

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF NORTHERN KENTUCKY)	
WATER DISTRICT FOR APPROVAL OF)	CASE NO. 2014-00100
THE FT. THOMAS TREATMENT PLANT)	
RAW WATER MAIN EXTENSION,)	
ISSUANCE OF A CERTIFICATE OF)	
CONVENIENCE AND NECESSITY AND)	
APPROVAL OF FINANCING)	

APPLICATION FOR APPROVAL OF CONSTRUCTION AND FINANCING

Northern Kentucky Water District (NKWD), by counsel, petitions for an order approving the construction of an extension of the raw water main serving the Ft. Thomas Treatment Plant as described below pursuant to KRS 278.020. Approval of the financing pursuant to KRS 278.300 is also requested.

In support of the application, the following information is provided:

1. NKWD's office address is 2835 Crescent Spring Rd., Erlanger, KY 41018-0640. Its principal officers are listed in its current Annual Report on page 6, which is filed with the Commission as are its prior years Reports and is incorporated by reference as Exhibit E.

2. NKWD is a non-profit water district organized under Chapter 74 and has no separate articles of incorporation;

3. A description of NKWD's water system and its property stated at original cost by accounts is contained in its Annual Report, which is attached as Exhibit E.

4. NKWD serves retail customers in Kenton, Boone and Campbell Counties and sells water at wholesale to non-affiliated water distribution systems in Kenton, Boone, Pendleton and Campbell Counties.

5. NKWD proposes to construct new facilities as described in Exhibit A.

The proposed Work is generally described as follows: Construction of approximately 2,270 linear feet of 36" water main and 2,000 linear feet of 6" water main together with the appurtenances and related work at the Northern Kentucky Water District's Fort Thomas Treatment Plant {from the Pretreatment Building to the South Reservoir outlet structure} in the City of Fort Thomas, Campbell County, Kentucky. Allowable water main materials for the 36" main include ductile iron, polyvinyl chloride (PVC), steel, or high density poly-ethylene (HDPE). Allowable water main materials for the 6" main include ductile iron or polyvinyl chloride (PVC). The project will also include the installation of approximately 90 linear feet of 12" HDPE storm sewer pipe, 210 linear feet of 18" HDPE storm sewer pipe, 600 linear feet of 24" HDPE storm sewer pipe, and 220 linear feet of 30" HDPE storm sewer pipe. Two paper copies of the Maps, Plans and Specifications are provided as a separate bound document. The estimated total project cost is \$1,424,000.00.

This project will be paid for from the District's Annual R&R 2011 Budget in the amount of \$496,000 and a State Revolving Fund Loan of \$928,000 for a total budget of \$1,424,000. The project's budget includes construction cost, engineering, materials, and contingencies. A summary of the project costs is provided below:

Design/Geotechnical Engineering	\$ 82,980.50
Contractor's Bid	\$ 984,241.00
Misc. & Contingencies	\$ 356,778.50
Total Project Cost	\$1,424,000.00

6. The construction is in the public interest and is required to allow NKWD to continue to provide adequate service to its customers. The project, its cost, need and other details are contained in Exhibit A. The District has received all approvals from the DOW for the Plans and Specifications and funding for these improvements. See Exhibit B.

7. The total financing will be approximately \$1,424,000.00. The SRF portion of the funding is part of a \$4,000,000 loan from the Kentucky Infrastructure Authority. The remaining funds from that loan will be used for related water improvement projects as described in below. Approval for the construction and financing of those projects will be sought at the time of the receipt of bids for each of those projects. NKWD is seeking approval of the total \$4,000,000 loan in this application. See Exhibit D for details of the loan, the remaining projects to be funded and the KIA approval letter. These projects were included in the five year capital budget filed as Exhibit R in Case No. 2012-00072. Applications for approval of the remaining projects associated with this loan are expected to be filed by July, 2014.

PSC Ref. No.	PROJECT	SRF Loan Amount	Other Funding	Total Projected Cost to Complete	
207	184-0470	Annual General Facility R&R - Plants, Tanks, P.S. 2011-36" Raw Water Line	\$928,000	\$496,000	\$1,424,000
212	184-0476	TMTF Electrical & Basin Improvements	\$1,000,000	\$1,183,000	\$2,183,000
128	184-0749	36" Licking River Crossing	\$2,072,000	\$734,000	\$2,806,000
		\$4,000,000			

8. Easements and rights of way are not required, see Exhibit B.

9. This service will not compete with any other utility in the area.

10. The proposed construction project identified in Exhibit A is scheduled to begin construction in upon PSC approval and substantially completed in 6 months, beginning in July, 2014 and completed in December, 2014. Board approval of the final bids for the project is included in Exhibit C. **Bids expire on June 4, 2014.**

11. No new franchises are required. A copy of the DOW letter approving the Plans and Specifications for the proposed improvements is attached as Exhibit B.

12. Construction descriptions are in Exhibit A and Bid Documents. Facts relied on to justify the public need are included in the project descriptions in Exhibit A.

13. Maps of the area showing location of the proposed facilities are in Exhibit A.

14. The construction costs will be funded by the IR&R budget and a SRF loan as described above.

15. Estimated operating costs for operation and maintenance, depreciation and debt service after construction are shown in Exhibit D.

16. A description of the facilities and operation of the system are in Exhibit A.

17. A full description of the route, location of the project, description of construction and related information is in Exhibit A.

18. The start date for construction is July, 2014. The proposed in-service date is December, 2014. The total estimated cost of construction at completion is referenced in Exhibits A, B and D.

19. CWIP at end of test year is listed in Exhibit E.

20. Plant retirements are listed in Exhibit B and E. No salvage values are included as booked.

21. The use of the funds and need for the facilities is justified based on a the engineering report included as Exhibit A

22. No rate adjustment is being proposed.

23. The following information is provided in response to 807 KAR 5:001 (8):

a. Articles of Incorporation – None. NKWD is a statutorily created water district under KRS Chapter 74;

24. The following information is supplied pursuant to 807 KAR 5:001(9):

a. Facts relied upon to show that the application is in the public interest: See Exhibit A.

25. The following information is provided as required by 807 KAR 5:001 (11):

a. A general description of the property is contained in the Annual Report, Exhibit E.

b. No stock is to be issued; No bonds are to be issued in this case;

c. There is no refunding or refinancing;

d. The proceeds of the financing are to construct the property described in Exhibit A.

e. The par value, expenses, use of proceeds, interest rates and other information is not applicable because no bonds are being issued at this time.

26. The following exhibits are provided pursuant to 807 KAR 5:001 (11)(2):

a. There are no trust deeds. All notes, indebtedness and mortgages are included in Exhibits E and F.

b. Property is to be constructed is described in Exhibit A.

27. The following information is provided pursuant to 807 KAR 5:001(6):

a. No stock is authorized.

b. No stock is issued.

c. There are no stock preferences.

d. Mortgages are listed in Exhibit F.

e. Bonds are listed in Exhibit F.

f. Notes are listed in Exhibit F.

g. Other indebtedness is listed in Exhibit F.

h. No dividends have been paid.

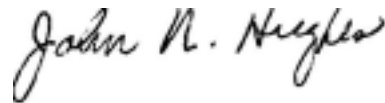
i. Current balance sheet, income statement and debt schedule are attached as Exhibits F and G.

28. USoA plant accounts are included in Exhibit D.

29. Depreciation cost, cost of operation after installation and debt service are in Exhibit D.

For these reasons, the District requests issuance of an order granting authority to construct and finance the facilities and for any other authorization that may be necessary.

SUBMITTED BY:



John N. Hughes
124 W. Todd St.
Frankfort, KY 40601

Attorney for Northern
Kentucky Water District
jnhughes@fewpb.net
502 227 7270 Ph.

LIST OF EXHIBITS

Section 8(1)	Full name and post office address of applicant and a reference to the particular provision of law requiring Commission approval.	Application
Section 8(2)	The original and 10 copies of the application with an additional copy for any party named therein as an interested party.	yes
Section 8(3)	If applicant is a corporation, a certified copy of the Articles of Incorporation and all amendments thereto <u>or</u> if the articles were filed with the PSC in a prior proceeding, a reference to the style and case number of the prior proceeding.	n/a
Section 9(2)	1. The facts relied upon to show that the proposed new construction is or will be required by public convenience or necessity.	Exhibit A
	2. Copies of franchises or permits, if any, from the proper public authority for the proposed new construction or extension, if not previously filed with the commission.	Exhibit B
	3. A full description of the proposed location, route, or routes of the new construction or extension, including a description of the manner in which same will be constructed, and also the names of all public utilities, corporations, or persons with whom the	Exhibit A

proposed new construction or extension is likely to compete.

4. Three (3) maps to suitable scale (preferably not more than two (2) miles per inch) showing the location or route of the proposed new construction or extension, as well as the location to scale of any like facilities owned by others located anywhere within the map area with adequate identification as to the ownership of such other facilities.

5. The manner, in detail, in which it is proposed to finance the new construction or extension.

6. An estimated cost of operation after the proposed facilities are completed.

Exhibit A
Exhibits A, D
Exhibit D

KRS 322.340

Engineering plans, specifications, plats and report for the proposed construction. The engineering documents prepared by a registered engineer, requires that they be signed, sealed, and dated by an engineer registered in Kentucky.

Exhibit A

Section 8(1)

Full name and post office address of applicant and a reference to the particular provision of law requiring Commission approval.

Application

Section 8(2)

The original and 10 copies of the application with an additional copy for any party named therein as an interested party.

yes

Section 8(3)

If applicant is a corporation, a certified copy of the Articles of Incorporation and all amendments thereto or if the articles were filed with the PSC in a prior proceeding, a reference to the style and case number of the prior proceeding.

n/a

KRS 278.300(2)

Every financing application shall be made under oath, and shall be signed and filed on behalf of the utility by its president, or by a vice president, auditor, comptroller or other executive officer having knowledge of the matters set forth and duly designated by the utility.

Application

807 KAR 5:001:		
Section 11(1)(a)	Description of applicant's property. Statement of original cost of applicant's property and the cost to the applicant, if different.	Exhibit E
Section 11(1)(b)	If stock is to be issued: and kinds to be issued. --Description of amount and kinds to be issued. --If preferred stock, a description of the preferences.	none
	If Bonds or Notes or Other Indebtedness is proposed: --Description of the amount(s) --Full description of all terms --Interest rates(s) --Whether the debt is to be secured and if so a description of how it's secured.	Exhibits E, F
Section 11(1)(c)	Statement of how proceeds are to be used. Should show amounts for each type of use (i.e., property, debt refunding, etc.)	Exhibit A
807 KAR 5:001:		
Section 11(1)(d)	If proceeds are for property acquisition, give a full description thereof. Supply any contracts.	n/a
Section 11(1)(e)	If proceeds are to refund outstanding obligations, give: --Par value --Amount for which actually sold --Expenses and application of proceeds --Date of obligations --Total amount --Time held --Interest rate	n/a

	--Payee	
Section 11(2)(a)	Financial Exhibit (see below)	
Section 11(2)(b)	Copies of all trust deeds or mortgages. If previously filed, state case number.	Exhibit E
Section 11(2)(c)	If Property to be acquired:	Exhibit A
	--Maps and plans of property.	
Section 11(2)(c)	--Detailed estimates by USOA account number.	Exhibit D

ALL INFORMATION BELOW IN SECTIONS 6(1) THROUGH 6(9) SHOULD COVER THE PERIOD ENDING NOT MORE THAN 90 DAYS PRIOR TO DATE ON WHICH APPLICATION WAS FILED:

807 KAR 5:001		
Section 6(1)	Amount and types of stock authorized.	None
Section 6(2)	Amount and types of stock issued and outstanding.	None
Section 6(3)	Detail of preference terms of preferred stock.	None
Section 6(4)	<u>Mortgages:</u>	Exhibit E,F
	--Date of Execution	
	--Name of Mortgagor	
	--Name of Mortgagee or Trustee	
	--Amount of Indebtedness Secured	
	--Sinking Fund Provisions	
Section 6(5)	<u>Bonds</u>	Exhibit E,F
	--Amount Authorized	
	--Amount Issued	
	--Name of Utility Who Issued	
	--Description of Each Class Issued	
	--Date of Issue	
	--Date of Maturity	

	--How Secured	
	--Interest Paid in Last Fiscal Year	
Section 6(6)	<u>Notes Outstanding:</u>	Exhibit E,F
	--Date of Issue	
	--Amount	
	--Maturity Date	
	--Rate of Interest	
	--In Whose Favor	
	--Interest Paid in Last Fiscal Year	
Section 6(7)	<u>Other Indebtedness:</u>	
	--Description of Each Class	
	--How Secured	
	--Description of Any Assumption of Indebtedness by Outside Party (i.e., any transfer)	
	--Interest Paid in Last Fiscal Yr.	none
Section 6(8)	Rate and amount of dividends paid during the five (5) previous fiscal years and the amount of capital stock on which dividends were paid each year.	None
Section 6(9)	Detailed income statement and balance sheet.	Exhibits F G

**NORTHERN KENTUCKY WATER DISTRICT
Fort Thomas Treatment Plant 36” Raw Water Project**

TABLE OF CONTENTS

<u>EXHIBIT</u>	<u>TITLE</u>
A	ENGINEERING REPORTS AND INFORMATION (1) Project map (2) Engineer’s opinion of probable total construction cost (3) System Hydraulic Model (4) Burgess & Niple plans titled “Fort Thomas Treatment Plant 36” Raw Water Main Project” dated February 2014, sealed by a P.E. (5) Burgess & Niple Specifications titled “Fort Thomas Treatment Plant 36” Raw Water Main Project” dated February 2014, sealed by a P.E.
B	Certified statement from an authorized utility Official confirming: (1) Affidavit (2) Franchises (3) Plan review and permit status (4) Easements and Right-Of-Way status (5) Construction dates and proposed date in service (6) Plant retirements
C	BID INFORMATION AND BOARD MEETING MINUTES Bid tabulation, Engineer’s recommendation of award, Board Meeting Minutes.
D	PROJECT FINANCE INFORMATION Customers added and revenue effect, Debt issuance and source of debt, Additional costs and operating and maintenance, USoA plant account, Depreciation cost and debt service after construction.
E	PSC ANNUAL REPORT - 2013
F	SCHEDULE OF MORTGAGES, BONDS, NOTES, AND OTHER INDEBTEDNESS
G	CURRENT BALANCE SHEET AND INCOME STATEMENT

NORTHERN KENTUCKY WATER DISTRICT

Fort Thomas Treatment Plant 36" Raw Water Main Project

Campbell County, Kentucky

Project 184-470

Project Description

Fort Thomas Treatment Plant 36" Raw Water Main

Campbell County, Kentucky

Project 184-470

Project Description:

Proposed Project:

The proposed Work is generally described as follows: Construction of approximately 2,270 linear feet of 36" water main and 2,000 linear feet of 6" water main together with the appurtenances and related work at the Northern Kentucky Water District's Fort Thomas Treatment Plant {from the Pretreatment Building to the South Reservoir outlet structure} in the City of Fort Thomas, Campbell County, Kentucky. Allowable water main materials for the 36" main include ductile iron, polyvinyl chloride (PVC), steel, or high density poly-ethylene (HDPE). Allowable water main materials for the 6" main include ductile iron or polyvinyl chloride (PVC). The project will also include the installation of approximately 90 linear feet of 12" HDPE storm sewer pipe, 210 linear feet of 18" HDPE storm sewer pipe, 600 linear feet of 24" HDPE storm sewer pipe, and 220 linear feet of 30" HDPE storm sewer pipe.

The north reservoir at the plant is filling up with solids at a faster rate than the south reservoir because most of the water that is pumped from the Ohio River goes into the north reservoir and the return water from our residuals operations and backwash operations goes into the north reservoir. Based on past experience, the reservoir needs to be taken out of service during extensive dredging operations.

The existing 30" raw water main which currently supplies the south reservoir is not sufficient to run the plant under higher demand conditions by itself. Also, it does not allow for even distribution of flow between the two reservoirs under normal operating conditions.

To provide adequate capacity to the plant while the north reservoir is out of service, the proposed 36" raw water main will work in parallel to the existing 30" raw water main.

The 2,260 feet of 36" raw water main mentioned above includes approximately 200 feet of a reservoir bypass line to allow raw water to be sent directly to the plant. This will allow both reservoirs to be bypassed while providing full plant capacity, which is not currently possible.

Along the north reservoir, the proposed 36" raw water main will be installed within the reservoir access drive. An existing 6" finished water main which runs beneath the access drive will be replaced in order to accommodate construction of the new 36" main. This 6" main supplies potable water to the plant and provides water to hydrants around the reservoir. An existing stone drainage ditch which runs adjacent to the access drive along the north reservoir is not anticipated to survive construction. It will be replaced with a new buried storm sewer. Proposed inlets will capture storm water runoff flowing toward the reservoir and convey it to the storm sewer system per Division of Water requirements.

Along the south reservoir, bid documents provided two separate options for the water main alignment. The first continues the 36" main in the access road. The second positions the proposed 36" main in the hillside above the reservoir. Topography along the south reservoir is less steep as compared to the north reservoir and lends itself to be an option for installation of the new main. The least expensive option proved to be the alignment which positions the 36" main in the hillside above the reservoir. As part of this alignment option, replacement of the 6" finished water main will remain in the access drive to supply the hydrants along the south reservoir.

NORTHERN KENTUCKY WATER DISTRICT

Fort Thomas Treatment Plant 36" Raw Water Main Project

Campbell County, Kentucky

Project 184-470

ENGINEERING REPORTS AND INFORMATION

Project Map

System Hydraulic Model

Engineer's Opinion of Probable Total Construction Cost

Plans prepared by CDP Engineers
(See Attached)

Specifications prepared by CDP Engineers
(See Attached)

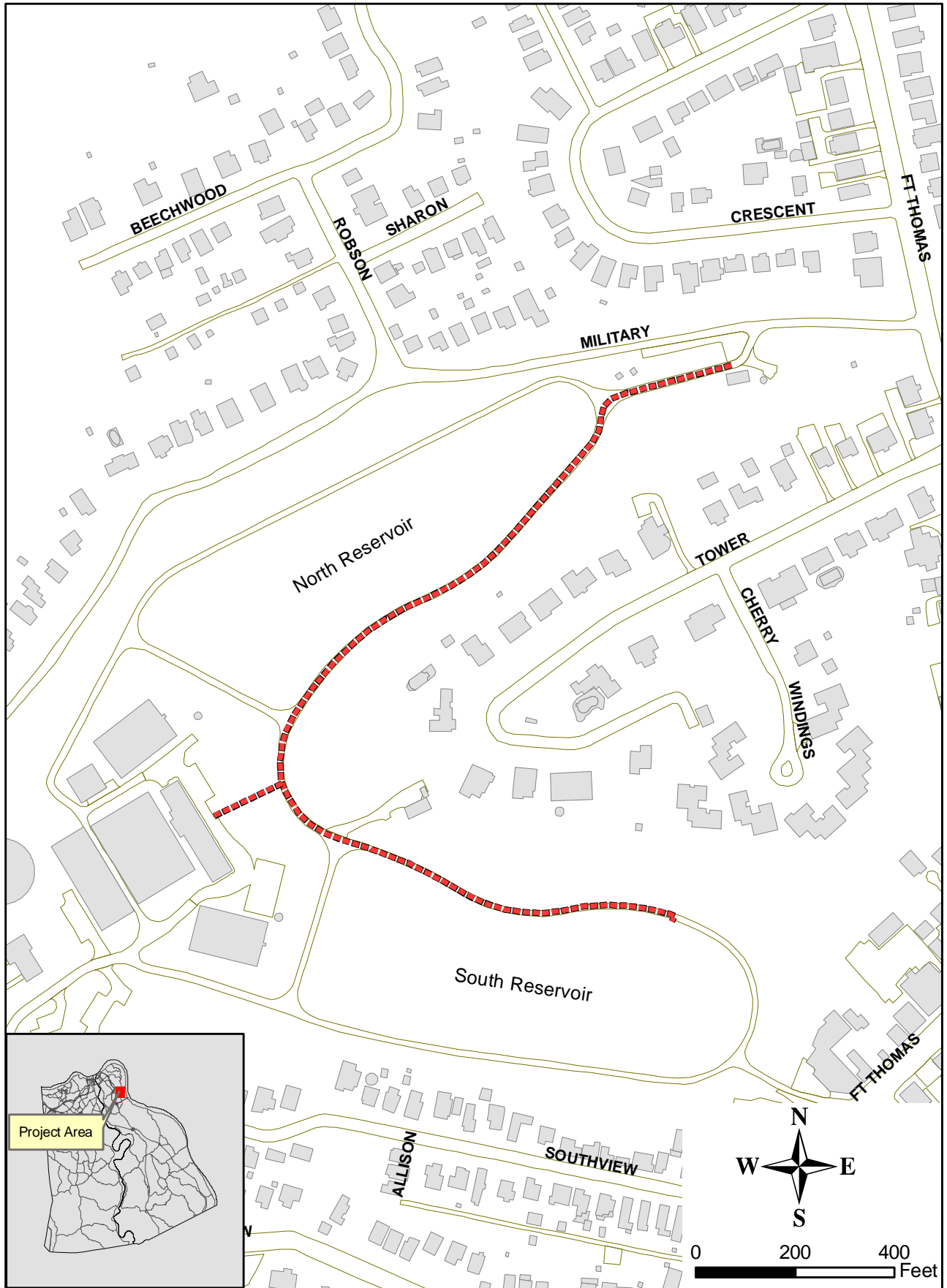
NORTHERN KENTUCKY WATER DISTRICT

Fort Thomas Treatment Plant 36" Raw Water Main Project

Campbell County, Kentucky

Project 184-470

Project Map



Fort Thomas Treatment Plant 36-inch Raw Water Main Project

NORTHERN KENTUCKY
WATER DISTRICT

Fort Thomas Treatment Plant 36" Raw Water Main Project

Campbell County, Kentucky

Project 184-470

Engineer's Opinion of Probable Construction Cost

Table 2

CONSTRUCTION COST ESTIMATE BREAKDOWN					
BURGESS & NIPLE, LIMITED			ADDRESS 312 Plum Street 12th Floor Cincinnati, OH 45202		
CONTRACT FOR (Work to be performed)			Northern Kentucky Water District Fort Thomas Water Treatment Plant - 36" Raw Water Main Project		
			WORK LOCATION Fort Thomas Campbell County, KY		
REF. NO.	ITEM	UNIT OF MEASURE	QUANTITY	COST	
				UNIT	TOTAL
1	Mobilization	LS	1	\$20,000	\$20,000
2	36" Water Main	LF	2,260	\$326	\$736,760
3	6" Water Main	LF	2,000	\$30	\$60,000
4	Reservoir Flush Hydrants	EA	4	\$3,380	\$13,520
5	Fire Hydrant branch w/ Valve and Box	EA	1	\$974	\$974
6	Outlet Structure	CY	30	\$450	\$13,500
7	Storm sewer installation	LF	1,120	\$70	\$78,400
8	Storm Ditch Repairs	SY	2,415	\$20	\$48,300
9	Ashpalt Pavement Replacement	SY	2,880	\$32	\$92,473
10	Concrete Ditch over Storm Sewer	SY	500	\$10	\$5,000
11	Finish Grading and Seeding	SY	500	\$4	\$2,000
12	Cathodic Protection	LS	1	\$53,900	\$53,900
13					
14					
15					
	Subtotal				\$1,124,827
	Contractor Overhead & Profit	LS	0.1	\$1,124,827	\$112,483
	Contractor Bond & General Requirements	LS	0.12	\$1,237,310	\$148,477
	Contingency	LS	0.05	\$1,385,787	\$69,358
	Total Project Cost				\$1,455,145

Table 3

CONSTRUCTION COST ESTIMATE BREAKDOWN					
BURGESS & NIPLE, LIMITED			ADDRESS 312 Plum Street 12th Floor Cincinnati, OH 45202		
CONTRACT FOR (Work to be performed)			Northern Kentucky Water District Fort Thomas Water Treatment Plant - 36" Raw Water Main Project - w/ Alt Alignment		
			WORK LOCATION Fort Thomas Campbell County, KY		
REF. NO.	ITEM	UNIT OF MEASURE	QUANTITY	COST	
				UNIT	TOTAL
1	Mobilization	LS	1	\$20,000	\$20,000
2	36" Water Main	LF	2,260	\$313	\$707,380
3	6" Water Main	LF	2,000	\$30	\$60,000
4	Reservoir Flush Hydrants	EA	8	\$1,690	\$13,520
5	Fire Hydrant branch w/ Valve and Box	EA	1	\$974	\$974
6	Outlet Structure	CY	30	\$450	\$13,500
7	Storm sewer installation	lf	1,120	\$70	\$78,400
8	Storm Ditch Repairs	sf	0	\$20	\$0
9	Ashpalt Pavement Replacement	SY	1,314	\$32	\$42,102
10	Mill and Pave	SY	1,300	\$21	\$27,618
11	Concrete Ditch over Storm Sewer	SY	500	\$10	\$5,000
12	Finish Grading and Seeding	SY	2,500	\$4	\$10,000
13	Cathodic Protection	LS	1	\$53,900	\$53,900
14					
15					
	Subtotal				\$1,032,394
	Contractor Overhead & Profit	LS	0.1	\$1,032,394	\$103,239
	Contractor Bond & General Requirements	LS	0.12	\$1,135,633	\$136,276
	Contingency	LS	0.05	\$1,271,909	\$63,658
	Total Project Cost				\$1,335,567

Case No. 2014-00100
Exhibit A.3

NORTHERN KENTUCKY WATER DISTRICT

Fort Thomas Treatment Plant 36" Raw Water Main Project

Campbell County, Kentucky

Project 184-470

System Hydraulic Model

Kyle Ryan

From: Bezold, Donald [don.bezold@burgessniple.com]
Sent: Thursday, September 12, 2013 2:56 PM
To: Kyle Ryan
Subject: RE: 36" Raw Water Main -Hydraulics
Attachments: hydraulic summary.pdf; SKMBT_C36013091208430.pdf

Kyle,

See attached updated hydraulic summary showing flow conditions for the raw water mains including main hydraulics if north reservoir is taken out of service.

The new 36" and old 30" will be able to handle 44 MGD to the south reservoir. The Hydraulic head needed to push that amount of water through the pipe would be to elevation 827.7 which is about ½ way up the hill to the crest that the raw water pumps are pumping to so no increase in pump discharge head.

If the new 36" main was the only main in service with all flow going to the south reservoir, the hydraulic head needed to push that amount of water through the pipe would be around elevation 845.4 which I believe is close to the high point elevation of the raw water main from the river (ridge elevation on South Fort Thomas Ave ~ 847.0) so there could be a slight additional head on the pumps if pumping all flow through the new 36" main. If this flow scheme is used it may be better to drop off one raw water pump to decrease flow through the single 36" main.

I also received another invoice from Thelen for \$756.50 (attached) which is over their amended fee amount approved in amendment 2. Michelle said it was for cutting another section and reviewing the revised alternate alignment when we moved it past the tee branch that drops down to the treatment plant. Can this be a revised scope expense?

Thanks,
Don Bezold
Burgess & Niple, Inc.
(513)579-0042 ext 4115
(513)615-6040 cell

From: Bezold, Donald
Sent: Tuesday, August 20, 2013 12:42 PM
To: 'Kyle Ryan'
Subject: RE: 36" Raw Water Main -Hydraulics

I did not run it that way. I will check and see what happens. I am sure it will work but will require the buildup of more pressure to push it through.

Thanks,
Don Bezold
Burgess & Niple, Inc.
(513)579-0042 ext 4115
(513)615-6040 cell

Northern Kentucky Water District
 Fort Thomas Water Treatment Plant - 36" Raw Water Main
 Hydraulic Analysis Comparison Summary

Original Alignment-Along Reservoir Drive - Flow Split Ratios

PVC – DR 41 100 psi pipe							
# Pumps on	Approx. flow (gpm)	North Res.	South new 36	South old 30"	North Res.	South new 36	South old 30"
		All Mains Open			Old 30" Main off line		
1	10000	1	0	0	1	0	0
2	20000	.76	.16	.08	.78	.22	0
3	28500	.59	.29	.12	.64	.36	0
4	36000	.53	.33	.14	.595	.405	0
5	42500	.50	.36	.14	.57	.43	0

PE – DR 21 100 psi pipe							
# Pumps on	Approx. flow (gpm)	North Res.	South new 36	South old 30"	North Res.	South new 36	South old 30"
		All Mains Open			Old 30" Main off line		
1	10000	1	0	0	1	0	0
2	20000	.75	.16	.09	.78	.22	0
3	28500	.61	.25	.14	.68	.32	0
4	36000	.56	.28	.16	.63	.37	0
5	42500	.53	.3	.17	.62	.38	0

dip – PC 150 150 psi pipe							
# Pumps on	Approx. flow (gpm)	North Res.	South new 36	South old 30"	North Res.	South new 36	South old 30"
		All Mains Open			Old 30" Main off line		
1	10000	1	0	0	1	0	0
2	20000	.76	.16	.08	.78	.22	0
3	28500	.600	.27	.13	.66	.33	0
4	36000	.543	.305	.152	.61	.39	0
5	42500	.512	.325	.163	.59	.41	0

Northern Kentucky Water District
Fort Thomas Water Treatment Plant - 36" Raw Water Main
Hydraulic Analysis Comparison Summary

Alternate Alignment - Flow Split Ratios

PVC – DR 41 100 psi pipe							
# Pumps on	Approx. flow (gpm)	North Res.	South new 36	South old 30"	North Res.	South new 36	South old 30"
		All Mains Open			Old 30" Main off line		
1	10000	1	0	0	1	0	0
2	20000	.8	.08	.14	.84	.16	0
3	28500	.59	.23	.15	.67	.33	0
4	36000	.57	.26	.17	.615	.385	0
5	42500	.507	.32	.163	.588	.412	0

PE – DR 21 100 psi pipe							
# Pumps on	Approx. flow (gpm)	North Res.	South new 36	South old 30"	North Res.	South new 36	South old 30"
		All Mains Open			Old 30" Main off line		
1	10000	1	0	0	1	0	0
2	20000	.81	.04	.15	.85	.15	0
3	28500	.64	.2	.16	.71	.29	0
4	36000	.57	.26	.17	.655	.345	0
5	42500	.54	.28	.18	.632	.368	0

dip – PC 150 150 psi pipe							
# Pumps on	Approx. flow (gpm)	North Res.	South new 36	South old 30"	North Res.	South new 36	South old 30"
		All Mains Open			Old 30" Main off line		
1	10000	1	0	0	1	0	0
2	20000	.81	.04	.15	.84	16	0
3	28500	.63	.22	.15	.69	.31	0
4	36000	.56	.275	.165	.63	.37	0
5	42500	.527	.303	.17	.607	.393	0

Northern Kentucky Water District
 Fort Thomas Water Treatment Plant - 36" Raw Water Main
 Hydraulic Analysis Comparison Summary

All flow going to South Reservoir

PVC – DR 41 100 psi pipe									
# Pumps on	Approx. flow (gpm)	North Res.	South new 36	South old 30"	Max Hydraulic grade elev	North Res.	South new 36	South old 30"	Max Hydraulic grade elev
		Both Mains to South Reservoir Open				Old 30" Main off line			
1	10000	0	.6	.4	812.8	0	1	0	814.2
2	20000	0	.66	.34	815.6	0	1	0	819.9
3	28500	0	.68	.32	819.2	0	1	0	827.4
4	36000	0	.68	.32	823.4	0	1	0	835.8
5	42500	0	.68	.32	827.7	0	1	0	845.4

NORTHERN KENTUCKY
WATER DISTRICT

Fort Thomas Treatment Plant 36" Raw Water Main Project

Campbell County, Kentucky

Project 184-470

Plans prepared by Burgess & Niple

Specifications prepared by Burgess & Niple

The following items are enclosed separately from this volume.

- Plans prepared by Burgess & Niple titled “Fort Thomas Treatment Plant 36” Raw Water Main Project” dated February, 2014.
- Specifications prepared by Burgess & Niple titled “Fort Thomas Treatment Plant 36” Raw Water Main Project” dated February, 2014.

NORTHERN KENTUCKY WATER DISTRICT

Fort Thomas Treatment Plant 36" Raw Water Main Project

Campbell County, Kentucky

Project 184-470

CERTIFIED STATEMENTS

Affidavit

Franchises

Plan Review and Permit Status

Easements and Right-of-Way Status

Construction Dates and Proposed Date In Service

Plant Retirements

Case No. 2014-00100
Exhibit B.1

NORTHERN KENTUCKY WATER DISTRICT

Fort Thomas Treatment Plant 36" Raw Water Main Project


Campbell County, Kentucky

Project 184-470

Affidavit


**COMMONWEALTH OF KENTUCKY
COUNTY OF CAMPBELL**

Affiant, Jack Bragg, being the first duly sworn, deposes and says that he is the Vice President of Finance of the Northern Kentucky Water District, which he is the Applicant in the proceeding styled above; that he has read the foregoing "Fort Thomas Treatment Plant 36" Raw Water Main Project" Application and knows the contents thereof, and that the same is true of his own knowledge, except as to matters which are therein stated on information or belief, and that is to those matters he believes them to be true.



Jack Bragg
Vice President - CFO
Northern Ky. Water District

Subscribed and sworn to before me in said County to be his act and deed by Jack Bragg, Vice President- CFO of the Northern Kentucky Water District, this
25 day of March 2014.



NOTARY PUBLIC
Kenton County, Kentucky
My commission expires 5-23-2016

NORTHERN KENTUCKY WATER DISTRICT

Fort Thomas Treatment Plant 36" Raw Water Main Project

Campbell County, Kentucky

Project 184-470

Franchises

Plan Review and Permit Status

Easements and Right-of-Way Status

Construction Dates and Proposed Date In Service

Plant Retirements

Northern Kentucky Water District

Franchises required – None

Plan Review and Permit Status - The District has reviewed and approved the specifications prepared Burgess & Niple Engineering titled “Fort Thomas Treatment Plant 36” Raw Water Main Project” dated February 2014.

The District received technical approval from the Division of Water on December 2, 2013, and authorization to bid on February 24, 2014. (See attached letters).

Easements and Right-of-Way Status – There were no Easements associated with this project and all Right-of-Way statements have been submitted.

Anticipated Start date of construction – July 1, 2014

Proposed date in service – December 1, 2014

Plant retirements – No plant retirements.

Case No. 2014-00100
Exhibit B.3

NORTHERN KENTUCKY WATER DISTRICT

Fort Thomas Treatment Plant 36" Raw Water Main Project

Campbell County, Kentucky

Project 184-470

PLAN REVIEW AND PERMIT STATUS

Approval Letter from Kentucky Division of Water



STEVEN L. BESHEAR
GOVERNOR

LEONARD K. PETERS
SECRETARY

RECEIVED
DEC -- 2 2013
ON THIS DATE

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

November 15, 2013

Mr. Jeff Schuchter
Northern KY Water Service
2835 Crescent Springs Rd
Erlanger, KY 41018

RE: Northern KY Water Service
AI # 2485, APE20130006
PWSID # 0590220-13-006
Fort Thomas WTP 36" Raw Water Main Project-SRF Project
Campbell County, KY

Dear Mr. Schuchter:

We have reviewed the plans and specifications for the above referenced project. The plans include the construction of approximately 1,985 linear feet of 6 inch and 2,290 linear feet of 36 inch Water Main. This is to advise that plans and specifications for the above referenced project are APPROVED with respect to sanitary features of design, as of this date with the requirements contained in the attached construction permit.

Based on DOW records, this project is being funded by a State Revolving Fund (SRF) loan. Therefore, this approval is for the technical aspects of the project only. Currently, a State Planning and Environmental Assessment Report (SPEAR) related to your funding application is under review. **Therefore, you are NOT authorized to advertise for bids at this time. Should you choose to proceed with the bidding and award a contract prior to DOW approval, this will be at your own risk and payment from the SRF program is not guaranteed**

If you have any questions concerning this project, please contact Mr. William Wright at 502-564-3410 extension 4829.

Sincerely,

Mark Rasche, P.E.
Supervisor, Engineering Section
Water Infrastructure Branch
Division of Water

MR:WW

Enclosures

C: Burgess & Niple Inc
Campbell County Health Department
Public Service Commission (by email only)
Division of Plumbing (by email only)

Treatment-Modification

Northern KY Water Service

Facility Requirements

Activity ID No.: APE20130006

Page 1 of 8

GACT0000000227 (Fort Thomas WTP 36" Raw Water Main Project) 1,985 linear feet of 6 inch and 2,290 linear feet of 36 inch Water Main:

Monitoring Requirements:

Condition No.	Parameter	Condition
M-1	Coliform	The presence or absence of total Coliform monitored by sampling and analysis as needed shall be determined for the new or relocated water line(s). Take samples at connection points to existing lines, at 1 mile intervals, and at dead ends without omitting any branch of the new or relocated water line. Sample bottles shall be clearly identified as "special" construction tests. [401 KAR 8:100 Section 1(7), 401 KAR 8:150 Section 4, Recommended Standards for Water Works 8.5.6] This requirement is applicable during the following months: All Year. Statistical basis: Instantaneous determination.

Submittal/Action Requirements:

Coliform:

Condition No.	Condition
S-1	Coliform For new construction projects, the distribution system, using the most expedient method, shall submit Coliform test results to the Cabinet: Due immediately following disinfection and flushing. [401 KAR 8:150 Section 4(2)]

Condition No.	Condition
S-2	For proposed changes to the approved plan, submit information: Due prior to any modification to the Cabinet for approval. Changes to the approved plan shall not be implemented without the prior written approval of the Cabinet. [401 KAR 8:100 Section 1(8)]
S-3	The person who presented the plans shall submit the professional engineer's certification: Due when construction is complete to the Division of Water. The certification shall be signed by a registered professional engineer and state that the water project has been constructed and tested in accordance with the approved plans, specifications, and requirements. [401 KAR 8:100 Section 1(8)]

Treatment-Modification

Northern KY Water Service
Facility Requirements

Activity ID No.: APE20130006

GACT0000000227 (continued):

Narrative Requirements:

Additional Limitations:

Condition No.	Condition
T-1	Additional Limitations: Chlorinated water resulting from disinfection of project components shall be disposed in a manner which will not violate 401 KAR 5:031. [401 KAR 8:020 Section 2(20)]
T-2	This project has been permitted under the provisions of KRS Chapter 224 and regulations promulgated pursuant thereto. Issuance of this permit does not relieve the applicant from the responsibility of obtaining any other approvals, permits or licenses required by this Cabinet and other state, federal and local agencies. Further, this permit does not address the authority of the permittee to provide service to the area to be served. [401 KAR 8:100 Section 1(7)]
T-3	Unless construction of this project is begun within 2 years from the issuance date of this permit, the permit shall expire. If this permit expires, the original plans and specifications may be resubmitted for a new comprehensive review. If you have any questions concerning this project, please contact the Engineering Section at 502/564-3410. [401 KAR 8:100 Section 1(9)]
T-4	Final approval of facility. Upon completion of construction, the person who presented the plans shall certify in writing that the project has been completed in accordance with the "approved" plans and specifications. The public water supply shall operate the facility consistent with the approved plans and specifications. Any proposed change to the approved plan shall be submitted to the cabinet for approval. The public water supply shall not implement any change to the approved plan without the prior written approval of the cabinet. [401 KAR 8:100 Section 401 KAR 8:100(1)(8)]
T-5	During construction, a set of approved plans and specification shall be available at the job site at all times. All work shall be performed in accordance with the approved plans and specifications. [401 KAR 8:100 Section 1(7)(a)]

Treatment-Modification

Northern KY Water Service
Facility Requirements

Activity ID No.: APE20130006

Page 3 of 8

PORT000000229 (Fort Thomas WTP 36" Raw Water Main Project) 1,985 linear feet of 6 inch and 2,290 linear feet of 36 inch Water Main:

Limitation Requirements:

Condition No.	Parameter	Condition
L-1	Depth	A continuous and uniform bedding shall be provided in the trench for all buried pipe. Backfill material shall be tamped in layers around the pipe and to a sufficient height above the pipe to adequately support and protect the pipe. Stones found in the trench shall be removed for a Depth ≥ 6 in below the bottom of the pipe. [Recommended Standards for Water Works 8.5.2] This requirement is applicable during the following months: All Year. Statistical basis: Not applicable.
L-2	Depth	All water lines shall be covered to a Depth ≥ 30 in to prevent freezing. [Recommended Standards for Water Works 8.5.3, 401 KAR 8:100 Section 1(7)] This requirement is applicable during the following months: All Year. Statistical basis: Minimum.
L-3	Diameter	All new and existing water lines serving fire hydrants or where fire protection is provided shall have Diameter ≥ 6 in. [Recommended Standards for Water Works 8.1.2] This requirement is applicable during the following months: All Year. Statistical basis: Minimum.
L-4	Distance	Water lines shall have a sufficient quantity of valves so that inconvenience and sanitary hazards will be minimized during repairs. A valve spacing Distance ≤ 800 feet should be utilized in non-commercial districts. Alternatively, non-commercial districts should utilize a valve spacing Distance ≤ 1 block. Commercial districts should utilize a valve spacing Distance ≤ 500 ft. [Recommended Standards for Water Works 8.2] This requirement is applicable during the following months: All Year. Statistical basis: Not applicable.
L-5	Distance	Hydrant drains shall not be connected to sanitary sewers or storm drains and shall be located a Distance > 10 ft from sanitary sewers and storm drains. [Recommended Standards for Water Works 8.3.4] This requirement is applicable during the following months: All Year. Statistical basis: Not applicable.
L-6	Distance	Except when not practical, water lines shall be laid a horizontal Distance ≥ 10 ft from any existing or proposed sewer. The distance shall be measured edge to edge. In cases where it is not practical to maintain a 10 foot separation, water lines may be installed closer to a sewer provided that the water lines shall be laid in a separate trench or on an undisturbed shelf located on one side of the sewer at such an elevation that the bottom of the water line is at least 18 inches above the top of the sewer. [Recommended Standards for Water Works 8.6.2] This requirement is applicable during the following months: All Year. Statistical basis: Not applicable.

Treatment-Modification

Northern KY Water Service
Facility Requirements

Activity ID No.: APE20130006

Page 4 of 8

PORT0000000229 (continued):

Limitation Requirements:

Condition No.	Parameter	Condition
L-7	Distance	<p>When water lines and sewers cross,</p> <ol style="list-style-type: none">1) water lines shall be laid such that either<ol style="list-style-type: none">a) the the top of the water line is a vertical Distance ≥ 18 in below the bottom of the sewer line orb) the bottom of the water line is a vertical Distance ≥ 18 in above the top of the sewer line,2) 1 full length of the water pipe shall be located so that both joints of the water pipe will be as far from the sewer as possible, and3) special structural support for the water and sewer pipes may be required. [Recommended Standards for Water Works 8.6.3] This requirement is applicable during the following months: All Year. Statistical basis: Not applicable.
L-8	Distance	<p>The open end of an air relief pipe from automatic valves shall be extended a Distance ≥ 1.0 ft above grade and provided with a screened, downward-facing elbow. The pipe from a manually operated valve shall be extended to the top of the pit. Use of manual air relief valves is recommended wherever possible. [Recommended Standards for Water Works 8.4.2] This requirement is applicable during the following months: All Year. Statistical basis: Not applicable.</p>
L-9	Pressure	<p>Pipes shall not be installed unless all points of the distribution system remain designed for ground level Pressure ≥ 20 psi under all conditions of flow. [Recommended Standards for Water Works 8.1.1] This requirement is applicable during the following months: All Year. Statistical basis: Minimum.</p>
L-10	Pressure	<p>Pressure ≥ 30 psi must be available on the discharge side of all meters. [401 KAR 8:100 Section 4(2)] This requirement is applicable during the following months: All Year. Statistical basis: Instantaneous determination.</p>
L-11	Residual Disinfection	<p>New or relocated water lines shall be thoroughly disinfected (in accordance with AWWA Standard C651) upon completion of construction and before being placed into service. To disinfect the new or relocated lines use chlorine or chlorine compounds in such amounts as to produce an initial disinfectant concentration of at least 50 ppm and a Residual Disinfection ≥ 25 ppm at the end of 24 hours. Follow the line disinfection with thorough flushing and place the lines into service if, and only if, Coliform monitoring applicable to the line does not show the presence of Coliform.</p> <p>If Coliform is detected, repeat flushing of the line and Coliform monitoring. If Coliform is still detected, repeat disinfection and flushing as if the line has never been disinfected. Continue the described process until monitoring does not show the presence of Coliform. [401 KAR 8:150 Section 4(1), Recommended Standards for Water Works 8.5.6] This requirement is applicable during the following months: All Year. Statistical basis: Minimum.</p>

Treatment-Modification

Northern KY Water Service
Facility Requirements

Activity ID No.: APE20130006

Page 5 of 8

PORT0000000229 (continued):

Limitation Requirements:

Condition No.	Parameter	Condition
L-12	Velocity	Each blow-off or fire hydrant shall be sized so that Velocity ≥ 2.5 ft/sec can be achieved in the water main served by the blow-off or hydrant during flushing. [Recommended Standards for Water Works 8.1.6.b, 401 KAR 8:100 Section 1(7)] This requirement is applicable during the following months: All Year. Statistical basis: Minimum.

Monitoring Requirements:

Condition No.	Parameter	Condition
M-1	leaks	The presence or absence of leaks monitored by physical testing as needed shall be determined in all types of installed pipe. Pressure testing and leakage testing shall be in accordance with the latest edition of AWWA Standard C600. [Recommended Standards for Water Works 8.5.5] This requirement is applicable during the following months: All Year. Statistical basis: Instantaneous determination.

Narrative Requirements:

Asbestos (Friable):

Condition No.	Condition
T-1	Asbestos (Friable): If the existing water line to be tapped is asbestos concrete, then the contractor shall conform to OSHA regulations governing the handling of hazardous waste during the process of tapping the asbestos concrete line. Pieces of asbestos concrete resulting from the tap shall be double bagged, placed in a rigid container and disposed of in an approved landfill. [401 KAR 8:100 Section 1(7)]

Treatment-Modification

Northern KY Water Service
Facility Requirements

Activity ID No.: APE20130006

PORT0000000229 (continued):

Narrative Requirements:

Additional Limitations:

Condition No.	Condition
T-2	Additional Limitations: Water line installation shall be in accordance with AWWA standards or manufacturer recommendations. [Recommended Standards for Water Works 8.5.1]
T-3	Additional Limitations: Pipes, fittings, valves and fire hydrants shall conform to the latest standards issued by the AWWA or NSF (if such standards exist). [Recommended Standards for Water Works 8.0.1]
T-4	Additional Limitations: At high points in water lines, where air can accumulate, provisions shall be made to remove the air by means of hydrants or air relief valves. Automatic air relief valves shall not be used in situations where manhole or chamber flooding may occur. [Recommended Standards for Water Works 8.4.1]
T-5	Additional Limitations: All tees, bends, plugs and hydrants shall be provided with reaction blocking, tie rods or joints designed to prevent movement. [Recommended Standards for Water Works 8.5.4]
T-6	Additional Limitations: For each fire hydrant, auxiliary valves shall be installed in the hydrant lead pipe. [Recommended Standards for Water Works 8.3.3]
T-7	Additional Limitations: No flushing device, blow-off, or air relief valve shall be directly connected to any sewer. Chambers, pits or manholes containing valves, blow-offs, meters, or other such appurtenances shall not be directly connected to any storm drain or sanitary sewer. Such chambers, pits or manholes shall be drained to absorptions pits underground or to the surface of the ground where they are not subject to flooding by surface water. [Recommended Standards for Water Works 8.1.6, Recommended Standards for Water Works 8.4.3]
T-8	Additional Limitations: If water lines are installed or replaced in areas of organic contamination or in areas within 200 ft of underground or petroleum storage tanks, ductile iron or other nonpermeable materials shall be used in all portions of the water line installation or replacement. [401 KAR 8:100 Section 1(5)(d)6, Recommended Standards for Water Works 8.0.2]
T-9	Additional Limitations: No water pipe shall pass through or come in contact with any part of a sewer manhole. [Recommended Standards for Water Works 8.6.6]

Treatment-Modification

Northern KY Water Service
Facility Requirements

Activity ID No.: APE20130006

Page 7 of 8

PORT000000229 (continued):

Narrative Requirements:

Additional Limitations:

Condition

No. Condition

T-10 Additional Limitations:
If a fire sprinkler system is to be installed, a double check detector assembly approved for backflow prevention shall be utilized. The double check detector assembly of the system shall be accessible for testing. [401 KAR 8:100 Section 1(7)]

T-11 Additional Limitations:
If water lines cross a stream or wetland, the provisions in the attached Water Quality Certification shall apply. If you have any questions please contact the Water Quality Certification Supervisor of the Water Quality Branch at (502) 564-2225. [401 KAR 8:100 Section 1(7)]

Subfluvial Pipe Crossings:

Condition

No. Condition

T-12 Subfluvial Pipe Crossings:
For subfluvial pipe crossings, a floodplain construction permit will not be required pursuant to KRS 151.250 if the following requirements of 401 KAR 4:050 Section 2 are met.

- 1) No material may be placed in the stream or in the flood plain of the stream to form construction pads, coffer dams, access roads, etc. during construction of pipe crossings.
- 2) Crossing trenches shall be backfilled as closely as possible to the original contour.
- 3) All excess material resulting from construction displacement in a crossing trench shall be disposed of outside the flood plain.
- 4) For erodible channels, there shall be at least 30 inches of backfill on top of all pipe or conduit points in the crossing.
- 5) For nonerodible channels, pipes or conduits in the crossing shall be encased on all sides by at least 6 inches of concrete with all pipe or conduit points in the crossing at least 6 inches below the original contour of the channel. [401 KAR 8:100 Section 1(7)]

Treatment-Modification

Northern KY Water Service
Facility Requirements

Activity ID No.: APE20130006

PORT0000000229 (continued):

Narrative Requirements:

Subfluvial Pipe Crossings:

Condition	Condition
T-13	<p>Subfluvial Pipe Crossings: For subfluvial pipe crossings greater than 15 feet in width,</p> <ol style="list-style-type: none">1) the pipe shall be of special construction, having flexible, restrained, or welded watertight joints, and2) valves shall be provided at both ends of water crossings so that the section can be isolated for testing or repair. <p>Valves shall</p> <ol style="list-style-type: none">a) be easily accessible,b) not be subject to flooding, andc) if closest to the supply source, be in a manhole with permanent taps made on each side of the valve to allow insertion of a small meter to determine leakage and for sampling purposes. [Recommended Standards for Water Works 8.7.2]



STEVEN L. BESHEAR
GOVERNOR

LEONARD K. PETERS
SECRETARY

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

February 24, 2014

Mr. Jeff Schuchter
Northern Kentucky Water District
2835 Crescent Springs Road
Erlanger, KY 41018

RE: DWL13060, F13-012
Northern KY Water Service--2485
Contract 1 – Ft. Thomas WTP 36" Raw Water
Activity ID: FGL20140004

Dear Mr. Schuchter:

The Kentucky Division of Water (DOW) has reviewed for completeness and adequacy the construction plans and specifications submitted for the above referenced contract. The DOW has granted technical approval on November 15, 2013. These plans consist of the construction of approximately 1,985 feet of 6-inch and 2,290 feet of 36-inch water main for raw water. The approval conditions and a list of eligible/ineligible items are enclosed. Please note that ineligible items cannot be funded using State Revolving Fund (SRF) monies, and must be paid by other funding sources.

We have previously sent one (1) set of approved plans and specifications. An identical set should be made available at the project site at all times. If modifications are made to these plans and specifications before bidding, four (4) complete sets of as-bid plans and specifications must be submitted to the DOW for approval. A second DOW construction approval must be issued by separate correspondence before proceeding with advertising for bids. Any red line changes that were made by DOW personnel on the approved plans shall be incorporated into the bid set plans unless an alternative is approved.

You may now advertise for bids on the construction of this project. In addition to other notifications, this project must be advertised in the newspaper of the largest daily circulation in the project area.

You are cautioned not to advertise unless you have a proper wage decision. The Federal Davis-Bacon wage rates and Kentucky prevailing wage rates are applicable for this project. Please contact all other funding sources for their requirements pertaining to federal or state wage rates.

DWL13060, F13-012
Northern KY Water Service--2485
Contract 1 – Ft. Thomas WTP 36” Raw Water
Activity ID: FGL20140004
February 24, 2014
Page 2 of 3

You are reminded that the construction contracts are subject to the equal employment opportunity requirements contained in Executive Order 11246. Equal employment opportunity affirmative action by the prime contractors and all subcontractors is mandated throughout the duration of the contract. Documentation of efforts to comply with Executive Order 11246, Equal Employment Opportunity is required to be kept by the borrower.

Review the attached Project Review and Cost Summary form for details of the information to be collected and retained in your files or to be submitted to DOW for review and approval. This form must be completed, signed by the recipient, and with the necessary information be then forwarded to the DOW. This signature will certify that all the information to be retained by the recipient has been secured and is available for review by the Division at the pre-construction conference. The required information must be approved by the DOW before executing any contracts.

Along with the Project Review and Cost Summary form, the following items must be submitted to the DOW for review and approval before executing any contracts:

- The bid advertisement
- Revised Project Budget
- Certified bid tabulation
- Documentation of compliance with DBE Good Faith Effort in accordance with 40 CFR 33.301

These items will be reviewed as a part of the Authority to Award process. The DOW will authorize you to award the contracts once these documents are approved

After the Notice to Proceed is signed, the DOW will need a copy of the executed contract documents, including plans and specifications.

Changes orders will require approval from the DOW before payment can be authorized from the State Revolving Fund. Submission of plans and specifications may be required for change order work.

Upon completion of the project, as-built drawings shall be provided to the DOW. As-builts shall be stamped, signed and dated by a professional engineer. A written certification stating that the project was constructed according to the approved plans shall be provided to the DOW by a professional engineer.

The previously issued construction permit has been issued under the provisions of KRS Chapter 224 and the regulations promulgated pursuant thereto. Issuance of this approval does not relieve the applicant from the responsibility of obtaining any other approvals, permits or licenses required by this Cabinet and other state, federal and local agencies.

You are cautioned that the advertisement and award of this contract will be subject to the laws and regulations that govern the State Revolving Fund (SRF) and to the conditions of your loan

DWL13060, F13-012
Northern KY Water Service--2485
Contract 1 – Ft. Thomas WTP 36” Raw Water
Activity ID: FGL20140004
February 24, 2014
Page 3 of 3

agreement. If we can be of further assistance, please call William Wright, Project Engineer, at (502) 564-3410, extension 4829.

Sincerely,



Mark Rasche, P.E.
Supervisor, Engineering Section
Water Infrastructure Branch
Division of Water

MR:WW

Enclosures

Eligible List, Ineligible List, Approval Conditions
Project Review and Cost Summary Form

C: Burgess and Niple, Inc.
Kentucky Infrastructure Authority
Cabinet for Economic Development
Northern Kentucky District (Campbell County) Health Department
Division of Plumbing (by e-mail only)

DWL13060, F13-012

Contract 1 – Ft. Thomas WTP 36” Raw Water

SRF ELIGIBLE ITEMS:

Contract No. 1: No ineligible items identified

SRF INELIGIBLE ITEMS:

Contract No. 1: No ineligible items identified

APPROVAL CONDITIONS:

NORTHERN KENTUCKY WATER DISTRICT

Fort Thomas Treatment Plant 36" Raw Water Main Project

Campbell County, Kentucky

Project 184-470

BID INFORMATION AND BOARD MEETING MINUTES

Bid Tabulation

Engineer's Recommendation of Award

Board Meeting Minutes

Case No. 2014-00100
Exhibit C

NORTHERN KENTUCKY WATER DISTRICT

Fort Thomas Treatment Plant 36" Raw Water Main Project

Campbell County, Kentucky

Project 184-470

Bid Tabulation

BID TAB

Northern Kentucky Water District Fort Thomas Treatment Plant 36" Raw Water Main

March 6, 2014

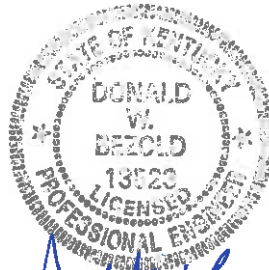
<u>CONTRACTOR</u>	<u>BID AMOUNT</u>
Welsh Excavation Co., Inc.	\$984,241.00
Brackney, Inc.	\$992,957.00
Smith & Brown Contractors, Inc.	\$1,087,735.00
Dudley Construction Co., Inc.	\$1,115,153.50
Lykins Contracting	\$1,192,335.00
Bray Construction Services, Inc.	\$1,199,033.00
Larry Smith, Inc.	\$1,224,832.00
Hartman & Smith Const. Co.	\$1,232,720.00
Howell Contractors, Inc.	\$1,286,405.00
Lonkard Construction Co.	\$1,395,262.50
R B South, Inc.	\$1,548,980.70

FORT THOMAS TREATMENT PLANT
36" RAW WATER MAIN PROJECT
CITY OF FORT THOMAS, CAMPBELL COUNTY, KENTUCKY

Burgess & Niple, Inc
Job No. 51569

TABULATION OF BIDS RECEIVED
11:00 O'CLOCK A.M.
March 6, 2014

COMPLETION : 150 Days



Donald W. Byrd
3/20/14

BIDDER 1 Welsh Excavation Company, Inc. 5780 SR128 Clevelas, OH 45002	AMOUNT OF BOND 10% AMT. BID SURETY: Great American Insurance Company
BIDDER 2 Brackney, Inc. 10,028 U.S. #52 PO 221 Brookville, IN 47012	AMOUNT OF BOND 10% AMT. BID SURETY: Fidelity & Deposit Company of Maryland
BIDDER 3 Smith & Brown Contractors, Inc. 9570 State Route 128 Harrison, OH 45030	AMOUNT OF BOND 10% AMT. BID SURETY: Travelers Casualty & Surety Company of America
BIDDER 4 Dudley Construction Company, Inc 420 Dudley Trace Florence, KY 41042	AMOUNT OF BOND 10% AMT. BID SURETY: International Fidelity Insurance Company
BIDDER 5 Lykins Contracting Inc. 905 Carpenter Pike Versailles, KY 40383	AMOUNT OF BOND 10% AMT. BID SURETY: Hudson Insurance Company
BIDDER 6 Bray Construction Services, Inc 7000 Thelma Lee Drive Suite 100 Alexandria, KY 41001	AMOUNT OF BOND 10% AMT. BID SURETY: The Cincinnati Insurance Company
BIDDER 7 Larry Smith, Inc. 5737 Dry Fork Road Clevelas, OH 45002	AMOUNT OF BOND 10% AMT. BID SURETY: Western Surety Company
BIDDER 8 Hartman & Smith Construction Co. 1126 Ferris Road Amelia, OH 45102	AMOUNT OF BOND 10% AMT. BID SURETY: The Ohio Casualty Insurance Company
BIDDER 9 Howell Contractors, Inc. 980 Helen Ruth Drive Fort Wright, KY 41017	AMOUNT OF BOND 10% AMT. BID SURETY: Fidelity Deposit Company of Maryland
BIDDER 10 Lonkard Construction Co. 3 Lendale Drive Florence, KY 41042	AMOUNT OF BOND 10% AMT. BID SURETY: Hudson Insurance Company
BIDDER 11 RB South Inc. 3445 Piedmont Circle Erlanger, KY 41018	AMOUNT OF BOND 10% AMT. BID SURETY: Merchants Bonding Company

**FORT THOMAS TREATMENT PLANT
36" RAW WATER MAIN PROJECT
CITY OF FORT THOMAS, CAMPBELL COUNTY, KENTUCKY**

ITEM	DESCRIPTION	QUANTITY	UNIT	UNIT COST	TOTAL COST
1	36" - 6.01 CLASS 150 DUCTILE IRON PIPE OR 6.03 DR41 C905 PVC PIPE OR 6.05 STEEL PIPE OR 6.06 DR26 C-906 HIGH DENSITY POLY-ETHYLENE PIPE. (DETAIL 103, 103a, 104, 104a, 110, 111)	2260	LF		
	Welsh Excavation Company, Inc.			\$168.00	\$379,680.00
	Brackney, Inc.			\$170.00	\$384,200.00
	Smith & Brown Contractors, Inc.			\$211.00	\$476,860.00
	Dudley Construction Company, Inc			\$194.25	\$439,005.00
	Lykins Contracting Inc.			\$205.00	\$463,300.00
	Bray Construction Services, Inc			\$188.00	\$424,880.00
	Larry Smith, Inc.			\$226.00	\$510,760.00
	Hartman & Smith Construction Co.			\$195.00	\$440,700.00
	Howell Contractors, Inc.			\$276.00	\$623,760.00
	Lonkard Construction Co.			\$315.50	\$713,030.00
	RB South Inc.			\$321.00	\$725,460.00
2	6' - 6.01 CLASS 50 OR 52 DUCTILE IRON PIPE OR 6.03 DR 18 C-900 PVC PIPE (DETAIL 103, 103a, 104, 104a, 110, 111)	2000	LF		
	Welsh Excavation Company, Inc.			\$42.00	\$84,000.00
	Brackney, Inc.			\$33.00	\$66,000.00
	Smith & Brown Contractors, Inc.			\$42.00	\$84,000.00
	Dudley Construction Company, Inc			\$42.60	\$85,200.00
	Lykins Contracting Inc.			\$21.50	\$43,000.00
	Bray Construction Services, Inc			\$38.00	\$76,000.00
	Larry Smith, Inc.			\$60.00	\$120,000.00
	Hartman & Smith Construction Co.			\$85.00	\$170,000.00
	Howell Contractors, Inc.			\$46.00	\$92,000.00
	Lonkard Construction Co.			\$51.00	\$102,000.00
	RB South Inc.			\$105.00	\$210,000.00
3	7.01 CONNECT TO EXISTING 36" MAIN/TIE-IN	1	EA		
	Welsh Excavation Company, Inc.			\$8,100.00	\$8,100.00
	Brackney, Inc.			\$6,600.00	\$6,600.00
	Smith & Brown Contractors, Inc.			\$35,700.00	\$35,700.00
	Dudley Construction Company, Inc			\$20,400.00	\$20,400.00
	Lykins Contracting Inc.			\$51,600.00	\$51,600.00
	Bray Construction Services, Inc			\$14,000.00	\$14,000.00
	Larry Smith, Inc.			\$15,000.00	\$15,000.00
	Hartman & Smith Construction Co.			\$15,000.00	\$15,000.00
	Howell Contractors, Inc.			\$14,750.00	\$14,750.00
	Lonkard Construction Co.			\$10,000.00	\$10,000.00
	RB South Inc.			\$1,500.00	\$1,500.00
4	7.01 CONNECT TO EXISTING 42" MAIN/TIE-IN	1	EA		
	Welsh Excavation Company, Inc.			\$9,000.00	\$9,000.00
	Brackney, Inc.			\$1,000.00	\$1,000.00
	Smith & Brown Contractors, Inc.			\$16,200.00	\$16,200.00
	Dudley Construction Company, Inc			\$3,405.00	\$3,405.00
	Lykins Contracting Inc.			\$12,500.00	\$12,500.00
	Bray Construction Services, Inc			\$5,900.00	\$5,900.00
	Larry Smith, Inc.			\$7,500.00	\$7,500.00
	Hartman & Smith Construction Co.			\$15,000.00	\$15,000.00
	Howell Contractors, Inc.			\$10,000.00	\$10,000.00
	Lonkard Construction Co.			\$12,000.00	\$12,000.00
	RB South Inc.			\$15,940.00	\$15,940.00
5	7.01 CONNECT TO EXISTING 6" MAIN/TIE-IN	5	EA		
	Welsh Excavation Company, Inc.			\$2,375.00	\$11,875.00
	Brackney, Inc.			\$600.00	\$3,000.00
	Smith & Brown Contractors, Inc.			\$1,900.00	\$9,500.00
	Dudley Construction Company, Inc			\$2,535.00	\$12,675.00
	Lykins Contracting Inc.			\$1,525.00	\$7,625.00
	Bray Construction Services, Inc			\$2,650.00	\$13,250.00
	Larry Smith, Inc.			\$1,000.00	\$5,000.00
	Hartman & Smith Construction Co.			\$3,200.00	\$16,000.00
	Howell Contractors, Inc.			\$2,850.00	\$14,250.00
	Lonkard Construction Co.			\$2,100.00	\$10,500.00
	RB South Inc.			\$700.00	\$3,500.00

**FORT THOMAS TREATMENT PLANT
36" RAW WATER MAIN PROJECT
CITY OF FORT THOMAS, CAMPBELL COUNTY, KENTUCKY**

ITEM	DESCRIPTION	QUANTITY	UNIT	UNIT COST	TOTAL COST
6	8.01 INSTALL FLUSH HYDRANT ASSEMBLY	4	EA		
	Welsh Excavation Company, Inc.			\$6,075.00	\$24,300.00
	Brackney, Inc.			\$6,100.00	\$24,400.00
	Smith & Brown Contractors, Inc.			\$6,500.00	\$26,000.00
	Dudley Construction Company, Inc			\$7,085.00	\$28,340.00
	Lykins Contracting Inc.			\$5,355.00	\$21,420.00
	Bray Construction Services, Inc			\$7,000.00	\$28,000.00
	Larry Smith, Inc.			\$7,500.00	\$30,000.00
	Hartman & Smith Construction Co.			\$4,250.00	\$17,000.00
	Howell Contractors, Inc.			\$4,785.00	\$19,140.00
	Lonkard Construction Co.			\$6,750.00	\$27,000.00
	RB South Inc.			\$8,000.00	\$32,000.00
7	9.01 6" DUCTILE IRON RESILIENT SEATED GATE VALVE	10	EA		
	Welsh Excavation Company, Inc.			\$800.00	\$8,000.00
	Brackney, Inc.			\$850.00	\$8,500.00
	Smith & Brown Contractors, Inc.			\$750.00	\$7,500.00
	Dudley Construction Company, Inc			\$940.00	\$9,400.00
	Lykins Contracting Inc.			\$830.00	\$8,300.00
	Bray Construction Services, Inc			\$2,000.00	\$20,000.00
	Larry Smith, Inc.			\$1,000.00	\$10,000.00
	Hartman & Smith Construction Co.			\$650.00	\$6,500.00
	Howell Contractors, Inc.			\$900.00	\$9,000.00
	Lonkard Construction Co.			\$900.00	\$9,000.00
	RB South Inc.			\$700.00	\$7,000.00
					* \$650.00
8	9.02 BUTTERLY VALVE	4	EA		
	Welsh Excavation Company, Inc.			\$11,000.00	\$44,000.00
	Brackney, Inc.			\$14,500.00	\$58,000.00
	Smith & Brown Contractors, Inc.			\$12,000.00	\$48,000.00
	Dudley Construction Company, Inc			\$14,100.00	\$56,400.00
	Lykins Contracting Inc.			\$11,950.00	\$47,800.00
	Bray Construction Services, Inc			\$16,900.00	\$67,600.00
	Larry Smith, Inc.			\$16,000.00	\$64,000.00
	Hartman & Smith Construction Co.			\$15,250.00	\$61,000.00
	Howell Contractors, Inc.			\$11,850.00	\$47,400.00
	Lonkard Construction Co.			\$14,500.00	\$58,000.00
	RB South Inc.			\$14,155.00	\$56,620.00
9	11.01 CONCRETE ANTI-SLEEP COLLAR	3	EA		
	Welsh Excavation Company, Inc.			\$750.00	\$2,250.00
	Brackney, Inc.			\$1,200.00	\$3,600.00
	Smith & Brown Contractors, Inc.			\$800.00	\$2,400.00
	Dudley Construction Company, Inc			\$2,325.00	\$6,975.00
	Lykins Contracting Inc.			\$2,000.00	\$6,000.00
	Bray Construction Services, Inc			\$5,000.00	\$15,000.00
	Larry Smith, Inc.			\$1,000.00	\$3,000.00
	Hartman & Smith Construction Co.			\$3,000.00	\$9,000.00
	Howell Contractors, Inc.			\$3,650.00	\$10,950.00
	Lonkard Construction Co.			\$1,500.00	\$4,500.00
	RB South Inc.			\$3,000.00	\$9,000.00
10	11.02 4" UNDERDRAIN	1	EA		
	Welsh Excavation Company, Inc.			\$500.00	\$500.00
	Brackney, Inc.			\$1,000.00	\$1,000.00
	Smith & Brown Contractors, Inc.			\$1,600.00	\$1,600.00
	Dudley Construction Company, Inc			\$375.00	\$375.00
	Lykins Contracting Inc.			\$800.00	\$800.00
	Bray Construction Services, Inc			\$3,500.00	\$3,500.00
	Larry Smith, Inc.			\$750.00	\$750.00
	Hartman & Smith Construction Co.			\$1,000.00	\$1,000.00
	Howell Contractors, Inc.			\$1,200.00	\$1,200.00
	Lonkard Construction Co.			\$1,500.00	\$1,500.00
	RB South Inc.			\$5,000.00	\$5,000.00

**FORT THOMAS TREATMENT PLANT
36" RAW WATER MAIN PROJECT
CITY OF FORT THOMAS, CAMPBELL COUNTY, KENTUCKY**

ITEM	DESCRIPTION	QUANTITY	UNIT	UNIT COST	TOTAL COST
11	11.04 6" PLUG AND BLOCK	1	EA		
	Welsh Excavation Company, Inc.			\$500.00	\$500.00
	Brackney, Inc.			\$100.00	\$100.00
	Smith & Brown Contractors, Inc.			\$250.00	\$250.00
	Dudley Construction Company, Inc			\$195.00	\$195.00
	Lykins Contracting Inc.			\$250.00	\$250.00
	Bray Construction Services, Inc			\$7,600.00	\$7,600.00
	Larry Smith, Inc.			\$150.00	\$150.00
	Hartman & Smith Construction Co.			\$1,000.00	\$1,000.00
	Howell Contractors, Inc.			\$175.00	\$175.00
	Lonkard Construction Co.			\$300.00	\$300.00
	RB South Inc.			\$75.00	\$75.00
12	11.05 AIR RELEASE VALVE (ARV AND SERVICE LINE MATERIALS PROVIDED BY NKWD)	2	EA		
	Welsh Excavation Company, Inc.			\$950.00	\$1,900.00
	Brackney, Inc.			\$700.00	\$1,400.00
	Smith & Brown Contractors, Inc.			\$550.00	\$1,100.00
	Dudley Construction Company, Inc			\$860.00	\$1,720.00
	Lykins Contracting Inc.			\$1,360.00	\$2,720.00
	Bray Construction Services, Inc			\$3,700.00	\$7,400.00
	Larry Smith, Inc.			\$500.00	\$1,000.00
	Hartman & Smith Construction Co.			\$1,000.00	\$2,000.00
	Howell Contractors, Inc.			\$1,500.00	\$3,000.00
	Lonkard Construction Co.			\$1,500.00	\$3,000.00
	RB South Inc.			\$800.00	\$1,600.00
13	11.06 6" ANCHORING TEE AND BLOCK	5	EA		
	Welsh Excavation Company, Inc.			\$325.00	\$1,625.00
	Brackney, Inc.			\$250.00	\$1,250.00
	Smith & Brown Contractors, Inc.			\$500.00	\$2,500.00
	Dudley Construction Company, Inc			\$495.00	\$2,475.00
	Lykins Contracting Inc.			\$455.00	\$2,275.00
	Bray Construction Services, Inc			\$1,600.00	\$8,000.00
	Larry Smith, Inc.			\$400.00	\$2,000.00
	Hartman & Smith Construction Co.			\$200.00	\$1,000.00
	Howell Contractors, Inc.			\$250.00	\$1,250.00
	Lonkard Construction Co.			\$400.00	\$2,000.00
	RB South Inc.			\$250.00	\$1,250.00
14	11.07 36" DUCTILE IRON TEE	2	EA		
	Welsh Excavation Company, Inc.			\$8,450.00	\$16,900.00
	Brackney, Inc.			\$10,000.00	\$20,000.00
	Smith & Brown Contractors, Inc.			\$8,500.00	\$17,000.00
	Dudley Construction Company, Inc			\$9,925.00	\$19,850.00
	Lykins Contracting Inc.			\$13,800.00	\$27,600.00
	Bray Construction Services, Inc			\$10,900.00	\$21,800.00
	Larry Smith, Inc.			\$12,000.00	\$24,000.00
	Hartman & Smith Construction Co.			\$8,550.00	\$17,100.00
	Howell Contractors, Inc.			\$7,425.00	\$14,850.00
	Lonkard Construction Co.			\$8,500.00	\$17,000.00
	RB South Inc.			\$5,500.00	\$11,000.00
15	11.07 6" DUCTILE IRON TEE	3	EA		
	Welsh Excavation Company, Inc.			\$350.00	\$1,050.00
	Brackney, Inc.			\$285.00	\$855.00
	Smith & Brown Contractors, Inc.			\$300.00	\$900.00
	Dudley Construction Company, Inc			\$475.00	\$1,425.00
	Lykins Contracting Inc.			\$840.00	\$2,520.00
	Bray Construction Services, Inc			\$2,800.00	\$8,400.00
	Larry Smith, Inc.			\$400.00	\$1,200.00
	Hartman & Smith Construction Co.			\$200.00	\$600.00
	Howell Contractors, Inc.			\$350.00	\$1,050.00
	Lonkard Construction Co.			\$350.00	\$1,050.00
	RB South Inc.			\$250.00	\$750.00

**FORT THOMAS TREATMENT PLANT
36" RAW WATER MAIN PROJECT
CITY OF FORT THOMAS, CAMPBELL COUNTY, KENTUCKY**

ITEM	DESCRIPTION	QUANTITY	UNIT	UNIT COST	TOTAL COST	
16	11.08 6" 22.5 DUCTILE IRON BEND	4	EA			
	Welsh Excavation Company, Inc.			\$250.00	\$1,000.00	
	Brackney, Inc.			\$170.00	\$680.00	
	Smith & Brown Contractors, Inc.			\$200.00	\$800.00	
	Dudley Construction Company, Inc			\$475.00	\$1,900.00	
	Lykins Contracting Inc.			\$520.00	\$2,080.00	
	Bray Construction Services, Inc			\$1,000.00	\$4,000.00	
	Larry Smith, Inc.			\$275.00	\$1,100.00	
	Hartman & Smith Construction Co.			\$205.00	\$820.00	
	Howell Contractors, Inc.			\$275.00	\$1,100.00	
	Lonkard Construction Co.			\$350.00	\$1,400.00	
	RB South Inc.			\$100.00	\$400.00	
17	11.08 36" 11.25 BEND	4	EA			
	Welsh Excavation Company, Inc.			\$4,950.00	\$19,800.00	
*	Brackney, Inc.			\$5,500.00	\$22,000.00	*\$22,200.00
	Smith & Brown Contractors, Inc.			\$3,863.00	\$15,452.00	
	Dudley Construction Company, Inc			\$6,250.00	\$25,000.00	
	Lykins Contracting Inc.			\$8,360.00	\$33,440.00	
	Bray Construction Services, Inc			\$6,300.00	\$25,200.00	
	Larry Smith, Inc.			\$6,750.00	\$27,000.00	
	Hartman & Smith Construction Co.			\$5,400.00	\$21,600.00	
	Howell Contractors, Inc.			\$5,200.00	\$20,800.00	
	Lonkard Construction Co.			\$5,100.00	\$20,400.00	
	RB South Inc.			\$3,000.00	\$12,000.00	
18	11.08 36" 22.5 BEND	4	EA			
	Welsh Excavation Company, Inc.			\$5,050.00	\$20,200.00	
	Brackney, Inc.			\$5,665.00	\$22,660.00	
	Smith & Brown Contractors, Inc.			\$4,500.00	\$18,000.00	
	Dudley Construction Company, Inc			\$6,460.00	\$25,840.00	
	Lykins Contracting Inc.			\$9,130.00	\$36,520.00	
	Bray Construction Services, Inc			\$6,400.00	\$25,600.00	
	Larry Smith, Inc.			\$7,000.00	\$28,000.00	
	Hartman & Smith Construction Co.			\$4,925.00	\$19,700.00	
	Howell Contractors, Inc.			\$5,300.00	\$21,200.00	
	Lonkard Construction Co.			\$5,900.00	\$23,600.00	
	RB South Inc.			\$3,200.00	\$12,800.00	
19	11.08 36" 45 BEND	10	EA			
	Welsh Excavation Company, Inc.			\$5,475.00	\$54,750.00	
	Brackney, Inc.			\$6,140.00	\$61,400.00	
	Smith & Brown Contractors, Inc.			\$4,800.00	\$48,000.00	
	Dudley Construction Company, Inc			\$5,650.00	\$56,500.00	
	Lykins Contracting Inc.			\$10,100.00	\$101,000.00	
	Bray Construction Services, Inc			\$6,850.00	\$68,500.00	
	Larry Smith, Inc.			\$7,500.00	\$75,000.00	
	Hartman & Smith Construction Co.			\$5,950.00	\$59,500.00	
	Howell Contractors, Inc.			\$5,800.00	\$58,000.00	
	Lonkard Construction Co.			\$6,250.00	\$62,500.00	
	RB South Inc.			\$3,700.00	\$37,000.00	
20	11.08 36" 90 DUCTILE IRON BEND and Resurfacing (ODOT 254 & 448)	1	EA			
	Welsh Excavation Company, Inc.			\$16,500.00	\$16,500.00	
	Brackney, Inc.			\$8,000.00	\$8,000.00	
	Smith & Brown Contractors, Inc.			\$8,300.00	\$8,300.00	
	Dudley Construction Company, Inc			\$13,785.00	\$13,785.00	
	Lykins Contracting Inc.			\$11,300.00	\$11,300.00	
	Bray Construction Services, Inc			\$18,000.00	\$18,000.00	
	Larry Smith, Inc.			\$25,000.00	\$25,000.00	
	Hartman & Smith Construction Co.			\$6,650.00	\$6,650.00	
	Howell Contractors, Inc.			\$15,750.00	\$15,750.00	
	Lonkard Construction Co.			\$10,500.00	\$10,500.00	
	RB South Inc.			\$11,675.00	\$11,675.00	

**FORT THOMAS TREATMENT PLANT
36" RAW WATER MAIN PROJECT
CITY OF FORT THOMAS, CAMPBELL COUNTY, KENTUCKY**

ITEM	DESCRIPTION	QUANTITY	UNIT	UNIT COST	TOTAL COST
21	11.09 42" X 36" REDUCER	1	EA		
	Welsh Excavation Company, Inc.			\$5,575.00	\$5,575.00
	Brackney, Inc.			\$23,000.00	\$23,000.00
	Smith & Brown Contractors, Inc.			\$11,300.00	\$11,300.00
	Dudley Construction Company, Inc			\$16,475.00	\$16,475.00
	Lykins Contracting Inc.			\$26,500.00	\$26,500.00
	Bray Construction Services, Inc			\$20,000.00	\$20,000.00
	Larry Smith, Inc.			\$14,250.00	\$14,250.00
	Hartman & Smith Construction Co.			\$18,500.00	\$18,500.00
	Howell Contractors, Inc.			\$17,900.00	\$17,900.00
	Lonkard Construction Co.			\$17,500.00	\$17,500.00
	RB South Inc.			\$6,000.00	\$6,000.00
22	11.12 CORROSION TEST STATIONS	1	LS		
	Welsh Excavation Company, Inc.			\$9,500.00	\$9,500.00
	Brackney, Inc.			\$8,000.00	\$8,000.00
	Smith & Brown Contractors, Inc.			\$0.00	\$0.00
	Dudley Construction Company, Inc			\$1,695.00	\$1,695.00
	Lykins Contracting Inc.			\$7,500.00	\$7,500.00
	Bray Construction Services, Inc			\$17,800.00	\$17,800.00
	Larry Smith, Inc.			\$12,000.00	\$12,000.00
	Hartman & Smith Construction Co.			\$18,000.00	\$18,000.00
	Howell Contractors, Inc.			\$9,750.00	\$9,750.00
	Lonkard Construction Co.			\$8,500.00	\$8,500.00
	RB South Inc.			\$45,000.00	\$45,000.00
23	11.14 REMOVE EXISTING ROCK DRAINAGE DITCH AND CONSTRUCT 12" HDPE STORM PIPE	92	LF		
	Welsh Excavation Company, Inc.			\$38.00	\$3,496.00
	Brackney, Inc.			\$29.00	\$2,668.00
	Smith & Brown Contractors, Inc.			\$49.00	\$4,508.00
	Dudley Construction Company, Inc			\$74.75	\$6,877.00
	Lykins Contracting Inc.			\$38.00	\$3,496.00
	Bray Construction Services, Inc			\$40.00	\$3,680.00
	Larry Smith, Inc.			\$47.00	\$4,324.00
	Hartman & Smith Construction Co.			\$67.00	\$6,164.00
	Howell Contractors, Inc.			\$50.00	\$4,600.00
	Lonkard Construction Co.			\$70.00	\$6,440.00
	RB South Inc.			\$50.00	\$4,600.00
24	11.14 REMOVE EXISTING ROCK DRAINAGE DITCH AND CONSTRUCT 18" HDPE STORM PIPE	208	LF		
	Welsh Excavation Company, Inc.			\$45.00	\$9,360.00
	Brackney, Inc.			\$48.00	\$9,984.00
	Smith & Brown Contractors, Inc.			\$52.00	\$10,816.00
	Dudley Construction Company, Inc			\$84.25	\$17,524.00
	Lykins Contracting Inc.			\$43.00	\$8,944.00
	Bray Construction Services, Inc			\$43.50	\$9,048.00
	Larry Smith, Inc.			\$51.00	\$10,608.00
	Hartman & Smith Construction Co.			\$77.00	\$16,016.00
	Howell Contractors, Inc.			\$55.00	\$11,440.00
	Lonkard Construction Co.			\$75.00	\$15,600.00
	RB South Inc.			\$55.40	\$11,523.20
25	11.14 REMOVE EXISTING ROCK DRAINAGE DITCH AND CONSTRUCT 24" HDPE STORM PIPE	600	LF		
	Welsh Excavation Company, Inc.			\$62.00	\$37,200.00
	Brackney, Inc.			\$54.00	\$32,400.00
	Smith & Brown Contractors, INC.			\$67.00	\$40,200.00
	Dudley Construction Company, Inc			\$99.50	\$59,700.00
	Lykins Contracting Inc.			\$50.00	\$30,000.00
	Bray Construction Services, Inc			\$52.00	\$31,200.00
	Larry Smith, Inc.			\$61.00	\$36,600.00
	Hartman & Smith Construction Co.			\$87.00	\$52,200.00
	Howell Contractors, Inc.			\$70.00	\$42,000.00
	Lonkard Construction Co.			\$110.00	\$66,000.00
	RB South Inc.			\$109.65	\$65,790.00

**FORT THOMAS TREATMENT PLANT
36" RAW WATER MAIN PROJECT
CITY OF FORT THOMAS, CAMPBELL COUNTY, KENTUCKY**

ITEM	DESCRIPTION	QUANTITY	UNIT	UNIT COST	TOTAL COST
26	11.14 REMOVE EXISTING ROCK DRAINAGE DITCH AND CONSTRUCT 30" HDPE STORM PIPE	220	LF		
	Welsh Excavation Company, Inc.			\$90.00	\$19,800.00
	Brackney, Inc.			\$75.00	\$16,500.00
	Smith & Brown Contractors, Inc.			\$84.00	\$18,480.00
	Dudley Construction Company, Inc			\$124.75	\$27,445.00
	Lykins Contracting Inc.			\$65.00	\$14,300.00
	Bray Construction Services, Inc			\$75.00	\$16,500.00
	Larry Smith, Inc.			\$85.00	\$18,700.00
	Hartman & Smith Construction Co.			\$97.00	\$21,340.00
	Howell Contractors, Inc.			\$85.00	\$18,700.00
	Lonkard Construction Co.			\$115.00	\$25,300.00
	RB South Inc.			\$183.35	\$40,337.00
27	11.15 NEW 2'X2' CATCH BASIN	2	EA		
	Welsh Excavation Company, Inc.			\$1,500.00	\$3,000.00
	Brackney, Inc.			\$920.00	\$1,840.00
	Smith & Brown Contractors, Inc.			\$925.00	\$1,850.00
	Dudley Construction Company, Inc			\$1,125.00	\$2,250.00
	Lykins Contracting Inc.			\$750.00	\$1,500.00
	Bray Construction Services, Inc			\$1,400.00	\$2,800.00
	Larry Smith, Inc.			\$1,000.00	\$2,000.00
	Hartman & Smith Construction Co.			\$2,000.00	\$4,000.00
	Howell Contractors, Inc.			\$1,000.00	\$2,000.00
	Lonkard Construction Co.			\$1,150.00	\$2,300.00
	RB South Inc.			\$1,580.00	\$3,160.00
28	11.15 NEW 3'X3' CATCH BASIN	5	EA		
	Welsh Excavation Company, Inc.			\$2,300.00	\$11,500.00
	Brackney, Inc.			\$1,450.00	\$7,250.00
	Smith & Brown Contractors, Inc.			\$1,565.00	\$7,825.00
	Dudley Construction Company, Inc			\$1,615.00	\$8,075.00
	Lykins Contracting Inc.			\$1,500.00	\$7,500.00
	Bray Construction Services, Inc			\$1,750.00	\$8,750.00
	Larry Smith, Inc.			\$1,500.00	\$7,500.00
	Hartman & Smith Construction Co.			\$2,250.00	\$11,250.00
	Howell Contractors, Inc.			\$1,700.00	\$8,500.00
	Lonkard Construction Co.			\$1,800.00	\$9,000.00
	RB South Inc.			\$3,870.00	\$19,350.00
29	11.16 PIPE FOUNDATION (CONTINGENCY ITEM)	100	LF		
	Welsh Excavation Company, Inc.			\$12.00	\$1,200.00
	Brackney, Inc.			\$15.00	\$1,500.00
	Smith & Brown Contractors, Inc.			\$16.00	\$1,600.00
	Dudley Construction Company, Inc			\$31.00	\$3,100.00
	Lykins Contracting Inc.			\$39.00	\$3,900.00
	Bray Construction Services, Inc			\$46.00	\$4,600.00
	Larry Smith, Inc.			\$40.00	\$4,000.00
	Hartman & Smith Construction Co.			\$20.00	\$2,000.00
	Howell Contractors, Inc.			\$50.00	\$5,000.00
	Lonkard Construction Co.			\$30.00	\$3,000.00
	RB South Inc.			\$39.00	\$3,900.00
30	11.17 36" RAW WATER MAIN OUTLET STRUCTURE	1	LS		
	Welsh Excavation Company, Inc.			\$24,000.00	\$24,000.00
	Brackney, Inc.			\$54,000.00	\$54,000.00
	Smith & Brown Contractors, Inc.			\$38,000.00	\$38,000.00
	Dudley Construction Company, Inc			\$35,800.00	\$35,800.00
	Lykins Contracting Inc.			\$40,110.00	\$40,110.00
	Bray Construction Services, Inc			\$55,500.00	\$55,500.00
	Larry Smith, Inc.			\$35,000.00	\$35,000.00
	Hartman & Smith Construction Co.			\$46,800.00	\$46,800.00
	Howell Contractors, Inc.			\$46,500.00	\$46,500.00
	Lonkard Construction Co.			\$29,000.00	\$29,000.00
	RB South Inc.			\$39,500.00	\$39,500.00

**FORT THOMAS TREATMENT PLANT
36" RAW WATER MAIN PROJECT
CITY OF FORT THOMAS, CAMPBELL COUNTY, KENTUCKY**

ITEM	DESCRIPTION	QUANTITY	UNIT	UNIT COST	TOTAL COST
31	11.18 STONE WALL/DITCH REMOVAL AND REPLACEMENT	3	EA		
	Welsh Excavation Company, Inc.			\$4,000.00	\$12,000.00
	Brackney, Inc.			\$2,000.00	\$6,000.00
	Smith & Brown Contractors, Inc.			\$2,200.00	\$6,600.00
	Dudley Construction Company, Inc			\$1,515.00	\$4,545.00
	Lykins Contracting Inc.			\$4,150.00	\$12,450.00
	Bray Construction Services, Inc			\$5,300.00	\$15,900.00
	Larry Smith, Inc.			\$5,000.00	\$15,000.00
	Hartman & Smith Construction Co.			\$5,000.00	\$15,000.00
	Howell Contractors, Inc.			\$5,000.00	\$15,000.00
	Lonkard Construction Co.			\$5,000.00	\$15,000.00
	RB South Inc.			\$1,900.00	\$5,700.00
32	12.05 ASPHALTIC CONCRETE MILLING AND PAVING	2790	SY		
	Welsh Excavation Company, Inc.			\$16.00	\$44,640.00
	Brackney, Inc.			\$12.00	\$33,480.00
	Smith & Brown Contractors, Inc.			\$10.60	\$29,574.00
	Dudley Construction Company, Inc			\$10.35	\$28,876.50
	Lykins Contracting Inc.			\$12.00	\$33,480.00
	Bray Construction Services, Inc			\$10.50	\$29,295.00
	Larry Smith, Inc.			\$11.00	\$30,690.00
	Hartman & Smith Construction Co.			\$11.00	\$30,690.00
	Howell Contractors, Inc.			\$11.00	\$30,690.00
	Lonkard Construction Co.			\$10.75	\$29,992.50
	RB South Inc.			\$10.95	\$30,550.50
33	12.06 ASPHALTIC CONCRETE	1800	SY		
	Welsh Excavation Company, Inc.			\$32.00	\$57,600.00
	Brackney, Inc.			\$36.80	\$66,240.00
	Smith & Brown Contractors, Inc.			\$32.00	\$57,600.00
	Dudley Construction Company, Inc			\$28.75	\$51,750.00
	Lykins Contracting Inc.			\$38.25	\$68,850.00
	Bray Construction Services, Inc			\$33.00	\$59,400.00
	Larry Smith, Inc.			\$25.00	\$45,000.00
	Hartman & Smith Construction Co.			\$26.50	\$47,700.00
	Howell Contractors, Inc.			\$30.00	\$54,000.00
	Lonkard Construction Co.			\$25.50	\$45,900.00
	RB South Inc.			\$25.50	\$45,900.00
34	12.11 CONCRETE CURBING	10	LF		
	Welsh Excavation Company, Inc.			\$60.00	\$600.00
	Brackney, Inc.			\$25.00	\$250.00
	Smith & Brown Contractors, Inc.			\$65.00	\$650.00
	Dudley Construction Company, Inc			\$36.00	\$360.00
	Lykins Contracting Inc.			\$33.50	\$335.00
	Bray Construction Services, Inc			\$110.00	\$1,100.00
	Larry Smith, Inc.			\$50.00	\$500.00
	Hartman & Smith Construction Co.			\$50.00	\$500.00
	Howell Contractors, Inc.			\$50.00	\$500.00
	Lonkard Construction Co.			\$40.00	\$400.00
	RB South Inc.			\$40.00	\$400.00
35	12.13 GRAVEL DRIVEWAY/PARKING AREA	70	SY		
	Welsh Excavation Company, Inc.			\$12.00	\$840.00
	Brackney, Inc.			\$10.00	\$700.00
	Smith & Brown Contractors, Inc.			\$11.00	\$770.00
	Dudley Construction Company, Inc			\$18.80	\$1,316.00
	Lykins Contracting Inc.			\$6.00	\$420.00
	Bray Construction Services, Inc			\$159.00	\$11,130.00
	Larry Smith, Inc.			\$10.00	\$700.00
	Hartman & Smith Construction Co.			\$27.00	\$1,890.00
	Howell Contractors, Inc.			\$60.00	\$4,200.00
	Lonkard Construction Co.			\$15.00	\$1,050.00
	RB South Inc.			\$10.00	\$700.00

**FORT THOMAS TREATMENT PLANT
36" RAW WATER MAIN PROJECT
CITY OF FORT THOMAS, CAMPBELL COUNTY, KENTUCKY**

ITEM	DESCRIPTION	QUANTITY	UNIT	UNIT COST	TOTAL COST
36	12.14 BEST MANAGEMENT PRACTICES	1	LS		
	Welsh Excavation Company, Inc.			\$8,000.00	\$8,000.00
	Brackney, Inc.			\$2,000.00	\$2,000.00
	Smith & Brown Contractors, Inc.			\$4,400.00	\$4,400.00
	Dudley Construction Company, Inc			\$6,000.00	\$6,000.00
	Lykins Contracting Inc.			\$8,500.00	\$8,500.00
	Bray Construction Services, Inc			\$6,700.00	\$6,700.00
	Larry Smith, Inc.			\$10,000.00	\$10,000.00
	Hartman & Smith Construction Co.			\$10,000.00	\$10,000.00
	Howell Contractors, Inc.			\$8,500.00	\$8,500.00
	Lonkard Construction Co.			\$8,500.00	\$8,500.00
	RB South Inc.			\$35,000.00	\$35,000.00
37	12.16 CONCRETE DITCH OVER STORM SEWER	500	SY		
	Welsh Excavation Company, Inc.			\$60.00	\$30,000.00
	Brackney, Inc.			\$65.00	\$32,500.00
	Smith & Brown Contractors, Inc.			\$67.00	\$33,500.00
	Dudley Construction Company, Inc			\$65.00	\$32,500.00
	Lykins Contracting Inc.			\$85.00	\$42,500.00
	Bray Construction Services, Inc			\$86.00	\$43,000.00
	Larry Smith, Inc.			\$55.00	\$27,500.00
	Hartman & Smith Construction Co.			\$99.00	\$49,500.00
	Howell Contractors, Inc.			\$55.00	\$27,500.00
	Lonkard Construction Co.			\$45.00	\$22,500.00
	RB South Inc.			\$74.00	\$37,000.00
Total of Bid Items 1 Through 36					
	Welsh Excavation Company, Inc.			\$984,241.00	
	Brackney, Inc.			\$992,957.00	*\$993,157.00
	Smith & Brown Contractors, Inc.			\$1,087,735.00	
	Dudley Construction Company, Inc			\$1,115,153.50	
	Lykins Contracting Inc.			\$1,192,335.00	
	Bray Construction Services, Inc			\$1,199,033.00	
	Larry Smith, Inc.			\$1,224,832.00	
	Hartman & Smith Construction Co.			\$1,232,720.00	
	Howell Contractors, Inc.			\$1,286,405.00	
	Lonkard Construction Co.			\$1,395,262.50	
	RB South Inc.			\$1,548,980.70	

*Error in Contractor's price extension

Case No. 2014-00100
Exhibit C

NORTHERN KENTUCKY WATER DISTRICT

Fort Thomas Treatment Plant 36" Raw Water Main Project

Campbell County, Kentucky

Project 184-470

Engineer's Recommendation of Award

BURGESS & NIPLE

312 Plum Street | 12th Floor | Cincinnati, OH 45202 | 513.579.0042

Mr. Kyle Ryan
Northern Kentucky Water District
P.O. Box 18640
2835 Crescent Springs Road
Erlanger, KY 41018

Re: Fort Thomas Treatment Plant
36" Raw Water Main Project
Fort Thomas, Campbell County, KY

March 11, 2014

Dear Mr. Ryan:

Bid opening on the above project took place on March 6, 2014 at 11:00 am. Eleven bids were received as follows:

<u>Contractor</u>	<u>Total Bid Amount</u>
1. Welsh Excavation	<u>\$984,241.00 (low bid)</u>
2. Brackney, Inc.	\$992,957.00
3. Smith & Brown Contractors, Inc.	\$1,087,735.00
4. Dudley Construction Company Inc.	\$1,115,153.50
5. Lykins Contracting Inc.	\$1,192,335.00
6. Bray Construction Services Inc.	\$1,199,033.00
7. Larry Smith, Inc.	\$1,224,832.00
8. Hartman & Smith Construction Co.	\$1,232,720.00
9. Howell Contractors, Inc.	\$1,286,405.00
10. Lonkard Construction Co.	\$1,395,262.50
11. RB South Inc.	\$1,548,980.70

A tabulation of the bids is attached for your reference.

We have reviewed the information provided by the bidders and found no errors in the bid forms. The cost tabulation for two of the bidders was incorrect but did not change the ranking. Second low bidder Brackney, Inc. extended the unit price incorrectly on bid item 17 - 11.08 36" 11.25 Bend by \$200 for a corrected cost of \$22,000 versus \$22,200 listed. This resulted in a \$200 reduction in total cost. Hartman & Smith had an incorrect extension on bid item 7 - 9.01 6" Ductile Iron Resilient Seated Gate Valve - written extension was \$650 versus computed extension of \$6500.00. There was no change in total cost for Hartman & Smith so the correct value was used when totaling the bid items. All bidders acknowledged receipt of addendum 1 & 2 and all had bid bonds included for 10% of the bid amount.

Bid bond provided by the Welsh Excavation, low bidder, was Great American Insurance through the Neace Luken Agency. They have no issues with the 10% bid bond for the bid amount of \$984,241.00. They have provided bonding

for Welsh Excavating for about 5 years without any issues. Great American Insurance Company has an A. M. Best rating of A (Excellent).

Welsh Excavation Company, Inc. has an office in Cleves Ohio. Based on their reference list they have not completed a project for NKWD in the past. They have however completed a lot of work for municipalities and utility companies around the area as shown in their Representative Projects Table submitted with their bid which included 34 projects with three being worked on now and 31 completed projects between 2007 & 2013. They have worked for both Greater Cincinnati Water Works and Sanitation District No. 1.

We called all the references on projects completed in the last three years and all had positive responses to past performance questions and all said they would not hesitate to use them again. Several references commented that they have used them several times without any issues. Most of the water main project referenced that we talked to utilized 12" and under water mains.

We talked with Welsh Excavation following the bid opening. They have reviewed their bid and are satisfied with their bid price and are anxious to work on the projects. Mr. Van Fossen with Welsh stated they have completed ductile iron mains up to 24" and sewer projects with 36" PVC pipe. They will be completing all the work with their own forces except paving work which will be subcontracted to Len Riegler Blacktop, Inc. from Florence, KY.

Based on the above information, we recommend that Northern Kentucky Water District accept the bids of Welsh Excavation Company, Inc. for the bid amount of \$984,241.00.

If there are any questions do not hesitate to call

Sincerely,



Donald W. Bezold, P.E.

Case No. 2014-0100
Exhibit C

NORTHERN KENTUCKY WATER DISTRICT

Fort Thomas Treatment Plant 36" Raw Water Main Project

Campbell County, Kentucky

Project 184-470

Board Meeting Minutes

**Northern Kentucky Water District
Board of Commissioners Meeting
March 24, 2014**

A regular meeting of the Board of Commissioners of the Northern Kentucky Water District was held on March 24, 2014 at the District's facility located at 2835 Crescent Springs Road in Erlanger, Kentucky. All Commissioners were present. Also present were Ron Lovan, Jack Bragg, Richard Harrison, Amy Kramer, Kyle Ryan, Chris Wetherell and Brian Dunham.

Commissioner Sommerkamp called the meeting to order at 12:30 p.m., and Kyle Ryan led the pledge of allegiance.

The Commissioners reviewed correspondence received and articles published since the last regular Board meeting on February 20, 2014.

On motion of Commissioner Wagner, seconded by Commissioner Macke, the Commissioners unanimously approved the minutes for the regular Board meeting held on February 20, 2014.

The Board was provided a copy of the District's check registers, which included the check number, check date, payee, check amount and description of the reason for each payment, detailing the District's expenditures for the period February 3, 2014 through February 28, 2014. On motion of Commissioner Collins, seconded by Commissioner Spaulding, and after discussion, the Commissioners unanimously approved the expenditures of the District for the month of February 2014.

On motion of Commissioner Wagner, seconded by Commissioner Cunningham, the Commissioners unanimously approved the District's acceptance of the bid by and awarding a contract to Jack Gemmer and Sons, Inc. for the Wallace Avenue Water Main Replacement with a project budget of \$130,000.00, and authorized staff to execute the appropriate contract documents.

On motion of Commissioner Macke, seconded by Commissioner Spaulding, the Commissioners unanimously approved the District's acceptance of the bid by and awarding a contract to Hartman and Smith Construction Co. for the Russell Street Water Main Replacement with a project budget of \$960,000.00, and authorized staff to execute the appropriate contract documents.

On motion of Commissioner Cunningham, seconded by Commissioner Wagner, the Commissioners unanimously approved the District's acceptance of the bid by and awarding a contract to Jack Gemmer and Sons, Inc. for the Penwood Road Water Main Replacement with a project budget of \$55,000.00, and authorized staff to execute the appropriate contract documents.

On motion of Commissioner Collins, seconded by Commissioner Cunningham, the Commissioners unanimously approved the District's acceptance of the bid by and awarding a contract to Paul Michels and Sons, Inc. for the Liberty Street Water Main Replacement with a project budget of \$105,000.00, and authorized staff to execute the appropriate contract documents.

On motion of Commissioner Wagner, seconded by Commissioner Spaulding, the Commissioners unanimously approved the bid by and awarding a contract to Larry Smith, Inc. for the Highway Avenue Water Main Replacement with a project budget of \$285,000.00, and authorized staff to execute the appropriate contract documents.

On motion of Commissioner Collins, seconded by Commissioner Spaulding, the Commissioners unanimously approved the bid by and awarding a contract to Jack Gemmer and Sons, Inc. for the Catalpa Street Water Main Replacement with a project budget of \$65,000.00, and authorized staff to execute the appropriate contract documents.

On motion of Commissioner Wagner, seconded by Commissioner Cunningham, the Commissioners unanimously approved the bid by and awarding a contract to Welsh Excavation Company, Inc. for the Fort Thomas Treatment Plant 36" Raw Water Main Project with a project budget of \$1,424,000.00, and authorized staff to execute the appropriate contract documents.

On motion of Commissioner Spaulding, seconded by Commissioner Cunningham, the Commissioners unanimously approved the bids by and awarding contracts for the purchase of distribution inventory material from the various vendors listed in the bid summary, and authorized staff to execute the appropriate contract documents.

On motion of Commissioner Macke, seconded by Commissioner Wagner, the Commissioners unanimously approved the bid by and awarding a contract to Wiseway Supply for the ¾-inch copper and the 1-inch copper to purchase the copper service piping, and authorized staff to execute the appropriate contract documents.

On motion of Commissioner Spaulding, seconded by Commissioner Collins, the Commissioners unanimously approve the bid by and awarding a contract to Badger Meter, Inc. for meter bids, with an option to renew the contract for an additional one-year term, and authorized staff to execute the appropriate contract documents.

The Commissioners reviewed the District's financial reports and Department reports. As part of his report, Mr. Harrison reviewed with the Commissioners the status of on-going projects within the 2013 5-Year Capital Budget, including highlighting change orders and expenses incurred to date.

Other matters of a general nature were discussed.

On a motion of Commissioner Macke, seconded by Commissioner Spaulding, the Board unanimously agreed to go into executive session under the provisions of KRS 61.810(1)(c) to discuss pending or proposed litigation against or on behalf of the District and to protect the District's legal interests and strategy in connection with such litigation. The executive session commenced at 2:09 p.m. and ended at 2:24 p.m.

On a motion by Commissioner Spaulding, seconded by Commissioner Wagner, the meeting was adjourned at 2:24 p.m.

CHAIRMAN

SECRETARY

NORTHERN KENTUCKY WATER DISTRICT

Fort Thomas Treatment Plant 36" Raw Water Main Project

Campbell County, Kentucky

Project 184-470

PROJECT FINANCE INFORMATION

Customers Added and Revenue Effect

Debt Issuance and Source of Debt

Additional Costs for Operating and Maintenance

USoA Plant Account

Depreciation Cost and Debt Service After Construction

KIA Loan Documentation

Northern Kentucky Water District

Customers Added and Revenue Effect: There will be no new customers added as a result of this project.

Debt Issuance and Source of Debt: This project will be paid for from the District's BAN 2011 for \$496,000 and State Revolving Fund Loan of \$928,000 for a total budget of \$1,424,000. The project's budget is \$1,424,000.00, which includes construction cost, engineering, materials, and contingencies. A summary of the project costs is provided below:

○ Design/Geotechnical Engineering	\$ 82,980.50
○ Contractor's Bid	\$ 984,241.00
○ Misc. & Contingencies	\$ <u>356,778.50</u>
Total Project Cost	\$1,424,000.00

Additional Costs and O&M: N/A

USoA Plant Account: 309 Supply Mains

Depreciation and Debt Service: Annual depreciation and debt service after construction are as follows:

Depreciation: \$22,784.00/year over 62.5 years for Account 309 Supply Mains

Debt Service: \$58,131.84 over 20 years (SRF 2.25% loan)
\$31,415.23 over 25 years (Bond 3.90% loan)

Northern Kentucky
Water District

May 31, 2013

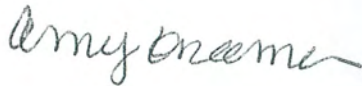
Ms. Tammy McCall
Financial Analyst
Kentucky Infrastructure Authority
1024 Capital Center Drive, Suite 340
Frankfort, KY 40601

Dear Ms. McCall,

Please find enclosed the executed Conditional Commitment Letter for the Drinking Water State Revolving Fund F13-012.

If you have any questions or need additional documentation, please do not hesitate to contact me at (859) 426-2734.

Sincerely,



Amy Kramer, P.E.
Engineering Manager

akk



KENTUCKY INFRASTRUCTURE AUTHORITY

1024 Capital Center Drive, Suite 340
Frankfort, Kentucky 40601
Phone (502) 573-0260
Fax (502) 573-0157
<http://kia.ky.gov>

Steven L. Beshear
Governor

John E. Covington III
Executive Director

May 6, 2013

Mr. C. Ronald Lovan, P.E., President/CEO
Northern Kentucky Water District
2835 Crescent Springs Road
Erlanger, KY 41018

KENTUCKY INFRASTRUCTURE AUTHORITY
FEDERALLY ASSISTED DRINKING WATER REVOLVING LOAN FUND
CONDITIONAL COMMITMENT LETTER (F13-012)

Dear Mr. Lovan:

The Kentucky Infrastructure Authority ("the Authority") commends your efforts to improve public service facilities in your community. On May 2, 2013, the Authority approved your loan for the Kenton and Campbell County Water Main Projects subject to the conditions stated below. The total cost of the project shall not exceed \$5,930,000 of which the Authority loan shall provide \$4,000,000 of the funding. Other anticipated funding for the project is reflected in Attachment A. The final loan amount will be equal to the Authority's portion of estimated project cost applied to the actual project cost. Attachment A incorporated herein by reference fully describes the project.

An Assistance Agreement will be executed between the Authority and the Northern Kentucky Water District upon satisfactory performance of the conditions set forth in this letter. A period of twelve months from the date of this letter (5/6/2014) will be allowed for you to meet the conditions set forth in this letter and enter into an Assistance Agreement. A one-time extension of up to six months may be granted for applicants that experience extenuating circumstances. Funds will be available for disbursement only after execution of the Assistance Agreement.

The Assistance Agreement and this commitment shall be subject, but not limited to, the following terms:

1. The Authority project loan shall not exceed \$4,000,000.

2. The loan shall bear interest at the rate of 1.75% per annum commencing with the first draw of funds.
3. The loan shall be repaid over a period not to exceed 20 years from the date the loan is closed.
4. Interest shall be payable on the amount of actual funds received. The first payment shall be due on June 1 or December 1 immediately succeeding the date of the initial draw of funds, provided that if such June 1 or December 1 shall be less than three months since the date of the initial draw of funds, then the first interest payment date shall be the June 1 or December 1 which is at least six months from the date of the initial draw of funds. Interest payments will be due each six months thereafter until the loan is repaid.
5. Full principal payments will commence on the appropriate June 1 or December 1 within twelve months from initiation of operation. Full payments will be due each six months thereafter until the loan is repaid.
6. A loan servicing fee of 0.25% of the annual outstanding loan balance shall be payable to the Authority as a part of each interest payment.
7. Loan funds will be disbursed after execution of the Assistance Agreement as project costs are incurred.
8. The Authority loan funds must be expended within six months of the official date of initiation of operation.
9. Fund "F" loan funds are considered to be federal funds. OMB Circular A-133, "Audits of States, Local Governments and Non-Profit Organizations, requires that all recipients and subrecipients **expending \$500,000 or more in a year in federal awards must have a single or program-specific audit conducted for that year** in accordance with the Circular. If the federal amount expended plus all other federal funds expended exceeds the threshold, you are required to arrange for an A-133 audit to be performed by an independent, licensed CPA, or in special cases, the Auditor of Public Accounts of the Commonwealth of Kentucky. The Authority requires an annual audit to be performed for the life of the loan.

The following is a list of the standard conditions to be satisfied prior to execution of the Assistance Agreement or incorporated in the Assistance Agreement. Any required documentation must be submitted to the party designated.

1. The Authority to Award (bid) package must be submitted to the Division of Water for approval within 14 days of bid opening.
2. The Assistance Agreement must be executed within six (6) months from bid opening.
3. The Borrower must agree to expend all Authority loan funds within six months of the date of initiation of operation.
4. Documentation of final funding commitments from all parties other than the Authority as reflected in the credit analysis shall be provided prior to preparation of the Assistance Agreement and disbursement of the loan monies. Rejections of any anticipated project funding shall be immediately reported and may cause this loan to be subject to further consideration.
5. The loan must undergo review by the Capital Projects and Bond Oversight Committee of the Kentucky Legislature prior to the state's execution of the Assistance Agreement. The committee meets monthly on the third Tuesday. At this time we know of no further submission required for their review; however, they may request information as needed.
6. Any required adjustment in utility service rates shall be adopted by ordinance, municipal order or resolution by the appropriate governing body of the Borrower. Public hearings as required by law shall be held prior to the adoption of the service rate ordinance, order, or resolution. Any required approvals by the Kentucky Public Service Commission shall be obtained.
7. All easements or purchases of land shall be completed prior to commencement of construction. Certification of all land or easement acquisitions shall be provided to the Division of Water.
8. The Borrower must complete and return to the Authority the attached "Authorization For Electronic Deposit of Vendor Payment" Form.
9. The Authority to Award Package documentation shall be submitted to and approved by DOW.

10. An environmental review shall be conducted by the Division of Water for all construction projects receiving DWSRF funds, within the term of this binding commitment and prior to project bid.
11. Technical plans and specifications and a complete DWSRF specifications checklist shall be approved by the Division of Water prior to project bid.
12. A clear site certificate shall be obtained and DOW representatives shall be notified for attendance of the pre-construction conference.
13. Project changes or additions shall require a complete environmental and change order review before they can be included in the DWSRF loan project.

The following is a list of additional conditions to be satisfied prior to execution of the Assistance Agreement or incorporated in the Assistance Agreement. Any required documentation must be submitted to the party designated.

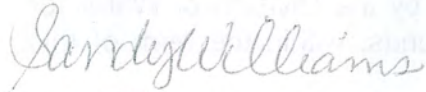
1. The Borrower shall require all contractors to pay wages pursuant to applicable prevailing wage rates (federal or state) for all work relating to the subject Project. The Borrower shall, if applicable, comply with all Davis Bacon related monitoring and reporting.
2. The project shall comply with the reporting requirements of the Transparency Act, and shall complete the attached Transparency Act Reporting Information Form and provide to the Authority no later than 30 days after the KIA Board approval date of your loan.
3. If the project has a "Green Reserve" component, the Borrower must submit a Business Case, if required.

Any special conditions listed below and/or stated in Attachment A must be resolved.

Please inform the Authority of any changes in your financing plan as soon as possible. We wish you every success for this project which will benefit both your community and the Commonwealth as a whole.

Mr. Lovan
May 6, 2013
Page 5

Sincerely,

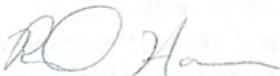


Sandy Williams
Financial Analyst

Attachments

cc: Richard Harrison, P.E., V.P. of Engineering, Northern Kentucky Water District
Jack Bragg, V.P. of Finance, Northern Kentucky Water District
Division of Water
Dirk Bedarff, Peck, Shaffer & Williams LLP
State Local Debt Office, DLG
Borrower File - Northern Kentucky Water District - F13-012

Please sign and return a copy of this letter indicating your acceptance of this commitment and its terms. Also attach the completed "Authorization For Electronic Deposit of Vendor Payment" Form.



Accepted

May 29, 2013

Date

**AUTHORIZATION FOR ELECTRONIC DEPOSIT
OF BORROWER PAYMENT
KENTUCKY INFRASTRUCTURE AUTHORITY
(FUND F13-012)**

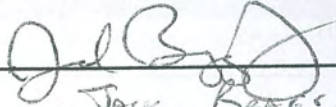
Borrower Information:

Name: Northern Kentucky Water District
Address: 2835 Crescent Springs Rd PO Box 18640
City: Erlanger State: KY Zip: 41018
Federal I.D. # 61-1311695
Contact Name: Jack Bragg Telephone: (859) 426-2758
Email: jbragg@nkywater.org

Financial Institution Information:

Bank Name: ~~Bank of Kentucky~~ Park National Bank
Branch: Florence Phone No: 859-647-2722
City: Florence State: KY Zip: 41012
Transit / ABA No.: 042102115
Account Name: Grant/Loan Clearing
Account Number: 1240125110461

I, the undersigned, authorize payments directly to the account indicated above and to correct any errors which may occur from the transactions. I also authorize the Financial Institution to post these transactions to that account.

Signature:  Date: 5/25/13
Name Printed: Jack Bragg, Jr. Job Title: CPO

Please return completed form to: **Kentucky Infrastructure Authority
1024 Capital Center Drive, Suite 340
Frankfort, KY 40601
phone: 502-573-0260
fax: 502-573-0157**

TRANSPARENCY ACT REPORTING INFORMATION FORM
CLEAN WATER STATE REVOLVING FUND
AND
DRINKING WATER STATE REVOLVING FUND

This form is required for projects funded in whole or in part from the Clean Water State Revolving Fund or the Drinking Water State Revolving Fund. This form is to be completed and returned with the signed Conditional Commitment Letter from the Kentucky Infrastructure Authority.

Borrower Information:

Name:	Northern Kentucky Water District
Data Universal Numbering system (DUNS) No.*:	963951983
KIA Loan Number:	F13-012
Street Address	2835 Crescent Springs Road, PO Box 18640
City, State and Zip (Zip must include 4 digit extension)	Erlanger, KY 41018-0640
Federal Congressional District(s) of Borrower Utility Service Area:	Fourth

*If the DUNS No. provided above is registered under a different name than the recipient of funding, please provide the registration name below:

DUNS Name	
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*If the recipient has not yet obtained a DUNS Number, please do so no later than 30 days after the KIA Board approval date of your loan request and provide notification to KIA of the number once issued. For instructions on DUNS registration, please contact sandy.williams@ky.gov.

Physical Location of Project (Primary Place of Performance)

Street Address	Contract 1 - 700 Alexandria Pike Contract 2 - Across Licking River, no street Contract 3 - 608 Grand Avenue
City, State and Zip (Zip must include 4 digit extension)	Contract 1 - Fort Thomas, KY 41075-2153 Contract 2 - near Wilder, KY Contract 3 - Taylor Mill, KY 41015-1924
Federal Congressional District(s) of Project Location	Fourth

Reliance upon Federal Assistance (please answer the below questions Yes or No):

Did recipient receive 80% or more of its annual gross revenues from Federal procurement contracts (and subcontracts) and Federal financial assistance subject to the Transparency Act, as defined at 2 CFR 170.320 (and subawards) during the last fiscal year?	No
Did recipient receive \$25 million or more in annual gross revenues from Federal procurement contracts (and subcontracts) and Federal financial assistance subject to the Transparency Act, as defined at 2 CFR 170.320 (and subawards) during the last fiscal year?	No
Does the public have access to compensation of senior executives of the recipient through periodic reports filed under Section 13A or 15D of the Securities Exchange Act of 1934 or Section 6104 of the Internal Revenue Code of 1986?	No

DUNS Registration Information: <http://fedgov.dnb.com/webform> OR 1-866-705-5711

Registration can be completed over the phone or via the web. Phone registration requests take approximately 10 minutes and are free. Internet requests are fulfilled within 24 hours.

ATTACHMENT A

Northern Kentucky Water District

F13-012

Item	Description	Quantity	Unit Price	Total Price
1	Construction	1	14,000,000	14,000,000
2	Equipment	1	14,000,000	14,000,000
3	Professional Fees	1	17,000,000	17,000,000
4	Contingency	1	18,000,000	18,000,000
5	Construction	1	22,000,000	22,000,000
6	Equipment	1	21,000,000	21,000,000
7	Professional Fees	1	21,000,000	21,000,000
8	Contingency	1	21,000,000	21,000,000
9	Construction	1	21,000,000	21,000,000
10	Equipment	1	21,000,000	21,000,000
11	Professional Fees	1	21,000,000	21,000,000
12	Contingency	1	21,000,000	21,000,000
13	Construction	1	21,000,000	21,000,000
14	Equipment	1	21,000,000	21,000,000
15	Professional Fees	1	21,000,000	21,000,000
16	Contingency	1	21,000,000	21,000,000
17	Construction	1	21,000,000	21,000,000
18	Equipment	1	21,000,000	21,000,000
19	Professional Fees	1	21,000,000	21,000,000
20	Contingency	1	21,000,000	21,000,000
21	Construction	1	21,000,000	21,000,000
22	Equipment	1	21,000,000	21,000,000
23	Professional Fees	1	21,000,000	21,000,000
24	Contingency	1	21,000,000	21,000,000
25	Construction	1	21,000,000	21,000,000
26	Equipment	1	21,000,000	21,000,000
27	Professional Fees	1	21,000,000	21,000,000
28	Contingency	1	21,000,000	21,000,000
29	Construction	1	21,000,000	21,000,000
30	Equipment	1	21,000,000	21,000,000
31	Professional Fees	1	21,000,000	21,000,000
32	Contingency	1	21,000,000	21,000,000
33	Construction	1	21,000,000	21,000,000
34	Equipment	1	21,000,000	21,000,000
35	Professional Fees	1	21,000,000	21,000,000
36	Contingency	1	21,000,000	21,000,000
37	Construction	1	21,000,000	21,000,000
38	Equipment	1	21,000,000	21,000,000
39	Professional Fees	1	21,000,000	21,000,000
40	Contingency	1	21,000,000	21,000,000
41	Construction	1	21,000,000	21,000,000
42	Equipment	1	21,000,000	21,000,000
43	Professional Fees	1	21,000,000	21,000,000
44	Contingency	1	21,000,000	21,000,000
45	Construction	1	21,000,000	21,000,000
46	Equipment	1	21,000,000	21,000,000
47	Professional Fees	1	21,000,000	21,000,000
48	Contingency	1	21,000,000	21,000,000
49	Construction	1	21,000,000	21,000,000
50	Equipment	1	21,000,000	21,000,000
51	Professional Fees	1	21,000,000	21,000,000
52	Contingency	1	21,000,000	21,000,000
53	Construction	1	21,000,000	21,000,000
54	Equipment	1	21,000,000	21,000,000
55	Professional Fees	1	21,000,000	21,000,000
56	Contingency	1	21,000,000	21,000,000
57	Construction	1	21,000,000	21,000,000
58	Equipment	1	21,000,000	21,000,000
59	Professional Fees	1	21,000,000	21,000,000
60	Contingency	1	21,000,000	21,000,000
61	Construction	1	21,000,000	21,000,000
62	Equipment	1	21,000,000	21,000,000
63	Professional Fees	1	21,000,000	21,000,000
64	Contingency	1	21,000,000	21,000,000
65	Construction	1	21,000,000	21,000,000
66	Equipment	1	21,000,000	21,000,000
67	Professional Fees	1	21,000,000	21,000,000
68	Contingency	1	21,000,000	21,000,000
69	Construction	1	21,000,000	21,000,000
70	Equipment	1	21,000,000	21,000,000
71	Professional Fees	1	21,000,000	21,000,000
72	Contingency	1	21,000,000	21,000,000
73	Construction	1	21,000,000	21,000,000
74	Equipment	1	21,000,000	21,000,000
75	Professional Fees	1	21,000,000	21,000,000
76	Contingency	1	21,000,000	21,000,000
77	Construction	1	21,000,000	21,000,000
78	Equipment	1	21,000,000	21,000,000
79	Professional Fees	1	21,000,000	21,000,000
80	Contingency	1	21,000,000	21,000,000
81	Construction	1	21,000,000	21,000,000
82	Equipment	1	21,000,000	21,000,000
83	Professional Fees	1	21,000,000	21,000,000
84	Contingency	1	21,000,000	21,000,000
85	Construction	1	21,000,000	21,000,000
86	Equipment	1	21,000,000	21,000,000
87	Professional Fees	1	21,000,000	21,000,000
88	Contingency	1	21,000,000	21,000,000
89	Construction	1	21,000,000	21,000,000
90	Equipment	1	21,000,000	21,000,000
91	Professional Fees	1	21,000,000	21,000,000
92	Contingency	1	21,000,000	21,000,000
93	Construction	1	21,000,000	21,000,000
94	Equipment	1	21,000,000	21,000,000
95	Professional Fees	1	21,000,000	21,000,000
96	Contingency	1	21,000,000	21,000,000
97	Construction	1	21,000,000	21,000,000
98	Equipment	1	21,000,000	21,000,000
99	Professional Fees	1	21,000,000	21,000,000
100	Contingency	1	21,000,000	21,000,000

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EXECUTIVE SUMMARY		Reviewer	Sandy Williams	
KENTUCKY INFRASTRUCTURE AUTHORITY		Date	May 2, 2013	
FUND F, FEDERALLY ASSISTED DRINKING WATER		KIA Loan Number	F13-012	
REVOLVING LOAN FUND		WRIS Number	WX21037003	
BORROWER		NORTHERN KENTUCKY WATER DISTRICT KENTON COUNTY		
BRIEF DESCRIPTION				
This project includes the installation of new raw and finished water transmission mains along with equipment upgrades at the Taylor Mill treatment plant. The project will provide a more reliable water supply to wholesale customers and give the District flexibility in conveying raw water between reservoirs which will facilitate the temporary removal of the north reservoir from service for maintenance and a more even distribution of water storage between the north and south reservoirs.				
PROJECT FINANCING		PROJECT BUDGET		
Fund F Loan	\$4,000,000	RD Fee %	Actual %	
Northern KY Water District	1,930,000			
				Administrative Expenses \$6,000
				Legal Expenses 15,000
				Land, Easements 10,000
		6.8%	5.2%	Eng - Design 285,200
		3.5%	1.4%	Eng - Constr / Insp 80,000
				Construction 4,990,000
				Contingency 543,800
TOTAL	\$5,930,000	TOTAL		\$5,930,000
REPAYMENT	Rate	1.75%	Est. Annual Payment	\$247,902
	Term	20 Years	1st Payment	6 Mo. after first draw
PROFESSIONAL SERVICES	Engineer	N/A		
	Bond Counsel	Peck, Shaffer, & Williams		
PROJECT SCHEDULE	Bid Opening	Aug-13		
	Construction Start	Dec-13		
	Construction Stop	Dec-14		
DEBT PER CUSTOMER	Existing	\$3,205		
	Proposed	\$2,901		
OTHER DEBT	See Attached			
OTHER STATE-FUNDED PROJECTS LAST 5 YRS	See Attached			
RESIDENTIAL RATES		<u>Users</u>	<u>Avg. Bill</u>	
	Current	80,481	\$35.74	(for 4,000 gallons)
	Additional	0	\$35.74	(for 4,000 gallons)
REGIONAL COORDINATION	This project is consistent with regional planning recommendations.			
CASHFLOW	Cash Flow Before Debt Service	Debt Service	Cash Flow After Debt Service	Coverage Ratio
Audited 2010	21,867,155	14,558,010	7,309,145	1.5
Audited 2011	24,901,248	14,986,158	9,915,090	1.7
Audited 2012	28,151,693	17,076,648	11,075,045	1.6
Projected 2013	29,353,951	18,113,241	11,240,710	1.6
Projected 2014	30,639,269	20,101,678	10,537,591	1.5
Projected 2015	31,983,535	21,001,368	10,982,167	1.5
Projected 2016	33,389,332	21,148,055	12,241,277	1.6
Projected 2017	34,859,357	21,156,567	13,702,790	1.6

Reviewer: Sandy Williams
Date: May 2, 2013
Loan Number: F13-012

**KENTUCKY INFRASTRUCTURE AUTHORITY
DRINKING WATER STATE REVOLVING FUND (FUND "F")
NORTHERN KENTUCKY WATER DISTRICT, KENTON COUNTY
PROJECT REVIEW
WX21037003**

I. PROJECT DESCRIPTION

The Northern Kentucky Water District is requesting a \$4,000,000 Drinking Water SRF loan for the Kenton and Campbell County Water Main Projects. The project includes the installation of new finished and raw water transmission mains and improvements to the Taylor Mill treatment plant. A thirty six inch water transmission main will provide a redundant transmission main across the Licking River to provide a more reliable supply of water from Campbell to Kenton County. The raw water transmission main at the Fort Thomas Treatment plant in Campbell County will allow a higher percentage of raw water to be conveyed to the south raw water reservoir, facilitating the District's plan to temporarily remove the north reservoir from service for maintenance and for providing a more even distribution of water storage between the two reservoirs. The motor control centers for six pumps that convey water to the distribution system located at the Taylor Mill treatment plant in Kenton County will be moved to an indoor location which will improve reliability (three cabinets are currently outdoors). Improvements to the flocculation and sedimentation basin including replacement of tube settlers, replacement of concrete water stops and miscellaneous repairs will also be made.

The District provides service to Campbell and Kenton counties and portions of Boone, Grant and Pendleton counties and is regulated by the Public Service Commission. Wholesale service is provided to the City of Walton and the Bullock Pen and Pendleton County Water Districts.

II. PROJECT BUDGET

	<u>Total</u>
Administrative Expenses	\$ 6,000
Legal Expenses	15,000
Land, Easements	10,000
Engineering Fees - Design	285,200
Engineering Fees - Const / Inspection	80,000
Construction	4,990,000
Contingency	543,800
Total	\$ 5,930,000

III. PROJECT FUNDING

	Amount	%
Fund F Loan	\$ 4,000,000	67%
Northern KY Water District	1,930,000	33%
Total	\$ 5,930,000	100%

IV. KIA DEBT SERVICE

Construction Loan	\$ 4,000,000
Interest Rate	1.75%
Loan Term (Years)	20
Estimated Annual Debt Service	\$ 237,902
Administrative Fee (0.25%)	10,000
Total Estimated Annual Debt Service	\$ 247,902

V. PROJECT SCHEDULE

Bid Opening	August 2013
Construction Start	December 2013
Construction Stop	December 2014

VI. CUSTOMER COMPOSITION AND RATE STRUCTURE

A) Customers

Customers	Current
Residential	75,648
Commercial	4,723
Industrial	110
Total	80,481

B) Rates

	Prior	Prior	Current
Date of Last Rate Increase	01/07/11	01/01/12	01/01/13
Fixed Service Charge (Monthly Billing)	\$12.77	\$13.00	\$13.60
Fixed Service Charge (Quarterly Billing)	22.49	26.00	27.20
First 1,500 Cubic Feet (per hundred CF)	3.67	4.02	4.14
Next 163,500 Cubic Feet (per hundred CF)	3.08	3.27	3.40
Over 165,000 Cubic Feet (per hundred CF)	2.57	2.58	2.65
Cost for 4,000 gallons - Monthly Billing	\$32.39	\$34.50	\$35.74
Percent Increase		6.5%	3.6%
Affordability Index (Rate/MHI)		0.7%	0.8%

	Prior	Prior	Current
Cost for 4,000 gallons - Quarterly Billing	\$27.12	\$30.16	\$31.20
Percent Increase		11.2%	3.4%
Affordability Index (Rate/MHI)		0.7%	0.7%
Wholesale Rate	\$3.05	\$3.13	\$3.20
Percent Increase		2.6%	2.1%

The district also has a Subdistrict Monthly Surcharge that ranges from \$8.55 to \$36.22 depending on location.

VII. DEMOGRAPHICS

Census data was taken from the American Community Survey 5-Year Estimate 2006-2010. The District provides service to Campbell and Kenton counties and portions of Boone, Grant and Pendleton counties.

County	Population	MHI
Kenton	158,034	\$53,213
Campbell	89,016	51,482
Boone	114,723	66,549
Grant	24,604	42,475
Pendleton	14,894	44,670
Total / Weighted MHI	401,271	\$55,666

The median household income for the Commonwealth is \$41,576. The District is a regional provider and the project will qualify for a 1.75% interest rate.

VIII. 2012 CAPITALIZATION GRANT EQUIVALENCIES

- 1) Green Project Reserve - The 2012 Drinking Water capitalization grant does not contain a "green" requirement.
- 2) Additional Subsidization – This project does not qualify for additional subsidization.

IX. FINANCIAL ANALYSIS (See Exhibit 1)

Financial information was obtained from the audited financial statements for the years ended December 31, 2010 through 2012. Interim financing balances were reclassified to long term debt for presentation since the amounts will ultimately be replaced by the issuance of bonds.

HISTORY

Revenues increased 12% from \$43.8 million in 2010 to \$49.0 million in 2012 with the bulk of the increase being due to rate increases. Operating expenses increased 2.6% from \$23.8 to \$24.4 during the same period. Non-operating income, comprised primarily of investment income and capital contributions, increased from \$1.9 million in 2010 to \$3.5 million in 2012 due to an increase in capital contributions. The debt coverage ratio was fairly consistent at 1.5, 1.7, and 1.6 for 2010, 2011 and 2012, respectively.

The balance sheet reflects a current ratio of 2.7 and a debt to equity ratio of 1.6. Months of operating expenses in unrestricted cash is 9.3. The District maintains various restricted accounts, primarily related to its bond covenants, and an Improvement, Repair and Replacement Reserve account. This account had a balance of \$11.6 million, or 3% of in service fixed assets, at the end of 2012. Capital spending from 2010 through 2012 was \$76 million.

PROJECTIONS

Projections are based on the following assumptions:

- 1) Revenues will increase 4% for inflation (rates) and volume each year
- 2) Expenses will increase 3% for inflation and volume.
- 3) Debt service on the proposed loan is estimated at \$247,902 annually
- 4) Debt service coverage is 1.5 in 2015 when principal and interest repayments begin.

Based on the proforma assumptions, the utility shows adequate cash flow to repay the KIA Fund F loan.

REPLACEMENT RESERVE

The District maintains an "Improvement, Repair and Replacement account to make major repairs and replacements and to pay the cost of construction of additions, extensions and improvements to the water system. During the past five years the balance has increased from \$2.6 million to \$11.6 million. As a percentage of in service fixed assets the balance has increased from .9% in 2008 to 3.0% in 2012. Based on the District's current reserve funding practice a reserve will not be required for this proposed loan.

X. DEBT OBLIGATIONS

	<u>Outstanding</u>	<u>Maturity</u>
Series 2002B Revenue Bonds	4,200,000	2017
Series 2003A Revenue Bonds	1,280,000	2032
Series 2003B Revenue Bonds	22,150,000	2028
Series 2003C Revenue Bonds	12,250,000	2020
Series 2004 Revenue Bonds	8,095,000	2029

Series 2006 Revenue Bonds	24,815,000	2031
Series 2009 Revenue Bonds	26,280,000	2033
Series 2011 Revenue Bonds	30,005,000	2035
Rural Development Loan	1,987,000	2039
Taylor Mill Purchase Financing	925,000	2018
KIA Fund F Loan (F06-03)	3,304,508	2028
KIA Fund C Loan (C08-01)	4,939,349	2020
2011 Bond Anticipation Notes	25,615,000	TBD
KIA Fund F Loan (F08-07)	4,000,000	2032
KIA Fund F Loan (F09-02, i/a/o \$24M)	23,500,000	TBD
Deferred Note Payable	100,000	TBD
Series 2012 Revenue Bonds	54,840,000	2027
Total	\$ 248,285,857	

XI. OTHER STATE OR FEDERAL FUNDING IN PAST FIVE YEARS

Project Title	Funding Source	Amount
Unserved and Underserved Projects	HB 608	\$500,000
Pike Street – Bromley	HB 608	300,000
Robbins Street Water Project	HB 608	300,000
Campbell Co. Unserved/Underserved Improvements	HB 608	1,000,000
Campbell Co. System Improvements	HB 608	1,200,000
Campbell Co. Unserved/Underserved Improvements	HB 608	750,000

XII. CONTACTS

Legal Applicant	
Name	Northern Kentucky Water District
Address	2835 Crescent Springs Road Erlanger, KY 41018
County	Kenton
Authorized Official	Jack Bragg (V.P. of Finance)
Phone	(859) 426-2758
Email	jbragg@nkwater.org

Project Administrator

Name	Northern Kentucky Water District
Address	2835 Crescent Springs Road Erlanger, KY 41018
Contact	Richard Harrison, (V.P. of Engineering)
Phone	(859) 578-5458
Email	rharr@nkwater.org

XIII. RECOMMENDATIONS

KIA staff recommends approval of the loan with the standard conditions.

NORTHERN KENTUCKY WATER DISTRICT
BALANCE SHEETS (DECEMBER YEAR END)

ASSETS	Audited	Audited	Audited	Projected	Upon
	2010	2011	2012	2013	Completion 2014
Current Assets					
Cash and Cash Equivalents	11,835,530	14,822,171	18,846,682	20,837,392	21,194,983
Accounts Receivable	10,545,667	10,370,535	10,854,735	11,288,900	11,740,500
Assessments Receivable	92,634	98,760	104,778	105,000	105,000
Inventory	1,343,411	1,198,490	1,241,516	1,250,000	1,250,000
Prepaid Items	442,448	280,028	231,973	250,000	250,000
Total Current Assets	24,259,690	26,769,984	31,279,684	33,731,292	34,540,483
Restricted Assets					
Boone Florence Settlement	1,601,840	1,613,621	743,592	743,592	743,592
Bond Proceeds Fund	21,540,563	26,460,229	14,761,474	14,761,474	14,761,474
Debt Service Reserve Account	15,577,413	17,557,818	16,727,770	16,727,770	16,727,770
Debt Service Account	10,871,257	12,768,211	13,258,210	13,258,210	13,258,210
Improvement, Repair & Replacement	6,874,835	10,278,024	11,618,535	12,118,535	12,118,535
Total Restricted Assets	56,465,908	68,677,903	57,109,581	57,609,581	57,609,581
Utility Plant					
Property, Plant and Equipment	337,020,659	354,073,466	388,571,927	397,821,927	412,001,927
Unclassified Plant - Construction in Progress	37,881,689	58,207,358	43,776,830	43,776,830	43,776,830
Property, Plant and Equipment Less Accumulated Depreciation ()	374,902,348 (84,366,604)	412,280,824 (92,727,220)	432,348,757 (101,451,833)	441,598,757 (111,962,034)	455,778,757 (122,972,235)
Net Fixed Assets	290,535,744	319,553,604	330,896,924	329,636,723	332,806,522
Other Assets					
Deferred Charges	7,590,929	6,684,376	0	0	0
Total Other Assets	7,590,929	6,684,376	0	0	0
Total Assets	378,852,271	421,685,867	419,286,189	420,977,596	424,956,586
LIABILITIES					
Current Liabilities					
Bonded Indebtedness	6,883,000	7,974,000	7,926,000	8,218,000	9,335,000
Notes Payable	857,824	878,563	1,081,548	2,092,164	2,136,521
Accounts Payable	1,988,566	1,959,482	1,813,604	1,900,000	2,000,000
Accrued Payroll and Taxes	329,191	347,903	366,801	375,000	400,000
Other Accrued Liabilities	218,987	212,381	225,469	225,000	225,000
Total Current Liabilities	10,277,568	11,372,329	11,413,422	12,810,164	14,096,521
Liabilities Payable - Restricted Assets					
Accounts Payable	3,188,628	5,846,148	1,084,940	1,000,000	1,000,000
Accrued Interest Payable	3,492,903	3,994,015	3,703,241	3,700,000	3,700,000
Total Liabilities Payable - Restricted Assets	6,681,531	9,840,163	4,788,181	4,700,000	4,700,000
Long Term Liabilities					
Bonded Indebtedness	171,556,000	194,412,000	177,976,000	195,373,000	186,038,000
Notes Payable	16,693,975	54,659,908	35,687,309	34,095,145	31,958,624
Notes Payable (Interim Financing)	29,160,000	0	25,615,000	0	0
Proposed KIA Loan	0	0	0	0	4,000,000
Miscellaneous Deferred Charges	0	0	2,371,462	2,221,462	2,071,462
Total Long Term Liabilities	217,409,975	249,071,908	241,649,771	231,689,607	224,068,086
Total Liabilities	234,369,074	270,284,400	257,851,374	249,199,771	242,864,607
Retained Earnings:					
Invested in Capital Assets Net of Related Debt	65,384,945	61,629,133	82,611,067	89,858,414	99,338,377
Restricted	49,784,377	58,837,740	52,321,400	52,609,581	52,609,581
Unrestricted	29,313,875	30,934,594	26,502,348	29,309,830	30,144,021
Total Retained Earnings	144,483,197	151,401,467	161,434,815	171,777,825	182,091,979
Total Liabilities and Equities	378,852,271	421,685,867	419,286,189	420,977,596	424,956,586
Balance Sheet Analysis					
Current Ratio	2.4	2.4	2.7	2.6	2.5
Debt to Equity	1.6	1.8	1.6	1.5	1.3
Days Sales in Accounts Receivable	88.0	85.1	80.8	80.8	80.8
Months Operating Expenses in Unrestricted Cash	6.0	7.7	9.3	10.0	9.8

**EXHIBIT 1
NORTHERN KENTUCKY WATER DISTRICT
CASH FLOW ANALYSIS (DECEMBER YEAR END)**

	Audited 2010	% Change	Audited 2011	% Change	Audited 2012	Projected 2013	Projected 2014	Projected 2015	Projected 2016	Projected 2017
Operating Revenues										
Water Sales	42,118,806	2%	42,826,733	10%	47,243,674	49,133,421	51,098,758	53,142,708	55,268,416	57,479,153
Forfeited Discounts	765,655	-3%	740,506	13%	837,746	871,256	906,106	942,350	980,044	1,019,246
Rents From Property	525,784	1%	533,666	5%	562,966	585,485	608,904	633,260	658,590	684,934
Other Water Revenue	328,515	13%	370,150	-1%	365,295	379,907	395,103	410,907	427,343	444,437
Total Revenues	43,738,760	2%	44,471,055	10%	49,009,681	50,970,069	53,008,871	55,129,225	57,334,393	59,627,770
Operating Expenses										
Operating Expenses	23,751,578	-3%	23,003,045	6%	24,384,581	25,116,118	25,869,602	26,645,690	27,445,061	28,268,413
Depreciation	8,688,797	9%	9,498,005	5%	10,010,201	10,510,201	11,010,201	11,510,201	12,010,201	12,510,201
Replacement Reserve										
Total Expenses	32,440,375	0%	32,501,050	6%	34,394,782	35,626,319	36,879,803	38,155,891	39,455,262	40,778,614
Net Operating Income	11,298,385	6%	11,970,005	22%	14,614,899	15,343,750	16,129,068	16,973,334	17,879,131	18,849,156
Non-Operating Income and Expenses										
Investment Income	955,195	-15%	811,145	3%	831,929	800,000	800,000	800,000	800,000	800,000
Miscellaneous Non-Operating Income	(144,026)		(239,673)		(384,846)	(300,000)	(300,000)	(300,000)	(300,000)	(300,000)
Capital Contributions	1,068,804		2,861,766		3,079,510	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000
Total Non-Operating Income & Expenses	1,879,973	83%	3,433,238	3%	3,526,593	3,500,000	3,500,000	3,500,000	3,500,000	3,500,000
Add Non-Cash Expenses										
Depreciation	8,688,797	9%	9,498,005	5%	10,010,201	10,510,201	11,010,201	11,510,201	12,010,201	12,510,201
Cash Available for Debt Service	21,867,155	14%	24,901,248	13%	28,151,693	29,353,951	30,639,269	31,983,535	33,389,332	34,859,357
Debt Service										
Existing Principal	6,956,737		7,740,824		8,852,563	9,007,548	10,310,164	11,471,521	11,898,987	12,347,587
Existing Interest	7,601,273		7,245,334		8,224,085	9,105,693	9,791,514	9,405,896	9,001,166	8,561,078
Proposed KIA Loan	0		0		0	0	0	123,951	247,902	247,902
Total Debt Service	14,558,010		14,986,158		17,076,648	18,113,241	20,101,678	21,001,368	21,148,055	21,156,567
Income After Debt Service	7,309,145		9,915,090		11,075,045	11,240,710	10,537,591	10,982,167	12,241,277	13,702,790
Debt Coverage Ratio	1.5		1.7		1.6	1.6	1.5	1.5	1.6	1.6

NORTHERN KENTUCKY WATER DISTRICT

Fort Thomas Treatment Plant 36" Raw Water Main Project

Campbell County, Kentucky

Project 184-470

PSC ANNUAL REPORT - 2013

CLASS A & B

WATER DISTRICTS AND ASSOCIATIONS

ANNUAL REPORT

OF

Northern Kentucky Water District

2835 Crescent Springs Road, Erlanger, Kentucky 41018

TO THE

PUBLIC SERVICE COMMISSION

OF THE

COMMONWEALTH OF KENTUCKY

**211 SOWER BOULEVARD
P. O. BOX 615
FRANKFORT, KENTUCKY 40602**

FOR THE CALENDAR YEAR ENDED DECEMBER 31, 2013

**KENTUCKY PUBLIC SERVICE COMMISSION
REPORT OF GROSS OPERATING REVENUES DERIVED FROM INTRA-KENTUCKY
BUSINESS FOR THE YEAR ENDING DECEMBER 31, 2013**

NORTHERN KENTUCKY WATER DISTRICT
(Utility Reporting)

Post Office Box 18640
2835 Crescent Springs Rd - Erlanger, Ky 41018-0640
(Address)

FEIN # (Federal Employer Identification Number)




(DO NOT INCLUDE TAXES COLLECTED)

(1)	Gross Revenues of Electric Utility	\$ _____
(2)	Gross Revenues of Gas Utility	\$ _____
(3)	Gross Revenues of Water Utility	\$ <u>46,919,118</u>
(4)	Gross Revenues of Sewer Utility	\$ _____
(5)	Other Operating Revenues	\$ <u>1,678,912</u>
	*** TOTAL GROSS REVENUES.....	\$ <u>48,598,030</u>

OATH

State of Kentucky.....)
) ss.
County Campbell

Jack Bragg, Jr. CPA being duly sworn, states being duly sworn, states that he/she is
Vice-President/CFO of the Northern Kentucky Water District that the above report of gross
revenues is exact accordance with Northern Kentucky Water District , and that such
books accurately show the gross revenues of: Northern Kentucky Water District, derived from
Intra-Kentucky business for the calendar year ending December 31, 2013


 _____ VP/CFO
 (Officer)

This the _____th day of March, 2014



Notary Public

State at Large
County

5-23-2016
Commission Expires

ADDITIONAL REQUESTED INFORMATION

Utility Name Norther Kentucky Water District

Contact Person Jack Bragg, Jr, CPA

Contact Person'ss E-Mail Address jbragg@nkywater.org

Utility's Web Address www.nkywater.org

PLEASE COMPLETE THE ABOVE INFORMATION, IF IT IS AVAILABLE.

IF THERE ARE MULTIPLE STAFF WHO MAY BE CONTRACTS PLEASE INCLUDE THEIR NAMES AND E-MAIL ADDRESS ALSO.

PUBLIC SERVICE COMMISSION OF KENTUCKY
PRINCIPAL PAYMENT AND INTEREST INFORMATION
FOR THE YEAR ENDING DECEMBER 31, 2013

1. Amount of Principal Payment during calender year \$ 8,768,840
2. Is Principal Current? Yes X No _____
3. Is Interest Current ? Yes X No _____
4. Has all long-term debt been approved by the Public Service Commission?
Yes X No _____ PSC Case No _____

SERVICES PERFORMED BY

INDEPENDENT CERTIFIED PUBLIC ACCOUNTANT ("CPA")

Are your financial statement examined by a Certified Public Accountant?

Yes X No _____

If yes, which service is performed?

Audit X

Compilation _____

Review _____

Please enclose a copy of the accountant's report with the annual report

Additional Information Required by Commission Orders

Provide any special information required by prior Commission orders, as well as any narrative explanations necessary to fully explain the data. Examples of the types of special information that may be required by Commission orders include surcharge amounts, collected, refunds issued, and unusual debt requirements.

Case #	Date of Order	Item/Explanation	
96-234	8/26/1996	Merger of Campbell Co. Ky. Water District and Kenton Co. Water District No.1. Effective date of Merger 1/1/1997	
97-3	9/21/1997	Defeasance of the former Campbell Co. Ky. Water District Bonds Principal of the issue	\$9,630,000
92-482	3/14/1992	SubDistrict A a. Number of Customers as of 12-31-2013 b. Total Surcharge billed during 2013 c. Accumulated surcharge billed. d. Remaining Debt Service on debt which NKWD Issued to Finance Facilities	613 \$60,945 \$1,500,743 \$255,599
94-409	1/26/1995	SubDistrict B a. Number of Customers as of 12-31-2013 b. Total Surcharge billed during 2013 c. Accumulated surcharge billed. d. Remaining Debt Service on debt which NKWD Issued to Finance Facilities	293 \$59,540 \$1,024,668 \$1,131,297
95-582	2/8/1996	SubDistrict R a. Number of Customers as of 12-31-2013 b. Total Surcharge billed during 2013 c. Accumulated surcharge billed. d. Remaining Debt Service on debt which NKWD Issued to Finance Facilities	222 \$53,230 \$918,177 \$535,503
95-582	2/8/1996	SubDistrict RL a. Number of Customers as of 12-31-2013 b. Total Surcharge billed during 2013 c. Accumulated surcharge billed. d. Remaining Debt Service on debt which NKWD Issued to Finance Facilities	89 \$38,257 \$698,201 \$357,510
97-468	9/4/1998	Per Item 7 on the order. See attached exhibit ML 1	
2000-329	7/21/2000	SubDistrict C a. Number of Customers as of 12-31-2013 b. Total Surcharge billed during 2013 c. Accumulated surcharge billed. d. Remaining Debt Service on debt which NKWD Issued to Finance Facilities	1029 \$219,877 \$2,252,674 \$4,548,055
2000-171	5/5/2000	SubDistrict D a. Number of Customers as of 12-31-2013 b. Total Surcharge billed during 2013 c. Accumulated surcharge billed. d. Remaining Debt Service on debt which NKWD Issued to Finance Facilities e. Bond issued 2001, Payback \$1,529,229.74 (25years), rate variable	155 \$55,837 \$556,094 \$997,395
2001-198	6/27/2001	Defeasance of the former Kenton County Water District No.1 Bonds - Principle Issue	\$45,448,000
2002-00363	10/1/2002	Defeasance of the former Kenton County Water District No.1 Bonds	\$10,575,000
2002-00468	3/1/2003	Defeasance of 1995C Bonds with Issuance of 2003A Bonds	\$1,615,000
2002-00105	4/30/2003	Water Rate Increase	

Additional Information Required by Commission Orders - Continued

2002-00105	6/1/2003	Issue of 2003 B Bonds	\$30,270,000
2003-00167	7/18/2003	SubDistrict E a. Number of Customers as of 12-31-2013 b. Total Surcharge billed during 2013 c. Accumulated surcharge billed. d. Remaining Debt Service on debt which NKWD Issued to Finance Facilities e. Bond issued 2004, payback \$1,859,684.55 (25years), rate variable	189 \$67,756.00 \$564,683.06 \$1,299,660.85
2003-00191	7/18/2003	SubDistrict RF a. Number of Customers as of 12-31-2013 b. Total Surcharge billed during 2013 c. Accumulated surcharge billed. d. Remaining Debt Service on debt which NKWD Issued to Finance Facilities	30 \$8,665 \$87,412 \$135,077
2003-00224	6/14/2004	Issue of 2004A Bonds	\$10,455,000
2003-00224	6/14/2004	SubDistrict K a. Number of Customers as of 12-31-2013 b. Total Surcharge billed during 2013 c. Accumulated surcharge billed. d. Remaining Debt Service on debt which NKWD Issued to Finance Facilities e. Bond issued 2004, payback \$208,824.68, (25years), rate variable	70 \$8,955 \$70,892 \$125,563
2003-00404	12/2/2003	Defeasance of 1993, 1195A and 1995B Bonds with Issuance of 2003C Bonds	\$23,790,000
2005-00148	4/28/2006	Water Rate Increase & Bond Issuance	\$29,000,000
2006-00315	12/26/2007	SubDistrict F a. Number of Customers as of 12-31-2013 b. Total Surcharge billed during 2013 c. Accumulated surcharge billed. d. Remaining Debt Service on debt which NKWD Issued to Finance Facilities e. Bond issued 2007, payback \$415,102.00 (25years), rate variable	56 \$18,312 \$74,212 \$349,000
2007-00131	6/27/2007	SubDistrict G a. Number of Customers as of 12-31-2013 b. Total Surcharge billed during 2013 c. Accumulated surcharge billed. d. Remaining Debt Service on debt which NKWD Issued to Finance Facilities e. Bond issued 2007, payback \$1,042,078.00 (25years), rate variable	124 \$43,238 \$175,921 \$884,133
2007-00135	12/21/2007	Water Rate Increase & Bond Issuance	\$30,075,125
2010-00434	12/20/2010	SubDistrict H a. Number of Customers as of 12-31-2013 b. Total Surcharge billed during 2013 c. Accumulated surcharge billed. d. Remaining Debt Service on debt which NKWD Issued to Finance Facilities e. Bond issued 2013, payback \$1,445,486.29 (25years), rate variable	57 \$20,363 \$38,724 \$1,414,764
2010-00049	1/7/2011	Water Rate Increase & Bond Issuance	\$30,830,000
2012-00113	4/24/2012	Water Rate Increase & Bond Issuance	\$54,840,000
2012-00583	3/12/2013	SubDistrict I a. Number of Customers as of 12-31-2013 b. Total Surcharge billed during 2013 c. Accumulated surcharge billed. d. Remaining Debt Service on debt which NKWD Issued to Finance Facilities e. Bond issued 2013A, payback \$277,643.20 (25years), rate variable	7 \$459 \$459 \$277,643

Additional Information Required by Commission Orders - Continued

2012-00072	12/20/2012	Water Rate Increase & Bond Issuance	\$26,400,000
2013-00202	12/25/2013	Defeasance of 2002B, 2003A and 2003B Bonds with Issuance of Bond 2013B	\$24,120,000

SubDistrict Annual Report Info**2013**

		Reporting	Funding	Cost
Subdistrict	Case #	Year		
E	2003-00167	2012	Bond 2004	\$1,859,684.55
RF	2003-00191	2012	Bond 2004	\$213,917.66
K	2003-00224	2012	Bond 2004	\$208,824.68
G	2007-00131	2012	Bond 2007	\$1,042,078.00
G (Additional)	2010-00473	2012		
F	2006-00315	2012	Bond 2007	\$415,102.00
F (Siry & Flatwoods)	2009-00262	2012		
H	2010-00434	2013	Bond 2013A	\$1,445,486.29
I	2012-00583	2013	Bond 2013A	\$277,643.20

Sub-Districts Integrated in NKWD Overall System

The subdistrict customers are benefiting from extensions of water mains that otherwise would not have been feasible due to the limited number of customers in the affected areas, and excessive costs to make the extensions. These customers also benefited from grants or low interest loans available to areas containing a high percentage of low to moderate income families.

The surcharge paid by these customers merely reflects the cost of providing service to them. If the extensions to these customers had been made according to the District's "50 foot policy", the customers would have had to make substantial lump sum payments prior to construction. Most could not afford to do so. The surcharge, in effect, provides an installment payment plan for these customers, which allows the payment of that initial cost over a period of years. Since the surcharge is recalculated each year to reflect additional customers and reduction in debt costs, the financial impact is minimized. Also, since many of these customers are served by well or cisterns, the \$30.00 per month surcharge is generally less than the cost of water deliveries per month.

The use of the surcharge allows extension of water to areas that the District would not serve due to excessive costs. By imposing the surcharge, more residents are provided access to potable water, which improves public health and safety and reduces the overall cost of water. Most of the residents served in the subdistrict have cisterns or haul water. The cost of water hauling is far greater than the cost being paid to the District for water.

Additionally, the surcharge reflects the Commission's policy of placing the cost of new customers on those customers similar to a system development charge.

The general rate customers benefit from the revenue generated by the Subdistrict customers, and from the lower debt costs that are a result of grants and government subsidized loans. There is no ratemaking or policy reason to change a system that has been in place since 1991, and which has allowed water to be provided to hundreds of residents that did not have access to potable water.

The cost of making the extensions normally associated with the subdistrict would generally be too expensive for the District to consider. Providing extensions to the customers at no cost would place an expectation of service for no cost for the remaining approximately 1,800 unserved households that cannot be financially afforded by the District, and would not be fair to the existing almost 80,000 District customers that bore the cost of the main that serves them through surcharges, assessments, 50 foot contributions, city assessments or through the cost of their home. The cost would be an unfair burden on the general ratepayers and would not reflect an economical use of the revenue from rates. By imposing the cost of the extension on the customers that most directly benefit, and who would otherwise not qualify for a District initiated extension, more customers are served. Customers that otherwise would not receive service get service, and general rate payers avoid excessive costs.

The surcharge reflects the Commission's policy of placing the cost of new customers on those customers similar to a system development charge. The general rate customers benefit from the revenue generated by the subdistrict customers and from the lower debt cost that results from grants and government subsidized loans. Additionally, it would be unfair to general customers, and particularly to other subdistrict customers, to

have the debt associated with what would otherwise be new subdistricts paid by existing subdistrict customers.

The purpose of the subdistrict is to aggregate sufficient customers to make the extension of facilities to the residents of the affected areas feasible. There are limited areas in Northern's service area that are unserved. Those areas are widely separated and sparsely populated. Kenton County unserved areas are very similar in nature. By combining areas into subdistricts, the District is able to provide water service to combined high density areas which helps spread the cost among sufficient customers to make the project financially feasible for the District and affordable to the residents. The alternative is the creation of multiple subdistricts, which will increase the cost of each project, minimize the economies of scale, and add an additional administrative expense in forming, tracking and accounting for each.

The purpose of any subdistrict is to provide service to areas that otherwise could not be served due to various factors such as location in relation to existing facilities, excessive cost, or low customer density. In evaluating the viability of the extension of service, the District reviews need for the service, demand from the affected area, cost, funding sources, and benefit to the system as a whole. If there is sufficient public demand, and financing can be obtained within the limits of the estimated cost of the project, usually including state or federal loans and grants, the project is subject to approval. However, as part of the final determination of the feasibility of the project, the District reviews the overall hydraulic functioning of the area adjacent to the proposed subdistrict to determine if there are any additional system benefits that could be achieved from extending the facilities. For example, if the existing primary main serving the nearby area is undersized for future growth as shown in the District's Master Hydraulic Plan, it may be economically sound to upgrade that main as part of the subdistrict project to avoid a higher cost in the future to make that same upgrade.

As has been the District's practice in these types of extensions, a 12 inch main is generally installed, rather than an 8 inch, to provide for increased demand and to allow for such services as fire protection. The District contributes the cost differential from the 8 to 12 inch mains because the benefit of the larger mains enhances the system rather than just service to the subdistrict. This allows the District to use the subdistricts to strengthen and improve the local transmission and distributions system to meet population growth and commercial development needs. Based on the benefits of the subdistricts, no adjustment to the subdistrict or surcharge mechanism is necessary.

MAJOR WATER PROJECTS

Instructions: Provide details about each major water project which is planned but has not yet been submitted for approval to the Public Service Commission. For the limited purposed of this report a "Major Project" is defined as one which is not in the ordinary course of business, and which will increase your current utility plant by at least 20%

Brief Project Description (improvement, replacement, building construction, expansion. If expansion, provide the estimated number of new customers):

N/A

Projected Costs and Funding Sources/Amounts:

Approval Status: (Application for financial assistance filed, but not approved; or application approved, but have not advertised for construction bids)

Location: (counmmunity, area or nearby roads)

TABLE OF CONTENTS

FINANCIAL SECTION	Page
Identification	4-6
Comparative Balance Sheet - Assets And Other Debits	7-8
Comparative Balance Sheet - Equity Capital & Liabilities	9
Comparative Operating Statement	10-11
Statement of Retained Earnings	12
Utility Plant	13
Accumulated Depreciation	13
Water Utility Plant Accounts	14
Analysis of Accumulated Depreciation by Primary Account	15
Accumulated Amortization	16
Utility Plant Acquisition Adjustments	16
Investments and Special Funds	17
Accounts and Notes Receivable - Net	18
Materials and Supplies	19
Prepayments	19
Miscellaneous Deferred Debits	20
Unamortized Debt Discount and Expense and Premium On Debt	20
Extraordinary Property Losses	21
Advances For Construction	21
Long Term Debt	22
Bonds and Maturities	23
Notes Payable	24
Accounts Payable To Associated Co.	24
Accrued Taxes	25
Accrued Interest	25
Misc. Current & Accrued Liabilities	26
Regulatory Commission Expense	26
 <u>WATER OPERATING SECTION</u>	
Water Operating Revenue	27
Water Utility Expense Accounts	28
Pumping & Purchased Water Statistics	29

HISTORY

1. Exact name of utility making this report. (Use the words: "The, Company, Incorporated or Incorporated" only when a part of the corporate name.)

Northern Kentucky Water District

2. Give the location, street and number, and TELEPHONE NUMBER of the principal office in Kentucky.

**2835 Crescent Springs Road
Erlanger, Kentucky 41018-0640
859-578-9898**

3. Give name, title, address and TELEPHONE NUMBER of the officer to whom correspondence concerning this report should be addressed.

**Jack Bragg, CPA, CMA
2835 Crescent Springs Road
Erlanger, Kentucky 41018**

4. Date of organization:

January 1, 1997

5. If a consolidated or merged entity, name all the previously separate entities.

**Kenton County Water District
Campbell County Water District**

6. Date of each consolidation and each merger

January 1, 1997

7. State whether the respondent is a water district or association.

Water District under Chapter 74 – KRS

8. Name all operating departments other than water.

None

9. Name of counties in which you furnish water service.

Kenton, Campbell, & Boone

10. Give the number of employees:

Full Time: 139

Part Time: 15

Report of:

Northern Kentucky Water District

For Year Ended:

12/31/2013

Location where books and records are located:

2835 Crescent Springs Road, Erlanger, Ky 41018

Contacts:

Name	Title	Principal Business Address	Salary Charged Utility	Current Term Expires
Send correspondence to: Jack Bragg	VP of Finance	2835 Crescent Springs Road P.O. Box 41018-0640 Erlanger, Kentucky 41018	XXXXXXXXXX	XXXXXX
Report prepared by: Jack Bragg	VP of Finance	Same as above	XXXXXXXXXX	XXXXXX
Officers and Managers				
Doug Wagner	Commissioner	Same as above	6,000.00	8/26/2017
Dr. Pat Sommerkamp	Chair	Same as above	6,000.00	8/28/2017
Fred Macke	Secretary	Same as above	6,000.00	8/26/2016
Clyde Cunningham	Treasurer	Same as above	6,000.00	8/28/2015
David Spaulding	Vice-Chair	Same as above	6,000.00	8/28/2015
Drew Collins	Commissioner	Same as above	6,000.00	7/31/2016
C. Ronald Lovan	President/CEO	Same as above	XXXXXXXXXX	XXXXXX

COMPARATIVE BALANCE SHEET - ASSETS AND OTHER DEBITS

Account No. (a)	2013 Account Name (b)	Ref. Page (c)	Previous Year (d)	Current Year (e)
UTILITY PLANT				
101-106	Utility Plant	13	\$ 426,832,621	\$ 437,503,914
108-110	Less: Accumulated Depreciation and Amortization	13,15-16	(98,796,447)	(108,274,109)
	Net Plant		\$ 328,036,174	\$ 329,229,805
114-115	Utility Plant Acquisition Adjustments (Net)	16	2,860,751	2,659,631
116	Other Utility Plant Adjustments		-	-
	Total Net Utility Plant		\$ 330,896,925	\$ 331,889,436
OTHER PROPERTY & INVESTMENTS				
121	Nonutility Property		\$ -	\$ -
122	Less: Accumulated Depreciation and Amortization		-	-
	Net Nonutility Property		\$ -	\$ -
123	Investment in Asso. Companies	17	-	-
124	Utility Investments	17	41,604,515	45,980,522
125	Other Investments	17	743,593	307,729
126-127	Special Funds	17	-	-
	Total Other Property & Investments		\$ 42,348,108	\$ 46,288,251
CURRENT AND ACCRUED ASSETS				
131	Cash		\$ 18,846,682	\$ 21,351,218
132	Special Deposits		-	-
133	Other Special Deposits		14,761,474	8,728,696
134	Working Funds		-	-
135	Temporary Cash Investments		-	-
141-144	Accounts Receivable, Less Accumulated Provision for Uncollectible Accounts	18	5,459,513	5,303,505
145	Accounts Receivable from Associated Companies		-	-
146	Notes Receivable from Associated Companies		-	-
151-153	Materials & Supplies	19	1,241,517	1,537,704
161	Stores Expense		-	-
162	Prepayments	19	231,973	382,334
171	Accrued Interest & Dividends Receivable		-	-
172	Rents Receivable		-	-
173	Accrued Utility Revenues		5,500,000	5,700,000
174	Misc. Current & Accrued Assets		-	-
	Total Current & Accrued Assets		\$ 46,041,159	\$ 43,003,457

COMPARATIVE BALANCE SHEET - ASSETS AND OTHER DEBITS (CONT'D)

Account No. (a)	2013 Account Name (b)	Ref. Page c	Previous Year (d)	Current Year (e)
	DEFERRED DEBITS			
181	Unamortized Debt Discount & Expense	20	\$ 1,699,119	\$ 1,427,969
182	Extraordinary Property losses	21	-	-
183	Preliminary Survey & Investagation Charges		-	-
184	Clearing Accounts		-	-
185	Temporary Facilities		-	-
186	Misc. Deferred Debits	20	(4,070,585)	(5,810,722)
187	Research & Development Expenditures		-	-
	Total Deferred Debits		\$ (2,371,466)	\$ (4,382,753)
	TOTAL ASSETS AND OTHER DEBITS		\$ 416,914,727	\$ 416,798,391

COMPARATIVE BALANCE SHEET - EQUITY CAPITAL AND LIABILITIES

Account No. (a)	2013 Account Name (b)	Ref. Page c	Previous Year (d)	Current Year (e)
Equity Capital				
214	Appropriated Retained Earnings	12	\$ 43,107,779	\$ 39,958,046
215.1	Retained Earnings from Income Before Contributions	12	\$ 50,195,217	\$ 59,981,643
215.2	Donated Capital	12	\$ 68,131,819	\$ 70,551,327
	Total Equity Capital		\$ 161,434,815	\$ 170,491,016
LONG-TERM DEBT				
221	Bonds	23	\$ 185,902,000	\$ 202,811,000
222	Reacquired Bonds		-	-
223	Advances from Asso. Companies		-	-
224	Other Long-Term Debt	22	36,668,857	35,596,375
	Total Long-Term Debt		\$ 222,570,857	\$ 238,407,375
CURRENT & ACCRUED LIABILITIES				
231	Accounts Payable		\$ 1,483,924	\$ 1,623,924
232	Notes Payable	24	25,715,000	100,000
233	Acts. Payable to Asso. Co.	24	-	-
234	Notes Payable to Asso. Co.	24	-	-
235	Customer Deposits		10,054	2,250
236	Accrued Taxes	25	-	-
237	Accrued Interest	25	3,703,241	3,814,960
239	Matured Long-Term Debt		-	-
240	Matured Interest		-	-
241	Tax Collections Payable		-	-
242	Misc. Current & Accrued Liabilities	26	(7,014,352)	(9,009,055)
	Total Current & Accrued Liabilities		\$ 23,897,867	\$ (3,467,921)
DEFERRED CREDITS				
251	Unamortized Premium on Debt	20	\$ 9,011,188	\$ 11,367,921
252	Advances for Construction	21	-	-
253	Other Deferred Credits		-	-
	Total Deferred Credits		9,011,188	11,367,921
OPERATING RESERVES				
Accumulated Provision for:				
261	Property Insurance		\$ -	\$ -
262	Injuries & Damages		-	-
263	Pensions & Benefits		-	-
265	Miscellaneous Operating Reserves		-	-
	Total Operating Reserves		\$ -	\$ -
TOTAL EQUITY CAPITAL & LIABILITIES			\$ 416,914,727	\$ 416,798,391

COMPARATIVE OPERATING STATEMENT

Acct. No. (a)	2013 Account Name (b)	Ref. Page c	Previous Year (d)	Current Year (e)
	Utility Operating Income			
	Operating Revenues	27	\$ 49,009,681	\$ 48,598,030
401	Operating Expenses	28	\$ 23,819,883	22,674,315
403	Depreciation Expenses		9,809,081	10,900,506
406	Amortization of Utility Plant			
	Acquisition Adjustment		201,120	201,120
407	Amortization Expense		348,946	310,476
408.1	Taxes Other Than Income	25	564,698	552,997
	Utility Operating Expenses		\$ 34,743,728	\$ 34,639,414
	Utility Operating Income		\$ 14,265,953	13,958,616
413	Income From Utility Plant Leased to Others		-	-
414	Gains (Losses) From Disposition of Utility Property		8,459	(1,054)
	Total Utility Operating Income		\$ 14,274,412	\$ 13,957,562
	Other Income and Deductions			
415	Revenues From Merchandising, Jobbing and Contract Deductions		\$ -	\$ -
416	Costs and Expenses of Merchandising, Jobbing and Contract Work		-	-
419	Interest & Dividend Income		831,929	807,778
420	Allowance for Funds Used During Construction		-	-
421	Nonutility Income (Expense)		(384,846)	(256,650)
426	Miscellaneous Nonutility Expense		-	-
	Total Other Income & Deductions		\$ 447,083	551,128
	TAXES APPLICABLE TO OTHER INCOME			
408.2	Taxes Other Than Income		\$ -	\$ -
	Total Taxes Applic. To Other Income		\$ -	\$ -

COMPARATIVE OPERATING STATEMENT - Continued

Account No. (a)	2013 Account Name (b)	Ref. Page (c)	Previous Year (d)	Current Year (e)
INTEREST EXPENSE				
427	Interest Expense		\$ 7,933,311	\$ 8,414,274
428	Amortization of Debt Discount & Exp.		(165,654)	(542,277)
429	Amortization of Premium on Debt		-	-
	Total Interest Expense		\$ 7,767,657	\$ 7,871,997
EXTRAORDINARY ITEMS				
433	Extraordinary Income		\$ -	\$ -
434	Extraordinary Deductions		-	-
	Total Extraordinary Items		\$ -	\$ -
	NET INCOME		\$ 6,953,838	\$ 6,636,693

Statement of Retained Earnings

ACCT. No. (a)	2013 (b)	Amount (c)
214	Appropriated Retained Earnings (state balance and purpose of each appropriated amount at year end):	
	Bond Proceeds	\$ 8,728,696
	Debt Service and Reserve	\$ 18,403,286
	Improvement, Repair and Replacement	\$ 12,826,064
	Total Appropriated Retained Earnings.....	\$ 39,958,046

215.1	Retained Earnings From Income Before Contributions:	
	Balance Beginning of Year.....	\$ 50,195,217
435	Balance Transferred from Net Income Before Contributions.....	\$ 6,636,693
	Other Changes to Account:	
436	Appropriations of Retained Earnings.....	\$ 3,149,733
439	Adjustments to Retained Earnings (requires Commission approval prior to use):	
	Credits (explain) _____	\$ -
	Debits (explain) _____	\$ -
	Balance End of Year.....	\$ 59,981,643

215.2	Donated Capital:				
		Tapping Fees			
		Grants			
		Other			
		Total			
	Balance Beginning of Year.....	9,103,642	27,788,813	31,239,364	68,131,819
	Credits:				
432	Proceeds from capital contributions.....	382,181	2,037,327	-	2,419,508
	Other Credits (explain)	-	-	-	-
	Debits: (explain - Requires Commission Approval)	-	-	-	-
	Balance End of Year.....	9,485,823	29,826,140	31,239,364	70,551,327

NET UTILITY PLANT (ACCTS. 101 - 106)

Account No.	Plant Accounts	Total
101	Utility Plant in Service	\$ 423,062,436
102	Utility Plant Leased to Others	
103	Property Held for Future Use	
104	Utility Plant Purchased of Sold	
105	Construction Work in Progress	14,441,478
106	Completed Construction Not Classified	
	Total Utility Plant	\$ 437,503,914

ACCUMULATED DEPRECIATION (ACCT. 108)

Description	Total
Balance first of year	\$ 98,796,447
Credit during year:	
Accruals Charged to Account 108.1	10,900,506
Accruals Charged to Account 108.2	
Accruals Charged to Account 108.3	
Accruals Charged to Other Accounts (specify)	

Salvage	
Other Credits (specify)	

Total Credits	\$ 10,900,506
Debits during year:	
Book Cost of Plant Retired	\$ 1,422,844
Cost of Removal	
Other Debits (specify)	

Total Debits	\$ 1,422,844
Balance end of year	\$ 108,274,109

WATER UTILITY PLANT ACCOUNTS

Acct No. (a)	2013 Account Name (b)	End of Previous Year (c)	Additions (d)	Retirement (e)	End of Current Year (f)	.1	.2	.3	.4	.5
						Intangible Plant Intan- (g)	SOS & Pumping Plant (h)	Water Treatment Plant (i)	Trans & Distrib Plant (j)	General Plant (k)
301	Organization						XXXXXXX	XXXXXXX	XXXXXXX	XXXXXXX
302	Franchises						XXXXXXX	XXXXXXX	XXXXXXX	XXXXXXX
303	Land & Land Rights	\$3,291,127			\$3,291,127	XXXXXXX	\$29,200	\$368,719	\$293,659	\$2,599,548
304	Structures & Improvements	\$84,991,863	\$31,296,008		\$116,287,871	XXXXXXX	\$17,237,012	\$81,068,536	\$12,421,758	\$5,560,565
305	Collecting & Impounding Reservoirs					XXXXXXX				
306	Lake, River & Other Intakes	\$1,463,171			\$1,463,171	XXXXXXX	\$1,463,171			
307	Wells and Springs					XXXXXXX				
308	Infiltration Galleries & Tunnels									
309	Supply Mains	\$2,865,693			\$2,865,693	XXXXXXX	\$2,865,693			
310	Power Generation Equipment	\$3,491,522			\$3,491,522	XXXXXXX	\$1,847,854	\$1,643,668		
311	Pumping Equipment	\$11,289,153	\$65,866		\$11,355,019	XXXXXXX	\$4,163,499	\$1,098,417	\$6,093,103	
320	Water Treatment Equipment	\$29,609,250	\$254,018	\$2,130	\$29,861,138	XXXXXXX		\$29,861,138		
330	Distribution Reservoirs & Standpipes	\$9,567,870			\$9,567,870	XXXXXXX		\$9,567,870		
331	Transmission & Distribution Mains	\$167,145,413	\$7,586,811	\$967,363	\$173,764,861	XXXXXXX			\$173,764,861	
333	Services	\$25,747,191	\$1,471,809	\$398,650	\$26,820,350	XXXXXXX				\$26,820,350
334	Meters & Meter Installations	\$17,157,630	\$473,440	\$230,288	\$17,400,782	XXXXXXX				\$17,400,782
335	Hydrants	\$7,919,662	\$481,563	\$58,500	\$8,342,725	XXXXXXX				\$8,342,725
336	Backflow Prevention Devices					XXXXXXX				
339	Other Plant & Misc. Equipment	\$3,429,790	\$52,699	\$2,382	\$3,480,107					\$3,480,107
340	Office Furniture & Equipment	\$3,512,563	\$98,738	\$62,541	\$3,548,761	XXXXXXX				\$3,548,761
341	Transportation Equipment	\$2,944,544	\$127,083	\$221,275	\$2,850,353	XXXXXXX				\$2,850,353
342	Stores Equipment	\$262,580		\$5,316	\$257,264	XXXXXXX				\$257,264
343	Tools, Shop, & Garage Equipment	\$316,446	\$20,716	\$530	\$336,632	XXXXXXX				\$336,632
344	Laboratory Equipment	\$194,979	\$56,672		\$251,651	XXXXXXX				\$251,651
345	Power Operated Equipment	\$1,061,890	\$24,300	\$53,119	\$1,033,071	XXXXXXX				\$1,033,071
346	Communication Equipment	\$6,216,535		\$986	\$6,215,549	XXXXXXX				\$6,215,549
347	Miscellaneous Equipment	\$576,919			\$576,919	XXXXXXX				\$576,919
348	Other Tangible Plant					XXXXXXX				
	Total Water Plant	\$383,055,791	\$42,009,724	\$2,003,079	\$423,062,436	0	\$27,606,429	\$123,608,349	\$192,573,381	\$79,274,278

Analysis of Accumulated Depreciation and Amortization by Primary Account

Acct. No. (a)	2013 Account (b)	Balance Beginning of Year c	Credits During the Year				Balance End of Year (h)
			Charges to Dep. Exp. (d)	Other Credits (e)	Plant Retirements (f)	Other Charges (g)	
301	Organization	\$	\$	\$	\$	\$	\$
302	Franchises						
303	Limited Term Interest in Land and Land Rights						
304	Structures & Improvements	28,562,468	3,358,646				31,921,114
305	Collecting & Impounding Reservoirs						
306	Lake River & Other Intakes	949,702	25,689				975,391
307	Wells & Srpings						
309	Supply Mains	705,474	58,466				763,940
310	Power Generating Equip.	406,586	139,661				546,247
311	Pumping Equipment	7,127,500	514,292				7,641,792
320	Water Treatment Equip.	6,109,945	980,089		2,130		7,087,904
330	Distribution Reservoirs & Standpipes	4,446,058	304,582				4,750,640
331	Transmissions & Distribution Mains	24,195,889	2,990,387		628,786		26,557,490
333	Services	9,450,447	668,314		259,123		9,859,638
334	Meters & Meter Installations	3,879,810	755,617		149,687		4,485,740
335	Hydrants	1,943,649	210,389		38,025		2,116,013
339	Other Plant & Misc. Equip.	3,344,390	26,873		2,382		3,368,881
340	Office Furniture & Equip.	2,531,395	247,679		62,225		2,716,849
341	Transportation Equipment	2,541,300	160,009		221,275		2,480,034
342	Service Equipment						
343	Tools, Shop & Garage Equip.	452,726	38,181		5,846		485,061
344	Shop Equipment	121,679	24,303				145,982
345	Power Operated Equip.	759,220	73,844		53,119		779,945
346	Telecommunications Equipment	693,190	323,047		246		1,015,991
347	SCADA						
348	Other Tangible Plant	575,019	438		-		575,457
	Totals	\$ 98,796,447	\$ 10,900,506	\$ -	\$ 1,422,844	\$ -	\$ 108,274,109

ACCUMULATED AMORTIZATION (ACCT. 110)

Description	Total
Balance first of year.....	\$ N/A
Credit during year:	
Accruals Charged to Account 110.1...	\$ -
Accruals Charged to Account 110.2...	-
Other Accruals (specify)	-
	-
Total Credits.....	\$ -
Debits during year:	
Book Cost of Plant Retired.....	\$ -
Other Debits (specify)	-
	-
	-
Total Debits.....	\$ -
Balance end of year.....	\$ -

UTILITY PLANT ACQUISITION ADJUSTMENT (ACCTS. 114 - 115)

Report each acquisition adjustment and related accumulated amortization separately.
For any acquisition adjustment approved by the Commission, include the Order Number.

2013 ACCOUNT NAME	TOTAL
Acquisition Adjustments (114)	
Original District 9-14-55	\$ 263,366
District # 2 & 3 12-31-73	18,712
Mentor District 9-1-76	10,741
City of Cold Spring	228,253
City of Silver Grove	24,853
Newport Water Works	4,970,211
Total Plant Acquisition Adjustments.....	\$ 5,516,136
Accumulated Amortization (115)	
Original District 9-14-55	\$ 263,366
District # 2 & 3 12-31-73	18,712
Mentor District 9-1-76	10,741
City of Cold Spring	228,253
City of Silver Grove	24,853
Newport Water Works	2,310,580
Total Accumulated Amortization.....	\$ 2,856,505
Net Acquisition Adjustments.....	\$ 2,659,631

Investments and Special Funds (Acct. 123-127)

Report hereunder all investments and special funds carried in Account 123-127.

Description of Security or Special Fund (a)	Face or Par Value (b)	Year-End Book Cost c
Investment In Associated Companies (Acct. 123): <hr/> <hr/> <hr/> <hr/> <p align="center">Total Investment in Asso. Companies</p>	\$ _____ _____ _____ _____	\$ _____ - - - - \$ _____
Utility Investments (Acct. 124): IRR Account Debt Service Account Debt Service Reserve Account Total Utility Investments	\$ _____ _____ _____ _____	\$ _____ 12,826,064 14,751,172 18,403,286 \$ _____
Other Investments (Acct. 125): Boone County/Florence KY Settlement <hr/> <hr/> <hr/> <p align="center">Total Other Investments:</p>	\$ _____ _____ _____ _____	\$ _____ 307,729 - - - \$ _____
Special Funds (Acct. 126 & 127): Prepayment Reserve <hr/> <hr/> <hr/> <p align="center">Total Special Funds</p>	_____ _____ _____ _____	_____ - - - - \$ _____

ACCOUNTS AND NOTES RECEIVABLE - NET (ACCOUNTS 141 - 144)

Report hereunder all accounts and notes receivable included in Accounts 141, 142, and 144. Amounts included in Accounts 142 and 144 should be listed individually.

Description	Total
ACCOUNTS & NOTES RECEIVABLE:	
Customer Accounts Receivable (Acct. 141)	\$ 5,119,190
Other Accounts Receivable (Acct. 142)	
Assessments	\$ 110,953
Other	73,362
	-
	-
Notes Receivable (Acct. 144)	184,315
	\$ -
	-
	-
	-
Total Accounts and Notes Receivable.....	\$ 5,303,505
Accumulated Provision for Uncollectable Accounts (Acct. 143)	
Balance first of year	\$ -
Add: Provision for uncollectables for	
current year.....	\$ -
Collections fo accounts previously	
written off.....	-
Utility accounts.....	-
Others.....	-
Total Additions.....	\$ -
Deduct accounts written off during year:	
Utility Accounts.....	\$ -
Other.....	-
Total accounts written off.....	\$ -
Balance end of year.....	\$ -
Total Accounts and Notes Receivable	\$ 5,303,505

Materials and Supplies (151 - 153)

Account Name	Total
Plant Materials and Supplies (Account 151)	\$ 1,537,704
Merchandise (Account 152)	-
Other Materials and Supplies (Account 153)	-
Total Materials & Supplies	\$ 1,537,704

Prepayments (Acct. 162)

Description	Total
Prepaid Insurance	\$ 114,242
Prepaid Rents	-
Prepaid Interest	-
Prepaid Taxes	-
Other Prepayments (Specify)	
Prepaid Antenna Rent Sprint	\$ (5,400)
Expenses/Services	273,492
	-
	-
	-
	-
Total Prepayments	\$ 382,334

Miscellaneous Deferred Debits (Acct. 186)

2013 Description	Total
Miscellaneous Deferred Debits (Acct. 186):	
Deferred PSC Assessment	43,741
Deferred Rate Case Expense 2010	-
Deferred Rate Case Expense 2012	35,210
Other Deferred Debits	(5,889,673)
Total Miscellaneous Deferred Debits	\$ (5,810,722)

Unamortized Debt Discount & Expense & Premium on Debt (Accts. 181 & 251)

Report the net discount & expense or premium separately for each security issue.

Description	Amount Written Off During Year	Year-End Balance
Unamortized Debt Discount & Expense (Acct. 181)		
Cost of Issue 2002 B	\$ 6,200	\$ -
Cost of Issue 2003 A	1,080	-
Bond Discount 2003 A	728	-
Cost of Issue 2003 B	7,816	-
Bond Discount 2003 B	5,680	-
Cost of Issue 2003 C	14,938	98,325
Discount 2003 C	7,404	45,682
Cost of issue 2004A Bonds	3,250	51,450
Discount 2004A Bond	7,920	125,302
Bond Discount 2006	6,994	124,148
Cost of Issue Bond 2006	8,640	153,360
Cost of Issue 2009	5,173	104,327
Bond Discount 2009	12,800	258,135
Cost of Issue 2011 Bond	5,417	112,585
Cost of Issue 2011 BAN	18,680	-
Cost of Issue 2012 Bond	8,196	118,844
Cost of Issue 2013A Bond	2,484	121,722
Cost of Issue 2013B Bond	1,934	114,089
Total Unamortized Debt Discount & Expense	\$ 125,334	\$ 1,427,969
Unamortized Premium on Debt (Acct. 251):		
Premium on 2002 B Bond	3,288	\$ -
Premium on 2011 Bond	9,804	219,773
Premium on 2011 BAN	36,982	-
Premium on 2012 Bond	562,592	8,157,583
Premium on 2013A Bond	25,118	1,230,768
Premium on 2013B Bond	29,827	1,759,797
Total Unamortized Premium on Debt	\$ 667,611	\$ 11,367,921

EXTRAORDINARY PROPERTY LOSSES (ACCT. 182)

Report each item separately.

Description	Total
Extraordinary Property Losses (Acct. 182) :	
N/A	\$ -
_____	\$ -
_____	\$ -
_____	\$ -
Total Extraordinary Property Losses	\$ -

ADVANCES FOR CONSTRUCTION (ACCT. 252)

DESCRIPTION	TOTAL
N/A	
Balance first of year.....	\$ -
Add credits during year.....	\$ -
Deduct charges during year.....	\$ -
Balance end of year.....	\$ -

Long Term Debt (Acct. 224)

Description of Obligation And Amount of Original Issue 2013 (a)	Date of Issue (b)	Date of Maturity (c)	Interest Expense For Year		Principal per balance Sheet Date (f)
			Rate (d)	Amount (e)	
				\$	\$
Notes Payable City of Taylor Mill	Mar-2004	7/1/2018	0	0	\$ 750,000
Kentucky Infrastructure Authority Loans					
-KIA F06-03 MPTP Project	June 2008	2028	3.0%	105,563	\$ 3,134,220
- KIA F08-07 Various Capital Projects	June 2009	2029	1.0%	49,132	\$ 3,818,383
- KIA C08-01 AMR Project	June 2009	2019	3.0%	148,531	\$ 4,384,707
- KIA F09-02 GAC MPTP	June 2010	2030	2.0%	507,257	\$ 23,509,065
Total				\$ 810,483	\$ 35,596,375

Account 221, BONDS

Line No.	Par Value of Actual Issue 1	Cash Realized on Actual Issue 2	Par Value of Amount Held by or for Respondent 3	Actually Outstanding at Close of year 4	Interest During Year	
					Accrued 5	Actually Paid 6
1	11,225,000	11,131,694		-	-	-
2	11,355,000	11,141,619		-	-	-
3	2,287,000	2,287,000		1,951,000	98,150	98,450
4	16,325,000	15,835,250		-	-	-
5	45,485,000	44,121,624		-	-	-
6	10,575,000	10,525,204		-	104,708	175,768
7	1,615,000	1,583,553		-	41,689	65,491
8	30,270,000	30,068,115		-	632,181	995,314
9	23,790,000	23,532,357		10,805,000	441,397	462,469
10	10,455,000	10,195,116		7,760,000	336,918	341,628
11	29,000,000	28,736,444		23,945,000	1,000,588	1,015,088
12	29,290,000	27,430,236		25,560,000	1,443,912	1,455,163
13	30,830,000	28,862,016		29,155,000	1,215,837	1,226,463
14	54,840,000	-		53,115,000	2,605,150	2,633,900
15	28,165,000	25,807,113		26,400,000	571,231	105,553
16	26,570,000	-		24,120,000	337,444	-
Total	362,077,000	271,257,341	-	202,811,000	8,829,205	8,575,287

Schedule of Bond Maturities

Line No.	Bond Numbers 7	Maturity Date 8	Interest Rate 9	Principal Amount 10	Amount Paid 11	Remaining Bonds Outstanding 12
1						
2	See Attachments 23.1 Through 23.10					
3						
4						
5						
6						
7						
8						
9						
10						
11						
12						
13						
14						
15						

**Northern Kentucky Water Service District
FmHA Loan \$2,287,000 - 2000**

Attachment 23.1

Year	Maturity Date	Interest Rate	Principal Amount	Amounts Paid	Outstanding
2000			0.00	0.00	0.00
2001			0.00	0.00	0.00
2002			21,000.00	21,000.00	0.00
2003			22,000.00	22,000.00	0.00
2004			24,000.00	24,000.00	0.00
2005			24,000.00	24,000.00	0.00
2006			26,000.00	26,000.00	0.00
2007			27,000.00	27,000.00	0.00
2008			28,000.00	28,000.00	0.00
2009			30,000.00	30,000.00	0.00
2010			31,000.00	31,000.00	0.00
2011			33,000.00	33,000.00	0.00
2012			34,000.00	34,000.00	0.00
2013			36,000.00	36,000.00	0.00
2014			38,000.00		38,000.00
2015			40,000.00		40,000.00
2016			42,000.00		42,000.00
2017			44,000.00		44,000.00
2018			46,000.00		46,000.00
2019			49,000.00		49,000.00
2020			51,000.00		51,000.00
2021			54,000.00		54,000.00
2022			56,000.00		56,000.00
2023			59,000.00		59,000.00
2024			62,000.00		62,000.00
2025			65,000.00		65,000.00
2026			68,000.00		68,000.00
2027			72,000.00		72,000.00
2028			75,000.00		75,000.00
2029			79,000.00		79,000.00
2030			83,000.00		83,000.00
2031			87,000.00		87,000.00
2032			92,000.00		92,000.00
2033			96,000.00		96,000.00
2034			102,000.00		102,000.00
2035			107,000.00		107,000.00
2036			112,000.00		112,000.00
2037			118,000.00		118,000.00
2038			124,000.00		124,000.00
2039			130,000.00		130,000.00
Totals			2,287,000.00	336,000.00	1,951,000.00

Northern Kentucky Water Service District
Bond Issue : \$23,790,000.00 Dated 12/18/2003

Attachment 23.2

Bond Number	Maturity Date	Interest Rate	Principal Amount	Amounts Paid	Outstanding
Registered	2/1/2004	2.00%	1,430,000.00	1,430,000.00	0.00
Registered	2/1/2005	2.00%	1,160,000.00	1,160,000.00	0.00
Registered	2/1/2006	2.00%	1,180,000.00	1,180,000.00	0.00
Registered	2/1/2007	2.25%	1,215,000.00	1,215,000.00	0.00
Registered	2/1/2008	2.50%	1,235,000.00	1,235,000.00	0.00
Registered	2/1/2009	2.75%	1,270,000.00	1,270,000.00	0.00
Registered	2/1/2010	3.00%	1,305,000.00	1,305,000.00	0.00
Registered	2/1/2111	3.25%	1,350,000.00	1,350,000.00	0.00
Registered	2/1/2012	3.50%	1,395,000.00	1,395,000.00	0.00
Registered	2/1/2013	3.50%	1,445,000.00	1,445,000.00	0.00
Registered	2/1/2114	4.00%	1,505,000.00		1,505,000.00
Registered	2/1/2115	4.00%	1,565,000.00		1,565,000.00
Registered	2/1/2116	4.00%	1,625,000.00		1,625,000.00
Registered	2/1/2117	4.00%	1,690,000.00		1,690,000.00
Registered	2/1/2118	4.00%	1,595,000.00		1,595,000.00
Registered	2/1/2119	4.13%	1,665,000.00		1,665,000.00
Registered	2/1/2020	4.25%	1,160,000.00		1,160,000.00
TOTALS			23,790,000.00	12,985,000.00	10,805,000.00

Northern Kentucky Water Service District				Attachment 23.3	
Bond Issue	\$10,455,000.00	11/18/2024			
Bond Number	Maturity Date	Interest Rate	Principal Amount	Amounts Paid	Outstanding
Registered	2/1/2005	2.000%	270,000.00	270,000.00	0.00
Registered	2/1/2006	2.000%	275,000.00	275,000.00	0.00
Registered	2/1/2007	2.125%	285,000.00	285,000.00	0.00
Registered	2/1/2008	2.375%	290,000.00	290,000.00	0.00
Registered	2/1/2009	2.625%	295,000.00	295,000.00	0.00
Registered	2/1/2010	3.000%	305,000.00	305,000.00	0.00
Registered	2/1/2111	3.000%	315,000.00	315,000.00	0.00
Registered	2/1/2012	3.250%	325,000.00	325,000.00	0.00
Registered	2/1/2013	3.375%	335,000.00	335,000.00	0.00
Registered	2/1/2014	3.500%	345,000.00		345,000.00
Registered	2/1/2015	4.000%	360,000.00		360,000.00
Registered	2/1/2016	4.000%	375,000.00		375,000.00
Registered	2/1/2017	4.000%	390,000.00		390,000.00
Registered	2/1/2018	4.000%	405,000.00		405,000.00
Registered	2/1/2019	4.000%	425,000.00		425,000.00
Registered	2/1/2022	4.500%	1,385,000.00		1,385,000.00
Registered	2/1/2024	4.500%	1,035,000.00		1,035,000.00
Registered	2/1/2026	4.000%	1,135,000.00		1,135,000.00
Registered	2/1/2029	4.500%	1,905,000.00		1,905,000.00
TOTALS			10,455,000.00	2,695,000.00	7,760,000.00

Northern Kentucky Water Service District					Attachment 23.4
Bond Issue	9/1/2006	\$29,000,000.00			
Bond	Maturity	Interest	Principal	Amounts	Outstanding
Number	Date	Rate	Amount	Paid	
Registered	2/1/2007	4.000%	300,000.00	300,000.00	0.00
Registered	2/1/2008	4.000%	720,000.00	720,000.00	0.00
Registered	2/1/2009	4.000%	750,000.00	750,000.00	0.00
Registered	2/1/2010	4.000%	775,000.00	775,000.00	0.00
Registered	2/1/2111	4.000%	805,000.00	805,000.00	0.00
Registered	2/1/2012	4.000%	835,000.00	835,000.00	0.00
Registered	2/1/2013	4.000%	870,000.00	870,000.00	0.00
Registered	2/1/2114	4.000%	900,000.00		900,000.00
Registered	2/1/2115	4.000%	940,000.00		940,000.00
Registered	2/1/2116	4.000%	980,000.00		980,000.00
Registered	2/1/2117	4.000%	1,020,000.00		1,020,000.00
Registered	2/1/2118	4.000%	970,000.00		970,000.00
Registered	2/1/2119	4.000%	1,010,000.00		1,010,000.00
Registered	2/1/2020	4.125%	1,320,000.00		1,320,000.00
Registered	2/1/2021	4.125%	1,205,000.00		1,205,000.00
Registered	2/1/2022	4.125%	1,255,000.00		1,255,000.00
Registered	2/1/2023	4.125%	1,420,000.00		1,420,000.00
Registered	2/1/2024	4.125%	1,375,000.00		1,375,000.00
Registered	2/1/2025	4.125%	1,440,000.00		1,440,000.00
Registered	2/1/2027	4.250%	3,075,000.00		3,075,000.00
Registered	2/1/2029	4.250%	3,360,000.00		3,360,000.00
Registered	2/1/2031	4.273%	3,675,000.00		3,675,000.00
TOTALS			29,000,000.00	5,055,000.00	23,945,000.00

Northern Kentucky Water Service District				Attachment 23.5	
Bond Issue	01/06/09	\$29,200,000.00			
Bond Number	Maturity Date	Interest Rate	Principal Amount	Amounts Paid	Outstanding
Registered	2/1/2009	3.750%	1,000,000.00	1,000,000.00	0.00
Registered	2/1/2010	3.750%	645,000.00	645,000.00	0.00
Registered	2/1/2011	3.750%	670,000.00	670,000.00	0.00
Registered	2/1/2012	3.750%	695,000.00	695,000.00	0.00
Registered	2/1/2013	3.750%	720,000.00	720,000.00	0.00
Registered	2/1/2014	4.000%	750,000.00		750,000.00
Registered	2/1/2015	4.125%	780,000.00		780,000.00
Registered	2/1/2016	4.250%	815,000.00		815,000.00
Registered	2/1/2017	4.750%	850,000.00		850,000.00
Registered	2/1/2018	5.000%	895,000.00		895,000.00
Registered	2/1/2019	5.000%	940,000.00		940,000.00
Registered	2/1/2020	5.125%	990,000.00		990,000.00
Registered	2/1/2021	5.250%	1,040,000.00		1,040,000.00
Registered	2/1/2022	5.375%	1,100,000.00		1,100,000.00
Registered	2/1/2023	5.500%	1,160,000.00		1,160,000.00
Registered	2/1/2024	5.700%	1,225,000.00		1,225,000.00
Registered	2/1/2025	5.775%	1,300,000.00		1,300,000.00
Registered	2/1/2027	5.750%	1,375,000.00		1,375,000.00
Registered	2/1/2029	6.000%	1,460,000.00		1,460,000.00
Registered	2/1/2031	6.000%	1,550,000.00		1,550,000.00
Registered	2/1/2029	6.000%	1,645,000.00		1,645,000.00
Registered	2/1/2030	6.000%	1,745,000.00		1,745,000.00
Registered	2/1/2031	6.000%	1,855,000.00		1,855,000.00
Registered	2/1/2032	6.500%	1,975,000.00		1,975,000.00
Registered	2/1/2033	6.500%	2,110,000.00		2,110,000.00
TOTALS			29,290,000.00	3,730,000.00	25,560,000.00

Northern Kentucky Water Service District				Attachment 23.6	
Bond Issue	05/31/11	\$30,830,000.00			
Bond Number	Maturity Date	Interest Rate	Principal Amount	Amounts Paid	Outstanding
Registered	2/1/2012	3.000%	825,000.00	825,000.00	0.00
Registered	2/1/2013	3.000%	850,000.00	850,000.00	0.00
Registered	2/1/2114	3.000%	875,000.00		875,000.00
Registered	2/1/2115	3.000%	900,000.00		900,000.00
Registered	2/1/2116	3.000%	930,000.00		930,000.00
Registered	2/1/2117	3.000%	960,000.00		960,000.00
Registered	2/1/2118	3.000%	985,000.00		985,000.00
Registered	2/1/2119	3.000%	1,015,000.00		1,015,000.00
Registered	2/1/2020	4.000%	1,055,000.00		1,055,000.00
Registered	2/1/2021	4.000%	1,095,000.00		1,095,000.00
Registered	2/1/2022	4.000%	1,140,000.00		1,140,000.00
Registered	2/1/2023	4.000%	1,185,000.00		1,185,000.00
Registered	2/1/2024	4.000%	1,235,000.00		1,235,000.00
Registered	2/1/2025	4.000%	1,285,000.00		1,285,000.00
Registered	2/1/2027	4.125%	1,340,000.00		1,340,000.00
Registered	2/1/2029	4.250%	1,395,000.00		1,395,000.00
Registered	2/1/2031	4.250%	1,460,000.00		1,460,000.00
Registered	2/1/2029	4.250%	1,520,000.00		1,520,000.00
Registered	2/1/2030	4.500%	1,590,000.00		1,590,000.00
Registered	2/1/2031	4.500%	1,660,000.00		1,660,000.00
Registered	2/1/2032	5.000%	3,580,000.00		3,580,000.00
Registered	2/1/2033	5.000%	3,950,000.00		3,950,000.00
TOTALS			30,830,000.00	1,675,000.00	29,155,000.00

Northern Kentucky Water Service District					Attachment 23.7
Bond Issue	06/21/12	\$54,840,000.00			
Bond	Maturity	Interest	Principal	Amounts	Outstanding
Number	Date	Rate	Amount	Paid	
Registered	2/1/2013	4.000%	1,725,000.00	1,725,000.00	0.00
Registered	2/1/2014	4.000%	1,800,000.00		1,800,000.00
Registered	2/1/2015	4.000%	1,875,000.00		1,875,000.00
Registered	2/1/2016	4.000%	1,960,000.00		1,960,000.00
Registered	2/1/2017	5.000%	2,530,000.00		2,530,000.00
Registered	2/1/2018	5.000%	3,475,000.00		3,475,000.00
Registered	2/1/2019	5.000%	3,650,000.00		3,650,000.00
Registered	2/1/2020	5.000%	4,150,000.00		4,150,000.00
Registered	2/1/2021	5.000%	4,365,000.00		4,365,000.00
Registered	2/1/2022	5.000%	4,590,000.00		4,590,000.00
Registered	2/1/2023	5.000%	4,720,000.00		4,720,000.00
Registered	2/1/2024	5.000%	4,970,000.00		4,970,000.00
Registered	2/1/2025	5.000%	5,220,000.00		5,220,000.00
Registered	2/1/2026	5.000%	5,495,000.00		5,495,000.00
Registered	2/1/2027	5.000%	4,315,000.00		4,315,000.00
TOTALS			54,840,000.00	1,725,000.00	53,115,000.00

Northern Kentucky Water Service District			2013A		Attachment 23.8
Bond Issue	01/27/13	\$54,840,000.00			
Bond Number	Maturity Date	Interest Rate	Principal Amount	Amounts Paid	Outstanding
Registered	2/1/2014	2.000%	615,000.00		615,000.00
Registered	2/1/2015	2.000%	630,000.00		630,000.00
Registered	2/1/2016	3.000%	645,000.00		645,000.00
Registered	2/1/2017	3.000%	665,000.00		665,000.00
Registered	2/1/2018	4.000%	685,000.00		685,000.00
Registered	2/1/2019	5.000%	720,000.00		720,000.00
Registered	2/1/2020	5.000%	755,000.00		755,000.00
Registered	2/1/2021	5.000%	795,000.00		795,000.00
Registered	2/1/2022	5.000%	835,000.00		835,000.00
Registered	2/1/2023	5.000%	880,000.00		880,000.00
Registered	2/1/2024	5.000%	925,000.00		925,000.00
Registered	2/1/2025	5.000%	970,000.00		970,000.00
Registered	2/1/2026	5.000%	1,020,000.00		1,020,000.00
Registered	2/1/2027	4.000%	1,070,000.00		1,070,000.00
Registered	2/1/2028	4.000%	1,110,000.00		1,110,000.00
Registered	2/1/2029	4.000%	1,155,000.00		1,155,000.00
Registered	2/1/2030	4.000%	1,205,000.00		1,205,000.00
Registered	2/1/2031	4.125%	1,255,000.00		1,255,000.00
Registered	2/1/2032	4.500%	2,680,000.00		2,680,000.00
Registered	2/1/2033	4.250%	1,430,000.00		1,430,000.00
Registered	2/1/2034	4.125%	1,490,000.00		1,490,000.00
Registered	2/1/2035	4.125%	1,555,000.00		1,555,000.00
Registered	2/1/2036	4.250%	1,620,000.00		1,620,000.00
Registered	2/1/2037	4.250%	1,690,000.00		1,690,000.00
TOTALS			26,400,000.00	0.00	26,400,000.00

Northern Kentucky Water Service District			2013B		Attachment 23.9
Bond Issue	06/21/12	\$54,840,000.00			
Bond	Maturity	Interest	Principal	Amounts	Outstanding
Number	Date	Rate	Amount	Paid	
Registered	2/1/2014	5.000%	2,000,000.00		2,000,000.00
Registered	2/1/2015	5.000%	1,920,000.00		1,920,000.00
Registered	2/1/2016	5.000%	2,020,000.00		2,020,000.00
Registered	2/1/2017	5.000%	1,645,000.00		1,645,000.00
Registered	2/1/2018	5.000%	1,170,000.00		1,170,000.00
Registered	2/1/2019	5.000%	1,230,000.00		1,230,000.00
Registered	2/1/2020	5.000%	1,295,000.00		1,295,000.00
Registered	2/1/2021	5.000%	1,355,000.00		1,355,000.00
Registered	2/1/2022	5.000%	1,430,000.00		1,430,000.00
Registered	2/1/2023	5.000%	1,500,000.00		1,500,000.00
Registered	2/1/2024	4.000%	1,570,000.00		1,570,000.00
Registered	2/1/2025	4.000%	1,635,000.00		1,635,000.00
Registered	2/1/2026	4.000%	1,700,000.00		1,700,000.00
Registered	2/1/2027	5.000%	1,780,000.00		1,780,000.00
Registered	2/1/2028	5.000%	1,870,000.00		1,870,000.00
TOTALS			24,120,000.00	0.00	24,120,000.00

Notes Payable (Acct. 232 & 234)

2013 a	Nominal Date of Issue b	Date of Maturity c	INTEREST		Principal Amount per Balance Sheet f
			Rate d	Amount of payment e	
Account 232 - Note Payable					
Campbell Co. Fiscal Court			0.00%	\$ _____	\$ align="right">100,000
			0.00%	_____	_____
				_____	_____
				_____	_____
Total Account 232				\$ _____	\$ align="right">100,000
				_____	_____
Account 234 - Notes Payable To Associated Companies		N/A		\$ _____	\$ _____
				_____	_____
				_____	_____
				_____	_____
Total Account 234				\$ _____	\$ _____
				_____	_____

Accounts Payable to Associated Companies (Acct. 233)

Show Payable to Each Associated Company Separately	Amount
	\$ _____
N/A	_____

Total	\$ _____

TAXES ACCRUED (ACCOUNT 236)

ACCT. NO. (a)	2013 DESCRIPTION (b)	TOTAL (c)
	Balance first of year.....	\$ -
	Accruals Charged:	
408.1	Utility regulatory assessment fees.....	-
408.11	Property taxes.....	-
408.12	Payroll taxes.....	552,997
408.13	Other taxes and licenses.....	-
408.2	Taxes other than income, other income and deductions	-
	Total taxes accrued.....	\$ 552,997
	Taxes paid during year:	
408.1	Utility regulatory assessment fees.....	-
408.11	Property taxes.....	-
408.12	Payroll taxes.....	552,997
408.13	Other taxes and licenses.....	-
408.2	Taxes other than income, other income and deductions	-
	Total taxes paid.....	\$ 552,997
	Balance end of year.....	\$ -

ACCRUED INTEREST (ACCOUNT 237)

DESC. DEBT (a)	BALANCE BEGINNING OF YEAR (b)	INTEREST ACCRUED DURING YEAR (c)	INTEREST PAID DURING YEAR (d)	BALANCE END OF YEAR (e)
Acct. No. 237.1 - Accrued Interest on Long-term Debt				
2000 RUS Loan	16,556	98,150	98,450	16,256
Series 2002 B	71,060	104,708	175,768	-
Series 2003 A	23,802	41,689	65,491	-
Series 2003 B	363,133	632,181	995,314	-
Series 2003 C	203,232	441,397	462,469	182,160
Series 2004 A	144,702	336,918	341,629	139,991
Series 2006	430,202	1,000,588	1,015,088	415,702
Series 2009	611,943	1,443,912	1,455,162	600,693
Series 2011	516,588	1,215,837	1,226,463	505,962
Series 2012	1,111,833	2,605,150	2,633,900	1,083,083
Series 2013 A	-	571,231	105,553	465,678
Series 2013 B	-	337,445	-	337,445
Total Acct No. 237.1	\$ 3,493,051	\$ 8,829,206	\$ 8,575,287	\$ 3,746,970
Acct. No. 237.2 - Accrued Interest on Other Liabilities:				
BAN # 1-4 KIA	\$ 210,190	1,113,815	1,256,015	\$ 67,990
	-	-	-	-
	-	-	-	-
Total Acct No. 237.2	\$ 210,190	\$ 1,113,815	\$ 1,256,015	\$ 67,990
Total Acct No 237	\$ 3,703,241	\$ 9,943,021	\$ 9,831,303	\$ 3,814,960

Gross interest expense	9,943,021
Less Surcharges	(640,071)
Less Capitalized Interest	(889,053)
Add Non-Debt Related Interest	377
Interest Expense	<u>8,414,274</u>

Miscellaneous Current & Accrued Liabilities (Account 242)

2013 Description (a)	Balance End of Year (b)
Accrued Payroll Taxes & Misc	\$ (10,837,225)
Accrued Payroll	231,084
Accrued Sales Taxes	103,727
Accrued Pension	135,885
Accrued Vacation/Sick	713,645
Subdistrict Surcharges Payable	643,829
Total Miscellaneous Current & Accrued Liabilities.....	\$ (9,009,055)

Regulatory Commission Expense (Account 667)

2013 DESCRIPTION OF CASE (DOCKET #) (a)	TOTAL INCURRED DURING YEAR (b)	AMOUNT TRANSFERRED TO ACCOUNT # 186.1 (c)	EXPENSED DURING YEAR	
			ACCT. (d)	AMOUNT (e)
Rate Case 2010-00094	\$ -	\$ -	667-8000-080	\$ 39,673
Rate Case 2012-00072	\$ -	\$ 35,210	667-8000-080	\$ 17,605

WATER OPERATING REVENUE

Acct No. (a)	2013 Description (b)	Beginning Year No. Customer (c)	Year End Number Customers (d)	Amounts (e)
	Operating Revenues:			
460	Unmeter Water Revenue.....	-	-	\$ -
461	Meter Water Revenue:			
461.1	Sales to Residential Customers	74,140	74,316	\$ 29,109,641
461.2	Sales to Commercial Customers	4,158	4,152	\$ 6,936,632
461.3	Sales to Industrial Customers	110	112	\$ 3,364,182
461.4	Sales to Public Authorities	494	502	\$ 2,150,119
461.5	Sales to Multiple Family Dwellings	1,655	1,668	\$ 3,895,898
461.6	Sales through Bulk Loading Stations	-	-	\$ 63,667
	Total Metered Sales	80,557	80,750	\$ 45,520,139
462	Fire Protection Revenue:			
462.1	Public Fire Protection	-	-	\$ -
462.2	Private Fire Protection	-	-	\$ 44,868
	Total Fire Protection Revenue	-	-	\$ 44,868
464	Other Sales to Public Authorities	-	-	\$ -
465	Sales to	-	-	\$ -
466	Sales for Resale	3	3	\$ 1,354,111
467	Interdepartmental Sale	-	-	\$ -
	Total Sales of Water	80,560	80,753	\$ 46,919,118
	Other Water Revenues:			
469	Guaranteed Revenues			\$ -
470	Forfeited Discounts			\$ 765,860
471	Miscellaneous Service Revenues			\$ -
472	Rents from Water Property			\$ 564,868
473	Interdepartmental Rents			\$ -
474	Other Water Revenues			\$ 348,184
	Total Other Water Revenues			\$ 1,678,912
	Total Water Operating Revenues			\$ 48,598,030

WATER UTILITY EXPENSE ACCOUNTS

			WATER EXPENSE ACCOUNT MATRIX							
2013			.1	.2	.3	.4	.5	.6	.7	.8
Acct No (a)	Account Name (b)	Current Year (c)	Source of Supply & Pumping Expense-Operation (d)	Source of Supply & Pumping Expense-Maintenance. (e)	Water Treatment Expense-Operation (f)	Water Treatment Expense-Maintenance. (g)	Trans & Distribution. Expense-Operation (h)	Trans & Distribution. Expense-Maintenance. (i)	Customer Accounts Expense (j)	Adminis-Trative & General Expenses (k)
601	Salaries & Wage - Employees	\$7,714,913	\$0	\$0	\$1,396,590	\$646,060	\$972,405	\$2,194,367	\$1,384,533	\$1,120,958
603	Salaries & Wage - Officers	\$36,000	\$0	\$0	\$0	\$0	\$0	\$0	\$36,000	\$0
604	Employee Pensions & Benefits	\$3,857,931	\$0	\$0	\$653,337	\$130,362	\$882,481	\$1,054,537	\$710,009	\$427,205
610	Purchased Water	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
615	Purchased Power	\$2,535,476	\$816,475	\$0	\$434,006	\$0	\$1,148,477	\$0	\$0	\$136,518
616	Fuel for Power Production	\$86,352	\$0	\$0	\$83,446	\$0	\$2,906	\$0	\$0	\$0
618	Chemicals	\$1,420,352	\$0	\$0	\$1,420,352	\$0	\$0	\$0	\$0	\$0
620	Materials & Supplies	\$1,804,926	\$0	\$0	\$202,224	\$200,840	\$92,398	\$954,918	\$252,966	\$101,580
631	Contractual Services - Accounting	\$40,966	\$0	\$0	\$0	\$0	\$4,092	\$8,660	\$0	\$28,214
633	Contractual Services - Engineering	\$105,944	\$0	\$0	\$5,433	\$0	\$18,353	\$0	\$1,499	\$80,659
634	Contractual Services - Mgt. Fees	\$324	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$324
635	Contractual Services - Water Testing	\$3,001,215	\$2,559	\$7,626	\$293,909	\$256,762	\$81,325	\$1,156,730	\$426,972	\$775,332
636	Contractual Services - Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
641	Rental of Bldg./Real Property	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
642	Rental of Equipment	\$23,326	\$0	\$0	\$0	\$0	\$0	\$23,326	\$0	\$0
650	Transportation Expenses	\$583,540	\$0	\$0	\$42,594	\$6,935	\$48,526	\$361,722	\$113,129	\$10,634
656	Insurance - Vehicles	\$32,961	\$0	\$0	\$5,440	\$0	\$18,241	\$0	\$7,680	\$1,600
657	Insurance - General Liability	\$444,007	\$0	\$0	\$136,537	\$0	\$226,562	\$0	\$42,668	\$38,240
658	Insurance - Workers Compensation	\$46,006	\$0	\$0	\$10,922	\$0	\$20,181	\$0	\$10,165	\$4,738
659	Insurance - Other	\$54,784	\$0	\$0	\$47,677	\$0	\$0	\$0	\$0	\$7,107
660	Advertising Expenses	\$13,872	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$13,872
666	Regulatory Commission Expense - Amortization of Rate Case Expenses	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
667	Regulatory Commission Expense - Other	\$140,020	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$140,020
668	Water Resource Conservation	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
670	Bad Debt Expense	\$511,395	\$0	\$0	\$0	\$0	\$0	\$0	\$511,395	\$0
675	Miscellaneous Expenses	\$220,005	\$0	\$0	\$5,768	\$0	\$7,131	\$10,117	\$5,640	\$191,349
699	Taxes	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Total Water Utility Expenses	\$22,674,315	\$819,034	\$7,626	\$4,738,235	\$1,240,959	\$3,523,078	\$5,764,377	\$3,502,656	\$3,078,350

Pumping and Purchased Water Statistics

2013	Water Purchased for Resale (Omit 000's)	Water Pumped From Plants (Omit 000's)	Total Water Pumped and Purchased (Omit 000's)	Water Sold to Customers (Omit 000's)
a	b	c	d	e
			-	
January		780,524.0	780,524.0	527,474.1
February		684,424.5	684,424.5	462,219.3
March		744,757.1	744,757.1	798,134.4
April		732,480.8	732,480.8	495,295.3
May		789,513.2	789,513.2	466,537.2
June		814,719.6	814,719.6	831,229.3
July		852,044.6	852,044.6	559,404.9
August		912,063.1	912,063.1	531,221.3
September		850,048.3	850,048.3	999,824.1
October		786,587.8	786,587.8	629,626.5
November		717,208.4	717,208.4	532,675.9
December		725,248.8	725,248.8	896,326.6
Total for year		9,389,620.2	9,389,620.2	7,729,968.9
Maximum gallons pumped by all methods in any one day: (Omit 000's) 8/30/2013				34,333.0
Minimum gallons pumped by all methods in any one day (Omit 000's): 11/29/2013				20,101.0
If water is purchased for resale, indicate the folloinwg:				
Vendor: _____				
Point of delivery: _____				
If water is sold to other water utilities for redistribution, list names of such utilities below:				
			Maximum Daily	Maximum Monthly
Pendleton County Water District	000's		258	8,012
City of Walton	000's		551	17,086
Bullock Pen Water District	000's		526	15,797

Sales for Resale (466)

2013

Line	Company	Gallons(000's)	Avg. Rate (Cents)	Amount
1	Bullock Pen Water District	164,662.1	3.05/1,000gals	\$527,276.00
2	City of Walton	174,103.1	3.05/1,000gals	\$556,183.00
3	Pendleton County Water Dist.	84,130.0	3.05/1,000gals	\$270,652.00
4				
5				
6				
7				
8				
Total		422,895.2		\$1,354,111.00

WATER STATISTICS

Line	Item	Gallons (000's)
1	WATER PRODUCED, PURCHASED, & DISTRIBUTED	
2	Water Produced	9,389,620.2
3	Water Purchased	
4	TOTAL PRODUCED AND PURCHASED	9,389,620.2
5		
6	WATER SALES:	
7	Residential	5,068,839.1
8	Commercial	1,390,054.7
9	Industrial	826,637.2
10	Irrigation	
11	Resale	422,895.2
12	Other Sales	21,543
13	TOTAL WATER SALES	7,729,968.9
14		
15	OTHER WATER USED (estimate portions not metered)	
16	Utility/water treatment plant	147,014.7
17	Wastewater plant	
18	System flushing	191,393.2
19	Fire Department	7,129.2
20	Other (construction, flushing, disinfection, ect.)	32,976.5
21	TOTAL OTHER WATER USED	378,513.6
22		
23	Water Loss:	
24	Tank Overflows	
25	Line Breaks	92,747
26	Line Leaks	
27	Other	1,385,438
28	Total Line Loss	1,478,185
29		
30	Note: Line 13 + Line 21 + Line 28 Must Equal Line 4	9,586,667.9
31		
32	UNACCOUNTED-FOR WATER LOSS PERCENTAGE	1,281,137.70
33	Line 28 divided by Line 4	13.64%

PLANT STATISTICS

Give the following information:

- 1 Number of fire hydrants, by size.
- 2 Number of private fire hydrants, by size.
- 3 Whether water supply is river, impounded streams, well, springs, artificial lake or collector type well.
- 4 Whether supply is by gravity, pumping, or a combination .
- 5 Type, capacity, and elevation of resrviors at overflow and ground level.
- 6 Miles of main by size and kind.
- 7 Types of filters: gravity or pressure, number of units, and total rated capacity in gallons per minute.
- 8 Type of chlorinators, number of units and capacity in pounds per 24 hours.
- 9 Station equipment. List each pump separately, giving type and capacity and H.P. of driving unit and character of driving unit (steam, electric, or internal combustion). State whether pump is high or low duty.
- 10 Quantity of fuel used: coal in pounds, gas in cu. ft., oil in gallons, and electric in KWH .
- 11 Give a description and total cost of any sizable additions or retirements to plant in service outside the normal system growth for the period covered by this report.
- 12 Capacity of clear well.
- 13 Peak month, in gallons of water sold.
- 14 Peak day, in gallons of water sold.

1) Kenton County 7,479; Campbell County 3,331, Boone County 154.

2) 89.

3) Rivers: Ohio River and the Liking River.

4) Plants are pumped; Distribution is combination of pumped and gravity.

5) See attached **33A**.

6) See attached **33B**.

7) Fort Thomas Treatment Plant

12 - Gravity, each 560 sq. ft. - Rated at 5 gpm/ft2

Taylor Mill Treatment Plant

8 - Gravity, each 270 sq. ft. - Rated at 5 gpm/ft2

Memorial Parkway Treatment Plant

6 - Gravity, each 612 sq. ft.

Actiflo 24gpm/ft2

8) See attached **33C**

9) See attached **33D**

10) **N/A**

11) None

PLANT STATISTICS Cont.

12) Fort Thomas Treatment Plant
1 - 3 million gallons
1 - 3 1/2 million gallons
Taylor Mill Treatment Plant
1 - 1 million gallons
Memorial Parkway Treatment Plant
1 - 3 million gallons
13) August 2013 - 912,063,099
14) N/A

Water Storage Facilities
Northern Kentucky Water District
Updated: 3/20/2012

Attachment 33A

Storage Location	Address	City Location	Type Of Storage	Year In Service	Structure Height (Feet)	Base Elevation (Feet)	Top Elevation (Feet)	Overflow Elevation (Feet)	Normal Elevation (Feet)	Normal Elevation (Feet)	Diameter (Feet)	Capacity (Gallons)
Aqua Drive	100 Aqua Drive	Cold Spring	Hydropillar	1990	184	847		1017				2,000,000
Barrington Road	2 Barrington Road	Ft. Wright	Hydropillar	1969	141	916.5	1057.5	1046.7	1045.0	1040.0	74	1,000,000
Bromley	1674 Highwater Road	Bromley	Ground Storage	1966	103	670.0	773.0	764.0	763.0	750.0	75	3,000,000
Dayton Avenue	2816 Dayton St.	Dayton	Ground Storage	1930	50			829.0			41	500,000
Devon	US 25	Florence	Hydropillar	1991	156	939.5		1082.0		1042.0	100	2,000,000
Dudley Pike	796 Dudley Pike	Edgewood	Ground Storage	1964	59	831.0	889.5	876.0	874.0	866.0	140	5,000,000
Dudley Pike	796 Dudley Pike	Edgewood	Ground Storage	1990	59	831.0	889.5	876.0	874.0	866.0	140	5,000,000
Ft. Thomas Plant	700 Alexandria Pike	Ft. Thomas	Clearwell	1936	31	734.0	765.3	764.5	762.0	760.0		3,000,000
Ft. Thomas Plant	700 Alexandria Pike	Ft. Thomas	Clearwell	1990	35	730.0	778.5	764.5	763.5	757.5	130	3,500,000
Harrison Ave.	2361 Harrison Ave.	Bellevue	Ground Storage	1930	60			829.0			43	600,000
Ida Spence	Tower Place	Covington	Elevated Tank	1952	175	840.0	1015.0	1005.0	1003.0	1000.0	57	500,000
Independence	5685 Madison Pike	Independence	Hydropillar	1981	137	943.5	1080.0	1080.0		1039.5	74	1,000,000
Industrial Park	Industrial Rd. & US 25	Florence	Hydropillar	1961	146	945.5	1091.5	1083.5	1081.0	1062.0	50	500,000
John's Hill Road	Knollwood Dr.	Highland Hts.	Elevated Tank	1959	113	904.0		1017.0			50	500,000
Kenton Lands Rd.	25 Kenton Lands Road	Erlanger	Elevated Tank	1953	158	896.0	1054.0	1045.0	1043.0	1033.0	50	500,000
Lumley Tank	R47 Lumley Ave.	Fort Thomas	Elevated Tank	1937	187	829.0		1017.0			40	275,000
Main St. Tank	Main St. & US 27	Alexandria	Elevated Tank	1962	152	863.0		1017.0			44	300,000
Memorial Pkwy. Plant	2055 Memorial Pkwy.	Fort Thomas	Clearwell					741.0				3,000,000
Old St. 4 Tank	Old St. Road #4	Claryville	Elevated Tank	1976	143	987.0		1017.0			80	1,000,000
Rossford Tank	Marion Dr.	Fort Thomas	Elevated Tank	1962	191	987.0		1017.0			44	300,000
South Newport Tank	Kentucky Drive	Newport	Elevated Tank	1972	155	810.0		965.0			68	1,000,000
Taylor Mill Plant	608 Grand Ave.	Taylor Mill	Clearwell		15	509.5	524.5	522.0	520.0	518.0		1,000,000
Taylor Mill Standpipe	5907 Taylor Mill Rd.	Taylor Mill	Standpipe		143	870.0		1010.0	130.0	110.0		329,000
Claryville Tank	Old St. Road #4	Alexandria	Elevated Tank	2008	152	867.0		1017.0			66	750,000
Total storage owned by NKWSD:											36,554,000	

Pipe Inventory

Length and Diameter by Material

<i>Pipe Material</i>	<i>Diameter, inches</i>	<i>Length, feet</i>	<i>Length, Miles</i>
Asbestos Cement(Transite)	2.00	1,481.79	0.28
Asbestos Cement(Transite)	3.00	3,949.67	0.75
Asbestos Cement(Transite)	4.00	45,234.45	8.57
Asbestos Cement(Transite)	6.00	98,604.49	18.68
Asbestos Cement(Transite)	8.00	8,018.34	1.52
Cast Iron	0.75	933.70	0.18
Cast Iron	1.00	422.88	0.08
Cast Iron	2.00	20,802.12	3.94
Cast Iron	3.00	2,555.83	0.48
Cast Iron	4.00	264,778.59	50.15
Cast Iron	6.00	1,135,804.98	215.11
Cast Iron	8.00	243,231.25	46.07
Cast Iron	10.00	70,541.83	13.36
Cast Iron	12.00	184,935.52	35.03
Cast Iron	16.00	49,679.71	9.41
Cast Iron	18.00	107.61	0.02
Cast Iron	20.00	53,036.19	10.04
Cast Iron	24.00	33,692.63	6.38
Cast Iron	30.00	13,975.14	2.65
Cast Iron	36.00	85.82	0.02
Concrete	8.00	20.00	0.00
Concrete	18.00	377.78	0.07
Concrete	20.00	27,615.23	5.23
Concrete	24.00	8,362.63	1.58
Concrete	30.00	176.97	0.03
Concrete	36.00	37,462.61	7.10
Copper	0.75	233.93	0.04
Copper	1.00	3,547.38	0.67
Copper	1.50	2,555.34	0.48
Copper	2.00	12,922.93	2.45
Ductile Iron	0.75	454.84	0.09
Ductile Iron	2.00	8,431.33	1.60
Ductile Iron	3.00	5,507.84	1.04
Ductile Iron	4.00	60,635.93	11.48
Ductile Iron	6.00	780,235.26	147.77
Ductile Iron	8.00	1,178,223.92	223.15
Ductile Iron	10.00	48,972.04	9.28
Ductile Iron	12.00	622,615.86	117.92
Ductile Iron	14.00	224.46	0.04
Ductile Iron	16.00	241,868.36	45.81
Ductile Iron	18.00	718.58	0.14
Ductile Iron	20.00	58,536.00	11.09
Ductile Iron	24.00	131,348.10	24.88
Ductile Iron	30.00	31,529.20	5.97
Ductile Iron	36.00	22,995.00	4.36
Ductile Iron	42.00	18,938.96	3.59
Ductile Iron	60.00	102.76	0.02
Galvanized	1.00	94.86	0.02
Galvanized	1.50	269.42	0.05
Galvanized	2.00	311.22	0.06

<h2 style="margin: 0;"><i>Pipe Inventory</i></h2> <p style="margin: 0;"><i>Length and Diameter by Material</i></p>

<i>Pipe Material</i>	<i>Diameter, inches</i>	<i>Length, feet</i>	<i>Length, Miles</i>
Lead	0.75	377.67	0.07
MS	1.00	16.63	0.00
Polyethylene	2.00	22,459.96	4.25
PVC	1.00	34.20	0.01
PVC	1.50	1,920.41	0.36
PVC	2.00	59,577.93	11.28
PVC	3.00	68,133.37	12.90
PVC	4.00	28,711.83	5.44
PVC	6.00	185,827.27	35.19
PVC	8.00	823,848.27	156.03
PVC	10.00	132.24	0.03
PVC	12.00	35,490.72	6.72
PVC	16.00	2,905.34	0.55
Steel	0.75	248.61	0.05
Steel	1.00	457.12	0.09
Steel	1.50	332.35	0.06
Steel	2.00	122.13	0.02
Steel	4.00	143.77	0.03
Steel	24.00	84.58	0.02
Steel	42.00	7,618.74	1.44
Total:		6,775,604.38	1283.26

Location	# of Units	Form of Chlorine	Type	Capacity (ea.)
Bromley Pump Station	1	Sodium Hypochlorite	Jesco Pump	1.3 GPH
West Covington Pump Station	1	Sodium Hypochlorite	Jesco Pump	2.8 GPH
Bristow Road Pump Station	2	Sodium Hypochlorite	Jesco Pump	5 GPH
Dudley Pump Station	2	Sodium Hypochlorite	Jesco Pump	15 GPH
Fort Thomas Treatment Plant	8	Sodium Hypochlorite	Watson Marlow	150 GPH
Taylor Mill Treatment Plant	5	Sodium Hypochlorite	Watson Marlow	52 GPH
Memorial Pky Treatment Plant	4	Sodium Hypochlorite	Watson Marlow	100 GPH

PUMP STATION LOCATION	CITY LOCATED	NO. OF UNITS	PUMP TYPE	YEAR INSTALLED	HORSE POWER	VOLTS REQUIRED	PUMP CONTROL	RATING PER PUMP (GPM)	TDH (FEET)	SERVICE TYPE
Ohio River Raw Water Pumping Station #1 <i>(Feeds FTTP)</i>	Brent	1	VT	2005	1250	4160	AUTO	9,455	430	HIGH
		2	VT	2005	1250	4160	AUTO	7,000	430	HIGH
		3	VT	2009	1250	4160	AUTO	9,200	430	HIGH
		4	VT	2007	1250	4160	AUTO	9,200	430	HIGH
		5	VT	1999	1250	4160	AUTO	8,400	430	HIGH
		6	VT	2005	1250	4160	AUTO	9,200	430	HIGH
Latonia Ave. and 35th St.	Covington <i>(Const. 1953)</i>	1	HC	2008	75	460	AUTO	900	250	HIGH
		2	HC	2008	75	460	AUTO	900	250	HIGH
Bromley	Bromley	1	VT	2010	75	460	AUTO	650	300	HIGH
		2	VT	1986	75	460	AUTO	700	315	HIGH
		3	VT	1986	75	460	AUTO	700	340	HIGH
Licking River Raw Water Pumping Station <i>Variable Speed</i>	Taylor Mill	1	VT	1990	350	460	AUTO	7640	126	LOW
		2	VT	1971	250	460	AUTO	6250	126	LOW
		3	VT	1993	150	460	AUTO	4900	126	LOW
Taylor Mill Treatment Plant	Taylor Mill	1	VT	1981	600	2300	AUTO	6945	250	HIGH
		2	VT	1994	450	2300	AUTO	8500	145	HIGH
		3	VT	1997	700	2300	AUTO	5600	385	HIGH
		4	VT	2008	1250	2300	AUTO	7700	392	HIGH
		5	VT	1974	1250	2300	AUTO	6945	365	HIGH
		6	VT	1982	600	2300	AUTO	6945	250	HIGH
Dudley Pike 1040 System	Edgewood	1	VT	2009	250	440	AUTO	2500	277	HIGH
		2	VT	2009	250	440	AUTO	2500	277	HIGH
		3	VT	1965	250	440	AUTO	2825	270	HIGH
		4	VT	1979	250	440	AUTO	2222	375	HIGH
Dudley Pike 1080 System	Edgewood	5	VT	1989	600	460	AUTO	6000	282	HIGH
		6	VT	1990	600	460	AUTO	6000	282	HIGH
		7	VT	1990	600	460	AUTO	6000	282	HIGH
		8	VT	2006	600	460	AUTO	5000	282	HIGH
Richardson Rd.	Independence	1	VT	2011	350	460	AUTO	2700	324	HIGH
		2	VT	2006	400	460	AUTO	2500	515	HIGH
		3	VT	1998	400	460	AUTO	2100	515	HIGH
Hands Pike	Covington	1	VT	1983	75	460	AUTO	500	426	HIGH
		2	VT	2009	75	460	AUTO	500	426	HIGH
West Covington	Covington	1	VC	1996	40	460	AUTO	2000	60	LOW
		2	VC	1987	40	460	AUTO	2000	60	LOW
Bristow Rd. <i>(Peerless Pumps)</i>	Independence	1	VT	2002	75	460	AUTO	2900	65	LOW
		2	VT	2002	75	460	AUTO	2900	65	LOW
		3	VT	2002	75	460	AUTO	2900	65	LOW
Waterworks Rd Pump Stn. <i>Variable Speed</i>	Fort Thomas	1	VT	2000	500	480	AUTO	4200	372	HIGH
		2	VT	2000	500	480	AUTO	4200	372	HIGH
US 27 10 MGD	670 Alex. Pk. Fort Thomas	1	VT	1990	350	460	AUTO	3500	300	HIGH
		2	VT	1990	350	460	AUTO	3500	300	HIGH
		3	VT	1990	350	460	AUTO	3500	300	HIGH
		4	VT	2006	350	460	AUTO	3500	308	HIGH
		5	VT	2006	350	460	AUTO	3500	308	HIGH
		6	VT	2006	350	460	AUTO	3500	308	HIGH
Ripple Creek	Cold Spring	1	VC	1991	75	460	AUTO	2050	100	LOW
		2	VC	2009	75	460	AUTO	2050	100	LOW
		3	VC	2008	75	460	AUTO	2500	90	LOW
Ohio River Raw Water Pumping Station #2 <i>(Feeds MPTP)</i>	Fort Thomas	1	VT	1985	800	2400	AUTO	6000	400	HIGH
		2	VT	2003	800	2400	AUTO	6000	400	HIGH
		3	VT	2002	600	2400	AUTO	5500	380	HIGH
Memorial Parkway Treatment Plant <i>Raw Water Pumps</i>	Fort Thomas	1	VC	2008	75	460	AUTO	3472	64	LOW
		2	VC	2008	200	460	AUTO	6944	64	LOW
		3	VC	2008	200	460	AUTO	6944	64	LOW
Carothers Rd. Pump Stn.	Newport	1	VT	1996	150	440	AUTO	1800	263	HIGH
		2	VT	1996	150	440	AUTO	1800	263	HIGH

OATH

Commonwealth of Kentucky

County of Kenton

I, Jack Bragg, Jr., having appeared before the undersigned officer duly authorized to administer oaths and being duly sworn, state under oath that I am Vice-President – Finance and Support Services of Northern Kentucky Water District; that I have supervision over the books of account and other financial records of the Respondent and have control over the manner in which they are kept; that such books and records have, during the period covered by the foregoing report, been maintained in good faith in accordance with the accounting and other orders of the Public Service Commission of Kentucky; that I have carefully examined the foregoing report to the best of my knowledge and belief the information contained in this report is, so far as it relates to matters of accounts, in accordance with the said books of account; that all other statements of fact contained in the foregoing report are true; and that the foregoing report is a correct and complete statement of the business and affairs of the Respondent in every respect and manner during the period of time from and including January 1, 2013, to and including December 31, 2013.



Signature of Officer

Subscribed and sworn to before me, a Notary, in and for the State and County named in the above this 28th day of March, 2014


My Commission Expires 5-23-2016

(Apply Seal Here)

(Signature of officer authorized to administer oath)

Checklist for the Annual Report for C Ware Companies
To be completed and returned with the annual report

Page No.	Account No.	Page No.	Yes	No	If no, explain why
4 to 6	The identification pages have been completed.				
7	101-106	agrees with 13	Total 101-106	X	
7	108-110	agrees with 15	Total 301-348 Cols c & h	X	
7	114-115	agrees with 16	Net Balance 114-115	X	
7	123	agrees with 17	Total 123	X	
7	124-125	agrees with 17	Total 124 & Total 125	X	
7	126	agrees with 17	Total 126	X	
7	127	agrees with 17	Total 127	X	
7	141-144	agrees with 18	Net Balance 141-144	X	
7	151-153	agrees with 19	Total 151-153	X	
7	162	agrees with 19	Total 162	X	
8	181	agrees with 20	Total 181	X	
8	182	agrees with 21	Total 182	X	
8	186	agrees with 20	Total 186	X	
9	214	agrees with 12	Total 214	X	
9	215.1	agrees with 12	Total 215.1	X	
9	215.2	agrees with 12	Total 215.2	X	
9	221	agrees with 23	Total Col 4	X	
9	221	agrees with 23	Total Col 12	X	
9	224	agrees with 22	Total Col f	X	
9	232	agrees with 24	Total 232	X	
9	223	agrees with 24	Total 233	X	
9	234	agrees with 24	Total 234	X	
9	236	agrees with 25	Beginning & Ending Balance 236	X	
9	237	agrees with 25	Total 237 Cols b & e	X	
9	242	agrees with 26	Total 242	X	
9	251	agrees with 20	Total 251	X	
9	252	agrees with 21	Beginning & Ending Balance 252	X	

Checklist for the Annual Report for C Ware Companies
To be completed and returned with the annual report

Page No.	Account No.	Page No.	Description	Yes	No	If no, explain why
10	400	27	agrees with Total Water Operating Revenue Col e	X		
10	401	28	agrees with Total 601-675, Col c	X		
10	408.1&408.2	25	agrees with Total Taxes Accrued 408-10-408.20	X		
11	427	25	agrees with Total Interest Accrued Col c	X		
11	Net Income Before Contribution agrees with	12	Balance Trans Inc Col c	X		
13	101	14	agrees with Total Water Plant Col f	X		
14	The analysis of water utility plant accounts cols c through k has been Completed			X		
15	The analysis of accumulated depreciation & amortization by primary accounts has been completed			X		
20	186.1	26	agrees with Total 186.1 Col c	X		
22	Schedule of Long-Term Debt has been completed			X		
23	Schedule of Bond Maturities has been completed			X		
27	Taxes collected (example: school tax, sales tax, franchise tax) have been excluded from Revenue and Expenses			X		
27	The analysis of water operating revenue Cols c,d, and e has been completed			X		
28	The analysis of water utility expense Cols c through k has been complete			X		
29	Schedule of Pumping and Purchased Water Statistics has been completed			X		
29	Total Col (d)	30	agrees with Line 4, Total Production & Purchased	X		
29	Total Col (e)	30	agrees with Line 13, Total Water Sales	X		
30	466 Total Gals	30	agrees with Line 11, Sales for Resale (466)	X		
	Oath page has been completed			X		

Case No. 2014-00100 _____
Exhibit _____ F _____

NORTHERN KENTUCKY WATER DISTRICT

Fort Thomas Treatment Plant 36" Raw Water Main Project

Campbell County, Kentucky

Project 184-470

SCHEDULE OF MORTGAGES, BONDS, NOTES, AND OTHER INDEBTEDNESS

Northern Kentucky Water District
Schedule of Outstanding Debt
As of February 28, 2014

Description	Amount
Bonds	
2003 C	9,300,000
2004	7,415,000
2006	23,045,000
2009	24,810,000
2011	28,280,000
2012	51,315,000
2013A	25,785,000
2013B	22,120,000
Total Bonds	\$ 192,070,000
Notes	
KIA Loans	34,846,375
Taylor Mill purchase note	\$ 750,000
Deferred note payable	100,000
BAN 2009	29,160,000
Total Notes	\$ 64,856,375
Total Debt	\$ 256,926,375

NORTHERN KENTUCKY
WATER DISTRICT

Fort Thomas Treatment Plant 36" Raw Water Main Project

Campbell County, Kentucky

Project 184-470

CURRENT BALANCE SHEET AND INCOME
STATEMENT



Balance Sheet
As of February 28, 2014

Assets	2014	2013
Current Assets		
Cash and Cash Equivalents	\$21,711,045	\$19,851,037
Accrued Interest Receivable	\$4,185	\$5,382
Accounts Receivable Customers	\$3,667,448	\$3,366,230
Accounts Receivable Unbilled Customers	\$5,700,000	\$5,500,000
Accounts Receivable Other	\$45,188	\$67,216
Assessments Receivable	\$110,953	\$104,778
 Inventory Supplies for New Installation and Maintenance, at Cost	 \$1,437,107	 \$1,464,851
 Prepaid Expenses	 <u>\$1,059,208</u>	 <u>\$508,702</u>
 Total Current Assets	 \$33,735,134	 \$30,868,196
Restricted Assets		
Bond Proceeds Fund	\$8,024,949	\$13,058,524
Debt Service Reserve Account	\$18,207,865	\$16,744,735
Debt Service Account	\$5,184,166	\$4,634,556
Improvement, Repair, & Replacement	\$11,661,191	\$11,290,576
Boone/Florence Settlement Account	<u>\$307,901</u>	<u>\$744,258</u>
 Total Restricted Assets	 \$43,386,072	 \$46,472,649
Non Current Assets		
Miscellaneous Deferred Charges	(\$5,208,597)	(\$2,416,899)
Capital Assets:		
Land, System, Buildings, and Equipment	\$428,982,962	\$388,790,549
Construction in Progress	\$15,307,236	\$44,924,252
 Total Capital Assets before Accumulated Depreciation	 \$444,290,198	 \$433,714,801
Less: Accumulated Depreciation	<u>(\$113,144,135)</u>	<u>(\$103,285,353)</u>
 Capital Assets Net of Accumulated Depreciation	 \$331,146,063	 \$330,429,448
 Total Noncurrent Assets	 <u>\$325,937,466</u>	 <u>\$328,012,549</u>
 Total Assets	 <u>\$403,058,672</u>	 <u>\$405,353,394</u>



Balance Sheet
As of February 28, 2014

Liabilities and Retained Earnings	2014	2013
Current Liabilities		
Current Portion of Long Term Debt	\$11,015,964	\$9,206,258
Accounts Payable	\$1,671,803	\$1,739,187
Accrued Payroll & Liabilities	\$333,182	\$320,353
Other Accrued Liabilities	<u>\$85,306</u>	<u>\$79,891</u>
Total Current Liabilities	\$13,106,255	\$11,345,689
Current Liabilities From Restricted Assets		
Accounts Payable	\$389,420	\$615,241
Accrued Interest Payable	<u>\$979,101</u>	<u>\$1,156,835</u>
Total Current Liabilities From Restricted Assets	\$1,368,521	\$1,772,076
Long Term Debt		
Long Term Portion of Bonded Indebtedness	\$217,932,344	\$204,633,309
Bond Anticipation Notes Payable	\$0	\$25,615,000
Note Payable-Taylor Mill Purchase	\$575,000	\$750,000
Deferred Note Payable	<u>\$100,000</u>	<u>\$100,000</u>
Total Long Term Debt	\$218,607,344	\$231,098,309
Total Liabilities	\$233,082,120	\$244,216,074
Retained Earnings	<u>\$169,976,552</u>	<u>\$161,137,320</u>
Total Liabilites and Retained Earnings	<u>\$403,058,672</u>	<u>\$405,353,394</u>



**Income and Expenses Report-Detail
For the Two Months ending February 28, 2014**

	February 2014	February 2013	February Budget	Variance Over (Under)	YTD 2014	YTD 2013	YTD Budget	Variance Over (Under)
Operating Income								
Water Sales	\$3,022,326	\$2,829,836	\$3,108,196	-2.8%	\$6,485,169	\$6,114,380	\$6,717,790	-3.5%
Forfeited Discounts	\$57,529	\$60,198	\$61,703	-6.8%	\$165,085	\$145,139	\$148,768	11.0%
Rents from Water Property	\$69,369	\$74,335	\$70,000	-0.9%	\$111,632	\$113,254	\$110,000	1.5%
Other Water Revenues	\$14,375	\$27,380	\$35,620	-59.6%	\$23,010	\$61,910	\$61,260	-62.4%
Total Operating Income	\$3,163,599	\$2,991,749	\$3,275,519	-3.4%	\$6,784,896	\$6,434,683	\$7,037,818	-3.6%
Non Operating Income								
Interest Income	\$83,131	\$59,695	\$60,000	38.6%	\$141,458	\$132,988	\$127,000	11.4%
Miscellaneous	\$15,214	\$101,662	\$12,411	22.6%	\$19,786	\$126,267	\$36,376	-45.6%
Total Non Operating Income	\$98,345	\$161,357	\$72,411	35.8%	\$161,244	\$259,255	\$163,376	-1.3%
Boone Florence Settlement Transfer	\$25,610	\$36,549	\$25,610	0.0%	\$51,220	\$73,098	\$51,220	0.0%
Total Income	\$3,287,554	\$3,189,655	\$3,373,540	-2.5%	\$6,997,360	\$6,767,036	\$7,252,414	-3.5%
O&M Expenses								
Source of Supply, Water								
Treatment, Pumping, & Storage	\$1,000,050	\$726,259	\$951,174	5.1%	\$1,903,734	\$1,567,507	\$2,007,304	-5.2%
Engineering & Distribution	\$635,775	\$583,591	\$646,951	-1.7%	\$1,255,042	\$1,155,357	\$1,260,430	-0.4%
Customer Service	\$241,508	\$321,231	\$338,130	-28.6%	\$553,464	\$658,067	\$695,161	-20.4%
Administration	\$289,827	\$290,664	\$286,298	1.2%	\$561,890	\$572,145	\$585,173	-4.0%
Total O&M Expenses	\$2,167,160	\$1,921,745	\$2,222,553	-2.5%	\$4,274,130	\$3,953,076	\$4,548,068	-6.0%
Transfer to Debt Service	\$1,590,000	\$1,600,000	\$1,590,000	0.0%	\$3,180,000	\$3,200,000	\$3,180,000	0.0%
Total Expenses	\$3,757,160	\$3,521,745	\$3,812,553	-1.5%	\$7,454,130	\$7,153,076	\$7,728,068	-3.5%
Avail. to Transfer to Oper. Capital	<u>(\$469,606)</u>	<u>(\$332,090)</u>	<u>(\$439,013)</u>	<u>0.0%</u>	<u>(\$456,770)</u>	<u>(\$386,040)</u>	<u>(\$475,654)</u>	<u>0.0%</u>