

Steven L. Beshear
Governor

Leonard K. Peters
Secretary
Energy and Environment Cabinet



Commonwealth of Kentucky
Public Service Commission
211 Sower Blvd.
P. O. Box 615
Frankfort, Kentucky 40602-0615
Telephone: (502) 564-3940
Fax: (502) 564-3460
psc.ky.gov

David L. Armstrong
Chairman

James Gardner
Vice Chairman

Charles R. Borders
Commissioner

Max Parks
South 641 Water District (Sewer Division)
P. O. Box 126
207 Main Street
Hazel, KY 42049

August 28, 2009

RE: Case No. 2009-00349
South 641 Water District (Sewer Division)
(Construct; 278.023)

This letter is to acknowledge receipt of initial application in the above case. The application was date-stamped received August 28, 2009 and has been assigned Case No. 2009-00349. 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,

A handwritten signature in black ink, appearing to read "J. Derouen".

Jeff Derouen
Executive Director

JD/tw

RECEIVED
AUG 28 2009
PUBLIC SERVICE
COMMISSION

South 641 Water District
Application for a Certificate of Public Convenience and Necessity – Sewer
Wastewater Treatment Plant Improvements and Lift Station Construction

Original copy of the application includes a description for the following filing requirements:

- Cover letter from Chairman Max Parks
- 807 KAR 5:001: Section 8 (1)
- 807 KAR 5:001: Section 8 (2)
- 807 KAR 5:001: Section 8 (3)
- 807 KAR 5:001: Section 9 (2) a through f
- 807 KAR 5:071: Section 3 (1) a through m
- Three Color Copies of a 11 x 17 Map showing the proposed system improvements (807 KAR 5:001: Section (9) (2) d
- Three Color Copies of a 11 x 17 Map showing the existing collection system (807 KAR 5:071: Section (3) (1) c
- Exhibits A through G with attachments

For the 10 copies, the application includes a description for the following filing requirements:
(the copies of the maps are not included)

- Cover letter from Chairman Max Parks
- 807 KAR 5:001: Section 8 (1)
- 807 KAR 5:001: Section 8 (2)
- 807 KAR 5:001: Section 8 (3)
- 807 KAR 5:001: Section 9 (2) a through f
- 807 KAR 5:071: Section 3 (1) a through m
- Exhibits A through G with attachments

The Project Engineer, Florence & Hutcheson, has submitted three copies of the plans and specs directly to the Public Service Commission.

South 641 Water District

P.O. Box 126
Hazel, KY 42049
(270) 492-8857

August 20, 2009

Jeff DeRouen
Executive Director
Kentucky Public Service Commission
P.O. Box 165
211 Sower Blvd.
Frankfort, KY 40602-0615

RE: South 641 Water District - Kentucky Public Service Commission
Application for a CPCN for a Sewer Improvements Construction Project:
Wastewater Treatment Plant Improvements and Lift Station Construction

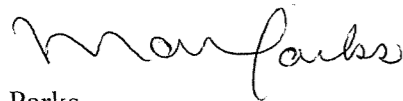
Dear Mr. DeRouen:

Enclosed please find an original and ten copies of the South 641 Water District's application for a Certificate of Public Convenience and Necessity to construct a sewer improvements project pursuant to KRS Chapter 278. Also enclosed are eleven copies of the exhibits, three maps to suitable scale showing the proposed system improvements, and three maps showing the existing collection system. The engineering firm, Florence & Hutcheson, has prepared the plans and specifications and sent three copies directly to the Public Service Commission.

The Water District has been working with Florence & Hutcheson and the Purchase Area Development District on this project. This project is a priority for the South 641 Water District. The improvements are necessary for the wastewater system to operate efficiently and maintain compliance with its KPDES permit. The project needs to move forward in a timely manner because the project design has been approved, all funds are committed, and the project addresses Notice of Violations that the Water District has received from Kentucky Division of Water. The South 641 Water District will also be advertising for bids in the coming month.

Thank you for your assistance with this matter. If you have questions or need additional information, please feel free to contact the wastewater operator, Hank Stanfield, at the Water District at (270) 492-8857 or the project administrator, Kim DeRenard at the Purchase Area Development District (270) 251-6188.

Sincerely,



Max Parks
Chairman

South 641 Water District
Application for a Certificate of Public Convenience and Necessity – Sewer
Wastewater Treatment Plant Improvements and Lift Station Construction

1) 807 KAR 5:001: Section 8 (1)

South 641 Water District
P.O. Box 126
200 Main Street
Hazel, KY 42049
270-492-8857 phone
270-492-8562 fax

KRS 278.020 requires a utility beginning construction to obtain a Certificate of Public Convenience and Necessity.

2) 807 KAR 5:001: Section 8 (2)

10 copies of this application are attached.

3) 807 KAR 5:001: Section 8 (3)

Attached as Exhibit A is the documentation for the incorporation of the South 641 Water District, Enclosed is the following:

- 1) South 641 Water District Rules and Regulation/Bylaws
- 2) Petition for Creation of South 641 Water District
- 3) Case No. 6874 – Petition of five residents for the establishment of a Water district
- 4) Order Establishing and Creating a Water District – South 641 Water District
- 5) Order Appointing Three Water District Commissioners
- 6) Opinion of Due Incorporation and Continued Existence of Water District
- 7) Acceptance of Franchise
- 8) Ordinance relating to Franchise
- 9) Deed and Bill of Sale

4) 807 KAR 5:001: Section 9 (2) (a)

The Water District has received Notice of Violations (NOV) regarding its wastewater system. On 2/1/06 the Water District received a NOV for using an unapproved form of disinfection (tablet chlorination) and for not using an effluent flow meter. On 7/27/2007, the Water District received a Notice of Violation for Discharge Monitoring Report (DMR) Violations because of fecal coliform excursion reported on the reports. On 8/29/2008, the Water District received a notice of violation for Discharge Monitoring Report Violations due to fecal coliform, suspended solids removal, percent Biochemical oxygen demand (BOD), and total suspended solid excursions. The remedial measures required by Kentucky Division of Water are for the Water District to work with a professional engineer to upgrade the wastewater treatment plant and collection system as required. The engineer, Florence & Hutcheson, has completed design for the Wastewater Treatment Plant Improvements and influent lift station construction. The proposed project is necessary for the South 641 Water District to address the Notice of Violations and be in compliance with its KPDES permit. The project will construct a liquid-feed

disinfection system and effluent flow meter. Improvements will be made to the stream monitoring structure and the influent lift station will be replaced.

The South 641 Water District did not have the financial means to take on this large project. The South 641 Water District has worked diligently with the City of Hazel to pursue and obtain grant funding for the project. The South 641 Water District will utilize grant funding from Community Development Block Grant, EPA Special Appropriation Grant, Kentucky Infrastructure Authority Budget line items from HB 380 and HB 608. This project is necessary for the Water District to continue to operate the wastewater system in an efficient manner and maintain compliance with its KPDES permit.

5) 807 KAR 5:001: Section 9(2)(b)

There are no franchises associated with the wastewater system for this proposed project.

Attached to this application as Exhibit B are the following permits for the project:

- 1) Construction Permit Application for Improvements to the South 641 WWTP
- 2) Stream Construction Permit
- 3) Department of the Army Permit

Attached as Exhibit C is a copy of the Easement and Site Certificate

6) 807 KAR 5:001: Section 9(2)(c)

Attached to this application as Exhibit D is an explanation of the project activities for the wastewater treatment plant improvements and lift station construction project. The project engineer has compiled a description for the Influent lift station, wastewater lagoon, disinfection chamber & chemical building, and weir in Clarks River. The project engineer also included a copy of the groundwater protection plan completed as part of this project.

The project engineer, Florence & Hutcheson has submitted three copies of the project plans and specs directly to the PSC for this project.

7) 807 KAR 5:001: Section 9(2)(d)

Three maps showing the location of the proposed upgrades to the wastewater system is attached.

The project engineer, Florence & Hutcheson has submitted plans and specs directly to the PSC for this project.

8) 807 KAR 5:001: Section 9(2)(e)

The project will involve grant funding. All grant funds have been approved. There are two parts to the wastewater project. Part I (which the Water District is currently applying for a certificate of public convenience and necessity) is for the WWTP Improvements and Lift Station Project. Part II will include Sewer Rehabilitation to reduce inflow and infiltration. The Sewer Rehab portion is currently under design; this portion will be submitted for a certificate at a later date. The two parts have a total project cost of \$940,600.

The project funding involves the following:

Community Development Block Grant	\$440,000
EPA Special Appropriations grant	\$240,600
KIA grant funds from HB 380	\$200,000
KIA grant funds from HB 608	<u>\$60,000</u>
	\$940,600

9) 807 KAR 5:001: Section 9(2)(f)

Projected O&M Cost for Sewer System after Completion of WWTP Improvements and Lift Station Construction Project: No increase in operation and maintenance expenses is anticipated with this project.

The 2008 Total Sewer Operation and Maintenance Expenses were \$50,392 based on the Auditors February 6, 2009 letter and report. See Exhibit E for the Balance sheets and Statements of Revenues and Expenses for the Sewer Division as of December 31, 2008 and 2007.

The Water District will not borrow monies to complete the project. The South 641 Water District will utilize grant funds to complete the project.

10) 807 KAR 5:071: Section 3(1)(a)

This project will be funded by grants therefore an increase in the sewer rates is not necessary. The Water District is committed to providing water and wastewater service to its customers. The improvements to the wastewater system will extend the useful life of the system and will insure continuity of sewer service.

11) 807 KAR 5:071: Section 3(1)(b)

Attached as Exhibit F is a copy of the Kentucky Division of Water construction permit

12) 807 KAR 5:071: Section 3(1)(c)

Three copies of a Detailed map of the sewage treatment facilities is attached

13) 807 KAR 5:071: Section 3(1)(d)

Detailed cost of construction:

Attached as Exhibit G is an updated engineer's construction cost estimate. The opinion of probable cost is dated August 2009 for the Wastewater Treatment Plant Improvements project. Also attached as Exhibit G, is a breakdown of all costs associated with the \$940,600 project funding.

14) 807 KAR 5:071: Section 3(1)(e)

Financial exhibit as described in Section 6 of 807 KAR 5:001:

See Attached Exhibit E which includes:

- 1) Sewer Annual Report for Calendar Year ended December 31, 2008
- 2) Balance sheets and Statements of Revs and Expenses for Water and Sewer Division as of December 31, 2008 and 2007
- 3) South 641 Water District Audit from December 31, 2007
- 4) Annual Budget 01-01-2009 to 12-31-2009

15) 807 KAR 5:071: Section 3(1)(f)

The upgrades to the wastewater system will be funded by grants from the following agencies: Community Development Block Grant \$440,000, EPA Special Appropriations Grant \$200,000, Kentucky Infrastructure Authority Budget Line Item HB 380 \$200,000 and HB 608 \$60,000. There will be no increase in the wastewater rates as a result of this project.

16) 807 KAR 5:071: Section 3(1)(g)

Estimated Cost of Operation after the proposed facilities are completed, no increase in operations is anticipated with this project. The Water District will not borrow monies to complete the project. The South 641 Water District will utilize grant funds to complete the construction project.

17) 807 KAR 5:071: Section 3(1)(h)

The project will involve improvements to the wastewater treatment plant and lift station construction. The improvements will benefit the wastewater customers served by the South 641 Water District.

Customer Statistics:

Sewer System

Residential	199
Commercial	<u>25</u>

Total: 224

Average Monthly Water Consumption

Residential & Commercial	Average usage 3200 gallons
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18) 807 KAR 5:071: Section 3(1) i, j, k

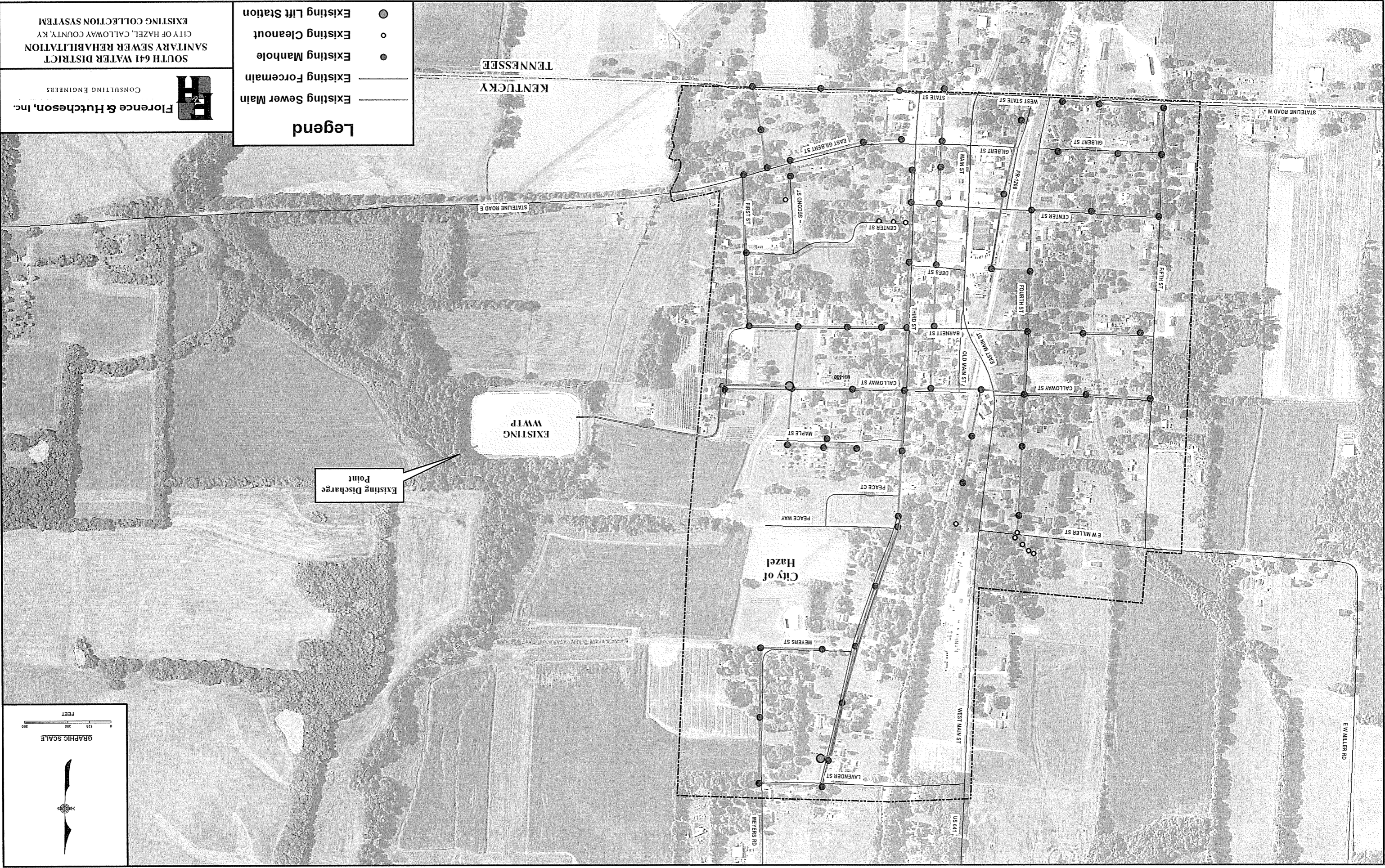
A change in the rates is not sought by the applicant so the section (3) (1) i, j, and k are not applicable to this project application.

19) 807 KAR 5:071: Section 3(1) l

The Purchase Area Development District provides administrative staff for the South 641 Water District for the purposes of administering the grant funds for this sewer project.

20) 807 KAR 5:071: Section 3(1) m

The project will not involve the increase in rates because the project will be funded with a number of grant funds.



Legend

- Existing Sewer Main
- Existing Foremain
- Existing Manhole
- Existing Cleanout
- Existing Lift Station

Florence & Hutcheson, Inc.
CONSULTING ENGINEERS

**SOUTH 641 WATER DISTRICT
SANITARY SEWER REHABILITATION**
CITY OF HAZEL, CALLOWAY COUNTY, KY
EXISTING COLLECTION SYSTEM

GRAPHIC SCALE

0 100 200 300 FEET

**EXISTING
WWP**

**Existing Discharge
Point**

**City of
Hazel**

KENTUCKY

TENNESSEE



City of Hazel

PEACE WAY

PEACE CT

MAPLE ST

CALLOWAY ST

BARNETT ST

CENTER ST

SECOND ST

FIRST ST

THIRD ST

PROPOSED LIFT STATION

PROPOSED WWTP IMPROVEMENTS

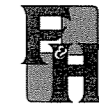
EXISTING WWTP

Existing Discharge Point

Proposed Discharge Point

Legend

- Existing Sewer Main
- Existing Forcemain
- Existing Manhole
- Existing Cleanout
- ⊙ Existing Lift Station



Florence & Hutcheson, Inc.
CONSULTING ENGINEERS

**SOUTH 641 WATER DISTRICT
SANITARY SEWER REHABILITATION**
CITY OF HAZEL, CALLOWAY COUNTY, KENTUCKY
PROPOSED SYSTEM IMPROVEMENTS

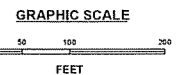


Exhibit A

807 KAR 5:001: Section 8(3)

- 1) South 641 Water District Rules and Regulation/Bylaws
- 2) Petition for Creation of South 641 Water District
- 3) Case No. 6874 – Petition of five residents for the establishment of a Water district
- 4) Order Establishing and Creating a Water District – South 641 Water District
- 5) Order Appointing Three Water District Commissioners
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- 7) Acceptance of Franchise
- 8) Ordinance relating to Franchise
- 9) Deed and Bill of Sale

BY-LAWS, RULES, AND REGULATIONS OF
THE "SOUTH 641 WATER DISTRICT" OF
CALLOWAY COUNTY, KENTUCKY, AS
ADOPTED ON NOVEMBER 3, 1980.

The Commission of the above-named Water District, at a meeting held on the date stated above, adopted the following By-Laws and Regulations:

PART I - BY-LAWS

ARTICLE 1. NAME. The name of the District is set out in the caption hereof. The principal office of this District shall be located at the place indicated below in this Article, but the District may maintain offices and places of business at such other places within the State as the Commissioners may determine.

The principal office and place of business of this District and the place where water and sewer bills shall be paid, shall be as follows:

City Hall Building, Hazel, Kentucky

ARTICLE 2. SEAL. The Seal of the District shall have inscribed thereon the name of the District and such other inscription as the Commissioners may designate and adopt. The Secretary of the District shall have custody of the Seal. Said Seal is affixed hereto at the place indicated in this Article. (Seal of District)

ARTICLE 3. MEMBERSHIP. The customers are the members of this District. The duties of the members are set out hereinafter.

ARTICLE 4. COMMISSIONERS. The Commission is a body corporate as provided by KRS 74.070 and is created and its powers and duties are coincident with applicable Kentucky Statutes. The business and affairs of the District shall be conducted by Commissioners who have been appointed pursuant to statute. In view of the present statutory requirements that the Commissioners of the District be selected by the County Judge/Executive of the County referred to in the caption hereof, the customers at the last monthly meeting held in the year prior to the selection of each Commissioner, may by motion of any customer, adopt a motion recommending the names of three or less members of the District for consideration by the County Judge/Executive (with the approval of the Fiscal Court), with the request that one of such members be selected as a Commissioner. Such meeting date shall be determined by the provisions of Article 5 of these By-Laws.

ARTICLE 5. MEETINGS. The Commissioners shall meet at least once every three months, or at such other regular time as may be fixed by Resolution of the Commission, and at such other times as necessary to conduct business. The Chairman, Secretary, or any Commissioner may call such meetings by written notice to each member of the Commission, to each local newspaper of general circulation, to each news service and to each local radio or television station which has on file with the Commission a written request to be notified of special meetings of the Commission, in accordance with KRS 61.805-991, mailed or delivered at least 24 hours in advance of such meeting.

ARTICLE 6. OFFICERS. Officers shall be elected annually at the first meeting of the fiscal year, but in the event the election is not so held, officers shall continue to hold office until an election is requested by one of the Commissioners.

ARTICLE 7. VACANCIES. Vacancies of the Commission shall be filled by the County Judge/Executive.

ARTICLE 8. SECRETARY'S DUTY. The Secretary of the Commission shall keep and preserve all documents of the District, including all contracts, plans, specifications, and applications for governmental assistance, shall record the Minutes of proceedings of the Commission and perform all duties customarily performed by a Secretary of a public body.

ARTICLE 9. TREASURER'S DUTY. The Treasurer of the Commission shall pay out the funds of the Commission only upon presentation of warrants signed by the Chairman and countersigned by the Secretary of the Commission. As compensation for his services the Treasurer shall receive an amount fixed by the Commission, not to exceed two hundred dollars. He shall execute bond to the Commission in an amount fixed by the Commission.

ARTICLE 10. POWERS. The Commission may acquire and install pipe, mains, water laterals, sewage collection lines, and operate a water and sewer system for the District. The Commission shall be a body corporate for all purposes, and may make contracts for the water district with municipalities and persons for a water supply, and for the sale of water and sewer services and for all other purposes connected with its business. It may prosecute and defend suits, hire necessary employees, including Commissioners, for duties to which their salary limitation herein shall not apply, and do all acts necessary to carry on the work. It may establish and revise a fiscal year. The Commission shall have all powers granted to Water Districts by the Kentucky Revised Statutes including those set out in KRS Chapter 74 and KRS Chapter 106.

ARTICLE 11. RATES. The Commission may establish and revise water and sewer rates and make reasonable regulations for the disposition and consumption of water and disposal of sewage.

ARTICLE 12. DISPOSITION OF ASSETS. In the event the District terminates business by reason of liquidation or sale of its assets, and in the event there is a sum of money remaining after the District has sold its property and paid its debts of every kind including all bonded indebtedness, then the District shall seek court approval of a distribution of the money based on the following plan:

(a) One-half of said money shall be distributed to the original subscribers, their heirs, devisees, and assigns in direct ratio to the connection fees paid by them prior to construction of the original line;

(b) One-half of said money shall be distributed to each customer, his heirs, devisees, and assigns, who has at any time purchased water from the District in direct ratio to the total water bill the customer paid during the entire operation of the system.

The District does not in any way represent that this means of disposing of the assets of the District in the event of liquidation or sale will be approved by the court.

ARTICLE 13. MISCELLANEOUS. The Commission may acquire a water line or system operating in the District as provided by KRS 74.100.

ARTICLE 14. CONDEMNATION. The Commission may condemn rights of way as provided in KRS 416.010 to 416.080 and KRS 106.220 and 106.240.

ARTICLE 15. CONSENT OF FmHA REQUIRED TO CHANGE BOUNDARIES. So long as the United States is the owner or insurer of any bonds issued by the District, the Commission will not, without the consent of the Farmers Home Administration, United States Department of Agriculture, take any action with respect to diminishing the territorial limits of the District and will notify the Farmers Home Administration of any proposal or petition to diminish the territorial limits of the District as soon as the Commission has acquired knowledge thereof.

ARTICLE 16. TYPES OF BONDS. The Commission may finance the acquisition and the construction of authorized works of improvement by the issuance of (1) special assessment bonds, (2) revenue bonds, or (3) a combined special assessment and revenue bond, payable primarily from water and sewer revenue, supplemented when necessary by special assessments. If the combination special assessment and revenue bond is used, the special assessment will not be levied nor will the lien thereof attach until such time as it is necessary to make up any deficit in the water revenue to meet annual obligations.

ARTICLE 17. REFUNDING BONDS. The Commission may issue refunding bonds as provided by KRS 74.320 and 74.330 and KRS Chapter 106.

ARTICLE 18. TIME RECORDS AS TO DISTRICT EMPLOYEES. The Commission shall keep an account of the time spent by all employees employed on an hourly basis and each item of expense incurred in connection with the District.

ARTICLE 19. FEES AND COMPENSATION OF DISTRICT OFFICERS. The fees of officers for services rendered in such capacity shall be the same as fees now allowed by law for similar services in other cases. Such fees shall be taxed as a part of the costs and paid on order of the court. Fees or compensation for any service not otherwise provided for shall be fixed and paid by the Commission.

ARTICLE 20. AWARD OF CONSTRUCTION CONTRACTS. The Commission shall let construction contracts as provided by KRS 74.260, KRS 74.270, KRS Chapter 106, and KRS Chapter 424.

ARTICLE 21. ARRANGEMENTS FOR WORK AND SERVICES RENDERED TO THE DISTRICT.

The Commissioners shall secure personnel to repair and maintain water district property including mains, lines, meters, storage tanks, pumps, sewage treatment plant, etc., when necessary, shall secure personnel to read meters and shall secure personnel to bill customers. The Commissioners shall retain an attorney to represent the District, and may enter into contracts for services labor and materials as provided in KRS Chapters 74 and 106, for any of the purposes enumerated therein.

ARTICLE 22. CONTRACTS AND SERVICE ARRANGEMENTS. The Commission may

make all provisions concerning contracts for sale of water, sewer services, connection charges, and other disposition of District services and assets, including the plan of collecting proceeds thereof. The system manager may at his discretion discontinue delivery of water to any delinquent customer. The District will install, maintain, and operate a main distribution pipe line or lines from the source of water supply and service lines from the main distribution pipe line or lines to the property line of each customer of the District, if the District Commission determines it is feasible to serve such customer, at which points, designated as delivery points, meters to be purchased, installed, owned, and maintained by the District shall be placed. The cost of service line or lines from the main distribution pipe line or lines of the District to the property line of each customer shall be paid by the District or the customer, or both, in a manner to be determined by the Commission at the time of installation depending upon the length of the service line from its main distribution line or lines, such cut-off valve to be owned and maintained by the District and to be installed on some portion of the service line owned by the District. The District shall have the sole and exclusive right to the use and operation of such cut-off valve.

Each service line shall connect with the District's water system at the nearest available point to the place of desired use by the customer if the District's water system shall be of sufficient capacity to permit the delivery of water through a service line at that point without interfering with the delivery of water through a prior service line. If the District's water system shall be inadequate to permit the delivery of water through a service line installed at such point without interfering with the delivery of water through a prior service line, then such service line shall be installed at a point to be designated by the Commission. Each customer will be required to install and own the service line from the meter to the place of use on his premises and to maintain such portion of the service line.

Each customer shall be entitled to purchase from the District pursuant to such agreements as may from time to time be provided and required by the Commission such water as the customer may desire, subject, however, to the provisions of these By-Laws and to such rules and regulations as may be prescribed by the Commission, provided, however, that should a customer sell or dispose of a portion of his property or subdivide the same, he or the new owner of each such new tract may not demand water and taps without paying connection fees for each such tract to be served.

In the event the total water supply shall be insufficient to meet all the needs of the customers or in the event there is a shortage of water, the Commission may prorate the water available among the various customers on such basis as is deemed equitable by the Commission, and may also prescribe a schedule of hours covering use of water and require adherence thereto or prohibit the use of water for specified purposes.

ARTICLE 23. INSURANCE. The Commission is authorized to secure insurance on the sewage treatment plant, water storage tanks, if any, and such other properties as the District owns, against fire, windstorms, and other calamity, and liability insurance, in such amounts and with such companies as other privately-owned water and sewer system ordinarily carry.

ARTICLE 24. DISTRICT OWNERSHIP OF LINES AND METERS. The District shall own all lines and meters held by or for it, in the absence of a written agreement to the contrary.

ARTICLE 25. ENGINEERING SERVICES; INSPECTIONS AND REPORTS. The Commission shall secure engineering services for an annual engineering inspection and report dealing with operation and maintenance practice if the Commission desires or if so required by any bondholder or the Federal Government as insurer of the bonds.

ARTICLE 26. CONTRACTS FOR SALE OF WATER. The Commission may contract with any person or entity for the sale of water and if such person or entity is metered within the District boundaries, he or it is a customer of the District for such time as he or it pays the District bills pertaining to such metered connection.

ARTICLE 27. RESTRICTIONS ON AMENDMENTS TO BY-LAWS. The By-Laws shall not be amended without the permission of the majority of holders of outstanding bonds, plus the Farmers Home Administration, United States Department of Agriculture, so long as the United States is the owner or insurer of any bonds issued by the District and so long as any of the bonds remain unpaid.

ARTICLE 28. KENTUCKY LAWS INCORPORATED BY REFERENCE. All applicable Kentucky Statutes which now or may hereafter exist are incorporated herein and made a part of these By-Laws, and the Commissioners may use any powers therein contained in addition to those herein set out. Any provisions herein in violation of the Kentucky Revised Statutes which is now or may hereafter be in effect is null and void, the remainder of these By-Laws to continue in full force and effect.

ARTICLE 29. AUDITS. An annual audit on a fiscal year basis will be made of the books and accounts pertinent to said project by competent auditor. No later than 60 days after the close of each fiscal year copies of such audit reports certified by such accountant shall be promptly mailed to the Farmers Home Administration without request and to any bondholder that may have requested same in writing.

PART II - RULES AND REGULATIONS

The following rules and regulations are hereby adopted, subject to change by the Commission at any time. These rules and regulations are intended to supplement the Bond Resolution, the Rate Resolution, and the By-Laws.

- A. All taps and connections to the mains of the District and all sewer connections shall be made by and/or under the direction and supervision of District personnel.
- B. Water service may be discontinued by the District for any violation of any rule, regulation, or condition, and especially for any of the following reasons:
 - 1. Misrepresentation in the application or contract as to the property or fixtures to be supplied or additional use to be made of water and/or sewer service, or as to unusual or extraordinary use of sewer facilities.
 - 2. Failure to report to the District additions to the property or fixtures to be supplied or additional use to be made of water and/or sewer service.
 - 3. Resale of water.
 - 4. Waste or misuse of water due to improper or imperfect service pipes and/or failure to keep such pipes in a suitable state of repair.
 - 5. Tampering with meter, meter seal, service, or valves, or permitting such tampering by others.
 - 6. Connection, cross-connection, or permitting the same, of any separate water supply to premises which receive water from the District.
 - 7. Connection of a storm water drain with the sewer system of the District or any other introduction of storm water into the sewer system.
 - 8. Placing or discharging into the sewer system any substances which will create a combustible, gaseous, explosive, or inflammable condition in said system, or discharging into said system any substances or objects which will not dissolve and which will thus cause an obstruction and clogging within said system, or placing or discharging of petroleum products into the sewer system.
 - 9. Non-payment of bills.

- C. Any customer desiring to discontinue the water and/or sewer service to his premises for any reason must give notice of discontinuance in writing at the business office of the District at least three (3) days prior to the date on which the customer desires to discontinue service, and the customer shall not be liable for water consumed and/or sewer service used beyond the date of discontinuance stated in such notice; if such notice in writing is not given, a customer shall remain liable for all water used and/or sewer service rendered to such premises by the District until such notice is received by the District.
- D. Bills and notices relating to the conduct of the business of the District will be mailed to the customer at the address listed on the user's agreement unless a change of address has been filed in writing with the District; and the District shall not otherwise be responsible for delivery of any bill or notice nor will the customer be excused from the payment of any bill or any performance required in said notice.
- E. 1. Bills for water and/or sewer service are due and payable at the office of the District, or to any designated agent, on the date of issue. The past due date shall be the tenth day after the date of issue. Bills will be dated and mailed on the first day of each month.
2. All bills not paid on or before the past due date shall be deemed delinquent. When a bill has been delinquent for a period of twenty days, the District shall serve a customer a written final notice of said delinquency, and of the intent of the District to discontinue service ten days after the date of such notice unless such bill is paid prior to the expiration of such ten days. If a delinquent bill is not paid within ten days after date of such final notice (thirty days from the past due date), the water supply to the customer may be discontinued without further notice; provided, however, if, prior to discontinuance of service, there is delivered to the District, or to its employee empowered to discontinue service, a written certificate signed by a physician, a registered nurse, or a public health officer that, in the opinion of the certifier, discontinuance of service will aggravate an existing illness or infirmity on the affected premises, service shall not be discontinued until the affected resident can make other living arrangements or until ten (10) days elapse from the time of the District's receipt of said certification, whichever occurs first.
- F. Where the water supply to the customer has been discontinued for non-payment of delinquent bills, a charge of \$10.00 will be made for reconnection of water service, but the reconnection will not be made until all delinquent bills and other charges, if any, owed by the customer to the District have been paid.

- G. The District reserves the right to require that a nominal amount be placed on deposit with the District for the purpose of establishing or maintaining any customer's credit, such amount not to exceed two-twelfths (2/12) of the estimated annual bill of such customer. Upon the payment of such deposit, the District shall issue to such customer a certificate of deposit, showing the name of the customer, the location of the initial premises occupied by the customer, and the date and amount of the deposit. The District will pay to such customer interest on such deposit at the rate of six percent (6%) per annum, until such deposit is reimbursed to the customer.
- H. All meters shall be installed, renewed, and maintained at the expense of the District, and the District reserves the right to determine the size and type of meter used.
- I. It shall be the policy of the District to test each water meter at least once every 12 months. In addition, upon written request of any customer, the meter serving such customer shall be tested by the District. Such test will be made without charge to the customer if the meter has not been tested within 12 months preceding the requested test; otherwise, a charge of \$2.00 will be made and then only if the test indicates meter accuracy within the limits of 2%.

If a meter is inaccurate in excess of 2%, whether upon periodic testing or upon requested testing, additional tests shall be made at once to determine the average error of the meter, and the adjustments shall be made in the customer's water bills as follows:

1. If the result of such tests shows an average error greater than 2% fast, the customer's bill for the period during which the meter error is known to have existed, shall be recomputed and the account adjusted on the basis of the test. If the period during which the meter error existed cannot be determined, then the customer's bill shall be recomputed for one-half (1/2) of the elapsed time since the last previous test, but in no event to exceed 12 months; provided, however, that if time for the periodic test has overrun to the extent that 1/2 of the time elapsed since the last previous test exceeds 12 months, the refund shall be for the 12 months specified above, plus those months exceeding the periodic test period; provided, further, that such refund may be limited to the 12 month period if failure to make the periodic test was due to causes beyond the control of the District.
2. If the result of such tests shows an average error greater than 2% slow, the customer's bill for the period during which the meter error is known to have existed, shall be recomputed and the account adjusted on the basis of the test. If the period during which the meter error existed cannot be determined, then the customer's bill shall be recomputed for one-half (1/2) of the elapsed time since the last previous test, but in no event to exceed 12 months.

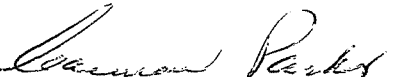
3. If the result of such tests necessitates making a refund or back billing a customer, the customer shall be notified in writing of the percentage of error, fast or slow, the date(s) of testing, and the amount of charge or credit to be shown on the next bill of the customer.
- J. Where a meter has ceased to register, or meter reading could not be obtained, the quantity of water consumed will be based upon an average of the prior six months consumption and the conditions of water service prevailing during the period in which the meter failed to register.
- K. The District shall make all reasonable efforts to eliminate interruption of service and when such interruptions occur will endeavor to reestablish service with the shortest possible delay. When the service is interrupted all consumers affected by such interruption will be notified in advance whenever it is possible to do so.
- L. The District shall in no event be held responsible for any claim made against it by reason of the breaking of any mains or service pipes, or by reason of any other interruption of the supply of water caused by the failure of machinery or stoppage for necessary repairs. No person shall be entitled to damages nor for any portion of a payment refunded for any interruption of service which in the opinion of the District may be deemed necessary.
- M. Customers having boilers and/or pressure vessels receiving a supply of water from the District must have a check valve on the water supply line and a vacuum valve on the stream line to prevent collapse in case the water supply from the District is discontinued or interrupted for any reason, with or without notice.
- N. The premises receiving a supply of water and all service lines, meters, and fixtures, including any fixtures within said premises, shall at all reasonable hours be subject to inspection by the District.
- O. Piping on the premises of a customer must be so installed that connections are conveniently located with respect to the District lines and mains. The customer shall provide a place for metering which is unobstructed and accessible at all times.
- P. (1) An extension of the District's service line of fifty (50) feet or less shall be made without charge for a prospective customer who shall apply for and contract to use service for one (1) year or more and who provides a guarantee for such service.
- (2) For each extension of the District's service line in excess of fifty (50) feet, the District shall require the customer to whose premises such extension is made to deposit with the District the total cost of the excessive footage over fifty (50) feet, based on the average estimated cost per foot of the total extension. Such deposit may be refundable to the customer in certain instances, in accordance with Title 807 KAR 2:040 Section 12(2)(b).

- Q. If any loss or damage to the property of the District or any accident or other injury to persons or property is caused by or results from the negligence or wrongful action of the customer, member of his household, his agent, or employee, the cost of the necessary repairs or replacements shall be paid by the customer to the District, and any liability otherwise resulting shall be that of the customer.
- R. Water furnished by the District may be used for domestic consumption by the customer, member of his household, and employees only. The customer shall not sell the water to any other person.
- S. All customers shall grant or convey, or shall cause to be granted or conveyed, to the District a perpetual easement and right of way across any property owned or controlled by the customer wherever said easement or right of way is necessary for the District water and/or sewer facilities and lines so as to be able to furnish service to the customer.
- T. Complaints may be made to the operator of the system whose decision may be appealed to the Commission of the District within ten days; otherwise, the operator's decision will be final.

I, the undersigned Secretary of the South 641 Water District, do hereby certify the foregoing to be a true and accurate copy of the By-Laws, Rules, and Regulations of said District as adopted by its Commission.

WITNESS my signature and the Seal of the District this November 3, 1980.

(Seal of District)



SECRETARY OF THE WATER DISTRICT

PETITION FOR CREATION OF South 641 WATER DISTRICT

The undersigned Petitioners state as follows:

1. That all of the undersigned Petitioners are both residents and freeholders of the area embraced by the boundaries of the proposed District described herein.

2. That this Petition is filed pursuant to Chapter 74 of the Kentucky Revised Statutes, which provides for the establishment of a Water District by a County Court upon the filing of a Petition of twenty-five (25) or more resident freeholders of the area of the proposed District, for the purpose of furnishing water service and/or sewer service and/or gas service to the citizens located within the area to be served by such District.

3. That there is no recognized water system serving the residents of said proposed District.

4. That the only water available for use by said residents is that which may be pumped from wells or cisterns or carried from springs, which water supply is inadequate for the use of the residents of said District.

5. That the convenience, comfort, health and safety of the public, because of lack of adequate fire protection in said proposed District, are in grave danger and subject to extreme hazard.

6. That it is desperately urgent and necessary that the proposed Water District be created in order to correct the undesirable conditions set out above.

7. That the only municipality located within the boundaries of the proposed District is the City of Hazel, which has consented to being included in the District pursuant to KRS 74.120, as evidenced by copy of the Resolution attached hereto.

8. That prior to the filing of this Petition in this Court, a committee of at least five of the undersigned Petitioners, representing all of the undersigned Petitioners, have applied or will have applied to the Public Service Commission for a preliminary hearing on the question of the creation of this District and will have received approval of said Public Service Commission for the creation of this District, as required by Section 74.015 of the Kentucky Revised Statutes. A certified copy of the Order of said Public Service Commission approving the creation of this District is or shall be attached hereto and filed herewith as "Exhibit A."

9. That the undersigned Petitioners respectfully petition this court to establish and create a Water District consisting of the area or territory in this County as hereinafter described, to name said Water District the South 641 Water District and to appoint three Commissioners of said Water District in accordance with the provisions of Chapter 74 of the Kentucky Revised Statutes; for the purpose of enabling such Commissioners to arrange to furnish a water supply to the residents of said District and to exercise all other powers provided for in KRS Chapter 74.

10. That the Petitioners have agreed that this Petition may be signed in numerous duplicate, reproduced or carbon copies, all of which shall be considered and shall have the same force and effect as an original Petition.

11. That the territory which the Petitioners desire to incorporate into said proposed Water District is located in Calloway County, Kentucky, and is more particularly described as follows:

DESCRIPTION OF AREA COVERED BY PROPOSED WATER DISTRICT

South 641 Water District

Beginning at a point where the South line of the Murray, Kentucky city limits intersects the centerline of U. S. Highway #641; thence Easterly along said South city limit to a point 1,000 feet West of the centerline of Kentucky Highway #121; thence turning and running in a Southeasterly direction, parallel to and 1,000 feet in a Southerly direction from the centerline of said highway to a point 1,000 feet East of the centerline of Kentucky Highway #893; thence turning and running in a Southerly direction, parallel to and 1,000 feet east of the centerline of Kentucky Highway #893 to a point 1,000 feet East of the intersection of Kentucky Highway #893 and McCullough Fork Road; thence turning and running due South to the South Calloway County line between said Calloway County and Henry County, Tennessee; thence turning and running in a Westerly direction along said county line to a point 1,000 feet East of the intersection of Kentucky Highway #893 and the West State Line Road at Crossland, Kentucky including the corporate limits of Hazel, Kentucky; thence turning and running in a Northerly direction, parallel to and 1,000 feet East of the Centerline of Kentucky Highway #893 to a point 1,000 feet East of the intersection of said highway and Kentucky Highway #783 near the South Pleasant Grove Church; thence continuing in a Northerly direction parallel to and 1,000 feet East of the centerline of Kentucky Highway #783 to a point 1,000 feet in a Southerly direction from the centerline of Kentucky Highway #1550 near Wiswell, Kentucky; thence turning and running in an Easterly direction, parallel to and 1,000 feet South of Kentucky Highway #1550 to the South city limit of Murray, Kentucky, thence turning and running along said South city limit in an Easterly direction to the point of beginning.

The foregoing Petition is respectfully submitted by the undersigned

Petitioners:

PETITIONERS

NAME

ADDRESS

<u>NAME</u>	<u>ADDRESS</u>
C. Miller	Hazel Ky
John Roach	Hazel Ky
Robert Taylor	Hazel Ky
Bertha F. Hines	" "
Charles B. Wilson	" "
O. B. Dutton	Hazel Ky
Uelma Miller	Hazel Ky
Lois Kessler	Hazel Ky
Edith Kibula Brandon	"
Fannie L. Owen	"
Bradley White	Hazel Ky
M. G. Jones	" "
Billy Jones	" "
Andrew Ray	"
W. H. McPherson	" "
William F. Sawson	Hazel Ky
E. B. Jones	Hazel Ky
Preston Alton	Hazel Ky
Nell McLeod	" "
Marell Orr	" "
Ina Morgan	Hazel Ky
J. K. Stauder	" "
Clara Brandon	"
J. H. Miller	"
Paul W. Little	"

CERTIFICATE OF COUNTY CLERK

I, MARVIN HARRIS, hereby certify that I am the duly qualified and acting County Clerk of Calloway County, Kentucky, that the foregoing is a true and correct copy of a Petition for the Creation of a Water District to be known as the South 641 Water District, including true and exact reproduced copies of the signatures of all of the Petitioners who signed said Petition, as filed in my office on _____, 1977, and that said Petition has been duly recorded in my office and is of record in Order Book _____, Page _____, in said office.

IN TESTIMONY WHEREOF, witness my signature and seal on this _____ day of _____, 1977.

(Seal of County Clerk)

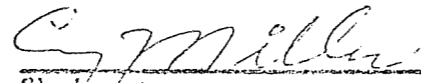
County Clerk

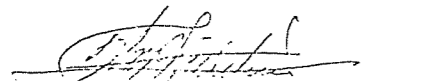
At the regular meeting of the Trustees of the City of Hazel,
held at Hazel, Kentucky on August 1, 1977, the following re-
solution was adopted:

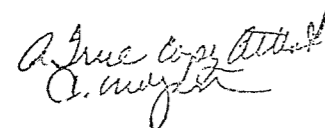
RESOLVED THAT: The Trustees of Hazel, Kentucky
recommend and vote that the City of Hazel shall
join the proposed Water District # 4, such re-
commendation being without reservation or question,
and urge that all possible action be taken to fac-
ilitate the completion of said Water District, of
which Hazel is to become a part.

Motion was made by Ira Morgan, and seconded by Glenn Barnett.

A majority voting for the resolution, it was passed and becomes
a part of the minutes of said meeting.


Chairman


City Clerk


A. Morgan

In the Matter of

PRELIMINARY APPLICATION OF)
FIVE PETITIONERS FOR THE)
CREATION OF A WATER DISTRICT)
IN CALLOWAY COUNTY, KENTUCKY,)
TO BE KNOWN AS THE SOUTH 641)
WATER DISTRICT)

CASE NO. 6874

PREFACE

On August 22, 1977, the Public Service Commission received a petition signed by five residents of Calloway County, Kentucky, requesting a preliminary hearing for the establishment of a water district to be known as the South 641 Water District. The Applicants later submitted a map of the proposed service area and an engineering check list stating that there are approximately 297 potential customers in the proposed service area with 250 homeowners presently interested in creating a water district. The check list designated Mr. Jack Roach as spokesman for the group. The proposed District also includes the municipality of Hazel, Kentucky, which has consented to be included in the District due to the current water crisis situation in this community. The municipal water system presently serves approximately 230 customers, is operating at capacity, and in need of many improvements.

This Case was set for hearing October 6, 1977. All parties of interest were notified, and no protests were entered.

OPINION AND ORDER

After a review of the record and being fully advised, the Commission is of the opinion and finds:

- (1) That no existing water supplier is able and willing to service this area at this time.
- (2) That it is desirable that this community in some manner be served with pure potable water.

County Court Order and has progressed to a point where the engineering, plans and specifications are complete and financing assured.

At that time, the District should file with this Commission its Application for a Certificate of Convenience and Necessity and approval of rates and financing. Then a date and time for a formal hearing will be set.

IT IS THEREFORE ORDERED That the petitioners of this Calloway County community are hereby granted approval of this Commission to petition the County Court for the establishment of a water district in the area as set forth in their petition to be known as the South 641 Water District.

Done at Frankfort, Kentucky, this 12th day of October, 1977.

By the Commission

BEFORE THE PUBLIC SERVICE COMMISSION OF KENTUCKY

PRELIMINARY APPLICATION OF FIVE)
PETITIONERS FOR THE CREATION OF)
A WATER DISTRICT IN Calloway)
COUNTY, KENTUCKY, TO BE KNOWN AS)
THE South 641 WATER DISTRICT)

The undersigned hereby certify that they are both residents and freeholders of the area embraced by the boundaries of the proposed Water District described in the attached Petition; that the attached Petition has been signed by more than 25 residents and freeholders of said area; that the undersigned represent all of the signers of said attached Petition; that all of the allegations of the attached Petition are hereby adopted by these Petitioners; and that this preliminary application is filed with the Public Service Commission of Kentucky pursuant to Section 74.015 of the Kentucky Revised Statutes.

WHEREFORE, the Petitioners request that the Public Service Commission issue a written Order approving the creation of the Water District to be known as the South 641 Water District as set out in the attached Petition.

IN TESTIMONY WHEREOF, witness the signatures of the undersigned Petitioners as of the 14th day of August, 1977.

<u><i>C. J. Miller</i></u> Petitioner	<u><i>Hazel, Ky</i></u> Address of Property Owned by Petitioner
<u><i>John Roach</i></u> Petitioner	<u><i>Hazel, Ky</i></u> Address of Property Owned by Petitioner
<u><i>Robert Taylor</i></u> Petitioner	<u><i>Hazel, Ky</i></u> Address of Property Owned by Petitioner
<u><i>W. D. [unclear]</i></u> Petitioner	<u><i>Hazel, Ky</i></u> Address of Property Owned by Petitioner
<u><i>H. G. Jones</i></u> Petitioner	<u><i>Hazel, Ky</i></u> Address of Property Owned by Petitioner

CALLOWAY COUNTY, KENTUCKY

IN THE MATTER OF SOUTH 641 WATER DISTRICT

ORDER ESTABLISHING AND CREATING WATER DISTRICT
TO BE KNOWN AS
SOUTH 641 WATER DISTRICT

WHEREAS, there has heretofore been filed, a Petition by at least 25 freeholders and residents of an area lying in this County, for the creation of a water district, and asking that same be named SOUTH 641 WATER DISTRICT pursuant to Chapter 74 of the Kentucky Revised Statutes, and

WHEREAS, the Calloway Court by order entered on November 18, 19 77, set the case for hearing on the 5th day of January, 1978, at 10:00 A.M., local time, and

WHEREAS, a Notice of the filing of such Petition and Notice of the Hearing as to same was duly published in the Murray Ledger & Times on November 23, 19 77, and on December 17, 1977, advising interested parties of the fact that they were afforded a period of thirty days after the first publication of said Notice within which to file objections to the creation of said District, in compliance with all legal requirements, as set out in Affidavits of Publication heretofore filed in this proceeding, and

WHEREAS, a period of thirty days has expired after the first publication of such Notice, during which time all residents of the proposed district had an opportunity to file objections, and

WHEREAS, The Calloway County Court has found and I, the County Judge/Executive, hereby find that the establishment of such district is reasonably necessary for the public health, convenience, fire protection, safety and comfort of the residents within the area described in the Petition as being the area sought to be established as said water district,

NOW THEREFORE, IT IS HEREBY ORDERED AS FOLLOWS:

1. That the establishment of a water district embracing the area described below is reasonably necessary for the public health, convenience, fire protection, safety and comfort of the residents of said area.

2. That the original Petition filed in this Court for the creation of said Water District was signed by at least twenty-five (25) resident freeholders of the proposed District, as required by law, and that the creation of said District has been approved by the Public Service Commission of Kentucky as required by law, as evidenced by the order of said Public Service Commission filed with said Petition.

3. That the territory of said District does not embrace any portion of an incorporated municipality or other district in the County, and that all of the territory embraced by said District is located within the boundaries of this County.

4. That it is hereby ordered that there be and there is hereby established pursuant to KRS Chapter 74, a water district which shall have all of the powers available to water districts under KRS Chapter 74 and is hereby named "SOUTH 641 WATER DISTRICT".

5. It is further ordered that the boundaries of said District shall be and are hereby determined to be as described on Exhibit "A" attached hereto.

6. It is further ordered that three commissioners of said Water District shall be immediately appointed by separate order in accordance with Chapter 74 of the Kentucky Revised Statutes.

ENTERED this 7 day of May, 19 79.

Robert O. Miller
ROBERT O. MILLER
JUDGE/EXECUTIVE
CALLOWAY COUNTY, KENTUCKY

CERTIFICATE OF COUNTY CLERK

I, Marvin Harris, hereby certify that I am the duly qualified and acting County Clerk of Calloway County, Kentucky, and that the foregoing is a true copy of an Order entered by the County Judge/Executive of said County on the 9 day of May, 19 79, as appears of record in County Order Book 10 Page 13 in said office.

WITNESS my signature and seal of office this 8 day of June, 19 79.

Marvin Harris
MARVIN HARRIS
CALLOWAY COUNTY COURT CLERK

S E A L

DESCRIPTION OF SOUTH - 641 DISTRICT BOUNDARIES

Beginning at a point in the center of the East Fork of the Clarks River at a point 1,000 feet southwest of the centerline of Kentucky Highway # 121, Southeast of Murray, Kentucky (said highway also being known as the New Concord Road); Thence running in a southeasterly direction, parallel to and 1,000 feet in a southerly direction from the centerline of said highway to a point 1,000 feet east of the centerline of Kentucky Highway # 893; Thence turning and running in a southerly direction parallel to and 1,000 feet east of the centerline of Kentucky Highway # 893 to a point 1,000 feet east of the intersection of Kentucky Highway # 893 and McCullough Fork Road; Thence turning and running due South to the South Calloway County line between said Calloway County and Henry County, Tennessee; Thence turning and running in a westerly direction along said county line to a point 1,000 feet east of the intersection of Kentucky Highway # 893 and the West State Line Road at Crossland, Kentucky, and including the corporate limits of Hazel, Kentucky; Thence turning and running in a northerly direction parallel to and 1,000 feet east of the centerline of Kentucky Highway # 893 to a point 1,000 feet east of the intersection of said highway and Kentucky Highway # 783 near the South Pleasant Grove Church; Thence continuing in a

DESCRIPTION OF SOUTH - 641 DISTRICT BOUNDARIES

Page 2

northerly direction parallel to and 1,000 feet east of the center-
line of Kentucky Highway # 783 to the center of the East Fork of
the Clarks River; Thence turning and running in a northeast
direction with the center of the East Fork of the Clarks River
to the point of beginning.

CALLOWAY COUNTY, KENTUCKY

IN THE MATTER OF THE SOUTH 641 WATER DISTRICT

ORDER APPOINTING THREE WATER DISTRICT
COMMISSIONERS OF SOUTH 641 WATER
DISTRICT

WHEREAS, all necessary and proper steps have been taken to form the South 641 Water District in Calloway County, Kentucky, including the entry of the Order on May 9 1979, by the County Court, creating the District, and

WHEREAS, KRS 74.020 provides that after the County Judge/Executive has entered an Order creating a Water District, the Judge/Executive shall with the approval of the Fiscal Court of Calloway County, appoint three Water District Commissioners from among the residents of the Water District,

NOW THEREFORE, IT IS HEREBY ORDERED that the three Water District Commissioners, their addresses and their terms of office, effective on the date of entry of this Order, or until their respective successors are appointed, and whose appointments were approved by the Fiscal Court on

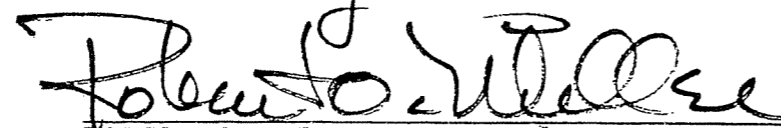
May 9, 1979 are as follows:

	<u>NAMES OF WATER DISTRICT COMMISSIONERS</u>	<u>ADDRESSES</u>	<u>TERM OF OFFICE FROM THE DATE OF THIS ORDER</u>
1.	J. Robert Taylor	Hazel, Kentucky	Four Years
2.	Carman Parks	Hazel, Kentucky	Three Years
3.	Velva Miller	Hazel, Kentucky	Two Years

IT IS FURTHER ORDERED THAT each Commissioner shall execute a Security Bond in the amount of \$250.00 to be approved by the Judge/Executive, and shall be sworn to faithfully perform the duties his position.

IT IS FURTHER ORDERED that the question of salary for each Commissioner is deferred until a future time when this Court will be able to evaluate the matter more intelligently.

Entered this 9 day of May, 1979.



ROBERT O. MILLER
COUNTY JUDGE/EXECUTIVE
CALLOWAY COUNTY, KENTUCKY

CERTIFICATE OF COUNTY CLERK

I, Marvin Harris, hereby certify that I am the duly qualified and acting County Clerk of Calloway County, Kentucky; that the foregoing is a true and correct copy of the Order appointing three Water District Commissioners of South 641 Water District, as entered by the County Judge/Executive of Calloway County on May 9, 1979, as appears of record in County Order Book 10, Page 13, in my office, and that the appointment of said three Commissioners was duly approved by the Fiscal Court of Calloway County on May 9, 1979, as appears of record in Fiscal Court Order Book 15, Page 77.

IN TESTIMONY WHEREOF, witness my signature and seal

on this 8 day of June, 19 79.

Marvin Harris
CALLOWAY COUNTY COURT CLERK

S E A L

1

BEFORE THE COUNTY JUDGE/EXECUTIVE
CALLOWAY COUNTY, KENTUCKY

IN THE MATTER OF THE SOUTH 641 WATER DISTRICT

ORDER AS TO REAPPOINTMENT OF VELMA MILLER AS
WATER COMMISSIONER OF SOUTH 641 WATER DISTRICT

WHEREAS, on May 9, 1979, this Court appointed VELMA MILLER to be a
Water Commissioner of the South 641 Water District for a term of office scheduled
to expire on May 9, 1981, and

WHEREAS, said term of office has expired or is scheduled to expire
shortly,

NOW, THEREFORE, IT IS HEREBY ORDERED that said VELMA MILLER is hereby
reappointed to succeed herself for a term of office from May 9, 1981 to May 9,
1985.

IT IS FURTHER ORDERED that the surety bond of said Commissioner is fixed
in the amount of \$250.00, that recognition is taken of the fact that said Commis-
sioner has executed a surety bond in that amount on this date, and that said surety
bond was duly executed by _____ as surety on this date, and
accordingly said surety bond is hereby approved and ordered filed in this Court.

IT IS FURTHER ORDERED that record is hereby made of the fact that on this
day the oath of office of Water District Commissioner, as required and prescribed by
Section 228 of the Kentucky Constitution and by Chapter 62 of the Kentucky Revised

CERTIFICATE AS TO FISCAL COURT PROCEEDINGS

I, MARVIN HARRIS, hereby certify that I am the duly qualified and acting County Clerk of Calloway County, Kentucky, and I certify that the following is a true excerpt from the Minutes of a meeting of said Fiscal Court duly held on May 19, 1981:

Thereupon, a motion was made by Gil Henson, seconded by Tommy Bogard and unanimously carried by all of the members of the Fiscal Court, as follows:

That the Fiscal Court of Calloway County, Kentucky, hereby approves the appointment of VELMA MILLER to succeed herself as Commissioner of the South 641 Water District.

IN TESTIMONY WHEREOF, witness my signature as County Clerk and the Seal of said County on this May 19th, 1981.

Marvin Harris
County Clerk in and for said County
and State

(Seal)

SOUTH 641 WATER DISTRICT
Calloway County, Kentucky

OPINION ON DUE INCORPORATION AND CONTINUED EXISTENCE OF WATER DISTRICT

The undersigned, RUBIN & HAYS, Suite 300, Fireside Building, 209 South Fifth Street, Louisville, Kentucky 40202, and HAROLD T. HURT, 105 North Sixth Street, Murray, Kentucky 42071, representing the South 641 Water District of Calloway County, Kentucky (the "District"), hereby certify as follows:

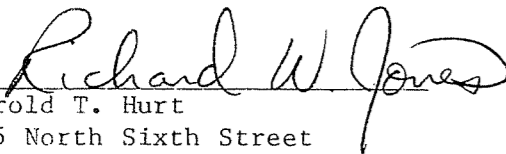
1. That we have examined the organizational documents as to the creation of said District, including the Order of the Calloway County Court creating the District, all records in said Court concerning the District, all records of the County Judge/Executive concerning the District, and all proceedings of the District in connection with its organization.

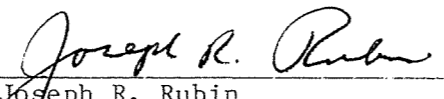
2. That we are of the opinion that the District was duly incorporated pursuant to KRS Chapter 74, by Order of the Calloway County Court entered on May 7, 1979, which Order is on file in County Court Order Book 10, Page 13, in the office of the County Clerk of Calloway County, Kentucky.

3. That said District is in continued existence at this time and that none of the terms of office of its Commissioners have expired.

Dated this December 11, 1980.

RUBIN & HAYS

By: 
Harold T. Hurt
105 North Sixth Street
Murray, Kentucky 42071

By: 
Joseph R. Rubin
Suite 300, Fireside Building
209 South Fifth Street
Louisville, Kentucky 40202

ACCEPTANCE OF FRANCHISE

To the Chairman of the Board of Trustees of the City of Hazel:

South 641 Water District, a water district organized and existing under and by virtue of the laws of the Commonwealth of Kentucky, does hereby accept that certain grant by the City of Hazel of franchise entitling the said District to construct, maintain, and operate the public utilities of water and sewer in the City of Hazel, and prescribing the terms and conditions thereof, being dated January 7, 1979.

South 641 Water District hereby accepts all the terms and conditions of said franchise, hereby expressly waiving any and all objections to the reasonableness or legality of any provisions of the same or any part thereof, or as to the legal right or authority of the City of Hazel to impose the same.

Dated this 6th day of January, 1979.

SOUTH 641 WATER DISTRICT

BY: J.R. Taylor
J.R. TAYLOR, CHAIRMAN

ATTEST: Lawson Parks
Secretary

CERTIFICATE

I, W. B. Milstead, the City Clerk of Hazel, Kentucky, do hereby certify that the Board of Trustees of the City of Hazel, at a meeting on September 20th, 1979, ordered the following question to be placed on the ballot for the election on November 6, 1979, for the registered voters of the City of Hazel, Kentucky:

Are you in favor of the City of Hazel, Kentucky, selling its existing water and sewer facilities to the South 641 Water district paying to the City of Hazel the amount of the outstanding indebtedness on City of Hazel Waterworks and Sewer Improvement and Refunding Revenue Bond of 1969 in the face amount of \$167,000.00, bearing interest at the rate of 4 3/4%, in order that such district can supply potable water and proper sewer treatment and other water and sewer facilities to the residents of Hazel, Kentucky.

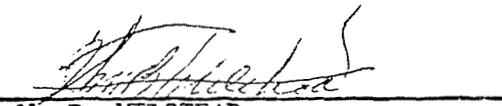
Yes _____

No _____

This resolution was duly published in the Murray Ledger and Times Newspaper for the required number of publications and was placed on the ballot for the election on November 6, 1979.

The results of the voting by the registered voters of the Hazel residents, as certified by Marvin Harris, Clerk of Calloway County, Kentucky, was as follows:

Yes --- 139
No ---- 7




W. B. MILSTEAD
Clerk, City of Hazel, Kentucky

STATE OF KENTUCKY

COUNTY OF CALLOWAY

Subscribed and sworn to before me this the 11th day of September, 1980 by W. B. Milstead.



NOTARY PUBLIC, State-at-Large, Ky/
My Commission expires 9-1-83

SEAL

CERTIFICATE

I, Marvin Harris, Clerk of Calloway County, Kentucky, do hereby certify that I was present at the tabulation of the ballots of the residents of Hazel for the November 6, 1979 election. The results of the voting by Hazel residents on the referendum question of whether South 641 Water District should be allowed to purchase the existing Hazel Water Works and Sewer System in the amount of its outstanding indebtedness were as follows:

YES 139
NO 7

Marvin Harris
MARVIN HARRIS, CLERK OF
CALLOWAY COUNTY, KENTUCKY

STATE OF KENTUCKY

COUNY OF CALLOWAY

Subscribed and sworn to before me this 10 day of November, 1979, by Marvin Harris.

[Signature]
NOTARY PUBLIC, State-at-Large, KY
My Commission Expires:

SEAL

AN ORDINANCE relating to a franchise for the provisions of the City of Hazel, Kentucky.

BE IT ORDAINED BY THE BOARD OF TRUSTEES OF THE CITY OF HAZEL, KENTUCKY, TO-WIT:

SECTION 1:

The South 641 Water District, its successors and assigns, shall have the exclusive privilege of providing the residents of the City of Hazel, Kentucky, with potable water and properly treated sewer facilities and services in accordance with EPA standards for the term of forty (40) years, subject only to limitations now and hereafter provided by law.

- (a) City reserves the right to alter and amend the ordinance in any manner necessary for the safety or welfare of the public or to protect the public interests.
- (b) The franchise shall be in force within the corporate limits of the City of Hazel as they now or hereafter exist.
- (c) The South 641 Water District shall make good to the City all damages to the property of the City from construction or operation of the water and sewer facilities, and shall make good to every owner of property abutting on the facilities, or which shall be injured by the work of, or by operation thereof, all physical damage which shall be done to such abutting or injured property through any act or omission of the District, or of any contractor, subcontractor or other person in the course of any employment on the construction or operation of the water and sewer facilities of any part thereof.
- (d) The sale of the existing water and sewer facilities currently owned by the City shall be made to the District within one hundred eighty (180) days after adoption of this ordinance, for the amount of the outstanding indebtedness existing at that time on the City of Hazel Waterworks and Sewer Improvement and Refunding Revenue Bond of 1969.
- (e) The sale shall be made by the Chairman of the Board of Trustees of the City of Hazel, or in case of the absence of this officer, by anyone designated by the Board at appropriate time.

- (f) The District shall furnish promptly to the City a copy of each annual report filed by the District with the Utility Regulatory Commission of the State of Kentucky during the period of the franchise herein granted.

SECTION II:

Whenever it becomes necessary to excavate in public streets, alleys, highways, public ways, or grounds of the City, the City hereby grants permission to the District to do same in order to install, construct, reconstruct, maintain, repair, or extend any water or sewer lines, conductors, conduits, or other associated facilities now located or to be located therein or thereon, and such excavations shall be made in accordance with all of the provisions of the charter and general ordinances of the City.

SECTION III:

- (a) The District shall have the right to discontinue water and/or sewer services, temporarily or permanently, on any premises for which the water and/or sewer bill remains unpaid for a period of 30 days after the bill is rendered and mailed.
- (b) The City understands that rates and charges for facilities and services rendered by the District must be adequate to meet the cost of constructing, reconstructing, maintaining, repairing, and operating the system. The City understands the water rates to be at least:

Minimum Bill \$8.26 for 2,000 gallons;
Next 3,000 gallons for \$3.50 per 1,000 gallons;
Next 5,000 gallons for \$3.00 per 1,000 gallons;
All over 10,000 gallons for \$2.50 per 1,000 gallons.

- (c) Sewer rates shall be 70% of the water bill, with the minimum sewer charge equal to \$5.78.
- (d) Whenever it becomes necessary to increase the rates, the District will comply with the procedures established by the Commonwealth of Kentucky's Utility Regulatory Commission.

SECTION IV:

The City of Hazel shall not be encumbered in any unusual manner for expenses incurred by the District for construction, repair, maintenance, expansion or reconstruction of the water and sewer system.

SECTION V:

If any section or part of this ordinance is declared invalid, such invalidity shall not affect the remaining portions thereof.

SECTION VI:

All ordinances in conflict herewith are, to the extent of such conflict, hereby repealed.

SECTION VII:

This ordinance shall be in full force and effect immediately after its adoption by the City of Hazel Board of Trustees.

Adopted and approved this 7 day of Jan., 1979.

Joe D. Thompson
Chairman, Board of Trustees

ATTEST: [Signature]
City Clerk

CERTIFICATE

I, Hoyt McClure, hereby certify that I have been operating the Hazel Water and Sewer system since the 1st day of March, 1972.

This system is equipped with a master meter showing the number of gallons of water pumped. This meter is read each month and the monthly average is 1,132,890 gallons. Every other day it requires 6000 gallons of water to back flush, or 90,000 gallons per month. It requires about 20,000 gallons per month to flush fire hydrants and clean lines, and 99,000 gallons per month which has been recycled after adding chlorine and other purifiers. (This recycled water is water that has previously been pumped and metered.)

The water lines in the present system are old and rusty. Some lines rupture easily and may go unnoticed for many weeks before moisture surfaces to reveal the leak.

There is no way by which anyone can determine just how much water is lost by broken lines, but a rough estimate of this loss could be as follows:

Water pumped and metered -----	1,132,890 Gallons
Water metered to users (Estimated) --	800,000 Gal.
Back flush -----	90,000 "
Fire hydrant flush -----	20,000 "
Recycled water -----	99,000 " <u>1,090,000</u> "
Monthly water line loss -----	<u>42,890</u> Gallons

Hoyt McClure

State of Kentucky

County of Calloway

Subscribed and sworn to before me this the 12 day of Sept.

1980, by Hoyte McClure.

Carroll A. Allen
NOTARY PUBLIC, State -at-large, Ky.
My Commission expires 9-1-83

SEAL

4,

DEED AND BILL OF SALE

This DEED AND BILL OF SALE, made and entered into this December 11th, 1980, between the CITY OF HAZEL, a sixth class City of Calloway County, Kentucky, party of the first part, hereinafter referred to as the "City", and SOUTH 641 WATER DISTRICT, a water district of Calloway County, Kentucky, duly organized pursuant to Chapter 74 of the Kentucky Revised Statutes, party of the second part, hereinafter referred to as the "District",

W I T N E S S E T H :

WHEREAS, by Ordinance adopted on January 7, 1980, the City has agreed to assign to the District all of the City's rights, title, and interest in the City's waterworks and sewer system, including, but not limited to the water treatment plant, equipment, water lines, hydrants, water meters, and any and all items used in connection with the waterworks system, and by Acceptance of Franchise, dated January 6, 1979, the District agreed to assume the indebtedness of the City in the amount of \$ 213,614.71, and

WHEREAS, the acquisition by the District of the waterworks and sewer system of the City, and the assumption by the District of such indebtedness of the City was approved by the Utility Regulatory Commission of Kentucky by Order entered on October 24, 1980, which Order (1) granted to the District a Certificate of Public Convenience to acquire and construct a new waterworks and sewer system, and (2) approved the plan of financing such acquisition and construction,

NOW, THEREFORE, in consideration of the assumption by the District of all existing obligations and commitments of the City, as set out in the preamble hereto, the City does hereby grant, sell, and convey unto the District the waterworks and sewer system owned by the City, and does hereby convey to the District, in fee simple, with Covenant of General Warranty, the following described real estate located in Calloway County, Kentucky:

"Being the south half of Lot No. 5 and eighteen (18) feet and three (3) inches off of the north side of Lot No. 6, in Block No. 14, as shown by the plat of the City of Hazel, KY.

"Including all improvements thereon and all personal property in and about said improvements or upon said premises."

GRANTOR obtained title to the above-described property by deed from Mildred Orr Herning, a single person, dated July 21, 1969, and of record in Deed Book 140, Page 218, in the office of the Clerk of Calloway County.

ALSO: "Being a 16-foot square on the south side of Calloway Street and lying between Third Street and Langston Avenue and more particularly bounded and described as follows, to-wit:

Beginning at a point in the south right of way line of Calloway Street, said point being 669 feet as measured along said south right of way line in an easterly direction from its intersection with the center line of Third Street; thence continuing with said southerly right of way line of Calloway Street and in an easterly direction 16.0 feet to a point; thence at right angles and in a southerly direction 16.0 feet to a point; thence at right angles and in a westerly direction 16.0 feet to a point; thence at right angles and in a northerly direction 16.0 feet to the point of beginning and containing 256 square feet."

GRANTOR obtained title to the above-described property by deed from Calloway County Board of Education of Calloway County, dated August 5, 1963, and recorded in Deed Book 121, Page 184, in the office of the Clerk of Calloway County.

ALSO: A 10 acre Lagoon Site Bounded and described as follows to-wit: "Beginning at a point in the west line of said 10 acre tract, said beginning point being north 3° 38' East 279.4 feet and south 86° 48' east 798.5 feet from the intersection of the centerline of Calloway Street and the centerline of Langston Avenue, thence with said west line north 3° 32' west 200.0 feet to the north west corner thence north 87° 2' East 435.0 feet to a point thence north 3° 32' West 150 feet more or less to the centerline of East Fork Clarks River, thence in an easterly direction and up stream with the meanders of said centerline 80 feet more or less to a point, thence south 48° 32' East 180 feet more or less, to the northeast corner, said northeast corner being north 86° 28' East a total distance of 635.0 feet from the northwest corner thence south 3° 32' East 660.0 feet to the southeast corner thence south 86° 28' west 635.0 feet to the southwest corner thence north 3° 32' West 460.0 feet to the point of beginning and containing 10 acres more or less.

Also an easement along and over the 50 foot roadway which lies parallel to and 25 feet on each side of the following described centerline. Beginning at a point in the centerline of Langston Avenue Extended, said point being north 3° 38' East 279.4 feet from the intersection of the centerline of said Langston Avenue with the centerline of Calloway Street thence south 86° 48' east 798.5 feet to a point in the west line of the above described 10 acre Lagoon Site, said point being 200 feet southwardly from the northwest corner of said Lagoon site.

GRANTOR obtained title to the above-described property by deed from

ALSO: "Being thirteen feet off of the north side of Lot No. 7 and six feet and 9 inches off of the south side of Lot No. 6 in Block 14 as shown by the plat of the town of Hazel, Also: A one half undivided interest in the north wall of the City Water Company building supposed to be about 50 feet long and a one half interest in the north wall of the building now being conveyed."

GRANTOR obtained title to the above-described property by deed from Bessie Dunn, a widow, dated September 6, 1965, and of record in Deed Book 134, Page 200, in the office of the Clerk of Calloway County.

ALSO: "Being thirteen (13) feet off of the north side of Lot No. 7 and six (6) feet nine (9) inches off of the south side of Lot No. 6 in Block No. 14, as shown by the plat of the town of Hazel, Kentucky. The strip conveyed by this deed being particularly described as follows:

Beginning at the Southeast corner of the lot above-described thence west 40 ft. thence north 2 Ft, 9 inches, thence east 40 ft. thence south 2 ft. 9 in. to the beginning."

GRANTOR obtained title to the above-described property by deed from C.W. Curd, et ux, dated May 26, 1937, and of record in Deed Book 63, Page 484, in the office of the Clerk of Calloway County.

ALSO: "12 feet off of the South side of Lot No. 7, in Block No. 14, and 20 ft. off of the North side of Lot, No. 8 in Block 14. of the town of Hazel, Kentucky, as shown by the plot of said town now of record in Deed Book 3, Page 445 Calloway County Court Clerk's office together with all buildings and appurtenances thereunto belonging said parcel hereby conveyed fronting 32 feet on 4th Street and running back 130 feet to an alley said parcel of land being that upon which the Well and pump of the Hazel Waterworks System is now located.

Also all machinery, equipment and tools now used in connection with said water System and alos all water mains, laterals and connections located in said town of Hazel, and or its environs.

GRANTOR obtained title to the above-described property by deed from H.F. Rose, et ux, dated June 5, 1936, and of record in Deed Book 61, Page 248, in the office of the Clerk of Calloway County.

The City also does hereby grant, sell, and convey unto the District, in fee simple, all of the right, title, and privilege of the City in and to all easements and rights of way owned by the City (and/or in which the City has any rights) in connection with the operation of said waterworks and sewer system, including specifically the easements heretofore conveyed to the City by the following Deeds of Easement:

1. A sewerline easement from Bertha D. Marshall, a widow, to the Town of Hazel, Kentucky, dated July 18, 1963, and of record in Deed Book 121, Page 111, in the office of the Clerk of Calloway County.
2. A sewerline easement from Grace S. Allbritten, a widow, to the Town of Hazel, Kentucky, dated July 18, 1963, and of record in Deed Book 121, Page 115, in the office aforesaid.
3. A sewerline easement from R.H. Lee, and Edith Lee, husband and wife, to the Town of Hazel, Kentucky, dated July 18, 1963, and of record in Deed Book 121, Page 113, in the office aforesaid.
4. A sewerline easement from Calloway County Board of Education to the Town of Hazel, Kentucky, dated July 22, 1963, and of record in Deed Book 121, Page 125, in the office aforesaid.
5. A waterline easement from Shirley Nix, to the Town of Hazel, Kentucky, dated February 11, 1969, and of record in Deed Book 138, Page 431, in the office aforesaid.

As a part of this conveyance and in further consideration of the foregoing, the City does hereby further bargain, sell, and convey unto the District, all of the right, title, privileges, water pipes and mains, sewer pipes and collectors, water rights, wells, elevated tanks, interceptor stations, sewage treatment plant, gates, pipes, pipelines, connections, meters, materials and supplies, equipment and tools, pumps and pumphouses, rights-of-way, easements, and all existing fire hydrants located in the City, and all other property, whether real, personal, or mixed, or used in connection with the operation, maintenance, repair, or replacement of the System, or any part thereof, and all property rights and contracts appertaining thereto, including the following described personal

properties:

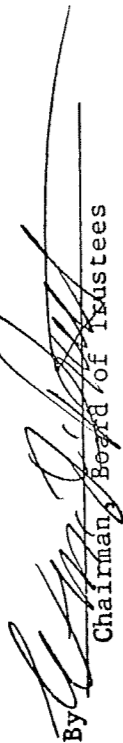
none

The City hereby covenants to and with the District that the City is the lawful owner of the above-described goods, chattels, and related properties; that the City has good right to sell and convey the same, and that the City will warrant and defend the same against all other lawful claims and demands whatever.


The District, by accepting this Deed and Bill of Sale, agrees that the City is henceforth relieved of all responsibility for the operation, maintenance, and repair of said waterworks and sewer system, and that henceforth the

IN TESTIMONY WHEREOF, the City of Hazel, acting by and through its Board of Trustees, has caused this instrument to be executed for and on its behalf by the Chairman of the Board of Trustees of the City, and duly attested by the City Clerk of said City, with the Seal of the City duly affixed hereto, as of the date first above written.

CITY OF HAZEL, KENTUCKY

By 
Chairman, Board of Trustees

Attest:

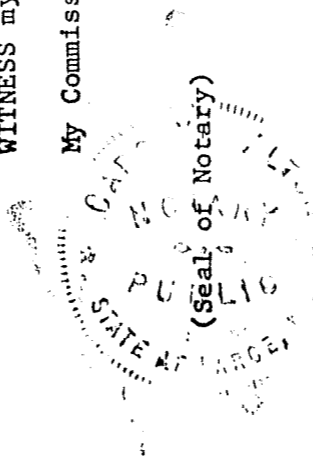

City Clerk

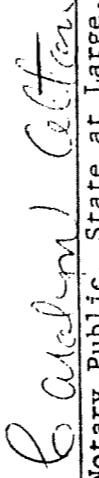
STATE OF KENTUCKY)
) SS
COUNTY OF CALLOWAY)

I, the undersigned Notary Public in and for the State and County aforesaid, do hereby certify that on this December 11, 1980, the foregoing Deed and Bill of Sale was produced to me in said County by WILLIAM PRATT and W. B. MILSTEAD, personally known to me and personally known to me to be the Chairman of the Board of Trustees and the City Clerk, respectively, of the CITY OF HAZEL, Kentucky, and was acknowledged by them to be their act and deed as such Chairman and City Clerk and the act and deed of said Board of Trustees and of the City for the uses and purposes set out in said Deed.

WITNESS my signature and Notarial Seal this December 10, 1980.

My Commission expires: 7-1-83.




Notary Public, State at Large, Kentucky

This instrument was prepared by:

RUBIN & HAYS
Suite 300, Fireside Building
209 South Fifth Street
Louisville, Kentucky 40202
(502) 585-2153

STATE OF KENTUCKY)
) SS
COUNTY OF CALLOWAY)

I, MARVIN HARRIS, County of Calloway County, Kentucky, certify that the foregoing Bill of Sale was on December 11, 1980, at 9:45 A.M., C.S.T., filed in my office and has been recorded in Deed Book 161,
Said
Page 1821, in my office.

WITNESS my signature and the Seal of the County this December 11,
1980.

(Seal of County)

Marvin Harris
County Clerk
Way Shirley Burgess, D.C.

1980
COUNTY CLERK
DECEMBER 11 1980
CALLOWAY COUNTY, KY

Filed for record this 11 day of
Decr 19 80 at 9:45 clock A m.

Recorded on Microfilm in Bk. 161
Cabinet 1 Drawer 13 Card 1821

MARVIN HARRIS Clerk
By Shirley Burgess D.C.

1

Exhibit B

807 KAR 5:001: Section 9(2)(b)

- 1) Construction Permit Application for Improvements to the South 641 WWTP
- 2) Stream Construction Permit
- 3) Department of the Army Permit



STEVEN L. BESHEAR
GOVERNOR

07206
LEONARD K. PETERS
SECRETARY

ENERGY AND ENVIRONMENT CABINET
DEPARTMENT FOR ENVIRONMENTAL PROTECTION
DIVISION OF WATER
200 FAIR OAKS LANE, 4TH FLOOR
FRANKFORT KENTUCKY 40601
www.kentucky.gov

March 10, 2009

Mr. Max Parks, Chairman
South 641 Water District
PO Box 126
Hazel (Calloway), KY 42049

Re: S. 641 WWTP Improvements
Calloway County, Kentucky
Project ID: 09-0006
S 641 Water District WWTP -- 519
Activity ID: APE20090001

Dear Mr. Parks:

In accordance with KRS Chapter 224.10-100 (19), the Environmental and Public Protection Cabinet approves the Construction Permit Application for Improvements to the South 641 WWTP dated December 19, 2009.

Please note: This permit does not authorize a change in capacity for this facility.

If we can be of any further assistance or should you wish to discuss this correspondence, please do not hesitate to contact Todd Powers at 502/564-8158, extension 4902.

Sincerely,

Greg Goode, P.E.
Construction and Compliance Section
Surface Water Permits Branch
Division of Water

GG/TAP

c: Calloway County Health Department
Michael Jones, P.E., Florence & Hutcheson, Inc.
Donna Sullivan, Plumbing

Attachment

Wastewater Treatment Plant Construction
 S 641 Water District WWTP
 Facility Requirements

Activity ID No.: APE20090001

TRMT0000000001 (South 641) S. 641 WWTP Improvements:

Limitation Requirements:

Condition No.	Parameter	Condition
L-1	Flow, In Conduit Or Thru Trea	The design capacity of the WWTP is based on the following: Flow, In Conduit Or Thru Treatment Plant <= 0.03 MGD (MA). [401 KAR 5:005 Section 24(4)(a)] This requirement is applicable during the following months: All Year. Statistical basis: Daily average.

Submittal/Action Requirements:

Condition No.	Condition
S-1	When the construction of the system is completed, the permittee shall submit written certification: Due 30 calendar days after Completion of Construction to the Division of Water that the facilities have been constructed and tested in accordance with the approved plans and specifications and the above approval conditions. Such certification shall be signed by a registered professional engineer. Failure to certify may result in penalty assessment and/or future approvals being withheld. [401 KAR 5:005 Section 24(2)]

Narrative Requirements:

Condition No.	Condition
T-1	Facilities, except extended aeration package WWTPs with an average daily design capacity less than 100,000 gpd, shall be designed in accordance with the "Recommended Standards for Wastewater Facilities" of the Great Lakes-Upper Mississippi River Board of State Public Health and Environmental Managers, commonly referred to as "Ten States' Standards", 1990 edition. [401 KAR 5:005 Section 7(1)(a)]
T-2	The permit is issued to the applicant and the permittee shall remain the responsible party for compliance with all applicable statutes and administrative regulations until a notarized applicable change in ownership certification is submitted and the transfer of ownership is acknowledged by the cabinet. [401 KAR 5:005 Section 24(3)]

Wastewater Treatment Plant Construction
S 641 Water District WWTP
Facility Requirements

Activity ID No.: APE20090001

TRMT0000000001 (continued):

Narrative Requirements:

Condition No.	Condition
T-3	Construction is limited to the following: a lift station with two new influent pumps capable of 150 GPM at 32 TDH and 8 inch gravity and 4 inch force main needed to connect the lift station to existing influent and discharge lines. Also included is a valve extension and hand wheel for the flow control structure. Replacement of the existing chlorine contact structure with a new 2274 gallon, baffled contact structure is included along with chemical pumps for dosing sodium hypochlorite and calcium thiosulfate. Also included is effluent flow measuring consisting of a v-notch weir and an ultrasonic flow meter. The project will rehab the existing weir in the East Fork of Clarks River, provide a staff gauge, and regrade the stream bank and bottom to allow accurate stream flow measurements. [401 KAR 5:005 Section 1]
T-4	There shall be no deviations from the plans and specifications submitted with the application or the conditions specified unless authorized in writing by the cabinet. [401 KAR 5:005 Section 24(4)(b)1]
T-5	The issuance of a permit by the cabinet does not convey any property rights of any kind or any exclusive privilege. [401 KAR 5:005 Section 24(6)]
T-6	All rights of inspection by representatives of the Division of Water are reserved. [401 KAR 5:005 Section 24(4)(a)]
T-7	A water supply with suitable backflow preventer shall be provided to facilitate cleaning and maintenance of the wastewater treatment plant. [401 KAR 5:005 Section 10(6)]
T-8	Fencing and/or other adequate protection shall be provided around the wastewater treatment plant. [401 KAR 5:005 Section 10(7)]
T-9	An all-weather access road shall be provided to the wastewater treatment plant. [401 KAR 5:005 Section 10(8)]
T-10	Water quality standards govern the treatment requirements; the following standards apply: a. Dissolved Oxygen in the stream; 5 mg/l or higher. b. Un-ionized Ammonia in the stream; 0.05 mg/l or less. [401 KAR 10:031 Section 4]
T-11	The permittee shall ensure that the effluent is of satisfactory quality to prevent violations of the standards in 401 KAR Chapter 5. If violations of the standards of 401 KAR Chapter 5 result from the discharge of the treated effluent, the owner shall provide additional treatment or an extension of the effluent line. [401 KAR 5:005 Section 24(4)(c)1]
T-12	This treatment unit is temporary and in no way supersedes the need of a regional sewer system. The permittee will eliminate the discharge and treatment unit by connection to a regional sewer system when it becomes available as defined in 401 KAR 5:002. [401 KAR 5:005 Section 4(6)]

Wastewater Treatment Plant Construction

S 641 Water District WWTP
Facility Requirements

Activity ID No.: APE20090001

TRMT0000000001 (continued):

Narrative Requirements:

Condition No.	Condition
T-13	Issuance of this permit does not relieve the permittee from the responsibility of obtaining any other permits or licenses required by this Division of Water and other state, federal, and local agencies. [401 KAR 5:005 Section 24(4)(c)3]
T-14	The effluent from this treatment system is to be discharged at the 6.7 mile point of East Fork Clarks River. [401 KAR 5:005 Section 1(2)]
T-15	Additional effluent limitations and water quality standards are contained in the Division of Water Regulations. [401 KAR 5:005 Section 24(4)(a)]
T-16	The division will review the reported monthly flows and organic loads for the most recent twelve (12) months for the Wastewater Treatment Plant (WWTP). If the annual average flow or organic loads exceed ninety (90) percent of the WWTP's design capacity, the division may deny the approval of any sewer line extension until the owner of the WWTP commits to address the potential overload condition. [401 KAR 5:005 Section 9]
T-17	A permit to construct a facility shall be effective upon issuance unless otherwise conditioned. Construction shall be completed within twelve (12) months unless additional time is requested. If construction is not commenced within the twelve (12) months following a permit's issuance, a new permit shall be obtained before construction may begin. The cabinet may allow a single twelve (12) month extension to begin construction if site conditions have not changed. [401 KAR 5:005 Section 24(1)]
T-18	The Construction Permit is effective on March 10, 2009 and expires on March 10, 2010. [401 KAR 5:005 Section 24(1)]



STEVEN L. BESHEAR
GOVERNOR

LEONARD K. PETERS
SECRETARY

ENERGY AND ENVIRONMENT CABINET
DEPARTMENT FOR ENVIRONMENTAL PROTECTION
DIVISION OF WATER
200 FAIR OAKS LANE, 4TH FLOOR
FRANKFORT, KENTUCKY 40601
www.kentucky.gov

STREAM CONSTRUCTION PERMIT

For Construction In Or Along A Stream

Issued to: South 641 Water District
Address: PO Box 126
Hazel, KY 42049

Permit expires on
May 8, 2010

Permit No. 17806

In accordance with KRS 151.250 and KRS 151.260, the Environmental and Public Protection Cabinet approves the application dated February 16, 2009 for improvements to an existing wastewater treatment facility including construction of a new disinfection system, restoration of an existing weir, stream bank stabilization, and installation of access road in the left descending floodplain of East Fork Clarks River at about stream mile 6.7, with coordinates 36.506389, -88.316117, in Calloway County. AI: 519

There shall be no deviation from the plans and specifications submitted and hereby approved unless the proposed change shall first have been submitted to and approved in writing by the Cabinet. This approval is subject to the attached limitations. **Please read these limitations carefully!** If you are unable to adhere to these limitations for any reason, please contact this office prior to construction.


This permit is valid from the standpoint of stream obstruction only. Issuance of this permit does not relieve the permittee from the responsibility of obtaining any other permits or licenses required by this Cabinet and other state, federal and local agencies. Specifically if the project involves work in a stream, such as bank stabilization, dredging, relocation, or in designated wetlands, a 401 Water Quality Certification from the Division of Water will be required.

This permit is nontransferable and is not valid unless actual construction of this authorized work is begun prior to the expiration date noted above. Any violation of the Water Resources Act of 1966 as amended is subject to penalties as set forth in KRS 151.990.

If you have any questions regarding this permit, please call Mr. Jim Oerther at (502) 564-3410

Issued May 8, 2009.

By:


Ron Dutta, P.E., Supervisor
Surface Water Permit Branch

RD/JO/kec

pc: Paducah Regional Office
Dawn Gaskin – Calloway County Floodplain Coordinator
Michael K. Jones, P.E.
File

Stream Construction Permit

S 641 Water District WWTP

Facility Requirements

Permit Number: 17806

Activity ID No.: APE20090002

Page 1 of 3

STRC000000001 (disinfection system) improvements to an existing wastewater treatment facility including construction of a new disinfection system, restoration of an existing weir, stream bank stabilization, and installation of access road:

Submittal/Action Requirements:

Condition No.	Condition
S-1	South 641 Water District must submit final construction report: Due within 90 days after completion of construction South 641 Water District must notify in writing that the project has been completed in accordance with the approved plans and specifications. A Final Construction Report Form is enclosed. [401 KAR 4:060 Section 3(2)]
S-2	The completed construction must either (1) have the finished lowest floor elevation at or above 530.8 feet MSL, which is the Base Flood Elevation (BFE), or (2) must be floodproofed to at least the BFE (forms attached). The applicant must submit an elevation certificate or a floodproofing certificate form: Due within 90 days after completion of construction The permit holder must have the appropriate form completed by a registered professional engineer or architect. Submit a completed copy to the Division of Water, Water Resources Branch. Local agencies may require elevation or floodproofing levels higher than those provided here. (Note: for insurance rating purposes, the building's floodproofed design elevation must be at least one foot above the BFE to receive rating credit. If the building is floodproofed only to the BFE, then the building's insurance rating will result in a higher premium.). [401 KAR 4:060 Section 6(2)(b)1, 401 KAR 4:060 Section 6(2)(b)2, 401 KAR 4:060 Section 6(2)(c)]

Narrative Requirements:

Condition No.	Condition
T-1	This permit is issued from the standpoint of stream obstruction only and does not constitute certification of any other aspect of the proposed construction. The applicant is liable for any damage resulting from the construction, operation, or maintenance of this project. This permit has been issued under the provisions of other permits or licenses required by this Cabinet and other state, federal and local agencies. [KRS 151.250]
T-2	A copy of this permit must be available at the construction site. [KRS 151.250]
T-3	Any work performed by or for South 641 Water District that does not fully conform to the submitted application or drawings and the limitations set forth in this permit, is subject to partial or total removal and enforcement actions pursuant to KRS 151.280 as directed by the Kentucky Department for Environmental Protection. [KRS 151.280]

Stream Construction Permit

S 641 Water District WWTP

Facility Requirements

Permit Number: 17806

Activity ID No.: APE20090002

Narrative Requirements:

Condition No.	Condition
T-4	Any design changes or amendments to the approved plans must be submitted to the Division of Water and approved in writing prior to implementation. [KRS 151.250]
T-5	Since Calloway County participates in the National Flood Insurance Program, a local floodplain permit must be obtained prior to beginning of construction. Upon completion of construction South 641 Water District must contact the local permitting agency for final approval of the construction for compliance with the requirements of the local floodplain ordinance. [401 KAR 4:060 Section 1(16)]
T-6	At no point below the base flood elevation 530.8 feet MSL shall the use of construction materials or the permanent storage of materials subject to flood damage be allowed. [401 KAR 4:060]
T-7	The foundation walls, if any, must be vented below the base flood elevation to allow the free flow of floodwater in and out. Total vent area must equal or exceed one square inch of opening to one square foot of floor space with the location of vents placed with bottom of vent no greater than one foot above adjacent finished grade. [401 KAR 4:060]
T-8	The permittee must obtain a Water Quality Certification as may be required through the Division of Water. Water Quality Branch before beginning construction. Contact Water Quality Branch at (502) 564-3410. [KRS 224.16-050 & Clean Water Act Section 401]
T-9	Any electrical components should be elevated above the base flood elevation of 530.8 feet MSL or provided with ground fault breakers. [KRS 151.250]
T-10	South 641 Water District or their successor shall maintain the culvert in good condition and keep it free of drift and debris at all times. [KRS 151.250, 401 KAR 4:060 Section 3(1)]
T-11	Fill slopes shall be no steeper than 2:1 (horizontal: vertical). Steeper slopes shall require a stability analysis. [401 KAR 4:060 Section 3(1)]
T-12	South 641 Water District must use standard silt control practices in such quantity to prevent siltation of East Fork Clarks River. Silt fences, rock check dams and/or straw-bales are acceptable. [KRS 224.70-110]
T-13	To avoid secondary adverse impacts, all materials used shall be stable and inert, free from pollutants and floatable objects, and shall meet all appropriate engineering standards. (Inert here means materials that are not chemically reactive and that will not rot or decompose, such as soil, rock, broken concrete or similar materials.). [401 KAR 4:060 Section 7]

Stream Construction Permit

S 641 Water District WWTP

Facility Requirements

Permit Number: 17806

Activity ID No.: APE20090002

Narrative Requirements:

Condition No.	Condition
T-14	Stream bank restoration and stabilization shall be limited to that necessary to restore the stream bank as closely as possible to its original location and configuration, and shall be completed without compromising the conveyance capacity of the stream at any time. [401 KAR 4:060]
T-15	All debris and excess material shall be removed for disposal outside of the base floodplain. [401 KAR 4:060]
T-16	Upon completion of construction all disturbed areas shall be seeded and mulched or otherwise stabilized to prevent erosion. [401 KAR 4:060]
T-17	The entry of mobile equipment into the stream channel shall be limited as much as reasonably possible to minimize degradation of the waters of the Commonwealth. [401 KAR 4:060]
T-18	Measures shall be taken to prevent possible spills of fuels and lubricants from entering the stream. [KRS 224.70-110]
T-19	Construction other than as authorized by this permit shall require written approval from the Division of Water. [401 KAR 4:060]



DEPARTMENT OF THE ARMY
NASHVILLE DISTRICT, CORPS OF ENGINEERS
3701 Bell Road
NASHVILLE, TENNESSEE 37214

December 8, 2008

REPLY TO
ATTENTION OF:

Regulatory Branch

SUBJECT: File No. 50744-00; Proposed Bank Stabilization and Maintenance Activities to Weir and Outfall at East Fork Clarks River Mile 6.7, Calloway County, KY (South 641 Wastewater Treatment Plant Improvements, Hazel, KY)

Mr. Michael Jones
Florence & Hutcheson, Inc.
2550 Irvin Cobb Drive
Paducah, KY 42003

Dear Mr. Jones:

This is in regard to your application for a Department of the Army (DA) permit for the maintenance activities at the subject location. The original permit for the associated plant structures (outfall and weir) was issued on February 24, 1989.

According to your letter application, dated December 5, 2008, erosion has occurred on the west bank of the stream and siltation has occurred on the east side of the stream in the vicinity of the weir. You are proposing to grade the side-slopes on each side of the existing weir in order to properly direct flow through the weir. The embankments would be graded to a maximum slope of 2:1 and stabilized with riprap class II channel lining. In addition, siltation in the bottom of the stream would be removed to provide positive drainage.

Based upon the information submitted to this office, to the extent the U.S. Army Corps of Engineers has jurisdiction over discharge of dredged or fill material associated with the work, we have determined that the work has been previously permitted under authority of DA Nationwide Permit (NWP) #3, which became effective March 19, 2007.

The proposed work must be constructed in accordance with the plans submitted with your application and the enclosed conditions. It should be noted that if you fail to comply with any of the conditions, this authorization may be modified, suspended, or revoked and an individual permit may be required pursuant to 33 CFR 330.5(d).

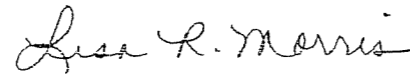
The notification that the work is approved under the NWP mentioned above is valid until two years from date of letter unless the NWP is modified, suspended, or revoked. If the work has not been completed by that time, you should contact this office to obtain verification that the permit is still valid.

Before you begin construction, you are also responsible for obtaining any other federal, state, and/or local permits, approvals, or authorizations. In this respect, in order for this permit to be valid, you must conduct the work in accordance with the conditions of the Commonwealth of Kentucky General Certification for NWP #3 projects, issued May 11, 2007, copy enclosed.

If changes in the location or plans of the work are necessary, revised plans should be submitted promptly to this office. No deviation should be made in the approved plans without first obtaining approval from this office.

If you have any questions, please contact me at the above address or telephone 369-7504.

Sincerely,



Lisa R. Morris
Project Manager
Operations Division

Enclosures

Copy Furnished:

Kentucky Environmental and Public Protection Cabinet
500 Mero Street, 5th Floor
Frankfort, KY 40601

File No. 50744-00



Florence & Hutcheson, Inc.

CONSULTING ENGINEERS

FILE NO. 50744-00

December 5, 2008

Ms. Lisa Morris
US Army Corps of Engineers
3701 Bell Road
Nashville, TN 37214

*Calloway Co. KY
East Fork Clarks River*

RE: South 641 Wastewater Treatment Plant Improvements
Hazel, Kentucky

Dear Ms. Morris:

Florence & Hutcheson, Inc. is currently in the process of providing the South 641 Water District engineering services for improvements of their existing wastewater treatment plant which is located on the northeast side of Hazel, Kentucky. The plant is a lagoon system and currently has an outfall into the East Fork Clarks River at milepoint 6.7.

The general improvements on the east end of the lagoon consist of a new chemical feed building/disinfection chamber, a new outfall adjacent to the existing outfall and an access drive towards the East Fork Clarks River. The drive is to provide access to the area near an existing concrete weir located in the river. The plant's allowable effluent flows are based on the river flow. Therefore, the concrete weir is used to determine the stream flows which will allow the operator to discharge the appropriate flows from the plant. Some summer months have little to no flow.

The existing weir was installed approximate 20 years ago. Erosion has occurred on the west bank of the stream and siltation has occurred on the east side of the stream in the vicinity of the weir. We feel this is due to lack of slope stabilization, lack of accessibility and minimal maintenance since the original installation.

We are proposing to regrade the side-slopes on each side of the existing weir in order to properly direct flow through the weir. The embankments will be regraded to a maximum 2:1 slope and will be stabilized with rip-rap, class II channel lining. There has also been some siltation in the bottom of the stream that needs to be removed to provide positive drainage. Again, this work is being proposed to adequately monitor the stream flows which will provide proper information to operate the wastewater plant's discharge.

Per our previous conversation, we understand this project will comply with the USACOE Nationwide Permit, Maintenance #3. We are enclosing a preliminary site plan with stream cross section of the proposed project along with an aerial view of the plant location. These documents are for your review. Please give me a call at 270-444-9691 if you have any questions or comments.

Thanks for your help on this project.

Sincerely,

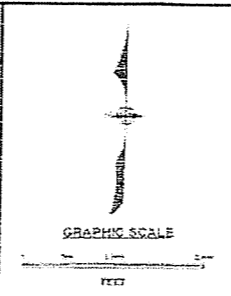
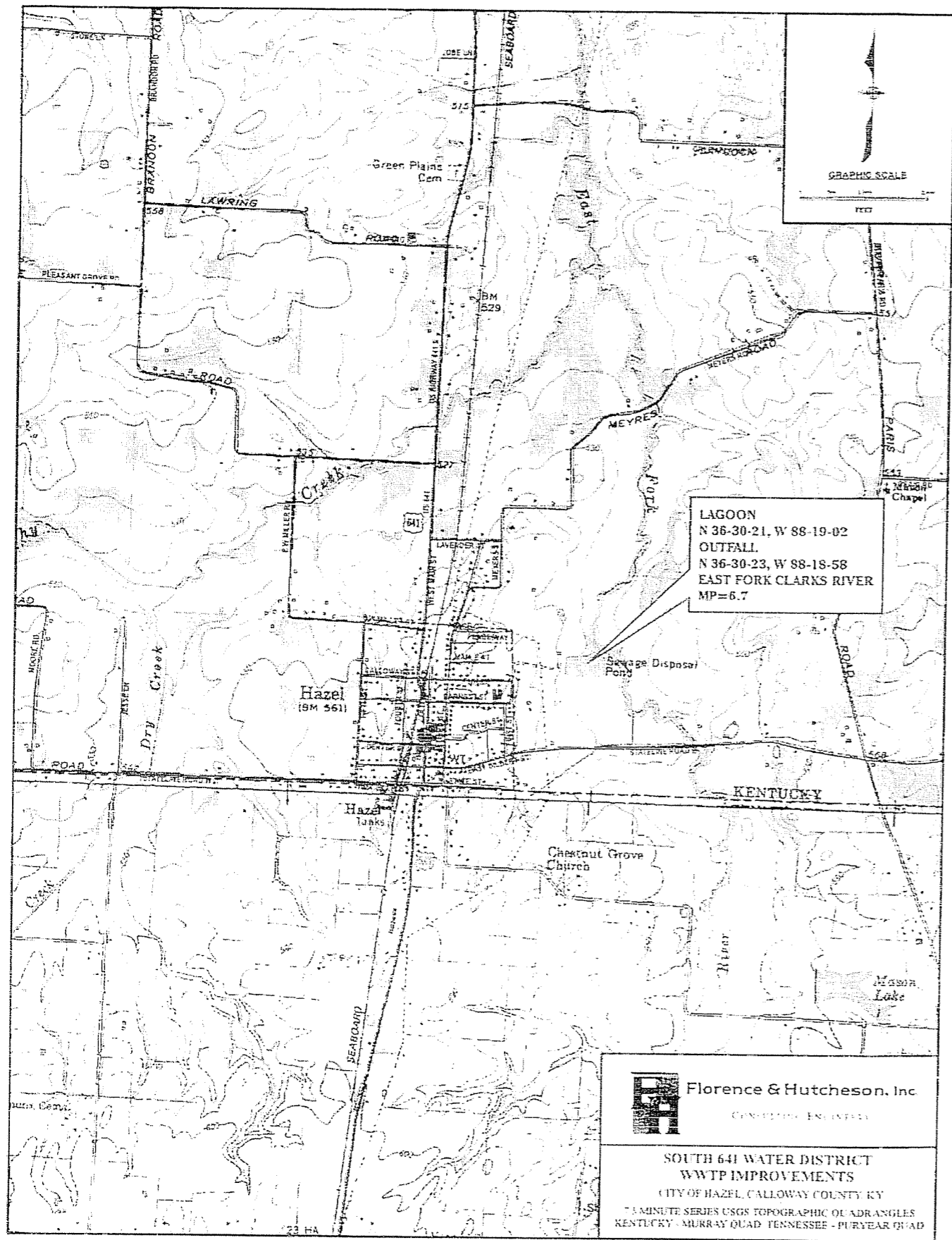
FLORENCE & HUTCHESON, INC.


A handwritten signature in cursive script that reads "Michael Jones".

Michael Jones, P.E.
Project Manager

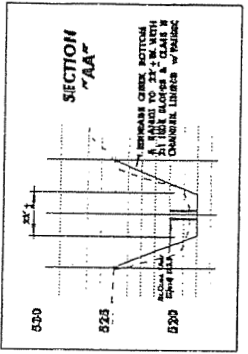
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cc: Hank Stanfield, South 641 Water District
Enc.




Florence & Hutcheson, Inc.
 CONSULTING ENGINEERS

**SOUTH 641 WATER DISTRICT
 WWTW IMPROVEMENTS
 CITY OF HAZEL, CALLOWAY COUNTY KY**
7.5 MINUTE SERIES USGS TOPOGRAPHIC QUADRANGLES
 KENTUCKY - MURRAY QUAD TENNESSEE - PURYEAR QUAD



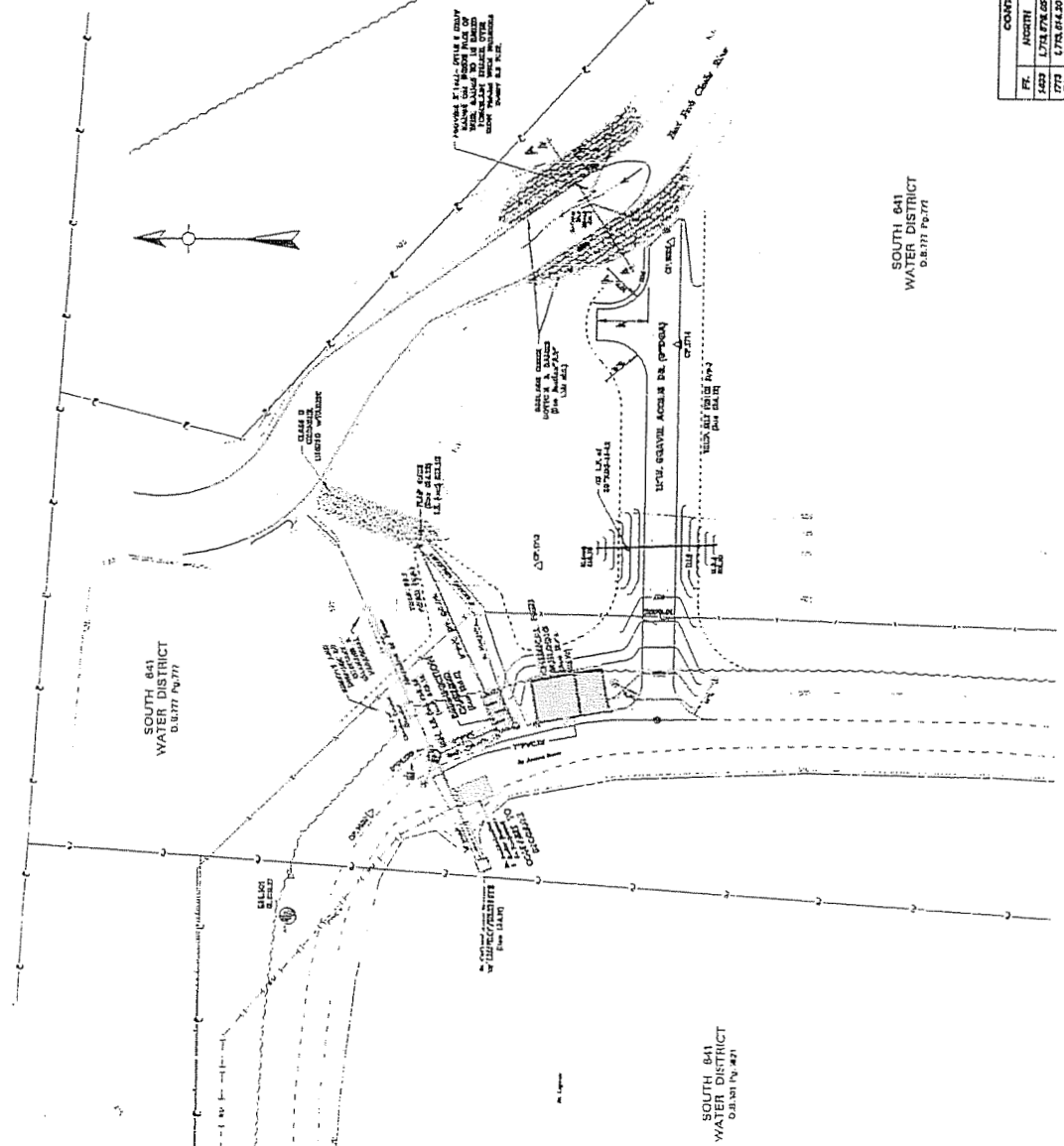
VICKIE ANN HOLLAND
 0.8.217 P.2/203

PT.	NORTH	EAST
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6	1774.828.0	806.177.1
7	1774.828.0	806.177.1
8	1774.828.0	806.177.1
9	1774.828.0	806.177.1
10	1774.828.0	806.177.1

CONTROL ALIGNMENT			
PT.	NORTH	EAST	DESCRIPT.
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Planview & Hydrographs, Inc.
 CONSULTING ENGINEERS
**WASTEWATER TREATMENT
 PLANT IMPROVEMENTS
 FOR THE SOUTH & H WATER DISTRICTS
 EFFLUENT IMPROVEMENTS**

NO.	DATE	BY	REVISION
1	04/18/10	MM	ISSUE FOR PERMIT
2	04/18/10	MM	ISSUE FOR PERMIT
3	04/18/10	MM	ISSUE FOR PERMIT
4	04/18/10	MM	ISSUE FOR PERMIT
5	04/18/10	MM	ISSUE FOR PERMIT
6	04/18/10	MM	ISSUE FOR PERMIT
7	04/18/10	MM	ISSUE FOR PERMIT



File No. 50744-00



ENVIRONMENTAL AND PUBLIC PROTECTION CABINET

Ernie Fletcher
Governor

Capital Plaza Tower
500 Mero Street, 5th Floor
Frankfort, Kentucky 40601
Phone (502) 564-5525
Fax (502) 564-3354
www.eppc.ky.gov

Teresa J. Hill
Secretary

General Certification--Nationwide Permit # 3 Maintenance

This General Certification is effective March 19, 2007, in conformity with the requirements of Section 401 of the Clean Water Act of 1977, as amended (33 U.S.C. §1341), as well as Kentucky Statute KRS 224.16-050.

Agricultural operations, as defined by KRS 224.71-100(1) conducting activities pursuant to KRS 224.71-100 (3), (4), (5), (6), or (10) are deemed to have certification if they are implementing an Agriculture Water Quality Plan pursuant to KRS 224.71-145.

For all other operations, the Commonwealth of Kentucky hereby certifies under Section 401 of the Clean Water Act (CWA) that it has reasonable assurances that applicable water quality standards under Kentucky Administrative Regulations Title 401, Chapter 5, established pursuant to Sections 301, 302, 304, 306 and 307 of the CWA, will not be violated for the activity covered under NATIONWIDE PERMIT 3, namely Maintenance, provided that the following conditions are met:

1. The activity will impact less than one acre of jurisdictional wetlands.
2. The activity will impact less than 300 linear feet of intermittent or perennial stream. Impacts to ephemeral streams are not limited under this general certification.
3. The activity will not occur within waters of the Commonwealth identified by the Kentucky Division of Water as Outstanding State or National Resource Waters, Cold Water Aquatic Habitat, or Exceptional Waters.
4. Projects that do not meet the conditions of this general certification require an individual Section 401 water quality certification.
5. Stream impacts covered under this nationwide permit and undertaken by those persons defined as an agricultural operation under the Agricultural Water Quality Act must be completed in compliance with the Kentucky Agricultural Water Quality Plan.

6. Activities qualifying for coverage under this general water quality certification are subject to the following conditions:

- Measures shall be taken to prevent or control spills of fuels, lubricants, or other toxic materials used in construction from entering the watercourse.
- In areas not riprapped or otherwise stabilized, revegetation of stream banks and riparian zones shall occur concurrently with project progression. At a minimum, revegetation will approximate pre-disturbance conditions.
- To the maximum extent practicable, all in stream work under this certification shall be performed during low flow.
- Heavy equipment, e.g. bulldozers, backhoes, draglines, etc., if required for this project, should not be used or operated within the stream channel. In those instances where such in stream work is unavoidable, then it shall be performed in such a manner and duration as to minimize turbidity and disturbance to substrates and bank or riparian vegetation.
- Any fill shall be of such composition that it will not adversely affect the biological, chemical, or physical properties of the receiving waters and/or cause violations of water quality standards. If riprap is utilized, it is to be of such weight and size that bank stress or slump conditions will not be created because of its placement.
- If there are water supply intakes located downstream that may be affected by increased turbidity and suspended solids, the permittee shall notify the operator when work will be done.
- Removal of existing riparian vegetation should be restricted to the minimum necessary for project construction.
- Should evidence of stream pollution or jurisdictional wetland impairment and/or violations of water quality standards occur as a result of this activity (either from a spill or other forms of water pollution), the Kentucky Division of Water shall be notified immediately by calling 800/928-2380.

General Certification--Nationwide Permit # 3
Maintenance
Page Three

Non-compliance with the conditions of this general certification or violation of Kentucky state water quality standards may result in civil penalties.

This general certification will expire on March 19, 2012, or sooner if the USACE makes significant changes to this nationwide permit.



US Army Corps
of Engineers®
Nashville District

Nationwide Permit

No. 3, Maintenance

(a) The repair, rehabilitation, or replacement of any previously authorized, currently serviceable, structure, or fill, or of any currently serviceable structure or fill authorized by 33 CFR 330.3, provided that the structure or fill is not to be put to uses differing from those uses specified or contemplated for it in the original permit or the most recently authorized modification. Minor deviations in the structure's configuration or filled area, including those due to changes in materials, construction techniques, or current construction codes or safety standards that are necessary to make the repair, rehabilitation, or replacement are authorized. This NWP authorizes the repair, rehabilitation, or replacement of those structures or fills destroyed or damaged by storms, floods, fire or other discrete events, provided the repair, rehabilitation, or replacement is commenced, or is under contract to commence, within two years of the date of their destruction or damage. In cases of catastrophic events, such as hurricanes or tornadoes, this two-year limit may be waived by the district engineer, provided the permittee can demonstrate funding, contract, or other similar delays.

(b) This NWP also authorizes the removal of accumulated sediments and debris in the vicinity of and within existing structures (e.g., bridges, culverted road crossings, water intake structures, etc.) and the placement of new or additional riprap to protect the structure. The removal of sediment is limited to the minimum necessary to restore the waterway in the immediate vicinity of the structure to the approximate dimensions that existed when the structure was built, but cannot extend further than 200 feet in any direction from the structure. This 200 foot limit does not apply to maintenance dredging to remove accumulated sediments blocking or restricting outfall and intake structures or to maintenance dredging to remove accumulated sediments from canals associated with outfall and intake structures. All dredged or excavated materials must be deposited and retained in an upland area unless otherwise specifically approved by the district engineer under separate authorization. The placement of riprap must be the minimum necessary to protect the structure or to ensure the safety of the structure. Any bank stabilization measures not directly associated with the structure will require a separate authorization from the district engineer.

(c) This NWP also authorizes temporary structures, fills, and work necessary to conduct the maintenance activity. Appropriate measures must be taken to maintain normal downstream flows and minimize flooding to the maximum extent practicable, when temporary structures, work, and discharges, including cofferdams, are necessary for construction activities, access fills, or dewatering of construction sites. Temporary fills must consist of materials, and be placed in a manner, that will not be eroded by expected high flows. Temporary fills must be removed in their entirety and the affected areas returned to pre-construction elevations. The areas affected by temporary fills must be revegetated, as appropriate.

(d) This NWP does not authorize maintenance dredging for the primary purpose of navigation or beach restoration. This NWP does not authorize new stream channelization or stream relocation projects.

Notification: For activities authorized by paragraph (b) of this NWP, the permittee must submit a pre-construction notification to the district engineer prior to commencing the activity (see general condition 27). Where maintenance dredging is proposed, the pre-construction notification must include information regarding the original design capacities and configurations of the outfalls, intakes, small impoundments, and canals. (Sections 10 and 404)



US Army Corps
of Engineers
Nashville District

Nationwide Permit Conditions

2007

The following General Conditions must be followed in order for any authorization by NWP to be valid:

- Navigation.** (a) No activity may cause more than a minimal adverse effect on navigation. (b) Any safety lights and signals prescribed by the US Coast Guard, through regulations or otherwise, must be installed and maintained at the permittee's expense on authorized facilities in navigable waters of the US. (c) The permittee understands and agrees that, if future operations by the US require the removal, relocation, or other alteration, of the structure or work herein authorized, or if, in the opinion of the Secretary of the Army or his authorized representative, said structure or work shall cause unreasonable obstruction to the free navigation of the navigable waters, the permittee will be required, upon due notice from the Corps of Engineers, to remove, relocate, or alter the structural work or obstructions caused thereby, without expense to the US. No claim shall be made against the US on account of any such removal or alteration.
- Aquatic Life Movements.** No activity may substantially disrupt the necessary life cycle movements of those species of aquatic life indigenous to the waterbody, including those species that normally migrate through the area, unless the activity's primary purpose is to impound water. Culverts placed in streams must be installed to maintain low flow conditions.
- Spawning Areas.** Activities in spawning areas during spawning seasons must be avoided to the maximum extent practicable. Activities that result in the physical destruction (e.g., through excavation, fill, or downstream smothering by substantial turbidity) of an important spawning area are not authorized.
- Migratory Bird Breeding Areas.** Activities in waters of the US that serve as breeding areas for migratory birds must be avoided to the maximum extent practicable.
- Shellfish Beds.** No activity may occur in areas of concentrated shellfish populations, unless the activity is related to a shellfish harvesting activity authorized by NWP 4 and 4B.
- Suitable Material.** No activity may use unsuitable material (e.g., trash, debris, car bodies, toxic amounts (see Section 307 of the Clean Water Act).
- Water Supply Intakes.** No activity may occur in the proximity of a public water supply intake, except where the activity is for the repair or improvement of public water supply intake structures or adjacent bank stabilization.
- Adverse Effects from Impoundments.** If the activity creates an impoundment of water, adverse effects to the aquatic system due to accelerating the passage of water, and/or restricting its flow must be minimized to the maximum extent practicable.
- Management of Water Flows.** To the maximum extent practicable, the preconstruction course, condition, capacity, and location of open waters must be maintained for each activity, including stream channelization and storm water management activities, except as provided below. The activity must be constructed to withstand expected high flows. The activity must restrict or impede the passage of normal or high flows, unless the primary purpose of the activity is to impound water or manage high flows. The activity may alter the preconstruction course, condition, capacity, and location of open waters if it benefits the aquatic environment (e.g., stream restoration or relocation activities).

10. **Fills Within 100-Year Floodplains.** The activity must comply with applicable FEMA-approved state or local floodplain management requirements.

11. **Equipment.** Heavy equipment working in wetlands or mudflats must be placed on mats, or other measures must be taken to minimize soil disturbance.

12. **Soil Erosion and Sediment Controls.** Appropriate soil erosion and sediment controls must be used and maintained in effective operating condition during construction, and all exposed soil and other fills, as well as any work below the ordinary high water mark or high tide line, must be permanently stabilized at the earliest practicable date. Permittees are encouraged to perform work within waters of the US during periods of low-flow or no-flow.

13. **Removal of Temporary Fills.** Temporary fills must be removed in their entirety and the affected areas returned to pre-construction elevations and revegetated, as appropriate.

14. **Proper Maintenance.** Any authorized structure or fill shall be properly maintained, including maintenance to ensure public safety.

15. **Wild and Scenic Rivers.** No activity may occur in a component of the National Wild and Scenic River System, or in a river officially designated by Congress as a "study river" for possible inclusion in the system while the river is in an official study status, for possible agency with direct management responsibility for such river, has determined in writing that the proposed activity will not adversely affect the Wild and Scenic River designation or study status. Information on Wild and Scenic Rivers may be obtained from the appropriate Federal land management agency in the area (e.g., National Park Service, US Forest Service, US Fish and Wildlife Service).

16. **Tribal Rights.** No activity or its operation may impair reserved tribal rights, including, but not limited to, reserved water rights and treaty fishing and hunting rights.

17. **Endangered Species.** (a) No activity is authorized under any NWP which is likely to jeopardize the continued existence of a threatened or endangered species or a species proposed for such designation, as identified under the Federal Endangered Species Act (ESA), or which will destroy or adversely modify the critical habitat of such species. Non-federal permittees shall notify the District Engineer if any listed species or designated critical habitat might be affected or is in the vicinity of the project, or is located in the designated critical habitat and shall not begin work on the activity until notified by the District Engineer that the requirements of the ESA have been satisfied and that the activity is authorized. For activities that may affect Federally-listed species or designated critical habitat, the notification must include the names(s) of the endangered or threatened species that may be affected by the proposed work or that utilize the designated critical habitat that may be affected by the proposed work. As a result of formal or informal consultation with the FWS, the District Engineer may add species-specific regional endangered species conditions to the NWP.

(b) Authorization of an activity by a NWP does not authorize the "take" of a threatened or

endangered species as defined under the ESA. In the absence of separate authorization (e.g., an

ESA Section 10 Permit, a Biological Opinion with "incidental take" provisions, etc.) from the

USFWS or the NMFS, both lethal and non-lethal "takes" of protected species are in violation of

the ESA. Information on the location of threatened and endangered species and their critical

habitat can be obtained directly from the offices of the USFWS and NMFS or their World Wide Webpages at <http://www.fws.gov/> and <http://www.noaa.gov/fisheries.html> respectively.

18. Historic Properties. No activity which may affect historic properties listed or eligible for listing in the National Register of Historic Places is authorized, until the District Engineer has complied with the provisions of 33 CFR Part 325, Appendix C. The prospective permittee must notify the District Engineer if the authorized activity may affect any historic properties determined to be eligible, or which the prospective permittee has reason to believe may be eligible for listing on the National Register of Historic Places, and shall not begin the activity until notified by the District Engineer that the requirements of the National Historic Preservation Act have been satisfied and that the activity is authorized. Information on the location and existence of historic resources can be obtained from the State Historic Preservation Office Officer or Tribal Historic Preservation Officer, as appropriate, and the National Register of Historic Places (see 33 CFR 330.4(g)). For activities that may affect historic properties listed in, or eligible for listing in, the National Register of Historic Places, the notification must state which historic property may be affected by the proposed work or include a vicinity map indicating the location of the historic property. Prospective permittees should be aware that section 110(k) of the NHPA (16 USC 470h-2(k)) prevents the Corps from granting a permit or other assistance to an applicant who, with intent to avoid the requirements of Section 106 of the NHPA, has intentionally significantly adversely affected a historic property to which the permit would relate, or having legal power to prevent it, allowed such significant adverse effect to occur.

19. Designated Critical Resource Waters. Critical resource waters including state natural heritage sites, and outstanding national resource waters or other waters officially designated by a state as having particular environmental or ecological significance and identified by the district engineer after notice and opportunity for public comment. The district engineer may also designate additional critical resource waters after notice and opportunity for comment. (a) Discharges of dredged or fill material into waters of the US are not authorized by NWP 7, 12, 14, 16, 17, 21, 29, 31, 35, 39, 40, 42, 43, 44, 49, and 50 for any activity within, or directly affecting, critical resource waters, including wetlands adjacent to such waters. (b) For NWP 3, 8, 10, 13, 15, 18, 19, 22, 23, 25, 27, 28, 30, 33, 34, 36, 37, and 38, notification is required in accordance with general condition 27, for any activity proposed in the designated critical resource waters including wetlands adjacent to those waters. The district engineer may authorize activities under these NWPs only after it is determined that the impacts to the critical resource waters will be no more than minimal.

20. Mitigation. The activity must be constructed to avoid and minimize adverse effects, both temporary and permanent, to waters of the US to the maximum extent practicable at the project site (i.e. on site). Mitigation in all its forms (avoiding, minimizing, rectifying, reducing, or compensating) will be required to the extent necessary to ensure that the adverse effects to the aquatic environment are minimal.

21. Water Quality. The activity must comply with case specific conditions added by the Corps or by the state, Indian Tribe, or USEPA in its section 401 Water Quality Certification. Where States and authorized Tribes, or EPA where applicable, have not previously certified compliance of an NWP with CWA Section 401, individual 401 Water Quality Certification must be obtained or waived (see 33 CFR 330.4(c)). The district engineer or State or Tribe may require additional water quality management measures to ensure that the authorized activity does not result in more than minimal degradation of water quality.

22. Coastal Zone Management. (Not applicable in Nashville District.)

23. Regional and Case-By-Case Conditions. The activity must comply with any regional conditions that may have been added by the Division Engineer (see 33 CFR 330.4(e)) and with any case specific conditions added by the Corps or by the state, Indian Tribe, or U.S. EPA in its section 401 Water Quality Certification.

24. Use of Multiple Nationwide Permits. The use of more than one NWP for a single and complete project is prohibited, except when the acreage loss of waters of the US authorized by the NWPs does not exceed the acreage limit of the NWP with the highest specified acreage limit. For example, if a road crossing over tidal water is constructed under NWP14, with associated bank stabilization authorized by NWP 13, the maximum acreage loss of waters of the US for the total project cannot exceed 1.3-acre.

25. Transfer of Nationwide Permit Verifications. If the permittee sells the property associated with NWP verification, the permittee may transfer the NWP verification to the new owner by submitting a letter to the appropriate Corps district office to validate the transfer. A copy of the NWP verification must be attached to the letter, and the letter must contain the following statement: When the structures or work authorized by this NWP are still in existence at the time the property is transferred, the terms and conditions of this NWP are still in existence at the time the property is transferred, the terms and conditions of this NWP, including any special conditions, will continue to be binding on the new owner(s) of the property. To validate the transfer and the associated liabilities associated with compliance with its terms and conditions, have the transferee sign and date below:

Transferee _____ Date _____

26. Compliance Certification. Every permittee who has received a Nationwide permit verification from the Corps will submit a signed certification regarding the completed work and any required mitigation. The certification form is included with this verification.

27. Pre-Construction Notification. N/A as a permit condition for this verification letter. (For full text of this condition, refer to page 11194 of the *Federal Register*, Vol. 72, No. 47, Monday, March 12, 2007 at <http://www.usace.army.mil/infocenter/functions/cv/wqecw/reg/>).

28. Single and Complete Project. The activity must be a single and complete project. The same NWP cannot be used more than once for the same single and complete project.

Further information:

1. District Engineers have authority to determine if an activity complies with the terms and conditions of an NWP.
2. NWPs do not obviate the need to obtain other Federal, state, or local permits, approvals, or authorizations required by law.
3. NWPs do not grant any property rights or exclusive privileges.
4. NWPs do not authorize any injury to the property or rights of others.
5. NWPs do not authorize interference with any existing or proposed Federal project.

Exhibit C

Copy of Project Easement and Site Certificate

PERMANENT UTILITY EASEMENT

THIS PERMANENT UTILITY EASEMENT dated the 16 day of April, 2009, by and between CALLOWAY COUNTY FISCAL COURT, 101 South 5th Street, Murray, Calloway County, Kentucky 42071, hereinafter collectively referred to as Grantor, and SOUTH 641 WATER DISTRICT, P.O. Box 126, Hazel, Kentucky 42049, hereinafter referred to as Grantee.

WITNESSETH:

For consideration paid to Grantor in the sum of One dollar (\$1.00), the receipt of which is hereby acknowledged by Grantor, said Grantor hereby grants, and conveys to Grantee a permanent and perpetual utility easement for the right presently or hereafter to lay, maintain, repair, replace, or remove a sewer lift station and force main and to temporarily or permanently place upon or beneath or affixed to the herein described real property of the Grantor any other apparatuses, equipment, devices, or appurtenances of any nature whatsoever which are necessary to the construction, operation, maintenance, repair, replacement or removal of the above referenced lift station and force main. Said perpetual and permanent easement is in Calloway County, Kentucky and is better defined as follows:

A parcel of land 35 feet wide along the south side of the Calloway Street right of way and the north portion of the Grantor's property and further described as follows:

From a point in the right of way line of Calloway Street and in the north property line of the Grantor's property as described in Deed Book 162, Page 207 in the Calloway County Clerk's Office, said point being approximately 290 feet west of the intersection of the south right of way line of Calloway Street and the west right of way line of First Street; thence in the westerly direction approximately 70 feet to a point in the south right of way line of Calloway Street and the north property line of the Grantor's property as described in the Calloway County Clerk's Office.

In addition, the Grantor conveys a 10' temporary construction easement parallel to, adjacent to, and on the east, south and west sides of the above-mentioned perpetual easement for the entire length of said easement.

Said tract being a portion of the property conveyed to Calloway County Fiscal Court as described in Deed Book 162, Page 207 in the Calloway County Clerk's Office.

The Grantee is granted the additional rights, privileges and uses in connection with the above stated purposes as follows:

1. Grantor shall not erect or install any permanent improvements upon the land described in this easement.
2. The rights of entry upon, passage over, deposit of excavated earth, and storage of material and equipment on such area as may be necessary or useful for the construction, maintenance, cleaning out and repairs of the above referenced sanitary sewer line.

The Grantee hereby agrees, at its expense, to repair all surface and underground damage to Grantor's property occasioned by the construction and its use of the easement area and occurring within one year of completion of the installation of the above referenced lift station and force main, as may be deemed reasonably required in the sole judgement of the Grantee.

To have and to hold the aforesaid utility easement together with its rights, privileges and uses unto Grantee with covenant of general warranty.

WITNESSES the hands of the Grantor as of the day and date above written.

Judge Executive Larry Elkins

STATE OF (KENTUCKY)
COUNTY OF (CALLOWAY)

The foregoing instrument is acknowledged before me this 16 day of April, 2009, by Judge Ex. Larry Elkins.

Notary Public, State at Large

My Commission expires:

5-4-11

SEAL

This document prepared by:

Richard Jones
105 North 6th Street
Murray, KY 42071



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Filed on: 06/11/2009 2:42:59 PM
Book: GENERAL Number: 789
Page: 577
Ray Coursey, Calloway County

DC: Jim Wilson

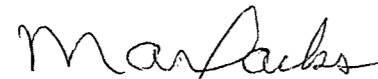
SITE CERTIFICATE

I certify that the grantee, the South 641 Water District, has acquired all real property including easements and rights-of-way that are or will be required for construction, (erection, extension, modification, addition) operation and maintenance of the Wastewater Treatment Plant Improvements Project no. XP-95404608-0.

I certify that the Title Counsel's Certification given on the attached certificate covers all real property including easements and rights-of-way required for construction, operation and maintenance of the entire Wastewater Treatment plant improvements project.

I further certify that all real property including easements required for the Wastewater Treatment Plant Improvements project have been acquired in accordance with the requirements of the Surface Transportation and Uniform Relocation Assistance Act of 1987 as set for the in 49 CFR Part 24.

Dated this 19th day of June, 2009



Grantee's Authorized Representative

Max Parks, Chairman

Title

RICHARD W. JONES

Attorney at Law
314 Main Street
Murray, KY 42071-0007

Richard W. Jones
Of Counsel:
Harold T. Hurt
Joseph W. Bolin

Telephone: (270) 753-1268
Facsimile: (270) 753-5913
hurtjonesandbolin@murray-ky.net

June 9, 2009

Mr. Michael K. Jones, P.E.
Florence & Hutcheson, Inc.
2550 Irvan Cobb Drive
Paducah, Kentucky 42003

RE: South 641 Wastewater Treatment Plant Improvements
Title Counsel Certification

Dear Mr. Jones,

This is to certify that I have examined the title in and to the property described in a deed from the James K. Jackson, Jr. and wife, Sandra Kay Jackson to Calloway County Fiscal Court dated May 7, 1981 and of record in **Book 162, Page 207** in the Calloway County Court Clerk's Office.

DESCRIPTION

OLD LEGAL DESCRIPTION:

Legal description of a tract of land situated in the town of Hazel, County of Calloway, State of Kentucky, being part of the Southwest Quarter of Section 34, Township 1, Range 4 East, and being further described as follows:

Beginning at the Northeast corner of the herein described tract, said point being located where the South right of way line of Calloway Street intersects the West right of way of First Street; thence South 2 degrees 15'00" East and following the West right of way line of First Street; 253.00'; thence along the arc of a curve to the right 111.21' to a point located on the North right of way line of Barnett Street, said curve having a chord bearing South 85 degrees 56'20" West and following the North right of way of Branell Street 426.00'; thence North 1 degree 29'20" West 160.00'; South 87 degrees 07'35" West 202.86'; thence North 1 degree 35'46" West 82.00'; thence North 86 degrees 14'34" East 24.16'; thence North 2 degrees 25'26" West 79.96 feet to the South right of way line of Calloway Street; thence North 86 degrees 11'40" East and following said right of way line 671.92' to the point of beginning. This tract contains 4.367 acres.

The foregoing described property is sold subject to a sanitary sewer easement held by the City of Hazel, Kentucky, and is more particularly described as follows:

Beginning at a point located on the South right of way line of Calloway Street, and 363.57' West of the Northeast corner of the school tract; thence following the centerline of said easement South 1 degree 10'04" West 325.79' to a point located on the North right of way line Barnett Street, and 113.00' East of the Southwest corner of the school tract; said easement is 10' wide and lies 5' on either side of the above described centerline.

Also there is another sanitary sewer easement as recorded in Deed Book 121, Page 123, lying East of and adjacent to the above described 10' strip and fronting on Calloway Street, said easement is 16' wide and 16' long.

EXCEPT: From the above described land, there is excepted the following described tract of land:

Beginning at the Northeast corner of the Calloway County School property in Hazel, Kentucky, and said point being the Southwest intersection of the right of way of Barnett Street and First Street; thence South with the West right of way of First Street to the Southeast corner of said property, said point being the Northwest intersection of First Street and Calloway Street; thence West with the North right of way with Calloway Street 121 feet and 6 inches to a stake; thence North parallel with the First Street to a point 16 feet East of and 16 feet North of the Northeast corner of the Hazel Elementary School Building; thence West parallel with Barnett Street, 16 feet to a stake; thence North parallel with First Street to the South right of way of Barnett Street; thence East with the South right of way of Barnett Street; 150 feet to the point of beginning. The above exception was heretofore deeded to the Hazel Community Center, Sandra Gallimore et al, dated the 16th day of January 1975 and recorded on microfilm in Book 154, Cabinet 1, Drawer 6, Card 1422, in the office of the Clerk of the Calloway County Court. This deed is subject to a Deed of Correction to the Hazel Community Center.

ALSO, EXCEPT: Beginning on the South side of Calloway Street, which said beginning point is the Southwest corner of a tract of land deeded to Hazel Community Center, Sandra Gallimore, et al, dated the 16th day of January, 1975, and recorded on microfilm in Book 154, Cabinet 1, Drawer 6, Card 1422, in the office of the Clerk of the Calloway County Court; thence in a Southerly direction along the West property line of the above described property 150 feet to a point; thence in a Westerly direction 80 feet to a point; thence in a Northerly direction 150 feet to a point, which point is the West side of Calloway Street; thence along Calloway Street 80 feet to a point of beginning. This exception was heretofore deeded to Kenneth T. Turner et ux dated the 2nd day of August, 1979 and of record on microfilm in Book 160, Cabinet 1, Drawer 12, Card 501 in the office of the Clerk of the Calloway County Court.

ALSO EXCEPT: Beginning at a point on the South right of way of Calloway Street, said point being the Northeast corner of the property presently owned by Industrial Clean Up Service, Inc., (formerly the Eldon Ordiway property); thence South 2 degrees 25'26" East for a distance of 177.52' to a stake; thence North 162.31' to the South right of way of Calloway Street; thence West with the South right of way of Calloway Street for a

distance of 178.44' to the point of beginning. This exception was heretofore deeded to Bobby G. Byars and Sandra Kay Byars dated the 13th day of February, 1980 and of record on microfilm in Book 160, Cabinet 1, Drawer 12, Card 2171, in the office of the Clerk of the Calloway County Court.

NEW LEGAL DESCRIPTION:

A 2.331 acre tract of land as surveyed by F.T. Seargent and Associates of Murray, Kentucky on April 30, 1981, located on Calloway Street and Barnett Street in the Town of Hazel, Kentucky and being more particularly described as follows:

Beginning at the Northeast corner of the herein described tract of land and the Northwest corner of the Gerald W. Turner property (Deed Book 160, Card 798), said point being a #4 rebar (set) on the South side of Calloway Street, 15.00 feet South of the centerline and 280.00 feet West of an iron pipe found at the intersection of First Street with Calloway Street; thence South 02 degrees 17'34" East – 150.00 feet along the Turner property to a #4 rebar (set); thence North 86 degrees 09'06" East – 96.00 feet along the Turner property and the Calloway County Fiscal Court Property (Deed Book 158, Card 2041) to a #4 rebar (set); thence South 02 degrees 17'34" East – 170.58 feet along the Calloway County Fiscal Court property to an iron pin (set) on the North side of Barnett Street, 18.50 feet North of the centerline; thence South 85 degrees 30'35" West – 360.79 feet along the North side of Barnett Street to an existing pipe, 18.50 feet North of the centerline and being the Southeast corner of the Peggy Gibson property (Deed Book 160, Card 2321); thence North 01 degrees 53'49" West – 324.69 feet with the Gibson property and the Bobby Byars property (Deed Book 160, Card 2171) to a #4 rebar (set) on the South side of Calloway Street, 15.00 feet South of the centerline and being the Northeast corner of the Bobby Byars property; thence North 86 degrees 09'06" East – 262.42 feet along the South side of Calloway Street to the point of beginning.

This property is subject to all previously conveyed right of ways and easements.

NOTICE OF LIMITATION OF USE

It is understood and agreed by and between the Grantors and Grantee by acceptance of this deed does acknowledge that it fully understands the terms and conditions set forth herein and does further covenant and agree for itself, and its successors and assigns, forever as follows:

(1) The property has been acquired or developed with Federal financial assistance provided by the Heritage Conservation and Recreation Service (formerly the Bureau of Outdoor Recreation) of the Department of the Interior in accordance with the Land and Water Conservation Fund Act of 1965, as amended, 16 U.S.C. 7 4601-5 et seq. (1970 ed.) Pursuant to a requirement of that law, this property may not be converted to other than public outdoor recreation uses (whether by transfer, sale or in any other manner) without the express written approval of the Secretary of the Interior. By law, the Secretary shall approve such conversion only if he finds it to be in accord with the then existing comprehensive statewide outdoor recreation plan and only upon such conditions as he deems necessary to assure the substitution of other recreation properties of at least equal fair market value and of reasonably equivalent usefulness and location.

PERIOD OF SEARCH

This examination covers a period of time of not less than thirty years to and through **June 5, 2009 at 9:00 a.m.** and constitutes the recorded evidence upon which this opinion is based.

OPINION OF TITLE

It is the opinion of this office that fee simple title in and to the property described hereinabove is vested in **Calloway County Fiscal Court, its successors and/or assigns.**

It is the opinion of this office that title to the property described hereinabove is clear and unencumbered subject to the following encumbrances, exceptions and restrictions:

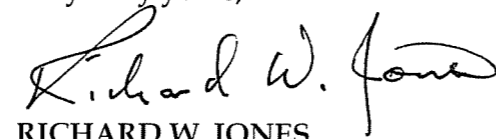
1. **Calloway County Fiscal Court is exempt from ad valorem taxes, therefore, there are not taxes unpaid or due for the property described herein.**
2. Subject to any easements not shown by the public records, encroachments, overlaps, boundary line disputes and/or any statement of facts which constitute an objection to title which might be revealed by an accurate survey of the premises.
3. Subject to the rights and claims of any parties in actual possession of the property involved and the claims of any parties not of record.
4. Subject to the proper indexing of the records by the Calloway County Court Clerk's Office, and subject to any information that would be revealed by a personal inspection of the premises.
5. Any and all mechanics and/or materialmen's liens that are not of record and in favor of any person, firm or institution providing any services or materials on the subject premises within the statutory period and upon which an actual lien has not been filed as of this date in the Calloway County Court Clerk's Office.
6. Subject to any defects, liens, encumbrances, adverse claims or other matters, if any, created, first appearing in the public records or attaching subsequent to the effective date hereof but prior to the date of the proposed owner and/or mortgagee acquires for value of record the estate or interest or mortgage there on covers by this title certificate.
7. Subject to any portion of the subject property that is owned by Calloway County and/or the Commonwealth of Kentucky for the purposes of road right-of-way.
8. Subject to any violation of City or County zoning ordinances, subdivision regulations or other ordinances of the City of Murray or County of Calloway.
9. **Subject to the Notice of Limitation of Use condition** as contained in the legal description of the property described herein (Book 162, Card 207) and further set out hereinabove.

10. **Subject to those Sanitary Sewer Easements** as held by the City of Hazel as described herein in the Old Legal Description as set out hereinabove (Book 162, Card 207) and that Sanitary Sewer Easement as recorded in **Deed Book 121, Page 123** in the Calloway County Court Clerk's Office.
11. **Subject to that Permanent Utility Easement** dated April 16, 2009 from Calloway County Fiscal Court and South 641 Water District and being 35' in width along the South side of Calloway Street right of way and the North portion of the property described hereinabove filed June 11, 2009 in Book 789, Page 577 in the Calloway County Court Clerk's Office.

The encumbrances and exceptions set out above are the only encumbrances, exceptions and defects found in the chain of title for the period covered by this title opinion.

It is distinctly understood that our examination of this title has been made for the firm of Florence & Hutcheson, Inc., Consulting Engineers for the purpose of improvements to the South 641 Wastewater Treatment Plant in Hazel, Kentucky. The liability of this firm is limited to the fair market value of the real property and the life of the ownership of the property by Calloway County Fiscal Court. No final will be issued.

Very truly yours,



RICHARD W. JONES
Attorney at Law

RWJ/dld