

Hardin County Water District No. 1

Serving Radcliff and Hardin County for Over 60 Years

1400 Rogersville Road
Radcliff, KY. 40160

November 8, 2016

Ms. Talina R. Mathews
Executive Director - Kentucky Public Service Commission
211 Sower Blvd.
P.O. Box 615
Frankfort, KY 40620-0615

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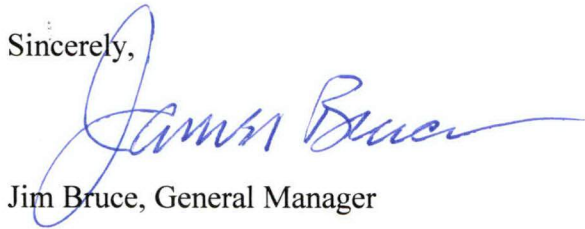
**SUBJECT: Supplemental Filing to Application
PSC Case 2016-00362 - Authorization to Issue Securities**

Dear Director Mathews,

Enclosed please find a letter from our bond attorney, Mr. Dirk Bedarff, Esq. This letter explains the process proposed to carry out this bond sale and refunding, and that the final closing is conditional on Commission approval.

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, Esq. - HCWD1 Attorney
Mr Dirk Bedarff, Esq. - HCWD1 Bond Attorney

Encl. Letter from Mr. Bedarff

VERIFICATION


The undersigned, Mr. James S. Bruce, General Manager of the Hardin County Water District No.1, hereby verifies that he has personal knowledge of the matters set forth in the enclosed supplemental filing and that he is duly designated by the Board of Commissioners of the Hardin County Water District No. 1 to sign and submit this information its behalf.

HARDIN COUNTY WATER DISTRICT No. 1

By 
JAMES S. BRUCE, GENERAL MANAGER

CERTIFICATION OF SERVICE

The undersigned, Mr. David T. Wilson II, attorney for the Hardin County Water District No. 1, hereby verifies that the foregoing was served on Ms. Talina R. Mathews, Executive Director, Kentucky Public Service Commission, 211 Sower Boulevard, Frankfort, KY. 40601-8204 on this 8th Day of November, 2016


Mr. David T. Wilson II, ESQ.
Attorney for Hardin County Water District No. 1

STATE OF KENTUCKY
COUNTY OF HARDIN

I, the undersigned, a Notary Public, do hereby certify that on this 8th day of November, 2016, personally appeared before me, James S. Bruce and David T. Wilson, II, 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 and Attorney of the Corporation.


NOTARY PUBLIC, STATE OF KENTUCKY



My Commission Expires; October 12, 2019 CERTIFICATE OF SERVICE



Legal Counsel.

DINSMORE & SHOHL LLP
50 East RiverCenter Boulevard ^ Suite 1150
Covington, KY 41011
www.dinsmore.com

Dirk M. Bedarff
(859) 431-7000 ^ (859) 431-0673 (fax)
Dirk.bedarff@dinsmore.com

November 7, 2016

Ms. Talina R. Matthews, Executive Director
Public Service Commission
211 Sower Boulevard
Frankfort, Kentucky 40602-0615

Re: Case Number 2016 - 00362 Hardin County Water District No. 1

Dear Ms. Matthews:

We are representing Hardin County Water District No. 1 (the "District") as Bond Counsel concerning the issuance of the District's Utility System Refunding Revenue Bonds, Series 2016 (the "Series 2016 Bonds"). Proceeds of the Series 2016 Bonds will be used to refund and retire the District's outstanding Waterworks Revenue Bonds, Series 2005 (the "Prior Bonds,") and to pay costs of issuing the Series 2016 Bonds.

We have reviewed the terms under which the Prior Bonds were issued and have determined such Prior Bonds are currently eligible to be refunded. The District's Board has taken all necessary action to approve the Bond issue and pending Public Service Commission approval in the above-referenced case, we anticipate being able to deliver our legal approving opinion with respect to the Series 2016 Bonds.

A public sale of the Series 2016 Bonds was held on October 20, 2016 as required by KRS Chapter 424. As provided in paragraph L. of the Official Terms and Conditions of Bond Sale (copy attached), the successful bidder will not be required to pay for the Series 2016 Bonds unless the bonds are delivered within 45 days of the bond sale. As further provided on the cover page of the Official Statement related to the sale of the Series 2016 Bonds (attached with language highlighted), delivery of the Series 2016 Bonds is contemplated on November 22, 2016 (the "Closing Date"), but is conditioned upon delivery of our firm's legal approving opinion as bond counsel with respect to the Series 2016 Bonds. A condition to delivery of our legal approving opinion on the Closing Date, and accordingly the issuance of the Series 2016 Bonds,

Dirk M. Bedarff
November 7, 2016
Page 2


and the payment for the Series 2016 Bonds by the purchaser, is receipt of approval of the Public Service Commission in the referenced case.

Should you have any questions please contact the undersigned.

Very truly yours,

DINSMORE & SHOHL, LLP

Per


Dirk M. Bedarff, Esq.

10799121v1

OFFICIAL TERMS AND CONDITIONS OF BOND SALE

Re: \$4,200,000* Hardin County (Kentucky) Water District No. 1 Utility System Refunding Revenue Bonds, Series 2016

The General Manager of Hardin County Water District No. 1 (the "District") will until October 20, 2016 at 11:00 A.M. E.T. receive at the offices of the General Manager, 1400 Rogersville Road, Radcliff, Kentucky, 40160, sealed, competitive bids for the purchase of the above-identified Bonds (the "Bonds"). To be considered, bids for the purchase of said Bonds must be submitted on an Official Bid Form and must be delivered to such office no later than the date and hour indicated. Electronic bids may also be received via BiDCOMP™/PARITY™, as described below. Proposals for the purchase of the Bonds will be considered by the General Manager of the District and a decision regarding the acceptance will be made by the District on that date.

DESCRIPTION AND MATURITIES OF BONDS

The Bonds will be issued only as fully registered bonds in denominations of \$5,000 principal amount or any multiple of \$5,000 within a single maturity (as designated by the Purchaser), will bear interest payable semiannually on March 1 and September 1, commencing on March 1, 2017), and will mature on September 1 of the years and in the principal amounts, as follows:

<u>Maturity</u> <u>(September 1)</u>	<u>Amount*</u>	<u>Maturity</u> <u>(September 1)</u>	<u>Amount*</u>
2017	\$450,000	2022	\$470,000
2018	440,000	2023	480,000
2019	445,000	2024	490,000
2020	455,000	2025	505,000
2021	465,000		

*subject to change.

The Depository Trust Company ("DTC"), New York, New York, will act as securities depository for the Bonds. The Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee). One fully registered Bond certificate will be issued for each maturity of the Bonds each in the aggregate principal amount of such maturity, and will be deposited with DTC.

Purchases of the Bonds under the DTC system must be made by or through securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations (the "Direct Participants"), which will receive a credit for the Bonds on DTC's records. The ownership interest of each actual purchaser of each B Bond (a "Beneficial Owner") is in turn to be recorded on the records of Direct Participants or securities brokers and dealers, banks, and trust companies that clear through or maintain a custodial relationship with a Direct Participant (the "Indirect Participants"). Beneficial Owners will not receive written confirmation from DTC of their purchase, but Beneficial Owners are expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Bonds are to be accomplished by entries made on the books of Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

The Bonds shall be lettered and numbered from R-1 upward; or such numbering shall be made in such other appropriate manner as may be determined by Cecilian Bank, N.A., Elizabethtown, Kentucky as paying agent and bond registrar (the "Paying Agent" and "Bond Registrar").

The person in whose name any Bond is registered on the Record Date (February 15 or August 15) with respect to an interest payment date shall be entitled to receive the interest payable on such interest payment date.

The Bonds are not subject to optional redemption prior to their stated maturities, in whole or in part on any date (less than all of such Bonds of a single maturity to be selected by lot in such manner as determined by the Bond Registrar), at the price of par plus accrued interest to the redemption date. The Bonds are not subject to optional redemption prior to their stated maturities.

AUTHORITY AND PURPOSE OF BONDS

The Bonds have been authorized and issued pursuant to Chapter 74 of the Kentucky Revised Statutes (the "Act"), a certain General Bond Resolution adopted by the District on October 4, 2016 (the "General Resolution"), and a certain Series 2016 Bond Resolution authorizing the Bonds adopted on October 4, 2016 (the "Series 2016 Bond Resolution," and together with the General Bond Resolution, the "Resolution"). Pursuant to the General Resolution and the Series 2016 Bond Resolution, the District has authorized the issuance of the Bonds for the purpose of (i) refunding and retiring the District's outstanding: Waterworks Revenue Refunding Bonds, Series 2005 dated June 15, 2005 (the "Prior Obligations") which were issued to provide funds used for paying the costs of various capital projects for the District and to currently refund earlier obligations of the District, and (ii) paying the costs of issuing the Bonds.

BIDDING CONDITIONS AND RESTRICTIONS

The public offering of the Bonds is subject to the following specific conditions and provisions:

- (A) The aggregate principal amount of the Bonds (the "Preliminary Aggregate Principal Amount") and the annual maturing principal amount of the Bonds (the "Preliminary Annual Principal Amounts" and collectively, with reference to the Preliminary Aggregate Principal Amounts, the "Preliminary Amounts") offered for sale as set forth herein may be revised before the submission of bids for the purchase of the Bonds. Any such revisions (the "Revised Aggregate Principal Amount", the "Revised Annual Principal Amounts" and the "Revised Amounts") WILL BE GIVEN BY NOTIFICATION PUBLISHED ON www.IdealProspectus.com NOT LATER THAN [11:00] A.M., EASTERN TIME ON October 20, 2016. In the event that no such revisions are made, the Preliminary Amounts will constitute the Revised Amounts and will remain as stated in herein. BIDDERS SHALL SUBMIT BIDS BASED ON THE REVISED AMOUNTS, IF ANY. Prospective bidders may request notification by facsimile transmission or e-mail of any revisions in the Preliminary Amounts, together with receipt of a revised Official Bid Form, by so advising and faxing their telecopier number(s) or providing their e-mail information to the Financial Advisor to the District, J.J.B. Hilliard, W.L. Lyons, LLC, Hilliard Lyons Center, 500 West Jefferson Street, Suite 700, Louisville, Kentucky 40202, Attention Mr. Greg Phillips at (502) 588-8639 or Ms. Tammey Bibb at (502) 588-1124, by [11:00 a.m.], Eastern Time, on October 20, 2016.
- (B) Electronic bids for the Bonds must be submitted through the BidCOMP™/PARITY™ system and no other provider of electronic bidding services will be accepted. Subscription to the BidCOMP™/PARITY™ system is required in order to submit an

electronic bid. The District will neither confirm any subscription nor be responsible for the failure of any prospective bidders to subscribe. For the purposes of the bidding process, the time as maintained by BiDCOMP™/PARITY™ system shall constitute the official time with respect to all bids whether in electronic or written form. To the extent any instructions or directions set forth in BiDCOMP™/PARITY™ system conflict with the terms of the Official Terms and Conditions of Bond Sale, this Official Terms and Conditions of Bond Sale shall prevail. Separate electronic bids made through the facilities of BiDCOMP™/PARITY™ system shall be deemed an offer to purchase in response to the Notice of Bond Sale and shall be binding upon the bidders as if made by signed, sealed written bids delivered to the District. Neither the District nor the Financial Advisor shall be responsible for any malfunction or mistake made by or as a result of the use of the electronic bidding facilities provided and maintained by BiDCOMP™/PARITY™ system. The use of BiDCOMP™/PARITY™ system facilities are at the sole risk of the prospective bidders. Notwithstanding the foregoing non-electronic bids may be submitted via facsimile or by hand delivery utilizing the applicable Official Bid Form. Written sealed bids (in a sealed envelope marked "Official Bid for Bonds") for the Bonds by the designated time will be received by the General Manager of the District, 1400 Rogersville Road, Radcliff, Kentucky 40160.

- (C) Bidders are required to bid for the entire issue of Bonds at a price of not less than \$4,158,000 (99% of par) nor more than \$4,620,000 (110.00% of par), PAYABLE IN IMMEDIATELY AVAILABLE FUNDS. The maximum underwriter's discount permitted on the Bonds shall be 1.00% of the principal amount of the Bonds awarded.
- (D) Interest rates for the Bonds must be in multiples of one-eighth of one percent (.125%) and/or five-hundredth of one percent (.05%) and all Bonds of the same maturity shall bear the same and a single interest rate from the date thereof to maturity. Interest rates for the Bonds shall not exceed the maximum rate of five percent (5.00%)
- (E) The determination of the best purchase bid for the Bonds shall be made on the basis of all bids submitted for exactly \$4,200,000 principal amount of Bonds offered for sale hereunder; but the District may adjust the principal amount of Bonds which may be awarded to such best bidder upward by up to \$400,000 or downward by such amount as may be determined necessary and desirable by the District (the "Permitted Adjustment"). In the event of such Permitted Adjustment, no rebidding or recalculation of a submitted bid will be required or permitted.
- (H) While it is the District's intention to sell and issue the approximate par amounts of the Bonds as set forth herein, there is no guarantee that adjustments and/or revisions may not be necessary in order to properly size the Bonds. Accordingly, the District reserves the right in its sole discretion to adjust up or down the original par amount of the Bonds per maturity. Among other factors the District may (but shall be under no obligation to) consider in sizing the par amounts and individual maturities of the Bonds, is the size of individual maturities or sinking fund installments, assuring level debt service, and/or other preferences of the District.

In the event of any such adjustments and/or revisions with respect to the Bonds, no rebidding will be permitted, and the Underwriter's Discount on the Bonds as submitted by the successful bidder shall be held constant. The Underwriter's Discount shall be defined as the difference between the purchase price of the Bonds submitted by the

bidder and the price at which the Bonds will be issued to the public, calculated from information provided by the bidder, divided by the par amount of the Bonds bid.

The successful bidders for the Bonds will be notified by no later than 4:00 p.m. (Eastern Time), on the sale date of the exact revisions and/or adjustment required, if any.

- (I) Bonds maturing in any two or more consecutive years may, in lieu of maturing in each of such years, be combined to comprise one or more maturities of the Bonds scheduled to mature in the latest of such year and be subject to mandatory sinking fund redemption at par in each of the years and in the principal amounts of such term Bonds scheduled in the year of maturity of the term Bonds, which principal amount shall mature in that year.
- (J) The purchaser of the Bonds shall pay the CUSIP Service Bureau charge for the assignment of CUSIP numbers, which numbers will be printed on the Bonds at no expense or cost to the purchasers. Neither the failure to print a CUSIP number on any Bond nor any error with respect thereto shall constitute cause for a failure or refusal by the purchasers thereof to accept delivery of and pay for the Bonds.
- (K) The District will provide to the successful purchaser a Final Official Statement in accordance with SEC Rule 15c2-12. A final Official Statement will be provided in Electronic Form to the successful bidders, in sufficient time to meet the delivery requirements of the successful bidder under SEC and Municipal Securities Rulemaking Board Delivery Requirements.
- (L) Bids need not be accompanied by a certified or bank cashier's good faith check, but the successful bidders will be required to wire transfer to the Paying Agent for the account of the District an amount equal to 1% of the amount of the principal amount of the Bonds awarded by the close of business on the day following the award. Said good faith amount will be forfeited as liquidated damages in the event of a failure of the successful bidder to take delivery of such Bonds when ready. The good-faith amount will be applied (without interest) to the purchase price upon delivery of the Bonds. The successful bidder shall not be required to take delivery and pay for the Bonds unless delivery is made within 45 days from the date the bid is accepted.
- (M) The Depository Trust Company ("DTC"), New York, New York, will act as securities depository for the Bonds. They will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee). One fully-registered Bond certificate will be issued for each maturity of the Bonds, each in the aggregate principal amount of such maturity, and will be deposited with DTC. Purchases of the Bonds under the DTC system must be made by or through securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations (the "Direct Participants"), which will receive a credit for the Bonds on DTC's records. The ownership interest of each actual purchaser of each Bond (a "Beneficial Owner") is in turn to be recorded on the records of Direct Participants or securities brokers and dealers, banks, and trust companies that clear through or maintain a custodial relationship with a Direct Participant (the "Indirect Participants"). Beneficial Owners will not receive written confirmation from DTC of their purchase, but Beneficial Owners are expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Bonds are to be accomplished by entries made on the books of Participants acting on behalf of

Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

- (N) The District reserves the right to reject any and all bids, to waive any informality in any bid or, upon 24 hours advance notice prior to the sale dates given through the BiDCOMP™/PARITY™ system, to postpone the sale date of the Bonds. The Bonds are offered for sale subject to the principal and interest of the Bonds not being subject to Federal income taxation and not being subject to Kentucky income taxation or Kentucky ad valorem taxation on the date of their delivery to the successful bidders, in accordance with the final approving legal opinion of Dinsmore & Shohl LLP, Covington, Kentucky, which opinion will be qualified in accordance with the section hereof on TAX EXEMPTION.
- (O) Bidders are advised that J.J.B. Hilliard, W.L. Lyons, LLC has been employed as Financial Advisor in connection with the issuance of the Bonds. Their fee for services rendered with respect to the sale of the Bonds is contingent upon the issuance and delivery thereof.
- (P) The purchaser of the Bonds will be required to certify to the District as to certain of their activities regarding any reoffering to the public of the Bonds, including any reoffering prices. This information from the purchaser of the Bonds shall also be made available to the Financial Advisor immediately after the sale of the Bonds.
- (Q) Unless bids for the Bonds are rejected, the Bonds will be awarded on an all or none basis on the sale date to the bidder whose bid result in the lowest true interest rate for the Bonds to be calculated as that rate (or yield) that, when used in computing the present worth of all payments of principal and interest on the Bonds (compounded semi-annually from the date of the Bonds), produces an amount equal to the purchase price of the Bonds, exclusive of accrued interest. For purposes of calculating the true interest cost, the principal amount of any term Bonds scheduled for mandatory sinking fund redemption as part of the term Bond shall be treated as a serial maturity in such year for the Bonds. In the event that two or more bidders offer to purchase the Bonds at the same lowest true interest rate, the District, upon the advice of the Financial Advisor shall determine (in its sole discretion) which of the bidders shall be awarded the Bonds.
- (R) If the successful bidder desires to obtain insurance guaranteeing the payment of the principal and/or interest on the Bonds, the District agrees that it will cooperate with the successful bidders in obtaining such insurance, but all of the expenses and charges in connection therewith shall be borne by such bidders and the District shall not be liable to any extent therefor. The District has applied for a rating on the Bonds from Moody's Investors Service, Inc, and will pay the fees associated therewith.
- (S) Additional information, including the Preliminary Official Statement, the Official Terms and Conditions of Bond Sale and the Official Bid Form, may be obtained from the District's Financial Advisor, J.J.B. Hilliard, W.L. Lyons, LLC, Hilliard Lyons Center, 500 West Jefferson Street, Suite 700, Louisville, Kentucky 40202, Attention Mr. Greg Phillips (502) 588-8639 or at <http://pos.hilliard.com>. Further information regarding BiDCOMP™/PARITY™ system may be obtained from Dalcomp at 1359 Broadway, 2nd Floor, New York, NY 10018, Telephone: (800) 850-7422.

TAX EXEMPTION

In the opinion of Bond Counsel, based upon an analysis of existing laws, regulations, rulings and court decisions, interest on the Bonds is excludable from gross income for Federal income tax purposes, and is not a specific item of tax preference under Section 57 of the Internal Revenue Code of 1986 (the "Code") for purposes of the Federal individual or corporate alternative minimum taxes.

The Code imposes various restrictions, conditions, and requirements relating to the exclusion from gross income for Federal income tax purposes of interest on obligations such as the Bonds. The District has covenanted to comply with certain restrictions designed to ensure that interest on the Bonds will not be includable in gross income for Federal income tax purposes. Failure to comply with these covenants could result in interest on the Bonds being includable in gross income for Federal income tax purposes and such inclusion could be required retroactively to the date of issuance of the Bonds. The opinion of Bond Counsel assumes compliance with these covenants. However, Bond Counsel has not undertaken to determine (or to inform any person) whether any actions taken (or not taken) or events occurring (or not occurring) after the date of issuance of the Bonds may adversely affect the tax status of the interest on the Bonds.

Certain requirements and procedures contained or referred to in the Indenture and other relevant documents may be changed and certain actions (including, without limitation, defeasance of the Bonds) may be taken or omitted under the circumstances and subject to the terms and conditions set forth in such documents. Bond Counsel expresses no opinion as to any Bonds or the interest thereon if any such change occurs or action is taken or omitted upon the advice or approval of bond counsel other than Dinsmore & Shohl LLP.

Although Bond Counsel for the Bonds has rendered an opinion that interest on the Bonds is excludable from gross income for Federal income tax purposes and that interest on all Bonds is excludable from gross income for Kentucky income tax purposes, the ownership or disposition of, or the accrual or receipt of interest on, the Bonds may otherwise affect a Bondholder's Federal, state or local tax liabilities. The nature and extent of these other tax consequences may depend upon the particular tax status of the Bondholder or the Bondholder's other items of income or deduction. Bond Counsel expresses no opinion regarding any tax consequences other than what is set forth in its opinion and each Bondholder or potential Bondholder is urged to consult with tax counsel with respect to the effects of purchasing, holding or disposing the Bonds on the tax liabilities of the individual or entity.

For example, corporations are required to include all tax-exempt interest in determining "adjusted current earnings" under Section 56(c) of the Code, which may increase the amount of any alternative minimum tax owed. Similarly, tax-exempt interest may also increase the amount of any environmental tax owed under Section 59 of the Code, which is based on the alternative minimum taxable income of any corporation subject to that tax. Ownership or disposition of the Bonds may result in other collateral Federal, state or local tax consequence for certain taxpayers, including, without limitation, increasing the federal tax liability of certain foreign corporations subject to the branch profits tax imposed by Section 884 of the Code, increasing the federal tax liability of certain insurance companies, under Section 832 of the Code, increasing the federal tax liability and affecting the status of certain S Corporations subject to Sections 1362 and 1375 of the Code, and increasing the federal tax liability of certain individual recipients of social security or Railroad Retirement benefits, under Section 86 of the Code. Ownership of any Bonds may also result in the limitation of interest and certain other deductions for financial institutions and certain other taxpayers, pursuant to Section 265 of the Code. Finally, residence of the holder of Bonds in a state other than Kentucky or being subject to tax in a state other than Kentucky, may result in income or other tax liabilities being imposed by such states or their political subdivisions based on the interest or other income from the Bonds.

The District has designated the Bonds as "qualified tax-exempt obligations" under Section 265 of the Code.

If, prior to the delivery of the Bonds, any event shall occur which alters the tax-exempt status of the Bonds, the purchaser shall have the privilege of voiding the purchase contract by giving immediate written notice to the District, and all respective obligations of the parties will be terminated.

HARDIN COUNTY WATER DISTRICT NO. 1

By: /s/ Jim Bruce

General Manager

10702090v3

NEW ISSUE
(Bank Qualified)

RATING: Moody's "Aa3"
(See "Rating" herein)

In the opinion of Bond Counsel for the Series 2016 Bonds (defined below), based upon an analysis of laws, regulations, rulings and court decisions, and assuming continuing compliance with certain covenants made by the District, and subject to the conditions and limitations set forth herein under the caption "TAX EXEMPTION," interest on the Series 2016 Bonds is excludable from gross income for Federal income tax purposes and is not a specific item of tax preference for purposes of the Federal individual or corporate alternative minimum taxes. Interest on the Series 2016 Bonds is exempt from Kentucky income tax and the Series 2016 Bonds are exempt from ad valorem taxation by the Commonwealth of Kentucky and any of its political subdivisions. See "TAX EXEMPTION" herein.

\$4,165,000
HARDIN COUNTY (KENTUCKY) WATER DISTRICT NO. 1
UTILITY SYSTEM REFUNDING REVENUE BONDS, SERIES 2016

Dated: Date of Delivery

Due: September 1, as shown below

Interest on the Series 2016 Bonds is payable from their dated date on each March 1 and September 1, beginning March 1, 2017. The Series 2016 Bonds will mature on September 1 of the years, in the amounts, bear interest at the annual rates, have the yields and CUSIP numbers, as follows:

<u>Amount</u>	<u>Interest Rate</u>	<u>Date</u>	<u>Price/ Yield</u>	<u>CUSIP</u>
\$2,260,000	1.400%	Term Bond due September 1, 2021	100%	411896 AA1
\$1,905,000	1.700%	Term Bond due September 1, 2025	100%	411896 AB9

The Bonds captioned above (the "Series 2016 Bonds") are issued pursuant to a General Bond Resolution adopted by the Board of Commissioners of Hardin County Water District No. 1 (the "District") on October 4, 2016 (the "General Bond Resolution"), and a Series 2016 Bond Resolution (the "Series 2016 Bond Resolution") adopted by the Board of Commissioners of the District on October 4, 2016 (collectively, the "Resolution"). The holders of the Series 2016 Bonds shall, on a parity basis with the holders of all bonds outstanding under the Resolution (the "Bonds"), have a priority lien on and security interest in the Pledged Receipts of the District and other special funds derived from the operations of the works and facilities of the District (the "System"). The District reserves the right to issue additional Bonds on a parity with the outstanding Bonds, subject to satisfaction of the conditions set forth in the Resolution. See "SECURITY FOR THE SERIES 2016 BONDS" herein.

The Series 2016 Bonds will be fully registered bonds in denominations of \$5,000 or any integral multiple thereof without coupons. The Series 2016 Bonds will be issuable under a book entry system, registered in the name of The Depository Trust Company ("DTC") or its nominee. There will be no distribution of the Series 2016 Bonds to the ultimate purchasers. See "Book Entry" and APPENDIX E herein. Principal and interest on the Series 2016 Bonds is payable at the principal office of Cecilian Bank, Elizabethtown, Kentucky, as Paying Agent and Bond Registrar.

The Series 2016 Bonds are not subject to optional redemption prior to their stated maturities.

The Series 2016 Bonds are special and limited obligations of the District and do not constitute a debt, liability or general obligation of the District within the meaning of the Constitution and laws of the Commonwealth of Kentucky, or a pledge of the faith and credit or the taxing power of the District. See "SECURITY FOR THE SERIES 2016 BONDS" herein.

The District deems this Official Statement to be final for purposes of Security and Exchange Commission Rule 15c2-12.

The Series 2016 Bonds are offered when, as and if issued, subject to the approving legal opinion of Dinsmore & Shohl LLP, Covington, Kentucky, Bond Counsel. Certain legal matters have been passed upon for the District by David Wilson, II, Esq., Radcliff, Kentucky, General Counsel to the District. The Series 2016 Bonds are expected to be available for delivery on or about November 22, 2016.

Dated: October 20, 2016