

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF OHIO COUNTY)	
WATER DISTRICT FOR AUTHORIZATION)	
TO ENTER AN ASSISTANCE AGREEMENT)	
WITH THE KENTUCKY INFRASTRUCTURE)	CASE NO. 2016-00115
AUTHORITY AND FOR A CERTIFICATE OF)	
PUBLIC CONVENIENCE TO CONSTRUCT)	
WATER TRANSMISSION MAINS)	

APPLICATION

Pursuant to KRS 278.020(1), KRS 278.300, and 807 KAR 5:001, Sections 15 and 18, Ohio County Water District (“Ohio District”) applies to the Public Service Commission for an Order authorizing Ohio District’s entry into an Assistance Agreement with the Kentucky Infrastructure Authority (“KIA”) to borrow an amount not to exceed \$1,630,000 and granting a certificate of public convenience and necessity for the construction of approximately 15,875 linear feet of 16-inch water transmission main.

In support of its Application,¹ Ohio District provides the following:

A. General Information

1. The full name and post office address of Ohio District is: Ohio County Water District, Post Office Box 207, Hartford, Kentucky 42347. Its e-mail address is waltb32@gmail.com.

2. Ohio District not a corporation, limited liability company or limited partnership. It has no articles of incorporation or partnership agreements.

¹ To facilitate the Public Service Commission’s initial review of this Application, Ohio District has attached to this Application a “Filings Requirements List” that consists of three pages, lists each statutory and regulatory requirement for an application for authorization to issue securities, and identifies the exhibit or paragraph that satisfies the requirement.

3. Ohio District was created by an Order of Ohio County Court entered April 2, 1962. A copy of this Order and subsequent Orders that modified Ohio District's territory is attached at **Tab 1** of this Application.

4. Ohio District is engaged in the production, distribution, and sale of water to approximately 5,863 residential customers and 174 commercial customers in the Kentucky counties of Breckinridge, Daviess, Grayson, and Ohio.² Ohio District provides water for resale to North McLean County Water District and the cities of Beaver Dam, Fordsville, and Centertown.

5. A copy of the resolution of Ohio District's Board of Commissioners authorizing the filing of this application is attached at **Tab 2** of this Application.

6. Pursuant to KRS 278.380, Ohio District waives any right to service of Commission orders by mail for purposes of this proceeding only.³ Copies of all orders, pleadings and other communications related to this proceeding should be directed to:

Walter D. Beasley
General Manager
Post Office Box 207
124 E. Washington Street
Hartford, KY 42347
(270) 298-7704
waltb32@gmail.com

Gerald E. Wuetcher
Stoll Keenon Ogden PLLC
2100 West Vine Street, Ste 2100
Lexington, KY 40507-1801
(859) 231-3017
gerald.wuetcher@skofirm.com

² Annual Report of Ohio County Water District to the Public Service Commission of the Commonwealth of Kentucky for the Calendar Year Ended December 31, 2014 ("2014 Annual Report") at 27.

³ On March 9, 2016, Ohio District gave notice pursuant to 807 KAR 5:001, Section 8, of its intent to file this application and of its use of electronic filing procedures.

B. Certificate of Public Convenience and Necessity

7. Ohio District proposes to construct approximately 12,231 linear feet of 16-inch polyvinylchloride water main and 3,645 linear feet of 16-inch ductile iron water main (“Proposed Facilities”). Construction of the Proposed Facilities will enable Ohio District to eliminate its Beaver Dam Water Booster Station, to improve the reliability of its service to Ohio County’s industrial parks, to perform routine maintenance on its Industrial Park East (“IPE”) Elevated Water Storage Tank, and to deliver greater volumes of water to the northern portion of its distribution system in northern Ohio County and southern Daviess County. Ohio District estimates that the Proposed Facilities will reduce its annual purchased electric power costs by approximately \$25,732 through the elimination of the Beaver Dam Water Booster Station.

8. The Kentucky Division of Water (“KDOW”) has reviewed the plans and specifications for the proposed water main replacement and upgrade and has approved them with respect to sanitary features of design. A copy of the letter in which the KDOW stated its approval is set forth at **Tab 3** of this Application.

9. A copy of the permit for the excavation of public rights-of-way under the jurisdiction of the Kentucky Department of Highways for those portions of the Proposed Facilities that will be located within such rights-of-way is found at **Tab 4** of this Application.

10. Ohio District has acquired all easements necessary for the Proposed Facilities.

11. A description of the Proposed Facilities’ location and routes is attached as **Tab 5** to this Application. Maps depicting these locations and routes are attached at **Tab 6** of this Application.

12. The Proposed Facilities will not compete with those of another public utility. Their construction will not result in the wasteful duplication of utility facilities or inefficient investment.

13. A copy of the plans for the Proposed Facilities is attached to this Application at **Tab 7**. A copy of its specifications is attached to this Application at **Tab 8**.

14. A copy of the Preliminary Engineering Report for the Proposed Facilities is attached as **Tab 9** of this Application.

15. A copy of the hydraulic calculations upon which the Proposed Facilities are based is attached as **Tab 10** of this Application.

16. The total estimated cost of the proposed water main replacement and upgrade is \$1,630,000. Ohio District proposes to finance this cost with a loan of \$1,630,000 from KIA's Fund F Infrastructure Revolving Loan Program.

17. Ohio District requested bids on the construction of the proposed water main replacement and upgrade. It opened bids on April 28, 2016. The bid of Horsley Construction, Inc., of Hudson, Kentucky, which was \$965,089, was the lowest submitted bid. A copy of the certified bid tabulations and the Project Engineer's recommendation is found at **Tab 11** and **Tab 12** of this Application respectively. Under the terms of the request for bids, these bids may be withdrawn after **July 27, 2016**.

18. A copy of the resolution of Ohio District's Board of Commissioners authorizing the selection of the lowest bidder is found at **Tab 13**.

19. A statement of the annual cost of operation of the Proposed Facilities is found at **Tab 16**. Ohio County anticipates that the no annual cost for the operation of the proposed water main replacement and upgrade, but expects a decrease in annual purchased electric power expense of approximately \$26,442 through the elimination of the Beaver Dam Water Booster Station.

20. The Proposed Facilities will not compete with the facilities of any other public utility.

21. Ohio District is supporting this Application with the following testimony:

a. Testimony of Walter D. Beasley, General Manager, Ohio County Water District. In his testimony, Mr. Beasley describes the need for the Proposed Facilities and the method to finance the Proposed Facilities. A copy of this testimony is attached at **Tab 15** of this Application.

b. Testimony of James G. Davenport, President, J.R. Wauford and Company Consulting Engineers, Inc. In his Testimony, Mr. Davenport describes Ohio District's existing facilities, the need for the Proposed Facilities, and the Proposed Facilities. A copy of this testimony is attached as **Tab 16** of this Application.

C. Authorization to Enter Assistance Agreement

22. To finance the cost of constructing the Proposed Facilities, Ohio District proposes to enter an Assistance Agreement with KIA to borrow an amount not to exceed \$1,630,000. The proposed loan will bear interest at a rate of 1.75 percent per annum and must be repaid over a period not to exceed 20 years from the date on which the Proposed Facilities begin operation. Interest on the proposed loan will accrue from the time that Ohio District begins drawing funds from KIA. The proposed loan will be secured by a pledge of Ohio District's revenues. A copy of the minutes of the meeting in which the KIA Board of Directors approved the proposed loan is found at **Tab 17** of this Application. On June 9, 2015, KIA issued a Conditional Commitment Letter, a copy of which is found at **Tab 17** of this Application, that sets forth additional details regarding the proposed loan. Under the terms of this letter, Ohio District was required to meet the conditions for the proposed loan and enter an Assistance Agreement with KIA no later than June 9, 2016. On June 8, 2016, KIA extended the period for meeting these conditions to December 9, 2016. A copy of the letter in which KIA granted this extension is found at **Tab 19** of this Application.

23. A description of Ohio District's water system and its property, stated at original cost by accounts, is contained in Annual Report of Ohio County Water District to the Public Service Commission for the Year Ending December 31, 2014 ("2014 Annual Report"), a copy of which Ohio District has previously been filed with the Public Service Commission and which is incorporated by reference into this Application. Ohio District has received an extension of time to file its annual report for the year ending December 31, 2015.

24. Ohio District does not propose to issue any stock or bonds.

25. No proceeds from the Assistance Agreement will be used to refund outstanding obligations.

26. A copy of Ohio District's written notification to the State Local Debt Officer is attached as **Tab 20**.

27. Pursuant to 807 KAR 5:001, Section 18(2)(a), the following information is provided:

a. For the 12-month period ending December 31, 2014, Ohio District had less than \$5,000,000 in gross annual revenues.

b. Ohio District's 2014 Annual Report is incorporated by reference into this Application. Ohio District also incorporates into this Application its audited financial statements for the years ending December 31, 2013 and December 31, 2014, which have previously been filed with the Commission.

c. No material changes have occurred in Ohio District's financial condition since December 31, 2014.

28. There are no trust deeds or mortgages applicable.

29. Maps and plans of the proposed construction are found at **Tabs 6 and 7** of this Application.

30. A detailed estimate of the acquired property, arranged according to the Uniform System of Accounts for Class A/B Water Districts and Associations, is attached to this Application as **Tab 21** of this Application.

31. The proposed loan will not require Ohio District to seek an immediate adjustment of its rates for service.

32. Ohio District's execution of an Assistance Agreement with KIA to borrow \$1,630,000 is for a lawful objective within Ohio District's corporate purposes, is necessary, appropriate for and consistent with Ohio District's proper performance of its service to the public and will not impair Ohio District's ability to perform that service, and is reasonably necessary and appropriate for such purpose.

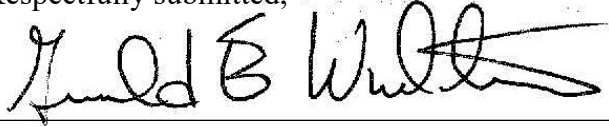
33. Ohio District must act on the submitted bids for the construction of the Proposed Facilities no later than **July 27, 2016**. After that date, each contractor has the right to withdraw its bid. To ensure the orderly selection of the most favorable bid, Ohio District requires a final decision on this application no later than **July 26, 2016**.

WHEREFORE, Ohio County Water District requests that the Commission:

1. Place this Application at the head of the Public Service Commission's docket as KRS 278.300(2) requires;
2. Grant Ohio District a Certificate of Public Convenience and Necessity to construct the Proposed Facilities;
3. Authorize Ohio District to enter and execute an Assistance Agreement with KIA to borrow a sum no greater than \$1,630,000;
4. Enter an Order granting the requested relief without holding an evidentiary hearing in this matter and no later than **July 26, 2016**; and,
5. Grant any and all such other relief to which Ohio District may be entitled.

Dated: June 30, 2016

Respectfully submitted,

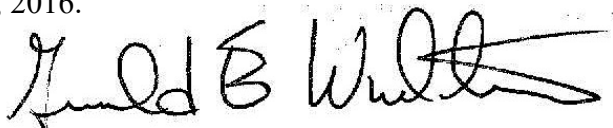


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Counsel for Ohio County Water District

CERTIFICATE OF SERVICE

In accordance with 807 KAR 5:001, Section 8, I certify that Ohio District's June 30, 2016 electronic filing of this Application is a true and accurate copy of the same document being filed in paper medium; that the electronic filing was transmitted to the Commission on June 30, 2016; that there are currently no parties that the Commission has excused from participation by electronic means in this proceeding; and that an original paper medium of the Application will be delivered to the Commission on or before July 5, 2016.

A handwritten signature in black ink, appearing to read "Gerald E. Wuetcher", written over a horizontal line.

Gerald E. Wuetcher

FILING REQUIREMENTS

FILING REQUIREMENTS FOR AN APPLICATION FOR A CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY

Source Authority	Requirement	Location
807 KAR 5:001, § 14(1)	Applicant's name, mailing address and e-mail address	Page 1, Para 1
807 KAR 5:001, § 14(1)	Statutory Reference – KRS 278.020	Page 1
807 KAR 5:001, § 4(3)	Signature of Applicant's Attorney	Page 8
807 KAR 5:001, § 4(3)	Name, Address, Telephone Number, Fax Number, and e-mail address of Applicant's Attorney	Page 8
807 KAR 5:001, § 14(2)	If Applicant is corporation: State and date of incorporation, attestation of good standing in state of incorporation, statement regarding authorization to transact business in Kentucky	Page 1, Para 2 Not Applicable
807 KAR 5:001, § 14(3)	If Applicant is a limited liability company: State and date of organization, attestation of good standing in state of incorporation, statement regarding authorization to transact business in Kentucky	Page 1, Para 2 Not Applicable
807 KAR 5:001, § 14(4)	If the Applicant is a limited partnership: a certified copy of limited partnership agreement and all amendments or statement identifying prior Commission proceedings in which limited partnership agreement and all amendments filed	Page 1, Para 2 Not Applicable
807 KAR 5:001, § 15(2)(a)	The facts relied upon to show that the public convenience and necessity requires the proposed construction	Page 3, Para 7 Exhibit 9
807 KAR 5:001, § 15(2)(b)	Copies of franchises or permits for the proposed construction or extension	Pages 3, Para 8-9 Exhibit 3 and Exhibit 4
807 KAR 5:001, § 15(2)(c)	A full description of the proposed location, route, or routes of the proposed construction or extension, including a description of the manner in which same will be constructed, and the names of all public utilities, corporations, or persons with whom the proposed construction or extension is likely to compete	Page 3, Paras 11 and 12 Exhibit 5

Source Authority	Requirement	Location
807 KAR 5:001, § 15(2)(d)1	Maps to suitable scale showing the location or route of the proposed construction or extension, as well as the location to scale of like facilities owned by others located anywhere within the map area with adequate identification as to the ownership of the other facilities (Only one copy submitted pursuant to 807 KAR 5:001, Section 8)	Page 3, Para 11 Exhibit 6
807 KAR 5:001, § 15(2)(d)2	Plans and specifications and drawings of the proposed plant, equipment, and facilities	Pages 4, Para 13-15 Exhibits 7-9
807 KAR 5:001, § 15(2)(e)	The manner in detail in which the Applicant proposes to finance the proposed construction or extension.	Page 4, Para 16 Page 5, Para 22
807 KAR 5:001, § 15(2)(f)	An estimated annual cost of operation after the proposed facilities are placed into service	Page 4, Para 19 Exhibit 16
807 KAR 5:001, § 4(13)	Engineering plans, specifications, drawings, plats and reports for the proposed construction or extension prepared by a registered engineer, must be signed, sealed, and dated by an engineer registered in Kentucky	Exhibits 7-9

**FILING REQUIREMENTS FOR AN APPLICATION FOR A
AUTHORITY TO ISSUE EVIDENCES OF INDEBTEDNESS**

Source Authority	Requirement	Location
807 KAR 5:001, § 14(1)	Applicant's name, mailing address and e-mail address	Page 1, Para 1
807 KAR 5:001, § 14(1)	Statutory Reference – KRS 278.300	Page 1
807 KAR 5:001, § 4(3)	Signature of Applicant's Attorney	Page 8
807 KAR 5:001, § 4(3)	Name, Address, Telephone Number, Fax Number, and e-mail address of Applicant's Attorney	Page 8
807 KAR 5:001, § 14(2)	If Applicant is corporation: State and date of incorporation, attestation of good standing in state of incorporation, statement regarding authorization to transact business in Kentucky	Page 1, Para 2 Not Applicable
807 KAR 5:001, § 14(3)	If Applicant is a limited liability company: State and date of organization, attestation of good standing in state of incorporation, statement regarding authorization to transact business in Kentucky	Page 1, Para 2 Not Applicable
807 KAR 5:001, § 14(4)	If the Applicant is a limited partnership: a certified copy of limited partnership agreement and all amendments or statement identifying prior Commission proceedings in which limited partnership agreement and all amendments filed	Page 1, Para 2 Not Applicable
KRS 278.300(2)	Application is made under oath and signed on utility's behalf 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	Page 9
807 KAR 5:001, § 18(1)(a)	Information required by 807 KAR 5:001, § 14	See Above
807 KAR 5:001, § 18(1)(b)	Description of Applicant's property and the field of its operation	Page 6, Para 23
807 KAR 5:001, § 18(1)(c)	Description of amount and kinds of stock to be issued	Page 6, Para 24 Not Applicable
807 KAR 5:001, § 18(1)(c)	Description of amount, terms and interest rate of bond or note	Page 5, Para 22
807 KAR 5:001, § 18(1)(c)	Description of how bond or note will be secured	Page 5, Para 22
807 KAR 5:001, § 18(1)(d)	Statement of how proceeds are to be used	Page 4, Para 16 Page 5, Para 22
807 KAR 5:001, § 18(1)(e)	If proceeds will be used to acquire, construct, improve, or extend property: a detailed description of property and all contracts	Page 3, Para 7
807 KAR 5:001, § 18(1)(f)	Requirements if proceeds are to refund outstanding obligations	Page 6, Para 25 Not Applicable

Source Authority	Requirement	Location
807 KAR 5:001, § 18(1)(g)	Applicant's written notification to state local debt officer regarding proposed issuance	Page 6, Para 26 Exhibit 20
807 KAR 5:001, § 18(2)(a) 807 KAR 5:001, § 12(1)(b)	Financial Exhibit	Page 6, Para 27
807 KAR 5:001, § 18(2)(b)	Copies of trust deeds or mortgages	Page 7, Para 28
807 KAR 5:001, § 12(2)(c)	If property acquired: maps and plans of property	Page 7, Para 29 Exhibits 6 and 7
807 KAR 5:001, § 12(2)(c)	If property acquired: detailed estimates by USOA account number	Page 7, Para 30 Exhibit 21

EXHIBITS

TABLE OF EXHIBITS

<u>Tab No.</u>	<u>Description</u>
1	Orders Establishing Ohio County Water District and Modifying its Territory
2	A Resolution of the Board of Commissioners of Ohio County Water District to Apply to the Kentucky Public Service Commission for Authority to Enter an Assistance Agreement with the Kentucky Infrastructure Authority and for a Certificate of Public Convenience and Necessity to Construct A Water Improvement Project
3	KDOW Approval of Proposed Facilities with Respect to Sanitary Features of Design
4	Kentucky Department of Highways Encroachment Permit
5	Description of Proposed Facilities' Location and Routes
6	Maps of Proposed Facilities' Location and Routes
7	Plans for Proposed Water Improvement Project
8	Specifications for Proposed Water Improvement Project
9	Preliminary Engineering Report
10	Hydraulic Calculations
11	Certified Bid Tabulations
12	Project Engineer's Recommendations
13	Resolution of Ohio County Water District's Board of Commissioners Authorizing the Selection of Horsley Construction, Inc.
14	Statement of Annual Cost of Operations
15	Testimony of Walter D. Beasley
16	Testimony of J. Gregory Davenport
17	Minutes of the June 4, 2015 Meeting of the Board of Directors of the Kentucky Infrastructure Authority
18	Conditional Commitment Letter of June 9, 2015
19	Letter of June 8, 2016 Granting an Extension of Time in which to meet Loan Conditions

<u>Tab No.</u>	<u>Description</u>
20	Notice to State Local Debt Officer
21	Detailed Estimate of Acquired Property, Arranged According to the Uniform Systems of Accounts for Class A/B Water Districts and Associations

EXHIBIT 1

ORDERS ESTABLISHING OHIO COUNTY WATER DISTRICT
AND MODIFYING ITS BOUNDARIES

Sub-Exhibit	Document
A	Ohio County Court, Order Establishing Ohio County Water District (Apr. 2, 1962)
B	Ohio County Court, Order Extending Boundary of the Ohio County Water District Pursuant to KRS Chapter 74(Apr. 27, 1964)
C	Daviess County Court, Order Annexing Certain Territory Within Daviess County, As Addition to the Ohio County Water District Pursuant to Chapter 74, Kentucky Revised Statutes (Sept. 27, 1965)
D	Daviess County Judge/Executive, Order Transferring Territory from West Daviess Water District to Ohio County Water District (July 31, 1976)
E	Ohio County Judge/Executive, Order Approving Petition to Enlarge Territorial Limits of the Ohio County Water District (Nov. 21,1978)
F	McLean County Judge/Executive, Order Approving Boundaries of Ohio County Water District Extension or Annexation Into McLean County, Kentucky (Jan. 14, 1985)
G	Daviess County Judge/Executive, Order Approving Boundaries of Ohio County Water District Extension or Annexation Into Daviess County, Kentucky (Jan. 23, 1985)
H	Butler County Judge/Executive, Order Approving Boundaries of Ohio County Water District Extension or Annexation Into Butler County, Kentucky (Jan. 29, 1985)
I	Grayson County Judge/Executive , Order Approving Boundaries of Ohio County Water District Extension or Annexation Into Grayson County, Kentucky (Jan. 29, 1985)
J	Butler County Judge/Executive, Order Striking Off Area Along Kentucky Highway 269 from Ohio County Service Territory (Aug. 6, 1996)
K	Ohio County Judge/Executive, Order Approving the Enlargement of the Territorial Limits of the Ohio County Water District to Include the City of Rockport, Kentucky and Its Water Service Area (Sept. 18, 2003)
L	Breckinridge County Judge/Executive , Order Approving Boundaries of Ohio County Water District Extension into Breckinridge County, Kentucky (July 14, 2006)

OHIO COUNTY COURT

No. 138

FORREST P. BELL, et al.

ORDER ESTABLISHING OHIO COUNTY WATER DISTRICT

WHEREAS, there has heretofore been filed a petition by Forrest P. Bell, et al, and other freeholders and residents of an area lying in Ohio County, Kentucky, for the creation of a water district, to be known as the Ohio County Water District, pursuant to chapter 74 of Kentucky Revised Statutes, and

WHEREAS, a notice of the filing of such petition was published in three issues of a newspaper of general circulation in Ohio County, Kentucky, by the Ohio County Court, and

WHEREAS, a period of 30 days has expired after the publication of such notice, during which time all residents of the proposed district had an opportunity to file objection, and

WHEREAS, the court, within the 10-day period following the expiration of said 30-day period, set the case for a hearing on the 2nd day of April, 1962, at 1:00 P.M., and

WHEREAS, the court has found and does hereby find that the establishment of such district is reasonably necessary for the public health, convenience, fire protection and comfort of the residents within the area described in the petition as being the area sought to be established as the Ohio County Water District, and

WHEREAS, the court has determined and does hereby determine that such petition was signed by at least 75 resident freeholders of the proposed district, and

NOW, THEREFORE, it is hereby ordered that there be and is hereby established the Ohio County Water District, and such district shall be designated by the name of "Ohio County Water District." It is further hereby ordered that the boundaries of said district shall be and are hereby determined to be as follows:

"Beginning at the intersection of the North County Line of Ohio County on U.S. Highway No. 231 and including the area two (2) miles on each side of said U.S. Highway No. 231 extending in a South-easterly direction along U.S. Highway No. 231 to the North Corporation line of Beaver Dam, Kentucky; thence beginning at the intersection of the West corporation line of Beaver Dam, Kentucky, and U.S. Highway No. 62 and including the area one (1) mile on each side of U.S. Highway No. 62 extending in a southwesterly direction along U.S. Highway No. 62 a distance of four (4) miles.

There is specifically excluded from this description or boundary all area now included within the corporate limits of the City of Hartford and City of Beaver Dam and there is also specifically excluded all area within three-fourths (3/4) of a mile on each side of U.S. Highway 231 from the south corporation line of the City of Hartford to the north corporation line of the City of Beaver Dam.

PROVIDED, however, that said Water District shall have the right and privilege of constructing, laying and maintaining all necessary pipe and pipe lines and water lines, pumps, pump houses and all necessary and incidental rights and privileges toward constructing, laying and maintaining such necessary lines, equipment and fixtures, over, upon, across and underlying said three-fourths (3/4) mile exclusion on each side of said U.S. Highway 231, between Hartford and Beaver Dam, for the purpose of serving customers within this water district beyond said 3/4 mile exclusion.

ENTERED this 2nd day of April, 1962.

/s/ Carlisle Oldham
Judge, Ohio County Court

IN THE COUNTY COURT OF OHIO COUNTY

IN RE: ORDER EXTENDING BOUNDARY OF THE OHIO COUNTY WATER
DISTRICT, PURSUANT TO KRS CHAPTER 74

WHEREAS, there has heretofore been filed a petition by the Ohio County Water District Commissioners for the extension of the boundary of said water district pursuant to Chapter 74 of the Kentucky Revised Statutes; and,

WHEREAS, a notice of the filing of such petition was published in three issues of the Ohio County News and in three issues of the Ohio County Messenger, newspapers of general circulation in Ohio County, Kentucky, by the Ohio County Court; and,

WHEREAS, a period of thirty days has expired, after the publication of such notice, during which time all residents of the area proposed to be annexed into the Ohio County Water District by extension of the district boundary had an opportunity to file objections, but none have done so; and,

WHEREAS, the court, within the ten day period following the expiration of said thirty day period, set this matter for hearing on the 27th day of April, 1964; and,

WHEREAS, the court has found and does hereby find that the extension of the boundary of the Ohio County Water District, as proposed, is reasonably necessary for the public health, convenience, fire protection and comfort of the residents of the proposed annexed area;

NOW, therefore, it is hereby ordered that there be and is hereby annexed into the Ohio County Water District by the extension of said district boundary, the following described area:

Beginning at the intersection of the Illinois-Central spur line and U. S. Highway No. 231 near the Southern city limits of the City of Beaver Dam, Kentucky, and including the area one (1) mile on each side of said U. S. Highway No. 231 extending in a southeasterly direction along said U. S. Highway No. 231 a distance of approximately seven and one-quarter (7-1/4) miles to a point where State Highway No. 505 intersects with U. S. Highway No. 231 South of Cromwell, Kentucky.

Entered this 27th day of April, 1964.

Carroll Oldham
Judge, Ohio County Court

A true copy attest:

Mary E. Ramsey
Clerk, Ohio County Court
By Katherine Vance

FILED

DEC 14 1965

DAVISS COUNTY COURT

**PUBLIC SERVICE
COMMISSION**

IN RE: ORDER ANNEXING CERTAIN TERRITORY WITHIN DAVIESS COUNTY,
AS ADDITION TO THE OHIO COUNTY WATER DISTRICT
PURSUANT TO CHAPTER 74 KENTUCKY REVISED STATUTES

WHEREAS, there has heretofore been filed a petition by the Board of Commissioners of the Ohio County Water District, for the addition of proposed territory within Daviess County, to the Ohio County Water District, and a description of the territory proposed to be annexed into the District was made a part of the petition, and filed with the same, all pursuant to Chapter 74 of the Kentucky Revised Statutes; and,

WHEREAS, a notice of the filing of such petition was published in three (3) issues of the Owensboro Messenger-Inquirer, a newspaper of general circulation in this County; and,

WHEREAS, a period of thirty (30) days has elapsed after the first publication of such notice, during which time all the residents of the area proposed to be annexed into the Ohio County Water District had an opportunity to file objections, and it appearing to the Court that no objections have been filed; and,

WHEREAS, the Court, within a ten (10) day period following the expiration of said thirty (30) day period set this matter for hearing on this the 27th day of September, 1965; and,

WHEREAS, the Court has found and does hereby find that the addition of the proposed territory within Daviess County to the

Ohio County Water District is reasonably necessary for the public health, convenience, fire protection and comfort of the residents of the proposed annexed area; and,

WHEREAS, there must be appointed two (2) Commissioners who are Daviess County residents within the proposed addition to the Ohio County Water District; and,

WHEREAS, H. D. Johnson, nominated as a Commissioner to serve a term which shall expire on April 2, 1967, did appear in Court and the Court did set a bond to insure the faithful performance of his duties, and said bond being in the amount of \$500.00; and whereas A. C. Taylor, nominated as a Commissioner to serve a term which shall expire on April 2, 1969, did appear in Court and the Court did set a bond to insure the faithful performance of his duties, and said bond being in the amount of \$500.00;

NOW, Therefore, it is hereby ordered and adjudged as follows:

1. That there be and is hereby annexed into the Ohio County Water District as an addition to said District boundaries, the following described area located in Daviess County, to-wit:

Beginning at the intersection of the North County line of Ohio County and the South County line of Daviess County with U. S. Highway No. 231, thence extending in a Northwesternly direction along U.S. Highway No. 231, and including the area two (2) miles on each side of said U.S. Highway No. 231, a distance of 3.5 miles from said Ohio County-Daviess County line.

2. That H. D. Johnson, resident of the annexed territory within Daviess County, be and is hereby appointed to the Board of Commissioners of the Ohio County Water District for a term which shall expire April 2, 1967, and his bond in the amount of \$500.00 with National Security Corporation as surety thereon is approved.

3. That A. C. Taylor, resident of the annexed territory within Daviess County, be and is hereby appointed to the Board of Commissioners of the Ohio County Water District for a term which shall expire April 2, 1969, and his bond in the amount of \$500.00 with National Surety Corporation as surety thereon is approved.

4. The Court having duly sworn said two (2) Commissioners to faithfully perform their duties, they are hereby ordered to enter into the discharge of their said duties.

This 27th day of September, 1965.

H. B. Burkhead
Judge, Daviess County Court

STATE OF KENTUCKY
COUNTY OF DAVIESS, Sct.

I, Charles W. Ware, Clerk of the County Court, in and for the County and State, aforesaid, do certify that the foregoing is a true and correct copy as it appears of record in my office in Book

No. 34 PAGE 27th day of Sept., 1965

Given under my hand, this the 27th day of Sept., 1965

CHARLES W. WARE, Clerk

By [Signature] D.C.



19844

PAT TANNER
JUDGE

COUNTY OF DAVIESS
COURTHOUSE
OWENSBORO, KENTUCKY 42301

DAVIESS COUNTY COURT

Petitioners of the Red Hill and surrounding area, especially Russell Road beginning west of U.S. 231, Red Hill-Maxwell Road, Fields Road, Browns-Valley Red Hill Rd., Kentucky Highway 140, and surrounding areas ask the Daviess County Court to allow construction of water lines to service this area by the Ohio County Water District.

The Ohio County Water District joins in this petition and the West Daviess Water District concurs in this action.

Proof is evident that no harm will accrue to the bond holders and covenants of the West Daviess Water District.

Advertising pursuant to Chapter 74 has been accomplished.

Any matter inferring that this area is in the West Daviess County Water District is not withstanding as petitioners ask that this area be placed in the Ohio County Water District in the event that the area might have originally been in the West Daviess County Water District, which has no service near this area.

THEREFORE, BE IT ORDERED that Ohio County Water District service the area outlined herein.

This being 31st July, 1976.

Pat Tanner
Pat Tanner
Judge, Daviess County Court

STATE OF KENTUCKY
COUNTY OF DAVIESS, Sct.

I, Robert Hill, Clerk of the County Court, in and for the County and State, aforesaid, do hereby file the foregoing as a true and correct copy as it appears of record in my office in
Co. Court Order Bl. 67, Page 844

Given under my hand, this 30th day of Oct 1976

ROBERT HILL, Clerk
By *Joe Williams* D.C.

W. H. ...
S. ...
PSC 7-10

OHIO COUNTY COURT

IN RE: ORDER APPROVING PETITION TO ENLARGE TERRITORIAL LIMITS
OF THE OHIO COUNTY WATER DISTRICT.

The Petition by the Ohio County Water District to enlarge territorial limits of the said Ohio County Water District, together with the objections or exceptions thereto filed in behalf of the City of Rockport, Kentucky, having come on for hearing; all parties having been duly noticed of the hearing; the Court having heard evidence in behalf of the Petition and in behalf of the exceptions and objections thereto; and the Court being fully advised and cognizant of the requirements of KRS 74.110;


The Court finds that it is reasonably necessary that the Ohio County Water District territorial limits and boundaries be enlarged to include all of Ohio County, excluding however, those municipal water service areas and water associations or other water district areas as described and identified in Exhibit "A" and Exhibit "B" attached to the Petition herein; the Court further finds that the said Ohio County Water District Board of Commissioners have established the reasonable necessity for said enlargement of their territorial limits by the proof and evidence offered herein and upon the grounds and for the reasons as set out in their Petition, which reasons are incorporated herein by reference and made a part of these findings.

WHEREFORE, IT IS NOW ORDERED that the territorial limits of the Ohio County Water District shall be and are now enlarged to include all of Ohio County, excluding, however, all areas within the county which are served or are within the service boundaries of incorporated municipalities, water associations or other water districts providing water service within the county, and which excluded areas are more particularly described and identified in Exhibit "A" and Exhibit "B" filed with the Petition, subject, however, to an amended description of the City of Rockport water service area as excluded and which amended description is attached hereto and incorporated by reference as Schedule "A".

IT IS FURTHER ORDERED AND ADJUDGED that the exclusion of other water service areas from the territorial limits of the Ohio County Water District shall not prohibit or in any way limit the rights and privileges of the Ohio County Water District to construct, lay and

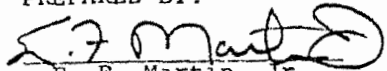
maintain all necessary pipes, pipelines and water lines, pumps, pump houses and all other necessary and incidental rights and privileges in connection with the construction, laying and maintaining of such necessary lines, equipment and fixtures, over, upon, across and underlying any and all of the aforementioned and identified excluded areas, where such rights and privileges would be necessary or incidental to the service of customers within the territorial limits of the Ohio County Water District.

This ~~21st~~ day of November, 1978.



Judge/Executive, Ohio County
Court

PREPARED BY:



E. F. Martin, Jr.
Attorney for Ohio County
Water District

SCHEDULE "A"

AMENDED BOUNDARY DESCRIPTION OF THE CITY OF ROCKPORT WATER SERVICE
AREA EXCLUDED FROM THE OHIO COUNTY WATER DISTRICT TERRITORIAL LIMITS.

Beginning at a point located in the Ohio County and Muhlenberg County line and in the middle of Green River, said point being 1400 feet Northwest of the bridge on Highway #62, thence in a Northeastern direction to a point in Lewis Creek which point is located approximately 1200 feet West of the Lewis Creek Bridge on Highway #62; thence in a Northern direction to a point located 1,000 feet West of the intersection of Highway #85 and Maddox Lane, thence in an Eastern direction with Maddox Lane to a culvert in Highway #62; thence in a Southern direction to a point located approximately 1,200 feet East of the Lewis Creek Bridge in Highway #62; thence in an Eastern direction to the center of the Old County Road (also called Jake Sailing's Lane); thence in a Southeastern direction to the Ken Mines Y on the Illinois Central Rail Road; thence in a Southwestern direction with the Illinois Central Railroad approximately 6,699 feet, plus or minus, to the intersection with the Old Echols Road; thence in a Southern direction to the intersection with the Northern right of way line to the Western Kentucky Parkway; thence along the Northern right of way of the Western Kentucky Parkway to the Ohio County-Muhlenberg County lines in the center of Green River; thence with said boundary in a Northwestern direction to the point of beginning.

There is further excepted, although in no way effecting or limiting the boundary line as hereinabove established, the specifically identified water customers who may receive service, if they elect, from the City of Rockport, rather than from the Ohio County Water District, although located in the boundary limits of the Ohio County Water District, to-wit: Mitchell Curtis, 1 connection; Darrell Curtis, 1 connection; J. G. Liles, 2 connections; Joe Phelps, 1 connection; and General Baptist Church, 1 connection by a 1/2" water service line.

MARY RANNEY ROBERTS

Ohio County Court Clerk

HARTFORD, KY. 42347

STATE OF KENTUCKY)
COUNTY OF OHIO) SCT

I, MARY RANNEY ROBERTS, Clerk of the Ohio County Court, do hereby certify that the above is a true and correct copy of same, which is of record in Co order Book 37, page 448.

Given under my hand this 21 day of Nov.,
1978.

MARY RANNEY ROBERTS
OHIO COUNTY COURT CLERK
BY: K. Ranney DC

LEGAL DESCRIPTION
OF
EXPANDED BOUNDARY LINE
OF
OHIO COUNTY WATER DISTRICT

Approved: November 21, 1978
Ohio County Court Judge

Beginning at the intersection of U. S. Highway 231 and the southern county boundary line of Ohio County, Kentucky and Butler County, Kentucky. Proceeding in a southwesterly direction along the County boundary line and maintaining said boundary line to the intersection of the Ohio County, Butler County and Muhlenberg County, Kentucky.

Thence in a northwestern direction on the county boundary line between Ohio County and Muhlenberg County maintaining this line until the intersection of Ohio County, Muhlenberg County and McLean County boundary lines, thence in a northern direction along the County boundary line between Ohio County and McLean County maintaining this boundary line until the intersection of the boundary line of Ohio County, McLean County and Daviess County at Maxwell, Kentucky.

Thence in a northwesterly direction along the County boundary lines between Daviess County, Kentucky and McLean County, Kentucky approximately 8,300 \pm feet to the intersection of a secondary road, thence in a northern direction along said road leading to Greenbrier Church and passing said Church @ 3,400' \pm in all 4,100' \pm to the intersection of another secondary road; thence following said secondary road in a westerly and northern direction 4,200' \pm to where the southern most branch of Two Mile Creek parallels said secondary road.

Thence in a northern direction along said branch to Two Mile Creek and proceeding in a northern direction along Two Mile Creek till the intersection of a buried pipeline, then in an eastern direction along the pipeline centerline approximately 4,130' \pm to the intersection of the centerline of the pipeline and South Fork of Panther Creek; thence proceeding in an eastern direction along said

Creek under U. S. Highway 231 and under the Green River Parkway maintaining the South Fork of Panther Creek to the intersection of Ohio County and Daviess County, Kentucky boundary lines. Thence in a southeastern direction along the County boundary line of Ohio County, Kentucky and maintaining that County boundary line with the following Counties respectively Daviess County, Hancock County, Breckinridge County, Grayson County and Butler County, Kentucky to the point of origin.

EXCEPTIONS

There is specifically excluded from this description or boundary all areas described as follows:

A. The City of Beaver Dam, Kentucky beginning at a point that would be the centerline of U. S. Highway 231 and the eastern Right-of-Way line of Lynn-Gay Court and proceeding in a southern direction the property line of the Cynthelex Corporation till it intersects with the southern spur of the Illinois Central Railroad then crossing said Railroad spur to the intersection of the Property Line of Thomas Industries and proceeding in a southern direction and following said property line to the corporate limits of the City of Beaver Dam, Kentucky and following said corporate limits past U. S. Highway 369 to a point 200' south of the centerline of Taylor Mine Road. Thence in a westerly direction parallel to and 200' south of Taylor Mine Road to a point where said boundary line lines up with the Property line of Carmen Allen and Glendon Rock. Thence from this point in a westerly direction crossing Taylor Mine Road and proceeding along the Property line of Carmen Allen and Glendon Rock to the intersection of a branch flowing across said property in a northerly direction thence along said branch to the southern R/W line U. S. Highway 62. Thence in an easterly direction along U. S. Highway 62 to a point where the centerline of Cooper's Crossing would intersect with U. S. Highway 62. Then in a northern direction along the centerline of Cooper's Crossing to the intersection with U. S. Highway 273. Thence along the property lines as follows respectively in a northern direction along the western property line of the Goodman property then to the Fuqua Property, Johnson Property line then on the Johnson Property line in an easterly direction to the Russell Revlett Property then in a northern direction along the Revlett Property to Evans Property then along the western property line in a northern direction as the Tim Barns property line to the intersection with Muddy Creek.

Thence in a easterly direction along Muddy Creek under U. S. Highway 231, two miles plus or minus to a branch in a southerly direction flowing under U. S. Highway 62, and following said Southern Fork of Muddy Creek until it intersects with the Illinois Central Railroad. Then in a westerly direction along the centerline of said Railroad and following the southern spur of the Illinois Central Railroad to the centerline of U. S. Highway 231. Thence in a easterly direction to the point of origin.

B. The City of Centertown, Kentucky, beginning at the intersection of the corporate limits of Centertown and the centerline of U. S. Highway 69 West of Centertown from this point 200' in a Southerly direction and 90° from this intersection being the point of origin. From this point of origin in a Northwest direction parallel to U. S. Highway 85 at approximately 3500 feet, more or less, to a secondary Ohio County road; this road to be included in this description, continuing parallel to U. S. Highway 85 and 200' from Highway 85 to the intersection of this line and the McLean County and Ohio County boundary line in the Green River. Thence along the county boundary line in a Northerly direction 400', then in an Easterly direction parallel to U. S. Highway 85, this parallel line being 200' on the Northern side of said Highway at approximately 11.500', more or less, along the parallel line, the secondary County Road, namely Carter Road, is to be included in the description, continuing along U. S. Highway 85 200' from the centerline and now on the Eastern side of said Highway. Thence approximately 1.1 miles, more or less, to another unnamed secondary county road which is to be included in this description. Again continuing parallel to U. S. Highway 85 in a Southern direction and 200' Easterly from the centerline of U. S. Highway 85 to the intersection of the corporate limits of Centertown, Kentucky. Thence in a Northern direction along the corporate limits of Centertown, Kentucky, and following these limits to the intersection of these limits and a point 200' North of U. S. Highway 69, east of Centertown, Kentucky. Then parallel to U. S. Highway 69 in an Easterly direction 200' north of said Highway to the point 90° perpendicular to where the Louisville and Nashville Railroad and U. S. Highway 69 intersect. Then crossing U. S. Highway 69. Then 90° right in a Southern direction and parallel to and 200' from centerline of U. S. Highway 69 following toward Centertown.

Thence at a point 200' South of Highway 69 that intersects with a point 200' East of U. S. Highway 85, then following parallel to and 200' East of the centerline of U. S. Highway 85 to a point 200' East of U. S. Highway 85 that will line up with the southern property line of the West Providence Church. Then at this point 90° to the right; that would be in a westerly direction; 400' crossing the centerline of U. S. Highway 85 at 90° to a point 200' on the West side of U. S. Highway 85 then 90° in a northern direction toward Centertown parallel to and 200' West of U. S. Highway 85, to the intersecting point with the Centertown corporate limits.

Thence in a westerly direction along the corporate limits to the point of origin.

C. The City Fordsville, Kentucky beginning at the intersection of State Highway 69 and centerline of the Illinois Central Railroad South of Fordsville;

Thence north along Illinois Central Railroad to a point intersecting said railroad and 200' south of State Highway 54;

Thence in a westerly direction parallel to, and 200' south of State Highway 54 approximately 6336' ± to a point; said point being 200' south westerly of the intersection of State Highways 54 and 69; thence in a northern direction 200' west of and parallel to State Highway 54;

Thence in a northwesterly direction 200' west of and parallel to State Highway 69; approximately 6864' ± to a point; said point being 200' west of State Highway 69 and 200' north of the intersection of State Highway 69 and a secondary road;

Thence in an easterly direction 200' north of and parallel to said secondary road for approximately 1000' to a point; thence 90° in a southerly direction crossing said secondary road at 200' to a point all together 400' to a point; thence in a westerly direction 200' south of and parallel to aforementioned secondary road to a point that intersects with a line 200' east of State Highway 69.

Thence in a southerly direction 200' east of and parallel to State Highway 69; to a point 200' north of State Highway 54; thence in an easterly direction 200' north of and parallel to State Highway 54 to a point 200' west of State Highway 1700; thence in a northerly direction 200' west of, and parallel to State Highway 1700 to a point that intersects with a line perpendicular to and 200' west of the intersection of State Highway 1700 and a secondary road; thence from said point 200' in an easterly direction crossing State Highway 1700 at its intersection with said secondary road altogether 400' to a point on the east side of State Highway 1700.

Thence in a southerly direction 200' east of and parallel to State Highway 1700 to its intersection with the corporation limits of Fordsville, Kentucky.

Thence following these corporation limits to a point that intersects 200' west of the Fordsville Hancock Road; thence in a northerly direction 200' west of and parallel to the Fordsville-Hancock Road for 1000' to a point; thence in a southeasterly direction 200' crossing the centerline of the Fordsville-Hancock Road to a point altogether 400' being on the east side of said road; thence in a southwesterly direction 200' east of and parallel to the Fordsville-Hancock Road to its intersection with the corporation limits of Fordsville, Kentucky.

Thence in an easterly direction 2112' ± to a point 200' west of a secondary road; thence in a northerly direction 200' west of and parallel to said secondary road for approximately 1000' thence in an easterly direction 200' to the centerline of the aforementioned secondary road to a point altogether 400' to a point on the east side of said secondary road, thence in an southerly direction 200' east of and parallel to said secondary road to a point 200' north of State Highway 54;

Thence in an easterly direction 200' north of and parallel to State Highway 54 to a point 200' west of State Highway 261; thence in a northeasterly direction 200' west of and parallel to State Highway 261 for a distance of 1000' to a point; thence in an easterly direction 200' crossing the centerline of State Highway 261 to intersection of Adams Creek being on the east side of State Highway 261; thence in a southerly direction following Adams Creek crossing under State Highway 54 to a point 200' south of State Highway 54;

thence in a westerly direction 200' south of and parallel to State Highway 54 to its intersection with the corporation limits of Fordsville, Kentucky; thence following these limits to a point 200' east of State Highway 69; thence in a southwesterly direction 200' east of and parallel to State Highway 69 to its intersection with the centerline of the Illinois Central Railroad; thence in a northerly direction along the centerline of the Illinois Central Railroad to the point of origin.

D. The City of Hartford, Kentucky beginning at the intersection of U. S. Highway 231, south of Hartford and Muddy Creek proceeding in a westerly direction along Muddy Creek till it empties into Rough River; thence in a northeasterly direction along Rough River approximately 2,375' ± to a stream emptying into Rough River, thence in a northerly direction up said stream to its intersection with Johnson School Road; thence easterly along said Road to its intersection with U. S. Highway 231; thence northerly along U. S. Highway 231 approximately 660' ± to its intersection with another stream; thence northeasterly along said stream, passing under the Green River Parkway, to its intersection with the eastern R/W of the Green River Parkway; thence in a southern direction along the Green River Parkway, right-of-way line to a point that intersects with the North Fork of Muddy Creek. Thence in a north easterly direction along the North Fork of Muddy Creek to a point that intersects a line 200' east of the Jesse Daniels Road, then in a southerly direction parallel to and 200' east of said road to a point that intersects with the centerline of Maples Road then from this point to the intersection of Maples Road and Jesse Daniels Road thence 90° and in a southerly direction 200' from the aforementioned points then 90° and in a southwesterly direction parallel to Maples Road and 200' south of said road to that point that intersects with the eastern right-of-way of the Green River Parkway.

Thence in a southerly direction along the R/W to the northern right-of-way of U. S. Highway 62, then in a westerly direction along this right-of-way to a point with the intersection of Muddy Creek. Thence in a northwesterly direction along Muddy Creek to the point of origin.

E. The City of Rockport, Kentucky beginning at the intersection of U. S. Highway 62 and the Ohio County and Muhlenberg County, Kentucky boundary line. Thence in a northerly direction 200' then 90° and in a north easterly direction parallel to and 200' north of the centerline of U. S. Highway 62.

Thence at a point intersecting 200' north of a parallel to U. S. Highway 62 and 200' west of and parallel to U. S. Highway 85, the boundary line will proceed in a northerly direction 200' to the west and parallel to the centerline of U. S. Highway 85 to a point intersecting the southern property line of the West Providence Church. At this point in a northeasterly direction 400', 90° perpendicular to the centerline of U. S. Highway 85, to a point then in a southerly direction parallel to and 200' to the east of the centerline of U. S. Highway 85, till it intersects with the centerline of U. S. Highway 62. From this point in a westerly direction along the centerline of U. S. Highway 62, to a point intersecting with the centerline of U. S. Highway 85.

Thence 90° in a south easterly direction 200' to a point, then southwesterly in a direction and parallel to U. S. Highway 62 till it intersects with the corporate limits of the City of Rockport, then following the corporate limits to the intersection with the Ohio County and Muhlenberg County boundary line then in a northerly direction along said county boundary lines to the point of origin.

F. The Rough River Water System, Inc.; beginning in the centerline of State Highway 69 and the east side of the interchange of the Bowling Green-Owensboro Expressway, and continuing in a northerly direction along the east right-of-way of the said Expressway to the center of Rough River and continuing as follows:

Along the centerline of Rough River in an easterly direction to a point opposite Parks Ridge Road; thence,

Leaving Rough River in a northeasterly direction crossing Parks Ridge Road and approximately 1,000 feet north of a secondary road to the center of Round Hill Road; thence,

In an easterly direction crossing Marvin's Chapel Road and approximately 1,000 feet north of a secondary road leading into Sunnydale to a point 1,000 feet northeast of Sunnydale Road; thence,

Approximately 1,000 feet northeast of Sunnydale Road to the centerline of Rough River; thence,

In a southerly direction along the centerline of Rough River, past the crossing of State Highway 69, to a point where a stream north of Narrows enters Rough River; thence;

In an easterly direction along the centerline of said stream and along the left fork of said stream and crossing the Illinois Central Railroad track to a point 2,000 feet east of said Illinois Central Railroad; thence;

In a southerly direction and approximately 2,000 feet east of the Illinois Central Railroad track to the centerline of Huff Creek; thence;

In a westerly direction (downstream) along the centerline of Huff Creek to the centerline of Rough River; thence,

In a southerly direction along the centerline of Rough River to the centerline of Barretts Ford Bridge and Road; thence,

In a southwesterly direction along the centerline of said road to New Bymus Church and continuing along centerline of said road to St. Johns Church and State Highway 878; thence,

In a southerly direction along the centerline of State Highway 878 to Cedar Grove Church and the intersection of State Highway 1164; thence,

In a westerly direction along the centerline of State Highway 1164 past Mt. Vernon Cemetery, crossing Halls Creek, to the intersection of a secondary road northeast of Jingo, on State Highway 1164; thence,

In a southwesterly direction along the centerline of a secondary road to the intersection of Herman Chapel Road; thence,

From the point in the centerline of Herman Chapel Road in an easterly direction to the centerline of Muddy Creek; thence,

In an easterly direction downstream along the centerline of Muddy Creek crossing Jesse Daniel Road to the easterly right-of-way line of the Bowling Green-Owensboro Parkway; thence,

Along the easterly right-of-way line of the Bowling Green-Owensboro Parkway in a northerly direction to the centerline of State Highway 69, the beginning point.

G. The East Daviess County Water District, Ohio County extension, beginning at the intersection of U. S. Highway 54 and the Daviess County and Ohio County boundary line.

Thence in a Southwesterly direction along the Ohio County and Daviess County boundary line to a point 200' South of U. S. Highway 54, thence in an Easterly direction parallel to U. S. Highway 54 and 200' South of said Highway to a point 200' West of the Ralph Road, thence in a Southerly direction 200' West of the Ralph Road and parallel to the Ralph Road to a point 200' North of State Road 1767, thence in a Westerly direction 200' from the centerline and parallel to Highway 1767, thence in a Westerly direction 200 feet from the centerline and parallel to Highway 1767 for 2440' more or less, to a drainage ditch then along the drainage ditch to the centerline of State Highway 1767. Thence from this intersection in a Southeasterly direction approximately 7920' more or less to the intersection of a bridge on U. S. Highway 1414 and a drainage tributary to South Fork of Panther Creek. Thence from this intersection in an easterly direction along said drainage ditch to a point 200' from U. S. Highway 1414, thence in a Northerly direction 200' from and parallel to said highway to a point 200' South of the Sugar Grove Road, thence in an easterly direction 200' South of and parallel to the Sugar Grove Road to a point 200' on the East side of the Friendship Church Road.

From this point in a Northeasterly direction 200' from and parallel to the Friendship Church Road to a point 200' South of U. S. Highway 54, thence in an Easterly direction 200' South of and parallel to U. S. Highway 54 to the intersection of the Fordsville Water District boundary as described herein.

Thence in a Northwesterly direction 200' West of and parallel to State Highway 69; approximately 6864' to a point; said point being 200' West of State Highway 69 and 200' North of the intersection of State Highway 69 and a secondary Road. Thence in an Easterly direction 200' North of and parallel to said secondary road for 400' feet to a point, then in a Northern direction 200' from and parallel to State Highway 69 to a point 200' South of the Hawesville-Westly Church Road.

Thence in an Easterly direction 200' South of and parallel to the Hawesville-Westly Church Road to the intersection of the Hancock County and Ohio County boundary lines. Thence beginning in a Northwesterly direction along the Ohio County boundary line to the point of origin.

Provided, however, that the Ohio County Water District shall have the right and privilege of constructing, laying and maintaining all necessary pipe and pipelines and water lines, purps, pump houses and all necessary and incidental rights and privileges toward constructing, laying and maintaining such necessary lines, equipment and fixtures over, upon, across, and underlying all the aforementioned excluded areas for the purpose of serving customers within the Ohio County Water District.

COMMONWEALTH OF KENTUCKY, MCLEAN COUNTY

ORDER OF MCLEAN COUNTY JUDGE/EXECUTIVE APPROVING
BOUNDARIES OF OHIO COUNTY WATER DISTRICT EXTENSION OR
ANNEXATION INTO MCLEAN COUNTY, KENTUCKY

A "Petition For Extension Of Ohio County Water District Into McLean County, Kentucky", by the Board of Commissioners of the Ohio County Water District, joined by two freeholders of McLean County, Kentucky, having been duly filed on December 20, 1984, pursuant to KRS 74.115 and 74.110, for approval of the existing service area boundaries of said Ohio County Water District extension into McLean County as described in Exhibit "A" attached to said Petition; and,

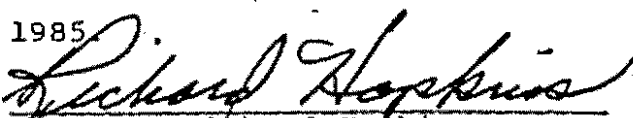
Notice of the filing of said Petition having been duly given and advertised for not less than 30 days; and,

A public hearing upon said Petition duly advertised and noticed having been held on this date and there being no objections or exceptions filed by any resident of the water district or the annexed territory which boundaries are proposed for approval, nor any other objections or exceptions having been filed; and,

A finding now having been made by the McLean County Judge/Executive that approval of the existing service area or boundaries of said Ohio County Water District extension into McLean County is reasonably necessary so that the residents of said Ohio County Water District service area within McLean County may continue to receive the service of the Ohio County Water District and the benefits derived from the supply of potable water provided by the said Ohio County Water District.

NOW, THEREFORE, IT IS ORDERED that the said service area boundaries of the Ohio County Water District extension or annexation into McLean County, as more fully described on Exhibit "A" attached to this Order, shall be and is now approved and said service area boundaries are established as the boundaries of the Ohio County Water District annexation or extension into McLean County.

This 14 day of January, 1985.


Hon. Richard Hopkins
McLean County Judge/Executive

DESCRIPTION OF THE LEGAL BOUNDARIES OF THE OHIO
COUNTY WATER DISTRICT EXTENSION INTO MCLEAN COUNTY

Beginning at a point 500 feet south of the centerline of Nuchols road at the point where said Nuchols Road crosses the boundary line between Ohio County and Mclean County, said 500 feet being measured at a right angle to the centerline of said Nuchols Road; thence westerly into McLean County parallel to and at all times 500 feet from the centerline of said Nuchols Road a distance of approximately 2000 feet to a point, said point being west of and including the Pleasant Hill Church; thence in a northerly direction crossing Nuchols Road at 500 feet in all 1000 feet to a point 500 feet north of the centerline of Nuchols Road; said point being measured at a right angle to the centerline of secondary road; thence in an easterly direction parallel to and at all times 500 feet from the centerline of said secondary road a distance of approximately 2000 feet to the west boundary line of Ohio County.

COMMONWEALTH OF KENTUCKY, DAVIESS COUNTY

ORDER OF DAVIESS COUNTY JUDGE/EXECUTIVE APPROVING
BOUNDARIES OF OHIO COUNTY WATER DISTRICT EXTENSION OR
ANNEXATION INTO DAVIESS COUNTY, KENTUCKY

A "Petition For Extension Of Ohio County Water District Into Daviess County, Kentucky", by the Board of Commissioners of the Ohio County Water District, joined by two freeholders of Daviess County, Kentucky, having been duly filed on December 20, 1984, pursuant to KRS 74.115 and 74.110, for approval of the existing service area boundaries of said Ohio County Water District extension into Daviess County as described in Exhibit "A" attached to said Petition; and,

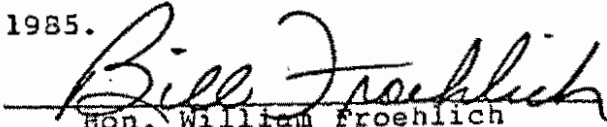
Notice of the filing of said Petition having been duly given and advertised for not less than 30 days; and,

A public hearing upon said Petition duly advertised and noticed having been held on this date and there being no objections or exceptions filed by any resident of the water district or the annexed territory which boundaries are proposed for approval, nor any other objections or exceptions, having been filed; and,

A finding now having been made by the Daviess County Judge/Executive that approval of the existing service area or boundaries of said Ohio County Water District extension into Daviess County is reasonably necessary so that the residents of said Ohio County Water District service area within Daviess County may continue to receive the service of the Ohio County Water District and the benefits derived from the supply of potable water provided by the said Ohio County Water District.

NOW, THEREFORE, IT IS ORDERED that the said service area boundaries of the Ohio County Water District extension or annexation into Daviess County, as more fully described on Exhibit "A" attached to this Order, shall be and is now approved and said service area boundaries are established as the boundaries of the Ohio County Water District annexation or extension into Daviess County.

This 23rd day of January, 1985.


Hon. William Froehlich
Daviess County Judge/Executive

STATE OF KENTUCKY
COUNTY OF DAVIESS, Sct.

I, Mike Libs, County Clerk, in and for the County and State, aforesaid, do certify that the foregoing is a true and correct copy as it appears of record in my office in Book No. 4..... page 404.....

Given under my hand, this the 23rd day of January, 1985

MIKE LIBS, Clerk

By ..... D. C.

DESCRIPTION OF THE LEGAL BOUNDARIES OF THE OHIO COUNTY WATER DISTRICT EXTENSION INTO DAVIESS COUNTY

Hill Road and 500 feet west of centerline of Old Hartford Road, both distances being measured at a right angle to the road centerline. Thence in an easterly direction, 500 feet north of said centerline to the centerline of Old Hartford Road. Thence at beginning, at a point, said point being 500 feet southwest of the center line of Ferry Road at Maxwell, Kentucky, this point also being 500 feet southwest of the southern most corner of Daviess County and the northeast corner of McLean County and in the Ohio County west boundary; thence in a northwesterly direction, parallel to the centerline of Ferry Road, 500 feet southwest of said centerline, this distance being measured at a right angle to Ferry Road, Ferry Road also being the common boundary line between Daviess and McLean County, a distance of approximately 8,800 feet to point, this point being 500 feet southwest of the centerline of Ferry Road and McLean and Daviess County lines; also being 500 feet west of the centerline of the secondary road extended; thence in a northerly direction, 500 feet west of this distance measured at a right angle, and parallel to said secondary road a distance of approximately 3,600 feet to a point, this point being 500 feet west of centerline of secondary road and 500 feet measured at a right angle, south of the centerline of the Greenbrier Church Road; thence parallel to and at all times 500 feet south and west of the centerline of Greenbrier Church Road approximately 4,200 to a point; thence westerly, crossing Greenbrier Church Road at 500 feet, in all approximately 600 feet to the center of Two Mile Creek; thence down Two Mile Creek in a northerly direction approximately 20,600 feet to a point where a 26 inch buried gas line crosses said Two Mile Creek; thence northeasterly with said 26 inch gas line approximately 4,300 feet to the center of the South Fork of Panther Creek; thence with the South Fork of Panther Creek with the channel change of same approximately 8,100 feet to a point, said point being 500 feet northwest of the centerline of Red Hill Road, measured at a right angle and in the center of said Creek; thence in a northeasterly direction parallel to and at all times 500 feet, measured at a right angle, from the centerline of Red Hill Road, this being the north boundary of the Ohio County Water District, approximately 3,200 feet to a point, said

point being 500 feet north of centerline of Red Hill Road and 500 feet west of centerline of Old Hartford Road, both distances being measured at a right angle to the road centerline; thence in an easterly direction, 500 feet north of and parallel to the centerline of Old Hartford Road, measured at a right angle, to the northern boundary of the Ohio County Water District, same being the center of the South Fork of Panther Creek; thence along the center of the South Fork of Panther Creek crossing under U. S. Highway No. 231 and the Green River Parkway maintaining the South Fork of Panther Creek to the intersection of Ohio County and Daviess County, Kentucky, boundary lines.

COMMONWEALTH OF KENTUCKY, BUTLER COUNTY

ORDER OF BUTLER COUNTY JUDGE/EXECUTIVE APPROVING
BOUNDARIES OF OHIO COUNTY WATER DISTRICT EXTENSION OR
ANNEXATION INTO BUTLER COUNTY, KENTUCKY

A "Petition For Extension Of Ohio County Water District Into Butler County, Kentucky", by the Board of Commissioners of the Ohio County Water District, joined by two freeholders of Butler County, Kentucky, having been duly filed on December 20, 1984, pursuant to KRS 74.115 and 74.110, for approval of the existing service area boundaries of said Ohio County Water District extension into Butler County as described in Exhibit "A" attached to said Petition; and,

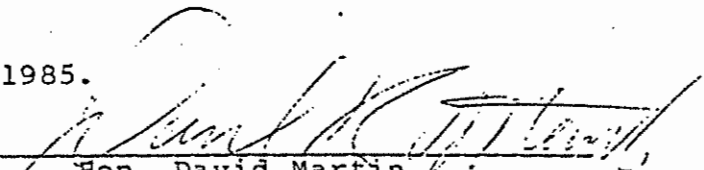
Notice of the filing of said Petition having been duly given and advertised for not less than 30 days; and,

A public hearing upon said Petition duly advertised and noticed having been held on this date and there being no objections or exceptions filed by any resident of the water district or the annexed territory which boundaries are proposed for approval, nor any other objections or exceptions having been filed; and,

A finding now having been made by the Butler County Judge/Executive that approval of the existing service area or boundaries of said Ohio County Water District extension into Butler County is reasonably necessary so that the residents of said Ohio County Water District service area within Butler County may continue to receive the service of the Ohio County Water District and the benefits derived from the supply of potable water provided by the said Ohio County Water District.


NOW, THEREFORE, IT IS ORDERED that the said service area boundaries of the Ohio County Water District extension or annexation into Butler County, as more fully described on Exhibit "A" attached to this Order, shall be and is now approved and said service area boundaries are established as the boundaries of the Ohio County Water District annexation or extension into Butler County.

This 29th day of January, 1985.



Hon. David Martin
Butler County Judge/Executive

I certify that this order is on file in my office.



Suzanne Brosnan
County Judge/Executive Secretary

DESCRIPTION OF THE LEGAL BOUNDARIES OF THE OHIO
COUNTY WATER DISTRICT EXTENSION INTO BUTLER COUNTY

Beginning at a point 500 feet northeast of the centerline of State Highway No. 269 at a point where said State Highway No. 269 crosses the boundary line between Ohio County and Butler County, said 500 feet being measured at a right angle to the centerline of State Highway No. 269; thence in a southeasterly direction into Butler County parallel to and at all times 500 feet from the centerline of said Highway No. 269 a distance of 1,000 feet; thence in a southwesterly direction, crossing Highway No. 269 at 500 feet in all 1,000 feet to a point 500 feet southwest of the centerline of Highway No. 269, said point being measured at a right angle to the centerline of Highway No. 269, thence in a northwesterly direction parallel to and at all times 500 feet from the centerline of said Highway No. 269 a distance of approximately 1000 feet to the southeast boundary line of Ohio County.

Appendix I

COMMONWEALTH OF KENTUCKY, GRAYSON COUNTY

ORDER OF GRAYSON COUNTY JUDGE/EXECUTIVE APPROVING BOUNDARIES OF OHIO COUNTY WATER DISTRICT EXTENSION OR ANNEXATION INTO GRAYSON COUNTY, KENTUCKY

A "Petition For Extension Of Ohio County Water District Into Grayson County, Kentucky", by the Board of Commissioners of the Ohio County Water District, joined by two freeholders of Grayson County, Kentucky, having been duly filed on December 20, 1984, pursuant to KRS 74.115 and 74.110, for approval of the existing service area boundaries of said Ohio County Water District extension into Grayson County as described in Exhibit "A" attached to said Petition; and,


Notice of the filing of said Petition having been duly given and advertised for not less than 30 days; and,

A public hearing upon said Petition duly advertised and noticed having been held on this date and there being no objections or exceptions filed by any resident of the water district or the annexed territory which boundaries are proposed for approval, nor any other objections or exceptions having been filed; and,

A finding now having been made by the Grayson County Judge/Executive that approval of the existing service area or boundaries of said Ohio County Water District extension into Grayson County is reasonably necessary so that the residents of said Ohio County Water District service area within Grayson County may continue to receive the service of the Ohio County Water District and the benefits derived from the supply of potable water provided by the said Ohio County Water District.

NOW, THEREFORE, IT IS ORDERED that the said service area boundaries of the Ohio County Water District extension or annexation into Grayson County, as more fully described on Exhibit "A" attached to this Order, shall be and is now approved and said service area boundaries are established as the boundaries of the Ohio County Water District annexation or extension into Grayson County.

This 29 day of January, 1985


Hon. Charles Lively
Grayson County Judge/Executive

DESCRIPTION OF THE LEGAL BOUNDARIES OF THE OHIO COUNTY WATER DISTRICT EXTENSION INTO GRAYSON COUNTY

Beginning at a point 500 feet north of the center-line of U. S. Highway 62 where said U. S. Highway 62 crosses the Ohio County-Grayson County boundary line; thence in a southeasterly direction parallel to and at all times 500 feet northeast of U. S. Highway 62 approximately 5300 feet to a point; thence southwesterly crossing U. S. Highway 62 at 500 feet in all 1000 to a point; thence northwesterly direction parallel to and at all times 500 feet southwest of U. S. Highway 62 to the Ohio County - Grayson County boundary line.

State of Kentucky, County of Grayson, S.C.T.

I, Margaret Wooten, Clerk of the County and State above said county, do hereby certify that the foregoing is a true and correct copy of said instrument as same appears of record in my said office, record of

Wooten 511-512
19 *Jan* 85

Margaret Wooten, Clerk

Margaret Wooten S.C.

BUTLER COUNTY JUDGE-EXECUTIVE

ORDER STRIKING-OFF AREA ALONG KENTUCKY HIGHWAY 269 FROM OHIO COUNTY WATER DISTRICT SERVICE TERRITORY.

WHEREAS, the Chairman of the Ohio County Water District Board of Commissioners has petitioned pursuant to KRS 74.110 that a portion of the District's service territory in Butler County along Kentucky Highway 269 be stricken-off; and,

WHEREAS, a public hearing was held, pursuant to proper public notice, on the 6th day of ^{AUG} ~~July~~, 1996 at 9:00 o'clock p.m. in the Butler County Courthouse, Morgantown, KY on said Petition; and,

WHEREAS, the Agreement between the Butler County Water System, Inc. and the Ohio County Water District has been filed in the Record of this matter establishing that the property owners and customers of the area along Highway No. 269 shall be served by and become the customers of the Butler County Water System, Inc., upon the deannexation of the stricken territory from the service area of the Ohio County Water District;

NOW, THEREFORE, IT IS HEREBY ORDERED:

1. That it is now determined that the striking off of the territory from the Ohio County Water District service area as hereinbelow described is reasonably necessary and in the public interest of the customers located in said territory, to-wit:

An area running along Highway 269 a distance of approximately 10,000 linear feet beginning at Point Pleasant Church and extending in a northwest direction to the Ohio-Butler County line and along Deweese Road off Highway 269 a distance of approximately 9,700 linear feet beginning at the intersection of Highway 269 and Deweese Road and extending in a southwest direction to the end of Deweese Road.

2. It is further found that there have been no assessments for improvements by the Ohio County Water District to the respective customers or property owners in the territory stricken from the Ohio County Water District service area and therefore there are no refunds to any such customers or property owners due from the said Board of Commissioners of the Ohio County Water District.

3. Accordingly, and pursuant to KRS 74.110 the territory hereinabove described in Paragraph 1 shall be and is now stricken from the service area of the Ohio County Water District in accordance with the Agreement dated March 26, 1996, between Ohio County Water District and Butler County Water System, Inc.

This 6th day of ^{July} July, 1996.


David Martin, Judge-Executive of
Butler County

COMMONWEALTH OF KENTUCKY
OHIO COUNTY

OHIO COUNTY JUDGE/EXECUTIVE
ORDER PURSUANT TO KRS 74.110

AN ORDER APPROVING THE ENLARGEMENT OF THE
TERRITORIAL LIMITS OF THE OHIO COUNTY WATER DISTRICT
TO INCLUDE THE CITY OF ROCKPORT, KENTUCKY AND ITS
WATER SERVICE AREA

WHEREAS, a "Petition For Enlargement Of Ohio County Water District Territorial Limits To Include The City Of Rockport, Kentucky And Its Water Service Area" by the Board of Commissioners of the Ohio County Water District, joined by the City of Rockport, Kentucky, was filed on August 7, 2003, pursuant to KRS 74.110, seeking approval of the enlargement of the Ohio County Water District territorial limits or boundaries to include the City of Rockport and its water service area as described in Exhibit "A" attached hereto; and,

WHEREAS, notice of the filing of said Petition having been duly given and advertised for not less than thirty (30) days; and,

WHEREAS, a public hearing upon said Petition as duly advertised having been held on this date and there being no objections or exceptions by any resident of the District or of the territory proposed to be annexed and included in the enlargement of the territorial limits of the Ohio County Water District; and,

WHEREAS, the City of Rockport and the Ohio County Water District have entered into an "Agreement" under date of May 1, 2003, whereby the Ohio County Water District has contracted to acquire the water service lines and other assets of the City of Rockport Municipal Water System and to provide a permanent, dependable, safe supply of water and water service to the customers of the Rockport water system and, further, to assume the Bond and Loan indebtednesses of the City of Rockport which have been incurred by the City to maintain and operate the City's Municipal Water System, which Bond and Loan indebtedness are now in default; and,

WHEREAS, it is now determined and found by the Ohio County Judge/Executive that approval of the extension and enlargement of the Ohio County Water District's territorial limits to include the City of Rockport and its water service area is both necessary and desirable in order that the residents of the City of Rockport and its customers within the City's water service area shall be assured of the availability of a dependable, safe potable and permanent water supply and all of the other benefits which shall be derived from the availability of such a water supply and the service which the District can provide to this citizens of Rockport and its water service area customers.

NOW, THEREFORE, IT IS ORDERED that said Petition filed by the Ohio County Water District and joined by the City of Rockport shall be and is now granted and the annexation to and the enlargement of the territorial limits or boundaries of the Ohio County Water District to include the City of Rockport and its water service area as more fully described in Exhibit "A" attached to this Order shall be and is now approved.

This 18th day of September 2003.


HON. WAYNE HUNSAKER
OHIO COUNTY JUDGE/EXECUTIVE

ATTEST:

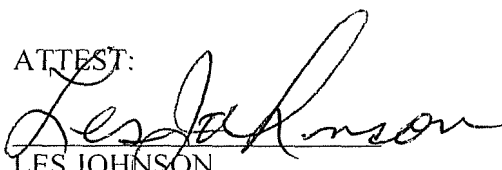

LES JOHNSON
OHIO COUNTY CLERK

EXHIBIT "A"

BOUNDARY DESCRIPTION OF THE CITY OF ROCKPORT AND ITS
WATER SERVICE AREA TO BE INCLUDED IN THE OHIO COUNTY
WATER DISTRICT'S TERRITORIAL LIMITS.

Beginning at a point located in the Ohio County and Muhlenberg County line and in the middle of Green River, said point being 1400 feet Northwest of the bridge on Highway #62, thence in a Northeastern direction to a point in Lewis Creek which point is located approximately 1200 feet West of the Lewis Creek Bridge on Highway #62; thence in a Northern direction to a point located 1,000 feet West of the intersection of Highway #85 and Maddox Lane, thence in a Eastern direction with Maddox Lane to a culvert in Highway #62; thence in a Southern direction to a point located approximately 1,200 feet East of the Lewis Creek Bridge in Highway #62; thence in a Eastern direction to the center of the Old County Road (also called Jake Sailing's Lane); thence in a Southeastern direction to the Ken Mines Y on the Illinois Central Rail Road; thence in a Southwestern direction with the Illinois Central Railroad approximately 6,699 feet, plus or minus, to the intersection with the Old Echols Road; thence in a Southern direction to the intersection with the Northern right of way line to the Western Kentucky Parkway; thence along the Northern right of way of the Western Kentucky Parkway to the Ohio County-Muhlenberg County lines in the center of Green River; thence with said boundary in a Northwestern direction to the point of beginning.

COMMONWEALTH OF KENTUCKY, BRECKINRIDGE COUNTY
ORDER OF BRECKINRIDGE COUNTY JUDGE/EXECUTIVE APPROVING
BOUNDARIES OF OHIO COUNTY WATER DISTRICT EXTENSION
INTO BRECKINRIDGE COUNTY, KENTUCKY

An approval of proposed services area and boundaries of the Ohio County Water District, joined by two freeholders of Breckinridge County, Kentucky, having been duly filed on the 9th day of June, 2006, pursuant to KRS 74.110 and 74.115, for approval of the proposed extension and service area boundaries by the said Ohio County Water District into Breckinridge County as described in said Petition; and,

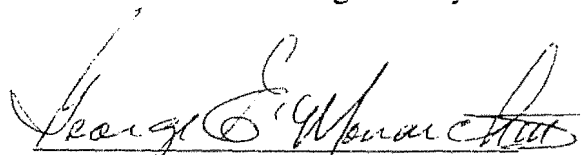
Notice of the filing of said Petition having been duly given and advertised for not less than 30 days; and,

A public hearing upon said Petition duly advertised and noticed having been held on this date and there being no objections or exceptions filed by any resident of the water district or the annexed territory which boundaries are proposed for approval, nor any other objections or exceptions having been filed; and,

A finding now having been made by the Breckinridge County Judge/Executive that approval of the extension of the service area and the boundaries of said Ohio County Water District extension into Breckinridge County is reasonably necessary so that the residents of said Ohio County Water District service area within Breckinridge County shall receive the service of the Ohio County Water District and the benefits derived from the supply of potable water provided by the said Ohio County Water District.

NOW, THEREFORE, IT IS ORDERED that the said service area boundaries of the Ohio County Water District extension into Breckinridge County, as more fully described in said Petition, shall be and are now approved and said service area boundaries are established as the boundaries of the Ohio County Water District extension into Breckinridge County.

This 14th day of Aug, 2006.



Hon. George Monarch
Breckinridge County Judge/Executive

PUBLIC NOTICE

PETITION FOR APPROVAL OF PROPOSED SERVICE AREA EXTENSION AND BOUNDARIES FOR BRECKINRIDGE COUNTY BY OHIO COUNTY WATER DISTRICT.

PLEASE TAKE NOTICE that a Petition has been filed with the Breckinridge County Judge/Executive by the Board of Commissioners of the Ohio County Water District and two free-holders of Breckinridge County for approval of the proposed extension of the Ohio County Water District service area into the following area of Breckinridge County, to-wit:

An area in the Southwestern section of Breckinridge County, bounded on the North by an un-named tributary to Harris Ft. Creek and a portion of Rock Lick Creek; and bounded on the East by a portion of Rock Lick Creek and a portion of Rough River; and bounded on the South by a portion of Rough River; and bounded by the West by Ohio County.

Any resident of the Ohio County Water District or the territory within Breckinridge County which is identified and described above may file objections or exceptions to this proposed annexation within thirty days after the first publication of this Notice.

Petitioners state that the territory or service area described above shall receive a potable supply of water from the Ohio County Water District and that there shall be no special assessments against the property owners of customers within the said service area of said Breckinridge County, the only charge for said water supply being the normal and regular charges of the customers of the Ohio County Water District reflected by their monthly billings for the amount of water used and any charges made for installation of service, including water meters.

A public hearing on the Petition shall be held on the 14th day of ~~July~~ ^{Aug.}, 2006, beginning at the hour of 10 a.m., CDT, at the Breckinridge County Court House in Hardinsburg, Kentucky.

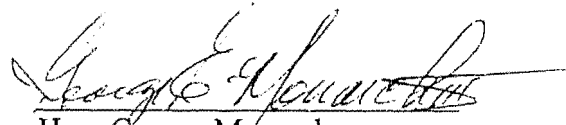

Hon. George Monarch,
Breckinridge Judge/Executive

EXHIBIT 2

RESOLUTION 16-02

**A RESOLUTION OF THE BOARD OF COMMISSIONERS OF OHIO
COUNTY WATER DISTRICT TO APPLY TO THE KENTUCKY
PUBLIC SERVICE COMMISSION FOR AUTHORITY TO ENTER AN
ASSISTANCE AGREEMENT WITH THE KENTUCKY
INFRASTRUCTURE AUTHORITY AND FOR A CERTIFICATE OF
PUBLIC CONVENIENCE AND NECESSITY TO CONSTRUCT A
WATER IMPROVEMENT PROJECT**

WHEREAS, on June 4, 2015, the Kentucky Infrastructure Authority approved a loan to Ohio County Water District from the Federally Assisted Drinking Water Revolving Fund (Fund F) in the amount of \$1,630,000 to construct a certain waterworks improvements known as the Water Main Upgrade Project;

WHEREAS, Ohio County Water District must execute an Assistance Agreement with the Kentucky Infrastructure Authority to obtain this loan;

WHEREAS, the Assistance Agreement constitutes an evidence of indebtedness;

WHEREAS, KRS 278.300 prohibits a utility from issuing an evidence of indebtedness until it has been authorized to do so by order of the Kentucky Public Service Commission;

WHEREAS, Ohio District now proposes to construct the Water Main Upgrade Project, which consists of the replacement of 17,500 linear feet of eight- and ten-inch water main with 16-inch water main; and

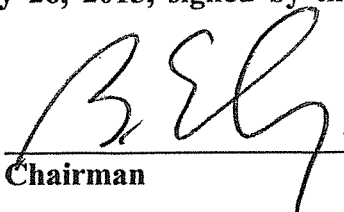
WHEREAS, KRS 278.020(1) prohibits any person from commencing the construction of any plant or facility to provide utility service until that person has obtained a certificate of public convenience and necessity from the Kentucky Public Service Commission;

NOW, THEREFORE, IT IS HEREBY RESOLVED BY THE BOARD OF COMMISSIONERS OF OHIO COUNTY WATER DISTRICT AS FOLLOWS:

Section 1. The facts, recitals, and statements contained in the foregoing preamble of this Resolution are true and correct and are hereby affirmed and incorporated as a part of this Resolution.

Section 2. The General Manager is authorized and directed to take any and all actions reasonably necessary to execute and submit an application to the Kentucky Public Service Commission for authority to enter an Assistance Agreement with the Kentucky Infrastructure Authority to borrow \$1,630,000 for the purpose of financing the Water Main Upgrade Project and for a Certificate of Public Convenience and Necessity to construct the Water Main Upgrade.

ADOPTED BY THE BOARD OF COMMISSIONERS OF OHIO COUNTY
WATER DISTRICT at a meeting held on May 26, 2015, signed by the Chairman, and
attested by the Secretary.


Chairman

ATTEST:

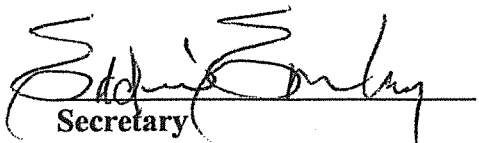

Secretary

EXHIBIT 3



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

August 10, 2015

Mr. Walt Beasley
Ohio Co Water District
130 E Washington St
Hartford, KY 42347

RE: 16 Inch North Water Transmission Line
Phase 1
Ohio Co Water District
AI # 3305, APE20150001
PWSID # 0920332-15-001
Ohio County, KY



Dear Mr. Beasley:

We have reviewed the plans and specifications for the above referenced project. The plans include the construction of approximately 12,231 linear feet of 16 inch PVC water main and 3,645 linear feet of 16 inch DI 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 Daniel Kulik at 502-564-3410 extension 4828.

Sincerely,

E-Signed by Greg Goode 
VERIFY authenticity with e-Sign


Greg Goode, P.E.
Engineering Section
Water Infrastructure Branch
Division of Water

GG:DK

Enclosures

C: J R Wauford & Co Consulting Engineers
Ohio County Health Department
Public Service Commission
Division of Plumbing

Distribution-Major Construction

Ohio Co Water District

Facility Requirements

Activity ID No.:APE20150001

PORT0000000029 (Water Line)12,231 linear feet of 16 inch PVC water main and 3,645 linear feet of 16 inch DI w

Narrative Requirements:

Condition No.	Condition
T-1	Construction of this project shall not result in the water system's inability to supply consistent water service in compliance with KAR 8:100 Section 5]
T-2	The public water system shall not implement a change to the approved plans without the prior written approval of the cabinet. [
T-3	A proposed change to the approved plans affecting sanitary features of design shall be submitted to the cabinet for approval in administrative regulation. [401 KAR 8:100 Section 4(2)]
T-4	During construction, a set of approved plans and specifications shall be available at the job site. Construction shall be performed in accordance with the approved plans and specifications. [401 KAR 8:100 Section 3(1)]
T-5	Unless construction begins within two (2) years from the date of approval of the final plans and specifications, the approval shall be void.
T-6	Upon completion of construction, a professional engineer shall certify in writing that the project has been completed in accordance with the approved plans and specifications. [401 KAR 8:100 Section 4(1)]
T-7	The system shall be designed to maintain a minimum pressure of 20 psi at ground level at all points in the distribution system under normal operating conditions. [Recommended Standards for Water Works 8.2.1, Drinking Water General Design Criteria IV.1.a]
T-8	Water lines should be hydraulically capable of a flow velocity of 2.5 ft/s while maintaining a pressure of at least 20 psi. [Drinking Water General Design Criteria IV.1.b]
T-9	The normal working pressure in the distribution system at the service connection shall not be less than 30 psi under peak demand defined as the maximum customer water usage rate, expressed in gallons per minute (gpm), in the pressure zone of interest during peak demand. [Drinking Water General Design Criteria IV.1.d]
T-10	When static pressure exceeds 150 psi, pressure reducing devices shall be provided on mains or as part of the meter setting on individual service lines. [Drinking Water General Design Criteria IV.1.c]
T-11	The minimum size of water main in the distribution system where fire protection is not to be provided should be a minimum of 16 inches. The minimum size of water main from minimum requirements shall be justified by hydraulic analysis and future water use, and can be considered only in special circumstances. [Recommended Standards for Water Works 8.2.2, Drinking Water General Design Criteria IV.2.b]

Distribution-Major Construction

Ohio Co Water District

Facility Requirements

Activity ID No.:APE20150001

PORT0000000029 (Water Line)12,231 linear feet of 16 inch PVC water main and 3,645 linear feet of 16 inch DI w

Narrative Requirements:

Condition No.	Condition
T-12	Water mains not designed to carry fire-flows shall not have fire hydrants connected to them. [Recommended Standards for Water Works 8.2.4.b, Recommended Standards for Water Works 8.4.1.b]
T-13	Flushing devices should be sized to provide flows which will give a velocity of at least 2.5 feet per second in the water main before flushing. [Recommended Standards for Water Works 8.2.4.b, Recommended Standards for Water Works 8.4.1.b]
T-14	No flushing device shall be directly connected to any sewer. [Recommended Standards for Water Works 8.2.4.b, Recommended Standards for Water Works 8.4.1.b]
T-15	Pipe shall be constructed to a depth providing a minimum cover of 30 inches to top of pipe. [Drinking Water General Design Criteria 8.2.4.b, Recommended Standards for Water Works 8.4.1.b]
T-16	Water mains shall be covered with sufficient earth or other insulation to prevent freezing. [Recommended Standards for Water Works 8.2.4.b, Recommended Standards for Water Works 8.4.1.b]
T-17	A continuous and uniform bedding shall be provided in the trench for all buried pipe. Backfill material shall be tamped in layer height above the pipe to adequately support and protect the pipe. Stones found in the trench shall be removed for a depth of at least 12 inches above the pipe. [Recommended Standards for Water Works 8.7]
T-18	Water line installation shall incorporate the provisions of the AWWA standards and/or manufacturer's recommended installation instructions. [Recommended Standards for Water Works 8.7]
T-19	All materials used for the rehabilitation of water mains shall meet ANSI/NSF standards. [Recommended Standards for Water Works 8.7]
T-20	Packing and jointing materials used in the joints of pipe shall meet the standards of AWWA and the reviewing authority. [Recommended Standards for Water Works 8.7]
T-21	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 8.7]
T-22	All materials including pipe, fittings, valves and fire hydrants shall conform to the latest standards issued by the ASTM, AWWA, and be acceptable to the Division of Water. [Recommended Standards for Water Works 8.1]
T-23	Water mains which have been used previously for conveying potable water may be reused provided they meet the above standards in their original condition. [Recommended Standards for Water Works 8.1]

Distribution-Major Construction

Ohio Co Water District

Facility Requirements

Activity ID No.:APE20150001

PORT0000000029 (Water Line)12,231 linear feet of 16 inch PVC water main and 3,645 linear feet of 16 inch DI w

Narrative Requirements:

Condition No.	Condition
T-24	Manufacturer approved transition joints shall be used between dissimilar piping materials. [Recommended Standards for Water
T-25	Pipes and pipe fittings containing more than 8% lead shall not be used. All products shall comply with ANSI/NSF standards. [F 8.1]
T-26	The minimum size of water main which provides for fire protection and serving fire hydrants shall be six?inch diameter. [Reco Drinking Water General Design Criteria IV.2.a]
T-27	Gaskets containing lead shall not be used. Repairs to lead?joint pipe shall be made using alternative methods. [Recommended S
T-28	Pipe materials shall be selected to protect against both internal and external pipe corrosion. [Recommended Standards for Wate
T-29	Dead end mains shall be equipped with a means to provide adequate flushing. [Recommended Standards for Water Works 8.2]
T-30	The hydrant lead shall be a minimum of six inches in diameter. Auxiliary valves shall be installed on all hydrant leads. [Recom
T-31	A sufficient number of valves shall be provided on water mains to minimize inconvenience and sanitary hazards during repairs. Works 8.3]
T-32	Wherever possible, chambers, pits or manholes containing valves, blow?offs, meters, or other such appurtenances to a distribut subject to flooding or in areas of high groundwater. Such chambers or pits should drain to the ground surface, or to absorption i manholes shall not connect directly to any storm drain or sanitary sewer. Blow?offs shall not connect directly to any storm drai Standards for Water Works 8.6]
T-33	At high points in water mains where air can accumulate provisions shall be made to remove the air by means of air relief valves: Works 8.5.1]
T-34	Automatic air relief valves shall not be used in situations where flooding of the manhole or chamber may occur. [Recommende

Distribution-Major Construction

Ohio Co Water District

Facility Requirements

Activity ID No.:APE20150001

PORT0000000029 (Water Line)12,231 linear feet of 16 inch PVC water main and 3,645 linear feet of 16 inch DI w

Narrative Requirements:

Condition No.	Condition
T-35	The open end of an air relief pipe from automatic valves shall be extended to at least one foot above grade and provided with a [Recommended Standards for Water Works 8.5.2.c]
T-36	Discharge piping from air relief valves shall not connect directly to any storm drain, storm sewer, or sanitary sewer. [Recommen
T-37	Water pipe shall be constructed with a lateral separation of 10 feet or more from any gravity sanitary or combined sewer measu practical a variance may be requested to allow the water pipe to be installed closer to the gravity sanitary or combined sewer pr trench or undisturbed shelf located on one side of the sewer with the bottom of the pipe at least 18 inches above the top of the g [Drinking Water General Design Criteria IV.3.b]
T-38	Water lines crossing sanitary, combined or storm sewers shall be laid to provide a minimum vertical distance of 18 inches betw outside of the sanitary, combined or storm sewer with preference to the water main located above the sanitary, combined or sto: Design Criteria IV.3.c]
T-39	At crossings, one full length of water pipe shall be located so both joints will be as far from the sewer as possible. [Recommen
T-40	There shall be no connection between the distribution system and any pipes, pumps, hydrants, or tanks whereby unsafe water o discharged or drawn into the system. [Recommended Standards for Water Works 8.10.1]
T-41	Water utilities shall have a cross connection program conforming to 401 KAR 8. [Recommended Standards for Water Works 8
T-42	Installed pipe shall be pressure tested and leakage tested in accordance with the appropriate AWWA Standards. [Recommende
T-43	New, cleaned and repaired water mains shall be disinfected in accordance with AWWA Standard C651. The specifications shal adequate flushing, disinfection, and microbiological testing of all water mains. In an emergency or unusual situation, the disinfi the Division of Water. [Recommended Standards for Water Works 8.7.7]
T-44	A minimum cover of five feet shall be provided over pipe crossing underwater. [Recommended Standards for Water Works 8.9
T-45	Valves shall be provided at both ends of water crossings so that the section can be isolated for testing or repair; the valves shall flooding for pipes crossing underwater. [Recommended Standards for Water Works 8.9.2.b]

Distribution-Major Construction

Ohio Co Water District

Facility Requirements

Activity ID No.:APE20150001

PORT0000000029 (Water Line)12,231 linear feet of 16 inch PVC water main and 3,645 linear feet of 16 inch DI w

Narrative Requirements:

Condition

No. Condition

T-46 Permanent taps or other provisions to allow insertion of a small meter to determine leakage and obtain water samples on each s
source for pipes crossing. [Recommended Standards for Water Works 8.9.2.c]

EXHIBIT 4

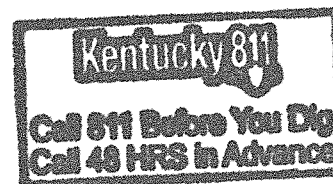


TRANSPORTATION CABINET

Department of Highways District 2 Office
1840 North Main Street
Madisonville, KY 42431-5003
(270) 824-7080

Steven L. Beshear
Governor

Michael W. Hancock, P.E.
Secretary



June 11, 2015

Mr. Walt Beasley
Ohio County Water District
124 E. Washington Street
Hartford, KY 42347

Re: Ohio County PW-092-9001-075.000
WK 9001 Western KY Parkway
Ohio County Water District
Utility Permit # 02-2015-00105

Dear Mr. Beasley:

The Department of Highways has approved your application for an encroachment permit. We are returning two copies of the approved permit so one may be kept in your record files. The other copy must be given to the party responsible for completing the project and must be kept at the job site at all times.

Please see that the work is done in strict conformity with the permit and any other applicable conditions (see form TC 99-21 and any other attached documents, conditions, or specifications). The work should be completed no later than January 1, 2016. When the permitted work and any necessary restoration have been completed, please notify this office by using the attached form which will serve as notification for final inspection.

If there are any questions regarding this permit, please do not hesitate to contact our District Permit Engineer Technologist at 270-824-7080 or fax number 270-824-7091.

Sincerely,

for J. Kevin McClearn, P.E.
Chief District Engineer
District Two

JKM/KKP/KDG/kdg
Attachments





Kentucky Transportation Cabinet
 Department of Highways
 Permits Branch

TC 99-1 (B)
 1/2012
 Page 1 of 1

ENCROACHMENT PERMIT

KEPTS No.: A02-2015-00105

Permittee: Ohio County Water District

Latitude: 37.370756

Longitude: -86.836173

Completion Date: 12/01/2016

Coordinates provided on the TC 99-1(B) are the approved location for this permit

Indemnities		
Type	Amount Required	Tracking Number
Performance Bond	10000.00	
Payment Bond	0	
Liability Insurance	0	

This permit has been:

APPROVED DENIED

Kenny Potts Engineer Branch Manager

NAME **TITLE**

Kenny Potts 6/12/2015

SIGNATURE **DATE**

The TC 99-1(B), including the application TC-99 1(A) and all related and accompanying documents and drawings make up the permit. It is not a permit unless both the TC 99-1(A) and TC 99-1(B) are both present.



Kentucky Transportation Cabinet
 Department of Highways
 Permits Branch

TC 99-1 (A)
 8/2012
 Page 1 of 4

APPLICATION FOR ENCROACHMENT PERMIT

02
 KYTC No. 2015-00105

Permittee Information		Permit Information	
Name	Ohio County Water District	Address	
Address	124 E Washington Street	City	Beaver Dam
City	Hartford	State	Kentucky
State	Kentucky	Zip	42320
Zip	42347	County	Ohio
Phone#	(270) 298 - 7704	Route No.	9001
Contact	Walt Beasley	Mile-Point	75
Phone	(270) 298-7704	Longitude (X)	Western KY Parkway
Cell	(270) 256-1202	Latitude (Y)	PW-092-9001-075.000
Email	waltb32@gmail.com	Information below to be filled out by KYTC	
Contact		<input type="checkbox"/> Air Right	<input type="checkbox"/> Entrance
Phone	Cell	<input checked="" type="checkbox"/> Utilities	<input type="checkbox"/> Other:
Email		Water Line Bore Crossing	
		<input type="checkbox"/> Left	<input type="checkbox"/> Right
		<input checked="" type="checkbox"/> Full	<input type="checkbox"/> by Permit

General Description of Work:

A 24-inch steel casing pipe will be installed by bore and jack methods under Kentucky Route 9001, Western Kentucky Parkway, at approximately mile marker 75. This casing pipe will be 185 feet in length and will carry a 16-inch restrained joint ductile iron pipe, carrying water, through the width of the road. The water line will proceed out of the Northwest boundary of the road toward Apple House Road and out of the Southeast boundary of the road toward Lewis Creek Lane.

THE UNDERSIGNED PERMITTEE(S) (being duly authorized representative(s) or owner(s)) DO AGREE TO ALL TERMS AND CONDITIONS ON THE TC 99-1 (A).

Walt Beasley
 Signature

5/29/15
 Date

This is not a permit unless and until the permittee(s) receives an approved TC 99-1(B) from KYTC. This application will become void if not approved by the cancellation date. The cancellation date will be one year from the date the permittee submits their application.



Kentucky Transportation Cabinet
Department of Highways
Permits Branch

TC 99-1 (A)
8/2012
Page 2 of 4

APPLICATION FOR ENCROACHMENT PERMIT

TERMS AND CONDITIONS

1. The permit, including this application and all related and accompanying documents and drawings making up the permit, remains in effect and is binding upon the Applicant/Permittee, its successors and assigns, as long as the encroachment(s) exists and also until the permittee is finally relieved by the Department of Highways from all its obligations.
2. Applicant shall meet all requirements of the Clean Water Act if the project will disturb one acre or more, the applicant shall obtain a KPDES KYR10 Permit from the Kentucky Division of Water. All disturbed areas shall meet the requirements of the Department of Highway's Standard Specifications, Sections 212 and 213, as amended.
3. **INDEMNITY:**
 - A. **PERFORMANCE BOND:** The permittee shall provide to the Department a performance bond according to the Permits Manual, Section PE-203 as a guarantee of conformance with the Department's Encroachment Permit requirements.
 - B. **PAYMENT BOND:** At the discretion of the department, a payment bond will be required of the permittee to ensure payment of liquidated damages assessed to the permittee.
 - C. **LIABILITY INSURANCE:** Liability insurance will be required of the permittee (in an amount approved by the department) to cover all liabilities associated with the encroachment.
 - D. It shall be the responsibility of the permittee, its successors and assigns, to maintain all indemnities in full force and effect until the permittee is authorized to release the indemnity by the Department.
4. A copy of this application and all related documents making up the approved permit will be given to the applicant and shall be made readily available for review at the work site at all times.
5. Perpetual maintenance of the encroachment is the responsibility of the permittee, its successors and assigns, with the approval of the Department as required, unless otherwise stated.
6. Permittee, its successors and assigns, shall comply with and agrees to be bound by the requirements and terms of (a) this application and all related documents making up the approved permit, (b) by the Department's Permits Manual, and (c) by the Manual on Uniform Traffic Control Devices, both manuals as revised to and in effect on the date of issuance of the permit, all of which documents are made a part thereof by this reference. Compliance by the permittee, its successors and assigns, with subsequent revisions to applicable provisions of either manual or other policy of the Department may be made a condition of allowing the encroachment to persist under the permit.
7. Permittee agrees that this and any encroachment may be ordered removed by the Department at any time, and for any reason, upon thirty days written notice to the last known address of the applicant or to the address at the location of the encroachment. The permittee agrees that the cost of removing and of restoring the associated right-of-way is the responsibility of the permittee, its successors and assigns.
8. Permittee, its successors and assigns, agree that if the Department determines that motor vehicular safety deficiencies develop as a result of the installation or use of the encroachment, the permittee, its successors and assigns, shall provide and bear the expenses to adjust, relocate, or reconstruct the facilities, and/or add signs, auxiliary lanes, or other corrective measures reasonably deemed necessary by the Department within a reasonable time after receipt of a written notice of such deficiency. The period within which such adjustments, relocations, additions, modifications, and/or other corrective measures must be completed will be specified in the notice.



Kentucky Transportation Cabinet
Department of Highways
Permits Branch

TC 99-1 (A)
8/2012
Page 3 of 4

APPLICATION FOR ENCROACHMENT PERMIT

9. Where traffic signals are required as a condition of granting the requested permit or are thereafter required to correct motor vehicular safety deficiencies, as determined by the Department, the costs for signal equipment and installation(s) shall be borne by the permittee, its successors and assigns, and/or the Department in its reasonable discretion and only in accordance with the Department's current policy set forth in the Traffic Operations Manual and Permits Manual. Any modifications to the permittee's entrance necessary to accommodate signalization (including necessary easement(s) on private property) shall be the responsibility of the permittee, its successors and assigns, at no expense to the Department.

10. The requested encroachment shall not infringe on the frontage rights of an abutting owner without their written consent as hereinafter described. Each abutting owner shall express their consent, which shall be binding on their successors and assigns, by the submission of a notarized statement as follows, "I (we), _____, hereby consent to the granting of the permit requested by the applicant along Route _____, which permit does affect frontage rights along my (our) adjacent real property." By signature(s) _____, subscribed and sworn by _____, on this date _____.

11. The permit, if approved, is subject to the agreement that it shall not interfere with any similar rights or permit(s) previously granted to any other party, except as otherwise provided by law.

12. Permittee shall include documentation which describes the facilities to be constructed. Permittee, its successors and assigns, agrees as a condition of the granting of the permit to construct and maintain any and all permitted facilities or other encroachments in strict accordance with the submitted and approved permit documentation and the policies and procedures of the Department. Permittee, its successors and assigns, shall not use facilities authorized herein in any manner contrary to that prescribed by the approved permit. Only normal usage as contemplated by the parties and by this application and routine maintenance are authorized by the permit.

13. Permittee, its successors and assigns, at all times from the date permitted work is commenced until such time as all permitted facilities or other encroachments are removed from the right-of-way and the right-of-way restored, shall defend, protect, indemnify and save harmless the Department from any and all liability claims and demands arising out of the work, encroachment, maintenance, or other undertaking by the permittee, its successors and assigns, related or undertaken pursuant to the granted permit, due to any claimed act or omission by the permittee, its servants, agents, employees, or contractors. This provision shall not inure to the benefit of any third party nor operate to enlarge any liability of the Department beyond that existing at common law or otherwise if this right to indemnity did not exist.

14. Upon a violation of any provision of the permit, or otherwise in its reasonable discretion, the Department may require additional action by the permittee, its successors and assigns, up to and including the removal of the encroachment and restoration of the right-of-way. In the event additional actions required by the Department under the permit are not undertaken as ordered and within a reasonable time, the Department may in its discretion cause those or other additional corrective actions to be undertaken and the Department may and shall recover the reasonable costs of those corrective actions from the permittee, its successors and assigns.

15. Permittee, its successors and assigns, shall use the encroachment premises in compliance with all requirements of federal law and regulation, including those imposed pursuant to Title VI of the Civil Right Act of 1964 (42 U.S.C. § 2000d et seq.) and the related regulations of the U.S. Department of Transportation in Title 49 C.F.R. Part 21, all as amended.



Kentucky Transportation Cabinet
Department of Highways
Permits Branch

TC 99-1 (A)
8/2012
Page 4 of 4

APPLICATION FOR ENCROACHMENT PERMIT

16. Permittee, its successors and assigns, agree that if the Department determines it is necessary for the facilities or other encroachment authorized by the permit to be removed, relocated or reconstructed in connection with the reconstruction, relocation or improvement of a highway, the Department may revoke permission for the encroachment to remain under the permit and may order its removal, relocation or reconstruction by the permittee, its successors and assigns, at the expense of the permittee, except where the Department is required by law to pay any or all of those costs.

17. Permittee agrees that the authorized permit is personal to the permittee and shall remain in effect until such time as (a) the permittee's rights to the adjoining real property to have benefitted from the requested encroachment have been relinquished, (b) until all permit obligations have been assumed by appropriate successors and assigns, and (c) unless and until a written release from permit obligations has been granted by the Department. The permit and its requirements shall also bind the real property to have benefitted from the requested encroachment to the extent permitted by law. The permit and the related encroachment become the responsibility of the successors and assigns of the permittee and the successors and assigns of each property owner benefitting from the encroachment, or the encroachment may not otherwise permissibly continue to be maintained on the right-of-way. (Does not apply to utility encroachments serving the general public.)

18. If work authorized by the permit is within a highway construction project in the construction phase, it shall be the responsibility of the permittee to make personal contact with the Department's Engineer on the project in order to coordinate all permitted work with the Department's prime contractor on the project.

19. This permit is not intended to, nor shall it, affect, alter or alleviate any requirement imposed upon the permittee, its successors and assigns, by any other agency.

20. Permittee, its successors and assigns, agrees to contain and maintain all dirt, mud, and other debris emanating from the encroachment away from the surrounding right-of-way and the travel way of the highway hereafter and at all times that its obligations under the permit remain in effect.



ENCROACHMENT PERMIT GENERAL NOTES & SPECIFICATIONS

Permit No. 02-2015-00105

I. SAFETY

A. General Provisions

- All signs and control of traffic shall be in accordance with the Manual on Uniform Traffic Control Devices for Streets and Highways, latest edition, Part VI, and safety requirements shall comply with the Permits Manual.
- All work necessary in shoulder or ditch line areas of a state highway shall be scheduled to be promptly completed so that hazards adjacent to the traveled way are kept to an absolute minimum.
- No more than one (1) traveled-lane shall be blocked or obstructed during normal working hours. All signs and flaggers during lane closure shall conform to the Manual on Uniform Traffic Control Devices.
- When necessary to block one (1) traveled-lane of a state highway, the normal working hours shall be as directed by the Department. No lanes shall be blocked or obstructed during adverse weather conditions (rain, snow, fog, etc.) without specific permission from the Department. Working hours shall be between _____ and _____
- The traveled-way and shoulders shall be kept clear of mud and other construction debris at all times during construction of the permitted facility.
- No nonconstruction equipment or vehicles or office trailers shall be allowed on the right of way during working hours.
- The right of way shall be left free and clear of equipment, material, and vehicles during non-working hours.

B. Explosives

- No explosive devices or explosive material shall be used within state right of way without proper license and approval of the Kentucky Department of Mines and Minerals, Explosive Division.

C. Other Safety Requirements

II. UTILITIES * Applies to Fully Controlled Access Highways ONLY

- *All work necessary within the right of way shall be performed behind a temporary fence erected prior to a boring operation.
- *The temporary woven wire fence shall be removed immediately upon completion of work on the right of way, and the control of access immediately restored to original condition, in accordance with applicable Kentucky Department of Highways Standard Drawings.
- *All vents, valves, manholes, etc., shall be located outside of the right-of-way.
- *Encasement pipe shall extend from right-of-way line to right-of-way line and shall be one continuous run of pipe. The encasement pipe shall be welded at all joints.
- The boring pit and tail ditch shall extend past the existing toe of slope or bottom of ditch line and shall be a minimum of 42 inches deep.

Permit No. 02-2015-00105

II. UTILITIES (Continued)

- Encasement pipe shall conform to current standards for highway crossings in accordance with the Permits Manual.
- Parallel lines shall be constructed between back slope of ditch line and right-of-way line and shall have a minimum of 30-inch cover above top of pipe or conduit.
- All pavement cuts shall be restored per Kentucky Transportation Cabinet form TC 99-13.
- Aerial crossing of this utility line shall have a minimum clearance of _____ feet from the high point of the roadway to the low point of the line (calculated at the coefficient for expansion of 120 degrees Fahrenheit).
- The 30-foot clear zone requirement shall be met to the extent possible in accordance with the Permits Manual.
- Special requirements:

III. GENERAL

A. OSHA

- Kentucky Occupational Safety and Health Standards for the construction industry, which has the effect of law, states in part: (Page 52, 1926.651, Specific Excavation Requirements) "Prior to opening an excavation, effort shall be made to determine whether underground installations, (sewer, telephone, water, fuel, electric lines, etc.) will be encountered, and if so, where such underground installations are located. When the excavation approaches the estimated location of such an installation, the exact location shall be determined, and when it is uncovered, proper supports shall be provided for the existing installation. Utility companies shall be contacted and advised of proposed work prior to the start of actual excavation."

B. Archaeological

- Whenever materials of an archaeological nature are discovered during the course of construction work or maintenance operations, contact shall be made immediately with the Division of Environmental Analysis, which maintains an archaeologist on staff, or with the Office of the State Archaeologist located at the University of Kentucky. Following this consultation, further action shall be decided on a case-by-case basis by the State Highway Engineer or the Transportation Planning Engineer or their designated representative.

C. Utilities in the Work Areas

- The permittee shall be responsible for any damage to existing utilities, and any utility modifications or relocations within state right of way necessary, as determined by the Department or by the owner of the utility, shall be at the expense of the permittee and subject to the approval of the Department.
- All existing manholes and valve boxes shall be adjusted to be flush with finished grade.

D. Environmental

- If the activity to which this permit relates disturbs one acre or more of land, you must obtain a KPDES KYR10 permit.

Websites

<http://www.water.ky.gov/permitting/wastewaterpermitting/KPDES/storm/>

Inspectors for KPDES KYR10 at www.KEPSC.org

Permit No. 02-2015-00105

IV. RIGHT OF WAY RESTORATION

- All disturbed portions of the right of way shall be restored to grass as per Kentucky Department of Highways Standard Specifications for Road and Bridge Construction (latest edition). A satisfactory turf, as determined by the Department, shall be established by the permittee prior to release of indemnity. Sodding or seeding shall be as follows:

Lawn or High Maintenance Situation	70% Lawn Fescue (e.g., variety - Falcon) 30% Bluegrass or
------------------------------------	---

70% Lawn Rye (e.g., variety - Derby) 30% Bluegrass

Right of Way Lawn Maintenance Situation

70% KY 31 Fescue
30% Perennial Rye Grass **or**

100% KY Fescue

- Two tons of clean straw mulch per acre of seeding.
- Prior to seeding, the ground shall be prepared in accordance with Kentucky Department of Highways Standard Specifications for Road and Bridge Construction (latest edition).
- Substitutes for sod such as artificial turf, rocked mulch, or paved areas may be acceptable if they are aesthetically pleasing.
- All ditch-flow lines and all ditch-side slopes shall be sodded.
- Existing concrete right of way markers shall not be disturbed, but if damaged in any way, they shall be entirely replaced by the permittee, with new concrete markers to match the original markers, in accordance with Kentucky Department of Highways Standard Drawings. Markers that are entirely removed shall be re-established in the proper locations by the permittee and to the satisfaction of the Department.

- Other right of way restoration requirements are as follows:

Right-Of-Way shall be restored to it's original condition.

V. DRAINAGE

- All pipe shall be laid in a straight alignment, to proper grades, and with all materials and methods of installation including bedding and joint seating in accordance with Department Standard Specifications for Road and Bridge Construction (latest edition). Pipe shall not be covered until inspected by the Department and express permission obtained to make backfill.
- All gutter lines at the base of new curbs shall be on continuous grades, and pockets of water along with curbs or in entrance areas or other paved areas within the right of way shall not be acceptable.
- All drainage structures and appurtenances (manholes, catch basins, curbing, inlet basins, etc.) shall conform to Department specifications and shall be constructed in accordance with the Department Standard Drawings. Type required:

Permit No. 02-2015-00105

VI. Paving

- No bituminous pavement shall be installed within the right of way between November 15 and April 1, nor when the temperature is below 40 degrees Farenheit, without the express consent of the Department. No bituminous pavement shall be installed when the underlying course is wet.
- Paving within the right of way shall be as follows:
 - Base (Type) _____ (Thickness) _____
 - Surface Base (Type) _____ (Thickness) _____
 - Finished Surface (Type) _____ (Thickness) _____
- Existing pavement and shoulder material shall be removed to accomodate the above paving specifications.
- The finished surface of all new pavement within the right of way shall be true to the required slope and grade, uniform in density and texture, free of irregularities, and equivalent in riding qualities to the adjacent highway pavement or as determined by the Department of Highways.
- All materials and methods of construction, including base and subgrade preparation, shall be in accordance with Kentucky Department of Highways Standard Specifications for Road and Bridge Construction (latest edition).
- 24 hours notice to the Department is required prior to beginning paving operations.
 Phone: _____ Name: _____
- To ensure proper surface drainage, the new pavement shall be flush with the edge of existing highway pavement and shall slope away from the existing edge of the pavement as specified in drawings.
- Existing edge of pavement shall be saw-cut to provide a straight and uniform joint for new pavement. An approved joint sealer, in accordance with Kentucky Department of Highways Standard Specifications (latest edition), shall be applied between new and existing pavements.

VII. SIDEWALKS SPECIFICATIONS *This dimension should be equal to the width of the sidewalk.

A. New Sidewalks

- Sidewalks shall be constructed of Class A concrete (3,500 p.s.i. test), shall be * _____ feet in width, 6 inches in thickness across the bituminous entrance, and 4 inches in thickness across the remaining sections.
- Sidewalks shall have tooled joints not less than 1 inch in depth at four foot intervals*, and 1/2 premolded expansion joints extending entirely through the sidewalk at intervals not to exceed 50 feet.
- All materials and methods of construction, including curing, shall be in accordance with the Kentucky Department of Highways Standard Specifications for Road and Bridge Construction (latest edition).

B. Existing Sidewalks

- (Applicable if existing sidewalks are being relocated)** Use of the sidewalk shall not be blocked or obstructed, and a usable walkway shall be maintained across the construction area at all times.
- All damaged sections of the sidewalks shall be entirely replaced to match existing sections.

Permit No. 02-2015-00105

VIII. DENSE GRADED SHOULDERS

- Any existing dense-graded aggregate shoulders in the entire frontage within the construction area, which have been disturbed or damaged or on which dirt has been placed or mud has been deposited or tracked, shall be restored to original condition by removal of all contaminated material and replaced to proper grade with new dense-graded aggregate.
- All new aggregate shoulders as specified in the plan shall consist of 5 inches of compacted dense-graded aggregate, 2^{1/2} pounds per square yard of calcium chloride.
- All dense-graded aggregate shoulders shall slope away from the new edge of pavement at the rate of 3/4 inch per foot.

IX. CURBING

A. Bituminous Curbs

- Bituminous concrete curbs shall be given a paint coat of asphalt emulsion.
- The surface under the bituminous concrete curb shall be tacked with asphalt emulsion.
- All bituminous concrete curbs shall be constructed of a Class I bituminous concrete mixture as specified by official Department of Highways specifications.
- All bituminous curbs shall be rolled curb, with a minimum base width of 8 inches and a minimum height of _____ inches. The top of the curb shall be constructed in such a manner as to guarantee a uniform rolled effect throughout the entire run.

B. Concrete Curbs

- All curbs or curb and gutter shall be constructed of Class A concrete (3,500 p.s.i. test) and shall be uniform in height, width, and alignment, true to grade, and satisfactory in finish and appearance as determined by the Department. All materials and methods of construction, including curing, shall be in accordance with Department of Highways Standard Specifications for Road and Bridge Construction (latest edition).
- All concrete curbs shall be 6 inches in width, extend _____ inches above finished grade and 12 inches below finished grade, with all visible edge rounded to 1/2 inch radii.
- All concrete curbs shall have expansion joints constructed at intervals of not more than 30 feet, and 1/2 inch premolded expansion joint material (cut to conform to the curb or to the curb and gutter section) shall be used in each expansion joint.
- The last _____ feet of all concrete curbs are to be tapered down to finished grade.

Permit No. 02-2015-00105

X. RIGHT-OF-WAY FENCE REPLACEMENT

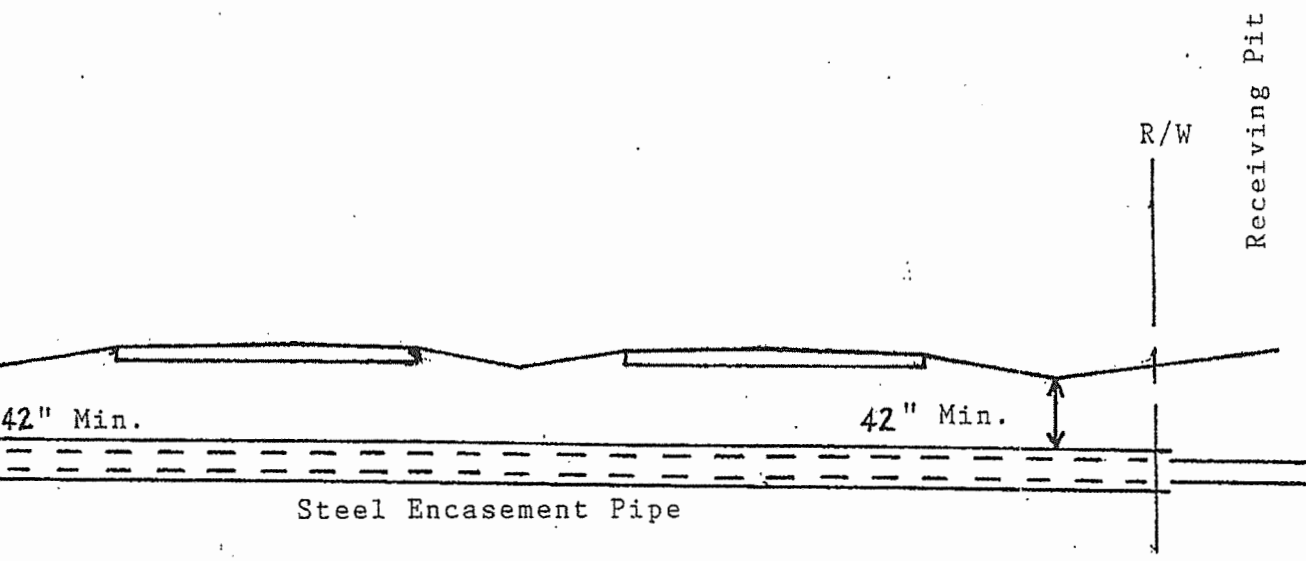
- The replacement fence shall be a height of at least 48 inches and shall be of sufficient density to contain all animals (if applicable).
- The replacement fence shall be a minimum of 1 foot and a maximum of 2 feet outside the right-of-way line.
- The fence materials and design shall meet accepted industry standards and be treated as paintable.
- The permittee shall be required to maintain the fence in a high state of repair.
- The existing fence shall be removed by permittee and stored at the Department's maintenance storage yard for future reuse by the Department.
- The control of access shall not be diminished as a result of replacement of the fence.
- Miscellaneous:

NOTICE TO PERMITTEE

THE PERMITTEE AGREES THAT ALL WORK WITHIN THE EXISTING RIGHT OF WAY SHALL BE DONE IN ACCORDANCE WITH THE PLANS AS APPROVED AND PERMITTED BY AN ENCROACHMENT PERMIT. ANY CHANGES OR VARIANCES MADE AT THE TIME OF CONSTRUCTION WITHOUT WRITTEN APPROVAL FROM THE DEPARTMENT OF HIGHWAYS SHALL BE REMOVED BY THE PERMITTEE AT NO EXPENSE TO THE DEPARTMENT OF HIGHWAYS AND SHALL BE REDONE BY THE PERMITTEE TO CONFORM WITH THE APPROVED PLANS.

KENTUCKY TRANSPORTATION CABINET
Department of Highways
Permits Branch

TYPICAL HIGHWAY BORING CROSSING DETAIL



1 work shall be performed outside of Full Control Access fence.

TC 99-10
Rev. 2/95

NOTICE OF COMPLETION OF ENCROACHMENT PERMIT WORK

Please return this form to the district Office when work is completed and ready for final inspection.

Applicant Identification		Project Identification	
Name:	Ohio County Water District	Permit Number:	02-2015-00105
Contact Person:	Walt Beasley	County:	Ohio
Address:	124 E. Washington Street	Route Number:	WK 9001
City	Hartford	Road Name:	Western KY Parkway
State:	KY	Zip:	42347
		Milepoint:	075.000
Telephone:	270-298-7704		

I wish to notify the Department of Highways that the above mentioned permit work and any necessary right of way restoration have been completed and are ready for final inspection.

Applicant

Please Return To:

Transportation Cabinet
Department of Highways
District 2
1840 North Main Street
Madisonville, KY 42431

Attention:

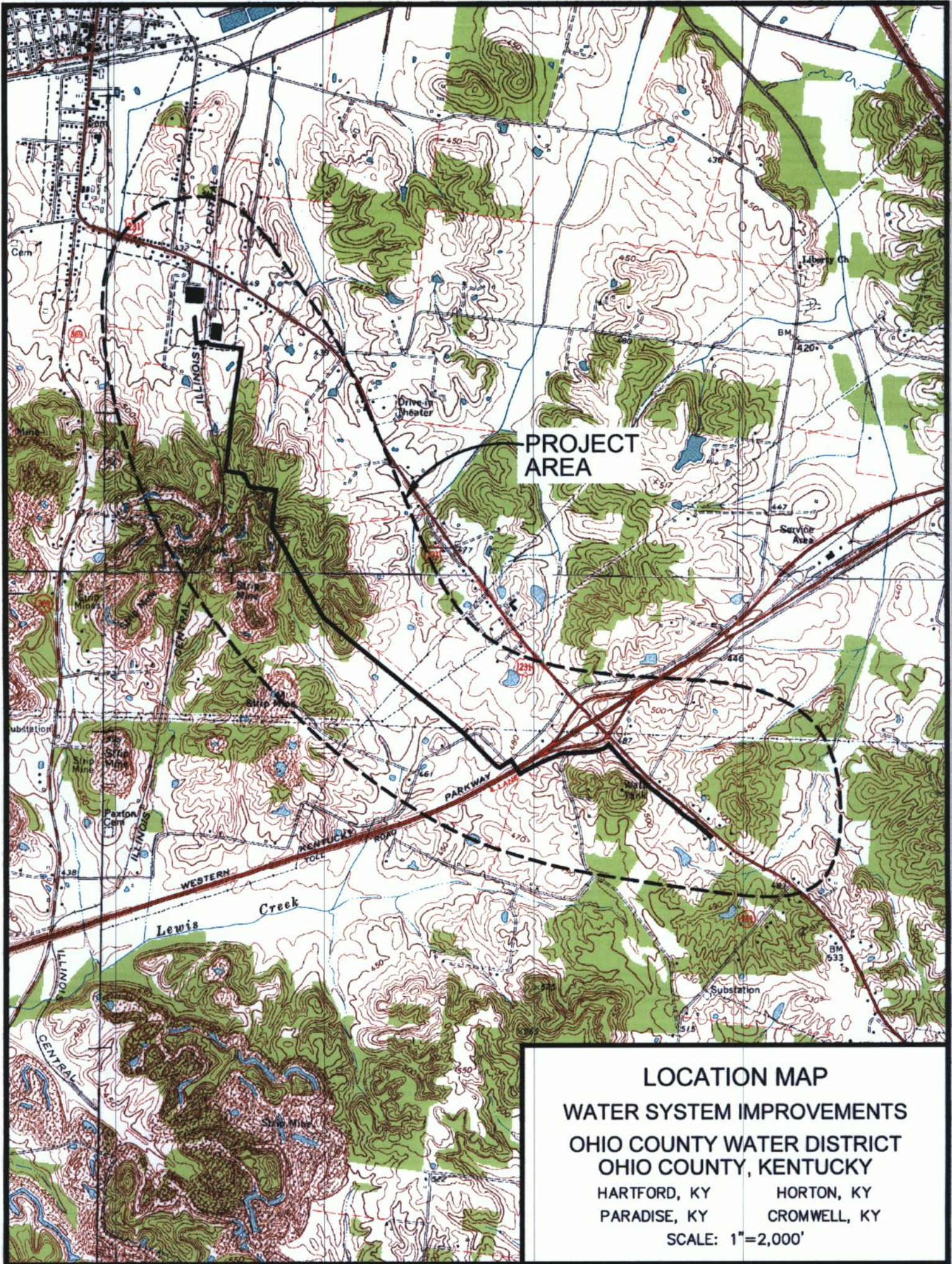
Chief District Engineer

EXHIBIT 5

**Ohio County Water District
Proposed Location and Routes of Project**

A 16-inch water transmission main will be installed along U.S. Highway 231, Lewis Creek Lane and Apple House Road. It will begin on U.S. Highway 231 in Ohio County, Kentucky in the general vicinity of the Bluegrass Crossings Business Center Water Storage Tank, run north along U.S. Highway 231 until reaching Lewis Creek Lane and then run west along Lewis Creek Lane. At a point along Lewis Creek Lane, the water transmission main will break away from the road heading north and cross the Western Kentucky Parkway near Mile Marker 75 to meet Apple House Road. It will then run northwest along Apple House Road for approximately 2,200 feet before breaking away from Apple House Road and running in a northwest direction across country to connect to the Industrial Park East Water Tank.

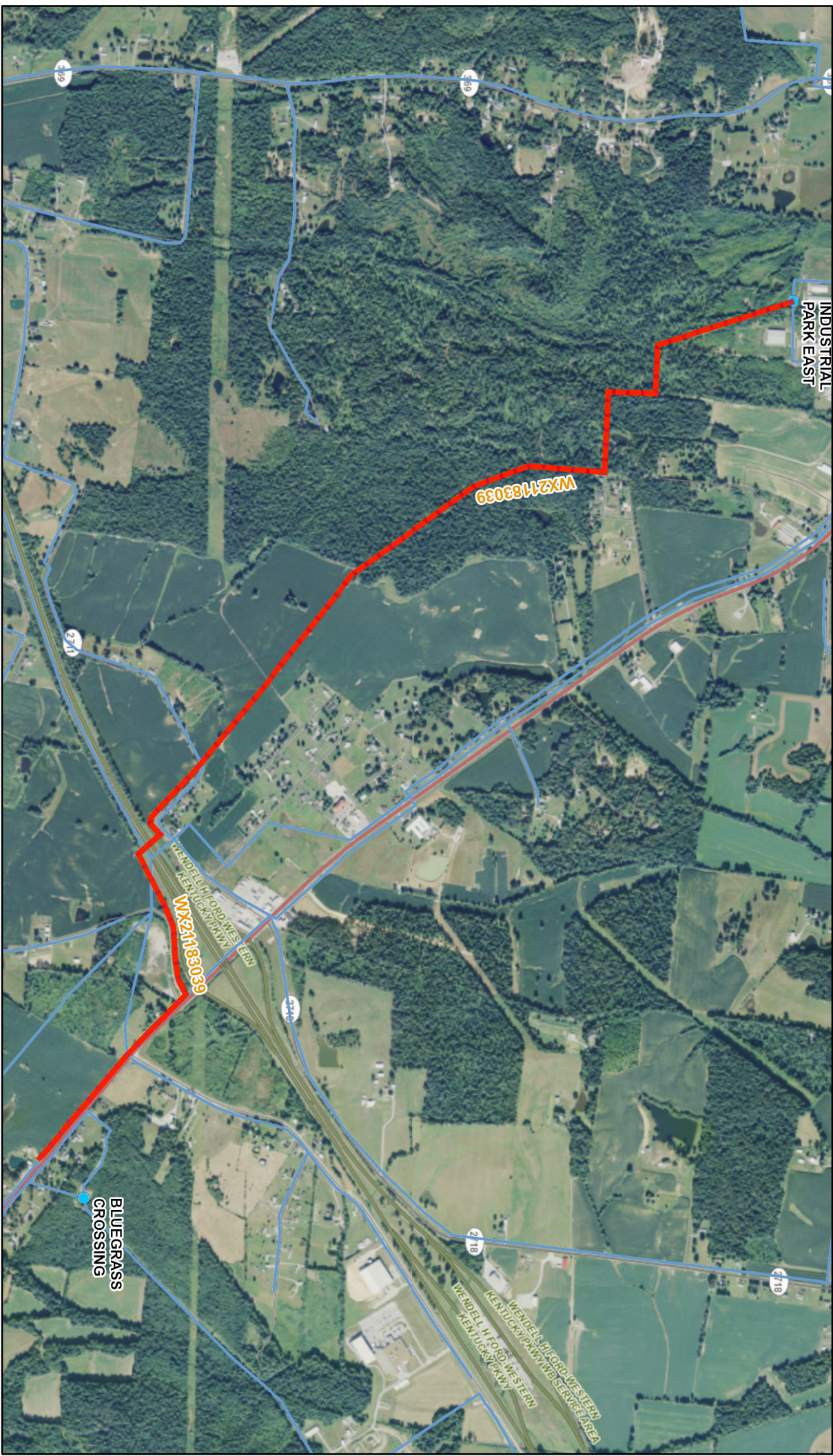
EXHIBIT 6



PROJECT AREA

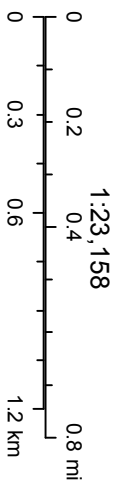
LOCATION MAP
WATER SYSTEM IMPROVEMENTS
OHIO COUNTY WATER DISTRICT
OHIO COUNTY, KENTUCKY
HARTFORD, KY HORTON, KY
PARADISE, KY CROMWELL, KY
SCALE: 1"=2,000'

Ky Water Web Map



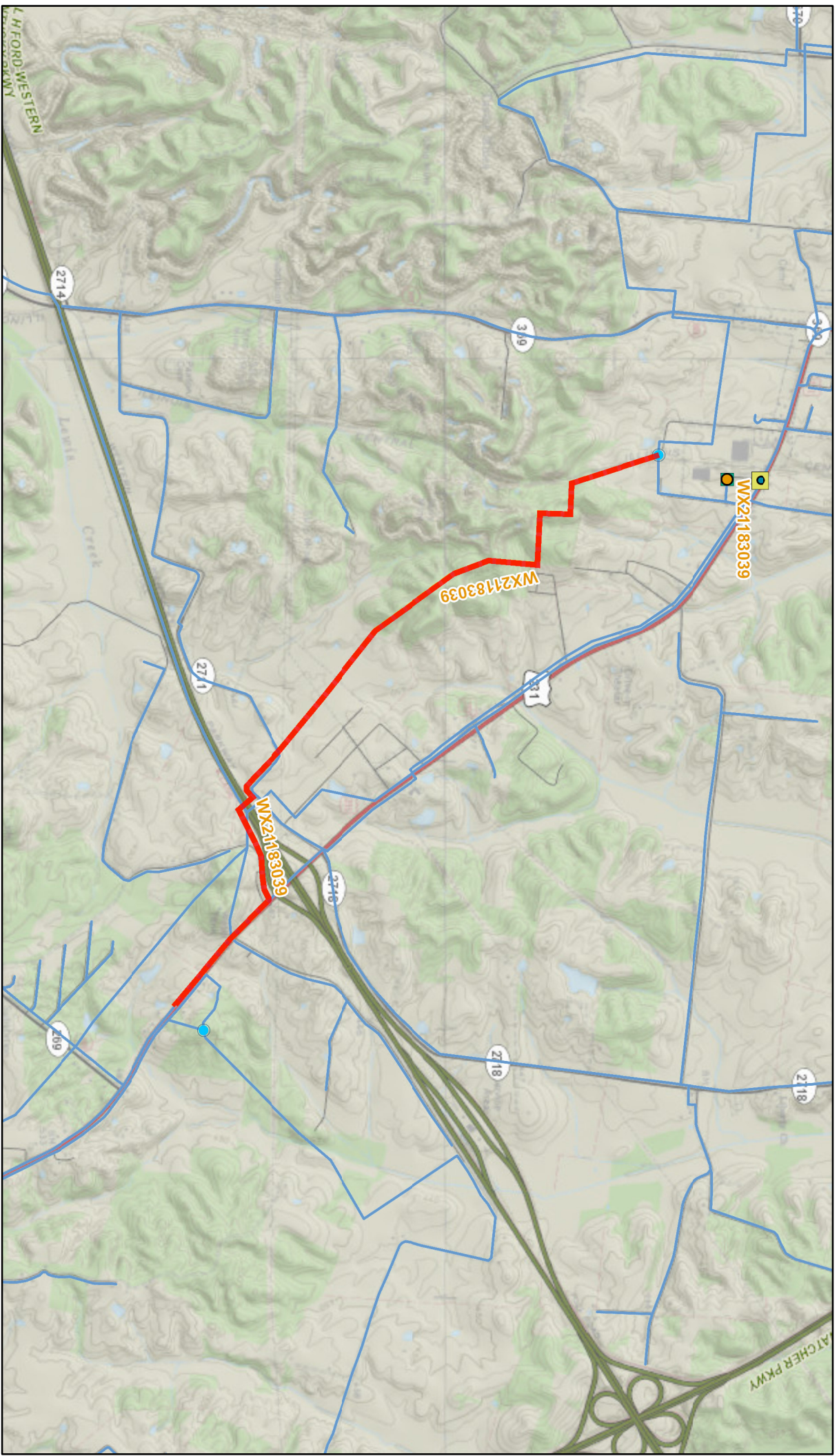
June 23, 2016

- Proposed Water Improvements
- Non-Community Points
- Water Pumps
- Purchase Sources
- ▲ Surface and Spring Sources
- Water Meters
- Pump Stations
- Water Tanks
- Water Treatment Plants
- Well Sources
- Proposed Water Extensions
- Water Lines



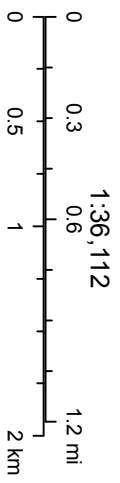
Sources: Esri, HERE, DeLorme, Intermap, increment P Corp., GEBCO, USGS, FAO, NPS, NRCAN, Geobase, IGN, Kadaster NL, Ordnance Survey, Esri Japan, METI, Esri China (Hong Kong), swisstopo, MapmyIndia, © OpenStreetMap contributors, and the GIS User Community

Ky Water Web Map



June 14, 2016

- Proposed Water Improvements
- Non-Community Points
- Water Pumps
- Purchase Sources
- ▲ Surface and Spring Sources
- Water Meters
- Pump Stations
- Water Tanks
- Water Treatment Plants
- Well Sources
- Proposed Water Extensions
- Water Lines



1:36,112

Sources: Esri, HERE, DeLorme, Intermap, increment P Corp., GEBCO, USGS, FAO, NPS, NRCAN, Geobase, IGN, Kadaster NL, Ordnance Survey, Esri Japan, METI, Esri China (Hong Kong), swisstopo, MapmyIndia, © OpenStreetMap contributors, and the GIS User Community

EXHIBIT 7

PROVIDED AS SEPARATE DOCUMENT

EXHIBIT 8

PROVIDED AS SEPARATE DOCUMENT

EXHIBIT 9

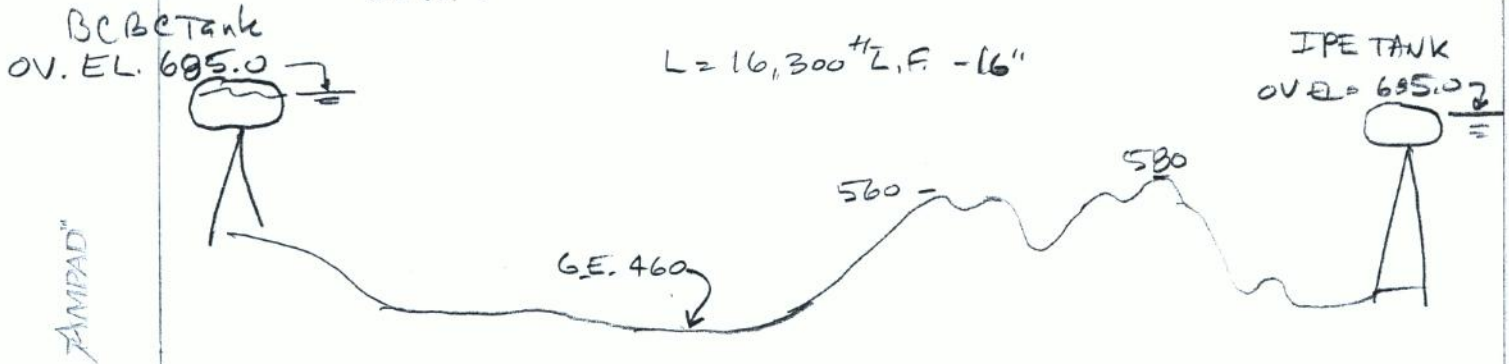
PROVIDED AS SEPARATE DOCUMENT

EXHIBIT 10

Given: Hydraulic Profile Indicated
Peak Demand = 1700 GPM = 2.45 MGD

Req'd: Hydraulic Calculations

Sol'n:



Calculate H_2 BCBC \rightarrow IPE Tank $C = 140$

$$C = 140; H_2 = 16.3 (1.46) = 23.8'$$

Note: These calculations assume
no flow through existing twin
10" lines

Worst case scenario = WTP off & BCBC down 5'

$$HGL @ BCBC = 680$$

$$HGL @ IPE = 680 - 24 = 656.0 \text{ ok}$$

Calculate Minimum Pressure @ High Pt.

$$P = 656 - 580 = 76' \quad P = 76 / 2.31 = \boxed{33 \text{ psi ok}}$$

Calculate Velocity @ Peak Flow

$$Q = 1700 \text{ gpm} = 3.8 \text{ cfs} \quad A_{16"} = \frac{162}{144} (0.785) = 1.40 \text{ S.F.}$$

$$V = \frac{3.8}{1.4} = \boxed{2.7 \text{ fps ok}}$$

EXHIBIT 11

BIDS OPENED:
4:00 P.M. LOCAL TIME
MONDAY MARCH 28, 2016 (ORIGINAL BID DATE)
THURSDAY APRIL 28, 2016 (RE-BID DATE)
OHIO COUNTY WATER DISTRICT
HARTFORD, KENTUCKY

TABULATION OF RE-BIDS
FOR
WATER SYSTEM IMPROVEMENTS
OHIO COUNTY WATER DISTRICT
OHIO COUNTY, KENTUCKY
RFWD JOB NO. 2027 (CONTRACT 15-01)

J. P. WALFORD & CO
CONSULTING ENGINEERS, INC.
NASHVILLE, TENNESSEE

ITEM NO.	QUANTITY	ITEM DESCRIPTION	MIDSTATE NATIONAL BIDDING, INC.		CUMBERLAND BIDDING, LLC		OHIO COUNTY BIDDING, LLC		THE CONSTRUCTION COMPANY		TOTAL	UNIT	TOTAL	UNIT	TOTAL	
			UNIT	TOTAL	UNIT	TOTAL	UNIT	TOTAL	UNIT	TOTAL						UNIT
NOTE: BIDS SHALL INCLUDE SALES TAX AND ALL OTHER APPLICABLE TAXES AND FEES																
BID FORM A - CONTRACT 15-01																
15-INCH ASPHALT-PAVED TRANSDUSSION LINE - PHASE 1																
1.	LUMP SUM	CONNECTION INCLUDING EXISTING 16- AND 18-INCH WATER LINE "W" 15-FIT CONNECTION TO EXISTING 16- AND 18-INCH WATER LINE "W" 15-FIT CONNECTION, STEEL MARKER POSTS, AND ALL EXCAVATION AND APPURTENANCES AS SHOWN ON PLANS AND AS SPECIFIED HEREIN, COMPLETE IN PLACE	\$20,000.00	\$15,461.79	\$15,461.79	\$15,461.79	\$15,461.79	\$15,461.79	\$15,461.79	\$15,461.79	\$15,461.79	\$15,461.79	\$15,461.79	\$15,461.79	\$15,461.79	
2.	LUMP SUM	CONNECTION INCLUDING EXISTING 16- AND 18-INCH WATER LINE "W" 15-FIT AT STA. 45+87 INCLUDING 10- INCH TAPPING SLEEVE AND VALVE, 16- INCH BUTTERFLY VALVE, ALL PPE AS SHOWN ON THE PLANS AND AS SPECIFIED HEREIN, COMPLETE IN PLACE	18,000.00	12,817.63	12,817.63	12,817.63	12,817.63	12,817.63	12,817.63	12,817.63	12,817.63	12,817.63	12,817.63	12,817.63	12,817.63	
3.	LUMP SUM	CONNECTION INCLUDING EXISTING 16- AND 18-INCH WATER LINE "W" 15-FIT AT STA. 45+87 INCLUDING 10- INCH TAPPING SLEEVE AND VALVE, 16- INCH BUTTERFLY VALVE, ALL PPE AS SHOWN ON THE PLANS AND AS SPECIFIED HEREIN, COMPLETE IN PLACE	\$14,000.00	8,377.36	8,377.36	8,377.36	8,377.36	8,377.36	8,377.36	8,377.36	8,377.36	8,377.36	8,377.36	8,377.36	8,377.36	
4.	LUMP SUM	CONNECTION INCLUDING EXISTING 16- AND 18-INCH WATER LINE "W" 15-FIT AT STA. 45+87 INCLUDING 10- INCH TAPPING SLEEVE AND VALVE, 16- INCH BUTTERFLY VALVE, ALL PPE AS SHOWN ON THE PLANS AND AS SPECIFIED HEREIN, COMPLETE IN PLACE	\$8,306.00	65,364.47	65,364.47	65,364.47	65,364.47	65,364.47	65,364.47	65,364.47	65,364.47	65,364.47	65,364.47	65,364.47	65,364.47	
5.	12,151 LF	FURISH AND INSTALL 18-INCH OR 21-INCH PIG WATER LINE, INCLUDING FITTINGS, EXCAVATION AND BEDDING MATERIALS AS SHOWN ON THE PLANS AND AS SPECIFIED HEREIN, COMPLETE IN PLACE	\$33.00	400,983.00	\$36.83	447,531.13	\$37.18	451,774.18	\$40.94	497,461.94	\$40.94	497,461.94	\$40.94	497,461.94	\$40.94	497,461.94
6.	3,450 LF	INSTALL 18-INCH PRESSURE CLASS 250 D.I.P. WATER LINE, INCLUDING FITTINGS, EXCAVATION AND BEDDING MATERIALS AS SHOWN ON THE PLANS AND AS SPECIFIED HEREIN, COMPLETE IN PLACE	47.50	163,875.00	50.31	173,959.50	53.67	184,989.00	59.49	205,240.50	59.49	205,240.50	59.49	205,240.50	59.49	205,240.50
7.	265 LF	24-INCH STEEL CASING PIPING, 1500-PSI MINIMUM WALL THICKNESS BORED UNDER WATERPUMP KENTUCKY PARKWAY, INCLUDING ALL INCIDENTALS EXCEPT FOR CARRIER PPE AS SHOWN ON THE PLANS AND AS SPECIFIED HEREIN, COMPLETE IN PLACE	175.00	46,375.00	225.00	59,625.00	200.00	55,000.00	229.81	67,399.65	229.81	67,399.65	229.81	67,399.65	229.81	67,399.65
8.	275 LF	18-INCH CLASS 250 R.U.D.P. WATER LINE INSTALLED IN 24-INCH STEEL CASING PIPE UNDER EXISTING 18-INCH WATER LINE, INCLUDING FITTINGS, EXCAVATION AND BEDDING MATERIALS AS SHOWN ON THE PLANS AND AS SPECIFIED HEREIN, COMPLETE IN PLACE	100.00	27,500.00	68.86	18,864.00	81.50	22,412.50	183.05	50,339.75	183.05	50,339.75	183.05	50,339.75	183.05	50,339.75
9.	3 EACH	WESTERN KENTUCKY PARKWAY, INCLUDING CASING SPACERS, ALL EXCAVATION AND BEDDING AS SHOWN ON THE PLANS AND AS SPECIFIED HEREIN, COMPLETE IN PLACE	5,000.00	15,000.00	5,180.00	15,540.00	5,475.00	16,425.00	7,493.33	23,379.99	7,493.33	23,379.99	7,493.33	23,379.99	7,493.33	23,379.99
10.	11 EACH	WESTERN KENTUCKY PARKWAY, INCLUDING CASING SPACERS, ALL EXCAVATION AND BEDDING AS SHOWN ON THE PLANS AND AS SPECIFIED HEREIN, COMPLETE IN PLACE	8,000.00	88,000.00	7,690.37	84,984.07	8,425.00	92,675.00	7,810.91	83,720.01	7,810.91	83,720.01	7,810.91	83,720.01	7,810.91	83,720.01
11.	3 EACH	WESTERN KENTUCKY PARKWAY, INCLUDING CASING SPACERS, ALL EXCAVATION AND BEDDING AS SHOWN ON THE PLANS AND AS SPECIFIED HEREIN, COMPLETE IN PLACE	5,000.00	15,000.00	5,180.00	15,540.00	5,475.00	16,425.00	7,493.33	23,379.99	7,493.33	23,379.99	7,493.33	23,379.99	7,493.33	23,379.99
12.	100 B.Y.	DENSE GRADE AGGREGATE CRUSHED STONE FOR TRAFFIC BOUND SURFACING OR BASE COURSE MEETING THE REQUIREMENTS OF THE KENTUCKY DEPARTMENT OF HIGHWAYS AS SHOWN ON THE PLANS AND AS SPECIFIED HEREIN	30.00	3,000.00	37.25	3,725.00	40.00	4,000.00	45.00	4,500.00	45.00	4,500.00	45.00	4,500.00	45.00	4,500.00
13.	200 B.Y.	KYC NO. 57 CRUSHED STONE FOR TRAFFIC BOUND SURFACING OR BASE COURSE MEETING THE REQUIREMENTS OF THE KENTUCKY DEPARTMENT OF HIGHWAYS AS SHOWN ON THE PLANS AND AS SPECIFIED HEREIN	100.00	5,000.00	79.74	7,974.00	84.19	8,419.00	91.65	9,165.00	91.65	9,165.00	91.65	9,165.00	91.65	9,165.00
14.	50 B.Y.	FLOWABLE FILL BACKFILL IN ACCORDANCE WITH KYC REQUIREMENTS	100.00	5,000.00	100.00	5,000.00	50.00	2,500.00	157.00	7,850.00	157.00	7,850.00	157.00	7,850.00	157.00	7,850.00
15.	100 B.Y.	CLASS "C" CONCRETE FOR CURBS, ANCHORS AND ENCASUREMENTS OR WHERE DIRECTED OTHERWISE BY THE ENGINEER	115.00	11,500.00	113.00	11,300.00	150.00	15,000.00	160.00	16,000.00	160.00	16,000.00	160.00	16,000.00	160.00	16,000.00
16.	10,000 LF	STANDARD TEMPORARY SILT FENCE WITH HAY OR STRAW BALES, COMPLETE IN PLACE AS SHOWN ON THE PLANS AND AS SPECIFIED HEREIN	1.00	10,000.00	0.99	9,900.00	0.65	6,500.00	1.75	17,500.00	1.75	17,500.00	1.75	17,500.00	1.75	17,500.00
17.	100 C.Y.	RESTORATION TO 99% WHERE DIRECTED BY THE ENGINEER OR SHOWN ON THE PLANS	140.00	14,000.00	275.00	27,500.00	175.00	17,500.00	446.65	44,665.00	446.65	44,665.00	446.65	44,665.00	446.65	44,665.00
18.	30 C.Y.	RESTORATION TO 99% WHERE DIRECTED BY THE ENGINEER OR SHOWN ON THE PLANS	140.00	7,000.00	210.00	10,500.00	175.00	10,500.00	593.21	29,665.50	593.21	29,665.50	593.21	29,665.50	593.21	29,665.50
19.	28 EACH	STEEL MARKER POST INSTALLED AT THE LOCATIONS SPECIFIED HEREIN, COMPLETE IN PLACE INCLUDING EXCAVATION, VALVE INSTALLATION, AND APPURTENANCES AS REQUIRED	\$50.00	\$1,400.00	\$25.16	\$3,505.94	\$75.00	\$4,500.00	\$347.14	\$8,719.92	\$347.14	\$8,719.92	\$347.14	\$8,719.92	\$347.14	\$8,719.92
TOTAL BID AMOUNT CONTRACT NUMBER 15-01 ITEMS 1-19			\$955,095.00	\$1,023,800.00	\$1,023,800.00	\$1,023,800.00	\$1,023,800.00	\$1,023,800.00	\$1,023,800.00	\$1,023,800.00	\$1,023,800.00	\$1,023,800.00	\$1,023,800.00	\$1,023,800.00	\$1,023,800.00	

LOW BIDDER

I HEREBY CERTIFY THAT THE ABOVE IS A TRUE AND CORRECT COPY OF THE BIDS RECEIVED BY J. P. WALFORD & CO., CONSULTING ENGINEERS, INC.

[Signature]
J. P. WALFORD

* DENOTES ERROR IN BID

EXHIBIT 12

WAUFORD

J. R. Wauford & Company, Consulting Engineers, Inc.
www.jrwauford.com

May 5, 2016

Mr. Walt Beasley
General Manager
Ohio County Water District
124 East Washington Street
P. O. Box 207
Hartford, Kentucky 42347

RE: Water System Improvements
16-inch North Water Transmission Line - Phase I
Ohio County Water District
Ohio County, Kentucky
JRWCO Job No. 2021; Contract 15-01

Dear Mr. Beasley:

As you are aware, four bids were received in your presence at 5:00 p.m. CDT on Thursday, April 28, 2016 with the low bidder being Horsley Construction, Inc. of Hudson, Kentucky at the unit bid price of \$965,089.00 as shown on the enclosed six copies of the Bid Tabulation sheet.

As you are aware, the low bidder unit price totals did not add up to the bid price of \$965,089.00. Upon review of further information provided by the low bidder, it is apparent that the bidder transposed incorrect values to the Bid Form. The correct amounts of \$14,000 for Bid Item No. 3 and \$98,306 for Bid Item No. 4 are indicated in the enclosed Bid Tabulation sheets. The total low bid amount of \$965,089.00 remains unchanged.

According to our reference check, the low bidder has successfully completed projects similar in nature to the subject project. Accordingly, we recommend award of Contract 15-01 – 16-inch North Water Transmission Line – Phase I to Horsley Construction, Inc. at the unit price bid of \$965,089.00.

Please do not hesitate to contact me if you have questions or need additional information.

Yours very truly,

J. R. WAUFORD & COMPANY,
CONSULTING ENGINEERS, INC.



J. Gregory Davenport, P. E.
President

JGD:lan

Enclosures

529 Old Hickory Boulevard, Suite A
Jackson, Tennessee 38305
(731) 668-1953
Fax (731) 668-6809

2835 Lebanon Road
P.O. Box 140350
Nashville, Tennessee 37214
(615) 883-3243
Fax (615) 391-3710

908 West Broadway Avenue
Maryville, Tennessee 37801
(865) 984-9638
Fax (865) 983-4327

EXHIBIT 13

RESOLUTION 16- 03

A RESOLUTION OF THE BOARD OF COMMISSIONERS OF
OHIO COUNTY WATER DISTRICT TO AWARD
CONTRACT 15-1: 16-INCH WATER MAIN PHASE I

WHEREAS, Ohio County Water District ("Ohio District") caused to be published in the April 13, 2016 editions of *The Breckinridge Herald-News*, *The Ohio County Times News*, and *Messenger-Inquirer* and the April 14, 2016 edition of *The Record* an advertisement for bids on Contract 15-1: 16-Inch Water Main Phase I Project (WX21181039) ("the Contract") in accordance with the provisions of KRS Chapter 424;

WHEREAS, four firms submitted bids on the Contract, all of which were in accordance with the terms of the advertisements;

WHEREAS, Horsley Construction, Inc., of Hudson, Kentucky, submitted the lowest of these bids with a bid of \$965,089; and

WHEREAS, the Project Engineer has recommend that Ohio District award the Contract to Horsley Construction, Inc., subject to the Kentucky Infrastructure Authority's ("KIA") concurrence with the bid award and the issuance of a Certificate of Public Convenience and Necessity for the 16-Inch Water Main Phase I Project (WX21181039) by the Kentucky Public Service Commission ("KPSC");

NOW, THEREFORE, IT IS HEREBY RESOLVED BY THE BOARD OF COMMISSIONERS OF OHIO DISTRICT AS FOLLOWS:

Section 1. The facts, recitals, and statements contained in the foregoing preamble of this Resolution are true and correct and are hereby affirmed and incorporated as a part of this Resolution.

Section 2. Horsley Construction, Inc. is awarded the Contract at the bid amount of \$965,089.

Section 3. The General Manager is authorized and directed to take any and all actions reasonably necessary to implement the award of the Contract to Horsley Construction, Inc. to include the execution of any and all documents for such purpose upon receiving notice of KIA's concurrence with the bid award and the KPSC's issuance of a Certificate of Public Convenience and Necessity for the 16-Inch Water Main Phase I Project (WX21181039).

ADOPTED BY THE BOARD OF COMMISSIONERS OF OHIO DISTRICT at a meeting held on May 26, 2016, signed by the Chairman, and attested by the Secretary.



Chairman

ATTEST:



Secretary

EXHIBIT 14

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF OHIO COUNTY)	
WATER DISTRICT FOR AUTHORIZATION)	
TO ENTER AN ASSISTANCE AGREEMENT)	
WITH THE KENTUCKY INFRASTRUCTURE)	CASE NO. 2016-00115
AUTHORITY AND FOR A CERTIFICATE OF)	
PUBLIC CONVENIENCE TO CONSTRUCT)	
WATER TRANSMISSION MAINS)	

DIRECT TESTIMONY OF
WALTER D. BEASLEY
GENERAL MANAGER, OHIO COUNTY WATER DISTRICT

Filed: June 30, 2016

1 **Q. Please state your name, position, and business address.**

2 A. My name is Walter D. Beasley. I am General Manager of Ohio County Water
3 District (“Ohio District”). My business address is 124 East Washington Street, P.O.
4 Box 207, Hartford, Kentucky 42347.

5 **Q. How long have you been employed by Ohio District?**

6 A. I have been employed by Ohio District as its General Manager since 2001.

7 **Q. What are your duties as General Manager?**

8 A. I am Ohio District’s chief executive officer and am responsible for Ohio District’s
9 day-to-day operations. I am responsible for implementing the policy decisions of
10 Ohio District’s Board of Commissioners and as well as managing Ohio District’s
11 operational and financial functions.

12 **Q. Have you previously testified before the Kentucky Public Service Commission?**

13 A. No.

14 **Q. Briefly describe Ohio District.**

15 A. Ohio District is a water district organized under KRS Chapter 74. It was created by
16 Order of Ohio County Court on April 2, 1962. It provides water service to
17 approximately 5,863 residential customers and 174 commercial customers in the
18 Kentucky counties of Breckinridge, Daviess, Grayson, and Ohio and provides water
19 for resale to North McClean County Water District and the cities of Beaver Dam,
20 Fordsville, and Centertown. As of December 31, 2014, it employed 17 full-time
21 employees and four part-time employees.

22 Ohio District produces its own water. It owns and operates a four million
23 gallon per day water treatment plant that is located near Cromwell, Kentucky. The

1 Green River is the source of water for this plant. Ohio District’s distribution system
2 consists of 626.77 linear miles of water main. Ohio District has seven water storage
3 facilities with a combined storage capacity of 3,438,000 gallons that are located
4 through its territory. Ohio District currently has seven pumping stations that operate
5 through its territory. For the year ending December 31, 2014, Ohio District’s average
6 daily water sales were 1.32 million gallons.

7 **Q. Describe the facilities that Ohio District proposes to construct.**

8 A. Ohio District proposes to construct approximately 12,231 linear feet of 16-inch
9 polyvinylchloride water main and 3,645 linear feet of 16-inch ductile iron water main
10 (“Proposed Facilities”). Maps of the proposed route are found at Tab 6 of Ohio
11 District’s Application. The Kentucky Water Resource Information System has
12 assigned the identifier “WX21183039” to the Proposed Facilities.

13 **Q. Why is Ohio District proposing to construct the Proposed Facilities?**

14 A. Construction of the Proposed Facilities will enable Ohio District to eliminate its
15 Beaver Dam Water Booster Station, to improve the reliability of its service to Ohio
16 County’s industrial parks, to perform routine maintenance on its Industrial Park East
17 (“IPE”) Elevated Water Storage Tank, and to deliver greater volumes of water to the
18 portions of its distribution system in northern Ohio County and southern Daviess
19 County. Ohio District estimates that the Proposed Facilities will reduce its annual
20 purchased electric power costs by approximately \$25,732 through the elimination of
21 the Beaver Dam Water Booster Station. It will also enable Ohio District to serve the
22 City of Hartford, Kentucky should that city require additional volumes of water. In
23 his testimony, J. Gregory Davenport identifies in greater detail some of the existing

1 limitations of Ohio District's distribution system and explains how the Proposed
2 Facilities will remedy these limitations.

3 **Q. Has Ohio District obtained all necessary permits and approvals to construct and**
4 **operate the Proposed Facilities?**

5 A. With the exception of a Certificate of Public Convenience and Necessity, Ohio
6 District has obtained all necessary permits. The Kentucky Division of Water has
7 approved the plans and specifications for the proposed facilities with respect to their
8 sanitary features of design. A copy of this approval and the construction permit is
9 attached to Ohio District's Application as Exhibit 3. The Kentucky Department of
10 Highways has issued an encroachment permit for Ohio District to perform
11 excavations in the right-of-way of state highways, including a bore under the Western
12 Kentucky Parkway. A copy of this permit is attached to Ohio District's Application
13 as Exhibit 4.

14 **Q. Have all easements necessary for the Proposed Facilities been obtained?**

15 A. Yes.

16 **Q. Has Ohio District requested bids on the contract for the Proposed Facilities?**

17 A. Yes. Ohio District has requested and received bids on the construction of the
18 Proposed Facilities. It opened bids on April 28, 2016. A copy of the certified bid
19 tabulations and the Project Engineer's recommendations are found at Exhibits 11 and
20 12 of Ohio District's Application. A copy of the resolution of Ohio District's Board
21 of Commissioners authorizing the selection of the lowest bidder can be found at
22 Exhibit 13 of Ohio District's Application. The bid of Horsley Construction, Inc., of
23 Hudson, Kentucky, which was \$965,089, was the lowest submitted bid. Under the

1 terms of the request for bids, this bid may be withdrawn 90 days after bid submission.
2 Based upon the accepted bid, the Project Engineer estimates the total cost of the
3 Proposed Facilities is \$1,630,000.

4 **Q. Did Ohio District prepare a detailed estimate of the property that it will acquire**
5 **as a result of the proposed project?**

6 A. Yes. This estimate, arranged according to the Uniform System of Accounts for Class
7 A/B Water Districts and Associations, is attached to Ohio District's Application as
8 Exhibit 21.

9 **Q. Did Ohio District determine the cost of operating the Proposed Facilities upon**
10 **their completion?**

11 A. Yes. There will be no initial cost to operate the proposed facilities upon their
12 completion. Furthermore, Ohio District expects to achieve an annual reduction in
13 purchased electric power expenses of \$25,732 through the elimination of the Beaver
14 Dam Water Booster Station.

15 **Q. How did Ohio District determine the savings achieved from the elimination of**
16 **the Beaver Dam Water Booster Station?**

17 A. The savings is based upon the average monthly electric power cost to operate the
18 Beaver Dam Water Booster Station for the period from June 2011 to December 2015.
19 These costs and the calculations to determine the amount of the savings are shown in
20 Exhibit WB-1, which is attached to my testimony. Ohio District expects some
21 additional savings from reduced maintenance costs since it will not incur further costs
22 to maintain the Beaver Dam Water Booster Station. It has not calculated those
23 savings.

1 **Q. Will the Proposed Facilities compete with the facilities of any other public**
2 **utility?**

3 A. No. The Proposed Facilities are intended only to improve the quality of water service
4 currently provided within Ohio District’s territory. They will not compete with the
5 facilities of any other public utility.

6 **Q. How does Ohio District propose to finance the construction of the Proposed**
7 **Facilities?**

8 A. Ohio District proposes to finance the construction of the Proposed Facilities with a
9 loan of \$1,630,000 from the Kentucky Infrastructure Authority’s (“KIA”) Fund F
10 Infrastructure Revolving Program. The proposed loan will bear interest at a rate of
11 1.75 percent per annum and must be repaid over a period not to exceed 20 years from
12 the date on which the Proposed Facilities begin operation. Interest on the proposed
13 loan will accrue from the time that Ohio District begins drawing funds from KIA.

14 On June 9, 2015, KIA issued a Conditional Commitment Letter that sets forth
15 additional details regarding the proposed loan. Under the terms of this letter, Ohio
16 District was required to meet the conditions for the proposed loan and enter an
17 Assistance Agreement with KIA no later than June 9, 2016. On June 8, 2016, KIA
18 extended the period for meeting these conditions to December 9, 2016.

19 **Q. Has Ohio District notified the State Local Debt Officer of its intent to enter the**
20 **proposed Assistance Agreement with KIA?**

21 A. Yes. A completed Form SLDO-1, “Notification of Intent to Finance and Application
22 for Debt Approval,” was submitted to the State Local Debt Officer on or about

1 March 31, 2016. A copy of this completed form is found at Exhibit 20 of Ohio
2 District's Application.

3 **Q. What effect will construction of the Proposed Facilities have on Ohio District's**
4 **rates?**

5 A. The Proposed Facilities will have no immediate effect on Ohio District's rates. As
6 part of its review of Ohio District's application for funding, KIA Staff analyzed Ohio
7 District's financial records and projected that Ohio District at its current rates would
8 be able to meet its principal and interest payments under the proposed Assistance
9 Agreement as well as those under its existing debt obligations, cover its operating
10 expenses, and maintain a minimum debt service coverage of 1.3 through 2019. This
11 analysis is found at Exhibit 17 of Ohio District's Application.

12 **Q. What is your recommendation concerning the Proposed Facilities?**

13 A. The Proposed Facilities are necessary for Ohio District to provide safe, adequate, and
14 reliable water service to its customers. I recommend that the Commission grant Ohio
15 District a certificate of public convenience and necessity to construct the Proposed
16 Facilities and authorize Ohio District to enter into the proposed Assistance
17 Agreement with KIA to borrow \$1,630,000.

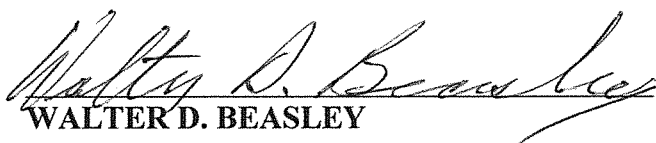
18 **Q. Does this conclude your testimony?**

19 A. Yes.

VERIFICATION

COMMONWEALTH OF KENTUCKY)
) SS:
COUNTY OF OHIO)

The undersigned, **Walter D. Beasley**, being duly sworn, deposes and says that he has personal knowledge of the matters set forth in the foregoing testimony and that the answers contained therein are true and correct to the best of his information, knowledge and belief.


WALTER D. BEASLEY

Subscribed and sworn to before me, a Notary Public in and before said County and State, this 30 day of June, 2016.


Notary Public

Notary ID: 521784

My Commission Expires: 11/22/2018

**Exhibit WDB-1
Purchased Power Expenses for Beaver Dam Water Booster Station**

Year	Month	Expense
2011	June	\$2,385.19
	July	\$2,333.78
	August	\$2,314.24
	September	\$2,218.74
	October	\$1,895.20
	November	\$1,787.74
	December	\$1,854.40
	2012	January
February		\$2,003.52
March		\$1,781.22
April		\$1,826.24
May		\$1,995.56
June		\$2,219.18
July		\$2,597.25
August		\$2,132.04
September		\$2,023.22
October		\$1,895.60
November		\$1,805.22
December		\$1,817.47
2013	January	\$2,065.56
	February	\$2,070.05
	March	\$1,668.29
	April	\$1,865.25
	May	\$1,932.79
	June	\$2,188.25
	July	\$2,177.16
	August	\$2,284.39
	September	\$2,073.50
	October	\$1,850.45
	November	\$2,062.37
	December	\$2,109.97

Year	Month	Expense
2014	January	\$2,659.59
	February	\$2,743.78
	March	\$3,354.57
	April	\$2,442.54
	May	\$3,089.37
	June	\$3,358.74
	July	\$2,627.53
	August	\$2,206.69
	September	\$2,453.57
	October	\$1,700.40
	November	\$1,473.96
	December	\$1,383.97
2015	January	\$2,535.24
	February	\$2,840.63
	March	\$2,757.78
	April	\$3,132.90
	May	\$2,504.87
	June	\$2,354.62
	July	1,911.36
	August	\$1,760.95
	September	\$1,772.46
	October	\$2,051.39
	November	\$1,671.96
	December	\$1,606.17

Total Purchase Power Expense (6/2011 – 12/2015) = \$117,942.74
Monthly Purchase Power Expense (\$117,942.74 ÷ 55) = \$2,144.41
Annual Purchase Power Expense (\$2,144.41 x 12) = \$25,732.96

EXHIBIT 15

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF OHIO COUNTY)	
WATER DISTRICT FOR AUTHORIZATION)	
TO ENTER AN ASSISTANCE AGREEMENT)	
WITH THE KENTUCKY INFRASTRUCTURE)	CASE NO. 2016-00115
AUTHORITY AND FOR A CERTIFICATE OF)	
PUBLIC CONVENIENCE TO CONSTRUCT)	
WATER TRANSMISSION MAINS)	

DIRECT TESTIMONY OF
J. GREGORY DAVENPORT, P.E.
J.R. WAUFORD & COMPANY, CONSULTING ENGINEERS, INC.

Filed: June 30, 2016

1 **Q. Please state your name, position, and business address.**

2 A. My name is J. Gregory Davenport. I am President of J.R. Wauford & Company,
3 Consulting Engineers, Inc., a consulting engineering firm. My business address is
4 2835 Lebanon Pike, Nashville, Tennessee.

5 **Q. Briefly describe your educational and professional background.**

6 A. I hold a Bachelor of Science degree in civil engineering from Tennessee
7 Technological University and a Master of Science degree in environmental
8 engineering from Auburn University. I am licensed as a professional engineer in the
9 states of Tennessee, Kentucky, and Indiana.

10 **Q. Have you ever testified before the Kentucky Public Service Commission?**

11 A. No.

12 **Q. What is the purpose of your testimony?**

13 A. The purpose of my testimony is to describe Ohio County Water District's ("Ohio
14 District") existing water treatment and distribution facilities, identify the current
15 known limitations of Ohio District's distribution system in the project area, describe
16 the facilities that Ohio District proposes to construct, and explain how they will
17 alleviate some of these limitations.

18 **Q. Is J.R. Wauford & Company Consulting Engineers, Inc. currently engaged by**
19 **Ohio District?**

20 A. Yes. J.R. Wauford & Company has performed engineering services for Ohio District
21 since 2008.

22 **Q. Please describe Ohio District's water treatment and distribution facilities.**

1 A. Ohio District owns and operates a four million gallon per day water treatment plant,
2 which is near Cromwell, Kentucky. The Water Treatment Plant's raw water source is
3 the Green River. As raw water enters the water treatment plant, it passes through
4 mechanical flash mixing and conventional settling basins. Vacuum style membranes
5 then filter the settled water. The filtered water then flows to a chlorine contact
6 chamber. (A portion of this water can be pumped through vertical granular activated
7 carbon filters.) Finished water is pumped by one of Water Treatment Plant's five
8 high service pumps into either the Main Pressure Zone, which serves the central and
9 southwest areas of Ohio District's distribution system, or to the Northeast Pressure
10 Zone.

11 Ohio District's water distribution system is divided into three pressure zones:
12 Main Pressure Zone; Northeast Pressure Zone; and North Pressure Zone. These
13 zones are shown on the map that is marked as "Exhibit 1" and that is contained in the
14 Preliminary Engineering Report's Appendix. High service pumps at the Water
15 Treatment Plant pump finished water into the Main Pressure Zone and the Northeast
16 Pressure Zone. Water is furnished to the North Pressure Zone by the Hartford Water
17 Booster Station.

18 Water furnished to the North Pressure Zone must be transported
19 approximately 16 miles from the Water Treatment Plant to the Hartford Water
20 Booster Station through a series of mains and water booster stations that overcome
21 the friction headloss in the existing water mains. Water is transported from the Water
22 Treatment Plant into the Main Pressure Zone using 16-inch, 10-inch and 8-inch mains
23 that run north along US Highway 231. The Bluegrass Crossings Business Centre

1 (“BCBC”) Water Storage Tank, a one million gallon water storage facility that is
2 located near the intersection of the Western Kentucky Parkway and US Highway 231,
3 provides storage for the Main Pressure Zone.

4 From the BCBC Tank, water is transported through 8-inch and 10-inch mains
5 along US Highway 231 to the Beaver Dam Water Booster Station. The Beaver Dam
6 Water Booster Station pumps the water to the Industrial Park East (“IPE”) Water
7 Storage Tank, a 500,000 gallon water storage facility also serving the Main Pressure
8 Zone. Even though the BCBC and IPE Water Storage Tanks have the same overflow
9 elevation, a booster station is required to overcome the friction headloss in the
10 undersized lines.

11 From the IPE Water Storage Tank, water flows north through an 8-inch water
12 main towards the City of Hartford. Ohio District uses the Goshen Water Booster
13 Station, which is located south of the City of Hartford, to ensure an adequate water
14 flow. This booster station discharges to an 8-inch water main to a 10-inch water main
15 that connects through smaller 6-inch and 8-inch water lines to Ohio District’s
16 interconnection with the City of Hartford’s water system and ultimately to Ohio
17 District’s Hartford Water Booster Station.

18 **Q. Did Ohio District retain J.R. Wauford & Company to prepare a preliminary**
19 **engineering study on proposed water improvements?**

20 A. Yes. In 2014, Ohio District retained J.R. Wauford & Company to study the system
21 improvements necessary to increase water flow to the cities of Beaver Dam and
22 Hartford, Kentucky. Both cities currently purchase water from Ohio District.
23 Increased population growth and, in the case of Hartford, potential raw water supply

1 problems, presented the possibility of increased wholesale purchases. This study also
2 considered the elimination of the Beaver Dam and Goshen water booster stations.

3 In the August 2014 “Preliminary Engineering Report Related to the North
4 Water Transmission Line,” we recommended that Ohio District undertake two
5 construction projects. The first project involved the construction of 43,000 linear feet
6 of 16-inch water main which would run from the BCBC Water Storage Tank along
7 US Highway 232 to the IPE Water Storage Tank and then onward to and slightly
8 beyond the City of Beaver Dam. The second project involved the installation of
9 approximately 7,000 linear feet of 12-inch water main from the termination of the end
10 of the north end of the first project north to the City of Hartford. We recommended
11 that the second project be undertaken only after the City of Hartford executes a long-
12 term water purchase contract with Ohio District. The proposed route of these
13 proposed water mains is shown on the map that is marked as “Exhibit 3” and that is
14 contained in the Preliminary Engineering Report’s Appendix.

15 **Q. Is the preliminary engineering report that you prepared attached to Ohio**
16 **District’s Application as Exhibit 9?**

17 A. Yes.

18 **Q. Please describe the facilities that Ohio District proposes to construct.**

19 A. Ohio District proposes to construct approximately 12,151 linear feet of 16-inch
20 polyvinylchloride water main and 3,725 linear feet of 16-inch ductile iron water main
21 (“Proposed Facilities”). A detailed listing of all components can be found at
22 Exhibit 11 of the Application.

1 **Q. Do the Proposed Facilities represent the First Phase of the Project No. 1?**

2 A. Yes. In January 2015, Ohio District elected to divide Project No. 1 into two phases,
3 with the first phase designed to eliminate the Beaver Dam Water Booster Station.

4 **Q. Has the route of the proposed 16-inch water main connecting the IPE and BCBC**
5 **Water Storage Tanks been revised?**

6 A. Yes. Instead of running north along US Highway 231 from the Western Kentucky
7 Parkway to near the current location of the Beaver Dam Booster Station, the 16-inch
8 water transmission main will begin on U.S. Highway 231 in Ohio County, Kentucky
9 in the general vicinity of the BCBC Water Storage Tank, run north along U.S.
10 Highway 231 until reaching Lewis Creek Lane and then west along Lewis Creek
11 Lane. At a point along Lewis Creek Lane, the water main will break away from the
12 road heading north and cross the Western Kentucky Parkway near Mile Marker 75 to
13 meet Apple House Road. It will then travel northwest along Apple House Road for
14 approximately 2,200 feet before breaking away from Apple House Road and running
15 in a northwest direction across country to connect to the IPE Water Storage Tank.
16 Maps of the proposed route are found at Exhibit 6 of Ohio District's Application.

17 **Q. What are the benefits of the Proposed Facilities?**

18 A. The Proposed Facilities will decrease the amount of friction headloss currently
19 present in Ohio District's water distribution system. They will enable the IPE and
20 BCBC Water Storage Tanks to operate in a more efficient and reliable manner,
21 enhance system stability, and improve water pressure and reliability in the North
22 Pressure Zone.

1 Presently, the Beaver Dam Water Booster Station is necessary to overcome
2 the excessive friction headloss in the undersized water mains connecting the BCBC
3 and IPE Water Storage Tanks. The proposed larger water transmission lines will
4 reduce friction headloss, eliminate the need for the Beaver Dam Water Booster
5 Station, and allow that station to be removed from service. Ohio District expects to
6 achieve an annual reduction in purchased electric power expenses of approximately
7 \$25,000 through the elimination of the Beaver Dam Water Booster Station.

8 Once the Proposed Facilities are constructed, an alternative route to
9 transporting water to the North Pressure Zone will exist and will enable Ohio District
10 to remove the IPE Water Storage Tank from service for routine maintenance.
11 Currently, Ohio District transports water to the North Pressure Zone through Beaver
12 Dam Water Booster Station and the IPE Water Storage Tank. As the Beaver Dam
13 Water Booster Station pumps to the IPE Water Storage Tank, it is very difficult for
14 water to continue onward to the North Pressure Zone with the IPE Tank out of
15 service.

16 The Proposed Facilities will also provide a secondary source of water for the
17 Bluegrass Crossings Business Centre Industrial Park. The park is currently served by
18 the BCBC Water Storage Tank. The Proposed Facilities will enable water to flow
19 from the IPE Water Storage Tank to the BCBC Water Storage Tank should the need
20 occur, such as a fire event.

21 **Q. What is the useful service life of the Proposed Facilities?**

22 A. The proposed water transmission mains have a useful service life of 50 years.

1 **Q. Did you prepared or supervise the preparation of the plans and specifications for**
2 **the Proposed Facilities.**

3 A. Yes, I did. A copy of the plans for the Proposed Facilities is attached to Ohio
4 District's Application as Exhibit 7. The Specifications for the Proposed Facilities are
5 attached as Exhibit 8.

6 **Q. Has the Kentucky Division of Water ("KDOW") approved the plans for the**
7 **Proposed Facilities?**

8 A. Yes. The KDOW has reviewed the plans and specifications for the Proposed
9 Facilities and has approved them with respect to sanitary features of design. A copy
10 of the letter in which the KDOW stated its approval is set forth at Exhibit 3 of Ohio
11 District's Application.

12 **Q. Are the hydraulic calculations that were used to support the plans and**
13 **specifications included in Ohio District's application?**

14 A. Yes. These calculations, which were submitted to the KDOW in support of the plans
15 for the Proposed Facilities, are found at Exhibit 10 of Ohio District's Application.

16 **Q. Has Ohio District received all of the required permits from the Kentucky**
17 **Department of Highways to proceed with the construction of the proposed**
18 **facilities?**

19 A. Yes. The Kentucky Department of Highways has issued an encroachment permit for
20 Ohio District to perform excavations in the right-of-way of state highways, including
21 a bore under the Western Kentucky Parkway. A copy of this permit is attached to
22 Ohio District's Application as Exhibit 4.

1 **Q. Has Ohio District requested bids on the contract to construct the Proposed**
2 **Facilities?**

3 A. Yes. Ohio District requested and received bids on the construction of the Proposed
4 Facilities. Bids were opened on April 28, 2016. A copy of the certified bid
5 tabulations and our recommendation are attached as Exhibits 11 and 12 to Ohio
6 District's Application. A copy of the resolution of Ohio District's Board of
7 Commissioners authorizing the selection of the lowest bidder can be found at Exhibit
8 13 of Ohio District's Application. The bid of Horsley Construction, Inc., of Hudson,
9 Kentucky, which was \$965,089, was the lowest submitted bid. Under the terms of the
10 request for bids, this bid may be withdrawn 90 days after bid submission. Based
11 upon the accepted bid, we estimate the total cost of the Proposed Facilities, including
12 administrative and legal expenses, engineering fees for design, construction and
13 inspection, and contingencies, is \$1,630,000.

14 **Q. What is your recommendation concerning the Proposed Facilities?**

15 A. The Proposed Facilities are necessary for Ohio District to provide safe, adequate, and
16 reliable water service to its customers. I recommend that the Commission grant Ohio
17 District a certificate of public convenience and necessity to construct the Proposed
18 Facilities.

19 **Q. Does this conclude your testimony?**

20 A. Yes.

VERIFICATION

STATE OF TENNESSEE)
) SS:
COUNTY OF DAVIDSON)

The undersigned, **J. Gregory Davenport**, being duly sworn, deposes and says that he has personal knowledge of the matters set forth in the foregoing testimony and that the answers contained therein are true and correct to the best of his information, knowledge and belief.



J. GREGORY DAVENPORT

Subscribed and sworn to before me, a Notary Public in and before said County and State, this 30th day of June, 2016.

Debra L Douglas
Notary Public
Notary ID: _____
My Commission Expires: 03-01-2017

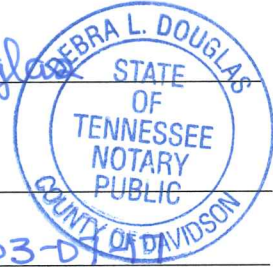


EXHIBIT 16

**STATEMENT OF ANNUAL COST OF OPERATION
OF THE PROPOSED FACILITIES**

Ohio County Water District does not anticipate any costs associated with the operation of the Proposed Facilities.

EXHIBIT 17

KENTUCKY INFRASTRUCTURE AUTHORITY
Minutes of the Full Board

Meeting Date/Location: June 4, 2015 – 1:00 p.m.
Kentucky Infrastructure Authority
1024 Capital Center Drive, Suite 340, Frankfort

Members present:

Mr. Damon Talley, representing the Kentucky Rural Water Association
Mr. Paul Gannoe, Finance and Administration Cabinet
(Proxy for Secretary Lori H. Flanery, FAC)
Ms. Lona Brewer, Energy and Environment Cabinet
(Permanent proxy for Secretary Leonard K. Peters, EEC)
Mr. Robert Aldridge, Economic Development Cabinet
(Proxy for Secretary Larry Hayes (EDC)
Mr. Jeff Derouen, Executive Director, Public Service Commission
Ms. Linda C. Bridwell, representing for-profit private water companies
Mr. David W. Cartmell, Mayor, City of Maysville, representing the Kentucky League of Cities
Mr. Marty T. Ivy, representing the Kentucky Municipal Utilities Association

Members absent:

Mr. Tony Wilder, Commissioner, Department for Local Government
Mr. Jody Jenkins, Union County Judge Executive, representing the Kentucky Association
of Counties
Mr. C. Ronald Lovan, representing the American Water Works Association

Guests:

Mr. Jory Becker, Division of Water
Mr. Walt Beasley, Ohio County Water
Mr. Brad Alley, Green River Area Development District
Mr. Sandy Broughman, U.S. 60 Water District
Mr. Neal Hall, CTI Engineers
Mr. Joe Pavoni, GRW
Mr. Ron Gilkerson, GRW
Mr. Todd Solomon, GRW
Mr. Ronald D, McLean County Regional Water Commission
Mr. Joe Howell, McLean County Regional Water Commission
Mr. Bob Pickerill, Bell Engineering
Ms. Denise Pitts, Office of Financial Management
Mr. Josh Nacey, Legislative Research Commission
Mr. Joe Schepers, Regional Water Resource Agency, Daviess County
Mr. David Hawes, Regional Water Resource Agency, Daviess County
Mr. Sean O'Bryan, Regional Water Resource Agency, Daviess County
Mr. John Brady, Office of Financial Management
Ms. Donna McNeil, Kentucky Rural Water Association
Mr. Jack Rose, City of Murray
Mr. Kelly Thurman, McLean County

PROCEEDINGS

Chair Tony Wilder was unable to attend the meeting. In his absence Vice Chair, Damon Talley, called the meeting of the Kentucky Infrastructure Authority (KIA) Board to order. Vice Chair Talley confirmed that a quorum was present and that the press had been notified regarding the meeting. Mr. Talley asked board members and guests to introduce themselves.

I. BUSINESS (Board Action Required)

A. 1. APPROVAL OF MINUTES

For: KIA Regular Board Meeting of May 7, 2015

Ms. Linda Bridwell moved to approve the minutes of the May 7, 2015, regular board meeting. Ms. Lona Brewer seconded, and the motion carried unanimously.

B. NEW PROJECTS/ACTION ITEMS

1. A RESOLUTION AND ORDER OF THE BOARD OF DIRECTORS OF THE KENTUCKY INFRASTRUCTURE AUTHORITY AUTHORIZING AN AMENDMENT TO THE CONDITIONAL COMMITMENT FOR A FEDERALLY ASSISTED CLEAN WATER REVOLVING FUND A LOAN (A12-12) INCREASING THE AMOUNT TO \$61,515,000 TO THE CITY OF MURRAY, CALLOWAY COUNTY, KENTUCKY

Mr. Jory Becker, DOW and Mr. Jeff Abshire, KIA discussed the City of Murray's request for an increase of \$15,515,000 to a loan that was previously approved for \$46,000,000 on March 1, 2012. The increase is due to: 1) the original estimate assumed a shorter construction cycle that was not achievable, resulting in engineering cost increases during the construction period, 2) upgrading the piping network at the plant was considerably more complex and costly than originally estimated, 3) construction inflation since the original cost estimates were approved which was at the low point of the last economic downturn, and 4) necessary scope changes that were identified during the design process.

The original project description is: This project involves the upgrade and increase the capacity of the Bee Creek Wastewater Treatment Plant and collection system. The upgrade will increase the capacity of the plant from 5.25 million gallons per day (MGD) to 8.75 MGD. The proposed improvements will resolve KPDES permit violations, Whole Effluent Toxicity (WET) test failures, and existing sanitary sewer overflows while providing capacity to treat current and projected flows.

Ms. Linda Bridwell inquired how far this got the organization on the terms of their agreed order. Mr. Jeff Abshire stated this includes everything in the order.

Ms. Linda Bridwell moved to approve Fund A, (A12-12) in the amount of \$61,515,000 to the City of Murray with the standard conditions. Mr. Marty Ivy seconded, and the motion was unanimously approved.

Vice Chair Talley advised that the board would consider in sequence three projects to the Regional Water Resource Agency (RWRA), listed in the agenda as Action Item 2, Fund A Loan A15-002, Action Item 3, Fund A Loan A-15-027, and Action Item 4, Fund A Loan A-15-099.

2. **A RESOLUTION AND ORDER OF THE BOARD OF DIRECTORS OF THE KENTUCKY INFRASTRUCTURE AUTHORITY AUTHORIZING ISSUANCE OF A CONDITIONAL COMMITMENT FOR A FEDERALLY ASSISTED CLEAN WATER REVOLVING FUND A LOAN (A15-002) IN THE AMOUNT OF \$7,282,500 TO THE REGIONAL WATER RESOURCE AGENCY, DAVIESS COUNTY, KENTUCKY**

Mr. Jory Becker, DOW, and Mr. Jeff Abshire, KIA, presented the Fund A loan, (A15-002) project to the Board. The Regional Water Resource Agency (RWRA) requested a Fund “A” loan in the amount of \$7,282,500 for the Southwest Master Pump Station and Airport Bittel Road project. Phase 1 of the project will construct a pump station and force main to redistribute flows that have been diverted from the Combined Sewer System to the East Plant. The redirection will move flows to the Max Rhoads Wastewater Plant and will reduce the need for expansion at the East plant as well as aid in future separation projects in line with the systems combined sewer overflow program. Phase 2 of this project will provide sewer service to unsewered homes within the Airport and Bittel Road area.

3. **A RESOLUTION AND ORDER OF THE BOARD OF DIRECTORS OF THE KENTUCKY INFRASTRUCTURE AUTHORITY AUTHORIZING ISSUANCE OF A CONDITIONAL COMMITMENT FOR A FEDERALLY ASSISTED CLEAN WATER REVOLVING FUND A LOAN (A15-027) IN THE AMOUNT OF \$1,425,000 TO THE REGIONAL WATER RESOURCE AGENCY, DAVIESS COUNTY, KENTUCKY**

Mr. Jory Becker, DOW, and Mr. Jeff Abshire, KIA, presented the Fund A loan, (A15-027) project to the Board. The Regional Water Resource Agency (RWRA) requested a Fund “A” loan in the amount of \$1,425,000 for the Hayden Road and Pleasant Valley Road Subdivision project. The project will install 21,020 linear feet of 8 inch PVC sewer lines to unsewered homes in the Hayden Road and Pleasant Valley road subdivision. The project will eliminate 200 failing septic systems.

Mr. David Hawes addressed the group to mention that some 10” pipe will be used instead of all 8” as stated in the summary.

4. **A RESOLUTION AND ORDER OF THE BOARD OF DIRECTORS OF THE KENTUCKY INFRASTRUCTURE AUTHORITY AUTHORIZING ISSUANCE OF A CONDITIONAL COMMITMENT FOR A FEDERALLY ASSISTED CLEAN WATER REVOLVING FUND A LOAN (A15-099) IN THE AMOUNT OF \$3,296,951 TO THE REGIONAL WATER RESOURCE AGENCY, DAVIESS COUNTY, KENTUCKY**

Mr. Jory Decker, DOW, and Ms. Jeff Abshire KIA, presented the Fund A loan, (A15-099) project to the Board. The Regional Water Resource Agency (RWRA) requested a Fund “A” loan in the amount of \$3,296,951 for the Treatment Plant Ultraviolet (UV) Disinfection and Electrical Remediation project. The project will install an UV disinfection system at both Max Rhodes and David Hawes wastewater treatment plants

as well as an electrical remediation component at the Hawes plant. The project will replace the current chlorination/de-chlorination systems in place. The Hawes plant will undergo critical electrical infrastructure remediation to support the new UV system. The new process will eliminate the need to store hazardous chemicals at the treatment facility and would further mitigate any risk of contamination with the environment. RWRA was created by the enactment of identical ordinances by the City of Owensboro and Daviess County Fiscal Court in October of 1994 for the purpose of managing, controlling, and operating regional wastewater treatment facilities.

Mr. John Covington noted that with this Board book, staff did an Executive Summary with a cumulative snapshot of the three RWRA loans reviewed.

Ms. Linda Bridwell moved to approve Fund A loan (A 15-002) in the amount of \$7,282,500, Fund A loan (A 15-027) in the amount of \$1,425,000, and Fund A loan (A 15-099) in the amount of \$3,296,951 to the Regional Water Resource Agency, all with the standard conditions. Mr. Paul Gannoe seconded, and the motion was unanimously approved.

5. A RESOLUTION AND ORDER OF THE BOARD OF DIRECTORS OF THE KENTUCKY INFRASTRUCTURE AUTHORITY AUTHORIZING ISSUANCE OF A CONDITIONAL COMMITMENT FOR A FEDERALLY ASSISTED CLEAN WATER REVOLVING FUND A LOAN (A15-097) IN THE AMOUNT OF \$1,139,000 TO THE CITY OF FULTON, FULTON COUNTY, KENTUCKY

Mr. Jory Decker, DOW, and Ms. Jeff Abshire, KIA, presented the Fund A loan, (A15-97) project to the Board. The City of Fulton requested a Fund “A” loan in the amount of \$1,139,000 for the Sewer Wetlands Addition to Lagoon project. The project will improve effluent quality by removing waste from the systems lagoon. The project will install two Parkson Dynasand filters to the existing lagoon in effort to remove the total suspended solids (TSS) contained within the wastewater treatment plant. The project will also include repairs to the levee and various improvements including structural cells within the plant, service road and building improvements and aerator replacement. The City is under an Agreed Order with the Kentucky Division of Enforcement and the filters will allow compliance with the order.

Mr. Marty Ivy moved to approve, Fund A loan (A15-097) in the amount of \$1,139,000, with the standard and the following special conditions: 1.) The City of Fulton shall increase sewer rates sufficient to generate an additional \$70,000 in cash flow effective no later than January 1, 2016. 2.) The City of Fulton shall increase water rates sufficient to generate an additional \$95,000 in cash flow effective no later than January 1, 2016. 3.) The City of Fulton shall increase water rates sufficient to generate an additional \$40,000 in cash flow effective no later than July 1, 2017. Ms. Linda Bridwell seconded, and the motion was unanimously approved.

6. A RESOLUTION AND ORDER OF THE BOARD OF DIRECTORS OF THE KENTUCKY INFRASTRUCTURE AUTHORITY AUTHORIZING ISSUANCE OF A CONDITIONAL COMMITMENT FOR A FEDERALLY ASSISTED CLEAN WATER REVOLVING FUND A LOAN (A15-100) IN THE AMOUNT OF \$2,700,000 TO THE CITY OF OWINGSVILLE, BATH COUNTY, KENTUCKY

Mr. Jory Becker, DOW, and Ms. Jami Johnson, KIA, presented the Fund A, (A15-100) project to the Board. The City of Owingsville requested a Fund “A” loan in the amount of \$2,700,000 for the Bath County Industrial Park Wastewater Treatment Plant Expansion project. The project will upgrade an existing Sequencing Bath Reactor (SBR) plant to allow for an increased need for capacity and production of waste in the industrial park. The project will construct an additional SBR basin which would increase the treatment capacity of the plant by 60%. The plant is currently at solids handling capacity treating the level of waste the industrial park is producing and can no longer continue to operate at the increased level. The industrial park has four customers, with one customer contributing over 90% of the waste flow and more than 39% of total revenue.

Ms. Linda Bridwell moved to approve the Fund A loan (A15-100) in the amount of \$2,700,000 to the City of Owingsville with the standard and the following special conditions. 1) The City of Owingsville shall increase utility rates sufficient to generate an additional: a) \$50,000 in cash flow effective no later than January 1, 2016. b) \$33,000 in cash flow effective no later than January 1, 2018. 2) The City of Owingsville shall implement a utility surcharge sufficient to generate an additional \$160,000 in cash flow effective no later than January 1, 2016. All increases must be passed prior to the issuance of an Assistance Agreement. Mr. David Cartmell seconded, and the motion was unanimously approved.

7. A RESOLUTION AND ORDER OF THE BOARD OF DIRECTORS OF THE KENTUCKY INFRASTRUCTURE AUTHORITY AUTHORIZING ISSUANCE OF A CONDITIONAL COMMITMENT FOR AN INFRASTRUCTURE REVOLVING FUND LOAN (B15-007) OF \$2,300,000 TO THE U.S. 60 WATER DISTRICT, SHELBY COUNTY, KENTUCKY

Ms. Jami Johnson presented the project to the board. The U.S. 60 Water District requested a Fund “B” loan, (B15-007) in the amount of \$2,300,000 for the Transmission Main Project. The project includes construction of approximately 31,000 linear feet (LF) of 12 inch waterline along US 60 from Shelbyville to the new water tank at Peytona as well as a new booster pump station.

The District serves 2,395 customers in Anderson, Franklin, Shelby and Spencer Counties and is regulated by the Public Service Commission. They purchase approximately 180 million gallons of water annually from the Frankfort Plant Board.

Mr. Jeff Derouen indicated that he would be abstaining from a vote on this motion. Ms. Linda Bridwell moved to approve Fund B Loan, (B15-007) in the amount of \$2,300,000 to the U.S. 60 Water District with the standard conditions. Ms. Lona Brewer seconded, and the motion was approved.

Mr. Sandy Broughman addressed the group to discuss his concerns regarding the out-of-date software used for e-Clearinghouse.

Mr. John Covington explained that eClearinghouse is actually operated and maintained by the Department for Local Government, not KIA. He stated that KIA is well aware of the problem, but to date has placed more importance on updating the Project Profile and the WRIS.

8. A RESOLUTION AND ORDER OF THE BOARD OF DIRECTORS OF THE KENTUCKY INFRASTRUCTURE AUTHORITY AUTHORIZING ISSUANCE OF A CONDITIONAL COMMITMENT FOR AN INFRASTRUCTURE REVOLVING FUND LOAN (B15-008) OF \$2,500,936 TO THE MCLEAN COUNTY REGIONAL WATER COMMISSION, MCLEAN COUNTY, KENTUCKY

Ms. Jami Johnson, KIA, presented the project to the Board. The McLean County Regional Water Commission requested a Fund “B” loan, (B15-008) in the amount of \$2,500,936 for the County Regional Water Commission Water Treatment Plant project. The project will construct a new 2 million gallon per day (MGD) water treatment plant. This plant will be located adjacent to the existing water treatment plant in Calhoun, and is intended to serve the county-wide demands of McLean County. The project will include the purchase of the existing water plant in Calhoun. The McLean County Regional Water Commission will begin operating the plant after the purchase, as well as the new plant after its completion. The purchase of the Calhoun water treatment plant will allow for the reuse of equipment and structures such as the raw water intake and clear well which may be incorporated into the new plant.

Interconnects are proposed to supply Livermore, Sacramento and Island, and will be built using 8 and 10 inch lines. The interconnect line between the cities of Livermore and Island will include a river crossing across the Green River. The interconnect will be a 10 inch line that measures approximately 4,000 linear feet. A pump station will be built at the plant site with a 650 gallons per minute (GPM) pump that will supply Island, Sacramento and Livermore. Five new master meters are included in the project so the entities may be billed as wholesale customers.

Kelly Thurman, McLean County Judge Executive, addressed the group. He stated this was a regional project for the entire county. At this point in time, there is one water district that will not be participating due to contractual obligations elsewhere. The project began seven years ago and has had some unexpected cost overruns. John Covington mentioned that KIA initially provided funding for this project.

Ms. Linda Bridwell moved to approve the Fund B Loan, (B15-008) in the amount of \$2,500,936 to the McLean County Regional Water Commission with the standard conditions. Mr. Marty Ivy seconded, and the motion was unanimously approved

9. A RESOLUTION AND ORDER OF THE BOARD OF DIRECTORS OF THE KENTUCKY INFRASTRUCTURE AUTHORITY AUTHORIZING ISSUANCE OF A CONDITIONAL COMMITMENT FOR A FEDERALLY ASSISTED DRINKING WATER REVOLVING FUND LOAN (F15-066) IN THE AMOUNT OF \$3,450,000 TO THE CITY OF NICHOLASVILLE, JESSAMINE COUNTY, KENTUCKY

At present time, this project has been withdrawn from consideration. Additional work is required by the City of Nicholasville, including obtaining multiple easements. The City will be presenting a planning and design loan at next month’s meeting for approval by the KIA board.

10. A RESOLUTION AND ORDER OF THE BOARD OF DIRECTORS OF THE KENTUCKY INFRASTRUCTURE AUTHORITY AUTHORIZING ISSUANCE OF A CONDITIONAL COMMITMENT FOR A FEDERALLY ASSISTED DRINKING WATER REVOLVING FUND LOAN (F15-069) IN THE AMOUNT OF \$1,630,000 TO OHIO COUNTY WATER DISTRICT, OHIO COUNTY, KENTUCKY

Mr. Jory Becker, DOW and Ms. Jami Johnson presented this project to the Board for consideration. The Ohio County Water District requested a \$1,630,000 Fund “F” loan, (F15-069) for the Water Main Upgrade project. The project will replace approximately 17,500 linear feet (LF) of 8 and 10 inch lines with 16 inch lines. This will eliminate a pump station and reduce utilities and maintenance costs by about \$40,000 annually while improving the ability of the system to effectively deliver water to the northern section of Ohio County and the southern section of Daviess County. The lines will be installed beginning at the Bluegrass Crossing Industrial Park water tank and ending at the Industrial Park East Water Tank and will significantly increase service reliability to the two parks in addition to any growth in these areas.

The District is regulated by the Public Service Commission and serves approximately 7,000 direct customers and provides wholesale service to the Cities of Beaver Dam, Centertown and Fordsville.

Vice Chair Damon Talley asked Mr. Walt Beasley to come to the front to answer questions. Ms. Linda Bridwell asked who the County’s supplier was. Mr. Beasley stated they own their own water. They had previously bought from Perdue Farms. When Perdue Farms came to Ohio County, they had an immediate need for water, so they built their own water plant. An agreement was made with Perdue for them to provide water to the County. That contract expired in 2009 and the County built its own plant. The County has been self-sufficient since 2011. The County wholesales water to Beaver Dam, Centertown and Fordsville. Ms. Bridwell asked if there was any concern about maintaining the disinfecting with upsizing the pipe. Mr. Beasley stated that there is not an issue with it being so close to the plant.

Mr. Jeff Derouen indicated that he would be abstaining from a vote on this motion. Mr. Paul Gannoe moved to approve Fund F loan, (F15-069) in the amount of \$1,630,000 to the Ohio County Water District with the standard conditions. Ms. Linda Bridwell seconded, and the motion was approved.

11. A RESOLUTION OF THE KENTUCKY INFRASTRUCTURE AUTHORITY AUTHORIZING AND APPROVING THE ISSUANCE OF OBLIGATIONS OF THE KENTUCKY INFRASTRUCTURE AUTHORITY TO REIMBURSE CAPITAL EXPENDITURES MADE BY GOVERNMENTAL AGENCIES PURSUANT TO LOANS MADE BY THE KENTUCKY INFRASTRUCTURE AUTHORITY TO SUCH GOVERNMENTAL AGENCIES

This is a routine resolution allowing KIA to reimburse expenses that are paid out of the Authority’s funds with bond proceeds. The projects listed below are covered under this resolution:

APPLICANT	FUND	AMOUNT
City of Murray (Increase)	A12-12	\$61,515,000
Regional Water Resource Agency (RWRA)	A15-002	\$ 7,282,500
Regional Water Resource Agency (RWRA)	A15-027	\$ 1,425,000
Regional Water Resource Agency (RWRA)	A15-099	\$ 3,296,951
City of Fulton	A15-097	\$ 1,139,000
City of Owingsville	A15-100	\$ 2,700,000
U.S. 60 Water District	B15-007	\$ 2,300,000
McLean County Regional Water Commission	B15-008	\$ 2,500,936
Ohio County Water District	F15-069	\$ 1,630,000
Green River Valley Water District <10% Increase	B13-006	\$ 1,292,500

Ms. Linda Bridwell moved to approve the resolution. Mr. David Cartmell seconded, and the motion carried unanimously.

II. EXECUTIVE DIRECTOR’S REPORT

Kentucky Infrastructure Authority Executive Director John Covington

Mr. Covington discussed the Intended Use Plan (IUP) Public Meeting that was held on May 27th. There was light attendance. The public comment period ends on June 15, 2015.

Mr. Covington gave an update on the City of Martin situation discussed at the May Board meeting. He and KIA staff met with the City of Martin regarding their loan repayment. A new mayor has taken office and is being proactive in getting the loan up to date.

Mr. Covington discussed the July KIA Board meeting on Thursday, July 2, 2015. He asked if the date would need to be changed to ensure a quorum would be present. Staff will send out an email regarding attendance. An alternate date of Thursday, July 9th has been suggested.

III. STATUS REPORT FOR FUNDS A, A2, B, B1, C, F, F2

IV. ANNOUNCEMENTS/NOTIFICATIONS

Vice Chair Damon Talley took the floor. This was his last meeting with the group. His term is expiring as of June 30th. He has been on the KIA Board for the past 15 years. He thanked John Covington and the KIA staff for their efforts in making KIA what it is today, a user-friendly organization.


- Next scheduled KIA board meeting:
Tentatively set for Thursday, July 2, 2015
1024 Capital Center Drive, Suite 340
Frankfort, Kentucky

There being no further business Mr. David Cartmell moved to adjourn. Ms. Lona Brewer seconded and the motion carried unanimously. The June 4, 2015, regular meeting of the Board of the Kentucky Infrastructure Authority was adjourned.

Submitted by:



Jeffrey A. Abshire, Secretary
Kentucky Infrastructure Authority



Date

EXHIBIT 18



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

June 9, 2015

Walt Beasley, Superintendent
Ohio County Water District
P.O. Box 207
Hartford, KY 42347

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KENTUCKY INFRASTRUCTURE
AUTHORITY

**KENTUCKY INFRASTRUCTURE AUTHORITY
FEDERALLY ASSISTED DRINKING WATER REVOLVING LOAN FUND
CONDITIONAL COMMITMENT LETTER (F15-069)**

Dear Superintendent Beasley:

The Kentucky Infrastructure Authority ("the Authority") commends your efforts to improve public service facilities in your community. On June 4, 2015, the Authority approved your loan for the Water Main Upgrade Project project, subject to the conditions stated below. The total cost of the project shall not exceed \$1,630,000 of which the Authority is the sole source of the funding. 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 Ohio County Water District upon satisfactory performance of the conditions set forth in this letter. You must meet the conditions set forth in this letter and enter into an Assistance Agreement by June 9, 2016 (twelve months from the date of this letter). 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 \$1,630,000.
2. This loan project does not qualify for principal forgiveness.
3. The loan shall bear interest at the rate of 1.75 percent per annum commencing with the first draw of funds.



Walt Beasley, Superintendent
June 9, 2015
Page 2

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. The loan shall be repaid over a period not to exceed 20 years from the date of initiation of operation for the project.
7. 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.
8. Loan funds will only be disbursed after execution of the Assistance Agreement as project costs are incurred.
9. The Authority loan funds must be expended within six months of the official date of initiation of operation.
10. Fund "F" loan funds may be 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. Please note that the guidance for single audit requirements changed for calendar or fiscal years beginning after December 26, 2014. Please consult with your independent auditor as soon as possible to understand how the changes will affect you.
11. The Authority requires an annual financial audit be provided for the life of the loan.
12. The final Assistance Agreement must be approved by ordinance or resolution, as applicable, of the city council or appropriate governing board.

The following is a list of the standard conditions to be satisfied prior to execution of the

Walt Beasley, Superintendent
June 9, 2015
Page 3

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. 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.
4. 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. Any special conditions listed in Attachment A must be satisfied before the project is presented before the Committee.
5. 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.
6. The Borrower must complete and return the attached "Authorization for Electronic Deposit of Vendor Payment" form to the Authority.
7. Documentation of Clearinghouse Endorsement and Clearinghouse Comments.
8. Prior to project bid, an environmental review shall be conducted by the Division of Water for all construction projects receiving DWSRF funds.
9. Technical plans and specifications and a complete DWSRF specifications checklist shall be approved by the Division of Water prior to project bid.
10. All easements or purchases of land shall be completed prior to commencement of construction. Clear Site Certification of all land or easement acquisitions shall be provided to the Division of Water. DOW representatives shall be notified for attendance of the pre-construction conference.
11. Project changes or additions deviating from the original scope of work described in the Project Profile may require a new or amended environmental review and change order review before they can be included in the DWSRF loan project.

Walt Beasley, Superintendent
June 9, 2015
Page 4

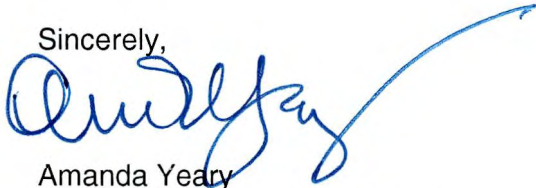
12. Applicant must provide certification from their legal counsel stating that they have prepared construction specifications in accordance with all applicable state or federal wage rate laws, and that the procurement procedures, including those for construction, land, equipment and professional services that are a part of the project, are in compliance with applicable federal, state and local procurement laws.
13. Implement the Kentucky Uniform System of Accounting (KUSoA), or an alternative approved by the Authority and assure that rates and charges for services are based upon the cost of providing such service.
14. The Borrower shall comply with all Davis Bacon related monitoring and reporting and require all contractors to pay wages pursuant to applicable prevailing wage rates (federal or state) for all work relating to the subject Project.
15. 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.
16. If the project has a "Green Reserve" component, the Borrower must submit a Business Case, if required.
17. Based on the final "as-bid" project budget, the Borrower must provide satisfactory proof, based on then existing conditions, that the revenue projections in the attached descriptions are still obtainable and that the projections of operating expenses have not materially changed. The "as bid" project budget shall be reviewed and approved by the consulting engineer.
18. The project shall comply with American Iron and Steel requirements of The Consolidated Appropriations Act of 2014 (H.R. 3547), which became effective January 17, 2014, unless engineering plans and specifications were approved by the Division of Water prior to the effective date.

Any special conditions stated in Attachment A must be resolved.

Walt Beasley, Superintendent
June 9, 2015
Page 5

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.

Sincerely,




Amanda Yearly
Kentucky Infrastructure Authority

Attachments

cc: Brad Alley, Green River Area Development District
J. Roy Wauford, J.R. Wauford & Company Consulting Engineers
Division of Water
Dirk Bedarff, Peck, Shaffer & Williams LLP
State Local Debt Office, DLG
Borrower File - Ohio County Water District - F15-069

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.

 06/15/15
Accepted Date

ATTACHMENT A
Ohio County Water District
F15-069

EXECUTIVE SUMMARY		Reviewer	Jami Johnson	
KENTUCKY INFRASTRUCTURE AUTHORITY		Date	June 4, 2015	
FUND F, FEDERALLY ASSISTED DRINKING WATER		KIA Loan Number	F15-069	
REVOLVING LOAN FUND		WRIS Number	WX21183039	
BORROWER	OHIO COUNTY WATER DISTRICT OHIO COUNTY			
BRIEF DESCRIPTION				
This project will replace approximately 17,500 linear feet (LF) of eight and ten inch lines with a sixteen inch line. It will eliminate one pump station resulting in a savings of about \$40,000 annually and will improve reliability of the system to effectively deliver water to the northern section of Ohio County and the southern section of Daviess County.				
PROJECT FINANCING		PROJECT BUDGET		
Fund F Loan	\$1,630,000	RD Fee %	Actual %	
		Administrative Expenses		\$42,000
		Legal Expenses		18,000
		Eng - Design / Const	8.4%	5.6%
		Eng - Insp	5.2%	4.0%
		Eng - Other		6,000
		Construction		1,281,000
		Contingency		119,000
		Other		30,000
TOTAL	\$1,630,000	TOTAL		\$1,630,000
REPAYMENT	Rate	1.75%	Est. Annual Payment	\$101,020
	Term	20 Years	1st Payment	6 Mo. after first draw
PROFESSIONAL SERVICES	Engineer	J.R. Wauford & Company Consulting Engineers		
	Bond Counsel	Peck, Shaffer, & Williams, a division of Dinsmore & Shohl, LLP		
PROJECT SCHEDULE	Bid Opening	Jul-15		
	Construction Start	Jul-15		
	Construction Stop	Dec-15		
DEBT PER CUSTOMER	Existing	\$2,000		
	Proposed	\$2,091		
OTHER DEBT	See Attached			
OTHER STATE-FUNDED PROJECTS LAST 5 YRS	See Attached			
RESIDENTIAL RATES		<u>Users</u>	<u>Avg. Bill</u>	
	Current	7,007	\$38.69	(for 4,000 gallons)
	Additional	0	\$38.69	(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 2012	1,512,941	659,420	853,521	2.3
Audited 2013	1,383,177	998,450	384,727	1.4
Projected 2014	1,339,291	935,238	404,053	1.4
Projected 2015	1,294,527	799,861	494,666	1.6
Projected 2016	1,244,768	852,020	392,748	1.5
Projected 2017	1,238,196	899,197	338,999	1.4
Projected 2018	1,191,492	899,102	292,390	1.3
Projected 2019	1,143,854	893,483	250,371	1.3

Reviewer: Jami Johnson
Date: June 4, 2015
Loan Number: F15-069

**KENTUCKY INFRASTRUCTURE AUTHORITY
DRINKING WATER STATE REVOLVING FUND (FUND "F")
OHIO COUNTY WATER DISTRICT, OHIO COUNTY
PROJECT REVIEW
WX21183039**

I. PROJECT DESCRIPTION

The Ohio County Water District is requesting a \$1,630,000 Fund "F" loan for the Water Main Upgrade project. The project will replace approximately 17,500 linear feet (LF) of 8 and 10 inch lines with 16 inch lines. This will eliminate a pump station and reduce utilities and maintenance costs by about \$40,000 annually while improving the ability of the system to effectively deliver water to the northern section of Ohio County and the southern section of Daviess County. The lines will be installed beginning at the Bluegrass Crossing Industrial Park water tank and ending at the Industrial Park East Water Tank and will significantly increase service reliability to the two parks in addition to any growth in these areas.

The District is regulated by the Public Service Commission and serves approximately 7,000 direct customers and provides wholesale service to the Cities of Beaver Dam, Centertown and Fordsville.

II. PROJECT BUDGET

	<u>Total</u>
Administrative Expenses	\$ 42,000
Legal Expenses	18,000
Engineering Fees - Design / Const	78,000
Engineering Fees - Inspection	56,000
Engineering Fees - Other	6,000
Construction	1,281,000
Contingency	119,000
Other	30,000
Total	\$ 1,630,000

III. PROJECT FUNDING

	<u>Amount</u>	<u>%</u>
Fund F Loan	\$ 1,630,000	100%
Total	\$ 1,630,000	100%

IV. KIA DEBT SERVICE

Construction Loan	\$ 1,630,000
Interest Rate	1.75%
Loan Term (Years)	20
Estimated Annual Debt Service	\$ 96,945
Administrative Fee (0.25%)	4,075
Total Estimated Annual Debt Service	\$ 101,020

V. PROJECT SCHEDULE

Bid Opening	July 2015
Construction Start	July 2015
Construction Stop	December 2015

VI. CUSTOMER COMPOSITION AND RATE STRUCTURE

A) Customers

Customers	Current
Residential	6,895
Commercial	112
Total	7,007

B) Rates

	Current	Prior
Date of Last Rate Increase	07/21/09	11/12/03
Minimum (First 2,000 Gallons)	\$21.13	\$19.93
Next 18,000 Gallons	8.78	8.28
Next 30,000 Gallons	7.59	7.16
Next 50,000 Gallons	6.39	6.03
Over 100,000 Gallons	5.20	4.91
Cost for 4,000 gallons	\$38.69	\$36.49
Increase %	6.0%	
Affordability Index (Rate/MHI)	1.1%	

VII. DEMOGRAPHICS

Based on current Census data from the American Community Survey 5-Year Estimate 2008-2012, the Utility's service area population was 14,790 with a Median Household Income (MHI) of \$40,773. The median household income for the Commonwealth is \$42,610. The project qualifies for a 1.75% interest rate because the utility's service area MHI is between 80% and 100% of the State's MHI and the District is also a regional provider.

Year	Population		Unemployment	
	County	% Change	Date	Rate
1980	21,765		June 2004	6.8%
1990	21,105	-3.0%	June 2009	10.4%
2000	22,916	8.6%	June 2013	8.1%
2010	23,842	4.0%	June 2014	6.8%
Current	23,955	0.5%		
Cumulative %		10.1%		

VIII. 2014 CAPITALIZATION GRANT EQUIVALENCIES

- 1) Green Project Reserve - The 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, 2012 and 2013. Amounts for 2014 are estimated. Percentage references in the History section below are based on whole dollar amounts and not the rounded amounts presented.

HISTORY

Revenues decreased 3% from \$3.7 million in 2012 to \$3.6 million in 2014 while operating expenses averaged \$2.2 million during. The debt coverage ratio was 2.3, 1.4 and 1.4 for 2012, 2013, and 2014, respectively. The balance sheet reflects a current ratio of 1.6, debt to equity ratio of 0.6, and the number of months of operating expenses in unrestricted cash is 4.0.

PROJECTIONS

Projections are based on the following assumptions:

- 1) Revenues will be flat for growth.
- 2) Operating expenses will increase 2% annually for inflation and will decrease by \$40,000 in 2017 for a reduction in electricity and maintenance.
- 3) Debt service coverage is 1.4 in 2017 which is the first full year of principal and interest repayments.

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

REPLACEMENT RESERVE

The annual replacement cost is \$4,100. This amount should be added to the

replacement account each December 1 until the balance reaches \$41,000 and maintained for the life of the loan.

X. DEBT OBLIGATIONS

	<u>Outstanding</u>	<u>Maturity</u>
KIA Loan (F08-08)	3,787,769	2031
Revenue Bonds Series 2003	1,090,000	2023
USDA Revenue Bonds Series A	6,921,000	2050
USDA Revenue Bonds Series B	1,186,500	2050
Total	\$ 12,985,269	

XI. OTHER STATE OR FEDERAL FUNDING IN PAST FIVE YEARS

None

XII. CONTACTS

Legal Applicant	
Name	Ohio County Water District
Address	124 East Washington Street P.O. Box 207 Hartford, KY 42347
County	Ohio
Authorized Official	Walt Beasley (Superintendent)
Phone	270-298-7704
Email	waltb32@gmail.com

Project Administrator	
Name	Green River Area Development District
Address	300 GRADD Way Owensboro, KY 42301
Contact	Brad Alley
Phone	(270) 926-4433
Email	bradalley@gradd.com

Consulting Engineer	
Name	J. Roy Wauford
Firm	J.R. Wauford & Company Consulting Engineers
Address	2835 Lebanon Rd. P.O. Box 140350 Nashville, TN 37214
Phone	(615) 883-3243
Email	gregd@jrwauford.com

XIII. RECOMMENDATIONS

KIA staff recommends approval of the loan with the standard conditions

OHIO COUNTY WATER DISTRICT
FINANCIAL SUMMARY (DECEMBER YEAR END)

	Audited 2012	Audited 2013	Projected 2014	Projected 2015	Projected 2016	Projected 2017	Projected 2018	Projected 2019
Balance Sheet								
Assets								
Current Assets	1,481,749	1,448,827	1,487,235	1,536,901	1,576,649	1,610,648	1,640,038	1,665,409
Other Assets	36,214,457	35,184,414	33,573,174	34,593,273	33,854,722	33,068,171	32,239,620	31,373,069
Total	37,696,206	36,633,241	35,060,409	36,130,174	35,431,371	34,678,819	33,879,658	33,038,478
Liabilities & Equity								
Current Liabilities	1,998,423	1,957,877	945,498	961,253	971,627	987,621	997,836	1,007,696
Long Term Liabilities	13,672,619	12,646,619	12,620,117	14,293,160	14,238,229	14,123,804	13,961,864	13,756,864
Total Liabilities	15,671,042	14,604,496	13,565,615	15,254,413	15,209,856	15,111,425	14,959,700	14,764,560
Net Assets	22,025,164	22,028,745	21,494,794	20,875,761	20,221,515	19,567,394	18,919,958	18,273,918
Cash Flow								
Revenues	3,696,725	3,566,292	3,566,292	3,566,292	3,566,292	3,566,292	3,566,292	3,566,292
Operating Expenses	2,220,728	2,206,809	2,250,695	2,295,459	2,345,218	2,351,790	2,398,494	2,446,132
Other Income	36,944	23,694	23,694	23,694	23,694	23,694	23,694	23,694
Cash Flow Before Debt Service	1,512,941	1,383,177	1,339,291	1,294,527	1,244,768	1,238,196	1,191,492	1,143,854
Debt Service								
Existing Debt Service	659,420	998,450	935,238	799,861	801,510	798,177	798,082	792,463
Proposed KIA Loan	0	0	0	0	50,510	101,020	101,020	101,020
Total Debt Service	659,420	998,450	935,238	799,861	852,020	899,197	899,102	893,483
Cash Flow After Debt Service	853,521	384,727	404,053	494,666	392,748	338,999	292,390	250,371
Ratios								
Current Ratio	0.7	0.7	1.6	1.6	1.6	1.6	1.6	1.7
Debt to Equity	0.7	0.7	0.6	0.7	0.8	0.8	0.8	0.8
Days Sales In Accounts Receivable	55.7	56.5	56.5	56.5	56.5	56.5	56.5	56.5
Months Operating Expenses In Unrestricted Cash	3.9	3.9	4.0	4.2	4.3	4.5	4.6	4.6
Debt Coverage Ratio	2.3	1.4	1.4	1.6	1.5	1.4	1.3	1.3

EXHIBIT 19



KENTUCKY INFRASTRUCTURE AUTHORITY

Matthew G. Bevin
Governor

Capital Center Complex
1024 Capital Center Drive, Suite 340
Frankfort, Kentucky 40601
(502) 573-0260
(502) 573-0157 (fax)
kia.ky.gov

June 8, 2016

Ohio County Water District
Walt Beasley, Superintendent
P.O. Box 207
Hartford, KY 42347

KENTUCKY INFRASTRUCTURE AUTHORITY
FEDERALLY ASSISTED DRINKING WATER REVOLVING LOAN FUND
CONDITIONAL COMMITMENT LETTER (F15-069)
EXTENSION

Dear Mr. Beasley:

The Kentucky Infrastructure Authority ("the Authority") has approved an extension of the Drinking Water State Revolving Fund (DWSRF) loan F15-069 for the Water Main Upgrade Project. The loan commitment deadline is extended for a period of six (6) months in order for the Ohio County Water District to meet the conditions set forth in the conditional commitment letter dated June 9, 2015. The original loan commitment expiration was June 9, 2016. The new expiration date will be December 9, 2016. If the project does not meet the conditions by the new expiration date, the commitment may be rescinded.

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.

Sincerely,

Sandra K. Dunahoo

Kentucky Infrastructure Authority

C: Gerald Wuetcher

EXHIBIT 20

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NOTIFICATION OF INTENT TO FINANCE AND APPLICATION FOR DEBT APPROVAL

Form # SLDO-1
Revised 1/1/2011

For DLG staff use only:

File # _____
Received _____

Completion and delivery of this form to the address below shall satisfy the requirements of KRS 65.117, which prohibits any city, county, urban-county, consolidated local government, charter county, special district, or taxing district from entering into any financing obligation of any nature, except leases under \$200,000, without first notifying the state local debt officer in writing. This form shall also serve as application for approval of debt issuance when applicable. An electronic version of the form is available at www.dlg.ky.gov.

✓ **Type of debt to be issued (must check one):** **SLDO Approval Required** **Complete Sections**

<input type="checkbox"/> Short Term Borrowing - KRS 65.7701 et seq.	No	A, B, C
<input type="checkbox"/> Lease from \$200,000 - \$500,000 - KRS 65.940 et seq.	No	A, B, D
<input type="checkbox"/> Lease exceeding \$500,000 - KRS 65.940 et seq.	Yes (Counties only)	A, B, D
<input type="checkbox"/> General Obligation Bond - KRS Chapter 66	Yes (Counties only)	A, B, E
<input type="checkbox"/> Public Project Rev. Bond - KRS Chapter 58	No	A, B, E
<input type="checkbox"/> Public Project Rev. Bond w/Lease - KRS 66.310(2)	Yes (Counties only)	A, B, D, E
<input type="checkbox"/> Industrial Revenue Bond - KRS Chapter 103	Yes (All Borrowers)	A, B, F
<input type="checkbox"/> Other Bonds (True Revenue, Utility Assessment, TIF)	No	A, B, E

X Loan from Kentucky Infrastructure Authority - KRS Chapter 224

Section A - Borrower Information

Agency Name	Ohio County Water District		
Governing Body	Board of Commissioners		
Street Address	124 E Washington Street		
P.O. Box #	207	City	Hartford
County	Ohio	Zip	42347
Authorized Official	Walt Beasley, General Manager		

Section B - Terms of Financial Obligation

Please provide all relevant information. Fields in **bold** are mandatory.

Principle Amount:	1,630,000	Date of Issue:	06/30/2016
Maturity Date(s):	12/31/2036	Payment Schedule:	(must attach schedule)
Term:	20 years from loan closing	Number of Renewal Periods:	0
Interest Rate(s):	1.75	Type of Interest (fixed or variable):	Fixed
Retirement Method:	From water system revenues		
Lender's Name:	Kentucky Infrastructure Authority		
Lender's Address:	1024 Capital Center Drive, Suite 340, Frankfort, Kentucky 40601		
Right of Termination:	Not Applicable		
Termination Penalties:	Not Applicable		
Prepayment Provisions:	May prepay & retire entire amount at any time without penalty upon five days advance written notice		
Trustee or Paying Agent:	None		
AOC Funded Percentage:	0.00		

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NOTIFICATION OF INTENT TO FINANCE AND APPLICATION FOR DEBT APPROVAL

Form # SLDO-1
Revised 1/1/2011

Section C - Note (Loan) Information/Documentation

Purpose - Briefly explain the documented need that necessitates this note (loan) and the public purpose it is intended to address. (Attach additional information if necessary):

Proceeds will be used to finance the replacement of approximately 15,585 linear feet of 8-inch and 10 inch water main with 12,231 linear feet of 16-inch polyvinyl chloride water main and 3,645 linear feet of 16-inch ductile iron water main. The proposed water main replacement will eliminate the need for an existing booster station and will reduce electricity expense by \$30,000 annually.

Pledge of Taxes/Description:

None

Pledge of Revenue/Description:

Water System revenues will be used to repay borrowed funds

Pledge of Project Revenues (Attach documentation which substantiates the revenue projections):

Have bids been sought by the local governments to determine the financial and programmatic competitiveness of the note (loan) proposal? Yes No

If No, explain what steps were taken to ensure adequate competition.

Loan was obtained from the Kentucky Infrastructure Authority pursuant to KRS Chapter 224A

Required Attachments

1. Certification from local government attesting to the ability to meet additional financial commitments necessitated by the note and statement as to taxes and revenues to be collected during the term of the note.

Section D - Lease Information/Documentation

Describe the real or personal property to be acquired or constructed:

Not applicable to the proposed transaction

Type of Lease : General Obligation Revenue

Is Lease Annually Renewable? Yes No

Does Agency seek approval without a hearing? Yes No Justification: Revenue Refunding

If yes, must attach certification from counsel regarding county obligation.

Does this lease refund a prior lease? Yes No

If yes, please state the name, date and principal amount of original issue(s) being refunded:

Required Attachments (If lease requires SLDO approval)

1. Minutes from the local public hearing
2. Affidavit of publication of SLDO hearing (if hearing is required) and newspaper advertisement tear sheet
3. Copy of lease
4. Executed copy of ordinance/resolution of fiscal court authorizing the lease
5. Certification from local government attesting to the ability to meet additional financial commitments necessitated by the lease and statement as to taxes and revenues to be collected during the term of the lease.

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NOTIFICATION OF INTENT TO FINANCE AND APPLICATION FOR DEBT APPROVAL

Form # SLDO-1
Revised 1/1/2011

Section E - Bond Information/Documentation

Please provide all relevant information. Fields in bold are mandatory

Describe the purpose of the bond:

NOT APPLICABLE - Ohio County Water District will not be issuing any bonds

Bond Counsel:

Counsel Address:

Financial Advisor:

Advisor Address:

Bond Series:

Call Date:

Does this bond refund a prior bond? Yes No

If yes, please state the name, date and principal amount of original issue(s) being refunded:

Required Attachments (If SLDO Approval is Required)

1. Minutes from the local public hearing
2. Affidavit of publication of SLDO hearing and newspaper advertisement tear sheet
3. Executed copy of ordinance/resolution of fiscal court authorizing financial plan for the issuance of the bonds
4. Proposed plan of financing
5. Preliminary official statement (if applicable)
6. Sources and uses table

Additional Required Attachments for KRS Chapter 103 Bonds

1. Documentation in an appropriate form substantiating the project's eligibility under KRS 103.2101(1)(a)-(e).
2. If the project requires approval of the reduction in property taxes, attach any documentation provided to agency responsible for approval.

By signing below, the Authorized Official certifies that the foregoing is true and accurate to the best of his or her knowledge.

Name (please print)Walt Beasley	Date: 03/21/2016
Title: General Manager	Signature: 

Mail to:
Department for Local Government
Attn: State Local Debt Officer
1024 Capital Center Drive, Suite 340
Frankfort, KY 40601

Fax to: 502-573-3712

A RESOLUTION AND ORDER OF THE BOARD OF DIRECTORS OF THE KENTUCKY INFRASTRUCTURE AUTHORITY AUTHORIZING ISSUANCE OF A CONDITIONAL COMMITMENT FOR A FEDERALLY ASSISTED DRINKING WATER REVOLVING FUND LOAN (F15-069) IN THE AMOUNT OF \$1,630,000 TO OHIO COUNTY WATER DISTRICT, OHIO COUNTY, KENTUCKY

WHEREAS, the Kentucky Infrastructure Authority (the "Authority") has been duly created as a body corporate and politic constituting a public corporation and a governmental agency of the Commonwealth of Kentucky pursuant to Chapter 224A of the Kentucky Revised Statutes (the "Act"); and

WHEREAS, pursuant to the Act, the Authority is duly and legally authorized to make loans to Governmental Agencies for the purpose of providing funds for the construction and acquisition of sanitary sewer facilities, water facilities or other types of infrastructure, and in that regard, to enter into Assistance Agreements with such Governmental Agencies governing the provisions in respect of which such loans are to be made, the amounts thereof and the repayment provisions in respect thereto; and

WHEREAS, the Authority anticipates entering into an Assistance Agreement for a loan from the Authority's Federally Assisted Drinking Water Revolving Loan Program (Fund F) with the Ohio County Water District, subject to final determination of amount when the factors involving such financing have been determined; and

WHEREAS, the Authority will, in the near future, authorize and issue a series of its Infrastructure Authority Revenue Bonds for the purpose of funding loans to various governmental agencies, such series of Bonds to be known as Kentucky Infrastructure Authority Revenue Bonds with the appropriate Series designation; and

WHEREAS, the Authority wishes to establish terms and conditions on said Fund F loans prior to the issuance of Authority Revenue Bonds and recognizes that additional planning and design of the financed projects are required.

NOW, THEREFORE, THE KENTUCKY INFRASTRUCTURE AUTHORITY, ACTING BY AND THROUGH ITS BOARD OF DIRECTORS AS ITS DULY AUTHORIZED AND EMPOWERED GOVERNING BODY, DOES HEREBY RESOLVE AND ORDER, AS FOLLOWS:

Section 1. All statements of fact set forth in the preambles to this Resolution and Order are incorporated herein by reference, the same as if set forth verbatim. All such statements of fact are hereby declared to be true and accurate in all material respects.

Section 2. The Authority hereby authorizes the issuance of a conditional Federally Assisted Drinking Water Revolving Fund loan for \$1,630,000 of project expense including capitalized interest for the construction period, to the Ohio County Water District for the Water Main Upgrade project. Such amounts are subject to adjustment by further action of

the Authority or may be adjusted by action of the Authority staff at the time of the issuance of bonds based on adjustment in project costs of not more than (10%) ten percent of the project cost authorized by this resolution. Upon satisfaction of all conditions of the commitment, execution of an assistance agreement for this loan is authorized.

Section 3. The loan shall be repayable over 20 years at an interest rate of 1.75%. In addition to debt service, a 0.25% annual administration fee on the unpaid loan balance will be charged. From annual revenues, \$4,100 must be set aside in a borrower held replacement reserve each December 1 until the balance reaches \$41,000 and maintained for the life of the loan. These terms are subject to adjustment upon execution of the loan agreement, upon changes in the project conditions or determination that the project will require authority financing to be done on a taxable basis.

Section 4. This Resolution and Order shall be in full force and effect from and after its adoption at a properly held meeting of the Kentucky Infrastructure Authority this 4th day of June 2015.

TONY WILDER, CHAIR
KENTUCKY INFRASTRUCTURE AUTHORITY

ATTEST:

JEFFREY A. ABSHIRE, SECRETARY
KENTUCKY INFRASTRUCTURE AUTHORITY

REVIEWED BY:

PECK, SHAFFER & WILLIAMS, A DIVISION OF
DINSMORE & SHOHL LLP, LEGAL COUNSEL TO
THE KENTUCKY INFRASTRUCTURE AUTHORITY



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

May 15, 2015

Mr. John Covington
Executive Director
Kentucky Infrastructure Authority
1024 Capital Center Drive, Suite 340
Frankfort, Kentucky 40601

Re: F15-069
Ohio Co Water District--3305
Activity ID: FGL20150003
HUC11: 05110003090 and 05110004160
Watershed Name: Lewis Creek and Muddy Creek,
near Beaver Dam
Project Name: Water Main Upgrade Project

Dear Mr. Covington:

The Division of Water (DOW) hereby certifies that the Ohio County Water District is eligible to receive \$1,630,000.00 from the Drinking Water State Revolving Fund. The DOW certifies that the project scope is consistent with the scope that was used to rank the project on the Intended Use Plan-Project Priority List.

The Ohio County Water District's status relative to the Drinking Water State Revolving Fund General Conditions is provided below:

1. Project specific environmental information is expected to be submitted to DOW on July 15, 2015.
2. Plans and specifications are expected to be submitted to DOW on June 15, 2015.
3. Construction bids are expected to be opened on August 1, 2015.

Upon compliance with the general conditions, the DOW will issue a final project certification prior to authorizing the loan agreement. A preconstruction and project management conference with the DOW must be held prior to commencement of construction. If you have any questions concerning this letter, please contact Joel Murphy, Project Manager, at (502) 564-3410, extension 4592.

Sincerely,

A handwritten signature in black ink, appearing to read "Peter Goodmann".

Peter Goodmann, Director
Division of Water

PG/BG;jjm

c: Walt Beasley, Ohio County Water District
Brad Alley, Green River Area Development District
Gregory Davenport, J.R. Wauford & Company Consulting Engineers

EXECUTIVE SUMMARY		Reviewer	Jami Johnson	
KENTUCKY INFRASTRUCTURE AUTHORITY		Date	June 4, 2015	
FUND F, FEDERALLY ASSISTED DRINKING WATER		KIA Loan Number	F15-069	
REVOLVING LOAN FUND		WRIS Number	WX21183039	
BORROWER	OHIO COUNTY WATER DISTRICT OHIO COUNTY			
BRIEF DESCRIPTION				
This project will replace approximately 17,500 linear feet (LF) of eight and ten inch lines with a sixteen inch line. It will eliminate one pump station resulting in a savings of about \$40,000 annually and will improve reliability of the system to effectively deliver water to the northern section of Ohio County and the southern section of Daviess County.				
PROJECT FINANCING		PROJECT BUDGET		
Fund F Loan	\$1,630,000	RD Fee %	Actual %	
				Administrative Expenses \$42,000
				Legal Expenses 18,000
		8.4%	5.6%	Eng - Design / Const 78,000
		5.2%	4.0%	Eng - Insp 56,000
				Eng - Other 6,000
				Construction 1,281,000
				Contingency 119,000
				Other 30,000
TOTAL	\$1,630,000	TOTAL		\$1,630,000
REPAYMENT	Rate	1.75%	Est. Annual Payment	\$101,020
	Term	20 Years	1st Payment	6 Mo. after first draw
PROFESSIONAL SERVICES	Engineer	J.R. Wauford & Company Consulting Engineers		
	Bond Counsel	Peck, Shaffer, & Williams, a division of Dinsmore & Shohl, LLP		
PROJECT SCHEDULE	Bid Opening	Jul-15		
	Construction Start	Jul-15		
	Construction Stop	Dec-15		
DEBT PER CUSTOMER	Existing	\$2,000		
	Proposed	\$2,091		
OTHER DEBT	See Attached			
OTHER STATE-FUNDED PROJECTS LAST 5 YRS	See Attached			
RESIDENTIAL RATES		<u>Users</u>	<u>Avg. Bill</u>	
	Current	7,007	\$38.69	(for 4,000 gallons)
	Additional	0	\$38.69	(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 2012	1,512,941	659,420	853,521	2.3
Audited 2013	1,383,177	998,450	384,727	1.4
Projected 2014	1,339,291	935,238	404,053	1.4
Projected 2015	1,294,527	799,861	494,666	1.6
Projected 2016	1,244,768	852,020	392,748	1.5
Projected 2017	1,238,196	899,197	338,999	1.4
Projected 2018	1,191,492	899,102	292,390	1.3
Projected 2019	1,143,854	893,483	250,371	1.3

Reviewer: Jami Johnson
Date: June 4, 2015
Loan Number: F15-069

**KENTUCKY INFRASTRUCTURE AUTHORITY
DRINKING WATER STATE REVOLVING FUND (FUND "F")
OHIO COUNTY WATER DISTRICT, OHIO COUNTY
PROJECT REVIEW
WX21183039**

I. PROJECT DESCRIPTION

The Ohio County Water District is requesting a \$1,630,000 Fund "F" loan for the Water Main Upgrade project. The project will replace approximately 17,500 linear feet (LF) of 8 and 10 inch lines with 16 inch lines. This will eliminate a pump station and reduce utilities and maintenance costs by about \$40,000 annually while improving the ability of the system to effectively deliver water to the northern section of Ohio County and the southern section of Daviess County. The lines will be installed beginning at the Bluegrass Crossing Industrial Park water tank and ending at the Industrial Park East Water Tank and will significantly increase service reliability to the two parks in addition to any growth in these areas.

The District is regulated by the Public Service Commission and serves approximately 7,000 direct customers and provides wholesale service to the Cities of Beaver Dam, Centertown and Fordsville.

II. PROJECT BUDGET

	<u>Total</u>
Administrative Expenses	\$ 42,000
Legal Expenses	18,000
Engineering Fees - Design / Const	78,000
Engineering Fees - Inspection	56,000
Engineering Fees - Other	6,000
Construction	1,281,000
Contingency	119,000
Other	30,000
Total	\$ 1,630,000

III. PROJECT FUNDING

	<u>Amount</u>	<u>%</u>
Fund F Loan	\$ 1,630,000	100%
Total	\$ 1,630,000	100%

IV. KIA DEBT SERVICE

Construction Loan	\$ 1,630,000
Interest Rate	1.75%
Loan Term (Years)	20
Estimated Annual Debt Service	\$ 96,945
Administrative Fee (0.25%)	4,075
Total Estimated Annual Debt Service	\$ 101,020

V. PROJECT SCHEDULE

Bid Opening	July 2015
Construction Start	July 2015
Construction Stop	December 2015

VI. CUSTOMER COMPOSITION AND RATE STRUCTURE

A) Customers

Customers	Current
Residential	6,895
Commercial	112
Total	7,007

B) Rates

	Current	Prior
Date of Last Rate Increase	07/21/09	11/12/03
Minimum (First 2,000 Gallons)	\$21.13	\$19.93
Next 18,000 Gallons	8.78	8.28
Next 30,000 Gallons	7.59	7.16
Next 50,000 Gallons	6.39	6.03
Over 100,000 Gallons	5.20	4.91
Cost for 4,000 gallons	\$38.69	\$36.49
Increase %	6.0%	
Affordability Index (Rate/MHI)	1.1%	

VII. DEMOGRAPHICS

Based on current Census data from the American Community Survey 5-Year Estimate 2008-2012, the Utility's service area population was 14,790 with a Median Household Income (MHI) of \$40,773. The median household income for the Commonwealth is \$42,610. The project qualifies for a 1.75% interest rate because the utility's service area MHI is between 80% and 100% of the State's MHI and the District is also a regional provider.

Population			Unemployment	
Year	County	% Change	Date	Rate
1980	21,765		June 2004	6.8%
1990	21,105	-3.0%	June 2009	10.4%
2000	22,916	8.6%	June 2013	8.1%
2010	23,842	4.0%	June 2014	6.8%
Current	23,955	0.5%		
Cumulative %		10.1%		

VIII. 2014 CAPITALIZATION GRANT EQUIVALENCIES

- 1) Green Project Reserve - The 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, 2012 and 2013. Amounts for 2014 are estimated. Percentage references in the History section below are based on whole dollar amounts and not the rounded amounts presented.

HISTORY

Revenues decreased 3% from \$3.7 million in 2012 to \$3.6 million in 2014 while operating expenses averaged \$2.2 million during. The debt coverage ratio was 2.3, 1.4 and 1.4 for 2012, 2013, and 2014, respectively. The balance sheet reflects a current ratio of 1.6, debt to equity ratio of 0.6, and the number of months of operating expenses in unrestricted cash is 4.0.

PROJECTIONS

Projections are based on the following assumptions:

- 1) Revenues will be flat for growth.
- 2) Operating expenses will increase 2% annually for inflation and will decrease by \$40,000 in 2017 for a reduction in electricity and maintenance.
- 3) Debt service coverage is 1.4 in 2017 which is the first full year of principal and interest repayments.

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

REPLACEMENT RESERVE

The annual replacement cost is \$4,100. This amount should be added to the

replacement account each December 1 until the balance reaches \$41,000 and maintained for the life of the loan.

X. DEBT OBLIGATIONS

	Outstanding	Maturity
KIA Loan (F08-08)	3,787,769	2031
Revenue Bonds Series 2003	1,090,000	2023
USDA Revenue Bonds Series A	6,921,000	2050
USDA Revenue Bonds Series B	1,186,500	2050
Total	\$ 12,985,269	

XI. OTHER STATE OR FEDERAL FUNDING IN PAST FIVE YEARS

None

XII. CONTACTS

Legal Applicant	
Name	Ohio County Water District
Address	124 East Washington Street P.O. Box 207 Hartford, KY 42347
County	Ohio
Authorized Official	Walt Beasley (Superintendent)
Phone	270-298-7704
Email	walbt32@gmail.com

Project Administrator	
Name	Green River Area Development District
Address	300 GRADD Way Owensboro, KY 42301
Contact	Brad Alley
Phone	(270) 926-4433
Email	bradalley@gradd.com

Consulting Engineer	
Name	J. Roy Wauford
Firm	J.R. Wauford & Company Consulting Engineers
Address	2835 Lebanon Rd. P.O. Box 140350 Nashville, TN 37214
Phone	(615) 883-3243
Email	gregd@jrwauford.com

XIII. RECOMMENDATIONS

KIA staff recommends approval of the loan with the standard conditions

OHIO COUNTY WATER DISTRICT
FINANCIAL SUMMARY (DECEMBER YEAR END)

Balance Sheet

	Audited 2012	Audited 2013	Projected 2014	Projected 2015	Projected 2016	Projected 2017	Projected 2018	Projected 2019
Assets								
Current Assets	1,481,749	1,448,827	1,487,235	1,536,901	1,576,649	1,610,648	1,640,038	1,665,409
Other Assets	36,214,457	35,184,414	33,573,174	34,593,273	33,854,722	33,068,171	32,239,620	31,373,069
Total	37,696,206	36,633,241	35,060,409	36,130,174	35,431,371	34,678,819	33,879,658	33,038,478
Liabilities & Equity								
Current Liabilities	1,998,423	1,957,877	945,498	961,253	971,627	987,621	997,836	1,007,696
Long Term Liabilities	13,672,619	12,646,619	12,620,117	14,293,160	14,238,229	14,123,804	13,961,864	13,756,864
Total Liabilities	15,671,042	14,604,496	13,565,615	15,254,413	15,209,856	15,111,425	14,959,700	14,764,560
Net Assets	22,025,164	22,028,745	21,494,794	20,875,761	20,221,515	19,567,394	18,919,958	18,273,918

Cash Flow

Revenues	3,696,725	3,566,292	3,566,292	3,566,292	3,566,292	3,566,292	3,566,292	3,566,292
Operating Expenses	2,220,728	2,206,809	2,250,695	2,295,459	2,345,218	2,351,790	2,398,494	2,446,132
Other Income	36,944	23,694	23,694	23,694	23,694	23,694	23,694	23,694
Cash Flow Before Debt Service	1,512,941	1,383,177	1,339,291	1,294,527	1,244,768	1,238,196	1,191,492	1,143,854

Debt Service

Existing Debt Service	659,420	998,450	935,238	799,861	801,510	798,177	798,082	792,463
Proposed KIA Loan	0	0	0	0	50,510	101,020	101,020	101,020
Total Debt Service	659,420	998,450	935,238	799,861	852,020	899,197	899,102	893,483
Cash Flow After Debt Service	853,521	384,727	404,053	494,666	392,748	338,999	292,390	250,371

Ratios

Current Ratio	0.7	0.7	1.6	1.6	1.6	1.6	1.6	1.7
Debt to Equity	0.7	0.7	0.6	0.7	0.8	0.8	0.8	0.8
Days Sales in Accounts Receivable	55.7	56.5	56.5	56.5	56.5	56.5	56.5	56.5
Months Operating Expenses in Unrestricted Cash	3.9	3.9	4.0	4.2	4.3	4.5	4.6	4.6
Debt Coverage Ratio	2.3	1.4	1.4	1.6	1.5	1.4	1.3	1.3

EXHIBIT 21

**Detailed Estimate of Acquired Property Classified According
To The Uniform System of Accounts For
Class A/B Water Districts and Associations**

Account No.	Account Description	Estimate
303	Land and Land Rights	\$ 46,000
304	Structures and Improvements	\$ 160,900
331	Transmission and Distribution Mains	\$1,398,500
335	Hydrants	\$ 24,600
	TOTAL	\$1,630,000