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Executive Director Kentucky Public Service Commission PO Box 615 211 Sower Blvd. Frankfort, KY 40602-0615

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Public Service Commission

RE: Western Lewis-Rectorville Water & Gas District New Office Building HMB Project No. 4259.00

Case No. 2017-00141

Dear Sir or Madam:

Western Lewis-Rectorville Water & Gas District (WLR) is in the process of constructing a new office building to replace their office building which burned in September 2016 after it was struck by lightning.

The Project has been publicly and competitively bid for construction with a total bid price of \$213,536.00. Funding for the project is being provided by reimbursement from WLR's insurance through KY League of Cities in the amount of \$185,551.00. WLR is contributing \$27,985.00 of their own money to build an "addition" that was not part of the original building and therefore is not covered by the insurance claim. There is no loan or debt service associated with this project.

The existing financial condition of the District is not anticipated to be impacted and no customer rate increase is expected or proposed as a result of this project. We request a waiver of the requirement for a Certificate of Convenience and Necessity, or other prior approval of the PSC of the project, so that WLR may proceed with construction as quickly as possible. We make this request based upon KRS 278.020(1) and 807 KAR 5:001, Section 9(3).

Should you have any questions regarding this matter, or if additional information is required, please do not hesitate to contact me at (502)695-9800. Thank you.

Sincerely, HMB Professional Engineers, Inc.

Brandon G. Baxter, P.E. Project Manager

cc: Mr. Chad Clark, General Manager – WLR Mr. Jeff Schumacher – Schumacher Law Office File P:\engrenv\4259\Bidding\4259 PSC ltr 3.8.17.doc

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