

**COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION**

In the Matter of:

NORTH MERCER WATER DISTRICT

}
} **CASE NO. 2016-00 392**
}

**APPLICATION FOR
CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY
TO ACQUIRE A BUILDING AND MAKE
MINIMAL ADAPTATIONS THERETO**

Comes the North Mercer Water District, by counsel, and requests the Commission to grant the District's Application for a Certificate of Public Convenience and Necessity to authorize the District's acquisition of a tract of land, with a building constructed thereon, for the purpose of maintaining and operating a water district office and headquarters.

In support of this Application, the District states as follows:

1. That in compliance with KRS 278.020(1), 807 KAR 5:001, and other applicable law, the District says that the full name, mailing address and e-mail address of the Applicant is North Mercer Water District, 108 Main Street, P.O. Box 79, Salvisa, Kentucky 40372, Electronic Mail Address: mlee@northmercerwater.org.
2. The Applicant has filed the original and 10 copies of the Application with the Commission.
3. The undersigned attorney for the Applicant states that the Original and all copies of the Application have been signed by legal counsel for the Applicant.
4. The name, address telephone number, fax number, and e-mail address of the submitting parties' attorney is:

Thomas M. Jones
138 South Main Street
Lawrenceburg, KY 40342
Telephone: 502-839-6020
Facsimile: 502-839-6029
Electronic Mail:
jonesthomasm@bellsouth.net
ATTORNEY FOR
North Mercer Water District,
108 Main Street
P.O. Box 79
Salvisa, Kentucky 40372

5. The undersigned attorney for the Applicant states that there is no personal identification information contained in the Application.
6. The undersigned attorney states that the original Application and attached exhibits, together with 10 copies of same, have been filed with the Commission.
7. The Applicant is not a corporation. The Applicant is a Water District, created pursuant to KRS Chapter 74, authorized to transact business in Kentucky.
8. The Applicant is not a limited liability company. The Applicant is a Water District, created pursuant to KRS Chapter 74, authorized to transact business in Kentucky.
9. The Applicant states that the facts relied upon to show that the proposed acquisition is required by public convenience or necessity, are as follows:
 - a. The Applicant Water District's current office is located on Main Street in Salvisa, Mercer County, Kentucky. The present office is less than desirable. It is crowded inside and has inadequate parking and lighting. The current office is more difficult to find and access, than the proposed site. The property proposed to be acquired, is 0.24 acre, located at 4795 Louisville Road, Salvisa, Mercer County, Kentucky 40372, approximately one half mile from the site of the present office. The proposed site is a former branch bank owned by Whittaker Bank, Inc. The bank site is located on Louisville Road, A/K/A U.S. 127, in Salvisa, Kentucky with easy access to the four lane highway. There is considerably more parking available at the bank site as compared to the current site. The bank parking lot is level and paved with bituminous asphalt material, and is designed with parallel parking and drive aisles. The remainder of the property is a well developed sown lawn.
 - b. The Applicant says that the bank site is superior to the existing site, as the bank has a vault for storage of records and valuables. The bank is pre-wired for electronic communications, including telemetry connecting the office with metering and control devices throughout the District's system. The bank has security cameras and installed security devices. The exterior is well lit.
 - c. The bank site has a covered 360 square feet, two car, carport/drive through, equipped with sound systems for talking to and with customers in their automobiles, and vacuum tubes for sending documents to and from the customers and the District's clerks, without customer's leaving the convenience and safety of their cars.

- d. The bank site has a 39 years old, attractive brick veneer 1,809 square feet building, as opposed to a painted concrete blocks. The interior has, in addition to the vault, a secure service counter, where District clerks can talk to walk-in customers and drive-through customers, face to face. The clerks would have secure, lockable drawers and cabinets to secure cash and other valuables and documents. The bank site has several small offices, some of which are not suitable for District use. The District would need to remove several non-weight bearing walls and replace other such walls to better meet District needs.
- e. Applicant states that the current office property will continue to be utilized by District personnel. Primarily the current office will become an area to be used by District maintenance and line crews. These workers need space to complete their field records and keep personal items, when out in the field. Frequently, workers need to change wet or soiled uniforms, and a heated area is necessary. There will be adequate space for workers to meet in comfort to receive work assignments, handle personnel matters, study plans, and discuss plans with homeowners, contractors and engineers. As the District's customer needs increase, extra room becomes necessary.
- f. Applicant states that the purchase price of the bank building and lot of land is \$100,000.00. The property, including land and improvements is valued by the Mercer County Property Valuation Administrator at \$222,840.00. The costs of the modifications to adapt the property to the needs of the District, are estimated to be approximately \$10,000.00. The Applicant states that the bank site has a value of twice the costs of purchasing the property and making necessary changes.
- g. Applicant states that the bank property offers a safer, more convenient place for District customers to pay monthly bills and transact business with the District. The purchase price of \$100,000.00 and improvement costs of approximately \$10,000.00, when compared with the 2016 fair cash value of the bank property as determined by the Mercer County Property Valuation Administration, demonstrates that the District will more than double its investment.
- h. Applicant states that it has available funds to acquire the bank property from existing funds, without having to obtain purchase money financing
- h. Applicant states that the bank property, which is located at 4795 Louisville Road, Salvisa, Kentucky 40342, is more fully described as follows:

Being Section "B" as shown on plat filed herewith and more particularly described as follows:

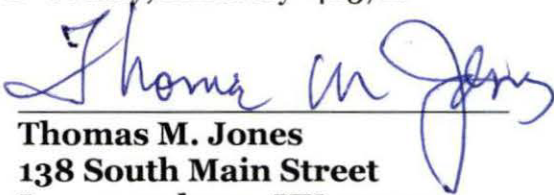
Beginning at a point on the East side of said highway (Louisville Road a/k/a U.S. Highway 127), corner to property of State Bank &

Trust Company, and running thence with a line of said State Bank & Trust Company N 30° 40' E 198 feet to a point corner with State Bank & Trust Company and Loyd Houchins; thence with line of Houchins N 34° 07' E 121.3 feet to a point corner with Houchins; thence with the line of Houchins and then Holt S 57° 00 E 210.0 feet to a point on the East side of said highway; thence with the East side of said highway S 37° 40' 135 feet to the point of beginning.

Being the same real estate described in that certain General Warranty Deed, dated July 1st, 2008, from Joetta Wickcliffe, an unmarried woman, to Whitaker Bank, Inc., a Kentucky Banking Corporation, and which Deed was lodged for record on July 1, 2008, in Deed Book 316, Page 632, in the Office of the Mercer County Clerk.

10. Applicant by Counsel, states that no additional franchises or permits, except those sought herein, are needed from any public authority.
11. Applicant estimates that cost of operation of the bank building as a water district office will be approximately \$25,000.00 per year.
12. Applicant states that the Contract to purchase the property expires on December 31, 2016.

WHEREFORE, APPLICANT NORTH MERCER WATER DISTRICT, by Counsel, prays of the Public Service Commission, to grant the Certificates of Public Convenience and Necessity to Purchase and modify the subject property at 4795 Old Louisville Road, Salvisa, Mercer County, Kentucky 40372.

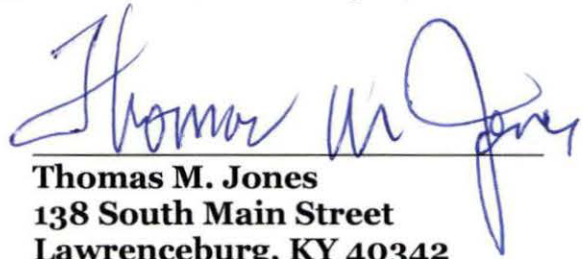


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North Mercer Water District,
108 Main Street
P.O. Box 79
Salvisa, Kentucky 40372

Certificate of Service

The undersigned attorney certifies that the original and ten copies of the foregoing APPLICATION FOR CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY TO ACQUIRE A BUILDING AND MAKE MINIMAL ADAPTIONS THERETO, DATED November 13, was this day served, by hand delivery, upon the Public Service Commission, Commonwealth of Kentucky, 211 Sower Blvd, P.O. Box 615 Frankfort, Kentucky 40602 all on this the 13th day of November, 2016.



Thomas M. Jones
138 South Main Street
Lawrenceburg, KY 40342
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Facsimile: 502-839-6029
Electronic Mail:
jonesthomasm@bellsouth.net
ATTORNEY FOR
North Mercer Water District,
Salvisa, Mercer County, Kentucky

EXHIBITS LIST

EXHIBIT 'A'	Real Estate Purchase Offer/Contract
EXHIBIT 'B'	Mercer County PVA Appraisal
EXHIBIT 'C'	General Warranty Deed
EXHIBIT 'D'	Sketch of Building Layout
EXHIBIT 'E'	Photographs of Bank Building



REAL ESTATE PURCHASE OFFER/CONTRACT

OWNER - Whitaker Bank - Mercer County
ADDRESS - 211 South Main St. Harrodsburg, KY 40330
PHONE - (859)734-3316

North Mercer Water District Adam Johnson, VP 8-5-16
OFFERING PARTIES AGENT PREPARING CONTRACT DATE

The undersigned Buyer(s) offers to purchase from the Seller(s) the following described property, with all improvements and appurtenances thereunto belonging, located at 4795 Louisville Rd. in Salvisa, Ky.

The PURCHASE PRICE for the property shall be One hundred thousand Dollars (\$ 100,000.00) with the sum of \$ 0 paid this date as contract deposit.

Buyer agrees to apply for and use best efforts to obtain a mortgage loan for a term not less than years with interest not to exceed % per annum with payments, including principal and interest, not to exceed \$ per month plus taxes and insurance, if applicable. Buyer shall pay all loan closing costs.

Application for the loan specified above will be made within days of the acceptance of this contract.

CLOSING: This transaction shall be closed on or before the 31st day of December, 2016. In the event this transaction has failed to close on or before the above date for any reason other than a default by Seller, Seller shall have the right to terminate this contract by giving written notice thereof to Buyer.

Property is being purchased "as-is" with no warranties or guarantees.

The Buyer retains full right to said deposit if Seller fails to accept this offer, the loan described above is not timely secured by Buyer despite Buyer's diligent efforts, or the title of Seller's property is unmarketable. The Seller shall be entitled to said deposit upon default by Buyer, including Buyer's failure to timely seek financing as described above or to comply with any other material obligation imposed under this agreement.

DEED: At closing, upon the Purchase Price being paid as provided above, Whitaker Bank will convey the property to the Buyer by Deed of Special Warranty.

INSURANCE: To be maintained by Seller until closing.

POSSESSION: Possession of property shall be delivered to Buyer on the date of closing.

PROPERTY INCLUDED: The term Property as herein used shall include all fixtures so attached or built - in which, if removed, would leave the premises in a damaged, incomplete, or unfinished condition, plus the following:

Bank will continue to maintain property as it is in its current state up to the date of transfer.

The purchase will be conditional upon Public Service commission Approval and must meet any other governmental regulation the District may be required to abide by.

Reserved by seller:

TAXES: All real estate ad valorem taxes shall be

BROKER REPRESENTATIONS: The parties agree that no real estate broker, salesperson, nor agent of either, has made any representation as to the nature or condition of the property, its size, construction or material used, nor any of the fixtures, appliances, appurtenances, or amenities.

Special stipulations set forth in addendums to this contract are incorporated into and become a part of this contract.

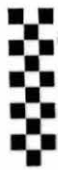
This offer shall expire at am/pm on the day of. If accepted within such time, this contract shall be in full force and effect.

Ray Short 9/21/16 11:30 AM
BUYER (Signature) Date Time

Jerry Best 9/21/16 11:30 AM

SELLER (Signature) Date Time

EXHIBIT - A



Mercer County COUNTY PVA OFFICE
P O Box 244
Harrodsburg, Kentucky 40330

Friday, November 04, 2016

Name and Address WHITAKER BANK INC
PO BOX 55439
LEXINGTON KY 40555-

Map Number 042.40-06004.00
Property Address LOUISVILLE RD 4795
Description WHITAKER BANK SALVISA BRANCH
District 01-County
Class Commercial
Acres 0.00

Land \$75,000

Improvements \$147,840

Land and Improvements \$222,840

Deed Number 316-632

Sale Date 7/1/2008

Previous Owner STATE BANK AND TRUST CO

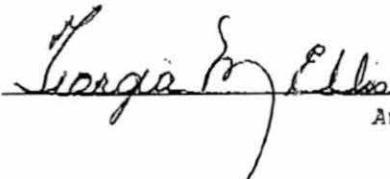

Deputy PVA
Authorized Signature

EXHIBIT - B

Jo
Piper
7/2/08

MERCER COUNTY
D316 PG 632

GENERAL WARRANTY DEED

THIS GENERAL WARRANTY DEED is made this 1st day of July, 2008,
between

JOETTA WICKLIFFE,
unmarried
824 Hideaway Circle East
No.322
Marco Island, Florida 34145 (GRANTOR)

and

WHITAKER BANK, INC.,
a Kentucky banking corporation
P.O. Box 55439
Lexington, Kentucky 40555 (GRANTEE)

WITNESSETH:

For a valuable consideration, receipt and sufficiency of which is hereby acknowledged,
Grantor hereby CONVEYS to Grantee in fee simple with covenant of GENERAL
WARRANTY, the following described property, located in Mercer County, Kentucky:

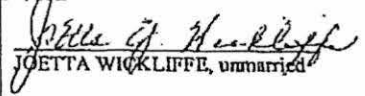
See Exhibit A, attached hereto and made a part hereof.

Grantor covenants that it is lawfully seized of the estate hereby conveyed, that it has full
right and power to convey same; that said estate is free of all encumbrances, except easements
and restrictions of record and zoning laws affecting said property, if any, and except liens for
taxes due and payable in 2008 and all years thereafter, which taxes Grantee assumes and agrees
to pay.

The full consideration of the property conveyed herein is \$25,000.00.

IN TESTIMONY WHEREOF, witness the signature of Grantor the day and year first
above written.

GRANTOR:


JOETTA WICKLIFFE, unmarried

HR91:40321:600071:1:LOUISVILLE

Return to Preparer

EXHIBIT C

MERCER COUNTY
D316 Pg 633

COMMONWEALTH OF KENTUCKY)
) SS:
COUNTY OF MERCER)

The foregoing instrument was acknowledged before me this 1st day of July, 2008, by JoElla Wickliffe, an individual and party hereto.

My commission expires: 3-5-10
Stacie J. Kautsky
NOTARY PUBLIC

CERTIFICATION OF CONSIDERATION

Being first duly sworn, the undersigned state that the consideration set forth in the foregoing General Warranty Deed is the full consideration paid for the above described property.

GRANTOR:
Joetta Wickliffe
JOETTA WICKLIFFE, unmarried

GRANTEE:
WHITAKER BANK, INC.,
a Kentucky banking corporation
By: [Signature]
Title: VP - CEO

NR140321489071121001071121

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MERCER COUNTY

D316 PG 634

COMMONWEALTH OF KENTUCKY)
) SS:
COUNTY OF MERCER)

The foregoing Certification of Consideration was subscribed, sworn to and acknowledged before me this 1st day of July, 2008, by JoEtn Wickliffe, an individual and party hereto.

My commission expires:

3-5-10
[Signature]
NOTARY PUBLIC

COMMONWEALTH OF KENTUCKY)
) SS:
COUNTY OF Fayette)

The foregoing Certification of Consideration was subscribed, sworn to and acknowledged before me this 1st day of July, 2008, by Ronald W. Rousey as President of WHITAKER BANK, INC., a Kentucky banking corporation, on behalf of the corporation.

My Commission expires:

6-28-09
[Signature]
NOTARY PUBLIC

HK91140321:689071:1:LOUISVILLE

MERCER COUNTY
D316 Pg 635

EXHIBIT A

Being Section "A" as shown on plat filed herewith and being more particularly described as follows:

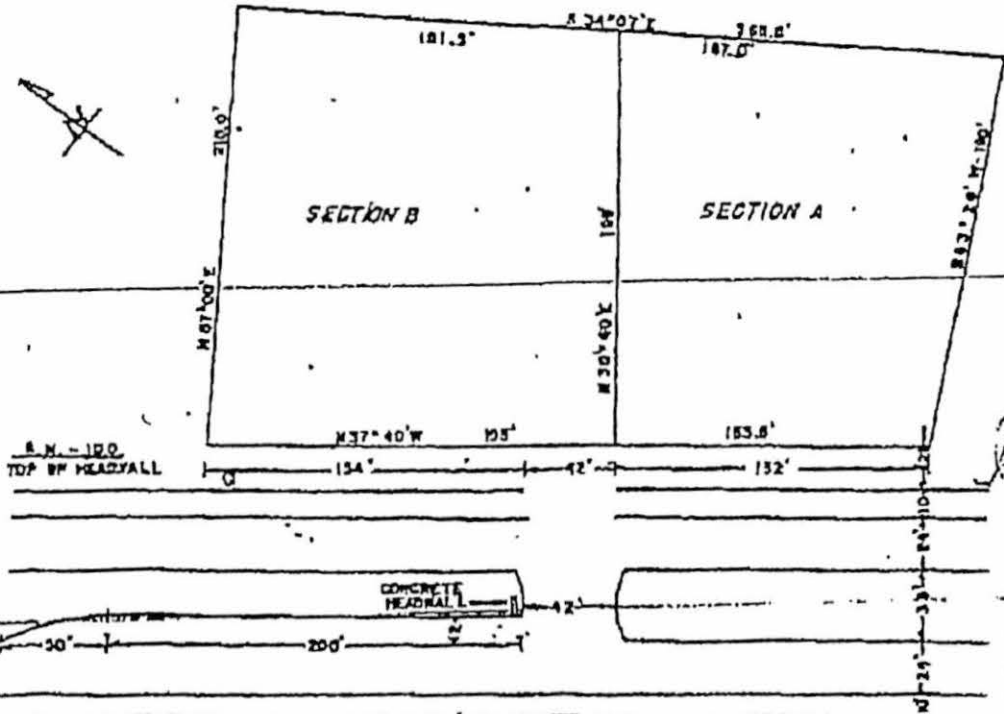
Beginning at a point on the East side of said highway, corner to property of State Bank & Trust Company, and running thence with line of said State Bank & Trust Company N 10 deg. 40' E 188 feet to a point corner with State Bank & Trust Company and Loyd Houchins; thence with line of Houchins N 14 deg. 07' W 121 feet to a point corner with Houchins; thence with line of Houchins and then Holt S 57 deg. 02' W 210.0 feet to a point on the East side of said highway; thence with the East side of said highway S 17 deg. 40' E 195 feet to the point of beginning.

Being the same property conveyed to Grantor by (i) Deed dated August 24, 1977, of record in Deed Book 261, Page 9, by (ii) Quitclaim Deed dated January 16, 1997, of record in Deed Book 263, Page 572, by (iii) Quitclaim Deed dated January 16, 1997, of record in Deed Book 263, Page 576, and by (iv) Quitclaim Deed dated January 17, 1997, of record in Deed Book 263, Page 580, all in the Office of the Mercer County Clerk.

MERCER COUNTY
D316 PG 636

REV 02/01/1981

REV 02/63 PAGE 575



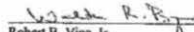
State of Kentucky, County of Mercer, S.C.
LARRY SHORT, Mercer County Clerk, do hereby certify that the foregoing instrument was on this day, together with the necessary fees, recorded in my office. Given under my hand this 24th day of February, 1977.

LARRY SHORT, CLERK
By J. P. ... 70.C.

ALL RIGHTS RESERVED
This plan was prepared by the State Bank of Salvisa, KY, and is not to be used for any other purpose without the written consent of the State Bank of Salvisa, KY.

SITE PLAN
STATE BANK
SALVISA, KY.
JUNE, 1977

THIS INSTRUMENT PREPARED BY
AND UPON RECORDATION, RETURN TO:


Robert B. Vico, Jr.
Walter R. Byrne, Jr.
Sities & Harbison PLLC
400 West Market Street
Suite 1800
Louisville, Kentucky 40202-3352
(502) 587-3400

TITLE NOT CERTIFIED:
NO TITLE EXAM REQUESTED
AND NONE UNDERTAKEN

Pursuant to KRS §382.135, the in-care-of address to which the property tax bill for 2008 may be sent is as follows:

Whitaker Bank, Inc.,
P.O. Box 55439
Lexington, Kentucky 40555

WER140231:889713:603297268

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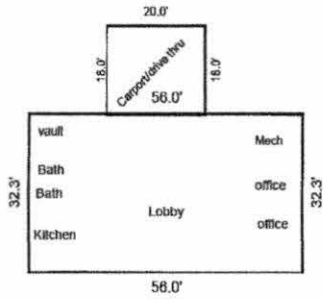
DOCUMENT NO: 12562
RECORDED ON: JULY 01, 2006 03:19:23PM
TAX: \$155
TRANSFER TAX: \$25.00
COUNTY: MERCER COUNTY
COUNTY CLERK: SHELLY WINDHAM
BOOK DATE: PAGES 632 - 637

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Sketch

SKETCH



Sketch/plan

Front-rt

Comments:

AREA CALCULATIONS SUMMARY				LIVING AREA BREAKDOWN	
Code	Description	Net Size	Net Totals	Breakdown	Subtotals
GLA1	First Floor	1806.0	1806.0	First Floor	
GAR	2 carport	360.0	360.0	32.3 x 56.0	1806.0

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EXHIBIT D

Photographs of Subject



EXHIBIT E

