>896,846</u>
<b>Current Liabilities Payable From Restricted Assets</b>				
Current Maturities of Long Term Debt	840,000	680,000	700,000	700,000
Accrued Interest on Long Term Debt	64,898	150,251	111,768	111,768
<b>Total Current Liabilities</b>	<u>904,898</u>	<u>830,251</u>	<u>811,768</u>	<u>811,768</u>
<b>Long Term Liabilities</b>				
Long Term Debt & Capital Leases, Less Current Portion	10,010,000	13,610,000	12,910,000	21,609,188
Less Unamortized Discount and Expenses	(538,360)	(578,356)	(499,040)	(499,040)
<b>Total Long Term Liabilities</b>	<u>9,471,640</u>	<u>13,031,644</u>	<u>12,410,960</u>	<u>21,110,148</u>
<b>Other Liabilities</b>				
Customer Advances for Construction	144,595	196,731	221,609	221,609
<b>Total Other Liabilities</b>	<u>144,595</u>	<u>196,731</u>	<u>221,609</u>	<u>221,609</u>
<b>Total Liabilities</b>	<u>11,247,875</u>	<u>14,635,975</u>	<u>14,341,183</u>	<u>23,040,371</u>
<b>NET ASSETS</b>				
Invested in Capital Assets, Net	5,803,101	22,165,944	23,778,352	32,332,289
Restricted	912,199	1,424,811	1,116,111	1,116,111
Unrestricted (deficit)	2,512,537	3,001,319	2,849,479	2,849,479
<b>Total Retained Earnings</b>	<u>9,227,837</u>	<u>26,591,874</u>	<u>27,743,942</u>	<u>36,297,879</u>
<b>Total Liabilities and Equity</b>	<u>20,475,712</u>	<u>41,227,849</u>	<u>42,085,125</u>	<u>59,338,250</u>
<b>Balance Sheet Analysis</b>				
Current Ratio	2.95	4.92	2.78	2.78
Debt to Equity	1.22	0.55	0.52	0.63
Working Capital	1,416,611	2,263,395	1,592,121	1,592,121

4/1/2008

Hardin Co WD1 assumption of A97-03 from Radcliff Fund A Executive Summary Template.xls

# Hardin County Water District No. 1

*Serving Radcliff and Hardin County for Over 50 Years*

1400 Rogersville Road  
Radcliff, KY. 40160

RECEIVED

November 30, 2007

2007 DEC -5 P 4: 31

Mr. Tim Thomas  
Kentucky Infrastructure Authority  
1024 Capital Center Drive, Suite 340  
Frankfort, Kentucky 40601

KENTUCKY INFRASTRUCTURE  
AUTHORITY

**SUBJECT: Intent to Assume Debt - Application Package  
Kentucky Infrastructure Authority, Revolving Loan, A-97-03**

Dear Mr. Thomas:

The City of Radcliff and Hardin County Water District No. 1 have entered into a Memorandum of Understanding whereby the District will assume ownership of the City's sanitary sewer system. An objective of this agreement is for the District to carry over and assume current sewer rates, accounts, assets, liabilities and staff with no changes in the first year.

A final contract is being drafted for both parties consideration and approval. Both entities believe it is prudent to contact KIA to determine if any specific language is required in a contract and what procedures are required for the transfer of the current loans from the City to the District.

A package of 3 years audits for both entities is being prepared along with a loan application in order for the District to provide KIA with critical information about the District and a summary of what has lead to this decision. We anticipate this package could be forwarded by mid December.

The City and District have designated Mr. Jim Bruce, General Manager, with the District as the primary contact for information exchange (phone: 270-351-3222). He will call you regarding this transaction.

Sincerely,

  
Mr. William J. Rissel, Chairman, HCWD1

  
Honorable Sheila Enyart  
City of Radcliff  
411 W. Lincoln Trail Boulevard  
Radcliff, KY 40160 (Phone: 270-351-4714)

Cf: Ms. Sandy Williams, KIA  
Mr. Mike Pike, City Attorney, Radcliff  
Mr. David Wilson II, HCWD1 Attorney  
Mr. Jim Bruce, HCWD1, General Manager

Phone 1-270-351-3222

FAX: 1-270-352-3055

[www.HCWD.com](http://www.HCWD.com)

# Hardin County Water District No. 1

*Serving Radcliff and Hardin County for Over 50 Years*

1400 Rogersville Road  
Radcliff, KY. 40160

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April 2, 2008

Ms. Stephanie Stumbo  
Executive Director - Kentucky Public Service Commission  
211 Sower Blvd.  
P.O. Box 615  
Frankfort, KY 40620-0615

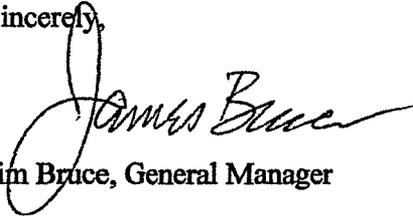
**SUBJECT: Supplemental Information - KIA Debt Assumption Approval  
PSC Case No. 2008-00074**

Dear Director Stumbo,

Enclosed please find 5 copies of a Conditional Debt Transfer approval letter / agreement from the Kentucky Infrastructure Authority. This document is the one referred to in our March 13, 2008 letter to your office, under Item #2.

We cannot execute the agreement until we receive Public Service Commission approving the debt transfer. As soon as that approval is received, we will execute the documents and send your office a copy for your records. If you have any questions, please do not hesitate to call me or our attorney, Mr. David Wilson II (Phone: 270-351-4404).

Sincerely,



Jim Bruce, General Manager

Cf; Mr. David Wilson II, HCWD1 Attorney  
Mr. David Spenard, esq, Assistant Attorney General, Consumer Protection Division

Encl.

**CERTIFICATION OF SERVICE**

The undersigned, James S. Bruce, General Manager for the Hardin County Water District No. 1, hereby verifies that the foregoing was served on Ms. Stephanie Stumbo, Executive Director, Kentucky Public Service Commission, 211 Sower Boulevard, Frankfort, KY. 40601-8204 and on the Attorney General, Mr. Jack Conway, ATTENTION Mr. David Spenard, esq., 1024 Capitol Center Drive, Frankfort, KY, 40601 on this 2<sup>ND</sup> Day of April, 2008

HARDIN COUNTY WATER DISTRICT No. 1

By James S. Bruce  
JAMES S. BRUCE, GENERAL MANAGER

STATE OF KENTUCKY  
COUNTY OF HARDIN

I, the undersigned, a Notary Public, do hereby certify that on this \_\_\_\_\_ day of April 2008, personally appeared before me, James S. Bruce who being by me first sworn, subscribed to and acknowledged that they both represent the Hardin County Water District No. 1, a Kentucky Corporation, that they have signed the foregoing document as General Manager of the Corporation.

Aaron B. Pyles  
NOTARY PUBLIC, STATE OF KENTUCKY

My Commission Expires; October 30, 2008



**Andrea Palmer**

---

**From:** Hovance, LaVerna [LaVerna.Hovance@veoliawaterna.com]  
**Sent:** Thursday, April 03, 2008 2:36 PM  
**To:** Meredith, Thomas  
**Cc:** O'Brien, Thomas J.; Nicholas, Robert; Jim Bruce  
**Subject:** Julia Thurman - retirement letter

**Importance:** High

I have received Julia Thurman updated retirement numbers. \$94,281.56 to be grossed up. Estimated tax amount = \$32,998.55. Estimated total = \$127,280.11. Her letter will go out to her from Veolia not later than Friday 5pm for her receipt on Monday.

**La Verna Hovance**  
**Human Resource Manager**  
Veolia Water North America - South LLC  
14055 Riveredge Drive  
Suite 240  
Tampa, FL 33637  
Direct Line: (813) 983-2803  
Toll Free Office: (866) 286-3807 ext.: 2803  
Cell: (727) 389-8702  
Fax: (813) 830-7374  
[Laverna.hovance@veoliawaterna.com](mailto:Laverna.hovance@veoliawaterna.com)

Confidentiality Note: This e-mail and any attachments to it are intended for the named recipients and may contain legally privileged and/or confidential information. If you are not the intended recipient(s), please do not duplicate or forward this e-mail message and immediately delete it from your computer

**Andrea Palmer**

---

**From:** Kathy Weisner [kweisner@radcliff.org]  
**Sent:** Friday, April 04, 2008 2:24 PM  
**To:** Jim Bruce  
**Subject:** RE: PSC Meeting ?

I have put a block on my calendar for the 10th. Just let me know.

Also, I have had Julia give me a report on Martin Lane showing the callouts since 1989. I know that Dr. Flores is complaining and making threats even though he is well aware of the fact that his check valve isn't working. He has a new one sitting on the floor, he just hasn't put it in. I'll also add this week's complaints from Mr. McBeath and Mr. Miller. You may need the info.

Thanks,

Kathy

-----Original Message-----

**From:** Jim Bruce [<mailto:jbruce@hcwd.com>]  
**Sent:** Friday, April 04, 2008 1:38 PM  
**To:** Nicholas, Robert; David Wilson, SBW; Mike Pike, SBW; Kathy Weisner; Brett Pyles  
**Subject:** PSC Meeting ?

All;

I talked to PSC attorney today about an informal staff conference. He said they would like to set meeting tentatively for 4/10 at 1:30PM at their office in Frankfort. I told him our purpose was to discuss a takeover on 4/13, with PSC approval of debt transfer and tariff at later date.

He said they may change it to a conference call earlier than the 10th, and will call me today or Monday and let us know if they change it. If they do not, I would like Rob N. to attend, and I think it would be good if Kathy and or Mike with City also attend. Would like David W. to attend also. We need to convince them of the urgency to allow us to take over on 4/13, or at least no fight us or take any repercussions.

Thanks

Jim

## Andrea Palmer

---

**From:** Nicholas, Robert [Robert.Nicholas@veoliawaterna.com]  
**Sent:** Friday, April 04, 2008 2:31 PM  
**To:** Jim Bruce; David Wilson, SBW; Mike Pike, SBW; Kathy Weisner; Brett Pyles  
**Subject:** RE: PSC Meeting ?

I will make reservations.

-----Original Message-----

**From:** Jim Bruce [<mailto:jbruce@hcwd.com>]  
**Sent:** Friday, April 04, 2008 1:38 PM  
**To:** Nicholas, Robert; David Wilson, SBW; Mike Pike, SBW; Kathy Weisner; Brett Pyles  
**Subject:** PSC Meeting ?

All;

I talked to PSC attorney today about an informal staff conference. He said they would like to set meeting tentatively for 4/10 at 1:30PM at their office in Frankfort. I told him our purpose was to discuss a takeover on 4/13, with PSC approval of debt transfer and tariff at later date.

He said they may change it to a conference call earlier than the 10th, and will call me today or Monday and let us know if they change it. If they do not, I would like Rob N. to attend, and I think it would be good if Kathy and or Mike with City also attend. Would like David W. to attend also. We need to convince them of the urgency to allow us to take over on 4/13, or at least no fight us or take any repercussions.

Thanks

Jim

**Andrea Palmer**

---

**From:** Nicholas, Robert [Robert.Nicholas@veoliawaterna.com]  
**Sent:** Monday, April 07, 2008 1:43 PM  
**To:** Jim Bruce; David Wilson, SBW; Mike Pike, SBW; Kathy Weisner; Brett Pyles  
**Subject:** RE: PSC Meeting / Conf call

I will be on the call.

-----Original Message-----

**From:** Jim Bruce [mailto:jbruce@hcwd.com]  
**Sent:** Monday, April 07, 2008 1:43 PM  
**To:** Nicholas, Robert; David Wilson, SBW; Mike Pike, SBW; Kathy Weisner; Brett Pyles  
**Subject:** PSC Meeting / Conf call

All;

The PSC has changed this to a conference call. It will be Tues, 11AM.  
Call 1-502-564-3940, and ask for extension 7099. We will not have to drive there Thursday

Thanks

Jim

## Andrea Palmer

---

**From:** Kathy Weisner [kweisner@radcliff.org]  
**Sent:** Wednesday, April 09, 2008 9:01 AM  
**To:** Jim Bruce  
**Subject:** RE:

I think the plant will be fine with just operators. My only concern is that everyone knows what to do in case of an emergency that goes above and beyond the usual call out and other things. We will get through it.

Kathy

-----Original Message-----

**From:** Jim Bruce [mailto:jbruce@hcwd.com]  
**Sent:** Wednesday, April 09, 2008 9:00 AM  
**To:** Kathy Weisner  
**Cc:** Nicholas, Robert; Hovance, LaVerna; Brett Pyles  
**Subject:** RE:

Kathy;

I have asked Rob to contact you about this. I talked to him today and he initially thought that for 2 days, they could cover it with FK supervisor (Jeff Greer) or one of the other FK WWTP operators (if you think this is needed).

Let me know if you don't hear anything back

Thanks

Jim

-----Original Message-----

**From:** Kathy Weisner [mailto:kweisner@radcliff.org]  
**Sent:** Tuesday, April 08, 2008 8:21 PM  
**To:** Jim Bruce  
**Subject:**

Jim,

More good news. Julia has advised me that if Veolia is taking over on the 20th her last day of being at work will be April 18th. She will be on annual leave until she retires. It is not a problem for us as far as payroll goes but it leaves the plant with no supervisor on Friday night and Saturday.

Let me know what we need to do.

Kathy

## Andrea Palmer

---

**From:** Nicholas, Robert [Robert.Nicholas@veoliawaterna.com]  
**Sent:** Wednesday, April 09, 2008 9:36 AM  
**To:** Jim Bruce; Kathy Weisner  
**Cc:** Hovance, LaVerna; Brett Pyles; Meredith, Thomas  
**Subject:** RE:

I don't see a problem in the employees handing the operation for a few days and if there is a problem calling TJ or Jeff for help on a big problem.

-----Original Message-----

**From:** Jim Bruce [<mailto:jbruce@hcwd.com>]  
**Sent:** Wednesday, April 09, 2008 9:00 AM  
**To:** Kathy Weisner  
**Cc:** Nicholas, Robert; Hovance, LaVerna; Brett Pyles  
**Subject:** RE:

Kathy;

I have asked Rob to contact you about this. I talked to him today and he initially thought that for 2 days, they could cover it with FK supervisor (Jeff Greer) or one of the other FK WWTP operators (if you think this is needed).

Let me know if you don't hear anything back

Thanks

Jim

-----Original Message-----

**From:** Kathy Weisner [<mailto:kweisner@radcliff.org>]  
**Sent:** Tuesday, April 08, 2008 8:21 PM  
**To:** Jim Bruce  
**Subject:**

Jim,

More good news. Julia has advised me that if Veolia is taking over on the 20th her last day of being at work will be April 18th. She will be on annual leave until she retires. It is not a problem for us as far as payroll goes but it leaves the plant with no supervisor on Friday night and Saturday.

Let me know what we need to do.

Kathy

# Hardin County Water District No. 1

*Serving Radcliff and Hardin County for Over 50 Years*

1400 Rogersville Road  
Radcliff, KY 40160

---

April 10, 2008

Kentucky Division of Water, Commonwealth of Kentucky  
Mr. Jory Becker  
KPDES Permit Branch - Municipal Facilities  
Frankfort Office Park  
14 Reilly Road  
Frankfort, KY. 40601

**SUBJECT: NPDES Permit Ownership Transfer  
Radcliff Wastewater Treatment Plant - KY022390**

Dear Mr. Becker,

Enclosed please find the *Change of Ownership Certification* form for the above facility and permit. The City of Radcliff and Hardin County Water District No. 1 ("District") have entered into an agreement by which the City will transfer ownership of the wastewater utility and wastewater treatment plant to the District. The District has entered into an operations agreement with Veolia Water, South, LLC, who will be the operators of the utility system and treatment plant.

Our planned date of transfer of operations is April 20, 2008. After that time, the District will be the owner and responsible party. Veolia will be the operator of the system. Veolia also operates our Ft. Knox Wastewater system and WWTP as well. All correspondence may be sent to our address after that date, and all monthly DMR forms should continue to go to the WWTP address; 350 New Street.

If you have any questions, please do not hesitate to call me.

Sincerely,



Jim Bruce  
General Manager

Cf; Mr. Brett Pyles, HCWD1 Operations Manager  
Mr. James Merideth, Veolia Water, South, LLC  
Kentucky Public Service Commission, Mr. J.R. Goff (Case No. 2008-00074)

Encl

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Phone 1-270-351-3222

FAX: 1-270-352-3055

[www.HCWD.com](http://www.HCWD.com)

## CHANGE IN OWNERSHIP CERTIFICATION

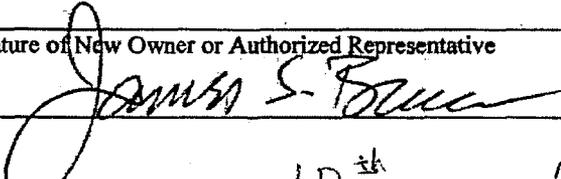
Facility Name	NPDES No.
Radcliff Wastewater Treatment Plant	KY0022390
Previous Name (if changed)	County
City of Radcliff	Hardin County

I hereby certify that I will assume ownership and all responsibility for meeting the permit conditions of the Commonwealth of Kentucky relating to water quality at the permitted facility listed above on the effective date indicated.

Name of New Owner or Authorized Representative	James Bruce - General Manager
Company Name	Hardin County Water District No. 1
Address of New Owner (Street, City, State, Zip Code)	1400 Rogersville Road, Radcliff, KY 40160
Telephone No. of Owner/Authorized Representative	( 270 ) 351 - 3222
Location Address of Facility	350 New Street East
Effective Date of Transfer	4/20/08
Previous Owner Name	City of Radcliff, Mayor Sheila C. Enyart

Indicate the address where the Discharge Monitoring Report (DMR) forms should be sent. (Complete only if different from owner name and address listed above.) These DMR forms are preprinted with permit limitations and mailed out each quarter (semi-annually for individual residences).

Alternate DMR Mailing Name	Veolia Water South LLC
Alternate DMR Mailing Address	350 New Street East Radcliff, KY 40159

Signature of New Owner or Authorized Representative	Date
	4-10-08

Acknowledged before me this 10<sup>th</sup> day of April, 2008

Notary Public Arnon B. Pyles Commission Expires: October 30, 2008

**Questions on completing this form?** Contact the KPDES Branch at (502) 564-3410.

**Complete and return this form to:** Division of Water, KPDES Branch  
Frankfort Office Park  
14 Reilly Road  
Frankfort, KY 40601



**Andrea Palmer**

---

**From:** Brett Pyles  
**Sent:** Monday, April 14, 2008 9:28 AM  
**To:** 'Meredith, Thomas'  
**Cc:** Jim Bruce  
**Subject:** RE: Road Resurfacing

TJ,

This is a common problem. We do not have much recourse, however, I have found (in my past experiences) that a face-to-face meeting with the foreman of the blacktop company seems to be helpful. It all depends on the relationship we develop with the foreman.

If you can setup a meeting and start building that relationship, it may go a long way (or it may not). If worse comes to worse, we could bluff and threaten to bill them for everyone they cover up, but I would rather try to use positive reinforcement as opposed to negative reinforcement.

Thanks

Brett

<b>Hardin County Water District No.1</b>		"Serving Hardin County for over 50 years"
<b>Brett Pyles</b> <i>Operations Manager</i>	1400 Rogersville Road Radcliff, KY 40160	
bpyles@hcwd.com www.HCWD.com	tel: 270.351.3222 fax: 270.352.3055 mobile: 270.766.9477	
Want to always have my latest info?		Want a signature like this?

---

**From:** Meredith, Thomas [<mailto:thomas.meredith@veoliawaterna.com>]  
**Sent:** Monday, April 14, 2008 9:11 AM  
**To:** Brett Pyles  
**Subject:** Road Resurfacing

Brett, Apparently (all 3<sup>rd</sup> party info from the Radcliff staff) Radcliff is going to do some significant road resurfacing this spring/summer. They have had problems in the past getting the contractor to raise the manhole lids, or they have been covered up. I'm not sure if we have any recourse, what do you think?

TJ Meredith  
District Manager  
Veolia Water  
[thomas.meredith@veoliawaterna.com](mailto:thomas.meredith@veoliawaterna.com)  
(270)706-6028  
305 Ring Road  
Elizabethtown, KY 42701

**Andrea Palmer**

---

**From:** Meredith, Thomas [thomas.meredith@veoliawaterna.com]  
**Sent:** Monday, April 14, 2008 10:27 AM  
**To:** Jim Bruce  
**Subject:** RE: Uniform Switchover / Fuel

Very Kind, I'll give him a call.

TJ Meredith  
District Manager  
Veolia Water  
[thomas.meredith@veoliawaterna.com](mailto:thomas.meredith@veoliawaterna.com)  
(270)706-6028  
305 Ring Road  
Elizabethtown, KY 42701

-----Original Message-----

**From:** Jim Bruce [<mailto:jbruce@hcwd.com>]  
**Sent:** Monday, April 14, 2008 10:30 AM  
**To:** Meredith, Thomas  
**Subject:** RE: Uniform Switchover / Fuel

TJ;

Our attorney (David Wilson) owns the BP station near Wal-Mart if you need a temporary fleet account. They also accept Fleet One which we use. David's cell number is 272-5563.

FYI

Jim Bruce

-----Original Message-----

**From:** Meredith, Thomas [<mailto:thomas.meredith@veoliawaterna.com>]  
**Sent:** Monday, April 14, 2008 10:22 AM  
**To:** Jim Bruce; Brett Pyles  
**Subject:** RE: Uniform Switchover / Fuel

I will check on the uniforms. My preference would be to keep them for another 2 weeks (I'll pay) just to be on the safe side.

Fuel--We'll have credit cards, or prepaid cards ready and Mrs. Eads is checking on a fleet arrangement with one of the local stations until our Fleet (ARI) purchasing cards arrive.

Talk to you at 2:00.

TJ Meredith  
District Manager  
Veolia Water  
[thomas.meredith@veoliawaterna.com](mailto:thomas.meredith@veoliawaterna.com)  
(270)706-6028  
305 Ring Road  
Elizabethtown, KY 42701

-----Original Message-----

**From:** Jim Bruce [<mailto:jbruce@hcwd.com>]

Sent: Monday, April 14, 2008 9:38 AM  
To: Meredith, Thomas; Brett Pyles  
Subject: Uniform Switchover / Fuel

TJ;

Chance at City wants to know if old uniforms can be picked up TUESDAY the 22nd. He needs to cancel service tomorrow, if the pick up day will be the 22nd. If it will be later, then we will have to do the cancellation.

Also, he plans to have Julia turn in all fleet fuel cards on Friday the 18th. This means any fuel purchased after that date will have to be through Veolia or the District's account. Do you see any problem with that?

Let me know ASAP, Chance wants to know

Thanks

Jim



**Officers:** President: Mayor Glenn V. Caldwell, City of Williamstown  
First Vice President: Mayor Connie Lawson, City of Richmond  
Second Vice President: Mayor Michael D. Miller, City of Jackson  
Immediate Past President: Mayor David L. Willmott, Jr., City of Elizabethtown

**Executive Staff:** Executive Director/Chief Executive Officer: Sylvia L. Lovely  
Deputy Executive Director/Chief Operating Officer: Neil S. Hockworth  
Deputy Director/Assistant and Finance: William L. Hamilton

April 15, 2008

Jim Bruce  
General Manager  
Hardin County Water District No. 1  
1400 Rogersville Road  
Radcliff, KY 40160

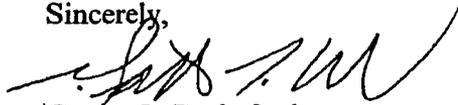
Dear Mr. Bruce:

This is in reference to the impending purchase of the City of Radcliff's sanitary sewer system by Hardin County Water District No. 1 (HCWD).

Currently, the Kentucky League of Cities (KLC) through its Kentucky Municipal Finance Corporation has an outstanding loan to the City of Radcliff for the benefit of the sanitary sewer system. The debt is secured by revenue generated from the sewer system. By written agreement, HCWD has agreed to assume Radcliff's sewer system debt to KLC and to abide by all obligations and covenants contained in the loan documents between the City of Radcliff and the Kentucky Municipal Finance Corporation. Therefore, KLC approves of the transfer from Radcliff to HCWD of the debt that is currently owed to the Kentucky Municipal Finance Corporation.

If you need any additional information, do not hesitate to contact me at 859-977-3722.

Sincerely,



Garrett L. Drakeford

[www.klc.org](http://www.klc.org)

100 East Vine Street, Suite 800, Lexington, Kentucky 40507 Tel. 859.977.3700 or 800.876.4552 Fax 859.977.3703



**Andrea Palmer**

---

**From:** Jim Bruce  
**Sent:** Wednesday, April 16, 2008 8:28 AM  
**To:** Nicholas, Robert  
**Cc:** David Wilson, SBW; Mike Pike, SBW; Brett Pyles; Bill Rissel (wjrissel@fortknoxfcu.net); Jim Bruce (kybruce@bbtel.com); John Tindall (Wwjtin@aol.com); Les (Leslie) Powers SGM Retired (lsgmprs@aol.com); Ron Hockman (hockman@bbtel.com); William Gossett (gompa@aol.com)  
**Subject:** Notice to Proceed / Radcliff Sewer Operations  
**Attachments:** NTP Radcliff sewer Veolia RN.pdf

Rob;

Attached please find the letter you requested. I will also be mailing a hard copy. Let me know if this will suffice.

Thanks

Jim Bruce

# Hardin County Water District No. 1

*Serving Radcliff and Hardin County for Over 45 Years*

1400 Rogersville Road  
Radcliff, KY. 40160

---

April 16, 2008

Mr. Rob Nicholas, Vice President  
Veolia Water North America - South, LLC  
5071 Endview Pass  
Brooksville, FL 34601

**SUBJECT: Notice to Proceed / Authorization**

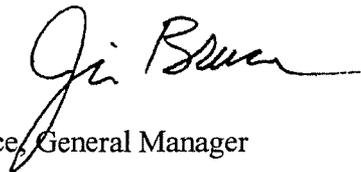
Dear Rob;

This letter provides notice that Veolia is authorized to proceed with commencing operations of the Radcliff Sanitary Sewer Utility, in accordance with our Operations Maintenance and Management Agreement dated February 8, 2008.

We have now received approval from both KIA and KLC to assume the City's existing debt. We have also filed a revised tariff to the PSC, per their instruction, with an effective date of April 20, 2008. While we have not yet received the final PSC order, we do believe we will receive it soon. As you know, the PSC staff counsel has indicated their order will only address the District assuming debt, and implementing a new tariff and sewer rates, but will not directly authorize the District to transfer or take over the Radcliff sewer system, as they do not believe that requires their approval or a certificate.

We are planning to assume operations at midnight the 19th, with first day of operations April 20, 2008. Please continue to plan and prepare for this beginning of operations. We again appreciate all your efforts over the last 24 months on this project, and expect this to be a continued success of our government / private partnership which we formed in 2002. Please call if you have any questions.

Sincerely,



Jim Bruce, General Manager

Cf; Board of Commissioners, HCWD1  
Mr. David Wilson II, HCWD1 Attorney

---

Phone 1-270-351-3222

FAX: 1-270-352-3055

**[www.HCWD.com](http://www.HCWD.com)**

**Andrea Palmer**

---

**From:** Hovance, LaVerna [LaVerna.Hovance@veoliawaterna.com]  
**Sent:** Thursday, April 17, 2008 12:45 PM  
**To:** Meredith, Thomas; O'Brien, Thomas J.; Nicholas, Robert; Jim Bruce; Kathy Weisner  
**Subject:** Julia Thurman - Buyout

It is my understanding from Julia that she has signed acceptance of the buyout that Veolia offered and will be overnight mailing her signed documents for delivery to me for tomorrow, Friday. I will request a check be issued and she should receive next week.

***La Verna Hovance***  
***Human Resource Manager***  
Veolia Water North America - South LLC  
14055 Riveredge Drive  
Suite 240  
Tampa, FL 33637  
Direct Line: (813) 983-2803  
Toll Free Office: (866) 286-3807 ext.: 2803  
Cell: (727) 389-8702  
Fax: (813) 830-7374  
[Laverna.hovance@veoliawaterna.com](mailto:Laverna.hovance@veoliawaterna.com)

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## Andrea Palmer

---

**From:** Hovance, LaVerna [LaVerna.Hovance@veoliawaterna.com]  
**Sent:** Thursday, April 17, 2008 2:53 PM  
**To:** Jim Bruce  
**Subject:** RE: Julia Thurman - Buyout

No – she does not need to be a Veolia employee to get the check. I worked around that with our legal department and in the agreement she signed. She will be an employee of the City only. So no problems. I worked within the parameters that were set so all is good.

**La Verna Hovance**  
**Human Resource Manager**  
Veolia Water North America - South LLC  
14055 Riveredge Drive  
Suite 240  
Tampa, FL 33637  
Direct Line: (813) 983-2803  
Toll Free Office: (866) 286-3807 ext.: 2803  
Cell: (727) 389-8702  
Fax: (813) 830-7374  
[Laverna.hovance@veoliawaterna.com](mailto:Laverna.hovance@veoliawaterna.com)

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---

**From:** Jim Bruce [mailto:jbruce@hcwd.com]  
**Sent:** Thursday, April 17, 2008 2:53 PM  
**To:** Hovance, LaVerna  
**Subject:** RE: Julia Thurman - Buyout

LaVerna;

I had lunch with Kathy today. She may call you Monday about timing of Julia getting check. I mentioned she had to be a Veolia employee to get check ? – But she has to be a City employee to submit time buy to state retirement. So , would be an employee of both for a while?

Jim

---

**From:** Hovance, LaVerna [mailto:LaVerna.Hovance@veoliawaterna.com]  
**Sent:** Thursday, April 17, 2008 12:45 PM  
**To:** Meredith, Thomas; O'Brien, Thomas J.; Nicholas, Robert; Jim Bruce; Kathy Weisner  
**Subject:** Julia Thurman - Buyout

It is my understanding from Julia that she has signed acceptance of the buyout that Veolia offered and will be overnight mailing her signed documents for delivery to me for tomorrow, Friday. I will request a check be issued and she should receive next week.

**La Verna Hovance**  
**Human Resource Manager**  
Veolia Water North America - South LLC  
14055 Riveredge Drive  
Suite 240  
Tampa, FL 33637  
Direct Line: (813) 983-2803

**Andrea Palmer**

---

**From:** Jim Bruce  
**Sent:** Thursday, April 17, 2008 2:51 PM  
**To:** Meredith, Thomas  
**Subject:** RE: Radcliff Uniforms

TJ;

I want to see them pick up on April 6th, that will be amazing.

Have no problem with you calling Chance to explain delay. He just wants to know that the City will not be paying for uniforms after 4/19, so Veolia can assure him that they will pay.

Thanks

Jim

-----Original Message-----

**From:** Meredith, Thomas [<mailto:thomas.meredith@veoliawaterna.com>]  
**Sent:** Thursday, April 17, 2008 10:29 AM  
**To:** Jim Bruce  
**Cc:** Brett Pyles  
**Subject:** FW: Radcliff Uniforms

Hello fellas, unfortunately the date has slipped to April 30th. Uniforms are laundered and exchanged on Tuesday's. Can we plan the last pickup date April 6th? Or better yet, with your permission, I'll call Chance and maybe transition this service to Veolia ASAP--so that he is released from any uniform obligation.

TJ Meredith  
District Manager  
Veolia Water  
[thomas.meredith@veoliawaterna.com](mailto:thomas.meredith@veoliawaterna.com)  
(270)706-6028  
305 Ring Road  
Elizabethtown, KY 42701

-----Original Message-----

**From:** Hamilton, Aleisha [<mailto:HamiltonA2@cintas.com>]  
**Sent:** Thursday, April 17, 2008 8:11 AM  
**To:** Meredith, Thomas  
**Subject:** RE: Radcliff Uniforms

Hey TJ,

We are looking to get your uniforms in as soon as possible. We have a tentative date of April 30, that is if everything goes as planned. I will let you know if anything changes. Let me know if you have any questions. Talk to you soon.

Thanks,

Aleisha Hamilton  
Sales Associate  
Cintas Corp.

Louisville, KY  
502-964-6449

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From: Meredith, Thomas [<mailto:thomas.meredith@veoliawaterna.com>]  
Sent: Mon 4/14/2008 10:22 AM  
To: Hamilton, Aleisha  
Subject: Radcliff Uniforms

Aleisha, Any update?

TJ Meredith

District Manager

Veolia Water

[thomas.meredith@veoliawaterna.com](mailto:thomas.meredith@veoliawaterna.com)

(270)706-6028

305 Ring Road

Elizabethtown, KY 42701

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Your assistance in correcting this error is appreciated.

**Andrea Palmer**

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**From:** Kathy Weisner [kweisner@radcliff.org]  
**Sent:** Friday, April 25, 2008 4:22 PM  
**To:** Jim Bruce

Jim,

The always accurate rumor tells me that Veolia is replacing all of the computers at Waste Water. If that is true, I could really, really use a couple of the old ones for Challenger. Any options there?

Kathy

## Andrea Palmer

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**From:** Nicholas, Robert [Robert.Nicholas@veoliawaterna.com]  
**Sent:** Tuesday, April 08, 2008 11:55 AM  
**To:** Jim Bruce; Brett Pyles; Meredith, Thomas; Ritchey, Jay; Hovance, LaVerna; Greer, Jeffery; Walker, James; Wakefield, David; Kathy Weisner; Ritchey, Jay  
**Subject:** Revised Start Date

A telephone conference call with the PSC today has made us push back the start up date to Sunday morning April 20<sup>th</sup> – 12:01 AM. The PSC has suggested we need to wait past the 17<sup>th</sup> for legal notification purposes. We decided an extra day or two would be useful in case there is a problem.

### New Address and Phone Number

Rob Nicholas  
Veolia Water  
5071 Endview Pass  
Brooksville, FL 34601  
859/582-0104  
[robert.nicholas@veoliawaterna.com](mailto:robert.nicholas@veoliawaterna.com)

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**Andrea Palmer**

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**From:** Meredith, Thomas [thomas.meredith@veoliawaterna.com]  
**Sent:** Wednesday, April 30, 2008 8:17 AM  
**To:** Brett Pyles  
**Subject:** RE: Quiggins\_SS\_Project.xlsx

For this FEMA application and the time allotted it should suffice,

TJ Meredith  
District Manager  
Veolia Water  
[thomas.meredith@veoliawaterna.com](mailto:thomas.meredith@veoliawaterna.com)  
(270)706-6028  
305 Ring Road  
Elizabethtown, KY 42701

-----Original Message-----

**From:** Brett Pyles [mailto:[bpyles@hcwd.com](mailto:bpyles@hcwd.com)]  
**Sent:** Wednesday, April 30, 2008 7:44 AM  
**To:** Meredith, Thomas  
**Subject:** RE: Quiggins\_SS\_Project.xlsx

Try this one.

<b>Hardin County Water District No. 1</b>		"Serving Hardin County for over 50 years"	
<b>Brett Pyles</b> <i>Operations Manager</i>		1400 Rogersville Road Radcliff, KY 40160	
<a href="mailto:bpyles@hcwd.com">bpyles@hcwd.com</a> <a href="http://www.HCWD.com">www.HCWD.com</a>		tel: 270.351.3222 fax: 270.352.3055 mobile: 270.766.9477	
Want to always have my latest info?		Want a signature like this?	

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**From:** Meredith, Thomas [mailto:[thomas.meredith@veoliawaterna.com](mailto:thomas.meredith@veoliawaterna.com)]  
**Sent:** Tuesday, April 29, 2008 9:21 PM  
**To:** Brett Pyles  
**Subject:** RE: Quiggins\_SS\_Project.xlsx

Arabic, Excel opens the document as some "gooblygoosh". Sorry.

TJ Meredith  
District Manager  
Veolia Water  
[thomas.meredith@veoliawaterna.com](mailto:thomas.meredith@veoliawaterna.com)  
(270)706-6028  
305 Ring Road  
Elizabethtown, KY 42701

-----Original Message-----

**From:** Brett Pyles [mailto:[bpyles@hcwd.com](mailto:bpyles@hcwd.com)]  
**Sent:** Tuesday, April 29, 2008 4:40 PM  
**To:** Meredith, Thomas  
**Cc:** Jim Bruce  
**Subject:** Quiggins\_SS\_Project.xlsx

TJ,

What does this look like to you?

Thanks

Brett

**Andrea Palmer**

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**From:** Nicholas, Robert [Robert.Nicholas@veoliawaterna.com]  
**Sent:** Wednesday, April 30, 2008 2:54 PM  
**To:** Jim Bruce  
**Cc:** Brett Pyles  
**Subject:** RE: Sewer Service Area

That is great.

-----Original Message-----

**From:** Jim Bruce [mailto:jbruce@hcwd.com]  
**Sent:** Wednesday, April 30, 2008 9:09 AM  
**To:** Nicholas, Robert  
**Cc:** Brett Pyles  
**Subject:** Sewer Service Area

Rob;

We had joint board meeting last night with HCWD2. We talked about their proposed resolution to Fiscal Court to set new sewer service area. Their draft resolution (which I think Damon helped write), proposed using existing water service areas. I told them this would not work because 1) we already served sewer within their water service areas in Radcliff, and 2) their own study showed several basins flowing to Radcliff or FK as lowest cost sewer solutions. Those basins, we felt, should be shown in our sewer service area from the beginning. Judge Berry was there and supported our idea, and said the regional facility study was based on engineering, hydraulics and economics, and should set service areas. HCWD2 board agreed, so we are changing the resolution to add all of Radcliff as our service area (which Fiscal Court cannot control in cities) and include those contingent basins to Radcliff as our area as well. It will be on our 5/20 meeting, and HCWD2 has meeting same night. Judge Berry wants to bring to FC after that meeting, so both districts can have sewer service areas approved at same time.

FYI

Jim