

# Hardin County Water District No. 1

*Serving Radcliff and Hardin County for Over 60 Years*

1400 Rogersville Road  
Radcliff, KY. 40160

RECEIVED

MAY 08 2019

PUBLIC SERVICE  
COMMISSION

May 8, 2019

Hon. Gwen Pinson  
Executive Director - Kentucky Public Service Commission  
211 Sower Blvd.  
P.O. Box 615  
Frankfort, KY 40620-0615

**SUBJECT: Filing of Response to Data Request No. 1  
Case 2019 - 00067**

Dear Director Pinson,

Enclosed please find an original and ten copies of our pre-filed testimony to be considered part of our application for the above filing. Due to the volume of material, we have included electronic responses for question 1 on a compact disc, which is provided within each binder.

HCWD1 filed a Motion for Deviation on April 29<sup>th</sup> in regards to the volume of material for question 1.

If you have any questions, please do not hesitate to call me or our attorney, Mr. David Wilson II (Phone: 270-351-4404).

Sincerely,

  
Stephen M. Hogan, General Manager

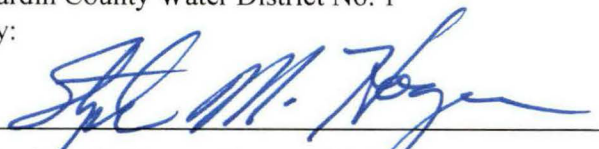
Cf; Mr. David Wilson II, HCWD1 Attorney

**VERIFICATION**

The undersigned, Mr. Stephen M. Hogan, General Manager of the Hardin County Water District No. 1, hereby verifies that he has personal knowledge of the matters set forth in filed letter dated May 8, 2019, to PSC Case 2019-00067, and that he is duly designated by the Board of Commissioners of the Hardin County Water District No. 1 to sign and submit this information its behalf.


Hardin County Water District No. 1

By:

  
\_\_\_\_\_  
Stephen M. Hogan, General Manager


**CERTIFICATION**

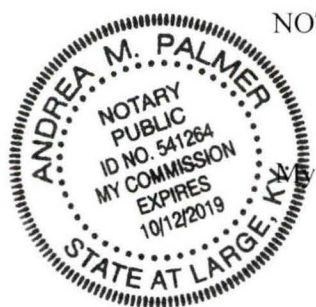
This is to certify that a true and correct copy of the foregoing was delivered on or about the 8th day of May, 2019 to Ms. Gwen Pinson, Executive Director, Kentucky Public Service Commission, 211 Sower Boulevard, Frankfort, KY. 40601-8204.

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

STATE OF KENTUCKY  
COUNTY OF HARDIN

I, the undersigned, a Notary Public, do hereby certify that on this 8th day of May, 2019, personally appeared before me, Stephen M. Hogan and David T. Wilson, II, who, being by me first sworn subscribed to and acknowledged that they both represent the Hardin County Water District No. 1, a Kentucky Corporation, that they have signed the foregoing document as General Manager and Attorney of the Corporation.

  
\_\_\_\_\_  
NOTARY PUBLIC, STATE OF KENTUCKY



Commission Expires; October 12, 2019

1. Provide a copy of Contract No. SP0600-11 -8271 between Hardin District No. 1 and the Defense Logistics Agency Energy (DLAE) and any amendments thereto (hereinafter collectively the Contract). If any portion of the Contract has previously been filed with the Commission, Hardin District No.1 may refer to those filings for those portions of the contract in lieu of refiling them herein.

ANSWER 1:           The Contract No. SP0600-11-8271 between Hardin County Water District No. 1 (HCWD1) and Defense Logistics Agency Energy (DLAE) was received by the PSC on April 20, 2012 when it was previously filed with the Commission as Case # 2011-00416.

An electronic version of all Contract amendments and modifications is provided with this response to information request behind tab 1.

WITNESS:           Mr. Brett Pyles, Fort Knox Systems Director, HCWD1

<b>AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT</b>	1. CONTRACT ID CODE	PAGE 1 OF 3
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2. AMENDMENT/MODIFICATION NO. P00001	3. EFFECTIVE DATE See Block 16C	4. REQUISITION/PURCHASE REQ. NO.	5. PROJECT NO. (If applicable)
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6. ISSUED BY DEFENSE LOGISTICS AGENCY ENERGY 8725 JOHN J. KINGMAN ROAD, SUITE 3937 FORT BELVOIR, VA 22060-6222 Buyer/Symbol: Taina M. Rivera/DLA Energy-EF PHONE: (703) 767-8130 E-MAIL: <a href="mailto:Taina.Rivera@dla.mil">Taina.Rivera@dla.mil</a>	CODE SP0600	7. ADMINISTERED BY CODE (If other than Item 6)
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8. NAME AND ADDRESS OF CONTRACTOR (NO., street, city, county, State, and ZIP Code)	9a. AMENDMENT OF SOLICITATION NO.
Hardin County Water District No. 1  1400 Rogersville Road Radcliff, KY 40160-9343  DUNS: 130402811 CAGE CODE: 316V9	9b. DATED (SEE ITEM 11)
	X 10a. MODIFICATION OF CONTRACT NO. SP0600-11-C-8271
	10b. DATED (SEE ITEM 13) September 30, 2011

**11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS**

[ ] The above numbered solicitation is amended as set forth in Item 14. The hour and date specified for receipt of Offers [ ] is extended, [ ] is not extended

Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended, by one of the following methods: (a) By completing Items 8 and 15, and returning \_\_\_ copies of the amendment; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers.

**FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER.** If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.

12. ACCOUNTING AND APPROPRIATION DATA (If required)  
Not Applicable

13. THIS ITEM APPLIES ONLY TO MODIFICATIONS OF CONTRACTS/ORDERS, IT MODIFIES THE CONTRACT/ORDER NO. AS DESCRIBED IN ITEM 14.

	A. THIS CHANGE ORDER IS ISSUED PURSUANT TO: (Specify authority) THE CHANGES SET FORTH IN ITEM 14 ARE MADE IN THE CONTRACT ORDER NO. IN ITEM 10A.
X	B. THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES (such as changes in paying office, appropriation date, etc.) SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY OF FAR 43.103(b).
	C. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF: FAR 43.103(a)
	D. OTHER (Specify type of modification and authority)

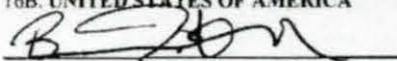
E. IMPORTANT: Contractor [ X ] is not, [ ] is required to sign this document and return 1 copies to the issuing office.

14. DESCRIPTION OF AMENDMENT/MODIFICATION (Organized by UCF section headings, including solicitation/contract subject matter where feasible.)

**Fort Knox, Kentucky – Utility Privatization Contract  
Potable Water Utility System**

See Additional Pages for Further Details.

Except as provided herein, all terms and conditions of the document referenced in Item 9A or 10A, as heretofore changed, remain unchanged and in full force and effect.

15A. NAME AND TITLE OF SIGNER (Type or print)	16A. NAME OF CONTRACTING OFFICER (Type or print) <b>BRIAN J. KOESSEL</b>		
15B. NAME OF CONTRACTOR/OFFEROR	15C. DATE SIGNED	16B. UNITED STATES OF AMERICA	16C. DATE SIGNED
_____ <small>(Signature of person authorized to sign)</small>		 <small>(Signature of Contracting Officer)</small>	9/30/11

A. The purpose of this modification is to revise CLIN 0052 to provide funding for the first four (4) months of the ISDC Surcharge for Year 1 in the amount of \$1,895,324.00, for the period from February 1, 2012 to May 31, 2012. Section B.3 is hereby revised as a result of these changes to include the applicable appropriation data in Section G. Accordingly, the contract is modified as follows:

B. Section B – Supplies or Services and Prices/Costs – As a result of the changes described in Paragraph A, the following line items are incorporated into Section B.3 as follows:

**B.3 Schedule**

**Utility Service Payment by the Government**

CLIN 0052 is hereby revised as follows:

FROM:

<u>CLIN</u>	<u>Description</u>	<u>Qty</u>	<u>Unit</u>	<u>Unit Price</u>	<u>Total Price</u>
0052	ISDC Surcharge – Year 1				
0052AA	Months 1-12 of 60 ACRN: TBD Period of Performance: Contract Start Date + 12 mos	12	mo	\$473,831.00	\$5,685,972.00

TO:

<u>CLIN</u>	<u>Description</u>	<u>Qty</u>	<u>Unit</u>	<u>Unit Price</u>	<u>Total Price</u>
0052	ISDC Surcharge – Year 1				
0052AA	Months 1-4 of 60 ACRN: AB Period of Performance: February 1, 2012 – May 31, 2012	4	mo	\$473,831.00	\$1,895,324.00
0052AB	Months 5-12 of 60 ACRN: TBD Period of Performance: June 1, 2012 – January 31, 2013	8	Mo	\$473,831.00	\$3,790,648.00

**C. G.6 Accounting and Appropriation Data**

ACRN AB is hereby established in the amount of \$1,895,324.00. Funds are provided under the Direct Cite MIPR Number 10098889 as follows:

Line of Accounting:

**AB 02120112011 2020000 A22TT 131056QMIS 2334 0010098889 0020001382 021001 \$1,895,324.00**

Funding Breakdown:

Funding for ACRN AB: On SubCLIN 0052AA \$1,895,324.00

Total Funding: \$1,895,324.00

Total Funding for ACRN AB: \$1,895,324.00


Remaining Funds for ACRN AB: \$0.00

D. The total amount obligated on the contract is increased by \$1,895,324.00 from \$592,518.00 to \$2,487,842.00.

E. The total value of the contract remains unchanged at \$253,843,146.00.

F. All other Terms and Conditions shall remain unchanged and in full force and effect.

**End of Modification**

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT			1. CONTRACT ID CODE	PAGE 1 OF 3
2. AMENDMENT/MODIFICATION NO. P00002	3. EFFECTIVE DATE See Block 16C	4. REQUISITION/PURCHASE REQ. NO.	5. PROJECT NO. (If applicable)	
6. ISSUED BY DEFENSE LOGISTICS AGENCY ENERGY 8725 JOHN J. KINGMAN ROAD, SUITE 3937 FORT BELVOIR, VA 22060-6222 Buyer/Symbol: Taina M. Rivera/DLA Energy-EF PHONE: (703) 767-8130 E-MAIL: <a href="mailto:Taina.Rivera@dla.mil">Taina.Rivera@dla.mil</a> P.P. 8.2		CODE SP0600	7. ADMINISTERED BY CODE (If other than Item 6)	
8. NAME AND ADDRESS OF CONTRACTOR (NO., street, city, county, State, and ZIP Code)  Hardin County Water District No. 1  1400 Rogersville Road Radcliff, KY 40160-9343  DUNS: 130402811 CAGE CODE: 316V9		<b>X</b>	9a. AMENDMENT OF SOLICITATION NO.	
			9b. DATED (SEE ITEM 11)	
			10a. MODIFICATION OF CONTRACT NO. SP0600-11-C-8271	
			10b. DATED (SEE ITEM 13) September 30, 2011	
<b>11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS</b>				
<p><input type="checkbox"/> The above numbered solicitation is amended as set forth in Item 14. The hour and date specified for receipt of Offers <input type="checkbox"/> is extended, <input type="checkbox"/> is not extended</p> <p>Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended, by one of the following methods: (a) By completing Items 8 and 15, and returning ___ copies of the amendment; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers.</p> <p><b>FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER.</b> If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.</p>				
12. ACCOUNTING AND APPROPRIATION DATA (If required) Not Applicable				
13. THIS ITEM APPLIES ONLY TO MODIFICATIONS OF CONTRACTS/ORDERS, IT MODIFIES THE CONTRACT/ORDER NO. AS DESCRIBED IN ITEM 14.				
	A. THIS CHANGE ORDER IS ISSUED PURSUANT TO: (Specify authority) THE CHANGES SET FORTH IN ITEM 14 ARE MADE IN THE CONTRACT ORDER NO. IN ITEM 10A.			
<b>X</b>	B. THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES (such as changes in paying office, appropriation date, etc.) SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY OF FAR 43.103(b).			
	C. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF: FAR 43.103(a)			
	D. OTHER (Specify type of modification and authority)			
E. IMPORTANT: Contractor <input checked="" type="checkbox"/> is not, <input type="checkbox"/> is required to sign this document and return <u>1</u> copies to the issuing office.				
14. DESCRIPTION OF AMENDMENT/MODIFICATION (Organized by UCF section headings, including solicitation/contract subject matter where feasible.)				
<p><b>Fort Knox, Kentucky – Utility Privatization Contract</b></p> <p><b>Potable Water Utility System</b></p> <p>See Additional Pages for Further Details.</p>				
Except as provided herein, all terms and conditions of the document referenced in Item 9A or 10A, as heretofore changed, remain unchanged and in full force and effect.				
15A. NAME AND TITLE OF SIGNER (Type or print)		16A. NAME OF CONTRACTING OFFICER (Type or print) <b>BRIAN J. KOESSEL</b>		
15B. NAME OF CONTRACTOR/OFFEROR		15C. DATE SIGNED	16B. UNITED STATES OF AMERICA	16C. DATE SIGNED
_____ (Signature of person authorized to sign)			 (Signature of Contracting Officer)	9/30/11

A. The purpose of this modification is to revise CLIN 0052 to return the funding previously obligated in Modification P00001. The funding for CLIN 0052 is decreased in the amount of \$1,895,324.00 from \$1,895,324.00 to \$0.00. Section B.3 is hereby revised as a result of these changes to include the applicable appropriation data in Section G. Accordingly, the contract is modified as follows:

B. Section B – Supplies or Services and Prices/Costs – As a result of the changes described in Paragraph A, the following line items are incorporated into Section B.3 as follows:

**B.3 Schedule**

**Utility Service Payment by the Government**

CLIN 0052 is hereby revised as follows:

FROM:

<u>CLIN</u>	<u>Description</u>	<u>Qty</u>	<u>Unit</u>	<u>Unit Price</u>	<u>Total Price</u>
0052	ISDC Surcharge – Year 1				
0052AA	Months 1-4 of 60 ACRN: AB Period of Performance: February 1, 2012 – May 31, 2012	4	mo	\$473,831.00	\$1,895,324.00
0052AB	Months 5-12 of 60 ACRN: TBD Period of Performance: June 1, 2012 – January 31, 2013	8	Mo	\$473,831.00	\$3,790,648.00

TO:

<u>CLIN</u>	<u>Description</u>	<u>Qty</u>	<u>Unit</u>	<u>Unit Price</u>	<u>Total Price</u>
0052	ISDC Surcharge – Year 1				
0052AA	Months 1-12 of 60 ACRN: TBD Period of Performance: February 1, 2012 – January 31, 2013	12	mo	\$473,831.00	\$5,685,972.00



**C. G.6 Accounting and Appropriation Data**

ACRN AB, previously established in Modification P00001, is hereby deleted in its entirety. Funds are decreased in the amount of \$1,895,324.00 from \$1,895,324.00 to \$0.00.

Line of Accounting:

**AB 02120112011 2020000 A22TT 131056QMIS 2334 0010098889 0020001382 021001 \$0.00**

Document Reference Number: MIPR10098889

Funding Breakdown:

Funding for ACRN AB: On SubCLIN 0052AA \$0.00

Total Funding in Mod P00001: \$1,895,324.00

**Total Funding Decreased in this Mod: \$1,895,324.00**

Total Funding for ACRN AB: \$0.00

Remaining Funds for ACRN AB: \$0.00

D. The total amount obligated on the contract is decreased by \$1,895,324.00 from \$2,487,842.00 to \$592,518.00.

E. The total value of the contract remains unchanged at \$253,843,146.00.

F. All other Terms and Conditions shall remain unchanged and in full force and effect.

**End of Modification**

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT			1. CONTRACT ID CODE K	PAGE 1 OF 2	
2. AMENDMENT/MODIFICATION NO. P00003	3. EFFECTIVE DATE 13 December 2011	4. REQUISITION/PURCHASE REQ. NO. N/A		5. PROJECT NO. (If applicable)	
6. ISSUED BY DLA ENERGY- ENERGY ENTERPRISE 8725 JOHN J. KINGMAN ROAD, SUITE 3830 FT. BELVOIR, VA 22060-6222 FAX (703) 767-8506 BUYER/SYMBOL: BRYAN SVEUM/DESC-E PHONE (703) 767-9518 Bryan.sveum@dla.mil		CODE SP0600	7. ADMINISTERED BY (If other than Item 6) CODE		
8. NAME AND ADDRESS OF CONTRACTOR (NO., street, city, county, State, and ZIP Code)  Hardin County Water District No.1 1400 Rogersville Road Radcliff, KY 40160-9343 Phone: (270) 351-3222 ext. 208 Fax: (270) 352-3055 POC: Jim Bruce, General Manager  DUNS# 130402811 CAGE# 316V9			9a. AMENDMENT OF SOLICITATION NO.		
			9b. DATED (SEE ITEM 11)		
			X	10a. MODIFICATION OF CONTRACT/ORDER NO. SP0600-11-C-8271	
				10b. DATED (SEE ITEM 13) 30 September 2011	
<b>11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS</b>					
<input type="checkbox"/> The above numbered solicitation is amended as set forth in Item 14. The hour and date specified for receipt of Offers <input type="checkbox"/> is extended <input type="checkbox"/> is not extended Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended, by one of the following methods: (a) By completing Items 8 and 15, and returning ___ copies of the amendment; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers. <b>FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER.</b> If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.					
12. ACCOUNTING AND APPROPRIATION DATA (If required)					
13. THIS ITEM APPLIES ONLY TO MODIFICATIONS OF CONTRACTS/ORDERS IT MODIFIES THE CONTRACT/ORDER NO. AS DESCRIBED IN ITEM 14.					
	A. THIS CHANGE ORDER IS ISSUED PURSUANT TO: (Specify authority) THE CHANGES SET FORTH IN ITEM 14 ARE MADE IN THE CONTRACT ORDER NO. IN ITEM 10A. 12.05 CHANGES-FIXED PRICE (AUG 87)				
X	B. THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES (such as changes in paying office, appropriation date, etc.) SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY OF FAR 43.103(b)				
	C. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF: FAR 43.103(a)				
	OTHER (Specify type of modification and authority)				
E. IMPORTANT: Contractor <input checked="" type="checkbox"/> is not, <input type="checkbox"/> is required to sign this document and return ___ copies to the issuing office.					
13. DESCRIPTION OF AMENDMENT/MODIFICATION (Organized by UCF section headings, including solicitation/contract subject matter where feasible.)  Reference: Fort Knox Army Base Water Utility Privatization Contract  See Page 2					
Except as provided herein, all terms and conditions of the document referenced in Item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect.					
15A. NAME AND TITLE OF SIGNER (Type or print)			16A. NAME OF CONTRACTING OFFICER JAMES JOHNSON		
15B. NAME OF CONTRACTOR/OFFEROR BY _____ (Signature of person authorized to sign)		15C. DATE SIGNED 30-105	16B. UNITED STATES OF AMERICA BY _____ (Signature of Contracting Officer)	16C. DATE SIGNED 13 December 2011	
NSN 7540-01-152-8070 PREVIOUS EDITION UNUSABLE		STANDARD FORM 30 (REV. 10-83) Prescribed by GSA			

15B. NAME OF CONTRACTOR/OFFEROR BY _____ <i>(Signature of person authorized to sign)</i> NSN 7540-01-152-8070 PREVIOUS EDITION UNUSABLE	15C. DATE SIGNED 30-105	16B. UNITED STATES OF AMERICA BY _____ <i>(Signature of Contracting Officer)</i> STANDARD FORM 30 (REV. 10-83) Prescribed by GSA FAR (48 CFR) 53.243	16C. DATE SIGNED <b>8 November 2011</b>
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**The purpose of this modification is to incorporate the following administrative change:**

The Contracting Officer cited under Section G, Contract Administration Data, is hereby changed:

From:


BRIAN J KOESSEL  
8725 John J. Kingman Road  
Suite 3725  
Fort Belvoir, VA 22060  
DSN: 427-1595  
Phone: (703) 767-1595  
E-mail: [brian.koessel@dla.mil](mailto:brian.koessel@dla.mil)

To:

JAMES JOHNSON  
8725 John J. Kingman Road  
Suite 3725  
Fort Belvoir, VA 22060  
DSN: 427-9554  
Phone: (703) 767-9554  
E-mail: [james.l.johnson@dla.mil](mailto:james.l.johnson@dla.mil)

All other terms and conditions of the subject contract remain unchanged and in full force and effect.

**END OF MODIFICATION**

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT		1. CONTRACT ID CODE K		Page 1 of 2
2. AMENDMENT/MODIFICATION NO. P00004	3. EFFECTIVE DATE 18 January 2012	4. REQUISITION/PURCHASE REQ. NO. N/A	5. PROJECT NO. (If applicable)	
6. ISSUED BY DLA ENERGY - ENERGY ENTERPRISE 8725 JOHN J. KINGMAN ROAD, SUITE 4950 FORT BELVOIR, VA 22060-6222 Buyer/Symbol: Bryan Sveum/DLA Energy-EA PHONE: (703) 767-9518 E-MAIL: bryan.sveum@dla.mil	CODE SP0600	7. ADMINISTERED BY (If other than Item 6) CODE		
8. NAME AND ADDRESS OF CONTRACTOR (NO., street city, county, State, and ZIP Code)  Hardin County Water District No. 1 1400 Rogersville Road Radcliff, KY 40160-9343 Phone: (270) 351-3222 ext. 208 Fax: (270) 352-3055 POC : Jim Bruce, General Manager DUNS # 130402811 CAGE #316V9		9a. AMENDMENT OF SOLICITATION NO.	9b. DATED (SEE ITEM 11)	
		X	10a. MODIFICATION OF CONTRACT/ORDER NO. <b>SP0600-11-C-8271</b>	
			10b. DATED (SEE ITEM 13) 30 September 2011	
11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS				
<input type="checkbox"/> The above numbered solicitation is amended as set forth in Item 14. The hour and date specified for receipt of Offers <input type="checkbox"/> is extended, <input type="checkbox"/> is not extended. Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended, by one of the following methods: (a) By completing Items 8 and 15, and returning _____ copy of the amendment; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers. <b>FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER.</b> If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.				
12. ACCOUNTING AND APPROPRIATION DATA (If required)0				
13. THIS ITEM APPLIES ONLY TO MODIFICATIONS OF CONTRACTS/ORDERS, IT MODIFIES THE CONTRACT/ORDER NO. AS DESCRIBED IN ITEM 14.				
A. THIS CHANGE ORDER IS ISSUED PURSUANT TO: (Specify authority) THE CHANGES SET FORTH IN ITEM 14 ARE MADE IN THE CONTRACT ORDER NO. IN ITEM 10A.				
X B. THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES (such as changes in paying office, appropriation date, etc.) SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY OF FAR 43.103(b)				
C. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF:				
D. OTHER (Specify type of modification and authority)				
E. IMPORTANT: Contractor <input checked="" type="checkbox"/> is not, <input type="checkbox"/> is required to sign this document and return _____ copies to the issuing office.				
14. DESCRIPTION OF AMENDMENT/MODIFICATION (Organized by UCF section headings, including solicitation/contract subject matter where feasible.)				
<b>Fort Knox, Kentucky - Utility Privatization Contract Potable Water Utility System</b>  See Additional Pages for Further Details.				
Except as provided herein, all terms and conditions of the document referenced in Item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect.				
15A. NAME AND TITLE OF SIGNER (Type or print)		16A. NAME OF CONTRACTING OFFICER <b>James Johnson</b>		
15B. NAME OF CONTRACTOR/OFFEROR	15C. DATE SIGNED	16B. UNITED STATES OF AMERICA	16C. DATE SIGNED 18 January 2012	
BY _____ (Signature of person authorized to sign)		BY  (Signature of Contracting Officer)		

- A. The purpose of this modification is to correct the DFAS Payment Office.

FROM:  
HQ0105  
DEFENSE FINANCE ACCOUNTING SERVICE  
DFAS INDIANAPOLIS CENTER  
899 E. 56<sup>TH</sup> STREET  
INDIANAPOLIS, IN 46249

TO:  
HQ0490  
DEFENSE FINANCE ACCOUNTING SERVICE  
DFAS-INDY VP GFEB  
8899 E 56TH STREET  
INDIANAPOLIS IN 46249-3800

- B. All other terms and conditions of the subject contract remain unchanged and in full force and effect.

**END OF MODIFICATION**

2. AMENDMENT/MODIFICATION NO. P00005	3. EFFECTIVE DATE 31 January 2012	4. REQUISITION/PURCHASE REQ. NO. N/A	5. PROJECT NO. (if applicable)
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6. ISSUED BY DLA ENERGY - ENERGY ENTERPRISE 8725 JOHN J. KINGMAN ROAD, SUITE 4950 FORT BELVOIR, VA 22060-6222 Buyer/Symbol: Kenneth Richardson/DLA Energy-EA PHONE: (703) 767-9559 E-MAIL: kenneth.richardson@dlamail.mil	CODE SP0600	7. ADMINISTERED BY (if other than Item 6)	CODE
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8. NAME AND ADDRESS OF CONTRACTOR (NO., street city, county, State, and ZIP Code)  Hardin County Water District No. 1 1400 Rogersville Road Radcliff, KY 40160-9343 Phone: (270) 331-3222 ext. 208 Fax: (270) 352-3055  POC: Jim Bruce, General Manager DUNS # 130402811 CAGE #316V9	9a. AMENDMENT OF SOLICITATION NO.
	9b. DATED (SEE ITEM 11)
	10a. MODIFICATION OF CONTRACT/ORDER NO. SP0600-11-C-8271
	10b. DATED (SEE ITEM 13) 30 September 2011

11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS

The above numbered solicitation is amended as set forth in Item 14. The hour and date specified for receipt of Offers  is extended,  is not extended. Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended, by one of the following methods: (a) By completing Items 8 and 15, and returning \_\_\_\_\_ copy of the amendment; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers. **FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER.** If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.

12. ACCOUNTING AND APPROPRIATION DATA (if required) 0

13. THIS ITEM APPLIES ONLY TO MODIFICATIONS OF CONTRACTS/ORDERS, IT MODIFIES THE CONTRACT/ORDER NO. AS DESCRIBED IN ITEM 14.

<input type="checkbox"/>	A. THIS CHANGE ORDER IS ISSUED PURSUANT TO: (Specify authority) THE CHANGES SET FORTH IN ITEM 14 ARE MADE IN THE CONTRACT ORDER NO. IN ITEM 10A.
<input type="checkbox"/>	B. THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES (such as changes in paying office, appropriation date, etc.) SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY OF FAR 43.103(b)
<input checked="" type="checkbox"/>	C. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF: FAR 52.243-1
<input type="checkbox"/>	D. OTHER (Specify type of modification and authority)



E. IMPORTANT: Contractor  is not,  is required to sign this document and return 1 copies to the issuing office.

14. DESCRIPTION OF AMENDMENT/MODIFICATION (Organized by UCF section headings, including solicitation/contract subject matter where feasible.)

**Fort Knox, Kentucky - Utility Privatization Contract  
Potable Water Utility System**

See Additional Pages for Further Details.

Except as provided herein, all terms and conditions of the document referenced in Item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect.

15A. NAME AND TITLE OF SIGNER (Type or print) JAMES BRUCE, GENERAL MANAGER		16A. NAME OF CONTRACTING OFFICER Lisa S. Goins-Berntsen	
15B. NAME OF CONTRACTOR/OFFEROR	15C. DATE SIGNED 31-JAN-2012	16B. UNITED STATES OF AMERICA	16C. DATE SIGNED 31 January 2012
BY  (Signature of person authorized to sign)		BY  (Signature of Contracting Officer)	

- A. The purpose of this modification is to attach the Bill of Sale for the Water Utility System, dated January 31, 2012, as Reference Document JR8, *Bill of Sale*.
- B. The Easement is not completed at this time and will be incorporated at a later date. The Contractor and its agents, employees, contractors, and subcontractors shall have reasonable access to the Installation to accomplish its duties and responsibilities under the Contract identified in block 10a. The U.S. Army Garrison, Fort Knox, pursuant to Army Regulation 405-80 paragraph 2-13 b. (2) granted a Revocable License to Hardin County Water District #1. This License authorizes ingress and egress to Fort Knox, Kentucky for the purposes of, installing, operating and maintaining utility systems out side Hardin County Water District #1 utility easement; such as water meters, water lines and other utility work required to comply with their contract. The License is granted for the period of 1 February 2012 through 31 July 2012.
- C. The Contracting Officer cited under Section G, Contract Administration Data, is hereby changed:
- |  |  |
|--|--|
| From:  | To:  |
| JAMES JOHNSON  | LISA GOINS-BERNTSEN  |
| 8725 John J. Kingman Road  | 8725 John J. Kingman Road  |
| Suite 3725   | Suite 3725   |
| Fort Belvoir, VA 22060   | Fort Belvoir, VA 22060   |
| DSN: 427-9554  | DSN: 427-7543  |
| (703) 767-9554   | (703) 767-7543   |
| E-mail: <a href="mailto:james.l.johnson@dla.mil">james.l.johnson@dla.mil</a> | E-mail: <a href="mailto:lisa.goinsberntsen@dla.mil">lisa.goinsberntsen@dla.mil</a> |
- D. The total amount obligated on the contract remains unchanged at \$592,518.00.
- E. The total value of the contract remains unchanged at \$253,843,146.00.
- F. All other Terms and Conditions shall remain unchanged and in full force and effect.

**End of Modification**

UTILITY SYSTEM BILL OF SALE  
FOR WATER UTILITY SYSTEM  
FOR  
FORT KNOX MILITARY INSTALLATION,  
HARDIN COUNTY, KENTUCKY

This BILL OF SALE made and entered into this 31<sup>st</sup> day of January, 2012, by and between the UNITED STATES OF AMERICA, hereinafter the "Government", acting by and through the Secretary of the Army, c/o Commander and District Engineer, United States Army Corps of Engineers, Louisville District, ATTN: CELRL-RE, P.O. Box 59, Louisville, Kentucky 40201-0059, hereinafter referred to as the "Seller", under and pursuant to 10 USC 2688 and in accordance with Contract No. SP0600-11-C-8271, which is attached hereto as Exhibit A, and HARDIN COUNTY WATER DISTRICT NO. 1, hereinafter the "Purchaser", 1400 Rogersville Road, Radcliff, Kentucky 40160-9343.

The Government, for good and valuable consideration as set out in Exhibit A, the receipt and sufficiency of which is hereby acknowledged, does hereby sell, transfer, set over and deliver to the Purchaser, its successors and assigns, all right, title, and interest of the Government in and to the water utility system, hereinafter the "System", owned by the Government, as and where such System presently exists on Fort Knox, Hardin County, Kentucky, comprised of all equipment, fixtures, structures, and other improvements, including access as provided for in the Right-of-Entry and subsequent Easement with this Bill of Sale, wholly excluding, however, any real property underlying, overlying, or surrounding such equipment, fixtures, structures, and other improvements. Such System is more specifically described in Exhibit B, attached hereto and made a part hereof.

The Government specifically disclaims and excludes any implied warranties of condition, of fitness for a particular purpose, of merchantability, or of any other kind under the laws of the United States and of the state in which the system is located. The System is sold "as is, where is." This Bill of Sale does not grant any right of access, right-of-way, or easement of any kind whatsoever over, across, or to the real property underlying, overlying, or surrounding the System. Any right of access to the System is contained, if at all, in a document separate from this Bill of Sale.



IN WITNESS WHEREOF, I have hereunto set my hand this 31<sup>st</sup> day of January, 2012, by authority of the Secretary of the Army.

UNITED STATES OF AMERICA  
Acting by and through the Secretary of the Army

*Veronica A. Hiriems*

Veronica A. Hiriems, Chief Real Estate Division  
Louisville District  
U.S. Army Corps of Engineers

STATE OF KENTUCKY )  
)SS  
COUNTY OF JEFFERSON )

The foregoing Bill of Sale was acknowledged before me this 31<sup>st</sup> day of January, 2012, by Veronica A. Hiriems, Chief, Real Estate Division, Louisville District, U.S. Army Corps of Engineers, Louisville, Kentucky, acting by and through the Secretary of the Army for the United States of America.

My Commission Expires: 6-25-2014  
*Lisa M. Patrick*  
Notary Public, State at Large, Kentucky

APPROVAL AND ACCEPTANCE:


On this 31<sup>st</sup> day of JAN, 2012, Hardin County Water District No. 1 hereby approves and accepts this Bill of Sale and does hereby agree to all of the terms and conditions thereof.

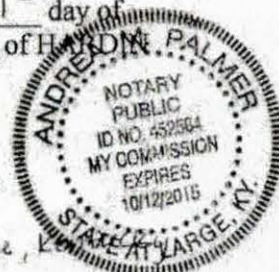
*James Bruce*  
HARDIN COUNTY WATER DISTRICT NO. 1  
BY: JAMES BRUCE  
TITLE: GENERAL MANAGER


STATE OF Kentucky )  
 )SS  
COUNTY OF Hardin )

The foregoing Bill of Sale was acknowledged before me this 31<sup>st</sup> day of January, 2012 by Andrea Palmer as Executive Asst of HARDIN COUNTY WATER DISTRICT NO. 1.

My Commission Expires: 10-12-2015

  
Notary Public, State at Large, Kentucky



AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT		1. CONTRACT ID CODE K		Page 1 of 3
2. AMENDMENT/MODIFICATION NO. P00006	3. EFFECTIVE DATE 31 January 2012	4. REQUISITION/PURCHASE REQ. NO. N/A	5. PROJECT NO. (If applicable)	
ISSUED BY DLA ENERGY – ENERGY ENTERPRISE 8725 JOHN J. KINGMAN ROAD, SUITE 4950 FORT BELVOIR, VA 22060-6222 Buyer/Symbol: Kenneth Richardson/DLA Energy-EA PHONE: (703) 767-9559 E-MAIL: <a href="mailto:kenneth.richardson@dla.mil">kenneth.richardson@dla.mil</a>		CODE SP0600	7. ADMINISTERED BY (If other than Item 6) CODE	
8. NAME AND ADDRESS OF CONTRACTOR (NO., street city, county, State, and ZIP Code)  Hardin County Water District No. 1 1400 Rogersville Road Radcliff, KY 40160-9343 Phone: (270) 351-3222 ext. 208 Fax: (270) 352-3055 POC: Jim Bruce, General Manager DUNS # 130402811 CAGE #316V9		9a. AMENDMENT OF SOLICITATION NO.		
		9b. DATED (SEE ITEM 11)		
		10a. MODIFICATION OF CONTRACT/ORDER NO. SP0600-11-C-8271		
		10b. DATED (SEE ITEM 13) 30 September 2011		
<b>11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS</b>				
<input type="checkbox"/> The above numbered solicitation is amended as set forth in Item 14. The hour and date specified for receipt of Offers <input type="checkbox"/> is extended, <input type="checkbox"/> is not extended. Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended, by one of the following methods: (a) By completing Items 8 and 15, and returning _____ copy of the amendment; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers. <b>FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER.</b> If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.				
<b>12. ACCOUNTING AND APPROPRIATION DATA (If required) 0</b>				
<b>THIS ITEM APPLIES ONLY TO MODIFICATIONS OF CONTRACTS/ORDERS, IT MODIFIES THE CONTRACT/ORDER NO. AS DESCRIBED IN ITEM 14.</b>				
A. THIS CHANGE ORDER IS ISSUED PURSUANT TO: (Specify authority) THE CHANGES SET FORTH IN ITEM 14 ARE MADE IN THE CONTRACT ORDER NO. IN ITEM 10A.				
<b>X</b> B. THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES (such as changes in paying office, appropriation date, etc.) SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY OF FAR 52.243-1				
C. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF: FAR 52.243-1				
D. OTHER (Specify type of modification and authority)				
E. IMPORTANT: Contractor <input checked="" type="checkbox"/> is not, <input type="checkbox"/> is required to sign this document and return _____ copies to the issuing office.				
<b>14. DESCRIPTION OF AMENDMENT/MODIFICATION (Organized by UCF section headings, including solicitation/contract subject matter where feasible.)</b>				
<b>Fort Knox, Kentucky – Utility Privatization Contract</b> <b>Potable Water Utility System</b>  See Additional Pages for Further Details.				
Except as provided herein, all terms and conditions of the document referenced in Item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect.				
15A. NAME AND TITLE OF SIGNER (Type or print)		16A. NAME OF CONTRACTING OFFICER <b>Lisa Goins-Berntsen</b>		
15B. NAME OF CONTRACTOR/OFFEROR	15C. DATE SIGNED	16B. UNITED STATES OF AMERICA	16C. DATE SIGNED	
BY _____ (Signature of person authorized to sign)		BY  (Signature of Contracting Officer)	31 January 2012	

- A. The purpose of this modification is to provide 2 months of funding for SubCLIN 0001AA. Section B.3 is hereby revised as a result of these changes; and Section G.5 is revised to establish the applicable appropriation data.
- B. Section B - Supplies or Services and Prices/Costs – As a result of the changes described in Paragraph A, the following line items are incorporated into Section B.3 as follows:

**B.3 Schedule**

Utility Service Payment by the Government

CLIN 0001 is hereby revised as follows:

**FROM:**

<u>CLIN</u>	<u>Description</u>	<u>Qty</u>	<u>Unit</u>	<u>Unit Price</u>	<u>Total Price</u>
0001	Monthly Utility Service Charge (Year 1)				
0001AA	Months 1-12 of 600 ACRN: TBD	12	Mo.	\$246,172.00	\$2,954,064.00

*See Schedule 1 for Breakout of Monthly Utility Service Charge*

**TO:**

<u>CLIN</u>	<u>Description</u>	<u>Qty</u>	<u>Unit</u>	<u>Unit Price</u>	<u>Total Price</u>
0001	Monthly Utility Service Charge (Year 1)				
0001AA	Month 1 and 2 of 600 ACRN: AB	2	Mo.	\$246,172.00	\$492,344.00
0001AB	Year 1 – Months 3-12 of 600 ACRN: TBD	10	Mo.	\$246,172.00	\$2,461,720.00

CLIN 0052 is hereby revised as follows:

**FROM:**

<u>CLIN</u>	<u>Description</u>	<u>Qty</u>	<u>Unit</u>	<u>Unit Price</u>	<u>Total Price</u>
0052	ISDC Surcharge – Year 1				
0052AA	Months 1-12 of 60 ACRN: TBD	12	Mo.	\$473,831.00	\$5,685,972.00

**TO:**

<u>CLIN</u>	<u>Description</u>	<u>Qty</u>	<u>Unit</u>	<u>Unit Price</u>	<u>Total Price</u>
0052	ISDC Surcharge – Year 1				
0052AA	Month 1 and 2 of 60 ACRN: AB	2	Mo.	\$473,831.00	\$947,662.00
0052AB	Year 1 – Months 3-12 of 60 ACRN: TBD	10	Mo.	\$473,831.00	\$4,738,310.00

Section G – Contract Administration Data - As a result of the changes described in Paragraph A, Section G.5 is revised as follows:

**G.5 Accounting and Appropriation Data**


ACRN AB is hereby established in the amount of \$1,440,006.00. Funds are provided under the Direct Cite MIPR Number MIPR2D10132035 as follows:

Line of Accounting:

**AB 02120122012 2020000 A2ABH 131079QDPW 2540 0010132035 1012.502 2ABH0086 021001 \$1,440,006.00**

- D. The total amount obligated is increased by \$1,440,006.00 from: \$592,518.00 to: \$2,032,524.00.
- E. The total value of the contract remains unchanged at \$253,843,146.00.
- F. All other Terms and Conditions shall remain unchanged and in full force and effect.

**End of Modification**

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT		1. CONTRACT ID CODE K		Page 1 of 3
2. AMENDMENT/MODIFICATION NO. P00007	3. EFFECTIVE DATE 6 April 2012	4. REQUISITION/PURCHASE REQ. NO. N/A	5. PROJECT NO. (If applicable)	
6. ISSUED BY DLA ENERGY – ENERGY ENTERPRISE 8725 JOHN J. KINGMAN ROAD, SUITE 4950 FORT BELVOIR, VA 22060-6222 Buyer/Symbol: Kenneth Richardson/DLA Energy-EA PHONE: (703) 767-9559 E-MAIL: <a href="mailto:kenneth.richardson@dla.mil">kenneth.richardson@dla.mil</a>	CODE SP0600	7. ADMINISTERED BY (If other than Item 6)		CODE
8. NAME AND ADDRESS OF CONTRACTOR (NO., street city, county, State, and ZIP Code)  Hardin County Water District No. 1 1400 Rogersville Road Radcliff, KY 40160-9343 Phone: (270) 351-3222 ext. 208 Fax: (270) 352-3055  POC : Jim Bruce, General Manager DUNS # 130402811 CAGE #316V9		9a. AMENDMENT OF SOLICITATION NO.	9b. DATED (SEE ITEM 11)	
		X	10a. MODIFICATION OF CONTRACT/ORDER NO. SP0600-11-C-8271	
			10b. DATED (SEE ITEM 13) 30 September 2011	
11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS				
<input type="checkbox"/> The above numbered solicitation is amended as set forth in Item 14. The hour and date specified for receipt of Offers <input type="checkbox"/> is extended, <input type="checkbox"/> is not extended. Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended, by one of the following methods: (a) By completing Items 8 and 15, and returning _____ copy of the amendment; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers. <b>FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER.</b> If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.				
12. ACCOUNTING AND APPROPRIATION DATA (If required) 0				
13. THIS ITEM APPLIES ONLY TO MODIFICATIONS OF CONTRACTS/ORDERS, IT MODIFIES THE CONTRACT/ORDER NO. AS DESCRIBED IN ITEM 14.				
	A. THIS CHANGE ORDER IS ISSUED PURSUANT TO: (Specify authority) THE CHANGES SET FORTH IN ITEM 14 ARE MADE IN THE CONTRACT ORDER NO. IN ITEM 10A.			
X	B. THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES (such as changes in paying office, appropriation date, etc.) SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY OF FAR 52.243-1 Alt 1			
	C. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF:			
	D. OTHER (Specify type of modification and authority)			
E. IMPORTANT: Contractor <input type="checkbox"/> is not, <input checked="" type="checkbox"/> is required to sign this document and return <u>1</u> copies to the issuing office.				
14. DESCRIPTION OF AMENDMENT/MODIFICATION (Organized by UCF section headings, including solicitation/contract subject matter where feasible.)				
<b>Fort Knox, Kentucky – Utility Privatization Contract Potable Water Utility System</b>  See Additional Pages for Further Details.				
Except as provided herein, all terms and conditions of the document referenced in Item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect.				
15A. NAME AND TITLE OF SIGNER (Type or print)		16A. NAME OF CONTRACTING OFFICER <b>Lisa S. Goins-Berntsen</b>		
15B. NAME OF CONTRACTOR/OFFEROR	15C. DATE SIGNED	16B. UNITED STATES OF AMERICA BY  (Signature of Contracting Officer)	16C. DATE SIGNED 6 April 2012	
BY _____ (Signature of person authorized to sign)				

A. The purpose of this modification is to provide 10 months of funding for SubCLIN 0001AB and SubCLIN 0052AB. Section B.3 is hereby revised as a result of these changes; and Section G.5 is revised to establish the applicable appropriation data.

B. Section B - Supplies or Services and Prices/Costs – As a result of the changes described in Paragraph A, the following line items are incorporated into Section B.3 as follows:

**B.3 Schedule**

Utility Service Payment by the Government

CLIN 0001 is hereby revised as follows:

**FROM:**

<u>CLIN</u>	<u>Description</u>	<u>Qty</u>	<u>Unit</u>	<u>Unit Price</u>	<u>Total Price</u>
0001	Monthly Utility Service Charge (Year 1)				
0001AA	Month 1 and 2 of 600 ACRN: AB	2	Mo.	\$246,172.00	\$492,344.00
0001AB	Year 1 – Months 3-12 of 600 ACRN: TBD	10	Mo.	\$246,172.00	\$2,461,720.00

**TO:**

<u>CLIN</u>	<u>Description</u>	<u>Qty</u>	<u>Unit</u>	<u>Unit Price</u>	<u>Total Price</u>
0001	Monthly Utility Service Charge (Year 1)				
0001AA	Month 1 and 2 of 600 ACRN: AB	2	Mo.	\$246,172.00	\$492,344.00
0001AB	Year 1 – Months 3-12 of 600 ACRN: AC	10	Mo.	\$246,172.00	\$2,461,720.00

CLIN 0052 is hereby revised as follows:

**FROM:**

<u>CLIN</u>	<u>Description</u>	<u>Qty</u>	<u>Unit</u>	<u>Unit Price</u>	<u>Total Price</u>
0052	ISDC Surcharge – Year 1				
0052AA	Month 1 and 2 of 60 ACRN: AB	2	Mo.	\$473,831.00	\$947,662.00
0052AB	Year 1 – Months 3-12 of 60 ACRN: TBD	10	Mo.	\$473,831.00	\$4,738,310.00

**TO:**

<u>CLIN</u>	<u>Description</u>	<u>Qty</u>	<u>Unit</u>	<u>Unit Price</u>	<u>Total Price</u>
0052	ISDC Surcharge – Year 1				
0052AA	Month 1 and 2 of 60 ACRN: AB	2	Mo.	\$473,831.00	\$947,662.00
0052AB	Year 1 – Months 3-12 of 60 ACRN: AC	10	Mo.	\$473,831.00	\$4,738,310.00

Section G – Contract Administration Data - As a result of the changes described in Paragraph A, Section G.5 is revised as follows:

**G.5 Accounting and Appropriation Data**

ACRN AC is hereby established in the amount of \$7,200,030.00. Funds are provided under the Direct Cite MIPR Number MIPR2D10132035 as follows:

Line of Accounting:

**AC 02120122012 2020000 A2ABH 131079QDPW 2540 0010132035 1012.502 2ABH0086 021001 \$7,200,030.00**

- D. The total amount obligated is increased by \$7,200,030.00 from: \$2,032,524.00 to: \$9,232,554.00.
- E. The total value of the contract remains unchanged at \$253,843,146.00.
- F. All other Terms and Conditions shall remain unchanged and in full force and effect.

**End of Modification**



AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT		1. CONTRACT ID CODE K		Page 1 of 2
AMENDMENT/MODIFICATION NO. P00008	3. EFFECTIVE DATE 1 August 2012	4. REQUISITION/PURCHASE REQ. NO. N/A	5. PROJECT NO. (If applicable)	
6. ISSUED BY DLA ENERGY – ENERGY ENTERPRISE 8725 JOHN J. KINGMAN ROAD, SUITE 4950 FORT BELVOIR, VA 22060-6222 Buyer/Symbol: Daonna Young/DLA Energy-EA PHONE: (703) 767-8576 E-MAIL: <a href="mailto:doannayoung@dla.mil">doannayoung@dla.mil</a>		CODE SP0600	7. ADMINISTERED BY (If other than Item 6)  CODE	
8. NAME AND ADDRESS OF CONTRACTOR (NO., street city, county, State, and ZIP Code)  Hardin County Water District No. 1 1400 Rogersville Road Radcliff, KY 40160-9343 Phone: (270) 351-3222 ext. 208 Fax: (270) 352-3055  POC : Jim Bruce, General Manager DUNS # 130402811 CAGE #316V9			9a. AMENDMENT OF SOLICITATION NO.	
			9b. DATED (SEE ITEM 11)	
			10a. MODIFICATION OF CONTRACT/ORDER NO. <b>SP0600-11-C-8271</b>	
			10b. DATED (SEE ITEM 13) 30 September 2011	
<b>11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS</b>				
<p>[ ] The above numbered solicitation is amended as set forth in Item 14.  The hour and date specified for receipt of Offers [ ] is extended, [ ] is not extended.  Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended, by one of the following methods: (a) By completing Items 8 and 15, and returning _____ copy of the amendment; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers.  <b>FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER.</b> If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.</p>				
2. ACCOUNTING AND APPROPRIATION DATA (If required)0				
<b>13. THIS ITEM APPLIES ONLY TO MODIFICATIONS OF CONTRACTS/ORDERS, IT MODIFIES THE CONTRACT/ORDER NO. AS DESCRIBED IN ITEM 14.</b>				
A. THIS CHANGE ORDER IS ISSUED PURSUANT TO: (Specify authority) THE CHANGES SET FORTH IN ITEM 14 ARE MADE IN THE CONTRACT ORDER NO. IN ITEM 10A.				
B. THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES (such as changes in paying office, appropriation date, etc.) SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY OF FAR 43.103(b)				
<input checked="" type="checkbox"/> C. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF: FAR 52.243-1 ALT 1				
D. OTHER (Specify type of modification and authority)				
E. IMPORTANT: Contractor [ ] is not, [ X ] is required to sign this document and return <u>  1  </u> copies to the issuing office.				
<b>14. DESCRIPTION OF AMENDMENT/MODIFICATION (Organized by UCF section headings, including solicitation/contract subject matter where feasible.)</b>				
<p><b>Fort Knox, Kentucky – Utility Privatization Contract</b>  <b>Potable Water Utility System</b></p> <p>See Additional Pages for Further Details.</p>				
Except as provided herein, all terms and conditions of the document referenced in Item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect.				
15A. NAME AND TITLE OF SIGNER (Type or print) James Bruce, General Manager		16A. NAME OF CONTRACTING OFFICER Kenneth Richardson		
15B. NAME OF CONTRACTOR/OFFEROR	15C. DATE SIGNED	16B. UNITED STATES OF AMERICA	16C. DATE SIGNED	
BY _____ (Signature of person authorized to sign)		BY _____ (Signature of Contracting Officer)	July 10, 2012	

A. The purpose of this modification is to incorporate a fully executed copy of Department of the Army Easement No. DACA27-2-12-114, effective August 1, 2012 as Reference Document JR9, *Easement*.

B. The Contracting Officer cited under Section G, Contract Administration Data, is hereby changed:

From:

LISA GOINS-BERNTSEN  
8725 John J. Kingman Road  
Suite 3725  
Fort Belvoir, VA 22060  
DSN: 427-7543  
(703) 767-7543  
E-mail: [lisa.goinsberntsen@dla.mil](mailto:lisa.goinsberntsen@dla.mil)

To:

KENNETH RICHARDSON  
8725 John J. Kingman Road  
Suite 3725  
Fort Belvoir, VA 22060  
DSN: 427-9559  
(703) 767-9559  
E-mail: [kenneth.richardson@dla.mil](mailto:kenneth.richardson@dla.mil)

C. The total amount obligated on the contract remains unchanged at \$9,232,554.00.

D. The total value of the contract remains unchanged at \$253,843,146.00.

E. All other Terms and Conditions shall remain unchanged and in full force and effect.

**End of Modification**

**DEPARTMENT OF THE ARMY**  
**EASEMENT FOR POTABLE WATER UTILITY SYSTEM**  
**LOCATED ON**  
**FORT KNOX MILITARY RESERVATION**  
**HARDIN COUNTY, KENTUCKY**

**This Easement is made on behalf of THE UNITED STATES OF AMERICA, between THE SECRETARY OF THE ARMY, acting by and through the Chief, Real Estate Division, U.S. Army Engineer District, Louisville, hereinafter referred to as the "Grantor",** under and by virtue of the authority vested in the Secretary by Title 10, United States Code, Section 2668, having found that the granting of this easement is not incompatible with the public interest and having received Congressional Approval for the conveyance of the potable water utility system, and pursuant to the Bill of Sale for the conveyance of the potable water utility system, attached as Exhibit A and the Utility Contract No. SP0600-11-C-8271 hereinafter "Contract", Attachment 1 to Exhibit A and the **Hardin County Water District #1, 1400 Rogersville Road, Radcliff, Kentucky 40160**, hereinafter referred to as the "Grantee".

**NOW THEREFORE;**

The Grantor, for good and valuable consideration set forth below, the receipt and sufficiency of which are hereby acknowledged, upon and subject to the terms, covenants and conditions set forth in this Easement, does hereby:

Grant and convey to Grantee, an easement for the construction, operation, maintenance, replacement and repair of the potable water utility system as described in the Bill of Sale and Contract, and more particularly described in Attachment 2 to Exhibit "A", hereinafter referred to as the "Facilities", over, across, in and upon lands of the United States as identified in Exhibit "B", located on the Fort Knox Military Reservation, hereinafter "Installation", located in Hardin County, Kentucky, hereinafter referred to as the "Premises", and which are attached hereto and made a part hereof.

**THIS EASEMENT** is granted subject to the following conditions:

**1. TERM**

This easement is hereby granted for a term of fifty (50) years, beginning 01 February 2012 and ending 31 January 2062, so long as the Grantee remains in compliance with any or all of the conditions of this Easement, and the Contract remains in effect. If the Contract is extended, then the Term of this Easement will be extended to run with any extension of the Contract.

## 2. CONTRACT-EASEMENT RELATIONSHIP

This Easement and the Contract shall not merge and the terms and conditions of the Contract shall survive the execution and delivery of this Easement and any subsequent recordation thereof. In the event the terms and conditions of the Contract and Easement conflict, the terms and conditions of the Easement shall prevail as to the easement estate, protection of the underlying fee property of the United States, and title to the Facilities and the Contract shall prevail as to the obligations and operational agreement between the parties. A Termination Default under the Contract may constitute a Termination Default under this Easement and a Termination Default under the Easement may constitute a Termination Default under the Contract. Unless otherwise specified in this easement, any and all Government rights and remedies as set forth in the Contract and in this Easement will be available to the Government on a cumulative basis to enforce the provision of this Easement.

## 3. CONSIDERATION

The consideration for this Easement and conveyance of the Facilities is the value for the Facilities as set out in the Bill of Sale and Contract and the construction, installation, operation, maintenance, repair, removal, upgrade, and replacement of the Facilities located on the Premises for the benefit of the United States and the general public in accordance with the terms and conditions hereinafter set forth, and the terms and conditions of the Contract.

## 4. NOTICES

All correspondence and notices to be given pursuant to this easement shall be addressed, if to the Grantee, to **Hardin County Water District #1, ATTN: Jim Bruce, General Manager, 1400 Rogersville Road, Radcliff, KY 40160**; and, if to the United States, to the **District Engineer, ATTN: Chief, Real Estate Division, U.S. Army Corps of Engineers, P.O. Box 59, Louisville, KY 40201-0059** or as may from time to time otherwise be directed by the parties. Notice shall be deemed to have been duly given if and when enclosed in a properly sealed envelope or wrapper addressed as aforesaid, and deposited, postage prepaid, in a post office regularly maintained by the United States Postal Service.

## 5. AUTHORIZED REPRESENTATIVES

Except as otherwise specifically provided, any reference herein to "Grantor", "Secretary", "Chief, Real Estate Division", "Installation Commander", or "said officer" shall include their duly authorized representatives. Any reference to "Grantee" shall include assignees, transferees and their duly authorized representatives.

## 6. SUPERVISION BY THE INSTALLATION COMMANDER

The use and occupation of the Premises for the purposes herein granted shall be subject to this Easement under the general supervision and approval of the Grantor. The construction, installation, operation, maintenance, repair, removal, upgrade, and replacement of said Facilities,

including any ancillary facilities, shall be performed in accordance with the terms of the Contract.

## **7. APPLICABLE LAWS AND REGULATIONS**

a. The grantee shall comply with all applicable Federal, State, county and municipal laws, ordinances and regulations wherein the Premises are located, and any additional specifically identified laws, ordinances, and regulations set out in the Contract. The Grantee shall be solely responsible for obtaining at its cost and expense any permits or licenses required for its operations under this Easement, independent of any existing permits or licenses held by the Grantor.

b. The Grantee shall promptly report to the Grantor any incident for which the Grantee is required to notify a Federal, State or local regulatory agency or any citation by Federal, State or local regulatory agency of non-compliance with any applicable law, ordinance or regulation, and provide copies to the Grantor within a reasonable time

## **8. CONDITION OF PREMISES**

The Grantee acknowledges that it has inspected the Premises, knows the condition, and understands that the same is granted without any representation or warranties whatsoever and without any obligation on the part of the United States, except as set out in the Contract.

## **9. MAINTENANCE, INSPECTION AND REPAIRS**

All right-of-ways shall be maintained by the Grantee if required by the Contract. The Grantee shall inspect the Facilities and the premises at reasonable intervals and immediately repair any defects found by such inspection or when required by Grantor to repair any such defects. All herbicide applications, including but not limited to, type of herbicide and method of application, shall be subject to approval as set out in the Contract or, if not covered in the Contract – by Garrison Commander. The trimming of trees in the right-of-ways, around buildings, and in cantonment areas of the Installation, shall be subject to approval as set out in the Contract or, if not covered in the Contract by the Garrison Commander. Trees that fall from outside of the Premises totally or partially into the right-of-way shall be the responsibility of the Grantee to clear, including disposal of all debris. Tree limbs may be chipped and disposed of on selected portions of the right-of-way as approved by the Grantor.

## **10. PROTECTION OF GOVERNMENT PROPERTY**

The Grantee shall be responsible for any damage that may be caused to the property of the United States by the activities of the Grantee under this easement and shall exercise due diligence in the protection of all property located on the Premises against fire or damage from any and all other causes. Any property of the United States damaged or destroyed by the Grantee incident to the exercise of the privileges herein granted shall be promptly repaired or replaced by the Grantee to a similar condition which meets the approval of the Grantor, which approval shall not be unreasonably withheld, or at the election of the Grantor, reimbursement

made therefore by the Grantee in an amount necessary to restore or replace the property to a condition satisfactory to the Grantor.

## **11. RIGHT TO ENTER**

a. The right is reserved to the United States, its officers, agents, and employees to enter upon the Premises at any time and for any reasonable purpose necessary or convenient in connection with government purposes, to make inspections, to remove timber or other material, except property of the Grantee, and/or to make any other use of the lands as may be necessary in connection with government purposes, and unless as otherwise provided in the Contract, the Grantee shall have no claim for damages on account thereof against the United States or any officer, agent, or employee thereof.

b. The Grantee shall have the right to enter the Installation to exercise its rights under this Easement, subject to certain restrictions and/or special conditions required by the Installation. The Grantee acknowledges and recognizes that:

(1) Premises are located on active U.S. Army installations and, as such, access to the easement activities may be subject to temporary closings and identification and/or routing requirements due to the occurrence of announced or unannounced events, actual or simulated, involving: mobilization, extreme weather conditions, security, anti-terrorist force protection measures, police, medical or fire-related emergencies; the occurrence of a national emergency declared by the President or Congress; or due to planned military training exercises affecting the Premises. It is expressly understood that the Grantor may limit or restrict the right of access granted in any manner considered necessary, in the Grantor's sole discretion.

(2) Grantor, acting by and through its duly authorized Commander, Fort Knox, exercises command and control over and with respect to (i) the Premises, including traffic control, security, force protection, law enforcement, fire protection, activities performed thereon and command and control matters, and (ii) military personnel that may be at or otherwise present on the Premises from time to time.

## **12. TRANSFERS AND ASSIGNMENTS**

Without prior written approval by the Grantor, the Grantee shall neither transfer nor assign this easement or any part thereof nor grant any interest, privilege or license whatsoever in connection with this easement. The provisions and conditions of this easement shall extend to and be binding upon and shall inure to the benefit of the representatives, successors and assigns of the Grantee.

## **13. INDEMNITY**

The United States shall not be responsible for damages to property or injuries to persons which may arise from or be incident to the exercise of the privileges herein granted, or for damages to the property or injuries to the person of the Grantee's officers, agents, or employees

or others who may be on the premises at their invitation or the invitation of any one of them, and the Grantee shall hold the United States harmless from any and all such claims not including damages due to the fault or negligence of the United States or its contractors.

#### **14. SUBJECT TO EASEMENTS**

a. This Easement is subject to all other existing easements, or those subsequently granted, as well as established access routes for roadways and utilities located, or to be located, on the Premises, provided that the proposed grant of any new easement or route will be coordinated with the Grantee, and easements will not be granted which will, in the opinion of the Grantor, interfere with the use of the Premises by the Grantee.

b. At the request of the Grantee, but subject to the provisions of this Easement, the Grantor will grant easements or other outgrants, in accordance with all applicable Federal, state, county and municipal laws, ordinances and regulations, over the Premises and other areas of the Installation if reasonably required for the proper exercise of the Contract, so long as such easement or other outgrants do not materially interfere with the operation of the Installation. Any such easement or other outgrants will provide that the Grantor may terminate such use if the easement or other outgrant materially interferes with future activities on the Installation. In the event that the Grantor denies the Grantee's request or terminates an easement or other outgrant previously granted, the Grantor will coordinate with the Grantee to identify alternative means of access, service or other use that the requested easement or other outgrant was intended to provide.

c. The Grantee is responsible to obtain any easements or rights-of-way over areas that are not owned or controlled by the Grantor, yet are required for performance under the Contract, at the Grantee's sole cost and expense.

#### **15. RELOCATION OF FACILITIES**

a. This easement is granted subject to existing structures and improvements and the Grantor will not be required to relocate existing Facilities, improvements, or encroachments on the Premises, except as otherwise agreed in the Contract.

b. In the event all or any portion of the Premises occupied by the said Facilities shall be needed by the Grantor, or in the event the existence of said Facilities is determined to be detrimental to governmental activities, the Grantee shall from time to time, upon notice to do so, and as often as so notified, remove said Facilities to such other location on the Premises as may be designated by Grantor, subject to contract modification. In the event said Facilities shall not be removed or relocated within ninety (90) days after such notice, the Grantor may cause such relocation. Depending on the size, complexity and urgency associated with any such relocation, and with due regard for extreme weather conditions, in the sole discretion of the Grantor, additional time for said relocation may be granted by the Grantor.

## 16. TERMINATION

a. Noncompliance with the Easement. The Grantee is charged at all times with full knowledge of all the limitations and requirements of this Easement, the necessity for correction of deficiencies, and with compliance with the terms and conditions. The Grantor will notify the Grantee of any Noncompliance with the Easement, which notice shall be in writing or shall be confirmed in writing, giving a period of time in which to correct the Noncompliance.

b. Default of Easement. If the Grantee fails to satisfactorily correct, or reach agreement on the corrective action necessary to reach compliance, the Grantor may elevate the Noncompliance to a Default upon delivery to the Grantee of a written notice of Default, giving a period of time in which to correct the Default.

c. Termination Default - Right to Terminate Easement or Proceed with other Remedies. If the Grantee fails to satisfactorily correct, or reach agreement on the corrective action necessary to stop Default, Grantor may elevate the Default to a Termination Default. In the event of a Termination Default, the Grantor may send Notice to Terminate the Easement because of the Termination Default, or, alternatively, may stay the sending of Notice to Terminate the Easement, may seek damages, may seek specific future measures to prevent the reoccurrence of such Default, and/or pursue any other remedy available under law or equity. The termination date for the Easement shall be effective as of a day specified in the Notice to Terminate, if sent.

d. Termination for other than Non-Compliance with Easement.

(1) This Easement may be terminated by the Grantor upon thirty (30) days written Notice to Terminate to the Grantee if the Grantor determines that the right-of-way hereby granted interferes with the use or disposal of said land by the United States. The Grantor will provide Notice to Terminate, but the process for noncompliance set out above is not applicable.

(2) This Easement may be terminated by the Grantor if the parties agree that the Premises have been abandoned or not used for a period of two (2) years by the Grantee. If Grantor has made a good faith effort to locate Grantee to provide Notice to Terminate, but Grantee cannot be located or no longer exists as a corporate entity, the Grantor may proceed with termination, and provide notice in the land records by any appropriate method required to clear title.

(3) This Easement may be terminated by the Grantor if the Grantee fails to comply with the terms and conditions of, or is in default under, the Contract. In addition, if the Contract is terminated, expires or becomes void, then this Easement may be terminated.

## 17. SOIL AND WATER CONSERVATION

Upon the Premises, the Grantee shall maintain, in a manner satisfactory to the Grantor, all soil and water conservation structures that may be in existence upon said Premises at the beginning of or that may be constructed by the Grantee during the term of this easement, and the Grantee shall take appropriate measures to prevent or control soil erosion within the right-of-way herein



granted. Any soil erosion occurring outside the Premises resulting from the activities of the Grantee shall be corrected by the Grantee as directed by the Grantor. The Grantee shall not discharge waste or effluent from the Premises in such a manner that the discharge will contaminate streams or other bodies of water or otherwise become a public nuisance.

## 18. ENVIRONMENTAL PROTECTION

a. Within the limits of their respective legal powers, the parties hereto shall protect the Premises against pollution of its air, ground, and water. The Grantee shall promptly comply with any laws, regulations, conditions, or instructions affecting the activity hereby authorized if and when issued by the Environmental Protection Agency, or any Federal, state, interstate, or local governmental agency having jurisdiction to abate or prevent pollution. Compliance with Condition 7, **APPLICABLE LAWS AND REGULATIONS**, including those affecting the environment, is a condition of this Easement.

b. The use of any pesticides or herbicides within the Premises shall be in conformance with all applicable Federal, state, and local laws and regulations, including the Installation's Integrated Pest Management Plan. The Grantee must obtain approval in writing from the Garrison Commander before any pesticides or herbicides are applied to the Premises.

c. The Grantee will use all reasonable means available to protect the environment and natural resources, and where damage nonetheless occurs arising from the Grantee's activities, the Grantee shall be liable to restore the damaged resources. If the Grantee fails to conduct any necessary remediation in a satisfactory manner, as determined by the Grantor and regulatory authorities, then the Grantor may correct the deficiency and address reimbursement for costs in accordance with rights established under the Contract, rights established by applicable laws or regulations, or may pursue the matter as an affirmative claim or through litigation.

d. For hazardous chemical, hazardous waste, or petroleum, oil and lubricant (POL) spills caused by or under the control of the Grantee, the Grantee will contain the spill with Grantee-furnished materials in accordance with the Integrated Contingency Plan (ICP). While the spill is being contained, the Ft. Knox Fire and Emergency Services Division and environmental management office shall be notified immediately. Containment and notification should occur simultaneously. Cleanup and restoration shall be the responsibility of the Grantee.

e. The Grantee shall not use the Premises for the storage or disposal of non-Department of Defense owned hazardous or toxic materials, as defined in 10 U.S.C. 2692, unless authorized under 10 U.S.C. 2692 and properly approved in the Contract. The Grantee may bring onto the Installation only those materials needed to fulfill the Grantee's purpose in regards to management of the utility.

f. Additional environmental analysis may be required to stay in compliance with applicable environmental laws. The Grantee shall be responsible for preparing any necessary documents that are driven, in whole or in part, by Grantee initiatives. Draft documents should be submitted to Ft. Knox, chief of the environmental management office for review and approval before they are submitted to regulatory agencies. Grantee shall also be responsible for costs incurred to meet

public participation obligations, including but not limited to printing, publication of notices and conducting public meetings.

**19. NON-DISCRIMINATION**

The Grantee shall not discriminate against any person or persons because of race, color, age, sex, handicap, national origin, or religion in the conduct of operations on the premises.

**20. RESTORATION**

a. On or before the termination or expiration without renewal of this Easement, the Grantee shall, without expense to the Grantor, except as set out in the Contract, and within such time as the Grantor may indicate, remove all properties and materials of the Grantee, except the Facilities, and restore the Premises to the satisfaction of the Grantor. In the event the Grantee shall fail to remove said properties and materials and restore the Premises, the Grantor shall have the option to take over said properties, materials and facilities without compensation, or to remove same and perform the restoration at the expense of the Grantee, and the Grantee shall have no claim for damages against the United States or its officers or agents for such action, except as otherwise provided by the Contract.

b. On or before the expiration or termination date of this Easement or portion thereof, the Grantee shall deliver a bill of sale to the Grantor conveying all of the Grantee's right, title and interest in and to the Facilities as part of the termination of the Easement, for consideration as set out in the Contract.

**21. DISCLAIMER**

This instrument is effective only insofar as the rights of the United States in the property are concerned, and the Grantee shall obtain such permission as may be required on account of any other existing rights. It is understood that the granting of this easement does not eliminate the necessity of obtaining any Department of the Army permit which may be required pursuant to the provisions of Section 10 the Rivers and Harbors Act of 3 March 1899 (30 Stat. 1151; 33 U.S.C Section 403), Section 404 of the Clean Water Act (33 U.S.C. Section 1344) or any other permit or license which may be required by Federal, state or local statute in connection with use of the premises.

**22. NO INDIVIDUAL LIABILITY OF GOVERNMENT OFFICIALS**

No covenant or agreement contained in this Easement shall be deemed to be the covenant or agreement of any individual officer, agent, employee or representative of the Government, in his or her individual capacity and none of such persons shall be subject to any personal liability or accountability by reason of the execution of this Easement, whether by virtue of any constitution, statute or rule of law or by the enforcement of any assessment or penalty, or otherwise.

**23. IDENTIFICATION OF GOVERNMENT AGENCIES, STATUTES, PROGRAMS AND FORMS**

Any reference in this Easement, by name or number, to a government department, agency, statute, regulation, program, or form shall include any successor or amendment department, agency, statute, regulation, program or form.

**24. FAILURE OF GRANTOR TO INSIST UPON COMPLIANCE**

a. Neither the failure of the Grantor to insist, in any one or more instances, upon performance of any of the terms, covenants or conditions of this Easement, nor Grantor's pursuit of compliance under the Contract rather than the Easement, shall not be construed as a waiver or relinquishment of the Grantor's right to the current or future performance of any such terms, covenants or conditions and the Grantee's obligations in respect to such performance shall continue in full force and effect.

b. No remedy herein or otherwise conferred upon or reserved to Grantor shall be considered to exclude or suspend any other remedy but the same shall be cumulative and shall be in addition to every other remedy given hereunder, or now or hereafter existing at or in equity, regulation or by statute, and every power and remedy given by this Easement to Grantor may be exercised from time to time and so often as occasion may arise or as may be deemed expedient.

**25. RIGHT-OF-WAY WIDTH FOR DISTRIBUTION SYSTEM AND DISTRIBUTION SYSTEM MAPPING AND RECORDS**

a. The right-of-way for above ground lines/pipes shall be a total of thirty (30) feet in width. The right-of-way for underground lines/pipes shall be a total of fifteen (15) feet in width. The right-of-way for fenced, related facilities, such as pump stations, water plants, etc., containing operational components of the Grantee-owned system shall include the entire area inside the fence line that encloses the area and an area of 4 feet outside of the perimeter of the fence line.

b. The maps attached as Exhibit "B" reflect the most current information available regarding the existing components of Facilities and their location.

**26. JOINT USE**

a. The Easement Premises are not exclusive to the Grantee. It is understood and agreed, however, that future easements granted by the Government and/or the future installation of structures and improvements by the Government or its suppliers/contractors on the Premises shall in all events avoid interference with Grantee's use of the Premises.

b. The Grantor reserves the right to construct, use and maintain across, over and/or under the Premises and other Facilities in such a manner as may be necessary for Army operations.

Grantor acknowledges that such action could impede or inhibit Grantee's ability to comply with the terms of the Contract, and may require a contract modification.

## **27. SUBSURFACE EXCAVATION**

a. The Grantee shall not remove or disturb, or cause or permit to be removed or disturbed, any historical, archeological, architectural or other cultural artifacts, relics, remains or objects of antiquity. In the event such items are discovered on the Premises, the Grantee shall immediately notify the Chief of the Environmental Division and protect the site and material from further disturbance until they give clearance to proceed.

b. The Grantee shall not conduct any subsurface excavation, digging, drilling or other disturbance of the surface without the prior written approval of the Grantor in accordance with the Contract.

## **28. NON-TRANSFERRABLE RIGHTS**

Conditions 6, 9, 10, 11, 13, 15, 16, 20 are non-transferable rights of the United States. In the event of disposal of the United States' underlying fee, these rights and conditions will not transfer with the land.

## **29. DISPUTES**

a. Except as provided in the Contracts Disputes Act (CDA), all disputes arising under or related to this Easement shall be resolved under this Condition and the provisions of the CDA. However, if the Parties mutually agree, they can concurrently pursue alternative dispute resolution.

b. A claim or dispute by a party shall be made in writing and submitted to the Grantor. The Grantee shall proceed diligently with performance of this Easement, pending final resolution of any request for relief, claim, appeal, or action arising under this Easement.

c. If the dispute involves both the Contract and the Easement, the dispute may be combined.

## **30. MORTGAGE OF THE EASEMENT INTEREST**

During the term of this Easement, the Grantee may, with written consent from the Grantor, encumber its interest in the Easement. If the Grantee wishes for Grantor to provide notices to the Mortgagee, the Grantee will furnish the Grantor the name and address of each record holder of a Mortgage (excluding parties holding participation interests in the Mortgage) to be used in such notice. Further, the Grantee shall notify the Grantor promptly of any lien or encumbrance that has been created or attached to the Grantee's interest in the Easement, whether by act of the Grantee or otherwise, of which the Grantee has actual notice.

**31. HISTORIC PRESERVATION**

a. The Grantee shall not construct or make or permit its subgrantee or assigns to construct or make any alterations, additions, or improvements to, or installations upon, or otherwise modify or alter the Premises in any way which may adversely affect the Ft. Knox's historic register or historic register-eligible properties, or cultural resources, without the prior written consent of the Garrison Commander.

**32. SOLID WASTE MANAGEMENT UNIT**

a. For construction or alterations, additions, modifications, improvements, or installations (collectively "work"), in the proximity of operable units or solid waste management units (SWMUs) that are part of any Federal or State Resource Conservation & Recovery Act (RCRA) Corrective Action Program, State Remediation Consent Orders, or the Army Integrated Resource Plan (IRP), such consent may include a requirement for written approval by the Grantor's Remedial Project Manager. Except as such written approval shall expressly provide otherwise, all such approved alterations, additions, modifications, improvements, and installations shall become Government property when annexed to the Premises.

**33. PROHIBITION OF COMMINGLING ARMY AND NON-ARMY HAZARDOUS WASTES.**

The Installation's accumulation points for hazardous and other wastes will not be used by the Grantee or any subgrantee. Neither will the Grantee or subgrantee permit its hazardous wastes to be commingled with hazardous waste of the Department of the Army.

**34. REQUIREMENT FOR HAZMAT SPILL PLAN.**

The Grantee shall prepare and maintain a Government-approved plan for responding to hazardous waste, fuel, and hazardous material spills prior to commencement of operations on the Premises. Such a plan shall be independent of the Ft. Knox plan and, except for initial fire response and/or spill containment, shall not rely on installation personnel or equipment. Should the Government provide any personnel or equipment, whether for initial fire response and/or spill containment, or otherwise on request of any Government officer conducting timely cleanup actions, the Grantee agrees to reimburse the Government for its costs.

**35. LEAD-BASED PAINT WARNING AND COVENANT:**

a. The Premises do not contain residential dwellings and are not being outgranted for residential purposes. The Grantee is notified that the easement Premises contains buildings, structures, material, and equipment, built prior to 1978 that may contain lead-based paint. Lead from paint, paint chips, and dust can pose health hazards if not managed properly. A risk assessment or inspection for possible lead-based paint hazards is recommended prior to use of

easement Premises.

b. Available information concerning known lead-based paint and/or lead-based paint hazards, the location of lead-based paint and/or lead-based paint hazards, and the condition of painted surfaces is contained in the Environmental Screening Document (ESD), which has been provided to the Grantee.

c. The Grantee acknowledges that it has received the opportunity to conduct a risk assessment or inspection for the presence of lead-based paint and/or lead-based paint hazards prior to execution of this Easement.

d. The Grantee shall not permit use of any buildings or structures on the easement Premises for residential habitation without first obtaining the written consent of the Army. The Grantee agrees to be responsible for any future remediation of lead-based paint found to be necessary on the easement Premises.

e. The Grantor assumes no liability for remediation or damages for personal injury, illness, disability, or death, to the Grantee, its successors or assigns, subgrantee, or to any other person, including members of the general public, arising from or incident to possession and/or use of any portion of the easement Premises containing lead-based paint as residential housing. The Grantee further agrees to indemnify and hold harmless the Grantor, its officers, agents, and employees, from and against all suits, claims, demands, actions, liabilities, judgments, costs, and attorneys' fees arising out of, or in any manner predicated upon, personal injury, death, or property damage resulting from, related to, caused by, or arising out of the possession and/or use of any portion of the easement Premises containing lead-based paint as residential housing. This section and the obligations of the Grantee hereunder shall survive the expiration or termination of this Easement and any conveyance of the easement Premises to the Grantee. The Grantee's obligation hereunder shall apply whenever the United States of America incurs costs or liabilities for actions giving rise to liability under this section.

### **36. NOTICE OF THE PRESENCE OF ASBESTOS COVENANT:**

a. The Grantee is hereby informed and does acknowledge that friable and non-friable asbestos or asbestos-containing materials ("ACM") have been found on the easement Premises, as described in the Environmental Screening Document (ESD). The ACM on the easement Premises does not currently pose a threat to human health or the environment. All friable asbestos that posed a risk to human health has been removed, repaired, encapsulated, or enclosed.

b. The Grantee covenants and agrees that its use and occupancy of the easement Premises will be in compliance with all applicable laws relating to asbestos, and that the Grantor assumes no liability for future remediation of asbestos or damages for personal injury, illness, disability, or death, to the Grantee, its successors, or assigns, subgrantees, or to any other person, including members of the general public, arising from or incident to the purchase, transportation, removal, handling, use, disposition, or other activity causing or leading to contact of any kind whatsoever

with asbestos on the easement Premises described in this Easement, whether the Grantee, its successors, or assigns have properly warned or failed to properly to warn the individual(s) injured. The Grantee agrees to be responsible for any future remediation of asbestos found to be necessary on the Premises.

**37. REQUIREMENTS FOR ENDANGERED OR OTHER PROTECTED SPECIES.**

a. The Grantee shall in no way interfere with the management of or modify habitat designated for the management of federally listed endangered or threatened species or other protected species without coordinating with Installation's environmental management office. Any actions with the potential to disturb vegetation, animals, soils, or initiate soil erosion will be coordinated through the Installation's environmental management office. Recurring maintenance of easements will be established through a Memorandum of Agreement with the Installation DPW to establish acceptable standard methods including the use of herbicides, removal of vegetation by mechanical means, transport of equipment for same purposes, placement of utilities underground, or other actions with the potential to disturb soils, or modify the environment.

b. The installation has an Integrated Natural Resources Management Plan (INRMP), which will be made available for review.

**38. UNEXPLODED ORDNANCE**

The Grantee will be aware that since the Premises are on a military installation with a history of ordnance and explosives (OE) use, there is a potential for OE to be present on the property. In the event the Grantee or its successors and assigns should discover any OE on the property, they shall not attempt to remove or destroy it, but they shall immediately notify the military police. Competent U.S. Army Explosive Ordnance personnel will be dispatched promptly to dispose of such OE properly at no expense to the government.

THIS EASEMENT is not subject to Title 10, United States Code, Section 2662, as amended.

IN WITNESS WHEREOF, I have hereunto set my hand by authority of the Secretary of the Army, this 14<sup>th</sup> day of May, 2012.

*Veronica A. Hiriams*

VERONICA A. HIRIAMS  
Real Estate Contracting Officer  
Louisville District, Corps Of Engineers

ACKNOWLEDGEMENT

COMMONWEALTH OF KENTUCKY

SS

COUNTY OF JEFFERSON

BEFORE me a Notary Public in and for the County of Jefferson, personally appeared Veronica A. Hiriams to me known to be the identical person and officer whose name is subscribed to the foregoing instrument and acknowledged to me that she executed the said instrument in the capacity therein stated for the purpose therein expressed as the act and deed of the United States of America.

GIVEN under my hand and seal this 14<sup>th</sup> day of May 2012.

*Lisa M. Patrick*

Notary Public

My Commission Expires: 6-24-2014



THIS EASEMENT is also executed by the Grantee this \_\_\_\_\_ day of \_\_\_\_\_, 2012.

HARDIN COUNTY WATER DISTRICT No. 1

NAME: James Bruce  
TITLE: GENERAL MANAGER

ACKNOWLEDGEMENT

COMMONWEALTH OF KENTUCKY

SS

COUNTY OF HARDIN

HARDIN

BEFORE me a Notary Public in and for the County of ~~Jefferson~~, personally appeared **James Bruce** to me known to be the identical person and officer whose name is subscribed to the foregoing instrument and acknowledged to me that she executed the said instrument in the capacity therein stated for the purpose therein expressed as the act and deed of the United States of America.

GIVEN under my hand and seal this 30<sup>th</sup> day of April 2012.

Andrea M. Palmer  
Notary Public



My Commission Expires: 10/12/2015

This instrument is an easement and is exempt from transfer tax under the provisions of KRS 142.050(1)(a).

This instrument was prepared by:



LISA M. PATRICK  
Assistant District Counsel  
U.S. Army Corps of Engineers  
Louisville District  
P.O. Box 59  
Louisville, KY 40201-0059

UTILITY SYSTEM BILL OF SALE  
FOR WATER UTILITY SYSTEM  
FOR  
FORT KNOX MILITARY INSTALLATION,  
HARDIN COUNTY, KENTUCKY

This BILL OF SALE made and entered into this 31<sup>st</sup> day of January, 2012, by and between the UNITED STATES OF AMERICA, hereinafter the "Government", acting by and through the Secretary of the Army, c/o Commander and District Engineer, United States Army Corps of Engineers, Louisville District, ATTN: CELRL-RE, P.O. Box 59, Louisville, Kentucky 40201-0059, hereinafter referred to as the "Seller", under and pursuant to 10 USC 2688 and in accordance with Contract No. SP0600-11-C-8271, which is attached hereto as Exhibit A, and HARDIN COUNTY WATER DISTRICT NO. 1, hereinafter the "Purchaser", 1400 Rogersville Road, Radcliff, Kentucky 40160-9343.

The Government, for good and valuable consideration as set out in Exhibit A, the receipt and sufficiency of which is hereby acknowledged, does hereby sell, transfer, set over and deliver to the Purchaser, its successors and assigns, all right, title, and interest of the Government in and to the water utility system, hereinafter the "System", owned by the Government, as and where such System presently exists on Fort Knox, Hardin County, Kentucky, comprised of all equipment, fixtures, structures, and other improvements, including access as provided for in the Right-of-Entry and subsequent Easement with this Bill of Sale, wholly excluding, however, any real property underlying, overlying, or surrounding such equipment, fixtures, structures, and other improvements. Such System is more specifically described in Exhibit B, attached hereto and made a part hereof.

The Government specifically disclaims and excludes any implied warranties of condition, of fitness for a particular purpose, of merchantability, or of any other kind under the laws of the United States and of the state in which the system is located. The System is sold "as is, where is." This Bill of Sale does not grant any right of access, right-of-way, or easement of any kind whatsoever over, across, or to the real property underlying, overlying, or surrounding the System. Any right of access to the System is contained, if at all, in a document separate from this Bill of Sale.

IN WITNESS WHEREOF, I have hereunto set my hand this 31<sup>st</sup> day of January, 2012, by authority of the Secretary of the Army.

UNITED STATES OF AMERICA  
Acting by and through the Secretary of the Army  
Veronica A. Hiriams  
Veronica A. Hiriams, Chief Real Estate Division  
Louisville District  
U.S. Army Corps of Engineers

STATE OF KENTUCKY )  
  )SS  
COUNTY OF JEFFERSON )

The foregoing Bill of Sale was acknowledged before me this 31<sup>st</sup> day of January, 2012, by Veronica A. Hiriams, Chief, Real Estate Division, Louisville District, U.S. Army Corps of Engineers, Louisville, Kentucky, acting by and through the Secretary of the Army for the United States of America.

My Commission Expires: 6-25-2014

Lisa M. Patrick  
Notary Public, State at Large, Kentucky



APPROVAL AND ACCEPTANCE:

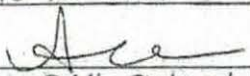
On this 31<sup>st</sup> day of JAN, 2012, Hardin County Water District No. 1 hereby approves and accepts this Bill of Sale and does hereby agree to all of the terms and conditions thereof.

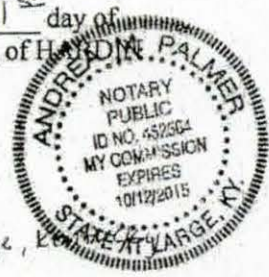
James Bruce  
HARDIN COUNTY WATER DISTRICT NO. 1  
BY: JAMES BRUCE  
TITLE: GENERAL MANAGER



STATE OF Kentucky )  
 )SS  
COUNTY OF Hardin )

The foregoing Bill of Sale was acknowledged before me this 31<sup>st</sup> day of January, 2012 by Andrea Palmer as Executive Asst of HARDIN COUNTY WATER DISTRICT NO. 1.

My Commission Expires: 10-12-2015

  
Notary Public, State at Large, KY



AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT				1. CONTRACT ID CODE	PAGE 1 OF 2
2. AMENDMENT/MODIFICATION NO. P00009		3. EFFECTIVE DATE July 18, 2012		4. REQUISITION/PURCHASE REQ. NO.	
5. PROJECT NO. (If applicable)		6. ISSUED BY DEFENSE LOGISTICS AGENCY ENERGY 8725 JOHN J. KINGMAN ROAD, SUITE 3937 FORT BELVOIR, VA 22060-6222 Buyer/Symbol: Daonna A Young/DLA Energy-FEEAB PHONE: (703) 767-8576 FAX: (703)-767-9490 E-MAIL: daonna.young@dla.mil P.P. 8.2			
7. ADMINISTERED BY CODE (If other than Item 6)		CODE SP0600			
8. NAME AND ADDRESS OF CONTRACTOR (NO. street, city, county, State, and ZIP Code)			9a. AMENDMENT OF SOLICITATION NO.		
Hardin County Water District No. 1 1400 Rogersville Road Radcliff, KY 40160-9343 DUNS: 130402811 CAGE CODE: 316V9			9b. DATED (SEE ITEM 11)		
X			10a. MODIFICATION OF CONTRACT NO. SP0600-11-C-8271		
			10b. DATED (SEE ITEM 13) September 30, 2011		
11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS					
<input type="checkbox"/> The above numbered solicitation is amended as set forth in Item 14. The hour and date specified for receipt of Offers <input type="checkbox"/> is extended, <input type="checkbox"/> is not extended Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended, by one of the following methods: (a) By completing Items 8 and 15, and returning ___ copies of the amendment; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers. <b>FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER.</b> If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.					
12. ACCOUNTING AND APPROPRIATION DATA (If required) Not Applicable					
13. THIS ITEM APPLIES ONLY TO MODIFICATIONS OF CONTRACTS/ORDERS. IT MODIFIES THE CONTRACT/ORDER NO. AS DESCRIBED IN ITEM 14.					
A. THIS CHANGE ORDER IS ISSUED PURSUANT TO: (Specify authority) THE CHANGES SET FORTH IN ITEM 14 ARE MADE IN THE CONTRACT ORDER NO. IN ITEM 10A.					
B. THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES (such as changes in paying office, appropriation date, etc.) SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY OF FAR 43.103(b).					
X C. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF: FAR 32.243-1 At A					
D. OTHER (Specify type of modification and authority)					
E. IMPORTANT: Contractor <input type="checkbox"/> is not, <input checked="" type="checkbox"/> is required to sign this document and return 1 copies to the issuing office.					
14. DESCRIPTION OF AMENDMENT/MODIFICATION (Organized by UCF section headings, including solicitation/contract subject matter where feasible.)					
<b>Fort Knox, Kentucky – Utility Privatization Contract</b> <b>Potable Water Utility System</b>  See Additional Pages for Further Details.					
<small>Except as provided herein, all terms and conditions of the document referenced in Item 9A or 19A, as heretofore changed, remain unchanged and in full force and effect.</small>					
15A. NAME AND TITLE OF SIGNER (Type or print) JAMES BRUCE - GENERAL MANAGER			16A. NAME OF CONTRACTING OFFICER (Type or print) KENNETH RICHARDSON		
15B. NAME OF CONTRACTOR/OFFEROR  (Signature of person authorized to sign)		15C. DATE SIGNED 18-JULY-2012		16B. UNITED STATES OF AMERICA  (Signature of Contracting Officer)	
				16C. DATE SIGNED July 18, 2012	

The purpose of this modification is to establish CLIN 0057 assign the applicable appropriation data. The Government and the System Owner agree that there will be no increase to the applicable Operations and Maintenance (O&M) and /or Renewals and Replacement (R&R) costs applicable to this project. Accordingly, the contract in Block 10A above is modified as follows:

**A. SECTION B – Supplies or Services –**

CLIN 0057 is hereby established as follows:

<u>CLIN</u>	<u>Description</u>	<u>Qty</u>	<u>Unit</u>	<u>Unit Price</u>	<u>Total Price</u>
0057	Ft. Knox Water Tap Fort Knox High School Water Line ACRN AD	2	EA	\$2,434.73	\$4,869.46

**B. G.6 Accounting and Appropriation Data**

ACRN AD is hereby established in the amount of \$4,869.46, as funded by Direct Cite MIPR0010195917 provided by the Installation. A funding breakdown of ACRN AD is provided as follows:

Line of Accounting:

02120122012 2020000 A2ABH 131079QDPW 2540 0010195917 1012.502 2ABH0089 021001 \$4,869.46

Document Reference Number: MIPR0010195917

Funding Breakdown:


Total Funding for ACRN AD:	On CLIN 0057	\$4,869.46
Total Obligated for ACRN AD:		\$4,869.46
Remaining Funds for ACRN AD:		\$0

D. The total amount obligated on the contract is increased by \$4,869.46 from \$9,232,554.00 to \$9,237,423.46

E. The total value of the contract increased by \$4,869.46 from \$253,843,146.00 to \$253,848,015.46.

F. All other Terms and Conditions shall remain unchanged and in full force and effect.

**End of Modification**

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT		1. CONTRACT ID CODE K		Page 1 of 3
2. AMENDMENT/MODIFICATION NO. P00010	3. EFFECTIVE DATE 29 January 2013	4. REQUISITION/PURCHASE REQ. NO. N/A	5. PROJECT NO. (If applicable)	
6. ISSUED BY DLA ENERGY - ENERGY ENTERPRISE 8725 JOHN J. KINGMAN ROAD, SUITE 4950 FORT BELVOIR, VA 22060-6222 Buyer/Symbol: Weston Goodman/DLA Energy-FEEAB PHONE: (703) 767-9560 E-MAIL: <a href="mailto:weston.goodman@dla.mil">weston.goodman@dla.mil</a>		CODE SP0600	7. ADMINISTERED BY (If other than Item 6) CODE	
8. NAME AND ADDRESS OF CONTRACTOR (NO., street city, county, State, and ZIP Code)  Hardin County Water District No. 1 1400 Rogersville Road Radcliff, KY 40160-9343 Phone: (270) 351-3222 ext. 208 Fax: (270) 352-3055  POC : Jim Bruce, General Manager DUNS # 130402811 CAGE #316V9		9a. AMENDMENT OF SOLICITATION NO.		
		9b. DATED (SEE ITEM 11)		
		X 10a. MODIFICATION OF CONTRACT/ORDER NO. SP0600-11-C-8271		
		10b. DATED (SEE ITEM 13) 30 September 2011		
11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS				
<input type="checkbox"/> The above numbered solicitation is amended as set forth in Item 14. The hour and date specified for receipt of Offers <input type="checkbox"/> is extended, <input type="checkbox"/> is not extended. Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended, by one of the following methods: (a) By completing Items 8 and 15, and returning _____ copy of the amendment; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers. <b>FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER.</b> If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.				
12. ACCOUNTING AND APPROPRIATION DATA (If required)0				
13. THIS ITEM APPLIES ONLY TO MODIFICATIONS OF CONTRACTS/ORDERS, IT MODIFIES THE CONTRACT/ORDER NO. AS DESCRIBED IN ITEM 14.				
A. THIS CHANGE ORDER IS ISSUED PURSUANT TO: (Specify authority) THE CHANGES SET FORTH IN ITEM 14 ARE MADE IN THE CONTRACT ORDER NO. IN ITEM 10A.				
X B. THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES (such as changes in paying office, appropriation date, etc.) SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY OF FAR 52.243-1 ALT 1.				
C. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF:				
D. OTHER (Specify type of modification and authority)				
E. IMPORTANT: Contractor <input type="checkbox"/> is not, <input checked="" type="checkbox"/> is required to sign this document and return <u>1</u> copies to the issuing office.				
14. DESCRIPTION OF AMENDMENT/MODIFICATION (Organized by UCF section headings, including solicitation/contract subject matter where feasible.)				
<b>Fort Knox, Kentucky - Utility Privatization Contract</b> <b>Potable Water Utility System</b>  See Additional Pages for Further Details.				
Except as provided herein, all terms and conditions of the document referenced in Item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect.				
15A. NAME AND TITLE OF SIGNER (Type or print)		16A. NAME OF CONTRACTING OFFICER <b>KENNETH RICHARDSON</b>		
15B. NAME OF CONTRACTOR/OFFEROR	15C. DATE SIGNED	16B. UNITED STATES OF AMERICA	16C. DATE SIGNED 11/29/2013	
BY _____ (Signature of person authorized to sign)		BY  (Signature of Contracting Officer)		



- A. The purpose of this modification is to establish CLIN 0002 and to provide 2 months of funding for SubCLIN 0002AA. CLIN 0053 is revised to provide two months of funding for CLIN 0053AA. Section B.3 is hereby revised as a result of these changes; and Section G.5 is revised to establish the applicable appropriation data.
- B. Section B - Supplies or Services and Prices/Costs – As a result of the changes described in Paragraph A, the following line items are incorporated into Section B.3 as follows:

**B.3 Schedule**

Utility Service Payment by the Government

CLIN 0002 is hereby established as follows:

<u>CLIN</u>	<u>Description</u>	<u>Qty</u>	<u>Unit</u>	<u>Unit Price</u>	<u>Total Price</u>
0002	Monthly Utility Service Charge (Year 2)				
0002AA	Months 13-14 of 600 ACRN: AE?	2	Mo.	\$246,172.00	\$492,344.00
0002AB	Months 15-24 of 600 ACRN: TBD	10	Mo.	\$246,172.00	\$2,461,720.00

CLIN 0052 is hereby revised as follows:

**FROM:**

<u>CLIN</u>	<u>Description</u>	<u>Qty</u>	<u>Unit</u>	<u>Unit Price</u>	<u>Total Price</u>
0053	ISDC Surcharge – Year 2				
0053AA	Months 13-24 of 60 ACRN: TBD	12	Mo.	\$473,831.00	\$5,685,972.00

**TO:**

<u>CLIN</u>	<u>Description</u>	<u>Qty</u>	<u>Unit</u>	<u>Unit Price</u>	<u>Total Price</u>
0053	ISDC Surcharge – Year 1				
0053AA	Months 13 and 14 of 60 ACRN: AE	2	Mo.	\$473,831.00	\$947,662.00
0053AB	Months 15-24 of 60 ACRN: TBD	10	Mo.	\$473,831.00	\$4,738,310.00

- C. Section G – Contract Administration Data - As a result of the changes described in Paragraph A, Section G.5 is revised as follows:

**G.5 Accounting and Appropriation Data**

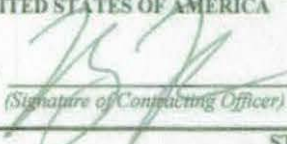
ACRN AE is hereby established in the amount of \$1,440,006.00. Funds are provided under the Direct Cite MIPR Number MIPR10288700 as follows:

Line of Accounting:

AE 02120132013 2020000 A2ABH 131079QDPW 2334 0010288700 S.0005431.31.504.2 021001 \$1,440,006.00

- D. The total amount obligated is increased by \$1,440,006.00 from: \$9,237,423.46 to: \$10,677,429.46.
- E. The total value of the contract remains unchanged at \$253,848,015.46.
- F. All other Terms and Conditions shall remain unchanged and in full force and effect.

**End of Modification**

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT		1. CONTRACT ID CODE K		Page 1 of 3
2. AMENDMENT/MODIFICATION NO. P00011	3. EFFECTIVE DATE 28 March 2013	4. REQUISITION/PURCHASE REQ. NO. N/A	5. PROJECT NO. (If applicable)	
6. ISSUED BY  DLA ENERGY - UTILITY SERVICES 8725 JOHN J. KINGMAN ROAD, SUITE 4950 FORT BELVOIR, VA 22060-6222 Buyer/Symbol: Weston Goodman/DLA Energy-FEEAB PHONE: (703) 767-9560 E-MAIL: <a href="mailto:weston.goodman@dla.mil">weston.goodman@dla.mil</a>	CODE SP0600	7. ADMINISTERED BY (If other than Item 6)		CODE
8. NAME AND ADDRESS OF CONTRACTOR (NO., street city, county, State, and ZIP Code)  Hardin County Water District No. 1 1400 Rogersville Road Radcliff, KY 40160-9343 Phone: (270) 351-3222 ext. 208 Fax: (270) 352-3055  POC: Jim Bruce, General Manager DUNS # 130402811 CAGE #316V9		9a. AMENDMENT OF SOLICITATION NO.		
		9b. DATED (SEE ITEM 11)		
		10a. MODIFICATION OF CONTRACT/ORDER NO. SP0600-11-C-8271		
		10b. DATED (SEE ITEM 13) 30 September 2011		
<b>11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS</b>				
<input type="checkbox"/> The above numbered solicitation is amended as set forth in Item 14. The hour and date specified for receipt of Offers <input type="checkbox"/> is extended, <input type="checkbox"/> is not extended. Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended, by one of the following methods: (a) By completing Items 8 and 15, and returning _____ copy of the amendment; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers. <b>FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER.</b> If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.				
<b>12. ACCOUNTING AND APPROPRIATION DATA (If required)</b> 0				
<b>13. THIS ITEM APPLIES ONLY TO MODIFICATIONS OF CONTRACTS/ORDERS, IT MODIFIES THE CONTRACT/ORDER NO. AS DESCRIBED IN ITEM 14.</b>				
A. THIS CHANGE ORDER IS ISSUED PURSUANT TO: (Specify authority) THE CHANGES SET FORTH IN ITEM 14 ARE MADE IN THE CONTRACT ORDER NO. IN ITEM 10A.				
<b>X</b> B. THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES (such as changes in paying office, appropriation date, etc.) SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY OF FAR 52.243-1 ALT 1				
C. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF:				
D. OTHER (Specify type of modification and authority)				
<b>E. IMPORTANT:</b> Contractor <input checked="" type="checkbox"/> is not, <input type="checkbox"/> is required to sign this document and return _____ copies to the issuing office.				
<b>14. DESCRIPTION OF AMENDMENT/MODIFICATION (Organized by UCF section headings, including solicitation/contract subject matter where feasible.)</b>				
<b>Fort Knox, Kentucky - Utility Privatization Contract</b> <b>Potable Water Utility System</b>  See Additional Pages for Further Details.				
Except as provided herein, all terms and conditions of the document referenced in Item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect.				
15A. NAME AND TITLE OF SIGNER (Type or print)		16A. NAME OF CONTRACTING OFFICER <b>KENNETH RICHARDSON</b>		
15B. NAME OF CONTRACTOR/OFFEROR	15C. DATE SIGNED	16B. UNITED STATES OF AMERICA	16C. DATE SIGNED	
BY _____ (Signature of person authorized to sign)		BY  (Signature of Contracting Officer)	3/28/13	

- A. The purpose of this modification is to revise CLIN 0002 and to provide 1 month of funding for SubCLIN 0002AA. CLIN 0053 is revised to provide one month of funding for CLIN 0053AA. Section B.3 is hereby revised as a result of these changes; and Section G.5 is revised to establish the applicable appropriation data.
- B. Section B - Supplies or Services and Prices/Costs – As a result of the changes described in Paragraph A, the following line items are incorporated into Section B.3 as follows:

**B.3 Schedule**

Utility Service Payment by the Government

CLIN 0002 is hereby revised as follows:

FROM:

<u>CLIN</u>	<u>Description</u>	<u>Qty</u>	<u>Unit</u>	<u>Unit Price</u>	<u>Total Price</u>
0002	Monthly Utility Service Charge (Year 2)				
0002AA	Months 13-14 of 600 ACRN: AE	2	Mo.	\$246,172.00	\$492,344.00
0002AB	Months 15-24 of 600 ACRN: TBD	10	Mo.	\$246,172.00	\$2,461,720.00

TO:

<u>CLIN</u>	<u>Description</u>	<u>Qty</u>	<u>Unit</u>	<u>Unit Price</u>	<u>Total Price</u>
0002	Monthly Utility Service Charge (Year 2)				
0002AA	Month 13-15 of 600 ACRN: AE	3	Mo.	\$246,172.00	\$738,516.00
0002AB	Months 16-24 of 600 ACRN: TBD	9	Mo.	\$246,172.00	\$2,215,548.00

CLIN 0053 is hereby revised as follows:

FROM:

<u>CLIN</u>	<u>Description</u>	<u>Qty</u>	<u>Unit</u>	<u>Unit Price</u>	<u>Total Price</u>
0053	ISDC Surcharge – Year 2				
0053AA	Months 13-14 of 60 ACRN: AE	2	Mo.	\$473,831.00	\$947,662.00
0053AB	Months 15-24 of 60 ACRN: TBD	10	Mo.	\$473,831.00	\$4,738,310.00

**TO:**

<u>CLIN</u>	<u>Description</u>	<u>Qty</u>	<u>Unit</u>	<u>Unit Price</u>	<u>Total Price</u>
0053	ISDC Surcharge - Year 2				
0053AA	Month 13-15 of 60 ACRN: AE	3	Mo.	\$473,831.00	\$1,421,493.00
0053AB	Months 16-24 of 60 ACRN: TBD	9	Mo.	\$473,831.00	\$4,264,479.00

C. Section G - Contract Administration Data - As a result of the changes described in Paragraph A, Section G.5 is revised as follows:

**G.5 Accounting and Appropriation Data**

ACRN AE is hereby increased in the amount of \$720,003.00. Funds are provided under the Direct Cite MIPR Number MIPR10288700 Amendment 0001 as follows:

Line of Accounting:

AE 02120132013 2020000 A2ABH 131079QDPW 2334 0010288700 S.0005431.31.504.2 021001 \$2,160,009.00

D. The total amount obligated is increased by \$720,003.00 from: \$10,677,429.46 to: \$11,397,432.46.

E. The total value of the contract remains unchanged at \$253,848,015.46.

F. All other Terms and Conditions shall remain unchanged and in full force and effect.

**End of Modification**

2. AMENDMENT/MODIFICATION NUMBER <b>P00033</b>	3. EFFECTIVE DATE See Block 16C	4. REQUISITION/PURCHASE REQUISITION NUMBER	5. PROJECT NUMBER (If applicable)
6. ISSUED BY DLA ENERGY – UTILITY SERVICES 8725 JOHN J. KINGMAN ROAD, STP 10400 FORT BELVOIR, VA 22060-6222 Buyer/Symbol: Matthew Fox/DLA Energy-FEEBB PHONE: (703) 617-1421 E-MAIL: <a href="mailto:Matthew.fox@dla.mil">Matthew.fox@dla.mil</a> P.P. 8.2	CODE <b>SP0600</b>	7. ADMINISTERED BY (If other than item 6) CODE	

8. NAME AND ADDRESS OF CONTRACTOR (NO., street city, county, State, and ZIP Code)  Hardin County Water District No. 1 1400 Rogersville Road Radcliff, KY 40180-9343 Phone: (270) 351-3222 ext. 208 Fax: (270) 352-3055 POC : Jim Bruce, General Manager DUNS # 130402811 CAGE #316V9	9A. AMENDMENT OF SOLICITATION NUMBER
	9B. DATED (SEE ITEM 11)
	10A. MODIFICATION OF CONTRACT/ORDER NUMBER <b>SP0600</b>
	10B. DATED (SEE ITEM 13) <b>SP0600-11-C-8271</b>

CODE	FACILITY CODE	<b>11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS</b>
<input type="checkbox"/> The above numbered solicitation is amended as set forth in Item 14. The hour and date specified for receipt of Offers <input type="checkbox"/> is extended. <input type="checkbox"/> is not extended. Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended, by one of the following methods: (a) By completing items 8 and 15, and returning _____ copies of the amendment; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or electronic communication which includes a reference to the solicitation and amendment numbers. FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment you desire to change an offer already submitted, such change may be made by letter or electronic communication, provided each letter or electronic communication makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.		

12. ACCOUNTING AND APPROPRIATION DATA (If required)  
See Section G, Accounting and Appropriation Data

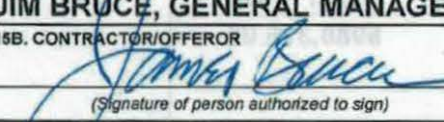
**13. THIS ITEM APPLIES ONLY TO MODIFICATIONS OF CONTRACTS/ORDERS. IT MODIFIES THE CONTRACT/ORDER NUMBER AS DESCRIBED IN ITEM 14.**

CHECK ONE	A. THIS CHANGE ORDER IS ISSUED PURSUANT TO: (Specify authority) THE CHANGES SET FORTH IN ITEM 14 ARE MADE IN THE CONTRACT ORDER NUMBER IN ITEM 10A.
<input type="checkbox"/>	
<input type="checkbox"/>	B. THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES (such as changes in paying office, appropriation data, etc.) SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY OF FAR 43.103(b).
<input checked="" type="checkbox"/>	C. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF: 52.243-1 -- Changes -- Fixed-Price Alternate I
<input type="checkbox"/>	D. OTHER (Specify type of modification and authority)

**E. IMPORTANT:** Contractor  is not  is required to sign this document and return 1 copies to the issuing office.

14. DESCRIPTION OF AMENDMENT/MODIFICATION (Organized by UCF section headings, including solicitation/contract subject matter where feasible.)

Except as provided herein, all terms and conditions of the document referenced in Item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect.

15A. NAME AND TITLE OF SIGNER (Type or print) <b>JIM BRUCE, GENERAL MANAGER</b>	16A. NAME AND TITLE OF CONTRACTING OFFICER (Type or print) <b>CARL SILVERSTONE, CONTRACTING OFFICER</b>
15B. CONTRACTOR/OFFEROR  (Signature of person authorized to sign)	15C. DATE SIGNED <b>01-FEB-17</b>
16B. UNITED STATES OF AMERICA SILVERSTONE.CARL.1377023044 <small>Digitally signed by SILVERSTONE.CARL.1377023044 Date: 2017.02.01 12:29:02 -0500</small>	16C. DATE SIGNED <b>February 1, 2017</b>

A. The purpose of this modification is to:

- 1) Provide funding in the amount of \$644,796.35 for January 1, 2017 to January 31, 2017 (month 60 of 600) for SubCLINs 0005AD Monthly Utility Service Charge (MUSC) and 0056AC Initial System Deficiency Correction (ISDC) surcharge under ACRN AL.
- 2) Establish CLIN 0006 and subCLIN 0006AA for Contract Year 6's MUSC. Funding is provided in the amount of \$516,680.00 for February 1, 2017 to March 31, 2017 (Months 61-62) under ACRN AM.
- 3) Revise Schedule B.4 Monthly Utility Service Charge – Schedule 1, to decrease the scheduled MUSC from \$258,340.00 to \$245,094.00. Hardin County Water District 1 (HCWD1) requested that the MUSC not increase. As a result, this decreases the contract value by \$158,952.00.
- 4) Revise Schedule B.6 Capital Improvement Projects to remove Project six (6) Line Improvement - Gold Vault Area in the amount of \$163,000.00.

B. Section B - Supplies or Services and Prices/Costs – As a result of the changes described in Paragraph A, Section B.3 is revised as follows:

(1) B.3. Schedule is hereby modified to reflect the funding of SubCLINs 0005AD, 0056AC, and 0006AA:

**B.3 Schedule**

Utility Service Payment by the Government

**SubCLIN 0005AD is hereby revised as follows:**

**FROM:**

0005	Monthly Utility Service Charge -Year 5	Qty	Unit	Unit Price	Total Price
0005AD	Month 57-59 of 60 ACRN: AL Period of performance: October 1, 2016- December 31, 2016	3	Mo	\$245,094.00	\$735,282.00
0005AE	Month 60 of 60 ACRN: TBD Period of performance: January 1 2017- January 31, 2017	1	Mo	\$245,094.00	\$245,094.00

**TO:**

0005	Monthly Utility Service Charge -Year 5	Qty	Unit	Unit Price	Total Price
0005AD	Month 57-60 of 60 ACRN: AL Period of performance: October 1, 2016- January 31, 2017	4	Mo	\$245,094.00	\$980,376.00

**SubCLIN 0056AC is hereby revised as follows:**

**FROM:**

0056	Monthly Utility Service Charge -Year 5	Qty	Unit	Unit Price	Total Price
0056AC	Month 57-59 of 60 ACRN: AL Period of performance: October 1, 2016- December 31, 2016	3	Mo	\$399,702.35	\$1,199,107.05
0056AD	Month 60 of 60 ACRN: TBD Period of performance: January 1, 2017- January 31, 2017	1	Mo	\$399,702.35	\$399,702.35

TO:

0056	Monthly Utility Service Charge -Year 5	Qty	Unit	Unit Price	Total Price
0056AC	Month 57-59 of 60 ACRN: AL Period of performance: October 1, 2016- January 31, 2017	4	Mo	\$399,702.35	\$1,598,809.40

CLIN 0006 and subCLIN 0006AA are hereby established:

0006	Monthly Utility Service Charge -Year 6	Qty	Unit	Unit Price	Total Price
0006AA	Month 61-72 ACRN: AM Period of performance: February 1, 2017 – January 31, 2018	12	Mo	\$245,094.00	\$2,914,128.00

C. Section B - Supplies or Services and Prices/Costs – As a result of the changes described in Paragraph A, Section B.4 is revised as follows:

### B.4 Monthly Utility Service Charge – Schedule 1

The Contract Year 6 MUSC is reduced from \$258,340.00 to \$245,094.00, as HCWD1 requested the MUSC to remain unchanged.

Contract Year	Monthly Service Charge	Purchase Price Recovery Surcharge	Monthly Credit	Monthly Utility Service Charge	Annual Utility Service Charge
1	\$246,172.00	\$85,968.00	(\$85,968.00)	\$246,172.00	\$2,954,064.00
2	\$246,172.00	\$85,968.00	(\$85,968.00)	\$246,172.00	\$2,954,064.00
3	\$246,172.00	\$85,968.00	(\$85,968.00)	\$246,172.00	\$2,954,064.00
4	\$246,172.00	\$85,968.00	(\$85,968.00)	\$246,172.00	\$2,954,064.00



5	\$246,172.00	\$85,968.00	(\$85,968.00)	\$246,172.00	\$2,954,064.00
6	<b>\$245,094.00</b>	<b>\$85,968.00</b>	<b>(\$85,968.00)</b>	<b>\$245,094.00</b>	<b>\$2,941,128.00</b>
7	\$262,867.00	\$85,968.00	(\$85,968.00)	\$262,867.00	\$3,154,404.00
8	\$267,475.00	\$85,968.00	(\$85,968.00)	\$267,475.00	\$3,209,700.00
9	\$272,163.00	\$85,968.00	(\$85,968.00)	\$272,163.00	\$3,265,956.00
10	\$276,933.00	\$85,968.00	(\$85,968.00)	\$276,933.00	\$3,323,196.00
11	\$281,786.00			\$281,786.00	\$3,381,432.00
12	\$286,725.00			\$286,725.00	\$3,440,700.00
13	\$291,751.00			\$291,751.00	\$3,501,012.00
14	\$296,864.00			\$296,864.00	\$3,562,368.00
15	\$302,067.00			\$302,067.00	\$3,624,804.00
16	\$307,361.00			\$307,361.00	\$3,688,332.00
17	\$312,748.00			\$312,748.00	\$3,752,976.00
18	\$318,230.00			\$318,230.00	\$3,818,760.00
19	\$323,807.00			\$323,807.00	\$3,885,684.00
20	\$329,483.00			\$329,483.00	\$3,953,796.00
21	\$335,258.00			\$335,258.00	\$4,023,096.00
22	\$341,134.00			\$341,134.00	\$4,093,608.00
23	\$347,113.00			\$347,113.00	\$4,165,356.00
24	\$353,196.00			\$353,196.00	\$4,238,352.00
25	\$359,387.00			\$359,387.00	\$4,312,644.00
26	\$365,686.00			\$365,686.00	\$4,388,232.00
27	\$372,095.00			\$372,095.00	\$4,465,140.00
28	\$378,616.00			\$378,616.00	\$4,543,392.00
29	\$385,252.00			\$385,252.00	\$4,623,024.00
30	\$392,005.00			\$392,005.00	\$4,704,060.00
31	\$398,875.00			\$398,875.00	\$4,786,500.00
32	\$405,866.00			\$405,866.00	\$4,870,392.00
33	\$412,980.00			\$412,980.00	\$4,955,760.00
34	\$420,218.00			\$420,218.00	\$5,042,616.00
35	\$427,583.00			\$427,583.00	\$5,130,996.00
36	\$435,077.00			\$435,077.00	\$5,220,924.00
37	\$442,703.00			\$442,703.00	\$5,312,436.00
38	\$450,462.00			\$450,462.00	\$5,405,544.00
39	\$458,357.00			\$458,357.00	\$5,500,284.00
40	\$466,390.00			\$466,390.00	\$5,596,680.00
41	\$474,565.00			\$474,565.00	\$5,694,780.00
42	\$482,882.00			\$482,882.00	\$5,794,584.00
43	\$491,346.00			\$491,346.00	\$5,896,152.00
44	\$499,957.00			\$499,957.00	\$5,999,484.00
45	\$508,720.00			\$508,720.00	\$6,104,640.00
46	\$517,636.00			\$517,636.00	\$6,211,632.00
47	\$526,709.00			\$526,709.00	\$6,320,508.00
48	\$535,940.00			\$535,940.00	\$6,431,280.00
49	\$545,334.00			\$545,334.00	\$6,544,008.00
50	\$554,892.00			\$554,892.00	\$6,658,704.00

D. Section B - Supplies or Services and Prices/Costs – As a result of the changes described in Paragraph A, Section B.6 Capital Improvement Projects is revised as follows:

Project No.	Year 6 – 10 Project Name	CIP Totals
1	Muldraugh WTP Improvements	\$4,845,000.00
2	1.5 MG Old Ironsides Tank	\$5,054,000.00
3	1.5 MG Education Center Tank	\$5,060,000.00
4	Park Road 14' Main Extension	\$290,000.00
5	Automatic Flusher Installed in Dietz Area	\$13,000.00
6	Line Improvement – Gold Vault Area	\$163,000.00
7	Line Improvements - North Frazier Area	\$30,000.00
8	Line Improvements - 7th Armon Division Cut off Road	\$143,000.00
9	Decommission Central WTP and Large Diameter Mains	\$322,000.00
10	Installation of Check Valves New Education Center Tank	\$70,000.00
11	Remove Frazier Tank	\$76,000.00
12	Remove Van Voorhis Tank	\$60,000.00
13	Remove Prichard Tank	\$76,000.00
14	Automatic Flusher Installed in Dietz Area	\$13,000.00
15	Automatic Flusher Installed in Prichard Area	\$13,000.00
16	Remove HRC Tank	\$76,000.00
17	Remove Fort Knox High School Tank	\$76,000.00
18	Remove Old Ironside Tank	\$76,000.00
<b>Total:</b>		<b>\$16,293,000.00</b>

E. Section G – Contract Administration Data - As a result of the changes described in Paragraph A, Section G.5 is revised as follows:

**G.5 Accounting and Appropriation Data**

ACRN AL is hereby increased in the amount of \$644,796.35. Funds are provided under the Direct Cite MIPR Number MIPR10940300 Amendment 2 as follows:

Line of Accounting:

ACRN AL 02120172017 2020000 A2ABH 131079QDPW 2334 0010940300 S.0045978.28.3 021001			
<b>\$2,579,185.40</b>			
	MIPR10940300 dated October 25, 2016	Basic	\$1,289,592.70
		Amend 1	\$644,796.35
		<b>Amend 2</b>	<b>\$644,796.35</b>
		<b>Total</b>	<b>\$2,579,185.40</b>
Funding			
Breakdown			
	P00031	On CLIN 0005 (subCLIN 0005AD)	\$490,188.00
	P00031	On CLIN 0056 (sub CLIN 0056AC)	\$799,404.70
	P00032	On CLIN 0005 (subCLIN 0005AD)	\$245,094.00
	P00032	On CLIN 0056 (sub CLIN	\$399,702.35

		0056AC)	
	P00033	On CLIN 0005 (subCLIN 0005AD)	\$245,094.00
	P00033	On CLIN 0056 (sub CLIN 0056AC)	\$399,702.35
	<b>Total Funding for ACRN AL</b>		<b>\$2,579,185.40</b>

ACRN AM is hereby established in the amount of \$516,680.00. Funds are provided under the Direct Cite MIPR Number MIPR10969832 Basic as follows:

ACRN AM 02120172017 2020000 A2ABH 131079QDPW 2334 0010969832 S.0045978.28.3 021001			
<b>\$516,680.00</b>			
	MIPR10969832 dated December 27, 2016	<b>Basic</b>	<b>\$516,680.00</b>
		<b>Total</b>	<b>\$516,680.00</b>
	Funding Breakdown		
	P00033	On CLIN 0006 (subCLIN 0006AA)	\$516,680.00
	<b>Total Funding for ACRN AM</b>		<b>\$516,680.00</b>

F. DFARS Clause 252.232-7007 Limitation of Government's Obligation (APR 2014) is hereby updated:

I.5.4 LIMITATION OF GOVERNMENT'S OBLIGATION (APR 2014)

(a) Contract line items 0001 to 0057 are incrementally funded. For these items, the sum of \$41,342,633.46 of the total price is presently available for payment and allotted to this contract. An allotment schedule is set forth in paragraph (j) of this clause.

(b) For items identified in paragraph (a) of this clause, the Contractor agrees to perform up to the point at which the total amount payable by the Government, including reimbursement in the event of termination of those items for the Government's convenience, approximates the total amount currently allotted to the contract. The Contractor is not authorized to continue work on those items beyond that point. The Government will not be obligated in any event to reimburse the Contractor in excess of the amount allotted to the contract for those items regardless of anything to the contrary in the clause entitled "Termination for Convenience of the Government." As used in this clause, the total amount payable by the Government in the event of termination of applicable contract line items for convenience includes costs, profit, and estimated termination settlement costs for those items.

(c) Notwithstanding the dates specified in the allotment schedule in paragraph (j) of this clause, the Contractor will notify the Contracting Officer in writing at least ninety days prior to the date when, in the Contractor's best judgment, the work will reach the point at which the total amount payable by the Government, including any cost for termination for convenience, will approximate 85 percent of the total amount then allotted to the contract for performance of the applicable items. The notification will state (1) the estimated date when that point will be reached and (2) an estimate of additional funding, if any, needed to continue performance of applicable line items up to the next scheduled date for allotment of funds identified in paragraph (j) of this clause, or to a mutually agreed upon substitute date. The notification will also advise the Contracting Officer of the estimated amount of additional funds that will be required for the timely performance of the items funded pursuant to this clause, for a subsequent period as may be specified in the allotment schedule in paragraph (j) of this clause or otherwise agreed to by the parties. If after such notification additional funds are not allotted by the date identified in the Contractor's notification, or by an agreed substitute date, the Contracting Officer will terminate any items for which additional funds have not been allotted, pursuant to the clause of this contract entitled

"Termination for Convenience of the Government."

(d) When additional funds are allotted for continued performance of the contract line items identified in paragraph (a) of this clause, the parties will agree as to the period of contract performance which will be covered by the funds. The provisions of paragraphs (b) through (d) of this clause will apply in like manner to the additional allotted funds and agreed substitute date, and the contract will be modified accordingly.

(e) If, solely by reason of failure of the Government to allot additional funds, by the dates indicated below, in amounts sufficient for timely performance of the contract line items identified in paragraph (a) of this clause, the Contractor incurs additional costs or is delayed in the performance of the work under this contract and if additional funds are allotted, an equitable adjustment will be made in the price or prices (including appropriate target, billing, and ceiling prices where applicable) of the items, or in the time of delivery, or both. Failure to agree to any such equitable adjustment hereunder will be a dispute concerning a question of fact within the meaning of the clause entitled "Disputes."

(f) The Government may at any time prior to termination allot additional funds for the performance of the contract line items identified in paragraph (a) of this clause.

(g) The termination provisions of this clause do not limit the rights of the Government under the clause entitled "Default." The provisions of this clause are limited to the work and allotment of funds for the contract line items set forth in paragraph (a) of this clause. This clause no longer applies once the contract is fully funded except with regard to the rights or obligations of the parties concerning equitable adjustments negotiated under paragraphs (d) and (e) of this clause.

(h) Nothing in this clause affects the right of the Government to terminate this contract pursuant to the clause of this contract entitled "Termination for Convenience of the Government."

(i) Nothing in this clause shall be construed as authorization of voluntary services whose acceptance is otherwise prohibited under 31 U.S.C. 1342.


(j) The parties contemplate that the Government will allot funds to this contract on a yearly basis no later than 30 days prior to the next Contract Year Period of Performance.

G. The total amount obligated is increased by \$1,161,476.35 from \$40,181,157.11 to \$41,342,633.46.

H. The total value of the contract is decreased by \$158,952.00 from \$250,523,961.46 to \$250,365,009.46.

I. All other Terms and Conditions shall remain unchanged and in full force and effect.

**End of Modification**

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT		1. CONTRACT ID CODE K		Page 1 of 3
2. AMENDMENT/MODIFICATION NO. P00012	3. EFFECTIVE DATE 30 April 2013	4. REQUISITION/PURCHASE REQ. NO. N/A	5. PROJECT NO. (If applicable)	
6. ISSUED BY DLA ENERGY - UTILITY SERVICES 8725 JOHN J. KINGMAN ROAD, SUITE 4950 FORT BELVOIR, VA 22060-6222 Buyer/Symbol: Weston Goodman/DLA Energy-FEEAB PHONE: (703) 767-9560 E-MAIL: <a href="mailto:weston.goodman@dla.mil">weston.goodman@dla.mil</a>	CODE SP0600	7. ADMINISTERED BY (If other than Item 6)	CODE	
8. NAME AND ADDRESS OF CONTRACTOR (NO., street city, county, State, and ZIP Code)  Hardin County Water District No. 1 1400 Rogersville Road Radcliff, KY 40160-9343 Phone: (270) 351-3222 ext. 208 Fax: (270) 352-3055  POC: Jim Bruce, General Manager DUNS # 130402811 CAGE #316V9		9a. AMENDMENT OF SOLICITATION NO.		
		9b. DATED (SEE ITEM 11)		
		10a. MODIFICATION OF CONTRACT/ORDER NO. SP0600-11-C-8271		
		10b. DATED (SEE ITEM 13) 30 September 2011		
11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS				
<input type="checkbox"/> The above numbered solicitation is amended as set forth in Item 14. The hour and date specified for receipt of Offers <input type="checkbox"/> is extended, <input type="checkbox"/> is not extended. Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended, by one of the following methods: (a) By completing Items 8 and 15, and returning _____ copy of the amendment; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers. <b>FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER.</b> If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.				
12. ACCOUNTING AND APPROPRIATION DATA (If required) 0				
13. THIS ITEM APPLIES ONLY TO MODIFICATIONS OF CONTRACTS/ORDERS, IT MODIFIES THE CONTRACT/ORDER NO. AS DESCRIBED IN ITEM 14.				
A. THIS CHANGE ORDER IS ISSUED PURSUANT TO: (Specify authority) THE CHANGES SET FORTH IN ITEM 14 ARE MADE IN THE CONTRACT ORDER NO. IN ITEM 10A.				
B. THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES (such as changes in paying office, appropriation date, etc.) SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY OF:				
C. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF:				
<input checked="" type="checkbox"/> D. OTHER (Specify type of modification and authority) DFARS 252.232-7007				
E. IMPORTANT: Contractor <input checked="" type="checkbox"/> is not, <input type="checkbox"/> is required to sign this document and return _____ copies to the issuing office.				
14. DESCRIPTION OF AMENDMENT/MODIFICATION (Organized by UCF section headings, including solicitation/contract subject matter where feasible.)				
<b>Fort Knox, Kentucky - Utility Privatization Contract</b> <b>Potable Water Utility System</b>  See Additional Pages for Further Details.				
Except as provided herein, all terms and conditions of the document referenced in Item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect.				
15A. NAME AND TITLE OF SIGNER (Type or print)		16A. NAME OF CONTRACTING OFFICER <b>KENNETH RICHARDSON</b>		
15B. NAME OF CONTRACTOR/OFFEROR	15C. DATE SIGNED	16B. UNITED STATES OF AMERICA	16C. DATE SIGNED	
BY _____ (Signature of person authorized to sign)		BY  (Signature of Contracting Officer)	4/30/13	

The purpose of this modification is to revise CLIN 0002 and to provide five months of funding for SubCLIN 0002AA. CLIN 0053 is revised to provide five months of funding for CLIN 0053AA. Section B.3 is hereby revised as a result of these changes; and Section G.5 is revised to establish the applicable appropriation data.

B. Section B - Supplies or Services and Prices/Costs – As a result of the changes described in Paragraph A, the following line items are incorporated into Section B.3 as follows:

**B.3 Schedule**

Utility Service Payment by the Government

CLIN 0002 is hereby revised as follows:

FROM:

<u>CLIN</u>	<u>Description</u>	<u>Qty</u>	<u>Unit</u>	<u>Unit Price</u>	<u>Total Price</u>
0002	Monthly Utility Service Charge (Year 2)				
0002AA	Month 13-15 of 600 ACRN: AE	3	Mo.	\$246,172.00	\$738,516.00
0002AB	Months 16-24 of 600 ACRN: TBD	9	Mo.	\$246,172.00	\$2,215,548.00

TO:

<u>CLIN</u>	<u>Description</u>	<u>Qty</u>	<u>Unit</u>	<u>Unit Price</u>	<u>Total Price</u>
0002	Monthly Utility Service Charge (Year 2)				
0002AA	Month 13-20 of 600 ACRN: AE Period of Performance: February 1, 2013- September 30, 2013	8	Mo.	\$246,172.00	\$1,969,376.00
0002AB	Months 21-24 of 600 ACRN: TBD Period of Performance: August 1, 2013- January 31, 2014	4	Mo.	\$246,172.00	\$984,688.00

CLIN 0053 is hereby revised as follows:

FROM:

<u>CLIN</u>	<u>Description</u>	<u>Qty</u>	<u>Unit</u>	<u>Unit Price</u>	<u>Total Price</u>
0053	ISDC Surcharge – Year 2				
0053AA	Month 13-15 of 60 ACRN: AE	3	Mo.	\$473,831.00	\$1,421,493.00
0053AB	Months 16-24 of 60 ACRN: TBD	9	Mo.	\$473,831.00	\$4,264,479.00

TO:

<u>CLIN</u>	<u>Description</u>	<u>Qty</u>	<u>Unit</u>	<u>Unit Price</u>	<u>Total Price</u>
0053	ISDC Surcharge – Year 2				
0053AA	Month 13-20 of 60 ACRN: AE Period of Performance: February 1, 2013- September 30, 2013	8	Mo.	\$473,831.00	\$3,790,648.00
0053AB	Months 21-24 of 60 ACRN: TBD Period of Performance: August 1, 2013- January 31, 2014	4	Mo.	\$473,831.00	\$1,895,324.00

C. Section G – Contract Administration Data - As a result of the changes described in Paragraph A, Section G.5 is revised as follows:

**G.5 Accounting and Appropriation Data**



ACRN AE is hereby increased in the amount of \$3,600,015.00. Funds are provided under the Direct Cite MIPR Number MIPR10288700 Amendment 0002 as follows:

Line of Accounting:

AE 02120132013 2020000 A2ABH 131079QDPW 2334 0010288700 S.0005431.31.504.2 021001 \$5,760,024.00

- D. The total amount obligated is increased by \$3,600,015.00 from: \$11,397,432.46 to: \$14,997,447.46.
- E. The total value of the contract remains unchanged at \$253,848,015.46.
- F. All other Terms and Conditions shall remain unchanged and in full force and effect.

**End of Modification**

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT		1. CONTRACT ID CODE K		Page 1 of 3
2. AMENDMENT/MODIFICATION NO. P00013		3. EFFECTIVE DATE See Block 16C		4. REQUISITION/PURCHASE REQ. NO. N/A
5. PROJECT NO. (If applicable)				
6. ISSUED BY DLA ENERGY - UTILITY SERVICES 8725 JOHN J. KINGMAN ROAD, SUITE 4950 FORT BELVOIR, VA 22060-6222 Buyer/Symbol: Weston Goodman/DLA Energy-FEE/AB PHONE: (703) 767-9560 E-MAIL: <a href="mailto:weston.goodman@dlamail.mil">weston.goodman@dlamail.mil</a>		7. ADMINISTERED BY (If other than Item 6)		CODE
8. NAME AND ADDRESS OF CONTRACTOR (NO. street city, county, State, and ZIP Code)		9a. AMENDMENT OF SOLICITATION NO.		
Hardin County Water District No. 1 1400 Rogersville Road Radcliff, KY 40160-9343 Phone: (270) 351-3222 ext. 208 Fax: (270) 352-3055		9b. DATED (SEE ITEM 11)		
POC: Jim Bruce, General Manager DLNS # 130402811 CAGE #316V9		10a. MODIFICATION OF CONTRACT/ORDER NO. SP0600-11-C-8271		
		10b. DATED (SEE ITEM 13) 30 September 2011		
<b>11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS</b>				
<p><input type="checkbox"/> The above numbered solicitation is amended as set forth in Item 14.  The hour and date specified for receipt of Offers <input type="checkbox"/> is extended, <input type="checkbox"/> is not extended.  Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended, by one of the following methods: (a) By completing Items 8 and 15, and returning _____ copy of the amendment; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers.  <b>FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER.</b> If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.</p>				
12. ACCOUNTING AND APPROPRIATION DATA (If required)				
13. THIS ITEM APPLIES ONLY TO MODIFICATIONS OF CONTRACTS/ORDERS, IT MODIFIES THE CONTRACT/ORDER NO. AS DESCRIBED IN ITEM 14.				
A. THIS CHANGE ORDER IS ISSUED PURSUANT TO: (Specify authority) THE CHANGES SET FORTH IN ITEM 14 ARE MADE IN THE CONTRACT ORDER NO. IN ITEM 10A.				
B. THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES (such as changes in paying office, appropriation date, etc.) SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY OF:				
X C. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF: FAR 52.243-1 ALT 1				
D. OTHER (Specify type of modification and authority)				
E. IMPORTANT: Contractor <input type="checkbox"/> is not, <input checked="" type="checkbox"/> is required to sign this document and return _____ copies to the issuing office.				
14. DESCRIPTION OF AMENDMENT/MODIFICATION (Organized by UCF section headings, including solicitation/contract subject matter where feasible.)				
<p><b>Fort Knox, Kentucky - Utility Privatization Contract</b>  <b>Potable Water Utility System</b></p> <p>See Additional Pages for Further Details.</p>				
Except as provided herein, all terms and conditions of the document referenced in Item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect.				
15A. NAME AND TITLE OF SIGNER (Type or print)		16A. NAME OF CONTRACTING OFFICER		
JAMES BRUCE / GENERAL MANAGER		KENNETH RICHARDSON		
15B. NAME OF CONTRACTOR/OFFEROR		15C. DATE SIGNED		16B. UNITED STATES OF AMERICA
BY  (Signature of person authorized to sign)		9-SEPT-2013		BY  (Signature of Contracting Officer)
				16C. DATE SIGNED
				9 sept 13



- A. The purpose of this modification is to revise CLINs 0053, 0054, 0055, and 0056 by reducing the remaining ISDC surcharge fixed monthly payments to reflect the change in scope of the ISDC projects and the related periods of performance. This savings will be equally distributed among the remaining months of ISDC surcharge payments; resulting in a reduction of \$74,128.65 per month. Months 21-60 ISDC surcharge rate will change from: \$473,831 to: \$399,702.35. Section B.3 is hereby revised as a result of these changes as reflected below.
- B. Section B - Supplies or Services and Prices/Costs – As a result of the changes described in Paragraph A, the following line items are incorporated into Section B.3 as follows:

**B.3 Schedule**

Utility Service Payment by the Government

CLIN 0053 is hereby revised as follows:

**FROM:**

CLIN	Description	Qty	Unit	Unit Price	Total Price
0053	ISDC Surcharge – Year 2				
0053AA	Month 13-20 of 60 ACRN: AE Period of Performance: February 1, 2013- September 30, 2013	8	Mo.	\$473,831.00	\$3,790,648.00
0053AB	Months 21-24 of 60 ACRN: TBD Period of Performance: August 1, 2013- January 31, 2014	4	Mo.	\$473,831.00	\$1,895,324.00
0054	ISDC Surcharge – Year 3				
0054AA	Month 25-36 of 60 ACRN: TBD Period of Performance: February 1, 2014- January 31, 2015	12	Mo.	\$473,831.00	\$5,685,972.00
0055	ISDC Surcharge – Year 4				
0055AA	Month 37-48 of 60 ACRN: TBD Period of Performance: February 1, 2015- January 31, 2016	12	Mo.	\$473,831.00	\$5,685,972.00
0056	ISDC Surcharge – Year 5				
0056AA	Month 49-60 of 60 ACRN: TBD Period of Performance: February 1, 2016- January 31, 2017	12	Mo.	\$473,831.00	\$5,685,972.00

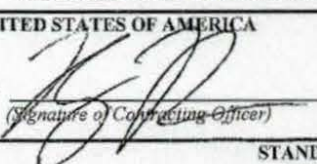
8/1/13

**TO:**

<u>CLIN</u>	<u>Description</u>	<u>Qty</u>	<u>Unit</u>	<u>Unit Price</u>	<u>Total Price</u>
0053	ISDC Surcharge – Year 2				
0053AA	Month 13-20 of 60 ACRN: AE Period of Performance: February 1, 2013- September 30, 2013	8	Mo.	\$473,831.00	\$3,790,648.00
0053AB	Months 21-24 of 60 ACRN: TBD Period of Performance: <del>October 1, 2013-</del> January 31, 2014	4	Mo.	\$399,702.35	\$1,598,809.40
0054	ISDC Surcharge – Year 3				
0054AA	Month 25-36 of 60 ACRN: TBD Period of Performance: February 1, 2014- January 31, 2015	12	Mo.	\$399,702.35	\$4,796,428.20
0055	ISDC Surcharge – Year 4				
0055AA	Month 37-48 of 60 ACRN: TBD Period of Performance: February 1, 2015- January 31, 2016	12	Mo.	\$399,702.35	\$4,796,428.20
0056	ISDC Surcharge – Year 5				
0056AA	Month 49-60 of 60 ACRN: TBD Period of Performance: February 1, 2016- January 31, 2017	12	Mo.	\$399,702.35	\$4,796,428.20

- C. The total amount obligated remains unchanged at \$14,997,447.46.
- D. The total value of the contract is decreased by \$2,965,146.00 from \$253,848,015.46 to \$250,882,869.46.
- E. All other Terms and Conditions shall remain unchanged and in full force and effect.
- F. For and in consideration of the above, HCWD#1 hereby fully and finally releases and discharges Ft. Knox Army Installation, the Defense Logistics Agency Energy, the Department of Defense, the United States of America, and their officers, employees, agents, successors, and assigns from any and all liability, claim or claims, demand or demands, cause or causes of action, accrued or unaccrued, known or unknown, arising from the modification of CLINs 0053, 0054, 0055, and 0056 under Contract SP0600-11-C-8271. All such contract claims and potential claims on behalf of HCWD#1 are hereby released and satisfied in full and all such controversies and potential litigation in favor of HCWD#1 are hereby compromised and settled.

**End of Modification**

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT			1. CONTRACT ID CODE K		Page 1 of 3
2. AMENDMENT/MODIFICATION NO. P00014		3. EFFECTIVE DATE See Block 16C		4. REQUISITION/PURCHASE REQ. NO. N/A	
6. ISSUED BY DLA ENERGY - UTILITY SERVICES 8725 JOHN J. KINGMAN ROAD, SUITE 4950 FORT BELVOIR, VA 22060-6222 Buyer/Symbol: Weston Goodman/DLA Energy-FEEAB PHONE: (703) 767-9560 E-MAIL: <a href="mailto:weston.goodman@dla.mil">weston.goodman@dla.mil</a>		CODE SP0600		7. ADMINISTERED BY (If other than Item 6) CODE	
8. NAME AND ADDRESS OF CONTRACTOR (NO., street city, county, State, and ZIP Code)  Hardin County Water District No. 1 1400 Rogersville Road Radcliff, KY 40160-9343 Phone: (270) 351-3222 ext. 208 Fax: (270) 352-3055  POC : Jim Bruce, General Manager DUNS # 130402811 CAGE #316V9			9a. AMENDMENT OF SOLICITATION NO.		
			9b. DATED (SEE ITEM 11)		
			10a. MODIFICATION OF CONTRACT/ORDER NO. SP0600-11-C-8271		
			10b. DATED (SEE ITEM 13) 30 September 2011		
11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS					
<p><input type="checkbox"/> The above numbered solicitation is amended as set forth in Item 14.  The hour and date specified for receipt of Offers <input type="checkbox"/> is extended, <input type="checkbox"/> is not extended.  Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended, by one of the following methods: (a) By completing Items 8 and 15, and returning _____ copy of the amendment; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers.  <b>FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER.</b> If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.</p>					
12. ACCOUNTING AND APPROPRIATION DATA (If required)0					
13. THIS ITEM APPLIES ONLY TO MODIFICATIONS OF CONTRACTS/ORDERS, IT MODIFIES THE CONTRACT/ORDER NO. AS DESCRIBED IN ITEM 14.					
A. THIS CHANGE ORDER IS ISSUED PURSUANT TO: (Specify authority) THE CHANGES SET FORTH IN ITEM 14 ARE MADE IN THE CONTRACT ORDER NO. IN ITEM 10A.					
B. THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES (such as changes in paying office, appropriation date, etc.) SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY OF:					
C. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF:					
X D. OTHER (Specify type of modification and authority) DFARS 252.232-7007					
E. IMPORTANT: Contractor <input checked="" type="checkbox"/> is not, <input type="checkbox"/> is required to sign this document and return _____ copies to the issuing office.					
14. DESCRIPTION OF AMENDMENT/MODIFICATION (Organized by UCF section headings, including solicitation/contract subject matter where feasible.)					
<p><b>Fort Knox, Kentucky – Utility Privatization Contract</b>  <b>Potable Water Utility System</b></p> <p>See Additional Pages for Further Details.</p>					
Except as provided herein, all terms and conditions of the document referenced in Item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect.					
15A. NAME AND TITLE OF SIGNER (Type or print)			16A. NAME OF CONTRACTING OFFICER KENNETH RICHARDSON		
15B. NAME OF CONTRACTOR/OFFEROR		15C. DATE SIGNED	16B. UNITED STATES OF AMERICA		16C. DATE SIGNED
BY _____ (Signature of person authorized to sign)			BY  (Signature of Contracting Officer)		10/22/2013

A. The purpose of this modification is to provide funding in the amount of \$1,291,748.70 and correct an administrative error from P00012 on SubCLIN 0002AB. The period of performance on this SubCLIN was previously from August 1, 2013-January 31, 2014. The correct period of performance for SubCLIN 0002AB is October 1, 2013-November 30, 2013 and SubCLIN 0002AC is December 1, 2013-January 31, 2014.

B. Section B - Supplies or Services and Prices/Costs – As a result of the changes described in Paragraph A, the following line items are incorporated into Section B.3 as follows:

- (1) B.3. Schedule is hereby modified to reflect the establishment of SubCLINs 0002AC and 0053AC
- (2) B.3. Schedule is hereby modified to reflect the revision of SubCLINs 0002AB and 00053AB

**B.3 Schedule**

Utility Service Payment by the Government

CLIN 0002 is hereby revised as follows:

FROM:

<u>CLIN</u>	<u>Description</u>	<u>Qty</u>	<u>Unit</u>	<u>Unit Price</u>	<u>Total Price</u>
0002	Monthly Utility Service Charge (Year 2)				
0002AA	Month 13-20 of 600 ACRN: AE Period of Performance: February 1, 2013- September 30, 2013	8	Mo.	\$246,172.00	\$1,969,376.00
0002AB	Months 21-24 of 600 ACRN: TBD Period of Performance: August 1, 2013- January 31, 2014	4	Mo.	\$246,172.00	\$984,688.00

TO:

<u>CLIN</u>	<u>Description</u>	<u>Qty</u>	<u>Unit</u>	<u>Unit Price</u>	<u>Total Price</u>
0002	Monthly Utility Service Charge (Year 2)				
0002AA	Month 13-20 of 600 ACRN: AE Period of Performance: February 1, 2013- September 30, 2013	8	Mo.	\$246,172.00	\$1,969,376.00
0002AB	Month 21-22 of 600 ACRN: AF Period of Performance: October 1, 2013- November 30, 2013	2	Mo.	\$246,172.00	\$492,344.00
0002AC	Months 23-24 of 600 ACRN: TBD Period of Performance: December 1, 2013- January 31, 2014	2	Mo.	\$246,172.00	\$492,344.00

CLIN 0053 is hereby revised as follows:

**FROM:**

<u>CLIN</u>	<u>Description</u>	<u>Qty</u>	<u>Unit</u>	<u>Unit Price</u>	<u>Total Price</u>
0053	ISDC Surcharge – Year 2				
0053AA	Month 13-20 of 60 ACRN: AE Period of Performance: February 1, 2013- September 30, 2013	8	Mo.	\$473,831.00	\$3,790,648.00
0053AB	Months 21-24 of 60 ACRN: TBD Period of Performance: October 1, 2013- January 31, 2013	4	Mo.	\$399,702.35	\$1,598,809.40

**TO:**

<u>CLIN</u>	<u>Description</u>	<u>Qty</u>	<u>Unit</u>	<u>Unit Price</u>	<u>Total Price</u>
0053	ISDC Surcharge – Year 2				
0053AA	Month 13-20 of 60 ACRN: AE Period of Performance: February 1, 2013- September 30, 2013	8	Mo.	\$473,831.00	\$3,790,648.00
0053AB	Months 21-22 of 60 ACRN: AF Period of Performance: October 1, 2013- November 30, 2014	2	Mo.	\$399,702.35	\$799,404.70
0053AC	Months 23-24 of 60 ACRN: TBD Period of Performance: December 1, 2013- January 31, 2014	2	Mo.	\$399,702.35	\$799,404.70

- C. Section G – Contract Administration Data - As a result of the changes described in Paragraph A, Section G.5 is revised as follows:

**G.5 Accounting and Appropriation Data**

ACRN AF is hereby established in the amount of \$1,291,748.70. Funds are provided under the Direct Cite MIPR Number MIPR10425123 Amendment 0001 as follows:

Line of Accounting:

**AF 02120142014 2020000 A2ABH 131079QDPW 2334 0010425123 S.0005431.31.504.2 021001 \$1,291,748.70**

- D. The total amount obligated is increased by \$1,291,748.70 from: \$14,997,447.46 to: \$16,289,196.16.

The total value of the contract remains unchanged at \$250,882,869.46.

- F. All other Terms and Conditions shall remain unchanged and in full force and effect.

**End of Modification**



DEPARTMENT OF THE ARMY  
US ARMY INSTALLATION MANAGEMENT COMMAND  
HEADQUARTERS, US ARMY GARRISON COMMAND  
125 6TH AVENUE, SUITE 320  
FORT KNOX, KENTUCKY 40121-5719

REPLY TO  
ATTENTION OF:

3 SEP 2012

IMKN-PWM

MEMORANDUM FOR Garrison Commander, US Army Garrison – Fort Knox, 111 Chaffee Avenue, Fort Knox, KY 40121 *TJE*

SUBJECT: Request Site Approval for Hardin County Water District #1 Operations Building, Fort Knox

1. Reference: Army Regulation 420-1, Army Facilities Management, 28 Mar 09.
2. Request Garrison Commander's approval of the site for Hardin County Water District #1 Operations Building, Fort Knox
3. The proposed siting has been reviewed and evaluated under ASHRAE Standard 189.1 (Sec 5 "Mandatory Provision") and meets the criteria for "Allowable Sites".
4. Hardin County Water District #1 began operation of the Fort Knox water system in February 2012. Since taking over operation of the water system HCWD#1 has conducted operations in temporary locations. HCWD#1 is approved to build a permanent location for its operations office on Fort Knox. The attached map shows the location as approved by DPW (Enclosure 1).
5. Point of contact for this action is Mr. Matt Brackett, Chief, Master Planning Division, 624-4708; email: [matthew.j.brackett2.civ@mail.mil](mailto:matthew.j.brackett2.civ@mail.mil).

Encl  
as

*Patrick A. Walsh*  
PATRICK A. WALSH  
Director of Public Works

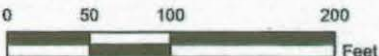
APPROVED: *TJE*

DISAPPROVED: \_\_\_\_\_



2.94 Acres

- Legend**
- Proposed Site Boundary
  - Reclaimed Water Main
  - Roads
  - Calvin Cemetery
  - ⦿ Fire Hydrants
  - Water Valves
  - ⊙ Water Meters
  - Water Mains
  - ⦿ Sewer Manholes
  - Sewer Mains




**Proposed Site Boundary  
HCWD1 Ft. Knox Water Distribution Office**



Drawn By: DC  
Checked by:  
Date: June 24, 2013



AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT		1. CONTRACT ID CODE K		Page 1 of 3
2. AMENDMENT/MODIFICATION NO. P00015	3. EFFECTIVE DATE See Block 16C	4. REQUISITION/PURCHASE REQ. NO. N/A	5. PROJECT NO. (If applicable)	
6. ISSUED BY DLA ENERGY - UTILITY SERVICES 8725 JOHN J. KINGMAN ROAD, SUITE 4950 FORT BELVOIR, VA 22060-6222 Buyer/Symbol: Weston Goodman/DLA Energy-FBEAB PHONE: (703) 767-9560 E-MAIL: <a href="mailto:weston.goodman@dla.mil">weston.goodman@dla.mil</a>	CODE SP0600	7. ADMINISTERED BY (If other than Item 6)	CODE	
8. NAME AND ADDRESS OF CONTRACTOR (NO., street city, county, State, and ZIP Code)  Hardin County Water District No. 1 1400 Rogersville Road Radcliff, KY 40160-9343 Phone: (270) 351-3222 ext. 208 Fax: (270) 352-3055  POC : Jim Bruce, General Manager DUNS # 130402811 CAGE #316V9		9a. AMENDMENT OF SOLICITATION NO.		
		9b. DATED (SEE ITEM 11)		
		X 10a. MODIFICATION OF CONTRACT/ORDER NO. SP0600-11-C-8271		
		10b. DATED (SEE ITEM 13) 30 September 2011		
11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS				
<input type="checkbox"/> The above numbered solicitation is amended as set forth in Item 14. The hour and date specified for receipt of Offers <input type="checkbox"/> is extended, <input type="checkbox"/> is not extended. Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended, by one of the following methods: (a) By completing Items 8 and 15, and returning _____ copy of the amendment; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers. <b>FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER.</b> If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.				
ACCOUNTING AND APPROPRIATION DATA (If required)0				
12. THIS ITEM APPLIES ONLY TO MODIFICATIONS OF CONTRACTS/ORDERS, IT MODIFIES THE CONTRACT/ORDER NO. AS DESCRIBED IN ITEM 14.				
A. THIS CHANGE ORDER IS ISSUED PURSUANT TO: (Specify authority) THE CHANGES SET FORTH IN ITEM 14 ARE MADE IN THE CONTRACT ORDER NO. IN ITEM 10A.				
B. THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES (such as changes in paying office, appropriation date, etc.) SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY OF:				
C. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF:				
X D. OTHER (Specify type of modification and authority) DFARS 252.232-7007				
E. IMPORTANT: Contractor <input checked="" type="checkbox"/> is not, <input type="checkbox"/> is required to sign this document and return _____ copies to the issuing office.				
14. DESCRIPTION OF AMENDMENT/MODIFICATION (Organized by UCF section headings, including solicitation/contract subject matter where feasible.)				
<b>Fort Knox, Kentucky - Utility Privatization Contract</b> <b>Potable Water Utility System</b>  See Additional Pages for Further Details.				
Except as provided herein, all terms and conditions of the document referenced in Item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect.				
15A. NAME AND TITLE OF SIGNER (Type or print)		16A. NAME OF CONTRACTING OFFICER <b>KENNETH RICHARDSON</b>		
15B. NAME OF CONTRACTOR/OFFEROR	15C. DATE SIGNED	16B. UNITED STATES OF AMERICA	16C. DATE SIGNED	
BY _____ (Signature of person authorized to sign)		BY  (Signature of Contracting Officer)	12/11/13	



- A. The purpose of this modification is to increase funding in the amount of \$645,874.35.
- B. Section B - Supplies or Services and Prices/Costs – As a result of the changes described in Paragraph A, the following line item is incorporated into Section B.3 as follows:

(1) B.3. Schedule is hereby modified to reflect the revision of SubCLINs 0002AB and 00053AB.

**B.3 Schedule**

Utility Service Payment by the Government

CLIN 0002 is hereby revised as follows:

FROM:

<u>CLIN</u>	<u>Description</u>	<u>Qty</u>	<u>Unit</u>	<u>Unit Price</u>	<u>Total Price</u>
0002	Monthly Utility Service Charge (Year 2)				
0002AA	Month 13-20 of 600 ACRN: AE Period of Performance: February 1, 2013- September 30, 2013	8	Mo.	\$246,172.00	\$1,969,376.00
0002AB	Month 21-22 of 600 ACRN: AF Period of Performance: October 1, 2013- November 30, 2013	2	Mo.	\$246,172.00	\$492,344.00
0002AC	Months 23-24 of 600 ACRN: TBD Period of Performance: December 1, 2013- January 31, 2014	2	Mo.	\$246,172.00	\$492,344.00

TO:

<u>CLIN</u>	<u>Description</u>	<u>Qty</u>	<u>Unit</u>	<u>Unit Price</u>	<u>Total Price</u>
0002	Monthly Utility Service Charge (Year 2)				
0002AA	Month 13-20 of 600 ACRN: AE Period of Performance: February 1, 2013- September 30, 2013	8	Mo.	\$246,172.00	\$1,969,376.00
0002AB	Month 21-23 of 600 ACRN: AF Period of Performance: October 1, 2013- December 31, 2013	3	Mo.	\$246,172.00	\$ 738,516.00
0002AC	Month 24 of 600 ACRN: TBD Period of Performance: January 1, 2014- January 31, 2014	1	Mo.	\$246,172.00	\$246,172.00

21/11/13

CLIN 0053 is hereby revised as follows:

**FROM:**

<u>CLIN</u>	<u>Description</u>	<u>Qty</u>	<u>Unit</u>	<u>Unit Price</u>	<u>Total Price</u>
0053	ISDC Surcharge – Year 2				
0053AA	Month 13-20 of 60 ACRN: AE Period of Performance: February 1, 2013- September 30, 2013	8	Mo.	\$473,831.00	\$3,790,648.00
0053AB	Months 21-22 of 60 ACRN: AF Period of Performance: October 1, 2013- November 30, 2014	2	Mo.	\$399,702.35	\$799,404.70
0053AC	Months 23-24 of 60 ACRN: TBD Period of Performance: December 1, 2013- January 31, 2014	2	Mo.	\$399,702.35	\$799,404.70

**TO:**

<u>CLIN</u>	<u>Description</u>	<u>Qty</u>	<u>Unit</u>	<u>Unit Price</u>	<u>Total Price</u>
0053	ISDC Surcharge – Year 2				
0053AA	Month 13-20 of 60 ACRN: AE Period of Performance: February 1, 2013- September 30, 2013	8	Mo.	\$473,831.00	\$3,790,648.00
0053AB	Months 21-23 of 60 ACRN: AF Period of Performance: October 1, 2013- December 31, 2014	3	Mo.	\$399,702.35	\$1,199,107.05
0053AC	Month 24 of 60 ACRN: TBD Period of Performance: January 1, 2014- January 31, 2014	1	Mo.	\$399,702.35	\$399,702.35

C. Section G – Contract Administration Data - As a result of the changes described in Paragraph A, Section G.5 is revised as follows:

**G.5 Accounting and Appropriation Data**

ACRN AF is hereby increased in the amount of \$645,874.35. Funds are provided under the Direct Cite MIPR Number MIPR10425123 Amendment 0002 as follows:

Line of Accounting:


**AF 02120142014 2020000 A2ABH 131079QDPW 2334 0010425123 S.0005431.31.504.2 021001 \$1,937,623.05**

D. The total amount obligated is increased by \$645,874.35 from: \$16,289,196.16 to: \$16,935,070.51.

The total value of the contract remains unchanged at \$250,882,869.46.

F. All other Terms and Conditions shall remain unchanged and in full force and effect.

**End of Modification**

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT		1. CONTRACT ID CODE K		Page 1 of 3
2. AMENDMENT/MODIFICATION NO. P00016	3. EFFECTIVE DATE See Block 16C	4. REQUISITION/PURCHASE REQ. NO. N/A	5. PROJECT NO. (If applicable)	
ISSUED BY	CODE	SP0600	7. ADMINISTERED BY (If other than Item 6)	CODE
DLA ENERGY - UTILITY SERVICES 8725 JOHN J. KINGMAN ROAD, SUITE 4950 FORT BELVOIR, VA 22060-6222 Buyer/Symbol: Daonna Young/DLA Energy-FEEAA PHONE: (703) 767-8576 E-MAIL: <a href="mailto:daonna.young@dla.mil">daonna.young@dla.mil</a>				
8. NAME AND ADDRESS OF CONTRACTOR (NO., street city, county, State, and ZIP Code)		9a. AMENDMENT OF SOLICITATION NO.		
Hardin County Water District No. 1 1400 Rogersville Road Radcliff, KY 40160-9343 Phone: (270) 351-3222 ext. 208 Fax: (270) 352-3035 POC: Jim Bruce, General Manager DUNS # 130402811 CAGE #316V9		9b. DATED (SEE ITEM 11)		
		10a. MODIFICATION OF CONTRACT/ORDER NO. SP0600-11-C-8271		
		10b. DATED (SEE ITEM 13) 30 September 2011		
<b>11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS</b>				
<input type="checkbox"/> The above numbered solicitation is amended as set forth in Item 14. The hour and date specified for receipt of Offers <input type="checkbox"/> is extended, <input type="checkbox"/> is not extended. Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended, by one of the following methods: (a) By completing Items 8 and 15, and returning _____ copy of the amendment; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers. <b>FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER.</b> If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.				
ACCOUNTING AND APPROPRIATION DATA (If required)0				
THIS ITEM APPLIES ONLY TO MODIFICATIONS OF CONTRACTS/ORDERS, IT MODIFIES THE CONTRACT/ORDER NO. AS DESCRIBED IN ITEM 14.				
A. THIS CHANGE ORDER IS ISSUED PURSUANT TO: (Specify authority) THE CHANGES SET FORTH IN ITEM 14 ARE MADE IN THE CONTRACT ORDER NO. IN ITEM 10A.				
B. THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES (such as changes in paying office, appropriation date, etc.) SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY OF:				
C. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF:				
<input checked="" type="checkbox"/> D. OTHER (Specify type of modification and authority) DFARS 252.232-7007				
E. IMPORTANT: Contractor <input checked="" type="checkbox"/> is not, <input type="checkbox"/> is required to sign this document and return _____ copies to the issuing office.				
14. DESCRIPTION OF AMENDMENT/MODIFICATION (Organized by UCF section headings, including solicitation/contract subject matter where feasible.)				
<b>Fort Knox, Kentucky - Utility Privatization Contract</b> <b>Potable Water Utility System</b>  See Additional Pages for Further Details.				
Except as provided herein, all terms and conditions of the document referenced in Item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect.				
15A. NAME AND TITLE OF SIGNER (Type or print)		16A. NAME OF CONTRACTING OFFICER <b>KENNETH RICHARDSON</b>		
15B. NAME OF CONTRACTOR/OFFEROR	15C. DATE SIGNED	16B. UNITED STATES OF AMERICA	16C. DATE SIGNED	
BY _____ (Signature of person authorized to sign)		BY  (Signature of Contracting Officer)	11/7/14	

A. The purpose of this modification is to revise ACRN AF and add funding for January 1, 2014 through January 31, 2014 (months 24 of 600) in the amount of \$645,874.35.

B. Section B - Supplies or Services and Prices/Costs – As a result of the changes described in Paragraph A, the following line item is incorporated into Section B.3 as follows:

- (1) B.3. Schedule is hereby modified to reflect the revision of SubCLINs 0002AB and 0053AB.
- (2) B.3. Schedule is hereby modified to reserve SubCLIN 0002AC and 0053AC.

**B.3 Schedule**

Utility Service Payment by the Government

CLIN 0002 is hereby revised as follows:

FROM:

CLIN	Description	Qty	Unit	Unit Price	Total Price
0002	Monthly Utility Service Charge (Year 2)				
0002AA	Month 13-20 of 600 ACRN: AE Period of Performance: February 1, 2013- September 30, 2013	8	Mo.	\$246,172.00	\$1,969,376.00
0002AB	Month 21-23 of 600 ACRN: AF Period of Performance: October 1, 2013- December 31, 2013	3	Mo.	\$246,172.00	\$ 738,516.00
0002AC	Month 24 of 600 ACRN: TBD Period of Performance: January 1, 2014- January 31, 2014	1	Mo.	\$246,172.00	\$246,172.00

TO:

CLIN	Description	Qty	Unit	Unit Price	Total Price
0002	Monthly Utility Service Charge (Year 2)				
0002AA	Month 13-20 of 600 ACRN: AE Period of Performance: February 1, 2013- September 30, 2013	8	Mo.	\$246,172.00	\$1,969,376.00
0002AB	Month 21-24 of 600 ACRN: AF Period of Performance: October 1, 2013- January 31, 2014	4	Mo.	\$246,172.00	\$ 984,688.00
0002AC	Reserved				

9/1/14

*[Handwritten signature]*

CLIN 0053 is hereby revised as follows:

**FROM:**

<u>CLIN</u>	<u>Description</u>	<u>Qty</u>	<u>Unit</u>	<u>Unit Price</u>	<u>Total Price</u>
0053	ISDC Surcharge – Year 2				
0053AA	Month 13-20 of 60 ACRN: AE Period of Performance: February 1, 2013- September 30, 2013	8	Mo.	\$473,831.00	\$3,790,648.00
0053AB	Months 21-23 of 60 ACRN: AF Period of Performance: October 1, 2013- December 31, 2013	3	Mo.	\$399,702.35	\$1,199,107.05
0053AC	Month 24 of 60 ACRN: TBD Period of Performance: January 1, 2014- January 31, 2014	1	Mo.	\$399,702.35	\$399,702.35

**TO:**

<u>CLIN</u>	<u>Description</u>	<u>Qty</u>	<u>Unit</u>	<u>Unit Price</u>	<u>Total Price</u>
0053	ISDC Surcharge – Year 2				
0053AA	Month 13-20 of 60 ACRN: AE Period of Performance: February 1, 2013- September 30, 2013	8	Mo.	\$473,831.00	\$3,790,648.00
0053AB	Months 21-24 of 60 ACRN: AF Period of Performance: October 1, 2013- January 31, 2014	4	Mo.	\$399,702.35	\$1,598,809.40
0053AC	Reserved				

C. Section G – Contract Administration Data - As a result of the changes described in Paragraph A, Section G.5 is revised as follows:

**G.5 Accounting and Appropriation Data**

ACRN AF is hereby increased in the amount of \$645,874.35. Funds are provided under the Direct Cite MIPR Number MIPR10425123 Amendment 0003 as follows:

Line of Accounting:

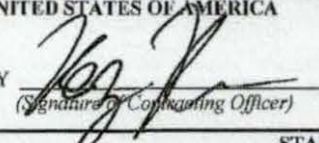
AF 02120142014 2020000 A2ABH 131079QDPW 2334 0010425123 S.0005431.31.504.2 021001 \$2,583,497.40

D. The total amount obligated is increased by \$645,874.35 from: \$16,935,070.51 to: \$17,580,944.86.

E. The total value of the contract remains unchanged at \$250,882,869.46.

All other Terms and Conditions shall remain unchanged and in full force and effect.

**End of Modification**

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT		1. CONTRACT ID CODE K		Page 1 of 3
2. AMENDMENT/MODIFICATION NO. P00017	3. EFFECTIVE DATE See Block 16C	4. REQUISITION/PURCHASE REQ. NO. N/A	5. PROJECT NO. (If applicable)	
ISSUED BY  DLA ENERGY - UTILITY SERVICES 8725 JOHN J. KINGMAN ROAD, SUITE 4950 FORT BELVOIR, VA 22060-6222 Buyer/Symbol: Weston Goodman/DLA Energy-FEEAB PHONE: (703) 767-9560 E-MAIL: weston.goodman@dla.mil P.P. 8.2		CODE SP0600	7. ADMINISTERED BY (If other than Item 6)  CODE	
8. NAME AND ADDRESS OF CONTRACTOR (NO., street city, county, State, and ZIP Code)  Hardin County Water District No. 1 1400 Rogersville Road Radoliff, KY 40160-9343 Phone: (270) 351-3222 ext. 208 Fax: (270) 352-3055  POC : Jim Bruce, General Manager DUNS # 130402811 CAGE #316V9		9a. AMENDMENT OF SOLICITATION NO.		
		9b. DATED (SEE ITEM 11)		
		10a. MODIFICATION OF CONTRACT/ORDER NO. SP0600-11-C-8271		
		10b. DATED (SEE ITEM 13) 30 September 2011		
11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS				
<input type="checkbox"/> The above numbered solicitation is amended as set forth in Item 14. The hour and date specified for receipt of Offers <input type="checkbox"/> is extended, <input type="checkbox"/> is not extended. Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended, by one of the following methods: (a) By completing Items 8 and 15, and returning _____ copy of the amendment; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers. <b>FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER.</b> If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.				
ACCOUNTING AND APPROPRIATION DATA (If required)0				
THIS ITEM APPLIES ONLY TO MODIFICATIONS OF CONTRACTS/ORDERS, IT MODIFIES THE CONTRACT/ORDER NO. AS DESCRIBED IN ITEM 14.				
A. THIS CHANGE ORDER IS ISSUED PURSUANT TO: (Specify authority) THE CHANGES SET FORTH IN ITEM 14 ARE MADE IN THE CONTRACT ORDER NO. IN ITEM 10A.				
B. THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES (such as changes in paying office, appropriation date, etc.) SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY OF:				
C. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF:				
<input checked="" type="checkbox"/> D. OTHER (Specify type of modification and authority) DFARS 252.232-7007				
E. IMPORTANT: Contractor <input checked="" type="checkbox"/> is not, <input type="checkbox"/> is required to sign this document and return _____ copies to the issuing office.				
14. DESCRIPTION OF AMENDMENT/MODIFICATION (Organized by UCF section headings, including solicitation/contract subject matter where feasible.)				
<b>Fort Knox, Kentucky - Utility Privatization Contract</b> <b>Potable Water Utility System</b>  See Additional Pages for Further Details.				
Except as provided herein, all terms and conditions of the document referenced in Item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect.				
15A. NAME AND TITLE OF SIGNER (Type or print)		16A. NAME OF CONTRACTING OFFICER KENNETH RICHARDSON		
15B. NAME OF CONTRACTOR/OFFEROR	15C. DATE SIGNED	16B. UNITED STATES OF AMERICA	16C. DATE SIGNED 2/26/14	
BY _____ (Signature of person authorized to sign)		BY  (Signature of Contracting Officer)		

A. The purpose of this modification is to revise ACRN AF to add 2 months of funding on SubCLIN 0003AA and two months of funding for SubCLIN 00054AA.

B. Section B - Supplies or Services and Prices/Costs – As a result of the changes described in Paragraph A, the following line item is incorporated into Section B.3 as follows:

(1) B.3. Schedule is hereby modified to reflect the revision of SubCLINs 0003AA and 0054AA.

**B.3 Schedule**

Utility Service Payment by the Government

CLIN 0003 is hereby revised as follows:

FROM:

CLIN	Description	Qty	Unit	Unit Price	Total Price
0003	Monthly Utility Service Charge (Year 3)				
0003AA	Month 25-36 of 600 ACRN: TBD Period of Performance: February 1, 2014- September 30, 2014	12	Mo.	\$251,528.00	\$3,018,336.00

TO:

CLIN	Description	Qty	Unit	Unit Price	Total Price
0003	Monthly Utility Service Charge (Year 3)				
0003AA	Month 25-26 of 600 ACRN: AF Period of Performance: February 1, 2014- March 31, 2014	2	Mo.	\$251,528.00	\$503,056.00
0003AB	Month 27-32 of 600 ACRN: TBD Period of Performance: March 1, 2014- September 30, 2014	6	Mo.	\$251,528.00	\$1,509,168.00
0003AC	Month 33-36 of 600 ACRN: TBD Period of Performance: October 1, 2014- January 31, 2015	4	Mo.	\$251,528.00	\$1,006,112.00

M/10/10

CLIN 0054 is hereby revised as follows:

**FROM:**

<u>CLIN</u>	<u>Description</u>	<u>Qty</u>	<u>Unit</u>	<u>Unit Price</u>	<u>Total Price</u>
0054	ISDC Surcharge – Year 3				
0054AA	Month 25-36 of 60 ACRN: TBD Period of Performance: February 1, 2014- January 31, 2015	12	Mo.	\$399,702.35	\$4,796,428.20

**TO:**

<u>CLIN</u>	<u>Description</u>	<u>Qty</u>	<u>Unit</u>	<u>Unit Price</u>	<u>Total Price</u>
0054	ISDC Surcharge – Year 3				
0054AA	Month 25-26 of 60 ACRN: AF Period of Performance: February 1, 2014- March 31, 2014	2	Mo.	\$399,702.35	\$799,404.70
0054AB	Months 27-32 of 60 ACRN: TBD Period of Performance: April 1, 2014- September 30, 2014	6	Mo.	\$399,702.35	\$2,398,214.10
0054AC	Months 33-36 of 60 ACRN: TBD Period of Performance: October 1, 2014- January 31, 2015	4	Mo.	\$399,702.35	\$1,598,809.40

C. Section G – Contract Administration Data - As a result of the changes described in Paragraph A, Section G.5 is revised as follows:

**G.5 Accounting and Appropriation Data**

ACRN AF is hereby increased in the amount of \$1,302,460.70. Funds are provided under the Direct Cite MIPR Number MIPR10425123 Amendment 0005 as follows:

Line of Accounting:

**AF 02120142014 2020000 A2ABH 131079QDPW 2334 0010425123 S.0005431.31.504.2 021001 \$1,302,460.70**

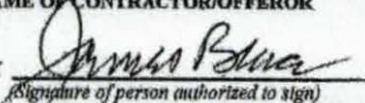

D. The total amount obligated is increased by \$1,302,460.70 from: \$17,580,944.86 to: \$18,883,405.56.

E. The total value of the contract remains unchanged at \$250,882,869.46.

F. All other Terms and Conditions shall remain unchanged and in full force and effect.

**End of Modification**



AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT		1. CONTRACT ID CODE K		Page 1 of 5
2. AMENDMENT/MODIFICATION NO. P00018	3. EFFECTIVE DATE See Block 16C	4. REQUISITION/PURCHASE REQ. NO. N/A	5. PROJECT NO. (If applicable)	
6. ISSUED BY DLA ENERGY - UTILITY SERVICES 8725 JOHN J. KINGMAN ROAD, SUITE 4950 FORT BELVOIR, VA 22060-6222 Buyer/Symbol: Weston Goodman/DLA Energy-FBEAB PHONE: (703) 767-9560 E-MAIL: <a href="mailto:weston.goodman@dlamil.mil">weston.goodman@dlamil.mil</a> P.P. 8.2	CODE SP0600	7. ADMINISTERED BY (If other than Item 6)	CODE	
8. NAME AND ADDRESS OF CONTRACTOR (NO., street city, county, State, and ZIP Code)  Hardin County Water District No. 1 1400 Rogersville Road Radoliff, KY 40160-9343 Phone: (270) 351-3222 ext. 208 Fax: (270) 352-3055  POC : Jim Bruce, General Manager DUNS # 130402811 CAGE #316V9		9a. AMENDMENT OF SOLICITATION NO.		
		9b. DATED (SEE ITEM 11)		
		10a. MODIFICATION OF CONTRACT/ORDER NO. SP0600-11-C-8271		
		10b. DATED (SEE ITEM 13) 30 September 2011		
11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS				
<input type="checkbox"/> The above numbered solicitation is amended as set forth in Item 14. The hour and date specified for receipt of Offers <input type="checkbox"/> is extended, <input type="checkbox"/> is not extended. Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended, by one of the following methods: (a) By completing Items 8 and 15, and returning _____ copy of the amendment; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers. <b>FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER.</b> If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.				
12. ACCOUNTING AND APPROPRIATION DATA (If required)				
13. THIS ITEM APPLIES ONLY TO MODIFICATIONS OF CONTRACTS/ORDERS, IT MODIFIES THE CONTRACT/ORDER NO. AS DESCRIBED IN ITEM 14.				
A. THIS CHANGE ORDER IS ISSUED PURSUANT TO: (Specify authority) THE CHANGES SET FORTH IN ITEM 14 ARE MADE IN THE CONTRACT ORDER NO. IN ITEM 10A.				
B. THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES (such as changes in paying office, appropriation date, etc.) SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY OF:				
<input checked="" type="checkbox"/> C. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF: FAR 52.243-1 ALT 1				
D. OTHER (Specify type of modification and authority)				
E. IMPORTANT: Contractor <input type="checkbox"/> is not, <input checked="" type="checkbox"/> is required to sign this document and return _____ copies to the issuing office.				
14. DESCRIPTION OF AMENDMENT/MODIFICATION (Organized by UCF section headings, including solicitation/contract subject matter where feasible.)				
<b>Fort Knox, Kentucky – Utility Privatization Contract</b> <b>Potable Water Utility System</b>  <b>See Additional Pages for Further Details.</b>				
Except as provided herein, all terms and conditions of the document referenced in Item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect.				
15A. NAME AND TITLE OF SIGNER (Type or print) <b>JIM BRUCE, GENERAL MANAGER</b>		16A. NAME OF CONTRACTING OFFICER <b>KENNETH RICHARDSON</b>		
15B. NAME OF CONTRACTOR/OFFEROR	15C. DATE SIGNED	16B. UNITED STATES OF AMERICA	16C. DATE SIGNED	
BY  (Signature of person authorized to sign)	07-MARCH-14	BY  (Signature of Contracting Officer)	10-MAR-14	

- A. The purpose of this modification is to revise the monthly unit price amount, previously established on Modification P00017, for SubCLIN 0003AA from the amount of \$251,528.00 to \$246,172.00. To revise the B.4 schedule for contract year 3 to reflect this change. This revision decreases the annual utility service charge for contract year 3 from \$3,018,336.00 to \$2,954,064.00 with a delta of \$64,272.00; Therefore, the total contract value is decreased in the amount of \$64,272.00.
- B. Section B - Supplies or Services and Prices/Costs – As a result of the changes described in Paragraph A, the following line item is incorporated into Section B.3 and B.4 as follows:

(1) B.3. Schedule is hereby modified to reflect the revision of SubCLIN 0003AA.

**B.3 Schedule**

Utility Service Payment by the Government

CLIN 0003 is hereby revised as follows:

FROM:

<u>CLIN</u>	<u>Description</u>	<u>Qty</u>	<u>Unit</u>	<u>Unit Price</u>	<u>Total Price</u>
0003	Monthly Utility Service Charge (Year 3)				
0003AA	Month 25-36 of 600 ACRN: TBD Period of Performance: February 1, 2014- September 30, 2014	12	Mo.	\$251,528.00	\$3,018,336.00

TO:

<u>CLIN</u>	<u>Description</u>	<u>Qty</u>	<u>Unit</u>	<u>Unit Price</u>	<u>Total Price</u>
0003	Monthly Utility Service Charge (Year 3)				
0003AA	Month 25-26 of 600 ACRN: AF Period of Performance: February 1, 2014- March 31, 2014	2	Mo.	\$246,172.00	\$492,344.00
0003AB	Month 27-32 of 600 ACRN: TBD Period of Performance: April 1, 2014- September 30, 2014	6	Mo.	\$246,172.00	\$1,477,032.00
0003AC	Month 33-36 of 600 ACRN: TBD Period of Performance: October 1, 2014- January 31, 2015	4	Mo.	\$246,172.00	\$984,688.00

Handwritten signatures and initials are present at the bottom of the page, including a signature that appears to read "10-14-14" and another that reads "10-14-14". There are also some illegible handwritten notes and stamps.

**B.3 Schedule**

Monthly Utility Service Charge- Schedule 1

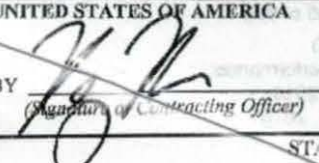
FROM:

Contract Year	Monthly Service Charge	Purchase Price Recovery Surcharge	Credit as Payment of Purchase Price	Monthly Utility Service Charge	Annual Utility Service Charge
1	\$246,172.00	\$85,968.00	(\$85,968.00)	\$246,172.00	\$2,954,064.00
2	\$246,172.00	\$85,968.00	(\$85,968.00)	\$246,172.00	\$2,954,064.00
3	\$251,528.00	\$85,968.00	(\$85,968.00)	\$251,528.00	\$3,018,336.00
4	\$255,936.00	\$85,968.00	(\$85,968.00)	\$255,936.00	\$3,071,232.00
5	\$260,422.00	\$85,968.00	(\$85,968.00)	\$260,422.00	\$3,125,064.00
6	\$258,340.00	\$85,968.00	(\$85,968.00)	\$258,340.00	\$3,100,080.00
7	\$262,867.00	\$85,968.00	(\$85,968.00)	\$262,867.00	\$3,154,404.00
8	\$267,475.00	\$85,968.00	(\$85,968.00)	\$267,475.00	\$3,209,700.00
9	\$272,163.00	\$85,968.00	(\$85,968.00)	\$272,163.00	\$3,265,956.00
10	\$276,933.00	\$85,968.00	(\$85,968.00)	\$276,933.00	\$3,323,196.00
11	\$281,786.00			\$281,786.00	\$3,381,432.00
12	\$286,725.00			\$286,725.00	\$3,440,700.00
13	\$291,751.00			\$291,751.00	\$3,501,012.00
14	\$296,864.00			\$296,864.00	\$3,562,368.00
15	\$302,067.00			\$302,067.00	\$3,624,804.00
16	\$307,361.00			\$307,361.00	\$3,688,332.00
17	\$312,748.00			\$312,748.00	\$3,752,976.00
18	\$318,230.00			\$318,230.00	\$3,818,760.00
19	\$323,807.00			\$323,807.00	\$3,885,684.00
20	\$329,483.00			\$329,483.00	\$3,953,796.00
21	\$335,258.00			\$335,258.00	\$4,023,096.00
22	\$341,134.00			\$341,134.00	\$4,093,608.00
23	\$347,113.00			\$347,113.00	\$4,165,356.00
24	\$353,196.00			\$353,196.00	\$4,238,352.00
25	\$359,387.00			\$359,387.00	\$4,312,644.00
26	\$365,686.00			\$365,686.00	\$4,388,232.00
27	\$372,095.00			\$372,095.00	\$4,465,140.00
28	\$378,616.00			\$378,616.00	\$4,543,392.00
29	\$385,252.00			\$385,252.00	\$4,623,024.00
30	\$392,005.00			\$392,005.00	\$4,704,060.00
31	\$398,875.00			\$398,875.00	\$4,786,500.00
32	\$405,866.00			\$405,866.00	\$4,870,392.00
33	\$412,980.00			\$412,980.00	\$4,955,760.00
34	\$420,218.00			\$420,218.00	\$5,042,616.00
35	\$427,583.00			\$427,583.00	\$5,130,996.00
36	\$435,077.00			\$435,077.00	\$5,220,924.00
37	\$442,703.00			\$442,703.00	\$5,312,436.00
38	\$450,462.00			\$450,462.00	\$5,405,544.00

Contract Year	Monthly Service Charge	Purchase Price Recovery Surcharge	Credit as Payment of Purchase Price	Monthly Utility Service Charge	Annual Utility Service Charge
39	\$458,357.00			\$458,357.00	\$5,500,284.00
40	\$466,390.00			\$466,390.00	\$5,596,680.00
41	\$474,565.00			\$474,565.00	\$5,694,780.00
42	\$482,882.00			\$482,882.00	\$5,794,584.00
43	\$491,346.00			\$491,346.00	\$5,896,152.00
44	\$499,957.00			\$499,957.00	\$5,999,484.00
45	\$508,720.00			\$508,720.00	\$6,104,640.00
46	\$517,636.00			\$517,636.00	\$6,211,632.00
47	\$526,709.00			\$526,709.00	\$6,320,508.00
48	\$535,940.00			\$535,940.00	\$6,431,280.00
49	\$545,334.00			\$545,334.00	\$6,544,008.00
50	\$554,892.00			\$554,892.00	\$6,658,704.00

TO:

Contract Year	Monthly Service Charge	Purchase Price Recovery Surcharge	Credit as Payment of Purchase Price	Monthly Utility Service Charge	Annual Utility Service Charge
1	\$246,172.00	\$85,968.00	(\$85,968.00)	\$246,172.00	\$2,954,064.00
2	\$246,172.00	\$85,968.00	(\$85,968.00)	\$246,172.00	\$2,954,064.00
3	\$246,172.00	\$85,968.00	(\$85,968.00)	\$246,172.00	\$2,954,064.00
4	\$255,936.00	\$85,968.00	(\$85,968.00)	\$255,936.00	\$3,071,232.00
5	\$260,422.00	\$85,968.00	(\$85,968.00)	\$260,422.00	\$3,125,064.00
6	\$258,340.00	\$85,968.00	(\$85,968.00)	\$258,340.00	\$3,100,080.00
7	\$262,867.00	\$85,968.00	(\$85,968.00)	\$262,867.00	\$3,154,404.00
8	\$267,475.00	\$85,968.00	(\$85,968.00)	\$267,475.00	\$3,209,700.00
9	\$272,163.00	\$85,968.00	(\$85,968.00)	\$272,163.00	\$3,265,956.00
10	\$276,933.00	\$85,968.00	(\$85,968.00)	\$276,933.00	\$3,323,196.00
11	\$281,786.00			\$281,786.00	\$3,381,432.00
12	\$286,725.00			\$286,725.00	\$3,440,700.00
13	\$291,751.00			\$291,751.00	\$3,501,012.00
14	\$296,864.00			\$296,864.00	\$3,562,368.00
15	\$302,067.00			\$302,067.00	\$3,624,804.00
16	\$307,361.00			\$307,361.00	\$3,688,332.00
17	\$312,748.00			\$312,748.00	\$3,752,976.00
18	\$318,230.00			\$318,230.00	\$3,818,760.00
19	\$323,807.00			\$323,807.00	\$3,885,684.00
20	\$329,483.00			\$329,483.00	\$3,953,796.00
21	\$335,258.00			\$335,258.00	\$4,023,096.00
22	\$341,134.00			\$341,134.00	\$4,093,608.00
23	\$347,113.00			\$347,113.00	\$4,165,356.00
24	\$353,196.00			\$353,196.00	\$4,238,352.00
25	\$359,387.00			\$359,387.00	\$4,312,644.00

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT		1. CONTRACT ID CODE K		Page 1 of 3
2. AMENDMENT/MODIFICATION NO. P00019	3. EFFECTIVE DATE See Block 16C	4. REQUISITION/PURCHASE REQ. NO. N/A	5. PROJECT NO. (If applicable)	
6. ISSUED BY  DLA ENERGY - UTILITY SERVICES 8725 JOHN J. KINGMAN ROAD, SUITE 4950 FORT BELVOIR, VA 22060-6222 Buyer/Symbol: Daonna Young/DLA Energy-FEEAB PHONE: (703) 767-8576 E-MAIL: daonna.young@dla.mil P.P. 8.2	CODE SP0600	7. ADMINISTERED BY (If other than Item 6)		CODE
8. NAME AND ADDRESS OF CONTRACTOR (NO., street city, county, State, and ZIP Code)  Hardin County Water District No. 1 1400 Rogersville Road Radcliff, KY 40160-9343 Phone: (270) 351-3222 ext. 208 Fax: (270) 352-3055  POC : Jim Bruce, General Manager DUNS # 130402811 CAGE #316V9		9a. AMENDMENT OF SOLICITATION NO.		
		9b. DATED (SEE ITEM 11)		
		10a. MODIFICATION OF CONTRACT/ORDER NO. <b>SP0600-11-C-8271</b>		
		10b. DATED (SEE ITEM 13) 30 September 2011		
<b>11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS</b>				
<p><input type="checkbox"/> The above numbered solicitation is amended as set forth in Item 14.  The hour and date specified for receipt of Offers <input type="checkbox"/> is extended, <input type="checkbox"/> is not extended.  Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended, by one of the following methods: (a) By completing Items 8 and 15, and returning _____ copy of the amendment; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers.  <b>FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER.</b> If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.</p>				
ACCOUNTING AND APPROPRIATION DATA (If required)				
<b>THIS ITEM APPLIES ONLY TO MODIFICATIONS OF CONTRACTS/ORDERS, IT MODIFIES THE CONTRACT/ORDER NO. AS DESCRIBED IN ITEM 14.</b>				
A. THIS CHANGE ORDER IS ISSUED PURSUANT TO: (Specify authority) THE CHANGES SET FORTH IN ITEM 14 ARE MADE IN THE CONTRACT ORDER NO. IN ITEM 10A.				
B. THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES (such as changes in paying office, appropriation date, etc.) SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY OF:				
C. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF: FAR 52.243-1 ALT 1				
X D. OTHER (Specify type of modification and authority) DFARS 252.232-7007				
E. IMPORTANT: Contractor <input checked="" type="checkbox"/> is not, <input type="checkbox"/> is required to sign this document and return <u>1</u> copies to the issuing office.				
14. DESCRIPTION OF AMENDMENT/MODIFICATION (Organized by UCF section headings, including solicitation/contract subject matter where feasible.)				
<p><b>Fort Knox, Kentucky – Utility Privatization Contract</b>  <b>Potable Water Utility System</b></p> <p>See Additional Pages for Further Details.</p>				
Except as provided herein, all terms and conditions of the document referenced in Item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect.				
15A. NAME AND TITLE OF SIGNER (Type or print) <b>JIM BRUCE, GENERAL MANAGER</b>		16A. NAME OF CONTRACTING OFFICER <b>KENNETH RICHARDSON</b>		
15B. NAME OF CONTRACTOR/OFFEROR	15C. DATE SIGNED	16B. UNITED STATES OF AMERICA	16C. DATE SIGNED <b>4/14/04</b>	
BY _____ (Signature of person authorized to sign)		BY  (Signature of Contracting Officer)		

A. The purpose of this modification is to provide funding in the amount of \$3,875,246.10 for April 1, 2014 thru September 30, 2014 (months 27 -32 of 600) for SubCLIN 0003AB and (months 27 -32 of 60) for SubCLIN 0054AB.

B. Section B - Supplies or Services and Prices/Costs – As a result of the changes described in Paragraph A, the following line item is incorporated into Section B.3 and B.4 as follows:.

(1) B.3. Schedule is hereby modified to reflect the funding of SubCLINs 0003AB and 0054AB.

**B.3 Schedule**

Utility Service Payment by the Government

CLIN 0003AB is hereby revised as follows:

FROM:

<u>CLIN</u>	<u>Description</u>	<u>Qty</u>	<u>Unit</u>	<u>Unit Price</u>	<u>Total Price</u>
0003	Monthly Utility Service Charge (Year 3)				
0003AA	Month 25-26 of 600 ACRN: AF Period of Performance: February 1, 2014- March 31, 2014	2	Mo.	\$246,172.00	\$492,344.00
0003AB	Month 27-32 of 600 ACRN: TBD Period of Performance: April 1, 2014- September 30, 2014	6	Mo.	\$246,172.00	\$1,477,032.00
0003AC	Month 33-36 of 600 ACRN: TBD Period of Performance: October 1, 2014- January 31, 2015	4	Mo.	\$246,172.00	\$984,688.00

TO:

<u>CLIN</u>	<u>Description</u>	<u>Qty</u>	<u>Unit</u>	<u>Unit Price</u>	<u>Total Price</u>
0003	Monthly Utility Service Charge (Year 3)				
0003AA	Month 25-26 of 600 ACRN: AF Period of Performance: February 1, 2014- March 31, 2014	2	Mo.	\$246,172.00	\$492,344.00
0003AB	Month 27-32 of 600 ACRN: <b>AG</b> Period of Performance: April 1, 2014- September 30, 2014	6	Mo.	\$246,172.00	\$1,477,032.00
0003AC	Month 33-36 of 600 ACRN: TBD Period of Performance: October 1, 2014- January 31, 2015	4	Mo.	\$246,172.00	\$984,688.00

CLIN 0054AB is hereby revised as follows:

FROM:

<u>CLIN</u>	<u>Description</u>	<u>Qty</u>	<u>Unit</u>	<u>Unit Price</u>	<u>Total Price</u>
0054	ISDC Surcharge – Year 3				
0054AA	Month 25-26 of 60 ACRN: AF Period of Performance: February 1, 2014- March 31, 2014	2	Mo.	\$399,702.35	\$799,404.70
0054AB	Months 27-32 of 60 ACRN: TBD Period of Performance: April 1, 2014- September 30, 2014	6	Mo.	\$399,702.35	\$2,398,214.10
0054AC	Months 33-36 of 60 ACRN: TBD Period of Performance: October 1, 2014- January 31, 2015	4	Mo.	\$399,702.35	\$1,598,809.40

TO:

<u>CLIN</u>	<u>Description</u>	<u>Qty</u>	<u>Unit</u>	<u>Unit Price</u>	<u>Total Price</u>
0054	ISDC Surcharge – Year 3				
0054AA	Month 25-26 of 60 ACRN: AF Period of Performance: February 1, 2014- March 31, 2014	2	Mo.	\$399,702.35	\$799,404.70
0054AB	Months 27-32 of 60 ACRN: <b>AG</b> Period of Performance: April 1, 2014- September 30, 2014	6	Mo.	\$399,702.35	\$2,398,214.10
0054AC	Months 33-36 of 60 ACRN: TBD Period of Performance: October 1, 2014- January 31, 2015	4	Mo.	\$399,702.35	\$1,598,809.40

C. Section G – Contract Administration Data - As a result of the changes described in Paragraph A, Section G.5 is revised as follows:

**G.5 Accounting and Appropriation Data**

ACRN AG is hereby established in the amount of \$3,875,246.10. Funds are provided under the Direct Cite MIPR Number MIPR10425123 Amendment 0006 as follows:

Line of Accounting:

**AG 02120142014 2020000 A2ABH 131079QDPW 2334 0010425123 S.0005431.31.504.2 021001 \$3,875,246.10**

D. The total amount obligated is increased by \$3,875,246.10 from: \$18,872,693.56 to \$22,747,939.66.

The total value of the contract remains unchanged at \$250,818,597.46.

F. All other Terms and Conditions shall remain unchanged and in full force and effect.

**End of Modification**

Contract Year	Monthly Service Charge	Purchase Price Recovery Surcharge	Credit as Payment of Purchase Price	Monthly Utility Service Charge	Annual Utility Service Charge
26	\$365,686.00			\$365,686.00	\$4,388,232.00
27	\$372,095.00			\$372,095.00	\$4,465,140.00
28	\$378,616.00			\$378,616.00	\$4,543,392.00
29	\$385,252.00			\$385,252.00	\$4,623,024.00
30	\$392,005.00			\$392,005.00	\$4,704,060.00
31	\$398,875.00			\$398,875.00	\$4,786,500.00
32	\$405,866.00			\$405,866.00	\$4,870,392.00
33	\$412,980.00			\$412,980.00	\$4,955,760.00
34	\$420,218.00			\$420,218.00	\$5,042,616.00
35	\$427,583.00			\$427,583.00	\$5,130,996.00
36	\$435,077.00			\$435,077.00	\$5,220,924.00
37	\$442,703.00			\$442,703.00	\$5,312,436.00
38	\$450,462.00			\$450,462.00	\$5,405,544.00
39	\$458,357.00			\$458,357.00	\$5,500,284.00
40	\$466,390.00			\$466,390.00	\$5,596,680.00
41	\$474,565.00			\$474,565.00	\$5,694,780.00
42	\$482,882.00			\$482,882.00	\$5,794,584.00
43	\$491,346.00			\$491,346.00	\$5,896,152.00
44	\$499,957.00			\$499,957.00	\$5,999,484.00
45	\$508,720.00			\$508,720.00	\$6,104,640.00
46	\$517,636.00			\$517,636.00	\$6,211,632.00
47	\$526,709.00			\$526,709.00	\$6,320,508.00
48	\$535,940.00			\$535,940.00	\$6,431,280.00
49	\$545,334.00			\$545,334.00	\$6,544,008.00
50	\$554,892.00			\$554,892.00	\$6,658,704.00

C. Section G – Contract Administration Data - As a result of the changes described in Paragraph A, Section G.5 is revised as follows:

**G.5 Accounting and Appropriation Data**

ACRN AF is hereby decreased in the amount of \$10,712.00. Funds are provided under the Direct Cite MIPR Number MIPR10425123 Amendment 0005 as follows:

Line of Accounting:

**AF 02120142014 2020000 A2ABH 131079QDPW 2334 0010425123 S.0005431.31.504.2 021001 \$1,291,748.70**

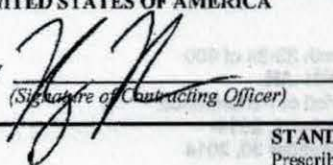
D. The total amount obligated is decreased by \$10,712.00 from: \$18,883,405.56 to: \$18,872,693.56.

E. The total value of the contract decreased by \$64,272.00 from: \$250,882,869.46 to: \$250,818,597.46.

F. All other Terms and Conditions shall remain unchanged and in full force and effect.

**End of Modification**



AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT		1. CONTRACT ID CODE K		Page 1 of 4
2. AMENDMENT/MODIFICATION NO. P00020	3. EFFECTIVE DATE See Block 16C	4. REQUISITION/PURCHASE REQ. NO. N/A	5. PROJECT NO. (If applicable)	
6. ISSUED BY DLA ENERGY - UTILITY SERVICES 8725 JOHN J. KINGMAN ROAD, STP 10400 FORT BELVOIR, VA 22060-6222 Buyer/Symbol: Marlene Amedome/DLA Energy-FEEAA PHONE: (703) 617-1439 E-MAIL: marlene.amedome@dla.mil P.P. 8.2		CODE SP0600	7. ADMINISTERED BY (If other than Item 6) CODE	
8. NAME AND ADDRESS OF CONTRACTOR (NO., street city, county, State, and ZIP Code)  Hardin County Water District No. 1 1400 Rogersville Road Radcliff, KY 40160-9343 Phone: (270) 351-3222 ext. 208 Fax: (270) 352-3055  POC: Jim Bruce, General Manager DUNS # 130402811 CAGE #316V9		9a. AMENDMENT OF SOLICITATION NO.		
		9b. DATED (SEE ITEM 11)		
		X 10a. MODIFICATION OF CONTRACT/ORDER NO. SP0600-11-C-8271		
		10b. DATED (SEE ITEM 13) 30 September 2011		
11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS				
<input type="checkbox"/> The above numbered solicitation is amended as set forth in Item 14. The hour and date specified for receipt of Offers <input type="checkbox"/> is extended, <input type="checkbox"/> is not extended. Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended, by one of the following methods: (a) By completing Items 8 and 15, and returning _____ copy of the amendment; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers. <b>FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER.</b> If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.				
12. ACCOUNTING AND APPROPRIATION DATA (If required)				
13. THIS ITEM APPLIES ONLY TO MODIFICATIONS OF CONTRACTS/ORDERS, IT MODIFIES THE CONTRACT/ORDER NO. AS DESCRIBED IN ITEM 14.				
A. THIS CHANGE ORDER IS ISSUED PURSUANT TO: (Specify authority) THE CHANGES SET FORTH IN ITEM 14 ARE MADE IN THE CONTRACT ORDER NO. IN ITEM 10A.				
B. THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES (such as changes in paying office, appropriation date, etc.) SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY OF:				
C. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF: FAR 52.243-1 ALT 1				
x D. OTHER (Specify type of modification and authority) DFARS 252.232-7007				
E. IMPORTANT: Contractor [X] is not, <input type="checkbox"/> is required to sign this document and return <u>1</u> copies to the issuing office.				
14. DESCRIPTION OF AMENDMENT/MODIFICATION (Organized by UCF section headings, including solicitation/contract subject matter where feasible.)				
<b>Fort Knox, Kentucky - Utility Privatization Contract</b> <b>Potable Water Utility System</b>  See Additional Pages for Further Details.				
Except as provided herein, all terms and conditions of the document referenced in Item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect.				
15A. NAME AND TITLE OF SIGNER (Type or print) <b>JIM BRUCE, GENERAL MANAGER</b>		16A. NAME OF CONTRACTING OFFICER <b>KENNETH RICHARDSON</b>		
15B. NAME OF CONTRACTOR/OFFEROR	15C. DATE SIGNED	16B. UNITED STATES OF AMERICA	16C. DATE SIGNED	
BY _____ (Signature of person authorized to sign)		BY  (Signature of Contracting Officer)	10/23/14	

- A. The purpose of this modification is to provide funding in the amount of \$1,291,748.70 for October 1, 2014 thru November 30 2014 (months 33 -34 of 600) for SubCLIN 0003AC and (months 33 -34 of 60) for SubCLIN 0054AC.
- B. Section B - Supplies or Services and Prices/Costs – As a result of the changes described in Paragraph A, the following line item is incorporated into Section B.3 and B.4 as follows:
- (1) B.3. Schedule is hereby modified to reflect the funding of SubCLINs 0003AC and 0054AC.

**B.3 Schedule**

Utility Service Payment by the Government

CLIN 0003AC is hereby revised as follows:

**FROM:**

<u>CLIN</u>	<u>Description</u>	<u>Qty</u>	<u>Unit</u>	<u>Unit Price</u>	<u>Total Price</u>
0003	Monthly Utility Service Charge (Year 3)				
0003AA	Month 25-26 of 600 ACRN: AF Period of Performance: February 1, 2014- March 31, 2014	2	Mo.	\$246,172.00	\$492,344.00
0003AB	Month 27-32 of 600 ACRN: AG Period of Performance: April 1, 2014- September 30, 2014	6	Mo.	\$246,172.00	\$1,477,032.00
0003AC	Month 33-36 of 600 ACRN: TBD Period of Performance: October 1, 2014- January 31, 2015	4	Mo.	\$246,172.00	\$984,688.00

**TO:**

<u>CLIN</u>	<u>Description</u>	<u>Qty</u>	<u>Unit</u>	<u>Unit Price</u>	<u>Total Price</u>
0003	Monthly Utility Service Charge (Year 3)				
0003AA	Month 25-26 of 600 ACRN: AF Period of Performance: February 1, 2014- March 31, 2014	2	Mo.	\$246,172.00	\$492,344.00
0003AB	Month 27-32 of 600 ACRN: AG Period of Performance: April 1, 2014- September 30, 2014	6	Mo.	\$246,172.00	\$1,477,032.00
0003AC	Month 33-34 of 600 ACRN: AH Period of Performance: October 1, 2014- November 30, 2014	2	Mo.	\$246,172.00	\$492,344.00

0003AD	Month 35-40 of 60 ACRN: TBD Period of Performance: December 1, 2014- January 31, 2015	2	Mo.	\$246,172.00	\$984,688.00
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**CLIN 0054AC is hereby revised as follows:**

**FROM:**

<u>CLIN</u>	<u>Description</u>	<u>Qty</u>	<u>Unit</u>	<u>Unit Price</u>	<u>Total Price</u>
0054	ISDC Surcharge – Year 3				
0054AA	Months 25-26 of 60 ACRN: AF Period of Performance: February 1, 2014- March 31, 2014	2	Mo.	\$399,702.35	\$799,404.70
0054AB	Months 27-32 of 60 ACRN: AG Period of Performance: April 1, 2014- September 30, 2014	6	Mo.	\$399,702.35	\$2,398,214.10
0054AC	Months 33-36 of 60 ACRN: TBD Period of Performance: October 1, 2014- January 31, 2015	4	Mo.	\$399,702.35	\$1,598,809.40

**TO:**

<u>CLIN</u>	<u>Description</u>	<u>Qty</u>	<u>Unit</u>	<u>Unit Price</u>	<u>Total Price</u>
0054	ISDC Surcharge – Year 3				
0054AA	ACRN: AF Period of Performance: February 1, 2014- March 31, 2014	2	Mo.	\$399,702.35	\$799,404.70
0054AB	Months 27-32 of 60 ACRN: AG Period of Performance: April 1, 2014- September 30, 2014	6	Mo.	\$399,702.35	\$2,398,214.10
0054AC	Months 33-34 of 60 ACRN: AH Period of Performance: October 1, 2014- November 30, 2014	2	Mo.	\$399,702.35	\$799,404.70
0054 AD	Months 35-36 of 60 ACRN: TBD Period of Performance: December 1, 2014 – January 31, 2015	2	Mo.	\$399,702.35	\$799,404.70

C. Section G – Contract Administration Data - As a result of the changes described in Paragraph A, Section G.5 is revised as follows:

**G.5 Accounting and Appropriation Data**

ACRN AH is hereby established in the amount of \$1,291,748.70. Funds are provided under the Direct Cite MIPR Number MIPR10603343 Basic as follows:

Line of Accounting:


**AG 02120152015 2020000 A2ABH 131079QDPW 2334 0010603343 S.0005431.31.504.2 021001 \$1,291,748.70**

D. The total amount obligated is increased by \$1,291,748.70 from: \$22,747,939.66 to: \$24,039,688.36.

E. The total value of the contract remains unchanged at \$250,818,597.46.

F. All other Terms and Conditions shall remain unchanged and in full force and effect.

**End of Modification**

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT		1. CONTRACT ID CODE K		Page 1 of 4	
2. AMENDMENT/MODIFICATION NO. P00021	3. EFFECTIVE DATE See Block 16C	4. REQUISITION/PURCHASE REQ. NO. N/A	5. PROJECT NO. (If applicable)		
6. ISSUED BY  DLA ENERGY - UTILITY SERVICES 8725 JOHN J. KINGMAN ROAD, STP 10400 FORT BELVOIR, VA 22060-6222 Buyer/Symbol: Marlene Amedome/DLA Energy-FEEAA PHONE: (703) 617-1439 E-MAIL: <a href="mailto:marlene.amedome@dla.mil">marlene.amedome@dla.mil</a> P.P. 8.2		CODE SP0600	7. ADMINISTERED BY (If other than Item 6) CODE		
8. NAME AND ADDRESS OF CONTRACTOR (NO., street city, county, State, and ZIP Code)  Hardin County Water District No. 1 1400 Rogersville Road Radcliff, KY 40160-9343 Phone: (270) 351-3222 ext. 208 Fax: (270) 352-3055  POC : Jim Bruce, General Manager DUNS # 130402811 CAGE #316V9		9a. AMENDMENT OF SOLICITATION NO.			
		9b. DATED (SEE ITEM 11)			
		X	10a. MODIFICATION OF CONTRACT/ORDER NO. SP0600-11-C-8271		
			10b. DATED (SEE ITEM 13) 30 September 2011		
11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS					
<p><input type="checkbox"/> The above numbered solicitation is amended as set forth in Item 14. The hour and date specified for receipt of Offers <input type="checkbox"/> is extended, <input type="checkbox"/> is not extended. Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended, by one of the following methods: (a) By completing Items 8 and 15, and returning _____ copy of the amendment; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers. <b>FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER.</b> If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.</p>					
12. ACCOUNTING AND APPROPRIATION DATA (If required)					
13. THIS ITEM APPLIES ONLY TO MODIFICATIONS OF CONTRACTS/ORDERS, IT MODIFIES THE CONTRACT/ORDER NO. AS DESCRIBED IN ITEM 14.					
A. THIS CHANGE ORDER IS ISSUED PURSUANT TO: (Specify authority) THE CHANGES SET FORTH IN ITEM 14 ARE MADE IN THE CONTRACT ORDER NO. IN ITEM 10A.					
B. THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES (such as changes in paying office, appropriation date, etc.) SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY OF:					
C. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF: FAR 52.243-1 ALT 1					
x D. OTHER (Specify type of modification and authority) DFARS 252.232-7007					
E. IMPORTANT: Contractor [X] is not, <input type="checkbox"/> is required to sign this document and return <u>1</u> copies to the issuing office.					
14. DESCRIPTION OF AMENDMENT/MODIFICATION (Organized by UCF section headings, including solicitation/contract subject matter where feasible.)					
<p><b>Fort Knox, Kentucky - Utility Privatization Contract</b> <b>Potable Water Utility System</b></p> <p>See Additional Pages for Further Details.</p>					
Except as provided herein, all terms and conditions of the document referenced in Item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect.					
15A. NAME AND TITLE OF SIGNER (Type or print) <b>JIM BRUCE, GENERAL MANAGER</b>		16A. NAME OF CONTRACTING OFFICER <b>KENNETH RICHARDSON</b>			
15B. NAME OF CONTRACTOR/OFFEROR	15C. DATE SIGNED	16B. UNITED STATES OF AMERICA	16C. DATE SIGNED		
BY _____ (Signature of person authorized to sign)		BY  (Signature of Contracting Officer)	11/19/2014		

A. The purpose of this modification is to provide funding in the amount of \$645,874.35 for December 1, 2014 thru December 31 2014 (month 35 of 600) for SubCLIN 0003AC and (month 35 of 60) for SubCLIN 0054AC.

B. Section B - Supplies or Services and Prices/Costs – As a result of the changes described in Paragraph A, the following line item is incorporated into Section B.3 and B.4 as follows:

(1) B.3. Schedule is hereby modified to reflect the funding of SubCLINs 0003AC and 0054AC.

**B.3 Schedule**

Utility Service Payment by the Government

CLIN 0003AC is hereby revised as follows:

**FROM:**

<u>CLIN</u>	<u>Description</u>	<u>Qty</u>	<u>Unit</u>	<u>Unit Price</u>	<u>Total Price</u>
0003	Monthly Utility Service Charge (Year 3)				
0003AA	Month 25-26 of 600 ACRN: AF Period of Performance: February 1, 2014- March 31, 2014	2	Mo.	\$246,172.00	\$492,344.00
0003AB	Month 27-32 of 600 ACRN: AG Period of Performance: April 1, 2014- September 30, 2014	6	Mo.	\$246,172.00	\$1,477,032.00
0003AC	Month 33-34 of 600 ACRN: AH Period of Performance: October 1, 2014- November 30, 2014	2	Mo.	\$246,172.00	\$984,688.00
0003AD	ACRN: TBD Period of Performance: December 1, 2014- January 31, 2015	1	Mo	\$246,172.00	\$984,688.00

**TO:**

<u>CLIN</u>	<u>Description</u>	<u>Qty</u>	<u>Unit</u>	<u>Unit Price</u>	<u>Total Price</u>
0003	Monthly Utility Service Charge (Year 3)				
0003AA	Month 25-26 of 600 ACRN: AF Period of Performance: February 1, 2014- March 31, 2014	2	Mo.	\$246,172.00	\$492,344.00
0003AB	Month 27-32 of 600 ACRN: AG Period of Performance: April 1, 2014- September 30, 2014	6	Mo.	\$246,172.00	\$1,477,032.00

0003AC	Month 33-35 of 60 ACRN: <b>AH</b> Period of Performance: October 1, 2014- December 31, 2014	3	Mo.	\$246,172.00	\$738,516.00
0003AD	ACRN: <b>TBD</b> Period of Performance: January 1, 2015- January 31, 2015	1	Mo	\$246,172.00	\$246,172.00

**CLIN 0054AC is hereby revised as follows:**

**FROM:**

<u>CLIN</u>	<u>Description</u>	<u>Qty</u>	<u>Unit</u>	<u>Unit Price</u>	<u>Total Price</u>
0054	ISDC Surcharge – Year 3				
0054AA	Months 25-26 of 60 ACRN: <b>AF</b> Period of Performance: February 1, 2014- March 31, 2014	2	Mo.	\$399,702.35	\$799,404.70
0054AB	Months 27-32 of 60 ACRN: <b>AG</b> Period of Performance: April 1, 2014- September 30, 2014	6	Mo.	\$399,702.35	\$2,398,214.10
0054AC	Months 33-34 of 60 ACRN: <b>AH</b> Period of Performance: October 1, 2014- November 30, 2014	2	Mo.	\$399,702.35	\$1,598,809.40
0054 AD	Months 35-36 of 60 ACRN: <b>TBD</b> Period of Performance: December 1, 2014 – January 31, 2015	2	Mo.	\$399,702.35	\$799,404.70

**TO:**

<u>CLIN</u>	<u>Description</u>	<u>Qty</u>	<u>Unit</u>	<u>Unit Price</u>	<u>Total Price</u>
0054	ISDC Surcharge – Year 3				
0054AA	ACRN: <b>AF</b> Period of Performance: February 1, 2014- March 31, 2014	2	Mo.	\$399,702.35	\$799,404.70
0054AB	Months 27-32 of 60 ACRN: <b>AG</b> Period of Performance: April 1, 2014- September 30, 2014	6	Mo.	\$399,702.35	\$2,398,214.10

0054AC	Months 33-35 of 60 ACRN: AH Period of Performance: October 1, 2014- December 31, 2014	3	Mo.	\$399,702.35	\$1,199,107.05
0054 AD	Months 36-37 of 60 ACRN: TBD Period of Performance: January 1, 2015 – January 31, 2015	1	Mo.	\$399,702.35	\$399,702.35

C. Section G – Contract Administration Data - As a result of the changes described in Paragraph A, Section G.5 is revised as follows:

**G.5 Accounting and Appropriation Data**

ACRN AH is hereby increased in the amount of \$645,874.35. Funds are provided under the Direct Cite MIPR Number MIPR10603343 Amendment 0001 as follows:

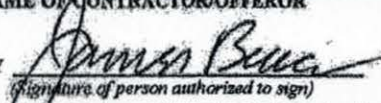
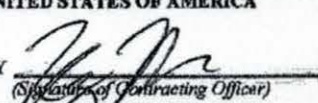
Line of Accounting:

**AG 02120152015 2020000 A2ABH 131079QDPW 2334 0010603343 S.0005431.31.504.2 021001 \$1,937,623.05**

- D. The total amount obligated is increased by \$645,874.35 from: \$24,039,688.36 to \$24,685,562.71.
- E. The total value of the contract remains unchanged at \$250,818,597.46.
- F. All other Terms and Conditions shall remain unchanged and in full force and effect.

**End of Modification**



AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT		1. CONTRACT ID CODE K		Page 1 of 7
2. AMENDMENT/MODIFICATION NO. P00022	3. EFFECTIVE DATE See Block 16C	4. REQUISITION/PURCHASE REQ. NO. N/A	5. PROJECT NO. (If applicable)	
6. ISSUED BY DLA ENERGY - UTILITY SERVICES 8725 JOHN J. KINGMAN ROAD, STP 10400 FORT BELVOIR, VA 22060-6222 Buyer/Symbol: Marlene Amedome/DLA Energy-FBEAA PHONE: (703) 617-1439 E-MAIL: marlene.amedome@dla.mil P.P. 8.2		CODE SP0600	7. ADMINISTERED BY (If other than item 6) CODE	
8. NAME AND ADDRESS OF CONTRACTOR (NO., street city, county, State, and ZIP Code)  Hardin County Water District No. 1 1400 Rogersville Road Radcliff, KY 40160-9343 Phone: (270) 351-3222 ext. 208 Fax: (270) 352-3055  POC : Jim Bruce, General Manager DUNS # 130402811 CAGE #316V9		9a. AMENDMENT OF SOLICITATION NO.		
		9b. DATED (SEE ITEM 11)		
		10a. MODIFICATION OF CONTRACT/ORDER NO. <b>SP0600-11-C-8271</b>		
		10b. DATED (SEE ITEM 13) 30 September 2011		
<b>11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS</b>				
<p><input type="checkbox"/> The above numbered solicitation is amended as set forth in Item 14.                  The hour and date specified for receipt of Offers <input type="checkbox"/> is extended, <input type="checkbox"/> is not extended.                  Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended, by one of the following methods: (a) By completing Items 8 and 15, and returning _____ copy of the amendment; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers.  <b>FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER.</b> If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.</p>				
12. ACCOUNTING AND APPROPRIATION DATA (If required)				
13. THIS ITEM APPLIES ONLY TO MODIFICATIONS OF CONTRACTS/ORDERS, IT MODIFIES THE CONTRACT/ORDER NO. AS DESCRIBED IN ITEM 14.				
A. THIS CHANGE ORDER IS ISSUED PURSUANT TO: (Specify authority) THE CHANGES SET FORTH IN ITEM 14 ARE MADE IN THE CONTRACT ORDER NO. IN ITEM 10A.				
B. THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES (such as changes in paying office, appropriation date, etc.) SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY OF:				
<input checked="" type="checkbox"/> C. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF: FAR 52.243-1 ALT 1				
D. OTHER (Specify type of modification and authority) DFARS 252.232-7007				
E. IMPORTANT: Contractor <input type="checkbox"/> is not, <input checked="" type="checkbox"/> is required to sign this document and return _____ copies to the issuing office.				
14. DESCRIPTION OF AMENDMENT/MODIFICATION (Organized by UCF section headings, including solicitation/contract subject matter where feasible.)				
<p><b>Fort Knox, Kentucky - Utility Privatization Contract</b>  <b>Potable Water Utility System</b></p> <p>See Additional Pages for Further Details.</p>				
Except as provided herein, all terms and conditions of the document referenced in Item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect.				
15A. NAME AND TITLE OF SIGNER (Type or print) <b>JIM BRUCE, GENERAL MANAGER</b>		16A. NAME OF CONTRACTING OFFICER <b>KENNETH RICHARDSON</b>		
15B. NAME OF CONTRACTOR/OFFEROR	15C. DATE SIGNED	16B. UNITED STATES OF AMERICA	16C. DATE SIGNED	
BY  (Signature of person authorized to sign)	09-FEB-2015	BY  (Signature of Contracting Officer)	18-Feb-2015	

A. The purpose of this modification is to revise the B.4 schedule for contract year 4. This revision decreases the annual utility service charge for contract year 4 from \$3,071,232.00 to \$2,954,064.00 with a delta of \$117,168.00. Therefore, the total contract value is decreased in the amount of \$117,168.00.

B. Section B - Supplies or Services and Prices/Costs – As a result of the changes described in Paragraph A, the following line item is incorporated into Section B.3 and B.4 as follows:

- (1) Add one (1) month of funding (month 36 of 600) to SubCLIN 0003AC
- (2) Add one (1) month of funding (month 36 of 60) to SubCLIN 0054AC
- (3) Add two (2) months of funding (months 37 -38 of 600) to SubCLIN 0004AA
- (4) Add two (2) months of funding (months 37-38 of 60) to SubCLIN 0055AA
- (5) Establish SubCLINs 0004AB (months 39-44 of 600) and 0004AC (months 45-48 of 600)
- (6) Establish SubCLINs 0055AB (months 39-44 of 60) and 0055AC (months 45-48 of 60)
- (7) B.3. Schedule is hereby modified to reflect a -\$9,764.00 monthly decrease to the monthly service charge for Contract Year 4.

**B.3 Schedule**

Utility Service Payment by the Government

CLIN 0003 is hereby revised as follows:

FROM:

0003	Monthly Utility Service Charge (Year 3)	Qty	Unit	Unit Price	Total Price
0003AA	Month 25-26 of 600 ACRN: AF Period of performance: February 1, 2014- March 31, 2014	2	Mo	\$246,172.00	\$492,344.00
0003AB	Months 27-32 of 600 ACRN: AG Period of Performance: April 1, 2014- September 30, 2014	6	Mo	\$246,172.00	\$1,477,032.00
0003AC	Months 33-35 of 600 ACRN: AH Period of Performance: October 1, 2014- December 31, 2014	3	Mo	\$246,172.00	\$738,516.00
0003AD	Months 36-36 of 600 ACRN: TBD Period of Performance: January 1, 2015- January 31, 2015	1	Mo	\$246,172.00	\$246,172.00

TO:

0003	Monthly Utility Service Charge (Year 3)	Qty	Unit	Unit Price	Total Price
0003AA	Month 25-26 of 600 ACRN: AF Period of performance: February 1, 2014- March 31, 2014	2	Mo	\$246,172.00	\$492,344.00
0003AB	Months 27-32 of 600 ACRN: AG Period of Performance: April 1, 2014- September 30, 2014	6	Mo	\$246,172.00	\$1,477,032.00
0003AC	Months 33-36 of 600 ACRN: AH Period of Performance: October 1, 2014- January 31, 2015	4	Mo	\$246,172.00	\$984,688.00

CLIN 0004 is hereby revised as follows:

FROM:

0004	Monthly Utility Service Charge -Year 4	Qty	Unit	Unit Price	Total Price
0004AA	Month 37-48 of 600 ACRN: TBD Period of performance: February 1, 2015- January 31, 2016	12	Mo	\$255,936.00	\$3,071,232.00

TO:

0004	Monthly Utility Service Charge -Year 4	Qty	Unit	Unit Price	Total Price
0004AA	Month 37-38 of 600 ACRN: AH Period of performance: February 1, 2015- March 31, 2015	2	Mo	\$246,172.00	\$492,344.00
0004AB	Month 39-44 of 600 ACRN: TBD Period of performance: April 1, 2015- September 30, 2015	6	Mo	\$246,172.00	\$1,477,032.00
0004AC	Month 45-48 of 600 ACRN: TBD Period of performance: October 1, 2015- January 31, 2016	4	Mo	\$246,172.00	\$984,688.00

CLIN 0054 is hereby revised as follows:

FROM:

0054	ISDC Surcharge Yr. 3	Qty	Unit	Unit Price	Total Price
0054AA	ACRN: AF Period of performance: February 1, 2014- March 31, 2014	2	Mo	\$399,702.35	\$799,404.70
0054AB	ACRN AG Period of performance: April 1, 2014- September 30, 2014	6	Mo	\$399,702.35	\$2,398,214.10
0054AC	ACRN: AH Period of performance: October 1, 2014- December 31, 2014	3	Mo	\$399,702.35	\$1,199,107.05
0054AD	ACRN: TBD Period of performance: January 1, 2015- January 31, 2015	1	Mo	\$399,702.35	\$399,702.35

TO:

0054	ISDC Surcharge Yr. 3	Qty	Unit	Unit Price	Total Price
0054AA	Months 26-27 of 60 ACRN: AF Period of performance: February 1, 2014- March 31, 2014	2	Mo	\$399,702.35	\$799,404.70
0054AB	Months 27-32 of 60 ACRN AG Period of performance: April 1, 2014- September 30, 2014	6	Mo	\$399,702.35	\$2,398,214.10
0054AC	Months 33-36 of 60 ACRN: AH Period of performance: October 1, 2014- January 31, 2015	4	Mo	\$399,702.35	\$1,598,809.40

CLIN 00055 is hereby revised as follows:

FROM:

0055	ISDC Surcharge Yr. 4	Qty	Unit	Unit Price	Total Price
0055AA	Months 37-48 of 60 ACRN: TBD Period of performance: February 1, 2015- January 31, 2016	12	Mo	\$399,702.35	\$4,796,428.20

TO:

0055	ISDC Surcharge Yr. 4	Qty	Unit	Unit Price	Total Price
0055AA	Months 37-38 of 60 ACRN: AH Period of performance: February 1, 2015- March 31, 2015	2	Mo	\$399,702.35	\$4,796,428.20
0055AB	Months 39-44 of 60 ACRN: TBD Period of performance: April 1, 2015- September 30, 2015	6	Mo	\$399,702.35	\$2,398,214.10
0055AC	Months 45-48 of 60 ACRN: TBD Period of performance: October 1, 2015- January 31, 2016	4	Mo	\$399,702.35	\$1,598,809.40

**B.4 Monthly Utility Service Charge -- Schedule 1**

The B.4 schedule is revised as follows:

FROM:

Contract Year	Monthly Service Charge	Purchase Price Recovery Surcharge	Monthly Credit	Monthly Utility Service Charge	Annual Utility Service Charge
1	\$246,172.00	\$85,968.00	(\$85,968.00)	\$246,172.00	\$2,954,064.00
2	\$246,172.00	\$85,968.00	(\$85,968.00)	\$246,172.00	\$2,954,064.00
3	\$246,172.00	\$85,968.00	(\$85,968.00)	\$246,172.00	\$2,954,064.00
4	\$255,936.00	\$85,968.00	(\$85,968.00)	\$255,936.00	\$3,071,232.00
5	\$260,422.00	\$85,968.00	(\$85,968.00)	\$260,422.00	\$3,125,064.00
6	\$258,340.00	\$85,968.00	(\$85,968.00)	\$258,340.00	\$3,100,080.00
7	\$262,867.00	\$85,968.00	(\$85,968.00)	\$262,867.00	\$3,154,404.00
8	\$267,475.00	\$85,968.00	(\$85,968.00)	\$267,475.00	\$3,209,700.00
9	\$272,163.00	\$85,968.00	(\$85,968.00)	\$272,163.00	\$3,265,956.00
10	\$276,933.00	\$85,968.00	(\$85,968.00)	\$276,933.00	\$3,323,196.00
11	\$281,786.00			\$281,786.00	\$3,381,432.00
12	\$286,725.00			\$286,725.00	\$3,440,700.00
13	\$291,751.00			\$291,751.00	\$3,501,012.00
14	\$296,864.00			\$296,864.00	\$3,562,368.00
15	\$302,067.00			\$302,067.00	\$3,624,804.00
16	\$307,361.00			\$307,361.00	\$3,688,332.00
17	\$312,748.00			\$312,748.00	\$3,752,976.00
18	\$318,230.00			\$318,230.00	\$3,818,760.00
19	\$323,807.00			\$323,807.00	\$3,885,684.00
20	\$329,483.00			\$329,483.00	\$3,953,796.00
21	\$335,258.00			\$335,258.00	\$4,023,096.00
22	\$341,134.00			\$341,134.00	\$4,093,608.00
23	\$347,113.00			\$347,113.00	\$4,165,356.00
24	\$353,196.00			\$353,196.00	\$4,238,352.00
25	\$359,387.00			\$359,387.00	\$4,312,644.00
26	\$365,686.00			\$365,686.00	\$4,388,232.00

27	\$372,095.00	\$372,095.00	\$4,465,140.00
28	\$378,616.00	\$378,616.00	\$4,543,392.00
29	\$385,252.00	\$385,252.00	\$4,623,024.00
30	\$392,005.00	\$392,005.00	\$4,704,060.00
31	\$398,875.00	\$398,875.00	\$4,786,500.00
32	\$405,866.00	\$405,866.00	\$4,870,392.00
33	\$412,980.00	\$412,980.00	\$4,955,760.00
34	\$420,218.00	\$420,218.00	\$5,042,616.00
35	\$427,583.00	\$427,583.00	\$5,130,996.00
36	\$435,077.00	\$435,077.00	\$5,220,924.00
37	\$442,703.00	\$442,703.00	\$5,312,436.00
38	\$450,462.00	\$450,462.00	\$5,405,544.00
39	\$458,357.00	\$458,357.00	\$5,500,284.00
40	\$466,390.00	\$466,390.00	\$5,596,680.00
41	\$474,565.00	\$474,565.00	\$5,694,780.00
42	\$482,882.00	\$482,882.00	\$5,794,584.00
43	\$491,346.00	\$491,346.00	\$5,896,152.00
44	\$499,957.00	\$499,957.00	\$5,999,484.00
45	\$508,720.00	\$508,720.00	\$6,104,640.00
46	\$517,636.00	\$517,636.00	\$6,211,632.00
47	\$526,709.00	\$526,709.00	\$6,320,508.00
48	\$535,940.00	\$535,940.00	\$6,431,280.00
49	\$545,334.00	\$545,334.00	\$6,544,008.00
50	\$554,892.00	\$554,892.00	\$6,658,704.00

TO:

Contract Year	Monthly Service Charge	Purchase Price Recovery Surcharge	Monthly Credit	Monthly Utility Service Charge	Annual Utility Service Charge
1	\$246,172.00	\$85,968.00	(\$85,968.00)	\$246,172.00	\$2,954,064.00
2	\$246,172.00	\$85,968.00	(\$85,968.00)	\$246,172.00	\$2,954,064.00
3	\$246,172.00	\$85,968.00	(\$85,968.00)	\$246,172.00	\$2,954,064.00
4	<b>\$246,172.00</b>	<b>\$85,968.00</b>	<b>(\$85,968.00)</b>	<b>\$246,172.00</b>	<b>\$2,954,064.00</b>
5	\$260,422.00	\$85,968.00	(\$85,968.00)	\$260,422.00	\$3,125,064.00
6	\$258,340.00	\$85,968.00	(\$85,968.00)	\$258,340.00	\$3,100,080.00
7	\$262,867.00	\$85,968.00	(\$85,968.00)	\$262,867.00	\$3,154,404.00
8	\$267,475.00	\$85,968.00	(\$85,968.00)	\$267,475.00	\$3,209,700.00
9	\$272,163.00	\$85,968.00	(\$85,968.00)	\$272,163.00	\$3,265,956.00
10	\$276,933.00	\$85,968.00	(\$85,968.00)	\$276,933.00	\$3,323,196.00
11	\$281,786.00			\$281,786.00	\$3,381,432.00
12	\$286,725.00			\$286,725.00	\$3,440,700.00
13	\$291,751.00			\$291,751.00	\$3,501,012.00
14	\$296,864.00			\$296,864.00	\$3,562,368.00
15	\$302,067.00			\$302,067.00	\$3,624,804.00
16	\$307,361.00			\$307,361.00	\$3,688,332.00
17	\$312,748.00			\$312,748.00	\$3,752,976.00
18	\$318,230.00			\$318,230.00	\$3,818,760.00
19	\$323,807.00			\$323,807.00	\$3,885,684.00
20	\$329,483.00			\$329,483.00	\$3,953,796.00

21	\$335,258.00	\$335,258.00	\$4,023,096.00
22	\$341,134.00	\$341,134.00	\$4,093,608.00
23	\$347,113.00	\$347,113.00	\$4,165,356.00
24	\$353,196.00	\$353,196.00	\$4,238,352.00
25	\$359,387.00	\$359,387.00	\$4,312,644.00
26	\$365,686.00	\$365,686.00	\$4,388,232.00
27	\$372,095.00	\$372,095.00	\$4,465,140.00
28	\$378,616.00	\$378,616.00	\$4,543,392.00
29	\$385,252.00	\$385,252.00	\$4,623,024.00
30	\$392,005.00	\$392,005.00	\$4,704,060.00
31	\$398,875.00	\$398,875.00	\$4,786,500.00
32	\$405,866.00	\$405,866.00	\$4,870,392.00
33	\$412,980.00	\$412,980.00	\$4,955,760.00
34	\$420,218.00	\$420,218.00	\$5,042,616.00
35	\$427,583.00	\$427,583.00	\$5,130,996.00
36	\$435,077.00	\$435,077.00	\$5,220,924.00
37	\$442,703.00	\$442,703.00	\$5,312,436.00
38	\$450,462.00	\$450,462.00	\$5,405,544.00
39	\$458,357.00	\$458,357.00	\$5,500,284.00
40	\$466,390.00	\$466,390.00	\$5,596,680.00
41	\$474,565.00	\$474,565.00	\$5,694,780.00
42	\$482,882.00	\$482,882.00	\$5,794,584.00
43	\$491,346.00	\$491,346.00	\$5,896,162.00
44	\$499,957.00	\$499,957.00	\$5,999,484.00
45	\$508,720.00	\$508,720.00	\$6,104,640.00
46	\$517,636.00	\$517,636.00	\$6,211,632.00
47	\$526,709.00	\$526,709.00	\$6,320,508.00
48	\$535,940.00	\$535,940.00	\$6,431,280.00
49	\$545,334.00	\$545,334.00	\$6,544,008.00
50	\$554,892.00	\$554,892.00	\$6,658,704.00

C. Section G – Contract Administration Data - As a result of the changes described in Paragraph A, Section G.5 is revised as follows:

**G.5 Accounting and Appropriation Data**

ACRN AH is hereby increased in the amount of \$1,937,623.05. Funds are provided under the Direct Cite MIPR Number MIPR10603343 Amendment 0002 as follows:

Line of Accounting:

**AH 02120152015 2020000 A2ABH 131079QDPW 2334 0010603343 S.0005431.31.504.2 021001 \$3,875,246.10**

- D. The total amount obligated is increased by \$1,937,623.05 from: \$24,685,562.71 to \$26,623,185.76.
- E. The total value of the contract is decreased by -\$117,167.00 from \$250,818,597.46 to \$250,701,429.46.
- F. All other Terms and Conditions shall remain unchanged and in full force and effect.

**End of Modification**

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT		1. CONTRACT ID CODE K		Page 1 of 3
2. AMENDMENT/MODIFICATION NO. P00023	3. EFFECTIVE DATE See Block 16C	4. REQUISITION/PURCHASE REQ. NO. N/A	5. PROJECT NO. (If applicable)	
6. ISSUED BY DLA ENERGY - UTILITY SERVICES 8725 JOHN J. KINGMAN ROAD, STP 10400 FORT BELVOIR, VA 22060-6222 Buyer/Symbol: Marlene Amedome/DLA Energy-FEEAA PHONE: (703) 617-1439 E-MAIL: marlene.amedome@dla.mil P.P. 8.2	CODE SP0600	7. ADMINISTERED BY (If other than Item 6)		CODE
8. NAME AND ADDRESS OF CONTRACTOR (NO., street city, county, State, and ZIP Code)  Hardin County Water District No. 1 1400 Rogersville Road Radcliff, KY 40160-9343 Phone: (270) 351-3222 ext. 208 Fax: (270) 352-3055  POC : Jim Bruce, General Manager DUNS # 130402811 CAGE #316V9		9a. AMENDMENT OF SOLICITATION NO.		
		9b. DATED (SEE ITEM 11)		
		10a. MODIFICATION OF CONTRACT/ORDER NO. <b>SP0600-11-C-8271</b>		
		10b. DATED (SEE ITEM 13) 30 September 2011		
11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS				
<input type="checkbox"/> The above numbered solicitation is amended as set forth in Item 14. The hour and date specified for receipt of Offers <input type="checkbox"/> is extended, <input type="checkbox"/> is not extended. Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended, by one of the following methods: (a) By completing Items 8 and 15, and returning _____ copy of the amendment; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers. <b>FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER.</b> If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.				
12. ACCOUNTING AND APPROPRIATION DATA (If required)				
13. THIS ITEM APPLIES ONLY TO MODIFICATIONS OF CONTRACTS/ORDERS, IT MODIFIES THE CONTRACT/ORDER NO. AS DESCRIBED IN ITEM 14.				
A. THIS CHANGE ORDER IS ISSUED PURSUANT TO: (Specify authority) THE CHANGES SET FORTH IN ITEM 14 ARE MADE IN THE CONTRACT ORDER NO. IN ITEM 10A.				
B. THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES (such as changes in paying office, appropriation date, etc.) SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY OF:				
C. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF: FAR 52.243-1 ALT 1				
<input checked="" type="checkbox"/> D. OTHER (Specify type of modification and authority) DFARS 252.232-7007				
E. IMPORTANT: Contractor <input checked="" type="checkbox"/> is not, <input type="checkbox"/> is required to sign this document and return <u>  1  </u> copies to the issuing office.				
14. DESCRIPTION OF AMENDMENT/MODIFICATION (Organized by UCF section headings, including solicitation/contract subject matter where feasible.)				
<p><b>Fort Knox, Kentucky – Utility Privatization Contract Potable Water Utility System</b></p> <p>See Additional Pages for Further Details.</p>				
Except as provided herein, all terms and conditions of the document referenced in Item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect.				
15A. NAME AND TITLE OF SIGNER (Type or print) <b>JIM BRUCE, GENERAL MANAGER</b>		16A. NAME OF CONTRACTING OFFICER <b>KENNETH RICHARDSON</b>		
15B. NAME OF CONTRACTOR/OFFEROR	15C. DATE SIGNED	16B. UNITED STATES OF AMERICA RICHARDSON.KENNETH.E.129306	16C. DATE SIGNED	
BY _____ (Signature of person authorized to sign)		BY 1617 (Signature of Contracting Officer)	Digitally signed by RICHARDSON.KENNETH.E.1293061617 DN: cn=US, o=U.S. Government, ou=DoD, ou=PKI, ou=DLA, cn=RICHARDSON.KENNETH.E.1293061617 Date: 2013.03.10 08:52:41 -0400	



- A. The purpose of this modification is to provide funding in the amount of \$1,937,623.05 for April 1, 2015 thru June 30, 2015 under Contract year 4, (months 39-41 of 600) under SubCLIN 0004AA and (months 39-41 of 60) under SubCLIN 0055AA.
- B. Section B - Supplies or Services and Prices/Costs – As a result of the changes described in Paragraph A, the following line item is incorporated into Section B.3 as follows:

(1) B.3. Schedule is hereby modified to reflect the funding of SubCLINs 0004AA and 0055AA.

**B.3 Schedule**

Utility Service Payment by the Government

CLIN 0004 is hereby revised as follows:

**FROM:**

0004	Monthly Utility Service Charge -Year 4	Qty	Unit	Unit Price	Total Price
0004AA	Month 37-38 of 600 ACRN: AH Period of performance: February 1, 2015- March 31, 2015	2	Mo	\$246,172.00	\$492,344.00
0004AB	Month 39-44 of 600 ACRN: TBD Period of performance: April 1, 2015- September 30, 2015	6	Mo	\$246,172.00	\$1,477,032.00
0004AC	Month 45-48 of 600 ACRN: TBD Period of performance: October 1, 2015- January 31, 2016	4	Mo	\$246,172.00	\$984,688.00

**TO:**

0004	Monthly Utility Service Charge -Year 4	Qty	Unit	Unit Price	Total Price
0004AA	Month 37-41 of 600 ACRN: AH Period of performance: February 1, 2015- June 30, 2015.	5	Mo	\$246,172.00	\$1,230,860.00
0004AB	Month 42-44 of 600 ACRN: TBD Period of performance: July 1, 2015- September 30, 2015	3	Mo	\$246,172.00	\$738,516.00
0004AC	Month 45-48 of 600 ACRN: TBD Period of performance: October 1, 2015 – January 31, 2016	4	Mo	\$246,172.00	\$984,688.00

CLIN 00055 is hereby revised as follows:

**FROM:**

0055	ISDC Surcharge Yr. 4	Qty	Unit	Unit Price	Total Price
0055AA	Months 37-38 of 60 ACRN: AH Period of performance: February 1, 2015- March 31, 2015	2	Mo	\$399,702.35	\$799,404.70
0055AB	Months 39-44 of 60 ACRN: TBD Period of performance: April 1, 2015- September 30, 2015	6	Mo	\$399,702.35	\$2,398,214.10
0055AC	Months 45-48 of 60 ACRN: TBD Period of performance: October 1, 2015- January 31, 2016	4	Mo	\$399,702.35	\$1,598,809.40

**TO:**

0055	ISDC Surcharge Yr. 4	Qty	Unit	Unit Price	Total Price
0055AA	Months 39-41 of 60 ACRN: AH Period of performance: February 1, 2015- June 30, 2015	5	Mo	\$399,702.35	\$1,998,511.75
0055AB	Months 42-44 of 60 ACRN: TBD Period of performance: July 1, 2015- September 30, 2015	3	Mo	\$399,702.35	\$1,199,107.05
0055AC	Months 45-48 of 60 ACRN: TBD Period of performance: October 1, 2015- January 31, 2016	4	Mo	\$399,702.35	\$1,598,809.40

- C. Section G – Contract Administration Data - As a result of the changes described in Paragraph A, Section G.5 is revised as follows:

**G.5 Accounting and Appropriation Data**

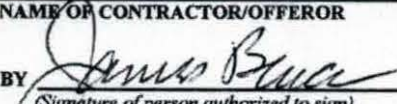
ACRN AH is hereby increased in the amount of \$1,937,623.05. Funds are provided under the Direct Cite MIPR Number MIPR10603343 Amendment 0003 as follows:

Line of Accounting:

**AH 02120152015 2020000 A2ABH 131079QDPW 2334 0010603343 S.0005431.31.504.2 021001 \$5,812,869.15**

- D. The total amount obligated is increased by \$1,937,623.05 from: \$26,623,185.76 to \$28,560,808.81.
- E. The total value of the contract remains unchanged at \$250,701,429.46.
- F. All other Terms and Conditions shall remain unchanged and in full force and effect.

**End of Modification**

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT		1. CONTRACT ID CODE K		Page 1 of 5
2. AMENDMENT/MODIFICATION NO. P00024		3. EFFECTIVE DATE See Block 16C		4. REQUISITION/PURCHASE REQ. NO. N/A
5. PROJECT NO. (If applicable)		7. ADMINISTERED BY (If other than Item 6)		CODE
6. ISSUED BY DLA ENERGY - UTILITY SERVICES 8725 JOHN J. KINGMAN ROAD, STP 10400 FORT BELVOIR, VA 22060-6222 Buyer/Symbol: Marlene Amedome/DLA Energy-FEEBB PHONE: (703) 617-1439 E-MAIL: <a href="mailto:marlene.amedome@dla.mil">marlene.amedome@dla.mil</a> P.P. 8.2		CODE SP0600		
8. NAME AND ADDRESS OF CONTRACTOR (NO., street city, county, State, and ZIP Code)  Hardin County Water District No. 1 1400 Rogersville Road Radcliff, KY 40160-9343 Phone: (270) 351-3222 ext. 208 Fax: (270) 352-3055  POC : Jim Bruce, General Manager DUNS # 130402811 CAGE #316V9			9a. AMENDMENT OF SOLICITATION NO.	
			9b. DATED (SEE ITEM 11)	
			10a. MODIFICATION OF CONTRACT/ORDER NO. <b>SP0600-11-C-8271</b>	
			10b. DATED (SEE ITEM 13) 30 September 2011	
11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS				
<input type="checkbox"/> The above numbered solicitation is amended as set forth in Item 14. The hour and date specified for receipt of Offers <input type="checkbox"/> is extended, <input type="checkbox"/> is not extended. Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended, by one of the following methods: (a) By completing Items 8 and 15, and returning _____ copy of the amendment; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers. <b>FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER.</b> If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.				
12. ACCOUNTING AND APPROPRIATION DATA (If required)				
THIS ITEM APPLIES ONLY TO MODIFICATIONS OF CONTRACTS/ORDERS, IT MODIFIES THE CONTRACT/ORDER NO. AS DESCRIBED IN ITEM 14.				
A. THIS CHANGE ORDER IS ISSUED PURSUANT TO: (Specify authority) THE CHANGES SET FORTH IN ITEM 14 ARE MADE IN THE CONTRACT ORDER NO. IN ITEM 10A.				
B. THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES (such as changes in paying office, appropriation date, etc.) SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY OF:				
C. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF:				
x D. OTHER (Specify type of modification and authority) DFARS 252.232-7007 Limitation of Government's Obligation (Apr 2014)				
E. IMPORTANT: Contractor <input type="checkbox"/> is not, <input checked="" type="checkbox"/> is required to sign this document and return <u>1</u> copies to the issuing office.				
14. DESCRIPTION OF AMENDMENT/MODIFICATION (Organized by UCF section headings, including solicitation/contract subject matter where feasible.)				
<b>Fort Knox, Kentucky – Utility Privatization Contract Potable Water Utility System</b>  See Additional Pages for Further Details.				
Except as provided herein, all terms and conditions of the document referenced in Item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect.				
15A. NAME AND TITLE OF SIGNER (Type or print) <b>JIM BRUCE, GENERAL MANAGER</b>			16A. NAME OF CONTRACTING OFFICER <b>CARL SILVERSTONE</b>	
15B. NAME OF CONTRACTOR/OFFEROR  BY  (Signature of person authorized to sign)		15C. DATE SIGNED <b>22 JUN 2015</b>	16B. UNITED STATES OF AMERICA SILVERSTONE.CAR L.1377023044 (Signature of Contracting Officer)	16C. DATE SIGNED <b>June 22, 2015</b>

The purpose of this modification is to provide funding in the amount of \$1,937,623.05 for July 1, 2015 thru September 30, 2015 under Contract year 4, of which \$738,516.00 is provided (months 42-44 of 600) under SubCLIN 0004AA and \$1,199,107.05 is provided (months 42-44 of 60) under SubCLIN 0055AA;

Change the Contracting Officer cited under Section G.1, *Contract Administration Data*;

Incorporate the information for the Contracting Officer's Representative cited under Section G.2; (and)

Incorporate DFARS Clause 252.232-7007 LIMITATION OF GOVERNMENT'S OBLIGATION (APR 2014) under Section I.5, *Other Clauses*.

- B. Section B - Supplies or Services and Prices/Costs – As a result of the changes described in Paragraph A, B.3. Schedule is hereby modified to reflect the funding of SubCLINs 0004AA and 0055AA.

**B.3 Schedule**

Utility Service Payment by the Government

CLIN 0004 is hereby revised as follows:

FROM:

0004	Monthly Utility Service Charge -Year 4	Qty	Unit	Unit Price	Total Price
0004AA	Month 37-41 of 600 ACRN: AH Period of performance: February 1, 2015- June 30, 2015	5	Mo	\$246,172.00	\$1,230,860.00
0004AB	Month 42-44 of 600 ACRN: TBD Period of performance: July 1, 2015- September 30, 2015	3	Mo	\$246,172.00	\$738,516.00
0004AC	Month 45-48 of 600 ACRN: TBD Period of performance: October 1, 2015 – January 31, 2016	4	Mo	\$246,172.00	\$984,688.00

TO:

0004	Monthly Utility Service Charge -Year 4	Qty	Unit	Unit Price	Total Price
0004AA	Month 37-44 of 600 ACRN: AH Period of performance: February 1, 2015- September 30, 2015	8	Mo	\$246,172.00	\$1,969,376.00
0004AB	Month 45-47 of 600 ACRN: TBD Period of performance: October 1, 2015- December 31, 2015	3	Mo	\$246,172.00	\$738,516.00
0004AC	Month 48 of 600 ACRN: TBD Period of performance: January 1, 2016 – January 31, 2016	1	Mo	\$246,172.00	\$246,172.00

CLIN 00055 is hereby revised as follows:

FROM:

0055	ISDC Surcharge Yr. 4	Qty	Unit	Unit Price	Total Price
0055AA	Months 37-41 of 60 ACRN: AH Period of performance: February 1, 2015- June 30, 2015	5	Mo	\$399,702.35	\$1,998,511.75
0055AB	Months 42-44 of 60 ACRN: TBD Period of performance: July 1, 2015- September 30, 2015	3	Mo	\$399,702.35	\$1,199,107.05
0055AC	Months 45-48 of 60 ACRN: TBD Period of performance: October 1, 2015- January 31, 2016	4	Mo	\$399,702.35	\$1,598,809.40

TO:

0055	ISDC Surcharge Yr. 4	Qty	Unit	Unit Price	Total Price
0055AA	Months 37-44 of 60 ACRN: AH Period of performance: February 1, 2015- September 30, 2015	8	Mo	\$399,702.35	\$3,197,618.80
0055AB	Months 45-47 of 60 ACRN: TBD Period of performance: October 1, 2015 – December 31, 2015-	3	Mo	\$399,702.35	\$1,199,107.05
0055AC	Months 48 of 60 ACRN: TBD Period of performance: January 1, 2016- January 31, 2016	1	Mo	\$399,702.35	\$399,702.35

C. Section G – Contract Administration Data

I. The Contracting Officer cited under Section G.1, *Contract Administration Data*, is hereby changed:

From:

KENNETH RICHARDSON  
 8725 John J. Kingman Road  
 Suite 3725  
 Fort Belvoir, VA 22060  
 DSN: 427-9559  
 (703) 767-9559  
 E-mail: kenneth.richardson@dla.mil

To:

CARL SILVERSTONE  
 8725 John J. Kingman Road  
 STP 10400  
 Fort Belvoir, VA 22060-6221  
 DSN: 767-1408  
 (703) 617-1408  
 E-mail: [carl.silverstone@dla.mil](mailto:carl.silverstone@dla.mil)

2. The Contracting Officer's Representative cited under Section G.2, is hereby changed to:

Kevin Addison  
 IMCOM Atlantic, USARMY  
 125 6<sup>th</sup> Ave, STE 320  
 Bldg 1110, Room 311  
 Fort Knox, KY 40121  
 DSN:  
 (504) 624-5436  
 E-mail: kevin.n.addison2.civ@mail.mil

3. As a result of the changes described in Paragraph A, Section G.5 is revised as follows:

**G.5 Accounting and Appropriation Data**

ACRN AH is hereby increased in the amount of \$1,937,623.05. Funds are provided under the Direct Cite MIPR Number MIPR10603343 as follows:

ACRN AH 02120152015 2020000 A2ABH 131079QDPW 2334 0010603343 S.0005431.31.504.2 021001 \$7,750,492.20			
	MIPR10603343 dated October 08, 2014	Basic	\$1,291,748.70
	MIPR10603343 dated November 07, 2014	Amend 0001	\$645,874.35
	MIPR10603343 dated February 02, 2015	Amend 0002	\$1,937,623.05
	MIPR10603343 dated March 03, 2015	Amend 0003	\$1,937,623.05
	MIPR10603343 dated May 29, 2015	Amend 0004	\$1,937,623.05
		<b>Total</b>	<b>\$7,750,492.20</b>
	<b>Funding Breakdown</b>		
		CLIN 0003 (sub-CLIN 0003AC)	\$984,688.00
		CLIN 0004 (sub CLIN 0004AA)	\$1,969,376.00
		CLIN 0054 (sub-CLIN 0054AC)	\$1,598,809.40
		CLIN 0055 (sub-CLIN 0055AA)	\$3,197,618.80
	<b>Total Funding for ACRN AH</b>		<b>\$7,750,492.20</b>

D. Incorporate DFARS Clause 252.232-7007 Limitation of Government's Obligation (APR 2014) into Section I.5, *Other Clauses*

I.5.4 LIMITATION OF GOVERNMENT'S OBLIGATION (APR 2014)

(a) Contract line items 0001 to 0057 are incrementally funded. For these items, the sum of \$30,498,431.86 of the total price is presently available for payment and allotted to this contract. An allotment schedule is set forth in paragraph (j) of this clause.

(b) For items identified in paragraph (a) of this clause, the Contractor agrees to perform up to the point at which the total amount payable by the Government, including reimbursement in the event of termination of those items for the Government's convenience, approximates the total amount currently allotted to the contract. The Contractor is not authorized to continue work on those items beyond that point. The Government will not be obligated in any event to reimburse the Contractor in excess of the amount allotted to the contract for those items regardless of anything to the contrary in the clause entitled "Termination for Convenience of the Government." As used in this clause, the total amount payable by the Government in the event of termination of applicable contract line items for convenience includes costs, profit, and estimated termination settlement costs for those items.

(c) Notwithstanding the dates specified in the allotment schedule in paragraph (j) of this clause, the Contractor will notify the Contracting Officer in writing at least ninety days prior to the date when, in the Contractor's best judgment, the work will reach the point at which the total amount payable by the Government, including any cost for termination for convenience, will approximate 85 percent of the total amount then allotted to the contract for performance of the applicable items. The notification will state (1) the estimated date when that point will be reached and (2) an estimate of additional funding, if any, needed to continue performance of applicable line items up to the next scheduled date for allotment of funds identified in paragraph (j) of this clause, or to a mutually

agreed upon substitute date. The notification will also advise the Contracting Officer of the estimated amount of additional funds that will be required for the timely performance of the items funded pursuant to this clause, for a subsequent period as may be specified in the allotment schedule in paragraph (j) of this clause or otherwise agreed to by the parties. If after such notification additional funds are not allotted by the date identified in the Contractor's notification, or by an agreed substitute date, the Contracting Officer will terminate any items for which additional funds have not been allotted, pursuant to the clause of this contract entitled "Termination for Convenience of the Government."

(d) When additional funds are allotted for continued performance of the contract line items identified in paragraph (a) of this clause, the parties will agree as to the period of contract performance which will be covered by the funds. The provisions of paragraphs (b) through (d) of this clause will apply in like manner to the additional allotted funds and agreed substitute date, and the contract will be modified accordingly.

(e) If, solely by reason of failure of the Government to allot additional funds, by the dates indicated below, in amounts sufficient for timely performance of the contract line items identified in paragraph (a) of this clause, the Contractor incurs additional costs or is delayed in the performance of the work under this contract and if additional funds are allotted, an equitable adjustment will be made in the price or prices (including appropriate target, billing, and ceiling prices where applicable) of the items, or in the time of delivery, or both. Failure to agree to any such equitable adjustment hereunder will be a dispute concerning a question of fact within the meaning of the clause entitled "Disputes."

(f) The Government may at any time prior to termination allot additional funds for the performance of the contract line items identified in paragraph (a) of this clause.

(g) The termination provisions of this clause do not limit the rights of the Government under the clause entitled "Default." The provisions of this clause are limited to the work and allotment of funds for the contract line items set forth in paragraph (a) of this clause. This clause no longer applies once the contract is fully funded except with regard to the rights or obligations of the parties concerning equitable adjustments negotiated under paragraphs (d) and (e) of this clause.

(h) Nothing in this clause affects the right of the Government to terminate this contract pursuant to the clause of this contract entitled "Termination for Convenience of the Government."

(i) Nothing in this clause shall be construed as authorization of voluntary services whose acceptance is otherwise prohibited under 31 U.S.C. 1342.

(j) The parties contemplate that the Government will allot funds to this contract on a yearly basis no later than 30 days prior to the next Contract Year Period of Performance.


(End of clause)

E. The total amount obligated is increased by \$1,937,623.05 from: \$28,560,808.81 to \$30,498,431.86.

F. The total value of the contract remains unchanged at \$250,701,429.46.

G. All other Terms and Conditions shall remain unchanged and in full force and effect.

**End of Modification**

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT		1. CONTRACT ID CODE K		Page 1 of 5
2. AMENDMENT/MODIFICATION NO. P00025	3. EFFECTIVE DATE See Block 16C	4. REQUISITION/PURCHASE REQ. NO. N/A	5. PROJECT NO. (If applicable)	
6. ISSUED BY  DLA ENERGY - UTILITY SERVICES 8725 JOHN J. KINGMAN ROAD, STP 10400 FORT BELVOIR, VA 22060-6222 Buyer/Symbol: Marlene Amedome/DLA Energy-FEEBB PHONE: (703) 617-1439 E-MAIL: <a href="mailto:marlene.amedome@dlamail">marlene.amedome@dlamail</a> P.P. 8.2	CODE SP0600	7. ADMINISTERED BY (If other than Item 6)		CODE
8. NAME AND ADDRESS OF CONTRACTOR (NO., street city, county, State, and ZIP Code)  Hardin County Water District No. 1 1400 Rogersville Road Radcliff, KY 40160-9343 Phone: (270) 351-3222 ext. 208 Fax: (270) 352-3055  POC : Jim Bruce, General Manager DUNS # 130402811 CAGE #316V9			9a. AMENDMENT OF SOLICITATION NO.	
			9b. DATED (SEE ITEM 11)	
			10a. MODIFICATION OF CONTRACT/ORDER NO. <b>SP0600-11-C-8271</b>	
			10b. DATED (SEE ITEM 13) 30 September 2011	
<b>11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS</b>				
<p><input type="checkbox"/> The above numbered solicitation is amended as set forth in Item 14. The hour and date specified for receipt of Offers <input type="checkbox"/> is extended, <input type="checkbox"/> is not extended. Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended, by one of the following methods: (a) By completing Items 8 and 15, and returning _____ copy of the amendment; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers. <b>FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER.</b> If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.</p>				
<b>12. ACCOUNTING AND APPROPRIATION DATA (If required)</b>				
<b>13. THIS ITEM APPLIES ONLY TO MODIFICATIONS OF CONTRACTS/ORDERS, IT MODIFIES THE CONTRACT/ORDER NO. AS DESCRIBED IN ITEM 14.</b>				
A. THIS CHANGE ORDER IS ISSUED PURSUANT TO: (Specify authority) THE CHANGES SET FORTH IN ITEM 14 ARE MADE IN THE CONTRACT ORDER NO. IN ITEM 10A.				
B. THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES (such as changes in paying office, appropriation date, etc.) SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY OF:				
X C. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF: FAR 43.103(a), Mutual Agreement between both Parties				
D. OTHER (Specify type of modification and authority)				
E. IMPORTANT: Contractor <input type="checkbox"/> is not, <input checked="" type="checkbox"/> is required to sign this document and return _____ copies to the issuing office.				
<b>14. DESCRIPTION OF AMENDMENT/MODIFICATION (Organized by UCF section headings, including solicitation/contract subject matter where feasible.)</b>				
<p><b>Fort Knox, Kentucky – Utility Privatization Contract</b> <b>Potable Water Utility System</b></p> <p>See Additional Pages for Further Details.</p>				
Except as provided herein, all terms and conditions of the document referenced in Item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect.				
15A. NAME AND TITLE OF SIGNER (Type or print) <b>JIM BRUCE, GENERAL MANAGER</b>		16A. NAME OF CONTRACTING OFFICER <b>CARL SILVERSTONE</b>		
15B. NAME OF CONTRACTOR/OFFEROR	15C. DATE SIGNED <b>3-SEP-15</b>	16B. UNITED STATES OF AMERICA SILVERSTONE.CA RL1377023044 BY _____ (Signature of Contracting Officer)	16C. DATE SIGNED <b>Sept 03, 2015</b>	
BY  (Signature of person authorized to sign)				



- A. The purpose of this modification is to incorporate DFARS Clause 252.204-7012 Safeguarding Unclassified Controlled Technical Information (NOV 2013) under Section I.5, *Other Clauses*.

SAFEGUARDING OF UNCLASSIFIED CONTROLLED TECHNICAL INFORMATION (NOV 2013)

(a) *Definitions*. As used in this clause—

“Adequate security” means protective measures that are commensurate with the consequences and probability of loss, misuse, or unauthorized access to, or modification of information.

“Attribution information” means information that identifies the Contractor, whether directly or indirectly, by the grouping of information that can be traced back to the Contractor (e.g., program description or facility locations).

“Compromise” means disclosure of information to unauthorized persons, or a violation of the security policy of a system, in which unauthorized intentional or unintentional disclosure, modification, destruction, or loss of an object, or the copying of information to unauthorized media may have occurred.

“Contractor information system” means an information system belonging to, or operated by or for, the Contractor.

“Controlled technical information” means technical information with military or space application that is subject to controls on the access, use, reproduction, modification, performance, display, release, disclosure, or dissemination. Controlled technical information is to be marked with one of the distribution statements B-through-F, in accordance with DoD Instruction 5230.24, Distribution Statements on Technical Documents. The term does not include information that is lawfully publicly available without restrictions.

“Cyber incident” means actions taken through the use of computer networks that result in an actual or potentially adverse effect on an information system and/or the information residing therein.

“Exfiltration” means any unauthorized release of data from within an information system. This includes copying the data through covert network channels or the copying of data to unauthorized media.

“Media” means physical devices or writing surfaces including, but is not limited to, magnetic tapes, optical disks, magnetic disks, large-scale integration memory chips, and printouts onto which information is recorded, stored, or printed within an information system.

“Technical information” means technical data or computer software, as those terms are defined in the clause at DFARS [252.227-7013](#), Rights in Technical Data-Non Commercial Items, regardless of whether or not the clause is incorporated in this solicitation or contract. Examples of technical information include research and engineering data, engineering drawings, and associated lists, specifications, standards, process sheets, manuals, technical reports, technical orders, catalog-item identifications, data sets, studies and analyses and related information, and computer software executable code and source code.

(b) *Safeguarding requirements and procedures for unclassified controlled technical information*. The Contractor shall provide adequate security to safeguard unclassified controlled technical information from compromise. To provide adequate security, the Contractor shall—

(1) Implement information systems security in its project, enterprise, or company-wide unclassified information technology system(s) that may have unclassified controlled technical information resident on or transiting through them. The information systems security program shall implement, at a minimum—

(i) The specified National Institute of Standards and Technology (NIST) Special Publication (SP) 800-53 security controls identified in the following table; or

(ii) If a NIST control is not implemented, the Contractor shall submit to the Contracting Officer a written explanation of how—

(A) The required security control identified in the following table is not applicable; or

(B) An alternative control or protective measure is used to achieve equivalent protection.

(2) Apply other information systems security requirements when the Contractor reasonably determines that information systems security measures, in addition to those identified in paragraph (b)(1) of this clause, may be required to provide adequate security in a dynamic environment based on an assessed risk or vulnerability.

Table 1 -- Minimum Security Controls for Safeguarding

Minimum required security controls for unclassified controlled technical information requiring safeguarding in accordance with paragraph (d) of this clause. (A description of the security controls is in the NIST SP 800-53, "Security and Privacy Controls for Federal Information Systems and Organizations" (<http://csrc.nist.gov/publications/PubsSPs.html>)).

<u>Access Control</u>	<u>Audit &amp; Accountability</u>	<u>Identification and Authentication</u>	<u>Media Protection</u>	<u>System &amp; Comm Protection</u>
AC-2	AU-2	IA-2	MP-4	SC-2
AC-3(4)	AU-3	IA-4	MP-6	SC-4
AC-4	AU-6(1)	IA-5(1)		SC-7
AC-6	AU-7		<u>Physical and Environmental Protection</u>	SC-8(1)
AC-7	AU-8	<u>Incident Response</u>	PE-2	SC-13
AC-11(1)	AU-9	IR-2	PE-3	
AC-17(2)		IR-4	PE-5	SC-15
AC-18(1)	<u>Configuration Management</u>	IR-5		SC-28
AC-19	CM-2	IR-6	<u>Program Management</u>	
AC-20(1)	CM-6		PM-10	<u>System &amp; Information Integrity</u>
AC-20(2)	CM-7	<u>Maintenance</u>		SI-2
AC-22	CM-8	MA-4(6)	<u>Risk Assessment</u>	SI-3
		MA-5	RA-5	SI-4
<u>Awareness &amp; Training</u>	<u>Contingency Planning</u>	MA-6		
AT-2	CP-9			

**Legend:**

- |                                       |   |
|---------------------------------------|---|
| AC: Access Control                    | MA: Maintenance                         |
| AT: Awareness and Training            | MP: Media Protection                    |
| AU: Auditing and Accountability       | PE: Physical & Environmental Protection |
| CM: Configuration Management          | PM: Program Management                  |
| CP: Contingency Planning              | RA: Risk Assessment                     |
| IA: Identification and Authentication | SC: System & Communications Protection  |
| IR: Incident Response                 | SI: System & Information Integrity      |

(c) *Other requirements.* This clause does not relieve the Contractor of the requirements specified by applicable statutes or other Federal and DoD safeguarding requirements for Controlled Unclassified Information (CUI) as established by Executive Order 13556, as well as regulations and guidance established pursuant thereto.

(d) *Cyber incident and compromise reporting.*

(1) *Reporting requirement.* The Contractor shall report as much of the following information as can be obtained from the Department of Defense via (<http://dibnet.dod.mil/>) within 72 hours of discovery of any cyber incident, as described in paragraph (d)(2) of this clause, that affects unclassified controlled technical information resident on or transiting through the Contractor's unclassified information systems:

- (i) Data Universal Numbering System (DUNS).
- (ii) Contract numbers affected unless all contracts by the company are affected.
- (iii) Facility CAGE code if the location of the event is different than the prime Contractor location.
- (iv) Point of contact if different than the POC recorded in the System for Award Management (address, position, telephone, email).
- (v) Contracting Officer point of contact (address, position, telephone, email).
- (vi) Contract clearance level.
- (vii) Name of subcontractor and CAGE code if this was an incident on a Sub-contractor network.
- (viii) DoD programs, platforms or systems involved.
- (ix) Location(s) of compromise.
- (x) Date incident discovered.
- (xi) Type of compromise (e.g., unauthorized access, inadvertent release, other).
- (xii) Description of technical information compromised.
- (xiii) Any additional information relevant to the information compromise.

(2) *Reportable cyber incidents.* Reportable cyber incidents include the following:

- (i) A cyber incident involving possible exfiltration, manipulation, or other loss or compromise of any unclassified controlled technical information resident on or transiting through Contractor's, or its subcontractors', unclassified information systems.
- (ii) Any other activities not included in paragraph (d)(2)(i) of this clause that allow unauthorized access to the Contractor's unclassified information system on which unclassified controlled technical information is resident on or transiting.

(3) *Other reporting requirements.* This reporting in no way abrogates the Contractor's responsibility for additional safeguarding and cyber incident reporting requirements pertaining to its unclassified information systems under other clauses that may apply to its contract, or as a result of other U.S. Government legislative and regulatory requirements that may apply (e.g., as cited in paragraph (c) of this clause).

(4) *Contractor actions to support DoD damage assessment.* In response to the reported cyber incident, the Contractor shall—

- (i) Conduct further review of its unclassified network for evidence of compromise resulting from a cyber incident to include, but is not limited to, identifying compromised computers, server specific data and users accounts. This includes analyzing information systems that were part of the compromise, as well as other information systems on the network that were accessed as a result of the compromise;

(ii) Review the data accessed during the cyber incident to identify specific unclassified controlled technical information associated with DoD programs, systems or contracts, including military programs, systems and technology; and

(iii) Preserve and protect images of known affected information systems and all relevant monitoring/packet capture data for at least 90 days from the cyber incident to allow DoD to request information or decline interest.

(5) *DoD damage assessment activities.* If DoD elects to conduct a damage assessment, the Contracting Officer will request that the Contractor point of contact identified in the incident report at (d)(1) of this clause provide all of the damage assessment information gathered in accordance with paragraph (d)(4) of this clause. The Contractor shall comply with damage assessment information requests. The requirement to share files and images exists unless there are legal restrictions that limit a company's ability to share digital media. The Contractor shall inform the Contracting Officer of the source, nature, and prescription of such limitations and the authority responsible.

(e) *Protection of reported information.* Except to the extent that such information is lawfully publicly available without restrictions, the Government will protect information reported or otherwise provided to DoD under this clause in accordance with applicable statutes, regulations, and policies. The Contractor shall identify and mark attribution information reported or otherwise provided to the DoD. The Government may use information, including attribution information and disclose it only to authorized persons for purposes and activities consistent with this clause.

(f) Nothing in this clause limits the Government's ability to conduct law enforcement or counterintelligence activities, or other lawful activities in the interest of homeland security and national security. The results of the activities described in this clause may be used to support an investigation and prosecution of any person or entity, including those attempting to infiltrate or compromise information on a contractor information system in violation of any statute.

(g) *Subcontracts.* The Contractor shall include the substance of this clause, including this paragraph (g), in all subcontracts, including subcontracts for commercial items.

(End of clause)

**B.** All other Terms and Conditions shall remain unchanged and in full force and effect.

**End of Modification**

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT		1. CONTRACT ID CODE K		Page 1 of 4	
2. AMENDMENT/MODIFICATION NO. P00026	3. EFFECTIVE DATE See Block 16C	4. REQUISITION/PURCHASE REQ. NO. N/A	5. PROJECT NO. (If applicable)		
6. ISSUED BY DLA ENERGY – UTILITY SERVICES 8725 JOHN J. KINGMAN ROAD, STP 10400 FORT BELVOIR, VA 22060-6222 Buyer/Symbol: Marlene Amedome/DLA Energy-FEEBB PHONE: (703) 617-1439 E-MAIL: <a href="mailto:marlene.amedome@dla.mil">marlene.amedome@dla.mil</a> P.P. 8.2		CODE SP0600	7. ADMINISTERED BY (If other than Item 6) CODE		
8. NAME AND ADDRESS OF CONTRACTOR (NO., street city, county, State, and ZIP Code)  Hardin County Water District No. 1 1400 Rogersville Road Radcliff, KY 40160-9343 Phone: (270) 351-3222 ext. 208 Fax: (270) 352-3055  POC : Jim Bruce, General Manager DUNS # 130402811 CAGE #316V9		9a. AMENDMENT OF SOLICITATION NO.			
		9b. DATED (SEE ITEM 11)			
		X	10a. MODIFICATION OF CONTRACT/ORDER NO. SP0600-11-C-8271		
			10b. DATED (SEE ITEM 13) 30 September 2011		
11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS					
<p><input type="checkbox"/> The above numbered solicitation is amended as set forth in Item 14.  The hour and date specified for receipt of Offers <input type="checkbox"/> is extended, <input type="checkbox"/> is not extended.  Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended, by one of the following methods: (a) By completing Items 8 and 15, and returning _____ copy of the amendment; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers.  <b>FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER.</b> If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.</p>					
12. ACCOUNTING AND APPROPRIATION DATA (If required)					
13. THIS ITEM APPLIES ONLY TO MODIFICATIONS OF CONTRACTS/ORDERS, IT MODIFIES THE CONTRACT/ORDER NO. AS DESCRIBED IN ITEM 14.					
A. THIS CHANGE ORDER IS ISSUED PURSUANT TO: (Specify authority) THE CHANGES SET FORTH IN ITEM 14 ARE MADE IN THE CONTRACT ORDER NO. IN ITEM 10A.					
B. THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES (such as changes in paying office, appropriation date, etc.) SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY OF:					
C. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF:					
X D. OTHER (Specify type of modification and authority) Unilateral Modification DFARS 252.232-7007 Limitation of Government's Obligation (Apr 2014)					
E. IMPORTANT: Contractor [X] is not, <input type="checkbox"/> is required to sign this document and return _____ copies to the issuing office.					
14. DESCRIPTION OF AMENDMENT/MODIFICATION (Organized by UCF section headings, including solicitation/contract subject matter where feasible.)					
<p><b>Fort Knox, Kentucky – Utility Privatization Contract Potable Water Utility System</b></p> <p>See Additional Pages for Further Details.</p>					
Except as provided herein, all terms and conditions of the document referenced in Item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect.					
15A. NAME AND TITLE OF SIGNER (Type or print)		16A. NAME OF CONTRACTING OFFICER CARL SILVERSTONE			
15B. NAME OF CONTRACTOR/OFFEROR	15C. DATE SIGNED	16B. UNITED STATES OF AMERICA	16C. DATE SIGNED		
BY _____ (Signature of person authorized to sign)		SILVERSTONE.CARL.13 BY 77023044 (Signature of Contracting Officer)	October 20, 2015		

A. The purpose of this modification is to provide funding in the amount of \$1,937,623.05 for October 1, 2015 thru December 31, 2015 under Contract Year 4, of which \$738,516.00 is provided (months 45-47 of 600) under SubCLIN 0004AB and \$1,199,107.05 is provided (months 45-47 of 60) under SubCLIN 0055AB.

B. Section B - Supplies or Services and Prices/Costs – As a result of the changes described in Paragraph A, B.3. Schedule is hereby modified to reflect the funding of SubCLINs 0004AB and 0055AB.

**B.3 Schedule**

Utility Service Payment by the Government

CLIN 0004 is hereby revised as follows:

**FROM:**

0004	Monthly Utility Service Charge -Year 4	Qty	Unit	Unit Price	Total Price
0004AA	Month 37-44 of 600 ACRN: AH Period of performance: February 1, 2015- September 30, 2015	8	Mo	\$246,172.00	\$1,969,376.00
0004AB	Month 45-47 of 600 ACRN: TBD Period of performance: October 1, 2015- December 31, 2015	3	Mo	\$246,172.00	\$738,516.00
0004AC	Month 48 of 600 ACRN: TBD Period of performance: January 1, 2016 – January 31, 2016	1	Mo	\$246,172.00	\$246,172.00

**TO:**

0004	Monthly Utility Service Charge -Year 4	Qty	Unit	Unit Price	Total Price
0004AA	Month 37-44 of 600 ACRN: AH Period of performance: February 1, 2015- September 30, 2015	8	Mo	\$246,172.00	\$1,969,376.00
0004AB	Month 45-47 of 600 ACRN: AJ Period of performance: October 1, 2015- December 31, 2015	3	Mo	\$246,172.00	\$738,516.00
0004AC	Month 48 of 600 ACRN: TBD Period of performance: January 1, 2016 – January 31, 2016	1	Mo	\$246,172.00	\$246,172.00

CLIN 00055 is hereby revised as follows:

**FROM:**

0055	ISDC Surcharge Yr. 4	Qty	Unit	Unit Price	Total Price
0055AA	Months 37-44 of 60 ACRN: AH Period of performance: February 1, 2015- September 30, 2015	8	Mo	\$399,702.35	\$3,197,618.80
0055AB	Months 45-47 of 60 ACRN: TBD Period of performance: October 1, 2015 - December 31, 2015-	3	Mo	\$399,702.35	\$1,199,107.05
0055AC	Months 48 of 60 ACRN: TBD Period of performance: January 1, 2016- January 31, 2016	1	Mo	\$399,702.35	\$399,702.35

**TO:**

0055	ISDC Surcharge Yr. 4	Qty	Unit	Unit Price	Total Price
0055AA	Months 37-44 of 60 ACRN: AH Period of performance: February 1, 2015- September 30, 2015	8	Mo	\$399,702.35	\$3,197,618.80
0055AB	Months 45-47 of 60 ACRN: AJ Period of performance: October 1, 2015 - December 31, 2015-	3	Mo	\$399,702.35	\$1,199,107.05
0055AC	Months 48 of 60 ACRN: TBD Period of performance: January 1, 2016- January 31, 2016	1	Mo	\$399,702.35	\$399,702.35

C. As a result of the changes described in Paragraph A, Section G.5 is revised as follows:

**G.5 Accounting and Appropriation Data**

**ACRN AJ** is hereby established in the amount of \$1,937,623.05. Funds are provided under the Direct Cite MIPR Number MIPR10776114 as follows:

ACRN AJ 02120162016 2020000 A2ABH 131079QDPW 2334 0010776114 S.0005431.31.504.2 021001			
	MIPR10776114 dated October 13, 2015	Basic	\$1,937,623.05
		<b>Total</b>	<b>\$1,937,623.05</b>
	Funding Breakdown		
		CLIN 0004 (sub CLIN 0004AB)	\$738,516.00
		CLIN 0055 (sub-CLIN 0055AB)	\$1,199,107.05
	<b>Total Funding for ACRN AJ</b>		<b>\$1,937,623.05</b>

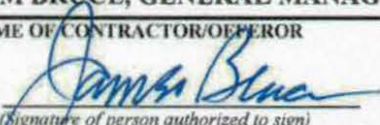
D. The total amount obligated is increased by \$1,937,623.05 from: \$30,498,431.86 to \$32,436,054.91.

E. The total value of the contract remains unchanged at \$250,701,429.46.

F. All other Terms and Conditions shall remain unchanged and in full force and effect.

**End of Modification**



AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT		1. CONTRACT ID CODE K		Page 1 of 9
2. AMENDMENT/MODIFICATION NO. P00027		3. EFFECTIVE DATE See Block 16C		4. REQUISITION/PURCHASE REQ. NO. N/A
5. PROJECT NO. (If applicable)				
6. ISSUED BY DLA ENERGY - UTILITY SERVICES 8725 JOHN J. KINGMAN ROAD, STP 10400 FORT BELVOIR, VA 22060-6222 Buyer/Symbol: Marlene Amedome/DLA Energy-FEEAA PHONE: (703) 617-1439 E-MAIL: <a href="mailto:marlene.amedome@dla.mil">marlene.amedome@dla.mil</a> P.P. 8.2		CODE SP0600		7. ADMINISTERED BY (If other than Item 6) CODE
8. NAME AND ADDRESS OF CONTRACTOR (NO., street city, county, State, and ZIP Code) Hardin County Water District No. 1 1400 Rogersville Road Radcliff, KY 40160-9343 Phone: (270) 351-3222 ext. 208 Fax: (270) 352-3055 POC: Jim Bruce, General Manager DUNS # 130402811 CAGE #316V9		9a. AMENDMENT OF SOLICITATION NO.		9b. DATED (SEE ITEM 11)
		10a. MODIFICATION OF CONTRACT/ORDER NO. SP0600-11-C-8271		X
		10b. DATED (SEE ITEM 13) 30 September 2011		
<b>11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS</b>				
<p><input type="checkbox"/> The above numbered solicitation is amended as set forth in Item 14. The hour and date specified for receipt of Offers <input type="checkbox"/> is extended, <input type="checkbox"/> is not extended. Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended, by one of the following methods: (a) By completing Items 8 and 15, and returning _____ copy of the amendment; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers. <b>FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER.</b> If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.</p>				
12. ACCOUNTING AND APPROPRIATION DATA (If required)				
13. THIS ITEM APPLIES ONLY TO MODIFICATIONS OF CONTRACTS/ORDERS, IT MODIFIES THE CONTRACT/ORDER NO. AS DESCRIBED IN ITEM 14.				
A. THIS CHANGE ORDER IS ISSUED PURSUANT TO: (Specify authority) THE CHANGES SET FORTH IN ITEM 14 ARE MADE IN THE CONTRACT ORDER NO. IN ITEM 10A.				
B. THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES (such as changes in paying office, appropriation date, etc.) SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY OF:				
C. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF:				
X D. OTHER (Specify type of modification and authority) DFARS 252.232-7007 Limitation of Government's Obligation (Apr 2014) and FAR 52.241-7 Change in Rates or Terms and Conditions of Service for Regulated Services (Feb 1995)				
E. IMPORTANT: Contractor <input type="checkbox"/> is not, <input checked="" type="checkbox"/> is required to sign this document and return <u>1</u> copies to the issuing office.				
14. DESCRIPTION OF AMENDMENT/MODIFICATION (Organized by UCF section headings, including solicitation/contract subject matter where feasible.)				
<p><b>Fort Knox, Kentucky - Utility Privatization Contract</b> <b>Potable Water Utility System</b></p> <p>See Additional Pages for Further Details</p>				
Except as provided herein, all terms and conditions of the document referenced in Item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect.				
15A. NAME AND TITLE OF SIGNER (Type or print) <b>JIM BRUCE, GENERAL MANAGER</b>		16A. NAME OF CONTRACTING OFFICER <b>CARL SILVERSTONE</b>		
15B. NAME OF CONTRACTOR/OFFEROR BY  (Signature of person authorized to sign)		15C. DATE SIGNED <b>14-JAN-2016</b>		16B. UNITED STATES OF AMERICA SILVERSTONE.CARL BY .1377023044 (Signature of Contracting Officer)
				16C. DATE SIGNED <b>1/14/2016</b>

A. The purpose of this modification is to revise Section B.3 Schedule, to provide funding for the month of January 2016 in contract year 4 and February 2016 in contract year 5. Also, in Section B.4, Monthly Utility Service Charge – Schedule 1, Contract Year 5 is revised to decrease the annual utility service charge from \$3,125,064.00 to \$2,954,064.00. In Section I.5, Other Clauses, DFARS 252.232-7007 Limitation of Government's Obligation (Apr 2014) is updated to include the above funding.

B. Section B - Supplies or Services and Prices/Costs – As a result of the changes described in Paragraph A, the following line items are incorporated into Section B.3 as follows:

- (1) Add one (1) month of funding (month 48 of 600) to SubCLIN 0004AC (ACRN AJ)
- (2) Add one (1) month of funding (month 48 of 60) to SubCLIN 0055AC (ACRN AJ)
- (3) Establish Year 5 SubCLINs 0005AA and 0056AA, ACRN AK, to fund (month 49 of 600) under CLINs 0005 and 0056
- (4) Establish SubCLINs 0005AB (months 50-55 of 600) and 0005AC (months 56-60 of 600)
- (5) Establish SubCLINs 0056AB (months 50-55 of 60) and 0056AC (months 56-60 of 60)
- (6) B.4. Schedule is hereby modified to reflect a -\$14,250.00 monthly decrease to the monthly service charge for Contract Year 5.

**B.3 Schedule**

Utility Service Payment by the Government

CLIN 0004AC is hereby revised as follows:

**FROM:**

0004AC	Month 48 of 600	1	Mo	\$246,172.00	\$246,172.00
	ACRN: TBD				
	Period of performance:				
	January 1, 2016-				
	January 31, 2016				

**TO:**

0004AC	Month 48 of 600	1	Mo	\$246,172.00	\$246,172.00
	ACRN: AJ				
	Period of performance:				
	January 1, 2016-				
	January 31, 2016				

CLIN 0005 is hereby revised as follows:

**FROM:**

0005	Monthly Utility Service Charge -Year 5	Qty	Unit	Unit Price	Total Price
0005AA	Months 49-60 of 60	12	Mo	\$246,172.00	\$2,954,064.00
	ACRN: TBD				
	Period of performance:				
	February 1, 2016-				
	January 31, 2017				

TO:

0005	Monthly Utility Service Charge -Year 5	Qty	Unit	Unit Price	Total Price
0005AA	Month 49 of 60 ACRN: AK Period of performance: February 1, 2016- February 29, 2016	1	Mo	\$246,172.00	\$ 246,172.00
0005AB	Months 50-55 of 60 ACRN: TBD Period of performance: March 1, 2016- August 31, 2016	6	Mo	\$246,172.00	\$1,477,032.00
0005AC	Months 56-60 of 60 ACRN: TBD Period of performance: September 1, 2016- January 31, 2017	5	Mo	\$246,172.00	\$1,230,860.00

CLIN 0055AC is hereby revised as follows:

FROM:

0055AC	Months 48 of 60 ACRN: TBD Period of performance: January 1, 2016- January 31, 2016	1	Mo	\$399,702.35	\$1,199,107.05
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TO:

0055AC	Month 48 of 60 ACRN: AJ Period of performance: January 1, 2016- January 31, 2016	1	Mo	\$399,702.35	\$399,702.35
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CLIN 0056 is hereby revised as follows:

FROM:

0056	ISDC Surcharge Yr. 5	Qty	Unit	Unit Price	Total Price
0056AA	Months 49-60 of 60 ACRN: TBD Period of performance: February 1, 2016- January 31, 2017	12	Mo	\$399,702.35	\$4,796,428.20

TO:

0056	ISDC Surcharge Yr. 5	Qty	Unit	Unit Price	Total Price
0056AA	Month 49 of 60 ACRN: AK Period of performance: February 1, 2016- February 29, 2016	1	Mo	\$399,702.35	\$ 399,702.35
0056AB	Months 50-55 of 60 ACRN: TBD Period of performance: March 1, 2016- August 31, 2016	6	Mo	\$399,702.35	\$2,398,214.10
0056AC	Months 56-60 of 60 ACRN: TBD Period of performance: September 1, 2016- January 31, 2017	5	Mo	\$399,702.35	\$1,998,511.75

C. **B.4 Monthly Utility Service Charge – Schedule 1**

The B.4 schedule is revised as follows for Contract Year 5:

FROM:

Contract Year	Monthly Service Charge	Purchase Price Recovery Surcharge	Monthly Credit	Monthly Utility Service Charge	Annual Utility Service Charge
1	\$246,172.00	\$85,968.00	(\$85,968.00)	\$246,172.00	\$2,954,064.00
2	\$246,172.00	\$85,968.00	(\$85,968.00)	\$246,172.00	\$2,954,064.00
3	\$246,172.00	\$85,968.00	(\$85,968.00)	\$246,172.00	\$2,954,064.00
4	\$246,172.00	\$85,968.00	(\$85,968.00)	\$246,172.00	\$2,954,064.00
5	<b>\$260,422.00</b>	<b>\$85,968.00</b>	<b>(\$85,968.00)</b>	<b>\$260,422.00</b>	<b>\$3,125,064.00</b>
6	\$258,340.00	\$85,968.00	(\$85,968.00)	\$258,340.00	\$3,100,080.00
7	\$262,867.00	\$85,968.00	(\$85,968.00)	\$262,867.00	\$3,154,404.00
8	\$267,475.00	\$85,968.00	(\$85,968.00)	\$267,475.00	\$3,209,700.00
9	\$272,163.00	\$85,968.00	(\$85,968.00)	\$272,163.00	\$3,265,956.00
10	\$276,933.00	\$85,968.00	(\$85,968.00)	\$276,933.00	\$3,323,196.00
11	\$281,786.00			\$281,786.00	\$3,381,432.00
12	\$286,725.00			\$286,725.00	\$3,440,700.00
13	\$291,751.00			\$291,751.00	\$3,501,012.00
14	\$296,864.00			\$296,864.00	\$3,562,368.00
15	\$302,067.00			\$302,067.00	\$3,624,804.00
16	\$307,361.00			\$307,361.00	\$3,688,332.00
17	\$312,748.00			\$312,748.00	\$3,752,976.00
18	\$318,230.00			\$318,230.00	\$3,818,760.00
19	\$323,807.00			\$323,807.00	\$3,885,684.00
20	\$329,483.00			\$329,483.00	\$3,953,796.00
21	\$335,258.00			\$335,258.00	\$4,023,096.00
22	\$341,134.00			\$341,134.00	\$4,093,608.00
23	\$347,113.00			\$347,113.00	\$4,165,356.00
24	\$353,196.00			\$353,196.00	\$4,238,352.00
25	\$359,387.00			\$359,387.00	\$4,312,644.00
26	\$365,686.00			\$365,686.00	\$4,388,232.00
27	\$372,095.00			\$372,095.00	\$4,465,140.00
28	\$378,616.00			\$378,616.00	\$4,543,392.00
29	\$385,252.00			\$385,252.00	\$4,623,024.00
30	\$392,005.00			\$392,005.00	\$4,704,060.00
31	\$398,875.00			\$398,875.00	\$4,786,500.00
32	\$405,866.00			\$405,866.00	\$4,870,392.00
33	\$412,980.00			\$412,980.00	\$4,955,760.00
34	\$420,218.00			\$420,218.00	\$5,042,616.00
35	\$427,583.00			\$427,583.00	\$5,130,996.00
36	\$435,077.00			\$435,077.00	\$5,220,924.00
37	\$442,703.00			\$442,703.00	\$5,312,436.00
38	\$450,462.00			\$450,462.00	\$5,405,544.00
39	\$458,357.00			\$458,357.00	\$5,500,284.00
40	\$466,390.00			\$466,390.00	\$5,596,680.00
41	\$474,565.00			\$474,565.00	\$5,694,780.00

42	\$482,882.00	\$482,882.00	\$5,794,584.00
43	\$491,346.00	\$491,346.00	\$5,896,152.00
44	\$499,957.00	\$499,957.00	\$5,999,484.00
45	\$508,720.00	\$508,720.00	\$6,104,640.00
46	\$517,636.00	\$517,636.00	\$6,211,632.00
47	\$526,709.00	\$526,709.00	\$6,320,508.00
48	\$535,940.00	\$535,940.00	\$6,431,280.00
49	\$545,334.00	\$545,334.00	\$6,544,008.00
50	\$554,892.00	\$554,892.00	\$6,658,704.00

TO:

Contract Year	Monthly Service Charge	Purchase Price Recovery Surcharge	Monthly Credit	Monthly Utility Service Charge	Annual Utility Service Charge
1	\$246,172.00	\$85,968.00	(\$85,968.00)	\$246,172.00	\$2,954,064.00
2	\$246,172.00	\$85,968.00	(\$85,968.00)	\$246,172.00	\$2,954,064.00
3	\$246,172.00	\$85,968.00	(\$85,968.00)	\$246,172.00	\$2,954,064.00
4	\$246,172.00	\$85,968.00	(\$85,968.00)	\$246,172.00	\$2,954,064.00
5	<b>\$246,172.00</b>	<b>\$85,968.00</b>	<b>(\$85,968.00)</b>	<b>\$246,172.00</b>	<b>\$2,954,064.00</b>
6	\$258,340.00	\$85,968.00	(\$85,968.00)	\$258,340.00	\$3,100,080.00
7	\$262,867.00	\$85,968.00	(\$85,968.00)	\$262,867.00	\$3,154,404.00
8	\$267,475.00	\$85,968.00	(\$85,968.00)	\$267,475.00	\$3,209,700.00
9	\$272,163.00	\$85,968.00	(\$85,968.00)	\$272,163.00	\$3,265,956.00
10	\$276,933.00	\$85,968.00	(\$85,968.00)	\$276,933.00	\$3,323,196.00
11	\$281,786.00			\$281,786.00	\$3,381,432.00
12	\$286,725.00			\$286,725.00	\$3,440,700.00
13	\$291,751.00			\$291,751.00	\$3,501,012.00
14	\$296,864.00			\$296,864.00	\$3,562,368.00
15	\$302,067.00			\$302,067.00	\$3,624,804.00
16	\$307,361.00			\$307,361.00	\$3,688,332.00
17	\$312,748.00			\$312,748.00	\$3,752,976.00
18	\$318,230.00			\$318,230.00	\$3,818,760.00
19	\$323,807.00			\$323,807.00	\$3,885,684.00
20	\$329,483.00			\$329,483.00	\$3,953,796.00
21	\$335,258.00			\$335,258.00	\$4,023,096.00
22	\$341,134.00			\$341,134.00	\$4,093,608.00
23	\$347,113.00			\$347,113.00	\$4,165,356.00
24	\$353,196.00			\$353,196.00	\$4,238,352.00
25	\$359,387.00			\$359,387.00	\$4,312,644.00
26	\$365,686.00			\$365,686.00	\$4,388,232.00
27	\$372,095.00			\$372,095.00	\$4,465,140.00
28	\$378,616.00			\$378,616.00	\$4,543,392.00
29	\$385,252.00			\$385,252.00	\$4,623,024.00
30	\$392,005.00			\$392,005.00	\$4,704,060.00
31	\$398,875.00			\$398,875.00	\$4,786,500.00
32	\$405,866.00			\$405,866.00	\$4,870,392.00
33	\$412,980.00			\$412,980.00	\$4,955,760.00
34	\$420,218.00			\$420,218.00	\$5,042,616.00

35	\$427,583.00	\$427,583.00	\$5,130,996.00
36	\$435,077.00	\$435,077.00	\$5,220,924.00
37	\$442,703.00	\$442,703.00	\$5,312,436.00
38	\$450,462.00	\$450,462.00	\$5,405,544.00
39	\$458,357.00	\$458,357.00	\$5,500,284.00
40	\$466,390.00	\$466,390.00	\$5,596,680.00
41	\$474,565.00	\$474,565.00	\$5,694,780.00
42	\$482,882.00	\$482,882.00	\$5,794,584.00
43	\$491,346.00	\$491,346.00	\$5,896,152.00
44	\$499,957.00	\$499,957.00	\$5,999,484.00
45	\$508,720.00	\$508,720.00	\$6,104,640.00
46	\$517,636.00	\$517,636.00	\$6,211,632.00
47	\$526,709.00	\$526,709.00	\$6,320,508.00
48	\$535,940.00	\$535,940.00	\$6,431,280.00
49	\$545,334.00	\$545,334.00	\$6,544,008.00
50	\$554,892.00	\$554,892.00	\$6,658,704.00

D. Section G – Contract Administration Data - As a result of the changes described in Paragraph A, Section G.6 is revised as follows:

**G.6 Accounting and Appropriation Data**

ACRN AJ is hereby increased in the amount of \$645,874.35. Funds are provided under the Direct Cite MIPR10776114 Amendment 0001. A funding breakdown of ACRN AJ is provided below:

<b>ACRN AJ 02120162016 2020000 A2ABH 131079QDPW 2334 0010776114 S.0005431.31.504.2 021001 \$2,583,497.40</b>			
	MIPR10776114 dated October 13, 2015	Basic	\$1,937,623.05
	MIPR10776114 dated December 22, 2015	(Amd.1)	\$645,874.35
		<b>Total</b>	<b>\$2,583,497.40</b>
	<b>Funding Breakdown</b>		
	P00026	On CLIN 0004 (sub CLIN 0004AB)	\$738,516.00
	P00026	On CLIN 0055 (sub-CLIN 0055AB)	\$1,199,107.05
	<b>P00027</b>	On CLIN 0004 (sub CLIN 0004AC)	\$246,172.00
	<b>P00027</b>	On CLIN 0055 (sub-CLIN 0055AC)	\$399,702.35
	<b>Total Funding for ACRN AJ</b>		<b>\$2,583,497.40</b>

ACRN AK is hereby established in the amount of \$645,874.35. Funds are provided under the Direct Cite Basic MIPR10807852. A funding breakdown of ACRN AK is provided below:

<b>ACRN AK 02120162016 2020000 A2ABH 131079QDPW 2334 0010807852 S.0005431.31.504.2 021001 \$645,874.35</b>			
	MIPR10807852 dated January 05, 2016	Basic	\$645,874.35
		<b>Total</b>	<b>\$645,874.35</b>
	<b>Funding Breakdown</b>		
	P00027	On CLIN 0005 (sub CLIN 0005AA)	\$246,172.00
	P00027	On CLIN 0056 (sub-CLIN 0056AA)	\$399,702.35
	<b>Total Funding for ACRN AK</b>		<b>\$645,874.35</b>

E. DFARS Clause 252.232-7007 Limitation of Government's Obligation (APR 2014) is hereby updated:

I.5.4 LIMITATION OF GOVERNMENT'S OBLIGATION (APR 2014)

(a) Contract line items 0001 to 0057 are incrementally funded. For these items, the sum of \$33,727,803.61 of the total price is presently available for payment and allotted to this contract. An allotment schedule is set forth in paragraph (j) of this clause.

(b) For items identified in paragraph (a) of this clause, the Contractor agrees to perform up to the point at which the total amount payable by the Government, including reimbursement in the event of termination of those items for the Government's convenience, approximates the total amount currently allotted to the contract. The Contractor is not authorized to continue work on those items beyond that point. The Government will not be obligated in any event to reimburse the Contractor in excess of the amount allotted to the contract for those items regardless of anything to the contrary in the clause entitled "Termination for Convenience of the Government." As used in this clause, the total amount payable by the Government in the event of termination of applicable contract line items for convenience includes costs, profit, and estimated termination settlement costs for those items.

(c) Notwithstanding the dates specified in the allotment schedule in paragraph (j) of this clause, the Contractor will notify the Contracting Officer in writing at least ninety days prior to the date when, in the Contractor's best judgment, the work will reach the point at which the total amount payable by the Government, including any cost for termination for convenience, will approximate 85 percent of the total amount then allotted to the contract for performance of the applicable items. The notification will state (1) the estimated date when that point will be reached and (2) an estimate of additional funding, if any, needed to continue performance of applicable line items up to the next scheduled date for allotment of funds identified in paragraph (j) of this clause, or to a mutually agreed upon substitute date. The notification will also advise the Contracting Officer of the estimated amount of additional funds that will be required for the timely performance of the items funded pursuant to this clause, for a subsequent period as may be specified in the allotment schedule in paragraph (j) of this clause or otherwise agreed to by the parties. If after such notification additional funds are not allotted by the date identified in the Contractor's notification, or by an agreed substitute date, the Contracting Officer will terminate any items for which additional funds have not been allotted, pursuant to the clause of this contract entitled "Termination for Convenience of the Government."

(d) When additional funds are allotted for continued performance of the contract line items identified in paragraph (a) of this clause, the parties will agree as to the period of contract performance which will be covered by the funds. The provisions of paragraphs (b) through (d) of this clause will apply in like manner to the additional allotted funds and agreed substitute date, and the contract will be modified accordingly.

(e) If, solely by reason of failure of the Government to allot additional funds, by the dates indicated below, in amounts sufficient for timely performance of the contract line items identified in paragraph (a) of this clause, the Contractor incurs additional costs or is delayed in the performance of the work under this contract and if additional funds are allotted, an equitable adjustment will be made in the price or prices (including appropriate target, billing, and ceiling prices where applicable) of the items, or in the time of delivery, or both. Failure to agree to any such equitable adjustment hereunder will be a dispute concerning a question of fact within the meaning of the clause entitled "Disputes."

(f) The Government may at any time prior to termination allot additional funds for the performance of the contract line items identified in paragraph (a) of this clause.

(g) The termination provisions of this clause do not limit the rights of the Government under the clause entitled "Default." The provisions of this clause are limited to the work and allotment of funds for the contract line items set forth in paragraph (a) of this clause. This clause no longer applies once the contract is fully funded except with regard to the rights or obligations of the parties concerning equitable adjustments negotiated under paragraphs (d) and (e) of this clause.

(h) Nothing in this clause affects the right of the Government to terminate this contract pursuant to the clause of this contract entitled "Termination for Convenience of the Government."



(i) Nothing in this clause shall be construed as authorization of voluntary services whose acceptance is otherwise prohibited under 31 U.S.C. 1342.

(j) The parties contemplate that the Government will allot funds to this contract on a yearly basis no later than 30 days prior to the next Contract Year Period of Performance.



- F. The total amount obligated is increased by \$1,291,748.70 from: \$32,436,054.91 to \$33,727,803.61.
- G. The total value of the contract is decreased by -\$171,000.00 from \$250,701,429.46 to \$250,530,429.46.
- H. All other Terms and Conditions shall remain unchanged and in full force and effect.

**End of Modification**

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT		1. CONTRACT ID CODE K		Page 1 of 45
2. AMENDMENT/MODIFICATION NO. P00028	3. EFFECTIVE DATE See Block 16C	4. REQUISITION/PURCHASE REQ. NO. N/A	5. PROJECT NO. (If applicable)	
6. ISSUED BY DLA ENERGY - UTILITY SERVICES 8725 JOHN J. KINGMAN ROAD, STP 10400 FORT BELVOIR, VA 22060-6222 Buyer/Symbol: Daonna Young/DLA Energy-FEEAA PHONE: (703) 617-1425 E-MAIL: <a href="mailto:daonna_young@dla.mil">daonna_young@dla.mil</a> P.P. 8.2	CODE SP0600	7. ADMINISTERED BY (If other than Item 6)	CODE	
8. NAME AND ADDRESS OF CONTRACTOR (NO., street city, county, State, and ZIP Code)  Hardin County Water District No. 1 1400 Rogersville Road Radcliff, KY 40160-9343 Phone: (270) 351-3222 ext. 208 Fax: (270) 352-3055  POC : Jim Bruce, General Manager DUNS # 130402811 CAGE #316V9		9a. AMENDMENT OF SOLICITATION NO.	9b. DATED (SEE ITEM 11)	
		X	10a. MODIFICATION OF CONTRACT/ORDER NO. SP0600-11-C-8271	
			10b. DATED (SEE ITEM 13) 30 September 2011	
11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS				
<input type="checkbox"/> The above numbered solicitation is amended as set forth in Item 14. The hour and date specified for receipt of Offers <input type="checkbox"/> is extended, <input type="checkbox"/> is not extended. Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended, by one of the following methods: (a) By completing Items 8 and 15, and returning _____ copy of the amendment; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers. <b>FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER.</b> If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.				
12. ACCOUNTING AND APPROPRIATION DATA (If required)				
13. THIS ITEM APPLIES ONLY TO MODIFICATIONS OF CONTRACTS/ORDERS, IT MODIFIES THE CONTRACT/ORDER NO. AS DESCRIBED IN ITEM 14.				
	A. THIS CHANGE ORDER IS ISSUED PURSUANT TO: (Specify authority) THE CHANGES SET FORTH IN ITEM 14 ARE MADE IN THE CONTRACT ORDER NO. IN ITEM 10A.			
	B. THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES (such as changes in paying office, appropriation date, etc.) SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY OF:			
X	C. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF: FAR 52.243-1 ALT 1 Changes--Fixed Price			
	D. OTHER (Specify type of modification and authority)			
E. IMPORTANT: Contractor <input type="checkbox"/> is not, <input checked="" type="checkbox"/> is required to sign this document and return <u>1</u> copies to the issuing office.				
14. DESCRIPTION OF AMENDMENT/MODIFICATION (Organized by UCF section headings, including solicitation/contract subject matter where feasible.)				
<b>Fort Knox, Kentucky – Utility Privatization Contract Potable Water Utility System</b>  See Additional Pages for Further Details.				
Except as provided herein, all terms and conditions of the document referenced in Item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect.				
15A. NAME AND TITLE OF SIGNER (Type or print) <b>JIM BRUCE, GENERAL MANAGER</b>		16A. NAME OF CONTRACTING OFFICER <b>CARL SILVERSTONE</b>		
15B. NAME OF CONTRACTOR/OFFEROR	15C. DATE SIGNED <b>24-FEB-2016</b>	16B. UNITED STATES OF AMERICA SILVERSTONE.CA BY <b>RL1377023044</b> <small>Digitally signed by SILVERSTONE.CA, 1377023044 DN: cn=SILVERSTONE.CA, o=DAVIDSON ENGINEERING, ou=DEPT 4400/DA, email=SILVERSTONE.CA, 1377023044 Date: 2016.02.23 11:04:43 -0500</small>	16C. DATE SIGNED <b>2/25/2015</b>	
BY  (Signature of person authorized to sign)		BY  (Signature of Contracting Officer)		

- A. The purpose of this modification is to revise the B.3 Schedule, to provide funding for the months of March 2016 through September 2016 in contract year 5, update Section I.5, Other Clauses, DFARS 252.232-7007 Limitation of Government's Obligation (Apr 2014), and modify Attachment JA1.2.1.1 to reflect the new parameters for fluoride levels in finished drinking water at no additional cost to the government. The new fluoride parameters are 0.6 parts per million (ppm) to 1.2 ppm, with an optimal concentration of 0.7 ppm.
- B. Section B - Supplies or Services and Prices/Costs – As a result of the changes described in Paragraph A, the following line item is incorporated into Section B.3 as follows:
- (1) Add seven (7) months of funding (month 50 and 56 of 600) to SubCLIN 0005AB (ACRN AK)
  - (2) Add seven (7) months of funding (month 50 and 56 of 60) to SubCLIN 0056 AB (ACRN AK)

**B.3 Schedule**

Utility Service Payment by the Government

CLIN 0005 is hereby revised as follows:

**FROM:**

0005	Monthly Utility Service Charge -Year 5	Qty	Unit	Unit Price	Total Price
0005AA	Month 49 of of 60 ACRN: AK Period of performance: February 1, 2016- February 29, 2016	1	Mo	\$246,172.00	\$246,172.00
0005AB	Month 50-55 of 60 ACRN: TBD Period of performance: March 1, 2016- August 31, 2016	6	Mo	\$246,172.00	\$1,477,032.00
0005AC	Month 56-60 of 60 ACRN: TBD Period of performance: September 1, 2016- January 31, 2017	5	Mo	\$246,172.00	\$1,230,860.00

**TO:**

0005	Monthly Utility Service Charge -Year 5	Qty	Unit	Unit Price	Total Price
0005AA	Month 49 of of 60 ACRN: AK Period of performance: February 1, 2016- February 29, 2016	1	Mo	\$246,172.00	\$246,172.00
0005AB	Month 50-56 of 60 ACRN: AK Period of performance: March 1, 2016- September 30, 2016	7	Mo	\$246,172.00	\$1,723,204.00
0005AC	Month 57-60 of 60 ACRN: TBD Period of performance: October 1, 2016- January 31, 2017	4	Mo	\$246,172.00	\$984,688.00

CLIN 00056 is hereby revised as follows:

FROM:

0056	ISDC Surcharge Yr. 5	Qty	Unit	Unit Price	Total Price
0056AA	Months 49 of 60 ACRN: AK Period of performance: February 1, 2016- April 30, 2016	1	Mo	\$399,702.35	\$ 399,702.35
0056AB	Months 50-55 of 60 ACRN: TBD Period of performance: March 1, 2016- August 31, 2016	6	Mo	\$399,702.35	\$2,398,214.10
0056AC	Months 56-60 of 60 ACRN: TBD Period of performance: September 1, 2016- January 31, 2017	5	Mo	\$399,702.35	\$ 1,998,511.75

TO:

0056	ISDC Surcharge Yr. 5	Qty	Unit	Unit Price	Total Price
0056AA	Months 49 of 60 ACRN: AK Period of performance: February 1, 2016- April 30, 2016	1	Mo	\$399,702.35	\$ 399,702.35
0056AB	Months 50-56 of 60 ACRN: AK Period of performance: March 1, 2016- September 30, 2016	7	Mo	\$399,702.35	\$2,797,916.45
0056AC	Months 57-60 of 60 ACRN: TBD Period of performance: October 1, 2016- January 31, 2017	4	Mo	\$399,702.35	\$ 1,598,809.40

C. Section G – Contract Administration Data - As a result of the changes described in Paragraph A, Section G.5 is revised as follows:

**G.6 Accounting and Appropriation Data**

ACRN AK is hereby increased in the amount of \$4,521,120.45. Funds are provided under the Direct Cite Basic MIPR10807852. A funding breakdown of ACRN AK is provided below:

ACRN AK 02120162016 2020000 A2ABH 131079QDPW 2334 0010807852 S.0005431.31.504.2 021001 <b>\$645,874.35</b>			
	MIPR10807852 dated January 05, 2016	Basic	\$645,874.35
	MIPR10807852 Amend 01 dated February 05, 2016	<b>Amendment 01</b>	<b>\$4,521,120.45</b>
		<b>Total</b>	<b>\$5,166,994.80</b>
	<b>Funding Breakdown</b>		
	P00027	On CLIN 0005 (sub CLIN 0005AA)	\$246,172.00
	P00027	On CLIN 0056 (sub-CLIN 0056AA)	\$399,702.35
	<b>P00028</b>	<b>On CLIN 0005 (sub CLIN 0005AB)</b>	<b>\$1,723,204.00</b>
	<b>P00028</b>	<b>On CLIN 0056 (sub CLIN 0056AB)</b>	<b>\$2,797,916.45</b>
	<b>Total Funding for ACRN AK</b>		<b>\$5,166,994.80</b>

D. DFARS Clause 252.232-7007 Limitation of Government’s Obligation (APR 2014) is hereby updated:

**I.5.4 LIMITATION OF GOVERNMENT’S OBLIGATION (APR 2014)**

(a) Contract line items 0001 to 0057 are incrementally funded. For these items, the sum of \$38,248,924.06 of the total price is presently available for payment and allotted to this contract. An allotment schedule is set forth in paragraph (j) of this clause.

(b) For items identified in paragraph (a) of this clause, the Contractor agrees to perform up to the point at which the total amount payable by the Government, including reimbursement in the event of termination of those items for the Government’s convenience, approximates the total amount currently allotted to the contract. The Contractor is not authorized to continue work on those items beyond that point. The Government will not be obligated in any event to reimburse the Contractor in excess of the amount allotted to the contract for those items regardless of anything to the contrary in the clause entitled “Termination for Convenience of the Government.” As used in this clause, the total amount payable by the Government in the event of termination of applicable contract line items for convenience includes costs, profit, and estimated termination settlement costs for those items.

(c) Notwithstanding the dates specified in the allotment schedule in paragraph (j) of this clause, the Contractor will notify the Contracting Officer in writing at least ninety days prior to the date when, in the Contractor’s best judgment, the work will reach the point at which the total amount payable by the Government, including any cost for termination for convenience, will approximate 85 percent of the total amount then allotted to the contract for performance of the applicable items. The notification will state (1) the estimated date when that point will be reached and (2) an estimate of additional funding, if any, needed to continue performance of applicable line items up to the next scheduled date for allotment of funds identified in paragraph (j) of this clause, or to a mutually agreed upon substitute date. The notification will also advise the Contracting Officer of the estimated amount of additional funds that will be required for the timely performance of the items funded pursuant to this clause, for a subsequent period as may be specified in the allotment schedule in paragraph (j) of this clause or otherwise agreed to by the parties. If after such notification additional funds are not allotted by the date identified in the Contractor’s notification, or by an agreed substitute date, the Contracting Officer will terminate any items for which additional funds have not been allotted, pursuant to the clause of this contract entitled “Termination for Convenience of the Government.”

(d) When additional funds are allotted for continued performance of the contract line items identified in paragraph (a) of this clause, the parties will agree as to the period of contract performance which will be covered by the funds. The provisions of paragraphs (b) through (d) of this clause will apply in like manner to the additional allotted funds and agreed substitute date, and the contract will be modified accordingly.

(e) If, solely by reason of failure of the Government to allot additional funds, by the dates indicated below, in amounts sufficient for timely performance of the contract line items identified in paragraph (a) of this clause, the Contractor incurs additional costs or is delayed in the performance of the work under this contract and if additional funds are allotted, an equitable adjustment will be made in the price or prices (including appropriate target, billing, and ceiling prices where applicable) of the items, or in the time of delivery, or both. Failure to agree to any such equitable adjustment hereunder will be a dispute concerning a question of fact within the meaning of the clause entitled "Disputes."

(f) The Government may at any time prior to termination allot additional funds for the performance of the contract line items identified in paragraph (a) of this clause.

(g) The termination provisions of this clause do not limit the rights of the Government under the clause entitled "Default." The provisions of this clause are limited to the work and allotment of funds for the contract line items set forth in paragraph (a) of this clause. This clause no longer applies once the contract is fully funded except with regard to the rights or obligations of the parties concerning equitable adjustments negotiated under paragraphs (d) and (e) of this clause.

(h) Nothing in this clause affects the right of the Government to terminate this contract pursuant to the clause of this contract entitled "Termination for Convenience of the Government."

(i) Nothing in this clause shall be construed as authorization of voluntary services whose acceptance is otherwise prohibited under 31 U.S.C. 1342.

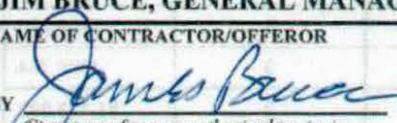

(j) The parties contemplate that the Government will allot funds to this contract on a yearly basis no later than 30 days prior to the next Contract Year Period of Performance.

E. The total amount obligated is increased by \$4,521,120.45 from: \$33,727,803.61 to \$38,248,924.06.

F. The total value of the contract remains the unchanged at \$250,530,429.46.

G. All other Terms and Conditions shall remain unchanged and in full force and effect.

**End of Modification**

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT		1. CONTRACT ID CODE K		Page 1 of 5
2. AMENDMENT/MODIFICATION NO. P00029	3. EFFECTIVE DATE See Block 16C	4. REQUISITION/PURCHASE REQ. NO. N/A	5. PROJECT NO. (If applicable)	
6. ISSUED BY DLA ENERGY - UTILITY SERVICES 8725 JOHN J. KINGMAN ROAD, STP 10400 FORT BELVOIR, VA 22060-6222 Buyer/Symbol: Daonna Young/DLA Energy-FEEBB PHONE: (703) 617-1425 E-MAIL: <a href="mailto:daonna.young@dla.mil">daonna.young@dla.mil</a> P.P. 8.2	CODE SP0600	7. ADMINISTERED BY (If other than Item 6)		CODE
8. NAME AND ADDRESS OF CONTRACTOR (NO., street city, county, State, and ZIP Code) Hardin County Water District No. 1 1400 Rogersville Road Radcliff, KY 40160-9343 Phone: (270) 351-3222 ext. 208 Fax: (270) 352-3055 POC : Jim Bruce, General Manager DUNS # 130402811 CAGE #316V9		9a. AMENDMENT OF SOLICITATION NO.		
		9b. DATED (SEE ITEM 11)		
		10a. MODIFICATION OF CONTRACT/ORDER NO. <b>SP0600-11-C-8271</b>		
		10b. DATED (SEE ITEM 13) 30 September 2011		
11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS				
<input type="checkbox"/> The above numbered solicitation is amended as set forth in Item 14. The hour and date specified for receipt of Offers <input type="checkbox"/> is extended, <input type="checkbox"/> is not extended. Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended, by one of the following methods: (a) By completing Items 8 and 15, and returning _____ copy of the amendment; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers. <b>FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER.</b> If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.				
12. ACCOUNTING AND APPROPRIATION DATA (If required)				
13. THIS ITEM APPLIES ONLY TO MODIFICATIONS OF CONTRACTS/ORDERS, IT MODIFIES THE CONTRACT/ORDER NO. AS DESCRIBED IN ITEM 14.				
A. THIS CHANGE ORDER IS ISSUED PURSUANT TO: (Specify authority) THE CHANGES SET FORTH IN ITEM 14 ARE MADE IN THE CONTRACT ORDER NO. IN ITEM 10A.				
B. THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES (such as changes in paying office, appropriation date, etc.) SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY OF:				
<input checked="" type="checkbox"/> C. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF: FAR 52.243-1 ALT 1 Changes--Fixed Price				
D. OTHER (Specify type of modification and authority)				
E. IMPORTANT: Contractor <input type="checkbox"/> is not, <input checked="" type="checkbox"/> is required to sign this document and return <u>1</u> copies to the issuing office.				
14. DESCRIPTION OF AMENDMENT/MODIFICATION (Organized by UCF section headings, including solicitation/contract subject matter where feasible.)				
<b>Fort Knox, Kentucky - Utility Privatization Contract</b> <b>Potable Water Utility System</b>  See Additional Pages for Further Details.				
Except as provided herein, all terms and conditions of the document referenced in Item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect.				
15A. NAME AND TITLE OF SIGNER (Type or print) <b>JIM BRUCE, GENERAL MANAGER</b>		16A. NAME OF CONTRACTING OFFICER <b>CARL SILVERSTONE</b>		
15B. NAME OF CONTRACTOR/OFFEROR	15C. DATE SIGNED	16B. UNITED STATES OF AMERICA	16C. DATE SIGNED	
BY  (Signature of person authorized to sign)	10-AUG-2016	BY  (Signature of Contracting Officer)	August 10, 2016	

A. The purpose of this modification is to:

- 1) Update and phase out Section B.5 - Initial System Deficiency Corrections Charges – Schedule 2, to account for the modified ISDC schedule. Effective January 31, 2017, Section B.5 Initial System Deficiency Corrections Charges – Schedule 2 will be closed out in its entirety.
- 2) Establish Section B.6 – Capital Improvement Projects, to contractually accept the Water Quality and Capital Improvement Projects (CIP) submitted by Hardin County Water District 1 (HCWD1) dated June 1, 2016. HCWD1 proposed to modify the list of currently approved and funded ISDCs in accordance with section C.11.2.5 of its Utility Privatization (UP) contract with the Government and add new Capital Improvement Projects (CIPs) that are in better interest of the installation and government.
- 3) Funding in the amount of \$12,208,104.00 is re-allocated from the ISDCs for use towards the new CIPs totaling \$16,456,000.00. The additional unfunded capital cost for the proposed projects is in the amount of \$4,247,896.00 and is available in the HCWD1's Fort Knox reserve fund to fully fund the CIPs.

B. As a result of the changes described in Paragraph A - Section B - Supplies or Services and Prices/Costs is revised as follows:

**B.5 – Initial System Deficiency Corrections Charges**

Schedule B.5 is hereby revised as follows:

**FROM:**

Project No.	Project Name	Project Completion (Contract Year)	Project Cost
ISDC#1	System Survey/ Assessment and Re-Map the Utility System	1	\$121,610
ISDC#2	Leak Detection Survey	1	\$49,530
ISDC#3	Hydraulic Model	1	\$22,050
ISDC#4	Master Flow Meters at the WTP	1	\$24,909
ISDC#5	20-inch Raw Valves	1	\$89,319
ISDC#6	New Raw Water Main from the Muldraugh WTP to the 16-inch Raw Water Line Between Otter Creek PS and Central WTP	1	\$1,946,203
ISDC#7	Otter Creek Pump Station	1	\$117,449
ISDC#8	Muldraugh HLPS	1	\$108,234
ISDC#9	Central WTP	1	\$64,202
ISDC#10	Central WTP Clear Well	1	\$1,825,443
ISDC#11	Fire Hydrants	4	\$1,957,620
ISDC#12	THIS ITEM PURPOSEFULLY LEFT BLANK	----	----
ISDC#13	Water Storage Tank No. 5	1	\$439,499
ISDC#14	Automatic Transfer Switches	2	\$248,658
ISDC#15	Pipe between Otter Creek PS and Central WTP	2	\$1,773,822
ISDC#16	Water Storage Tank No. 6	2	\$395,981
ISDC#17	Water Storage Tank No. 8	2	\$395,981
ISDC#18	Water Storage Tank No. 7	3	\$199,980
ISDC#19	SCADA System	3	\$335,784
ISDC#20	Distribution System Pipe and Valves	3	\$1,113,332
ISDC#21	Distribution System Pipe and Valves	3	\$3,034,103
ISDC#22	Distribution System Pipe and Valves	3	\$188,402
ISDC#23	Distribution System Pipe and Valves	4	\$6,618,777



Project No.	Project Name	Project Completion (Contract Year)	Project Cost
ISDC#24	Water Tank No. 1	3	\$24,398
ISDC#25	Water Tank No. 2	3	\$24,398
ISDC#26	Water Tank No. 4	3	\$45,636
ISDC#27	West Point Well Field	1	\$63,891
ISDC#28	Van Voorhis Pump Station	1	\$8,776
ISDC#29	Decommission Muldraugh WTP	5	\$496,146
ISDC#30	Muldraugh WTP Operation Year 1	1	\$999,495
ISDC#31	Muldraugh WTP Operation Year 2	2	\$997,297
ISDC#32	Muldraugh WTP Operation Year 3	3	\$997,297
ISDC#33	Muldraugh WTP Operation Year 4	4	\$997,297
ISDC#34	Muldraugh WTP Operation Year 5	5	\$997,297

TO:

Project No.	Year 1 Project Name	Re-allocated Efforts
ISDC#1	System Survey/ Assessment and Re-Map the Utility System	Completed
ISDC#2	Leak Detection Survey	Completed
ISDC#3	Hydraulic Model	Completed
ISDC#4	Master Flow Meters at the WTP	Completed
ISDC#5	20-inch Raw Valves	Completed
ISDC#10	Central WTP Clear Well	Completed
ISDC#11-1	Fire Hydrants Year 1	Completed
ISDC#13	Water Storage Tank No. 5	Completed
ISDC#14	Automatic Transfer Switches	Completed
ISDC#16	Water Storage Tank No. 6	Completed
ISDC#17	Water Storage Tank No. 8	Completed
ISDC#19	SCADA System	Completed
ISDC#22	Distribution Pipe and Valves (4,200-LF at new HRC)	Completed
ISDC#30	Muldraugh WTP Operation Year 1	Completed

Project No.	Year 2 Project Name	Re-allocated Efforts
ISDC#7	Otter Creek Pump Station	Completed
ISDC#11-2	Fire Hydrants Year 2	Completed
ISDC#27	West Point Well Field	Completed
ISDC#28	Van Voorhis Pump Station	Completed
ISDC#31	Muldraugh WTP Operation Year 2	Completed

Project No.	Year 3 Project Name	Re-allocated Efforts
ISDC#32	Muldraugh WTP Operation Year 3	Completed

Project No.	Year 4 Project Name	Re-allocated Efforts
ISDC#23-4	Distribution Pipe and Valves (136,000-LF of CI pipe - no specific areas) - Year 4	Completed
ISDC#33	Muldraugh WTP Operation Year 4	Completed

Project No.	Year 5 Project Name	Re-allocated Efforts
ISDC#29	Decommission Muldraugh WTP	Completed
ISDC#34	Muldraugh WTP Operation Year 5	Completed

**B.6 – Capital Improvement Projects**

Schedule B.6 is hereby established as follows:

Project No.	Year 6 – 10 Project Name	CIP Totals
1	Muldraugh WTP Improvements	\$4,845,000.00
2	1.5 MG Old Ironsides Tank	\$5,054,000.00
3	1.5 MG Education Center Tank	\$5,060,000.00
4	Park Road 14' Main Extension	\$290,000.00
5	Automatic Flusher Installed in Dietz Area	\$13,000.00
6	Line Improvement - Gold Vault Area	\$163,000.00
7	Line Improvements - North Frazier Area	\$30,000.00
8	Line Improvements - 7th Armon Division Cut off Road	\$143,000.00
9	Decommission Central WTP and Large Diameter Mains	\$322,000.00
10	Installation of Check Valves New Education Center Tank	\$70,000.00
11	Remove Frazier Tank	\$76,000.00
12	Remove Van Voorhis Tank	\$60,000.00
13	Remove Prichard Tank	\$76,000.00

14	Automatic Flusher Installed in Dietz Area	\$13,000.00
15	Automatic Flusher Installed in Prichard Area	\$13,000.00
16	Remove HRC Tank	\$76,000.00
17	Remove Fort Knox High School Tank	\$76,000.00
18	Remove Old Ironside Tank	\$76,000.00
	<b>Total:</b>	<b>\$16,456,000.00</b>


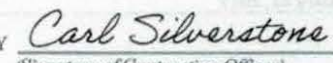
C. Section G - Contract Administration Data  
**G.6 Accounting and Appropriation Data**

No additional funding is required for this modification. HCWD1 proposed to modify contract SP0600-11-C-8271 by removing ISDC #'s: 8, 9, 20, 21-2, 21-3, 11-3, 18, 24, 25, 26, 11-4, 15, 6, 11-5, 23-5, and 35 from the list of currently approved and funded ISDCs in accordance with section C.11.2.5 of its Utility Privatization (UP) contract with the Government. HCWD1 proposed to re-allocate the funding to pay towards the new government accepted CIPs. The ISDC removal resulted in a credit of \$12,208,104.00 while the new approved CIPs totaled \$16,456,000.00. The additional unfunded capital cost for the proposed projects in the amount of \$4,247,896.00 has been verified as available for completion of the CIPs in its entirety using the HCWD1's Fort Knox Water Fund Reserve. The CIPs are hereby fully funded.

The Contracting Officer agrees with the proposed funding re-allocation after a review of HCWD1's FPR because it is consistent with the framework of the contract. Volume IV of the FPR, on page IV-36, provides HCWD1 the discretion to manage deviations and maintain a separate cash balance in reserves understanding that revenues will be spent only on projects that exclusively benefit the government.

- D. The total amount obligated remains unchanged at \$38,248,924.06.
- E. The total value of the contract remains unchanged at \$250,530,429.46.
- F. All other Terms and Conditions shall remain unchanged and in full force and effect.

**End of Modification**

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT		1. CONTRACT ID CODE K		Page 1 of 4
2. AMENDMENT/MODIFICATION NO. P00030	3. EFFECTIVE DATE See Block 16C	4. REQUISITION/PURCHASE REQ. NO. N/A	5. PROJECT NO. (If applicable)	
6. ISSUED BY DLA ENERGY - UTILITY SERVICES 8725 JOHN J. KINGMAN ROAD, STP 10400 FORT BELVOIR, VA 22060-6222 Buyer/Symbol: Daonna Young/DLA Energy-FEEAA PHONE: (703) 617-1425 E-MAIL: <a href="mailto:daonna_young@dla.mil">daonna_young@dla.mil</a> P.P. 8.2	CODE SP0600	7. ADMINISTERED BY (If other than Item 6)	CODE	
8. NAME AND ADDRESS OF CONTRACTOR (NO., street city, county, State ,and ZIP Code)  Hardin County Water District No. 1 1400 Rogersville Road Radcliff, KY 40160-9343 Phone: (270) 351-3222 ext. 208 Fax: (270) 352-3055  POC : Jim Bruce, General Manager DUNS # 130402811 CAGE #316V9		9a. AMENDMENT OF SOLICITATION NO.	9b. DATED (SEE ITEM 11)	
		X 10a. MODIFICATION OF CONTRACT/ORDER NO. SP0600-11-C-8271	10b. DATED (SEE ITEM 13) 30 September 2011	
11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS				
<p><input type="checkbox"/> The above numbered solicitation is amended as set forth in Item 14. The hour and date specified for receipt of Offers <input type="checkbox"/> is extended, <input type="checkbox"/> is not extended. Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended, by one of the following methods: (a) By completing Items 8 and 15, and returning _____ copy of the amendment;(b) By acknowledging receipt of this amendment on each copy of the offer submitted; or(c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers. <b>FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER.</b> If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.</p>				
12. ACCOUNTING AND APPROPRIATION DATA (If required)				
13. THIS ITEM APPLIES ONLY TO MODIFICATIONS OF CONTRACTS/ORDERS, IT MODIFIES THE CONTRACT/ORDER NO. AS DESCRIBED IN ITEM 14.				
	A. THIS CHANGE ORDER IS ISSUED PURSUANT TO: (Specify authority) THE CHANGES SET FORTH IN ITEM 14 ARE MADE IN THE CONTRACT ORDER NO. IN ITEM 10A.			
	B. THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES (such as changes in paying office, appropriation date, etc.) SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY OF:			
X	C. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF: FAR 52.243-1 ALT 1 Changes--Fixed Price			
	D. OTHER (Specify type of modification and authority)			
E. IMPORTANT: Contractor <input type="checkbox"/> is not, <input checked="" type="checkbox"/> is required to sign this document and return <u>1</u> copies to the issuing office.				
14. DESCRIPTION OF AMENDMENT/MODIFICATION (Organized by UCF section headings, including solicitation/contract subject matter where feasible.)				
<p><b>Fort Knox, Kentucky – Utility Privatization Contract Potable Water Utility System</b></p> <p>See Additional Pages for Further Details.</p>				
Except as provided herein, all terms and conditions of the document referenced in Item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect.				
15A. NAME AND TITLE OF SIGNER (Type or print) <b>JIM BRUCE, GENERAL MANAGER</b>		16A. NAME OF CONTRACTING OFFICER <b>CARL SILVERSTONE</b>		
15B. NAME OF CONTRACTOR/OFFEROR	15C. DATE SIGNED <b>31-AUG-2016</b>	16B. UNITED STATES OF AMERICA	16C. DATE SIGNED <b>August 31, 2016</b>	
BY  (Signature of person authorized to sign)		BY  (Signature of Contracting Officer)		

- A. The purpose of this modification is to revise the B.3 Schedule in accordance with the accepted CIP proposal executed in modification SP0600-11-C-8271 P00029. As a result, there is hereby a (\$1,078) reduction in the Monthly Utility Service Charge for Contract Year 5, starting in month 55 (August 2016) through month 60 (January 2017).
- B. Section B - Supplies or Services and Prices/Costs – As a result of the changes described in Paragraph A, Section B.3 is revised as follows:

**B.3 Schedule**

CLIN 0005 is hereby revised as follows (*changes in bold*):

FROM:

0005	Monthly Utility Service Charge -Year 5	Qty	Unit	Unit Price	Total Price
0005AA	Month 49 of of 60 ACRN: AK Period of performance: February 1, 2016- February 29, 2016	1	Mo	\$246,172.00	\$246,172.00
0005AB	Month 50-56 of 60 ACRN: AK Period of performance: March 1, 2016- September 30, 2016	7	Mo	\$246,172.00	\$1,723,204.00
0005AC	Month 57-60 of 60 ACRN: TBD Period of performance: October 1, 2016- January 31, 2017	4	Mo	\$246,172.00	\$984,688.00

TO:

0005	Monthly Utility Service Charge -Year 5	Qty	Unit	Unit Price	Total Price
0005AA	Month 49 of 60 ACRN: AK Period of performance: February 1, 2016- February 29, 2016	1	Mo	\$246,172.00	\$246,172.00
0005AB	Month 50-54 of 60 ACRN: AK Period of performance: March 1, 2016- July 31, 2016	5	Mo	\$246,172.00	\$1,230,860.00
0005AC	Month 55-56 of 60 ACRN: AK Period of performance: August 1, 2016- September 31, 2017	2	Mo	\$245,094.00	\$490,188.00
0005AD	Month 57-60 of 60 ACRN: TBD Period of performance: October 1, 2016- January 31, 2017	4	Mo	\$245,094.00	\$980,376.00

D. Section G – Contract Administration Data - As a result of the changes described in Paragraph A, Section G.5 is revised as follows:

**G.6 Accounting and Appropriation Data**

ACRN AK is hereby decreased in the amount of (\$2,156.00). Funds are provided under the Direct Cite Basic MIPR10807852. A funding breakdown of ACRN AK is provided below:

ACRN AK 02120162016 2020000 A2ABH 131079QDPW 2334 0010807852 S.0005431.31.504.2 021001 <b>\$645,874.35</b>			
	MIPR10807852 dated January 05, 2016	Basic	\$645,874.35
	MIPR10807852 Amend 01 dated February 05, 2016	Amendment 01	\$4,521,120.45
	<b>Deobligation (\$2,156.00)</b>	<b>Modification P00030</b>	<b>(\$2,156.00)</b>
		<b>Total</b>	<b>\$5,164,838.80</b>
	<b>Funding Breakdown</b>		
	P00027	On CLIN 0005 (sub CLIN 0005AA)	\$246,172.00
	P00027	On CLIN 0056 (sub-CLIN 0056AA)	\$399,702.35
	<del>P00028</del>	<del>On CLIN 0005 (sub CLIN 0005AB)</del>	<del>\$1,723,204.00</del>
	P00028	On CLIN 0056 (sub CLIN 0056AB)	\$2,797,916.45
	<b>P00030</b>	<b>On CLIN 0005 (subCLIN 0005AB)</b>	<b>\$1,230,860.00</b>
	<b>P00030</b>	<b>On CLIN 0005 (sub CLIN 0005AC)</b>	<b>\$490,188.00</b>
	<b>Total Funding for ACRN AK</b>		<b>\$5,164,838.80</b>

D. DFARS Clause 252.232-7007 Limitation of Government’s Obligation (APR 2014) is hereby updated:

**1.5.4 LIMITATION OF GOVERNMENT’S OBLIGATION (APR 2014)**

(a) Contract line items 0001 to 0057 are incrementally funded. For these items, the sum of \$38,246,768.06 of the total price is presently available for payment and allotted to this contract. An allotment schedule is set forth in paragraph (j) of this clause.

(b) For items identified in paragraph (a) of this clause, the Contractor agrees to perform up to the point at which the total amount payable by the Government, including reimbursement in the event of termination of those items for the Government’s convenience, approximates the total amount currently allotted to the contract. The Contractor is not authorized to continue work on those items beyond that point. The Government will not be obligated in any event to reimburse the Contractor in excess of the amount allotted to the contract for those items regardless of anything to the contrary in the clause entitled “Termination for Convenience of the Government.” As used in this clause, the total amount payable by the Government in the event of termination of applicable contract line items for convenience includes costs, profit, and estimated termination settlement costs for those items.

(c) Notwithstanding the dates specified in the allotment schedule in paragraph (j) of this clause, the Contractor will notify the Contracting Officer in writing at least ninety days prior to the date when, in the Contractor’s best judgment, the work will reach the point at which the total amount payable by the Government, including any cost for termination for convenience, will approximate 85 percent of the total amount then allotted to the contract for performance of the applicable items. The notification will state (1) the estimated date when that point will be reached and (2) an estimate of additional funding, if any, needed to continue performance of applicable line items up to the next scheduled date for allotment of funds identified in paragraph (j) of this clause, or to a mutually agreed upon substitute date. The notification will also advise the Contracting Officer of the estimated amount of additional funds that will be required for the timely performance of the items funded pursuant to this clause, for a subsequent period as may be specified in the allotment schedule in paragraph (j) of this clause or otherwise agreed to by the parties. If after such notification additional funds are not allotted by the date identified in the Contractor’s notification, or by an agreed substitute date, the Contracting Officer will terminate any items for which

additional funds have not been allotted, pursuant to the clause of this contract entitled "Termination for Convenience of the Government."

(d) When additional funds are allotted for continued performance of the contract line items identified in paragraph (a) of this clause, the parties will agree as to the period of contract performance which will be covered by the funds. The provisions of paragraphs (b) through (d) of this clause will apply in like manner to the additional allotted funds and agreed substitute date, and the contract will be modified accordingly.

(e) If, solely by reason of failure of the Government to allot additional funds, by the dates indicated below, in amounts sufficient for timely performance of the contract line items identified in paragraph (a) of this clause, the Contractor incurs additional costs or is delayed in the performance of the work under this contract and if additional funds are allotted, an equitable adjustment will be made in the price or prices (including appropriate target, billing, and ceiling prices where applicable) of the items, or in the time of delivery, or both. Failure to agree to any such equitable adjustment hereunder will be a dispute concerning a question of fact within the meaning of the clause entitled "Disputes."

(f) The Government may at any time prior to termination allot additional funds for the performance of the contract line items identified in paragraph (a) of this clause.

(g) The termination provisions of this clause do not limit the rights of the Government under the clause entitled "Default." The provisions of this clause are limited to the work and allotment of funds for the contract line items set forth in paragraph (a) of this clause. This clause no longer applies once the contract is fully funded except with regard to the rights or obligations of the parties concerning equitable adjustments negotiated under paragraphs (d) and (e) of this clause.

(h) Nothing in this clause affects the right of the Government to terminate this contract pursuant to the clause of this contract entitled "Termination for Convenience of the Government."

(i) Nothing in this clause shall be construed as authorization of voluntary services whose acceptance is otherwise prohibited under 31 U.S.C. 1342.

(j) The parties contemplate that the Government will allot funds to this contract on a yearly basis no later than 30 days prior to the next Contract Year Period of Performance.

E. The total amount obligated decreased by (\$2,156.00) from \$38,248,924.06 to \$38,246,768.04

F. The total value of the contract decreased by (\$6,468.00) from \$250,530,429.46 to \$250,523,961.46.

G. All other Terms and Conditions shall remain unchanged and in full force and effect.

**End of Modification**

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT		1. CONTRACT ID CODE K		Page 1 of 4
2. AMENDMENT/MODIFICATION NO. P00031	3. EFFECTIVE DATE See Block 16C	4. REQUISITION/PURCHASE REQ. NO. N/A	5. PROJECT NO. (If applicable)	
6. ISSUED BY DLA ENERGY – UTILITY SERVICES 8725 JOHN J. KINGMAN ROAD, STP 10400 FORT BELVOIR, VA 22060-6222 Buyer/Symbol: Daonna Young/DLA Energy-FEEBB PHONE: (703) 617-1425 E-MAIL: <a href="mailto:daonna.young@dla.mil">daonna.young@dla.mil</a> P.P. 8.2		CODE SP0600	7. ADMINISTERED BY (If other than Item 6) CODE	
8. NAME AND ADDRESS OF CONTRACTOR (NO., street city, county, State, and ZIP Code)  Hardin County Water District No. 1 1400 Rogersville Road Radcliff, KY 40160-9343 Phone: (270) 351-3222 ext. 208 Fax: (270) 352-3055  POC : Jim Bruce, General Manager DUNS # 130402811 CAGE #316V9		9a. AMENDMENT OF SOLICITATION NO.  9b. DATED (SEE ITEM 11)  10a. MODIFICATION OF CONTRACT/ORDER NO. <b>SP0600-11-C-8271</b>  10b. DATED (SEE ITEM 13) 30 September 2011		
11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS				
<input type="checkbox"/> The above numbered solicitation is amended as set forth in Item 14. The hour and date specified for receipt of Offers <input type="checkbox"/> is extended, <input type="checkbox"/> is not extended. Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended, by one of the following methods: (a) By completing Items 8 and 15, and returning _____ copy of the amendment;(b) By acknowledging receipt of this amendment on each copy of the offer submitted; or(c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers. <b>FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER.</b> If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.				
12. ACCOUNTING AND APPROPRIATION DATA (If required)				
13. THIS ITEM APPLIES ONLY TO MODIFICATIONS OF CONTRACTS/ORDERS, IT MODIFIES THE CONTRACT/ORDER NO. AS DESCRIBED IN ITEM 14.				
A. THIS CHANGE ORDER IS ISSUED PURSUANT TO: (Specify authority) THE CHANGES SET FORTH IN ITEM 14 ARE MADE IN THE CONTRACT ORDER NO. IN ITEM 10A.				
<b>X</b> B. THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES (such as changes in paying office, appropriation date, etc.) SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY OF: 43.103(b)				
C. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF:				
D. OTHER (Specify type of modification and authority)				
E. IMPORTANT: Contractor <input checked="" type="checkbox"/> is not, <input type="checkbox"/> is required to sign this document and return _____ copies to the issuing office.				
14. DESCRIPTION OF AMENDMENT/MODIFICATION (Organized by UCF section headings, including solicitation/contract subject matter where feasible.)				
<b>Fort Knox, Kentucky – Utility Privatization Contract Potable Water Utility System</b>  See Additional Pages for Further Details.				
Except as provided herein, all terms and conditions of the document referenced in Item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect.				
15A. NAME AND TITLE OF SIGNER (Type or print)		16A. NAME OF CONTRACTING OFFICER <b>CARL SILVERSTONE</b>		
15B. NAME OF CONTRACTOR/OFFEROR	15C. DATE SIGNED	16B. UNITED STATES OF AMERICA SILVERSTONE,CA BY <b>RL1377023044</b> (Signature of Contracting Officer)	16C. DATE SIGNED November 1, 2016	
BY _____ (Signature of person authorized to sign)		<small>Digitally signed by SILVERSTONE.CARL.1377023044 Date: 2016.11.01 09:12:42 -0400</small>		



A. The purpose of this modification is to provide funding in the amount of \$1,289,592.70 for October 1, 2016 to November 30, 2016 (months 57-58 of 600) for SubCLINs 0005AD Monthly Utility Service Charge (MUSC) and 0056AC Initial System Deficiency Correction (ISDC) surcharge.

B. Section B - Supplies or Services and Prices/Costs – As a result of the changes described in Paragraph A, Section B.3 is revised as follows:

(1) B.3. Schedule is hereby modified to reflect the funding of SubCLINs 0005AD and 0056AC:

**B.3 Schedule**

Utility Service Payment by the Government

**SubCLIN 0005AD is hereby revised as follows:**

**FROM:**

0005	Monthly Utility Service Charge -Year 5	Qty	Unit	Unit Price	Total Price
0005AD	Month 57-60 of 60 ACRN: TBD Period of performance: October 1, 2016- January 31, 2017	4	Mo	\$245,094.00	\$980,376.00

**TO:**

0005	Monthly Utility Service Charge -Year 5	Qty	Unit	Unit Price	Total Price
0005AD	Month 57-58 of 60 ACRN: AL Period of performance: October 1, 2016- November 30, 2016	2	Mo	\$245,094.00	\$490,188.00
0005AE	Month 59-60 of 60 ACRN: TBD Period of performance: December 1 2016- January 31, 2017	2	Mo	\$245,094.00	\$490,188.00

**SubCLIN 0056AC is hereby revised as follows:**

**FROM:**

0056	Monthly Utility Service Charge -Year 5	Qty	Unit	Unit Price	Total Price
00056AC	Month 57-60 of 60 ACRN: TBD Period of performance: October 1, 2016- January 31, 2017	4	Mo	\$399,702.35	\$1,598,809.4

**TO:**

0056	Monthly Utility Service Charge -Year 5	Qty	Unit	Unit Price	Total Price
0056AC	Month 57-58 of 60 ACRN: AL Period of performance: October 1, 2016- November 30, 2016	2	Mo	\$399,702.35	\$799,404.70

0056AD	Month 59-60 of 60	2	Mo	\$399,702.35	\$799,404.70
ACRN: TBD					
Period of performance:					
December 1 2016-					
January 31, 2017					

C. Section G – Contract Administration Data - As a result of the changes described in Paragraph A, Section G.5 is revised as follows:

**G.5 Accounting and Appropriation Data**

ACRN AL is hereby established in the amount of \$1,289,592.70. Funds are provided under the Direct Cite MIPR Number MIPR10940300 Basic as follows:

Line of Accounting:

ACRN AL 02120172017 2020000 A2ABH 131079QDPW 2334 0010940300 S.0045978.28.3 021001			<b>\$1,289,592.70</b>
	MIPR10940300 dated October 25, 2016	<b>Basic</b>	<b>\$1,289,592.70</b>
	Funding Breakdown		
	<b>P00031</b>	<b>On CLIN 0005 (subCLIN 0005AD)</b>	<b>\$490,188.00</b>
	<b>P00031</b>	<b>On CLIN 0056 (sub CLIN 0056AC)</b>	<b>\$799,404.70</b>
	<b>Total Funding for ACRN AL</b>		<b>\$1,289,592.70</b>

D. DFARS Clause 252.232-7007 Limitation of Government's Obligation (APR 2014) is hereby updated:

**1.5.4 LIMITATION OF GOVERNMENT'S OBLIGATION (APR 2014)**

(a) Contract line items 0001 to 0057 are incrementally funded. For these items, the sum of \$39,536,360.76 of the total price is presently available for payment and allotted to this contract. An allotment schedule is set forth in paragraph (j) of this clause.

(b) For items identified in paragraph (a) of this clause, the Contractor agrees to perform up to the point at which the total amount payable by the Government, including reimbursement in the event of termination of those items for the Government's convenience, approximates the total amount currently allotted to the contract. The Contractor is not authorized to continue work on those items beyond that point. The Government will not be obligated in any event to reimburse the Contractor in excess of the amount allotted to the contract for those items regardless of anything to the contrary in the clause entitled "Termination for Convenience of the Government." As used in this clause, the total amount payable by the Government in the event of termination of applicable contract line items for convenience includes costs, profit, and estimated termination settlement costs for those items.

(c) Notwithstanding the dates specified in the allotment schedule in paragraph (j) of this clause, the Contractor will notify the Contracting Officer in writing at least ninety days prior to the date when, in the Contractor's best judgment, the work will reach the point at which the total amount payable by the Government, including any cost for termination for convenience, will approximate 85 percent of the total amount then allotted to the contract for performance of the applicable items. The notification will state (1) the estimated date when that point will be reached and (2) an estimate of additional funding, if any, needed to continue performance of applicable line items up to the next scheduled date for allotment of funds identified in paragraph (j) of this clause, or to a mutually agreed upon substitute date. The notification will also advise the Contracting Officer of the estimated amount of additional funds that will be required for the timely performance of the items funded pursuant to this clause, for a subsequent period as may be specified in the allotment schedule in paragraph (j) of this clause or otherwise agreed to by the parties. If after such notification additional funds are not allotted by the date identified in the Contractor's notification, or by an agreed substitute date, the Contracting Officer will terminate any items for which additional funds have not been allotted, pursuant to the clause of this contract entitled "Termination for Convenience of the Government."

(d) When additional funds are allotted for continued performance of the contract line items identified in paragraph (a) of this clause, the parties will agree as to the period of contract performance which will be covered by the funds. The provisions of

paragraphs (b) through (d) of this clause will apply in like manner to the additional allotted funds and agreed substitute date, and the contract will be modified accordingly.

(e) If, solely by reason of failure of the Government to allot additional funds, by the dates indicated below, in amounts sufficient for timely performance of the contract line items identified in paragraph (a) of this clause, the Contractor incurs additional costs or is delayed in the performance of the work under this contract and if additional funds are allotted, an equitable adjustment will be made in the price or prices (including appropriate target, billing, and ceiling prices where applicable) of the items, or in the time of delivery, or both. Failure to agree to any such equitable adjustment hereunder will be a dispute concerning a question of fact within the meaning of the clause entitled "Disputes."

(f) The Government may at any time prior to termination allot additional funds for the performance of the contract line items identified in paragraph (a) of this clause.

(g) The termination provisions of this clause do not limit the rights of the Government under the clause entitled "Default." The provisions of this clause are limited to the work and allotment of funds for the contract line items set forth in paragraph (a) of this clause. This clause no longer applies once the contract is fully funded except with regard to the rights or obligations of the parties concerning equitable adjustments negotiated under paragraphs (d) and (e) of this clause.

(h) Nothing in this clause affects the right of the Government to terminate this contract pursuant to the clause of this contract entitled "Termination for Convenience of the Government."

(i) Nothing in this clause shall be construed as authorization of voluntary services whose acceptance is otherwise prohibited under 31 U.S.C. 1342.

(j) The parties contemplate that the Government will allot funds to this contract on a yearly basis no later than 30 days prior to the next Contract Year Period of Performance.

E. The total amount obligated is increased by \$1,289,592.70 from \$38,246,768.06 to \$39,536,360.76.

F. The total value of the contract remains unchanged at \$250,523,961.46.

G. All other Terms and Conditions shall remain unchanged and in full force and effect.

**End of Modification**

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT		1. CONTRACT ID CODE K		Page 1 of 4
2. AMENDMENT/MODIFICATION NO. P00032	3. EFFECTIVE DATE See Block 16C	4. REQUISITION/PURCHASE REQ. NO. N/A	5. PROJECT NO. (If applicable)	
6. ISSUED BY DLA ENERGY – UTILITY SERVICES 8725 JOHN J. KINGMAN ROAD, STP 10400 FORT BELVOIR, VA 22060-6222 Buyer/Symbol: Matthew Fox/DLA Energy-FEEBB PHONE: (703) 617-1421 E-MAIL: <a href="mailto:Matthew.fox@dla.mil">Matthew.fox@dla.mil</a> P.P. 8.2		CODE SP0600	7. ADMINISTERED BY (If other than Item 6) CODE	
8. NAME AND ADDRESS OF CONTRACTOR (NO., street city, county, State, and ZIP Code)  Hardin County Water District No. 1 1400 Rogersville Road Radcliff, KY 40160-9343 Phone: (270) 351-3222 ext. 208 Fax: (270) 352-3055  POC : Jim Bruce, General Manager DUNS # 130402811 CAGE #316V9		9a. AMENDMENT OF SOLICITATION NO.		
		9b. DATED (SEE ITEM 11)		
		X 10a. MODIFICATION OF CONTRACT/ORDER NO. SP0600-11-C-8271		
		10b. DATED (SEE ITEM 13) 30 September 2011		
11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS				
<p><input type="checkbox"/> The above numbered solicitation is amended as set forth in Item 14.</p> <p>The hour and date specified for receipt of Offers <input type="checkbox"/> is extended, <input type="checkbox"/> is not extended.</p> <p>Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended, by one of the following methods: (a) By completing Items 8 and 15, and returning _____ copy of the amendment; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers.</p> <p><b>FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER.</b> If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.</p>				
12. ACCOUNTING AND APPROPRIATION DATA (If required)				
13. THIS ITEM APPLIES ONLY TO MODIFICATIONS OF CONTRACTS/ORDERS, IT MODIFIES THE CONTRACT/ORDER NO. AS DESCRIBED IN ITEM 14.				
A. THIS CHANGE ORDER IS ISSUED PURSUANT TO: (Specify authority) THE CHANGES SET FORTH IN ITEM 14 ARE MADE IN THE CONTRACT ORDER NO. IN ITEM 10A.				
X B. THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES (such as changes in paying office, appropriation date, etc.) SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY OF: 43.103(b)				
C. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF:				
D. OTHER (Specify type of modification and authority)				
E. IMPORTANT: Contractor [X] is not, <input type="checkbox"/> is required to sign this document and return _____ copies to the issuing office.				
14. DESCRIPTION OF AMENDMENT/MODIFICATION (Organized by UCF section headings, including solicitation/contract subject matter where feasible.)				
<p><b>Fort Knox, Kentucky – Utility Privatization Contract Potable Water Utility System</b></p> <p>See Additional Pages for Further Details.</p>				
Except as provided herein, all terms and conditions of the document referenced in Item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect.				
15A. NAME AND TITLE OF SIGNER (Type or print)		16A. NAME OF CONTRACTING OFFICER <b>CARL SILVERSTONE</b>		
15B. NAME OF CONTRACTOR/OFFEROR	15C. DATE SIGNED	16B. UNITED STATES OF AMERICA  SILVERSTONE.CA RL.1377023044 <small>Digitally signed by SILVERSTONE.CARL.1377023044 Date: 2016.12.16 09:38:28 -0500</small>	16C. DATE SIGNED December 16, 2016	
BY _____ (Signature of person authorized to sign)		BY _____ (Signature of Contracting Officer)		

A. The purpose of this modification is to provide funding in the amount of \$644,796.35 for December 1, 2016 to December 31, 2016 (month 59 of 600) for SubCLINs 0005AD Monthly Utility Service Charge (MUSC) and 0056AC Initial System Deficiency Correction (ISDC) surcharge.

B. Section B - Supplies or Services and Prices/Costs – As a result of the changes described in Paragraph A, Section B.3 is revised as follows:

(1) B.3. Schedule is hereby modified to reflect the funding of SubCLINs 0005AD and 0056AC:

**B.3 Schedule**

Utility Service Payment by the Government

**SubCLIN 0005AD is hereby revised as follows:**

**FROM:**

0005	Monthly Utility Service Charge -Year 5	Qty	Unit	Unit Price	Total Price
0005AD	Month 57-58 of 60 ACRN: AL Period of performance: October 1, 2016- November 30, 2016	2	Mo	\$245,094.00	\$490,188.00
0005AE	Month 59-60 of 60 ACRN: TBD Period of performance: December 1 2016- January 31, 2017	2	Mo	\$245,094.00	\$490,188.00

**TO:**

0005	Monthly Utility Service Charge -Year 5	Qty	Unit	Unit Price	Total Price
0005AD	Month 57-59 of 60 ACRN: AL Period of performance: October 1, 2016- December 31, 2016	3	Mo	\$245,094.00	\$735,282.00
0005AE	Month 60 of 60 ACRN: TBD Period of performance: January 1 2017- January 31, 2017	1	Mo	\$245,094.00	\$245,094.00

**SubCLIN 0056AC is hereby revised as follows:**

**FROM:**

0056	Monthly Utility Service Charge -Year 5	Qty	Unit	Unit Price	Total Price
0056AC	Month 57-58 of 60 ACRN: AL Period of performance: October 1, 2016- November 30, 2016	2	Mo	\$399,702.35	\$799,404.70
0056AD	Month 59-60 of 60 ACRN: TBD Period of performance: December 1 2016- January 31, 2017	2	Mo	\$399,702.35	\$799,404.70

TO:

0056	Monthly Utility Service Charge -Year 5	Qty	Unit	Unit Price	Total Price
0056AC	Month 57-59 of 60 ACRN: AL Period of performance: October 1, 2016- December 31, 2016	3	Mo	\$399,702.35	\$1,199,107.05
0056AD	Month 60 of 60 ACRN: TBD Period of performance: January 1, 2017- January 31, 2017	1	Mo	\$399,702.35	\$399,702.35

C. Section G – Contract Administration Data - As a result of the changes described in Paragraph A, Section G.5 is revised as follows:

**G.5 Accounting and Appropriation Data**

ACRN AL is hereby increased in the amount of \$644,796.35. Funds are provided under the Direct Cite MIPR Number MIPR10940300 Amendment 1 as follows:

Line of Accounting:

ACRN AL 02120172017 2020000 A2ABH 131079QDPW 2334 0010940300 S.0045978.28.3 021001				<b>\$1,934,389.05</b>
	MIPR10940300 dated October 25, 2016		<b>Basic</b>	<b>\$1,289,592.70</b>
			<b>Amend 1</b>	<b>\$644,796.35</b>
			<b>Total</b>	<b>\$1,934,389.05</b>
	Funding Breakdown			
	<b>P00031</b>	<b>On CLIN 0005 (subCLIN 0005AD)</b>		<b>\$490,188.00</b>
	<b>P00031</b>	<b>On CLIN 0056 (sub CLIN 0056AC)</b>		<b>\$799,404.70</b>
	<b>P00032</b>	<b>On CLIN 0005 (subCLIN 0005AD)</b>		<b>\$245,094.00</b>
	<b>P00032</b>	<b>On CLIN 0056 (sub CLIN 0056AC)</b>		<b>\$399,702.35</b>
	<b>Total Funding for ACRN AL</b>			<b>\$1,934,389.35</b>

D. DFARS Clause 252.232-7007 Limitation of Government’s Obligation (APR 2014) is hereby updated:

I.5.4 LIMITATION OF GOVERNMENT’S OBLIGATION (APR 2014)

(a) Contract line items 0001 to 0057 are incrementally funded. For these items, the sum of \$40,181,157.11 of the total price is presently available for payment and allotted to this contract. An allotment schedule is set forth in paragraph (j) of this clause.

(b) For items identified in paragraph (a) of this clause, the Contractor agrees to perform up to the point at which the total amount payable by the Government, including reimbursement in the event of termination of those items for the Government’s convenience, approximates the total amount currently allotted to the contract. The Contractor is not authorized to continue work on those items beyond that point. The Government will not be obligated in any event to reimburse the Contractor in excess of the amount allotted to the contract for those items regardless of anything to the contrary in the clause entitled “Termination for Convenience of the Government.” As used in this clause, the total amount payable by the Government in the event of termination of applicable contract line items for convenience includes costs, profit, and estimated termination settlement costs for those items.

(c) Notwithstanding the dates specified in the allotment schedule in paragraph (j) of this clause, the Contractor will notify the Contracting Officer in writing at least ninety days prior to the date when, in the Contractor's best judgment, the work will reach the point at which the total amount payable by the Government, including any cost for termination for convenience, will approximate 85 percent of the total amount then allotted to the contract for performance of the applicable items. The notification will state (1) the estimated date when that point will be reached and (2) an estimate of additional funding, if any, needed to continue performance of applicable line items up to the next scheduled date for allotment of funds identified in paragraph (j) of this clause, or to a mutually agreed upon substitute date. The notification will also advise the Contracting Officer of the estimated amount of additional funds that will be required for the timely performance of the items funded pursuant to this clause, for a subsequent period as may be specified in the allotment schedule in paragraph (j) of this clause or otherwise agreed to by the parties. If after such notification additional funds are not allotted by the date identified in the Contractor's notification, or by an agreed substitute date, the Contracting Officer will terminate any items for which additional funds have not been allotted, pursuant to the clause of this contract entitled "Termination for Convenience of the Government."

(d) When additional funds are allotted for continued performance of the contract line items identified in paragraph (a) of this clause, the parties will agree as to the period of contract performance which will be covered by the funds. The provisions of paragraphs (b) through (d) of this clause will apply in like manner to the additional allotted funds and agreed substitute date, and the contract will be modified accordingly.

(e) If, solely by reason of failure of the Government to allot additional funds, by the dates indicated below, in amounts sufficient for timely performance of the contract line items identified in paragraph (a) of this clause, the Contractor incurs additional costs or is delayed in the performance of the work under this contract and if additional funds are allotted, an equitable adjustment will be made in the price or prices (including appropriate target, billing, and ceiling prices where applicable) of the items, or in the time of delivery, or both. Failure to agree to any such equitable adjustment hereunder will be a dispute concerning a question of fact within the meaning of the clause entitled "Disputes."

(f) The Government may at any time prior to termination allot additional funds for the performance of the contract line items identified in paragraph (a) of this clause.

(g) The termination provisions of this clause do not limit the rights of the Government under the clause entitled "Default." The provisions of this clause are limited to the work and allotment of funds for the contract line items set forth in paragraph (a) of this clause. This clause no longer applies once the contract is fully funded except with regard to the rights or obligations of the parties concerning equitable adjustments negotiated under paragraphs (d) and (e) of this clause.

(h) Nothing in this clause affects the right of the Government to terminate this contract pursuant to the clause of this contract entitled "Termination for Convenience of the Government."

(i) Nothing in this clause shall be construed as authorization of voluntary services whose acceptance is otherwise prohibited under 31 U.S.C. 1342.

(j) The parties contemplate that the Government will allot funds to this contract on a yearly basis no later than 30 days prior to the next Contract Year Period of Performance.

E. The total amount obligated is increased by \$644,796.35 from \$39,536,360.76 to \$40,181,157.11.

F. The total value of the contract remains unchanged at \$250,523,961.46.

G. All other Terms and Conditions shall remain unchanged and in full force and effect.

**End of Modification**

**AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT**

1. CONTRACT ID CODE PAGE OF PAGES  
1 7

2. AMENDMENT/MODIFICATION NUMBER <b>P00033</b>	3. EFFECTIVE DATE See Block 16C	4. REQUISITION/PURCHASE REQUISITION NUMBER	5. PROJECT NUMBER (If applicable)
6. ISSUED BY CODE DLA ENERGY - UTILITY SERVICES 8725 JOHN J. KINGMAN ROAD, STP 10400 FORT BELVOIR, VA 22060-6222 Buyer/Symbol: Matthew Fox/DLA Energy-FEEBB PHONE: (703) 617-1421 E-MAIL: <a href="mailto:Matthew.fox@dla.mil">Matthew.fox@dla.mil</a> P.P. 8.2	SP0600	7. ADMINISTERED BY (If other than Item 6) CODE	

8. NAME AND ADDRESS OF CONTRACTOR (NO., street city, county, State, and ZIP Code) Hardin County Water District No. 1 1400 Rogersville Road Radcliff, KY 40160-9343 Phone: (270) 351-3222 ext. 208 Fax: (270) 352-3055 POC : Jim Bruce, General Manager DUNS # 130402811 CAGE #316V9	9A. AMENDMENT OF SOLICITATION NUMBER <input type="checkbox"/>	9B. DATED (SEE ITEM 11)
	10A. MODIFICATION OF CONTRACT/ORDER NUMBER SP0600	10B. DATED (SEE ITEM 13) <input checked="" type="checkbox"/>
CODE FACILITY CODE	<b>SP0600-11-C-8271</b>	

**11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS**

The above numbered solicitation is amended as set forth in Item 14. The hour and date specified for receipt of Offers  is extended.  is not extended. Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended, by one of the following methods:  
(a) By completing items 8 and 15, and returning \_\_\_\_\_ copies of the amendment; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or electronic communication which includes a reference to the solicitation and amendment numbers. FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment you desire to change an offer already submitted, such change may be made by letter or electronic communication, provided each letter or electronic communication makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.

12. ACCOUNTING AND APPROPRIATION DATA (If required)  
See Section G, Accounting and Appropriation Data

**13. THIS ITEM APPLIES ONLY TO MODIFICATIONS OF CONTRACTS/ORDERS. IT MODIFIES THE CONTRACT/ORDER NUMBER AS DESCRIBED IN ITEM 14.**

CHECK ONE	A. THIS CHANGE ORDER IS ISSUED PURSUANT TO: (Specify authority) THE CHANGES SET FORTH IN ITEM 14 ARE MADE IN THE CONTRACT ORDER NUMBER IN ITEM 10A.
<input type="checkbox"/>	
<input type="checkbox"/>	B. THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES (such as changes in paying office, appropriation data, etc.) SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY OF FAR 43.103(b).
<input checked="" type="checkbox"/>	C. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF: 52.243-1 -- Changes -- Fixed-Price Alternate I
<input type="checkbox"/>	D. OTHER (Specify type of modification and authority)

**E. IMPORTANT:** Contractor  is not  is required to sign this document and return 1 copies to the issuing office.

14. DESCRIPTION OF AMENDMENT/MODIFICATION (Organized by UCF section headings, including solicitation/contract subject matter where feasible.)

Except as provided herein, all terms and conditions of the document referenced in Item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect.

15A. NAME AND TITLE OF SIGNER (Type or print) <b>JIM BRUCE, GENERAL MANAGER</b>	16A. NAME AND TITLE OF CONTRACTING OFFICER (Type or print) <b>CARL SILVERSTONE, CONTRACTING OFFICER</b>
15B. CONTRACTOR/OFFEROR  (Signature of person authorized to sign)	16B. UNITED STATES OF AMERICA SILVERSTONE.CARL.1377023044 (Signature of Contracting Officer)
15C. DATE SIGNED 01-FEB-17	16C. DATE SIGNED February 1, 2017

Previous edition unusable



A. The purpose of this modification is to:

- 1) Provide funding in the amount of \$644,796.35 for January 1, 2017 to January 31, 2017 (month 60 of 60) for SubCLINs 0005AD Monthly Utility Service Charge (MUSC) and 0056AC Initial System Deficiency Correction (ISDC) surcharge under ACRN AL.
- 2) Establish CLIN 0006 and subCLIN 0006AA for Contract Year 6's MUSC. Funding is provided in the amount of \$516,680.00 for February 1, 2017 to March 31, 2017 (Months 61-62) under ACRN AM.
- 3) Revise Schedule B.4 Monthly Utility Service Charge – Schedule 1, to decrease the scheduled MUSC from \$258,340.00 to \$245,094.00. Hardin County Water District 1 (HCWD1) requested that the MUSC not increase. As a result, this decreases the contract value by \$158,952.00.
- 4) Revise Schedule B.6 Capital Improvement Projects to remove Project six (6) Line Improvement - Gold Vault Area in the amount of \$163,000.00.

B. Section B - Supplies or Services and Prices/Costs – As a result of the changes described in Paragraph A, Section B.3 is revised as follows:

(1) B.3. Schedule is hereby modified to reflect the funding of SubCLINs 0005AD, 0056AC, and 0006AA:

**B.3 Schedule**

Utility Service Payment by the Government

**SubCLIN 0005AD is hereby revised as follows:**

**FROM:**

0005	Monthly Utility Service Charge -Year 5	Qty	Unit	Unit Price	Total Price
0005AD	Month 57-59 of 60 ACRN: AL Period of performance: October 1, 2016- December 31, 2016	3	Mo	\$245,094.00	\$735,282.00
0005AE	Month 60 of 60 ACRN: TBD Period of performance: January 1 2017- January 31, 2017	1	Mo	\$245,094.00	\$245,094.00

**TO:**

0005	Monthly Utility Service Charge -Year 5	Qty	Unit	Unit Price	Total Price
0005AD	Month 57-60 of 60 ACRN: AL Period of performance: October 1, 2016- January 31, 2017	4	Mo	\$245,094.00	\$980,376.00

**SubCLIN 0056AC is hereby revised as follows:**

**FROM:**

Monthly Utility Service Charge -Year 5					
0056		Qty	Unit	Unit Price	Total Price
0056AC	Month 57-59 of 60 ACRN: AL Period of performance: October 1, 2016- December 31, 2016	3	Mo	\$399,702.35	\$1,199,107.05
0056AD	Month 60 of 60 ACRN: TBD Period of performance: January 1, 2017- January 31, 2017	1	Mo	\$399,702.35	\$399,702.35

TO:

Monthly Utility Service Charge -Year 5					
0056		Qty	Unit	Unit Price	Total Price
0056AC	Month 57-59 of 60 ACRN: AL Period of performance: October 1, 2016- January 31, 2017	4	Mo	\$399,702.35	\$1,598,809.40

CLIN 0006 and subCLIN 0006AA are hereby established:

Monthly Utility Service Charge -Year 6					
0006		Qty	Unit	Unit Price	Total Price
0006AA	Month 61-72 ACRN: AM Period of performance: February 1, 2017 – January 31, 2018	12	Mo	\$245,094.00	\$2,914,128.00

C. Section B - Supplies or Services and Prices/Costs – As a result of the changes described in Paragraph A, Section B.4 is revised as follows:

### B.4 Monthly Utility Service Charge – Schedule 1

The Contract Year 6 MUSC is reduced from \$258,340.00 to \$245,094.00, as HCWD1 requested the MUSC to remain unchanged.

Contract Year	Monthly Service Charge	Purchase Price Recovery Surcharge	Monthly Credit	Monthly Utility Service Charge	Annual Utility Service Charge
1	\$246,172.00	\$85,968.00	(\$85,968.00)	\$246,172.00	\$2,954,064.00
2	\$246,172.00	\$85,968.00	(\$85,968.00)	\$246,172.00	\$2,954,064.00
3	\$246,172.00	\$85,968.00	(\$85,968.00)	\$246,172.00	\$2,954,064.00
4	\$246,172.00	\$85,968.00	(\$85,968.00)	\$246,172.00	\$2,954,064.00

5	\$246,172.00	\$85,968.00	(\$85,968.00)	\$246,172.00	\$2,954,064.00
6	<b>\$245,094.00</b>	<b>\$85,968.00</b>	<b>(\$85,968.00)</b>	<b>\$245,094.00</b>	<b>\$2,941,128.00</b>
7	\$262,867.00	\$85,968.00	(\$85,968.00)	\$262,867.00	\$3,154,404.00
8	\$267,475.00	\$85,968.00	(\$85,968.00)	\$267,475.00	\$3,209,700.00
9	\$272,163.00	\$85,968.00	(\$85,968.00)	\$272,163.00	\$3,265,956.00
10	\$276,933.00	\$85,968.00	(\$85,968.00)	\$276,933.00	\$3,323,196.00
11	\$281,786.00			\$281,786.00	\$3,381,432.00
12	\$286,725.00			\$286,725.00	\$3,440,700.00
13	\$291,751.00			\$291,751.00	\$3,501,012.00
14	\$296,864.00			\$296,864.00	\$3,562,368.00
15	\$302,067.00			\$302,067.00	\$3,624,804.00
16	\$307,361.00			\$307,361.00	\$3,688,332.00
17	\$312,748.00			\$312,748.00	\$3,752,976.00
18	\$318,230.00			\$318,230.00	\$3,818,760.00
19	\$323,807.00			\$323,807.00	\$3,885,684.00
20	\$329,483.00			\$329,483.00	\$3,953,796.00
21	\$335,258.00			\$335,258.00	\$4,023,096.00
22	\$341,134.00			\$341,134.00	\$4,093,608.00
23	\$347,113.00			\$347,113.00	\$4,165,356.00
24	\$353,196.00			\$353,196.00	\$4,238,352.00
25	\$359,387.00			\$359,387.00	\$4,312,644.00
26	\$365,686.00			\$365,686.00	\$4,388,232.00
27	\$372,095.00			\$372,095.00	\$4,465,140.00
28	\$378,616.00			\$378,616.00	\$4,543,392.00
29	\$385,252.00			\$385,252.00	\$4,623,024.00
30	\$392,005.00			\$392,005.00	\$4,704,060.00
31	\$398,875.00			\$398,875.00	\$4,786,500.00
32	\$405,866.00			\$405,866.00	\$4,870,392.00
33	\$412,980.00			\$412,980.00	\$4,955,760.00
34	\$420,218.00			\$420,218.00	\$5,042,616.00
35	\$427,583.00			\$427,583.00	\$5,130,996.00
36	\$435,077.00			\$435,077.00	\$5,220,924.00
37	\$442,703.00			\$442,703.00	\$5,312,436.00
38	\$450,462.00			\$450,462.00	\$5,405,544.00
39	\$458,357.00			\$458,357.00	\$5,500,284.00
40	\$466,390.00			\$466,390.00	\$5,596,680.00
41	\$474,565.00			\$474,565.00	\$5,694,780.00
42	\$482,882.00			\$482,882.00	\$5,794,584.00
43	\$491,346.00			\$491,346.00	\$5,896,152.00
44	\$499,957.00			\$499,957.00	\$5,999,484.00
45	\$508,720.00			\$508,720.00	\$6,104,640.00
46	\$517,636.00			\$517,636.00	\$6,211,632.00
47	\$526,709.00			\$526,709.00	\$6,320,508.00
48	\$535,940.00			\$535,940.00	\$6,431,280.00
49	\$545,334.00			\$545,334.00	\$6,544,008.00
50	\$554,892.00			\$554,892.00	\$6,658,704.00

D. Section B - Supplies or Services and Prices/Costs – As a result of the changes described in Paragraph A, Section B.6 Capital Improvement Projects is revised as follows:

Project No.	Year 6 – 10 Project Name	CIP Totals
1	Muldraugh WTP Improvements	\$4,845,000.00
2	1.5 MG Old Ironsides Tank	\$5,054,000.00
3	1.5 MG Education Center Tank	\$5,060,000.00
4	Park Road 14' Main Extension	\$290,000.00
5	Automatic Flusher Installed in Dietz Area	\$13,000.00
6	Line Improvement – Gold Vault Area	\$163,000.00
7	Line Improvements - North Frazier Area	\$30,000.00
8	Line Improvements - 7th Armon Division Cut off Road	\$143,000.00
9	Decommission Central WTP and Large Diameter Mains	\$322,000.00
10	Installation of Check Valves New Education Center Tank	\$70,000.00
11	Remove Frazier Tank	\$76,000.00
12	Remove Van Voorhis Tank	\$60,000.00
13	Remove Prichard Tank	\$76,000.00
14	Automatic Flusher Installed in Dietz Area	\$13,000.00
15	Automatic Flusher Installed in Prichard Area	\$13,000.00
16	Remove HRC Tank	\$76,000.00
17	Remove Fort Knox High School Tank	\$76,000.00
18	Remove Old Ironside Tank	\$76,000.00
<b>Total:</b>		<b>\$16,293,000.00</b>

E. Section G – Contract Administration Data - As a result of the changes described in Paragraph A, Section G.5 is revised as follows:

**G.5 Accounting and Appropriation Data**

ACRN AL is hereby increased in the amount of \$644,796.35. Funds are provided under the Direct Cite MIPR Number MIPR10940300 Amendment 2 as follows:

Line of Accounting:

ACRN AL 02120172017 2020000 A2ABH 131079QDPW 2334 0010940300 S.0045978.28.3 021001			
<b>\$2,579,185.40</b>			
	MIPR10940300 dated October 25, 2016	Basic	\$1,289,592.70
		Amend 1	\$644,796.35
		<b>Amend 2</b>	<b>\$644,796.35</b>
		<b>Total</b>	<b>\$2,579,185.40</b>
<b>Breakdown</b>	<b>Funding</b>		
	P00031	On CLIN 0005 (subCLIN 0005AD)	\$490,188.00
	P00031	On CLIN 0056 (sub CLIN 0056AC)	\$799,404.70
	P00032	On CLIN 0005 (subCLIN 0005AD)	\$245,094.00
	P00032	On CLIN 0056 (sub CLIN	\$399,702.35

		0056AC)	
	<b>P00033</b>	<b>On CLIN 0005 (subCLIN 0005AD)</b>	<b>\$245,094.00</b>
	<b>P00033</b>	<b>On CLIN 0056 (sub CLIN 0056AC)</b>	<b>\$399,702.35</b>
	<b>Total Funding for ACRN AL</b>		<b>\$2,579,185.40</b>

ACRN AM is hereby established in the amount of \$516,680.00. Funds are provided under the Direct Cite MIPR Number MIPR10969832 Basic as follows:

ACRN AM 02120172017 2020000 A2ABH 131079QDPW 2334 0010969832 S.0045978.28.3 021001 <b>\$516,680.00</b>			
	MIPR10969832 dated December 27, 2016	<b>Basic</b>	<b>\$516,680.00</b>
		<b>Total</b>	<b>\$516,680.00</b>
	Funding Breakdown		
	<b>P00033</b>	<b>On CLIN 0006 (subCLIN 0006AA)</b>	<b>\$516,680.00</b>
	<b>Total Funding for ACRN AM</b>		<b>\$516,680.00</b>

F. DFARS Clause 252.232-7007 Limitation of Government's Obligation (APR 2014) is hereby updated:

1.5.4 LIMITATION OF GOVERNMENT'S OBLIGATION (APR 2014)

(a) Contract line items 0001 to 0057 are incrementally funded. For these items, the sum of \$41,342,633.46 of the total price is presently available for payment and allotted to this contract. An allotment schedule is set forth in paragraph (j) of this clause.

(b) For items identified in paragraph (a) of this clause, the Contractor agrees to perform up to the point at which the total amount payable by the Government, including reimbursement in the event of termination of those items for the Government's convenience, approximates the total amount currently allotted to the contract. The Contractor is not authorized to continue work on those items beyond that point. The Government will not be obligated in any event to reimburse the Contractor in excess of the amount allotted to the contract for those items regardless of anything to the contrary in the clause entitled "Termination for Convenience of the Government." As used in this clause, the total amount payable by the Government in the event of termination of applicable contract line items for convenience includes costs, profit, and estimated termination settlement costs for those items.

(c) Notwithstanding the dates specified in the allotment schedule in paragraph (j) of this clause, the Contractor will notify the Contracting Officer in writing at least ninety days prior to the date when, in the Contractor's best judgment, the work will reach the point at which the total amount payable by the Government, including any cost for termination for convenience, will approximate 85 percent of the total amount then allotted to the contract for performance of the applicable items. The notification will state (1) the estimated date when that point will be reached and (2) an estimate of additional funding, if any, needed to continue performance of applicable line items up to the next scheduled date for allotment of funds identified in paragraph (j) of this clause, or to a mutually agreed upon substitute date. The notification will also advise the Contracting Officer of the estimated amount of additional funds that will be required for the timely performance of the items funded pursuant to this clause, for a subsequent period as may be specified in the allotment schedule in paragraph (j) of this clause or otherwise agreed to by the parties. If after such notification additional funds are not allotted by the date identified in the Contractor's notification, or by an agreed substitute date, the Contracting Officer will terminate any items for which additional funds have not been allotted, pursuant to the clause of this contract entitled

"Termination for Convenience of the Government."

(d) When additional funds are allotted for continued performance of the contract line items identified in paragraph (a) of this clause, the parties will agree as to the period of contract performance which will be covered by the funds. The provisions of paragraphs (b) through (d) of this clause will apply in like manner to the additional allotted funds and agreed substitute date, and the contract will be modified accordingly.

(e) If, solely by reason of failure of the Government to allot additional funds, by the dates indicated below, in amounts sufficient for timely performance of the contract line items identified in paragraph (a) of this clause, the Contractor incurs additional costs or is delayed in the performance of the work under this contract and if additional funds are allotted, an equitable adjustment will be made in the price or prices (including appropriate target, billing, and ceiling prices where applicable) of the items, or in the time of delivery, or both. Failure to agree to any such equitable adjustment hereunder will be a dispute concerning a question of fact within the meaning of the clause entitled "Disputes."

(f) The Government may at any time prior to termination allot additional funds for the performance of the contract line items identified in paragraph (a) of this clause.

(g) The termination provisions of this clause do not limit the rights of the Government under the clause entitled "Default." The provisions of this clause are limited to the work and allotment of funds for the contract line items set forth in paragraph (a) of this clause. This clause no longer applies once the contract is fully funded except with regard to the rights or obligations of the parties concerning equitable adjustments negotiated under paragraphs (d) and (e) of this clause.

(h) Nothing in this clause affects the right of the Government to terminate this contract pursuant to the clause of this contract entitled "Termination for Convenience of the Government."

(i) Nothing in this clause shall be construed as authorization of voluntary services whose acceptance is otherwise prohibited under 31 U.S.C. 1342.

(j) The parties contemplate that the Government will allot funds to this contract on a yearly basis no later than 30 days prior to the next Contract Year Period of Performance.

G. The total amount obligated is increased by \$1,161,476.35 from \$40,181,157.11 to \$41,342,633.46.

H. The total value of the contract is decreased by \$158,952.00 from \$250,523,961.46 to \$250,365,009.46.

I. All other Terms and Conditions shall remain unchanged and in full force and effect.

**End of Modification**

# AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT

1. CONTRACT ID CODE	PAGE	OF	PAGES
	1		4

2. AMENDMENT/MODIFICATION NUMBER <b>P00034</b>	3. EFFECTIVE DATE See Block 16C	4. REQUISITION/PURCHASE REQUISITION NUMBER	5. PROJECT NUMBER (If applicable)
6. ISSUED BY CODE DLA ENERGY – UTILITY SERVICES 3725 JOHN J. KINGMAN ROAD, STP 10400 FORT BELVOIR, VA 22060-6222 Buyer/Symbol: Matthew Fox/DLA Energy-FEEBB PHONE: (703) 617-1421 E-MAIL: <a href="mailto:Matthew.fox@dla.mil">Matthew.fox@dla.mil</a> P.P. 8.2		7. ADMINISTERED BY (If other than Item 6) CODE	

8. NAME AND ADDRESS OF CONTRACTOR (NO., street city, county, State, and ZIP Code)  Hardin County Water District No. 1 1400 Rogersville Road Radcliff, KY 40160-9343 Phone: (270) 351-3222 ext. 208 Fax: (270) 352-3055 POC : Jim Bruce, General Manager DUNS # 130402811 CAGE #316V9	9A. AMENDMENT OF SOLICITATION NUMBER  <input type="checkbox"/>
	9B. DATED (SEE ITEM 11)
	10A. MODIFICATION OF CONTRACT/ORDER NUMBER SP0600
	10B. DATED (SEE ITEM 13)  <b>SP0600-11-C-8271</b>

**11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS**

The above numbered solicitation is amended as set forth in Item 14. The hour and date specified for receipt of Offers  is extended.  is not extended. Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended, by one of the following methods: (a) By completing items 8 and 15, and returning \_\_\_\_\_ copies of the amendment; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or electronic communication which includes a reference to the solicitation and amendment numbers. FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment you desire to change an offer already submitted, such change may be made by letter or electronic communication, provided each letter or electronic communication makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.

**12. ACCOUNTING AND APPROPRIATION DATA (If required)**  
See Section G, Accounting and Appropriation Data

**13. THIS ITEM APPLIES ONLY TO MODIFICATIONS OF CONTRACTS/ORDERS.  
IT MODIFIES THE CONTRACT/ORDER NUMBER AS DESCRIBED IN ITEM 14.**

CHECK ONE	A. THIS CHANGE ORDER IS ISSUED PURSUANT TO: (Specify authority) THE CHANGES SET FORTH IN ITEM 14 ARE MADE IN THE CONTRACT ORDER NUMBER IN ITEM 10A.
<input type="checkbox"/>	
<input checked="" type="checkbox"/>	B. THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES (such as changes in paying office, appropriation data, etc.) SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY OF FAR 43.103(b).
<input type="checkbox"/>	C. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF:
<input type="checkbox"/>	D. OTHER (Specify type of modification and authority)

**E. IMPORTANT:** Contractor  is not  is required to sign this document and return 0 copies to the issuing office.

**14. DESCRIPTION OF AMENDMENT/MODIFICATION (Organized by UCF section headings, including solicitation/contract subject matter where feasible.)**

Fort Knox, Kentucky – Utility Privatization Contract  
Potable Water Utility System  
See Additional Pages for Further Details.

Except as provided herein, all terms and conditions of the document referenced in Item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect.

15A. NAME AND TITLE OF SIGNER (Type or print)	16A. NAME AND TITLE OF CONTRACTING OFFICER (Type or print) <b>CARL SILVERSTONE, CONTRACTING OFFICER</b>		
15B. CONTRACTOR/OFFEROR  (Signature of person authorized to sign)	15C. DATE SIGNED	16B. UNITED STATES OF AMERICA SILVERSTONE.CARL.1377023044 <small>Digitally signed by SILVERSTONE.CARL.1377023044 Date: 2017.03.30 15:51:29 -0400</small>	16C. DATE SIGNED <b>March 30, 2017</b>

Previous edition unusable

A. The purpose of this modification is to:

- 1) Increase subCLIN 0006AA for Contract Year 6's MUSC. Funding is provided in the amount of \$245,094.00 for April 1, 2017 to April 31, 2017 (Months 63) under ACRN AM.

B. Section B - Supplies or Services and Prices/Costs – As a result of the changes described in Paragraph A, Section B.3 is revised as follows:

- (1) B.3. Schedule is hereby modified to reflect the increased funding of SubCLINs 0006AA:

**B.3 Schedule**

Utility Service Payment by the Government

**subCLIN 0006AA is hereby increased:**

0006	Monthly Utility Service Charge -Year 6	Qty	Unit	Unit Price	Total Price
0006AA	Month 61-72 ACRN: AM (\$735,282.00) Period of performance: February 1, 2017 – January 31, 2018	12	Mo	\$245,094.00	\$2,914,128.00

C. Section G – Contract Administration Data - As a result of the changes described in Paragraph A, Section G.5 is revised as follows:

**G.5 Accounting and Appropriation Data**

ACRN AM is hereby increased in the amount of \$245,094.00. Funds are provided under the Direct Cite MIPR Number MIPR10940300 Amendment 2 as follows:

Line of Accounting:

ACRN AM is hereby increased by the amount of \$245,094.00. Funds are provided under the Direct Cite MIPR Number MIPR10969832 as follows:

ACRN AM 02120172017 2020000 A2ABH 131079QDPW 2334 0010969832 S.0045978.28.3 021001			
<b>\$761,094.00</b>			
	MIPR10969832 dated December 27, 2016	<b>Basic</b>	\$516,680.00
	MIPR10969832 dated March 21, 2017	<b>Amend 1-1</b>	<b>\$245,094.00</b>
		<b>Total</b>	<b>\$761,774.00</b>
Funding Breakdown			
	<b>P00033</b>	<b>On CLIN 0006 (subCLIN 0006AA)</b>	\$516,680.00
	<b>P00034</b>	<b>On CLIN 0006 (subCLIN 0006AA)</b>	<b>\$245,094.00</b>
	<b>Total Funding for ACRN AM</b>		<b>\$761,774.00</b>

D. DFARS Clause 252.232-7007 Limitation of Government's Obligation (APR 2014) is hereby updated:



I.5.4 LIMITATION OF GOVERNMENT'S OBLIGATION (APR 2014)

(a) Contract line items 0001 to 0057 are incrementally funded. For these items, the sum of \$41,587,727.46 of the total price is presently available for payment and allotted to this contract. An allotment schedule is set forth in paragraph (j) of this clause.

(b) For items identified in paragraph (a) of this clause, the Contractor agrees to perform up to the point at which the total amount payable by the Government, including reimbursement in the event of termination of those items for the Government's convenience, approximates the total amount currently allotted to the contract. The Contractor is not authorized to continue work on those items beyond that point. The Government will not be obligated in any event to reimburse the Contractor in excess of the amount allotted to the contract for those items regardless of anything to the contrary in the clause entitled "Termination for Convenience of the Government." As used in this clause, the total amount payable by the Government in the event of termination of applicable contract line items for convenience includes costs, profit, and estimated termination settlement costs for those items.

(c) Notwithstanding the dates specified in the allotment schedule in paragraph (j) of this clause, the Contractor will notify the Contracting Officer in writing at least ninety days prior to the date when, in the Contractor's best judgment, the work will reach the point at which the total amount payable by the Government, including any cost for termination for convenience, will approximate 85 percent of the total amount then allotted to the contract for performance of the applicable items. The notification will state (1) the estimated date when that point will be reached and (2) an estimate of additional funding, if any, needed to continue performance of applicable line items up to the next scheduled date for allotment of funds identified in paragraph (j) of this clause, or to a mutually agreed upon substitute date. The notification will also advise the Contracting Officer of the estimated amount of additional funds that will be required for the timely performance of the items funded pursuant to this clause, for a subsequent period as may be specified in the allotment schedule in paragraph (j) of this clause or otherwise agreed to by the parties. If after such notification additional funds are not allotted by the date identified in the Contractor's notification, or by an agreed substitute date, the Contracting Officer will terminate any items for which additional funds have not been allotted, pursuant to the clause of this contract entitled "Termination for Convenience of the Government."

(d) When additional funds are allotted for continued performance of the contract line items identified in paragraph (a) of this clause, the parties will agree as to the period of contract performance which will be covered by the funds. The provisions of paragraphs (b) through (d) of this clause will apply in like manner to the additional allotted funds and agreed substitute date, and the contract will be modified accordingly.

(e) If, solely by reason of failure of the Government to allot additional funds, by the dates indicated below, in amounts sufficient for timely performance of the contract line items identified in paragraph (a) of this clause, the Contractor incurs additional costs or is delayed in the performance of the work under this contract and if additional funds are allotted, an equitable adjustment will be made in the price or prices (including appropriate target, billing, and ceiling prices where applicable) of the items, or in the time of delivery, or both. Failure to agree to any such equitable adjustment hereunder will be a dispute concerning a question of fact within the meaning of the clause entitled "Disputes."

(f) The Government may at any time prior to termination allot additional funds for the performance of the contract line items identified in paragraph (a) of this clause.

(g) The termination provisions of this clause do not limit the rights of the Government under the clause entitled "Default." The provisions of this clause are limited to the work and allotment of funds for the contract line items set forth in paragraph (a) of this clause. This clause no longer applies once the contract is fully funded except with regard to the rights or obligations of the parties concerning equitable adjustments negotiated under paragraphs (d) and (e) of this clause.

(h) Nothing in this clause affects the right of the Government to terminate this contract pursuant to the clause of this contract entitled "Termination for Convenience of the Government."

(i) Nothing in this clause shall be construed as authorization of voluntary services whose acceptance is otherwise prohibited under 31 U.S.C. 1342.

(j) The parties contemplate that the Government will allot funds to this contract on a yearly basis no later than 30 days prior to the next Contract Year Period of Performance.

E. The total amount obligated is increased by \$245,094.00 from \$41,342,633.46 to \$41,587,727.46.

F. The total value of the contract remains unchanged at \$250,365,009.46.

G. All other Terms and Conditions shall remain unchanged and in full force and effect.

**End of Modification**

# AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT

1. CONTRACT ID CODE	PAGE	OF PAGES
	1	4

2. AMENDMENT/MODIFICATION NUMBER <b>P00035</b>	3. EFFECTIVE DATE See Block 16C	4. REQUISITION/PURCHASE REQUISITION NUMBER	5. PROJECT NUMBER (If applicable)
6. ISSUED BY DLA ENERGY – UTILITY SERVICES 8725 JOHN J. KINGMAN ROAD, STP 10400 FORT BELVOIR, VA 22060-6222 Buyer/Symbol: Rosa Holbrook/DLA Energy-FEEBA PHONE: (703) 617-9656 E-MAIL: <a href="mailto:Rosa.Holbrook@dla.mil">Rosa.Holbrook@dla.mil</a> P.P. 8.2	CODE <b>SP0600</b>	7. ADMINISTERED BY (If other than Item 6) CODE	

8. NAME AND ADDRESS OF CONTRACTOR (NO., street city, county, State ,and ZIP Code)  Hardin County Water District No. 1 1400 Rogersville Road Radcliff, KY 40160-9343 Phone: (270) 351-3222 ext. 208 Fax: (270) 352-3055 POC : Jim Bruce, General Manager DUNS # 130402811 CAGE #316V9	9A. AMENDMENT OF SOLICITATION NUMBER
	9B. DATED (SEE ITEM 11)
	10A. MODIFICATION OF CONTRACT/ORDER NUMBER SP0600
	10B. DATED (SEE ITEM 13)  <b>SP0600-11-C-8271</b>

**11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS**

The above numbered solicitation is amended as set forth in Item 14. The hour and date specified for receipt of Offers  is extended.  is not extended. Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended, by one of the following methods:  
 (a) By completing items 8 and 15, and returning \_\_\_\_\_ copies of the amendment; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or electronic communication which includes a reference to the solicitation and amendment numbers. FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment you desire to change an offer already submitted, such change may be made by letter or electronic communication, provided each letter or electronic communication makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.

**12. ACCOUNTING AND APPROPRIATION DATA (If required)**  
See Section G, Accounting and Appropriation Data

**13. THIS ITEM APPLIES ONLY TO MODIFICATIONS OF CONTRACTS/ORDERS.  
IT MODIFIES THE CONTRACT/ORDER NUMBER AS DESCRIBED IN ITEM 14.**

ECK ONE	A. THIS CHANGE ORDER IS ISSUED PURSUANT TO: (Specify authority) THE CHANGES SET FORTH IN ITEM 14 ARE MADE IN THE CONTRACT ORDER NUMBER IN ITEM 10A.
<input type="checkbox"/>	
<input checked="" type="checkbox"/>	B. THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES (such as changes in paying office, appropriation data, etc.) SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY OF FAR 43.103(b).
<input type="checkbox"/>	C. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF:
<input type="checkbox"/>	D. OTHER (Specify type of modification and authority)

**E. IMPORTANT:** Contractor  is not  is required to sign this document and return 0 copies to the issuing office.

**14. DESCRIPTION OF AMENDMENT/MODIFICATION (Organized by UCF section headings, including solicitation/contract subject matter where feasible.)**

Fort Knox, Kentucky – Utility Privatization Contract  
Potable Water Utility System  
See Additional Pages for Further Details.

Except as provided herein, all terms and conditions of the document referenced in Item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect.

15A. NAME AND TITLE OF SIGNER (Type or print)	16A. NAME AND TITLE OF CONTRACTING OFFICER (Type or print) <b>CARL SILVERSTONE, CONTRACTING OFFICER</b>		
15B. CONTRACTOR/OFFEROR	15C. DATE SIGNED	16B. UNITED STATES OF AMERICA SILVERSTONE.CARL.1377023044 <small>Digitally signed by SILVERSTONE.CARL.1377023044 Date: 2017.05.10 13:49:40 -0400</small>	16C. DATE SIGNED <b>May 10, 2017</b>
(Signature of person authorized to sign)		(Signature of Contracting Officer)	

Previous edition unusable

A. The purpose of this modification is to:

- 1) Provide funding to subCLIN 0006AA for Contract Year 6's MUSC. Funding is provided in the amount of \$490,188.00 for May 1, 2017 to June 30, 2017 (Months 64-65) under ACRN AM.
- 2) Revise Section G "G.5 Accounting and Appropriation Data" to reflect the more accurate amendment number 1-1.

B. Section B - Supplies or Services and Prices/Costs – As a result of the changes described in Paragraph A, Section B.3 is revised as follows:

(1) B.3. Schedule is hereby modified to reflect the increased funding of SubCLINs 0006AA:

**B.3 Schedule**

Utility Service Payment by the Government

subCLIN 0006AA is hereby updated as follows:

0006	Monthly Utility Service Charge -Year 6	Qty	Unit	Unit Price	Total Price
0006AA	Month 61-72 ACRN: AM (\$1,251,962.00) Period of performance: February 1, 2017 – January 31, 2018	12	Mo	\$245,094.00	\$2,914,128.00

C. Section G – Contract Administration Data - As a result of the changes described in Paragraph A, Section G.5 is revised as follows:

**G.5 Accounting and Appropriation Data**

ACRN AM is hereby funded in the amount of \$490,188.00. Funds are provided under the Direct Cite MIPR Number MIPR10940300 Amendment 2 as follows:

Line of Accounting:

ACRN AM is hereby increased by the amount of \$490,188.00. Funds are provided under the Direct Cite MIPR Number MIPR10969832 as follows:

ACRN AM 02120172017 2020000 A2ABH 131079QDPW 2334 0010969832 S.0045978.28.3 021001			
<b>\$1,251,962.00</b>			
	MIPR10969832 dated December 27, 2016	<b>Basic</b>	\$516,680.00
	MIPR10969832 dated March 21, 2017	<b>Amend 1-1</b>	\$245,094.00
	MIPR10969832 dated April 28, 2017	<b>Amend 2</b>	\$490,188.00
		<b>Total</b>	<b>\$1,251,962.00</b>
	Funding Breakdown		
	<b>P00033</b>	<b>On CLIN 0006 (subCLIN 0006AA)</b>	\$516,680.00

	<b>P00034</b>	<b>On CLIN 0006 (subCLIN 0006AA)</b>	<b>\$245,094.00</b>
	<b>P00035</b>	<b>On CLIN 0006 (subCLIN 0006AA)</b>	<b>\$490,188.00</b>
	<b>Total Funding for ACRN AM</b>		<b>\$1,251,962.00</b>

D. DFARS Clause 252.232-7007 Limitation of Government's Obligation (APR 2014) is hereby updated:

1.5.4 LIMITATION OF GOVERNMENT'S OBLIGATION (APR 2014)

(a) Contract line items 0001 to 0057 are incrementally funded. For these items, the sum of \$42,077,915.46 of the total price is presently available for payment and allotted to this contract. An allotment schedule is set forth in paragraph (j) of this clause.

(b) For items identified in paragraph (a) of this clause, the Contractor agrees to perform up to the point at which the total amount payable by the Government, including reimbursement in the event of termination of those items for the Government's convenience, approximates the total amount currently allotted to the contract. The Contractor is not authorized to continue work on those items beyond that point. The Government will not be obligated in any event to reimburse the Contractor in excess of the amount allotted to the contract for those items regardless of anything to the contrary in the clause entitled "Termination for Convenience of the Government." As used in this clause, the total amount payable by the Government in the event of termination of applicable contract line items for convenience includes costs, profit, and estimated termination settlement costs for those items.

(c) Notwithstanding the dates specified in the allotment schedule in paragraph (j) of this clause, the Contractor will notify the Contracting Officer in writing at least ninety days prior to the date when, in the Contractor's best judgment, the work will reach the point at which the total amount payable by the Government, including any cost for termination for convenience, will approximate 85 percent of the total amount then allotted to the contract for performance of the applicable items. The notification will state (1) the estimated date when that point will be reached and (2) an estimate of additional funding, if any, needed to continue performance of applicable line items up to the next scheduled date for allotment of funds identified in paragraph (j) of this clause, or to a mutually agreed upon substitute date. The notification will also advise the Contracting Officer of the estimated amount of additional funds that will be required for the timely performance of the items funded pursuant to this clause, for a subsequent period as may be specified in the allotment schedule in paragraph (j) of this clause or otherwise agreed to by the parties. If after such notification additional funds are not allotted by the date identified in the Contractor's notification, or by an agreed substitute date, the Contracting Officer will terminate any items for which additional funds have not been allotted, pursuant to the clause of this contract entitled "Termination for Convenience of the Government."

(d) When additional funds are allotted for continued performance of the contract line items identified in paragraph (a) of this clause, the parties will agree as to the period of contract performance which will be covered by the funds. The provisions of paragraphs (b) through (d) of this clause will apply in like manner to the additional allotted funds and agreed substitute date, and the contract will be modified accordingly.

(e) If, solely by reason of failure of the Government to allot additional funds, by the dates indicated below, in amounts sufficient for timely performance of the contract line items identified in paragraph (a) of this clause, the Contractor incurs additional costs or is delayed in the performance of the work under this contract and if additional funds are allotted, an equitable adjustment will be made in the price or prices (including appropriate target, billing, and ceiling prices where applicable) of the items, or in the time of delivery, or both. Failure to agree to any such equitable adjustment hereunder will be a dispute concerning a question of fact within the meaning of the clause entitled "Disputes."

(f) The Government may at any time prior to termination allot additional funds for the performance of the contract line items identified in paragraph (a) of this clause.

(g) The termination provisions of this clause do not limit the rights of the Government under the clause entitled "Default." The provisions of this clause are limited to the work and allotment of funds for the contract line items set forth in paragraph (a) of this clause. This clause no longer applies once the contract is fully funded except with regard to the rights or obligations of the parties concerning equitable adjustments negotiated under paragraphs (d) and (e) of this clause.

(h) Nothing in this clause affects the right of the Government to terminate this contract pursuant to the clause of this contract entitled "Termination for Convenience of the Government."

(i) Nothing in this clause shall be construed as authorization of voluntary services whose acceptance is otherwise prohibited under 31 U.S.C. 1342.

(j) The parties contemplate that the Government will allot funds to this contract on a yearly basis no later than 30 days prior to the next Contract Year Period of Performance.

E. The total amount obligated is increased by \$490,188.00 from \$41,587,727.46 to \$42,077,915.46.

F. The total value of the contract remains unchanged at \$250,365,009.46.

G. All other Terms and Conditions shall remain unchanged and in full force and effect.

**End of Modification**

# AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT

1. CONTRACT ID CODE	PAGE	OF PAGES
	1	4

2. AMENDMENT/MODIFICATION NUMBER <b>P00035</b>	3. EFFECTIVE DATE See Block 16C	4. REQUISITION/PURCHASE REQUISITION NUMBER	5. PROJECT NUMBER (If applicable)
6. ISSUED BY DLA ENERGY – UTILITY SERVICES 8725 JOHN J. KINGMAN ROAD, STP 10400 FORT BELVOIR, VA 22060-6222 Buyer/Symbol: Rosa Holbrook/DLA Energy-FEEBA PHONE: (703) 617-9656 E-MAIL: <a href="mailto:Rosa.Holbrook@dla.mil">Rosa.Holbrook@dla.mil</a> P.P. 8.2	CODE <b>SP0600</b>	7. ADMINISTERED BY (If other than Item 6) CODE	

8. NAME AND ADDRESS OF CONTRACTOR (NO., street city, county, State ,and ZIP Code)  Hardin County Water District No. 1 1400 Rogersville Road Radcliff, KY 40160-9343 Phone: (270) 351-3222 ext. 208 Fax: (270) 352-3055 POC : Jim Bruce, General Manager DUNS # 130402811 CAGE #316V9	9A. AMENDMENT OF SOLICITATION NUMBER
	9B. DATED (SEE ITEM 11)
	10A. MODIFICATION OF CONTRACT/ORDER NUMBER <b>SP0600</b>
	10B. DATED (SEE ITEM 13) <b>SP0600-11-C-8271</b>

**11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS**

The above numbered solicitation is amended as set forth in Item 14. The hour and date specified for receipt of Offers  is extended.  is not extended. Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended, by one of the following methods:  
 (a) By completing items 8 and 15, and returning \_\_\_\_\_ copies of the amendment; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or electronic communication which includes a reference to the solicitation and amendment numbers. FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment you desire to change an offer already submitted, such change may be made by letter or electronic communication, provided each letter or electronic communication makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.

**12. ACCOUNTING AND APPROPRIATION DATA (If required)**  
See Section G, Accounting and Appropriation Data

**13. THIS ITEM APPLIES ONLY TO MODIFICATIONS OF CONTRACTS/ORDERS.  
IT MODIFIES THE CONTRACT/ORDER NUMBER AS DESCRIBED IN ITEM 14.**

ECK ONE	A. THIS CHANGE ORDER IS ISSUED PURSUANT TO: (Specify authority) THE CHANGES SET FORTH IN ITEM 14 ARE MADE IN THE CONTRACT ORDER NUMBER IN ITEM 10A.
<input type="checkbox"/>	
<input checked="" type="checkbox"/>	B. THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES (such as changes in paying office, appropriation data, etc.) SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY OF FAR 43.103(b).
<input type="checkbox"/>	C. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF:
<input type="checkbox"/>	D. OTHER (Specify type of modification and authority)

**E. IMPORTANT:** Contractor  is not  is required to sign this document and return 0 copies to the issuing office.

**14. DESCRIPTION OF AMENDMENT/MODIFICATION (Organized by UCF section headings, including solicitation/contract subject matter where feasible.)**

Fort Knox, Kentucky – Utility Privatization Contract  
Potable Water Utility System  
See Additional Pages for Further Details.

Except as provided herein, all terms and conditions of the document referenced in Item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect.

15A. NAME AND TITLE OF SIGNER (Type or print)	16A. NAME AND TITLE OF CONTRACTING OFFICER (Type or print) <b>CARL SILVERSTONE, CONTRACTING OFFICER</b>		
15B. CONTRACTOR/OFFEROR	15C. DATE SIGNED	16B. UNITED STATES OF AMERICA SILVERSTONE.CARL.1377023044 <small>Digitally signed by SILVERSTONE.CARL.1377023044 Date: 2017.05.10 13:49:40 -0400</small>	16C. DATE SIGNED <b>May 10, 2017</b>
(Signature of person authorized to sign)		(Signature of Contracting Officer)	

Previous edition unusable

A. The purpose of this modification is to:

- 1) Provide funding to subCLIN 0006AA for Contract Year 6's MUSC. Funding is provided in the amount of \$490,188.00 for May 1, 2017 to June 30, 2017 (Months 64-65) under ACRN AM.
- 2) Revise Section G "G.5 Accounting and Appropriation Data" to reflect the more accurate amendment number 1-1.

B. Section B - Supplies or Services and Prices/Costs – As a result of the changes described in Paragraph A, Section B.3 is revised as follows:

(1) B.3. Schedule is hereby modified to reflect the increased funding of SubCLINs 0006AA:

**B.3 Schedule**

Utility Service Payment by the Government

subCLIN 0006AA is hereby updated as follows:

0006	Monthly Utility Service Charge -Year 6	Qty	Unit	Unit Price	Total Price
0006AA	Month 61-72 ACRN: AM (\$1,251,962.00) Period of performance: February 1, 2017 – January 31, 2018	12	Mo	\$245,094.00	\$2,914,128.00

C. Section G – Contract Administration Data - As a result of the changes described in Paragraph A, Section G.5 is revised as follows:

**G.5 Accounting and Appropriation Data**

ACRN AM is hereby funded in the amount of \$490,188.00. Funds are provided under the Direct Cite MIPR Number MIPR10940300 Amendment 2 as follows:

Line of Accounting:

ACRN AM is hereby increased by the amount of \$490,188.00. Funds are provided under the Direct Cite MIPR Number MIPR10969832 as follows:

ACRN AM 02120172017 2020000 A2ABH 131079QDPW 2334 0010969832 S.0045978.28.3 021001			
<b>\$1,251,962.00</b>			
	MIPR10969832 dated December 27, 2016	<b>Basic</b>	\$516,680.00
	MIPR10969832 dated March 21, 2017	<b>Amend 1-1</b>	\$245,094.00
	MIPR10969832 dated April 28, 2017	<b>Amend 2</b>	\$490,188.00
		<b>Total</b>	<b>\$1,251,962.00</b>
Funding Breakdown			
	<b>P00033</b>	<b>On CLIN 0006 (subCLIN 0006AA)</b>	\$516,680.00



	<b>P00034</b>	<b>On CLIN 0006 (subCLIN 0006AA)</b>	<b>\$245,094.00</b>
	<b>P00035</b>	<b>On CLIN 0006 (subCLIN 0006AA)</b>	<b>\$490,188.00</b>
	<b>Total Funding for ACRN AM</b>		<b>\$1,251,962.00</b>

D. DFARS Clause 252.232-7007 Limitation of Government's Obligation (APR 2014) is hereby updated:

1.5.4 LIMITATION OF GOVERNMENT'S OBLIGATION (APR 2014)

(a) Contract line items 0001 to 0057 are incrementally funded. For these items, the sum of \$42,077,915.46 of the total price is presently available for payment and allotted to this contract. An allotment schedule is set forth in paragraph (j) of this clause.

(b) For items identified in paragraph (a) of this clause, the Contractor agrees to perform up to the point at which the total amount payable by the Government, including reimbursement in the event of termination of those items for the Government's convenience, approximates the total amount currently allotted to the contract. The Contractor is not authorized to continue work on those items beyond that point. The Government will not be obligated in any event to reimburse the Contractor in excess of the amount allotted to the contract for those items regardless of anything to the contrary in the clause entitled "Termination for Convenience of the Government." As used in this clause, the total amount payable by the Government in the event of termination of applicable contract line items for convenience includes costs, profit, and estimated termination settlement costs for those items.

(c) Notwithstanding the dates specified in the allotment schedule in paragraph (j) of this clause, the Contractor will notify the Contracting Officer in writing at least ninety days prior to the date when, in the Contractor's best judgment, the work will reach the point at which the total amount payable by the Government, including any cost for termination for convenience, will approximate 85 percent of the total amount then allotted to the contract for performance of the applicable items. The notification will state (1) the estimated date when that point will be reached and (2) an estimate of additional funding, if any, needed to continue performance of applicable line items up to the next scheduled date for allotment of funds identified in paragraph (j) of this clause, or to a mutually agreed upon substitute date. The notification will also advise the Contracting Officer of the estimated amount of additional funds that will be required for the timely performance of the items funded pursuant to this clause, for a subsequent period as may be specified in the allotment schedule in paragraph (j) of this clause or otherwise agreed to by the parties. If after such notification additional funds are not allotted by the date identified in the Contractor's notification, or by an agreed substitute date, the Contracting Officer will terminate any items for which additional funds have not been allotted, pursuant to the clause of this contract entitled "Termination for Convenience of the Government."

(d) When additional funds are allotted for continued performance of the contract line items identified in paragraph (a) of this clause, the parties will agree as to the period of contract performance which will be covered by the funds. The provisions of paragraphs (b) through (d) of this clause will apply in like manner to the additional allotted funds and agreed substitute date, and the contract will be modified accordingly.

(e) If, solely by reason of failure of the Government to allot additional funds, by the dates indicated below, in amounts sufficient for timely performance of the contract line items identified in paragraph (a) of this clause, the Contractor incurs additional costs or is delayed in the performance of the work under this contract and if additional funds are allotted, an equitable adjustment will be made in the price or prices (including appropriate target, billing, and ceiling prices where applicable) of the items, or in the time of delivery, or both. Failure to agree to any such equitable adjustment hereunder will be a dispute concerning a question of fact within the meaning of the clause entitled "Disputes."

(f) The Government may at any time prior to termination allot additional funds for the performance of the contract line items identified in paragraph (a) of this clause.

(g) The termination provisions of this clause do not limit the rights of the Government under the clause entitled "Default." The provisions of this clause are limited to the work and allotment of funds for the contract line items set forth in paragraph (a) of this clause. This clause no longer applies once the contract is fully funded except with regard to the rights or obligations of the parties concerning equitable adjustments negotiated under paragraphs (d) and (e) of this clause.

(h) Nothing in this clause affects the right of the Government to terminate this contract pursuant to the clause of this contract entitled "Termination for Convenience of the Government."

(i) Nothing in this clause shall be construed as authorization of voluntary services whose acceptance is otherwise prohibited under 31 U.S.C. 1342.

(j) The parties contemplate that the Government will allot funds to this contract on a yearly basis no later than 30 days prior to the next Contract Year Period of Performance.

E. The total amount obligated is increased by \$490,188.00 from \$41,587,727.46 to \$42,077,915.46.

F. The total value of the contract remains unchanged at \$250,365,009.46.

G. All other Terms and Conditions shall remain unchanged and in full force and effect.

**End of Modification**

2. AMENDMENT/MODIFICATION NUMBER <b>P00036</b>	3. EFFECTIVE DATE See Block 16C	4. REQUISITION/PURCHASE REQUISITION NUMBER	5. PROJECT NUMBER (If applicable)
6. ISSUED BY DLA ENERGY – UTILITY SERVICES 8725 JOHN J. KINGMAN ROAD, STP 10400 FORT BELVOIR, VA 22060-6222 Buyer/Symbol: Rosa Holbrook/DLA Energy-FEEBA PHONE: (703) 617-9656 E-MAIL: <a href="mailto:Rosa.Holbrook@dla.mil">Rosa.Holbrook@dla.mil</a> P.P. 8.2	CODE <b>SP0600</b>	7. ADMINISTERED BY (If other than Item 6) CODE	

8. NAME AND ADDRESS OF CONTRACTOR (NO., street city, county, State, and ZIP Code)  Hardin County Water District No. 1 1400 Rogersville Road Radcliff, KY 40160-9343 Phone: (270) 351-3222 ext. 208 Fax: (270) 352-3055 POC : Jim Bruce, General Manager DUNS # 130402811 CAGE #316V9	9A. AMENDMENT OF SOLICITATION NUMBER  <input type="checkbox"/>
	9B. DATED (SEE ITEM 11)  <input type="checkbox"/>
	10A. MODIFICATION OF CONTRACT/ORDER NUMBER SP0600 <input checked="" type="checkbox"/>
	10B. DATED (SEE ITEM 13)  SP0600-11-C-8271

**11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS**

The above numbered solicitation is amended as set forth in Item 14. The hour and date specified for receipt of Offers  is extended.  is not extended. Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended, by one of the following methods:  
(a) By completing items 8 and 15, and returning \_\_\_\_\_ copies of the amendment; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or electronic communication which includes a reference to the solicitation and amendment numbers. FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment you desire to change an offer already submitted, such change may be made by letter or electronic communication, provided each letter or electronic communication makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.

12. ACCOUNTING AND APPROPRIATION DATA (If required)  
See Section G, Accounting and Appropriation Data

**13. THIS ITEM APPLIES ONLY TO MODIFICATIONS OF CONTRACTS/ORDERS. IT MODIFIES THE CONTRACT/ORDER NUMBER AS DESCRIBED IN ITEM 14.**

CHECK ONE	A. THIS CHANGE ORDER IS ISSUED PURSUANT TO: (Specify authority) THE CHANGES SET FORTH IN ITEM 14 ARE MADE IN THE CONTRACT ORDER NUMBER IN ITEM 10A.
<input type="checkbox"/>	
<input type="checkbox"/>	B. THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES (such as changes in paying office, appropriation data, etc.) SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY OF FAR 43.103(b).
<input checked="" type="checkbox"/>	C. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF: FAR 52.243-1 ALT 1 Changes--Fixed Price
<input type="checkbox"/>	D. OTHER (Specify type of modification and authority)

**E. IMPORTANT:** Contractor  is not  is required to sign this document and return 1 copies to the issuing office.

**14. DESCRIPTION OF AMENDMENT/MODIFICATION (Organized by UCF section headings, including solicitation/contract subject matter where feasible.)**

Fort Knox, Kentucky – Utility Privatization Contract  
Potable Water Utility System  
See Additional Pages for Further Details.

Except as provided herein, all terms and conditions of the document referenced in Item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect.

15A. NAME AND TITLE OF SIGNER (Type or print) <b>JIM BRUCE, GENERAL MANAGER</b>	16A. NAME AND TITLE OF CONTRACTING OFFICER (Type or print) <b>CARL SILVERSTONE, CONTRACTING OFFICER</b>
15B. CONTRACTOR/OFFEROR  (Signature of person authorized to sign)	16B. UNITED STATES OF AMERICA Digitally signed by SILVERSTONE CARL 1377023044 (Signature of Contracting Officer)
15C. DATE SIGNED <b>16-JUN-2017</b>	16C. DATE SIGNED <b>June 16, 2017</b>

Previous edition unusable

A. The purpose of this modification is to:

- 1) Provide funding to subCLIN 0006AA for Contract Year 6's Monthly Utility Service Charge (MUSC). Funding is provided in the amount of \$735,282.00 for July 1, 2017 to September 30, 2017 (Months 66-68) under ACRN AM
- 2) Remove DFARS 252.204-7012, *Safeguarding Unclassified Controlled Technical Information (Nov 2013)* from section I.3 DFARS Clauses Incorporated by Reference
- 3) Add DFARS 252.204-7012, *Safeguarding Covered Defense Information and Cyber Incident Reporting (Oct 2016)* to Section I.5 Other Clauses as I.5.5 *Safeguarding Covered Defense Information and Cyber Incident Reporting*.

B. Section B - Supplies or Services and Prices/Costs – As a result of the changes described in Paragraph A, Section B.3 is revised as follows:

- (1) B.3. Schedule is hereby modified to reflect the increased funding of SubCLINs 0006AA:

**B.3 Schedule**

Utility Service Payment by the Government

**subCLIN 0006AA is hereby updated as follows:**

0006	Monthly Utility Service Charge -Year 6	Qty	Unit	Unit Price	Total Price
0006AA	Month 61-72 ACRN: AM (\$1,987,244.00) Period of performance: February 1, 2017 – January 31, 2018	12	Mo	\$245,094.00	\$2,914,128.00

C. Section G – Contract Administration Data - As a result of the changes described in Paragraph A, Section G.5 is revised as follows:

**G.5 Accounting and Appropriation Data**

ACRN AM is hereby funded in the amount of \$735,282.00. Funds are provided under the Direct Cite MIPR Number MIPR0010969832 Amendment 3 as follows:

Line of Accounting:

ACRN AM is hereby increased by the amount of \$735,282.00. Funds are provided under the Direct Cite MIPR Number MIPR10969832 as follows:

ACRN AM 02120172017 2020000 A2ABH 131079QDPW 2334 0010969832 S.0045978.28.3 021001			
<b>\$1,987,244.00</b>			
	MIPR10969832 dated December 27, 2016	<b>Basic</b>	\$516,680.00
	MIPR10969832 dated March 21, 2017	<b>Amend 1-1</b>	<b>\$245,094.00</b>
	MIPR10969832 dated April 28, 2017	<b>Amend 2</b>	<b>\$490,188.00</b>
	MIPR10969832 dated June 8, 2017	<b>Amend 3</b>	<b>\$735,282.00</b>

		Total	\$1,987,244.00
Funding Breakdown			
P00033	On CLIN 0006 (subCLIN 0006AA)		\$516,680.00
P00034	On CLIN 0006 (subCLIN 0006AA)		\$245,094.00
P00035	On CLIN 0006 (subCLIN 0006AA)		\$490,188.00
P00036	On CLIN 0006 (subCLIN 0006AA)		\$735,282.00
<b>Total Funding for ACRN AM</b>			<b>\$1,987,244.00</b>

D. DFARS Clause 252.232-7007 Limitation of Government's Obligation (APR 2014) is hereby updated:

1.5.4 LIMITATION OF GOVERNMENT'S OBLIGATION (APR 2014)

(a) Contract line items 0001 to 0057 are incrementally funded. For these items, the sum of \$42,813,197.46 of the total price is presently available for payment and allotted to this contract. An allotment schedule is set forth in paragraph (j) of this clause.

(b) For items identified in paragraph (a) of this clause, the Contractor agrees to perform up to the point at which the total amount payable by the Government, including reimbursement in the event of termination of those items for the Government's convenience, approximates the total amount currently allotted to the contract. The Contractor is not authorized to continue work on those items beyond that point. The Government will not be obligated in any event to reimburse the Contractor in excess of the amount allotted to the contract for those items regardless of anything to the contrary in the clause entitled "Termination for Convenience of the Government." As used in this clause, the total amount payable by the Government in the event of termination of applicable contract line items for convenience includes costs, profit, and estimated termination settlement costs for those items.

(c) Notwithstanding the dates specified in the allotment schedule in paragraph (j) of this clause, the Contractor will notify the Contracting Officer in writing at least ninety days prior to the date when, in the Contractor's best judgment, the work will reach the point at which the total amount payable by the Government, including any cost for termination for convenience, will approximate 85 percent of the total amount then allotted to the contract for performance of the applicable items. The notification will state (1) the estimated date when that point will be reached and (2) an estimate of additional funding, if any, needed to continue performance of applicable line items up to the next scheduled date for allotment of funds identified in paragraph (j) of this clause, or to a mutually agreed upon substitute date. The notification will also advise the Contracting Officer of the estimated amount of additional funds that will be required for the timely performance of the items funded pursuant to this clause, for a subsequent period as may be specified in the allotment schedule in paragraph (j) of this clause or otherwise agreed to by the parties. If after such notification additional funds are not allotted by the date identified in the Contractor's notification, or by an agreed substitute date, the Contracting Officer will terminate any items for which additional funds have not been allotted, pursuant to the clause of this contract entitled "Termination for Convenience of the Government."

(d) When additional funds are allotted for continued performance of the contract line items identified in paragraph (a) of this clause, the parties will agree as to the period of contract performance which will be covered by the funds. The provisions of paragraphs (b) through (d) of this clause will apply in like manner to the additional allotted funds and agreed substitute date, and the contract will be modified accordingly.

(e) If, solely by reason of failure of the Government to allot additional funds, by the dates indicated

below, in amounts sufficient for timely performance of the contract line items identified in paragraph (a) of this clause, the Contractor incurs additional costs or is delayed in the performance of the work under this contract and if additional funds are allotted, an equitable adjustment will be made in the price or prices (including appropriate target, billing, and ceiling prices where applicable) of the items, or in the time of delivery, or both. Failure to agree to any such equitable adjustment hereunder will be a dispute concerning a question of fact within the meaning of the clause entitled "Disputes."

(f) The Government may at any time prior to termination allot additional funds for the performance of the contract line items identified in paragraph (a) of this clause.

(g) The termination provisions of this clause do not limit the rights of the Government under the clause entitled "Default." The provisions of this clause are limited to the work and allotment of funds for the contract line items set forth in paragraph (a) of this clause. This clause no longer applies once the contract is fully funded except with regard to the rights or obligations of the parties concerning equitable adjustments negotiated under paragraphs (d) and (e) of this clause.

(h) Nothing in this clause affects the right of the Government to terminate this contract pursuant to the clause of this contract entitled "Termination for Convenience of the Government."

(i) Nothing in this clause shall be construed as authorization of voluntary services whose acceptance is otherwise prohibited under 31 U.S.C. 1342.

(j) The parties contemplate that the Government will allot funds to this contract on a yearly basis no later than 30 days prior to the next Contract Year Period of Performance.

(End of clause)

E. Section I is hereby updated with the following clause 252.204-7012 (Oct 2016) under I.5.5  
SAFEGUARDING COVERED DEFENSE INFORMATION AND CYBER INCIDENT REPORTING

I.5.5 SAFEGUARDING COVERED DEFENSE INFORMATION AND CYBER INCIDENT REPORTING  
(OCT 2016)

(a) Definitions. As used in this clause—

"Adequate security" means protective measures that are commensurate with the consequences and probability of loss, misuse, or unauthorized access to, or modification of information.

"Compromise" means disclosure of information to unauthorized persons, or a violation of the security policy of a system, in which unauthorized intentional or unintentional disclosure, modification, destruction, or loss of an object, or the copying of information to unauthorized media may have occurred.

"Contractor attributional/proprietary information" means information that identifies the contractor(s), whether directly or indirectly, by the grouping of information that can be traced back to the contractor(s) (e.g., program description, facility locations), personally identifiable information, as well as trade secrets, commercial or financial information, or other commercially sensitive information that is not customarily shared outside of the company.

"Controlled technical information" means technical information with military or space application that is subject to controls on the access, use, reproduction, modification, performance, display, release, disclosure, or dissemination. Controlled technical information would meet the criteria, if disseminated, for distribution statements B through F using the criteria set forth in DoD Instruction 5230.24, Distribution Statements on Technical Documents. The term does not include information that is lawfully publicly available without restrictions.

"Covered contractor information system" means an unclassified information system that is owned, or operated by or for, a contractor and that processes, stores, or transmits covered defense information.

"Covered defense information" means unclassified controlled technical information or other information, as described in the Controlled Unclassified Information (CUI) Registry at <http://www.archives.gov/cui/registry/category-list.html>, that requires safeguarding or dissemination controls pursuant to and consistent with law, regulations, and Governmentwide policies, and is—

(1) Marked or otherwise identified in the contract, task order, or delivery order and provided to the contractor by or on behalf of DoD in support of the performance of the contract; or

(2) Collected, developed, received, transmitted, used, or stored by or on behalf of the contractor in support of the performance of the contract.

"Cyber incident" means actions taken through the use of computer networks that result in a compromise or an actual or potentially adverse effect on an information system and/or the information residing therein.

"Forensic analysis" means the practice of gathering, retaining, and analyzing computer-related data for investigative purposes in a manner that maintains the integrity of the data.

"Information system" means a discrete set of information resources organized for the collection, processing, maintenance, use, sharing, dissemination, or disposition of information.

"Malicious software" means computer software or firmware intended to perform an unauthorized process that will have adverse impact on the confidentiality, integrity, or availability of an information system. This definition includes a virus, worm, Trojan horse, or other code-based entity that infects a host, as well as spyware and some forms of adware.

"Media" means physical devices or writing surfaces including, but is not limited to, magnetic tapes, optical disks, magnetic disks, large-scale integration memory chips, and printouts onto which covered defense information is recorded, stored, or printed within a covered contractor information system.

"Operationally critical support" means supplies or services designated by the Government as critical for airlift, sealift, intermodal transportation services, or logistical support that is essential to the mobilization, deployment, or sustainment of the Armed Forces in a contingency operation.

"Rapidly report" means within 72 hours of discovery of any cyber incident.

"Technical information" means technical data or computer software, as those terms are defined in the clause at DFARS 252.227-7013, Rights in Technical Data—Noncommercial Items, regardless of whether or not the clause is incorporated in this solicitation or contract. Examples of technical information include research and engineering data, engineering drawings, and associated lists, specifications, standards, process sheets, manuals, technical reports, technical orders, catalog-item identifications, data sets, studies and analyses and related information, and computer software executable code and source code.

(b) Adequate security. The Contractor shall provide adequate security on all covered contractor information systems. To provide adequate security, the Contractor shall implement, at a minimum, the following information security protections:

(1) For covered contractor information systems that are part of an Information Technology (IT) service or system operated on behalf of the Government, the following security requirements apply:

(i) Cloud computing services shall be subject to the security requirements specified in the clause 252.239-7010, Cloud Computing Services, of this contract.

(ii) Any other such IT service or system (i.e., other than cloud computing) shall be subject to the security requirements specified elsewhere in this contract.

(2) For covered contractor information systems that are not part of an IT service or system operated on behalf of the Government and therefore are not subject to the security requirement specified at paragraph (b)(1) of this clause, the following security requirements apply:

(i) Except as provided in paragraph (b)(2)(ii) of this clause, the covered contractor information system shall be subject to the security requirements in National

Institute of Standards and Technology (NIST) Special Publication (SP) 800-171, "Protecting Controlled Unclassified Information in Nonfederal Information Systems and Organizations" (available via the internet at <http://dx.doi.org/10.6028/NIST.SP.800-171>) in effect at the time the solicitation is issued or as authorized by the Contracting Officer.

(ii)(A) The Contractor shall implement NIST SP 800-171, as soon as practical, but not later than December 31, 2017. For all contracts awarded prior to October 1, 2017, the Contractor shall notify the DoD Chief Information Officer (CIO), via email at [osd.dibcsia@mail.mil](mailto:osd.dibcsia@mail.mil), within 30 days of contract award, of any security requirements specified by NIST SP 800-171 not implemented at the time of contract award.

(B) The Contractor shall submit requests to vary from NIST SP 800-171 in writing to the Contracting Officer, for consideration by the DoD CIO. The Contractor need not implement any security requirement adjudicated by an authorized representative of the DoD CIO to be nonapplicable or to have an alternative, but equally effective, security measure that may be implemented in its place.

(C) If the DoD CIO has previously adjudicated the contractor's requests indicating that a requirement is not applicable or that an alternative security measure is equally effective, a copy of that approval shall be provided to the Contracting Officer when requesting its recognition under this contract.

(D) If the Contractor intends to use an external cloud service provider to store, process, or transmit any covered defense information in performance of this contract, the Contractor shall require and ensure that the cloud service provider meets security requirements equivalent to those established by the Government for the Federal Risk and Authorization Management Program (FedRAMP) Moderate baseline (<https://www.fedramp.gov/resources/documents/>) and that the cloud service provider complies with requirements in paragraphs (c) through (g) of this clause for cyber incident reporting, malicious software, media preservation and protection, access to additional information and equipment necessary for forensic analysis, and cyber incident damage assessment.

(3) Apply other information systems security measures when the Contractor reasonably determines that information systems security measures, in addition to those identified in paragraphs (b)(1) and (2) of this clause, may be required to provide adequate security in a dynamic environment or to accommodate special circumstances (e.g., medical devices) and any individual, isolated, or temporary deficiencies based on an assessed risk or vulnerability. These measures may be addressed in a system security plan.

(c) Cyber incident reporting requirement.

(1) When the Contractor discovers a cyber incident that affects a covered contractor information system or the covered defense information residing therein, or that affects the contractor's ability to perform the requirements of the contract that are designated as operationally critical support and identified in the contract, the Contractor shall—

(i) Conduct a review for evidence of compromise of covered defense information, including, but not limited to, identifying compromised computers, servers, specific data, and user accounts. This review shall also include analyzing covered contractor information system(s) that were part of the cyber incident, as well as other information systems on the Contractor's network(s), that may have been accessed as a result of the incident in order to identify compromised covered defense information, or that affect the Contractor's ability to provide operationally critical support; and



(ii) Rapidly report cyber incidents to DoD at <http://dibnet.dod.mil>.

(2) Cyber incident report. The cyber incident report shall be treated as information created by or for DoD and shall include, at a minimum, the required elements at <http://dibnet.dod.mil>.

(3) Medium assurance certificate requirement. In order to report cyber incidents in accordance with this clause, the Contractor or subcontractor shall have or acquire a DoD-approved medium assurance certificate to report cyber incidents. For information on obtaining a DoD-approved medium assurance certificate, see

<http://iase.disa.mil/pki/eca/Pages/index.aspx>.

(d) Malicious software. When the Contractor or subcontractors discover and isolate malicious software in connection with a reported cyber incident, submit the malicious software to DoD Cyber Crime Center (DC3) in accordance with instructions provided by DC3 or the Contracting Officer. Do not send the malicious software to the Contracting Officer.

(e) Media preservation and protection. When a Contractor discovers a cyber incident has occurred, the Contractor shall preserve and protect images of all known affected information systems identified in paragraph (c)(1)(i) of this clause and all relevant monitoring/packet capture data for at least 90 days from the submission of the cyber incident report to allow DoD to request the media or decline interest.

(f) Access to additional information or equipment necessary for forensic analysis. Upon request by DoD, the Contractor shall provide DoD with access to additional information or equipment that is necessary to conduct a forensic analysis.

(g) Cyber incident damage assessment activities. If DoD elects to conduct a damage assessment, the Contracting Officer will request that the Contractor provide all of the damage assessment information gathered in accordance with paragraph (e) of this clause.

(h) DoD safeguarding and use of contractor attributional/proprietary information. The Government shall protect against the unauthorized use or release of information obtained from the contractor (or derived from information obtained from the contractor) under this clause that includes contractor attributional/proprietary information, including such information submitted in accordance with paragraph (c). To the maximum extent practicable, the Contractor shall identify and mark attributional/proprietary information. In making an authorized release of such information, the Government will implement appropriate procedures to minimize the contractor attributional/proprietary information that is included in such authorized release, seeking to include only that information that is necessary for the authorized purpose(s) for which the information is being released.

(i) Use and release of contractor attributional/proprietary information not created by or for DoD. Information that is obtained from the contractor (or derived from information obtained from the contractor) under this clause that is not created by or for DoD is authorized to be released outside of DoD—

(1) To entities with missions that may be affected by such information;

(2) To entities that may be called upon to assist in the diagnosis, detection, or mitigation of cyber incidents;

(3) To Government entities that conduct counterintelligence or law enforcement investigations;

(4) For national security purposes, including cyber situational awareness and defense purposes (including with Defense Industrial Base (DIB) participants in the program at 32 CFR part 236); or

(5) To a support services contractor ("recipient") that is directly supporting Government activities under a contract that includes the clause at 252.204-7009, Limitations on the Use or Disclosure of Third-Party Contractor Reported Cyber Incident Information.

(j) Use and release of contractor attributional/proprietary information created by or for DoD. Information that is obtained from the contractor (or derived from information obtained from the contractor) under this clause that is created by or for DoD (including the information submitted pursuant to paragraph (c) of this clause) is authorized to be used and released outside of DoD for purposes and activities authorized by paragraph (i) of this clause, and for any other lawful Government purpose or activity, subject to all applicable statutory, regulatory, and policy based restrictions on the Government's use and release of such information.

(k) The Contractor shall conduct activities under this clause in accordance with applicable laws and regulations on the interception, monitoring, access, use, and disclosure of electronic communications and data.

(l) Other safeguarding or reporting requirements. The safeguarding and cyber incident reporting required by this clause in no way abrogates the Contractor's responsibility for other safeguarding or cyber incident reporting pertaining to its unclassified information systems as required by other applicable clauses of this contract, or as a result of other applicable U.S. Government statutory or regulatory requirements.

(m) Subcontracts. The Contractor shall—

(1) Include this clause, including this paragraph (m), in subcontracts, or similar contractual instruments, for operationally critical support, or for which subcontract performance will involve covered defense information, including subcontracts for commercial items, without alteration, except to identify the parties. The Contractor shall determine if the information required for subcontractor performance retains its identity as covered defense information and will require protection under this clause, and, if necessary, consult with the Contracting Officer; and

(2) Require subcontractors to—

(i) Notify the prime Contractor (or next higher-tier subcontractor) when submitting a request to vary from a NIST SP 800-171 security requirement to the Contracting Officer, in accordance with paragraph (b)(2)(ii)(B) of this clause; and

(ii) Provide the incident report number, automatically assigned by DoD, to the prime Contractor (or next higher-tier subcontractor) as soon as practicable, when reporting a cyber incident to DoD as required in paragraph (c) of this clause.

(End of clause)

F. The total amount obligated is increased by \$735,282.00 from \$42,077,915.46 to \$42,813,197.46.

G. The total value of the contract remains unchanged at \$250,365,009.46.

H. All other Terms and Conditions shall remain unchanged and in full force and effect.

**End of Modification**

<b>AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT</b>		1. CONTRACT ID CODE	PAGE OF PAGES 1 4
2. AMENDMENT/MODIFICATION NUMBER <b>P00037</b>	3. EFFECTIVE DATE See Block 16C	4. REQUISITION/PURCHASE REQUISITION NUMBER	5. PROJECT NUMBER (If applicable)
6. ISSUED BY A ENERGY – UTILITY SERVICES 8725 JOHN J. KINGMAN ROAD, STP 10400 FORT BELVOIR, VA 22060-6222 Buyer/Symbol: Heather M. Thomas/DLA Energy-FEEBA PHONE: (703) 617-1485 E-MAIL: <a href="mailto:Heather.M.Thomas@dia.mil">Heather.M.Thomas@dia.mil</a> P.P. 8.2	CODE SP0600	7. ADMINISTERED BY (If other than Item 6) CODE	

8. NAME AND ADDRESS OF CONTRACTOR (NO., street city, county, State, and ZIP Code) Hardin County Water District No. 1 1400 Rogersville Road Radcliff, KY 40160-9343 Phone: (270) 351-3222 ext. 208 Fax: (270) 352-3055 POC : Jim Bruce, General Manager DUNS # 130402811 CAGE #316V9	9A. AMENDMENT OF SOLICITATION NUMBER <input type="checkbox"/>	9B. DATED (SEE ITEM 11) <input type="checkbox"/>	10A. MODIFICATION OF CONTRACT/ORDER NUMBER SP0600	10B. DATED (SEE ITEM 13) <input checked="" type="checkbox"/>
CODE	FACILITY CODE			
<b>SP0600-11-C-8271</b>				

**11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS**

The above numbered solicitation is amended as set forth in Item 14. The hour and date specified for receipt of Offers  is extended.  is not extended. Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended, by one of the following methods: (a) By completing items 8 and 15, and returning \_\_\_\_\_ copies of the amendment; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or electronic communication which includes a reference to the solicitation and amendment numbers. FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment you desire to change an offer already submitted, such change may be made by letter or electronic communication, provided each letter or electronic communication makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.

12. ACCOUNTING AND APPROPRIATION DATA (If required)  
See Section G, Accounting and Appropriation Data

**13. THIS ITEM APPLIES ONLY TO MODIFICATIONS OF CONTRACTS/ORDERS.  
IT MODIFIES THE CONTRACT/ORDER NUMBER AS DESCRIBED IN ITEM 14.**

CHECK ONE	A. THIS CHANGE ORDER IS ISSUED PURSUANT TO: (Specify authority) THE CHANGES SET FORTH IN ITEM 14 ARE MADE IN THE CONTRACT ORDER NUMBER IN ITEM 10A.
<input type="checkbox"/>	
<input checked="" type="checkbox"/>	B. THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES (such as changes in paying office, appropriation data, etc.) SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY OF FAR 43.103(b).
<input type="checkbox"/>	C. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF:
<input type="checkbox"/>	D. OTHER (Specify type of modification and authority)

E. IMPORTANT: Contractor  is not  is required to sign this document and return 0 copies to the issuing office.

14. DESCRIPTION OF AMENDMENT/MODIFICATION (Organized by UCF section headings, including solicitation/contract subject matter where feasible.)

Fort Knox, Kentucky – Utility Privatization Contract  
Potable Water Utility System  
See Additional Pages for Further Details.

Except as provided herein, all terms and conditions of the document referenced in Item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect.

15A. NAME AND TITLE OF SIGNER (Type or print)	16A. NAME AND TITLE OF CONTRACTING OFFICER (Type or print) <b>CARL SILVERSTONE, CONTRACTING OFFICER</b>		
15B. CONTRACTOR/OFFEROR  (Signature of person authorized to sign)	15C. DATE SIGNED	16B. UNITED STATES OF AMERICA SILVERSTONE.CAR L.1377023044 <small>Digitally signed by SILVERSTONE.CARL 1377023044 Signature of Contracting Officer -04'00'</small>	16C. DATE SIGNED <b>October 6, 2017</b>

previous edition unusable

A. The purpose of this modification is to:

- 1) Update Section B.3, Schedule, to establish and provide funding to subCLIN 0006AB for Contract Year 6's Monthly Utility Service Charge (MUSC). Funding is provided in the amount of \$490,188.00 for October 1, 2017 to November 30, 2017 (Months 69-70) under ACRN AN

B. Section B - Supplies or Services and Prices/Costs – As a result of the changes described in Paragraph A, Section B.3 is revised as follows:

- (1) B.3. Schedule is hereby modified to reflect the establishment and funding of subCLIN 0006AB:

**B.3 Schedule**

Utility Service Payment by the Government

**subCLIN 0006AA is hereby updated as follows:**

**FROM:**

0006	Monthly Utility Service Charge -Year 6	Qty	Unit	Unit Price	Total Price
0006AA	Month 61-72 ACRN: AM (\$1,987,244.00) Period of performance: February 1, 2017 – January 31, 2018	12	Mo	\$245,094.00	\$2,941,128.00

**TO:**

0006	Monthly Utility Service Charge -Year 6	Qty	Unit	Unit Price	Total Price
0006AA	Month 61-68 ACRN: AM (\$1,987,244.00) Period of performance: February 1, 2017 – September 30, 2018	8	Mo	\$245,094.00	\$1,960,752.00
0006AB	Month 69-72 ACRN: AN (\$490,188.00) Period of performance: October 1, 2017- January 31, 2018	4	Mo	\$245,094.00	\$980,376.00

C. Section G – Contract Administration Data - As a result of the changes described in Paragraph A, Section G.5 is revised as follows:

**G.5 Accounting and Appropriation Data**

ACRN AN is hereby established in the amount of \$490,188.00. Funds are provided under the Direct Cite MIPR Number MIPR0011100059 Basic as follows:

ACRN AN 02120182018 2020000 A2ABH 131079QUTS 233H 0011100059 S.0045978.28.3 021001 <b>\$490,188.00</b>			
	MIPR11100059 dated October 3, 2017	<b>Basic</b>	\$490,188.00
		<b>Total</b>	<b>\$490,188.00</b>
	Funding Breakdown		
	<b>P00037</b>	<b>On CLIN 0006 (subCLIN 0006AB)</b>	<b>\$490,188.00</b>
	<b>Total Funding for ACRN AN</b>		<b>\$490,188.00</b>

D. DFARS Clause 252.232-7007 Limitation of Government's Obligation (APR 2014) is hereby updated:

I.5.4 LIMITATION OF GOVERNMENT'S OBLIGATION (APR 2014)

(a) Contract line items 0001 to 0057 are incrementally funded. For these items, the sum of \$43,303,385.46 of the total price is presently available for payment and allotted to this contract. An allotment schedule is set forth in paragraph (j) of this clause.

(b) For items identified in paragraph (a) of this clause, the Contractor agrees to perform up to the point at which the total amount payable by the Government, including reimbursement in the event of termination of those items for the Government's convenience, approximates the total amount currently allotted to the contract. The Contractor is not authorized to continue work on those items beyond that point. The Government will not be obligated in any event to reimburse the Contractor in excess of the amount allotted to the contract for those items regardless of anything to the contrary in the clause entitled "Termination for Convenience of the Government." As used in this clause, the total amount payable by the Government in the event of termination of applicable contract line items for convenience includes costs, profit, and estimated termination settlement costs for those items.

(c) Notwithstanding the dates specified in the allotment schedule in paragraph (j) of this clause, the Contractor will notify the Contracting Officer in writing at least ninety days prior to the date when, in the Contractor's best judgment, the work will reach the point at which the total amount payable by the Government, including any cost for termination for convenience, will approximate 85 percent of the total amount then allotted to the contract for performance of the applicable items. The notification will state (1) the estimated date when that point will be reached and (2) an estimate of additional funding, if any, needed to continue performance of applicable line items up to the next scheduled date for allotment of funds identified in paragraph (j) of this clause, or to a mutually agreed upon substitute date. The notification will also advise the Contracting Officer of the estimated amount of additional funds that will be required for the timely performance of the items funded pursuant to this clause, for a subsequent period as may be specified in the allotment schedule in paragraph (j) of this clause or otherwise agreed to by the parties. If after such notification additional funds are not allotted by the date identified in the Contractor's notification, or by an agreed substitute date, the Contracting Officer will terminate any items for which additional funds have not been allotted, pursuant to the clause of this contract entitled "Termination for Convenience of the Government."

(d) When additional funds are allotted for continued performance of the contract line items identified in paragraph (a) of this clause, the parties will agree as to the period of contract performance which will be covered by the funds. The provisions of paragraphs (b) through (d) of this clause will apply in like manner to the additional allotted funds and agreed substitute date, and the contract will be modified accordingly.

(e) If, solely by reason of failure of the Government to allot additional funds, by the dates indicated below, in amounts sufficient for timely performance of the contract line items identified in paragraph (a) of this clause, the Contractor incurs additional costs or is delayed in the performance of the work under this contract and if additional funds are allotted, an equitable adjustment will be made in the price or prices (including appropriate target, billing, and ceiling prices where applicable) of the items, or in the time of delivery, or both. Failure to agree to any such equitable adjustment hereunder will be a dispute concerning a question of fact within the meaning of the clause entitled "Disputes."

(f) The Government may at any time prior to termination allot additional funds for the performance of the contract line items identified in paragraph (a) of this clause.

(g) The termination provisions of this clause do not limit the rights of the Government under the clause entitled "Default." The provisions of this clause are limited to the work and allotment of funds for the contract line items set forth in paragraph (a) of this clause. This clause no longer applies once the contract is fully funded except with regard to the rights or obligations of the parties concerning equitable adjustments negotiated under paragraphs (d) and (e) of this clause.

(h) Nothing in this clause affects the right of the Government to terminate this contract pursuant to the clause of this contract entitled "Termination for Convenience of the Government."

(i) Nothing in this clause shall be construed as authorization of voluntary services whose acceptance is otherwise prohibited under 31 U.S.C. 1342.

(j) The parties contemplate that the Government will allot funds to this contract on a yearly basis no later than 30 days prior to the next Contract Year Period of Performance.

(End of clause)

- E. The total amount obligated is increased by \$490,188.00 from \$42,813,197.46 to \$43,303,385.46.
- F. The total value of the contract remains unchanged at \$250,365,009.46.
- G. All other Terms and Conditions shall remain unchanged and in full force and effect.

**End of Modification**

2. AMENDMENT/MODIFICATION NUMBER <b>P00038</b>	3. EFFECTIVE DATE See Block 16C	4. REQUISITION/PURCHASE REQUISITION NUMBER	5. PROJECT NUMBER (If applicable)
6. ISSUED BY CODE A ENERGY – UTILITY SERVICES 8725 JOHN J. KINGMAN ROAD, STP 10400 FORT BELVOIR, VA 22060-6222 Buyer/Symbol: Heather M. Thomas/DLA Energy-FEEBA PHONE: (703) 617-1485 E-MAIL: <a href="mailto:Heather.M.Thomas@dla.mil">Heather.M.Thomas@dla.mil</a> P.P. 8.2		7. ADMINISTERED BY (If other than Item 6) CODE	

8. NAME AND ADDRESS OF CONTRACTOR (NO., street city, county, State, and ZIP Code)  Hardin County Water District No. 1 1400 Rogersville Road Radcliff, KY 40160-9343 Phone: (270) 351-3222 ext. 208 Fax: (270) 352-3055 POC : Jim Bruce, General Manager DUNS # 130402811 CAGE #316V9	9A. AMENDMENT OF SOLICITATION NUMBER
	9B. DATED (SEE ITEM 11)
	10A. MODIFICATION OF CONTRACT/ORDER NUMBER SP0600
	10B. DATED (SEE ITEM 13)
	<b>SP0600-11-C-8271</b>

**11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS**

The above numbered solicitation is amended as set forth in Item 14. The hour and date specified for receipt of Offers  is extended.  is not extended. Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended, by one of the following methods: (a) By completing items 8 and 15, and returning \_\_\_\_\_ copies of the amendment; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or electronic communication which includes a reference to the solicitation and amendment numbers. FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment you desire to change an offer already submitted, such change may be made by letter or electronic communication, provided each letter or electronic communication makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.

**12. ACCOUNTING AND APPROPRIATION DATA (If required)**  
See Section G, Accounting and Appropriation Data

**13. THIS ITEM APPLIES ONLY TO MODIFICATIONS OF CONTRACTS/ORDERS.  
IT MODIFIES THE CONTRACT/ORDER NUMBER AS DESCRIBED IN ITEM 14.**

CHECK ONE	A. THIS CHANGE ORDER IS ISSUED PURSUANT TO: (Specify authority) THE CHANGES SET FORTH IN ITEM 14 ARE MADE IN THE CONTRACT ORDER NUMBER IN ITEM 10A.
<input type="checkbox"/>	
<input checked="" type="checkbox"/>	B. THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES (such as changes in paying office, appropriation data, etc.) SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY OF FAR 43.103(b).
<input type="checkbox"/>	C. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF:
<input type="checkbox"/>	D. OTHER (Specify type of modification and authority)

**E. IMPORTANT:** Contractor  is not  is required to sign this document and return 0 copies to the issuing office.

**14. DESCRIPTION OF AMENDMENT/MODIFICATION (Organized by UCF section headings, including solicitation/contract subject matter where feasible.)**

Fort Knox, Kentucky – Utility Privatization Contract  
Potable Water Utility System  
See Additional Pages for Further Details.

Except as provided herein, all terms and conditions of the document referenced in Item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect.

15A. NAME AND TITLE OF SIGNER (Type or print)	16A. NAME AND TITLE OF CONTRACTING OFFICER (Type or print) <b>CARL SILVERSTONE, CONTRACTING OFFICER</b>		
15B. CONTRACTOR/OFFEROR  (Signature of person authorized to sign)	15C. DATE SIGNED	16B. UNITED STATES OF AMERICA SILVERSTONE.CARL.1377023 Digitally signed by SILVERSTONE.CARL.1377023044 Date: 2017.12.01 09:48:54 -0900 044 (Signature of Contracting Officer)	16C. DATE SIGNED <b>December 01, 2017</b>

A. The purpose of this modification is to:

- 1) Update Section B.3, Schedule, to provide funding to subCLIN 0006AB for Contract Year 6's Monthly Utility Service Charge (MUSC). Funding is provided in the amount of \$245,094.00 for December 1, 2017 to December 31, 2017 (Month 71) under ACRN AN.
- 2) Correct an administrative error in quantified in P00037, as subCLIN 0006AA's Period of Performance should read as: February 1, 2017- September 30, 2017.

B. Section B - Supplies or Services and Prices/Costs – As a result of the changes described in Paragraph A, Section B.3 is revised as follows:

- (1) B.3. Schedule is hereby modified to reflect the Period of Performance in subCLIN 0006AA and funding of subCLIN 0006AB:

**B.3 Schedule**

Utility Service Payment by the Government

CLIN 0006 is hereby updated as follows:

FROM:

0006	Monthly Utility Service Charge -Year 6	Qty	Unit	Unit Price	Total Price
0006AA	Month 61-68 ACRN: AM (\$1,987,244.00) Period of performance: February 1, 2017 – September 30, 2018	8	Mo	\$245,094.00	\$1,960,752.00
0006AB	Month 69-72 ACRN: AN (\$490,188.00) Period of performance: October 1, 2017- January 31, 2018	4	Mo	\$245,094.00	\$980,376.00

TO:

0006	Monthly Utility Service Charge -Year 6	Qty	Unit	Unit Price	Total Price
0006AA	Month 61-68 ACRN: AM (\$1,987,244.00) Period of performance: February 1, 2017 – September 30, 2017	8	Mo	\$245,094.00	\$1,960,752.00
0006AB	Month 69-72 ACRN: AN	4	Mo	\$245,094.00	\$980,376.00



**(\$735,282.00)**  
**Period of performance:**  
**October 1, 2017- January**  
**31, 2018**

C. Section G – Contract Administration Data - As a result of the changes described in Paragraph A, Section G.5 is revised as follows:

**G.5 Accounting and Appropriation Data**

ACRN AN is hereby increased in the amount of \$245,094.00. Funds are provided under the Direct Cite MIPR Number MIPR0011100059 Amend 1 as follows:

ACRN AN 02120182018 2020000 A2ABH 131079QUTS 233H 0011100059 S.0045978.28.3 2020000			
<b>\$245,094.00</b>			
	MIPR11100059 dated October 3, 2017	<b>Basic</b>	<b>\$490,188.00</b>
	Dated November 29, 2017	<b>Amend 1</b>	<b>\$245,094.00</b>
		<b>Total</b>	<b>\$735,282.00</b>
	Funding Breakdown		
	<b>P00037</b>	On CLIN 0006 (subCLIN 0006AB)	<b>\$490,188.00</b>
	<b>P00038</b>	On CLIN 0006 (subCLIN 0006AB)	<b>\$245,094.00</b>
	<b>Total Funding for ACRN AN</b>		<b>\$735,282.00</b>

D. DFARS Clause 252.232-7007 Limitation of Government's Obligation (APR 2014) is hereby updated:

1.5.4 LIMITATION OF GOVERNMENT'S OBLIGATION (APR 2014)

(a) Contract line items 0001 to 0057 are incrementally funded. For these items, the sum of \$43,548,479.46 of the total price is presently available for payment and allotted to this contract. An allotment schedule is set forth in paragraph (j) of this clause.

(b) For items identified in paragraph (a) of this clause, the Contractor agrees to perform up to the point at which the total amount payable by the Government, including reimbursement in the event of termination of those items for the Government's convenience, approximates the total amount currently allotted to the contract. The Contractor is not authorized to continue work on those items beyond that point. The Government will not be obligated in any event to reimburse the Contractor in excess of the amount allotted to the contract for those items regardless of anything to the contrary in the clause entitled "Termination for Convenience of the Government." As used in this clause, the total amount payable by the Government in the event of termination of applicable contract line items for convenience includes costs, profit, and estimated termination settlement costs for those items.

(c) Notwithstanding the dates specified in the allotment schedule in paragraph (j) of this clause, the Contractor will notify the Contracting Officer in writing at least ninety days prior to the date when, in the Contractor's best judgment, the work will reach the point at which the total amount payable by the Government, including any cost for termination for convenience, will approximate 85 percent of the total amount then allotted to the contract for performance of the applicable items. The notification will state (1) the estimated date when that point will be reached and (2) an estimate of additional funding, if any, needed to continue performance of applicable line items up to the next scheduled date for allotment of funds identified in paragraph (j) of this clause, or to a mutually agreed upon substitute date. The

notification will also advise the Contracting Officer of the estimated amount of additional funds that will be required for the timely performance of the items funded pursuant to this clause, for a subsequent period as may be specified in the allotment schedule in paragraph (j) of this clause or otherwise agreed to by the parties. If after such notification additional funds are not allotted by the date identified in the Contractor's notification, or by an agreed substitute date, the Contracting Officer will terminate any items for which additional funds have not been allotted, pursuant to the clause of this contract entitled "Termination for Convenience of the Government."

(d) When additional funds are allotted for continued performance of the contract line items identified in paragraph (a) of this clause, the parties will agree as to the period of contract performance which will be covered by the funds. The provisions of paragraphs (b) through (d) of this clause will apply in like manner to the additional allotted funds and agreed substitute date, and the contract will be modified accordingly.

(e) If, solely by reason of failure of the Government to allot additional funds, by the dates indicated below, in amounts sufficient for timely performance of the contract line items identified in paragraph (a) of this clause, the Contractor incurs additional costs or is delayed in the performance of the work under this contract and if additional funds are allotted, an equitable adjustment will be made in the price or prices (including appropriate target, billing, and ceiling prices where applicable) of the items, or in the time of delivery, or both. Failure to agree to any such equitable adjustment hereunder will be a dispute concerning a question of fact within the meaning of the clause entitled "Disputes."

(f) The Government may at any time prior to termination allot additional funds for the performance of the contract line items identified in paragraph (a) of this clause.

(g) The termination provisions of this clause do not limit the rights of the Government under the clause entitled "Default." The provisions of this clause are limited to the work and allotment of funds for the contract line items set forth in paragraph (a) of this clause. This clause no longer applies once the contract is fully funded except with regard to the rights or obligations of the parties concerning equitable adjustments negotiated under paragraphs (d) and (e) of this clause.

(h) Nothing in this clause affects the right of the Government to terminate this contract pursuant to the clause of this contract entitled "Termination for Convenience of the Government."

(i) Nothing in this clause shall be construed as authorization of voluntary services whose acceptance is otherwise prohibited under 31 U.S.C. 1342.

(j) The parties contemplate that the Government will allot funds to this contract on a yearly basis no later than 30 days prior to the next Contract Year Period of Performance.

(End of clause)

- E. The total amount obligated is increased by \$245,094.00 from \$43,303,385.46 to \$43,548,479.46.
- F. The total value of the contract remains unchanged at \$250,365,009.46.
- G. All other Terms and Conditions shall remain unchanged and in full force and effect.

**End of Modification**

2. AMENDMENT/MODIFICATION NUMBER <b>P00039</b>	3. EFFECTIVE DATE See Block 16C	4. REQUISITION/PURCHASE REQUISITION NUMBER	5. PROJECT NUMBER (If applicable)
6. ISSUED BY CODE A ENERGY – UTILITY SERVICES 8725 JOHN J. KINGMAN ROAD, STP 10400 FORT BELVOIR, VA 22060-6222 Buyer/Symbol: Heather M. Thomas/DLA Energy-FEEBA PHONE: (703) 617-1485 E-MAIL: <a href="mailto:Heather.M.Thomas@dla.mil">Heather.M.Thomas@dla.mil</a> P.P. 8.2		7. ADMINISTERED BY (If other than Item 6) CODE	

8. NAME AND ADDRESS OF CONTRACTOR (NO., street city, county, State ,and ZIP Code)  Hardin County Water District No. 1 1400 Rogersville Road Radcliff, KY 40160-9343 Phone: (270) 351-3222 ext. 208 Fax: (270) 352-3055 POC : Jim Bruce, General Manager DUNS # 130402811 CAGE #316V9		9A. AMENDMENT OF SOLICITATION NUMBER
	<input type="checkbox"/>	9B. DATED (SEE ITEM 11)
	<input checked="" type="checkbox"/>	10A. MODIFICATION OF CONTRACT/ORDER NUMBER SP0600
		10B. DATED (SEE ITEM 13)
		<b>SP0600-11-C-8271</b>

**11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS**

The above numbered solicitation is amended as set forth in Item 14. The hour and date specified for receipt of Offers  is extended.  is not extended. Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended, by one of the following methods: (a) By completing items 8 and 15, and returning \_\_\_\_\_ copies of the amendment; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or electronic communication which includes a reference to the solicitation and amendment numbers. FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment you desire to change an offer already submitted, such change may be made by letter or electronic communication, provided each letter or electronic communication makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.

12. ACCOUNTING AND APPROPRIATION DATA (If required)  
See Section G, Accounting and Appropriation Data

**13. THIS ITEM APPLIES ONLY TO MODIFICATIONS OF CONTRACTS/ORDERS. IT MODIFIES THE CONTRACT/ORDER NUMBER AS DESCRIBED IN ITEM 14.**

CHECK ONE	A. THIS CHANGE ORDER IS ISSUED PURSUANT TO: (Specify authority) THE CHANGES SET FORTH IN ITEM 14 ARE MADE IN THE CONTRACT ORDER NUMBER IN ITEM 10A.
<input type="checkbox"/>	
<input checked="" type="checkbox"/>	B. THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES (such as changes in paying office, appropriation data, etc.) SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY OF FAR 43.103(b).
<input type="checkbox"/>	C. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF:
<input type="checkbox"/>	D. OTHER (Specify type of modification and authority)

E. IMPORTANT: Contractor  is not  is required to sign this document and return 0 copies to the issuing office.

14. DESCRIPTION OF AMENDMENT/MODIFICATION (Organized by UCF section headings, including solicitation/contract subject matter where feasible.)

Fort Knox, Kentucky – Utility Privatization Contract  
Potable Water Utility System  
See Additional Pages for Further Details.

Except as provided herein, all terms and conditions of the document referenced in Item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect.

15A. NAME AND TITLE OF SIGNER (Type or print)	16A. NAME AND TITLE OF CONTRACTING OFFICER (Type or print) <b>CARL SILVERSTONE, CONTRACTING OFFICER</b>		
15B. CONTRACTOR/OFFEROR	15C. DATE SIGNED	16B. UNITED STATES OF AMERICA SILVERSTONE.CARL.1377023044 <small>Digitally signed by SILVERSTONE.CARL.1377023044 Date: 2018.01.09 14:27:47 -0500</small>	16C. DATE SIGNED <b>January 9, 2018</b>
(Signature of person authorized to sign)		(Signature of Contracting Officer)	

A. The purpose of this modification is to:

- 1) Update Section B.3, Schedule, to provide funding to subCLIN 0006AB for Contract Year 6's Monthly Utility Service Charge (MUSC). Funding is provided in the amount of \$245,094.00 for January 1, 2018 to January 31, 2017 (Month 72) under ACRN AN

B. Section B - Supplies or Services and Prices/Costs – As a result of the changes described in Paragraph A, Section B.3 is revised as follows:

(1) B.3. Schedule is hereby modified to reflect the funding of subCLIN 0006AB:

**B.3 Schedule**

Utility Service Payment by the Government

subCLIN 0006AB is hereby updated as follows:

FROM:

0006	Monthly Utility Service Charge -Year 6	Qty	Unit	Unit Price	Total Price
0006AA	Month 61-68 ACRN: AM (\$1,987,244.00) Period of performance: February 1, 2017 – September 30, 2017	8	Mo	\$245,094.00	\$1,960,752.00
0006AB	Month 69-72 ACRN: AN (\$735,282.00) Period of performance: October 1, 2017- January 31, 2018	4	Mo	\$245,094.00	\$980,376.00

TO:

0006	Monthly Utility Service Charge -Year 6	Qty	Unit	Unit Price	Total Price
0006AA	Month 61-68 ACRN: AM (\$1,987,244.00) Period of performance: February 1, 2017 – September 30, 2018	8	Mo	\$245,094.00	\$1,960,752.00
0006AB	Month 69-72 ACRN: AN (\$980,376.00) Period of performance: October 1, 2017- January 31, 2018	4	Mo	\$245,094.00	\$980,376.00

- C. Section G – Contract Administration Data - As a result of the changes described in Paragraph A, Section G.5 is revised as follows:

**G.5 Accounting and Appropriation Data**

ACRN AN is hereby increased in the amount of \$245,094.00. Funds are provided under the Direct Cite MIPR Number MIPR0011100059 Amend 2 as follows:

ACRN AN 02120182018 2020000 A2ABH 131079QUTS 233H 0011100059 S.0045978.28.3 2020000			
<b>\$245,094.00</b>			
	MIPR11100059 dated October 3, 2017	<b>Basic</b>	<b>\$490,188.00</b>
	Dated November 29, 2017	<b>Amend 1</b>	<b>\$245,094.00</b>
	Dated December 28, 2017	<b>Amend 2</b>	<b>\$245,094.00</b>
		<b>Total</b>	<b>\$980,376.00</b>
Funding Breakdown			
	<b>P00037</b>	<b>On CLIN 0006 (subCLIN 0006AB)</b>	<b>\$490,188.00</b>
	<b>P00038</b>	<b>On CLIN 0006 (subCLIN 0006AB)</b>	<b>\$245,094.00</b>
	<b>P00039</b>	<b>On CLIN 0006 (subCLIN 0006AB)</b>	<b>\$245,094.00</b>
	<b>Total Funding for ACRN AN</b>		<b>\$980,376.00</b>

- D. DFARS Clause 252.232-7007 Limitation of Government's Obligation (APR 2014) is hereby updated:

I.5.4 LIMITATION OF GOVERNMENT'S OBLIGATION (APR 2014)

(a) Contract line items 0001 to 0057 are incrementally funded. For these items, the sum of \$43,793,573.46 of the total price is presently available for payment and allotted to this contract. An allotment schedule is set forth in paragraph (j) of this clause.

(b) For items identified in paragraph (a) of this clause, the Contractor agrees to perform up to the point at which the total amount payable by the Government, including reimbursement in the event of termination of those items for the Government's convenience, approximates the total amount currently allotted to the contract. The Contractor is not authorized to continue work on those items beyond that point. The Government will not be obligated in any event to reimburse the Contractor in excess of the amount allotted to the contract for those items regardless of anything to the contrary in the clause entitled "Termination for Convenience of the Government." As used in this clause, the total amount payable by the Government in the event of termination of applicable contract line items for convenience includes costs, profit, and estimated termination settlement costs for those items.

(c) Notwithstanding the dates specified in the allotment schedule in paragraph (j) of this clause, the Contractor will notify the Contracting Officer in writing at least ninety days prior to the date when, in the Contractor's best judgment, the work will reach the point at which the total amount payable by the Government, including any cost for termination for convenience, will approximate 85 percent of the total amount then allotted to the contract for performance of the applicable items. The notification will state (1) the estimated date when that point will be reached and (2) an estimate of additional funding, if any, needed to continue performance of applicable line items up to the next scheduled date for allotment of funds identified in paragraph (j) of this clause, or to a mutually agreed upon substitute date. The notification will also advise the Contracting Officer of the estimated amount of additional funds that will

be required for the timely performance of the items funded pursuant to this clause, for a subsequent period as may be specified in the allotment schedule in paragraph (j) of this clause or otherwise agreed to by the parties. If after such notification additional funds are not allotted by the date identified in the Contractor's notification, or by an agreed substitute date, the Contracting Officer will terminate any items for which additional funds have not been allotted, pursuant to the clause of this contract entitled "Termination for Convenience of the Government."

(d) When additional funds are allotted for continued performance of the contract line items identified in paragraph (a) of this clause, the parties will agree as to the period of contract performance which will be covered by the funds. The provisions of paragraphs (b) through (d) of this clause will apply in like manner to the additional allotted funds and agreed substitute date, and the contract will be modified accordingly.

(e) If, solely by reason of failure of the Government to allot additional funds, by the dates indicated below, in amounts sufficient for timely performance of the contract line items identified in paragraph (a) of this clause, the Contractor incurs additional costs or is delayed in the performance of the work under this contract and if additional funds are allotted, an equitable adjustment will be made in the price or prices (including appropriate target, billing, and ceiling prices where applicable) of the items, or in the time of delivery, or both. Failure to agree to any such equitable adjustment hereunder will be a dispute concerning a question of fact within the meaning of the clause entitled "Disputes."

(f) The Government may at any time prior to termination allot additional funds for the performance of the contract line items identified in paragraph (a) of this clause.

(g) The termination provisions of this clause do not limit the rights of the Government under the clause entitled "Default." The provisions of this clause are limited to the work and allotment of funds for the contract line items set forth in paragraph (a) of this clause. This clause no longer applies once the contract is fully funded except with regard to the rights or obligations of the parties concerning equitable adjustments negotiated under paragraphs (d) and (e) of this clause.

(h) Nothing in this clause affects the right of the Government to terminate this contract pursuant to the clause of this contract entitled "Termination for Convenience of the Government."

(i) Nothing in this clause shall be construed as authorization of voluntary services whose acceptance is otherwise prohibited under 31 U.S.C. 1342.

(j) The parties contemplate that the Government will allot funds to this contract on a yearly basis no later than 30 days prior to the next Contract Year Period of Performance.

(End of clause)

- E. The total amount obligated is increased by \$245,094.00 from \$43,548,479.46 to \$43,793,573.46.
- F. The total value of the contract remains unchanged at \$250,365,009.46.
- G. All other Terms and Conditions shall remain unchanged and in full force and effect.

**End of Modification**

**AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT**

2. AMENDMENT/MODIFICATION NUMBER <b>P00040</b>		3. EFFECTIVE DATE See Block 16C		4. REQUISITION/PURCHASE REQUISITION NUMBER		5. PROJECT NUMBER (If applicable)	
6. ISSUED BY DLA ENERGY – UTILITY SERVICES 725 JOHN J. KINGMAN ROAD, STP 10400 FORT BELVOIR, VA 22060-6222 Buyer/Symbol: Heather M. Thomas/DLA Energy-FEEBA PHONE: (571) 767-9124 E-MAIL: <a href="mailto:Heather.M.Thomas@dla.mil">Heather.M.Thomas@dla.mil</a> P.P. 8.2		CODE <b>SP0600</b>		7. ADMINISTERED BY (If other than Item 6)		CODE	

8. NAME AND ADDRESS OF CONTRACTOR (NO., street city, county, State, and ZIP Code)  Hardin County Water District No. 1 1400 Rogersville Road Radcliff, KY 40160-9343 Phone: (270) 351-3222 ext. 208 Fax: (270) 352-3055 POC : Jim Bruce, General Manager DUNS # 130402811 CAGE #316V9		9A. AMENDMENT OF SOLICITATION NUMBER	
		<input type="checkbox"/>	
		9B. DATED (SEE ITEM 11)	
		<input type="checkbox"/>	
		10A. MODIFICATION OF CONTRACT/ORDER NUMBER SP0600	
		<input checked="" type="checkbox"/>	
		10B. DATED (SEE ITEM 13)	
		<b>SP0600-11-C-8271</b>	
CODE		FACILITY CODE	

**11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS**

The above numbered solicitation is amended as set forth in Item 14. The hour and date specified for receipt of Offers  is extended,  is not extended. Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended, by one of the following methods:  
 (a) By completing items 8 and 15, and returning \_\_\_\_\_ copies of the amendment; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or electronic communication which includes a reference to the solicitation and amendment numbers. FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment you desire to change an offer already submitted, such change may be made by letter or electronic communication, provided each letter or electronic communication makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.

12. ACCOUNTING AND APPROPRIATION DATA (If required)  
See Section G, Accounting and Appropriation Data

**13. THIS ITEM APPLIES ONLY TO MODIFICATIONS OF CONTRACTS/ORDERS. IT MODIFIES THE CONTRACT/ORDER NUMBER AS DESCRIBED IN ITEM 14.**

<input type="checkbox"/>	A. THIS CHANGE ORDER IS ISSUED PURSUANT TO: (Specify authority) THE CHANGES SET FORTH IN ITEM 14 ARE MADE IN THE CONTRACT ORDER NUMBER IN ITEM 10A.
<input type="checkbox"/>	B. THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES (such as changes in paying office, appropriation data, etc.) SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY OF FAR 43.103(b).
<input checked="" type="checkbox"/>	B. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF: FAR 52.241-7, Change in Rates or Terms and Conditions of Service for Regulated Services
<input type="checkbox"/>	D. OTHER (Specify type of modification and authority)

E. IMPORTANT: Contractor  is not  is required to sign this document and return 1 copies to the issuing office.

14. DESCRIPTION OF AMENDMENT/MODIFICATION (Organized by UCF section headings, including solicitation/contract subject matter where feasible.)

Fort Knox, Kentucky – Utility Privatization Contract  
Potable Water Utility System  
See Additional Pages for Further Details.

Except as provided herein, all terms and conditions of the document referenced in Item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect.

15A. NAME AND TITLE OF SIGNER (Type or print) <b>JIM BRUCE, GENERAL MANAGER</b>		16A. NAME AND TITLE OF CONTRACTING OFFICER (Type or print) <b>CARL SILVERSTONE, CONTRACTING OFFICER</b>	
15B. CONTRACTOR/OFFEROR  (Signature of person authorized to sign)		16B. UNITED STATES OF AMERICA SILVERSTONE.CARL.137702304 4 (Signature of Contracting Officer)	
15C. DATE SIGNED <b>2/20/18</b>		16C. DATE SIGNED February 21, 2018	

A. The purpose of this modification is to:

- 1) Update Section B.3, Schedule, to provide funding to subCLIN 0007AA for Contract Year Seven (7)'s Monthly Utility Service Charge (MUSC). Funding is provided in the amount of \$525,734.00 for February 1, 2018 to March 31, 2018 (Months 73-74) under ACRN AP. Additionally, \$26,956.44 is funded for a portion of April's MUSC (Month 75).
- 2) Update Section B.4, Monthly Utility Service Charge- Schedule 1, to reflect the new MUSC
- 3) Update Section G.5, Accounting and Appropriation Data, to deobligate excess funding on ACRN AM in the amount of \$26,492.00.
- 4) Permanently increase the MUSC beginning February 2018 from \$245,094.00 to \$249,388.78, a total monthly rise of \$4,294.78 (1.7523%) in accordance with the proposed escalation located in the Schedule B.4 Monthly Utility Service Charge – Schedule 1 of Section J1 – Potable Water Utility System Utilities Privatization – Fort Knox, Kentucky.

B. Section B - Supplies or Services and Prices/Costs – As a result of the changes described in Paragraph A, Section B.3 is revised as follows:

(1) B.3. Schedule is hereby modified to reflect the funding of subCLIN 0007AA:

**B.3 Schedule**

Utility Service Payment by the Government

**CLIN 0007 and subCLIN 0007AA is hereby established as follows:**

0007	Monthly Utility Service Charge -Year 7	Qty	Unit	Unit Price	Total Price
0007AA	Month 73-80 ACRN: AP (\$525,734.00) Period of performance: February 1, 2018 – September 30, 2018	8	Mo	\$249,388.78	\$1,995,110.24
0007AB	Month 81-84 ACRN: TBD Period of performance: October 1, 2018- January 31, 2019	4	Mo	\$249,388.78	\$997,555.12

C. Section B - Supplies or Services and Prices/Costs – As a result of the changes described in Paragraph A, Section B.4 is revised as follows:

(2) B.4. Monthly Utility Service Charge-Schedule 1 is hereby modified to reflect the increase in MUSC in accordance to Section B.2.2.1:



Contract Year	Monthly Service Charge	Purchase Price Recovery Surcharge	Monthly Credit	Monthly Utility Service Charge	Annual Utility Service Charge
1	\$246,172.00	\$85,968.00	(\$85,968.00)	\$246,172.00	\$2,954,064.00
2	\$246,172.00	\$85,968.00	(\$85,968.00)	\$246,172.00	\$2,954,064.00
3	\$246,172.00	\$85,968.00	(\$85,968.00)	\$246,172.00	\$2,954,064.00
4	\$246,172.00	\$85,968.00	(\$85,968.00)	\$246,172.00	\$2,954,064.00
5	\$246,172.00	\$85,968.00	(\$85,968.00)	\$246,172.00	\$2,954,064.00
6	\$245,094.00	\$85,968.00	(\$85,968.00)	\$245,094.00	\$2,941,128.00
7	<b>\$249,388.78</b>	<b>\$85,968.00</b>	<b>(\$85,968.00)</b>	<b>\$249,388.78</b>	<b>\$2,992,665.36</b>
8	\$253,758.82	\$85,968.00	(\$85,968.00)	\$253,758.82	\$3,045,105.84
9	\$258,205.44	\$85,968.00	(\$85,968.00)	\$258,205.44	\$3,098,465.22
10	\$262,729.97	\$85,968.00	(\$85,968.00)	\$262,729.97	\$3,152,759.63
11	\$267,333.79			\$267,333.79	\$3,208,005.44
12	\$272,018.28			\$272,018.28	\$3,264,219.32
13	\$276,784.85			\$276,784.85	\$3,321,418.23
14	\$281,634.95			\$281,634.95	\$3,379,619.44
15	\$286,570.04			\$286,570.04	\$3,438,840.52
16	\$291,591.61			\$291,591.61	\$3,499,099.32
17	\$296,701.17			\$296,701.17	\$3,560,414.04
18	\$301,900.26			\$301,900.26	\$3,622,803.17
19	\$307,190.46			\$307,190.46	\$3,686,285.55
20	\$312,573.36			\$312,573.36	\$3,750,880.33
21	\$318,050.58			\$318,050.58	\$3,816,607.01
22	\$323,623.78			\$323,623.78	\$3,883,485.41
23	\$329,294.64			\$329,294.64	\$3,951,535.73
24	\$335,064.87			\$335,064.87	\$4,020,778.49
25	\$340,936.22			\$340,936.22	\$4,091,234.59
26	\$346,910.44			\$346,910.44	\$4,162,925.29
27	\$352,989.35			\$352,989.35	\$4,235,872.23
28	\$359,174.79			\$359,174.79	\$4,310,097.42
29	\$365,468.60			\$365,468.60	\$4,385,623.26
30	\$371,872.71			\$371,872.71	\$4,462,472.54
31	\$378,389.04			\$378,389.04	\$4,540,668.44
32	\$385,019.55			\$385,019.55	\$4,620,234.57
33	\$391,766.25			\$391,766.25	\$4,701,194.95
34	\$398,631.17			\$398,631.17	\$4,783,573.98
35	\$405,616.38			\$405,616.38	\$4,867,396.55
36	\$412,724.00			\$412,724.00	\$4,952,687.94
37	\$419,956.16			\$419,956.16	\$5,039,473.89
38	\$427,315.05			\$427,315.05	\$5,127,780.59
39	\$434,802.89			\$434,802.89	\$5,217,634.69
40	\$442,421.94			\$442,421.94	\$5,309,063.31
41	\$450,174.50			\$450,174.50	\$5,402,094.02
42	\$458,062.91			\$458,062.91	\$5,496,754.91
43	\$466,089.55			\$466,089.55	\$5,593,074.55
44	\$474,256.83			\$474,256.83	\$5,691,082.00

45	\$482,567.24	\$482,567.24	\$5,790,806.83
46	\$491,023.26	\$491,023.26	\$5,892,279.13
47	\$499,627.46	\$499,627.46	\$5,995,529.54
48	\$508,382.43	\$508,382.43	\$6,100,589.21
49	\$517,290.82	\$517,290.82	\$6,207,489.83
50	\$526,355.31	\$526,355.31	\$6,316,263.67

D. Section G – Contract Administration Data - As a result of the changes described in Paragraph A, Section G.5 is revised as follows:

**G.5 Accounting and Appropriation Data**

ACRN AM is hereby decreased in the amount of \$26,492.00. Funds are returned under the Direct Cite MIPR Number MIPR10969832 Amend 3-1.

ACRN AM 02120172017 2020000 A2ABH 131079QDPW 2334 0010969832 S.0045978.28.3 021001 <b>\$1,960,752.00</b>			
	MIPR10969832 dated December 27, 2016	<b>Basic</b>	<b>\$516,680.00</b>
	MIPR10969832 dated March 21, 2017	<b>Amend 1-1</b>	<b>\$245,094.00</b>
	MIPR10969832 dated April 28, 2017	<b>Amend 2</b>	<b>\$490,188.00</b>
	MIPR10969832 dated June 8, 2017	<b>Amend 3</b>	<b>\$735,282.00</b>
	MIPR10969832 dated February 6, 2018	<b>Amend 3-1</b>	<b>(\$26,492.00)</b>
		<b>Total</b>	<b>\$1,960,752.00</b>
<b>Funding Breakdown</b>			
	<b>P00033</b>	<b>On CLIN 0006 (subCLIN 0006AA)</b>	<b>\$516,680.00</b>
	<b>P00034</b>	<b>On CLIN 0006 (subCLIN 0006AA)</b>	<b>\$245,094.00</b>
	<b>P00035</b>	<b>On CLIN 0006 (subCLIN 0006AA)</b>	<b>\$490,188.00</b>
	<b>P00036</b>	<b>On CLIN 0006 (subCLIN 0006AA)</b>	<b>\$735,282.00</b>
	<b>P00040</b>	<b>On CLIN 0006 (subCLIN 0006AA)</b>	<b>(\$26,492.00)</b>
	<b>Total Funding for ACRN AM</b>		<b>\$1,960,752.00</b>

ACRN AP is hereby established in the amount of \$525,734.00. Funds are provided under the Direct Cite MIPR Number MIPR0011141808 Basic as follows:

ACRN AP <b>\$525,734.00</b> 02120182018 2020000 A2ABH 131079QUTS 2334 0011141808 S.0045978.28.3 021001 2020000			
	MIPR0011141808 dated January 26, 2018	<b>Basic</b>	<b>\$525,734.00</b>
		<b>Total</b>	<b>\$525,734.00</b>
<b>Funding Breakdown</b>			
	<b>P00040</b>	<b>On CLIN 0007 (subCLIN 0007AA)</b>	<b>\$525,734.00</b>
	<b>Total Funding for ACRN AP</b>		<b>\$525,734.00</b>

E. DFARS Clause 252.232-7007 Limitation of Government's Obligation (APR 2014) is hereby updated:

I.5.4 LIMITATION OF GOVERNMENT'S OBLIGATION (APR 2014)

(a) Contract line items 0001 to 0057 are incrementally funded. For these items, the sum of \$44,292,815.46 of the total price is presently available for payment and allotted to this contract. An allotment schedule is set forth in paragraph (j) of this clause.

(b) For items identified in paragraph (a) of this clause, the Contractor agrees to perform up to the point at which the total amount payable by the Government, including reimbursement in the event of termination of those items for the Government's convenience, approximates the total amount currently allotted to the contract. The Contractor is not authorized to continue work on those items beyond that point. The Government will not be obligated in any event to reimburse the Contractor in excess of the amount allotted to the contract for those items regardless of anything to the contrary in the clause entitled "Termination for Convenience of the Government." As used in this clause, the total amount payable by the Government in the event of termination of applicable contract line items for convenience includes costs, profit, and estimated termination settlement costs for those items.

(c) Notwithstanding the dates specified in the allotment schedule in paragraph (j) of this clause, the Contractor will notify the Contracting Officer in writing at least ninety days prior to the date when, in the Contractor's best judgment, the work will reach the point at which the total amount payable by the Government, including any cost for termination for convenience, will approximate 85 percent of the total amount then allotted to the contract for performance of the applicable items. The notification will state (1) the estimated date when that point will be reached and (2) an estimate of additional funding, if any, needed to continue performance of applicable line items up to the next scheduled date for allotment of funds identified in paragraph (j) of this clause, or to a mutually agreed upon substitute date. The notification will also advise the Contracting Officer of the estimated amount of additional funds that will be required for the timely performance of the items funded pursuant to this clause, for a subsequent period as may be specified in the allotment schedule in paragraph (j) of this clause or otherwise agreed to by the parties. If after such notification additional funds are not allotted by the date identified in the Contractor's notification, or by an agreed substitute date, the Contracting Officer will terminate any items for which additional funds have not been allotted, pursuant to the clause of this contract entitled "Termination for Convenience of the Government."

(d) When additional funds are allotted for continued performance of the contract line items identified in paragraph (a) of this clause, the parties will agree as to the period of contract performance which will be covered by the funds. The provisions of paragraphs (b) through (d) of this clause will apply in like manner to the additional allotted funds and agreed substitute date, and the contract will be modified accordingly.

(e) If, solely by reason of failure of the Government to allot additional funds, by the dates indicated below, in amounts sufficient for timely performance of the contract line items identified in paragraph (a) of this clause, the Contractor incurs additional costs or is delayed in the performance of the work under this contract and if additional funds are allotted, an equitable adjustment will be made in the price or prices (including appropriate target, billing, and ceiling prices where applicable) of the items, or in the time of delivery, or both. Failure to agree to any such equitable adjustment hereunder will be a dispute concerning a question of fact within the meaning of the clause entitled "Disputes."

(f) The Government may at any time prior to termination allot additional funds for the performance of the contract line items identified in paragraph (a) of this clause.

(g) The termination provisions of this clause do not limit the rights of the Government under the clause entitled "Default." The provisions of this clause are limited to the work and allotment of funds for the

contract line items set forth in paragraph (a) of this clause. This clause no longer applies once the contract is fully funded except with regard to the rights or obligations of the parties concerning equitable adjustments negotiated under paragraphs (d) and (e) of this clause.

(h) Nothing in this clause affects the right of the Government to terminate this contract pursuant to the clause of this contract entitled "Termination for Convenience of the Government."

(i) Nothing in this clause shall be construed as authorization of voluntary services whose acceptance is otherwise prohibited under 31 U.S.C. 1342.

(j) The parties contemplate that the Government will allot funds to this contract on a yearly basis no later than 30 days prior to the next Contract Year Period of Performance.

(End of clause)

F. The total amount obligated is increased by \$499,242.00 from \$43,793,573.46 to \$44,292,815.46

G. The total value of the contract has decreased by \$10,204,871.66 from \$250,365,009.46 to \$240,160,137.80

H. All other Terms and Conditions shall remain unchanged and in full force and effect.

**End of Modification**

2. AMENDMENT/MODIFICATION NUMBER <b>P00041</b>	3. EFFECTIVE DATE See Block 16C	4. REQUISITION/PURCHASE REQUISITION NUMBER	5. PROJECT NUMBER (If applicable)
6. ISSUED BY CODE DLA ENERGY – UTILITY SERVICES 725 JOHN J. KINGMAN ROAD, STP 10400 FORT BELVOIR, VA 22060-6222 Buyer/Symbol: Jeremy Baxter/DLA Energy-FEEBA PHONE: (703) 223-2315 E-MAIL: jeremy.baxter@dla.mil		7. ADMINISTERED BY (If other than Item 6) CODE	

8. NAME AND ADDRESS OF CONTRACTOR (NO., street city, county, State ,and ZIP Code)  Hardin County Water District No. 1 1400 Rogersville Road Radcliff, KY 40160-9343 Phone: (270) 351-3222 ext. 208 Fax: (270) 352-3055 POC : Jim Bruce, General Manager DUNS # 130402811 CAGE #316V9		9A. AMENDMENT OF SOLICITATION NUMBER
	<input type="checkbox"/>	9B. DATED (SEE ITEM 11)
	<input checked="" type="checkbox"/>	10A. MODIFICATION OF CONTRACT/ORDER NUMBER SP0600
		10B. DATED (SEE ITEM 13)  <b>SP0600-11-C-8271</b>

**11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS**

The above numbered solicitation is amended as set forth in Item 14. The hour and date specified for receipt of Offers  is extended.  is not extended. Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended, by one of the following methods: (a) By completing items 8 and 15, and returning \_\_\_\_\_ copies of the amendment; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or electronic communication which includes a reference to the solicitation and amendment numbers. FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment you desire to change an offer already submitted, such change may be made by letter or electronic communication, provided each letter or electronic communication makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.

**12. ACCOUNTING AND APPROPRIATION DATA (If required)**  
See Section G, Accounting and Appropriation Data

**13. THIS ITEM APPLIES ONLY TO MODIFICATIONS OF CONTRACTS/ORDERS. IT MODIFIES THE CONTRACT/ORDER NUMBER AS DESCRIBED IN ITEM 14.**

CHECK ONE	A. THIS CHANGE ORDER IS ISSUED PURSUANT TO: (Specify authority) THE CHANGES SET FORTH IN ITEM 14 ARE MADE IN THE CONTRACT ORDER NUMBER IN ITEM 10A.
<input type="checkbox"/>	
<input checked="" type="checkbox"/>	B. THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES (such as changes in paying office, appropriation data, etc.) SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY OF FAR 43.103(b).
<input type="checkbox"/>	B. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF:
<input type="checkbox"/>	D. OTHER (Specify type of modification and authority)

**E. IMPORTANT:** Contractor  is not  is required to sign this document and return 0 copies to the issuing office.

**14. DESCRIPTION OF AMENDMENT/MODIFICATION (Organized by UCF section headings, including solicitation/contract subject matter where feasible.)**

Fort Knox, Kentucky – Utility Privatization Contract  
Potable Water Utility System  
See Additional Pages for Further Details.

Except as provided herein, all terms and conditions of the document referenced in Item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect.

15A. NAME AND TITLE OF SIGNER (Type or print)	16A. NAME AND TITLE OF CONTRACTING OFFICER (Type or print) <b>CARL SILVERSTONE, CONTRACTING OFFICER</b>
15B. CONTRACTOR/OFFEROR  (Signature of person authorized to sign)	16B. UNITED STATES OF AMERICA SILVERSTONE.CARL.1377023044 Digitally signed by SILVERSTONE.CARL.1377023044 Date: 2018.04.27 13:50:00 -04'00'  (Signature of Contracting Officer)
15C. DATE SIGNED	16C. DATE SIGNED April 27, 2018

A. The purpose of this modification is to:

- 1) Update Section B.3, Schedule, to provide funding to subCLIN 0007AA for Contract Year Seven (7)'s Monthly Utility Service Charge (MUSC). Funding is provided in the amount of \$1,469,376.24 for April 1, 2018 to September 30, 2018 (Months 75-80) under ACRN AP.

B. Section B - Supplies or Services and Prices/Costs – As a result of the changes described in Paragraph A, Section B.3 is revised as follows:

- (1) B.3. Schedule is hereby modified to reflect the funding of subCLIN 0007AA:

**B.3 Schedule**

Utility Service Payment by the Government

**CLIN 0007 and subCLIN 0007AA are hereby updated as follows:  
 From:**

0007	Monthly Utility Service Charge -Year 7	Qty	Unit	Unit Price	Total Price
0007AA	Month 73-80 ACRN: AP (\$525,734.00) Period of performance: February 1, 2018 – September 30, 2018	8	Mo	\$249,388.78	\$1,995,110.24

**TO:**

0007	Monthly Utility Service Charge -Year 7	Qty	Unit	Unit Price	Total Price
0007AA	Month 73-80 ACRN: AP (\$1,995,110.24) Period of performance: February 1, 2018 – September 30, 2018	8	Mo	\$249,388.78	\$1,995,110.24

C. Section G – Contract Administration Data - As a result of the changes described in Paragraph A, Section G.5 is revised as follows:

**G.5 Accounting and Appropriation Data**

ACRN AP is hereby increased in the amount of \$1,469,376.24 from \$525,734.00 to \$1,995,110.24. Funds are provided under the Direct Cite MIPR Number MIPR0011141808 Amend 1 as follows:

ACRN AP <b>\$1,995,110.24</b> 02120182018 2020000 A2ABH 131079QUTS 2334 0011141808 S.0045978.28.3 021001 2020000			
MIPR0011141808 dated January 26, 2018		<b>Basic</b>	<b>\$525,734.00</b>
MIPR0011141808 dated March 30, 2018		<b>Amend 1</b>	<b>\$1,469,376.24</b>
		<b>Total</b>	<b>\$1,995,110.24</b>
Funding Breakdown			

	P00040	On CLIN 0007 (subCLIN 0007AA)	\$525,734.00
	P00041	On CLIN 0007 (subCLIN 0007AA)	\$1,469,376.24
	<b>Total Funding for ACRN AP</b>		<b>\$1,995,110.24</b>

D. DFARS Clause 252.232-7007 Limitation of Government's Obligation (APR 2014) is hereby updated:

I.5.4 LIMITATION OF GOVERNMENT'S OBLIGATION (APR 2014)

(a) Contract line items 0001 to 0057 are incrementally funded. For these items, the sum of \$45,762,191.7 of the total price is presently available for payment and allotted to this contract. An allotment schedule is set forth in paragraph (j) of this clause.

(b) For items identified in paragraph (a) of this clause, the Contractor agrees to perform up to the point at which the total amount payable by the Government, including reimbursement in the event of termination of those items for the Government's convenience, approximates the total amount currently allotted to the contract. The Contractor is not authorized to continue work on those items beyond that point. The Government will not be obligated in any event to reimburse the Contractor in excess of the amount allotted to the contract for those items regardless of anything to the contrary in the clause entitled "Termination for Convenience of the Government." As used in this clause, the total amount payable by the Government in the event of termination of applicable contract line items for convenience includes costs, profit, and estimated termination settlement costs for those items.

(c) Notwithstanding the dates specified in the allotment schedule in paragraph (j) of this clause, the Contractor will notify the Contracting Officer in writing at least ninety days prior to the date when, in the Contractor's best judgment, the work will reach the point at which the total amount payable by the Government, including any cost for termination for convenience, will approximate 85 percent of the total amount then allotted to the contract for performance of the applicable items. The notification will state (1) the estimated date when that point will be reached and (2) an estimate of additional funding, if any, needed to continue performance of applicable line items up to the next scheduled date for allotment of funds identified in paragraph (j) of this clause, or to a mutually agreed upon substitute date. The notification will also advise the Contracting Officer of the estimated amount of additional funds that will be required for the timely performance of the items funded pursuant to this clause, for a subsequent period as may be specified in the allotment schedule in paragraph (j) of this clause or otherwise agreed to by the parties. If after such notification additional funds are not allotted by the date identified in the Contractor's notification, or by an agreed substitute date, the Contracting Officer will terminate any items for which additional funds have not been allotted, pursuant to the clause of this contract entitled "Termination for Convenience of the Government."

(d) When additional funds are allotted for continued performance of the contract line items identified in paragraph (a) of this clause, the parties will agree as to the period of contract performance which will be covered by the funds. The provisions of paragraphs (b) through (d) of this clause will apply in like manner to the additional allotted funds and agreed substitute date, and the contract will be modified accordingly.

(e) If, solely by reason of failure of the Government to allot additional funds, by the dates indicated below, in amounts sufficient for timely performance of the contract line items identified in paragraph (a) of this clause, the Contractor incurs additional costs or is delayed in the performance of the work under this contract and if additional funds are allotted, an equitable adjustment will be made in the price or prices (including appropriate target, billing, and ceiling prices where applicable) of the items, or in the time of delivery, or both. Failure to agree to any such equitable adjustment hereunder will be a dispute concerning a question of fact within the meaning of the clause entitled "Disputes."

(f) The Government may at any time prior to termination allot additional funds for the performance of the contract line items identified in paragraph (a) of this clause.

(g) The termination provisions of this clause do not limit the rights of the Government under the clause entitled "Default." The provisions of this clause are limited to the work and allotment of funds for the contract line items set forth in paragraph (a) of this clause. This clause no longer applies once the contract is fully funded except with regard to the rights or obligations of the parties concerning equitable adjustments negotiated under paragraphs (d) and (e) of this clause.

(h) Nothing in this clause affects the right of the Government to terminate this contract pursuant to the clause of this contract entitled "Termination for Convenience of the Government."

(i) Nothing in this clause shall be construed as authorization of voluntary services whose acceptance is otherwise prohibited under 31 U.S.C. 1342.

(j) The parties contemplate that the Government will allot funds to this contract on a yearly basis no later than 30 days prior to the next Contract Year Period of Performance.

(End of clause)

- E. The total amount obligated is increased by \$1,469,376.24 from \$44,292,815.46 to \$45,762,191.70
- F. The total value of the contract remains unchanged at \$240,160,137.80
- G. All other Terms and Conditions shall remain unchanged and in full force and effect.

**End of Modification**



# AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT

1. CONTRACT ID CODE	PAGE	OF	PAGES
	1		4

2. AMENDMENT/MODIFICATION NUMBER <b>P00042</b>	3. EFFECTIVE DATE See Block 16C	4. REQUISITION/PURCHASE REQUISITION NUMBER	5. PROJECT NUMBER (If applicable)
6. ISSUED BY CODE DLA ENERGY – UTILITY SERVICES 3725 JOHN J. KINGMAN ROAD, STP 10400 FORT BELVOIR, VA 22060-6222 Buyer/Symbol: Jeremy Baxter/DLA Energy-FEEBA PHONE: (703) 223-2315 E-MAIL: jeremy.baxter@dla.mil		7. ADMINISTERED BY (If other than Item 6) CODE	

8. NAME AND ADDRESS OF CONTRACTOR (NO., street city, county, State ,and ZIP Code)  Hardin County Water District No. 1 1400 Rogersville Road Radcliff, KY 40160-9343 Phone: (270) 351-3222 ext. 208 Fax: (270) 352-3055 POC : Jim Bruce, General Manager DUNS # 130402811 CAGE #316V9	9A. AMENDMENT OF SOLICITATION NUMBER
	9B. DATED (SEE ITEM 11)
	10A. MODIFICATION OF CONTRACT/ORDER NUMBER SP0600
	10B. DATED (SEE ITEM 13)  <b>SP0600-11-C-8271</b>

**11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS**

The above numbered solicitation is amended as set forth in Item 14. The hour and date specified for receipt of Offers  is extended.  is not extended. Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended, by one of the following methods: (a) By completing items 8 and 15, and returning \_\_\_\_\_ copies of the amendment; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or electronic communication which includes a reference to the solicitation and amendment numbers. FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment you desire to change an offer already submitted, such change may be made by letter or electronic communication, provided each letter or electronic communication makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.

12. ACCOUNTING AND APPROPRIATION DATA (If required)  
See Section G, Accounting and Appropriation Data

**13. THIS ITEM APPLIES ONLY TO MODIFICATIONS OF CONTRACTS/ORDERS. IT MODIFIES THE CONTRACT/ORDER NUMBER AS DESCRIBED IN ITEM 14.**

CHECK ONE	A. THIS CHANGE ORDER IS ISSUED PURSUANT TO: (Specify authority) THE CHANGES SET FORTH IN ITEM 14 ARE MADE IN THE CONTRACT ORDER NUMBER IN ITEM 10A.
<input type="checkbox"/>	
<input checked="" type="checkbox"/>	B. THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES (such as changes in paying office, appropriation data, etc.) SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY OF FAR 43.103(b).
<input type="checkbox"/>	B. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF:
<input type="checkbox"/>	D. OTHER (Specify type of modification and authority)

**E. IMPORTANT:** Contractor  is not  is required to sign this document and return 0 copies to the issuing office.

14. DESCRIPTION OF AMENDMENT/MODIFICATION (Organized by UCF section headings, including solicitation/contract subject matter where feasible.)

Fort Knox, Kentucky – Utility Privatization Contract  
Potable Water Utility System  
See Additional Pages for Further Details.

Except as provided herein, all terms and conditions of the document referenced in Item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect.

15A. NAME AND TITLE OF SIGNER (Type or print)	16A. NAME AND TITLE OF CONTRACTING OFFICER (Type or print) <b>CARL SILVERSTONE, CONTRACTING OFFICER</b>
15B. CONTRACTOR/OFFEROR  (Signature of person authorized to sign)	15C. DATE SIGNED
	16B. UNITED STATES OF AMERICA SILVERSTONE.CARL.1377023044 Digitally signed by SILVERSTONE.CARL.1377023044 Date: 2018.10.24 13:56:13 -0500  (Signature of Contracting Officer)
	16C. DATE SIGNED <b>October 24, 2018</b>

Previous edition unusable

A. The purpose of this modification is to:

- 1) Update Section B.3, Schedule, to provide funding to subCLIN 0007AB for Contract Year Seven (7)'s Monthly Utility Service Charge (MUSC). Funding is provided in the amount of \$748,166.34 for October 1, 2018 to December 31, 2018 (Months 81-83) under ACRN AQ.

B. Section B - Supplies or Services and Prices/Costs – As a result of the changes described in Paragraph A, Section B.3 is revised as follows:

- (1) B.3. Schedule is hereby modified to establish funding for subCLIN 0007AB:

**B.3 Schedule**

Utility Service Payment by the Government

**SubCLIN 0007AB is hereby established as follows:**

**From:**

0007	Monthly Utility Service Charge -Year 7	Qty	Unit	Unit Price	Total Price
0007AA	Month 73-80 ACRN: AP (\$1,995,110.24) Period of performance: February 1, 2018 – September 30, 2018	8	Mo	\$249,388.78	\$1,995,110.24

**TO:**

0007	Monthly Utility Service Charge -Year 7	Qty	Unit	Unit Price	Total Price
0007AA	Month 73-80 ACRN: AP (\$1,995,110.24) Period of performance: February 1, 2018 – September 30, 2018	8	Mo	\$249,388.78	\$1,995,110.24
0007AB	Month 81-84 ACRN: AQ (\$748,166.34) Period of performance: October 1, 2018 – January 31, 2018	4	Mo	\$249,388.78	\$997,555.12

C. Section G – Contract Administration Data - As a result of the changes described in Paragraph A, Section G.5 is revised as follows:

**G.5 Accounting and Appropriation Data**

ACRN AQ is hereby established in the amount of \$748,166.34. Funds are provided under the Direct Cite MIPR

Number MIPR0011264809 as follows:

ACRN AQ <b>\$748,166.34</b> 02120192019 2020000 A2ABH 131079QUTS 2334 0011264809 S.0045978.82.1 021001 2020000			
MIPR0011264809 dated October 18, 2018		<b>Basic</b>	<b>\$748,166.34</b>
		<b>Total</b>	<b>\$748,166.34</b>
<b>Funding Breakdown</b>			
<b>P00042</b>		<b>On CLIN 0007 (subCLIN 0007AB)</b>	<b>\$748,166.34</b>
<b>Total Funding for ACRN AQ</b>			<b>\$748,166.34</b>

D. DFARS Clause 252.232-7007 Limitation of Government's Obligation (APR 2014) is hereby updated:

I.5.4 LIMITATION OF GOVERNMENT'S OBLIGATION (APR 2014)

(a) Contract line items 0001 to 0057 are incrementally funded. For these items, the sum of \$46,510,358.04 of the total price is presently available for payment and allotted to this contract. An allotment schedule is set forth in paragraph (j) of this clause.

(b) For items identified in paragraph (a) of this clause, the Contractor agrees to perform up to the point at which the total amount payable by the Government, including reimbursement in the event of termination of those items for the Government's convenience, approximates the total amount currently allotted to the contract. The Contractor is not authorized to continue work on those items beyond that point. The Government will not be obligated in any event to reimburse the Contractor in excess of the amount allotted to the contract for those items regardless of anything to the contrary in the clause entitled "Termination for Convenience of the Government." As used in this clause, the total amount payable by the Government in the event of termination of applicable contract line items for convenience includes costs, profit, and estimated termination settlement costs for those items.

(c) Notwithstanding the dates specified in the allotment schedule in paragraph (j) of this clause, the Contractor will notify the Contracting Officer in writing at least ninety days prior to the date when, in the Contractor's best judgment, the work will reach the point at which the total amount payable by the Government, including any cost for termination for convenience, will approximate 85 percent of the total amount then allotted to the contract for performance of the applicable items. The notification will state (1) the estimated date when that point will be reached and (2) an estimate of additional funding, if any, needed to continue performance of applicable line items up to the next scheduled date for allotment of funds identified in paragraph (j) of this clause, or to a mutually agreed upon substitute date. The notification will also advise the Contracting Officer of the estimated amount of additional funds that will be required for the timely performance of the items funded pursuant to this clause, for a subsequent period as may be specified in the allotment schedule in paragraph (j) of this clause or otherwise agreed to by the parties. If after such notification additional funds are not allotted by the date identified in the Contractor's notification, or by an agreed substitute date, the Contracting Officer will terminate any items for which additional funds have not been allotted, pursuant to the clause of this contract entitled "Termination for Convenience of the Government."

(d) When additional funds are allotted for continued performance of the contract line items identified in paragraph (a) of this clause, the parties will agree as to the period of contract performance which will be covered by the funds. The provisions of paragraphs (b) through (d) of this clause will apply in like manner to the additional allotted funds and agreed substitute date, and the contract will be modified accordingly.

(e) If, solely by reason of failure of the Government to allot additional funds, by the dates indicated below, in amounts sufficient for timely performance of the contract line items identified in paragraph (a) of this clause, the Contractor incurs additional costs or is delayed in the performance of the work under this contract and if additional funds are allotted, an equitable adjustment will be made in the price or prices (including appropriate target, billing, and ceiling prices where applicable) of the items, or in the time of delivery, or both. Failure to agree to any such equitable adjustment hereunder will be a dispute concerning a question of fact within the meaning of the clause entitled "Disputes."

(f) The Government may at any time prior to termination allot additional funds for the performance of the contract line items identified in paragraph (a) of this clause.

(g) The termination provisions of this clause do not limit the rights of the Government under the clause entitled "Default." The provisions of this clause are limited to the work and allotment of funds for the contract line items set forth in paragraph (a) of this clause. This clause no longer applies once the contract is fully funded except with regard to the rights or obligations of the parties concerning equitable adjustments negotiated under paragraphs (d) and (e) of this clause.

(h) Nothing in this clause affects the right of the Government to terminate this contract pursuant to the clause of this contract entitled "Termination for Convenience of the Government."

(i) Nothing in this clause shall be construed as authorization of voluntary services whose acceptance is otherwise prohibited under 31 U.S.C. 1342.

(j) The parties contemplate that the Government will allot funds to this contract on a yearly basis no later than 30 days prior to the next Contract Year Period of Performance.

(End of clause)

- E. The total amount obligated is increased by \$748,166.34 from \$45,762,191.70 to \$46,510,358.04.
- F. The total value of the contract remains unchanged at \$240,160,137.80
- G. All other Terms and Conditions shall remain unchanged and in full force and effect.

**End of Modification**

**AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT**

1. CONTRACT ID CODE PAGE OF PAGES  
1 2

2. AMENDMENT/MODIFICATION NUMBER <b>P00043</b>	3. EFFECTIVE DATE See Block 16C	4. REQUISITION/PURCHASE REQUISITION NUMBER	5. PROJECT NUMBER (If applicable)
6. ISSUED BY DLA ENERGY – UTILITY SERVICES 3725 JOHN J. KINGMAN ROAD, STP 10400 FORT BELVOIR, VA 22060-6222 Buyer/Symbol: Matthew Fox/DLA Energy-FEE PHONE: (571) 767-9114 E-MAIL: matthew.fox@dla.mil	CODE SP0600	7. ADMINISTERED BY (If other than Item 6)	CODE

8. NAME AND ADDRESS OF CONTRACTOR (NO., street city, county, State ,and ZIP Code) Hardin County Water District No. 1 1400 Rogersville Road Radcliff, KY 40160-9343 Phone: (270) 351-3222 ext. 208 Fax: (270) 352-3055 POC : Jim Bruce, General Manager DUNS # 130402811 CAGE #316V9	9A. AMENDMENT OF SOLICITATION NUMBER <input type="checkbox"/>	9B. DATED (SEE ITEM 11)
	10A. MODIFICATION OF CONTRACT/ORDER NUMBER SP0600	10B. DATED (SEE ITEM 13)
CODE	FACILITY CODE	<b>SP0600-11-C-8271</b>

**11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS**

The above numbered solicitation is amended as set forth in Item 14. The hour and date specified for receipt of Offers  is extended.  is not extended. Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended, by one of the following methods: (a) By completing items 8 and 15, and returning \_\_\_\_\_ copies of the amendment; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or electronic communication which includes a reference to the solicitation and amendment numbers. FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment you desire to change an offer already submitted, such change may be made by letter or electronic communication, provided each letter or electronic communication makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.

12. ACCOUNTING AND APPROPRIATION DATA (If required)  
See Section G, Accounting and Appropriation Data

**13. THIS ITEM APPLIES ONLY TO MODIFICATIONS OF CONTRACTS/ORDERS. IT MODIFIES THE CONTRACT/ORDER NUMBER AS DESCRIBED IN ITEM 14.**

CHECK ONE	A. THIS CHANGE ORDER IS ISSUED PURSUANT TO: (Specify authority) THE CHANGES SET FORTH IN ITEM 14 ARE MADE IN THE CONTRACT ORDER NUMBER IN ITEM 10A.
<input type="checkbox"/>	
<input checked="" type="checkbox"/>	B. THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES (such as changes in paying office, appropriation data, etc.) SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY OF FAR 43.103(b).
<input type="checkbox"/>	B. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF:
<input type="checkbox"/>	D. OTHER (Specify type of modification and authority)

E. IMPORTANT: Contractor  is not  is required to sign this document and return 0 copies to the issuing office.

14. DESCRIPTION OF AMENDMENT/MODIFICATION (Organized by UCF section headings, including solicitation/contract subject matter where feasible.)

Fort Knox, Kentucky – Utility Privatization Contract  
Potable Water Utility System  
See Additional Pages for Further Details.

Except as provided herein, all terms and conditions of the document referenced in Item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect.

15A. NAME AND TITLE OF SIGNER (Type or print)	16A. NAME AND TITLE OF CONTRACTING OFFICER (Type or print) <b>CARL SILVERSTONE, CONTRACTING OFFICER</b>
15B. CONTRACTOR/OFFEROR  (Signature of person authorized to sign)	15C. DATE SIGNED
16B. UNITED STATES OF AMERICA SILVERSTONE.CARL.137702304 4 Digitally signed by SILVERSTONE.CARL.137702304 Date: 2018.11.19 15:11:38 -0500	16C. DATE SIGNED <b>November 19, 2018</b>
	(Signature of Contracting Officer)

Previous edition unusable

A. The purpose of this modification is to:

- 1) Update Section B.3, Schedule, to correct the date of the period of performance (POP) for CLIN 0007AB in P00042. The changes to the POP are **highlighted in RED**.

B. Section B - Supplies or Services and Prices/Costs – As a result of the changes described in Paragraph A, Section B.3 is revised as follows:

(1) B.3. Schedule is hereby revised to correct the POP for SubCLIN 0007AB:

**B.3 Schedule**

Utility Service Payment by the Government

**SubCLIN 0007AB is hereby revised as follows:**

**From:**

0007	Monthly Utility Service Charge -Year 7	Qty	Unit	Unit Price	Total Price
0007AB	Month 81-84 ACRN: AQ (\$748,166.34) Period of performance: October 1, 2018 – January 31, 2018	4	Mo	\$249,388.78	\$997,555.12

**TO:**

0007	Monthly Utility Service Charge -Year 7	Qty	Unit	Unit Price	Total Price
0007AB	Month 81-84 ACRN: AQ (\$748,166.34) Period of performance: <b>October 1, 2018 –</b> <b>January 31, 2019</b>	4	Mo	\$249,388.78	\$997,555.12

- C. The total amount obligated remains the same at \$46,510,358.04.
- D. The total value of the contract remains unchanged at \$240,160,137.80
- E. All other Terms and Conditions shall remain unchanged and in full force and effect.

**End of Modification**

# AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT

1 4

<b>2. AMENDMENT/MODIFICATION NUMBER</b> <b>P00044</b>	<b>3. EFFECTIVE DATE</b> See Block 16C	<b>4. REQUISITION/PURCHASE REQUISITION NUMBER</b>	<b>5. PROJECT NUMBER (If applicable)</b>
<b>6. ISSUED BY</b> DLA ENERGY – UTILITY SERVICES 8725 JOHN J. KINGMAN ROAD, STP 10400 RT BELVOIR, VA 22060-6222 Buyer/Symbol: Matthew Fox/DLA Energy-FEEBA PHONE: (571) 767-9114 E-MAIL: <a href="mailto:matthew.fox@dla.mil">matthew.fox@dla.mil</a>	<b>CODE</b> SP0600	<b>7. ADMINISTERED BY (If other than Item 6)</b>  <b>CODE</b>	

<b>8. NAME AND ADDRESS OF CONTRACTOR (NO., street city, county, State, and ZIP Code)</b>  Hardin County Water District No. 1 1400 Rogersville Road Radcliff, KY 40160-9343 Phone: (270) 351-3222 Fax: (270) 352-3055 POC: Stephen M. Hogan, General Manager DUNS # 130402811 CAGE #316V9		<b>9A. AMENDMENT OF SOLICITATION NUMBER</b>
	<input type="checkbox"/>	<b>9B. DATED (SEE ITEM 11)</b>
	<input checked="" type="checkbox"/>	<b>10A. MODIFICATION OF CONTRACT/ORDER NUMBER</b> SP0600
		<b>10B. DATED (SEE ITEM 13)</b>
<b>CODE</b>	<b>FACILITY CODE</b>	<b>SP0600-11-C-8271</b>

### 11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS

The above numbered solicitation is amended as set forth in Item 14. The hour and date specified for receipt of Offers  is extended.  is not extended. Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended, by one of the following methods: (a) By completing items 8 and 15, and returning \_\_\_\_\_ copies of the amendment; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or electronic communication which includes a reference to the solicitation and amendment numbers. FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment you desire to change an offer already submitted, such change may be made by letter or electronic communication, provided each letter or electronic communication makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.

**12. ACCOUNTING AND APPROPRIATION DATA (If required)**  
See Section G, Accounting and Appropriation Data

### 13. THIS ITEM APPLIES ONLY TO MODIFICATIONS OF CONTRACTS/ORDERS. IT MODIFIES THE CONTRACT/ORDER NUMBER AS DESCRIBED IN ITEM 14.

<b>C. CHECK ONE</b>	<b>A. THIS CHANGE ORDER IS ISSUED PURSUANT TO: (Specify authority) THE CHANGES SET FORTH IN ITEM 14 ARE MADE IN THE CONTRACT ORDER NUMBER IN ITEM 10A.</b>
<input type="checkbox"/>	
<input checked="" type="checkbox"/>	<b>B. THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES (such as changes in paying office, appropriation data, etc.) SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY OF FAR 43.103(b).</b>
<input type="checkbox"/>	<b>B. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF:</b>
<input type="checkbox"/>	<b>D. OTHER (Specify type of modification and authority)</b>

**E. IMPORTANT:** Contractor  is not  is required to sign this document and return 0 copies to the issuing office.

**14. DESCRIPTION OF AMENDMENT/MODIFICATION (Organized by UCF section headings, including solicitation/contract subject matter where feasible.)**

Fort Knox, Kentucky – Utility Privatization Contract  
Potable Water Utility System  
See Additional Pages for Further Details.

Except as provided herein, all terms and conditions of the document referenced in Item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect.

<b>15A. NAME AND TITLE OF SIGNER (Type or print)</b>	<b>16A. NAME AND TITLE OF CONTRACTING OFFICER (Type or print)</b> <b>CARL SILVERSTONE, CONTRACTING OFFICER</b>
<b>15B. CONTRACTOR/OFFEROR</b>  (Signature of person authorized to sign)	<b>15C. DATE SIGNED</b>
<b>16B. UNITED STATES OF AMERICA</b> SILVERSTONE.CARL1377023044 Digitally signed by SILVERSTONE.CARL1377023044 Date: 2018.12.20 18:15:48 -0500  (Signature of Contracting Officer)	<b>16C. DATE SIGNED</b>  December 20, 2018

Previous edition unusable

A. The purpose of this modification is to:

- 1) Update Section B.3, Schedule, to provide funding to subCLIN 0007AB for Contract Year Seven (7)'s Monthly Utility Service Charge (MUSC). Funding is provided in the amount of \$249,388.78 for January 1, 2019 to January 31, 2019 (Month 84) under ACRN AQ.

B. Section B - Supplies or Services and Prices/Costs – As a result of the changes described in Paragraph A, Section B.3 is revised as follows:

(1) B.3. Schedule is hereby modified to increase funding for subCLIN 0007AB:

**B.3 Schedule**

Utility Service Payment by the Government

**SubCLIN 0007AB is hereby fully funded as follows:**

0007	Monthly Utility Service Charge -Year 7	Qty	Unit	Unit Price	Total Price
0007AA	Month 73-80 ACRN: AP (\$1,995,110.24) Period of performance: February 1, 2018 – September 30, 2018	8	Mo	\$249,388.78	\$1,995,110.24
0007AB	Month 81-84 ACRN: AQ (\$997,555.12) Period of performance: October 1, 2018 – January 31, 2019	4	Mo	\$249,388.78	\$997,555.12

C. Section G – Contract Administration Data - As a result of the changes described in Paragraph A, Section G.5 is revised as follows:

**G.5 Accounting and Appropriation Data**

ACRN AQ is hereby increased in the amount of \$249,388.78. Funds are provided under the Direct Cite MIPR Number MIPR0011264809 as follows:

ACRN AQ \$997,555.12 02120192019 2020000 A2ABH 131079QUTS 2334 0011264809 S.0045978.82.1 021001 2020000			
MIPR0011264809 dated October 18, 2018		Basic	\$748,166.34
MIPR0011264809 dated December 3, 2018		Amendment 1	\$249,388.78
		Total	\$997,555.12
<b>Funding Breakdown</b>			
	P00042	On CLIN 0007 (subCLIN 0007AB)	\$748,166.34
	P00044	On CLIN 0007 (subCLIN 0007AB)	\$249,388.78
	<b>Total Funding for ACRN AQ</b>		<b>\$997,555.12</b>



DFARS Clause 252.232-7007 Limitation of Government's Obligation (APR 2014) is hereby updated:

I.5.4 LIMITATION OF GOVERNMENT'S OBLIGATION (APR 2014)

(a) Contract line items 0001 to 0057 are incrementally funded. For these items, the sum of \$46,759,746.82 of the total price is presently available for payment and allotted to this contract. An allotment schedule is set forth in paragraph (j) of this clause.

(b) For items identified in paragraph (a) of this clause, the Contractor agrees to perform up to the point at which the total amount payable by the Government, including reimbursement in the event of termination of those items for the Government's convenience, approximates the total amount currently allotted to the contract. The Contractor is not authorized to continue work on those items beyond that point. The Government will not be obligated in any event to reimburse the Contractor in excess of the amount allotted to the contract for those items regardless of anything to the contrary in the clause entitled "Termination for Convenience of the Government." As used in this clause, the total amount payable by the Government in the event of termination of applicable contract line items for convenience includes costs, profit, and estimated termination settlement costs for those items.

(c) Notwithstanding the dates specified in the allotment schedule in paragraph (j) of this clause, the Contractor will notify the Contracting Officer in writing at least ninety days prior to the date when, in the Contractor's best judgment, the work will reach the point at which the total amount payable by the Government, including any cost for termination for convenience, will approximate 85 percent of the total amount then allotted to the contract for performance of the applicable items. The notification will state (1) the estimated date when that point will be reached and (2) an estimate of additional funding, if any, needed to continue performance of applicable line items up to the next scheduled date for allotment of funds identified in paragraph (j) of this clause, or to a mutually agreed upon substitute date. The notification will also advise the Contracting Officer of the estimated amount of additional funds that will be required for the timely performance of the items funded pursuant to this clause, for a subsequent period as may be specified in the allotment schedule in paragraph (j) of this clause or otherwise agreed to by the parties. If after such notification additional funds are not allotted by the date identified in the Contractor's notification, or by an agreed substitute date, the Contracting Officer will terminate any items for which additional funds have not been allotted, pursuant to the clause of this contract entitled "Termination for Convenience of the Government."

(d) When additional funds are allotted for continued performance of the contract line items identified in paragraph (a) of this clause, the parties will agree as to the period of contract performance which will be covered by the funds. The provisions of paragraphs (b) through (d) of this clause will apply in like manner to the additional allotted funds and agreed substitute date, and the contract will be modified accordingly.

(e) If, solely by reason of failure of the Government to allot additional funds, by the dates indicated below, in amounts sufficient for timely performance of the contract line items identified in paragraph (a) of this clause, the Contractor incurs additional costs or is delayed in the performance of the work under this contract and if additional funds are allotted, an equitable adjustment will be made in the price or prices (including appropriate target, billing, and ceiling prices where applicable) of the items, or in the time of delivery, or both. Failure to agree to any such equitable adjustment hereunder will be a dispute concerning a question of fact within the meaning of the clause entitled "Disputes."

(f) The Government may at any time prior to termination allot additional funds for the performance of the contract line items identified in paragraph (a) of this clause.

(g) The termination provisions of this clause do not limit the rights of the Government under the clause entitled "Default." The provisions of this clause are limited to the work and allotment of funds for the contract line items set forth in paragraph (a) of this clause. This clause no longer applies once the

contract is fully funded except with regard to the rights or obligations of the parties concerning equitable adjustments negotiated under paragraphs (d) and (e) of this clause.

(h) Nothing in this clause affects the right of the Government to terminate this contract pursuant to the clause of this contract entitled "Termination for Convenience of the Government."

(i) Nothing in this clause shall be construed as authorization of voluntary services whose acceptance is otherwise prohibited under 31 U.S.C. 1342.

(j) The parties contemplate that the Government will allot funds to this contract on a yearly basis no later than 30 days prior to the next Contract Year Period of Performance.

(End of clause)

E. The total amount obligated is increased by \$249,388.78 from \$46,510,358.04 to \$46,759,746.82.

F. The total value of the contract remains unchanged at \$240,160,137.80

G. All other Terms and Conditions shall remain unchanged and in full force and effect.

**End of Modification**

**AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT**

2. AMENDMENT/MODIFICATION NUMBER <b>P00045</b>		3. EFFECTIVE DATE See Block 16C	4. REQUISITION/PURCHASE REQUISITION NUMBER	5. PROJECT NUMBER (If applicable) 1 4
6. ISSUED BY DLA ENERGY - UTILITY SERVICES 8725 JOHN J. KINGMAN ROAD, STP 10400 FORT BELVOIR, VA 22060-6222 Buyer/Symbol: Jeremy Baxter/DLA Energy-FEEBA PHONE: (703) 223-2315 E-MAIL: jeremy.baxter@dla.mil		CODE SP0600	7. ADMINISTERED BY (If other than Item 6) CODE	

8. NAME AND ADDRESS OF CONTRACTOR (NO., street city, county, State, and ZIP Code)  Hardin County Water District No. 1 1400 Rogersville Road Radcliff, KY 40160-9343 Phone: (270) 351-3222 ext. 208 Fax: (270) 352-3055 POC : Stephen Hogan, General Manager DUNS # 130402811 CAGE #316V9	9A. AMENDMENT OF SOLICITATION NUMBER
	9B. DATED (SEE ITEM 11)
	10A. MODIFICATION OF CONTRACT/ORDER NUMBER SP0600
	10B. DATED (SEE ITEM 13)  SP0600-11-C-8271

CODE FACILITY CODE

**11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS**

The above numbered solicitation is amended as set forth in Item 14. The hour and date specified for receipt of Offers  is extended.  is not extended. Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended, by one of the following methods: (a) By completing items 8 and 15, and returning \_\_\_\_\_ copies of the amendment; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or electronic communication which includes a reference to the solicitation and amendment numbers. FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment you desire to change an offer already submitted, such change may be made by letter or electronic communication, provided each letter or electronic communication makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.

12. ACCOUNTING AND APPROPRIATION DATA (If required)  
See Section G, Accounting and Appropriation Data

**13. THIS ITEM APPLIES ONLY TO MODIFICATIONS OF CONTRACTS/ORDERS.  
IT MODIFIES THE CONTRACT/ORDER NUMBER AS DESCRIBED IN ITEM 14.**

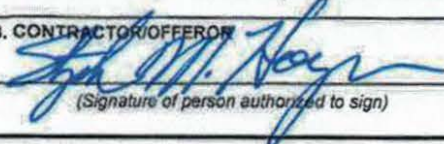
<input type="checkbox"/>	A. THIS CHANGE ORDER IS ISSUED PURSUANT TO: (Specify authority) THE CHANGES SET FORTH IN ITEM 14 ARE MADE IN THE CONTRACT ORDER NUMBER IN ITEM 10A.
<input type="checkbox"/>	B. THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES (such as changes in paying office, appropriation data, etc.) SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY OF FAR 43.103(b).
<input checked="" type="checkbox"/>	B. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF: FAR 52.241-7, Change in Rates or Terms and Conditions of Service for Regulated Services
<input type="checkbox"/>	D. OTHER (Specify type of modification and authority)

E. IMPORTANT: Contractor  is not  is required to sign this document and return 1 copies to the issuing office.

14. DESCRIPTION OF AMENDMENT/MODIFICATION (Organized by UCF section headings, including solicitation/contract subject matter where feasible.)

Fort Knox, Kentucky – Utility Privatization Contract  
Potable Water Utility System  
See Additional Pages for Further Details.

Except as provided herein, all terms and conditions of the document referenced in Item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect.

15A. NAME AND TITLE OF SIGNER (Type or print) <b>STEPHEN M. HOGAN, GENERAL MANAGER</b>		16A. NAME AND TITLE OF CONTRACTING OFFICER (Type or print) <b>CARL SILVERSTONE, CONTRACTING OFFICER</b>	
15B. CONTRACTOR/OFFEROR  (Signature of person authorized to sign)	15C. DATE SIGNED 2-1-2019	16B. UNITED STATES OF AMERICA SILVERSTONE.CARL.1377023 Digitally signed by SILVERSTONE.CARL.1377023044 044 Date: 2019.02.01 14:36:46 -05'00' (Signature of Contracting Officer)	16C. DATE SIGNED February 1, 2019

Previous edition unusable

A. The purpose of this modification is to:

- 1) Update Section B.3, Schedule, to provide funding to subCLIN 0008AA for Contract Year Eight (8)'s Monthly Utility Service Charge (MUSC). Funding is provided in the amount of \$2,030,070.56 for February 1, 2019 to September 30, 2019 (Months 85-92) under ACRN AR.
- 2) Update Section B.4, Monthly Utility Service Charge-Schedule 1.
- 3) Update Section G.5, Accounting and Appropriation Data to establish ACRN AR.
- 4) Permanently increase the MUSC beginning February 2018 from \$249,388.78 to \$253,759.82, a total monthly rise of \$4,371.04 (1.7527%) in accordance with the proposed escalation located in the Schedule B.4 Monthly Utility Service Charge – Schedule 1 of Section J1 – Potable Water Utility System Utilities Privatization – Fort Knox, Kentucky.

B. Section B - Supplies or Services and Prices/Costs – As a result of the changes described in Paragraph A, Section B.3 is revised as follows:

(1) B.3. Schedule is hereby modified to reflect the funding of subCLIN 0008AA:

**B.3 Schedule**

Utility Service Payment by the Government

**CLIN 0008, subCLIN 0008AA, and subCLIN 0008AB are hereby established as follows:**

0008	Monthly Utility Service Charge -Year 8	Qty	Unit	Unit Price	Total Price
0008AA	Month 85-92 ACRN: AR (\$2,030,070.56) Period of performance: February 1, 2019 – September 30, 2019	8	Mo	\$253,759.82	\$2,030,078.56
0008AB	Month 93-96 ACRN: TBD Period of performance: October 1, 2019 – January 31, 2020	4	Mo	\$253,759.82	\$1,015,039.28

C. Section B - Supplies or Services and Prices/Costs – As a result of the changes described in Paragraph A, Section B.4 is revised as follows:

(2) B.4. Monthly Utility Service Charge-Schedule 1 is hereby modified to reflect the increase in MUSC in accordance to Section B.2.2.1:

Contract Year	Monthly Service Charge	Purchase Price Recovery Surcharge	Monthly Credit	Monthly Utility Service Charge	Annual Utility Service Charge
1	\$246,172.00	\$85,968.00	(\$85,968.00)	\$246,172.00	\$2,954,064.00
2	\$246,172.00	\$85,968.00	(\$85,968.00)	\$246,172.00	\$2,954,064.00
3	\$246,172.00	\$85,968.00	(\$85,968.00)	\$246,172.00	\$2,954,064.00
4	\$246,172.00	\$85,968.00	(\$85,968.00)	\$246,172.00	\$2,954,064.00
5	\$246,172.00	\$85,968.00	(\$85,968.00)	\$246,172.00	\$2,954,064.00
6	\$245,094.00	\$85,968.00	(\$85,968.00)	\$245,094.00	\$2,941,128.00

7	\$249,388.78	\$85,968.00	(\$85,968.00)	\$249,388.78	\$2,992,665.36
8	\$253,759.82	\$85,968.00	(\$85,968.00)	\$253,759.82	\$3,045,117.81
9	\$258,207.47	\$85,968.00	(\$85,968.00)	\$258,207.47	\$3,098,489.59
10	\$262,733.07	\$85,968.00	(\$85,968.00)	\$262,733.07	\$3,152,796.81
11	\$267,337.99			\$267,337.99	\$3,208,055.88
12	\$272,023.62			\$272,023.62	\$3,264,283.48
13	\$276,791.38			\$276,791.38	\$3,321,496.57
14	\$281,642.70			\$281,642.70	\$3,379,712.44
15	\$286,579.06			\$286,579.06	\$3,438,948.66
16	\$291,601.93			\$291,601.93	\$3,499,223.12
17	\$296,712.83			\$296,712.83	\$3,560,554.00
18	\$301,913.32			\$301,913.32	\$3,622,959.83
19	\$307,204.95			\$307,204.95	\$3,686,459.45
20	\$312,589.34			\$312,589.34	\$3,751,072.02
21	\$318,068.09			\$318,068.09	\$3,816,817.06
22	\$323,642.87			\$323,642.87	\$3,883,714.42
23	\$329,315.36			\$329,315.36	\$3,951,784.28
24	\$335,087.27			\$335,087.27	\$4,021,047.20
25	\$340,960.34			\$340,960.34	\$4,091,524.10
26	\$346,936.35			\$346,936.35	\$4,163,236.24
27	\$353,017.11			\$353,017.11	\$4,236,205.28
28	\$359,204.44			\$359,204.44	\$4,310,453.25
29	\$365,500.21			\$365,500.21	\$4,386,002.56
30	\$371,906.34			\$371,906.34	\$4,462,876.03
31	\$378,424.74			\$378,424.74	\$4,541,096.86
32	\$385,057.39			\$385,057.39	\$4,620,688.66
33	\$391,806.29			\$391,806.29	\$4,701,675.47
34	\$398,673.48			\$398,673.48	\$4,784,081.74
35	\$405,661.03			\$405,661.03	\$4,867,932.34
36	\$412,771.05			\$412,771.05	\$4,953,252.59
37	\$420,005.69			\$420,005.69	\$5,040,068.25
38	\$427,367.13			\$427,367.13	\$5,128,405.52
39	\$434,857.59			\$434,857.59	\$5,218,291.09
40	\$442,479.34			\$442,479.34	\$5,309,752.08
41	\$450,234.68			\$450,234.68	\$5,402,816.10
42	\$458,125.94			\$458,125.94	\$5,497,511.26
43	\$466,155.51			\$466,155.51	\$5,593,866.14
44	\$474,325.82			\$474,325.82	\$5,691,909.83
45	\$482,639.33			\$482,639.33	\$5,791,671.93
46	\$491,098.55			\$491,098.55	\$5,893,182.57
47	\$499,706.03			\$499,706.03	\$5,996,472.38
48	\$508,464.38			\$508,464.38	\$6,101,572.55
49	\$517,376.23			\$517,376.23	\$6,208,514.81
50	\$526,444.29			\$526,444.29	\$6,317,331.45

Section G – Contract Administration Data - As a result of the changes described in Paragraph A, Section G.5 is revised as follows:

**G.5 Accounting and Appropriation Data**

ACRN AR is hereby established in the amount of \$2,030,070.56. Funds are provided under the Direct Cite MIPR Number MIPR11283737 as follows:

ACRN AR <b>\$2,030,070.56</b> 02120192019 2020000 A2ABH 131079QUTS 233L 0011283737 S.0045978.82.1 021001			
	MIPR11283737 dated January 03, 2019	<b>Basic</b>	<b>\$2,030,070.56</b>
		<b>Total</b>	<b>\$2,030,070.56</b>
	Funding Breakdown		
	<b>P00045</b>	<b>On subCLIN 0008AA</b>	<b>\$2,030,070.56</b>
	<b>Total Funding for ACRN AR</b>		<b>\$2,030,070.56</b>

D. DFARS Clause 252.232-7007 Limitation of Government's Obligation (APR 2014) is hereby updated:

I.5.4 LIMITATION OF GOVERNMENT'S OBLIGATION (APR 2014)

(a) Contract line items 0001 to 0057 are incrementally funded. For these items, the sum of \$48,789,817.38 of the total price is presently available for payment and allotted to this contract. An allotment schedule is set forth in paragraph (j) of this clause.

(b) For items identified in paragraph (a) of this clause, the Contractor agrees to perform up to the point at which the total amount payable by the Government, including reimbursement in the event of termination of those items for the Government's convenience, approximates the total amount currently allotted to the contract. The Contractor is not authorized to continue work on those items beyond that point. The Government will not be obligated in any event to reimburse the Contractor in excess of the amount allotted to the contract for those items regardless of anything to the contrary in the clause entitled "Termination for Convenience of the Government." As used in this clause, the total amount payable by the Government in the event of termination of applicable contract line items for convenience includes costs, profit, and estimated termination settlement costs for those items.

(c) Notwithstanding the dates specified in the allotment schedule in paragraph (j) of this clause, the Contractor will notify the Contracting Officer in writing at least ninety days prior to the date when, in the Contractor's best judgment, the work will reach the point at which the total amount payable by the Government, including any cost for termination for convenience, will approximate 85 percent of the total amount then allotted to the contract for performance of the applicable items. The notification will state (1) the estimated date when that point will be reached and (2) an estimate of additional funding, if any, needed to continue performance of applicable line items up to the next scheduled date for allotment of funds identified in paragraph (j) of this clause, or to a mutually agreed upon substitute date. The notification will also advise the Contracting Officer of the estimated amount of additional funds that will be required for the timely performance of the items funded pursuant to this clause, for a subsequent period as may be specified in the allotment schedule in paragraph (j) of this clause or otherwise agreed to by the parties. If after such notification additional funds are not allotted by the date identified in the Contractor's notification, or by an agreed substitute date, the Contracting Officer will terminate any items for which additional funds have not been allotted, pursuant to the clause of this contract entitled "Termination for Convenience of the Government."

(d) When additional funds are allotted for continued performance of the contract line items identified in paragraph (a) of this clause, the parties will agree as to the period of contract performance which will be

covered by the funds. The provisions of paragraphs (b) through (d) of this clause will apply in like manner to the additional allotted funds and agreed substitute date, and the contract will be modified accordingly.

(e) If, solely by reason of failure of the Government to allot additional funds, by the dates indicated below, in amounts sufficient for timely performance of the contract line items identified in paragraph (a) of this clause, the Contractor incurs additional costs or is delayed in the performance of the work under this contract and if additional funds are allotted, an equitable adjustment will be made in the price or prices (including appropriate target, billing, and ceiling prices where applicable) of the items, or in the time of delivery, or both. Failure to agree to any such equitable adjustment hereunder will be a dispute concerning a question of fact within the meaning of the clause entitled "Disputes."

(f) The Government may at any time prior to termination allot additional funds for the performance of the contract line items identified in paragraph (a) of this clause.

(g) The termination provisions of this clause do not limit the rights of the Government under the clause entitled "Default." The provisions of this clause are limited to the work and allotment of funds for the contract line items set forth in paragraph (a) of this clause. This clause no longer applies once the contract is fully funded except with regard to the rights or obligations of the parties concerning equitable adjustments negotiated under paragraphs (d) and (e) of this clause.

(h) Nothing in this clause affects the right of the Government to terminate this contract pursuant to the clause of this contract entitled "Termination for Convenience of the Government."

(i) Nothing in this clause shall be construed as authorization of voluntary services whose acceptance is otherwise prohibited under 31 U.S.C. 1342.

(j) The parties contemplate that the Government will allot funds to this contract on a yearly basis no later than 30 days prior to the next Contract Year Period of Performance.

(End of clause)

- E. The total amount obligated is increased by \$2,030,070.56 from \$46,759,746.82 to \$48,789,817.38.
- F. The total value of the contract is increased by \$18,703.09 from \$240,160,137.80 to \$240,178,840.89.
- G. All other Terms and Conditions shall remain unchanged and in full force and effect.

**End of Modification**

2. Identify those portions of the Contract that discuss how Fort Knox, DLAE, or other customers in Fort Knox will be billed for water service and sewage service by Hardin District No. 1, and briefly explain how Hardin District No. 1 bills Fort Knox, DLAE, and other customers in Fort Knox in practice, e.g., is there a single contract practice paid by DLAE, multiple contract rates paid by DLAE, multiple rates paid by different parties, etc.

ANSWER 2: There is one, single monthly contract rate paid by DLAE per section G3, page 31 of the Water Service Contract. Currently, the monthly rate is \$253,759.82 per MOD P00045.

There is also one, single monthly contract rate paid by DOD per section G2, page 24 of the Sewer Service Contract No. W9124D-05-C-0017 which was received by the PSC on December 1, 2004 when it was previously filed with the Commission as Case # 2004-00422. Currently, the monthly rate is \$278,079.74 per MOD P00068.

WITNESS: Mr. Brett Pyles, Fort Knox Systems Director, HCWD1  
Mr. Scott Schmuck, CGFM, Finance & Accounting Manager, HCWD1



3. State whether Hardin District No. 1 maintains separate books for the water and sewage service it provides in Fort Knox pursuant to the Contract as compared to the water and sewage service it provides outside Fort Knox.

**ANSWER 3:** As a Government Agency, HCWD1 is required by GASB to keep separate accounting records ("books") for all Funds. As such, we maintain five separate, distinct sets of financial statements and bank accounts for the following: County Water System, Fort Knox Sewer System, Fort Knox Stormwater System, Radcliff Sewer System and Fort Knox Water System.

**WITNESS:** Mr. Scott Schmuck, CGFM, Finance & Accounting Manager, HCWD1

4. State whether and, if so, explain why (or why not) an increase in the cost to serve customers inside Fort Knox pursuant to the Contract could result in increased rates for customers served by Hardin District No. 1 outside Fort Knox

ANSWER 4: HCWD1 has two separate contracts with the Government to own and operate the Fort Knox Water System and the Fort Knox Sewer and Stormwater Systems. Both of these contracts are considered "special contracts" with the Government, whereby, an agreed upon monthly fee is charged for service to the customer.

HCWD1 does not meter water to individual customers on the installation. Contract charges are billed to only one customer, namely the U.S. Government. Therefore, any increase or decrease to this contracted fee affects only the U.S. Government.

All County Water and Radcliff Sewer customers are regulated by our approved P.S.C. tariff rates and are not affected by any changes to the fees charged to the U.S. Government.

Paragraph 6 of the Preamble to HCWD1's contract with the US. Government states *"HCWD1's regulated tariff rate will recover only its direct costs invested in owning and operating the Fort Knox potable water utility system, plus G&A costs. In accordance with regulations set by the KPSC, HCWD1 is required to maintain separate funds for its expenditures, for rate-making and to avoid unallowed subsidies between customer accounts, as required by GASB34 accounting standards. HCWD1 shall routinely compare the accumulation of those costs plus its G&A overhead rate against revenues received from the Fort Knox monthly utility service charge. If HCWD1 collects excess funds on its rate charges, the excess funds will remain within the separate account for future use on the Fort Knox potable water utility system only. When total revenue requirements are higher than current rates, HCWD1 will request a rate adjustment. HCWD1 will notify the Government of any anticipated rate adjustments in conjunction with the submittal of its Annual*

*System Deficiency Corrections and Renewals and Replacements Plan."*

**WITNESS:**

Mr. Scott Schmuck, CGFM, Finance & Accounting Manager, HCWD1

5. Refer to Hardin District No. 1's application at paragraph no. 14 in which it indicated that the Commission previously identified 7 of 23 proposed projects as requiring a Certificate of Public Convenience and Necessity (CPCN).:

- a. State whether any of those projects previously identified as requiring a CPCN are included in the revised plan for which Hardin District No. 1 requests a declaratory order herein.?
- b. If so, state what if anything has changed that would justify the Commission changing its holding in the previous order that a CPCN is required?

ANSWER 5:

- a. None of those projects previously identified as requiring a CPCN are included in the revised plan for which HCWD1 requests a declaratory order herein
- b. N/A

WITNESS: Mr. Daniel Clifford, Engineering Manager, HCWD1

6. Refer to Hardin District No. 1's application at paragraph no. 12 in which Hardin District No. 1 indicates that the Contract originally permitted it to charge a monthly Initial System Deficiency Corrections Surcharge (ISDC Surcharge) of \$473,831 to compensate Hardin District No. 1 for the estimated cost of improvements
- a. State the total amount of proceeds from the IDSC Surcharge that have been collected regardless of whether they have been used.
  - b. State the total amount of proceeds from the IDSC Surcharge that remain unused.

ANSWER 6:

- a. Total ISDC Surcharge fees received from February 2012 through January 2017 equal \$25,464,714, not including the one-time Transitional Surcharge of \$592,518. Of this amount, \$4,988,683 was paid through the ISDC surcharge to fund operations of the Muldraugh Water Treatment Plant operations. Therefore, the actual surcharge to fund solely ISDC projects is \$20,476,031.
- b. Of the total \$20,476,031 received for ISDC projects, HCWD1 has paid out \$1,634,580 in project design costs. Therefore, the remaining balance of ISDC funds is \$18,841,451.

Per the attached investment spreadsheet, HCWD1 has \$17,787,821 in cash and CD's deposited into local financial institutions as of March 31, 2019. Due to Government delays in de-commissioning the Central Water Treatment plant and approving two new tank sites, HCWD1 has had to use approximately \$1,053,630 of the ISDC balance to fund continued operations of two water treatment plants.

However, HCWD1 has been in negotiations with the Government for a Request for Equitable Adjustment (REA) and expects to receive approximately \$2.6M in funding within the next few months to more than offset this deficit.

WITNESS: Mr. Scott Schmuck, CGFM, Finance & Accounting Manager, HCWD1

Invested Funds Inventory  
 HCWD1  
 03/31/19

<u>Name of Account</u>	<u>Rate</u>	<u>Balance</u>	<u>Mkt Val</u>	<u>Accrd Inc</u>	<u>Earnings</u>	<u>Fees</u>	<u>R = Restrict</u>	<u>Current Investment</u>	<u>Invested By</u>	<u>Maturity</u>
Water Revenue/O&M	2.270%	972,386.73	972,386.73	0.00	1,910.00		U = Unrest	Cecilian Bank	Cecilian Bank	
Water Savings	0.120%	201,778.88	201,778.88	0.00	25.70		U = Unrest	Cecilian Bank	Cecilian Bank	
HCWD1 Savings-Water Fund	0.000%	1,040.98	1,040.98	0.00	0.00		U = Unrest	Ft. Knox Federal Credit Union	FKFCU	
HCWD1 CD-Water Fund	2.580%	133,404.76	133,404.76	848.67	292.32		U = Unrest	Ft. Knox Federal Credit Union	FKFCU	10/11/19
HCWD1 CD-Water Fund	1.740%	689,467.46	689,467.46	2,958.10	1,018.90		U = Unrest	Ft. Knox Federal Credit Union	FKFCU	05/11/19
2002 Sinking Fund - Principal	0.000%	25,000.00	25,000.00				R = Restrict	Cecilian Bank	Cecilian Bank	
2002 Sinking Fund - Interest	0.000%	1,543.25	1,543.25				R = Restrict	Cecilian Bank	Cecilian Bank	
2017 Bond Construction - RD Proceeds	0.000%	2,415.80	2,415.80				R = Restrict	Cecilian Bank	Cecilian Bank	
2016 Sinking Fund Interest	0.000%	8,375.78	8,375.78				R = Restrict	Cecilian Bank	Cecilian Bank	
2016 Sinking Fund Principal	0.000%	259,583.43	259,583.43				R = Restrict	Cecilian Bank	Cecilian Bank	
2016 Debt Service Reserve	0.150%	417,879.16	417,879.16	0.00	49.80		R = Restrict	Cecilian Bank	Cecilian Bank	
2016 Depreciation Fund	0.150%	758,254.58	758,254.58	0.00	90.36		R = Restrict	Cecilian Bank	Cecilian Bank	
<b>Subtotal Water Fund</b>		<b>3,471,130.81</b>	<b>3,471,130.81</b>	<b>3,806.77</b>	<b>3,387.08</b>	<b>0.00</b>				
Ft. Knox Sewer Revenue/O&M	2.270%	4,955,150.49	4,955,150.49	0.00	9,164.67		U = Unrest	Cecilian Bank	Cecilian Bank	
HCWD1 Savings-Ft. Knox Sewer Fund	0.000%	1,019.70	1,019.70	0.00	0.00		U = Unrest	Ft. Knox Federal Credit Union	FKFCU	
HCWD1 CD-FK Sewer	1.740%	82,981.11	82,981.11	356.02	122.63		U = Unrest	Ft. Knox Federal Credit Union	FKFCU	06/26/19
<b>Subtotal Ft. Knox Sewer Fund</b>		<b>5,039,151.30</b>	<b>5,039,151.30</b>	<b>356.02</b>	<b>9,287.30</b>	<b>0.00</b>				
Ft. Knox Stormwater Revenue/O&M	2.27%	1,289,279.88	1,289,279.88	0.00	2,231.69		U = Unrest	Cecilian Bank	Cecilian Bank	
HCWD1 CD-Ft. Knox Stormwater Fund	1.74%	71,849.50	71,849.50	308.26	106.18		U = Unrest	Ft. Knox Federal Credit Union	FKFCU	6/26/2019
<b>Subtotal Ft. Knox Stormwater Fund</b>		<b>1,361,129.38</b>	<b>1,361,129.38</b>	<b>308.26</b>	<b>2,337.87</b>	<b>0.00</b>				
Radcliff Sewer Revenue/O&M	2.270%	2,417,232.77	2,417,232.77	0.00	5,922.84		U = Unrest	Cecilian Bank	Cecilian Bank	
HCWD1 CD-Radcliff Fund	1.740%	408,833.74	408,833.74	1,754.07	604.18		U = Unrest	Ft. Knox Federal Credit Union	FKFCU	06/26/19
HCWD1 Savings-Radcliff Sewer Fund	0.000%	1,019.70	1,019.70	0.00	0.00		U = Unrest	Ft. Knox Federal Credit Union	FKFCU	
<b>Subtotal Radcliff Sewer Fund</b>		<b>2,827,086.21</b>	<b>2,827,086.21</b>	<b>1,754.07</b>	<b>6,527.02</b>	<b>0.00</b>				
Ft. Knox Water Revenue/O&M	2.27%	14,478,936.82	14,478,936.82	0.00	26,120.59	0.00	U = Unrest	Cecilian Bank	Cecilian Bank	
Ft. Knox Water Savings	0.00%	5.00	5.00				U = Unrest	Ft. Knox Federal Credit Union	FKFCU	
Ft. Knox Water CD	1.74%	54,140.12	54,140.12	232.29	80.01		U = Unrest	Ft. Knox Federal Credit Union	FKFCU	6/26/2019
Ft. Knox Water CD	2.58%	3,254,738.71	3,254,738.71	20,705.49	7,131.89		U = Unrest	Ft. Knox Federal Credit Union	FKFCU	11/22/2019
		<b>17,787,820.65</b>	<b>17,787,820.65</b>	<b>20,937.78</b>	<b>33,332.49</b>	<b>0.00</b>				
<b>Total</b>		<b>30,486,318.35</b>	<b>30,486,318.35</b>	<b>27,162.90</b>	<b>54,871.76</b>	<b>0.00</b>				

7. Refer to the application at paragraph no. 18 in which Hardin District No. 1 stated that the contract modification provided that the "ISDC" would not be renewed and would terminate upon the fifth anniversary of the contract's execution
- a. State whether the "ISDC" as referred to in that paragraph is referring to the Initial System Deficiency Corrections Surcharge of \$473,831 referred to in paragraph no. 12 of the application.
  - b. If not, explain what Hardin District No. 1 was referring to in that paragraph when it stated that the "ISDC" would not renew and would terminate.
  - c. State the month and year for which the ISDC Surcharge was first charged.
  - d. State the month and year for which the ISDC Surcharge was last billed.
  - e. If the ISDC Surcharge has terminated or will terminate under the current terms of the contract, explain how Hardin District No. 1 anticipates funding capital projects to serve Fort Knox when the proceeds from the ISDC Surcharge have been exhausted.

ANSWER 7:

- a. "ISDC" as referred to in paragraph 18 is referring to the Initial System Deficiency Corrections Surcharge of \$473,831 referred to in paragraph no. 12 of the application. The word "surcharge" was inadvertently omitted in paragraph 18.
- b. N/A
- c. See response to question 6.a.
- d. See response to question 6.a.
- e. As stated in response 6.b., HCWD1 has \$17,787,821 deposited into local financial institutions as of March 31, 2019 and anticipates receiving another approximately \$2.6M via the REA for continued operations of two water treatment plants for the period February 2017 through February 2019. Therefore, total estimated cash balance will be approximately \$20,387,800 once the REA is received.  
  
If the cash balance is not enough to fund operations and approved ISDC project costs, HCWD1 will negotiate with the U.S. Government on increased funding or eliminate certain ISDC projects.

WITNESS:

Mr. Daniel Clifford, Engineering Manager, HCWD1  
Mr. Scott Schmuck, CGFM, Finance & Accounting Manager, HCWD1

8. Refer to the application at paragraph no. 17 and Tab 3 (Hardin District No.1's June 3, 2016 submittal to DLAE) at Table 2 in which Hardin District No. 1 identified the total estimated cost of the 18 projects of the revised proposal as costing \$16,456,000.
- a. State whether Hardin District No. 1 has incurred any portion of the cost for each such project, and if so, identify the portion of the cost incurred for each such project in terms of engineering, design, permitting, construction, and inspection costs.
  - b. Identify and describe the similar projects on which the construction cost for each project was based as described in section 2.1 of the proposal, and identify the actual construction cost for each such project.
  - c. State whether and, if so, explain why Hardin County No. 1 contends that the estimates for the projects identified in Table 2 of Tab 3 are still valid despite being made in or before June 2016.
  - d. Explain what prompted the change in the estimated cost of projects 2 and 3 of Table 2 of Tab 3.
  - e. State whether Hardin District No. 1 or its engineer has modified the estimated cost of any project identified in Table 2 of Tab 3, and if so, provide the new estimated cost and explain why the estimated cost of each such project was modified.

**ANSWER 8:**

- a. See response to question 6.b and attached ISDC Funding spreadsheet. HCWD1 has paid out \$1,634,580 in project design costs.
- b. HCWD1 has no similar projects. All pricing was based on the Opinion of Probable Cost (OPC) developed by HCWD1's engineer, Stantec Consulting Services, Inc.
- c. The estimates for the projects identified in Table 2 of Tab 3 are no longer valid.
- d. HCWD1 changed in the estimated cost of projects 2 and 3 of Table 2 of Tab 3 due to the Engineer's revision of the OPC.
- e. HCWD1's Engineer revised the OPC, resulting in the pricing shown in Table 2, Tab 3.

**WITNESS:** Mr. Scott Schmuck, CGFM, Finance & Accounting Manager, HCWD1  
Mr. Daniel Clifford, Engineering Manager, HCWD1



**HARDIN COUNTY WATER DISTRICT NO. 1**

2016 ISDC SUMMARY

March 31, 2019

From November 2016 to Current

	<u>Funding</u>	<u>Expensed</u>	<u>Remaining</u>
<b>ISDC 1</b>			
Muldraugh WTP Improvements (5046)	\$4,845,000.00	\$1,215,671.31	\$3,629,328.69
<b>ISDC 2</b>			
1.5 MG Old Ironsides Tank (5047)	\$5,054,000.00	\$148,857.35	\$4,905,142.65
<b>ISDC 3</b>			
1.5 MG Education Center Tank (5048)	\$5,060,000.00	\$148,857.35	\$4,911,142.65
<b>ISDC 4</b>			
Park Road 14" Main Extension (5049)	\$290,000.00	\$37,818.41	\$252,181.59
<b>ISDC 5</b>			
Automatic Flusher Installed in Dietz Area (5050)	\$13,000.00	\$4,000.61	\$8,999.39
<b>ISDC 6</b>			
Line Improvement - Gold Vault Area (5051)	\$163,000.00	\$0.00	\$163,000.00
<b>ISDC 7</b>			
Line Improvement - North Frazier Area (5052)	\$30,000.00	\$5,768.91	\$24,231.09
<b>ISDC 8</b>			
Line Imp -7th Armor Division Cut Off Rd Area (5053)	\$143,000.00	\$28,844.54	\$114,155.46
<b>ISDC 9</b>			
Decommission Central WTP and Large Diameter Mains (5054)	\$322,000.00	\$20,260.35	\$301,739.65
<b>ISDC 10</b>			
Istallation of New Check Valves New Ed Center Tank (5055)	\$70,000.00	\$0.00	\$70,000.00
<b>ISDC 11</b>			
Remove Frazier Tank (5056)	\$76,000.00	\$2,750.00	\$73,250.00
<b>ISDC 12</b>			
Remove Van Voorhis Tank (5057)	\$60,000.00	\$2,750.00	\$57,250.00
<b>ISDC 13</b>			
Remove Pritchard Tank (5058)	\$76,000.00	\$2,750.00	\$73,250.00
<b>ISDC 14</b>			
Automatic Flusher Installed in Van Voorhis Area (5059)	\$13,000.00	\$4,000.61	\$8,999.39
<b>ISDC 15</b>			
Automatic Flusher Installed in Pritchard Area (5060)	\$13,000.00	\$4,000.61	\$8,999.39
<b>ISDC 16</b>			
Remove HRC Tank (5061)	\$76,000.00	\$2,750.00	\$73,250.00
<b>ISDC 17</b>			
Remove Fort Knox High School Tank (5062)	\$76,000.00	\$2,750.00	\$73,250.00
<b>ISDC 18</b>			
Remove Old Ironside Tank (5063)	\$76,000.00	\$2,750.00	\$73,250.00
<b>Totals</b>	\$16,456,000.00	\$1,634,580.05	\$14,821,419.95

9. Refer to Section 1.3 of the Firm Fixed Price Proposal Submittal attached as part of Tab 3 to Hardin District No. 1's application
- a. Explain in detail how the \$4,367,896 in unfunded capital projects contained in an earlier version of the proposal was funded in the final version of the proposal e.g. were specific projects removed and replaced to fund that amount; were new savings found and if so where; etc.
  - b. Explain what amounts are included in Hardin District No. 1's "Fort Knox Water Fund reserves" as that term is included in Section 1.3 of the proposal.

**ANSWER 9:**

- a. See Section 1.3 of the Firm Fixed Price Proposal Submittal attached as part of Tab 3, "\$4,247,896 is available for the completion of the CIPs in their entirety utilizing HCWD1's Fort Knox Water Fund Reserves. These funds are available through savings on prior ISDCs and other Fort Knox Water projects previously completed." The ISDCs referenced here are the 16 projects referred to in Question 5 that did not require a CPCN.
- b. Reserves include all cash and investments maintained in local financial institutions by HCWD1 for the Fort Knox Water fund – see attached Investment spreadsheet in 6.b.

**WITNESS:**

Mr. Daniel Clifford, Engineering Manager, HCWD1

Mr. Scott Schmuck, CGFM, Finance & Accounting Manager, HCWD1

10. Refer to Hardin District No. 1's application at paragraph no. 28 in which Hardin District No. 1 indicates that its total net water utility plant as of December 31, 2017, is \$53,388,858.23 and its total net utility as of December 31, 2017, is \$98,278,781.
- a. State whether the plant in service identified in that paragraph includes all plant used to serve Fort Knox as of December 31, 2017.
  - b. State whether Hardin District No. 1 took ownership of the plant in service used to serve Fort Knox when it entered into the Contract.
  - c. Provide a copy of the December 31, 2017 financial statement identified in footnote 23 of Hardin District No. 1's application.
  - d. Provide the cost basis of the plant in service used to serve Fort Knox pursuant to the Contract to the extent it is not shown in the financial statement above.

ANSWER 10:

- a. Data supplied in the annual reports are to reflect a combined or consolidated total if a water district owns and/or operates more than one water or sewer system. Since HCWD1 owns and operates two water systems (County Water Utility and Fort Knox Water Utility) the \$53,388,858.23 reflects the combined total net plant assets (capital assets) of these two utilities.  
  
Of this amount, \$16,022,896 applies to the Fort Knox Water Utility as referred to in footnote number 23 on page 13 of the Original Application (see page 26 of HCWD12017 Audit).  
  
The \$98,278,781 referenced as "total net utility as December 31, 2017" in paragraph no. 28 and footnote 24 on page 13 in its Original Application was meant to serve as combined Fort Knox Utility net assets (capital assets) for the Fort Knox Water and Fort Knox Sewer systems. This number was erroneously stated and HCWD1 apologizes for this discrepancy.  
  
The total Fort Knox Water and Fort Knox Sewer systems net assets (capital assets) should be \$39,737,740 per pages 26 and 29 of HCWD1's 2017 audit. Of this total net assets, \$23,714,844 applies to the Fort Knox Sewer system.
- b. HCWD1 took ownership of the Fort Knox Water Utility in February 1, 2012 and the Fort Knox Sewer Utility in September 30, 2004. These include all assets and operations of the systems.

- c. Please refer to the attached HCWD12017 Audit report.
- d. HCWD1 uses purchase price as the cost basis of all assets bought by the District. Because no cost data was supplied by the U.S. Government at the time HCWD1 took ownership of the system, all Fort Knox Water Utility assets inherited were based on engineering estimates using factors such as original install date and estimate purchase prices based on this install date as supplied by the U.S. Government.

WITNESS: Mr. Scott Schmuck, CGFM, Finance & Accounting Manager, HCWD1

**HARDIN COUNTY WATER DISTRICT No. 1**  
**Radcliff, Kentucky**

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**FINANCIAL STATEMENTS**  
**December 31, 2017**

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## INDEPENDENT AUDITORS' REPORT

Board of Commissioners  
Hardin County Water District No. 1  
Radcliff, Kentucky

### Report on the Financial Statements

We have audited the accompanying financial statements of the Hardin County Water District No.1, as of and for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

### *Management's Responsibility for the Financial Statements*

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### *Auditors' Responsibility*

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### *Opinion*

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Hardin County Water District No.1, as of December 31, 2017, and the respective changes in financial position and cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Other Matters**

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 3-5 and pension schedules on pages 19-20 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### *Other Information*

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Hardin County Water District No. 1's basic financial statements. The budgetary comparisons and the combining statements of net position, revenues, expenses and changes in net position, and cash flows are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements.

The budgetary comparison schedules, combining statements and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the budgetary comparison schedules, combining statements and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

### *Prior-Year Comparative Information*

We have previously audited the District's 2016 financial statements, and we expressed an unmodified opinion on the respective financial statements in our report dated June 15, 2017. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2016, is consistent, in all material respects, with the audited financial statements from which it has been derived.

### **Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated July 5, 2018, on our consideration of the Hardin County Water District No. 1's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Hardin County Water District No. 1's internal control over financial reporting and compliance.

**RFH**

RFH, PLLC  
Lexington, Kentucky  
July 5, 2018



# Hardin County Water District No. 1

*Serving Radcliff and Hardin County for Over 60 Years*

1400 Rogersville Road  
Radcliff, KY. 40160

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July 5, 2018

TO: Hardin County Water District No. 1  
Board of Commissioners

**SUBJECT: 2017 Annual Report & Management's Discussion and Analysis**

This report is a joint effort of our staff and RFH, PLLC, Certified Public Accountants. This is the thirteenth year we have retained this firm to complete our annual audit. This report includes the Management Analysis, the Independent Auditor's Report, the basic financial statements of the District and related supplemental information and audit notes.

I would like to recognize the contribution of our Finance & Accounting Manager, Mr. Scott Schmuck, CGFM, Ms. Stephanie Strange (Accountant) and Ms. Jessica Warren (Accounting Specialist) of his staff for their work assisting the auditors in preparing this information. Mr. Kevin Fisher, CPA was the lead auditor for the firm and field staff to complete the audit.

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## ***Financial Performance & Highlights***

Consolidated Financial Performance: Our financial reports include statements for five distinct enterprise utility funds; County Water, Ft. Knox Water, Ft. Knox Sanitary Sewer, Ft. Knox Storm Sewer and Radcliff Sanitary Sewer. This letter first reviews the overall consolidated financial highlights of the year, with more specific key items by utility.

For the year, gross plant assets increased by \$10,398,617. Total net position increased by \$4,271,751 (+3.6% [percent changes in parentheses represent change from 2016]). Total revenues, including interest income, decreased by \$549,253 or - 3.5% compared to 2016. This decrease was due to the predictable expiration of a 5-year revenue surcharge from the Government for operating a second Ft. Knox Water Treatment Plant, while we continue to operate both plants. A decrease in reimbursed General & Administrative expenses related to Ft. Knox revenues also contributed to this decrease. Operating income before depreciation was \$4,343,314 (- 18.9%) and operating income after depreciation (gross of non-operating income and expenses) was \$560,182. Net Income was 4.2% of total operating revenues. Total net position at the end of the year was \$124,736,908 (+ 3.6%).

Cash used for capital construction was \$10,548,638 (+ 46.8%), of which 38.7% was provided by government grants. At year end, consolidated outstanding debt principal was \$5,546,365 (- 16.3%). Total working capital (unrestricted cash + investments) at year end increased by 1.9% to \$28,579,410. Of all reserves (cash + investments), 94.1% (-0.11%) were unrestricted and available as working capital for capital construction or operations. At the beginning of 2018 we also had total of \$8,098,025 (- 28.3%) of available state or federal grant funding for future capital construction projects.

Continued

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Individual Fund Highlights:

County Water: Total operating expenses (excluding debt interest and depreciation) were 0.43% more than budgeted. Revenues were 8% less than budgeted. Net income after depreciation and interest expense increased by 2.2% from 2016. Water sales increased by 9.5% from 2016 and net position increased by 2.6%. The bond coverage ratio was 2.89% (+1.4% from 2016) which is approximately 2.41 times the required 1.20.

Ft. Knox Water: Total operating revenues were \$3,217,213 (- 23.3%) including interest income. Operating income before depreciation was \$445,462 (- 61.4%) down due to reasons provided above. Net income after depreciation and amortized expenses was \$73,429 which represents 2.2% of revenues. Net position at year end was \$34,047,164 (+ 1.1%) and construction in progress was valued at \$1,502,953. Working capital and cash available for capital construction was \$18,750,564 (- 2.9%). We will be filing a request in the near future with the Government to restore the added revenues required for operating two water plants.

Ft. Knox Sewer (Sanitary and Storm): Total operating revenues increased slightly by 0.2%. Total operating income, before depreciation expense was \$654,007 (- 43.9%)<sup>1</sup>. Total net position increased by 0.7%. Total expended for construction was \$1,397,336 of which almost all was provided by contributed capital (direct grants) from the Government. At the beginning of 2018, the fund had a balance of \$5,125,168 (+ 46.0%) available for construction projects and capital improvements. An additional \$109,610 is also available in direct Government funding for future capital construction projects. Since we began self operations of the systems in July 2017, after terminating our private operations contract, our net income (YTD through May) has improved by 2,160%.

Radcliff Sewer: Total revenues (including interest income) were \$3,975,926 (+ 1.5%) which was 2.7% below revenue estimates. Total operating expenses (excluding depreciation) were 1.8% less than budgeted. Total net position increased 12.2% to \$27,155,056 and at year end we had construction in progress assets of \$2,134,794 (+ 215%). Of the \$2,734,768 expended for construction (+ 197.9%), 82% was funded by state grants. At year end, the total cash & investment reserve balance was \$3,044,655 (- 31.2%) of which 88% was unrestricted and available for capital construction or operations. At year end, a total of \$7,959,648 in state grants are available for future capital construction projects. The fund had net operating income before depreciation and debt interest of \$1,816,986 (+ 21.2%) with a net operating income of \$643,271 (16.2% of revenues).

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***Operational Changes & Statistics***

During 2017, a total of 1,631 MG (million gallons) of potable water was treated (- 2.9%) and a total of 18.3 MG was purchased for resale (+ 160%). Total water delivered to customers (County and Ft. Knox combined) was 1,645 MG (+ 12.7%). The maximum demand day was 6.530 MG (- 9.9%) and occurred on 11-July. The average daily water demand for the year was 4.506 MG

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<sup>1</sup>

The significant decrease in Ft. Knox Sewer net income is a result of our takeover of operations which added several full time employees. As these employees and their pension liability must be recorded under GASB 68, we were required to add the new unfunded pension liability, which is a non-cash expense. Also as an agreed settlement with our prior contract operator we expensed a final termination fee payment, which also affected net income for 2017.

Continued

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(-2%). A total of 76 new water services were installed, up 4% from 2016. Wholesale customers purchased 321.2 MG (- 5.9%), which was equivalent to 19.5% of total water produced and purchased volume.

The two wastewater treatment plants (Ft. Knox and Radcliff) treated 1,398 MG (+ 6.6%). This resulted in an average daily flow of clean, recycled water into streams of 3.827 MG. The maximum day treated was 15.062 MG and occurred on 2-September.


Other Significant Projects / Changes: During 2017, we completed the new Louisville Water Company Interconnect project. Shortly after that the City of West Point requested a wholesale connection which has been completed. Now the City purchases all their water from us, allowing them to close their aging water plant. We also completed another County Expansion project, adding 10.4 miles of water mains on 12 new roads. This \$1.171 million project was funded 85% through a KIA Grant and the balance from District reserves.

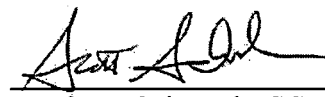
We also substantially completed a new 16 inch transmission main through Vine Grove. This larger main allows the District to provide the Meade County Water District (MCWD) with all their water needs as our largest wholesale customer. MCWD completed their own main extension and new pump station in order to be able to purchase all their water, and also allowed us to double their wholesale volume commitment.

In July 2017, we began self operations of the Ft. Knox Sewer systems (sanitary and storm). This included an internal re-organization. We hired nine new employees and moved the sewer collection staff under the water distribution supervisor. This change saves a significant cost compared to continuing to contract these operations.

After 24 years of service, General Manager Jim Bruce retires in August, 2018. Mr. Stephen Hogan, P.E., was selected by the Board in 2017 and began his employment on December 4<sup>th</sup>. Mr. Hogan brings extensive experience with water and sewer engineering as well as working as a General Manager in Georgia.

Sincerely,

  
\_\_\_\_\_  
Mr. Jim Bruce  
General Manager

  
\_\_\_\_\_  
Mr. Scott Schmuck, CGFM  
Finance & Accounting Manager

**HARDIN COUNTY WATER DISTRICT No. 1**  
**STATEMENT OF NET POSITION**  
**December 31, 2017**

<b>ASSETS</b>	<b>Water Total</b>	<b>Sewer Total</b>	<b>Storm Water</b>	<b>Total</b>	<b>2016 Totals</b>
<b>Current assets</b>					
Cash and cash equivalents	\$ 16,760,020	\$ 6,672,530	\$ 1,154,819	\$ 24,587,369	\$ 24,785,708
Short-term certificates of deposit	3,992,041	-	-	3,992,041	3,274,087
Customer accounts receivable, net	802,480	705,174	79,627	1,587,281	1,857,772
Other accounts receivable	12,764	97,400	38,705	148,869	2,540,701
Interest receivable	14,327	-	-	14,327	11,771
Inventory - materials and supplies	299,474	3,842	-	303,316	266,858
Prepaid expenses	70,065	48,516	152	118,733	142,361
<b>Total current assets</b>	<u>21,951,171</u>	<u>7,527,462</u>	<u>1,273,303</u>	<u>30,751,936</u>	<u>32,879,258</u>
<b>Non-current assets</b>					
Interfund receivable (payable)	(2,600,000)	2,600,000	-	-	-
Long-term certificates of deposits	-	-	-	-	669,149
Restricted assets - reserve funds	1,446,264	342,474	-	1,788,738	1,672,765
Unamortized rate case expense	-	43,603	-	43,603	74,381
Unamortized acquisition costs	-	156,601	-	156,601	165,701
<b>Total non-current assets</b>	<u>(1,153,736)</u>	<u>3,142,678</u>	<u>-</u>	<u>1,988,942</u>	<u>2,581,996</u>
<b>Capital assets</b>					
Land and easements	338,807	9,544	-	348,351	282,589
Construction in progress	10,806,615	2,936,300	749,070	14,491,985	9,713,951
Plant and lines	56,559,620	126,206,784	5,550,700	188,317,104	183,274,884
Vehicles and equipment	6,010,399	2,707,162	141,514	8,859,075	8,346,474
<b>Total</b>	<u>73,715,441</u>	<u>131,859,790</u>	<u>6,441,284</u>	<u>212,016,515</u>	<u>201,617,898</u>
Less: accumulated depreciation	(20,326,583)	(85,136,415)	(521,604)	(105,984,602)	(102,588,054)
<b>Total capital assets</b>	<u>53,388,858</u>	<u>46,723,375</u>	<u>5,919,680</u>	<u>106,031,913</u>	<u>99,029,844</u>
<b>Total assets</b>	<u>74,186,293</u>	<u>57,393,515</u>	<u>7,192,983</u>	<u>138,772,791</u>	<u>134,491,098</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>					
Deferred outflows - pension	1,203,421	777,201	-	1,980,622	1,686,593
<b>Total assets and deferred outflows of resources</b>	<u>\$ 75,389,714</u>	<u>\$ 58,170,716</u>	<u>\$ 7,192,983</u>	<u>\$ 140,753,413</u>	<u>\$ 136,177,691</u>
<b>LIABILITIES AND NET POSITION</b>					
<b>Current liabilities</b>					
Accounts payable	\$ 631,868	\$ 358,013	\$ 3,738	\$ 993,619	\$ 2,380,309
Due to (from) other funds	(17,921)	(94,265)	112,186	-	-
Customers' deposits	197,889	188,577	-	386,466	362,325
Accrued expenses	66,077	150,536	19,086	235,699	86,830
Reserve for unclaimed funds - escheatment	8,292	-	-	8,292	8,272
Unearned revenue	37,971	-	-	37,971	40,736
Line of credit	1,867,510	-	-	1,867,510	585,119
Liabilities payable from restricted assets:					
Current portion of long-term debt	745,000	336,365	-	1,081,365	1,075,770
Accrued interest on long-term debt	19,219	1,121	-	20,340	8,100
<b>Total current liabilities</b>	<u>3,555,905</u>	<u>940,347</u>	<u>135,010</u>	<u>4,631,262</u>	<u>4,547,461</u>
<b>Long-term liabilities</b>					
Bonds and notes payable	4,465,000	-	-	4,465,000	5,546,365
Net pension liability	4,035,472	2,606,218	-	6,641,690	5,533,595
Compensated absences	92,894	16,057	-	108,951	82,124
<b>Long-term liabilities, net</b>	<u>8,593,366</u>	<u>2,622,275</u>	<u>-</u>	<u>11,215,641</u>	<u>11,162,084</u>
<b>Total liabilities</b>	<u>12,149,271</u>	<u>3,562,622</u>	<u>135,010</u>	<u>15,846,903</u>	<u>15,709,545</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Deferred inflows - pension	103,050	66,552	-	169,602	2,989
<b>Net position</b>					
Net investment in capital assets	46,292,129	46,385,889	5,919,680	98,597,698	91,814,490
Restricted	1,446,264	342,474	-	1,788,738	1,672,765
Unrestricted	15,399,000	7,813,179	1,138,293	24,350,472	26,977,902
<b>Total net position</b>	<u>63,137,393</u>	<u>54,541,542</u>	<u>7,057,973</u>	<u>124,736,908</u>	<u>120,465,157</u>
<b>Total liabilities, deferred inflows of resources and net position</b>	<u>\$ 75,389,714</u>	<u>\$ 58,170,716</u>	<u>\$ 7,192,983</u>	<u>\$ 140,753,413</u>	<u>\$ 136,177,691</u>

The accompanying notes are an integral part of the financial statements.

**HARDIN COUNTY WATER DISTRICT No. 1**  
**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION**  
**for the year ended December 31, 2017**

	Water Total	Sewer Total	Storm Water	Total	2016 Totals
<b>OPERATING REVENUE</b>					
Metered water sales	\$ 6,254,589	\$ -	\$ -	\$ 6,254,589	\$ 6,679,101
Wholesale sales	713,552	-	-	713,552	682,904
Sewer billing contract revenue	46,590	-	-	46,590	42,279
Sewer service revenue	-	6,628,720	-	6,628,720	6,566,433
Stormwater service revenue	-	-	477,792	477,792	477,792
Penalties, service fees and reimbursements	<u>331,540</u>	<u>239,587</u>	<u>5,324</u>	<u>576,451</u>	<u>947,709</u>
<b>Total operating revenue</b>	<u>7,346,271</u>	<u>6,868,307</u>	<u>483,116</u>	<u>14,697,694</u>	<u>15,396,218</u>
<b>OPERATING EXPENSES</b>					
Treatment	1,093,117	1,069,443	-	2,162,560	1,675,165
Distribution	1,429,819	1,215,884	26,178	2,671,881	2,427,886
Customer service	356,676	756,583	808	1,114,067	896,523
General and administrative expenses	2,500,846	1,595,661	-	4,096,507	4,609,508
Purchased water	8,263	-	-	8,263	20,955
General maintenance	69,161	3,736	-	72,897	77,233
Source of supply	16,068	-	-	16,068	15,123
Stormwater	-	-	212,137	212,137	320,132
<b>Total operating expense</b>	<u>5,473,950</u>	<u>4,641,307</u>	<u>239,123</u>	<u>10,354,380</u>	<u>10,042,525</u>
<b>Operating income before depreciation</b>	1,872,321	2,227,000	243,993	4,343,314	5,353,693
Depreciation and amortization expense	<u>(1,612,273)</u>	<u>(2,061,004)</u>	<u>(109,855)</u>	<u>(3,783,132)</u>	<u>(3,516,850)</u>
<b>OPERATING INCOME</b>	260,048	165,996	134,138	560,182	1,836,843
<b>Non-operating income (expenses)</b>					
Interest income	195,606	58,082	10,451	264,139	114,868
Interest expense	(103,066)	(26,632)	-	(129,698)	(272,714)
Cost of bond issuance	-	-	-	-	(68,666)
Transfers in (out)	40	(89)	49	-	-
(Loss) on disposal of equipment	<u>(19,151)</u>	<u>(62,515)</u>	<u>(24)</u>	<u>(81,690)</u>	<u>(123,327)</u>
<b>INCOME BEFORE CAPITAL CONTRIBUTIONS</b>	333,477	134,842	144,614	612,933	1,487,004
<b>Capital contributions</b>					
Grants	352,441	2,334,586	-	2,687,027	4,721,893
Tap fees	85,162	-	-	85,162	54,564
Customer contributions	<u>330,474</u>	<u>398,065</u>	<u>158,090</u>	<u>886,629</u>	<u>5,073,267</u>
<b>CHANGE IN NET POSITION</b>	1,101,554	2,867,493	302,704	4,271,751	11,336,728
Net position, beginning of year	<u>62,035,839</u>	<u>51,674,049</u>	<u>6,755,269</u>	<u>120,465,157</u>	<u>109,128,429</u>
<b>NET POSITION, END OF YEAR</b>	<u>\$ 63,137,393</u>	<u>\$ 54,541,542</u>	<u>\$ 7,057,973</u>	<u>\$ 124,736,908</u>	<u>\$ 120,465,157</u>

The accompanying notes are an integral  
part of the financial statements.

**HARDIN COUNTY WATER DISTRICT No. 1**  
**STATEMENT OF CASH FLOWS**  
for the year ended December 31, 2017

	Water Total	Sewer Total	Storm Water	Total	2016 Totals
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>					
Receipts from customers	\$ 7,460,403	\$ 7,342,409	\$ 562,748	\$ 15,365,560	\$ 15,106,430
Payments to suppliers	(3,008,281)	(2,806,271)	(217,037)	(6,031,589)	(6,835,155)
Payments for employee services and benefits	(2,051,761)	(1,143,514)	-	(3,195,275)	(2,984,744)
<b>Net cash provided by operating activities</b>	<u>2,400,361</u>	<u>3,392,624</u>	<u>345,711</u>	<u>6,138,696</u>	<u>5,286,531</u>
<b>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES</b>					
Transfers (to) from other funds	2,463,168	(2,547,285)	84,117	-	-
<b>Net cash provided by (used in) non-capital financing activities</b>	<u>2,463,168</u>	<u>(2,547,285)</u>	<u>84,117</u>	<u>-</u>	<u>-</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>					
Principal paid on long-term debt	(751,832)	(323,938)	-	(1,075,770)	(5,453,954)
Proceeds from issuance of debt	-	-	-	-	4,165,000
Line of credit proceeds, net of payments	1,282,391	-	-	1,282,391	585,119
Interest paid on long-term debt	(89,746)	(27,712)	-	(117,458)	(317,149)
Contributions in aid of construction	387,826	490,736	697,561	1,576,123	4,743,622
Grants received	1,835,361	2,242,453	-	4,077,814	3,746,425
Proceeds from sale of equipment	21,093	19,079	-	40,172	38,204
Acquisition and construction of capital assets	(8,007,883)	(3,875,921)	(333,308)	(12,217,112)	(7,186,936)
Cash (paid) under advance construction contract	-	-	-	-	(63,241)
<b>Net cash provided by (used in) capital and related financing activities</b>	<u>(5,322,790)</u>	<u>(1,475,303)</u>	<u>364,253</u>	<u>(6,433,840)</u>	<u>257,090</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>					
Interest income	193,050	58,082	10,451	261,583	112,610
Redemption of investments	-	-	-	-	1,550,453
Purchase of investments	(164,436)	(342)	-	(164,778)	(1,279,225)
<b>Net cash provided by investing activities</b>	<u>28,614</u>	<u>57,740</u>	<u>10,451</u>	<u>96,805</u>	<u>383,838</u>
<b>NET INCREASE (DECREASE) IN CASH</b>	<u>(430,647)</u>	<u>(572,224)</u>	<u>804,532</u>	<u>(198,339)</u>	<u>5,927,459</u>
Cash and cash equivalents, beginning of year	17,190,667	7,244,754	350,287	24,785,708	18,858,249
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>	<u>\$ 16,760,020</u>	<u>\$ 6,672,530</u>	<u>\$ 1,154,819</u>	<u>\$ 24,587,369</u>	<u>\$ 24,785,708</u>
<b>Reconciliation of operating income to net cash provided by operating activities:</b>					
Operating income	\$ 260,048	\$ 165,996	\$ 134,138	\$ 560,182	\$ 1,836,843
Adjustments to reconcile operating income to net cash provided by operating activities:					
Depreciation and amortization expense	1,612,273	2,061,004	109,855	3,783,132	3,516,850
Net change in pension liability	287,260	693,418	-	980,678	683,546
Change in assets and liabilities:					
Accounts receivable	116,897	474,102	79,632	670,631	(309,788)
Prepaid expenses	24,027	(397)	(2)	23,628	(5,247)
Inventory	(33,847)	(2,610)	-	(36,457)	125,487
Accounts payable	103,041	(146,969)	22,088	(21,840)	(553,683)
Unearned revenue	(2,765)	-	-	(2,765)	20,000
Accrued expenses	11,240	138,818	-	150,058	(41,528)
Compensated absences	22,167	-	-	22,167	1,484
Other payables	20	9,262	-	9,282	12,567
<b>Net cash provided by operating activities</b>	<u>\$ 2,400,361</u>	<u>\$ 3,392,624</u>	<u>\$ 345,711</u>	<u>\$ 6,138,696</u>	<u>\$ 5,286,531</u>
<b>Schedule of non-cash capital and financing activities:</b>					
Capital asset additions included in accounts payable	<u>\$ (1,401,701)</u>	<u>\$ 60,101</u>	<u>\$ (4,900)</u>	<u>\$ (1,346,500)</u>	<u>\$ 1,668,474</u>
Loss on disposal of assets allocated to (from) other funds	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,083</u>

The accompanying notes are an integral part of the financial statements

**HARDIN COUNTY WATER DISTRICT No. 1**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2017**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Nature of Activities**

Hardin County Water District No. 1 (the District) is organized pursuant to provision of Chapter 74 of the Kentucky Revised Statutes in order to provide a water supply for citizens and residents of Radcliff, Kentucky and parts of Hardin, Meade and Breckinridge Counties. The District also provides water, sanitary and storm water services to the Fort Knox Army Post adjacent to Radcliff. The District is regulated by the Kentucky Public Service Commission.

**Reporting Entity**

Hardin County Water District No. 1's financial statements include the operations of all entities for which the District exercises oversight responsibilities. Oversight responsibility includes, but is not limited to, financial interdependency, selection of the governing authority, designation of management, ability to significantly influence operations and accountability for fiscal matters. The only entity included in these financial statements are the general operations of Hardin County Water District No. 1.

**Basis of Accounting**

The accompanying financial statements have been prepared on the accrual basis of accounting.

The District reports all revenue and expenses as operating, except interest income and expense, gains and losses on asset sales or disposals and capital contributions.

**Fund Accounting**

The District maintains a County Water Fund, Ft. Knox Water Fund, Ft. Knox Sewer Fund, Radcliff Sewer Fund and a Ft. Knox Stormwater Fund.

**Accounts Receivable**

The County Water Fund's accounts receivable is net of an allowance for uncollectible accounts of \$2,193 at December 31, 2017. The allowance is increased by charges to bad debts and decreased by write-offs. Management's periodic evaluation of the adequacy of the allowance is based on the District's aged accounts receivable balances. The Ft. Knox Water Fund, both sewer funds and the Stormwater Fund do not carry an allowance for doubtful accounts based upon historical experience.

**Pensions**

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the County Employees' Retirement System (CERS) and additions to/deductions from CERS' fiduciary net position have been determined on the same basis as they are reported by CERS. For this purpose, benefit payments, including refunds of employee contributions, are recognized when due and payable in accordance with benefit terms. Investments are reported at fair value.

**Interfund Transactions**

The asset "due from other funds" and the liability "due to other funds" represent amounts transferred between the funds owed for personnel and other operating and non-operating expenses. The "due to" and "due from" are offset in the statement of net position.

The asset "interfund receivable" and the liability "interfund payable" represent long term interfund obligations. The "receivable" and "payable" are offset in the statement of net position.

**Inventory**

The water fund's inventory is composed of chemicals, equipment and supply-type items used for routine maintenance and repairs and new water lines. The sewer fund's inventory consists of chemicals. The inventory is stated at the lower of cost (first-in, first-out method) or market.

**HARDIN COUNTY WATER DISTRICT No. 1**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2017**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Restricted Assets**

The water and sewer funds' restricted assets consist of certificates of deposit and non-interest-bearing accounts.

When both restricted and unrestricted resources are available for use, the District's Board of Commissioners makes a determination as to which resource should first be used.

**Investments**

It is the policy of the District to invest public funds in a manner which will provide the highest investment return with the maximum security of principal while meeting the daily cash flow demands of the District and conforming to all state statutes and District regulations governing the investment of public funds. As of December 31, 2017, all investments of the District were in certificates of deposit and were valued at cost.

**Capital Assets**

The water, sewer and stormwater funds' property and equipment assets are recorded at cost or, if contributed, at donor cost or appraised value at date of acquisition. Interest relating to the financing of projects under construction, is capitalized under the District's capital financing plans and rate-setting methodology. Depreciation is computed by the straight-line method based on the estimated useful life of the depreciable property. Plant and lines are capitalized with lives ranging from 5-65 years and vehicles and equipment are capitalized with lives ranging from 5-35 years. Land is not subject to depreciation. Expenditures for maintenance and repairs are charged to expense as incurred whereas expenditures, including associated labor, for installation, renewals or betterments are generally capitalized.

**Amortization**

The sewer fund's City of Radcliff sewer acquisition costs are being amortized using the straight-line method over a period of twenty-five years. The sewer fund is amortizing costs incurred for a rate case during 2014 over a period of 5 years. The costs are being amortized in the Radcliff Sewer Fund.

**Cash and Cash Equivalents**

For purposes of the statement of cash flows, the District considers all highly liquid investments purchased with an initial maturity of three months or less to be cash equivalents. Investments classified as restricted assets are not included as a cash and cash equivalents. Short-term certificates of deposit mature during the upcoming year, but do not meet the definition of a cash equivalent and therefore, are not classified as such.

**Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Accordingly, actual results could differ from those estimates.

**Management's Review of Subsequent Events**

The District has evaluated and considered the need to recognize or disclose subsequent events through July 5, 2018, which represents the date these financial statements were available to be issued. Subsequent events past this date, as they pertain to the fiscal year ended December 31, 2017, have not been evaluated by the District.



**HARDIN COUNTY WATER DISTRICT No. 1**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2017**

**2. CASH AND INVESTMENTS**

Kentucky Revised Statutes authorize local governmental units to invest in obligations of the United States and its agencies, obligations of the Commonwealth of Kentucky and its agencies, shares in savings and loan associations insured by federal agencies, deposits in national or state chartered banks insured by federal agencies, larger amounts in such institutions providing such banks pledge as security obligations of the United States Government or its agencies, and certificates of deposit issued by a bank or savings and loan institution rated in one of the three highest categories by a nationally recognized rating agency.

Custodial credit risk is the risk that, in the event of the failure of the counterparty, the District will not be able to recover the value of the investment or collateral securities that are in the possession of an outside party. In order to anticipate market changes and provide a level of security for all funds, the collateralization level shall be one hundred percent of the market value of the principal, plus accrued interest.

The majority of the District's deposits and investments at December 31, 2017, were covered by federal depository insurance or by collateral held by the custodial banks in the District's name. At December 31, 2017, the District had \$30,344,351 in banks, of which \$3,742,041 was uncollateralized. The entire uncollateralized balance consisted of certificates of deposit held at a single financial institution which is rated in one of the three highest categories by a nationally recognized rating agency.

The following is a detail of the District's deposit coverage at December 31, 2017:

FDIC insured (or equivalent)	\$ 753,086
Collateralized by securities held by the bank in the District's name	25,849,224
Uncollateralized certificates of deposit	<u>3,742,041</u>
Total cash and investments in banks	<u>\$ 30,344,351</u>

Cash and investments are classified as follows as of December 31, 2017:

Unrestricted:	
Cash and cash equivalents:	
Revenue fund	\$ 23,863,998
Other	<u>723,371</u>
	24,587,369
Short-term investments:	
Certificates of deposit	<u>3,992,041</u>
Total unrestricted	<u>28,579,410</u>
Restricted:	
Long-term reserved funds:	
Debt service reserve	342,474
Bond reserve fund	100,000
2016 Sinking fund interest	23,309
2016 Sinking fund principal	148,333
2016 Debt service reserve	417,342
2016 Depreciation fund	<u>757,280</u>
Total restricted	<u>1,788,738</u>
Total reported cash and investments	<u>\$ 30,368,148</u>

**HARDIN COUNTY WATER DISTRICT No. 1**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2017**

**3. CAPITAL ASSETS**

A summary of capital asset activity during the fiscal year follows:

	Balance Jan 1, 2017	Additions	Retirements	Balance Dec. 31, 2017
Capital assets not depreciated:				
Land and easements	\$ 282,589	\$ 65,762	\$ -	\$ 348,351
Construction in process	9,713,951	4,778,034	-	14,491,985
Capital assets that are depreciated:				
Plant and lines	183,274,884	5,291,118	(248,898)	188,317,104
Vehicles and equipment	<u>8,346,474</u>	<u>722,209</u>	<u>(209,608)</u>	<u>8,859,075</u>
Total plant and equipment	201,617,898	10,857,123	(458,506)	212,016,515
Less: accumulated depreciation	<u>102,588,054</u>	<u>3,743,254</u>	<u>(346,706)</u>	<u>105,984,602</u>
Capital assets, net	<u>\$ 99,029,844</u>	<u>\$ 7,113,869</u>	<u>\$ (111,800)</u>	<u>\$ 106,031,913</u>

Depreciation expense for all combined funds totaled \$3,743,254 for the year ended December 31, 2017.

**4. LONG-TERM LIABILITIES**

Some of the construction costs of the District's water and sewer facilities have been financed by issuance of revenue bonds and revolving notes authorized under Kentucky Revised Statutes.

Bonds and notes payable of the County Water, Ft. Knox Water and Radcliff Sewer Funds consists of the following at December 31, 2017:

2016 Revenue bonds, various semi-annual principal and interest payments at 1.4% - 1.7% through September 1, 2025, secured by the revenues of the District.	\$ 3,710,000
2002 Revenue Bonds, various semi-annual principal payments with monthly interest payments at a variable rate which is to be the lowest interest rate on the determination date at which the bonds can be remarketed at par for the interest rate period through September 1, 2022, secured by a letter of credit issued from Cecilian Bank.	1,500,000
1997 KIA Wastewater Revolving Loan, various semi-annual principal and interest payments at a rate of interest of 3.8% through December 1, 2018, secured by the revenues of the District.	<u>336,365</u>
Total debt	5,546,365
Less: current portion	<u>1,081,365</u>
Total long-term debt	<u>\$ 4,465,000</u>

**HARDIN COUNTY WATER DISTRICT No. 1**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2017**

**4. LONG-TERM LIABILITIES (CONTINUED)**

Debt maturities for the County Water Fund are as follows:

Fiscal Year	Principal	Interest	Total
2018	\$ 745,000	\$ 118,387	\$ 863,387
2019	745,000	98,657	843,657
2020	755,000	79,038	834,038
2021	760,000	59,057	819,057
2022	760,000	39,115	799,115
2023-2025	<u>1,445,000</u>	<u>49,385</u>	<u>1,494,385</u>
	<u>\$ 5,210,000</u>	<u>\$ 443,639</u>	<u>\$ 5,653,639</u>

Debt maturities for the Radcliff Sewer Fund are as follows:

Fiscal Year	Principal	Interest	Total
2018	<u>\$ 336,365</u>	<u>\$ 10,123</u>	<u>\$ 346,488</u>
Total bond and related debt maturities	<u>\$ 5,546,365</u>	<u>\$ 453,762</u>	<u>\$ 6,000,127</u>

Changes in long-term liabilities are as follows:

	Balance Jan 1, 2017	Additions	Payments	Balance Dec. 31, 2017	Due within one year
Long-term debt	\$ 6,622,135	\$ -	\$ (1,075,770)	\$ 5,546,365	\$ 1,081,365
Net pension liability	5,533,595	1,108,095	-	6,641,690	-
Compensated absences	<u>82,124</u>	<u>26,827</u>	<u>-</u>	<u>108,951</u>	<u>-</u>
Net long-term liabilities	<u>\$ 12,237,854</u>	<u>\$ 1,134,922</u>	<u>\$ (1,075,770)</u>	<u>\$ 12,297,006</u>	<u>\$ 1,081,365</u>

**5. COMPLIANCE WITH BOND INDENTURE**

Under covenants of the bond ordinance, certain funds have been established. These funds and their current financial requirements are presented in summary as follows:

**Sinking Fund** – There is to be a monthly deposit of an amount equal to 1/12 of the next ensuing principal payment due and 1/6 of the next ensuing interest payment due for the 2016 issue. These funds are used to pay maturing bond and interest coupons on the aforementioned issue. The amount held in the Sinking Fund as of December 31, 2017 was \$171,642.

**HARDIN COUNTY WATER DISTRICT No. 1**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2017**

**5. COMPLIANCE WITH BOND INDENTURE (CONTINUED)**

**Debt Service Reserve Fund** – This fund was established with the 2016 revenue bond issue and is required to have an amount equal to the lessor of: 10% of the proceeds of the bond issue, the maximum annual debt service of the bond issue, or 125% of the average annual debt service of the issue. The amount required to be held in the Debt Service Reserve Fund as of December 31, 2017 was \$416,500. The amount held in the Debt Service Reserve Fund as of December 31, 2017 was \$417,342.

**Depreciation Fund** – This fund receives \$8,500 monthly after the above transfers have been made until the total sum of \$750,000 has been established and maintained. This fund also receives the proceeds from the sale of any property and equipment. This fund may be used to purchase new or replacement property and equipment. Monies from this account are held by the bond custodian. At December 31, 2017, the District was fully funded with a balance of \$757,280.

**Operating and Maintenance Fund** – This fund receives, on a monthly basis, the remaining balance in the Revenue Fund after the above transfers have been made. This fund is used to pay operating expenditures. Any surplus left, after operating expenses have been met, may be added to the Debt Service Reserve.

**Wastewater Revolving Loan Reserve** – This loan requires the District to fund a reserve account in the amount of \$310,000. At December 31, 2017, the District funded this reserve in the amount of \$342,474.

**2002 Adjustable Revenue Bonds Sinking Fund** – The District filed Supplement No. 1 to Trust Indenture dated April 1, 2010. This supplement allows for a letter of credit to be issued by Cecilian Bank via a wrap around letter of credit from the Federal Home Loan Bank of Cincinnati as collateral for the original bond issue. As a result, the District is no longer required to fulfill the debt service reserve and depreciation fund requirements with the Bank of New York Mellon Trust Company. However, as of December 31, 2017, the District had reserved \$100,000 for future principal payments.

The bond ordinance calls for "net annual revenues" to exceed the maximum annual debt requirements of fixed rate bonds by 1.20 for the Water Fund. For the year ended December 31, 2017, the water fund ratio was 2.89.

**6. LINE OF CREDIT**

During 2016, the District opened up a line of credit at a local bank with a limit of \$5,000,000 that bears interest at a variable rate, with an initial rate of 3.5%. The line of credit was opened to provide short-term financing for various projects taken on by the District and is expected to be paid down shortly after each draw is taken. The entire balance of the line of credit as of December 31, 2017 is considered short-term debt.

Activity for the line of credit during the year is as follows:

	<b>Balance</b>			<b>Balance</b>
	<b>Jan 1, 2017</b>	<b>Additions</b>	<b>Payments</b>	<b>Dec. 31, 2017</b>
Line of credit	<u>\$ 589,119</u>	<u>\$ 2,217,347</u>	<u>\$ (929,956)</u>	<u>\$ 1,867,510</u>

**7. RISK MANAGEMENT**

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. In addition to its general liability insurance, the district also carries commercial insurance for all other risks of loss such as worker's compensation and accident coverage. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

**HARDIN COUNTY WATER DISTRICT No. 1**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2017**

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**8. RETIREMENT PLAN**

Hardin County Water District No. 1 is a participating employer of the County Employees' Retirement System (CERS). Under the provisions of Kentucky Revised Statute 61.645, the Board of Trustees of Kentucky Retirement Systems administers the CERS. The plan issues publicly available financial statements which may be downloaded from the Kentucky Retirement Systems website.

*Plan Description* – CERS is a cost-sharing multiple-employer defined benefit pension plan that covers substantially all regular full-time members employed in positions of each participating county, city, and school board, and any additional eligible local agencies electing to participate in the System. The plan provides for retirement, disability, and death benefits to plan members. Retirement benefits may be extended to beneficiaries of plan members under certain circumstances. Cost-of-living (COLA) adjustments are provided at the discretion of state legislature.

*Contributions* – For the year ended December 31, 2017, plan members were required to contribute 5.00% of wages for non-hazardous job classifications. Employees hired after September 2008 were required to contribute an additional 1% to cover the cost of medical insurance that is provided through CERS. Participating employers were required to contribute at an actuarially determined rate. Per Kentucky Revised Statute Section 78.545 (33), normal contribution and past service contribution rates shall be determined by the Board on the basis of an annual valuation last proceeding the July 1 of a new biennium. The Board may amend contribution rates as of the first day of July of the second year of a biennium, if it is determined on the basis of a subsequent actuarial valuation that amended contribution rates are necessary to satisfy requirements determined in accordance with actuarial basis adopted by the Board. For the year ended December 31, 2017, participating employers contributed 18.68% through June 30 and 19.18% thereafter, of each non-hazardous employee's wages, which is equal to the actuarially determined rate set by the Board. Administrative costs of Kentucky Retirement System are financed through employer contributions and investment earnings.

Plan members who began participating on, or after, January 1, 2014, were required to contribute to the Cash Balance Plan. The Cash Balance Plan is known as a hybrid plan because it has characteristics of both a defined benefit plan and a defined contribution plan. Members in the plan contribute a set percentage of their salary each month to their own account. Plan members contribute 5.00% of wages to their own account and 1% to the health insurance fund. The employer contribution rate is set annually by the Board based on an actuarial valuation. The employer contributes a set percentage of each member's salary. Each month, when employer contributions are received, an employer pay credit is deposited to the member's account. For non-hazardous members, their account is credited with a 4% employer pay credit. The employer pay credit represents a portion of the employer contribution.

The District contributed \$581,159 for the year ended December 31, 2017, or 100% of the required contribution. The contribution was allocated \$438,748 to the CERS pension fund and \$142,411 to the CERS insurance fund.

**HARDIN COUNTY WATER DISTRICT No. 1**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2017**

**8. RETIREMENT PLAN (CONTINUED)**

Benefits – CERS provides retirement, health insurance, death and disability benefits to Plan employees and beneficiaries. Employees are vested in the plan after five years' service.

For retirement purposes, employees are grouped into three tiers based on hire date:

Tier 1	Participation date	Before September 1, 2008
	Unreduced retirement	27 years service or 65 years old
	Reduced retirement	At least 5 years service and 55 years old or at least 25 years service and any age
Tier 2	Participation date	September 1, 2008 - December 31, 2013
	Unreduced retirement	At least 5 years service and 65 years old or age 57+ and sum of service years plus age equal to 87+
	Reduced retirement	At least 10 years service and 60 years old
Tier 3	Participation date	After December 31, 2013
	Unreduced retirement	At least 5 years service and 65 years old or age 57+ and sum of service years plus age equal to 87+
	Reduced retirement	Not available

Cost of living adjustments are provided at the discretion of the General Assembly. Retirement is based on a factor of the number of years' service and hire date multiplied by the average of the highest five years' earnings. Reduced benefits are based on factors of both of these components. Participating employees become eligible to receive the health insurance benefit after at least 180 months of service. Death benefits are provided for both death after retirement and death prior to retirement. Death benefits after retirement are \$5,000 in lump sum. Five years' service is required for death benefits prior to retirement and the employee must have suffered a duty-related death. The decedent's beneficiary will receive the higher of the normal death benefit and \$10,000 plus 25% of the decedent's monthly final rate of pay and any dependent child will receive 10% of the decedent's monthly final rate of pay up to 40% for all dependent children. Five years' service is required for nonservice-related disability benefits.

*Pension Liabilities, Expense, Deferred Outflows of Resources and Deferred Inflows of Resources* – At December 31, 2017, the District reported a liability of \$6,641,690 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The District proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating entities, actuarially determined. At June 30, 2017, the District's proportion was .113469 percent, which was an increase of .001080 percent from its proportion measured as of June 30, 2016.

For the year ended December 31, 2017, the District recognized pension expense of \$1,417,829. At December 31, 2017, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual results	\$ 8,238	\$ 168,593
Changes of assumptions	1,225,568	-
Net difference between projected and actual earnings on Plan investments	82,150	-
Changes in proportion and differences between District contributions and proportionate share of contributions	422,605	1,009
District contributions subsequent to the measurement date	<u>242,061</u>	<u>-</u>
<b>Total</b>	<b><u>\$ 1,980,622</u></b>	<b><u>\$ 169,602</u></b>

**HARDIN COUNTY WATER DISTRICT No. 1**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2017**

**8. RETIREMENT PLAN (CONTINUED)**

The \$242,061 of deferred outflows of resources resulting from the District's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending December 31, 2017. Other amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in pension expense as follows:

<b>Year ending December 31,</b>	
2018	\$ 800,634
2019	619,398
2020	231,631
2021	(82,704)

*Actuarial Assumptions* – The total pension liability in the June 30, 2017 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.30%
Salary increases	3.05%, average, including inflation
Investment rate of return	6.25%, net of Plan investment expense, including inflation

Mortality rates were based on the RP-2000 Combined Mortality Table projected with Scale BB to 2013 (multiplied by 50% for males and 30% for females). For healthy retired members and beneficiaries, the mortality table used is the RP-2000 Combined Mortality Table projected with Scale BB to 2013 (set back 1 year for females). For disabled members, the RP- 2000 Combined Disabled Mortality Table projected with Scale BB to 2013 (set back 4 years for males) is used for the period after disability retirement.

The actuarial assumptions used in the June 30, 2017 valuation were based on the results of an actuarial experience study for the period July 1, 2008 - June 30, 2013.

The long-term expected return on plan assets is reviewed as part of the regular experience studies prepared every five years. Several factors are considered in evaluating the long-term rate of return assumptions including long-term historical data, estimates inherent in current market data, and a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected return, net of investment expense and inflation) were developed by the investment consultant for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and then adding expected inflation. The capital market assumptions developed by the investment consultant are intended for use over a 10-year horizon and may not be useful in setting the long-term rate of return for funding pension plans which covers a longer time frame. The assumption is intended to be a long-term assumption and is not expected to change absent a significant change in the asset allocation, a change in the inflation assumption, or a fundamental change in the market that alters expected returns in future years.

The target allocation and best estimates of nominal real rates of return for each major asset class are summarized in the following table:

<b>Asset Class</b>	<b>Target Allocation</b>	<b>Long-term Nominal Real Rate of Return</b>
U.S Equity	26.5%	11.27%
Non-U.S. Equity	26.5%	2.83%
Fixed Income	12.0%	7.69%
Real Return	8.0%	4.00%
Real Estate	5.0%	5.95%
Absolute Return	10.0%	3.96%
Private Equity	10.0%	10.95%
Cash Equivalent	<u>2.0%</u>	3.65%
Total	100%	

**HARDIN COUNTY WATER DISTRICT No. 1**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2017**

**8. RETIREMENT PLAN (CONTINUED)**

*Discount Rate* – The discount rate used to measure the total pension liability was 6.25 percent. The projection of cash flows used to determine the discount rate assumed that local employers would contribute the actuarially determined contribution rate of projected compensation over the remaining 26 year amortization period of the unfunded actuarial accrued liability. The actuarial determined contribution rate is adjusted to reflect the phase in of anticipated gains on actuarial value of assets over the first four years of the projection period. The discount rate does not use a municipal bond rate.

*Sensitivity of the District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate* – The following presents the District's proportionate share of the net pension liability calculated using the discount rate of 6.25 percent, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.25 percent) or 1-percentage-point higher (7.25 percent) than the current rate:

	<b>Discount rate</b>	<b>District's proportionate share of net pension liability</b>
1% decrease	5.25%	\$ 8,376,589
Current discount rate	6.25%	\$ 6,641,690
1% increase	7.25%	\$ 5,190,435

*Payable to the Pension Plan* – At December 31, 2017, the District did not have a payable for outstanding contributions to the pension plan required for the year ended December 31, 2017.

**9. SUBSEQUENT EVENT**

For the year ending December 31, 2018, the District will be required to report their proportionate share of the net liability associated with the CERS Insurance Plan's net other post-employment benefits (OPEB), in accordance with Governmental Accounting Standards Board Statement No. 75, Accounting and Financial Reporting for Post-employment Benefits other than Pensions. The District is analyzing the impact of the new standard but expects to record a net OPEB liability, estimated at \$2,281,115.



**REQUIRED SUPPLEMENTARY INFORMATION**

**HARDIN COUNTY WATER DISTRICT No. 1**  
**REQUIRED SUPPLEMENTARY SCHEDULE OF**  
**PROPORTIONATE SHARE OF THE NET PENSION LIABILITY**  
**Last Four Fiscal Years**

	2017	2016	2015	2014
District's proportion of the net pension liability	0.113469%	0.112389%	0.087805%	0.087998%
District's proportionate share of the net pension liability (asset)	\$ 6,641,690	\$ 5,533,595	\$ 3,775,211	\$ 2,855,000
District's covered employee payroll	\$ 2,696,840	\$ 2,291,730	\$ 2,097,077	\$ 1,981,572
District's share of the net pension liability (asset) as a percentage of its covered employee payroll	246.28%	241.46%	180.02%	144.08%
Plan fiduciary net position as a percentage of the total pension liability	53.32%	55.50%	59.97%	66.80%

**Notes:**

There were no changes in benefit terms. However, the following changes in assumptions were modified as of the June 30, 2017 valuation:

The assumed investment rate of return was decreased from 7.5% to 6.25%.

The assumed rate of inflation was reduced from 3.5% to 2.3%.

Payroll growth assumption was reduced from 4% to 2%.

The District's covered payroll reported above is payroll for the corresponding measurement date of the net pension liability and differs from the District's fiscal year payroll, reported on the Schedule of Contributions.

**HARDIN COUNTY WATER DISTRICT No. 1**  
**REQUIRED SUPPLEMENTARY SCHEDULE OF CONTRIBUTIONS**  
**Last Five Fiscal Years**

	2017	2016	2015	2014	2013
Contractually required employer contribution	\$ 438,748	\$ 350,063	\$ 275,816	\$ 278,406	\$ 244,914
Contributions relative to contractually required employer contribution	<u>438,748</u>	<u>350,063</u>	<u>275,816</u>	<u>278,406</u>	<u>244,914</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered employee payroll	\$ 3,066,388	\$ 2,696,840	\$ 2,291,730	\$ 2,097,077	\$ 1,981,572
Employer contributions as a percentage of covered-employee payroll	14.31%	12.98%	12.04%	13.28%	12.36%

**Notes:**

There were no changes in benefit terms. However, the following changes in assumptions were modified as of the June 30, 2017 valuation:

The assumed investment rate of return was decreased from 7.5% to 6.25%.

The assumed rate of inflation was reduced from 3.5% to 2.3%.

Payroll growth assumption was reduced from 4% to 2%.

Contractually required employer contributions exclude the portion of contributions paid to CERS but allocated to the insurance fund of the CERS. The above contributions only include those contributions allocated directly to the CERS pension fund.

The District's covered payroll reported above is payroll for the District's corresponding fiscal year and differs from the covered payroll reported on the Schedule of Proportionate Share of the Net Pension Liability.

**SUPPLEMENTARY INFORMATION**

**HARDIN COUNTY WATER DISTRICT No. 1**  
**SCHEDULE OF REVENUES AND EXPENSES - ACTUAL TO BUDGET**  
**COUNTY WATER FUND**  
**for the year ended December 31, 2017**

	Original Budget	Amended Budget	Actual	Variance
<b>OPERATING REVENUE</b>				
Metered water sales	\$ 3,461,100	\$ 3,461,100	\$ 3,216,422	\$ (244,678)
Wholesale sales	826,000	826,000	713,552	(112,448)
Sewer billing contract revenue	44,700	44,700	46,590	1,890
Penalties, service fees and reimbursements	<u>346,800</u>	<u>346,800</u>	<u>329,231</u>	<u>(17,569)</u>
<b>Total operating revenue</b>	<u>4,678,600</u>	<u>4,678,600</u>	<u>4,305,795</u>	<u>(372,805)</u>
<b>OPERATING EXPENSES</b>				
Treatment	1,090,283	1,090,283	1,093,117	2,834
Transmission and distribution	792,388	792,388	842,837	50,449
Customer service	328,845	328,845	356,676	27,831
General and administrative expenses	440,780	440,780	492,814	52,034
Purchased water	94,907	94,907	8,263	(86,644)
General maintenance	106,169	106,169	69,161	(37,008)
Source of supply	<u>13,300</u>	<u>13,300</u>	<u>16,068</u>	<u>2,768</u>
<b>Total operating expense</b>	<u>2,866,672</u>	<u>2,866,672</u>	<u>2,878,936</u>	<u>12,264</u>
<b>Operating income before depreciation</b>	1,811,928	1,811,928	1,426,859	(385,069)
Depreciation and amortization expense	<u>(1,352,061)</u>	<u>(1,352,061)</u>	<u>(1,096,156)</u>	<u>255,905</u>
<b>OPERATING INCOME</b>	459,867	459,867	330,703	(129,164)
Non-operating income (expenses)				
Interest income	15,600	15,600	18,869	3,269
Interest expense	(159,400)	(159,400)	(103,066)	56,334
Transfers in (out)	-	-	300	300
Gain on sale of equipment	<u>-</u>	<u>-</u>	<u>13,242</u>	<u>13,242</u>
<b>INCOME BEFORE CAPITAL CONTRIBUTIONS</b>	316,067	316,067	260,048	(56,019)
Grants	68,700	68,700	352,441	283,741
Tap fees	22,500	22,500	84,139	61,639
Customer contributions	<u>-</u>	<u>-</u>	<u>27,810</u>	<u>27,810</u>
<b>CHANGE IN NET POSITION</b>	<u>\$ 407,267</u>	<u>\$ 407,267</u>	<u>\$ 724,438</u>	<u>\$ 317,171</u>

**HARDIN COUNTY WATER DISTRICT No. 1**  
**SCHEDULE OF REVENUES AND EXPENSES - ACTUAL TO BUDGET**  
**FORT KNOX WATER FUND**  
**for the year ended December 31, 2017**

	Original Budget	Amended Budget	Actual	Variance
<b>OPERATING REVENUE</b>				
Metered water sales	\$ 3,038,200	\$ 3,038,200	\$ 3,038,167	\$ (33)
Penalties, service fees and reimbursements	<u>4,800</u>	<u>4,800</u>	<u>2,309</u>	<u>(2,491)</u>
<b>Total operating revenue</b>	<u>3,043,000</u>	<u>3,043,000</u>	<u>3,040,476</u>	<u>(2,524)</u>
<b>OPERATING EXPENSES</b>				
Transmission and distribution	562,539	562,539	586,982	24,443
General and administrative expenses	<u>2,112,564</u>	<u>2,112,564</u>	<u>2,008,032</u>	<u>(104,532)</u>
<b>Total operating expense</b>	<u>2,675,103</u>	<u>2,675,103</u>	<u>2,595,014</u>	<u>(80,089)</u>
<b>Operating income before depreciation</b>	367,897	367,897	445,462	77,565
Depreciation and amortization expense	<u>(405,631)</u>	<u>(405,631)</u>	<u>(516,117)</u>	<u>(110,486)</u>
<b>OPERATING (LOSS)</b>	(37,734)	(37,734)	(70,655)	(32,921)
Non-operating income (expenses)				
Interest income	73,600	73,600	176,737	103,137
Transfers in (out)	-	-	(260)	(260)
Loss on disposal of equipment	<u>-</u>	<u>-</u>	<u>(32,393)</u>	<u>(32,393)</u>
<b>INCOME BEFORE CAPITAL CONTRIBUTIONS</b>	35,866	35,866	73,429	37,563
Tap fees	-	-	1,023	1,023
Customer contribution	<u>302,700</u>	<u>302,700</u>	<u>302,664</u>	<u>(36)</u>
<b>CHANGE IN NET POSITION</b>	<u>\$ 338,566</u>	<u>\$ 338,566</u>	<u>\$ 377,116</u>	<u>\$ 38,550</u>

**HARDIN COUNTY WATER DISTRICT No. 1**  
**SCHEDULE OF REVENUES AND EXPENSES - ACTUAL TO BUDGET**  
**FORT KNOX SEWER FUND**  
**for the year ended December 31, 2017**

	Original Budget	Amended Budget	Actual	Variance
<b>OPERATING REVENUE</b>				
Sewer service revenue	\$ 2,927,527	\$ 2,927,527	\$ 2,911,459	\$ (16,068)
Penalties, service fees and reimbursements	<u>1,000</u>	<u>1,000</u>	<u>411</u>	<u>(589)</u>
<b>Total operating revenue</b>	<u>2,928,527</u>	<u>2,928,527</u>	<u>2,911,870</u>	<u>(16,657)</u>
<b>OPERATING EXPENSES</b>				
Treatment	298,666	298,666	528,261	229,595
Transmission and distribution	240,559	240,559	336,917	96,358
Sewer administration	-	-	108,822	108,822
Professional services	11,480	11,480	45,036	33,556
Contractual obligations	1,006,545	1,006,545	1,218,329	211,784
Insurance	36,680	36,680	33,071	(3,609)
Customer service	122,230	122,230	205,786	83,556
Other	<u>17,062</u>	<u>17,062</u>	<u>25,634</u>	<u>8,572</u>
<b>Total operating expense</b>	<u>1,733,222</u>	<u>1,733,222</u>	<u>2,501,856</u>	<u>768,634</u>
<b>Operating income before depreciation</b>	1,195,305	1,195,305	410,014	(785,291)
Depreciation and amortization expense	<u>(836,739)</u>	<u>(836,739)</u>	<u>(887,289)</u>	<u>(50,550)</u>
<b>OPERATING INCOME (LOSS)</b>	358,566	358,566	(477,275)	(835,841)
Non-operating income (expenses)				
Interest income	13,600	13,600	38,593	24,993
Interest expense	(1,000)	(1,000)	(1,053)	(53)
Transfers in (out)	-	-	(396)	(396)
Loss on disposal of equipment	<u>-</u>	<u>-</u>	<u>(37,890)</u>	<u>(37,890)</u>
<b>INCOME BEFORE</b>				
<b>CAPITAL CONTRIBUTIONS</b>	371,166	371,166	(478,021)	(849,187)
Customer contributions	<u>528,900</u>	<u>528,900</u>	<u>398,065</u>	<u>(130,835)</u>
<b>CHANGE IN NET POSITION</b>	<u>\$ 900,066</u>	<u>\$ 900,066</u>	<u>\$ (79,956)</u>	<u>\$ (980,022)</u>

**HARDIN COUNTY WATER DISTRICT No. 1**  
**SCHEDULE OF REVENUES AND EXPENSES - ACTUAL TO BUDGET**  
**RADCLIFF SEWER FUND**  
**for the year ended December 31, 2017**

	Original Budget	Amended Budget	Actual	Variance
<b>OPERATING REVENUE</b>				
Sewer service revenue	\$ 3,846,725	\$ 3,846,725	\$ 3,717,261	\$ (129,464)
Penalties, service fees and reimbursements	<u>229,500</u>	<u>229,500</u>	<u>239,176</u>	<u>9,676</u>
<b>Total operating revenue</b>	<u>4,076,225</u>	<u>4,076,225</u>	<u>3,956,437</u>	<u>(119,788)</u>
<b>OPERATING EXPENSES</b>				
Treatment	606,657	606,657	541,182	(65,475)
Transmission and distribution	833,014	833,014	878,967	45,953
Professional services	14,980	14,980	13,316	(1,664)
Insurance	31,400	31,400	33,912	2,512
Customer service	551,182	551,182	550,797	(385)
Sewer administration	119,567	119,567	103,210	(16,357)
Sewer commission	12,577	12,577	14,331	1,754
System maintenance	<u>8,441</u>	<u>8,441</u>	<u>3,736</u>	<u>(4,705)</u>
<b>Total operating expense</b>	<u>2,177,818</u>	<u>2,177,818</u>	<u>2,139,451</u>	<u>(38,367)</u>
<b>Operating income before depreciation</b>	1,898,407	1,898,407	1,816,986	(81,421)
Depreciation and amortization expense	<u>(1,131,037)</u>	<u>(1,131,037)</u>	<u>(1,173,715)</u>	<u>(42,678)</u>
<b>OPERATING INCOME (LOSS)</b>	767,370	767,370	643,271	(124,099)
Non-operating income (expenses)				
Interest income	10,200	10,200	19,489	9,289
Interest expense	(25,500)	(25,500)	(25,579)	(79)
Transfers in (out)	-	-	307	307
Loss on disposal of equipment	<u>-</u>	<u>-</u>	<u>(24,625)</u>	<u>(24,625)</u>
<b>INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS</b>	752,070	752,070	612,863	(139,207)
Grants	6,803,309	6,803,309	2,334,586	(4,468,723)
Tap fees	<u>1,500</u>	<u>1,500</u>	<u>-</u>	<u>(1,500)</u>
<b>CHANGE IN NET POSITION</b>	<u>\$ 7,556,879</u>	<u>\$ 7,556,879</u>	<u>\$ 2,947,449</u>	<u>\$ (4,609,430)</u>



**HARDIN COUNTY WATER DISTRICT No. 1**  
**SCHEDULE OF REVENUES AND EXPENSES - ACTUAL TO BUDGET**  
**STORMWATER FUND**  
**for the year ended December 31, 2017**

	Original Budget	Amended Budget	Actual	Variance
<b>OPERATING REVENUE</b>				
Stormwater revenue	\$ 477,800	\$ 477,800	\$ 477,792	\$ (8)
Penalties, service fees and reimbursements	<u>7,400</u>	<u>7,400</u>	<u>5,324</u>	<u>(2,076)</u>
<b>Total operating revenue</b>	<u>485,200</u>	<u>485,200</u>	<u>483,116</u>	<u>(2,084)</u>
<b>OPERATING EXPENSES</b>				
Transmission and distribution	58,564	58,564	26,178	(32,386)
Professional services	3,953	3,953	3,786	(167)
Contractual obligations	160,129	160,129	170,826	10,697
Insurance	4,920	4,920	4,099	(821)
Customer service	809	809	808	(1)
Other	<u>37,567</u>	<u>37,567</u>	<u>33,426</u>	<u>(4,141)</u>
<b>Total operating expense</b>	<u>265,942</u>	<u>265,942</u>	<u>239,123</u>	<u>(26,819)</u>
<b>Operating income before depreciation</b>	219,258	219,258	243,993	24,735
Depreciation and amortization expense	<u>(73,789)</u>	<u>(73,789)</u>	<u>(109,855)</u>	<u>(36,066)</u>
<b>OPERATING INCOME</b>	145,469	145,469	134,138	(11,331)
Non-operating income (expenses)				
Interest income	1,800	1,800	10,451	8,651
Transfers in (out)	-	-	49	49
Loss on disposal of equipment	<u>-</u>	<u>-</u>	<u>(24)</u>	<u>(24)</u>
<b>INCOME BEFORE CAPITAL CONTRIBUTIONS</b>	147,269	147,269	144,614	(2,655)
Customer contributions	<u>160,000</u>	<u>160,000</u>	<u>158,090</u>	<u>(1,910)</u>
<b>CHANGE IN NET POSITION</b>	<u>\$ 307,269</u>	<u>\$ 307,269</u>	<u>\$ 302,704</u>	<u>\$ (4,565)</u>

**COMBINING FUND STATEMENTS**

**HARDIN COUNTY WATER DISTRICT No. 1**  
**COMBINING WATER STATEMENT OF NET POSITION**  
**December 31, 2017**

<b>ASSETS</b>	<b>County Water</b>	<b>Ft. Knox Water</b>	<b>Total</b>	<b>2016 Totals</b>
<b>Current assets</b>				
Cash and cash equivalents	\$ 1,194,569	\$ 15,565,451	\$ 16,760,020	\$ 17,190,667
Short-term certificates of deposit	806,928	3,185,113	3,992,041	3,274,087
Customer accounts receivable, net	312,292	490,188	802,480	519,234
Other accounts receivable	12,187	577	12,764	1,864,594
Interest receivable	2,365	11,962	14,327	11,771
Due from other funds	82,313	-	82,313	-
Inventory - materials and supplies	241,127	58,347	299,474	265,626
Prepaid expenses	60,061	10,004	70,065	94,092
<b>Total current assets</b>	<u>2,711,842</u>	<u>19,321,642</u>	<u>22,033,484</u>	<u>23,220,071</u>
<b>Other assets</b>				
Long-term certificates of deposits	-	-	-	669,149
Restricted assets - reserve funds	1,446,264	-	1,446,264	1,330,633
<b>Total other assets</b>	<u>1,446,264</u>	<u>-</u>	<u>1,446,264</u>	<u>1,999,782</u>
<b>Capital assets</b>				
Land and easements	338,807	-	338,807	273,045
Construction in progress	9,303,662	1,502,953	10,806,615	7,054,055
Plant and lines	41,433,112	15,126,508	56,559,620	54,059,015
Vehicles and equipment	4,131,787	1,878,612	6,010,399	5,914,737
<b>Total</b>	<u>55,207,368</u>	<u>18,508,073</u>	<u>73,715,441</u>	<u>67,300,852</u>
Less: accumulated depreciation	<u>(17,841,406)</u>	<u>(2,485,177)</u>	<u>(20,326,583)</u>	<u>(18,862,530)</u>
<b>Total capital assets</b>	<u>37,365,962</u>	<u>16,022,896</u>	<u>53,388,858</u>	<u>48,438,322</u>
<b>Total assets</b>	<u>41,524,068</u>	<u>35,344,538</u>	<u>76,868,606</u>	<u>73,658,175</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Deferred outflows of resources - pension	845,355	358,066	1,203,421	1,159,959
<b>TOTAL ASSETS AND DEFERRED     OUTFLOWS OF RESOURCES</b>	<u>\$ 42,369,423</u>	<u>\$ 35,702,604</u>	<u>\$ 78,072,027</u>	<u>\$ 74,818,134</u>
<b>LIABILITIES AND NET POSITION</b>				
<b>Current liabilities</b>				
Accounts payable	\$ 296,972	\$ 334,896	\$ 631,868	\$ 1,930,528
Due to other funds	-	64,392	64,392	118,653
Customers' deposits	197,889	-	197,889	188,209
Accrued expenses	52,537	13,540	66,077	59,915
Reserve for unclaimed funds - escheatment	8,292	-	8,292	8,272
Unearned revenue	37,971	-	37,971	40,736
Line of credit	1,867,510	-	1,867,510	585,119
Liabilities payable from restricted assets:				
Current portion of long-term debt	745,000	-	745,000	751,832
Accrued interest on long-term debt	19,219	-	19,219	5,899
<b>Total current liabilities</b>	<u>3,225,390</u>	<u>412,828</u>	<u>3,638,218</u>	<u>3,689,163</u>
<b>Long-term liabilities</b>				
Bonds payable	4,465,000	-	4,465,000	5,210,000
Net pension liability	2,834,758	1,200,714	4,035,472	3,805,746
Interfund loan	2,600,000	-	2,600,000	-
Compensated absences	81,657	11,237	92,894	75,330
<b>Total long-term liabilities</b>	<u>9,981,415</u>	<u>1,211,951</u>	<u>11,193,366</u>	<u>9,091,076</u>
<b>Total liabilities</b>	<u>13,206,805</u>	<u>1,624,779</u>	<u>14,831,584</u>	<u>12,780,239</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Deferred inflows of resources - pension	72,389	30,661	103,050	2,056
<b>Net position</b>				
Net investment in capital assets	30,269,233	16,022,896	46,292,129	41,885,472
Restricted	1,446,264	-	1,446,264	1,330,633
Unrestricted	<u>(2,625,268)</u>	<u>18,024,268</u>	<u>15,399,000</u>	<u>18,819,734</u>
<b>Total net position</b>	<u>29,090,229</u>	<u>34,047,164</u>	<u>63,137,393</u>	<u>62,035,839</u>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS     OF RESOURCES AND NET POSITION</b>	<u>\$ 42,369,423</u>	<u>\$ 35,702,604</u>	<u>\$ 78,072,027</u>	<u>\$ 74,818,134</u>

**HARDIN COUNTY WATER DISTRICT No. 1**  
**COMBINING WATER STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION**  
**for the year ended December 31, 2017**

	<b>County Water</b>	<b>Fort Knox Water</b>	<b>Total</b>	<b>2016 Totals</b>
<b>OPERATING REVENUE</b>				
Metered water sales	\$ 3,216,422	\$ 3,038,167	\$ 6,254,589	\$ 6,679,101
Wholesale sales	713,552	-	713,552	682,904
Sewer billing contract revenue	46,590	-	46,590	42,279
Penalties, service fees and reimbursements	329,231	2,309	331,540	664,477
<b>Total operating revenue</b>	<u>4,305,795</u>	<u>3,040,476</u>	<u>7,346,271</u>	<u>8,068,761</u>
<b>OPERATING EXPENSES</b>				
Treatment	1,093,117	-	1,093,117	977,320
Distribution	842,837	586,982	1,429,819	1,504,122
Customer service	356,676	-	356,676	304,398
General and administrative expenses	492,814	2,008,032	2,500,846	2,487,749
Purchased water	8,263	-	8,263	20,955
General maintenance	69,161	-	69,161	70,464
Source of supply	16,068	-	16,068	15,123
<b>Total operating expense</b>	<u>2,878,936</u>	<u>2,595,014</u>	<u>5,473,950</u>	<u>5,380,131</u>
<b>Operating income before depreciation</b>	<u>1,426,859</u>	<u>445,462</u>	<u>1,872,321</u>	<u>2,688,630</u>
Depreciation and amortization expense	<u>(1,096,156)</u>	<u>(516,117)</u>	<u>(1,612,273)</u>	<u>(1,482,985)</u>
<b>OPERATING INCOME (LOSS)</b>	<u>330,703</u>	<u>(70,655)</u>	<u>260,048</u>	<u>1,205,645</u>
Non-operating income (expenses)				
Interest income	18,869	176,737	195,606	88,108
Interest expense	(103,066)	-	(103,066)	(234,508)
Cost of bond issuance	-	-	-	(68,666)
Transfers in (out)	300	(260)	40	45
Gain (loss) on sale of equipment	13,242	(32,393)	(19,151)	(29,107)
<b>INCOME BEFORE CAPITAL CONTRIBUTIONS</b>	<u>260,048</u>	<u>73,429</u>	<u>333,477</u>	<u>961,517</u>
Capital Contributions				
Grants	352,441	-	352,441	4,507,657
Tap fees	84,139	1,023	85,162	54,564
Customer contributions	27,810	302,664	330,474	3,700,035
<b>CHANGE IN NET POSITION</b>	<u>724,438</u>	<u>377,116</u>	<u>1,101,554</u>	<u>9,223,773</u>
Net position, beginning of year	<u>28,365,791</u>	<u>33,670,048</u>	<u>62,035,839</u>	<u>52,812,066</u>
<b>NET POSITION, END OF YEAR</b>	<u>\$ 29,090,229</u>	<u>\$ 34,047,164</u>	<u>\$ 63,137,393</u>	<u>\$ 62,035,839</u>

**HARDIN COUNTY WATER DISTRICT No. 1**  
**COMBINING WATER STATEMENT OF CASH FLOWS**  
for the year ended December 31, 2017

	County Water	Ft. Knox Water	Total	2016 Totals
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Receipts from customers	\$ 4,264,875	\$ 3,195,528	\$ 7,460,403	\$ 8,080,442
Payments to suppliers	(944,460)	(2,063,821)	(3,008,281)	(3,479,026)
Payments for employee services and benefits	<u>(1,497,729)</u>	<u>(554,032)</u>	<u>(2,051,761)</u>	<u>(2,035,559)</u>
<b>Net cash provided by operating activities</b>	<u>1,822,686</u>	<u>577,675</u>	<u>2,400,361</u>	<u>2,565,857</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>				
Receipts (payments) on interfund loans	<u>2,467,260</u>	<u>(4,092)</u>	<u>2,463,168</u>	<u>(105,584)</u>
<b>Net cash provided by (used in) non-capital financing activities</b>	<u>2,467,260</u>	<u>(4,092)</u>	<u>2,463,168</u>	<u>(105,584)</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>				
Principal paid on long-term debt	(745,000)	(6,832)	(751,832)	(5,141,983)
Proceeds from issuance of debt	-	-	-	4,165,000
Line of credit proceeds, net of payments	1,282,391	-	1,282,391	585,119
Interest paid on long-term debt	(89,746)	-	(89,746)	(277,903)
Contributions in aid of construction	84,139	303,687	387,826	3,686,533
Grants received	1,835,361	-	1,835,361	3,234,892
Proceeds from sale of equipment	19,353	1,740	21,093	9,069
Acquisition and construction of capital assets	(6,409,687)	(1,598,196)	(8,007,883)	(4,801,039)
Cash (paid) under advance construction contract	<u>-</u>	<u>-</u>	<u>-</u>	<u>(63,241)</u>
<b>Net cash provided by (used in) capital and related financing activities</b>	<u>(4,023,189)</u>	<u>(1,299,601)</u>	<u>(5,322,790)</u>	<u>1,396,447</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Interest income	18,761	174,289	193,050	85,850
Redemption of investments	-	-	-	1,550,453
Purchase of investments	<u>(124,725)</u>	<u>(39,711)</u>	<u>(164,436)</u>	<u>(1,278,836)</u>
<b>Net cash provided by (used in) Investing activities</b>	<u>(105,964)</u>	<u>134,578</u>	<u>28,614</u>	<u>357,467</u>
<b>NET INCREASE (DECREASE) IN CASH</b>	160,793	(591,440)	(430,647)	4,214,187
Cash and cash equivalents, beginning of year	<u>1,033,776</u>	<u>16,156,891</u>	<u>17,190,667</u>	<u>12,976,480</u>
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>	<u>\$ 1,194,569</u>	<u>\$ 15,565,451</u>	<u>\$ 16,760,020</u>	<u>\$ 17,190,667</u>
<b>Reconciliation of operating income (loss) to net cash provided by operating activities:</b>				
Operating income (loss)	\$ 330,703	\$ (70,655)	\$ 260,048	\$ 1,205,645
Adjustments to reconcile operating income to net cash provided by operating activities:				
Depreciation	1,096,156	516,117	1,612,273	1,482,985
Net change in pension liability	310,740	(23,480)	287,260	245,228
Change in assets and liabilities:				
Accounts receivable	(38,155)	155,052	116,897	(8,319)
Prepaid expenses	20,587	3,440	24,027	(4,275)
Inventory	(37,469)	3,622	(33,847)	125,274
Accounts payable	104,303	(1,262)	103,041	(488,270)
Unearned revenue	(2,765)	-	(2,765)	20,000
Accrued expenses	16,399	(5,159)	11,240	(13,308)
Compensated absences	22,167	-	22,167	1,484
Due to other funds	-	-	-	-
Other payables	<u>20</u>	<u>-</u>	<u>20</u>	<u>(587)</u>
<b>Net cash provided by operating activities</b>	<u>\$ 1,822,686</u>	<u>\$ 577,675</u>	<u>\$ 2,400,361</u>	<u>\$ 2,565,857</u>
<b>Schedule of non-cash capital and financing activities:</b>				
Capital asset additions included in accounts payable	<u>\$ (1,478,693)</u>	<u>\$ 76,992</u>	<u>\$ (1,401,701)</u>	<u>\$ 1,591,349</u>
Loss on disposal of assets allocated to other funds	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 26,134</u>

**HARDIN COUNTY WATER DISTRICT No. 1**  
**COMBINING SEWER STATEMENT OF NET POSITION**  
**December 31, 2017**

<b>ASSETS</b>	<b>Ft. Knox Sewer</b>	<b>Radcliff Sewer</b>	<b>Total</b>	<b>2016 Totals</b>
<b>Current assets</b>				
Cash and cash equivalents	\$ 3,970,349	\$ 2,702,181	\$ 6,672,530	\$ 7,244,754
Customer accounts receivable, net	472,975	232,199	705,174	1,179,276
Grant receivable	24,733	72,667	97,400	97,931
Inventory - material and supplies	1,910	1,932	3,842	1,232
Prepaid expenses	9,652	38,864	48,516	48,119
Due from other funds	<u>132,234</u>	<u>-</u>	<u>132,234</u>	<u>147,222</u>
<b>Total current assets</b>	<u><b>4,611,853</b></u>	<u><b>3,047,843</b></u>	<u><b>7,659,696</b></u>	<u><b>8,718,534</b></u>
<b>Other assets</b>				
Interfund receivable	-	2,600,000	2,600,000	-
Restricted assets - reserve funds	-	342,474	342,474	342,132
Unamortized rate case expense	-	43,603	43,603	74,381
Unamortized Radcliff acquisition costs, net	<u>-</u>	<u>156,601</u>	<u>156,601</u>	<u>165,701</u>
<b>Total other assets</b>	<u><b>-</b></u>	<u><b>3,142,678</b></u>	<u><b>3,142,678</b></u>	<u><b>582,214</b></u>
<b>Capital assets</b>				
Land and easements	-	9,544	9,544	9,544
Construction in progress	801,506	2,134,794	2,936,300	1,889,039
Plant and lines	87,508,145	38,698,639	126,206,784	123,990,991
Vehicles and equipment	<u>1,131,076</u>	<u>1,576,086</u>	<u>2,707,162</u>	<u>2,313,322</u>
<b>Total</b>	<u><b>89,440,727</b></u>	<u><b>42,419,063</b></u>	<u><b>131,859,790</b></u>	<u><b>128,202,896</b></u>
Less: accumulated depreciation	<u>(65,725,883)</u>	<u>(19,410,532)</u>	<u>(85,136,415)</u>	<u>(83,312,973)</u>
<b>Total capital assets</b>	<u><b>23,714,844</b></u>	<u><b>23,008,531</b></u>	<u><b>46,723,375</b></u>	<u><b>44,889,923</b></u>
<b>Total assets</b>	<u><b>28,326,697</b></u>	<u><b>29,199,052</b></u>	<u><b>57,525,749</b></u>	<u><b>54,190,671</b></u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Deferred outflows of resources - pension	<u>247,263</u>	<u>529,938</u>	<u>777,201</u>	<u>526,634</u>
<b>TOTAL ASSETS AND DEFERRED     OUTFLOWS OF RESOURCES</b>	<u><b>\$ 28,573,960</b></u>	<u><b>\$ 29,728,990</b></u>	<u><b>\$ 58,302,950</b></u>	<u><b>\$ 54,717,305</b></u>
<b>LIABILITIES AND NET POSITION</b>				
<b>Current liabilities</b>				
Accounts payable	\$ 202,719	\$ 155,294	\$ 358,013	\$ 444,881
Due to other funds	-	37,969	37,969	-
Customers' deposits	-	188,577	188,577	174,116
Accrued expenses	127,866	22,670	150,536	26,179
<b>Liabilities payable from restricted assets:</b>				
Current portion of long-term debt	-	336,365	336,365	323,938
Accrued interest on long-term debt	<u>-</u>	<u>1,121</u>	<u>1,121</u>	<u>2,201</u>
<b>Total current liabilities</b>	<u><b>330,585</b></u>	<u><b>741,996</b></u>	<u><b>1,072,581</b></u>	<u><b>971,315</b></u>
<b>Long-term liabilities</b>				
Compensated absences	6,555	9,502	16,057	6,794
Net pension liability	829,161	1,777,057	2,606,218	1,727,849
Bonds payable	<u>-</u>	<u>-</u>	<u>-</u>	<u>336,365</u>
<b>Total long-term liabilities</b>	<u><b>835,716</b></u>	<u><b>1,786,559</b></u>	<u><b>2,622,275</b></u>	<u><b>2,071,008</b></u>
<b>Total liabilities</b>	<u><b>1,166,301</b></u>	<u><b>2,528,555</b></u>	<u><b>3,694,856</b></u>	<u><b>3,042,323</b></u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Deferred inflows of resources - pension	<u>21,173</u>	<u>45,379</u>	<u>66,552</u>	<u>933</u>
<b>Net position</b>				
Net investment in capital assets	23,714,844	22,671,045	46,385,889	44,227,419
Restricted	-	342,474	342,474	342,132
Unrestricted	<u>3,671,642</u>	<u>4,141,537</u>	<u>7,813,179</u>	<u>7,104,498</u>
<b>Total net position</b>	<u><b>27,386,486</b></u>	<u><b>27,155,056</b></u>	<u><b>54,541,542</b></u>	<u><b>51,674,049</b></u>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS     OF RESOURCES AND NET POSITION</b>	<u><b>\$ 28,573,960</b></u>	<u><b>\$ 29,728,990</b></u>	<u><b>\$ 58,302,950</b></u>	<u><b>\$ 54,717,305</b></u>

**HARDIN COUNTY WATER DISTRICT No. 1**  
**COMBINING SEWER STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION**  
**for the year ended December 31, 2017**

	Ft. Knox Sewer	Radcliff Sewer	Total	2016 Totals
<b>OPERATING REVENUE</b>				
Sewer service revenue	\$ 2,911,459	\$ 3,717,261	\$ 6,628,720	\$ 6,566,433
Penalties, service fees and reimbursements	<u>411</u>	<u>239,176</u>	<u>239,587</u>	<u>252,197</u>
<b>Total operating revenue</b>	<u>2,911,870</u>	<u>3,956,437</u>	<u>6,868,307</u>	<u>6,818,630</u>
<b>OPERATING EXPENSES</b>				
Treatment	528,261	541,182	1,069,443	697,845
Distribution	336,917	878,967	1,215,884	923,764
Customer service	205,786	550,797	756,583	592,125
General and administrative expenses	1,430,892	164,769	1,595,661	2,121,759
General maintenance	<u>-</u>	<u>3,736</u>	<u>3,736</u>	<u>6,769</u>
<b>Total operating expense</b>	<u>2,501,856</u>	<u>2,139,451</u>	<u>4,641,307</u>	<u>4,342,262</u>
<b>Operating income before depreciation</b>	410,014	1,816,986	2,227,000	2,476,368
Depreciation and amortization expense	<u>(887,289)</u>	<u>(1,173,715)</u>	<u>(2,061,004)</u>	<u>(1,946,607)</u>
<b>OPERATING INCOME (LOSS)</b>	(477,275)	643,271	165,996	529,761
Non-operating income (expenses)				
Interest income	38,593	19,489	58,082	24,834
Interest expense	(1,053)	(25,579)	(26,632)	(38,206)
Transfers in (out)	(396)	307	(89)	(12,054)
(Loss) on sale of equipment	<u>(37,890)</u>	<u>(24,625)</u>	<u>(62,515)</u>	<u>(94,220)</u>
<b>INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS</b>	(478,021)	612,863	134,842	410,115
Capital Contributions				
Grants	-	2,334,586	2,334,586	214,236
Customer contributions	<u>398,065</u>	<u>-</u>	<u>398,065</u>	<u>656,499</u>
<b>CHANGE IN NET POSITION</b>	(79,956)	2,947,449	2,867,493	1,280,850
Net position, beginning of year	<u>27,466,442</u>	<u>24,207,607</u>	<u>51,674,049</u>	<u>50,393,199</u>
<b>NET POSITION, END OF YEAR</b>	<u>\$ 27,386,486</u>	<u>\$ 27,155,056</u>	<u>\$ 54,541,542</u>	<u>\$ 51,674,049</u>

**HARDIN COUNTY WATER DISTRICT No. 1**  
**COMBINING SEWER STATEMENT OF CASH FLOWS**  
**for the year ended December 31, 2017**

	Ft. Knox Sewer	Radcliff Sewer	Total	2016 Totals
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Receipts from customers	\$ 3,381,294	\$ 3,961,115	\$ 7,342,409	\$ 6,556,977
Payments to suppliers	(1,631,323)	(1,174,948)	(2,806,271)	(3,035,997)
Payments for employee services and benefits	(194,240)	(949,274)	(1,143,514)	(949,185)
<b>Net cash provided by operating activities</b>	<u>1,555,731</u>	<u>1,836,893</u>	<u>3,392,624</u>	<u>2,571,795</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>				
Receipts (payments) on interfund loans	(113,195)	(2,434,090)	(2,547,285)	44,498
<b>Net cash provided (used) by non-capital financing activities</b>	<u>(113,195)</u>	<u>(2,434,090)</u>	<u>(2,547,285)</u>	<u>44,498</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>				
Principal paid on long-term debt	-	(323,938)	(323,938)	(311,971)
Interest paid on long-term debt	(1,053)	(26,659)	(27,712)	(39,246)
Contributions in aid of construction	444,036	46,700	490,736	865,957
Grants received	-	2,242,453	2,242,453	511,533
Proceeds from sale of equipment	634	18,445	19,079	29,135
Acquisition and construction of capital assets	(1,114,228)	(2,761,693)	(3,875,921)	(1,634,901)
<b>Net cash (used in) capital and related financing activities</b>	<u>(670,611)</u>	<u>(804,692)</u>	<u>(1,475,303)</u>	<u>(579,493)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Interest income	38,593	19,489	58,082	24,834
Purchase of investments	-	(342)	(342)	(389)
<b>Net cash provided by investing activities</b>	<u>38,593</u>	<u>19,147</u>	<u>57,740</u>	<u>24,445</u>
<b>NET INCREASE (DECREASE) IN CASH</b>	810,518	(1,382,742)	(572,224)	2,061,245
Cash and cash equivalents, beginning of year	3,159,831	4,084,923	7,244,754	5,183,509
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>	<u>\$ 3,970,349</u>	<u>\$ 2,702,181</u>	<u>\$ 6,672,530</u>	<u>\$ 7,244,754</u>
<b>Reconciliation of operating income (loss) to net cash provided by operating activities:</b>				
Operating income (loss)	\$ (477,275)	\$ 643,271	\$ 165,996	\$ 529,761
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:				
Depreciation and amortization expense	887,289	1,173,715	2,061,004	1,946,607
Net change in pension liability	603,069	90,349	693,418	438,318
Change in assets and liabilities:				
Accounts receivable	469,424	4,678	474,102	(261,653)
Prepaid expenses	(6,800)	6,403	(397)	(972)
Inventory	(1,910)	(700)	(2,610)	213
Accounts payable	(48,236)	(98,733)	(146,969)	(65,413)
Accrued expenses	123,616	15,202	138,818	(28,220)
Other payables	6,554	2,708	9,262	13,154
<b>Net cash provided by operating activities</b>	<u>\$ 1,555,731</u>	<u>\$ 1,836,893</u>	<u>\$ 3,392,624</u>	<u>\$ 2,571,795</u>
<b>Schedule of non-cash capital and financing activities:</b>				
Fixed asset additions included in accounts payable	\$ 14,258	\$ 45,843	\$ 60,101	\$ 72,225
Loss on disposal of assets allocated from other funds	\$ -	\$ -	\$ -	\$ 24,051





**INDEPENDENT AUDITORS' REPORT  
ON INTERNAL CONTROL OVER FINANCIAL REPORTING  
AND ON COMPLIANCE AND OTHER MATTERS BASED ON  
AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE  
WITH GOVERNMENT AUDITING STANDARDS**

Board of Commissioners  
Hardin County Water District No. 1

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Hardin County Water District No. 1, as of and for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise the Hardin County Water District No. 1's basic financial statements and have issued our report thereon dated July 5, 2018.

**Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Hardin County Water District No. 1's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Hardin County Water District No. 1's internal control. Accordingly, we do not express an opinion on the effectiveness of the Hardin County Water District No. 1's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Hardin County Water District No. 1's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

**Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

**RFH**

RFH, PLLC  
Lexington, Kentucky  
July 5, 2018

**HARDIN COUNTY WATER DISTRICT No. 1**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**December 31, 2017**

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<b>Federal Grantor Program Title</b>	<b>Federal CFDA Number</b>	<b>Pass Through Contract Number</b>	<b>Federal Expenditures</b>
United States Department of Agriculture Water and Waste Disposal Systems for Rural Communities	10.760	n/a	\$ <u>758,151</u>
<b>Total United States Department of Agriculture</b>			\$ <u>758,151</u>
<b>Total expenditures of federal awards</b>			\$ <u>758,151</u>

**Note 1: Basis of Presentation**

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the Hardin County Water District No. 1 and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*. Therefore, some amounts presented in, or used in the preparation of, the basic financial statements may differ from these numbers.

**Note 2: Indirect Cost Rates**

The Hardin County Water District No. 1 did not elect to use the 10 percent *de minimis* cost rate as allowed under the *Uniform Guidance*.

**Note 3:** The District did not pass through any funds to subrecipients.



**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE  
FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL  
OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

Board of Commissioners  
Hardin County Water District No. 1  
Radcliff, Kentucky

**Report on Compliance for Each Major Federal Program**

We have audited the Hardin County Water District No. 1's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Hardin County Water District No. 1's major federal programs for the year ended December 31, 2017. The Hardin County Water District No. 1's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

***Management's Responsibility***

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

***Auditors' Responsibility***

Our responsibility is to express an opinion on compliance for each of the Hardin County Water District No. 1's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Hardin County Water District No. 1's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the Hardin County Water District No. 1's compliance.

***Opinion on Each Major Federal Program***

In our opinion, the Hardin County Water District No. 1, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2017.

## Report on Internal Control over Compliance

Management of the Hardin County Water District No. 1 is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Hardin County Water District No. 1's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Hardin County Water District No. 1's internal control over compliance.

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

**RFH**  
RFH, PLLC  
Lexington, Kentucky  
July 5, 2018

**HARDIN COUNTY WATER DISTRICT No. 1  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
for the year ended December 31, 2017**

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**I. SUMMARY OF AUDITORS' RESULTS**

Financial Statements:

Type of auditors' report issued: Unmodified

Internal control over financial reporting:

Material weaknesses identified  Yes  No

Significant deficiencies identified that are not  
considered to be material weaknesses  Yes  None reported

Non-compliance material to financial statements noted  Yes  No

Federal Awards:

Internal control over major programs:

Material weaknesses identified  Yes  No

Significant deficiencies identified that are not  
considered to be material weaknesses  Yes  None reported

Type of auditors' report issued on compliance for major programs:

Unmodified for all major programs.

Any audit findings disclosed that are required to be reported in  
accordance with 2 CFR 200.516(a)?  Yes  No

**Major Programs:**

<u>CFDA Number</u>	<u>Name of Federal Program or Cluster</u>
10.760	Water and Waste Disposal Systems for Rural Communities

Dollar threshold used to distinguish between type A  
and type B programs: \$ 750,000

Auditee qualified as a low-risk auditee?  Yes  No

**II. FINDINGS RELATED TO FINANCIAL STATEMENTS**

NONE

**III. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS**

NONE

**IV. PRIOR YEAR FINDINGS**

NONE

11. Refer to the letter dated June 3, 2016, from Hardin District No. 1 to DLAE, which is the first page of Tab 3 (Hardin District No. 1's June 3, 2016 submittal to DLAE), in which Hardin District No. 1 discusses the estimated cost of the revised projects and states that "[t]his Proposal remains valid offer until August 1, 2016."
- a. State whether Hardin District No. 1 indicated that the Proposal would only remain valid through August 1, 2016, in part, because it did not want to be bound by cost estimates that would become stale through the passage of time.
  - b. If not, explain why Hardin District No. 1 indicated that the proposal would expire on August 1, 2016.
  - c. State whether Hardin District No. 1 contends that the estimated costs of the capital projects are still valid, and explain the basis for Hardin District No. 1's response.
  - d. Explain why Hardin District No. 1 made the revised proposal to DLAE on June 3, 2016, and indicated that the proposal would expire on August 1, 2016, but had not started construction on the projects as of the date of filing the application in this matter

ANSWER 11:

- a. HCWD1 did indicate that the Proposal would only remain valid through August 1, 2016, because it did not want to be bound by cost estimates that would become stale through the passage of time.
- b. N/A
- c. The estimated costs of the capital projects are no longer valid due to trade tariffs and inflation.
- d. HCWD1 experienced delays from DOD and FAA, as shown in the letter dated June 3, 2016, which is attached and submitted as Exhibit 1.

WITNESS: Mr. Stephen Hogan, General Manager, HCWD1

# Hardin County Water District No. 1

*Serving Radcliff and Hardin County for Over 60 Years*

1400 Rogersville Road  
Radcliff, KY. 40160

---

April 27, 2018

Mr. Carl Silverstone  
DLA Contracting Officer  
8725 John J. Kingman Rd  
Suite 3937  
Fort Belvoir, VA 22060

Kevin Addison  
Ft. Knox Contracting Officer  
Building 1110, Rm 308  
125 6th Ave, Ste 320  
Fort Knox, KY 42101-5719

**SUBJECT: Progress Report – UP Contract No.: SP0600-11-C-8270  
Revised ISDC Projects  
Potable Water Utility System at Fort Knox Army Installation, Kentucky**

Dear Mr. Silverstone;

The Hardin County Water District No. 1 (HCWD1) has been working towards the completion of the Revised ISDC Projects as outlined in Amendment/Modification No. P00029 to the referenced Contract with the Defense Logistics Agency Energy (DLA). The Amendment was executed on 10 August 2016, thereby setting a proposed project completion date of 10 August 2019. The Technical Proposal and Price Proposal that serve as the basis of the Amendment are attached to this letter as Appendix A.

The majority of the Amendment is related to the construction of two new 1.5-million-gallon elevated water storage tanks and major improvements and complete renovation to the Muldraugh Water Treatment Plant (WTP). The Muldraugh WTP design is nearing completion. The proposed tanks provide the majority of the benefits to the water quality (due to their strategic location to promote improved circulation) and pressure and fire flow (due to their higher elevation).

Design of the two tanks has been nearly complete since May 2017. However, Fort Knox has disapproved the tank sites and no suitable location has been identified. As a result, HCWD1 will not be able to meet the schedule requirements in the Amendment. Additionally, construction costs for the tanks will increase as a result of a shorter construction schedule and rising costs, and additional design fees will be warranted to perform a new site survey, environmental assessment, geotechnical exploration, and detailed design of the revised tank sites.

Further, design of the Muldraugh WTP cannot be completed until the tanks sites are established. The construction schedule will be impacted by the long lead time required for manufacture of key components, namely, the high service pumps. Final design of the high service pumps cannot be completed until the elevation of the tanks sites are known.

This letter is intended to document the chronology to date and budget impacts as a result of the failure to determine the tanks' sites at Fort Knox.

## **Chronology**

The following table summarizes the events leading up to the present related to the new proposed tanks and their potential sites.



Date	Action/Communication	Elapsed Days (Since 12/9/16)
June 26, 2014	Stantec Consulting Services Inc. (Stantec) entered into an Agreement with HCWD1 to develop an updated Capital Improvements Plan (CIP) for Fort Knox's Water System.	N/A
April 16, 2015	HCWD1 presented the CIP to Fort Knox (Kenneth Muse and Kevin Addison); slides were e-mailed to Fort Knox on 13 April 2015 <ul style="list-style-type: none"> <li>○ The CIP presented the elevated storage tanks at the site of the existing Old Ironsides Tank and Education Center Tanks (WT #4 and WT #1/2 on Figure 1)</li> </ul>	N/A
July 16, 2015	HCWD1 presented the CIP to Fort Knox and Defense Logistics Agency officials via in-person presentation and webinar	N/A
August 7, 2015	Kevin Addison forwarded a map sent by Brian Brown depicting sites that the elevated storage tanks could be located – see Figure 1	N/A
August 14, 2015	DLA e-mailed a Request for Proposal (RFP) from HCWD1 for the CIP that was presented on 16 July 2015	N/A
September 4, 2015	HCWD1 provided a Price Proposal and Technical Proposal for the CIP to DLA <ul style="list-style-type: none"> <li>○ The Proposals presented the tank sites to be near Frazier Road and Estrada Avenue; proposed tank sites are circled and annotated in black on Figure 1.</li> </ul>	N/A
February 10, 2016 February 17, 2016 March 28, 2016 June 1, 2016 July 6, 2016	Negotiations were had between HCWD1 and DLA and Revised Price Proposals were submitted	N/A
August 10, 2016	Executed Contract Amendment P0029 for the execution of the CIP (341 days after initial proposal was submitted to DLA/FK)	N/A
November 4, 2016	Stantec entered into an Agreement with HCWD1 for the detailed design and services during construction for the implement of the CIP/Revised ISDC Projects	N/A
November 22, 2016	ISDC Project Kick-Off Meeting was held at HCWD1 offices; the current proposed tank locations were discussed with Fort Knox	N/A
November 29, 2016	Stantec sent letter to HCWD1 requesting Fort Knox approval of the proposed tank sites by 9 December 2016; HCWD1 forwarded the letter to Fort Knox (Kevin Addison) on 30 November 2016	N/A
<b>December 9, 2016</b>	Kevin Addison, Fort Knox, replied to the letter via e-mail indicating that <b><i>the Frazier Tank site was acceptable and</i></b>	N/A

Date	Action/Communication	Elapsed Days (Since 12/9/16)
	<i>adjusted the Estrada Tank site slightly in an annotated figure</i>	
December 14, 2016	Progress Meeting was held at HCWD1; scheduling of survey and geotechnical exploration for the tank sites was discussed with Fort Knox	5
January – March, 2017	Geotechnical exploration, field survey, and environmental assessment coordination and field visits/habitat surveys were conducted for the tank sites	68
January 17, 2017	Jim Bruce, HCWD1, presented a briefing on the projects to Pat Walsh (Fort Knox Directorate of Public Works)	39
February 23, 2017	Progress Meeting was held at HCWD1; Conceptual Design Drawings were presented and discussed with Fort Knox	76
February 27, 2017	Kevin Addison forwarded the recommended FAA components from Rickey Webb (AFLD Operation and AT&A Manager Godman Army Airfield) along with the necessary information for the FAA permit/Aeronautical Study	80
May 3, 2017	Necessary information for the Aeronautical Study was sent from Daniel Clifford to Rickey Webb and Kevin Addison	145
May 26, 2017	Stantec 90% design drawings ("Issued for Review") for the tanks	168
June 7, 2017	Progress Meeting was held at HCWD1; tank drawings were reviewed with Fort Knox	180
July 21, 2017	Results of the Aeronautical Study from the FAA were provided; <ul style="list-style-type: none"> <li>○ Estrada Tank was deemed an obstruction and recommended that a 15-foot reduction in height may allow it to be approved (max elevation of 911 feet, including antennae)</li> <li>○ Additional information was requested on the Frazier Tank</li> </ul>	224
August 4, 2017	Stantec submitted the requested tank location certificates (sealed by a licensed surveyor) and the design drawings for the tanks <ul style="list-style-type: none"> <li>○ Stantec indicated that the tanks were proposed to be at the same location as the original permit, but both tanks would be lowered to a maximum elevation of 911 feet</li> </ul>	238
September 20, 2017	Rickey Webb indicated that the tank location certificates were incorrect (believed to have the wrong Aeronautical Study No.).	285
September 25, 2017	Stantec sent updated certificates to Rickey Webb, and then again on 4 October 2017 as separated documents matching the requested format	290

Date	Action/Communication	Elapsed Days (Since 12/9/16)
September 25, 2017	Progress Meeting was held at HCWD1; tank construction, permit requirements, and bidding questions for the tanks were discussed with Fort Knox	290
October 11, 2017	Rickey Webb indicated that the Frazier Tank needed to be at an above ground level (AGL) of 147 feet or less (this corresponds to a maximum elevation of 907 feet, 19 feet lower than the original)	306
October 23, 2017	Stantec confirmed that the new maximum elevation of 907 feet was acceptable and that both tanks would be at this same maximum elevation	318
November 1, 2017	<p>HCWD1 participates in meeting at Fort Knox to discuss tank sites; Fort Knox indicates that both sites are rejected and that new sites should be identified</p> <ul style="list-style-type: none"> <li>○ Fort Knox indicated that HCWD1 shall provide X,Y,Z coordinates for Rickey Webb to evaluate for FAA compliance</li> <li>○ Fort Knox indicated that tanks could not be located within the historic area and requested that they be located near the edges of the Cantonment Area (HCWD1 indicated that this would have an adverse impact on water quality and negate some of the water quality/circulation benefits indicated in the original CIP and Contract Amendment)</li> </ul>	327
November 10, 2017	Stantec submitted 8 new potential tank site coordinates	336
December 6, 2017	Stantec requested a status update from Rickey Webb, Mr. Webb indicated that he had briefed Kevin Addison on 22 November 2017 indicating that none of the replacement locations for the Frazier Tank would be acceptable and possibly two of the four Estrada Tank replacement locations may be acceptable, but a new FAA permit and Aeronautical Study would be required	362
January 10, 2018	Kevin Addison reported to HCWD1 that Rickey Webb had received results from one of the eight sites' Aeronautical Studies and the result was favorable, he reported that the results for the remaining sites should be available by mid-February	397
February 27, 2018	Email from Ricky Webb saying the Estrada sites 2, 3 and 4 "look to be OK" but all the Frazier sites would not work with current VOR system, but possible mitigation could be to "Dopplerize" the VOR antenna or build the tank "No-Exceed-Height (NEH) of 90' AGL	445
April 25, 2018	Fifth meeting since November 1 (November 1, April 12, 22, 28 and 25) with FK to discuss possible tank sites and issues	495

HCWD1 believes bidders on the tank projects will provide more aggressive pricing if a longer construction schedule is available, such that construction equipment can be mobilized to one site, complete construction of first tank, and then re-mobilized to a second site (rather than having to construct the tanks in simultaneously). As a result, HCWD1 proposes to extend the duration of the ISDC Projects Amendment by two years. The modified completion date for all Revised ISDC Projects per the Amendment would then be on or before August 10, 2021.

**Budget Impacts**

Impacts to the project budget are based on actual time and materials costs expended on the efforts described in Table 1. This work was performed specifically for the sites that are no longer approved and the information is not salvageable for use on other potential tank sites. Work performed to date that will be utilized for future approved tank sites (i.e., tank specifications and details) has not been included in the Table below. The original budget for engineering services for the two tanks (combined cost) per the Price Proposal was \$606,003.

**Table 1. Engineering Budget Impacts Due to Disapproval of Proposed Tank Sites**

No.	Description	Cost
1	Field Survey	\$18,167
2	Geotechnical Explorations	\$56,529
3	Environmental Assessment	\$25,975
4	Design Services	\$247,114
5	Muldrough High Service Pumps System Curve	\$15,245
6	Evaluation of Alternative Tank Sites	\$15,430
7	Coordination on Seeking Approval for New Sites <sup>1</sup>	\$22,000
<b>TOTAL ENGINEERING SERVICES BUDGET IMPACT</b>		<b>\$400,460</b>

<sup>1</sup> This is work that has not yet been performed; costs are estimated for the level of effort to coordinate with Fort Knox and DLA to identify approvable tank sites and modify the Contract/Amendment as appropriate.

It is expected that there will be additional construction cost implications due to the delay as a result of escalating construction costs and other factors since the original Price Proposal was submitted in 2015. These factors and their expected impact to the opinion of probable construction cost are provided in Table 2. HCWD1 has consulted with three tank vendors (Phoenix Fabricators And Erectors, LLC; Landmark Structures; and CB&I) that commonly work in the region and are familiar with the proposed projects to gage the likely increase in bid prices due to the delayed bidding window. Two of those vendors provided preliminary quotes (last updated in September of 2016) to support the Price Proposal and resulting Amendment.

**Table 2. Expected Construction Budget Impacts**

No.	Description	Cost	Cost Source
1	<b>Geotechnical Conditions.</b> Initial quotes assumed use of shallow foundations; the geotechnical exploration and preliminary foundation design necessitated the use of deep foundations for the two tanks. It is	\$300,000	Budgetary cost increase for deep foundations (e.g., piers) in lieu of shallow foundations as provided by Landmark and Phoenix indicate \$150,000 per tank.

	anticipated that the final sites will require the use of deep foundations.		
2	<b>Additional Tank Height.</b> The original sites approved were at a higher elevation, and thus a lower overall tank height to reach the target overflow elevation of 901 feet. Original tank heights to the high-water elevation were 161.5 feet and 141 feet for Estrada and Frazier sites, respectively.	\$463,125	CB&I reported about \$8,000 increase per vertical foot; Phoenix reported about \$6,250/VF. The average heights of the replacements are 15 feet and 50 feet for Frazier and Estrada, respectfully. Fees are based on \$7,125 multiplied by those height increases.
3	<b>Increase in Materials and Wage Costs.</b> Due to more competitive bidding and an increase in wages, steel, and fuel costs, additional cost is expected in the bids because of the delayed construction window.	\$221,817	Landmark reported an increase of about 1% and CB&I reported an increase of 3-5%. A 2.5% escalation on the original construction cost opinions (from the Price Proposal) were applied.
<b>TOTAL EXPECTED CONSTRUCTION BUDGET IMPACT</b>			<b>\$984,942</b>

Similarly, additional costs will be incurred by HCWD1 and their consultants due to the prolonged operation of the Central WTP, which was scheduled to be decommissioned in Fall 2018. Central WTP will now remain in operation until the tanks are put into service. Additional costs for construction inspection services due to the delayed construction window will also be warranted.

The above added costs also do not include potential added costs should the proposed steel import tariffs go into place. We have read that just recently steel prices have risen 14% just on the anticipation of a 25% added tariff on imported steel. We have not included any of these added costs in the above table.

HCWD1 appreciates the opportunity to work with Fort Knox and DLA to improve water service to customers on post. If you require additional information or have any questions, please contact me.

Sincerely,



Jim Bruce  
 General Manager  
 Hardin County Water District No. 1



Stephen Hogan  
 Incoming General Manager  
 Hardin County Water District No. 1

Encl. Appendix A – Technical Proposal and Price Proposal for Revised ISDC Projects  
 Site exhibit showing all sites requested or evaluated and denied

12. For each project identified in Table 2 of Tab 3, state whether the project will result in an increase in operating and maintenance expenses, and provide a breakdown of the expected change in operating and maintenance expenses arising from each project.

ANSWER 12: See Engineer letter dated May 3, 2019 which is attached and submitted as Exhibit 2.

WITNESS: Mr. Bret Lavey, P.E., ENV SP, Stantec Consulting Services, Inc.



May 3, 2019  
File: let\_027\_175666024.docx

**Attention: Stephen Hogan, PE**  
Hardin County Water District No. 1  
1400 Rogersville Road  
Radcliff, Kentucky 40160

Dear Stephen,

**Reference: Public Service Commission Data Request, Case 2019-00067, Fort Knox ISDC Projects**

Hardin County Water District No. 1 (HCWD) received a request for information for the referenced case from the Public Service Commission (PSC) on April 23, 2019. The case filed by HCWD was for a waiver of a Certificate of Public Convenience and Necessity (CPCN) for the Fort Knox ISDC Projects.

Stantec Consulting Services Inc. (Stantec) has been supporting HCWD with the development of the ISDC Projects, negotiations with Defense Logistics Agency (DLA), and design, permitting, and implementation of the ISDC Projects since 2014. On May 1, 2019, HCWD request that Stantec provide a response to item number 12 of the PSC Request for Information, which reads:

*"For each project identified in Table 2 of Tab 3, state whether the project will result in an increase in operating and maintenance expenses, and provide a breakdown of the expected change in operating and maintenance expenses arising from each project."*

Stantec's response based upon our professional engineering judgment is provided in Table 1. Cost estimates for the operating and maintenance (O&M) expenses are based upon the information established as part of the original 2012 contract between HCWD and DLA. That contract was a 50-year agreement extending from 2012 through 2062.

While some of the new facilities result in an increase in O&M for that facility, the general approach of the entire capital improvement program is to reduce the overall O&M expense for the water system while balancing water quality, adequate pressures, and water quantity (fire flow) needs. The efficiencies achieved are predominantly due to:

- Replacing two water treatment plants with one reliable water treatment plant capable of reliably meeting the demand requirements of Fort Knox, and
- Replacing the existing, eight elevated storage tanks with two new, lower maintenance storage tanks at a higher hydraulic grade line.

As shown at the bottom of Table 1, the Fort Knox ISDC Projects are anticipated to reduce the overall O&M expense by \$30,496,242 (total) or \$743,811 (annually) for the remainder of the contract.

Reference: Public Service Commission Data Request, Case 2019-00067, Fort Knox ISDC Projects

No.	Project Name	Comments	Anticipated O&M Expense Impact (2012 Dollars)
1	Muldraugh WTP Improvements	<p>An increase in O&amp;M expenses is anticipated, which is directly attributed to increased production at the water treatment plant (WTP). The projects considered are being designed to lower the overall O&amp;M expenses associated with water production for Fort Knox as a whole. However, because the completion of the improvements at Muldraugh enable the Central WTP to be decommissioned, the water production is anticipated to increase, thereby increasing sludge handling requirements and chemical usage.</p> <p>Labor requirements associated with operation of the Muldraugh WTP is not anticipated to change as a result of the project.</p> <p>Additional pumping capacity and power demand is expected at the high service pump station; however, HCWD does not pay for the electricity usage at Fort Knox.</p> <p>To conservatively estimate chemical additions at Muldraugh WTP after completion of the project, it is assumed that 100% of the chemical usage at Central WTP will be utilized at Muldraugh WTP. The O&amp;M expense associated with the chemical usage as estimated in the original contract is \$32,077 (in 2012 dollars). This approach was also utilized for sludge handling, resulting in an addition of \$28,716 annually.</p> <p>As part of the improvements, the disinfectant is planned to be converted to chloramines, which will require an ammonia feed system. Currently, ammonia is not fed at the Muldraugh WTP. The estimated chemical O&amp;M cost for the ammonia is based on 10,200 pounds (lbs) annually at \$0.21/lb, or \$2,142 per year. The sum of these additional O&amp;M expenses is \$62,935 per year.</p> <p>The project is expected to complete in 2021 (year 9 of the 50 year contract) and Muldraugh WTP will supply 100% of the water to Fort Knox at that time. The total, additional O&amp;M expenses reflected at right is the annual expense multiplied by 41 years.</p>	\$2,580,335



Reference: Public Service Commission Data Request, Case 2019-00067, Fort Knox ISDC Projects

No.	Project Name	Comments	Anticipated O&M Expense Impact (2012 Dollars)
2-3	1.5 MG Old Ironsides Tank and 1.5 MG Education Center Tank	<p>No significant O&amp;M expense increase is anticipated. Pipes and fittings will be maintained with existing personnel with available capacity to maintain the facilities. The estimated useful life of the facilities is greater than 50 years, which extends beyond the contract period for HCWD to own and operate the water system at Fort Knox.</p> <p>The primary O&amp;M expense associated with projects 2 and 3 will be repainting of the tanks. The proposed tanks will be composite tanks with a concrete column that does not need to be painted. The steel bowls will require repainting at an estimated interval of 25 years. Even though the tank capacity is three times that of most of the existing tanks at Fort Knox, the painting cost is anticipated to be less than or equal to that of the existing tanks because only the bowl requires repainting. Tank painting costs (in 2012 dollars) is estimated at \$390,000 per tank. Because the construction of this project is accompanied with the removal of eight tanks from HCWD's operation and ownership, the overall O&amp;M expense for system storage is significantly decreased.</p> <p>Annual tank inspections are estimated at \$6,400 per tank per year for 41 years, or \$524,800.</p> <p>There will be minor electrical costs for the lighting and controls at the facility. However, this will be offset by the reduction in electrical costs at the existing 8 tanks to be removed from service. Electric for operation of the water facility is paid for by Fort Knox, not HCWD.</p>	\$1,304,800
4	Park Road 14" Main Extension	<p>No significant O&amp;M expense increase is anticipated. This project connects existing potable water mains to an existing 16" raw water main that will be repurposed as a potable water main. The remainder of the raw water line will be abandoned. As part of the abandonment, the project will result in a net deduct of active pipeline within the water system.</p>	\$0
5, 14, & 15	<p>Automatic Flusher Installed in Dietz Area</p> <p>Automatic Flusher Installed in Van Voorhis Area</p> <p>Automatic Flusher Installed in Prichard Area</p>	<p>No significant O&amp;M expense increase is anticipated. These projects are not anticipated to be constructed unless very low demands occur in the future (e.g., Fort Knox has significant troop reduction). The flusher would automatically discharge water when, due to lack of demand, chlorine has decayed to undesirable concentrations. The flusher would result in some non-revenue water; however, the solution in absence of a flusher would be manually discharging water from a hydrant which would also result in non-revenue water in addition to the manpower to manually flush the main(s).</p>	\$0
6	Line Improvements – Gold Vault Area	<p>This project is no longer planned. The original goal of the project was to provide adequate fire flow to the Gold Vault. Fort Knox stakeholders have indicated that this project is not necessary to meet their water supply/fire protection needs and this project was removed from the current scope.</p>	\$0

Reference: Public Service Commission Data Request, Case 2019-00067, Fort Knox ISDC Projects

No.	Project Name	Comments	Anticipated O&M Expense Impact (2012 Dollars)
7	Line Improvements – North Frazier Area	This project is no longer planned. The original goal of the project was to provide adequate fire flow to the service area. A fire suppression system servicing the area was identified and this project was removed from the current scope.	\$0
8	Line Improvements – 7th Armor Division Cut-off Road	No significant O&M expense increase is anticipated. This project consists of installation of 1,720 linear feet of 6" diameter ductile iron water main. Pipes and fittings will be maintained with existing personnel. The estimated useful life of the water main is also 55 years, which extends beyond the contract period for HCWD to own and operate the water system at Fort Knox.	\$0
9	Decommission Central WTP and Large Diameter Mains	A significant reduction in O&M expenses is anticipated with the implementation of this project. The summary of O&M expenses for the Central Water Treatment Plant is provided as an attachment to this letter. Based on that summary, \$743,097 (in 2012 dollars) is anticipated to be the annual decrease in O&M expenses based on the implementation of this project. It is anticipated that this project will be completed in 2021 (year 9 of the 50 year contract), so the total O&M savings reflected at right is the annual savings multiplied by 41 years.	(\$30,466,977)
10	Installation of Check Valves Near Education Center Tank	This project is no longer planned. The original goal of the project was to promote water circulation away from the planned location of the 1.5 million gallon tank (project number 3). Based on conversations with Fort Knox and other stakeholders regarding available sites for the new storage tanks, the location of the tank no longer necessitates check valves to control water circulation.	\$0
11, 12, 13, 16, 17, & 18	Remove Frazier Tank Remove Van Voorhis Tank Remove Prichard Tank Remove HRC Tank Remove Ft Knox HS Tank Remove Old Ironsides Tank	A significant reduction in O&M expenses is anticipated with the implementation of these projects. Each of the tanks is expected to require repainting during the life of HCWD's contract. Repainting costs, per the original contract, are estimated at \$390,000 per tank in 2012 dollars. These tanks are planned to be torn down and replaced with projects 2/3.  Annual tank inspections estimated at \$6,400 per tank per year for the remainder of the contract (41 years) are also avoided for an additional O&M savings of \$1,574,400  Two additional tanks are planned to be disconnected from the system and ownership transferred back to Fort Knox.	(\$3,914,400)
<b>TOTAL</b>			<b>(\$30,496,242)</b>

May 3, 2019  
Stephen Hogan, PE  
Page 5 of 5

Reference: Public Service Commission Data Request, Case 2019-00067, Fort Knox ISDC Projects

Stantec appreciates the opportunity to continue to support the implementation of the ISDC Projects and ultimately improve the water utility service to Fort Knox. If you have any additional questions or require clarification, please contact me.

Regards,

**Stantec Consulting Services Inc.**



**Bret A. Lavey** PE, ENV SP  
Principal  
Phone: 859.552.4909  
bret.lavey@stantec.com

Attachment: Central WTP O&M Costs - Revised Attachment IV-2 from Original Agreement

c. n/a

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Revised Attachment IV-2 from Original Agreement

<b>Base - LABOR &amp; EXPENSES - Water Treatment (Central Only) and Distribution- Years 6 - 50 ***</b>						<b>Years 6-50</b>			
*** The following table depicts the Central Water Treatment Operating Costs Only (Distribution Costs Removed). Cells in red text are those that were in the original/current executed Agreement. Highlighted cells have been revised to reflect treatment only costs.						<b>HRS</b>		<b>\$</b>	
<b>LABOR</b>		<b>ORIGINAL</b>	<b>REVISED</b>	<b>ORIGINAL</b>	<b>REVISED</b>	<b>ORIGINAL</b>	<b>REVISED</b>	<b>ORIGINAL</b>	<b>REVISED</b>
<b>Labor Category</b>	<b># of Emps</b>	<b># of Emps</b>	<b>U/M</b>	<b>Labor Cost</b>	<b>Labor Cost</b>	<b>HRS</b>	<b>HRS</b>	<b>\$</b>	<b>\$</b>
Project Manager	0.4	0	Hr	\$39.40	\$39.40	874	0	<del>34,424.03</del>	-
Water Treatment Operator	4	4	Hr	\$47.63	\$47.63	8,736	8,736	416,138.92	416,138.92
Electrician/I&C	0.5	0.5	Hr	\$46.54	\$46.54	1,092	1,092	50,821.35	50,821.35
Plant Mechanic	1	1	Hr	\$46.54	\$46.54	2,184	2,184	101,642.70	101,642.70
Water Distribution Supervisor	1	0	Hr	\$35.44	\$35.44	2,184	0	<del>77,391.13</del>	-
Distribution Operator IV	1	0	Hr	\$24.24	\$24.24	2,184	0	<del>52,929.24</del>	\$0.00
Equipment Operator	1	0	Hr	\$27.18	\$27.18	2,184	0	<del>59,366.58</del>	\$0.00
Distribution Operator I	2	0	Hr	\$19.00	\$19.00	4,368	0	<del>82,970.16</del>	\$0.00
GIS Technician/Dist Op IV	1	0	Hr	\$23.25	\$23.25	2,184	0	<del>50,783.46</del>	\$0.00
Accounting Specialist	1	0	Hr	\$22.93	\$22.93	2,080	0	<del>47,684.00</del>	\$0.00
<b>TOTAL LABOR (Raw + Fringe)</b>	<b>12.5</b>	<b>5.5</b>				<b>28,070</b>	<b>12,012</b>	<b><del>974,151.59</del></b>	<b>568,602.98</b>
				HCWD1 Bene Rate for 2011	31.0%				31.0%
				LWC Bene Rate for 2011	68.5%				68.5%
		<b>U/M</b>	<b>Unit Rate</b>		<b>QTY</b>		<b>\$</b>		
<b>EXPENSES</b>			<b>ORIGINAL</b>	<b>REVISED</b>	<b>ORIGINAL</b>	<b>REVISED</b>	<b>ORIGINAL</b>	<b>REVISED</b>	
<b>OPERATING EXPENSES</b>									
Bulk Lime		Ton	\$124.00	\$124.00	89	89	\$10,994.52	\$10,994.52	
Carbon Dioxide		lb	\$0.07	\$0.07	7,574	7,574	\$530.18	\$530.18	
Alum		lb	\$0.15	\$0.15	94,846	94,846	\$14,226.90	\$14,226.90	
Fluoride		lb	\$0.42	\$0.42	3,679	3,679	\$1,545.35	\$1,545.35	
Chlorine		lb	\$0.50	\$0.50	9,561	9,561	\$4,780.32	\$4,780.32	
Telephone		Month	408.33	\$25.00	12	12	<del>\$4,899.96</del>	\$300.00	
Tools		Lot	229.47	\$62.50	12	12	<del>\$2,750.04</del>	\$750.00	
Lab Supplies		Month	\$625.00	\$625.00	12	12	<del>\$7,500.00</del>	\$7,500.00	
Fuel		Monthly	2,136.26	\$76.45	12	12	<del>\$25,635.10</del>	\$917.40	
Training and Tuition		Monthly	410.71	\$232.15	12	12	<del>\$4,928.54</del>	\$2,785.80	
Safety Supplies		Monthly	239.59	\$135.41	12	12	<del>\$2,875.08</del>	\$1,624.92	
Vehicle Repair and Maintenance		Monthly	329.33	\$65.00	12	12	<del>\$3,951.96</del>	\$780.00	
Repair Parts		Monthly	9,041.66	\$3,208.33	12	12	<del>\$108,499.96</del>	\$38,499.96	
Annual Tank Inspection and Repair (average)		Yearly	6,400.00	\$0.00	1	0	<del>\$6,400.00</del>	\$0.00	
Postage and Freight		Month	83.33	\$0.00	12	0	<del>\$1,000.00</del>	\$0.00	
Operating Supplies		Month	2,500.00	\$0.00	12	0	<del>\$30,000.00</del>	\$0.00	
CO2 Lease		Month	\$37.50	\$37.50	12	12	<del>\$450.00</del>	\$450.00	
<b>Subtotal</b>							<del>230,967.91</del>	<b>85,685.35</b>	
<b>OUTSIDE SERVICES / SUBCONTRACTS / PURCHASES</b>									
PSC Regulatory Fees		per \$K	1.50	\$0.00	8,500	8,500	\$12,750.00	\$0.00	
Insurance		Month	3,710.00	\$0.00	12	12	<del>\$44,520.00</del>	\$0.00	
Uniforms	11.5	5.5	Month	460.00	\$220.00	12	12	<del>\$5,520.00</del>	\$2,640.00
Contract Lab Services		Month	\$4,737.75	\$4,737.75	12	12	<del>\$56,853.00</del>	\$56,853.00	
Cell Phones/Pagers	4	1	Month	200.00	\$50.00	12	12	<del>\$2,400.00</del>	\$600.00
Outside rentals		Month	100.00	\$0.00	12	12	<del>\$1,200.00</del>	\$0.00	
Sludge Hauling Disposal		Tons	\$35.00	\$35.00	820	820	<del>\$28,716.10</del>	\$28,716.10	
<b>Subtotal</b>							<del>151,959.10</del>	<b>88,809.10</b>	
<b>TOTAL EXPENSES</b>							<del>382,927.01</del>	<b>174,494.45</b>	
<b>TOTAL LABOR AND EXPENSES</b>							<del>1,367,078.59</del>	<b>743,097.44</b>	

This page contains unprotected data and proprietary analytical methods that shall not be disclosed outside the Government and shall not be duplicated, used or disclosed—in whole or in part—for any purpose other than to evaluate this proposal. If, however, a contract is awarded to this offeror as a result of—or in connection with—the submission of this data, the Government shall have the right to duplicate, use, or disclose the data and analytical methods to the extent provided in the resulting contract. This restriction does not limit the Government's right to use information contained in this data if it is obtained from another source without restriction.

Revised Attachment IV-2 from Original Agreement

<b>Base - LABOR &amp; EXPENSES - Water Treatment (Central Only) and Distribution- Years 6 - 50 ***</b>						<b>Years 6-50</b>				
*** The following table depicts the Central Water Treatment Operating Costs Only (Distribution Costs Removed). Cells in red text are those that were in the original/current executed Agreement. Highlighted cells have been revised to reflect treatment only costs.						<b>HRS</b>		<b>\$</b>		
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<b>Labor Category</b>	<b># of Emps</b>	<b># of Emps</b>	<b>U/M</b>	<b>Labor Cost</b>	<b>Labor Cost</b>	<b>HRS</b>	<b>HRS</b>	<b>\$</b>	<b>\$</b>	
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<b>Subtotal</b>								<del>151,959.10</del>	88,809.10	
<b>TOTAL EXPENSES</b>								<del>382,927.01</del>	174,494.45	
<b>TOTAL LABOR AND EXPENSES</b>								<del>1,357,078.69</del>	743,097.44	

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13. If Hardin District No. 1 is not able to complete the proposed capital projects at issue with the remaining proceeds from the ISDC Surcharge, explain how Hardin District No. 1 will finance the construction of those projects.

ANSWER 13: HCWD1 will file a claim with DLAE for Equitable Adjustment per the terms of the contract between HCWD1 and DLAE for the difference in the actual cost and the OPC. See Tab 3 page 4&7 of the application.

WITNESS: Mr. Stephen Hogan, General Manager, HCWD1

14. Refer Modification P00029 to Contract SP0600-11-C-8271 at page 5 of 5 which indicates that "no additional funding is required for this modification" because Hardin District No. 1 proposed to modify the Contract by removing "ISDC #'s 8, 9, 20, 21-2, 21-3, 11-3, 18, 24, 25, 26, 11-4, 15, 6, 11 -5, 23-5, and 35 from the list of currently approved and funded ISDCs in accordance with section C.II.2.5 of its Utility Privatization (UP) contract with the Government
- a. State whether Hardin District No. 1 has a contractual obligation, including any conditional obligation, to complete any of the capital projects identified above as being removed.
  - b. If so, describe how those capital projects will be funded.

ANSWER 14:

- a. HCWD1 has no contractual obligation to complete any of the capital projects identified above as being removed per MOD 00029 of the contract. This MOD can be found in Tab 4 of the original application.
- b. N/A

WITNESS: Mr. Stephen Hogan, General Manager, HCWD1

15. Refer to the table entitled Proposed Projects as a Percentage of Net Utility Plant attached as a part of Tab 6 of the application
- a. Explain why Project No. 6 has been struck through on that table.
  - b. Provide a brief description of each project and an explanation, commensurate with the estimated cost of each project, of why each project is necessary to provide adequate service to Fort Knox

ANSWER 15:

- a. See footnote associated with the table entitled Proposed Projects as a Percentage of Net Utility Plant. Project 6 was deleted per DLAE request.
- b. A brief description of each project can be found in the original application, Tab 3 pages -26 or in Tab 2, beginning page 18.

WITNESS: Mr. Stephen Hogan, General Manager, HCWD1