

CASE

NUMBER:

99-274

HISTORY INDEX FOR CASE: 1999-274
TRI-VILLAGE WATER DISTRICT
Construct, Finance, Rates; 278.023

IN THE MATTER OF THE APPLICATION OF TRI-VILLAGE WATER DISTRICT, OWEN, GALLATIN, AND GRANT COUNTIES, KENTUCKY, (1) FOR A CERTIFICATE OR PUBLIC CONVENIENCE AND NECESSITY AUTHORIZING CONSTRUCTION OF MAJOR ADDITIONS AND IMPROVEMENTS TO ITS WATER DISTRIBUTION SYSTEM; (2) SEEKING APPROVAL OF REVISED WATER SERVICE RATES AND CHARGES; AND (3) SEEKING APPROVAL OF THE ISSUANCE OF CERTAIN SECURITIES.

SEQ NBR	ENTRY DATE	REMARKS
0001	06/24/1999	Application.
0002	06/29/1999	Acknowledgement letter.
M0001	06/30/1999	WILLIAM DAVIS TRI VILLAGE WD-AFFIDAVITS OF PUBLICATION
0003	07/09/1999	No def. letter
0004	07/26/1999	Final Order approving construction, financing and rates.
M0002	07/29/1999	CAROL TUDOR TRI VILLAGE WD-REVISED TARIFF SHEETS
0005	10/18/2000	First Reminder Letter Sent.
M0003	10/31/2000	RONALD GASTINEAU-INFORMATION CONCERNING CONSTRUCTION CONTRACTS

GASTINEAU AND ASSOCIATES, Inc.

104 Barkley Estates
Nicholasville, KY 40356

Telephone/Fax (859) 887-5796

October 30, 2000

RECEIVED
OCT 31 2000
PUBLIC SERVICE
COMMISSION

Ms. Stephanie Bell
Secretary of the Commission
Kentucky Public Service Commission
211 Sower Boulevard
Post Office Box 615
Frankfort, Kentucky 40602-0615

re: Case No. 1999-274

Dear Ms. Bell:

Be advised that the construction contracts on the above reference case have not, as of this date, been completed to the point where we can have final payment and close out. When completed the requested certification and As Built Drawings will be submitted to the Commission.

Sincerely,

Ronald E. Gastineau

Ronald E. Gastineau, P.E.
Project Engineer

c: Tri Village Water District



Paul E. Patton, Governor
Ronald B. McCloud, Secretary
Public Protection and
Regulation Cabinet

Thomas M. Dorman
Executive Director
Public Service Commission

COMMONWEALTH OF KENTUCKY
PUBLIC SERVICE COMMISSION
211 SOWER BOULEVARD
POST OFFICE BOX 615
FRANKFORT, KENTUCKY 40602-0615
www.psc.state.ky.us
(502) 564-3940
Fax (502) 564-3460

Martin J. Huelsmann
Chairman

Edward J. Holmes
Vice Chairman

Gary W. Gillis
Commissioner

October 18, 2000

Ms. Carol F. Tudor
Manager
Tri-Village Water District
3700 Highway 127 N.
Owenton, Kentucky 40359

Re: Case No. 1999-274, First Reminder Letter

Dear Ms. Tudor:

The Commission entered the enclosed Final Order in this case on July 26, 1999. The Commission ordered that Tri-Village shall file a copy of the "as-built" drawings and a certified statement that the construction has been satisfactorily completed in accordance with the plans and specifications within 60 days of the substantial completion of the construction. To date the Commission has not received this filing. Please make the filing, referencing the case number 1999-274, not later than 15 days from the date of this letter.

If you have questions concerning this letter, please contact Jess Helton, of the Filings Division, at 502-564-3940, extension 278. Otherwise, please mail the required filing to Thomas M. Dorman, Executive Director, Public Service Commission, 211 Sower Blvd., Post Office Box 615, Frankfort, Kentucky 40602.

Sincerely,

A handwritten signature in cursive script that reads "Stephanie Bell".

Stephanie Bell
Secretary of the Commission

Enclosure
CC: Parties of Record





COMMONWEALTH OF KENTUCKY
PUBLIC SERVICE COMMISSION

730 SCHENKEL LANE
POST OFFICE BOX 615
FRANKFORT, KY. 40602
(502) 564-3940

CERTIFICATE OF SERVICE

RE: Case No. 99-274
TRI-VILLAGE WATER DISTRICT

I, Stephanie Bell, Secretary of the Public Service Commission, hereby certify that the enclosed attested copy of the Commission's Order in the above case was served upon the following by U.S. Mail on July 26, 1999.

Parties of Record:

Carol F. Tudor
Manager
Tri-Village Water District
3700 Highway 127 N.
Owenton, KY. 40359

Honorable Ruth H. Baxter
Crawford, Baxter, P.S.C.
523 Highland Avenue
Carrollton, KY. 41008

Honorable William W. Davis
Harper, Ferguson & Davis
1730 Meidinger Tower
462 South Fourth Avenue
Louisville, KY. 40202 3413

Stephanie Bell
Secretary of the Commission

SB/hv
Enclosure

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF TRI-VILLAGE WATER)
DISTRICT, GALLATIN AND GRANT COUNTIES,)
KENTUCKY, (1) FOR A CERTIFICATE OF PUBLIC)
CONVENIENCE AND NECESSITY AUTHORIZING)
CONSTRUCTION OF MAJOR ADDITIONS AND) CASE NO. 99-274
IMPROVEMENTS TO ITS WATER DISTRIBUTION)
SYSTEM, (2) SEEKING APPROVAL OF REVISED)
WATER SERVICE RATES AND CHARGES AND (3))
SEEKING APPROVAL OF THE ISSUANCE OF)
CERTAIN SECURITIES)

O R D E R

On June 24, 1999, Tri-Village Water District ("Tri-Village") submitted an application for a Certificate of Public Convenience and Necessity to construct a \$410,000 waterworks improvement project, for approval of its plan of financing for this project, and for adjustments to its water service rates. This project consists of the construction of a 186,000 gallon standpipe, a booster pump station, and 850 feet of 8-inch water line. Project funding is a \$232,000 bond issue to be purchased pursuant to an agreement with the U. S. Department of Agriculture's Rural Development ("RD") and a \$178,000 grant from the RD.

Tri-Village's application was made pursuant to KRS 278.023, which requires the Commission to accept agreements between water utilities and the U. S. Department of Agriculture or the U. S. Department of Housing and Urban Development and to issue the

necessary orders to implement the terms of such agreements within 30 days of satisfactory completion of the minimum filing requirements. Given that minimum filing requirements were met in this case on June 24, 1999, KRS 278.023 does not grant the Commission any discretionary authority to modify or reject any portion of this agreement.

IT IS THEREFORE ORDERED that:

1. Tri-Village is hereby granted a Certificate of Public Convenience and Necessity for the proposed construction project.
2. Tri-Village's proposed plan of financing with RD is accepted.
3. Tri-Village is authorized to issue bonds not to exceed \$232,000.
4. Tri-Village shall file a copy of the "as-built" drawings and a certified statement that the construction has been satisfactorily completed in accordance with the contract plans and specifications within 60 days of the substantial completion of the construction certificated herein.
5. The rates set out in Appendix A, which is attached hereto and incorporated herein, are the rates approved for service rendered on and after the date of this Order.
6. Tri-Village shall submit its revised tariff setting out the rates in Appendix A within 30 days of the date of this Order.
7. Three years from the effective date of this Order Tri-Village shall file an income statement, along with any pro forma adjustments, in sufficient detail to demonstrate that the rates approved herein are sufficient to meet its operating expenses and annual debt service requirements.

Nothing contained herein shall be deemed a warranty of the Commonwealth of Kentucky, or any agency thereof, of the financing herein accepted.

Done at Frankfort, Kentucky, this 26th day of July, 1999.

By the Commission

ATTEST:


Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 99-274 DATED July 26, 1999.

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

Monthly Water Rates

First	2,000 gallons	\$19.40	Minimum bill
Next	4,000 gallons	6.22	per 1,000 gallons
Next	4,000 gallons	6.10	per 1,000 gallons
Next	10,000 gallons	5.98	per 1,000 gallons
Over	20,000 gallons	5.74	per 1,000 gallons



COMMONWEALTH OF KENTUCKY
PUBLIC SERVICE COMMISSION

730 SCHENKEL LANE
POST OFFICE BOX 615
FRANKFORT, KY. 40602
(502) 564-3940

July 9, 1999

Carol F. Tudor
Manager
Tri-Village Water District
3700 Highway 127 N.
Owenton, KY. 40359

Honorable Ruth H. Baxter
Crawford, Baxter, P.S.C.
523 Highland Avenue
Carrollton, KY. 41008

Honorable William W. Davis
Harper, Ferguson & Davis
1730 Meidinger Tower
462 South Fourth Avenue
Louisville, KY. 40202 3413

RE: Case No. 99-274
TRI-VILLAGE WATER DISTRICT

The Commission staff has reviewed your application in the above case and finds that it meets the minimum filing requirements. Enclosed please find a stamped filed copy of the first page of your filing. This case has been docketed and will be processed as expeditiously as possible.

If you need further assistance, please contact my staff at 502/564-3940.

Sincerely,

A handwritten signature in black ink that reads "Stephanie Bell".

Stephanie Bell
Secretary of the Commission

SB/sa
Enclosure

BEFORE THE PUBLIC SERVICE COMMISSION OF KENTUCKY

RECEIVED
JUN 24 1999
PUBLIC SERVICE
COMMISSION

In the Matter of

FILED

THE APPLICATION OF TRI-VILLAGE WATER)
DISTRICT, OWEN, GALLATIN AND GRANT)
COUNTIES, KENTUCKY, (1) FOR A CERTIFICATE)
OF PUBLIC CONVENIENCE AND NECESSITY)
AUTHORIZING CONSTRUCTION OF MAJOR ADDITIONS)
AND IMPROVEMENTS TO ITS WATER DISTRIBUTION)
SYSTEM; (2) SEEKING APPROVAL OF REVISED WATER)
SERVICE RATES AND CHARGES; AND (3) SEEKING)
APPROVAL OF THE ISSUANCE OF CERTAIN SECURITIES.)

JUN 24 1999

PUBLIC SERVICE
COMMISSION

CASE
NO.
99-274

The Applicant, Tri-Village Water District, situated in Owen, Gallatin and Grant Counties, Kentucky (the "District"), acting by and through its Commission, respectfully tenders this Application and requests that the Public Service Commission of Kentucky enter its Order pursuant to KRS 278.023 and 807 KAR 5:069 issuing a Certificate of Public Convenience and Necessity authorizing the District to construct major additions and improvements to its water system for the purpose of furnishing an adequate supply of pure and potable water for domestic, agricultural and commercial use in the District, approving the adjustment of water rates and charges to be levied and collected by the District, and approving the issuance of certain securities by the District. In support of this Application and in conformity with the rules of the Public Service Commission the District states as follows:

1. The District was established by Order of the County Court of Owen County, Kentucky, entered under date of June 2, 1958, pursuant to the provisions of KRS 74.010. The District is now, and has been since its inception, regulated by the Public Service Commission of

HARPER, FERGUSON & DAVIS

ATTORNEYS AT LAW
1730 MEIDINGER TOWER
462 SOUTH FOURTH AVENUE
LOUISVILLE, KENTUCKY 40202-3413

28 WEST FIFTH STREET
COVINGTON, KENTUCKY 41011

RECEIVED
JUN 30 1999
PUBLIC SERVICE
COMMISSION

LOUISVILLE OFFICE
(502) 582-3871
TELECOPIER (502) 582-3905

COVINGTON OFFICE
(606) 491-0712
TELECOPIER (606) 491-0187

June 29, 1999

UPS

Ms. Helen C. Helton, Executive Director
Public Service Commission
730 Schenkel Lane
Frankfort, Kentucky 40602

Re: Case No. 99-274, filed June 24, 1999
Tri-Village Water District

Dear Ms. Helton:

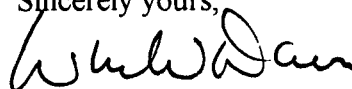
For filing in the above-identified case as a part of Exhibit D to the Application filed on June 24, 1999, we are enclosing two copies of each of the following affidavits of publication, with clippings attached, evidencing publication of the proposed rates in the indicated newspapers on the indicated dates:

- (1) The News Herald, Owenton, Owen County, Kentucky, published on June 23, 1999
- (2) The Gallatin County News, Warsaw, Gallatin County, Kentucky, published on June 23, 1999.
- (3) The Grant County News, Williamstown, Grant County, Kentucky, published on June 24, 1999.

If you need further information or data at this point, please let us know.

Thank you for your cooperation.

Sincerely yours,


William W. Davis

WWD:pf

encs.

cc: Ms. Carol Tudor
Ms. Ruth H. Baxter

I hereby certify that a copy of the advertisement for Tri-Village Water District
_____ regarding _____
_____ appeared in the June 23, 1999 issue(s) of The News-
Herald.

James A. Wesley
Associate Editor
(Title)

Subscribed and sworn to before me this 28th day of June, 1999.

Angela Ohmer
(Notary Public)

My commission expires 9-17-02.

THE NEWS HERALD, Owenton, Kv. -

NOTICE OF ADJUSTMENT OF WATER RATES

Tri-Village Water District

Owen, Gallatin and Grant Counties, Kentucky

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

Present Rates	Proposed Rates
First 2,000 gallons...\$16.78 (min.)	First 2,000 gallons...\$19.40 (min.)
Next 4,000 gallons...\$5.44	Next 4,000 gallons...\$6.22
Next 4,000 gallons...\$5.34	Next 4,000 gallons...\$6.10
Next 10,000 gallons...\$5.24	Next 10,000 gallons...\$5.98
Over 20,000 gallons...\$5.04	Over 20,000 gallons...\$5.74

By use of federal loan and grant proceeds, the District plans to construct and install a major water project consisting of a 186,000 gallon standpipe, 850 feet pg 8" water line and a booster pump station.

TRI-VILLAGE WATER DISTRICT

Owenton, Kentucky 40359

6/23

I hereby certify that a copy of the advertisement for Tri-Village Water District
_____ regarding _____
_____ appeared in the June 23, 1999 issue(s) of The News-
Herald.

Elaine A. Wesley
Associate Editor
(Title)

Subscribed and sworn to before me this 28th day of June, 1999.

Angela Shoner
(Notary Public)

My commission expires 9-17-02.

THE NEWS HERALD, Owenton, Kv. -

NOTICE OF ADJUSTMENT OF WATER RATES

Tri-Village Water District

Owen, Gallatin and Grant Counties, Kentucky

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

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Next 10,000 gallons...\$5.24	Next 10,000 gallons...\$5.98
Over 20,000 gallons...\$5.04	Over 20,000 gallons...\$5.74

By use of federal loan and grant proceeds, the District plans to construct and install a major water project consisting of a 186,000 gallon standpipe, 850 feet pg 8" water line and a booster pump station.

TRI-VILLAGE WATER DISTRICT

Owenton, Kentucky 40359

8/23

**Gallatin County News
P.O. Box 435
Warsaw, Kentucky**

AFFIDAVIT

The affiant, Denny Kelley Warnick, publisher or proprietor of the Gallatin County News, Warsaw, Kentucky, after being duly sworn and cautioned does depose and states the following:

That the Gallatin County News is a newspaper printed and published in the State of Kentucky and of general circulation in the County of Gallatin.

That the attached Legal Notice was duly published in the Gallatin County News on June 23, 1999.

Done at Warsaw, Kentucky, this 28th day of June, 1999.

Denny Kelley Warnick

**STATE OF KENTUCKY
COUNTY OF GALLATIN**

Subscribed and sworn to before me by Denny Kelley Warnick,
this 28th day of June, 1999, at Warsaw, Gallatin County, Kentucky.

Kelley Warnick
Notary Public

My commission expires
September 8th, 2002.

Wednesday, June 23, 1999 - The Gallatin County News, Warsaw, Ky.

NOTICE OF ADJUSTMENT OF WATER RATES

**Tri-Village Water District
Owen, Gallatin and Grant Counties, Kentucky**

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

<u>Present Rates</u>		<u>Proposed Rates</u>	
First 2,000 gallons	\$16.78(min)	First 2,000 gallons	\$19.40 (min)
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Next 4,000 gallons	5.34	Next 4,000 gallons	6.10
Next 10,000 gallons	5.24	Next 10,000 gallons	5.98
Over 20,000 gallons	5.04	Over 20,000 gallons	5.74

By use of federal loan and grant proceeds, the District plans to construct and install a major water project consisting of a 186,000-gallon standpipe, 850 feet of 8" water line, and a booster pump station.

TRI-VILLAGE WATER DISTRICT
Owenton, Kentucky 40359

**Gallatin County News
P.O. Box 435
Warsaw, Kentucky**

AFFIDAVIT

The affiant, Denny Kelley Warnick, publisher or proprietor of the Gallatin County News, Warsaw, Kentucky, after being duly sworn and cautioned does depose and states the following:

That the Gallatin County News is a newspaper printed and published in the State of Kentucky and of general circulation in the County of Gallatin.

That the attached Legal Notice was duly published in the Gallatin County News on June 23, 1999.

Done at Warsaw, Kentucky, this 28th day of June, 1999.

Denny Kelley Warnick

**STATE OF KENTUCKY
COUNTY OF GALLATIN**

Subscribed and sworn to before me by Denny Kelley Warnick,
this 28th day of June, 1999, at Warsaw, Gallatin County, Kentucky.

Kelley Warnick

Notary Public

My commission expires
September 8th, 2002.

Wednesday, June 23, 1999 - The Gallatin County News, Warsaw, Ky.

NOTICE OF ADJUSTMENT OF WATER RATES

**Tri-Village Water District
Owen, Gallatin and Grant Counties, Kentucky**

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

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Next 10,000 gallons 5.24	Next 10,000 gallons 5.98
Over 20,000 gallons 5.04	Over 20,000 gallons 5.74

By use of federal loan and grant proceeds, the District plans to construct and install a major water project consisting of a 186,000-gallon standpipe, 850 feet of 8" water line, and a booster pump station.

**TRI-VILLAGE WATER DISTRICT
Owenton, Kentucky 40359**

The Grant County News
P.O. Box 247
151 North Main Street
Williamstown, Kentucky 41097

The affiant, Ken Stone, publisher or proprietor of the Grant County News, Williamstown, Kentucky, after being duly sworn and cautioned does depose and states the following:

That the Grant County News is a newspaper printed and published in the State of Kentucky, and of general circulation in the County or Counties of Grant.

That the attached Legal Notice was duly published in the Grant County News on

June 24, 1999.

Done at Williamstown, Kentucky, this 28 day of June, 1999

Ken Stone

STATE OF KENTUCKY
COUNTY OF GRANT

Subscribed and sworn to before me by Ken Stone, this 28 day of June, 1999, at Williamstown, Grant County, Kentucky.

Heblue McCordless
Notary Public

My commission expires 7/7/01.

GRANT COUNTY NEWS, Thursday, June 24, 1999

16-24

NOTICE OF ADJUSTMENT OF WATER RATES
Tri-Village Water District
Owen, Gallatin and Grant Counties, Kentucky

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

<u>Present Rates</u>		<u>Proposed Rates</u>	
First 2,000 gallons	\$16.78 (min.)	First 2,000 gallons	\$19.40 (min.)
Next 4,000 gallons	5.44	Next 4,000 gallons	6.22
Next 4,000 gallons	5.34	Next 4,000 gallons	6.10
Next 10,000 gallons	5.24	Next 10,000 gallons	5.98
Over 20,000 gallons	5.04	Over 20,000 gallons	5.74

By use of federal loan and grant proceeds, the District plans to construct and install a major water project consisting of a 186,000-gallon standpipe, 850 feet of 8" water line, and a booster pump station.

TRI-VILLAGE WATER DISTRICT
Owenton, Kentucky 40359
N6241C

The Grant County News
P.O. Box 247
151 North Main Street
Williamstown, Kentucky 41097

The affiant, Ken Stone, publisher or proprietor of the Grant County News, Williamstown, Kentucky, after being duly sworn and cautioned does depose and states the following:

That the Grant County News is a newspaper printed and published in the State of Kentucky, and of general circulation in the County or Counties of Grant.

That the attached Legal Notice was duly published in the Grant County News on June 24, 1999.

Done at Williamstown, Kentucky, this 28 day of June, 1999

Ken Stone

STATE OF KENTUCKY
COUNTY OF GRANT

Subscribed and sworn to before me by Ken Stone, this 28 day of June, 1999, at Williamstown, Grant County, Kentucky.

Debbie McCordless

Notary Public

My commission expires 7/7/01.

GRANT COUNTY NEWS, Thursday, June 24, 1999

16-24

NOTICE OF ADJUSTMENT OF WATER RATES
Tri-Village Water District
Owen, Gallatin and Grant Counties, Kentucky

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

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By use of federal loan and grant proceeds, the District plans to construct and install a major water project consisting of a 186,000-gallon standpipe, 850 feet of 8" water line, and a booster pump station.

TRI-VILLAGE WATER DISTRICT
Owenton, Kentucky 40359
N6241C



COMMONWEALTH OF KENTUCKY
PUBLIC SERVICE COMMISSION

730 SCHENKEL LANE
POST OFFICE BOX 615
FRANKFORT, KY. 40602
(502) 564-3940

June 29, 1999

Carol F. Tudor
Manager
Tri-Village Water District
3700 Highway 127 N.
Owenton, KY. 40359

Honorable Ruth H. Baxter
Crawford, Baxter, P.S.C.
523 Highland Avenue
Carrollton, KY. 41008

Honorable William W. Davis
Harper, Ferguson & Davis
1730 Meidinger Tower
Louisville, KY. 40202

RE: Case No. 99-274
TRI-VILLAGE WATER DISTRICT
(Construct, Finance, Rates; 278.023)

This letter is to acknowledge receipt of initial application in the above case. The application was date-stamped received June 24, 1999 and has been assigned Case No. 99-274. In all future correspondence or filings in connection with this case, please reference the above case number.

If you need further assistance, please contact my staff at 502/564-3940.

Sincerely,
Stephanie Bell

Stephanie Bell
Secretary of the Commission

SB/lh

BEFORE THE PUBLIC SERVICE COMMISSION OF KENTUCKY

RECEIVED
JUN 24 1999
PUBLIC SERVICE
COMMISSION

In the Matter of

FILED

THE APPLICATION OF TRI-VILLAGE WATER)
DISTRICT, OWEN, GALLATIN AND GRANT)
COUNTIES, KENTUCKY, (1) FOR A CERTIFICATE)
OF PUBLIC CONVENIENCE AND NECESSITY)
AUTHORIZING CONSTRUCTION OF MAJOR ADDITIONS)
AND IMPROVEMENTS TO ITS WATER DISTRIBUTION)
SYSTEM; (2) SEEKING APPROVAL OF REVISED WATER)
SERVICE RATES AND CHARGES; AND (3) SEEKING)
APPROVAL OF THE ISSUANCE OF CERTAIN SECURITIES.)

JUN 24 1999)
PUBLIC SERVICE) CASE
COMMISSION) NO.
99-274

The Applicant, Tri-Village Water District, situated in Owen, Gallatin and Grant Counties, Kentucky (the "District"), acting by and through its Commission, respectfully tenders this Application and requests that the Public Service Commission of Kentucky enter its Order pursuant to KRS 278.023 and 807 KAR 5.069 issuing a Certificate of Public Convenience and Necessity authorizing the District to construct major additions and improvements to its water system for the purpose of furnishing an adequate supply of pure and potable water for domestic, agricultural and commercial use in the District, approving the adjustment of water rates and charges to be levied and collected by the District, and approving the issuance of certain securities by the District. In support of this Application and in conformity with the rules of the Public Service Commission the District states as follows:

1. The District was established by Order of the County Court of Owen County, Kentucky, entered under date of June 2, 1958, pursuant to the provisions of KRS 74.010. The District is now, and has been since its inception, regulated by the Public Service Commission of

Kentucky, and all records and proceedings of the Public Service Commission with reference to the District are incorporated in this Application by reference.

2. The governing body of the District is its Commission, and in conformity with KRS 74.020(1)(a) the County Judge/Executive of Owen County has entered Orders appointing the present Commissioners who are residents of the District, such present Commissioners, and their respective offices, being as follows: Charles F. Noel, Chairman, Sidney Gullion, Secretary-Treasurer, Gilbert England, Olene Dunaway, and Joe Peters. Each of the five Commissioners has qualified for office. The mailing address of the District is 3700 Highway 127N, Owenton, Kentucky 40359-9309, Attention: Carol Tudor, Manager.

3. Pursuant to agreements with the United States of America, Department of Agriculture (formerly acting through the Farmers Home Administration) ("USDA"), the District has previously issued to USDA the following revenue bonds payable from the income and revenues of its water system:

- (a) Waterworks System Revenue and Conditional Assessment Bonds of 1960;
- (b) Waterworks System Revenue and Conditional Assessment Bonds of 1966;
- (c) Waterworks System Revenue Bonds, Series 1985;
- (d) Waterworks System Revenue Bonds, 1985 Project, Second Series;
- (e) Waterworks System Revenue Bonds, Series 1993; and
- (f) Waterworks System Revenue Bonds, Series 1995

The above-identified revenue bonds of the District were issued pursuant to approving orders of the Public Service Commission.

4. The District's consulting engineers, Gastineau and Associates, Nicholasville, Kentucky (the "Engineers"), have prepared a Preliminary Engineering Report and a Final Engineering Report as well as detailed plans and specifications for the construction and installation of major new improvements and additions to the District's municipal waterworks and water distribution system (the "Project"). The Preliminary Engineering Report dated December 1997, and the Final Engineering Report dated May 1999, are appended hereto as Exhibit A and Exhibit B, respectively. These Exhibits contain, among other things, a description of the Project, cost figures and other pertinent financial data and projections, data justifying the proposed rate schedule and proposed plans for the financing of the Project.

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

5. The District has caused public advertising to be made according to law soliciting competitive bids for the construction and installation of the Project; has received, opened and considered the construction bids; and has filed with USDA the data prepared by the Engineers showing the bids received and the recommendations of the Engineers with respect thereto. USDA has approved the District's proposed award of the best bids as evidenced by the USDA letter of concurrence in the bid awards appended hereto as Exhibit C.

The District hereby states, through its undersigned Chairman, that the proposed plans and specifications for the Project have been designed to meet the minimum construction and operating requirements set out in 807 KAR 5:066, Section 4(3) and (4), Section 5 (1), Sections 6 and 7, Section 8(1) through (3), Section 9 (1) and Section 10; that all other state approvals or

permits for the Project have been obtained; that the proposed water rates of the District will produce total revenue requirements as set out in Exhibits A and B; and that construction of the Project is expected to begin on or about July 26, 1999, and to end on or about January 26, 2000.

6. The proposed adjusted water rates and charges of the District are set out in Appendix "D" of Exhibit B and in the Notice of Adjustment of Water Rates appended hereto as Exhibit D. The Notice of Adjustment of Water Rates has been sent to the legal newspapers in Owen, Gallatin and Grant Counties for publication promptly, and newspaper clippings evidencing publication in each of such newspapers will be submitted to the Public Service Commission promptly upon receipt thereof.

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

8. As shown in Exhibit B and in Exhibit E, the District proposes to finance, in part, the construction and installation of the Project by the issuance of its bonds, to be styled Waterworks System Revenue Bonds, Series 1999 (the "Bonds"), in the principal amount of \$232,000. A 1998 draft of the proposed Bond-authorizing Resolution of the District is appended hereto as Exhibit E.

The District has entered into a new loan agreement with USDA pursuant to which USDA will make a loan of \$232,000 to the District, to be represented by the Bonds. The Bonds are expected to bear interest at the single, uniform rate of 4.75% per annum. Appended hereto as Exhibit F are copies of letters dated April 3, 1998, and June 18, 1999, from USDA to the District setting forth terms, conditions and understandings relating to the loan, together with a related

USDA letter dated May 6, 1998, regarding the principal maturities of and interest rate on the Bonds.

With reference to the proposed issuance of the Bonds to USDA, the proceedings relating thereto will provide for the public advertisement of competitive bids for the Bonds according to Kentucky law, and in the event a bid or bids are received for the Bonds at an interest cost basis to the District more advantageous to the District than the loan commitment of USDA, the Bonds will be sold to such other bidder; however, it is not expected any more favorable bids will be received. The Bonds will not be delivered to USDA until such time as approximately the amount of the Bonds has been spent on the Project. This procedure is in accord with USDA rules requiring interim financing of USDA projects to the amount of the USDA loan. Accordingly, construction of the Project will be instituted and funded initially from the proceeds of an interim financing loan to be obtained from the Kentucky Rural Water Finance Corporation ("KRWFA") at a rate not to exceed 4.97% per annum. The interim loan will be secured by (i) the undisbursed proceeds of the interim financing loan, and (ii) the proceeds of the Bonds when delivered to USDA according to USDA practices and procedures.

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

9. The Commission of the District respectfully represents to the Public Service Commission that there is a genuine need and demand for the Project and that the Commission should enter herein its Order, in compliance with KRS 278.023 and 807 KAR 5:069, (a) issuing its Certificate of Public Convenience and Necessity pursuant to KRS 278.020 authorizing construction

and installation of the Project, (b) approving the proposed schedule of water service rates and charges, and (c) authorizing pursuant to KRS 278.300 the issuance of \$232,000 principal amount of Waterworks System Revenue Bonds, Series 1999, by the District as described herein, together with the borrowing of \$232,000 from KRWFA as described herein.

WHEREFORE, the Applicant, Tri-Village Water District, respectfully requests that such Order be issued.

Respectfully submitted,

TRI-VILLAGE WATER DISTRICT

By Charles F. Noel
 Charles F. Noel
 Chairman of the Commission

Ruth H. Baxter
 Ruth H. Baxter
 Crawford, Baxter ~~_____~~, P.S.C.
 523 Highland Avenue
 Carrollton, Kentucky 41008
 Telephone: (502) 732-6688
 Counsel for the District

William W. Davis
 William W. Davis
 Harper, Ferguson & Davis
 1730 Meidinger Tower
 Louisville, Kentucky 40202
 Telephone: (502) 582-3871
 Bond Counsel for the District

* * *

COMMONWEALTH OF KENTUCKY)
)
 COUNTY OF Owen)

I, Charles F. Noel, being first duly sworn according to law, state that I am Chairman of the Commission of Tri-Village Water District, that I have read the foregoing Application, and that the statements of fact set forth therein are true and accurate to the best of my knowledge and belief.

WITNESS my signature this 18 day of June, 1999.

Charles F. Noel

Charles F. Noel

Subscribed and sworn to before me this 18 day of June, 1999. My commission expires

July 19 2001.

Carol F. Duder

Notary Public

Commonwealth of Kentucky

**PRELIMINARY ENGINEERING REPORT
FOR
IMPROVEMENTS
TO THE
TRI-VILLAGE WATER DISTRICT**

COMMISSIONERS

**Charles S. Noel, Chairman
Joe Peters
Jauanita Ethridge
Sid Gullion
Shirley Traylor**

December 1997

Prepared By:

**GASTINEAU AND ASSOCIATES, Inc
104 Barkley Estates
Nicholasville, Kentucky 40503**

EXHIBIT A

PRELIMINARY ENGINEERING REPORT
FOR
IMPROVEMENTS
TO THE
TRI-VILLAGE WATER DISTRICT

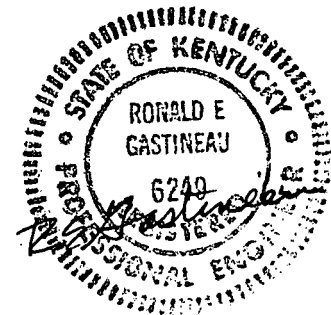
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December 1997

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104 Barkley Estates
Nicholasville, Kentucky 40503



12/30/97

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**PRELIMINARY ENGINEERING REPORT
TRI-VILLAGE WATER DISTRICT**

I. AREA TO BE SERVED AND DESCRIPTION OF THE WATER DISTRICT

The Tri-Village Water District was established in accordance with existing statutes of the Commonwealth of Kentucky and all business Water District is transacted and administered by the Board of Commissioners. The Water District operates in Gallatin, Owen and Grant Counties with a majority of their customers in Owen County. As a result of the multi-county operation, the District has five commissioners, Three of which are appointed by the Owen County Judge Executive and two are appointed by the Gallatin County Judge Executive.

A vicinity map showing the relative location of Owen, Grant an Gallatin Counties to the rest of the Commonwealth and major cities provided in Exhibit 1. The water distribution system of this District is located with boundaries of the original District which includes the incorporated community of Glencoe, Sparta and Monterey plus the unincorporated communities of New Liberty and Wheatley.

The principal industry of the area is agriculture with tobacco cattle and dairy herds being the principal cash producers. The land productive and the soil fertile. The topography is fairly level to gently rolling hills.

EXISTING FACILITIES

The present system was constructed initially in 1961 with a major extension in 1995. It has grown from the initial 230 customers to present 1338. The District purchases water from the City of Owenton the contracted rate of 1.25/thousand gallons and distributes it to areas through two separate master meters.

The existing system consists of approximately 125 miles of water line varying 'in sizes between 2" and 8" , one 225 G.P.M. booster pump station, I small elevated storage tank and six standpipes. Total water storage is 660,000 gallons.

III PROPOSED FACILITIES AND SERVICE

A. General Description of the Proposed Project:

The project consists of the construction of a 50,000 elevated storage tank, nine booster pump stations and 5,000 feet of 6" water line, 181,000 feet of 4" water line. The Division of Water has instructed the Water District to correct the problems they are now having in the Wheatly/New Castle area, a service area composed of 260 customers. A letter of agreement is being instituted that call for a daily fine if project is not completed by June 1, 1998.

B. Land, Water and Other Rijzhts:

1. Land: The purchase of sites for the two proposed tank and two booster pump station will be necessary.
2. Water Rights: Stream crossing permits will be obtained from the Division of Water, Frankfort, Kentucky.
3. Other Rights:
 - a. Easements and Permits: Water lines would be located 'in private property to the maximum extent with State Highway Department Encroachment Permits required only for short sections where this would not be feasible and where it is necessary to cross state highways with main and service lines.
 - b. Minimum pressure requirements (30 psi at the meter) Kentucky State Department for Natural Resources and Environmental Protection would be met as described in Paragraph III-c, hereafter.
4. Problems in Acquisition: No problems in the acquisition of rights of way are anticipated.

C. Water Supply:

1. Requirements: There will not be additional water required for this project.
2. Requirements as to Quality: State Department for Nature Resources and Environmental Protection requirements as to the quality will be met. This agency has approved the source of supply and existing distribution facilities.
3. Water Supply: As noted earlier in this report, the water supply for this District is the City of Owenton. The City has sufficient treated water to supply the needs of the District .

IV. COST ESTIMATE

- A. The estimated cost of construction has been itemized in this report as Appendix "A".
- B. All other items of the Project Cost have been itemized in data are given as Appendix "B".

V. ANNUAL OPERATING FIGURES

- A. Income: The projected income from the existing customers is on the computer print outs in Appendix "D". The projected revenue is based on the proposed new rates.
- B. Operation and Maintenance Costs: The cost of operation and maintenance for the District is derived from a projection of information contained in the Financial Reports of the District for years ending December 31, 1995 and December 31, 1996. These figures are projected to the end of 1998 as this is the earliest time operation could be anticipated. This information is detailed in Appendix "C" of this report.
- C. Debt Service and Bond Coverage: In 1998 the District will have \$1,544,000 of outstanding bonded indebtedness with an annual average requirement of approximately \$115,918. This figure does not include the proposed new debt of \$225,500 which will require \$13,368 debt service.

Based on the estimated construction costs, projected maintenance and operation costs, and obtaining funding as show in Appendix "B" from Rural Development Administration, the District's rates will have to be adjusted.

VI. MAPS, DRAWINGS, AND SKETCHES

A. Maps-. A map showing proposed water lines and miscellaneous structures is given as Exhibit II to this report. Exhibit I shows a vicinity sketch of Owen County in relation to the major cities Kentucky.

B. Drawings and Photographs.

These items were not considered necessary for this Preliminary Engineering Report, as there were no unusually complicated design problems.

VII. CONSTRUCTION PROBLEMS

Construction of the proposed project is considered to be relatively simple with no complex problems to be surmounted.

VIII. CONCLUSIONS AND RECOMMENDATIONS

A. Future Growth: From 1961 to the present, the District has grown from 230 customers to 1,338 customers. The proposed project will not affect the customer base.

B. Recommendations: It is recommended the District's officials proceed immediately to secure funding for the project and plan for construction beginning 1998.

Respectfully submitted,

GASTINEAU AND ASSOCIATES, Inc.

Ronald E. Gastineau, P.E.

APPENDIX "A "

TRI-VILLAGE WATER DISTRICT
ESTIMATED CONSTRUCTION COST

<u>ESTIMATED QUANTITY</u>	<u>UNIT</u>	<u>ITEM</u>	<u>UNIT COST</u>	<u>AMOUNT</u>
5000 LF		6" PVC CLASS C900	\$6.50	\$32,500
5 EA		6" Gate Valves	\$400.00	\$2,000
1 EA		ARV	\$500.00	\$500
1 EA		75,000 Gallon Elevated Storage	\$207,000.00	\$207,000
1 EA		Booster Pump Station	\$40,000.00	\$40,000
TOTALS				\$282,000

APPENDIX "B"

TRI-VILLAGE WATER DISTRICT
ESTIMATED PROJECT COST

Estimated Construction Costs	\$282,000
Engineering	\$32,000
Resident Inspection	\$24,000
Legal and Administrative	\$10,000
Lands and Right of Way	\$1,000
Interest during Construction	\$13,000
Demolition and Removal	\$10,000
Contingencies	<u>\$38,000</u>
	\$410,000

PROJECT FUNDING

RDA Grant	\$184,500
RDA Loan	<u>\$225,500</u>
	\$410,000

APPENDIX "C"

**TRI-VILLAGE WATER DISTRICT
REVENUES AND EXPENSES**

	1995 Audit	1996 Audit	1998 Projected
<u>OPERATING REVENUES</u>			
Metered Sales to Customers	\$349,746.87	\$403,837.00	\$492,346.00
Bulk Sales	\$9,706.75	\$9,150.25	\$9,200.00
Penalties	\$6,643.52	\$7,531.79	\$8,000.00
Service Charges	\$1,985.00	\$2,062.00	\$2,000.00
Miscellaneous Income	<u>\$77.57</u>	<u>\$27.56</u>	<u>\$50.00</u>
 Total Operating Revenues	 \$368,159.71	 \$422,608.60	 \$511,596.00
<u>OPERATING EXPENSES</u>			
Operating Labor	\$40,023.11	\$30,842.55	\$50,000.00
Maintenance of Main	\$23,070.49	\$26,899.03	\$27,000.00
Depreciation Expense	\$61,735.00	\$65,750.75	\$74,000.00
Payroll Taxes	\$7,156.23	\$7,439.22	\$8,000.00
Bad Debts	\$1,333.01	\$3,101.81	\$3,000.00
Fuel for Production	\$4,308.83	\$4,266.92	\$6,500.00
Other Interest Expense	\$242.08	\$514.56	\$600.00
Purchased Water	\$112,042.30	\$135,960.65	\$145,000.00
Chemicals	\$2,734.80	\$3,111.15	\$3,500.00
Office Supplies and Expense	\$16,789.74	\$18,209.97	\$19,900.00
Accounting and Collecting Labor	\$37,208.51	\$40,686.19	\$41,000.00
Outside Services Employed	\$3,895.00	\$3,796.00	\$4,000.00
Insurance	\$9,607.00	\$16,548.99	\$18,000.00
Truck Expenses	\$9,033.91	\$9,948.78	\$11,000.00
Employee Benefits	\$20,349.40	\$17,522.91	\$20,000.00
Miscellaneous Expense	\$934.29	\$936.00	\$1,000.00
Administrative Per Diem	\$6,600.00	\$6,600.00	\$6,600.00
 Total Operating Expenses	 \$357,039.70	 \$392,135.48	 \$439,100.00
 Operating Income [Loss]	 \$11,120.01	 \$30,473.12	 \$72,496.00
<u>NONOPERATING REVENUES (EXPENSES)</u>			
Interest Income	\$1,845.29	\$1,835.42	\$2,000.00
Interest on Long Term Debt	(37,405.00)	(36,282.50)	(73,923.00)
 Net Income (Loss)	 (24,439.70)	 (3,973.96)	 573.00

TRI-VILLAGE WATER DISTRICT
PROPOSED RATES - EXISTING CUSTOMERS

WATER BILLING RATE STRUCTURE

<u>GALLON INCREMENT</u>		<u>COST PER 1000 GALLONS</u>
FIRST	2000	\$17.00 (MINIMUM)
NEXT	4000	\$4.80
NEXT	4000	\$4.70
NEXT	10000	\$4.60
ALL OVER	20000	\$4.40

<u>NUMBER OF CUSTOMERS</u>	<u>MONTHLY USAGE</u>		<u>COST PER CUSTOMER</u>	<u>NET MONTHLY BILLINGS</u>
	<u>PER CUSTOMER</u>	<u>TOTAL</u>		
200	1,000	200,000	\$17.00	\$3,400.00
137	1,500	205,500	\$17.00	\$2,329.00
213	2,500	532,500	\$19.40	\$4,132.20
183	3,500	640,500	\$24.20	\$4,428.60
187	4,500	841,500	\$29.00	\$5,423.00
130	5,500	715,000	\$33.80	\$4,394.00
81	6,500	526,500	\$38.55	\$3,122.55
58	7,500	435,000	\$43.25	\$2,508.50
36	8,500	306,000	\$47.95	\$1,726.20
19	9,500	180,500	\$52.65	\$1,000.35
16	10,500	168,000	\$57.30	\$916.80
7	11,500	80,500	\$61.90	\$433.30
12	12,500	150,000	\$66.50	\$798.00
4	13,500	54,000	\$71.10	\$284.40
3	14,500	43,500	\$75.70	\$227.10
3	15,500	46,500	\$80.30	\$240.90
1	16500	16,500	\$84.90	\$84.90
3	17500	52,500	\$89.50	\$268.50
2	18500	37,000	\$94.10	\$188.20
4	19500	78,000	\$98.70	\$394.80
2	20500	41,000	\$103.20	\$206.40
4	22000	88,000	\$109.80	\$439.20
6	27000	162,000	\$131.80	\$790.80
1	37000	37,000	\$175.80	\$175.80
1	47000	47,000	\$219.80	\$219.80
TOTALS	1,313	5,684,500		\$38,133.30
YEARLY TOTALS		68,214,000.00		\$457,599.60

TRI-VILLAGE WATER DISTRICT
PROPOSED RATES - LARGE METERS

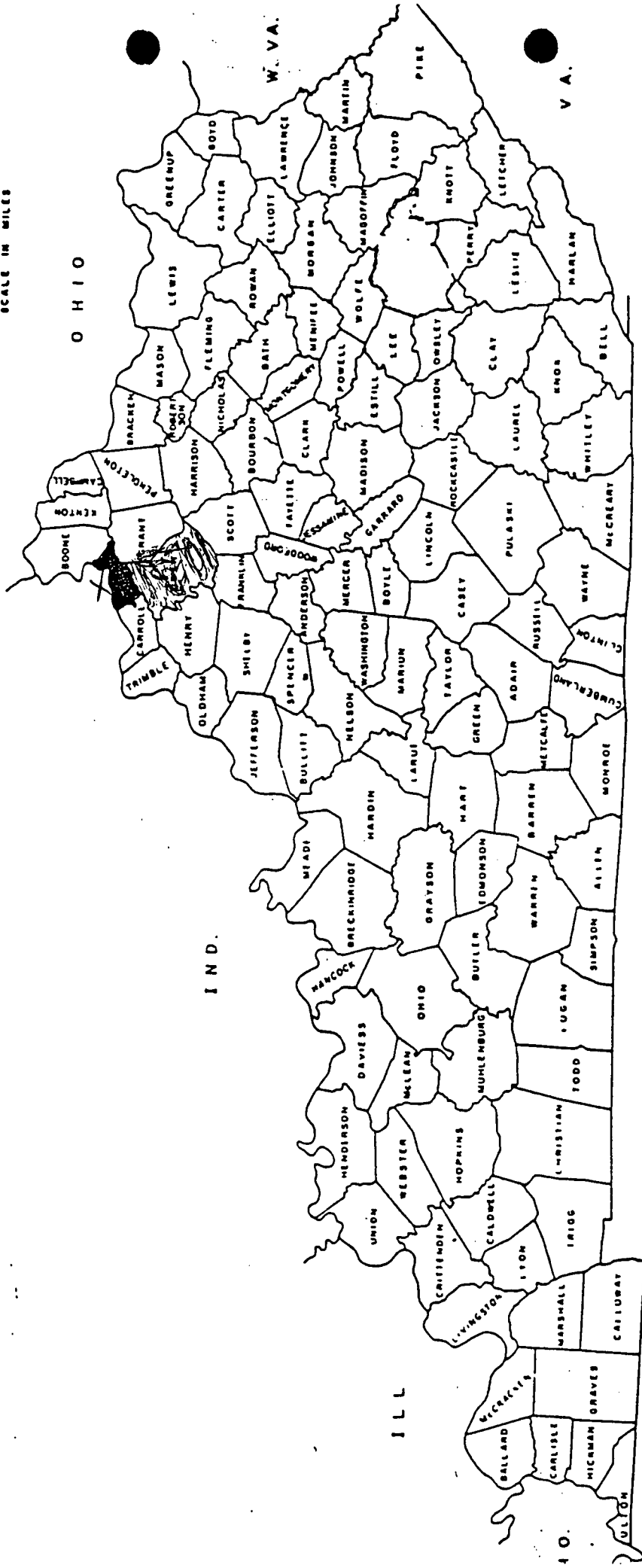
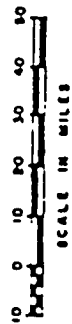
<u>NUMBER OF CUSTOMERS</u>	<u>MONTHLY USAGE</u>		<u>COST PER CUSTOMER</u>	<u>NET MONTHLY BILLINGS</u>
	<u>PER CUSTOMER</u>	<u>TOTAL</u>		
<u>1 INCH METERS</u>				
1	1,000	1,000	\$17.00	\$17.00
2	2,500	5,000	\$19.40	\$38.80
1	5,500	5,500	\$33.80	\$33.80
2	6,500	13,000	\$38.55	\$77.10
2	7,500	15,000	\$43.25	\$86.50
2	9,500	19,000	\$52.65	\$105.30
2	10,500	21,000	\$57.30	\$114.60
2	14,500	29,000	\$75.70	\$151.40
1	18,500	18,500	\$94.10	\$94.10
1	19,500	19,500	\$98.70	\$98.70
<u>1 1/2 INCH METER</u>				
1	22,000	22,000	\$108.80	\$108.80
<u>2 INCH METER</u>				
1	5,500	5,500	\$33.80	\$33.80
1	44,000	44,000	\$206.60	\$206.60
1	48,000	48,000	\$224.20	\$224.20
1	51,000	51,000	\$233.00	\$233.00
1	83,000	83,000	\$378.20	\$378.20
1	90,000	90,000	\$409.00	\$409.00
<u>3 INCH METER</u>				
1	37,000	37,000	\$175.80	\$175.80
1	62,000	62,000	\$285.80	\$285.80
TOTALS	24	527,000		\$2,872.50
YEARLY TOTALS		6,324,000.00		\$34,470.00

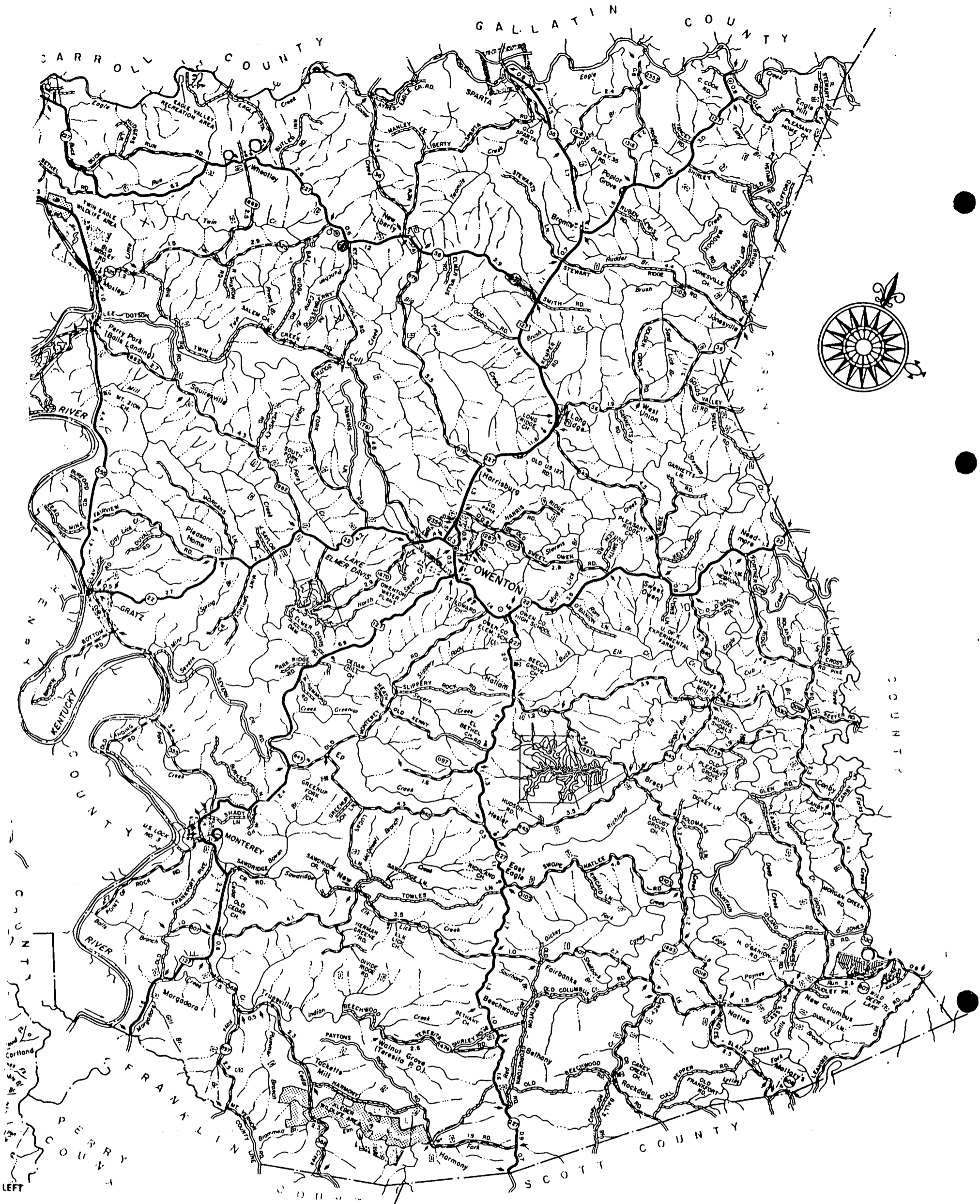
TRI-VILLAGE WATER DISTRICT
DEBT SERVICE AND BOND COVERAGE

Estimated Income	\$511,596.00
Estimated Expense	\$439,100.00
Gross Operation Profit	\$72,496.00
Plus Depreciation	\$74,000.00
Available for DEBT SERVICE	\$146,496.00
DEBT SERVICE	
Existing	\$115,915.00
Proposed (38 yr. at 5%) \$225,500 X 0.05928	\$13,368.00
TOTAL DEBT SERVICE	\$129,283.00





BOND COVERAGE $\$146,496/\$129,283 = 1.13$

EXHIBIT I





LEGEND

-  6" Water Line
-  4" WATER LINE
-  3" WATER LINE
-  TANK SITE

SCALE

1" = 2 MILES

FINAL ENGINEERING REPORT
FOR
WHEATLEY TANK AND PUMP STATION
TRI-VILLAGE WATER DISTRICT

COMMISSIONERS

Charles S. Noel, Chairman
Joe Peters
Jauanita Ethridge
Sid Gullion
Gilbert England

May 1999

Prepared By:

GASTINEAU AND ASSOCIATES, Inc
104 Barkley Estates
Nicholasville, Kentucky 40503

EXHIBIT *B*

FINAL ENGINEERING REPORT
FOR
WHEATLEY TANK AND PUMP STATION
TRI-VILLAGE WATER DISTRICT

COMMISSIONERS

Charles S. Noel, Chairman
Joe Peters
Jauanita Ethridge
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Gilbert England

May 1999

Prepared By:

GASTINEAU AND ASSOCIATES, Inc
104 Barkley Estates
Nicholasville, Kentucky 40503

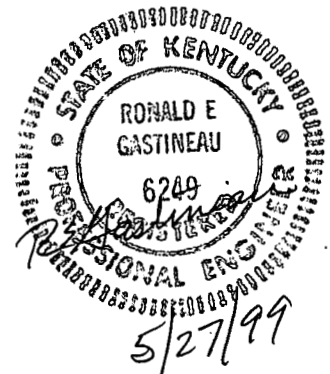


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FINAL ENGINEERING REPORT
TRI-VILLAGE WATER DISTRICT

I. AREA TO BE SERVED AND DESCRIPTION OF THE WATER DISTRICT

The Tri-Village Water District was established in accordance with existing statutes of the Commonwealth of Kentucky and all business Water District is transacted and administered by the Board of Commissioners. The Water District operates in Gallatin, Owen and Grant Counties with a majority of their customers in Owen County. As a result of the multi-county operation, the District has five commissioners, Three of which are appointed by the Owen County Judge Executive and two are appointed by the Gallatin County Judge Executive.

A vicinity map showing the relative location of Owen, Grant and Gallatin Counties to the rest of the Commonwealth and major cities is provided in Exhibit 1. The water distribution system of this District is located within boundaries of the original District which includes the incorporated community of Glencoe, Sparta and Monterey plus the unincorporated communities of New Liberty and Wheatley.

The principal industry of the area is agriculture with tobacco cattle and dairy herds being the principal cash producers. The land is productive and the soil fertile. The topography is fairly level to gently rolling hills.

EXISTING FACILITIES

The present system was constructed initially in 1961 with a major extension in 1995. It has grown from the initial 230 customers to present 1458. The District purchases water from the City of Owenton at the contracted rate of \$1.25/thousand gallons and distributes it to areas through two separate master meters. This water purchase rate with the city of Owenton is being modified. When complete the rates to customers will be adjusted as a pass through.

The existing system consists of approximately 125 miles of water line varying in sizes between 2" and 8" , one 225 G.P.M. booster pump station, 1 small elevated storage tank and six standpipes. Total water storage is 660,000 gallons.

III PROPOSED FACILITIES AND SERVICE

A. General Description of the PMosed Project:

The project consists of the construction of a 186,000 gallon standpipe, a booster pump station, and 850 feet of 8" water line. The Division of Water has instructed the Water District to correct the problems they are now having in the Wheatlly/New Castle area, a service area composed of 260 customers. This project will correct these problems.

B. Land, Water and Other Rights:

1. Land: The necessary of sites for the proposed tank and booster pump station have been purchased.
2. Water Rights: Stream crossing permits have been obtained from the Division of Water, Frankfort, Kentucky.
3. Other Riphits:
 - a. Easements and Permits: Water lines will be located on private property. A State Highway Department Encroachment Permit has been obtained where it is necessary to cross the state highway with the main line.
 - b. Minimum pressure requirements (30 psi at the meter) Kentucky State Department for Natural Resources and Environmental Protection would be met as described in Paragraph III-c, hereafter.
4. Problems in Acquisition: All necessary property has been purchased.

C. Water Supply:

1. Requirements: No additional water is required for this project.
2. Requirements as to Quality: State Department for Nature Resources and Environmental Protection requirements as to the quality will be met. This agency has approved the source of supply and existing distribution facilities.

3. Water Supply: As noted earlier in this report, the water supply for this District is the City of Owenton. The City has sufficient treated water to supply the needs of the District .

IV. COST ESTIMATE

- A. The actual cost of construction has been presented in this report as Appendix "A".
- B. All other items of the Project Cost have been itemized in data are given as Appendix "B".

V. ANNUAL OPERATING FIGURES

- A. Income: The projected income from the existing customers is on the computer print outs in Appendix "D". The projected revenue is based on the proposed new rates.
- B. Operation and Maintenance Costs: The cost of operation and maintenance for the District is derived from a projection of information contained in the Financial Reports of the District for years ending December 31, 1998. These figures are projected to the end of 2000 as this is the earliest time operation could be anticipated. This information is detailed in Appendix "C" of this report.
- C. Debt Service and Bond Coverage: In 2000 the District will have \$1,510,500 of outstanding bonded indebtedness with an annual average requirement of approximately \$108,113. This figure does not include the proposed new debt of \$232,000 which will require \$13,200 debt service.

Based on the estimated construction costs, projected maintenance and operation costs, and obtaining funding as shown in Appendix "B" from Rural Development Administration, the District's rates will have to be adjusted.

VI. MAPS, DRAWINGS, AND SKETCHES

- A. Maps-. A map showing proposed water lines and miscellaneous structures is given as Exhibit II to this report. Exhibit I shows a vicinity sketch of Owen County in relation to the major cities Kentucky.

B. Drawings and Photographs.

These items were not considered necessary for this Final Engineering Report, as there were no unusually complicated design problems.

VII. CONSTRUCTION PROBLEMS

Construction of the proposed project is considered to be relatively simple with no complex problems to be surmounted.

VIII. CONCLUSIONS AND RECOMMENDATIONS

- A. Future Growth: From 1961 to the present, the District has grown from 230 customers to 1,458 customers. No new customers will be added as a result of this project.
- B. This project will provided the additional storage and hydraulic gradient to insure more uniform and adequate service in the Wheatley Area.
- C. Recommendations: It is recommended the District's officials proceed immediately to award contracts to the low bidder and commence construction.

Respectfully submitted,

GASTINEAU AND ASSOCIATES, Inc.

Ronald E. Gastineau, P.E.

APPENDIX A

BID SCHEDULE
TRI VILLAGE WATER DISTRICT
CONTRACT TVWD 98-1

CONTRACT TVWD 98-1

ITEM NO.	ITEM	UNIT	QUANTITY	UNIT PRICE	COST OF ITEM
1	8" Class 200,PVC pipe	LF	850	\$8.90	\$7,565.00
2	Tie to existing line (Plan Sheet No. 2)	EA	2	\$2,710.00	\$5,420.00
3	Check Valve	EA	1	\$4,020.00	\$4,020.00
4	12" Steel Casing Pipe-Bore & Jack	LF	84	\$73.00	\$6,132.00
5	Booster Pump Station-Including yard piping, valves, and ties to existing line	LS	1	\$61,000.00	\$61,000.00
TOTAL BID-CONTRACT TVWD 98-1					\$84,137.00

CONTRACT UCWD-2

ITEM NO.	ITEM	COST OF ITEM
1	Foundation Design and Construction	\$29,500.00
2	Furnishing and Erecting Storage Tank	\$100,991.00
3	Testing and Sterilization	\$1,000.00
4	Site Grading & Surface Restoration	\$1,000.00
5	Valve Vault	\$18,000.00
6	Chain Link Fence	\$6,000.00
TOTAL BID CONTRACT TVWD 98-2		\$156,491.00

APPENDIX B

APPENDIX "B"

TRI-VILLAGE WATER DISTRICT
ESTIMATED PROJECT COST

Estimated Construction Costs	
Bid-Contract TVWD 98-1	\$84,137.00
Bid-Contract TVWD 98-2	\$156,491.00
Engineering	\$26,000.00
Resident Inspection	\$21,000.00
Legal and Administrative	\$10,000.00
Lands and Right of Way	\$2,700.00
Interest during Construction	\$13,000.00
Contingencies	<u>\$96,672.00</u>
TOTAL PROJECT COSTS	\$410,000.00

PROJECT FUNDING

RDA Grant	\$178,000.00
RDA Loan	\$232,000.00

APPENDIX C

TRI-VILLAGE WATER DISTRICT
STATEMENTS OF REVENUES AND EXPENSES
REGULATORY BASIS
For the Years Ended December 31, 1998, and 1997
and proposed year 2000

<u>OPERATING REVENUES</u>	<u>1998</u>	<u>1997</u>	<u>Projected 2000</u>
Metered Sales to Customers	\$474,141.80	\$460,748.73	\$645,694.00
Bulk Sales	\$180.00	\$5,860.94	\$8,000.00
Penalties	\$11,569.01	\$10,751.74	\$13,000.00
Service Revenues	\$1,536.38	\$2,062.00	\$1,000.00
Miscellaneous Income	\$616.45	\$110.55	\$0.00
	<hr/>	<hr/>	<hr/>
Total Operating Revenues	\$488,043.64	\$479,533.96	\$667,694.00
 <u>OPERATING EXPENSES</u>			
Purchased Water	\$140,301.29	\$138,023.21	\$206,978.00
Operating Labor	\$51,747.51	\$40,881.77	\$55,000.00
Maintenance of Main	\$29,637.24	\$23,680.61	\$30,000.00
Chemicals	\$3,271.00	\$3,417.39	\$3,500.00
Fuel for Production	\$4,109.40	\$4,277.23	\$4,500.00
Truck Expenses	\$9,351.52	\$9,432.77	\$9,500.00
Depreciation Expense	\$116,230.00	\$112,272.00	\$122,000.00
Insurance	\$13,661.39	\$14,093.76	\$16,000.00
Payroll Taxes	\$9,138.89	\$8,221.04	\$10,000.00
Bad Debts	\$3,428.91	\$5,278.66	\$3,500.00
Other Interest Expense	\$486.69	\$1,016.12	\$300.00
Amortization of Bond Issuance Costs	\$536.00	\$536.00	\$536.00
Office Supplies and Expense	\$27,297.89	\$23,379.10	\$28,000.00
Accounting and Collecting Labor	\$44,490.22	\$40,452.67	\$46,000.00
Professional Services	\$5,434.75	\$4,180.00	\$5,500.00
Employee Benefits	\$22,520.15	\$19,846.81	\$24,000.00
Administrative Per Diem	\$8,900.00	\$6,900.00	\$8,900.00
Regulatory Fees	\$876.59	\$622.08	\$950.00
	<hr/>	<hr/>	<hr/>
Total Operating Expenses	491,419.44	456,511.22	575,164.00
Operating Income (Loss)	(3,375.80)	23,022.74	92,530.00
 <u>NONOPERATING REVENUES (EXPENSES)</u>			
Loss on Abandoned Equipment	(186.94)		
Interest Income	1,486.83	2,019.68	2,000.00
Interest on Long-Term Debt	(74,085.62)	(75,573.74)	84,013.00
Total Nonoperating Revenues (Expenses)	(72,785.73)	(73,554.06)	82,013.00
Net Income (Loss)	(76,161.53)	(50,531.32)	10,517.00

APPENDIX D

TRI-VILLAGE WATER DISTRICT
PROPOSED RATES - EXISTING CUSTOMERS
WATER BILLING RATE STRUCTURE

<u>GALLON INCREMENT</u>		<u>COST PER 1000 GALLONS</u>
FIRST	2000	\$19.40 (MINIMUM)
NEXT	4000	\$6.22
NEXT	4000	\$6.10
NEXT	10000	\$5.98
ALL OVER	20000	\$5.74

<u>NUMBER OF CUSTOMERS</u>	<u>MONTHLY USAGE PER CUSTOMER</u>	<u>TOTAL</u>	<u>COST PER CUSTOMER</u>	<u>NET MONTHLY BILLINGS</u>
330	1,500	495,000	\$19.40	\$6,402.00
260	2,500	650,000	\$22.51	\$5,852.60
192	3,500	672,000	\$28.73	\$5,516.16
183	4,500	823,500	\$34.95	\$6,395.85
171	5,500	940,500	\$41.17	\$7,040.07
74	6,500	481,000	\$42.93	\$3,176.82
50	7,500	375,000	\$49.03	\$2,451.50
37	8,500	314,500	\$55.13	\$2,039.81
23	9,500	218,500	\$61.23	\$1,408.29
15	10,500	157,500	\$71.67	\$1,075.05
13	11,500	149,500	\$77.65	\$1,009.45
9	12,500	112,500	\$83.63	\$752.67
9	13,500	121,500	\$89.61	\$806.49
4	14,500	58,000	\$95.59	\$382.36
5	15,500	77,500	\$101.57	\$507.85
5	16500	82,500	\$107.55	\$537.75
3	17500	52,500	\$113.53	\$340.59
2	18500	37,000	\$119.51	\$239.02
1	19500	19,500	\$125.49	\$125.49
1	20500	20,500	\$131.35	\$131.35
4	22000	88,000	\$139.96	\$559.84
2	27000	54,000	\$168.66	\$337.32
7	37000	259,000	\$226.06	\$1,582.42
1	47000	47,000	\$283.46	\$283.46
TOTALS	1,401	6,306,500		\$48,954.21
YEARLY TOTALS		75,678,000		\$587,450.52

TRI-VILLAGE WATER DISTRICT
PROPOSED RATES - EXISTING CUSTOMERS
COMMERCIAL
WATER BILLING RATE STRUCTURE

<u>GALLON INCREMENT</u>		<u>COST PER 1000 GALLONS</u>
FIRST	2,000	\$19.40 (MINIMUM)
NEXT	4,000	\$6.22
NEXT	4,000	\$6.10
NEXT	10,000	\$5.98
ALL OVER	20,000	\$5.74

	<u>NUMBER OF CUSTOMERS</u>	<u>MONTHLY USAGE</u>		<u>COST PER CUSTOMER</u>	<u>NET MONTHLY BILLINGS</u>
		<u>PER CUSTOMER</u>	<u>TOTAL</u>		
	21	1,500	31,500	\$19.40	\$407.40
	7	2,500	17,500	\$22.51	\$157.57
	3	3,500	10,500	\$34.95	\$104.85
	1	5,500	5,500	\$41.17	\$41.17
	1	6,500	6,500	\$42.93	\$42.93
	2	7,500	15,000	\$49.03	\$98.06
	1	8,500	8,500	\$55.13	\$55.13
	3	10,500	31,500	\$71.67	\$215.01
	1	12,500	12,500	\$83.63	\$83.63
	3	14,500	43,500	\$95.59	\$286.77
	1	15,500	15,500	\$101.57	\$101.57
	1	18,500	18,500	\$119.51	\$119.51
	2	19,500	39,000	\$125.49	\$250.98
	1	20,500	20,500	\$131.35	\$131.35
	2	22,000	44,000	\$139.96	\$279.92
	5	50,000	250,000	\$300.68	\$1,503.40
	1	60,000	60,000	\$358.08	\$358.08
	1	105,000	105,000	\$616.38	\$616.38
TOTALS	57		735,000		\$4,853.71
YEARLY TOTALS			8,820,000		\$58,244.52

TRI-VILLAGE WATER DISTRICT
DEBT SERVICE AND BOND COVERAGE

Estimated Income	\$667,694.00
Estimated Expense	\$575,164.00
Gross Operation Profit	\$92,530.00
Plus Depreciation	\$122,000.00
Available for DEBT SERVICE	\$214,530.00

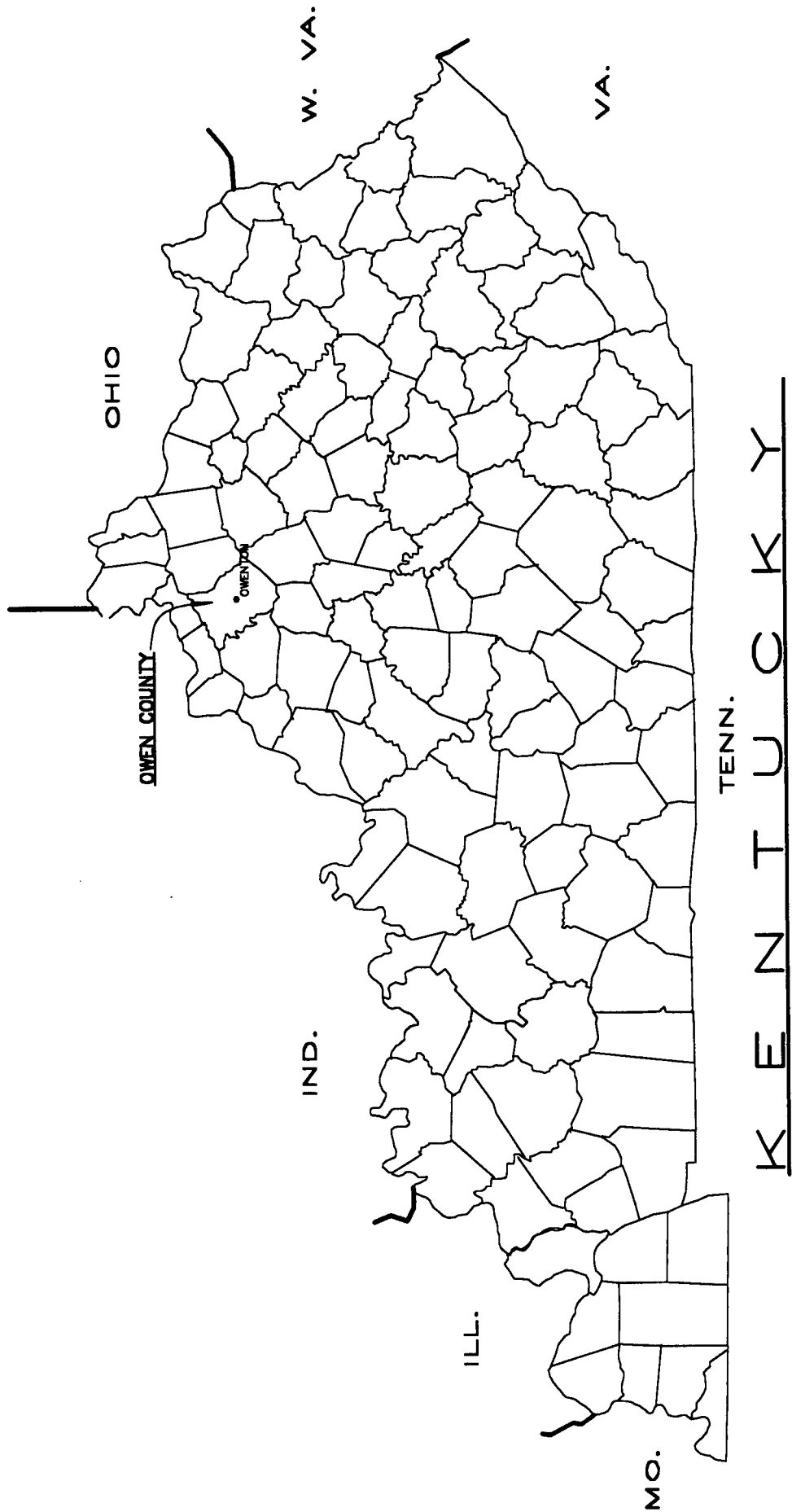
DEBT SERVICE

Existing	\$108,113.00
Proposed (38 yr. at 5%) 232,000 X 0.05928	\$13,753.00

TOTAL DEBT SERVICE \$121,866.00

BOND COVERAGE $\$214,530 / 121,866 = 1.76$

EXHIBITS



K E N N E T U C K Y

EXHIBIT I

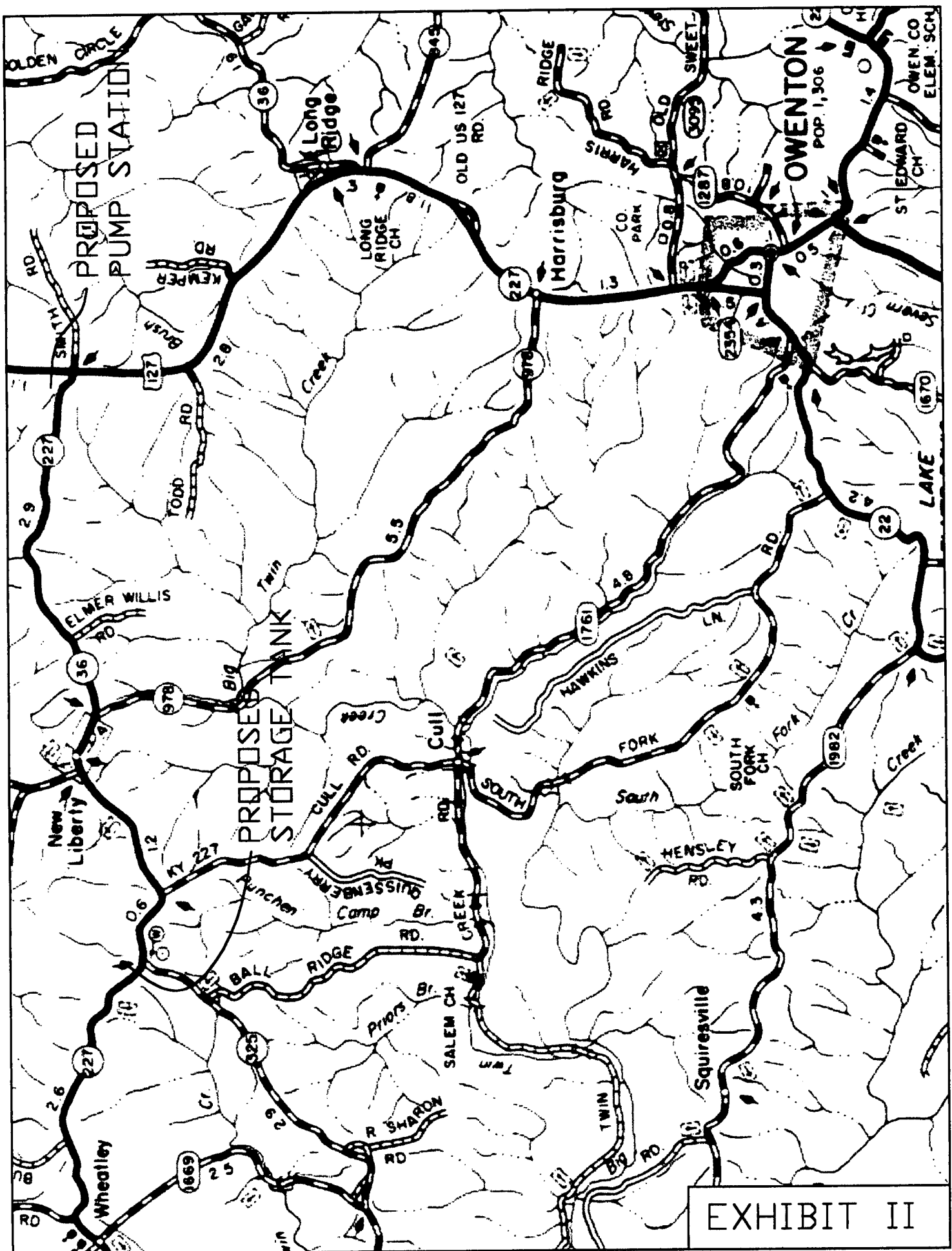


EXHIBIT II

NOTICE OF ADJUSTMENT OF WATER RATES

Tri-Village Water District
Owen, Gallatin and Grant Counties, Kentucky

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

<u>Present Rates</u>		<u>Proposed Rates</u>	
First 2,000 gallons	\$16.78 (min)	First 2,000 gallons	\$19.40 (min)
Next 4,000 gallons	5.44	Next 4,000 gallons	6.22
Next 4,000 gallons	5.34	Next 4,000 gallons	6.10
Next 10,000 gallons	5.24	Next 10,000 gallons	5.98
Over 20,000 gallons	5.04	Over 20,000 gallons	5.74

By use of federal loan and grant proceeds, the District plans to construct and install a major water project consisting of a 186,000-gallon standpipe, 850 feet of 8" water line, and a booster pump station.

TRI-VILLAGE WATER DISTRICT
Owenton, Kentucky 40359



June 11, 1999

SUBJECT: Tri-Village Water District
Concurrence in Contract Award
TVWD 98-1 and TVWD 98-2

TO: Rural Development Manager
Shelbyville, Kentucky

Based on the bids received and the recommendation of the consulting engineer, Rural Development concurs in the award of Contract TVWD 98-1 for line tie-in to the low bidder, Jackson Builders, Inc., in the amount of \$61,000.00. Rural Development also concurs in the award of Contract TVWD 98-2 for water storage tank to the low bidder, Kentucky Glass Lined Tanks, in the amount of \$156,491.00.

If there are questions, please contact this office.



THOMAS G. FERN
State Director
Rural Development

cc: Gastineau and Associates
Nicholasville, Kentucky

✓Harper, Ferguson and Davis
Louisville, Kentucky

- BOND AUTHORIZING RESOLUTION -

A RESOLUTION OF THE COMMISSION OF TRI-VILLAGE WATER DISTRICT, OWEN, GALLATIN AND GRANT COUNTIES, KENTUCKY, PROVIDING FOR THE CONSTRUCTION AND INSTALLATION OF MAJOR IMPROVEMENTS AND ADDITIONS TO THE DISTRICT'S MUNICIPAL WATERWORKS AND WATER DISTRIBUTION SYSTEM; AUTHORIZING THE ISSUANCE OF THE DISTRICT'S WATERWORKS SYSTEM REVENUE BONDS, SERIES 1998, TO PAY THE COSTS THEREOF (TO THE EXTENT NOT OTHERWISE PROVIDED TO BE PAID), SUCH BONDS TO BE ISSUED ON A PARITY WITH CERTAIN OUTSTANDING BONDS BUT IN ACKNOWLEDGMENT OF THE SECURITY RIGHTS OF THE HOLDERS OF CERTAIN OTHER OUTSTANDING BONDS; CONFIRMING PROVISIONS FOR THE COLLECTION, SEGREGATION, DISTRIBUTION AND DISBURSEMENT OF THE REVENUES OF SAID SYSTEM; CONFIRMING CONDITIONS AND RESTRICTIONS UNDER WHICH ADDITIONAL BONDS MAY BE ISSUED IN THE FUTURE, PAYABLE FROM SAID REVENUES AND RANKING ON A BASIS OF PARITY WITH THE BONDS HEREIN AUTHORIZED AND OUTSTANDING PARITY BONDS; AND PROVIDING FOR AN ADVERTISED, PUBLIC, COMPETITIVE SALE OF THE BONDS HEREIN AUTHORIZED.

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RESOLUTION OF THE COMMISSION OF TRI-VILLAGE WATER DISTRICT, OWEN, GALLATIN AND GRANT COUNTIES, KENTUCKY, PROVIDING FOR THE CONSTRUCTION AND INSTALLATION OF MAJOR IMPROVEMENTS AND ADDITIONS TO THE DISTRICT'S MUNICIPAL WATERWORKS AND WATER DISTRIBUTION SYSTEM; AUTHORIZING THE ISSUANCE OF THE DISTRICT'S WATERWORKS SYSTEM REVENUE BONDS, SERIES 1998, TO PAY THE COSTS THEREOF (TO THE EXTENT NOT OTHERWISE PROVIDED TO BE PAID), SUCH BONDS TO BE ISSUED ON A PARITY WITH CERTAIN OUTSTANDING BONDS BUT IN ACKNOWLEDGMENT OF THE SECURITY RIGHTS OF THE HOLDERS OF CERTAIN OTHER OUTSTANDING BONDS; CONFIRMING PROVISIONS FOR THE COLLECTION, SEGREGATION, DISTRIBUTION AND DISBURSEMENT OF THE REVENUES OF SAID SYSTEM; CONFIRMING CONDITIONS AND RESTRICTIONS UNDER WHICH ADDITIONAL BONDS MAY BE ISSUED IN THE FUTURE, PAYABLE FROM SAID REVENUES AND RANKING ON A BASIS OF PARITY WITH THE BONDS HEREIN AUTHORIZED AND OUTSTANDING PARITY BONDS; AND PROVIDING FOR AN ADVERTISED, PUBLIC, COMPETITIVE SALE OF THE BONDS HEREIN AUTHORIZED.

WHEREAS, upon petition and hearing, and upon proper public notice according to the provisions of Chapter 74 of the Kentucky Revised Statutes ("KRS"), an Order and Judgment was duly entered by the County Court of Owen County, Kentucky, on June 2, 1958, determining necessity for and creating and establishing the Tri-Village Water District (the "District") and defining the geographical area thereof, the same thereupon constituting and being a public body corporate, with all powers and authority as provided in said KRS Chapter 74; and the District is at this time a de jure Water District, situated in Owen, Gallatin and Grant Counties, Kentucky, its boundaries having been extended and additional territory annexed from time to time in Owen, Gallatin and Grant Counties, Kentucky; and

WHEREAS, it is the opinion and determination of the Commission of the District that the general welfare of the District and its citizens, inhabitants and customers will be promoted and served by immediate construction and installation of major improvements and additions (the "Project") to the District's municipal waterworks and water distribution system (the "System") in order to provide an adequate, potable water supply to the District's customers; and

WHEREAS, by Resolution of the Commission of the District adopted on August 9, 1960 (the "1960 Resolution"), the District authorized and thereafter issued its Waterworks System

Revenue and Conditional Assessment Bonds (the "1960 Bonds") for the purpose of providing funds for the initial construction and installation of the System, and by Resolution of March 2, 1966 (the "1966 Resolution"), the District authorized and thereafter issued additional Waterworks System Revenue and Conditional Assessment Bonds (the "1966 Bonds"), ranking on a parity with the 1960 Bonds, for the purpose of completing the System facilities; and

WHEREAS, pursuant to the provisions the 1960 and 1966 Resolutions permitting the issuance of bonds which rank subordinate as to security and source of payment to the 1960 and 1966 Bonds, and for the purpose of adding new System Facilities, the District (a) authorized by Resolution of May 29, 1986 (the "1986 Resolution"), and thereafter issued its Waterworks System Revenue Bonds, Series 1985 (the "1985 Bonds"), (b) authorized by Resolution of July 17, 1987 (the "1987 Resolution"), and thereafter issued its Waterworks System Revenue Bonds, 1985 Project, Second Series (the "1987 Bonds"), (c) authorized by Resolution of September 9, 1993 (the "1993 Resolution"), and thereafter issued its Waterworks System Revenue Bonds, Series 1993 (the "1993 Bonds"), and (d) authorized by Resolution of October 12, 1995 (the "1995 Resolution"), and thereafter issued its Waterworks System Revenue Bonds, Series 1995 (the "1995 Bonds"), the 1986, 1987, 1993 and 1995 Resolutions being hereinafter referred to collectively as the "Prior Resolutions," and the 1985, 1987, 1993 and 1995 Bonds being hereinafter referred to collectively as the "Prior Bonds"; and the Prior Bonds rank on a parity as to security and source of payment but are subject to the priorities, liens and rights of the 1960 and 1966 Bonds as aforesaid; and

WHEREAS, it is provided in and by the Prior Resolutions that the District may issue additional bonds ranking on a basis of parity and equality with the Prior Bonds for the purpose of constructing additional System facilities upon satisfying certain conditions, all of which have been waived by the holder of the Prior Bonds, the United States of America, Department of Agriculture ("USDA"), which has consented to the sale and issuance of the District's \$232,000 Waterworks System Revenue Bonds, Series 1998, hereinafter authorized, so that the 1998 Bonds may now be authorized and issued on a pari passu basis with the previously issued and outstanding Prior Bonds; and

WHEREAS, in proceedings before the Public Service Commission of Kentucky, the District has obtained the right and authority to construct and operate the Project, and plans and specifications have heretofore been prepared by Gastineau & Associates, Inc., of Nicholasville, Kentucky, and approved by the Commission of the District and all State supervisory authorities having jurisdiction thereof; and it is the opinion of the Chairman and members of the Commission of the District that it is feasible to undertake the construction and installation of the Project at this time; and

WHEREAS, it has been determined upon the basis of public bids for construction duly solicited in the manner required by law, and upon the basis of other costs and estimates, that the aggregate of all costs and expenses in connection with the Project will be \$410,000, and to provide a portion of said funds the District has received from USDA offers to make a loan to the District in the amount of \$232,000, which will be supplemented by an USDA grant in the amount of \$178,000; and

WHEREAS, it is now appropriate for the District to provide for borrowing said sum of \$232,000 through issuance and sale of the 1998 Bonds according to authority of KRS 74.370 and KRS 96.350 to 96.510, inclusive; and the 1998 Bonds shall be payable as to both principal and interest solely (except as to capitalized interest) from the District's income and revenues to be derived from the operation of the System, as so improved and expanded, and shall not constitute an indebtedness of the District within the meaning of debt-limiting provisions of the Constitution of Kentucky, provided that, as aforesaid, the 1998 Bonds, together with the outstanding Prior Bonds, shall be subject to the prior and superior pledges, liens and rights securing the outstanding 1960 and 1966 Bonds;

NOW, THEREFORE, THE COMMISSION OF TRI-VILLAGE WATER DISTRICT, OWEN, GALLATIN AND GRANT COUNTIES, KENTUCKY, DOES HEREBY RESOLVE AS FOLLOWS:

SECTION 1

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

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

It is hereby determined and declared to be necessary in the interests of the general welfare of the citizens, inhabitants and customers of the District that the District undertake at this time the construction and installation of the Project for the purpose of adequately furnishing potable water to consumers and customers in the District, all substantially according to the plans and specifications prepared for the District by Gastineau & Associates, Inc., Nicholasville, Kentucky, (the "Engineers"). Immediate undertaking of such construction and installation is hereby authorized.

SECTION 2

PROJECT AND SYSTEM TO BE MUNICIPALLY OWNED AND OPERATED

The construction and installation of the Project are undertaken by the District for public purposes and same shall constitute and be a part of the System, and so long as any of the revenue bonds hereinafter authorized or permitted to be issued shall remain outstanding and unpaid as to principal or interest, the System shall be municipally owned, controlled, operated and maintained by the District for the security and source of payment of the 1998 Bonds herein authorized to be issued and all parity bonds which have been or may hereafter be issued. The Project is to be constructed and acquired, and the System is to be operated, pursuant to the provisions of KRS 74.370 and KRS 96.350 to 96.510, inclusive, now in full force and effect.

SECTION 3

ACKNOWLEDGMENT OF CERTAIN OUTSTANDING BONDS AND PRIOR SECURITIES THEREOF; 1998 BOND ISSUE AUTHORIZED; CERTAIN TERMS AND DETAILS

The District acknowledges that it has previously issued, and that there are outstanding at this time, the 1960 and 1966 Bonds, and further that the 1998 Bonds hereinafter authorized to be issued shall be subordinate and inferior in all respects as to security and source of payment to the 1960 and 1966 Bonds so long as same are outstanding and unpaid. It is also acknowledged and affirmed by the District that the outstanding the 1960 and 1966 Bonds possess prior and superior liens and rights with respect to the System and the water revenues of the System, and nothing in this Resolution shall be construed as impairing, amending or in any way diminishing said security rights and interests. The District hereby agrees and covenants that so long as the 1998 Bonds hereinafter authorized are outstanding, it will not issue any bonds ranking on a parity with the 1960 and 1966 Bonds, and any such right to issue additional bonds on a parity with the 1960 and 1966 Bonds is hereby abrogated so long as the 1998 Bonds hereinafter authorized are outstanding.

For the purpose of providing funds to defray the costs of the Project (to the extent not otherwise provided to be paid), including all necessary and proper appurtenances, and expenses incident thereto, and incident to the issuance of the 1998 Bonds hereinafter referred to, there are hereby authorized to be issued revenue bonds of the District designated Waterworks System Revenue Bonds, Series 1998, in the principal amount of \$232,000 (the "1998 Bonds"), with reservation of right on the part of the District to issue additional bonds in the future, payable from the income and revenues of the System, subject to the conditions and restrictions hereinafter reaffirmed and set forth. The 1998 Bonds shall be offered at public sale as provided in Section 4 of this Resolution and shall be issuable in the form of a single fully registered bond as provided in Section 5 hereof.

The 1998 Bonds shall be dated as of the date of delivery to the original purchaser thereof; shall mature as to principal in installments on January 1 in each of the years 2001 to 2038, inclusive, as set forth in the schedule appearing below; and shall bear interest from their date until payment of principal, such interest to the respective principal maturity dates to be payable semiannually on January 1 and July 1 of each year, and such interest to be at such rate as may be established by a supplemental resolution upon the basis of competition among bidders upon the occasion of the advertised, public, competitive sale of the 1998 Bonds as hereinafter provided. The installments of principal of the 1998 Bonds, in fully registered form as aforesaid, shall be as set forth in the following schedule:

<u>Year</u>	<u>Principal</u>	<u>Year</u>	<u>Principal</u>	<u>Year</u>	<u>Principal</u>
2001	\$ 2,300	2014	\$ 4,200	2027	\$ 7,600
2002	2,400	2015	4,400	2028	8,000
2003	2,500	2016	4,600	2029	8,400
2004	2,600	2017	4,800	2030	8,800
2005	2,800	2018	5,000	2031	9,200
2006	2,900	2019	5,300	2032	9,600
2007	3,000	2020	5,500	2033	10,100
2008	3,200	2021	5,800	2034	10,600
2009	3,300	2022	6,000	2035	11,100
2010	3,500	2023	6,400	2036	11,600
2011	3,600	2024	6,600	2037	12,200
2012	3,800	2025	7,000	2038	12,000
2013	4,000	2026	7,300		

provided, however, that installments of principal of 1998 Bonds maturing on and after January 1, 2008, shall be subject to prepayment at the option of the District prior to maturity in whole or from time to time in part in inverse order of maturities (less than all of a single maturity to be selected by lot) on any interest payment date on and after January 1, 2007, upon terms of par plus accrued interest without any prepayment premium, upon thirty (30) days prior written notice mailed to the registered holder or holders of the 1998 Bonds; provided, that so long as USDA, or any of its assigns, is the owner or servicer of any of the 1998 Bonds, the same may be prepaid in whole or in part at any time at par plus accrued interest, and without notice of prepayment or prepayment premium. The 1998 Bonds may be prepaid only in increments of \$100.

Both principal of and interest on the 1998 Bonds shall be payable, without deduction for exchange or collection charges, in such coin or currency of the United States of America as at the time of payment shall be legal tender for the payment of debts due the United States of America, to the registered holder at the address shown on the registration books of the District or, so long as USDA is the registered holder, at the office or address as may be designated by USDA from time to time.

If any District officer whose signature appears on any 1998 Bonds shall cease to be such officer prior to delivery, such signature, or facsimile signature, shall nevertheless be valid and binding for all purposes, the same as if such officer had continued in office until the time of delivery of such 1998 Bond.

The 1998 Bonds, together with the interest thereon, and all parity bonds heretofore issued and outstanding and any bonds which may hereafter be issued on a basis of parity therewith subject to the conditions and restrictions hereinafter set forth, shall be payable only out of the Waterworks System Revenue Bond and Interest Sinking Fund, as hereinafter more specifically provided, and shall be a valid claim of the holder thereof only against said Fund and the fixed portion

or amount of the revenues of the System which the District has pledged to said Fund, subject to the priorities in respect of the 1960 and 1966 Bonds set out in the first paragraph of this Section 3.

The District finds and declares that the 1998 Bonds herein authorized to be issued shall rank on a basis of parity and equality as to security and source of payment with the outstanding Prior Bonds, inasmuch as the District has obtained the waiver and consent of USDA, as the holder of all of the Prior Bonds, to the issuance of the parity 1998 Bonds herein authorized, and is otherwise in compliance with the terms and conditions of the Prior Resolutions, as amended by this Resolution.

SECTION 4

PROVISIONS RELATING TO SALE OF 1998 BOND ISSUE

The 1998 Bonds authorized by this Resolution shall be publicly offered for sale according to a Notice of Sale of Bonds conforming to the requirements of KRS Chapter 424 (and particularly KRS 424.140(3) and KRS 424.360), which shall be published one time, not less than seven (7) days nor more than twenty-one (21) days prior to the date therein specified (by and at the discretion of the Chairman of the Commission of the District) for the opening and consideration of purchase bids, in each of the following: (a) the legal newspapers published in Owen, Gallatin and Grant Counties, Kentucky, and being qualified under KRS 424.120 to publish advertisements of the District, and (b) The Courier-Journal, Louisville, Kentucky, a legal newspaper having statewide circulation.

Said Notice shall state the name and amount of the 1998 Bonds to be sold, the time of the sale and other details concerning the 1998 Bonds and the sale and shall inform prospective bidders that a copy of the Official Notice of Bond Sale, setting out the maturities, security of the 1998 Bonds, provisions as to redemption prior to maturity, and related information, may be obtained from the District. Such Official Notice shall contain, inter alia, the following bidding requirements:

(A) Bidders shall be limited to institutions or persons having knowledge and experience in financial and business matters who are capable of evaluating the merits and risks of the 1998 Bonds and who are not purchasing for more than one account and do not intend to redistribute the 1998 Bonds. The District will make available to any such qualified bidder, upon written request, any financial and other material information regarding the District and the System in the District's possession. Bidders are required to bid a cash price of not less than par value for the entire issue of 1998 Bonds.

(B) The single interest rate for the 1998 Bonds must be in a multiple of 1/8 or 1/10 of one percent.

(C) Bids will be considered only for the entire 1998 Bond issue.

(D) Bidders (except USDA) are required to deposit a good faith check by cashier's check or certified check in the minimum amount of 2% of the face amount of the 1998 Bonds, which good faith deposit may be applied as partial payment for the

1998 Bonds, or as liquidated damages in the event that such bidder, if successful, fails to comply with the terms of his bid.

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

(F) The lowest net interest cost will be determined by deducting the total amount of any premium bid from the aggregate amount of interest upon the 1998 Bonds, computed from the first day of the month following the date of sale of the 1998 Bonds (even though the 1998 Bonds will bear interest only from the date of delivery) to the final maturity specified in each respective bid.

(G) The District expects to deliver, and the successful bidder must be prepared to accept delivery of and pay for, the 1998 Bonds at the office of the District within 45 days after the date of sale thereof. If the 1998 Bonds are not ready for delivery and payment within 45 days from the aforesaid date of sale, the successful bidder shall be relieved of any liability to accept delivery of the 1998 Bonds, except that 1998 Bonds purchased by any agency of the Federal government will be delivered to it at a place and time designated by such agency in accordance with its established practices and procedures.

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

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

(J) The 1998 Bonds will be tendered within said 45-day period and the successful bidder will receive the approving legal opinion of Harper, Ferguson & Davis, Bond Counsel, Louisville, Kentucky, as to the legality of and tax-exempt status of interest on the 1998 Bonds, without additional cost to the successful bidder.

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

Bond Counsel having submitted to the Commission of the District forms of the Notice of Sale of Bonds and the Official Notice of Bond Sale, together with an Official Bid Form for use by all bidders except USDA, said documents are hereby approved and authorized for use in connection with the aforesaid sale of the 1998 Bonds.

SECTION 5

1998 BONDS TO BE ISSUED IN FULLY REGISTERED FORM:
FULLY REGISTERED BOND FORM

Upon the sale of the 1998 Bonds, the District shall issue a single fully registered 1998 Bond numbered R-1 (hereinafter referred to as a "Fully Registered Bond"). The Fully Registered Bond shall be in the aggregate principal amount of the 1998 Bonds it represents, maturing as to principal in installments as set out in Section 3 hereof. The Fully Registered Bond shall be of type composition, on paper of sufficient weight and strength to prevent deterioration until the last day of maturity of any installment of principal as stated therein, and shall conform in size to standard practice. The Fully Registered Bond shall, upon execution on behalf of the District (which execution shall be by manual signatures of the Chairman and Secretary of the Commission, and actual impression of the corporate seal), constitute the Bond issue herein authorized and referred to, shall be non-negotiable, without interest coupons, registered as to principal and interest, payable as directed by the payee, and be in substantially the form hereinafter set forth.

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

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

(FORM OF FULLY REGISTERED BOND)

UNITED STATES OF AMERICA
COMMONWEALTH OF KENTUCKY
COUNTIES OF OWEN, GALLATIN AND GRANT
TRI-VILLAGE WATER DISTRICT
WATERWORKS SYSTEM REVENUE BOND, SERIES 1998

No. R-1

\$232,000

KNOW ALL MEN BY THESE PRESENTS:

That Tri-Village Water District (the "District"), a public body corporate created and existing pursuant to Chapter 74 of the Kentucky Revised Statutes, and situated in Owen, Gallatin and Grant Counties, Kentucky, for value received, hereby promises to pay to the registered holder hereof, as hereinafter provided, solely from the special fund hereinafter identified, the sum of Two Hundred Thirty Two Thousand Dollars (\$232,000) on the first day of January in years and installments as follows:

<u>Year</u>	<u>Principal</u>	<u>Year</u>	<u>Principal</u>	<u>Year</u>	<u>Principal</u>
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(Here insert principal maturities)

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

This Bond is the Bond in fully registered form representing a total authorized issue of Bonds in the principal amount of \$232,000 issued by the District pursuant to the Constitution and Statutes of the Commonwealth of Kentucky, including Section 74.370 and Sections 96.350 to 96.510, inclusive, of the Kentucky Revised Statutes, and pursuant to a Bond-authorizing Resolution duly adopted by the Commission of the District, for the purpose of paying the costs of the construction and installation of major improvements and additions to the District's municipal waterworks and water distribution system (the "System"), together with appurtenant facilities, and incidental expenses.

This Bond and the issue which it represents, together with such additional bonds ranking on a parity therewith as have previously been issued and are outstanding and as may hereafter be issued and outstanding from time to time under the conditions and restrictions set forth in the Resolution authorizing the issuance of this Bond, are payable from and secured by a pledge of a fixed portion of the gross income and revenues to be derived from the operation of the System, which fixed portion shall be sufficient to pay the principal of and interest on this Bond and the issue of which it forms a part, and any outstanding parity bonds, as and when the same shall become due and payable, and which shall be set aside in a special fund for that purpose and identified as the "Waterworks System Revenue Bond and Interest Sinking Fund"; provided, however, the District has outstanding certain of its previously issued Waterworks System Revenue and Conditional Assessment of 1960 and 1966, respectively, which are secured by a pledge of and lien on the income and revenues of the System which are prior and superior to the security rights created for the benefit of this Bond and the issue it represents; and so long as any of said previously issued bonds of 1960 and 1966 are outstanding and unpaid, the District will comply in all respects with the requirements of the resolutions authorizing said bonds of 1960 and 1966, and it is acknowledged that this Bond and the issue which it represents are subject to the prior pledges, liens and rights securing said previously issued bonds of 1960 and 1966 so long as any of the same remain outstanding and unpaid.

This Bond does not in any manner constitute an indebtedness of the District within the meaning of any constitutional or statutory provisions or limitations, and the District is not and shall not be obligated to pay this Bond or the interest hereon except from the aforesaid special fund. The District, acting by and through its Commission, covenants that it will fix, and if necessary adjust from time to time, the rates for the use of the services and facilities of the System, and will collect and account for the income and revenues therefrom, sufficient, after providing for the requirements of said previously issued and outstanding bonds of 1960 and 1966 to pay promptly the principal of and interest on this Bond and outstanding parity bonds as the same become due, and also to pay the costs of operating and maintaining the System.

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

The District, at its option, shall have the right to prepay, on any interest payment date on and after January 1, 2007, in the inverse chronological order of the installments due on this Bond, the entire principal amount of this Bond then remaining unpaid, or such lesser portion thereof in multiples of One Hundred Dollars (\$100) as the District may determine, at a price in an amount equivalent to the principal amount to be prepaid plus accrued interest to the date of prepayment, without any prepayment premium. Notice of such prepayment shall be given by mail to the registered holder of this Bond or his assignee at least thirty (30) days prior to the date fixed for prepayment. Notice of such prepayment may be waived with the written consent of the registered holder of this Bond. Provided, however, that so long as the United States of America,

Department of Agriculture, or any of its assigns, is the registered holder of this Bond, this Bond may be prepaid at any time in whole or in part, at par or face value and without notice or prepayment premium.

A statutory mortgage lien upon the System and appurtenant facilities, together with all future additions and improvements thereto, and extensions thereof, is created by Section 74.370 and Section 96.400 of the Kentucky Revised Statutes and by the aforesaid Bond-authorizing Resolution, to and in favor of the registered holder of this Bond, and outstanding parity bonds, and same is hereby recognized as being effective and shall remain in effect until payment in full of the principal of and interest on this Bond and outstanding parity bonds; provided, however, said statutory mortgage lien is and shall be subordinate and subject to the certain statutory mortgage lien heretofore created and granted for the security of holders of the previously described bonds of 1960 and 1966, respectively, so long as the same remain outstanding and unpaid.

Upon default in the payment of any principal or interest payment on this Bond or upon failure by the District to comply with any other provisions of this Bond or with the provisions of said Bond-authorizing Resolution, the registered holder hereof may, at his option, institute proceedings to enforce all rights and remedies provided by law or by said Bond-authorizing Resolution.

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

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts, conditions and things required to exist, happen and be performed precedent to and in the issuance of this Bond do exist, have happened and have been performed in due time, form and manner as required by law and that the face amount of this Bond, being the total authorized amount of Bonds of the issue of which this Bond forms a part, together with all other obligations of the District, does not exceed any limit prescribed by the Constitution or Statutes of the Commonwealth of Kentucky; and that a sufficient portion of the income and revenues of the System, after allowance for the vested rights and priorities as aforesaid, has been pledged to and will be set aside into said special fund by the District for the prompt payment of the principal of and interest on all bonds which by their terms and by the provisions of said Bond-authorizing Resolution are payable therefrom, in addition to proper provision for the costs of operation and maintenance of the System.

IN WITNESS WHEREOF, the Tri-Village Water District, in the Commonwealth of Kentucky, by its Commission, has caused this Bond to be executed by the Chairman of its Commission, its corporate seal to be hereunto affixed, and attested by the Secretary, on the date of this Bond, which is _____.

TRI-VILLAGE WATER DISTRICT

ATTEST:

Secretary

By _____
Chairman of the Commission

(Seal of District)

PROVISION FOR REGISTRATION

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

(FORM OF REGISTRATION)

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

*(To be inserted if USDA purchases the Bonds)

SECTION 6

DISPOSITION OF 1998 BOND PROCEEDS; CONSTRUCTION FUND

The Treasurer of the District shall be the custodian of all funds belonging to and associated with the System, as expanded and improved from time to time, and such funds shall be deposited in such other bank or banks in Kentucky as the Commission of the District may from time to time designate (hereinafter sometimes referred to, singularly and collectively, as the "Depository Bank"). All such deposited moneys in excess of the amount insured by the Federal Deposit Insurance Corporation ("FDIC") shall be secured by the Depository Bank in accordance with U. S. Treasury Department Circular No. 176. The Treasurer shall execute a fidelity bond in an amount and with a surety company approved by USDA so long as it is the holder of the 1998 Bonds; and USDA and the District shall be named co-obligees in such surety bond, and the amount thereof shall not be reduced without the written consent of USDA. The proceeds of the 1998 Bonds shall be applied as follows:

Upon the issuance and delivery of the 1998 Bonds the entire proceeds of the 1998 Bonds shall be deposited in an account designated "Tri-Village Water District Waterworks System Construction Fund of 1998" (the "Construction Fund"), which is hereby created. Said Bond proceeds shall constitute a part of the Construction Fund and shall be applied, to the extent

necessary, in paying the costs incident to acquiring, constructing and installing the Project, including expenses incurred in the issuance of the 1998 Bonds and interest during construction, and paying interim financing obligations (both principal and interest) incurred in connection with the Project as authorized by a separate interim financing Resolution; provided, however, any 1998 Bond proceeds so used to pay such interim financing obligations may be disbursed directly to the appropriate lending institution(s) without the requirement of being deposited in the Construction Fund.

A sum in the Construction Fund estimated to be equal to interest which will accrue on the 1998 Bonds (following delivery thereof) during construction and development of the Project shall be earmarked, used and applied to the payment of interest on the 1998 Bonds next coming due.

Disbursements from the Construction Fund shall be made by checks signed by the District Chairman or Treasurer, and such disbursements shall be authorized and approved in writing by the District Chairman or Treasurer and, if USDA is the purchaser of the 1998 Bonds, by USDA, and shall further be approved by the Engineers with respect to disbursements under their supervision.

Pending disbursement, the 1998 Bond proceeds shall be deposited, as aforesaid, in the Construction Fund, and to the extent that such deposit causes the aggregate deposits by the District in the Depository Bank to be in excess of the amount insured by FDIC, the same shall be secured by a surety bond or bonds furnished by a surety company or companies qualified to do business in Kentucky and approved by the Commission of the District, or by a valid pledge of direct obligations of the United States Government, or obligations as to which the payment of principal and interest are guaranteed by the United States Government, having a market value at least equivalent to such deposit.

Where the moneys on deposit in the Construction Fund exceed the estimated disbursements on account of the Project for the next ten (10) days, the District shall direct the Depository Bank to invest such excess funds in direct obligations of, or obligations the principal of and interest on which are guaranteed by, the United States Government, which shall mature not later than six months after the date of such investment and which shall be subject to redemption at any time by the holder thereof. The earnings from any such investments shall be deposited in the Construction Fund by the District, unless otherwise authorized by USDA.

In the event any unexpended balance shall remain in the Construction Fund after completion of the Project, and payment of all of the costs thereof, as certified by the Engineers, such unexpended balance, subject to the terms of the USDA loan and USDA approval, shall be transferred and deposited in the Bond Fund and shall be used at the earliest practicable date for the retirement of 1998 Bonds by purchase thereof (or principal prepayment) in inverse numerical and maturity order.

In the event that the amount hereinabove provided to be set aside from 1998 Bond proceeds for payment for interest during the construction and development of the Project should

prove to be insufficient for such purpose, additional moneys may, upon approval by USDA, be withdrawn from the Construction Fund and so applied, inasmuch as interest during such period is a proper part of the cost of the Project, to the extent authorized by USDA.

Pending disbursements for the authorized purposes, the proceeds of all 1998 Bonds at any time issued pursuant to this Resolution shall be subject to a first and paramount lien and charge in favor of the holders of 1998 Bonds issued and outstanding hereunder and for their further security.

SECTION 7

OPERATION OF SYSTEM; FLOW OF FUNDS; ACCUMULATION OF REVENUES

All proceedings preliminary to and in connection with the issuance of the 1960 and 1967 Bonds, particularly the 1960 and 1967 Resolutions whereby provision was made for the operation of the System on a revenue-producing basis, for the segregation, allocation and custody of revenues derived from the operation of the System, and for the enforcement and payment of the 1960 and 1967 Bonds are hereby ratified and confirmed and shall continue in full force and effect, the same as if such provisions and proceedings were herein set out in full, and nothing herein shall be construed as altering, revising or amending said contractual relationship; and so long as the 1960 and 1967 Bonds, or any of them, remain outstanding and unpaid, the District shall maintain all funds required to be maintained and created by the terms of the 1960 and 1967 Resolutions adopted in connection therewith.

Consistent with the foregoing, it is hereby resolved, ordained and provided that from and after issuance and delivery of the 1998 Bonds herein authorized, and so long as any of the 1998 Bonds or parity bonds remain outstanding and unpaid, the System shall continue to be operated on a fiscal year basis beginning each January 1 and ending on the last day of the next December, as at present, and on that basis the income and revenues of the System shall be collected, segregated, accounted for and distributed as set out in the following provisions of this Section 7.

A separate and special fund or account of the District, distinct and part from all other funds and accounts, was created by the 1960 Resolution and continued by the 1966 and Prior Resolutions, and the same is designated and identified as the District's "Waterworks System Revenue Fund" (the "Revenue Fund"), which shall be maintained with the Depository Bank; and the District covenants and agrees that it will continue to deposit therein, promptly as received from time to time, all income and revenues of the System as hereinafter defined. The moneys in the Revenue Fund from time to time shall continue to be used and disbursed and applied by the District only for the purposes, and in the manner and order of priorities, specified in the succeeding subsections of this Section 7, all as permitted by applicable statutes, and in accordance with pre-existing contractual commitments (see Section 6 of the 1960 Resolution), as follows:

(A) A separate and special fund or account of the District was created by the 1960 Resolution and designated the "Tri-Village Water District Waterworks System Operation and Maintenance Fund" (the "Operation and Maintenance Fund"), which shall continue to be maintained for the benefit of the System and all bonds payable from the income and revenues of the System. The District covenants that it will continue to transfer monthly from the funds in the Revenue Fund to the Operation and Maintenance Fund sums sufficient to pay as they accrue the Current Expenses of operating and maintaining the System pursuant to the Annual Budget, for which provision is hereafter made in Section 8.

(B) A separate and special fund or account of the District was created by the 1960 Resolution, distinct and apart from all other funds and accounts, and the same was designated and identified as the "Tri-Village Water District Waterworks System Revenue Bond and Interest Sinking Fund" (the "Bond Fund"), which shall continue to be maintained so long as any of the 1960 and 1966 Bonds heretofore authorized and payable from said Fund, and the Prior Bonds and 1998 Bonds and any additional parity bonds herein permitted to be issued, are outstanding, in the Depository Bank; and all moneys deposited therein from time to time shall be used and disbursed and applied, and are hereby irrevocably pledged, solely for the purpose of paying the principal of and interest on all bonds which have been heretofore issued and may be outstanding and which may be issued and outstanding from time to time pursuant to the provisions of the 1960 Resolution, including the 1960 and 1966 Bonds, and this Resolution and the Prior Resolutions, and additional parity bonds, if any are issued; provided, however, that moneys deposited into the Bond Fund shall be first applied to and impressed with a first lien for the payment of the principal of and interest on the 1960 and 1966 Bonds, as the same become due, then to the payment of principal of and interest on the Prior Bonds and 1998 Bonds and any subsequent parity issue, as such principal and interest become due.

Subject to subsection (A) of this Section 7, there shall continue to be transferred on or before the 15th day of each month from the Revenue Fund, as a first charge thereon, and deposited in the Bond Fund, sums not less than the total principal and interest requirements on all outstanding 1960, 1966, and Prior Bonds. In addition, there shall be set aside and paid into the Bond Fund on account of the 1998 Bonds sums not less than:

(i) beginning with and including the month in which interest shall last be payable from 1998 Bond proceeds, a sum equal to one-sixth (1/6) of the next succeeding interest installment (or the requisite monthly amount to pay such installment) to become due on all 1998 Bonds then outstanding; and

(ii) beginning on January 15, 2000, a sum equal to one-twelfth (1/12) of the principal of all 1998 Bonds maturing on the next succeeding January 1.

(C) Thereafter, after making the transfers for principal and interest enumerated in subsections (A) and (B) of Section 6 of the 1960 Resolution and subsections (A) and (B) of this Section 7, such monthly deposits shall be made in the Depository Bank (which shall include not be less than the amount required by subsection (B) of Section 6 the 1960 Bond Resolution per month)

to accrue as a "Tri-Village Water District Depreciation Fund" created by the 1960 Resolution and hereby continued, (the "Depreciation Fund"), as hereinafter specifically noted.

In addition to the sums deposited as hereinafter provided, and the payments required by the 1960, 1966 and Prior Resolutions to be made into the Depreciation Fund, there shall be paid into the Depreciation Fund on account of the 1998 Bonds the additional sum of \$115 per month until such time as there shall be accumulated in the Depreciation Fund the amount of \$ _____ (in addition to the aggregate amount to be accumulated pursuant to the 1960, 1966 and Prior Resolutions), and thereafter, if the accumulated Depreciation Fund equals at least the aggregate amount required by the 1960, 1966 and Prior Resolutions plus \$ _____, the aforesaid monthly deposits to the Depreciation Fund may be reduced; but subject to a resumption of monthly deposits if the Depreciation Fund is depleted to an amount less than the maximum hereinabove established, the same to be continued for such period of time as may be required to restore the balance therein to such stipulated level.

In the event additional parity bonds are issued pursuant to the conditions and restrictions set forth hereinafter, the monthly deposits to the Bond Fund shall be increased to provide for payment of interest thereon and the principal thereof as the same respectively become due, and the aggregate monthly payment to the Depreciation Fund as specified above shall be continued or resumed to increase the balance in the Depreciation Fund to an aggregate amount which may be fixed at an amount at least equal to the maximum amount thereafter becoming due with respect to all outstanding bonds in any period of twelve (12) months ending on January 1.

Moneys from time to time in the Depreciation Fund may be held in cash, in which event the same shall be secured by a valid pledge of bonds, notes, or certificates of indebtedness of the United States Government having at all times an equal market value; or the same may, upon order of the Commission, be invested and reinvested in interest-bearing obligations of, or obligations the principal of and interest on which are guaranteed by, the United States Government, maturing not later than five (5) years from date of purchase, or the final maturity date of 1998 Bonds issued pursuant to this Resolution, whichever date is the earlier. Income from any such investments shall be accumulated in the Depreciation Fund, and may be invested in the same manner. Withdrawals shall be made from the Depreciation Fund, and transferred to the Bond Fund, if and to any extent required at any time to prevent default in the payment of principal of or interest on any bonds which by their terms are payable from the Bond Fund; and if necessary, securities held as investments in the Depreciation Fund shall be converted into cash for such purposes; but no withdrawals therefrom shall be made for any other purposes, except as indicated in (C) of this section, and except that moneys surplus to the requirements of the Depreciation Fund may be applied to the payment of principal and interest and to the redemption of bonds, and the District hereby irrevocably pledges all moneys and securities in the Depreciation Fund for such specified purposes only. In the event any such permitted withdrawals are made, the deficiency in said fund shall be restored as soon as revenues are available, and as above set forth.

In addition to the above deposits from the Revenue Fund, there shall also be deposited in a separate account in the Depreciation Fund, as received, all proceeds collected from potential

customers to aid in the financing of the cost of extensions and improvements to said system, and also proceeds from any property damage insurance, and any such proceeds so deposited shall be used for the purposes intended. Monies in the Depreciation Fund may be withdrawn and used by the District, upon appropriate certification by the Commission, for the purpose of paying the cost of unusual or extraordinary maintenance, repairs, renewals, and replacements not included in the Annual Budget of Current Expenses, and of paying the cost of constructing extensions and improvements to the System which will either enhance its revenue capacity or provide a higher degree of service, and when necessary for the purpose of making payments of principal and interest on bonds if the Bond Fund is not sufficient to make such payments.

If and when the balance in the Depreciation Fund, including the market value of investments held for the account thereof, shall equal the required minimum balance, the monthly deposits therein may be discontinued and at the election of the Commission such sums may be paid into the Bond Fund, but the same shall be resumed whenever authorized disbursements therefrom shall reduce the balance below said figures, and shall be continued until such balance is restored. Notwithstanding the provisions of this Section, if the 1960 and 1966 Bonds are no longer outstanding, no amount shall be deemed to be required to be deposited in the Depreciation Fund which exceeds required deposits in such a fund under the terms of the rules and regulations of USDA.

* * * * *

All payments into the above special funds shall be made on or before the fifteenth (15th) day of each month, except that when the fifteenth (15th) day of any month shall be a Sunday or a legal holiday, then such payment shall be made on the next succeeding business day.

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

SECTION 8

COVENANTS TO BONDHOLDERS

The District hereby irrevocably covenants and agrees with the holder or holders of any and all 1998 Bonds and parity bonds at any time issued and outstanding pursuant to authority of this Resolution that so long as the same or any part thereof or interest thereon remain outstanding and unpaid:

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

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

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

(D) The District covenants and agrees that, so long as any of the 1998 Bonds are outstanding, it will not sell or otherwise dispose of any of the System facilities or any part thereof, and, except as provided for in this Resolution and in the 1960 Resolution, it will not create or permit to be created any charge or lien on the revenues thereof ranking equal or prior to the charge or lien of the 1998 Bonds (except as provided in Section 9). Notwithstanding the foregoing, the District may at any time permanently abandon the use of, or sell at fair market value, any of its System facilities, provided that:

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

(ii) it will, in the event of sale, apply the proceeds to either (1) redemption of outstanding 1998 Bonds or parity bonds in accordance with the provisions governing prepayment of bonds in advance of maturity, or (2) replacement of the facility so disposed of by another facility the revenues of which shall be incorporated into the System as hereinbefore provided;

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

(iv) notwithstanding all of the foregoing, no such sale, abandonment or transfer of System facilities shall be made so long as USDA owns any of the 1998 Bonds herein authorized, without the written consent and approval of USDA.

(E) It will establish, enforce and collect rates and charges for services rendered and facilities afforded by the System; and the same shall be reasonable and just, taking into account and consideration the cost and value of the System, the costs of operating the same and maintaining it in a good state of repair, proper and necessary allowances for depreciation and for additions and extensions, and the amounts necessary for the orderly retirement of all outstanding bonds as aforesaid and the accruing interest thereon, and the accumulation of reserves as herein provided; and such rates and charges shall be adequate to meet all such

requirements as provided in this Resolution, and shall, if necessary, be adjusted from time to time in order to comply herewith.

On or before the date of issuance of the 1998 Bonds, the District will adopt a Budget of Current Expenses for the System for the remainder of the then current fiscal year of the System, and thereafter, on or before the first day of each fiscal year so long as any 1998 Bonds are outstanding, it will adopt an Annual Budget of Current Expenses for the ensuing fiscal year, and will file a copy of each such Budget, and of any amendments thereto, in the office of the Secretary of the District, and furnish copies thereof to the holder of any Bond upon request. The term "Current Expenses," as herein used, includes all reasonable and necessary costs of operating, repairing, maintaining, and insuring the System, but shall exclude any allowance for depreciation, payments into the Depreciation Fund for extensions, improvements, and extraordinary repairs and maintenance, and payments into the Bond Fund. The District covenants that the Current Expenses incurred in any year will not exceed the reasonable and necessary amounts therefor, and that it will not expend any amount or incur any obligations for operation, maintenance and repairs in excess of the amounts provided for Current Expenses in the Annual Budget, except upon resolution duly adopted by the Commission of the District determining that such expenses are necessary in order to operate and maintain the System. At the same time, and in like manner, the District agrees that it will prepare an estimate of cash income and revenues to be derived from operation of the System for each fiscal year, and to the extent that said cash income and revenues are insufficient to provide for all payments required to be made into the Bond Fund during such ensuing fiscal year, and to make the monthly payments specified by subsection (C) of Section 7 of this Resolution, and to pay Current Expenses, the District covenants and agrees that it will revise its rates and charges for services rendered by the System, so that the same will be adequate to meet all of such requirements.

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

(G) It will at all times segregate the revenues of the System from all other revenues, moneys, and funds of the District, and will promptly and regularly make application and distribution thereof into the special funds provided in the 1960 Resolution, and in this Resolution, in the amount and with due regard for the priorities herein attributed thereto.

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

(I) It will, within ninety (90) days after the end of each fiscal year, cause an audit to be made of the books of record and account pertinent to the System, by an independent state-licensed accountant not in the employ of the District on a monthly salary basis, showing all receipts and disbursements, and reflecting in reasonable detail the financial condition and records of the System, including the status of the several funds hereinbefore created, the status of the insurance and fidelity bonding, the number and type of connections, and the current rates and charges, with comments of the auditor concerning whether the books and records are being kept in compliance with this Resolution and in accordance with recognized accounting practices, and will promptly cause a copy of the Audit Report to be filed in the office of the Secretary where it will be available for public inspection, and will promptly mail a copy thereof to the original recipients of 1998 Bonds issued hereunder. If requested to do so, the District will furnish to any Bondholder a condensed form of the Balance Sheet, and a condensed form of the Operating Report, in reasonable detail. All expenses incurred in causing such audits to be made, and copies distributed, shall constitute proper expenses of operating and maintaining the System, and may be paid from revenues allocated for such purposes, as herein provided. Provided, so long as USDA holds any of the 1998 Bonds herein authorized, the District shall furnish operating and other financial statements in such form and substance and for such periods as may be requested by USDA.

(J) Any holder of 1998 Bonds may either at law or in equity, by suit, action, mandamus, or other proceedings, enforce and compel performance by said District and its officers and agents of all duties imposed or required by law or this Resolution in connection with the operation of the System, including the making and collecting of sufficient rates and segregation of the revenues and application thereof.

(K) If there be any default in the payment of the principal of or interest on any of the 1998 Bonds, then upon the filing of suit by any holder of said Bonds, any court having jurisdiction of the action may appoint a receiver to administer the System on behalf of the District, with power to charge and collect rates sufficient to provide for the payment of any bonds or obligations outstanding against the System, and for the payment of Current Expenses, and to apply the revenues in conformity with this Resolution and the provisions of said statute laws of Kentucky aforesaid.

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

(M) It will procure, and at all times maintain in force, insurance of all insurable properties constituting parts of, or being appurtenant to, the System to the full insurable value thereof, against damage or destruction by fire, windstorm, and the hazards covered by the

standard "extended coverage" policy endorsements or provisions, the premiums therefor to be paid from the Operation and Maintenance Fund; and will deposit all sums collected under the terms of such policies in the Reserve Fund. Such insurance shall be in amounts sufficient to provide for not less than full recovery whenever a loss from perils insured against does not exceed eighty percentum (80%) of the full insurable value of the damaged facility.

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

(O) The District will carry suitable Workers' Compensation Insurance in accordance with law.

(P) If the District owns or operates a vehicle in the operation of the System, the District will procure and at all times maintain Vehicular Public Liability Insurance with limits of not less than \$200,000 for one person and \$500,000 for more than one person involved in one accident to protect the District from claims for bodily injury and/or death, and not less than \$100,000 against claims for damage to property of others which may arise from the District's operation of vehicles. Provided, notwithstanding (M), (N), (O) and (P) above, that so long as USDA holds any 1998 Bonds, the District will procure and maintain insurance of such types and amounts as USDA may specify, which shall not be less than the amounts specified in this Section 8.

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

SECTION 9

PARITY BONDS PERMITTED; TERMS

The 1998 Bonds authorized to be issued hereunder and from time to time outstanding shall not be entitled to priority one over the other in the application of the revenues herein pledged, regardless of the time or times of their issuance, it being the intention that there shall be no priority among the 1998 Bonds authorized to be issued under the provisions of this Resolution, regardless of the fact that they may actually be issued and delivered at different times. No other bonds or other obligations shall be issued by the District and made payable from the income and revenues of the System unless the pledge of revenues for the same is expressly made subordinate and inferior to the lien and pledge herein created; provided, however, the District hereby reserves the right and privilege of issuing additional bonds, from time to time, payable from the revenues of the System, ranking on a basis of equality and parity as to security and source of payment with the 1998 Bonds herein

authorized (but subordinate to the outstanding 1960 and 1966 Bonds), for the following purposes and subject to the following conditions and restrictions:

(A) The District shall have the right to add new System facilities and related auxiliary facilities by the issuance of one or more additional series of bonds to be secured by a parity lien on and ratably payable from the revenues and any other security pledged to the 1998 Bonds, provided in each instance that:

- (i) the facility or facilities to be built from the proceeds of the additional parity bonds is or are made a part of the System and its or their revenues are pledged as additional security for the additional parity bonds and the outstanding 1960, 1966, Prior Bonds and 1998 Bonds;
- (ii) the District is in compliance with all covenants and undertakings in connection with all of its bonds then outstanding and payable from the income and revenues of the System or any part thereof;
- (iii) the annual net revenues, defined as gross revenues less Current Expenses of the System for the fiscal year next preceding the issuance of additional parity bonds, are certified by an independent public accountant employed by the District to have been equal to at least one and twenty hundredths (1.20) times the average annual requirements for principal and interest on all bonds then outstanding and payable from the revenues of the System (provided, however, that so long as the 1960 and 1966 Bonds are outstanding, no additional capital debt can be created without the written permission of USDA); and
- (iv) the estimated average annual net revenues of the facility or facilities to be constructed or acquired with the proceeds of such additional Bonds (and any other funds pledged as security), when added to the estimated future average annual net revenues of the then existing System, shall be at least one and twenty hundredths (1.20) times the average annual debt service requirements for principal and interest on all outstanding bonds payable from the revenues of the System and on the additional bonds to be issued. In addition, said estimated annual net revenues shall be at least one and twenty hundredths (1.20) times the highest future annual debt service requirement for principal and interest on all outstanding bonds payable from the pledged revenues and on the additional bonds proposed to be issued. Future net revenue estimates shall be furnished by a recognized independent consulting engineer and approved by the Chairman and the Commission of the District; and shall be forecast over a period not exceeding 10 years from the date of the additional bonds proposed to be issued.

Notwithstanding the foregoing, the holder or holders of all outstanding Prior Bonds and 1998 Bonds may waive the foregoing parity bond conditions and

restrictions and consent to the issuance of additional bonds on a parity with the Prior Bonds and 1998 Bonds.

(B) The District hereby covenants and agrees that in the event additional series of parity bonds are issued, it shall:

- (i) adjust the monthly deposits into the Bond Fund on the same basis as that prescribed in Section 7(B) hereof to reflect the average annual debt service on the additional bonds;
- (ii) adjust the amount of the Depreciation Fund to a sum equal to not less than the maximum annual debt service on the bonds then outstanding and such additional parity bonds, the additional debt service to be accumulated monthly in the manner hereinbefore provided;
- (iii) adjust and increase the maximum amount to be deposited into the Depreciation Fund on the same basis as that prescribed in Section 7(C) hereof, such required increase to be equal to ten percent (10%) of the cost of the facilities and equipment to be constructed or acquired with the proceeds of such additional bonds; and
- (iv) make such additional bonds payable as to principal on January 1 of each year in which principal falls due and payable as to interest on January 1 and July 1 of each year.

(C) If in any subsequently issued series of bonds secured by a parity lien on the revenues of the System, it is provided that excess revenues in the Revenue Fund shall be used to redeem bonds in advance of scheduled maturity, or if the District at its option undertakes to redeem outstanding bonds in advance of scheduled maturity, it is agreed and understood (a) that calls of bonds will be applied to each series of bonds on an equal pro rata basis (reflecting the proportion of the original amount of each series of bonds outstanding at the time of such call), and (b) that calls of bonds for each series of bonds will be in accordance with the call provisions of the respective bond series. However, the District shall have the right to call, subject to the call provisions of the respective bond series, any or all outstanding bonds which may be called at par prior to calling any bonds that are callable at a premium.

The additional parity bonds (sometimes herein referred to as "permitted" to be issued), the issuance of which is restricted and conditioned by this Section, shall be understood to mean bonds payable from the revenues of the System on a basis of equality and parity with the 1998 Bonds herein specifically authorized, and shall not be deemed to include other bonds or obligations, the security and source of payment of which are subordinate and subject to the priority of the 1998 Bonds and parity bonds herein authorized to be issued. The District expressly reserves the right to issue its bonds or other obligations payable from the revenues herein pledged, and not ranking on a basis of equality and parity with the 1998 Bonds and parity bonds herein otherwise referred to,

without any proof of previous earnings or net revenues, but only if such bonds or other obligations are issued to provide for additions or extensions or improvements of the System, and only if the same are issued in express recognition of the priorities, liens and rights created and existing for the security, source of payment, and protection of the 1998 Bonds and parity bonds (and the 1960 and 1966 Bonds, if outstanding). Provided, however, that nothing in this Section is intended or shall be construed as a restriction upon the ordinary refunding of the 1998 Bonds, and/or of any bonds which may have been issued and are outstanding under any of the provisions of this Resolution, if such refunding does not operate to increase, in any year until the final maturity of the refunding bonds, the aggregate of the principal and interest requirements of the bonds to remain outstanding and the bonds proposed to be refunded.

SECTION 10

PROVISIONS OF RESOLUTION CONSTITUTE CONTRACT

The provisions of this Resolution shall constitute a contract between the District and the holders of the 1998 Bonds herein authorized and any parity bonds herein permitted to be issued, and after the issuance of any of the 1998 Bonds, no change, variation or alteration of any kind of the provisions of this Resolution shall be made in any manner without the written consent of the holder or holders of the 1998 Bonds, except as herein provided, until such time as all of the 1998 Bonds and parity bonds issued hereunder, and the interest thereon, have been paid in full.

SECTION 11

STATUTORY MORTGAGE LIEN ACKNOWLEDGED

A statutory mortgage lien upon the System, together with all appurtenances and additions thereto and extensions thereof, is granted and created by Sections 74.370 and 96.400 of the Kentucky Revised Statutes for the benefit and protection of the holders of the 1998 Bonds issued under authority of this Resolution, and previously issued and outstanding parity bonds; and said statutory mortgage lien is hereby recognized and shall be effective upon delivery of any of the 1998 Bonds and shall continue in full force and effect so long as there shall remain unpaid any part of the principal of or interest on the 1998 Bonds; provided, however, said statutory mortgage lien is and shall be subordinate and subject to the certain statutory mortgage lien heretofore created and granted for the security of the 1960 and 1966 Bonds so long as any of the same remain outstanding and unpaid.

SECTION 12

TAX COVENANTS

The District covenants and agrees that the Project will be constructed expeditiously and the expenditure of the portion of the proceeds of the 1998 Bonds deposited in the Construction Fund for the payment of the costs of the Project will be made promptly in order that the Project will be

completed and in operation at the earliest possible date. The District further certifies and covenants with the holders of the 1998 Bonds that so long as any of the 1998 Bonds remain outstanding, moneys on deposit in any fund or account in connection with the 1998 Bonds, whether or not such moneys were derived from the proceeds of the sale of the 1998 Bonds or from any other sources, will not be invested or used in a manner which will cause the 1998 Bonds to be "arbitrage bonds" within the meaning of Sections 103(b)(2) and 148 of the Internal Revenue Code of 1986, as amended (the "Code"), and any lawful regulations promulgated or proposed thereunder, as the same presently exist or may from time to time hereafter be amended, supplemented or revised. The Chairman and/or Secretary, as the officers of the District charged with the responsibility for issuing the Bonds, are authorized and directed, for and on behalf of the District, to execute all papers, documents, certificates and other instruments that may be required for evidencing compliance with federal "arbitrage bond" regulations, and any representations and certifications contained in such papers, documents, certificates and other instruments so executed shall be deemed to constitute representations and certifications of the District.

The District further represents, warrants, agrees and covenants as follows:

(A) Within the meaning of Section 141 of the Code and the Income Tax Regulations issued thereunder, over the terms of the Bonds (i) less than 10% of the proceeds of the 1998 Bonds, if any, will be applied for any private business use, and the payment of principal of or interest on less than 10% of the amount of the 1998 Bonds, if any, will be secured directly or indirectly by any interest in property used for a private business use, or payments in respect of such property, or will be derived directly or indirectly from payments (whether or not to the District) in respect of such property; (ii) at least 90% of the proceeds of the 1998 Bonds will be applied for a governmental use of the District; (iii) any private business use of the Project will be related to such governmental use of the District and will not be unrelated or disproportionate; and (iv) none of the proceeds of the 1998 Bonds will be used, directly or indirectly, to make or finance loans to private persons. It is reasonably expected that over the term of the 1998 Bonds (a) the Project will be available for general public use, in that it will be reasonably available for use by natural persons not engaged in a trade or business on the same basis as any other person or entity, (b) no nongovernmental person will have any special legal entitlement to use the Project, and (c) there will be no direct or indirect payments made with respect to the Project or the security of the 1998 Bonds by any persons or entities other than payments by the general public as described in clause (a) above.

(B) Within the meaning of Section 148(f)(4)(B), it is reasonably expected at least 75% of the net proceeds (including investment proceeds) of the 1998 Bonds will be used for construction expenditures with respect to property which is owned by a governmental unit, at least 10% of such proceeds will be spent for the governmental purposes of the issue within six months from the date the 1998 Bonds are issued, at least 45% of such proceeds will be spent for such purposes within one year from such date, at least 75% of such proceeds will be spent for such purposes within eighteen months from such date, and at least 100% of such proceeds will be spent within two years from such date. It is also reasonably expected at least 50% of all proceeds (including investment proceeds) of the Bonds will be used for expenditures on the Project within six months, at least 60% will be so used within 12 months and 100% will be so used within 18 months from the date of issuance of the

1998 Bonds. If for any reason the arbitrage rebate requirements of Section 148(f) of the Code should be deemed to apply to the 1998 Bonds, the District will take all action necessary to comply therewith.

(C) It is reasonably expected that during the term of the 1998 Bonds the Project will not be disposed of, provided, however, should there be any disposition of any personal property constituting a part of the Project because it is no longer suitable for its governmental purpose, it is reasonably expected that the fair market value of such personal property will not exceed 25% of its cost.

(D) The weighted average maturity of the 1998 Bonds does not exceed 120% of the weighted average useful life of the facilities comprising the Project.

(E) The District has not heretofore expended any sums on the Project which are to be reimbursed from the proceeds of the 1998 Bonds, other than (a) certain preliminary expenditures such as engineering and planning costs not exceeding 20% of the 1998 Bond proceeds, (b) expenditures made within 60 days prior to the date of adoption of this Resolution, and (c) expenditures prior to which the District had adopted an official intent resolution regarding reimbursement from tax-exempt bond proceeds.

(F) The 1998 Bonds are not federally guaranteed within the meaning of Section 149(b) of the Code.

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

(H) The District will not use or permit the use of any of the funds provided by the 1998 Bonds in such manner as to, or take or omit to take any action which would, impair the exclusion from gross income for federal income tax purposes of interest on the 1998 Bonds. The District shall at all times do and perform all acts and things permitted by law and necessary or desirable in order to assure that interest paid by the District on the 1998 Bonds shall, for the purposes of federal income taxation, be excludable from gross income.

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

SECTION 13

SEVERABILITY CLAUSE

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

SECTION 14

REPEAL OF INCONSISTENT PROVISIONS

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

SECTION 15

WHEN RESOLUTION EFFECTIVE

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

ADOPTED BY THE COMMISSION OF TRI-VILLAGE WATER DISTRICT at a meeting held on the ____ day of _____, 1998, on the same occasion signed in open session by the Chairman, attested under seal by the Secretary, and declared to be in full force and effect.

(SEAL)

Chairman of the Commission

ATTEST:

Secretary

CERTIFICATION

The undersigned, Secretary of the Commission of Tri-Village Water District, Owen, Gallatin and Grant Counties, Kentucky, hereby certifies that the foregoing is a true, complete and correct copy of a Resolution adopted by the Commission of said District, signed by the Chairman thereof, and attested under seal by me as Secretary upon the occasion of a properly convened meeting of the Commission of said District held on the ____ day of _____, 1998, as shown by the official records of said District in my custody and under my control.

WITNESS my hand this ____ day of _____, 1998.

Secretary



United States
Department of
Agriculture

Rural
Development

771 Corporate Drive, Suite 200
Lexington, KY 40503-6477
(606) 224-7336 TTY (606) 224-7422

June 18, 1999

Mr. Charlie Noel, Chairman
Tri-Village Water District
Route 6 Box 322
Owenton, Kentucky 40359

Re: Letter of Conditions Dated April 3, 1998

Dear Mr. Noel:

This letter shall serve as Amendment No. 1 to your Letter of Conditions dated April 3, 1998. The purpose of the amendment is to (1) revise the number of users; (2) revise the rates and charges; and (3) make other editorial changes in accordance with current Rural Utilities Service (RUS) Instructions.

Paragraph numbered "1" is revised to read as follows:

" 1. Number of Users and Their Contribution:

There shall be 1,458 water users, all of which are existing users. The Rural Development Manager will review and authenticate the number of users prior to advertising for construction bids. No contribution is required from the Water District. "

Paragraph numbered "22" is revised to read as follows:

22. Rates and Charges:

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

Water rates will be at least:

First	2,000	gallons @ \$	19.40 - Minimum Bill.
Next	4,000	gallons @ \$	6.22 - per 1,000 gallons.
Next	4,000	gallons @ \$	6.10 - per 1,000 gallons.
Next	10,000	gallons @ \$	5.98 - per 1,000 gallons.
All Over	20,000	gallons @ \$	5.74 - per 1,000 gallons. "

Rural Development is an Equal Opportunity Lender.
Complaints of discrimination should be sent to:
Secretary of Agriculture, Washington, D.C. 20250

EXHIBIT F

Tri-Village Water District

Page 2

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

Sincerely,

Christine B. Brewer

for

THOMAS G. FERN
State Director
Rural Development

cc: Rural Development Manager - Shelbyville, Kentucky
Community Development Manager - Williamstown, Kentucky
Northern Kentucky ADD - Florence, Kentucky
Ruth Baxter - Carrollton, Kentucky
Harper, Ferguson & Davis - Louisville, Kentucky
Gastineau & Associates - Nicholasville, Kentucky
PSC - ATTN: Claude Rhorer - Frankfort, Kentucky



April 3, 1998

Mr. Charlie Noel
Chairman, Tri-Village Water District
Owenton, Kentucky 40359

Dear Mr. Noel:

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

This letter is not to be considered as loan and/or grant approval or as a representation as to the availability of funds. The docket may be completed on the basis of a RUS loan not to exceed \$232,000 and a RUS grant not to exceed \$178,000.

If Rural Development makes the loan, you may make a written request that the interest rate be the lower of the rate in effect at the time of loan approval or the time of loan closing. If you do not request the lower of the two interest rates, the interest rate charged will be the rate in effect at the time of loan approval. The loan will be considered approved on the date a signed copy of Form RD 1940-1, "Request for Obligation of Funds," is mailed to you. If you want the lower of the two rates, your written request should be submitted to Rural Development as soon as practical. In order to avoid possible delays in loan closing, such a request should ordinarily be submitted at least 30 days before loan closing.

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

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

If the conditions set forth in this letter are not met within 240 days from the date hereof, Rural Development reserves the right to discontinue the processing of the application.

In signing Form RD 1942-46, you are agreeing to complete the following as expeditiously as possible:

1. Number of Users and Their Contribution:

There shall be 1338 water users, all of which are existing users. The Rural Development Manager will review and authenticate the number of users prior to advertising for construction bids. No contribution is required from the Water District.

1a. Grant Agreement:

Attached is a copy of RUS Bulletin 1780-12, "Water and Waste System Grant Agreement," for your review. You will be required to execute a completed form at the time of grant closing.

1b. Drug-Free Work Place:

Prior to grant approval, the Water District will be required to execute Form AD-1049, "Certification Regarding Drug-Free Workplace Requirements (Grants) Alternative I - For Grantees Other Than Individuals."

2. Repayment Period:

The loan will be scheduled for repayment over a period not to exceed 40 years from the date of the bond. Principal payment will not be deferred for a period in excess of two (2) years from the date of the bond. Payments will be in accordance with applicable KRS which requires interest to be paid semi-annually (January 1st and July 1st) and principal will be due on or before the first of January. Rural Development may require the Water District to adopt a supplemental payment agreement providing for monthly payments of principal and interest so long as the bond is held or insured by RUS. Monthly payments will be approximate amortized installments.

Rural Development encourages the use of the Preauthorized Debit (PAD) payment process, which authorizes the electronic withdrawal of funds from your bank account on the exact installment payment due date (contact the Rural Development Manager for further information).

3. Funded Depreciation Reserve Account:

The Water District will be required to deposit \$115.00 per month into a "Funded Depreciation Reserve Account". The monthly deposits are for the life of the loan.

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

The annual deposit to the Reserve Account are required to commence the first full fiscal year after the facility becomes operational.

4. Security Requirements:

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

5. Land Rights and Real Property:

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

6. Organization:

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

7. Business Operations:

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

8. Accounts, Records and Audits:

The Water District will be required to maintain adequate records and accounts and submit annual budgets and year-end reports (annual audits) in accordance with subsection 1780.47 of RUS Instruction 1780 and RUS Staff Instruction 1780-4, a copy of which is enclosed.

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

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

10. Insurance and Bonding:

The following insurance and bonding will be required:

- A. Adequate Liability and Property Damage Insurance including vehicular coverage, if applicable, must be obtained and maintained by the Water District. The Water District should obtain amounts of coverage as recommended by its attorney, consulting engineer and/or insurance provider.

- B. **Worker's Compensation** - The Water District will carry worker's compensation insurance for employees in accordance with applicable state laws.
- C. **Fidelity Bond** - The Water District will provide Fidelity Bond Coverage for all persons who have access to funds. Coverage may be provided either for all individual positions or persons, or through "blanket" coverage providing protection for all appropriate employees and/or officials. The amount of coverage required for all RUS loans is \$122,000.
- D. **Real Property Insurance** - The Water District will obtain and maintain adequate fire and extended coverage on all structures including major items of equipment or machinery located in the structures. The amounts of coverage should be based on recommendations obtained by the Water District from its attorney, consulting engineer and/or insurance provider. Subsurface lift stations do not have to be covered except for the value of electrical and pumping equipment therein.
- E. **Flood Insurance** - The Water District will obtain and maintain adequate coverage on any facilities located in a special flood and mudslide prone areas.

11. **Planning and Performing Development:**

- A. The engineer should not be authorized to commence work on final plans and specifications until a determination has been made that the project can be planned and constructed within the estimated cost shown in paragraph "20" of this letter. When this determination has been made, Rural Development should be so advised by letter. The engineer may then proceed to develop final plans and specifications to be completed no later than 210 days from this date, and prepare bid documents. The Rural Development Manager is prepared to furnish the necessary guide for him to follow so as to keep the project plans and documents within our guidelines and requirements. The project should not be advertised for construction bids until all easements and enforceable options have been obtained, and total funds are committed or available for the project.
- B. The following documents will be submitted to Rural Development for review and must be concurred in by Rural Development prior to advertisement for construction bids:
 - 1. Final plans, specifications and bid documents.
 - 2. Applicant's letter on efforts to encourage small business and minority-owned business participation.
 - 3. Legal Service Agreements.
 - 4. Engineering Agreements.

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

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

12. Compliance with Section 504 of the Rehabilitation Act of 1973:

The Water District will be required to comply with Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. 794), in order to make sure no handicapped individual, solely by reason of their handicap, is excluded from participation in the use of the water system, be denied the benefits of the water system, or be subjected to discrimination.

13. Closing Instructions:

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

14. Compliance with Special Laws and Regulations:

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

15. System Operator:

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

16. Prior to Pre-Closing the Loan, the Water District will be Required to Adopt:

- A. Form RD 1942-47, "Association Loan Resolution (Public Body)."
- B. Form RD 400-1, "Equal Opportunity Agreement."
- C. Form RD 400-4, "Assurance Agreement."
- D. Form AD-1047, "Certification Regarding Debarment, Suspension, and Other Responsibility Matters - Primary Covered Transaction."
- E. Form RD 1910-11, "Applicant Certification Federal Collection Policies for Consumer or Commercial Debts."
- F. FmHA Instruction 1940-Q, Exhibit A-1, "Certification for Contracts, Grants and Loans."

The Water District must offer the opportunity for all residents in the service area to become users of the facilities regardless of race, creed, color, religion, sex, national origin, marital status, physical or mental handicap or level of income.

17. Refinancing and Graduation Requirements:

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

18. Commercial Interim Financing:

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

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

19. Disbursement of Project Funds:

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

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

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

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

20. Cost of Facility:

Breakdown of Costs:

Development	\$ 292,000
Land and Rights	1,000
Legal and Administrative	10,000
Engineering	56,000
Interest	13,000
Contingencies	<u>38,000</u>
TOTAL	\$ 410,000

Financing:

RUS Loan	\$ 232,000
RUS Grant	<u>178,000</u>
TOTAL	\$ 410,000

21. Use of Remaining Project Funds:

After providing for all authorized costs, any remaining project funds will be considered to be RUS grant funds and refunded to RUS. If the amount of unused grant funds exceeds the grant, that part would be RUS loan funds.

22. Rates and Charges:

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

Water rates will be at least:

First	2,000 gallons @ \$17.00 - Minimum Bill.
Next	4,000 gallons @ \$ 4.80 - per 1,000 gallons.
Next	4,000 gallons @ \$ 4.70 - per 1,000 gallons.
Next	10,000 gallons @ \$ 4.60 - per 1,000 gallons.
All Over	20,000 gallons @ \$ 4.40 - per 1,000 gallons.

23. Water Purchase Contract:

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

24. Floodplain Construction:

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

25. Final Approval Conditions:

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

In accordance with the intent of Congress as expressed in the FY 1998 Appropriations Act, recipients of Water and Waste assistance provided by the Rural Utilities Service are encouraged, in expending the assistance, to purchase only American-made equipment and products.

If you desire to proceed with your application, the Rural Development Manager will allot a reasonable portion of his time to provide guidance in application processing.

Sincerely,

Christine B. Brewer

for THOMAS G. FERN
State Director
Rural Development

Enclosures

cc: Rural Development Manager - Shelbyville, Kentucky
Community Development Manager - Williamstown, Kentucky
✓ Northern Kentucky ADD - Florence, Kentucky
Ruth Baxton - Carrollton, Kentucky
Harper, Ferguson and Davis - Louisville, Kentucky
Gastineau and Associates - Nicholasville, Kentucky
PSC - ATTN: Claude Rhorer - Frankfort, Kentucky



United States
Department of
Agriculture

Rural
Development

710 Corporate Drive, Suite 200
Lexington, KY 40503-5477
(606) 224-7336 TTY (606) 224-7422

May 6, 1998

Mr. William W. Davis
Harper, Ferguson & Davis
1730 Meidinger Tower
462 South Fourth Avenue
Louisville, Kentucky 40202-3413

Re: Tri-Village Water District
\$232,000 Bond Issue

Dear Mr. Davis:

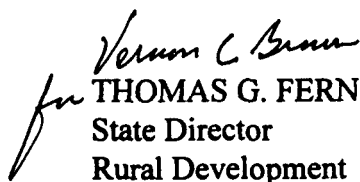
We are enclosing the Maturity Schedule for the referenced Bond Issue. The required deposits to the Funded Depreciation Reserve Account are \$115.00 per month for the life of the loan. The Rural Development loan of \$232,000.00 was approved at an interest rate of 4.75%.

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

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

Please let us know if you have any questions.

Sincerely,


THOMAS G. FERN
State Director
Rural Development

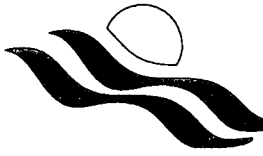
Enclosure

cc: Rural Development Manager
Shelbyville, Kentucky

Rural Development is an Equal Opportunity Lender.
Complaints of discrimination should be sent to:
Secretary of Agriculture, Washington, D.C. 20250

BORROWER NAME: TRI-VILLAGE WATER DISTRICT
 INTEREST RATE: 4.75
 PRINCIPAL: 232,000
 May 6, 1998

year	period	number	payment	interest	principal	balance
----	----	----	----	----	----	----
1999	1	1	11,020.00	11,020.00	0	232,000
2000	1	2	11,020.00	11,020.00	0	232,000
2001	1	3	13,320.00	11,020.00	2,300	229,700
2002	1	4	13,310.75	10,910.75	2,400	227,300
2003	1	5	13,296.75	10,796.75	2,500	224,800
2004	1	6	13,278.00	10,678.00	2,600	222,200
2005	1	7	13,354.50	10,554.50	2,800	219,400
2006	1	8	13,321.50	10,421.50	2,900	216,500
2007	1	9	13,283.75	10,283.75	3,000	213,500
2008	1	10	13,341.25	10,141.25	3,200	210,300
2009	1	11	13,289.25	9,989.25	3,300	207,000
2010	1	12	13,332.50	9,832.50	3,500	203,500
2011	1	13	13,266.25	9,666.25	3,600	199,900
2012	1	14	13,295.25	9,495.25	3,800	196,100
2013	1	15	13,314.75	9,314.75	4,000	192,100
2014	1	16	13,324.75	9,124.75	4,200	187,900
2015	1	17	13,325.25	8,925.25	4,400	183,500
2016	1	18	13,316.25	8,716.25	4,600	178,900
2017	1	19	13,297.75	8,497.75	4,800	174,100
2018	1	20	13,269.75	8,269.75	5,000	169,100
2019	1	21	13,332.25	8,032.25	5,300	163,800
2020	1	22	13,280.50	7,780.50	5,500	158,300
2021	1	23	13,319.25	7,519.25	5,800	152,500
2022	1	24	13,243.75	7,243.75	6,000	146,500
2023	1	25	13,358.75	6,958.75	6,400	140,100
2024	1	26	13,254.75	6,654.75	6,600	133,500
2025	1	27	13,341.25	6,341.25	7,000	126,500
2026	1	28	13,308.75	6,008.75	7,300	119,200
2027	1	29	13,262.00	5,662.00	7,600	111,600
2028	1	30	13,301.00	5,301.00	8,000	103,600
2029	1	31	13,321.00	4,921.00	8,400	95,200
2030	1	32	13,322.00	4,522.00	8,800	86,400
2031	1	33	13,304.00	4,104.00	9,200	77,200
2032	1	34	13,267.00	3,667.00	9,600	67,600
2033	1	35	13,311.00	3,211.00	10,100	57,500
2034	1	36	13,331.25	2,731.25	10,600	46,900
2035	1	37	13,327.75	2,227.75	11,100	35,800
2036	1	38	13,300.50	1,700.50	11,600	24,200
2037	1	39	13,349.50	1,149.50	12,200	12,000
2038	1	40	12,570.00	570.00	12,000	0
			526,984.50	294,984.50	232,000	



Kentucky-American Water Company

3700 Highway 127 N • Owenton, Kentucky 40359 • (502) 484-5774 • Fax (502) 484-0966

November 8, 2002

Thomas M. Dorman
Public Service Commission
211 Sower Boulevard
Post Office Box 615
Frankfort, Ky. 40602-0615

RECEIVED

NOV 12 2002

PUBLIC SERVICE
COMMISSION

RE: PSC Case No. 1999-00274

Dear Sir:

Please find enclosed the As Built Plans for this project and also we would like it to be known that the referenced project was completed in accordance with the contract plans and specifications.

Sorry it has been so long, I thought this was submitted by the Engineers some time ago.

Sincerely,

Carol F. Tudor, Supervisor
Kentucky American-Tri-Village Water

CC: Roy Mundy, II
President, Kentucky-American Water

14



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Ch

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FO

14' DIA. X 112'

TRI VILLAGE W

OWENTON,

SEPT

CONTRACT

TRI VILLAGE W

OWENTON,

SEPT

CONTRACT

BOARD OF COMMISSIONERS

CHARLES F. NOEL, CHAIRMAN
TERESA DUNAWAY
GILBERT ENGLAND
SIDNEY GULLION
JOE PETERS

FUNDING BY U.S.D.

RUCTION PLANS

FOR A

112' HIGH STANDF

GE WATER DISTRICT

TON, KENTUCKY

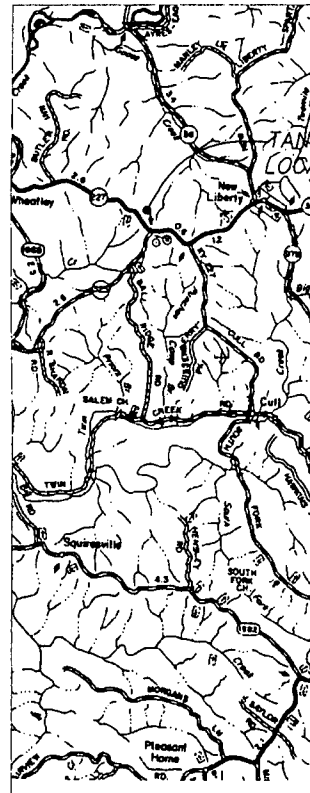
SEPTEMBER 1998

TRACT TVWD98-2

GE WATER DISTRICT TON, KENTUCKY

SEPTEMBER 1998

TRACT TVWD98-2



PR

NG BY U.S.D.A. RURAL DEVELOPMENT

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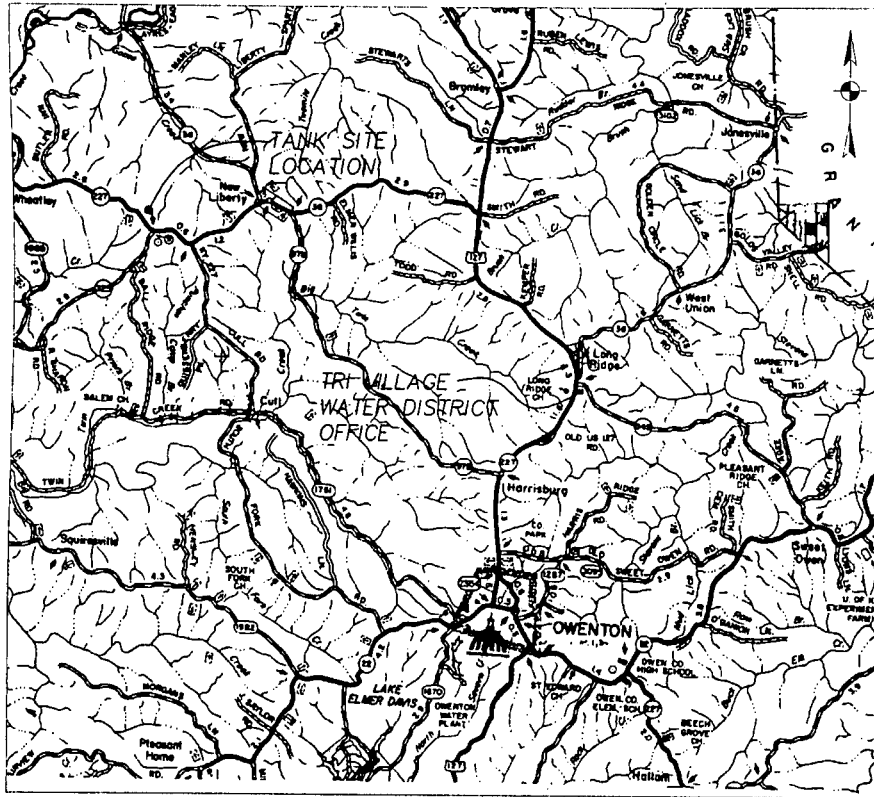
INDPIPE

TRICT



		<p>RECORD PLANS</p> <p>THESE RECORD PLANS HAVE BEEN PREPARED IN PART, ON THE BASIS OF INFORMATION COMPILED AND FURNISHED BY OTHERS AND MAY BE AN ESTIMATE OR APPROXIMATION OF THE LOCATION AND OR CONFIGURATION. GASTINEAU AND ASSOC. INC. THEREFORE WILL NOT BE RESPONSIBLE FOR ANY ERRORS OR OMISSIONS INCORPORATED HEREIN.</p> <p>FIELD REPRESENTATIVE <i>McBryde</i> DATE <i>10/22/00</i> APPROVED FOR PRINTING PROJECT ENGINEER <i>R. S. Gastineau</i> DATE <i>10/30/00</i></p>	<p>TRI VILLAGE WATER DISTRICT 1998 IMPROVEMENT PROJECT</p> <p>GASTINEAU AND ASSOCIATES, Inc. 104 Barkley Estates, Nicholasville, KY</p>					
			<table border="1"><thead><tr><th>DATE</th></tr></thead><tbody><tr><td> </td></tr><tr><td> </td></tr><tr><td> </td></tr><tr><td> </td></tr></tbody></table>	DATE				
DATE								

TRICT



PROJECT LOCATION MAP
NOT TO SCALE

RECORD

THESE RECORD PLANS HAVE BEEN PREPARED BY THE ENGINEER AND FURNISH AN ESTIMATE OR APPROXIMATION OF THE QUANTITY OF MATERIALS REQUIRED. THE ENGINEER AND ASSOCIATES, INC. IS RESPONSIBLE FOR ANY ERRORS OR OMISSIONS.

FIELD REPRESENTATIVE *M.C. Bohm*

APPROVED FOR

PROJECT ENGINEER *R.E. Gastineau*

TRI VILLAGE WATER DISTRICT
1998 IMPROVEMENT PROJECT

GASTINEAU AND ASSOCIATES, Inc.
104 Barkley Estates, Nicholasville, KY

TITLE SHEET

NO.	REVISION	CHK'D	APPR.	DATE

DRAWN:	CHECKED:
ACR FILE: Title TVWDS8-2	PROJECT NO. 970302
DATE: Sept 4, 1998	APPROVED:
SCALE:	
SHEET NO. 1 OF 3	

BOTTOM LADDER
RUNG TO FLOOR

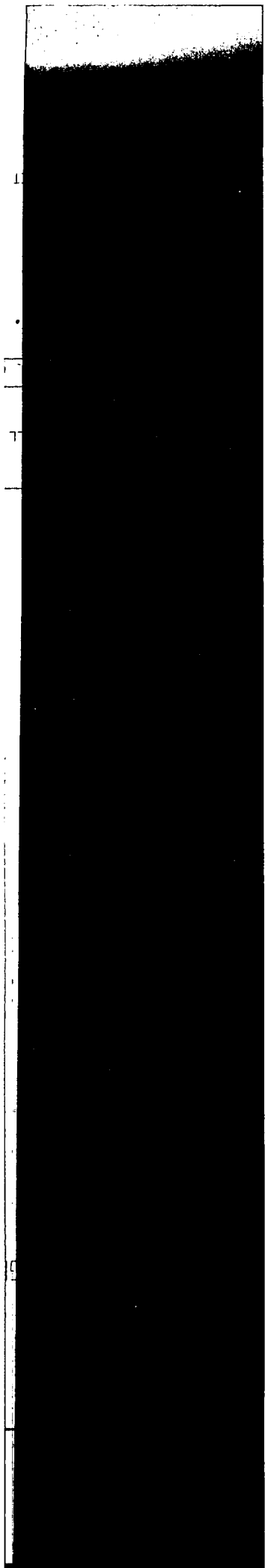
STIFFENER QUANTITY AND LOCATION
PER DESIGN REQUIREMENTS

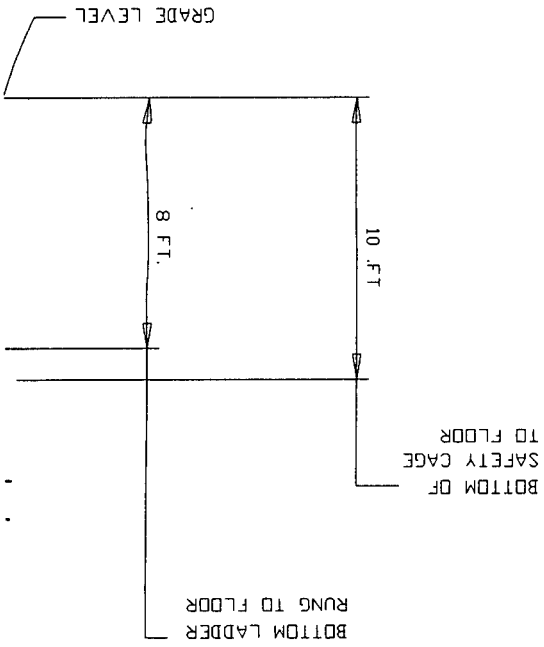
LADDER & SAFETY
CAGE KIT
(STEP-OFF PLATFORM
REQUIREMENT IS BASED
ON TANK HEIGHT)

ROOF WALK
& GUARD R

MANWAY PLATFORM

ROOF MANWA

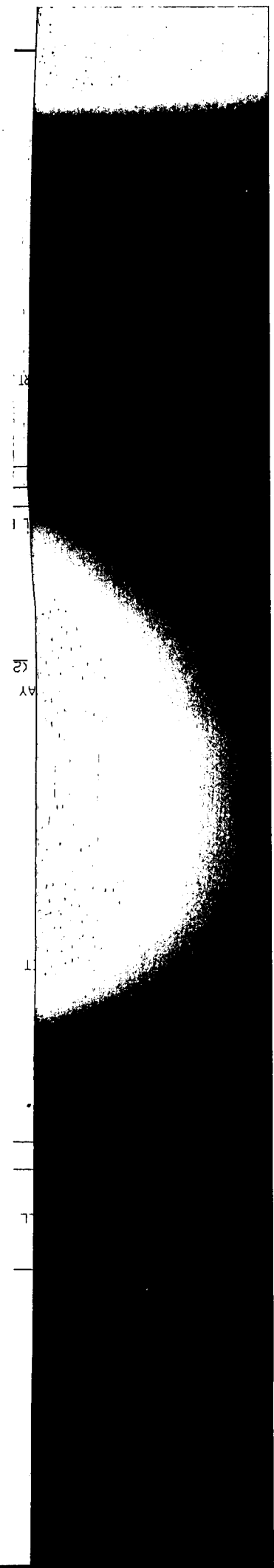


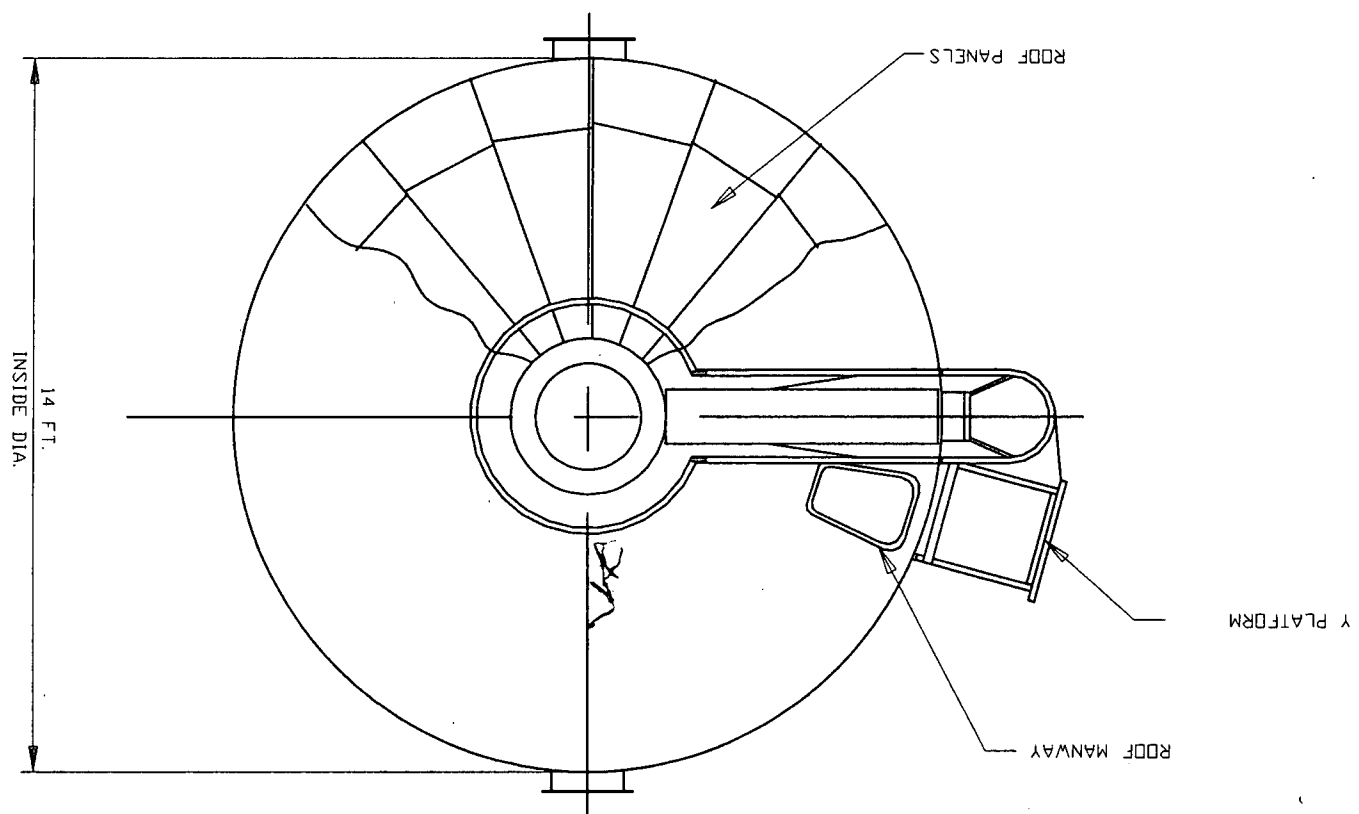
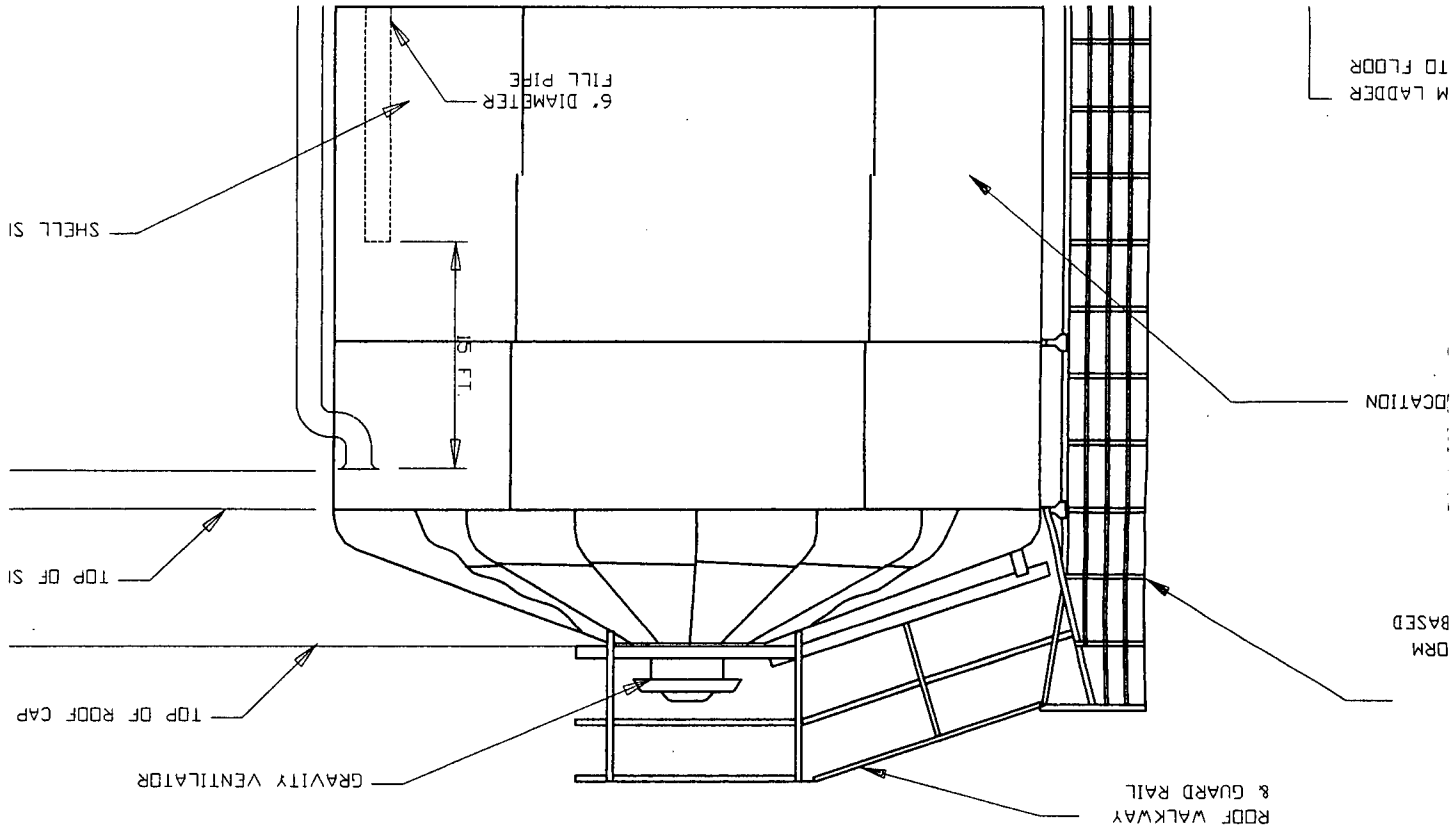


STIFFENER QUANTITY AND LOCATION PER DESIGN REQUIREMENTS

LADDER & SAFETY CAGE KIT (STEP-OFF PLATFORM REQUIREMENT IS BASED ON TANK HEIGHT)

ROOF VAL & GUARD





CONCRETE SURF
PIER

FLOOR LI

ACCESS M.
24" DIAM

SHELL

TOP OF

TOP OF ROOF CAP

GRAVITY VENTILATOR

6" DIAMETER
FILL PIPE

15 FT.

GRADE LEVEL

8 FT.

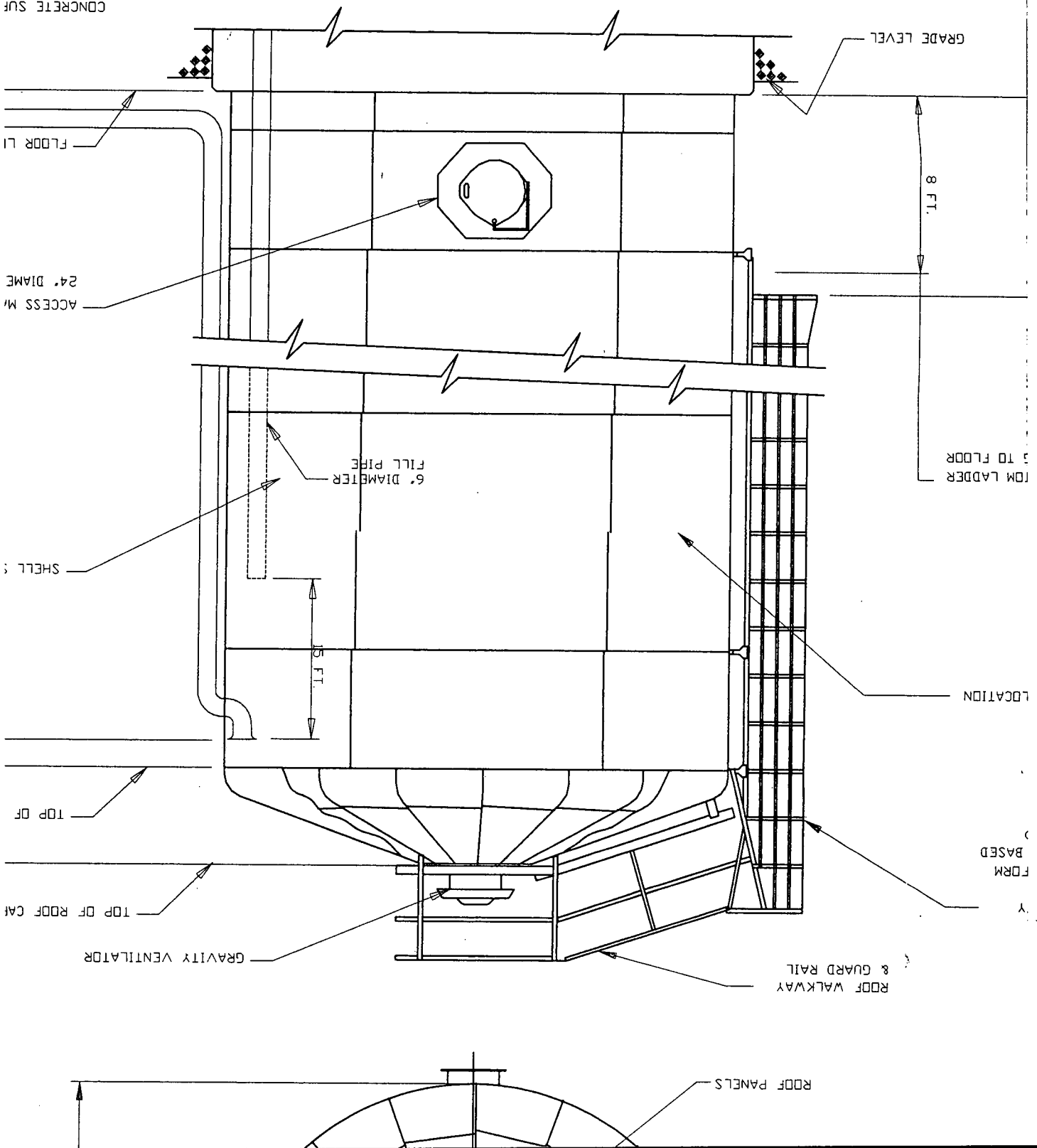
FROM LADDER
5 TO FLOOR

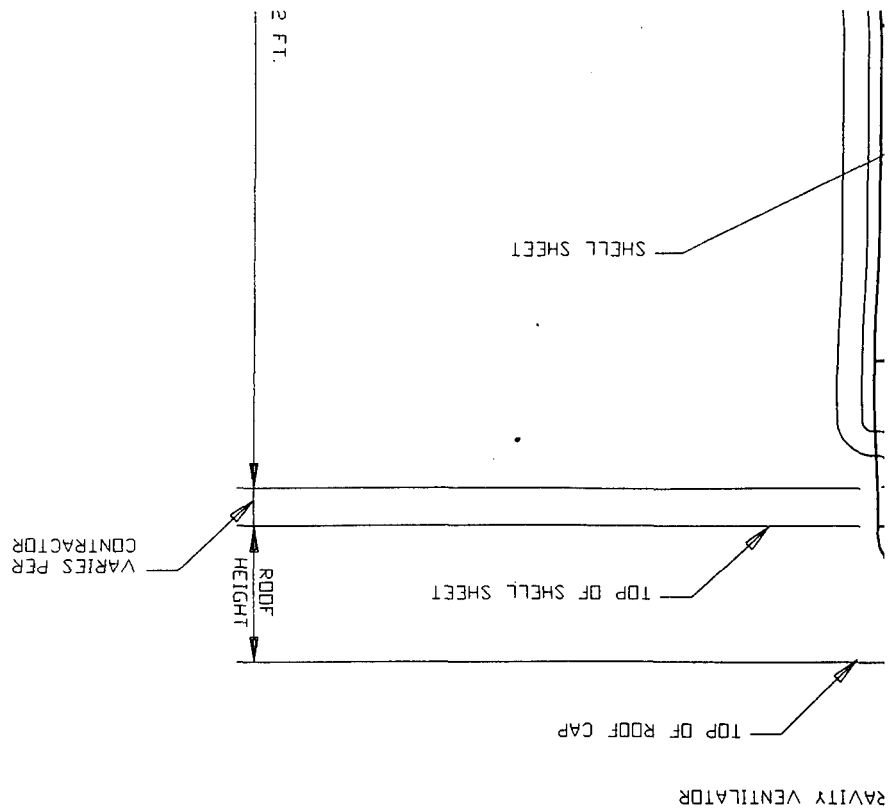
LOCATION

FORM
BASED

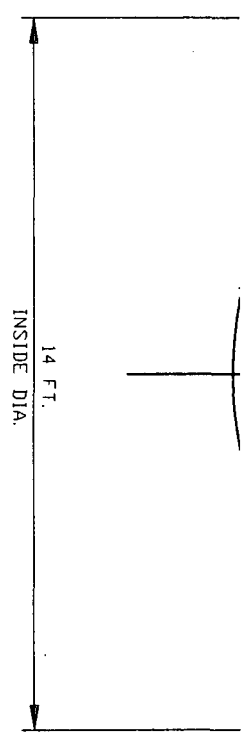
ROOF WALKWAY
& GUARD RAIL

ROOF PANELS



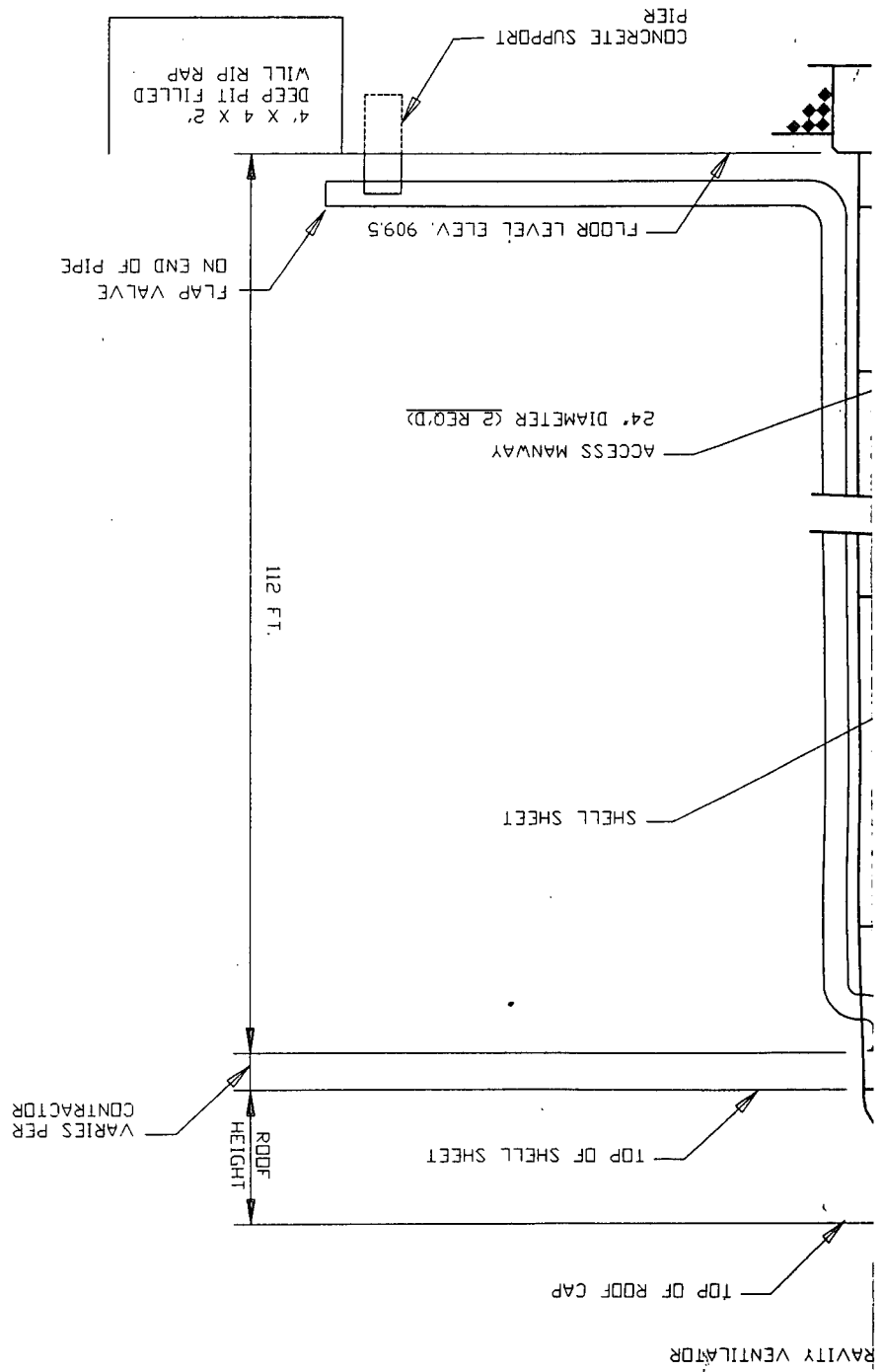


RAVITY VENTILATOR



GENERAL NOTES:

1. CONTRACTOR SHALL INSTALL A 6" DIAMETER FILL PIPE TO WITHIN 15' OF THE OVERFLOW ELEVATION.
2. THE FILL PIPE SHALL BE SECURELY ANCHORED TO THE TANK.
3. A 6" DIAMETER STAINLESS STEEL OVERFLOW PIPE SHALL BE LOCATED ON THE EXTERIOR OF THE TANK.
4. FOUNDATION SHALL BE DESIGNED ACCORDING TO THE RECOMMENDATIONS OF THE GEOTECHNICAL REPORT CONTAINED IN THE PROJECT SPECIFICATIONS.



14' Dia X 112' STANDPIPE
TRI VILLAGE WATER DISTRICT

GASTINEAU AND
ASSOCIATES, Inc.

104 Barkley Estates, Nicholasville, KY

DATE

RECORD PLANS

THESE RECORD PLANS HAVE BEEN PREPARED IN PART, ON THE BASIS OF INFORMATION COMPILED AND FURNISHED BY OTHERS AND MAY BE AN ESTIMATE OR APPROXIMATION OF THE LOCATION AND OR CONFIGURATION. GASTINEAU AND ASSOC. INC., THEREFORE WILL NOT BE RESPONSIBLE FOR ANY ERRORS OR OMISSIONS INCORPORATED HEREIN.

FIELD REPRESENTATIVE MSB DATE 10/30/05
APPROVED FOR PRINTING

PROJECT ENGINEER RSB DATE 10/30/05

SHEET NO. 2 OF 2

SCALE:

DATE: Sept. 1998

ACAD FILE: Whetley Tank

PROJECT NO. 970302

DRAWN:

CHECKED:

PLAN AND ELEVATION

NO.

REVISION

CHK'D

APPR.

DATE

14' Dia X 112' STANDPIPE
TRI VILLAGE WATER DISTRICT

GASTINEAU AND ASSOCIATES, Inc.
104 Barkley Estates, Nicholasville, KY

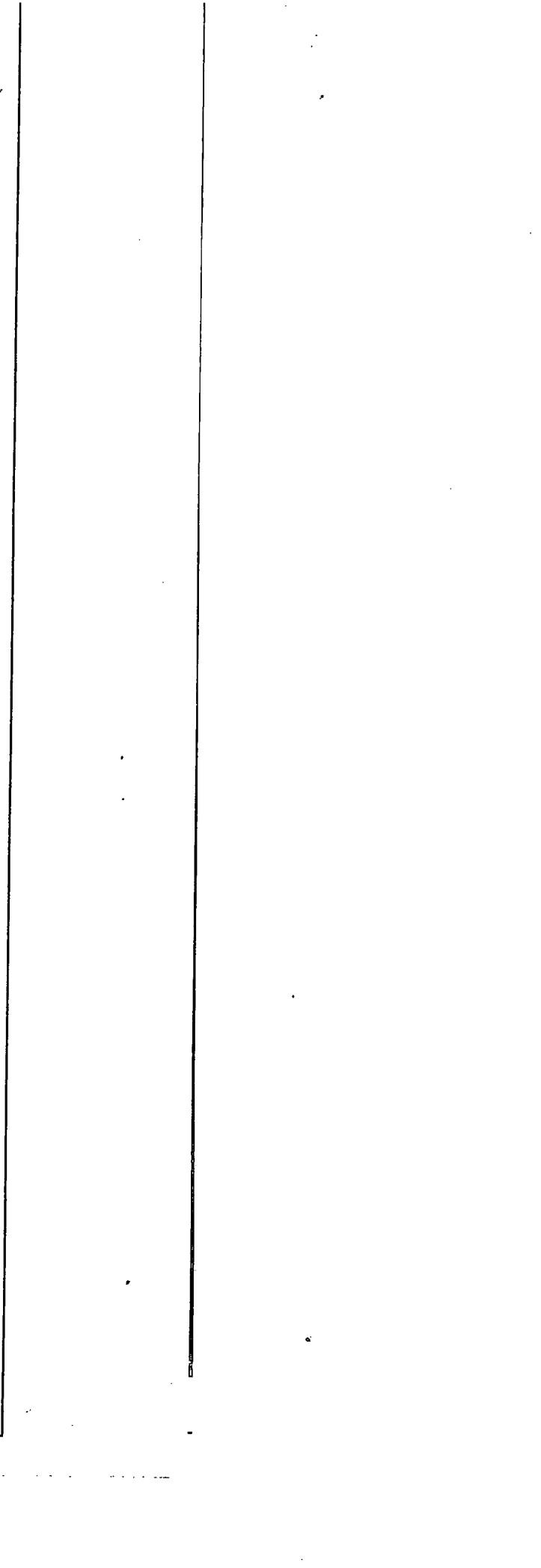
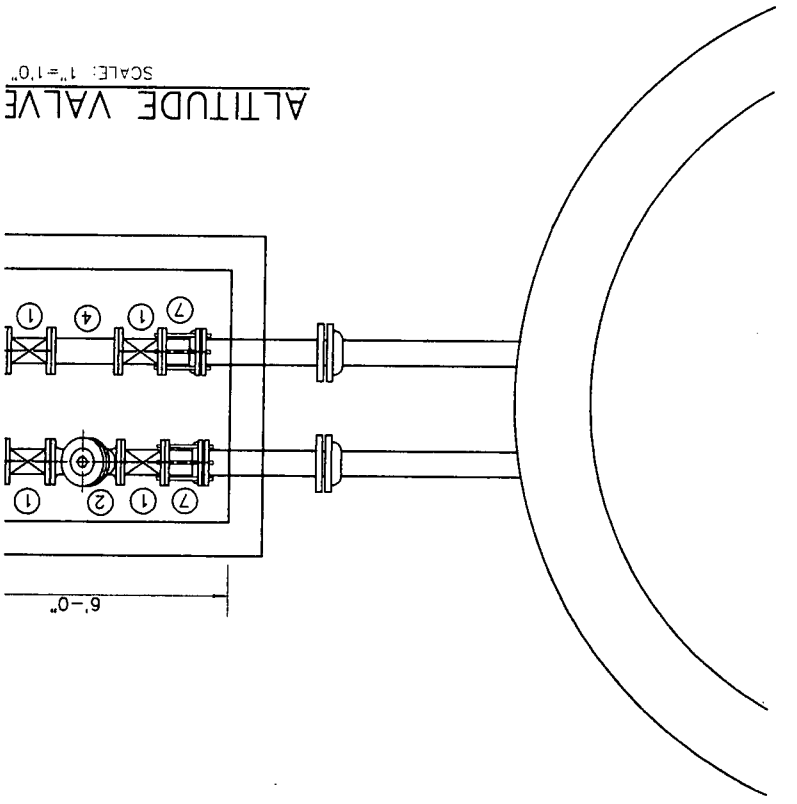
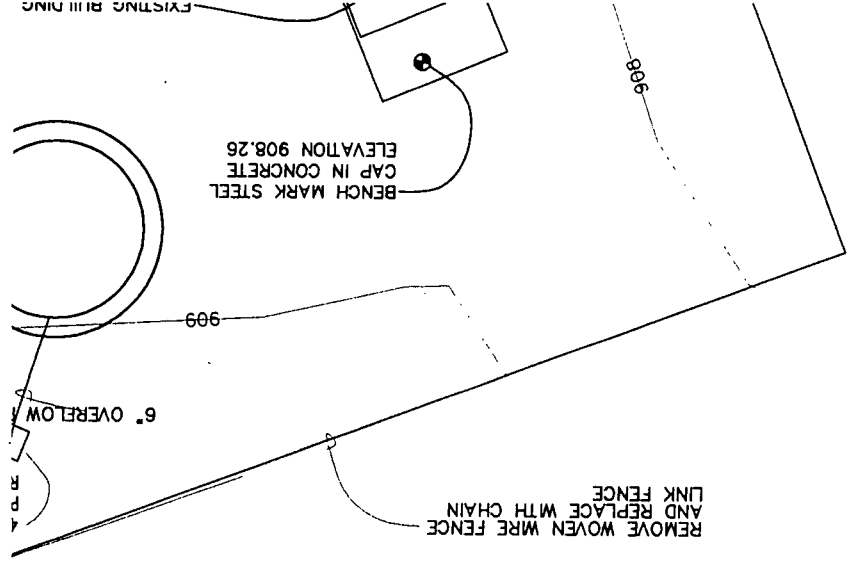
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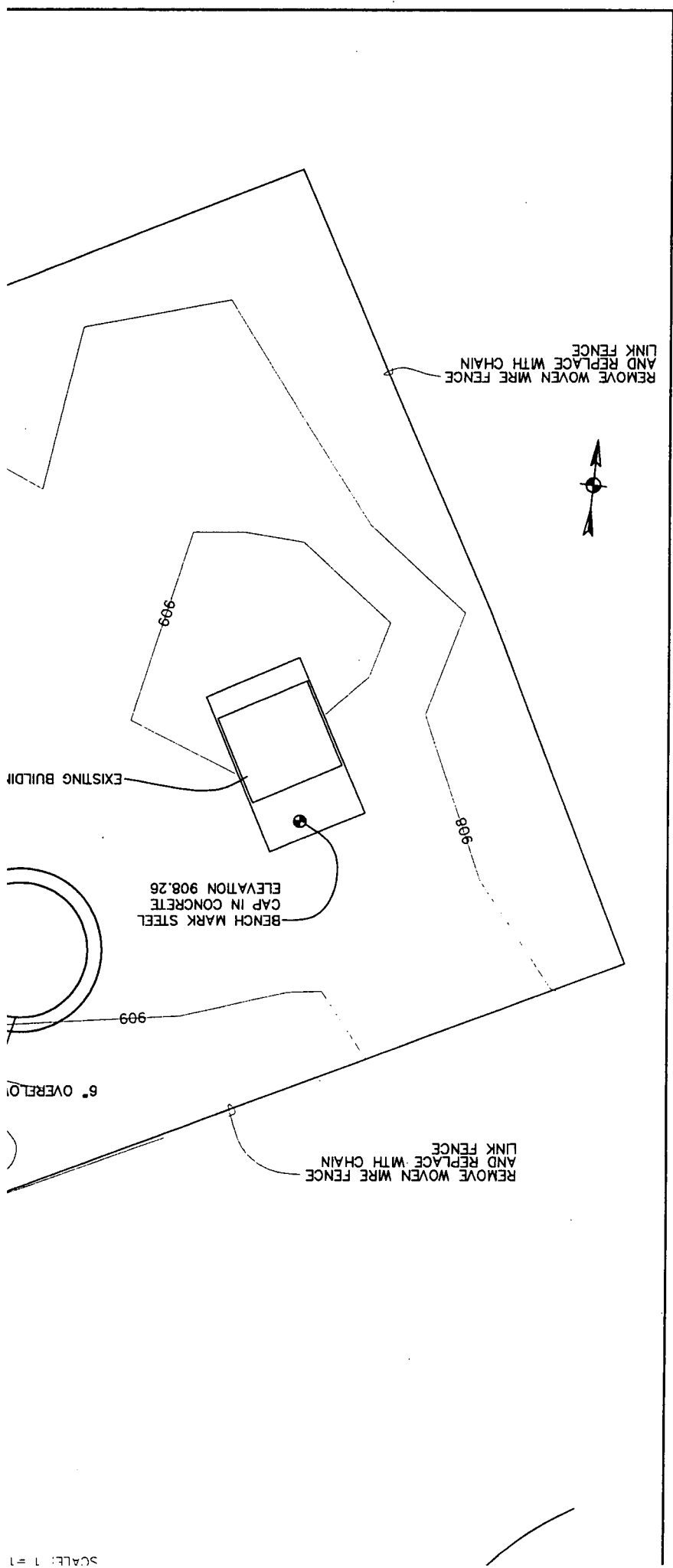
THESE RECORD PLANS HAVE BEEN PREPARED BY THE ENGINEER AND FURNISH AN ESTIMATE OR APPROXIMATION OF THE QUANTITIES. GASTINEAU AND ASSOC., INC., IS NOT RESPONSIBLE FOR ANY ERRORS OR OMISSIONS.

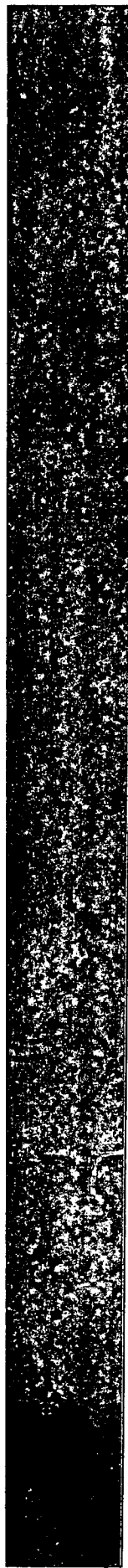
FIELD REPRESENTATIVE

APPROVED FOR: *[Signature]*

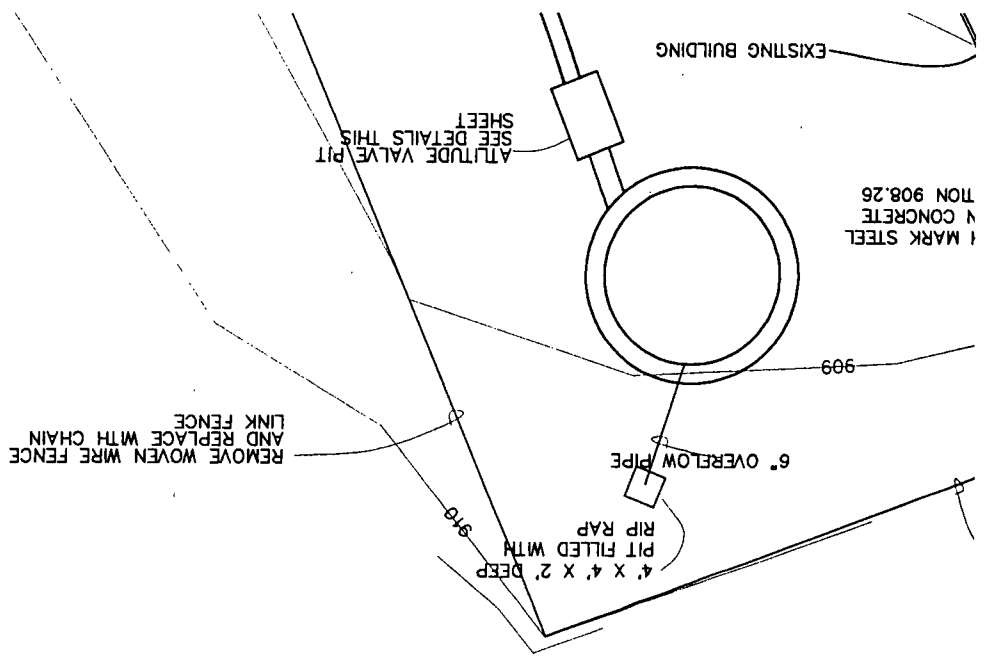
PROJECT ENGINEER: *[Signature]*





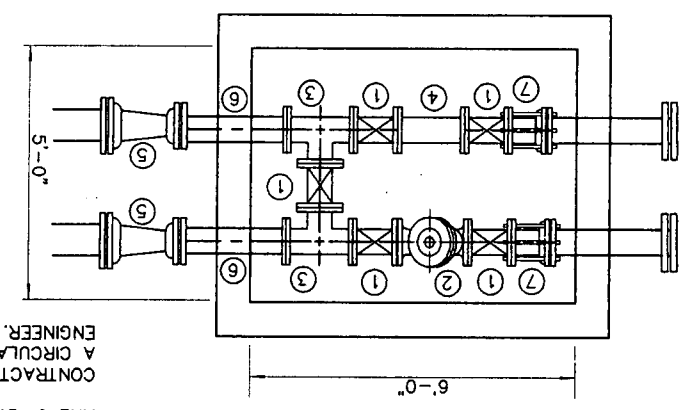


1 MARK STEEL
N CONCRETE
TON 908.26

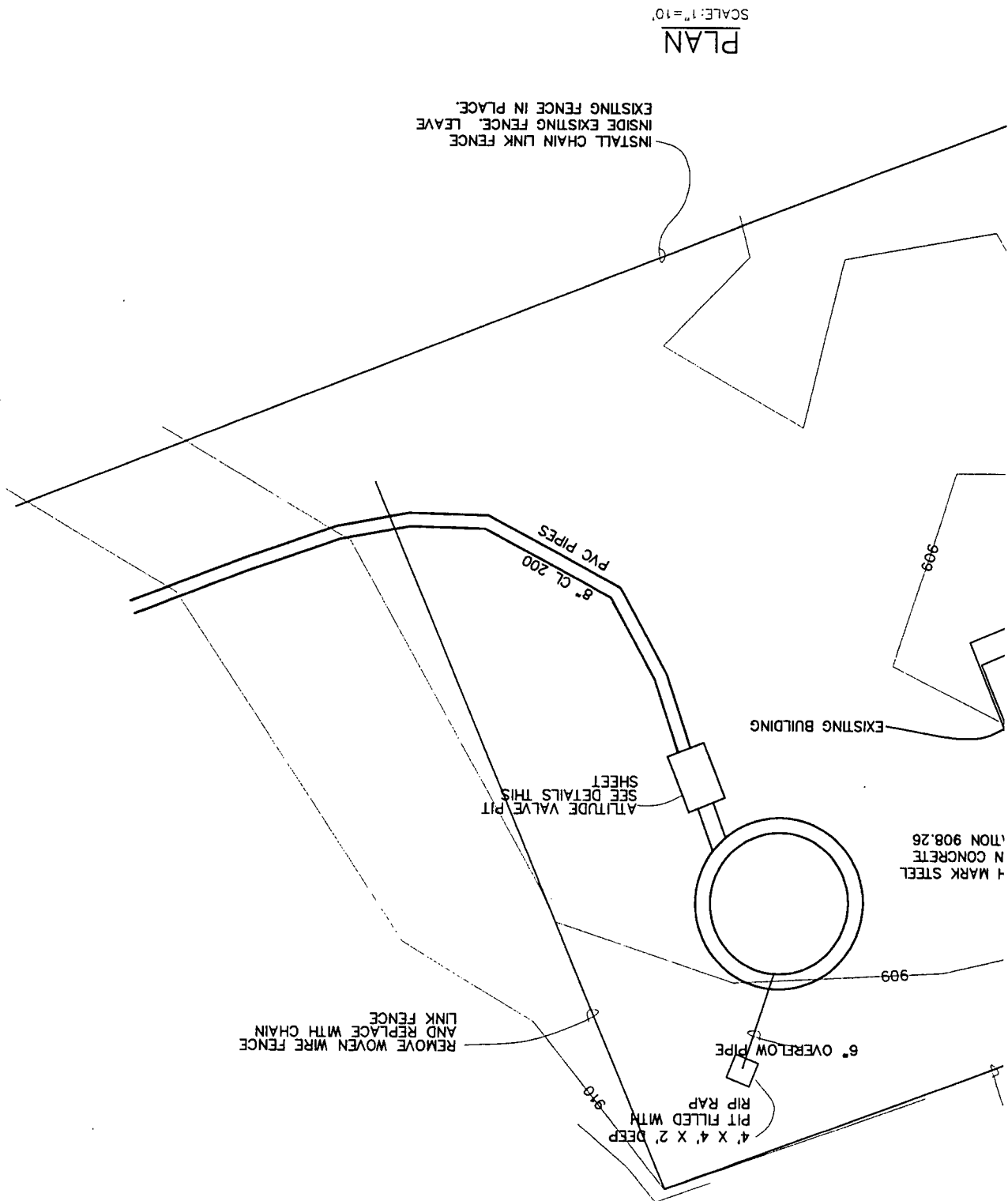
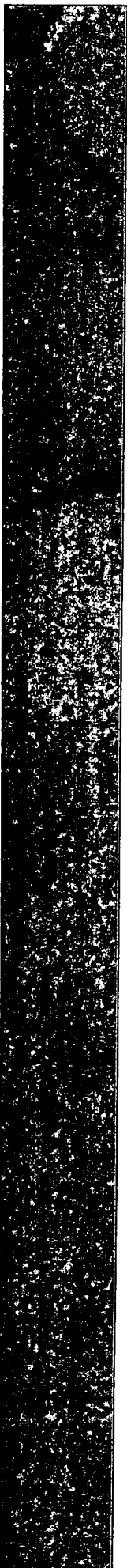


- ① 6" NRS RESILIENT SEAT GATE VALVE-FLANGED
- ② 6" BERHAD MODEL 780-AX OR EQUAL SINGLE ACTING ALTIUDE VALVE
- ③ 6" FLANGED TEE
- ④ 6" SPOOL PIECE, 1'-4 3/8" LONG
- ⑤ 8" X 6" D.I.M.J. REDUCER
- ⑥ 6" WALL SLEEVE, F TO PE
- ⑦ 6" FLANGE ADAPTER
- ⑧ 6" D.I.M.J. TEE
- ⑨ 6" NRS RESILIENT SEAT GATE VALVE-M.J.
- ⑩ 6" SPRING AND LEVER CHECK VALVE
- ⑪ 4' DIAMETER MANHOLE BASE WITH FLAT TOP AND FLUSH FRAME AND LID

ALTIUDE VALVE VAULT
SCALE: 1"=10"



NOTES:
ALL PIPING AND VALVES IN ALTIUDE VALVE VAULT ARE 6" D.I. UNLESS OTHERWISE NOTED.
CONTRACTOR MAY USE A MANUFACTURED UNIT IN A CIRCULAR STEEL SHELL WITH APPROVAL OF THE ENGINEER.



- ⑥ 6" WALL SLEEVE, F TO PE
- ⑦ 6" FLANGE ADAPTER
- ⑧ 6" D.I.M.J. TEE
- ⑨ 6" NRS RESILIENT SEAT GATE VALVE-M.J.
- ⑩ 6" SPRING AND LEVER CHECK VALVE
- ⑪ 4' DIAMETER MANHOLE BASE WITH
FLAT TOP AND FLUSH FRAME AND LID

PLAN
SCALE: 1"=10'

INSTALL CHAIN LINK FENCE
INSIDE EXISTING FENCE. LEAVE
EXISTING FENCE IN PLACE.

REMOVE WOVEN WIRE FENCE
AND REPLACE WITH CHAIN
LINK FENCE

ALTITUDE VALVE PIT
SEE DETAILS THIS
SHEET

6" OVERFLOW PIPE
RIP RAP
PIT FILLED WITH
4' X 4' X 2' DEEP

EXISTING BUILDING

1-MARK STEEL
CONCRETE
MANHOLE 908.26

909

909

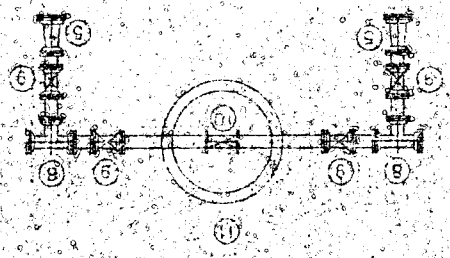
910

8" CL 200
PVC PIPES

NOTE: TANK CONTRACTOR SHALL
INSTALL INLET PIPING TO A
POINT 5 FEET OUTSIDE OF THE
TANK VAULT APPLICABLE
CONTRACTOR WILL CONTINUE
FROM THAT POINT TANK
CONTRACTOR WILL MAKE THE IN-

TANK SITE
SEE ENCLOSURE
THIS SHEET

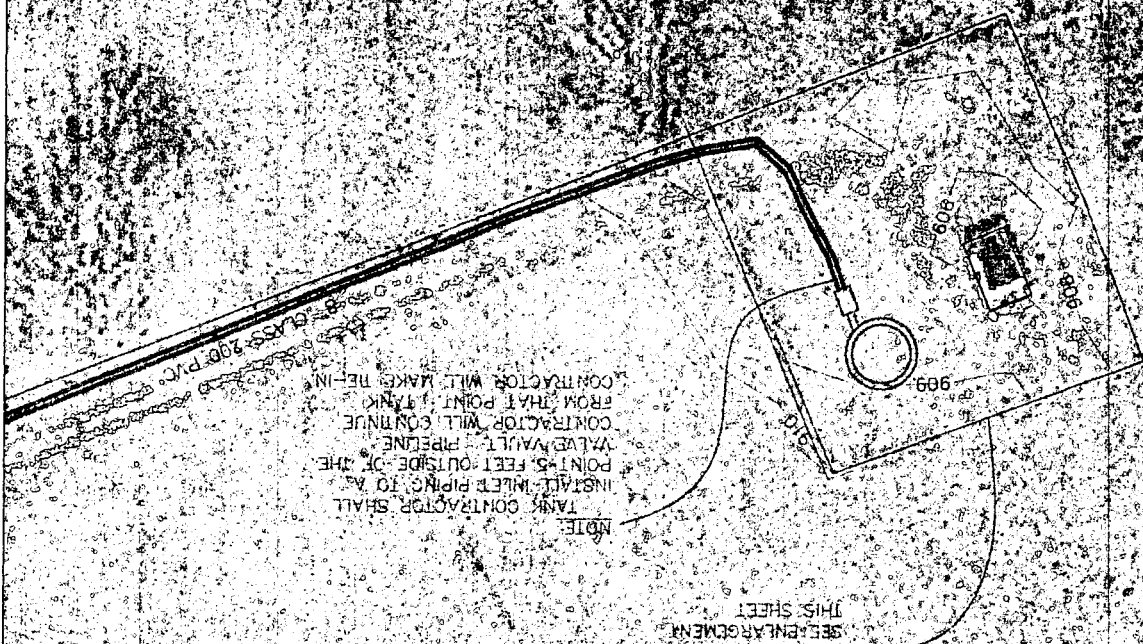
TIE IN DETAIL
N.T.S.



VE-M.J.
LVE
I
> LD

VE-FLANGED
DUAL

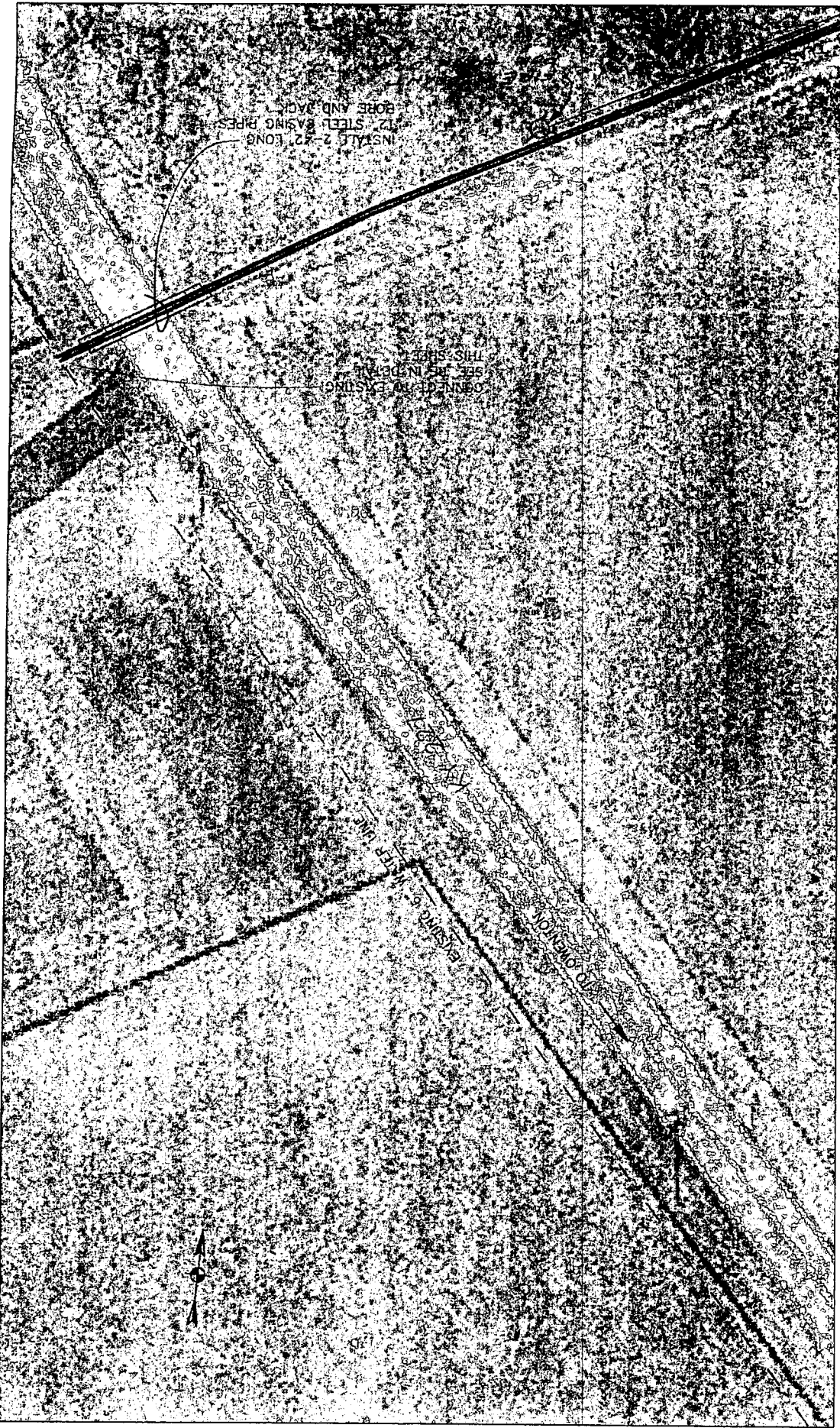
SITE PLAN



NOTE
 TANK CONTRACTOR SHALL
 INSTALL INLET PIPING TO THE
 TANK CONTRACTOR SHALL
 CONTINUE VALVE VAULT PIPELINE
 5 FEET OUTSIDE OF THE
 POINT FROM THAT POINT TANK
 CONTRACTOR WILL MAKE BE-IN

TANK SITE
 SEE ENLARGEMENT
 THIS SHEET

VE-M.J
 VE
 LID



**1998 SYSTEM IMPROVEMENTS
TRI VILLAGE WATER DISTRICT**

GASTINEAU AND ASSOCIATES, Inc.

104 Barkley Estates, Nicholasville, KY

PR DATE

12/8/98

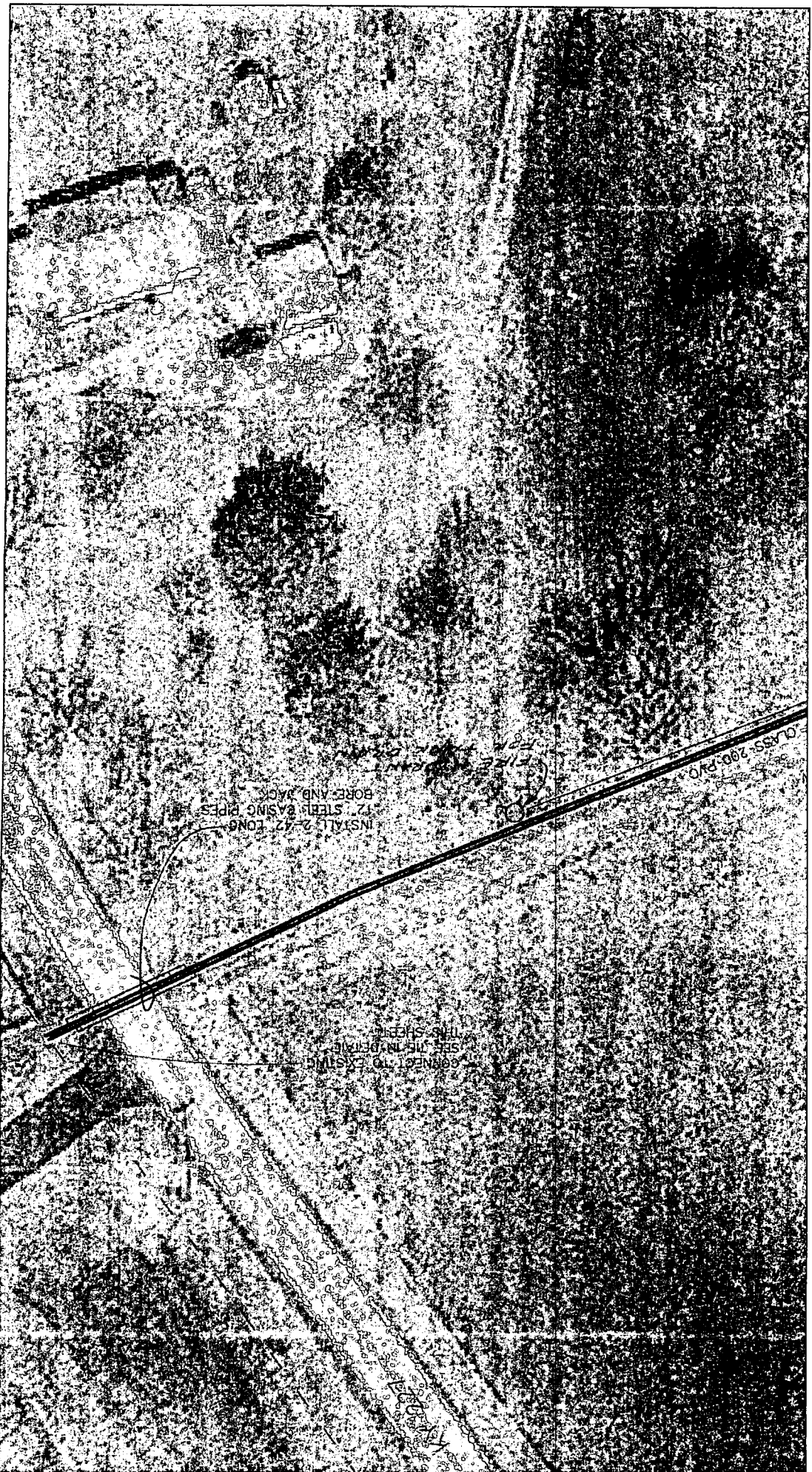
RECORD PLANS

THESE RECORD PLANS HAVE BEEN PREPARED IN PART ON THE BASIS OF INFORMATION COMPILED AND FURNISHED BY OTHERS AND HAD BE AN ESTIMATE OR APPROXIMATION OF THE LOCATION AND OR CONFIGURATION. GASTINEAU AND ASSOC. INC. HERETOFORE WILL NOT BE RESPONSIBLE FOR ANY ERRORS OR OMISSIONS INCORPORATED HEREIN

FIELD REPRESENTATIVE: *W. B. ...* DATE: *10/2/00*

APPROVED FOR PRINTING

PROJECT ENGINEER: *R. ...* DATE: *10/2/00*



TANK SITE PLAN

DRAWN: _____		CHECKED: _____		PROJECT NO. 970302	DATE: SEP 1998	APPROVED: _____	SCALE: _____
NO.	REVISION	CHK'D	APPR.	DATE			
1.	Added a parallel line from tank to existing line			12/8/98			

1998 SYSTEM IMPROVEMENTS
TRI VILLAGE WATER DISTRICT

GASTINEAU AND ASSOCIATES, Inc.
104 Berkeley Estates, Nicholasville, KY

RECORD
THESE RECORD PLANS HAVE BEEN PREPARED BY THE ENGINEER AND FURNISH AN ESTIMATE OR APPROXIMATION OF QUANTITIES. GASTINEAU AND ASSOC. INC. IS NOT RESPONSIBLE FOR ANY ERRORS OR OMISSIONS.
FIELD REPRESENTATIVE: *W. H. ...*
APPROVED FOR: _____
PROJECT ENGINEER: *Richard ...*

TR

B

A TA

C

JOI
SIDN,
GILBE,
TERES
CHARLES

BOARD O,

TE

CONTRACT 7

SEPTEMBER

OWENTON, K

TRI VILLAGGE WA

BOOSTER PUMI

TANK WATER S

CONSTRUCTION

TRI VILLAGES W/F

OWENTON, R

SEPTEMBER

CONTRACT 7

BOARD OF COMMISSIONERS

CHARLES F. NOEL, CHAIRMAN

TERESA DUNAWAY
GILBERT ENGLAND
SIDNEY GULLION
JOE PETERS

FUNDED BY: U.S.D.A. R

FACT TWWD98-1

SEPTEMBER 1998

TON, KENTUCKY

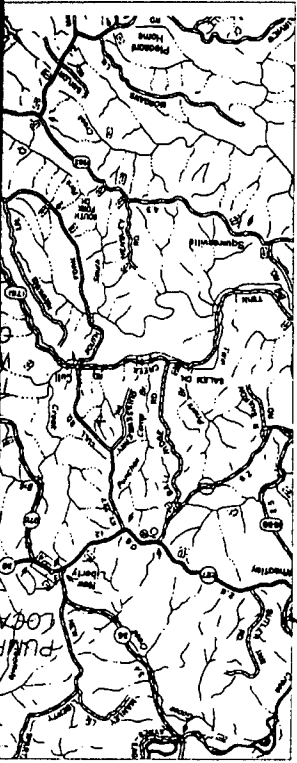
WATER DISTRICT

PUMPING STATION

R SUPPLY LINE

STATION PLANS FOR

PR



RACT TWWD98-1

SEPTEMBER 1998

TON, KENTUCKY

WATER DISTRICT

FOR NE AND TION TRIC

**BOOSTER PUMP STATION
TRI VILLAGE WATER DISTRICT**

**GASTINEAU AND
ASSOCIATES, Inc.**
104 Barkley Estates, Nicholasville, KY

RECORD PLANS

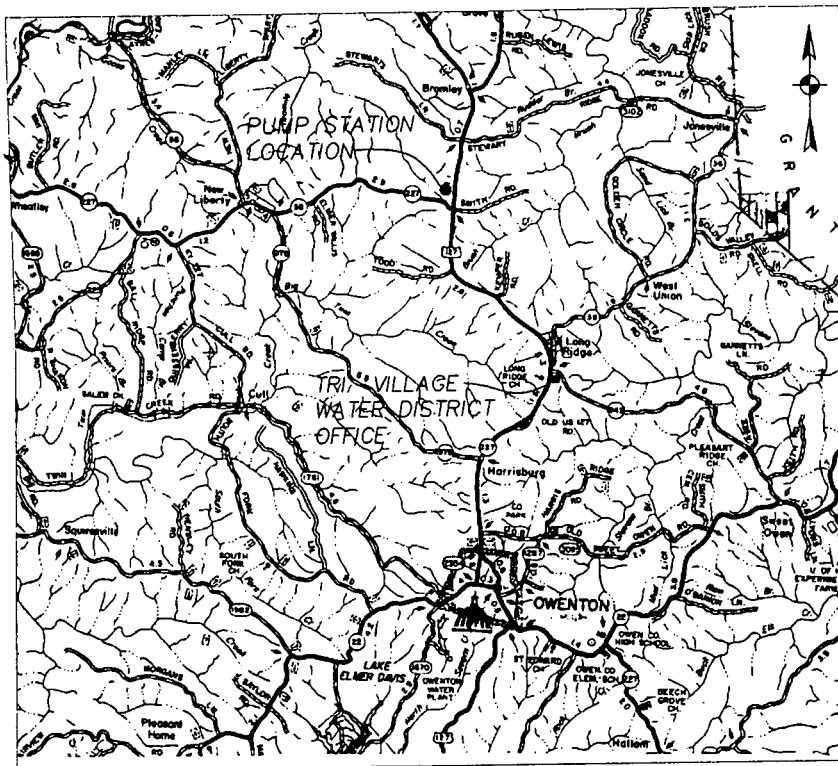
THESE RECORD PLANS HAVE BEEN PREPARED BY THE ENGINEER AND MAY BE USED FOR THE PURPOSES INDICATED HEREON. THE ENGINEER AND ASSOCIATES, INC. SHALL NOT BE RESPONSIBLE FOR ANY ERRORS OR OMISSIONS INCORPORATED HEREIN.

FIELD REPRESENTATIVE: McBryde DATE: 10/30/01
APPROVED FOR PRINTING:

PROJECT ENGINEER: McBryde DATE: 10/30/01

R. DATE

TRICT



PROJECT LOCATION MAP
NOT TO SCALE

RECORD
THESE RECORD PLANS SHALL BE USED FOR INFORMATION PURPOSES AND FURNISH NO WARRANTY OR REPRESENTATION OF THE ENGINEER OR ASSOCIATES, INC. RESPONSIBLE FOR ANY ERRORS OR OMISSIONS.

FIELD REPRESENTATIVE: *R. C. Babin*
APPROVED FOR: *R. E. Gastineau*
PROJECT ENGINEER: *R. E. Gastineau*
104 Barkley Estates, Nicholasville, KY

**BOOSTER PUMP STATION
TRI VILLAGE WATER DISTRICT**

**GASTINEAU AND
ASSOCIATES, Inc.**
104 Barkley Estates, Nicholasville, KY

TITLE SHEET

NO.	REVISION	CHK'D	APPR.	DATE	

DRAWN: CHECKED:

ACAD FILE: PROJECT NO.
TitleBPS1a 970302

DATE: APPROVED:
Sept. 1998 *R. E. Gastineau*

SCALE:

SHEET NO.
1 OF 5

CONNECT TO EXISTING
SEE DETAIL IN
THIS SHEET

INSTALL 2-42' LONG
12" STEEL CASING PIPES
BORE AND JACK

RECORD
THESE RECORD PLANS HAVE BEEN
PREPARED BY THE CONSULTING ENGINEER
OR ARCHITECT OR APPROVED BY THE
MUNICIPALITY OR STATE AND ASSUME
LIABILITY FOR THE ACCURACY AND
RESPONSIBILITY FOR THE ENGINEER
FIELD REPRESENTATIVE: *E. McLeod*
APPROVE: *RE*
PROJECT ENGINEER

1998 SYSTEM IMPROVEMENTS
TRI VILLAGE WATER DISTRICT

**GASTINEAU AND
ASSOCIATES, Inc.**
104 Barkley Estates, Nicholasville, KY

TANK SITE PLAN

NO.	REVISION	CHK'D	APPR.	DATE
1.	Added a parallel line from tank to existing line			12/8/98

DRAWN:	CHECKED:
ACAD FILE: WheatSite	PROJECT NO. 970302
DATE SEP 1998	APPROVED:
SCALE:	
SHEET NO. 2 OF 5	



CONNECT TO EXISTING
SEE BE IN DETAIL
THIS SHEET

INSTALL 2-52' LONG
12" STEEL CASING PIPES
BORE AND JACK

RECORD PLANS

THESE RECORD PLANS HAVE BEEN PREPARED IN PART, ON THE BASIS OF INFORMATION COMPILED AND FURNISHED BY OTHERS AND MAY BE AN ESTIMATE OR APPROXIMATION OF THE LOCATION AND OR CONFIGURATION. GASTINEAU AND ASSOC. INC. HEREOFRE WILL NOT BE RESPONSIBLE FOR ANY ERRORS OR OMISSIONS INCORPORATED HEREIN.

FIELD REPRESENTATIVE Mc. Beckwith DATE 10/30/00
APPROVED FOR PRINTING

PROJECT ENGINEER RE. Anderson DATE 10/30/00

**1998 SYSTEM IMPROVEMENTS
TRI VILLAGE WATER DISTRICT**

**GASTINEAU AND
ASSOCIATES, Inc.**
104 Barkley Estates, Nicholasville, KY

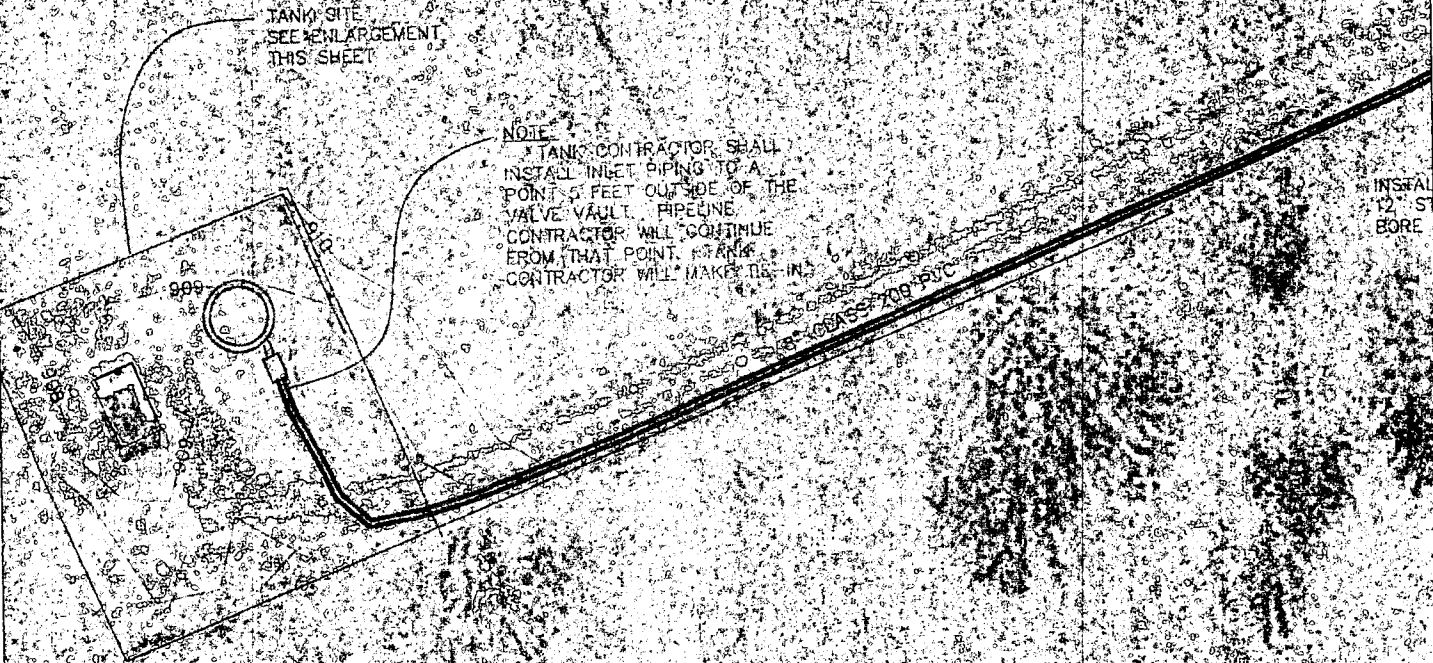
APPR.	DATE
	12/8/98

CONNECT TO EXISTING
SEE SHEET IN DETAIL
THIS SHEET

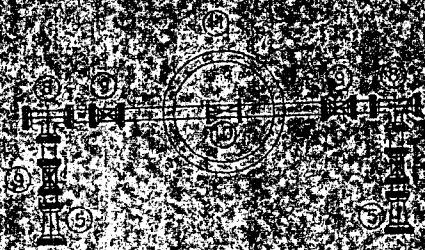
TANK SITE
SEE ENLARGEMENT
THIS SHEET

NOTE
TANK CONTRACTOR SHALL
INSTALL INLET PIPING TO A
POINT 5 FEET OUTSIDE OF THE
VALVE VAULT PIPELINE.
CONTRACTOR WILL CONTINUE
FROM THAT POINT. TANK
CONTRACTOR WILL MAKE TIE-IN

INSTALL
12" ST
BORE



SITE PLAN
SCALE 1" = 30'



THE IN DETAIL

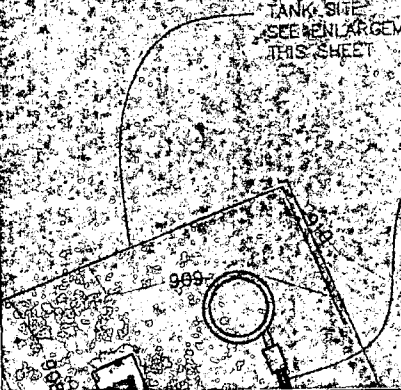
NOTES

TANK SITE
SEE ENLARGEMENT
THIS SHEET

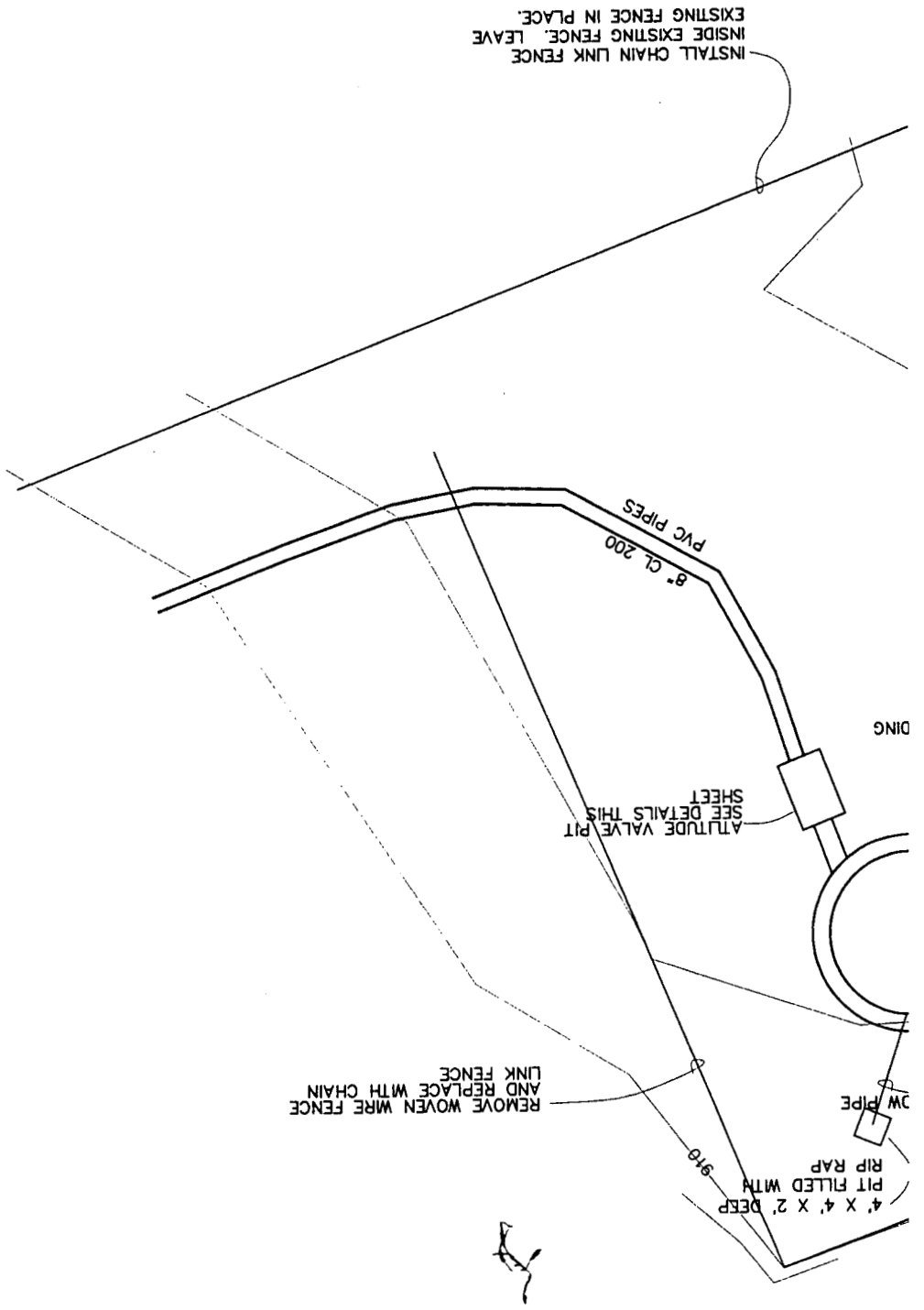
NOTE

TANK CONTRACTOR SHALL
INSTALL INLET PIPING TO A
POINT 5 FEET OUTSIDE OF THE
VALVE VALVE PIPELINE
CONTRACTOR WILL CONTINUE
FROM THAT POINT. TANK
CONTRACTOR WILL MAKE 15-11

INSTALL
12" STE
BORE A



- ⑤ 8" X 6" D.I.M.J. REDUCER
- ⑥ 6" WALL SLEEVE, F TO PE
- ⑦ 6" FLANGE ADAPTER
- ⑧ 6" D.I.M.J. TEE
- ⑨ 6" NRS RESILIENT SEAT GATE VALVE-M.J.
- ⑩ 6" SPRING AND LEVER CHECK VALVE
- ⑪ 4" DIAMETER MANHOLE BASE WITH FLAT TOP AND FLUSH FRAME AND LID



PLAN
SCALE: 1" = 10'

INSTALL CHAIN LINK FENCE
INSIDE EXISTING FENCE. LEAVE
EXISTING FENCE IN PLACE.

ATTITUDE VALVE PIT
SEE DETAILS THIS
SHEET

REMOVE WOVEN WIRE FENCE
AND REPLACE WITH CHAIN
LINK FENCE

PVC PIPES
8" CL 200

DING

2W PIPE

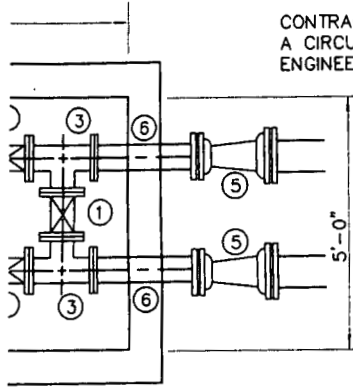
4' X 4' X 2' DEEP
PIT FILLED WITH
RIP RAP

910

NOTES:

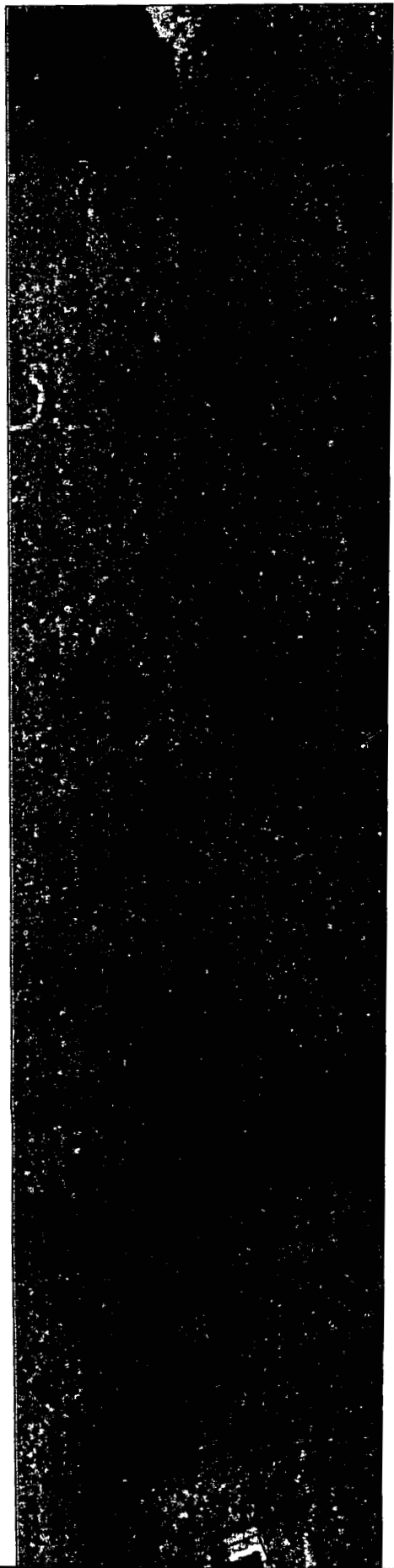
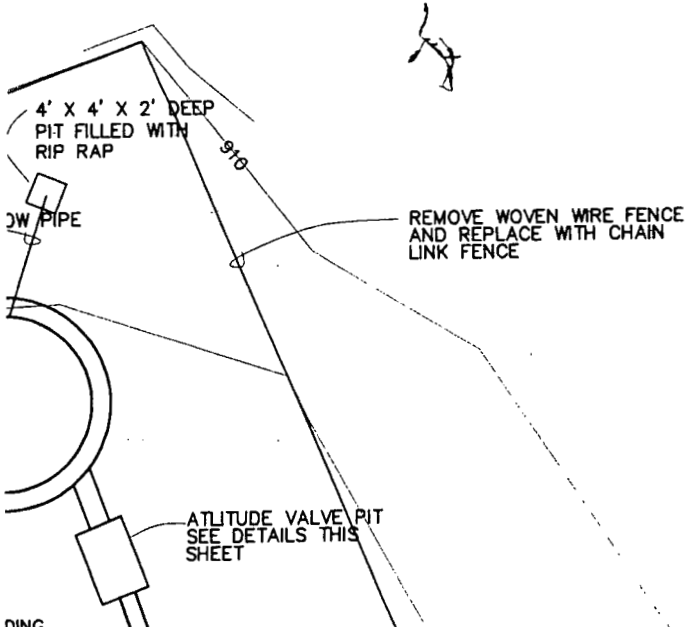
ALL PIPING AND VALVES IN ALTITUDE VALVE VAULT ARE 6" D.I. UNLESS OTHERWISE NOTED.

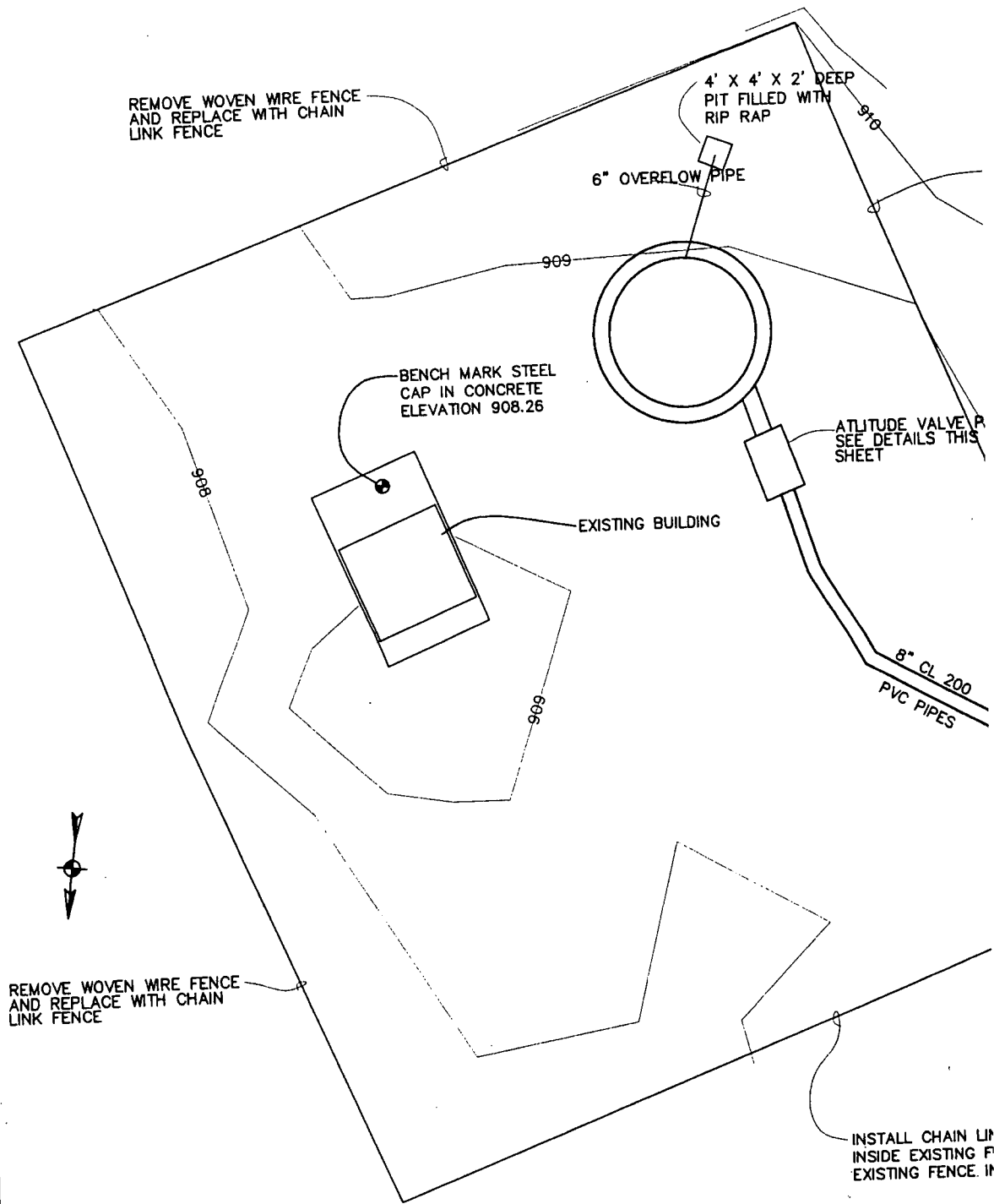
CONTRACTOR MAY USE A MANUFACTURED UNIT IN A CIRCULAR STEEL SHELL WITH APPROVAL OF THE ENGINEER.



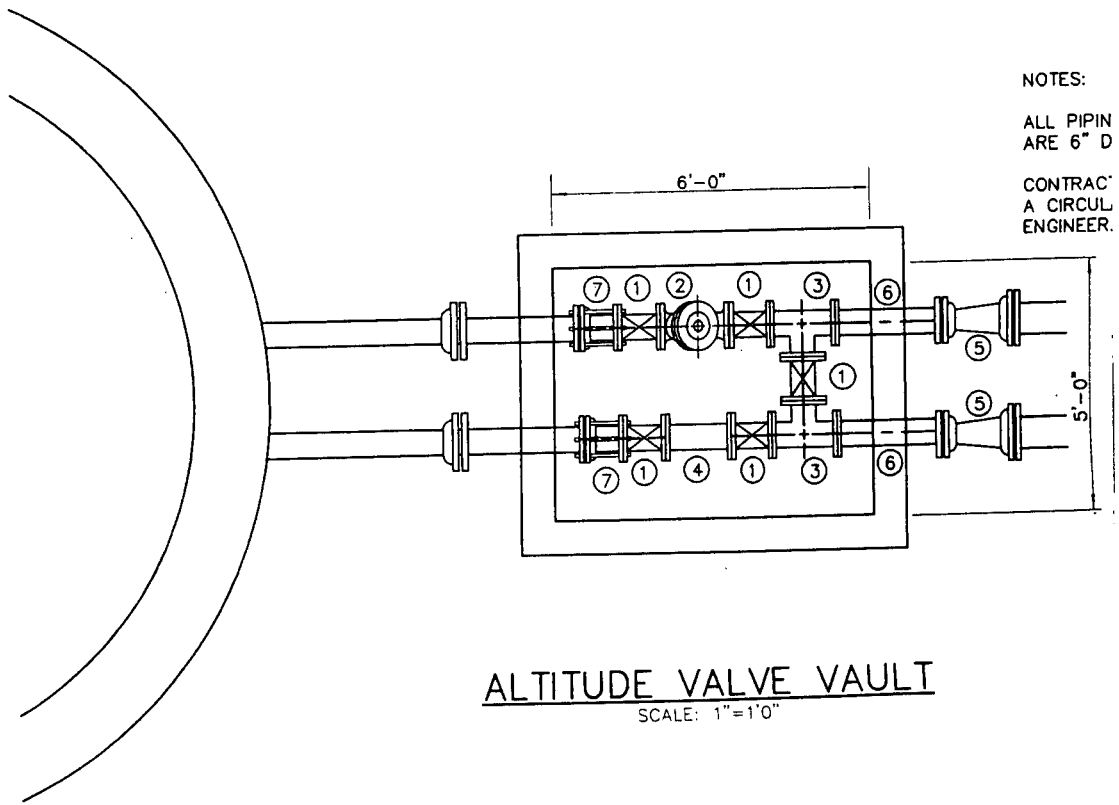
- ① 6" NRS RESILIENT SEAT GATE VALVE-FLANGED
- ② 6" BERMAD MODEL 780-AX OR EQUAL SINGLE ACTING ALTITUDE VALVE
- ③ 6" FLANGED TEE
- ④ 6" SPOOL PIECE, 1'-4 3/8" LONG
- ⑤ 8" X 6" D.I.M.J. REDUCER
- ⑥ 6" WALL SLEEVE, F TO PE
- ⑦ 6" FLANGE ADAPTER
- ⑧ 6" D.I.M.J. TEE
- ⑨ 6" NRS RESILIENT SEAT GATE VALVE-M.J.
- ⑩ 6" SPRING AND LEVER CHECK VALVE
- ⑪ 4' DIAMETER MANHOLE BASE WITH FLAT TOP AND FLUSH FRAME AND LID

VE VAULT
0"



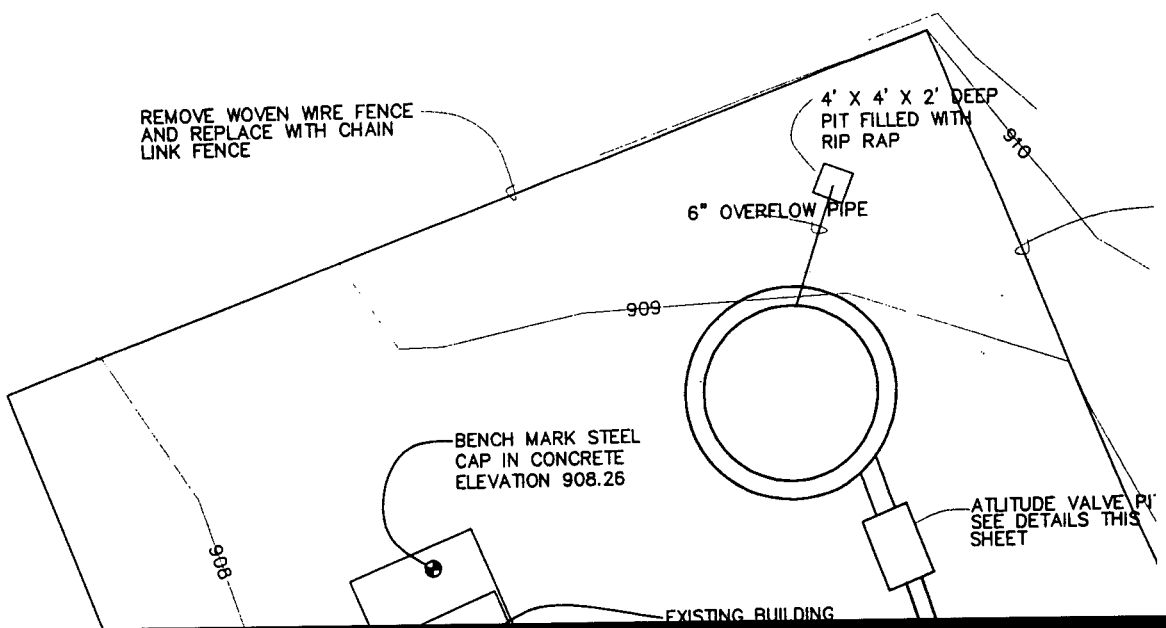


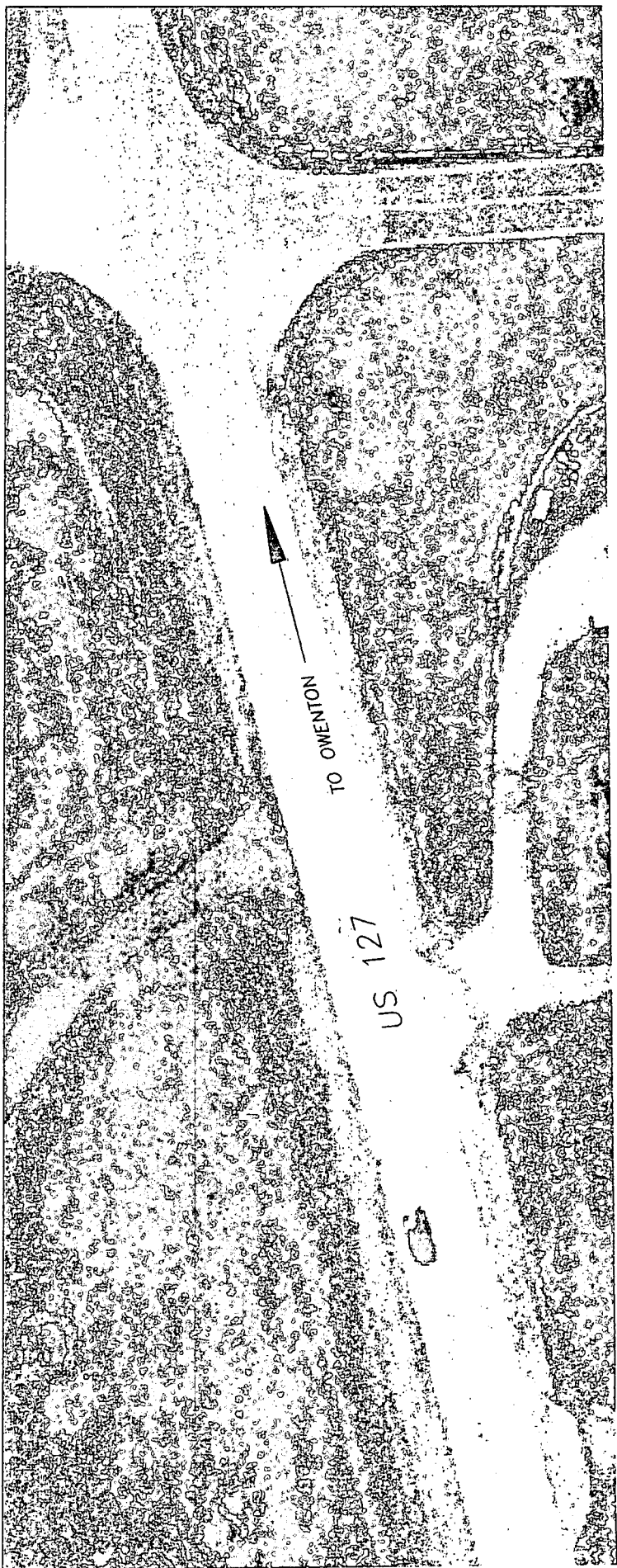
PLAN



NOTES:
 ALL PIPIN ARE 6" D
 CONTRAC A CIRCLC ENGINEER.

ALTITUDE VALVE VAULT
 SCALE: 1"=1'0"





SHEET NO. 3 OF 5

SCALE: AS NOTED
 DATE: SEPT. 1998
 APPROVED: [Signature]
 ACAD FILE: PROJECT NO.
 DRAWN: CHECKED:

SITE PLAN		DATE	APPROVED
110			

1998 IMPROVEMENTS PROJECT
 TRI VILLAGE WATER DISTRICT
GASTINEAU AND ASSOCIATES, Inc.
 104 Borkley Estates, Nicholasville, KY

PROJECT NUMBER: 235
 DATE: 9/2/98



**1998 IMPROVEMENTS PROJECT
TRI VILLAGE WATER DISTRICT**

**GASTINEAU AND
ASSOCIATES, Inc.**
104 Berkeley Estates, Nicholasville, KY

RECORD PLANS

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FIELD REPRESENTATIVE W. S. [Signature] DATE 10/30/00
APPROVED FOR PRINTING

PROJECT ENGINEER W. S. [Signature] DATE 10/30/00

US 127

KY 227

PROPOSED PUMP
STATION LOCATION
SEE DETAILS THIS
SHEET OR PLAN
ARRANGEMENT

900



US 127

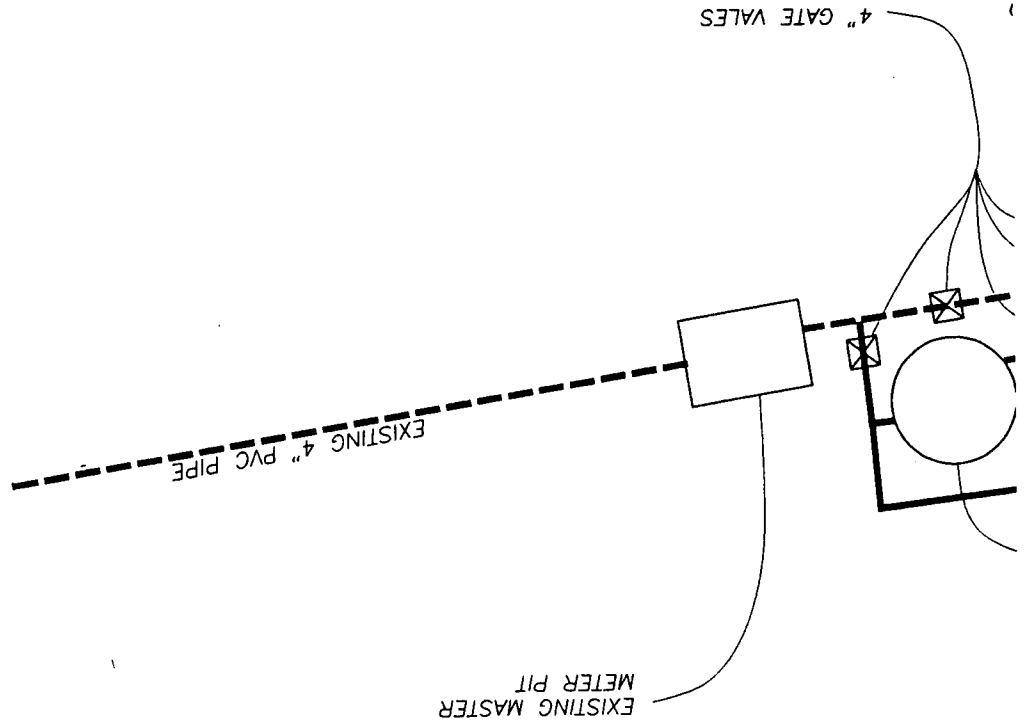
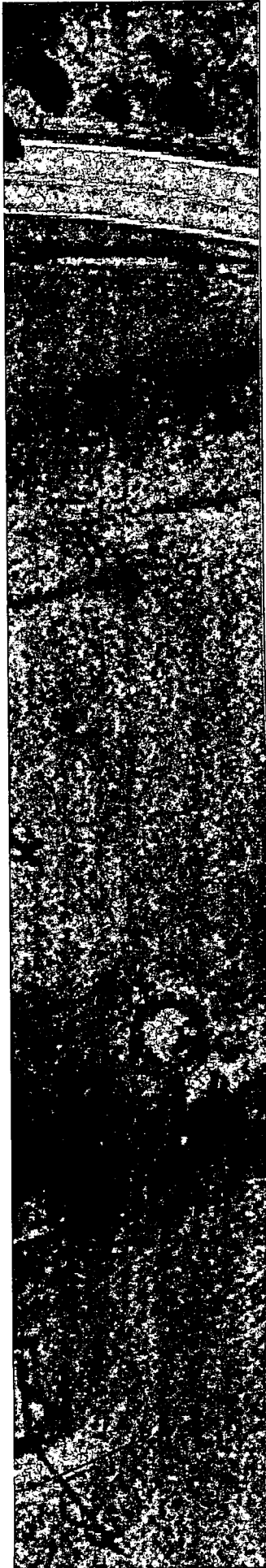


PROPOSED FULL
STATION LAYOUT
SEE DETAILS
ARRANGEMENT



SITE PLAN

SCALE 1:30



N
= 10"



EXISTING MASTER
METER PIT

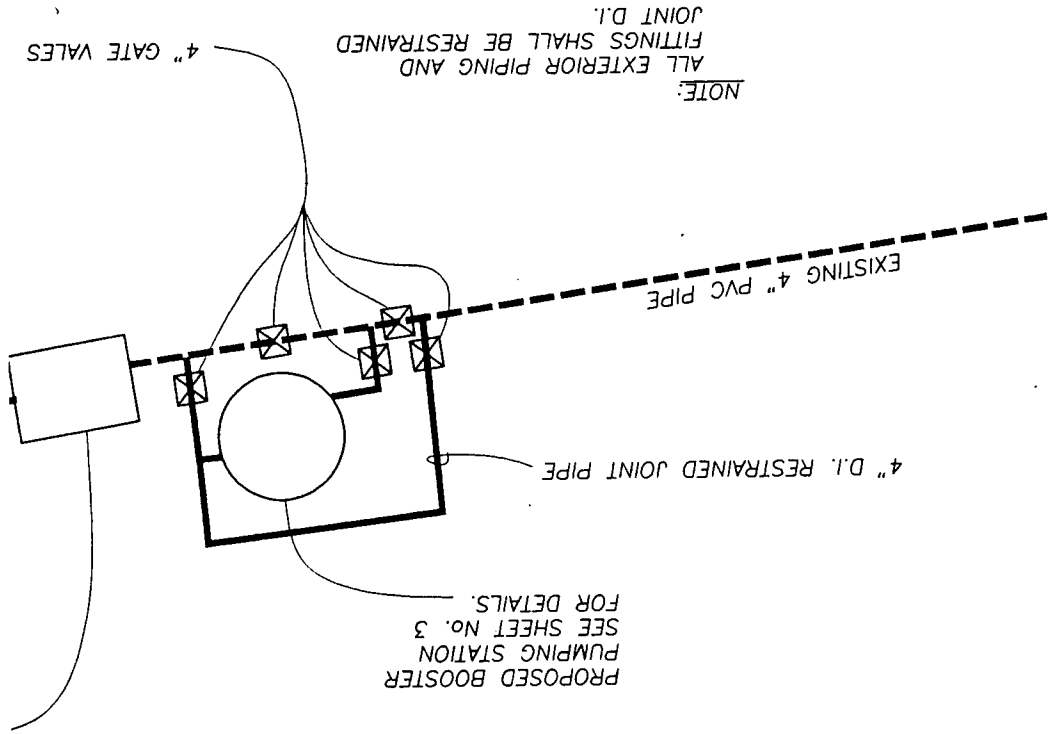


11



SCALE: 1" = 10"

PLAN



NOTE:
ALL EXTERIOR PIPING AND
FITTINGS SHALL BE RESTRAINED
JOINT D.I.

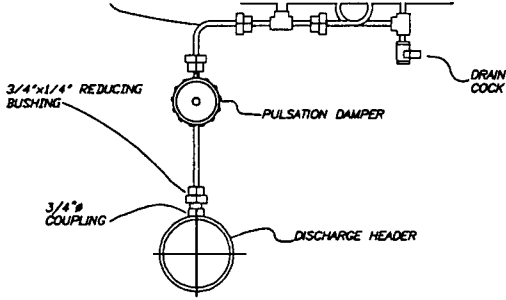
PROPOSED BOOSTER
PUMPING STATION
SEE SHEET NO. 3
FOR DETAILS.

4" D.I. RESTRAINED JOINT PIPE

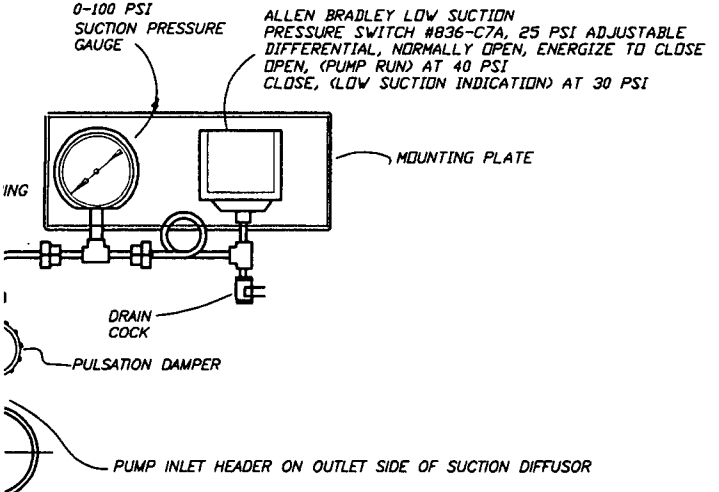
EXISTING 4" PVC PIPE

4" GATE VALES

PROPOSED BOOSTER
PUMPING STATION



LARGE GAUGE-SWITCH PANEL DETAIL -



PRESSURE GAUGE-SWITCH PANEL DETAIL -
 (1) REQUIRED EACH PUMP

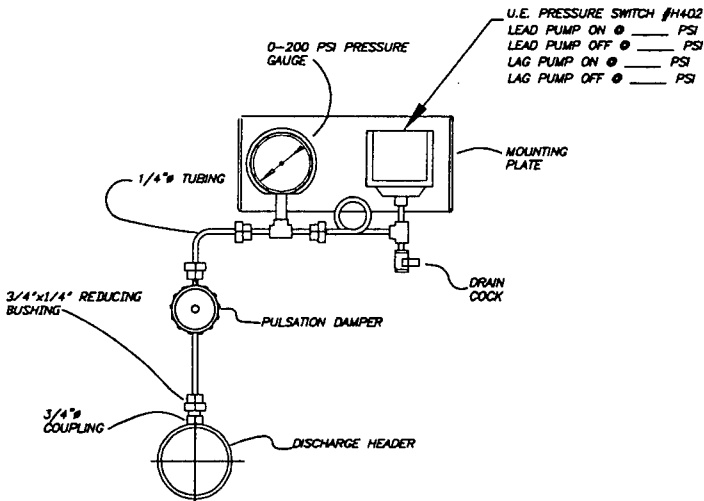
TOP, BOTTOM AND STRUCTURAL TO BE A-36 BLACK STEEL
 40 BLACK STEEL CONFORMING TO ASTM A-53
 ON VIEWS
 TO BE ROTATED AS REQUIRED FOR BEST ACCESS
 PORTED AS SHOWN
 TUBING TO BE SCH. 40 PVC WITH FLEX TERMINATIONS

RECORD
 THESE RECORD PLANS HAVE BEEN OF INFORMATION COMPILED AND FURNISHED AS AN ESTIMATE OR APPROXIMATION OF QUANTITIES. GASTINEAU AND ASSOCIATES IS NOT RESPONSIBLE FOR ANY ERRORS OF OMISSION OR COMMISSION.
 FIELD REPRESENTATIVE *W. C. [Signature]*
 APPROVED
 PROJECT ENGINEER *R. E. [Signature]*

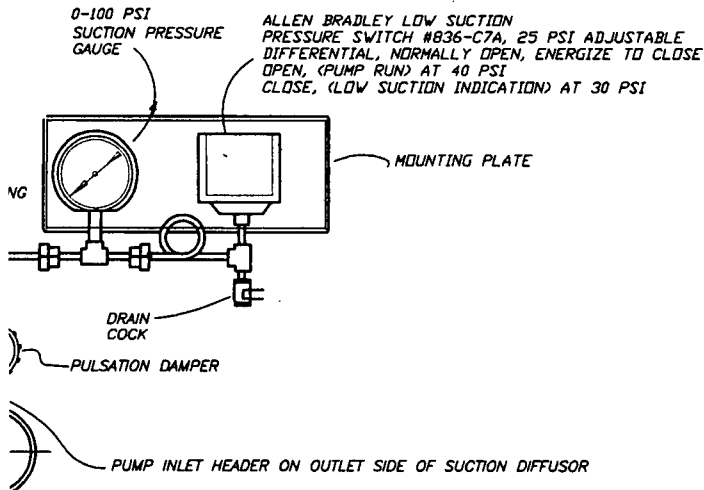
MAIN PUMP STATION
TRI VILLAGE WATER DISTRICT
GASTINEAU AND ASSOCIATES, INC.
 104 Barkley Estates, Nicholasville, KY

PUMP STATION DETAILS		CHK'D	APPR.	DATE
NO.	REVISION			
DRAWN:	CHECKED:			
ACAD FILE: <i>TriVillage/Projects/Station/</i> Village Details	PROJECT NO. 970302			
DATE: September 1998	APPROVED:			
SCALE: AS NOTED				
SHEET NO. 4 OF 5				

ITEM	QUAN.	DESCRIPTION
A	2	PACO 3070-7 80 GPM @ 145 TDH 3" FLGD. DISCHARGE, 4" FLGD. SUCTION, 25 H.P. 3500 RPM, ODP, 230-3-60
1	2	4" VICTAULIC OUTLET COUPLING #75 EPDM GSKT
2	2	3" VICTAULIC OUTLET CPLG #72 EPDM GSKT
3	3	6" APCO SERIES 300 SILENT WAFER CHECK VLV.
4	6	6" CENTERLINE BUTTERFLY VALVE CAST IRON BODY, BRONZE DISC, S.S. STEM, EPDM, 200# RATED, LUG PATTERN
5	2	MUELLER #1011 SUCTION DIFFUSOR, 6"x4", 125# FLANGED CAST IRON BODY, S.S. SCREEN,



LARGE GAUGE-SWITCH PANEL DETAIL -



SUCTION GAUGE-SWITCH PANEL DETAIL -

(1) REQUIRED EACH PUMP

RECORD PLANS

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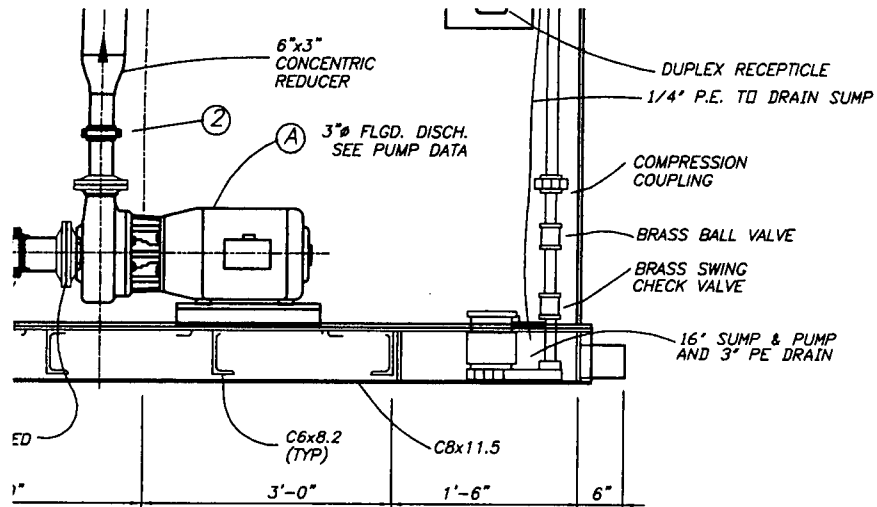
FIELD REPRESENTATIVE *W.L. Baling Jr.* DATE *12/30/00*
APPROVED FOR PRINTING

PROJECT ENGINEER *R. R. ...* DATE *12/30/00*

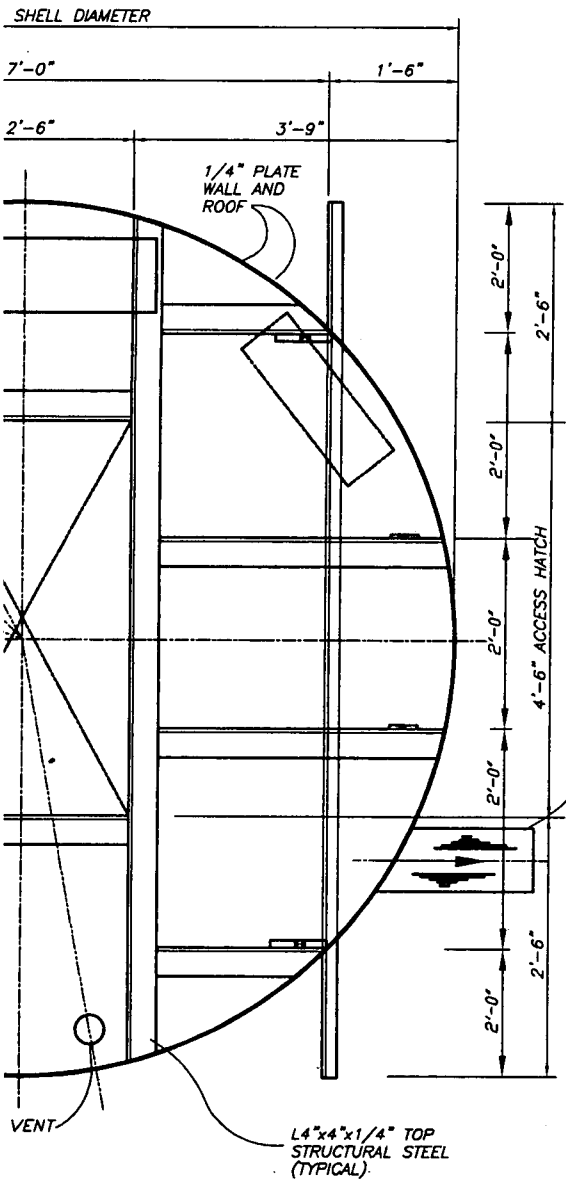
MAIN PUMP STATION
TRI VILLAGE WATER DISTRICT

GASTINEAU AND ASSOCIATES, INC.
104 Barkley Estates, Nicholasville, KY

APPR.	DATE

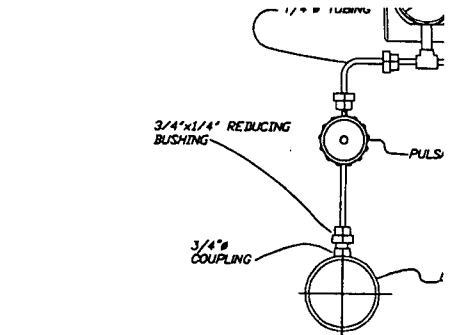


SECTION VIEW "A-A"

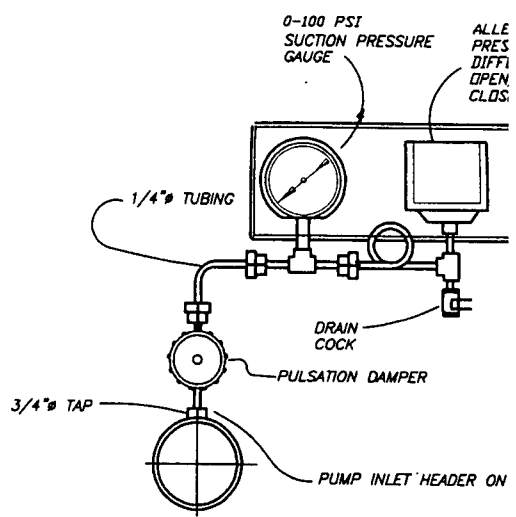


VIEW-

ng Pump Station



-DISCHARGE GAUGE-SWIT



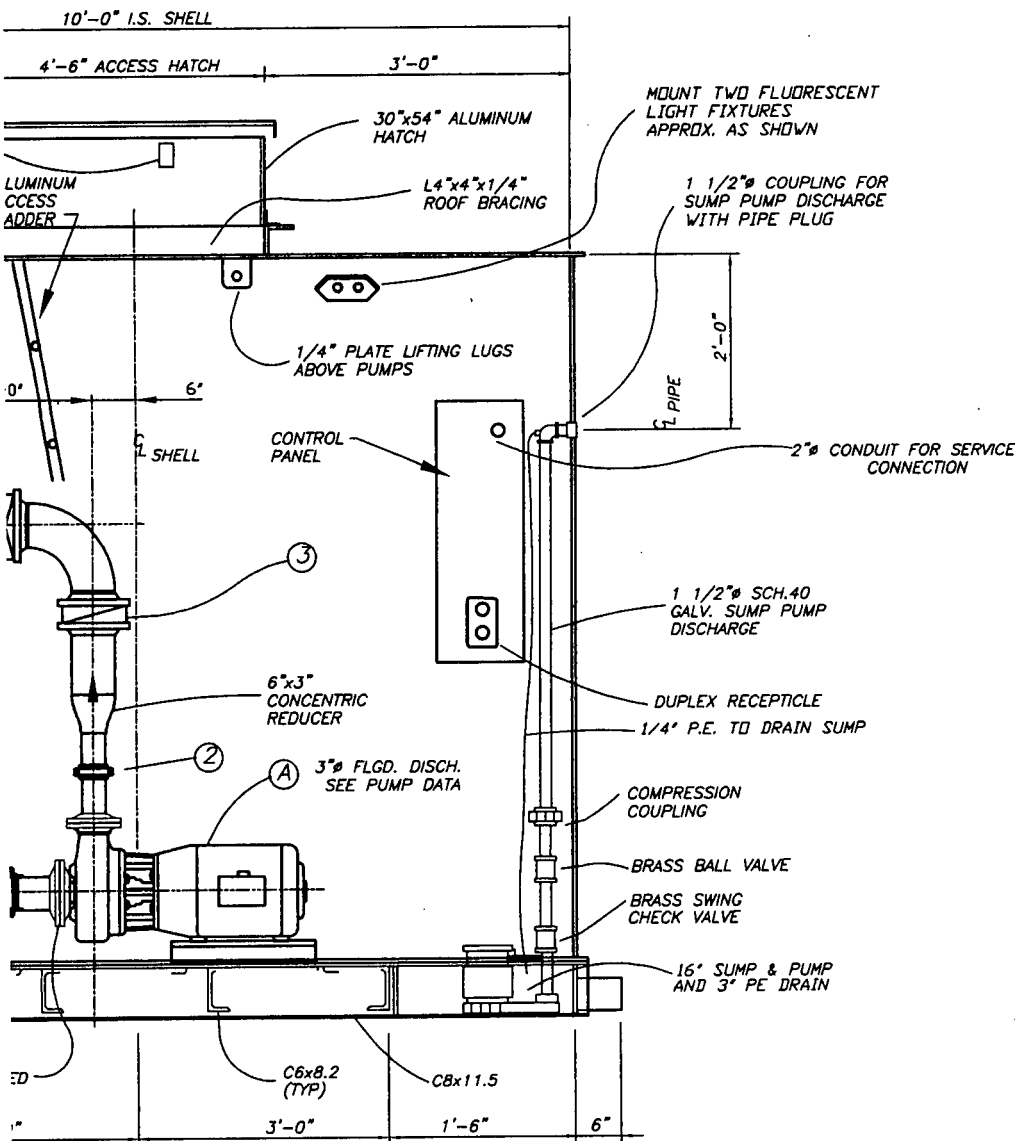
-SUCTION PRESSURE GAUGE-S
(1) REQUIRED EAC

-NOTES-

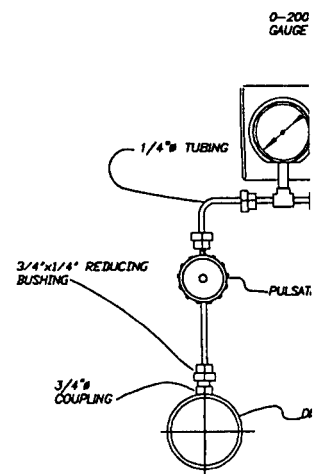
1. PUMP CHAMBER SHELL, TOP, BOTTOM AND STRUCTURE
2. ALL PIPING TO BE SCH. 40 BLACK STEEL CONFORM
3. SCALE TO BE AS NOTED ON VIEWS
4. ALL VALVE HANDLES TO BE ROTATED AS REQUIRED
5. ALL PIPING TO BE SUPPORTED AS SHOWN
6. ALL ELECTRICAL CONDUIT TO BE SCH. 40 PVC W

EXTEND 6\"/>

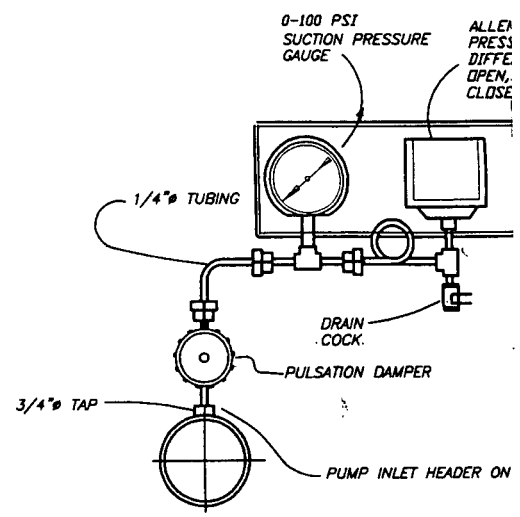
L4\"/>



ITEM	QUAN.	
A	2	PACO 3070-3" FLGD. L 25 H.P. 35C
1	2	4" VICTAULI
2	2	3" VICTAULI
3	3	6" APCO SI
4	6	6" CENTER CAST IRON E EPDM, 200#
5	2	MUELLER #11 FLANGED CAS

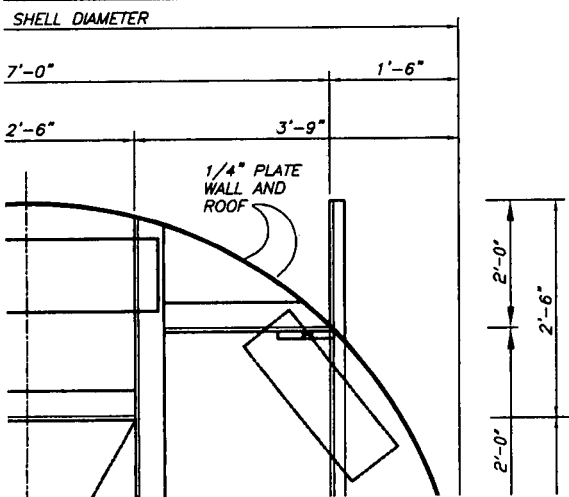


-DISCHARGE GAUGE-SWIT

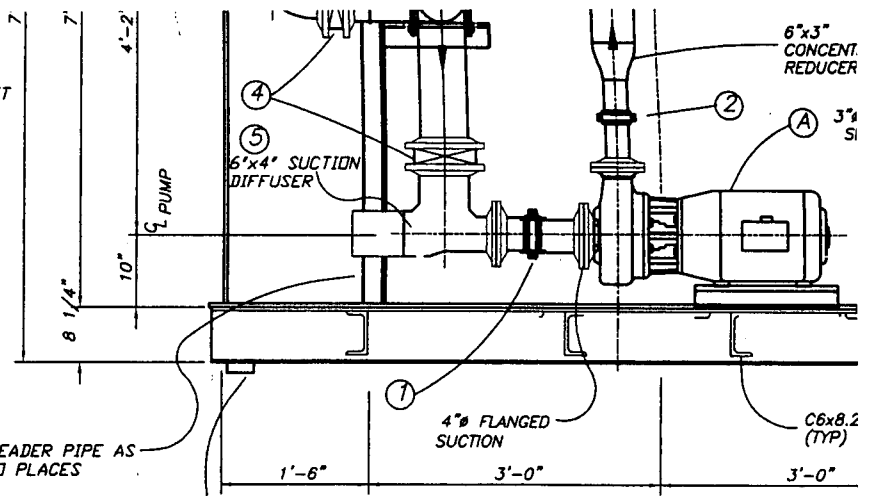
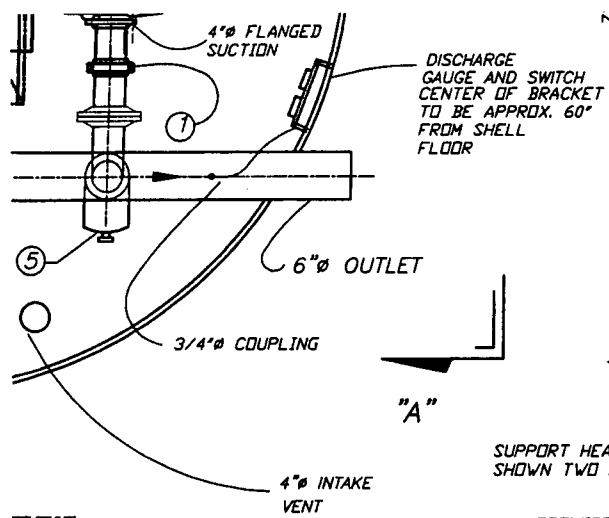


-SUCTION PRESSURE GAUGE-S (1) REQUIRED EACH

SECTION VIEW "A-A"

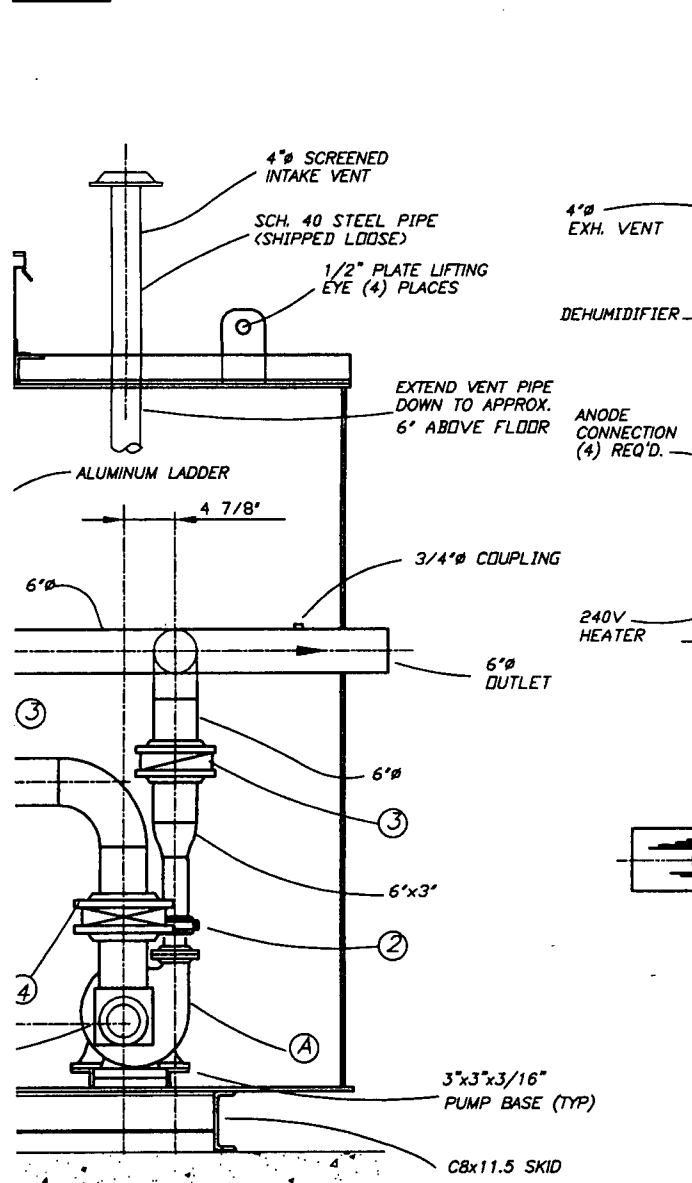


-NOTES-

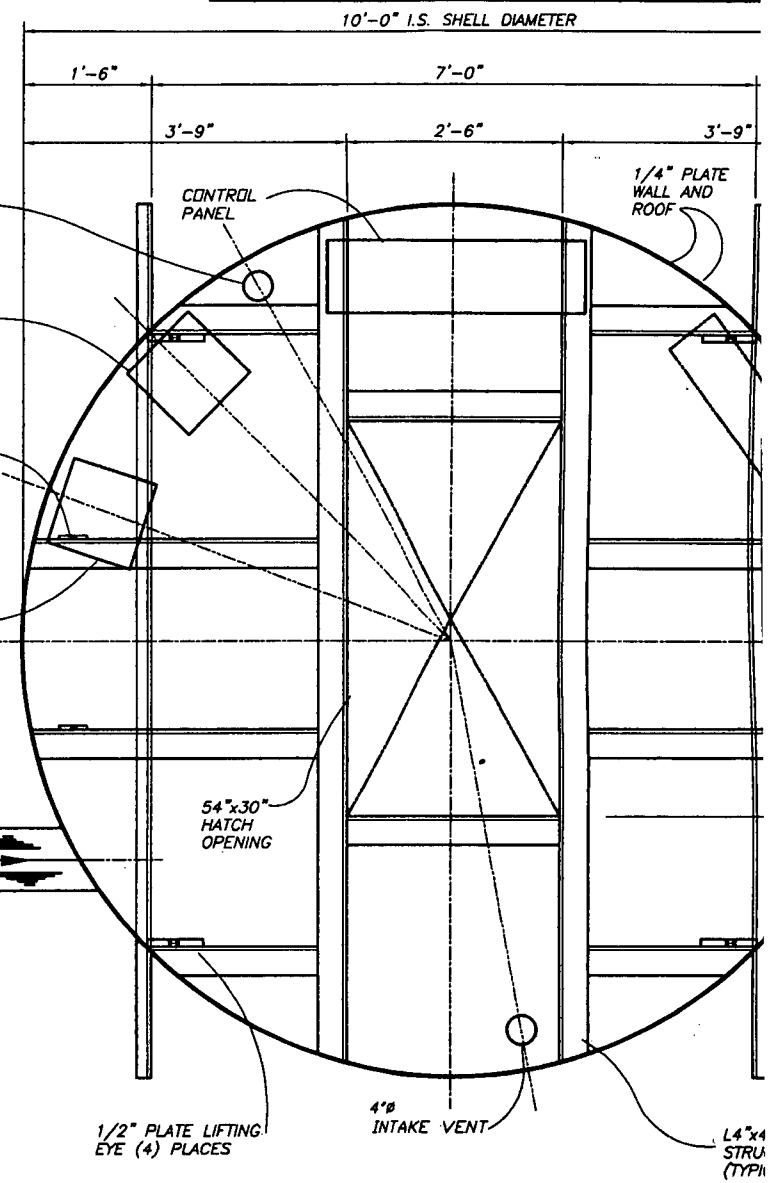


-ELEVATION VIEW

EW



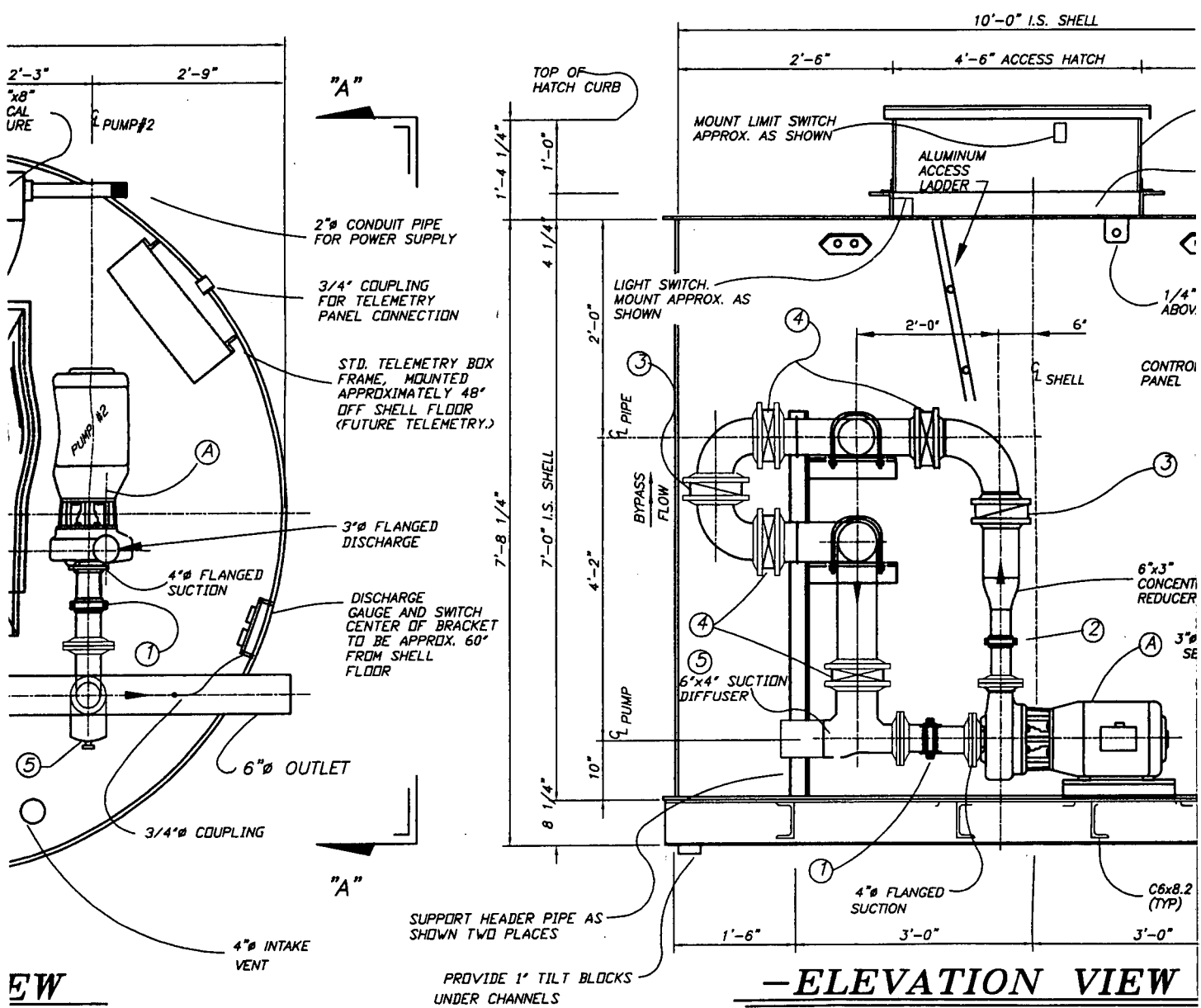
VIEW-



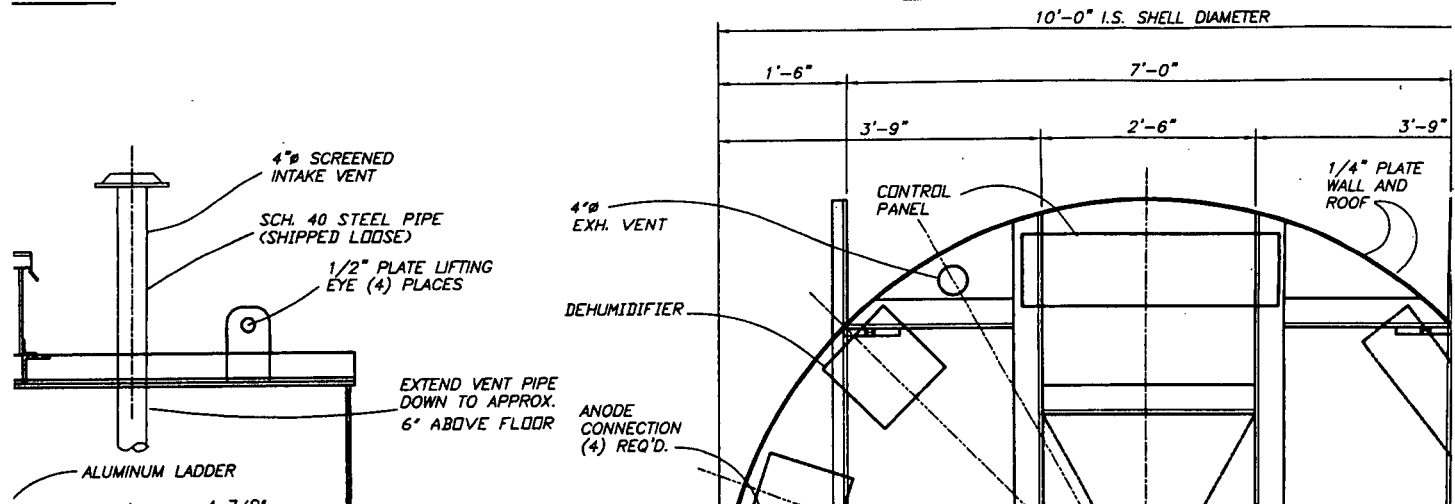
-TOP VIEW-

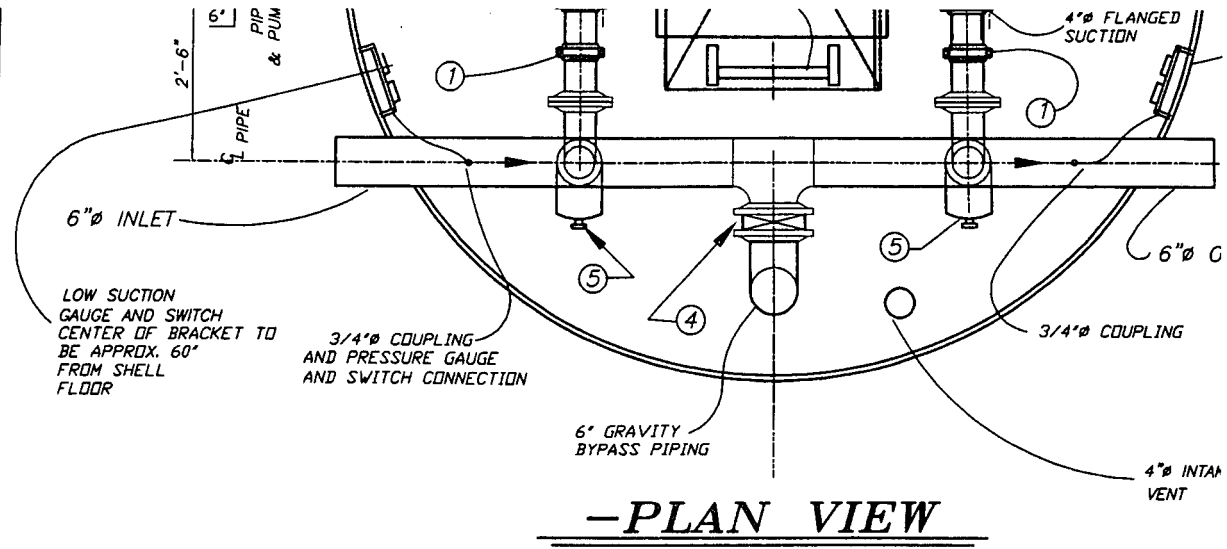
AL	DISCH. SIZE	SUCT. SIZE
60	3" 125# FLANGED	4" 125# FLANGED

Underground Water Boosting Pump

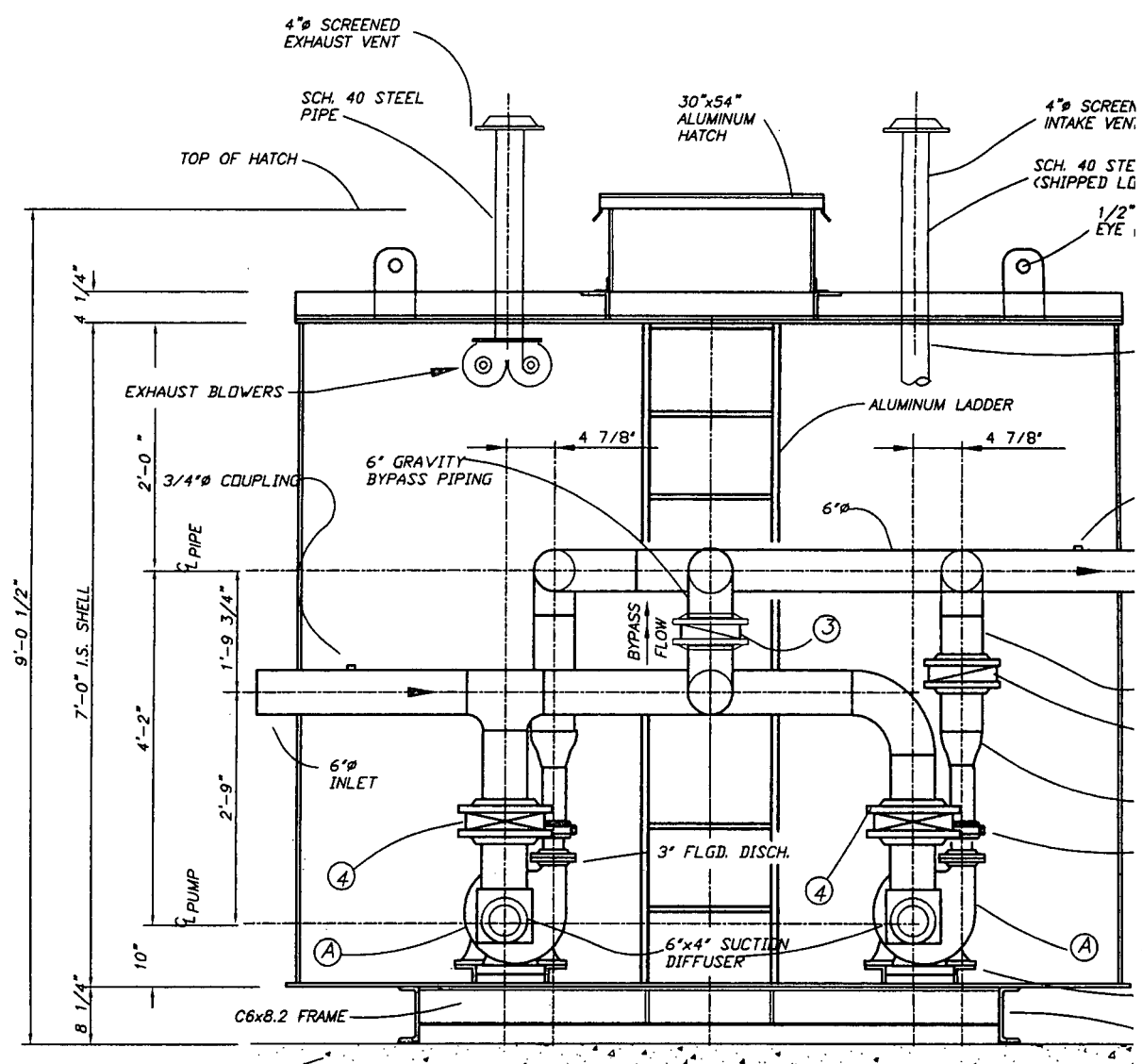


EW





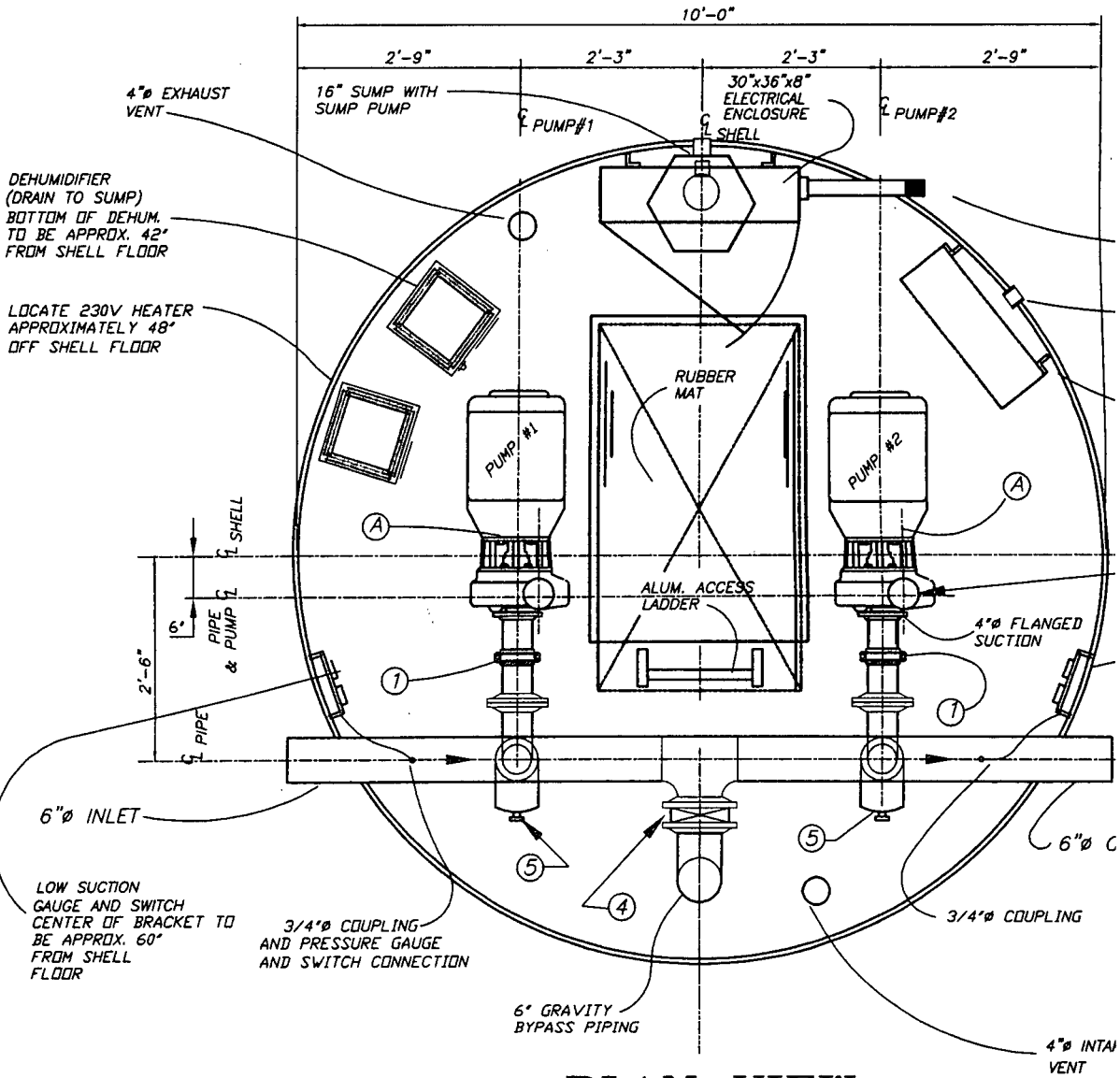
-PLAN VIEW



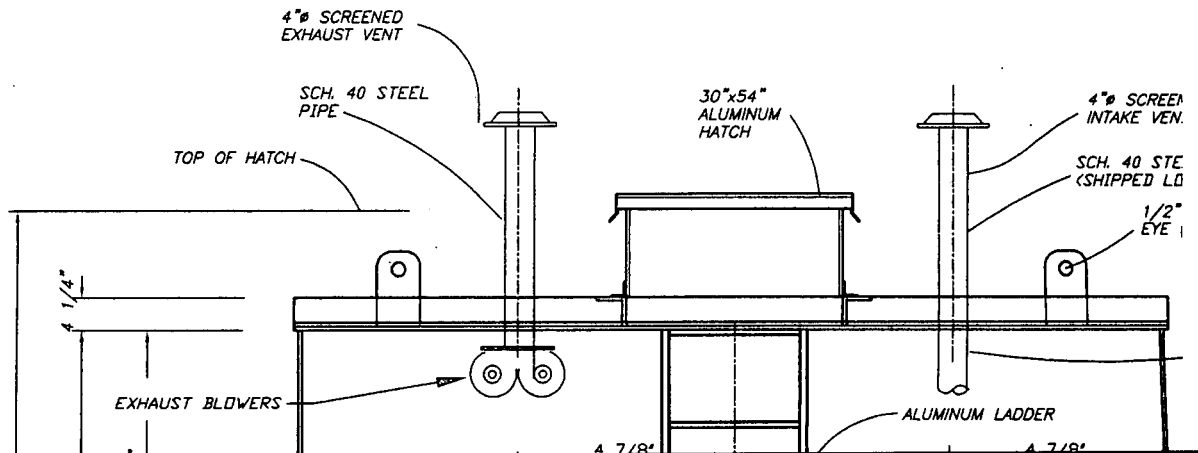
-ELEVATION VIEW-

PUMP	MANUFACTURER	GPM	TDH	RPM	H.P.	ELECTRICAL	DISCH. SIZE	SUCT. SIZE
A	PACO 3070-7	225	130	3500	25	230-3-60	3" 125# FLANGED	4" 125# FLANGED
	(FUTURE IMPELLERS)	430	130					

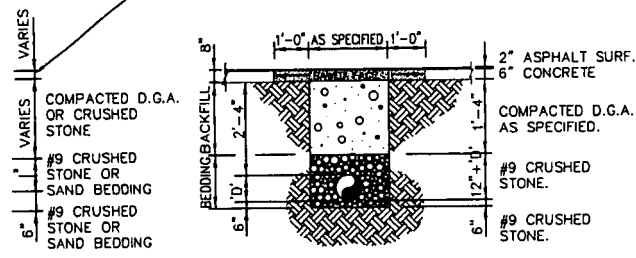
Ur



-PLAN VIEW

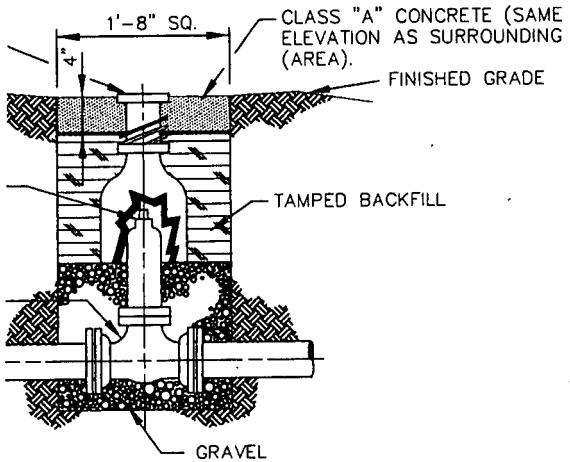


CLASS 1, ASPHALT CONCRETE
PAVED AREAS.
CLASS 2, ASPHALTIC CONCRETE IN GRAVEL SURFACE.
CLASS 3, ASPHALTIC CONCRETE BASE IN GRAVEL SURFACE.
CLASS 4, ASPHALTIC CONCRETE BASE IN GRAVEL SURFACE.
CLASS 5, ASPHALTIC CONCRETE BASE IN GRAVEL SURFACE.



SECTION "A" - "A"
(IN STATE ROAD WHERE TRENCHING PERMITTED.)

AND
TTED.)



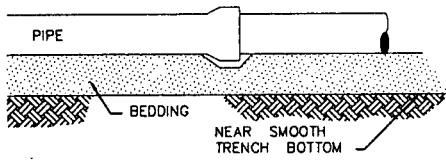
GATE VALVE SETTING
N.T.S.

R.E.C.
THESE RECORD PLANS HAVE
BEEN CHECKED FOR CONFORMANCE
WITH THE SPECIFICATIONS AND
STANDARD PRACTICES OF THE
INDUSTRY. THE DESIGNER AND
CONTRACTOR ARE RESPONSIBLE FOR
ANY ERRORS.
FIELD REPRESENTATIVE *W*
APPF
PROJECT ENGINEER *Red*

TANK SUPPLY LINE
TRI VILLAGE WATER DISTRICT
GASTINEAU AND ASSOCIATES, Inc.
104 Barkley Estates, Nicholasville, KY

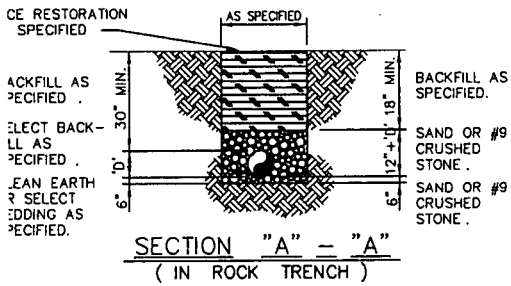
REVISION	NO.	CHK'D	APPR.	DATE

DRAWN:	CHECKED:
ACAD FILE: <i>Details</i>	PROJECT NO. 970302
DATE: Sept. 1998	APPROVED:
SCALE: AS NOTED	
SHEET NO. 5 OF 5	

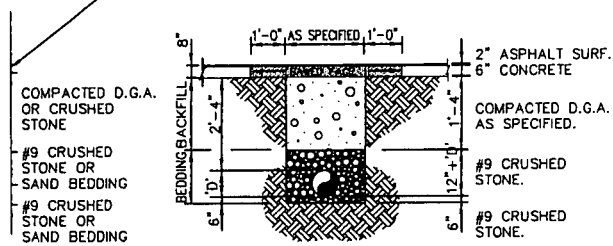


LAYING DETAIL

N.T.S.

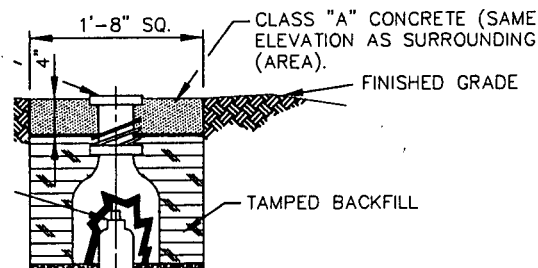


- ASPHALT SURFACE OVER
- ASPHALT CONCRETE
- PAVED AREAS.
- COMPACTED D.G.A. IN GRAVEL SURFACE.
- ASPHALTIC CONCRETE BASE IN
- AS ONLY.



SECTION "A" - "A"
(IN STATE ROAD WHERE TRENCHING PERMITTED.)

AND
D.)



TANK SUPPLY LINE
TRI VILLAGE WATER DISTRICT
GASTINEAU AND ASSOCIATES, Inc.
104 Barkley Estates, Nicholasville, KY

RECORD PLANS
THESE RECORD PLANS HAVE BEEN PREPARED IN PART, ON THE BASIS OF INFORMATION COMPILED AND FURNISHED BY OTHERS AND MAY BE AN ESTIMATE OR APPROXIMATION OF THE LOCATION AND OR CONFIGURATION. GASTINEAU AND ASSOC. INC., THEREFORE WILL NOT BE RESPONSIBLE FOR ANY ERRORS OR OMISSIONS INCORPORATED HEREIN.

FIELD REPRESENTATIVE *W. E. B. B. B.* DATE *6/28/00*

APPROVED FOR PRINTING

PROJECT ENGINEER *R. E. B. B.* DATE *10/30/00*

APPR. DATE

2'-0"	1'-0"	2'-0"	1'-0"	4'-0"	2'-0"
0'-0"	1'-0"	2'-0"	1'-0"	3'-0"	3'-0"

BLOCK DETAIL

N.T.S.

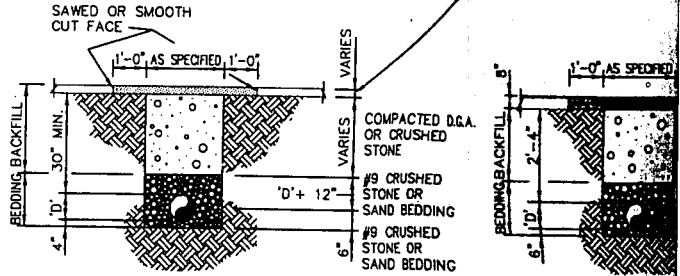
SECTION "A" = "A"

(IN EARTHEN TRENCH)

SECTION "A" = "A"

(IN ROCK TRENCH)

- 2" CLASS I, ASPHALT SURFACE OVER 3" OF CLASS I, ASPHALT CONCRETE BASE IN PAVED AREAS.
- 6" COMPACTED O.G.A. IN GRAVEL SURFACE.
- 6" CONCRETE IN CONCRETE SURFACES.
- 3" CLASS I, ASPHALTIC CONCRETE BASE IN PAVED AREAS ONLY.

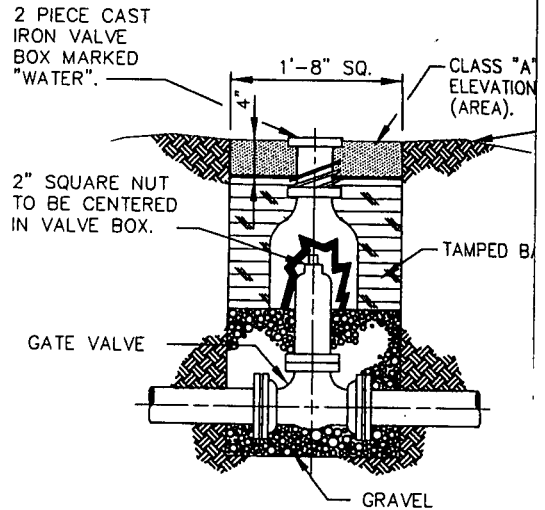


SECTION "A" = "A"

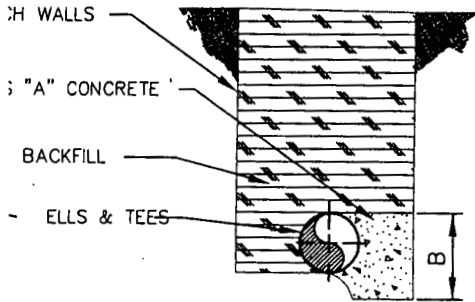
(IN COUNTY ROAD, CITY STREET, AND DRIVEWAYS WHERE TRENCHING PERMITTED.)

SECTION "A"

(IN STATE ROAD TRENCHING PERMITTED.)



TYPICAL GATE VALVE SET



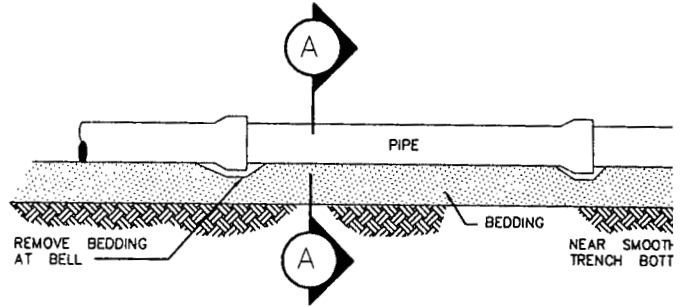
SECTION "A" - "A"

BLOCK SCHEDULE

D	22° BEND		11° BEND		TEE	
	A	B	A	B	A	B
1'-0"	2'-0"	1'-0"	2'-0"	1'-0"	2'-0"	1'-0"
2'-0"	1'-0"	2'-0"	1'-0"	3'-0"	2'-0"	1'-0"
3'-0"	1'-0"	2'-0"	1'-0"	4'-0"	2'-0"	1'-0"
4'-0"	1'-0"	2'-0"	1'-0"	5'-0"	3'-0"	1'-0"

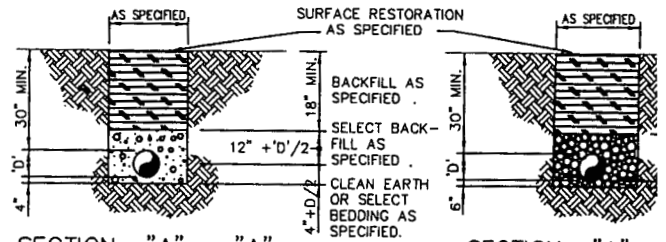
BLOCK DETAIL

N.T.S.



TYPICAL PIPE LAYING DETAIL

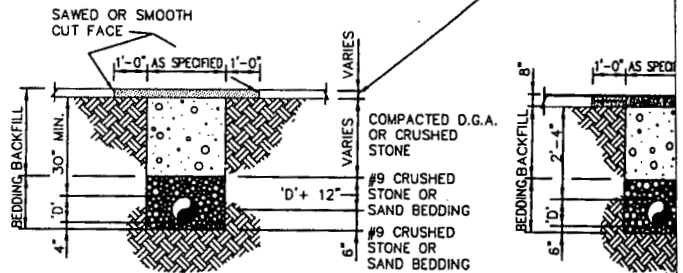
N.T.S.



SECTION "A" - "A"
(IN EARTHEN TRENCH)

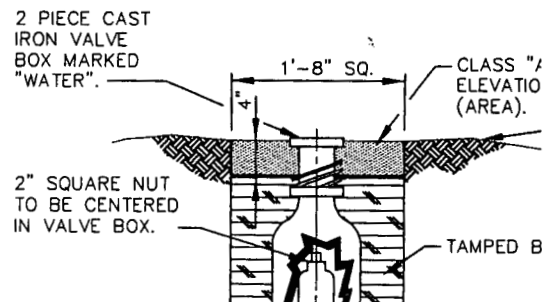
SECTION "A" -
(IN ROCK TRENCH)

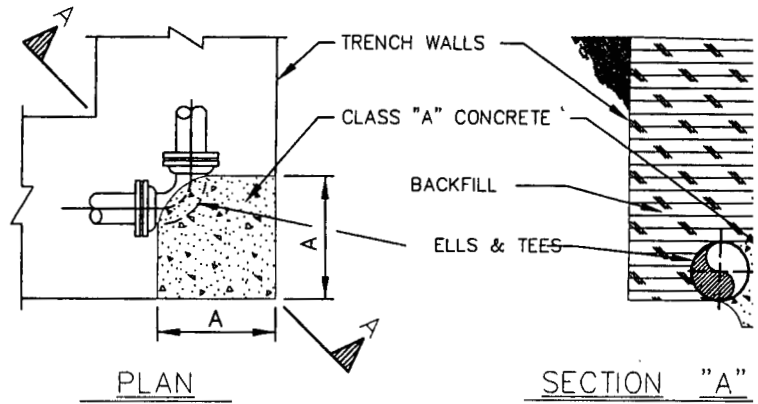
- 2" CLASS I, ASPHALT SURFACE OVER 3" OF CLASS I, ASPHALT CONCRETE BASE IN PAVED AREAS.
- 6" COMPACTED D.G.A. IN GRAVEL SURFACE.
- 6" CONCRETE IN CONCRETE SURFACES.
- 3" CLASS I, ASPHALTIC CONCRETE BASE IN PAVED AREAS ONLY.



SECTION "A" - "A"
(IN COUNTY ROAD, CITY STREET, AND DRIVEWAYS WHERE TRENCHING PERMITTED.)

SECTION "A"
(IN STATE ROAD TRENCHING PERMITTED)





THRUST BLOCK SCHEDULE

PIPE SIZE	90° BEND		45° BEND		22½° BEND		11¼° BEND		TEE		
	A	B	A	B	A	B	A	B	A	B	
4"	2'-0"	1'-0"	2'-0"	1'-0"	2'-0"	1'-0"	2'-0"	1'-0"	2'-0"	1'-0"	
6"	2'-0"	1'-0"	2'-0"	1'-0"	2'-0"	1'-0"	2'-0"	1'-0"	3'-0"	1'-0"	
8"	3'-0"	1'-0"	2'-0"	1'-0"	2'-0"	1'-0"	2'-0"	1'-0"	3'-0"	2'-0"	
10"	3'-0"	1'-0"	2'-0"	1'-0"	2'-0"	1'-0"	2'-0"	1'-0"	4'-0"	2'-0"	
12"	3'-6"	2'-0"	2'-0"	2'-0"	2'-0"	2'-0"	1'-0"	2'-0"	1'-0"	5'-0"	3'-0"

THRUST BLOCK DETAIL
N.T.S.