

**COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION**

In the Matter of:

| | |
|----------------------------------|------------------------------|
| ELECTRONIC APPLICATION OF |) |
| HARDIN COUNTY WATER |) |
| DISTRICT NO. 2 FOR A |) CASE NO. 2017-00264 |
| CERTIFICATE OF PUBLIC |) |
| CONVENIENCE AND NECESSITY |) |

APPLICATION

Pursuant to KRS 278.020(1), 807 KAR 5:001, Section 15, and 807 KAR 5:071, Section 15, Hardin County Water District No. 2 (“Hardin District No. 2”) applies to the Kentucky Public Service Commission (“Commission”) for an Order granting a certificate of public convenience and necessity for the construction of the Nolin River Watershed Wastewater Project (“Nolin Wastewater Project” or “Project”).

In support of its Application, Hardin District No. 2 respectfully states:

General Information

1. The full name and post office address of Hardin District No. 2 is: Hardin County Water District No. 2, P.O. Box 970, Elizabethtown, Kentucky 42702-0970. Its electronic mail address is jjeffries@hardincountywater2.org.

2. Hardin District No. 2 is not a corporation, limited liability company, or limited partnership. It has no articles of incorporation or partnership

agreements. Hardin District No. 2 has no corporate or business relationships with any parent or brother-sister corporation, subsidiary, development corporation, or other party or business.

3. Hardin District No. 2 is a water district organized pursuant to KRS Chapter 74.

4. Hardin District No. 2's territory includes all of Hardin County, Kentucky, except for the city of Radcliff and the northern portion of Hardin County, and portions of Larue and Hart Counties. As of December 31, 2016, Hardin District No. 2 provided retail water service to approximately 27,451 customers.¹ It does not currently provide wastewater service.

5. Pursuant to 807 KAR 5:001, Section 4(8),² copies of all orders, pleadings and other communications related to this proceeding should be directed to:

James R. Jeffries
General Manager
P.O. Box 970
360 Ring Road
Elizabethtown, KY 42702
(270) 737-1056
jjeffries@hardincountywater2.org

¹ *Report of Hardin County Water District No. 2 to the Kentucky Public Service Commission for the Year Ending December 31, 2016* at 48 (Ref Page 27).

² On July 5, 2017, Hardin District No. 2 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.

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6. A copy of the resolution of Hardin District No. 2's Board of Commissioners authorizing the filing of this Application is attached as **Exhibit 1**.

7. Hardin District No. 2 proposes to construct the Nolin Wastewater Project to serve a portion of southern Hardin County, Kentucky that currently lacks municipal wastewater service. This project involves the construction of 15,415 linear feet of 8-inch polyvinyl chloride ("PVC") gravity sewer line; 6,415 linear feet of 10-inch PVC gravity sewer line; 2,195 linear feet of 12-inch PVC gravity sewer line; 1,465 linear feet of 24-inch PVC gravity sewer line; 7,565 linear feet of

4-inch PVC force main; 15,140 linear feet of 6-inch PVC force main; 16,170 linear feet of 8-inch PVC force main; 8,480 linear feet of 10-inch PVC force main; 6,760 linear feet of 12-inch PVC force main; 29,690 linear feet of 16-inch PVC force main; and four pump stations (collectively “the Proposed Facilities”).³

8. The cost of the Nolin Wastewater Project will be financed through two (2) grants totaling \$16.6 million.

Background

9. Since 2004, Hardin District No. 2 has studied the feasibility of providing wastewater service to portions of Hardin County. At that time many areas within Hardin County that were outside an existing wastewater planning area had been experiencing strong population growth and were expecting continued growth. On-site wastewater treatment systems, such as septic tanks and lateral fields, served most of these areas. Many of these systems were failing due to the karst topography, clayey soils, and shallow bedrock that are typical throughout the county. Concerns were raised about the potentially adverse effects on the environment and public health from such population growth if adequate wastewater facilities were unavailable.

10. Hardin District No. 2 recognized that failing onsite wastewater systems presented a significant public health risk to the source waters for its

³ All lengths are approximate.

drinking water treatment plants and that a response was required. In December 2004, Hardin District No. 2 retained the consulting engineering firm Strand Associates, Inc. (“Strand”) to prepare a regional facilities plan. The purpose of this plan was to evaluate the existing wastewater conveyance and treatment needs for a 20-year planning period for areas of Hardin County that were not then included in a regional facilities plan. In October 2007, after three years of study in which state and local planning agencies and all regional water and wastewater providers participated, the Hardin County Wastewater Regional Facilities Plan (“Regional Facilities Plan”), a copy of which is attached to this Application as **Exhibit 2**, was issued.

11. The Regional Facilities Plan recommended revisions to the boundaries of existing planning areas and the creation of new planning areas that would contain all areas of Hardin County not previously within a planning area. It further recommended the area not previously within a planning area be divided between Hardin District No. 2 and Hardin County Water District No. 1. The boundaries of these new planning areas were to coincide with each water district’s territory. It also recommended that new collection facilities be constructed to transport wastewater to existing municipal wastewater treatment plants rather than the construction of new wastewater treatment plants in the northern and southern

portions of Hardin County to serve unserved areas. Among the recommended facilities were the facilities that compose the Nolin Wastewater Project.

12. The Regional Facilities Plan has been approved by all applicable local and state agencies. The Boards of Commissioners of Hardin County Water District No. 1 and Hardin District No. 2 jointly approved the Regional Facilities Plan. A copy of their Joint Resolution is attached to this Application as **Exhibit 3**. A copy of the minutes of the January 20, 2009 meeting in which Hardin District No. 2's Board of Commissioners adopted this resolution is attached as **Exhibit 4**. By resolution dated February 3, 2009, a copy of which is attached to this Application as **Exhibit 5**, Hardin County Fiscal Court accepted the Regional Facilities Plan. On October 29, 2009, the Kentucky Division of Water ("KDOW") approved the Regional Facilities Plan. A copy of its letter of approval is attached to this Application as **Exhibit 6**.

13. With its adoption of the Regional Facilities Plan, Hardin District No. 2 assumed responsibility for continued water quality planning and oversight of implementation of planning activities for all areas within central and southern Hardin County, including the area that the Nolin Wastewater Project is intended to serve. Hardin District No. 2's area of responsibility is shown in the map attached as **Exhibit 7** to this Application.

Need for the Nolin Wastewater Project

14. The Nolin Wastewater Project is designed to serve the North Upper Nolin River subwatershed. This initial service area, which is shown in green on the map attached as **Exhibit 12A** of the Application, is generally bordered on the north by Kentucky Highway 222 (Glendale-Hodgenville Road), on the east by Interstate Highway 65, on the west by Kentucky Highway 1136 (New Glendale Road), and on the south by Gilead Church Road. The initial service area also includes the community of Glendale, Kentucky, the Interstate Highway 65 interchange service at Exit 86, and the area adjacent to the portion of U.S. Highway 31W running from Kentucky Highway 1136 to Kentucky Highway 222. Glendale Industrial Tract, which is also known as the Glendale mega industrial site (“Mega Site”), is also located within the initial service area. The project is also capable of serving residential areas to the immediate north of Kentucky Highway 222 and to the immediate west of Kentucky Highway 1136. Residences in these areas are currently served by septic systems, but are expected to connect to the proposed facilities as these septic systems are no longer functional.

15. The present wastewater service in the North Upper Nolin River subwatershed is inadequate.

a. No municipal wastewater service provider⁴ presently serves the project service area. Four (4) small, package wastewater treatment plants provide limited wastewater service.⁵ These plants have a combined treatment capacity of 148,200 gallons per day. Individual septic tanks or lateral fields serve those persons and businesses that are not connected to these plants.

b. None of the existing wastewater facilities are able to support growth in the project service area. Each is reaching the end of its maximum life span. With each passing year, the risk increases that one or more of these facilities will fail causing significant adverse public health and economic consequences.

c. Conditions in the Town of Glendale require the installation of a municipal wastewater system. Most residences and business in that town are on septic systems. Many of the septic systems are failing. The Lincoln Trail Health Department has expressed significant concerns over the ability of these private systems to continue to provide reliable and sanitary disposal of wastewater and has identified the area as a high priority for installing municipal sanitary sewer service. See **Exhibit 8** to this Application.

d. The Glendale Mega Site will require significant wastewater facilities when development begins. The Mega Site, which is owned by Hardin

⁴ The term “municipal wastewater service” refers to wastewater services that are provided by public entities such as municipalities, water districts, and sanitation districts.

⁵ None of these package treatment facilities provide service to the public. They do not meet the statutory definition of “utility” and are not subject to Commission regulation.

County Fiscal Court, is a 1,551 acre tract of land designated for use as a site for one large manufacturing, processing, or assembly plant. It has been designed as a premier location for development and has been aggressively promoted by the Kentucky Cabinet for Economic Development and the Elizabethtown-Hardin County Industrial Foundation. The Regional Facilities Plan estimates that the average daily flow from the Mega Site will be approximately 2.442 million gallons per day (“MGD”). The lack of adequate wastewater facilities on this site impedes its development and the benefits that such development would bring to the Commonwealth. According to the statements of the Elizabethtown-Hardin County Industrial Foundation and the Hardin County Judge/Executive, copies of which are attached to this Application as **Exhibit 9** and **Exhibit 10** respectively, the construction of the Nolin Wastewater Project will promote and expedite the Glendale Mega Site’s development.

e. Hardin County Fiscal Court recently adopted Ordinance No. 2013-293 that requires any newly constructed residence or a residence with a failing septic system that is within 300 feet of a “publically or government owned treatment works collection asset” to connect to that asset. A copy of this Ordinance is attached to the Application as **Exhibit 11**.

16. The Regional Facilities Plan evaluated the alternatives for providing wastewater service to the North Upper Nolin River subwatershed and found only

two viable alternatives: (1) the construction of a collection system and wastewater treatment plant to serve the watershed, or (2) the construction of a collection system that would transport wastewater to the Elizabethtown Wastewater Treatment Plant (“WWTP”). It conducted a present worth analysis of the cost of the two alternatives and found that over a 20-year period, constructing and operating a collection system to transport the wastewater to the Elizabethtown WWTP was less costly than building and operating a wastewater treatment plant and collection system for the North Upper Nolin River subwatershed. It further found that non-monetary factors favored the collection system only alternative.

17. Construction of the Nolin Wastewater Project will not result in the wasteful duplication of utility facilities or inefficient investment.

18. The Nolin Wastewater Project will not compete with the facilities of any other public utility.

19. Completion of the Nolin Wastewater Project will result in the elimination of four (4) package treatment facilities. These facilities’ Kentucky Pollutant Discharge Elimination System (“KPDES”) Permits require the decommissioning of these facilities and the connection of their users to a regional wastewater system as soon as such system becomes available. Accordingly, the construction of the Proposed Facilities is consistent with the General Assembly’s goals of regionalization, the elimination of small package wastewater treatment

facilities, and extension of wastewater service in the Commonwealth as expressed in KRS 224A.300(1).

20. The public convenience and necessity require the construction of the Nolin Wastewater Project.

Project Description

21. The Proposed Facilities will be constructed as four contracts: Contract 1-2017: Pump Stations; Contract 2-2017: Force Main from Industrial Park PS 1 to Elizabethtown WWTP; Contract 3-2017: Gravity Sewer located in and around the Town of Glendale; and Contract 4-2017: Gravity Sewer and Force Main along and near I-65.

a. **Contract 1-2017** involves the construction of four pump stations: (1) Industrial Park Pump Station No. 1, which will have a maximum pumping capacity of 1.8 MGD of wastewater; (2) Industrial Park Pump Station No. 2, which will also have a maximum pumping capacity of 1.8 MGD; (3) Industrial Park Pump Station No. 3, which will have a maximum pumping capacity of 115,000 gallons per day (“GPD”); and (4) Rose Run Pump Station, which will have a maximum pumping capacity of 400,000 GPD of wastewater. The location of each pump station is shown on **Exhibit 12B** to the Application.

b. **Contract 2-2017** consists of the construction of 29,690 linear feet of 16-inch PVC force main; 6,760 linear feet of 12-inch PVC force main;

6,760 linear feet of 10-inch PVC force main; 16,170 linear feet of 8-inch PVC force main; and 15,140 linear feet of 6-inch PVC force main, and appurtenances, automatic air, and vacuum release assemblies; and stream, county and state highway crossings. The location of the force mains are shown as dark blue lines on **Exhibit 12C** to the Application.

c. **Contract 3-2017** consists of the construction of 2,195 linear feet of 12-inch PVC gravity sewer; 6,415 linear feet of 10-inch PVC gravity sewer; 4,255 linear feet of 8-inch PVC gravity sewer; 1,631 linear feet of 6-inch PVC lateral pipe; 6,994 linear feet of 4-inch PVC lateral pipe; appurtenances, manholes, and railroad, stream, county, and highway crossings. These facilities are shown as light green lines on the left portion of **Exhibit 12C** to the Application and generally appear in the area labeled “Town of Glendale.”

d. **Contract 4-2017** consists of the construction of 1,465 linear feet of 24-inch PVC gravity sewer; 1,720 linear feet of 10-inch PVC gravity sewer; 11,160 linear feet of 8-inch PVC gravity sewer; 7,565 linear feet of 4-inch PVC force main; 785 linear feet of 6-inch PVC lateral pipe; 5,542 linear feet of 4-inch PVC lateral pipe appurtenances; manholes, automatic air, and vacuum release assemblies; and stream, county, state highway, and interstate crossings. These facilities are shown as light green lines on the right portion of **Exhibit 12C** to the

Application and are generally in the areas labelled “I-65 Interchange Service Area” and “Commercial Service Area”.

22. The Proposed Facilities will collect wastewater from the service area and transport it to the Elizabethtown WWTP. There are four principal areas within the initial service area: the Town of Glendale, the I-65 Interchange Service Area, the Commercial Service Area, and the Glendale Industrial Tract.

a. **Town of Glendale Service Area.** Gravity sewers will be constructed to serve the homes and businesses within the Town of Glendale. Wastewater from these sewers will flow through gravity sewers to the Rose Run Pump Station and then be pumped through a force main to the Elizabethtown WWTP.

b. **I-65 Interchange Service Area.** On the west side of the I-65 Interchange, the wastewater will flow by gravity to the Industrial Park Pump Station No. 3 and then be pumped through a force main to Industrial Park Pump Station No. 1. Wastewater from that portion of the I-65 Interchange Service Area which is located on the east side of Interstate Highway 65 will flow through gravity sewers to Industrial Park Pump Station No. 1’s wet well.

c. **Commercial Service Area.** The Commercial Service Area consists of land tracts adjoining the portion of U.S. Highway 31W between Gilead Church Road and Kentucky Highway 222. This area is east of and adjacent to

Interstate Highway 65. Wastewater from this area will flow through gravity sewers to Industrial Park Pump Station No. 1's wet-well.

d. **Glendale Industrial Tract.** The Glendale Industrial Tract will be served by Industrial Park Pump Stations No. 1 and No. 2. No internal wastewater collection facilities will be constructed within the Glendale Industrial Tract. Initially, Pump Station No. 1 will pump the wastewater through a 6-inch force main to the Rose Run Pump Station for re-pumping to the Elizabethtown WWTP. However, 10- and 12-inch force mains will run parallel to this force main and can be used as wastewater volumes increase with customer growth in the I-65 Interchange Area and the development of the Glendale Industrial Tract. The 10-inch and 12-inch force mains can be used individually or in combination to deliver wastewater flows from Pump Station No. 1 to a 16-inch force main that Pump Station No. 1 shares with Pump Station No 2 and that runs directly from Pump Station No. 2 to the Elizabethtown WWTP. The 10-inch and 12-inch force mains can also be used to deliver wastewater to Pump Station No. 2's wet well for re-pumping directly to the Elizabethtown WWTP.

23. A copy of the plans and drawings for the Proposed Facilities is attached to this Application as **Exhibit 13**.

24. A copy of the specifications and contract documents for the Proposed Facilities is attached to this Application as **Exhibit 14**.

25. A description of the Proposed Facilities' Location and Routes is attached as **Exhibit 15** to this Application. Maps depicting these locations and routes are attached as **Exhibit 12**. The plans and drawings found at **Exhibit 13** of the Application provide additional information regarding the Proposed Facilities' location.

26. A copy of the deeds for the tracts of land upon which the proposed pump stations will be situated is attached at **Exhibit 16** of this Application.

Regulatory Approvals and Permits

27. Except for a Certificate of Public Convenience and Necessity, Hardin District No. 2 has obtained all necessary permits to construct the Proposed Facilities. No franchises must be obtained as the Proposed Facilities will be located in unincorporated areas of Hardin County.

28. The KDOW has reviewed the plans and specifications for the Proposed Facilities and has approved them with respect to sanitary features of design. A copy of the letters in which the KDOW has stated its approval is set forth at **Exhibit 17** and **Exhibit 18** of this Application.

29. The KDOW has issued to Hardin District No. 2 a Stream Construction Permit that authorizes Hardin District No. 2 to perform construction in or along various streams within Hardin County. A copy of this Permit is attached as **Exhibit 19** to the Application.

30. The KDOW has certified that the construction of the Proposed Facilities will not result in the violation of applicable water quality standards. A copy of this Water Quality Certification is attached as **Exhibit 20** to the Application.

31. The Kentucky Department of Highways has issued a permit for the excavation of public rights-of-way under its jurisdiction to Hardin District No. 2 for those portions of the Proposed Facilities that will be located within such rights-of-way. A copy of this Permit is attached as **Exhibit 21** to this Application.

32. The Hardin County Road Department has issued an encroachment permit authorizing Hardin District No. 2 to install sanitary sewer facilities on or through the public rights-of-way under its jurisdiction. A copy of the Permit is found at **Exhibit 22** of the Application.

33. The U.S. Army Corps of Engineers has authorized Hardin District No. 2 to conduct stream crossings at various locations in support of the Proposed Facilities. A copy of the letter authorizing such crossings is attached as **Exhibit 23** to this Application.

34. The Kentucky Heritage Council required archeological investigations of certain tracts of land on which the Proposed Facilities are to be located. It has concurred with the findings of these investigations that none of these tracts

qualified for the National Register of Historic Places. A copy of the letter of concurrence is found at **Exhibit 24** of the Application.

35. The U.S. Fish and Wildlife Service has acknowledged that Hardin District No. 2 had met the requirements of Section 7 of the Endangered Species Act. A copy of its letter of acknowledgement is found at **Exhibit 25** of the Application.

36. CSX agreed to permit Hardin District No. 2 to install certain of the Proposed Facilities on CSX's rights-of-way. A copy of the Agreement is found at **Exhibit 26** of the Application.

37. Hardin District No. 2 has acquired all property and easements necessary for the Proposed Facilities.

Project Costs and Related Matters

38. Hardin District No. 2 published a request for bids to construct the Proposed Facilities on August 16, 2017. A second publication of this request will occur on August 25, 2017. The deadline for submission of bids is September 13, 2017, at which time bids will be opened. Hardin District No. 2 expects to conditionally award the construction contracts on September 19, 2017. The award of the contracts will be subject to the issuance of a Certificate of Public Convenience and Necessity for the Proposed Facilities from the Commission. Bids will have a **60-day** hold period. Hardin District No. 2 intends to file with the

Commission a copy of the certified bid tabulations, project engineer's recommendation of award letter, and the resolution conditionally awarding the Nolin Wastewater Project contracts as soon as its Board of Commissioners has made a conditional award of the construction contracts.

39. The total estimated cost of the Nolin Wastewater Project is \$16,600,000. A detailed summary of this cost is set forth in **Exhibit 27** to the Application.

40. Hardin District No. 2 proposes to finance the cost of the Nolin Wastewater Project through two (2) grants totaling \$16.6 million. The Kentucky Economic Development Finance Authority has awarded a grant of \$16 million of Economic Development Bond funds to Hardin County Fiscal Court for the benefit of Hardin District No. 2 to "construct a wastewater collection system in the Nolin River area watershed to alleviate inadequate on-site treatment; to provide wastewater collection and transportation from residential areas and the industrial site in Glendale to an existing treatment facility around Elizabethtown; and to provide for the potential increase in water use in Hardin Counties [sic] related to BRAC [Base Realignment and Closure] activities." Similarly, the Kentucky General Assembly in its 2006 Regular Session appropriated \$600,000 for Hardin District No. 2's use to establish a wastewater collection system.⁶ This

⁶ 2006 Ky. Acts. Ch. 252.

appropriation was then conveyed to Hardin District No. 2 by the Kentucky Infrastructure Authority as a grant of \$600,000 for the purpose of constructing wastewater collection facilities. A copy of these Grant Agreements is attached as **Exhibit 28** and **Exhibit 29** to the Application.

41. Hardin District No. 2 anticipates the approximate annual cost of operation for the Proposed Facilities will be \$126,000. A schedule of these costs is set forth in **Exhibit 30** to the Application.

42. Hardin District No. 2 will operate the Proposed Facilities and any other wastewater facilities that it constructs and operates in the future without any subsidies from its water operations. Separate sets of books and records will be maintained for each operation. Cost allocation policies will be developed to ensure that any joint or common costs of the operations are accurately allocated to those operations.

43. Hardin District No. 2 has not requested in this Application the establishment of rates for wastewater service that the Proposed Facilities will provide. It intends to develop the rates and conditions of service for its wastewater operations while the Proposed Facilities are under construction and to submit them to the Commission in early 2018. At this time, Hardin District No. 2 is reasonably confident that the monthly minimum bill for service, which would include 2,000

gallons of treated wastewater, will not exceed \$30.00 and the volumetric rate for additional wastewater will not exceed \$10.00 per 1,000 gallons.

44. Hardin District No. 2 has reached an agreement in principle with the City of Elizabethtown regarding the fees and charges for the treatment of wastewater transported to the Elizabethtown WWTP. Under this agreement, Elizabethtown will charge Hardin District No. 2 a volumetric rate of \$2.46 per 1,000 gallons of wastewater. An executed contract is expected to be submitted to the Commission in October 2017.

45. As a water district, Hardin District No. 2 is exempted from the requirement in KRS 278.020(3) to post a surety bond or guaranty to ensure the provision of service for at least five years.

46. Hardin District No. 2 is supporting this Application with the written testimony of Mark Sneve, Senior Associate of Strand. In his testimony, Mr. Sneve describes the Nolin Wastewater Project in greater detail and discusses the need for this project and its feasibility. A copy of this testimony is attached as **Exhibit 31** of this Application.

Filing Requirements of 807 KAR 5:071

47. Pursuant to 807 KAR 5:071, Section 3(1), the following information and materials are provided:

a. In view of its status a political subdivision of the Commonwealth of Kentucky⁷ and longstanding Commission precedent, Hardin District No. 2 has sufficient financial integrity to ensure the continuity of utility service and is not required to provide a third-party beneficiary agreement guaranteeing the continuing operation of the proposed wastewater facilities or other evidence of financial integrity.⁸

b. A copy of the preliminary approval of the Proposed Facilities' plans and specifications are set forth at **Exhibit 17** and **Exhibit 18** to this Application.

c. Detailed maps of the Proposed Facilities are set forth at **Exhibit 12** of this Application.

d. A detailed estimated cost of construction including all capitalized costs is set forth at **Exhibit 27** of this Application.

e. The requirement for a financial exhibit regarding Hardin District No. 2's wastewater operations is not applicable given the early stage of those operations. The required financial exhibit can only pertain to Hardin District

⁷ *Louisville Extension Water District v. Diehl Pump & Supply Co. Inc.*, 246 S.W.2d 585 (Ky.1952).

⁸ *See, e.g., Application of Mountain Water District For An Adjustment of Water and Sewer Rates*, Case No. 2014-00342, Dec. 8, 2014); *Joint Application of Lockwood Estates and Oldham County Sanitation District for Approval of the Transfer of Wastewater Treatment Facilities Pursuant To Asset Purchase Agreement Between the Parties*, Case No. 2002-00423 (Ky. PSC Jan. 23, 2003); *The Application of Reidland Water and Sewer District for Approval of the Acquisition of Wastewater Treatment Facilities in the Green Acres Subdivision and Fieldmont Estates Subdivision*, Case No. 92-473 (Ky. PSC Dec. 18, 1992); *The Joint Application of Boone County Water and Sewer District and Public Service Utilities for the Construction of Commerce Park Package Treatment Plant*, Case No. 90-337 (Ky. PSC Apr. 24, 1991).

No. 2's wastewater operations as the Commission requires water districts to maintain separate sets of records for its water and wastewater operations. Hardin District No. 2 has yet to commence sewer operations. It has no revenues directly related to such operations and has not incurred any debt related to those operations.

f. Hardin District No. 2 proposes to finance the cost of the Nolin Wastewater Project through two grants totaling \$16.6 million from the Kentucky Economic Development Finance Authority and the Kentucky Infrastructure Authority. A copy of these grant agreements is attached as **Exhibit 28** and **Exhibit 29** to the Application.

g. Hardin District No. 2 anticipates the approximate annual cost of operation for the Proposed Facilities will be \$126,000. A schedule of these costs is set forth in **Exhibit 30** to the Application.

h. The Proposed Facilities are expected to serve 81 customers initially. This number includes 30 commercial customers, 50 residential customers (assuming 50% participation rate by the 100 residences in downtown Glendale), and the East Hardin Middle School. Ultimately, the Proposed Facilities will serve approximately 630 customers, plus those industries or commercial customers that locate in the Glendale Mega Site. This potential customer base includes approximately 500 homes located within the Service Area and that portion of the residents in the downtown Glendale who do not initially connect to the wastewater

collection system. The average monthly water usage for each customer class is shown below:

Residential:..... 3,300 gallons
Commercial: 50,000 gallons
Institutional (School):..... 62,000 gallons

i. A depreciation schedule for the Proposed Facilities is attached as **Exhibit 32** to the Application. The *Guide for Support of Rural Wastewater Systems* was consulted to determine the appropriate service life for each asset.

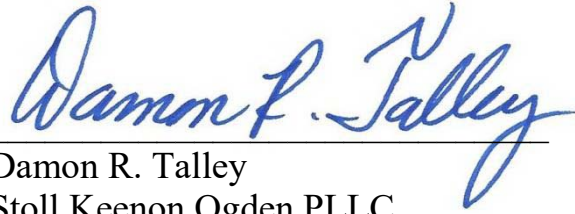
Conclusion

WHEREFORE, Hardin District No. 2 requests that the Commission:

1. Grant Hardin District No. 2 a Certificate of Public Convenience and Necessity to construct the Nolin River Watershed Wastewater Project;
2. Enter an Order granting the requested relief no later than **November 1, 2017**; and
3. Grant any and all other relief to which Hardin District No. 2 may be entitled.

Dated: August 21, 2017

Respectfully submitted,



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*Counsel for Hardin County Water District
No. 2*

COMMONWEALTH OF KENTUCKY)
) SS
COUNTY OF HARDIN)

The undersigned, Michael L. Bell, being duly sworn, deposes and states that he is the Chairman of Hardin County Water District No. 2, the Applicant in the above proceedings; that he has read this Application and has noted its contents; that the same is true of his own knowledge, except as to matters which are therein stated on information or belief, and as to those matters, he believes same to be true.

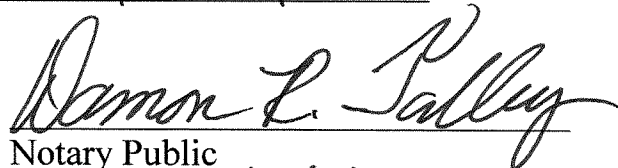
IN TESTIMONY WHEREOF, witness the signature of the undersigned on this Aug. 18, 2017.



Michael L. Bell
Chairman
Hardin County Water District No. 2

Subscribed and sworn to before me by Michael L. Bell in his capacity as Chairman of Hardin County Water District No. 2 on this Aug. 18, 2017.


My Commission expires: 6-9-2019.



Damon L. Talley
Notary Public
Notary ID: 534422

CERTIFICATE OF SERVICE

In accordance with 807 KAR 5:001, Section 8, I certify that Hardin County Water District No. 2's 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 Public Service Commission on August 21, 2017; that there are currently no parties that the Public Service Commission has excused from participation by electronic means in this proceeding; and that on or before August 23, 2017 seven copies in paper medium of this Application, except for exhibits to this Application that are maps, plans, specifications, and drawings, and one copy of all exhibits to this Application that are maps, plans, specifications, and drawings will be delivered to the Public Service Commission.


Damon R. Talley

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 24 |
| 807 KAR 5:001, § 4(3) | Name, Address, Telephone Number, Fax Number, and e-mail address of Applicant's Attorney | Page 2-3, Para 5 |
| 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 7-11, Para 14-20 Exhibits 8, 9, 10 & 11 |
| 807 KAR 5:001, § 15(2)(b) | Copies of franchises or permits for the proposed construction or extension | Page 15-17, Para 27-37 |
| 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 15, Para 25 Exhibits 12,13, 15 & 16 |

| 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 Commission order of July 28, 2017) | Page 21, Para 47(c) Exhibit 12 |
| 807 KAR 5:001, § 15(2)(d)(2) | Plans and specifications and drawings of the proposed plant, equipment, and facilities | Page 14, Para 23-24 Exhibits 13 & 14 |
| 807 KAR 5:001, § 15(2)(e) | The manner in detail in which the Applicant proposes to finance the proposed construction or extension. | Page 22, Para 47(f) |
| 807 KAR 5:001, § 15(2)(f) | An estimated annual cost of operation after the proposed facilities are placed into service | Page 22, Para 47(g) Exhibit 30 |
| 807 KAR 5:071, § 3(1)(a) | A copy of a valid third-party beneficiary agreement guaranteeing the continued operation of the sewage treatment facilities or other evidence of financial integrity such as will insure the continuity of sewage service | Page 21, Para 47(a) Not Applicable |
| 807 KAR 5:071, § 3(1)(b) | A copy of a preliminary approval issued by the Division of Water Quality of the Kentucky Department for Natural Resource and Environmental Protection approving the plans and specifications of the proposed construction | Page 21, Para 47(b) Exhibits 17 & 18 |
| 807 KAR 5:071, § 3(1)(c) | A detailed map of the sewage treatment facilities showing location of plan, effluent discharge, collection mains, manholes, and utility service area | Page 21, Para 47(c) Exhibit 12 |
| 807 KAR 5:071, § 3(1)(d) | A detailed estimated cost of construction which should include all capitalized costs (construction, engineering, legal, administrative, etc.) | Page 21, Para 47(d) Exhibit 27 |
| 807 KAR 5:071, § 3(1)(e) | A financial exhibit as described in Section 12 of 807 KAR 5:001, Section 12 | Page 21-22, Para 47(e) Not Applicable |
| 807 KAR 5:071, § 3(1)(f) | The manner, in detail, in which it is proposed to finance the new construction, specifically stating amount to be invested, recouped through lot sales, or contributions (to be) received, etc. | Page 22, Para 47(f) |
| 807 KAR 5:071, § 3(1)(g) | An estimated cost of operation after the proposed facilities are completed | Page 22, Para 47(g) Exhibit 30 |

| Source Authority | Requirement | Location |
|--------------------------|---|--|
| 807 KAR 5:071, § 3(1)(h) | An estimate of the total number of customers to be served by the proposed sewage treatment facilities, initially and ultimately the class of customers served (i.e., residential, commercial, apartments, recreational, institutional, etc.) and the average monthly water consumption for each class of customer | Page 22-23, Para 47(h) |
| 807 KAR 5:071, § 3(1)(i) | A copy of the latest tax returns (federal and state, if applicable) filed by the applicant. | Not Applicable |
| 807 KAR 5:071, § 3(1)(j) | A detailed depreciation schedule of all treatment plant, property and facilities, both existing and proposed, listing all major components of “package” treatment plants separately (ignore if rates not sought) | Page 23, Para 47(i) Exhibit 32 |
| 807 KAR 5:071, § 3(1)(k) | The proposed rates to be charged for each class of customers and an estimate of the annual revenues derived from the customers using the proposed rate schedules (ignore if rates not sought) | Page 19-20, Para 43 Not Applicable |
| 807 KAR 5:071, § 3(1)(l) | A full and complete explanation of corporate or business relationships between the applicant and a parent or brother-sister corporation, subsidiary(ies), a development corporation(s), or any other party or business to afford the commission a full and complete understanding of the situation | Page 2, Para 2 Not Applicable |
| KRS 322.340 | 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 | Page 14, Para 23-24 Exhibits 13 & 14 |

EXHIBITS

TABLE OF EXHIBITS

| <u>Tab No.</u> | <u>Description</u> |
|----------------|---|
| 1 | Hardin County Water District No. 2 Resolution No. 2017-07-01: A Resolution of the Hardin County Water District No. 2 Authorizing District Staff to Advertise for Construction Bids for the Nolin River Watershed Wastewater Project and Authorizing District Chairman to Apply to the Kentucky Public Service Commission for a Certificate of Public Convenience and Necessity to Construct the Project |
| 2 | Hardin County Wastewater Regional Facilities Plan (Oct. 2007) |
| 3 | A Joint Resolution of Hardin County Water Districts No. 1 and No.2 Accepting the Recommendations Included In the Regional Wastewater Facilities Plan and Agreeing To the Anticipated Delineation of Wastewater Service Area (Jan. 20, 2009) |
| 4 | Minutes of the Hardin County Water District No. 2 Board of Commissioners' Meeting of January 20, 2009 |
| 5 | Hardin County Fiscal Court Resolution 2009-007, A Resolution of the Hardin County Fiscal Court Accepting the Recommendations Included in the Regional Wastewater Facilities Plan (Feb. 3, 2009) |
| 6 | Letter from Anshu Singh, Kentucky Division of Water, to James Jeffries, General Manager, Hardin County Water District No. 2 (Oct. 29, 2009) (approving Hardin County Wastewater Regional Facilities Plan) |
| 7 | Map of Existing and Proposed Planning Areas (October 2007) (reprinted from Hardin County Wastewater Regional Facilities Plan) |
| 8 | Letter from Sarah Jo Best, Environmental Director, Lincoln Trail Health Department (Aug. 3, 2012) (need for sanitary sewers in Glendale area) |
| 9 | Letter from Richard A. Games, President and Chief Operating Officer, Elizabethtown – Hardin County Industrial Foundation, to Kentucky Public Service Commission |
| 10 | Letter from Harry L. Berry, Hardin County Judge/Executive, to Michael J. Schmitt, Chairman, Kentucky Public Service Commission (July 14, 2017) (endorsement of Proposed Facilities) |
| 11 | Hardin County Ordinance No. 293, Series 2013 - An Ordinance Relating the Requirements to Provide Adequate and Acceptable Sewage Disposal |

| <u>Tab No.</u> | <u>Description</u> |
|-----------------------|--|
| | and Treatment for All Properties In Unincorporated Hardin County, Kentucky |
| 12 | Maps of Proposed Facilities' Location and Routes |
| 12A | Map – Nolin River Project Area and Service Area |
| 12B | Map – Nolin River Pump Station Sites |
| 12C | Map – Nolin River Initial Infrastructure |
| 12D | Map – Industrial Park Pump Station No. 1 Project Location Map |
| 12E | Map – Industrial Park Pump Station No. 2 Project Location Map |
| 12F | Map – Industrial Park Pump Station No. 3 Project Location Map |
| 12G | Map – Rose Run Pump Station Project Location Map |
| 13 | Plans/Drawings for Nolin Watershed Wastewater Project |
| 14 | Specifications and Contract Documents for Nolin Watershed Wastewater Project (2 Volumes) |
| 15 | Description of Proposed Facilities' Location and Routes |
| 16 | Deeds for Tracts upon which Proposed Pump Stations will be situated |
| 17 | Kentucky Division of Water Approval of Proposed Facilities' Plans and Specifications with Respect to Sanitary Features of Design (Oct. 20, 2015) |
| 18 | Amendment to Kentucky Division of Water Approval of Proposed Facilities' Plans and Specifications (Aug. 24, 2016) |
| 19 | Kentucky Division of Water Stream Construction Permit for Construction In or Along a Stream (Nov. 3, 2015) |
| 20 | Kentucky Division of Water Water Quality Certification #2015-087-1 (Nov. 19, 2015) |
| 21 | Kentucky Department of Highways Encroachment Permits |

| <u>Tab No.</u> | <u>Description</u> |
|-----------------------|--|
| 22 | Hardin County Road Department Encroachment Permit (Mar. 21, 2016) |
| 23 | U.S. Army Corps of Engineers, Nationwide Permit No. 12 - Utility Line Activities (Mar. 16, 2016) |
| 24 | Kentucky Heritage Council Concurrence (Jan. 29, 2016) |
| 25 | U.S. Fish and Wildlife Service Letter of Concurrence (Feb. 8, 2016) |
| 26 | CSX Facility Encroachment Agreement |
| 27 | Project Cost Summary |
| 28 | Grant Agreement between Kentucky Cabinet for Economic Development, State Property and Buildings Commission, Hardin County Fiscal Court, and Hardin County Water District No. 2 (Oct. 31, 2011) |
| 29 | Kentucky Infrastructure Authority Grant Assistance Agreement No. 330N-2007 (Jan. 19, 2010) |
| 30 | Estimated Annual Cost of Operations |
| 31 | Direct Testimony of Mark Sneve, Senior Associate, Strand Associates Inc. |
| 32 | Depreciation Schedule for Acquired Property |

EXHIBIT 1

RESOLUTION NO. 2017-07-01

RESOLUTION OF HARDIN COUNTY WATER DISTRICT NO. 2 AUTHORIZING DISTRICT STAFF TO ADVERTISE FOR CONSTRUCTION BIDS FOR THE NOLIN RIVER WATERSHED WASTEWATER PROJECT AND AUTHORIZING DISTRICT CHAIRMAN TO APPLY TO THE KENTUCKY PUBLIC SERVICE COMMISSION FOR A CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY TO CONSTRUCT THE PROJECT

WHEREAS, Hardin County Water District No. 2 (the “District”) engaged the services of the consulting engineering firm, Strand Associates, Inc. (the “Strand”), to design the Nolin River Watershed Wastewater Project (the “Project”) and to assist the District in obtaining the necessary permits to construct the Project;

WHEREAS, Strand has completed its design of the Project and will soon complete all plans, specifications, and contract documents required to advertise the Project for construction bids;

WHEREAS, the District, with the assistance of Strand, has now obtained all the necessary easements, construction permits, and approvals to construct the Project, except for a certificate of public convenience and necessity (the “CPCN”) from the Kentucky Public Service Commission (the “PSC”); and

WHEREAS, KRS 278.020(1) prohibits a utility from commencing the construction of any plant or facility to provide utility service to the public until that utility has obtained a CPCN from the PSC.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF
COMMISSIONERS OF HARDIN COUNTY WATER DISTRICT NO. 2
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.

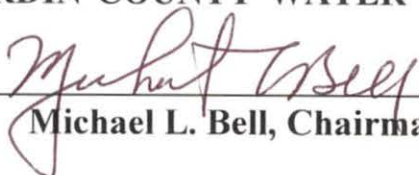
Section 2. The Chairman is authorized and directed to take any and all actions reasonably necessary to prepare, execute, and submit an application to the PSC for a CPCN to construct the Project.

Section 3. The Board of Commissioners hereby authorizes District Staff to advertise the Project for construction bids in accordance with KRS Chapter 424. District Staff shall coordinate the timing of the construction bid advertisement and bid opening date with the PSC's review of the District's Application for a CPCN so that the construction bids will not expire before PSC grants the CPCN to construct the Project.

Section 4. This Resolution shall take effect upon its adoption.

ADOPTED BY THE COMMISSION OF HARDIN COUNTY WATER DISTRICT NO. 2 at a meeting held on July 18, 2017, signed by the Chairman, and attested by the Secretary.

HARDIN COUNTY WATER DISTRICT NO. 2

By: 
Michael L. Bell, Chairman


ATTEST: 

Morris L. Miller, Secretary

CERTIFICATION

I, Secretary of the Hardin County Water District No. 2 (the "District"), do hereby certify that the foregoing is a true copy of a Resolution duly adopted by the Commission of the District at a meeting properly held on July 18, 2017, signed by the Chairman of the Commission and attested by me as Secretary. The Resolution is now in full force and effect.

WITNESS my hand this 18th day of July, 2017.



Morris L. Miller, Secretary

EXHIBIT 2

PROVIDED AS SEPARATE DOCUMENT

EXHIBIT 3

JOINT RESOLUTION

A JOINT RESOLUTION OF HARDIN COUNTY WATER DISTRICTS NO. 1 AND NO. 2
ACCEPTING THE RECOMMENDATIONS INCLUDED
IN THE REGIONAL WASTEWATER FACILITIES PLAN AND AGREEING
TO THE ANTICIPATED DELINEATION OF WASTEWATER SERVICE AREA

WHEREAS, the Hardin County Water District No. 2 has prepared a Regional Wastewater Facilities Plan which proposes to provide centralized and decentralized wastewater collection and treatment systems for industrial, commercial and residential customers in Hardin County outside of the facilities planning areas for the City of Elizabethtown, the City of Radcliff, the City of Vine Grove, the City of West Point and Fort Knox as permitted by law and after coordination and agreement with Hardin County Fiscal Court, the City of Elizabethtown, the City of Radcliff, the City of Vine Grove, the City of West Point and Fort Knox;

WHEREAS, the planning area identified by the Regional Wastewater Facilities Plan includes portions of Hardin County outside of the approved facilities planning areas for the City of Radcliff, the City of Vine Grove, the City of West Point, the amended facilities planning area for the City of Elizabethtown, the amended facilities planning area for the Caveland Environmental Authority, and the Fort Knox Military Reservation; and

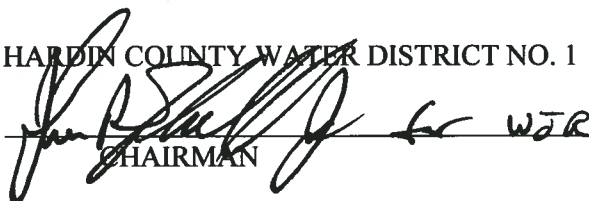
WHEREAS, the Hardin County Water Districts No. 1 and No. 2 propose to serve customers with the wastewater collection and treatment systems within the newly defined Hardin County Planning Area based on an agreed delineation of future wastewater service boundaries, as shown on the attached map, and as agreed to by both Water Districts;

WHEREAS, the Hardin County Water Districts No. 1 and No. 2 agree to reasonably consider alternate delineations of service area between each other, based on factors such as ability to serve, cost effectiveness and other relevant factors, at such future time when service is proposed;

NOW THEREFORE, be it hereby RESOLVED that the Hardin County Water Districts No. 1 and No. 2 hereby accept the Hardin County Planning Area with the anticipated service area boundary, as shown on the attached map, and recommend its inclusion in the Regional Wastewater Facilities Plan expressing their full support for said Plan provided same is pursued in conformity with all legal requirements and the cooperation and consent of the Hardin County Fiscal Court where same is legally required or practically necessary to the pursuit of this most worthwhile endeavor.

HARDIN COUNTY WATER DISTRICT NO. 1


DATE: 2/3/09

By: 
CHAIRMAN

ATTEST:

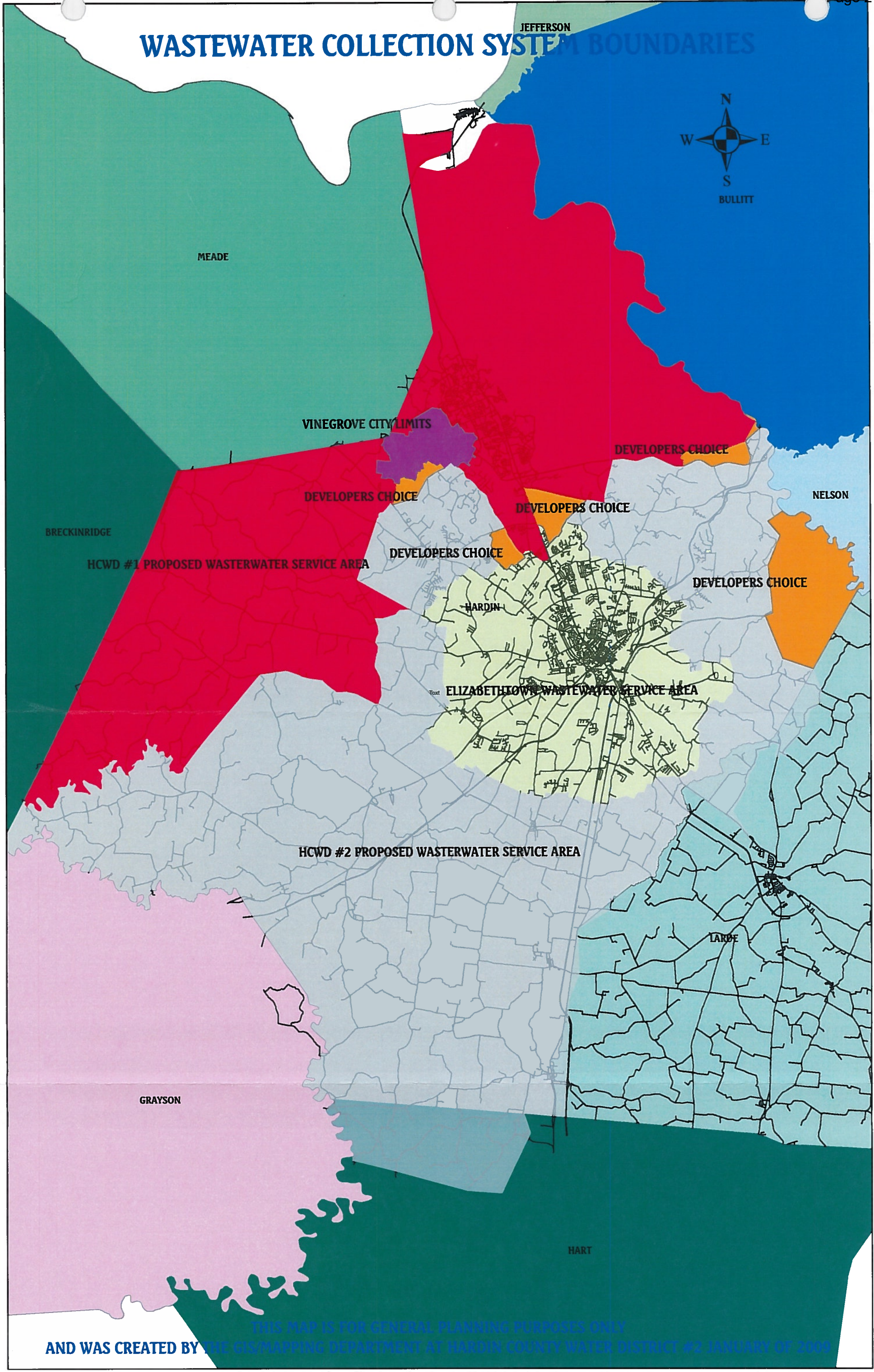
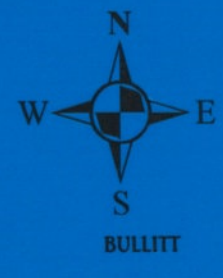

HARDIN COUNTY WATER DISTRICT NO. 2

DATE: 1-20-09

By: 
CHAIRMAN

ATTEST:


WASTEWATER COLLECTION SYSTEM BOUNDARIES



THIS MAP IS FOR GENERAL PLANNING PURPOSES ONLY
AND WAS CREATED BY THE GIS/MAPPING DEPARTMENT AT HARDIN COUNTY WATER DISTRICT #2 JANUARY OF 2009

EXHIBIT 4

**MINUTES OF THE
HARDIN COUNTY WATER DISTRICT NO. 2
BOARD OF COMMISSIONERS**

January 20, 2009

The Board of Commissioners of Hardin County Water District No. 2 held its regular monthly meeting on January 20, 2009 at 5:00 p.m. at the Reesor Customer Service Center. Present were Commissioners Michael L. Bell, Coleman Crady, John Effinger, and Cordell Tabb. Also present were General Manager James R. Jeffries, Scott Clark, Carlos Miller, and Damon Talley. Chairman Bell declared that a quorum was present and called the meeting to order.

VISITORS

No visitors were present.

MINUTES

The Minutes of the December 16, 2008 meeting were reviewed. Motion was made by Commissioner Crady and seconded by Commissioner Effinger to approve the Minutes as prepared. Motion carried unanimously.

The Financial Report for the month of December was reviewed. Motion was made by Commissioner Crady and seconded by Commissioner Effinger to accept the Financial Report as presented and to authorize payment of the bills that are due and payable at this time. Motion carried unanimously.

REPORTS

1. **Engineering Report.** General Manager Jeffries and Carlos Miller presented the engineering report.

2. **Departmental Reports.** General Manager Jeffries presented the departmental reports.

OLD BUSINESS

1. **Phase IV Change Order.** Motion was made by Commissioner Tabb and seconded by Commissioner Crady to approve the proposed Change Order No. 3 which authorizes water lines to be installed along portions of six (6) additional roads. Motion carried unanimously.

2. **Springfield Road Pump Station.** General Manager Jeffries reported that the District will be receiving \$16,000 from the insurance company for damages to the Springfield Road Pump Station. Carlos Miller also presented a status report concerning design of the new Springfield Road Pump Station.

3. **Glendale Project – Pipe Bids.** The Commissioners reviewed the six (6) pipe bids for the Glendale Project. Motion was made by Commissioner Crady and seconded by Commissioner Effinger to take the following actions: (1) to declare the bid of C. I. Thornburg Co., Inc. in the amount of \$50.19 per foot to be the lowest and best bid; (2) to approve the purchase of pipe from C. I. Thornburg Co., Inc.; and (3) to authorize the General Manager to execute all the necessary documents. Motion carried unanimously.

4. **Glendale Project - Material Bids.** Motion was made by Commissioner Tabb and seconded by Commissioner Effinger to reject all material bids and to authorize District Staff to revise the bid specifications and re-advertise. Motion carried unanimously.

5. **Review of Property Restoration Contracts.** The Commissioners reviewed the draft revisions to the proposed Bid Specifications for the 2009 Property Restoration Work. Additional suggestions and corrections were made. The Commissioners will study the proposed revisions and will discuss this matter again at the February meeting.

6. Joint Resolution with HCWD No 1. The Commissioners reviewed the proposed Joint Resolution concerning the Regional Wastewater Facilities Plan and Wastewater Service Area. Motion was made by Commissioner Tabb and seconded by Commissioner Effinger to adopt the Joint Resolution. Motion carried unanimously. A copy of the Joint Resolution and a copy of the Map delineating the Wastewater Boundaries are attached hereto and incorporated herein by reference.

NEW BUSINESS

1. Verizon Proposal at Cecilia Tank. By consensus, the Board rejected the site proposed by Verizon for the location of the ground support building and authorized General Manager Jeffries to negotiate a more favorable site location with Verizon.

2. Vehicle Purchase. Motion was made by Commissioner Crady and seconded by Commissioner Effinger to authorize the purchase of a Ford F150 4 x 4 pickup truck utilizing the State Master Bid Contract for a purchase price of approximately \$17,256. Motion carried unanimously.

3. 2008 Review. General Manager Jeffries presented the 2008 Operations Review.

4. Employee Sensitivity Training. Motion was made by Commissioner Tabb and seconded by Commissioner Effinger to take the following actions: (1) to direct all District employees to participate in an Employee Sensitivity Training Workshop to be conducted at the Customer Service Center during normal work hours for the purpose of ensuring that the District maintain a respectful workplace environment; (2) to authorize District Staff to engage the services of IntegrityHR, Inc. to conduct the training; and (3) to direct District Staff to review the District's existing Sexual Harassment Policy and recommend changes as appropriate. Motion carried unanimously.

5. Taylor Bend Conservation Project. General Manager Jeffries informed the Commissioners of the opportunity to protect the White Mills watershed by initiating the Taylor Bend Conservation Project. More information will be presented as it becomes available.

6. Warehouse Material Bid Authorization. Motion was made by Commissioner Crady and seconded by Commissioner Effinger to authorize District Staff to advertise for bids for materials to be used by the District during 2009. Motion carried unanimously.

7. WTP Chemical Bid Authorization. Motion was made by Commissioner Crady and seconded by Commissioner Effinger to authorize District Staff to advertise for bids for chemicals to be used at the WTP during 2009. Motion carried unanimously.

8. Elizabethtown WTP Renovation. By consensus, the Board authorized General Manager Jeffries to meet with City of Elizabethtown representatives and negotiate terms and conditions whereby the City may purchase additional water from the District while the City's WTP is being renovated.

ADJOURNMENT

There being no further business to come before the meeting, motion was made by Commissioner Crady and seconded by Commissioner Tabb to adjourn the meeting. Motion carried unanimously.

HARDIN COUNTY WATER DISTRICT NO. 2

BY: *Coleman Crady*
Coleman Crady, Secretary

BY: *Michael L. Bell*
Michael L. Bell, Chairman

DATE APPROVED:
2-17-09

EXHIBIT 5

RESOLUTION NO. 2009-007

A RESOLUTION OF THE HARDIN COUNTY FISCAL COURT
ACCEPTING THE RECOMMENDATIONS INCLUDED
IN THE REGIONAL WASTEWATER FACILITIES PLAN

WHEREAS, the Hardin County Water District No. 2 has prepared a Regional Wastewater Facilities Plan which proposes to provide centralized and decentralized wastewater collection and treatment systems for industrial, commercial and residential customers in Hardin County, outside of the facilities planning areas for the City of Elizabethtown, the City of Radcliff, the City of Vine Grove, the City of West Point and Fort Knox as permitted by law and after coordination and agreement with Hardin County Fiscal Court and the City of Elizabethtown, the City of Radcliff, the City of Vine Grove, the City of West Point and Fort Knox;

WHEREAS, the planning area identified by the Regional Wastewater Facilities Plan includes portions of HARDIN COUNTY outside of the approved facilities planning areas for the City of Radcliff, the City of Vine Grove, the City of West Point, the amended Facilities Planning Area for the City of Elizabethtown, the amended facilities planning area for the Caveland Environmental Authority, and the Fort Knox Military Reservation; and

WHEREAS, the Hardin County Water Districts No. 1 and No. 2, propose to serve customers with the wastewater collection and treatment systems within the newly defined Hardin County Planning Area, as agreed to between the City of Elizabethtown and Hardin County Fiscal Court;

NOW THEREFORE, be it hereby RESOLVED that the Hardin County Fiscal Court hereby accepts the Hardin County planning area and recommends inclusion in the Regional Wastewater Facilities Plan expressing its full support for said plan provided same is pursued in conformity with all legal requirements and the cooperation and consent of the Hardin County Fiscal Court where same is legally required or practically necessary to the pursuit of this most worthwhile endeavor.

HARDIN COUNTY FISCAL COURT

By: 

HARDIN COUNTY JUDGE/EXECUTIVE

ATTEST:


CLERK, HARDIN COUNTY FISCAL COURT

Approved by Fiscal Court in a
Called Meeting February 3, 2009

EXHIBIT 6

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
Phone: (502) 564-3410
www.water.ky.gov

October 29, 2009

James Jeffries, General Manager
Hardin County Water District No. 2
360 Ring Road
PO Box 970
Elizabethtown, Kentucky 42702

Re: Regional Facilities Plan for
Hardin County Water District No.2
Hardin County, Kentucky
AI ID: 99283; PLN20070001

Dear Mr. Jeffries:

The facilities plan and environmental document titled *Hardin County Regional Wastewater Facilities Plan, Hardin County Water District No. 2, KY*, dated November 2007 has been reviewed by this Division and found to conform with the requirements contained in administrative regulation 401 KAR 5:006.

Approval of the facilities plan is hereby given based on the attached State Planning and Environmental Assessment Report (SPEAR) issued by this Department on September 15, 2009, which has undergone review by the Kentucky State Clearinghouse (State Application Identifier #KY20090916-1694). This approval is subject to any conditions and mitigative measures in Section F of the SPEAR and in the State Clearinghouse review comments.

The Department for Environmental Protection offers free regulatory assistance through its Division of Compliance Assistance. If you have questions related to compliance with any environmental requirements, please contact the division by calling 1-800-926-8111.

If you have any questions, please contact me at (502) 564-3410, extension 4805.

Sincerely,

Anshu Singh, Ph.D., Supervisor
Wastewater Planning Section
Water Infrastructure Branch

AS
Attachments

cc: Mark Sneve, Strand Associates, Inc. (by e-mail)

Steven L. Beshear
Governor



Leonard K. Peters
Secretary

Energy and Environment Cabinet
Department for Environmental Protection
Division of Water
300 Fair Oaks Lane
Frankfort, Kentucky 40601
Phone: (502) 564-2150
www.dep.ky.gov

R. Bruce Scott
Commissioner

SEP 15 2009

STATE PLANNING AND ENVIRONMENTAL ASSESSMENT REPORT (SPEAR)

Regional Facilities Plan

Hardin County Water District No. 2, Hardin County Kentucky
AI 99283; PLN20070001

Hardin County Water District No. 2 has submitted for approval by the Energy and Environment Cabinet (EEC) a regional facility plan titled *Hardin County Regional Wastewater Facilities Plan*, dated October, 2008. In accordance with KRS Chapter 224 and 401 KAR 5:006, the Department for Environmental Protection (DEP) has prepared a State Planning and Environmental Assessment Report (SPEAR) that summarizes the regional facility plan.

The DEP is required to conduct reviews of the potential environmental impacts of projects applying for funding by the Clean Water State Revolving Fund in accordance with the procedures contained in the State Revolving Fund Operating Agreement between the Environmental Protection Agency Region IV and the Commonwealth of Kentucky. The DEP has included this required review in the attached SPEAR. The DEP has determined that the projects in the SPEAR will not have a significant effect on the environment when all mitigative measures in Section F of the SPEAR are implemented.

The SPEAR contains information supporting this determination in the following sections: A) Project Summary; B) Existing Environment; C) Existing Wastewater Facilities; D) Need for Project; E) Alternatives Analysis; F) Environmental Consequences, Mitigative Measures; G) Public Participation and User Rates; and H) Sources Consulted.

Interested persons are encouraged to submit comments on this SPEAR within 40 days of the above date. The EEC will take no action on this project until after the State Clearinghouse review and public comment period has ended, and will evaluate all comments before a decision is made to proceed with approval of the Regional Facilities Plan or awarding of SRF funds for this project. Send comments to Ms. Anshu Singh, Supervisor, Wastewater Planning Section, Water Infrastructure Branch, Division of Water, 200 Fair Oaks 4th Floor, Frankfort, Kentucky 40601, or by e-mail to anshu.singh@ky.gov, or call her at (502) 564-3410, extension 4805.

Sincerely,

R. Bruce Scott, Commissioner
Department for Environmental Protection

RBS/AS

STATE PLANNING AND ENVIRONMENTAL ASSESMENT REPORT (SPEAR)
Hardin County Regional Wastewater Facilities Plan
Hardin County Water District # 2
Hardin County, Kentucky
AI# 99283; PLN20070001

SEP 15 2009

A. Project Summary and Funding Status

Proposed Project: The Hardin County Water District No. 2 submitted a regional facilities plan "*Hardin County Regional Wastewater Facilities Plan, Hardin County Water District No. 2, KY*" in November, 2007. The plan evaluates Hardin County's current wastewater conveyance and treatment needs for a 20 year planning period for areas of the county not currently included in a Regional Wastewater Facility Plan. The County has divided the areas not currently receiving public sanitary sewer into four service areas, including: Northern, Southern, Eastern, and Upton and Sonora service area (Figure 1). The twenty year planning period is divided into three phases (Figure 1).

Phase I (0-10 years):

Northern Service Area: In the Northern Service area, wastewater services will be extended to Bushy Fork Creek, Pawley and Otter creek areas. The wastewater from these service extensions will be treated at Fort Knox wastewater treatment Plant (WWTP) (Figure 1). Services will also be extended to Mill Creek Branch area but the wastewater will be treated at the Elizabethtown WWTP. The total estimated project cost is \$19,290,000.

Southern Service Area: Wastewater services will be extended to Rose Run, North Upper, and Nolin River areas. The wastewater from these service extensions will be treated at Elizabethtown WWTP (Figure 1). The total estimated project cost is \$18,489,000

Eastern Service Area: Wastewater services will be extended to Upper Younger Creek area and the wastewater will be treated at Elizabethtown WWTP (Figure 1). The total estimated project cost is \$5,281,000.

Upton and Sonora Service Area: Wastewater services will be extended to Dorsey Run and Sandy Creek and the wastewater from these extensions will be treated at Caveland WWTP (Figure 1). The total estimated project cost is \$6,204,000.

Phase II (10-20 years):

Northern Service Area: This phase will include continuation of the Phase I collection system expansion to the remaining portions of Pawley and Otter Creek and Mill Branch Creek areas without sewer services. Wastewater services will also be extended to the Flippin Creek area and the wastewater will be treated at Ft. Knox WWTP (Figure 1). The existing pump station in the Brushy Fork Creek area will be upgraded. The total estimated project cost is \$10,030,000.

Southern Service: This phase will consist of continuation of Phase I collection system expansion to the remaining portions of Rose Run, and Nolin River areas without sewer services. Wastewater services will also be extended to Lower Valley, Upper West Rhudes Creek, Cox Run and Jackson Branch areas and the wastewater will be treated at Elizabethtown WWTP (Figure 1). The total estimated project cost is \$10,715,000.

Eastern Service Area: This phase will consist of continuation of Phase I collection system expansion to the remaining portions of the Upper Younger Creek area without sewer services. Wastewater services will also be extended to Cedar Creek and Clear Creek areas and the wastewater will be treated at Elizabethtown WWTP (Figure 1). The total estimated project cost is \$5,775,000.

Strand Associates, Inc prepared the facilities plan. The project is located in the Lincoln Trail Area Development District and within the area covered by the Louisville Regional Office of the Division of Water (DOW).

Funding Status: The Hardin County Water District No. 2 will potentially seek funds from a variety of sources including the Community Development Grant, Kentucky Infrastructure Authority Grant, Rural Development Grant and Loan, State Revolving Fund Loan, Economic Development Agency Grant, Direct Grants, and user tap fees.

B. Existing Environment

Topography: Hardin County is largely situated in the Mississippian Plateaus area of Kentucky and contains a diversity of topographic features. Rolling Fork, which marks the eastern boundary of the county, occupies a broad, flat valley near the edge of Muldraugh Hill (Highland Rim escarpment). Adjacent hills and ridges rise 300 feet above the valley floor. This well-dissected upland, with ridgetop elevations of 800 to 900 feet, is part of the Knobs-Nopman Ecoregion.

The east-central part of Hardin County is part of an extensive karst landscape. It is a gently rolling plain with springs, sinking creeks, abundant sinkholes, and other features associated with underground drainage in a limestone terrain. Elevations on the sinkhole plain range from 800 feet, east of Elizabethtown, to less than 700 feet at the base of the Dripping Springs escarpment.

The Dripping Springs escarpment marks the boundary between the low sinkhole plateau and a higher tableland to the west. The rise is approximately 200 feet. This upland, with elevations of approximately 850 feet in the east and about 750 feet at the western edge of the county, is dissected by normal stream drainage, incised about 200 feet. Broad, flat-topped ridges occupy areas between narrow stream valleys. Resistant rock formations make the valley walls steep; cliffs are present locally.

The highest elevation in the county, 1017 feet, is on Blueball Hill, an isolated ridge on the karst plain about 4 miles northeast of Howe Valley. The lowest point, 383 feet, is the normal pool level of the Ohio River at the north end of the county.

Geology: In Hardin County, water is obtained from consolidated sedimentary rocks of Devonian and Mississippian age and from unconsolidated sediments of Quaternary age. Geologists call the oldest rocks found at the surface in Hardin County the New Albany Shale. This formation is from the Devonian Period, and was deposited in warm seas 400 million years ago. The New Albany Shale was formed when the deep sea floor became covered with an organic black muck. The muck is now hard black shale (an oil shale) and is one of the most distinctive of all geologic formations in Kentucky. The Mississippian sandstones and siltstones are the result of a great influx of mud, silts, and sands brought in by rivers and streams from uplands many miles away and deposited as a great delta. The most common rock types in Hardin County are Mississippian limestone, which were deposited 350 million years ago in the bottom of a warm, shallow sea. Over the last million years, unconsolidated Quaternary sediments have been deposited along the larger streams and rivers.

Hydrogeology: About 8,300 people in Hardin County rely on private domestic water supplies: 7,600 use wells and 700 use other sources. In northern Hardin County, nearly all drilled wells in the Ohio River alluvium are adequate for domestic use, with many wells yielding several hundred gallons per minute (gallons per minute). Compound horizontal wells set in the alluvium may yield 5,000 gallons per minute, enough for a community or industry. In the Rough River lowlands in the southwestern corner of the county, most drilled wells are adequate for a domestic supply. Depths of drilled wells range from 60 to 300 feet. In much of central, eastern and northern Hardin County, except in the lowlands of the major creeks and rivers, about three-quarters of the drilled wells yield enough water for a domestic supply. In the rest of the county very few wells yield enough water for a domestic supply, except in a few areas bordering streams. Springs with flows of a few gallons per minute to 3,128 gallons per minute are found throughout the county. Many of the springs are of the depression type and yield more than 100 gallons per minute when pumped.

Soils: The quality of the soil in an area relative to the use of on-site disposal of wastewater is very important when considering wastewater facilities. The majority of soils in Hardin County are silty loam or clay loam, neither of which is considered desirable for on-site systems with subsurface disposal.

Surface Waters: The planning area is located primarily within the Green River Basin Management Unit and also touches portions of the Ohio, and Salt River Basins.

The planning area is drained by Middle Nolin River, Otter Creek-Ohio River, Mill Creek-Salt River, Lower Rolling Fork and Middle Rolling Fork. Due to the size of the planning area, there are numerous assessed segments, as listed in the *2008 Integrated Report to Congress on the Water Quality in Kentucky*, to discuss. Those segments assessed as meeting designated uses are detailed in Table 1.

| Water body & Segment | Fully Supported Designated Use(s) |
|--------------------------|-----------------------------------|
| Linders Creek 0.0 to 7.9 | Warmwater Aquatic Habitat |
| Mill Creek 7.0 to 23.6 | Warmwater Aquatic Habitat |
| Nolin River 88.2 to 98.5 | Warmwater Aquatic Habitat |
| UT of Mays Run | Warmwater Aquatic Habitat |

Impaired segments are listed in Table 2, along with a notation regarding their TMDL status, with approved TMDL segments in bold.

The known sources of major impairments in the planning area watersheds are related to various riparian disturbances, sedimentation/siltation and agricultural operations. Sources are listed as unknown for a considerable portion of the impairments, particularly impaired springs. Impairments to Mill Creek Branch and an Unnamed Tributary to Nolin River are attributed to poorly performing package plants (Airview Estates Subdivision and East Hardin Middle School, respectively). The Airview Estates package plant is slated for removal under the Facilities Plan.

A Pathogen TMDL for the Upper Green River (including segments of Billy Creek, Nolin River, and Valley Creek) was completed in 2008. KDOW completed nutrient and TSS data collection for Valley

Creek and Billy Creek during 2007. KDOW may collect additional sediment data, if needed. Once data collection is complete, KDOW will develop the sediment TMDLs. KDOW will pursue development of the nutrient TMDLs when nutrient targets are available.

Exceptional waters in the County include Meeting Creek, Rough River and Linders Creek, all listed as Reference Reaches. The headwaters of Sinking Creek, designated as Coldwater Aquatic Habitat and a DOW Priority Watershed, are in the western part of the County.

Several drinking water providers serve within the proposed planning area, including Elizabethtown, Hardin County Water District #1 and Hardin County Water District #2. There are numerous Zone 1 wellhead protection areas in the County, including sources for Ft. Knox, Elizabethtown, and Hardin County Water Districts 1 and 2, as well as Zone 1 Source Water Assessment and Protection Program (SWAPP) areas.

Table 2. Assessed Segments **not** Supporting Designated Use(s), with TMDL status (source: 2008 Integrated Report)

| Waterbody & Segment | Impaired Use Assessment | Causes | Sources |
|---|---|--|---|
| Billy Creek 0.0 to 4.8 | Non Support Primary Contact Recreation - Approved TMDL Partial Support Warmwater Aquatic Habitat - TMDL Required (Full Support: Fish Tissue Consumption) | Fecal Coliform; Sedimentation/Siltation Nutrient/Eutrophication Biological Indicators | Agriculture; Crop Production (Crop Land or Dry Land); Industrial Point Source Discharge; Livestock (Grazing or Feeding); Loss of Riparian Habitat; Managed Pasture Grazing; Site Clearance (Land Development, Redevelopment); Source Unknown; Streambank Modifications/destabilization; Urban Runoff/Storm Sewers |
| Clear Creek 0 to 4.4 | Non Support Warmwater Aquatic Habitat - TMDL Required | Unknown | Unknown |
| Cox's Run 0.0 to 3.4 | Partial Support Warmwater Aquatic Habitat - TMDL Required | Nutrient/Eutrophication Biological Indicators; Sedimentation/Siltation | Crop Production (Crop Land or Dry Land); Highway/Road/Bridge Runoff (Non-construction Related); Livestock (Grazing or Feeding); Post-development Erosion and Sedimentation; Streambank Modifications/destabilization |
| Dorsey Run 2.1 to 3.9 | Non Support Warmwater Aquatic Habitat - TMDL Required | Nutrient/Eutrophication Biological Indicators; Sedimentation/Siltation | Loss of Riparian Habitat; Managed Pasture Grazing; Postdevelopment Erosion and Sedimentation |
| Goodman Springs | Nonsupport for Primary Contact Recreation – TMDL Required (Full Support for Warmwater Aquatic Habitat) | <i>Escherichia coli</i> | Unknown |
| Head of Rough River Spr. 154.85 to 155.8 | Non Support Primary Contact Recreation - TMDL Required Partial Support Warmwater Aquatic Habitat - TMDL Required | <i>Escherichia coli</i> ; Nutrient/Eutrophication Biological Indicators | Unknown |
| Mill Creek Br. 0.0 to 0.7 | Partial Support Warmwater Aquatic Habitat - TMDL Not Required | Ammonia | Package Plant or Other Permitted Small Flows Discharges |
| Nolin River 37.6 to 88.2 | Partial Support Primary Contact Recreation - Approved TMDL (Full Support: Fish Tissue Consumption, Warmwater Aquatic Habitat, Drinking Water) | Fecal Coliform | Unknown |
| Rough River 125.2 to 149.4 | Partial Support Primary Contact Recreation Full Support Warmwater Aquatic Habitat | Fecal Coliform | Unknown |

| | | | |
|----------------------------|---|--|---|
| Skees KW#1 Spring | Non Support Primary Contact Recreation - TMDL Required Partial Support Warmwater Aquatic Habitat - TMDL Required | <i>Escherichia coli</i> ; Nutrient/Eutrophication Biological Indicators | Unknown |
| UT to Nolin R. 0.15 to 0.9 | Non Support Warmwater Aquatic Habitat - TMDL Not Required | Ammonia, Total Suspended Solids (TSS) | Package Plant or Other Permitted Small Flows Discharges |
| Valley Creek 0.0 to 3.6 | Non Support Primary Contact Recreation - Approved TMDL (Partial Support Warmwater Aquatic Habitat) | Fecal Coliform Unknown | Municipal Point Source Discharges, Agriculture, Unknown |
| Valley Creek 8.4 to 10.8 | Warm Water Aquatic Habitat (Nonsupport) - TMDL Required | Cause Unknown; Nutrient/Eutrophication Biological Indicators; Sedimentation/Siltation | Crop Production (Crop Land or Dry Land); Highway/Road/Bridge Runoff (Non-construction Related); Industrial Point Source Discharge; Livestock (Grazing or Feeding); Loss of Riparian Habitat; Streambank Modifications/destabilization |
| Valley Creek 10.8 to 12.6 | Non Support Primary Contact Recreation - Approved TMDL | Fecal Coliform | Unknown |
| Younger Creek 0.0 to 4.5 | Partial Support Warmwater Aquatic Habitat - TMDL Required | Nutrient/Eutrophication Biological Indicators; Sedimentation/Siltation | Channelization; Livestock (Grazing or Feeding); Loss of Riparian Habitat; Silviculture Activities; Streambank Modifications/destabilization |

Groundwater: A large portion of Hardin County is underlain by the same Mississippian rock formations found in the Mammoth Cave area so well developed karst terrain and thin clay rich soils are common. Much of the runoff and soil water is funneled to groundwater via sinkholes and sinking streams with little or no filtration. Several of these large underground rivers are utilized where they emerge as springs for raw water sources for city, county and federal water supplies.

A very prolific alluvial aquifer is found in some locations along the northern border of the county next to the Ohio River. This aquifer is utilized near Muldraugh and West Point but improperly abandoned prelaw oil and gas wells have caused problems with high salt concentrations at times. Many rural Hardin County households throughout the county still use water wells for domestic and farm use and the water quality varies significantly depending the well construction, location and well maintenance.

Given the water quality conditions in Hardin County and current/anticipated development pressure, improving the management of human waste in these areas should have a significant positive affect on both source water and surface water quality.

C. Existing Wastewater Facilities

There are five municipal wastewater treatment plants in the county. These include West Point, Fort Knox, Radcliff, Vine Grove, and Elizabethtown WWTP. Due to its location, the West Point system will not be evaluated for accepting wastewater.

Elizabethtown

Wastewater Treatment Plant: The City of Elizabethtown operates the Elizabethtown WWTP located in southwest downtown that discharges pursuant to Kentucky Pollutant Discharge Elimination (KPDES) Permit No. KY0022039. Its major components include an influent pump station, grit chamber, bar screen, aeration tank, oxidation ditch, final clarifiers, and post aeration. The WWTP has a permitted hydraulic capacity of 7.2 million gallons per day (mgd) and a peak capacity of 13 mgd. The annual average flow rate is 6.18 mgd with one mgd available for future wastewater needs. The effluent quality is generally within the permitted limits. Routine maintenance is performed on all major mechanical equipment, which is generally in good condition. Sludge is hauled to Pearl Hollow landfill.

Collection System: The city of Elizabethtown is served by a conventional gravity sanitary sewer collection system consisting of 8 to 48 inch diameter gravity sewers, 2 to 8 inch diameter force mains, and 38 pumping stations that serve the residences and businesses within the city. The city has agreed to accept county wastewater into the system.

Radcliff

Wastewater Treatment Plant: The City of Radcliff operates a the Radcliff WWTP located between Radcliff and Ft. Knox that discharges pursuant to Kentucky Pollutant Discharge Elimination (KPDES) Permit No. KY0022390. Its major components include a grit chamber, a bar screen, an aerobic solids holding tank, an oxidation ditch, ultra violet disinfection, final clarifiers, and post aeration. The WWTP has a permitted hydraulic capacity of 4 mgd and a peak capacity of 8 mgd. The annual average flow rate is 2.35 mgd with 1.65 mgd available for future wastewater needs. The effluent quality is generally within the permitted limits. Routine maintenance is performed on all major mechanical equipment, which is generally in good condition. Sludge is hauled to Outer Loop landfill.

Collection System: The city of Radcliff is served by a conventional gravity sanitary sewer collection system consisting of 8 to 30 inch diameter gravity sewers, 2 to 12 inch diameter force mains, and 52 pumping stations that serve the residences and businesses within the city. The city has set forth the conditions for it to accept county wastewater into the system.

Vine Grove

Wastewater Treatment Plant: The City of Vine Grove operates the Vine Grove WWTP located on Ditter Lane near Otter Creek that discharges pursuant to Kentucky Pollutant Discharge Elimination (KPDES) Permit No. KY0024988. Its major components include an influent pump station, a grit chamber, a bar screen, an aeration tank, an oxidation ditch, a gravity thickener, final clarifiers, a chlorine contact basin, and post aeration. The WWTP has a permitted hydraulic capacity of 0.714 mgd and a peak capacity of 4 MGD. The annual average flow rate is 0.30 mgd with a reserve of 0.37 mgd. The effluent quality is generally within the permitted limits. Routine maintenance is performed on all major mechanical equipment, which is generally in good condition. Liquid sludge is land-applied at a land farm adjacent to the plant owned by the city.

Collection System: The city of Vine Grove is served by a conventional gravity sanitary sewer collection system consisting of an 18 inch diameter gravity sewer, 4 inch diameter force mains, and 3 pumping stations that serve the residences and businesses within the city. Due to the limited reserve it is unlikely that the city will be able to accept additional flow from other areas.

Fort Knox

Wastewater Treatment Plant: The Hardin County Water District No. 1 operates the Fort Knox WWTP located along Mill Creek that discharges pursuant to Kentucky Pollutant Discharge Elimination (KPDES) Permit No. KY0002917. Its major components include an influent pump station, a grit chamber, a bar screen, an aeration tank, an oxidation ditch, an aerobic digestion tank, a gravity thickener, final clarifiers, a chlorine contact basin, and post aeration. The WWTP has a permitted hydraulic capacity of 6 mgd and a peak capacity of 13 mgd. The annual average flow rate is 1.74 mgd.

Collection System: Fort Knox is served by a conventional gravity sanitary sewer collection system consisting of 24 and 30 inch diameter gravity trunk sewers, 12 inch diameter force mains, and 4 pumping stations that serve the base. The Ft. Knox has agreed to accept county wastewater into the system.

Package Plants

There are 11 private package treatment plants within the planning area including Airview Estates Subdivision, Glendale Children's home, Hardin County Board of Education Outfall 1, Hardin County Board of Education Outfall 2, Heartland Mobile Home Community, KTC Rest Area 1, KTC Rest Area 2, Petro Shopping Center, Sonora Truck Plaza 1, and Sonora Truck Plaza 2. In general these plants are in compliance with their discharge permit limits.

D. Need for Project

The population is expected to increase from 15,495 in 2003 to 52,810 in 2027 with the possibility of additional people due to Fort Knox expansion. The projected wastewater flow is 5.28 mgd, including industrial contributions. Without these projects, future population growth in Hardin County will largely be served by individual on-site systems which can potentially have a significant impact on

E. Alternatives Analysis

Wastewater Treatment Alternatives:

ALTERNATIVE NO. 1 - No Action Alternative: This alternative involves no initial construction and no action other than maintaining and operating the existing systems. Most of the areas in Hardin County that have experienced strong population growth are served by on-site wastewater treatment systems such as septic tanks and lateral fields. Many of these systems are failing due to the karst topography, clayey soils and shallow bedrock and cannot treat more wastewater. Therefore, this No Action alternative is unacceptable and will not be considered further.

ALTERNATIVE NO. 2 – Construction of New Wastewater Treatment Plants: This alternative involves construction of wastewater treatment plants in Otter Creek and Nolin River, to serve the County’s northern, southern and eastern service area.

Otter Creek WWTP

Proposed effluent limits for a 2 or 6 mgd WWTP discharging to Otter Creek at milepoint 19.7 based on high quality criteria are:

| Parameter | Limits |
|-------------------------|---------------------|
| CBOD ₅ | 25 mg/l |
| Suspended Solids | 30 mg/l |
| Ammonia Nitrogen | 20 mg/l |
| Dissolved Oxygen | 7 mg/l |
| Total Residual Chlorine | 0.011 mg/l |
| <i>E. coli</i> | 130 colonies/100 ml |

The estimated project cost is \$36,679,000 with a 20-year present worth cost of \$70,657,000.

Nolin River WWTP

Proposed effluent limits for a 3.5 or 10.5 mgd WWTP discharging to Nolin River at mile point 93.1 based on high quality criteria are:

| Parameter | Limits | |
|-------------------------|---------------------|-----------------------------------|
| | 3.5 mgd WWTP | 10.5 mgd WWTP |
| CBOD ₅ | 25 mg/l | 25 mg/l |
| Suspended Solids | 30 mg/l | 30 mg/l |
| Ammonia Nitrogen | 20 mg/l | 10 mg/l (summer)/20 mg/l (winter) |
| Dissolved Oxygen | 7 mg/l | 7 mg/l |
| Total Residual Chlorine | 0.011 mg/l | 0.011 mg/l |
| <i>E. coli</i> | 130 colonies/100 ml | 130 colonies/100 ml |

The estimated project cost is \$49,282,000 with a 20-year present worth cost of \$105,762,000. This alternative is not selected as it is not cost effective.

ALTERNATIVE NO. 3 – Regionalization: The existing Fort Knox, Elizabethtown, and Caveland treatment plants were considered for accepting county wastewater flow.

Northern Service Area:

The wastewater from this section of the planning area will be sent to the existing Fort Knox and Elizabethtown WWTP. This alternative will include the construction of new gravity lines, force mains, pump stations, and upgrades to existing pump stations. The estimated total cost is \$19,290,000 through the 10 year horizon and an additional \$10,030,000 through the 20 year horizon for a total of \$29,320,000.

Southern Service Area

The wastewater from this section of the planning area will be sent to the existing Elizabethtown WWTP. This alternative will include the construction of trunk sewers, force mains, pump stations, and WWTPs. The estimated total cost is \$18,489,000 through the 10 year horizon and an additional \$10,715,000 through the 20 year horizon for a total of \$29,204,000.

Eastern Service Area

The wastewater from this section of the planning area will be sent to the existing Elizabethtown WWTP. This alternative will include the construction of trunk sewers, force mains, pump stations, and WWTPs. The estimated total cost is \$5,281,000 through the 10 year horizon and an additional \$5,775,000 through the 20 year horizon for a total of \$11,056,000.

Upton and Sonora Service Area

The wastewater from this section of the planning area will be sent to the existing Caveland WWTP that is located in Cave City in Barren County. This alternative will include the construction of trunk sewers, force mains, pump stations, and WWTPs. The estimated total cost is \$6,204,000 with all additions being made during the 10 year horizon.

Rural Watersheds

Any development within the rural watershed will be serviced by cluster-type systems designed and constructed per Hardin County Water District No. 2 design standards. A local water management entity will be responsible for the management, operation, and maintenance of the systems.

The total estimated project cost is \$75,784,000 with a 20-year present worth cost of \$182,126,000. Although this alternative is not the most cost effective, it is still eligible as an alternative since it is within 10% of the monetary value of the most cost effective alternative. After the evaluation of several nonmonetary factors including ability to construct, ability to expand, ability to upgrade, operation and maintenance, and impact to land, it is determined that this is the most feasible alternative. **This is the selected alternative.**

F. Environmental Consequences, Mitigative Measures

Impacts on Historic Properties and Archeological Sites:

The Kentucky Heritage Council (KHC) stated in a letter dated December 19, 2007 that the project has the potential to impact archaeological sites eligible for listing on the National Register of Historic Places and recommended that a professional archaeologist should conduct an archaeological survey for all undisturbed pump station tracts and undisturbed segments of force mains or gravity lines outside of highway right-of-ways to determine if there are any sites eligible for listing on the National

register of historic Places which might be affected. The archaeological report must be submitted to the Kentucky Heritage Council for review, comment and approval. An archaeological survey is not required if the force mains and gravity lines are constructed within disturbed highway right-of-ways.

Impacts on Threatened and Endangered Species:

The U.S. Fish and Wildlife Service (USFWS) stated in a letter dated January 11, 2008 (FWS2008-B-0202) stated that the potential for the endangered Indiana bat (*Myotis sodalis*) habitat may exist within the proposed project sites.

To avoid potential impact to the Indiana bat population, the USFWS recommended 3 options:

- 1) Conduct a survey of the project area for potentially suitable winter habitat (caves, rock shelters, abandoned underground mines) and the trees in the project area should be removed only between October 15 and March 31 in order to avoid impacting summer roosting Indiana bats.
- 2) Conduct a biological survey of the project area to determine the presence or absence of the species within the project area, with coordination with USFWS on the survey plan and results;
or
- 3) Provide USFWS with site-specific information that shows the absence of the Indiana bat.

Prior to construction a written acceptance of these recommendations as a condition for this project should be submitted to USFWS.

Impacts on Wetland and Streams:

The US Fish and Wildlife in a letter dated January 11, 2008 (FWS # 2007-B-0202), indicated that since the project may require stream work. Further planning on the project should include the most stringent erosion and sediment control measures possible and that this planning evaluate all appropriate measures to minimize direct impacts to aquatic environments. However, if direct impacts are inevitable then the USFWS recommended 3 options:

- 1) Install silt barriers when working adjacent to all streams to prevent runoff.
- 2) Lines should be attached to road bridges, but if this is not possible then they should be installed using directional boring in order to minimize disturbance to the streams that are crossed. Also, when trenching is necessary, it should be accomplished during low flow periods.
- 3) Reseed stream banks with native vegetation beneficial to wildlife immediately following completion of any stream crossings, disturbed surfaces should be restored to original contours, and excess materials removed to properly confine upland area.
- 4) Work areas should be monitored on a continuous basis by an inspector trained in erosion and sediment control to ensure timely restabilization of disturbed area that could potentially contribute sediment to aquatic ecosystems.

The Kentucky Department of Fish and Wildlife Resources (KDFWR) stated in a letter dated December 4, 2007 that the Kentucky Fish and Wildlife Information System indicates that state threatened and endangered fish and wildlife species are known to occur within close proximity to the project area, however KDFWR does not anticipate significant ecological impacts associated with the construction of the project. Additionally KDFWR recommended the following for the portions of the project that crosses intermittent or perennial streams.

1. Channel changes located within the project area should incorporate natural stream channel design.
2. Development/excavation during low flow period to minimize disturbances.
3. When crossing a stream, the pipe should be laid perpendicular to the stream bank to minimize the direct impacts to the streambed.

4. Replanting of disturbed areas after construction, including stream banks and Right-of-Ways, with native vegetation for soil stabilization and enhancement of fish and wildlife population.
5. Return all disturbed instream habitat to a stable condition upon completion of construction in the area.
6. Preservation of tree canopy overhanging the stream.
7. Return all right-of-ways to original elevation.

Impacts on Floodplains:

A floodplain construction permit may be required from the DOW's Surface Water Permit Branch, Floodplain Management Section, if there are any disturbances in the 100-year floodplain.

Impacts on Forest:

There are currently no state forests but the state champion black cherry is located on the western edge of the proposed project area near the community of Vertrees. Special care should be taken around this tree and those existing trees that will remain after the construction is complete. Heavy equipment should be kept away from the base of the tree to prevent wounding of the trunk or surface roots. Construction traffic should be routed away from the dripline of the tree to lessen the severity of soil compaction. Compacted soil reduces the amount of water available to the tree, and this lack of water can cause added stress. Stressed trees are vulnerable to insect and disease infestation. After construction is completed, consider replanting back suitable tree species that will meet with the local tree planting ordinance.

Impacts on Air:

Kentucky Division for Air Quality Regulation 401 KAR 63:010 Fugitive Emissions states that no person shall cause, suffer, or allow any material to be handled, processed, transported, or stored without taking reasonable precaution to prevent particulate matter from becoming airborne. Additional requirements include the covering of open bodied trucks, operating outside the work area transporting materials likely to become airborne, and that no one shall allow earth or other material being transported by truck or earth moving equipment to be deposited onto a paved street or roadway. Please note the Fugitive Emissions Fact Sheet located at http://www.air.ky.gov/homepage_repository/e-Clearinghouse.htm.

Kentucky Division for Air Quality Regulation 401 KAR 63:005 states that open burning is prohibited. Open Burning is defined as the burning of any matter in such a manner that the products of combustion resulting from the burning are emitted directly into the outdoor atmosphere without passing through a stack or chimney. However, open burning may be utilized for the expressed purposes listed on the Open Burning Fact Sheet located at http://www.air.ky.gov/homepage_repository/e-Clearinghouse.htm.

Miscellaneous Impacts:

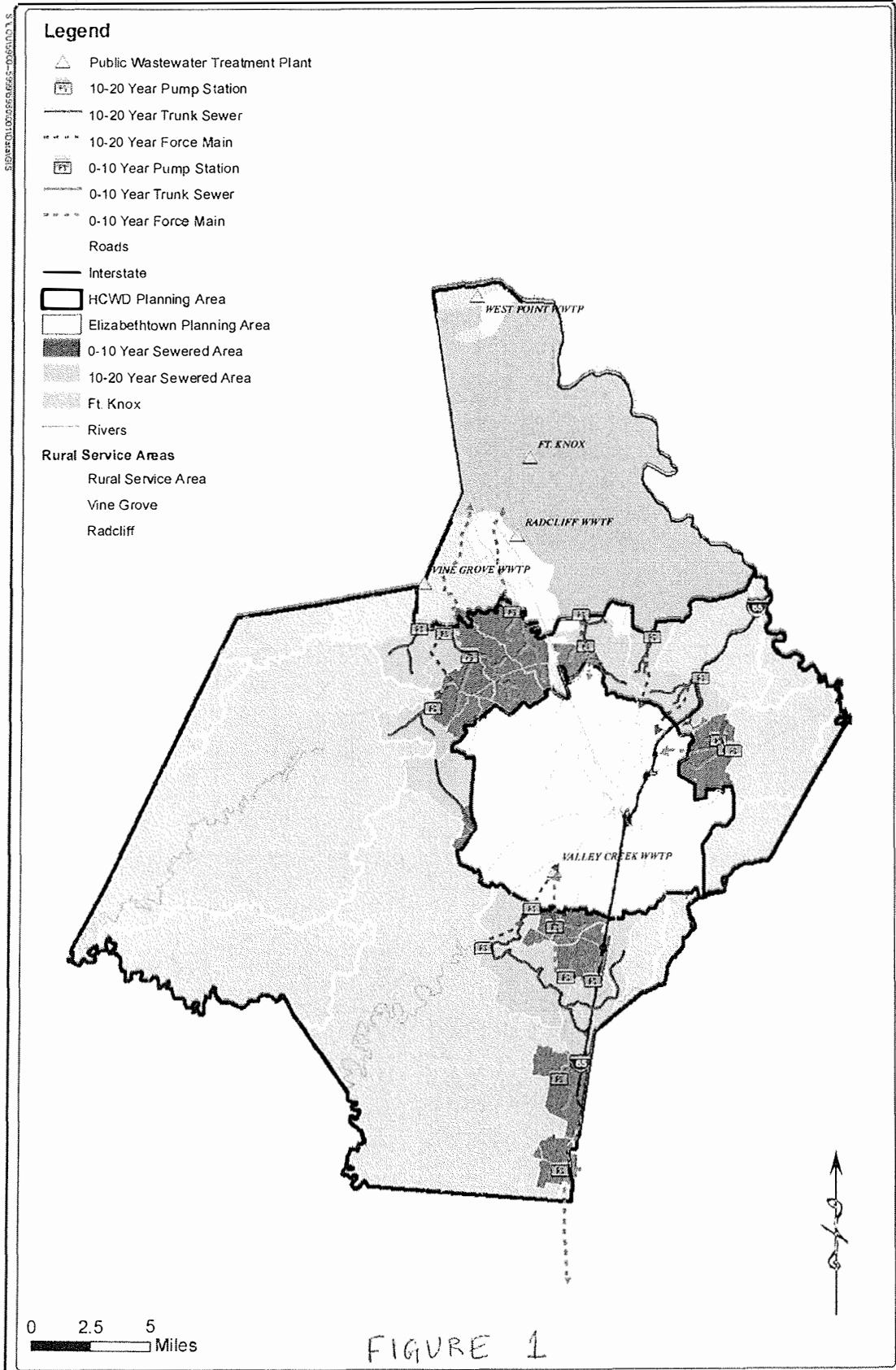
The environmental impact of constructing the proposed facilities includes those temporary impacts of noise, dust, and traffic disruption in the construction area. The proposed project will improve the surface water and groundwater quality over the next 20 years. This action will also provide a planned development for economic growth in the planning area.

G. Public Participation and User Rates

The public meeting was advertised in The News Enterprise on October 11 and 18, 2007 and the public hearing was held on October 25, 2007 at the Hardin County Fiscal Courthouse. Verbal comments were received and questions answered, with discussion focused on need for the facility and the associated costs to customers. No opposition to the proposed project was stated. The Division of Water is not aware of any unresolved public objections that may have been voiced before or after the public meeting in relation to the proposed project. The proposed monthly sewer rate is \$41 per 4,000 gallons.

H. Sources Consulted

Kentucky Department for Public Health
Kentucky Department of Fish & Wildlife Resources
Kentucky Division for Air Quality
Kentucky Division of Forestry
Kentucky Division of Waste Management
Kentucky Division of Water
Kentucky Heritage Council
Kentucky State Clearinghouse
Natural Resources Conservation Service Web Soil Survey
Kentucky Geological Survey Website
U.S. Fish & Wildlife Service
Hardin County Water District No. 2
Hardin County Water District No. 1
Strand Associates
Mayor, Vine Grove
HDR Quest



RECOMMENDED PLAN

**REGIONAL WASTEWATER FACILITIES PLAN
HARDIN COUNTY WATER DISTRICT NO. 2
HARDIN COUNTY, KENTUCKY**

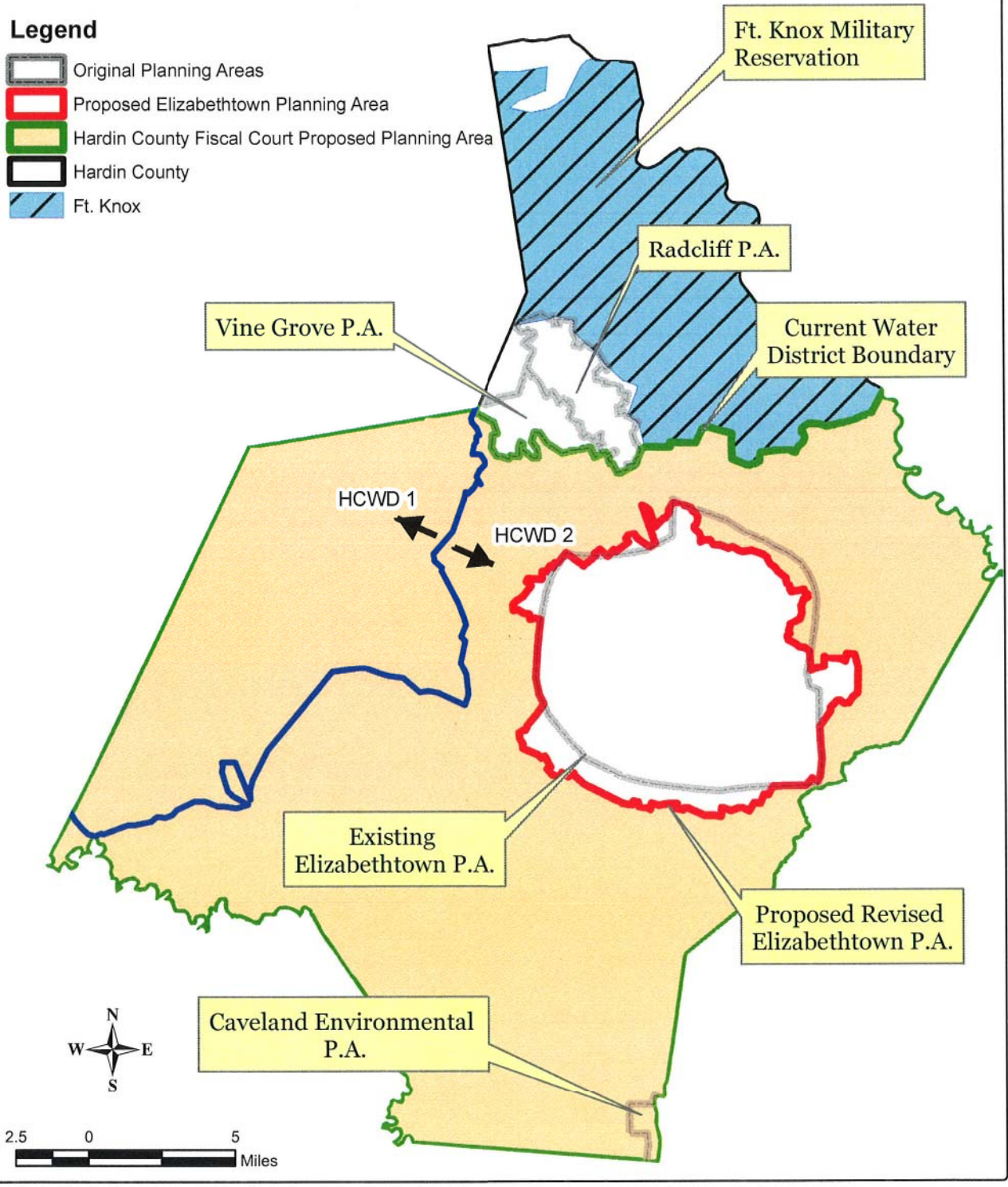
BR STRAND CONSULTING
FIGURE 1
5980.001

EXHIBIT 7

S:\051951-1000\980001\Wrd\Facilities Plan Report\Figures for Report\Planning Areas

Legend

-  Original Planning Areas
-  Proposed Elizabethtown Planning Area
-  Hardin County Fiscal Court Proposed Planning Area
-  Hardin County
-  Ft. Knox



**EXISTING AND PROPOSED
PLANNING AREAS**

**HARDIN COUNTY REGIONAL WASTEWATER FACILITIES PLAN
HARDIN COUNTY WATER DISTRICT NO. 2
HARDIN COUNTY, KY**



**FIGURE 2.03-1
5-980-001**

EXHIBIT 8



Lincoln Trail District Health Department

108 NEW GLENDALE ROAD
P.O. BOX 2609
ELIZABETHTOWN, KENTUCKY 42702-2609
(270) 769-1601
FAX (270) 765-7274

August 3, 2012

To Whom It May Concern:

On behalf of the Lincoln Trail District Health Department, I am writing to voice our support of the proposed expansion of municipal sewer to the community of Glendale, Kentucky. As you are aware, septic systems provide a means to allow development in rural areas and reduce contamination of ground water and human exposure to waste that may lead to disease. Septic systems also provide a green way to treat wastewater and replenish ground water. However, septic systems also require maintenance (pumping tanks, cleaning filters, switching splitter valves, etc) and like any other part of your home, eventually your septic system will need to be replaced or repaired (central heat/air units, roof, etc). Many of the septic systems located in Glendale were installed prior to the adoption of the Kentucky Onsite Sewage Regulations and are reaching maximum useful life span. Because older systems were installed prior to current regulation, many of these systems are so deep in the ground that repair or replacement of these systems would require a pump system or the re-plumbing of a house. In the town of Glendale itself, space to repair or replace existing septic systems is limited. A sewer system would provide a repair option to a homeowner with limited space when a system needs to be replaced or repaired or if that section of land is utilized for something else such as a pool, garage, etc. Sewer is also an efficient alternative for commercial properties. Sometimes system sizing requirements limit what the owner originally intended to use the property for due to space limitations. Utilization of sewer reduces minimum lot size or land area required to support system area and repair, thus providing more efficient use of land.

Respectfully Submitted,

Sara Jo Best, RS, MPH
Environmental Director

GRAYSON CO. HEALTH CENTER
124 EAST WHITE OAK ST.
LEITCHFIELD, KENTUCKY 42754
(270) 259-3141

HARDIN CO. HEALTH CENTER/E-TOWN
580 WESTPORT ROAD
ELIZABETHTOWN, KENTUCKY 42701
(270) 765-6196

HARDIN CO. HEALTH CENTER/RADCLIFF
1463 NORTH WILSON
RADCLIFF, KENTUCKY 40160
(270) 352-2526

LARUE CO. HEALTH CENTER
215 EAST MAIN ST.
HODGENVILLE, KENTUCKY 42748
(270) 358-3844

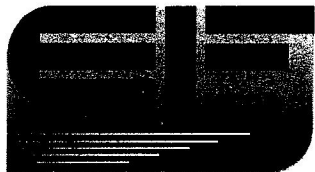
MARION CO. HEALTH CENTER
516 NORTH SPALDING AVE.
LEBANON, KENTUCKY 40033
(270) 692-3393

MEADE CO. HEALTH CENTER
520 HILLCREST DRIVE
BRANDENBURG, KENTUCKY 40108
(270) 422-3988

NELSON CO. HEALTH CENTER
325 SOUTH THIRD
BARDSTOWN, KENTUCKY 40004
(502) 348-3222

WASHINGTON CO. HEALTH CENTER
302 EAST MAIN ST.
SPRINGFIELD, KENTUCKY 40069
(859) 336-3980

EXHIBIT 9



233 Ring Road, Suite 150
Elizabethtown, KY 42701
P 270-737-0300 F 270-765-3986
www.eifky.org

ELIZABETHTOWN
HARDIN COUNTY
INDUSTRIAL FOUNDATION

July 14, 2017

Kentucky Public Service Commission
P. O. Box 615
211 Sower Boulevard
Frankfort KY 40602-0615

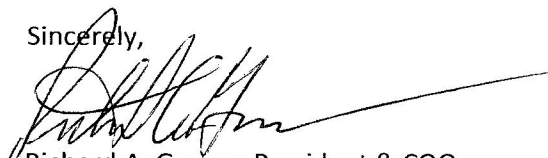
Commissioners:

I would like to take this opportunity to request your expedited review of the Hardin County Water District #2 Nolin River Watershed Wastewater Project. We feel that it is of the utmost importance that this project be started as quickly as possible.

The service that this will provide to the 1,551 acre Glendale Mega Site is vital to the location of not only a major employer to Hardin County but to the Commonwealth of Kentucky as a whole. As the Cabinet for Economic Development and the Elizabethtown/Hardin County Industrial Foundation market this mega site to prospective employers, we do so with assurances that the wastewater collection facilities will be in place within 12 to 18 months. This is a major factor that comes into play when a company is deciding where to locate their business.

Again, thank you for your expeditious review of this project.

Sincerely,



Richard A. Games, President & COO

EXHIBIT 10



Hardin County Government

Judge/Executive Harry L. Berry
P.O. Box 568, Elizabethtown, Kentucky 42702

*The Commonwealth's
Premier County
To Live, Work, and
Raise a Family*

July 14, 2017

Chairman Michael J. Schmitt
Kentucky Public Service Commission
P.O. Box 615
Frankfort, Kentucky 40602-0615

Dear Chairman Schmitt:

I strongly support the application of Hardin County Water District No. 2 for the Nolin River Watershed Wastewater Project.

Hardin is a rapidly growing county placing a high demand on public services and infrastructure. Along with the significant increase in residential development in the proposed project area, Kentucky's largest mega site for industrial development is also within the project's boundaries. In addition to serving as many as 600 residential locations existing now or in the near future, the 1,550-acre Glendale Industrial site lies at the heart of the project with the potential for creating 3,000 jobs when developed.

Hardin County Fiscal Court has been onboard with providing of sewer service in the project area all the way back to the development of the Regional Wastewater Facilities Plan in 2004. Hardin County Fiscal Court quickly endorsed the plan and adopted our two-wastewater service areas in 2009 when the facilities plan was approved. Subsequently, in 2013 Fiscal Court also adopted Ordinance 293, Series 2013 requiring residents to connect to a public sewer system when it is available.

Hardin County is a progressive county diligently working to meet the service and infrastructure needs of our communities. Completion of the Nolin River Watershed Wastewater Project will greatly assist in meeting these needs, dramatically changing the lives of the citizens in the project area, and will significantly enhance the opportunity for development of Kentucky's leading industrial mega site.

Sincerely,


Harry L. Berry
Hardin County Judge/Executive

HLB:sp

EXHIBIT 11

Doc ID: 009309230006 Type: FCM
Kind: ORDINANCE-FCM
Recorded: 12/20/2013 at 11:00:04 AM
Page 1 of 6
Hardin County Clerk
Kenneth L. Tabb Clerk
File# 293

HARDIN COUNTY, KENTUCKY

5 PG 365-370

ORDINANCE NO. 293, SERIES 2013

AN ORDINANCE RELATING THE REQUIREMENTS TO AMENDMENT NO. 2 OF ORDINANCE NO. 269, SERIES 2009

AN ORDINANCE RELATING THE REQUIREMENTS TO PROVIDE ADEQUATE AND ACCEPTABLE SEWAGE DISPOSAL AND TREATMENT FOR ALL PROPERTIES IN UNINCORPORATED HARDIN COUNTY, KENTUCKY.

WHEREAS the Hardin County Fiscal Court and the Hardin County Planning and Development Commission have adopted a Comprehensive Plan, Land Use Regulations, and Subdivision Regulations;

WHEREAS the above-mentioned regulations are designed to protect the public health, safety and welfare of the citizens of Hardin County;

WHEREAS on October 1 and October 3, 2013 the Hardin County Planning and Development Commission held a series of Public Open Houses to gain public input; and

WHEREAS on December 3, 2013 the Hardin County Planning and Development Commission held a Public Hearing on the proposed text amendment and adopted Resolution 01, Series 2013 recommending approval of the proposed text amendment to Fiscal Court; and

WHEREAS the proposed text amendment will add Section 18 that will set forth the requirements to provide adequate and acceptable sewage disposal and treatment for all properties in Unincorporated Hardin County, Kentucky:

BE IT ORDAINED BY THE FISCAL COURT OF COUNTY OF HARDIN, COMMONWEALTH OF KENTUCKY, AS FOLLOWS:

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| 18-1 | INTENT | Page | 1 |
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| 18-3 | PROHIBITED FACILITIES | Page | 2 |
| 18-4 | ALLOWABLE DISPOSAL / TREATMENT METHODS | Page | 2 |
| 18-5 | FEES, RATES AND CHARGES | Page | 4 |
| 18-6 | PENALTIES | Page | 4 |

SECTION 18**SEWAGE DISPOSAL AND TREATMENT REQUIREMENTS****18-1 INTENT**

The purpose of this section is to set forth the requirements to provide adequate and acceptable sewage disposal and treatment for all properties in Unincorporated Hardin County, Kentucky.

18-2 APPLICABILITY

Connection to a centralized sewer system shall be required for the following activities or actions within 300 feet of a publically or government owned treatment works collection asset (gravity pipe, manhole, wetwell):

1. For new construction within commercial and industrial zones and for assembly land uses in all residential zones
2. For enlargements, additions, extensions within commercial and industrial zones and for assembly uses in all residential zones
3. For new construction of multifamily structures. This includes the conversion or alteration or addition to existing structures into multifamily units
4. For the conversion of a residential structure to a non-residential use
5. For a change in use of a commercial or industrial structure
6. For the development of new subdivisions with streets
7. For new subdivisions of land or re-subdivided property that creates five (5) or more new lots for development
8. For the development of a new mobile home park
9. For properties determined to have a "failing" on-site septic system by the Environmental Services Office of the Lincoln Trail Health Department. For the purposes of this Section, failing means that the on-site septic system is not functioning adequately or within applicable regulatory parameters and that the cost of repair or improvement exceeds the cost of connecting to sewer, or that the property has no means of repair or improvement due to soil conditions or available area. The determination of whether a system is failing, including projected costs of repair, improvement or connection to sewer, shall be determined by the Environmental Services Office of the Lincoln Trail Health Department.

The design and installation of the collection system, lift stations or other conveyance infrastructure needed to convey sewage into the system is the responsibility of the owner or developer. The 300 feet shall be measured from the closest existing entry point of the collection asset to the closest property line. The publically or government owned treatment works shall be responsible for notifying Hardin County

Planning & Development and the Hardin County Health Department when centralized sewer service becomes available to areas within the County.

18-3 PROHIBITED FACILITIES

The following facilities or methods of sewage disposal are prohibited and will not be allowed to be constructed or used in Unincorporated Hardin County;

1. Straight pipe installed direct to creek, stream, sinkhole, open ditch, cesspool (non-agricultural) or any other method that is banned or prohibited by any state or federal law or regulation.
2. Floor, basement, or crawl space drains which are lower than ground surfaces surrounding the building shall not be connected to any building sanitary sewer which flows to a centralized or public treatment system.
3. No customer shall make connection of roof down spouts, basement wall seepage or floor seepage, exterior foundation drains, areaway drains, or other surface runoff or groundwater to a building sewer or building drain, which flows to a centralized or public treatment system.

The owner of a building connected to such facilities and any person(s) that performs the work in making such a connection shall be subject to the penalties set out herein.

18-4 ALLOWABLE DISPOSAL / TREATMENT METHODS

The following four (4) methods are available for sewage disposal / treatment within the County where available. Only one of the methods may be used, and is required and described, in accordance with location or type of development as described in subsequent sections below:

1. PTW1 – Connection to a Publically Owned Treatment Works (“POTW”) where treatment occurs off-site from the development. The entities that may own these systems may be a County Water District (“WD”), authorized to operate sewage disposal systems by KRS 74.407. Certain fees and connection charges of the WD will be set forth in their tariff, which fees must be paid by the developer or property owner. Design, construction and specifications for the required infrastructure will be determined by the requirements of the District. Other than a private sewer lateral line conveying flows to the POTW, the infrastructure ownership, maintenance and replacement will be transferred to the POTW after a warranty period specified by the District. Any monthly charges to discharge to the POTW and receive future sewer service will be as set forth in the District’s latest approved tariff and will apply to subsequent property owners connected to and using the system.
2. PTW2 – This is the same type of system as PTW1, but the owner or entity providing the service could be a City government (“City”) organized under KRS 81. Only those cities having an agreement with Hardin County Water District 1 or Hardin County Water District 2 will be available to provide sewer service to properties or lots being developed in unincorporated areas of Hardin County. Certain fees and connection charges of the City will be set forth in that entities ordinance, which must be paid by the developer or property owner. Design,

construction and specifications for the required infrastructure will be determined by the requirements of the City. Other than a private sewer lateral line conveying flows to the POTW, the infrastructure ownership, maintenance and replacement will be transferred to the POTW after a period specified by the City. Any monthly charges to discharge to the POTW and receive future sewer service will be as set forth in the City's latest approved ordinance and will apply to subsequent property owners connected to and using the system.

3. OS1 – On-site, septic system. These systems are designed, inspected and permitted under authority of Kentucky Department for Public Health Protection and Safety and the Kentucky Division of Water. KRS 211.350 designates the cabinet as the regulatory entity for the construction, installation, or alteration of onsite sewage disposal systems. 902 KAR 10:085 outlines the site and system requirements. KRS 211.360 outlines the requirements of any person approving construction, installation, or alteration of an on-site sewage disposal system. The local authority which will issue a permit and provide an inspection is the Environmental Services office of the Lincoln Trail Health Department. Certain fees as published by that office must be paid by the development owner or applicant in order to have this type of system permitted and installed. All costs to install, maintain and repair the system shall be borne by the individual property owner once the system is installed.
4. OS2– Alternative or on-site, cluster or experimental systems. These systems typically will serve multiple lots or buildings, but do not connect to a POTW. An OS2 may be located on a separate tract of land, within a subdivision or development. These systems are designed, inspected and permitted under authority of Kentucky Department for Public Health Protection and Safety and the Kentucky Division of Water. In addition to regulations and statutes cited in above section, KRS 322.010 and 322.020 add additional requirements for the design and construction of these systems. The local authority which will issue a permit and provide an inspection is the Environmental Services office of Lincoln Trail Health Department. Certain fees as published by that office must be paid by the development owner or applicant in order to have this type of system permitted and installed. All costs to install, maintain and repair the system shall be borne by the individual property owner or, may be maintained by a Homeowners Association or similar responsible party.

18-5 FEES, RATES AND CHARGES

The Water Districts shall devise, review annually and publish its schedule of fees, rates, and charges, which shall be based on the actual costs of providing services as provided in KAR 807 5:011. The schedule may include service assessments, system development charges and other similar fees and charges.

18-6 PENALTIES

Any person, entity or corporation violating any of the provisions of this Ordinance or failing or refusing to comply with the rules and regulations of Hardin County Planning & Development, the Hardin County Health Department or Hardin County Water District #1 or #2 relating to this Ordinance shall be fined not less than fifty dollars (\$50.00) nor more than five hundred dollars (\$500.00) for each offense.

Each day such person, entity or corporation fails or refuses to comply with the specific provisions of this Ordinance shall constitute a separate offense.

Given First Reading on the 10th day of December 2013.

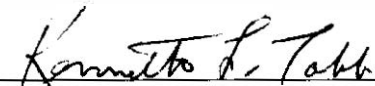
Given Second Reading of the 20th day of December, 2013.

Adopted by the Fiscal Court of Hardin County, Kentucky on this the 20th day of December, 2013.

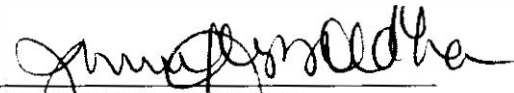
HARDIN COUNTY FISCAL COURT

By: 
HARRY L. BERRY
HARDIN COUNTY JUDGE/EXECUTIVE

Attest:


KENNETH L. TABB
HARDIN COUNTY COURT CLERK

Approved as to form:


JENNIFER P. OLDHAM
HARDIN COUNTY ATTORNEY

Published
The News-Enterprise
December 11, 2013

PUBLIC NOTICE

Hardin County Fiscal Court, in its regular meeting on 10 December 2013, had the first reading of Ordinance No. 263, Series 2013 entitled:

AN ORDINANCE RELATING TO REQUIREMENTS IN AMENDMENT NO. 2 OF ORDINANCE NO. 269, SERIES 2009 RELATING TO REQUIREMENTS TO PROVIDE ADEQUATE AND ACCEPTABLE SEWAGE DISPOSAL AND TREATMENT FOR ALL PROPERTIES IN UNINCORPORATED HARDIN COUNTY, KY

A second reading of the proposed ordinance will be held on 20 December 2013 at a regular Fiscal Court meeting at 10:00 a.m. at the H.B. Fife Courthouse, 3rd floor courtroom, 100 Public Square, Elizabethtown, Kentucky.

A copy of the full text of the ordinance is available in the office of the Hardin County Planning & Development Commission, H.B. Fife Courthouse, 100 Public Square, Suite 200, Elizabethtown, Kentucky, Monday through Friday from 8:00 a.m. to 4:30 p.m.





*/s/*Harry L. Berry

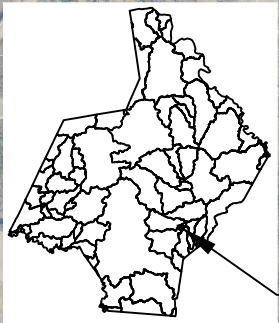
Hardin County Judge/Executive

EXHIBIT 12

EXHIBIT 12A

LEGEND

-  PROJECT AREA
-  SERVICE AREA
-  INITIAL SERVICE AREA
-  FUTURE SERVICE AREA



PROJECT LOCATION



TOWN OF
GLENDALE

RESIDENTIAL
SERVICE
AREA

I-65
INTERCHANGE
SERVICE AREA

COMMERCIAL
SERVICE
AREA

GLENDALE
INDUSTRIAL
TRACT

NOLIN RIVER PROJECT AREA AND SERVICE AREA

**NOLIN RIVER SEWER INFRASTRUCTURE
HARDIN COUNTY WATER DISTRICT NO. 2
HARDIN COUNTY, KENTUCKY**



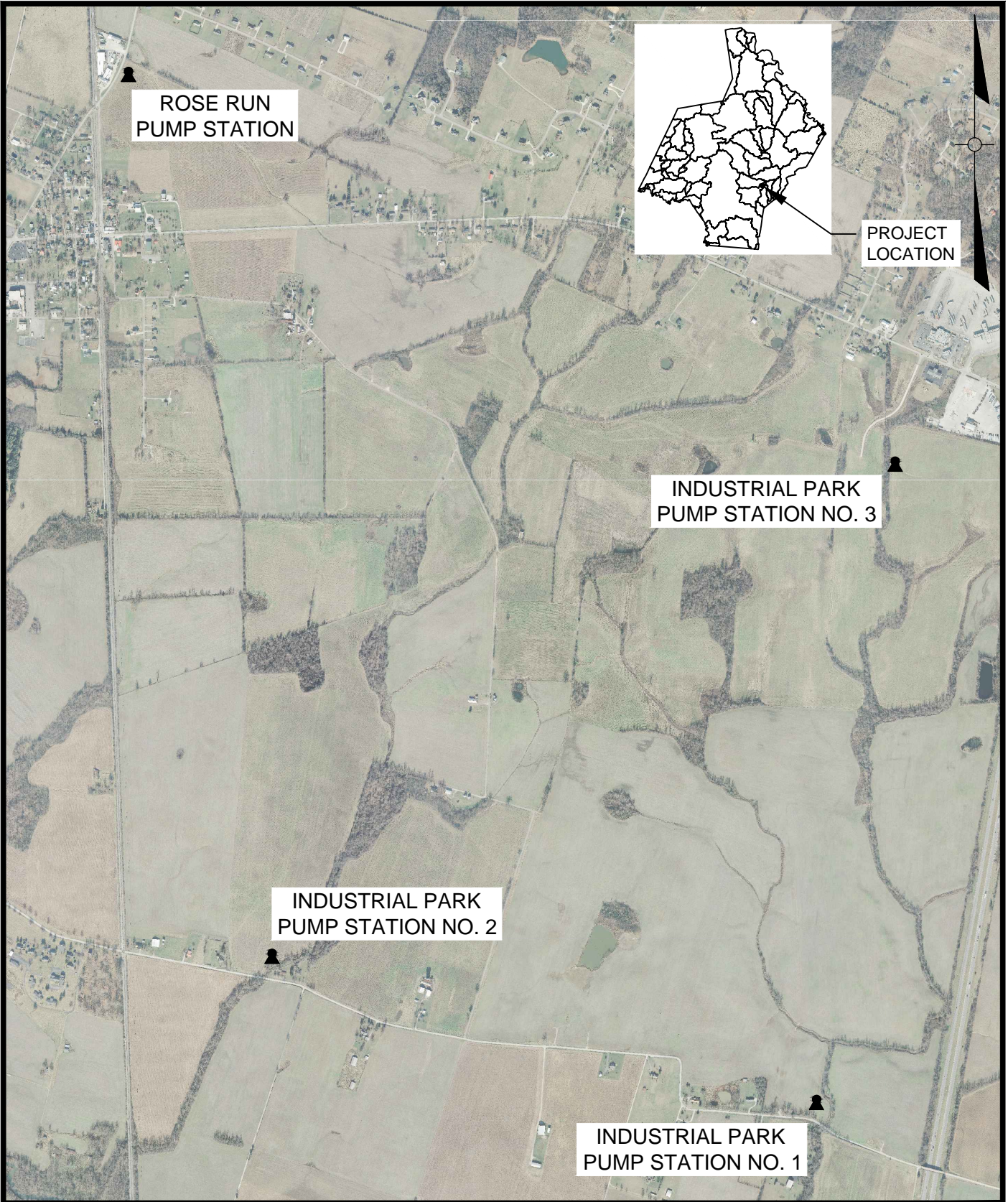
FIGURE 1

5980.020

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EXHIBIT 12B

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NOLIN RIVER PUMP STATION SITE MAP

**NOLIN RIVER SEWER INFRASTRUCTURE
HARDIN COUNTY WATER DISTRICT NO. 2
HARDIN COUNTY, KENTUCKY**

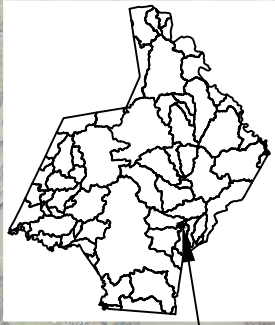


FIGURE 3

5980.020

EXHIBIT 12C


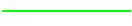


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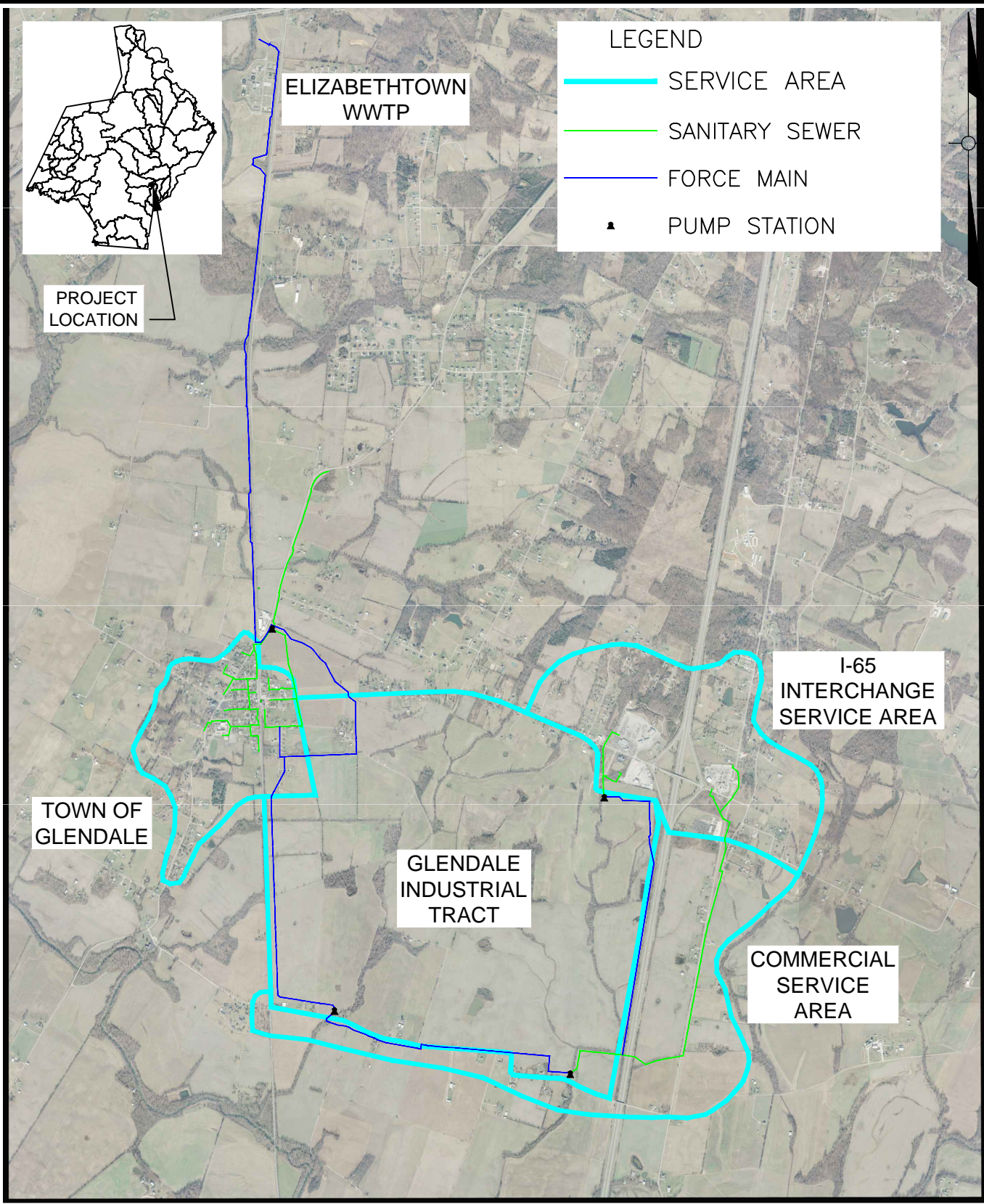


PROJECT LOCATION

ELIZABETHTOWN
WWTP

LEGEND

-  SERVICE AREA
-  SANITARY SEWER
-  FORCE MAIN
-  PUMP STATION



TOWN OF
GLENDALE

GLENDALE
INDUSTRIAL
TRACT

I-65
INTERCHANGE
SERVICE AREA

COMMERCIAL
SERVICE
AREA

NOLIN RIVER INITIAL INFRASTRUCTURE

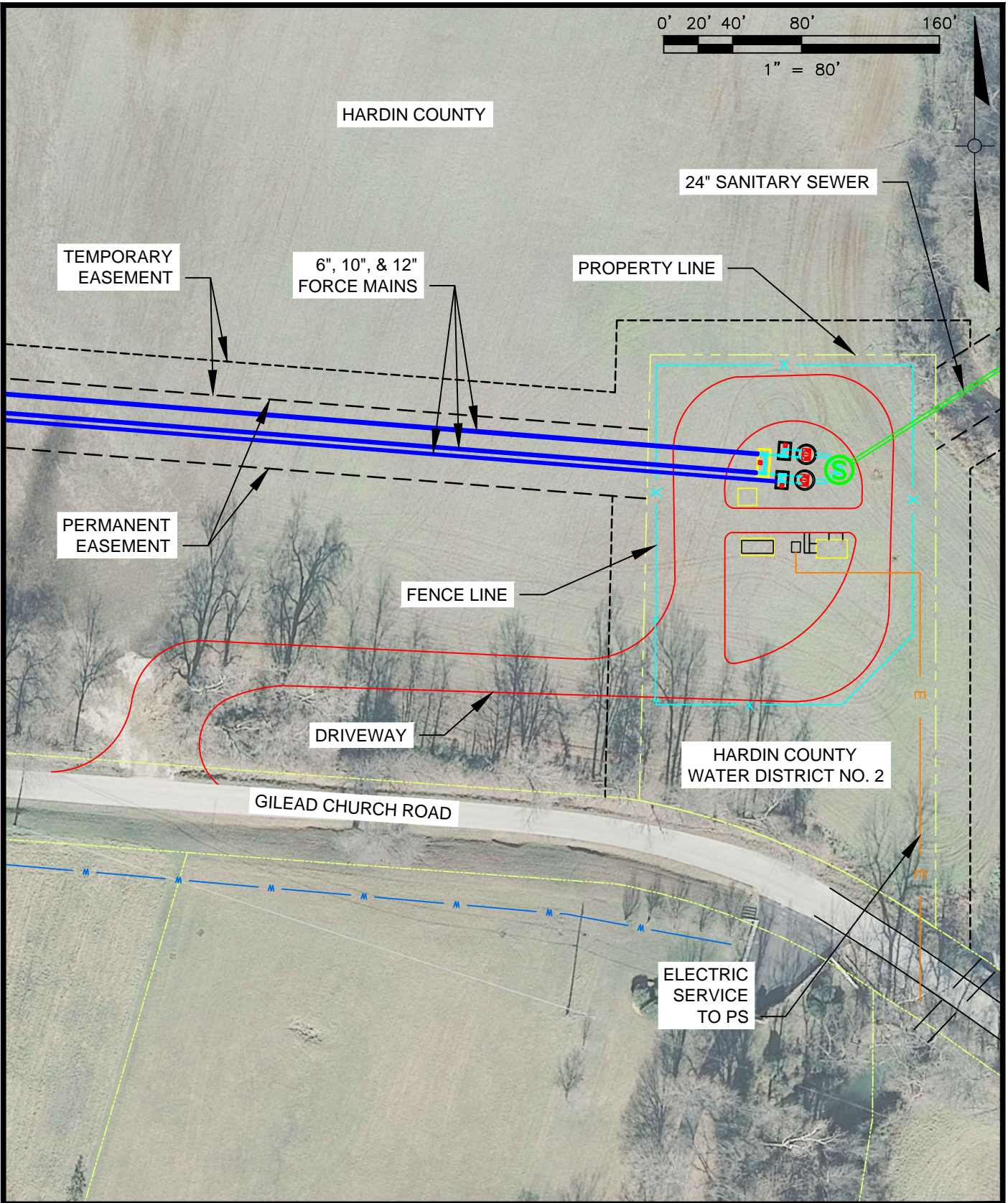
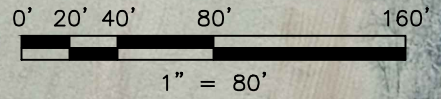
**NOLIN RIVER SEWER INFRASTRUCTURE
HARDIN COUNTY WATER DISTRICT NO. 2
HARDIN COUNTY, KENTUCKY**



FIGURE 2

5980.020

EXHIBIT 12D



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**INDUSTRIAL PARK PUMP STATION NO. 1
PROJECT LOCATION MAP**

**NOLIN RIVER SEWER INFRASTRUCTURE
HARDIN COUNTY WATER DISTRICT NO. 2
HARDIN COUNTY, KENTUCKY**

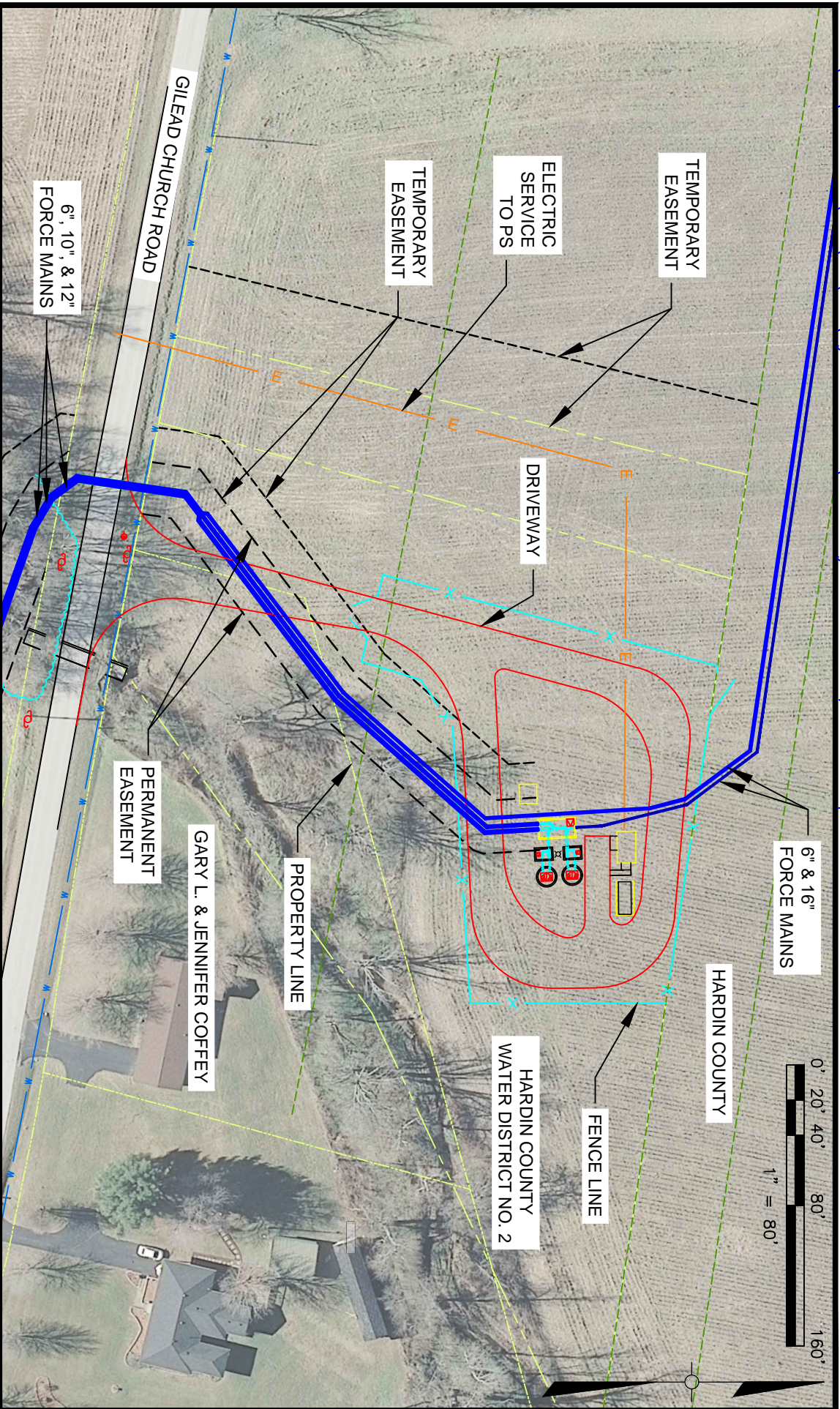


FIGURE 4

5980.020

EXHIBIT 12E

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**INDUSTRIAL PARK PUMP STATION NO. 2
PROJECT LOCATION MAP**

**NOLIN RIVER SEWER INFRASTRUCTURE
HARDIN COUNTY WATER DISTRICT NO. 2
HARDIN COUNTY, KENTUCKY**

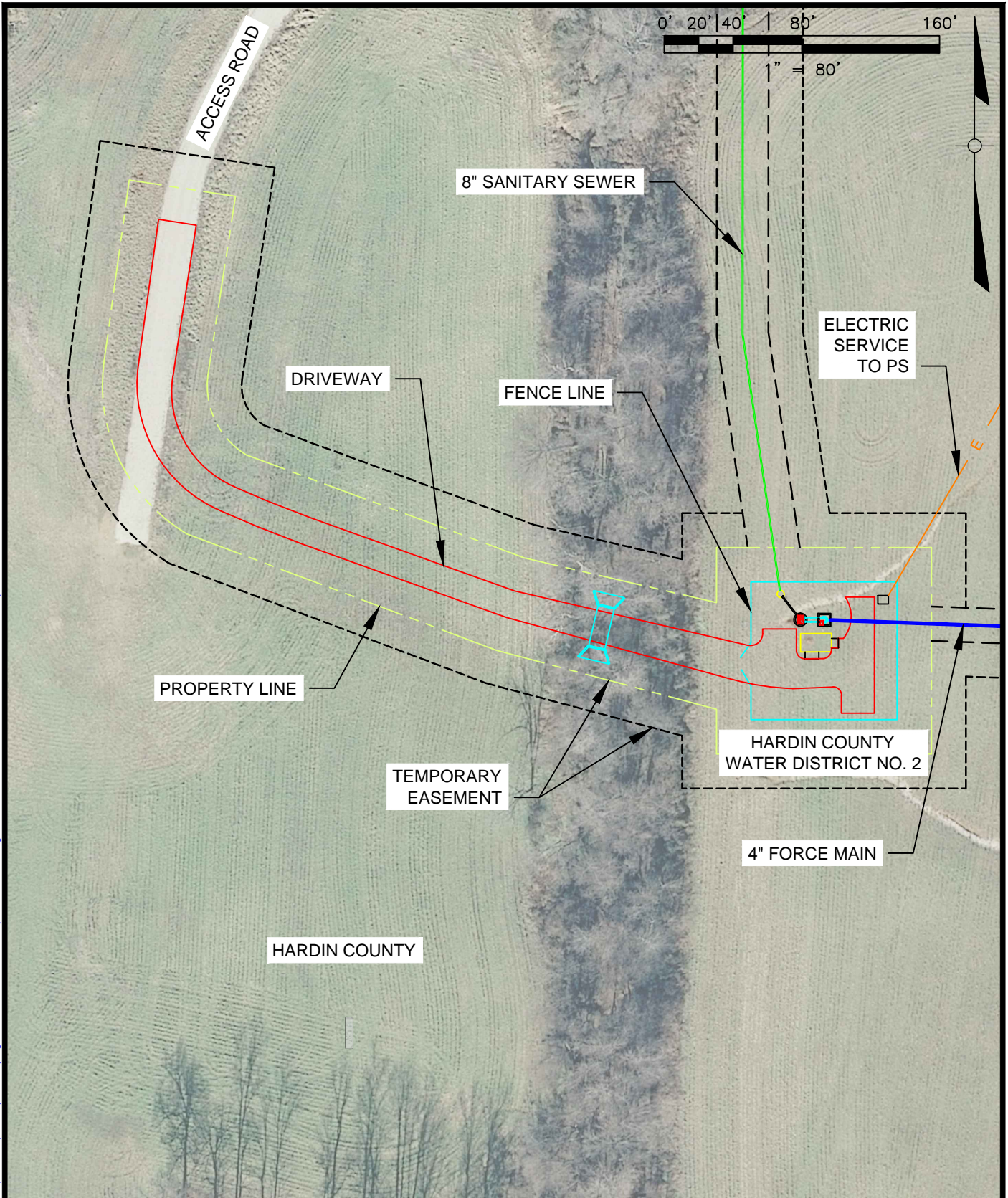


FIGURE 5

5980.020

EXHIBIT 12F

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**INDUSTRIAL PARK PUMP STATION NO. 3
PROJECT LOCATION MAP**

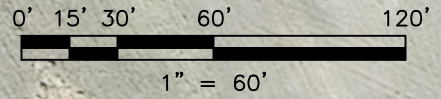
**NOLIN RIVER SEWER INFRASTRUCTURE
HARDIN COUNTY WATER DISTRICT NO. 2
HARDIN COUNTY, KENTUCKY**



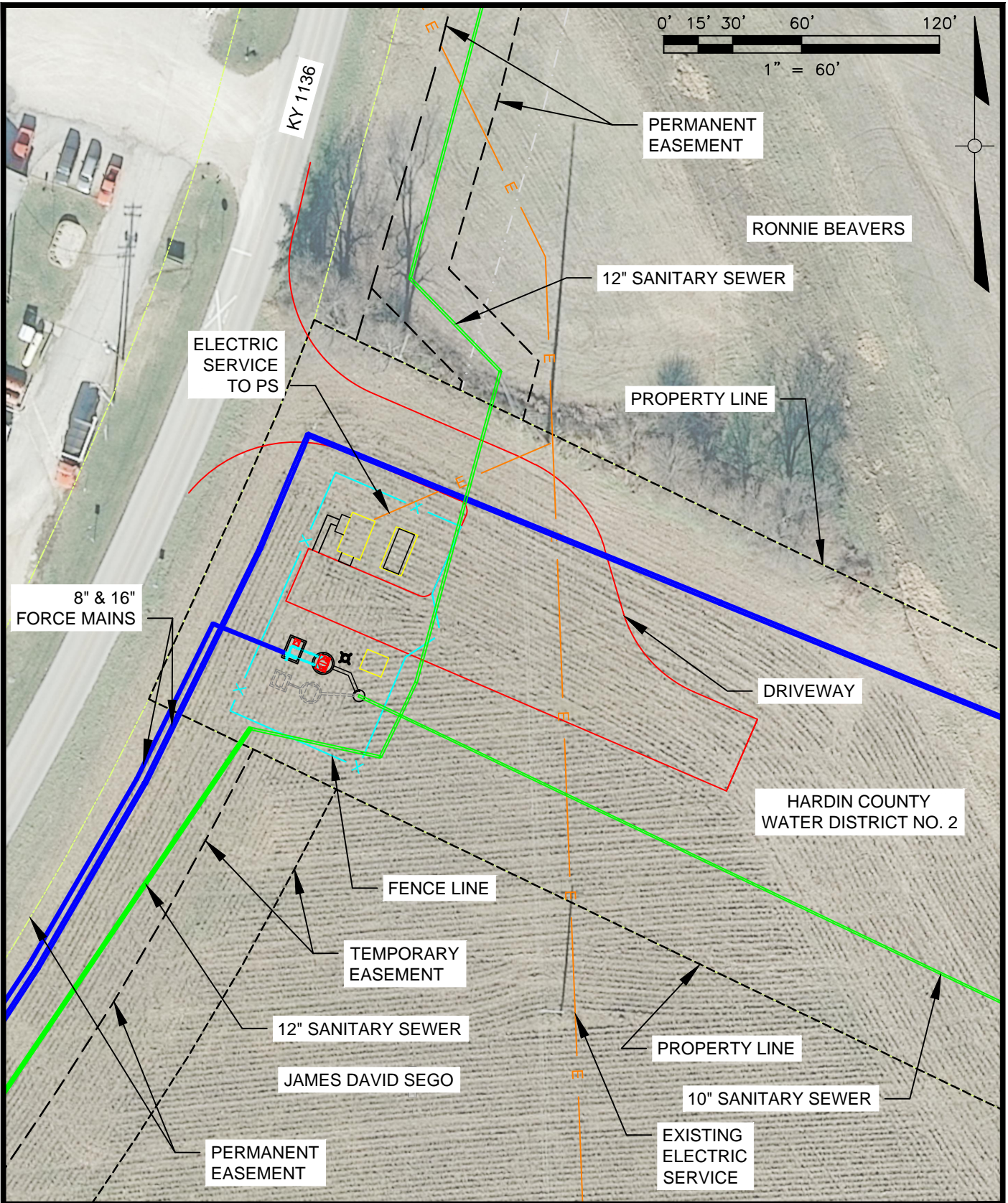
FIGURE 6

5980.020

EXHIBIT 12G



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**ROSE RUN PUMP STATION
PROJECT LOCATION MAP**

**NOLIN RIVER SEWER INFRASTRUCTURE
HARDIN COUNTY WATER DISTRICT NO. 2
HARDIN COUNTY, KENTUCKY**



FIGURE 7

5980.020

EXHIBIT 13

PROVIDED AS SEPARATE DOCUMENT

EXHIBIT 14

PROVIDED AS SEPARATE DOCUMENT

EXHIBIT 15

EXHIBIT 15

Nolin River Watershed Wastewater Project Proposed Location and Routes of Project

The location and route of the Proposed Facilities is shown at Exhibit 12B of this Application. The Proposed Facilities will collect wastewater from the service area and transport it to the Elizabethtown WWTP. There are four principal areas within the initial service area: the Town of Glendale, the I-65 Interchange Service Area, the Commercial Service Area, and the Glendale Industrial Tract.

Town of Glendale Service Area. Gravity sewers will be constructed to serve the homes and businesses within the Town of Glendale. Wastewater from these sewers will flow through gravity sewers to the Rose Run Pump Station and then be pumped through a force main to the Elizabethtown WWTP.

I-65 Interchange Service Area. Gravity sewer mains will be constructed on the west and east sides of the Interstate Highway 65 at the Exit 86 (Glendale) Interchange. On the west side of the I-65 Interchange, the wastewater will flow by gravity to the Industrial Park Pump Station No. 3 and then be pumped through a force main to Industrial Park Pump Station No. 1. Wastewater from that portion of the I-65 Interchange Service Area which is located on the east side of Interstate Highway 65 will flow through gravity sewers to Industrial Park Pump Station No. 1's wet well.

Commercial Service Area. The Commercial Service Area consists of land tracts adjoining the portion of U.S. Highway 31W between Gilead Church Road and Kentucky Highway 222. This area is east of and adjacent to Interstate Highway 65. Wastewater from this area will flow through gravity sewers to Industrial Park Pump Station No. 1's wet well.

Glendale Industrial Tract. The Glendale Industrial Tract will be served by Industrial Park Pump Stations No. 1 and No. 2. No internal wastewater collection facilities will be constructed within the Glendale Industrial Tract. Initially, Pump Station No. 1 will pump the wastewater through a 6-inch force main to the Rose Run Pump Station for re-pumping to the Elizabethtown WWTP. However, 10- and 12-inch force mains will run parallel to this force main and can be used as wastewater volumes increase with customer growth in the I-65 Interchange Area and the development of the Glendale Industrial Tract. The 10-inch and 12-inch force mains can be used individually or in combination to deliver wastewater flows from Pump Station No. 1 to a 16-inch force main that Pump Station No. 1 shares with Pump Station No. 2 and that runs directly from Pump Station No. 2 to the Elizabethtown WWTP. The 10-inch and 12-inch force mains can also be used to deliver wastewater to Pump Station No. 2's wet well for re-pumping directly to the Elizabethtown WWTP.

EXHIBIT 16



Doc ID: 009387330002 Type: DEE
Kind: EASEMENT - DEED
Recorded: 04/03/2014 at 11:31:01 AM
Receipt#: 2014-00003889
Page 1 of 2

Fees: \$13.00
Hardin County Clerk
Kenneth L. Tabb Clerk
BK 1393 PG 400-401

DEED

THIS DEED OF CONVEYANCE made and entered into this 3rd day of April, 2014, by and between COUNTY OF HARDIN, KENTUCKY, a political subdivision of the Commonwealth of Kentucky, 100 Public Square, Elizabethtown, KY 42701, party of the first part, and HARDIN COUNTY WATER DISTRICT NO. 2, P.O. Box 970, Elizabethtown, KY 42702, party of the second part. The in care of address for the current year Ad Valorem Property Tax Bill is c/o HARDIN COUNTY WATER DISTRICT NO. 2, P.O. Box 970, Elizabethtown, KY 42702.

WITNESSETH: That for and in consideration of the use of the following described real estate for purposes of a public utility, and for no consideration being exchanged between the parties, the receipt of which is hereby acknowledged, the party of the first part does hereby grant, bargain, transfer and convey unto the party of the second part, its successors and/or assigns, the following described real estate located in Hardin County, Kentucky, to-wit:

LEGAL DESCRIPTION

Being Lot #1, consisting of 1.139 acres, to Industrial Park of Glendale, Section 1 Subdivision, to Hardin County, Kentucky, per plat of said subdivision recorded in Plat Cabinet #1, Sheet 5534, in the Hardin County Court Clerk's Office.

BEING a portion of property which first party acquired title by deed dated January 15, 2003, recorded in Deed Book 1072, Page 458, in the Hardin County Court Clerk's Office.

This conveyance is made subject to any applicable restrictive covenants of record, all public roads and streets and any applicable provisions of the planning and zoning laws, restrictions and regulations of appropriate jurisdiction, as well as provisions of the Hardin County Kentucky Development Guidance System.

TO HAVE AND TO HOLD the above-described real estate, together with all the appurtenances and improvements thereunto belonging unto the party of the second part, in fee simple, its successors and assigns, forever, with covenant of GENERAL WARRANTY.

First and second parties, by the execution of this instrument, do hereby state that the full and actual consideration given for the real estate herein conveyed is \$0.00, same being conveyed by a political subdivision of the Commonwealth of Kentucky for purposes to be used by a public utility company for Hardin County, Kentucky. Second party enters into this conveyance for sole purpose of

satisfying the consideration certification requirement of KRS 382.135.

IN TESTIMONY WHEREOF, witness the hands of the parties on the day and year as indicated in their respective acknowledgments.

COUNTY OF HARDIN, KENTUCKY

By:


Richard Games, EHCIF Property Manager
FIRST PARTY

HARDIN COUNTY WATER DISTRICT NO. 2

By:


James R. Jeffries, General Manager
SECOND PARTY

STATE OF KENTUCKY
COUNTY OF HARDIN

The foregoing Deed and consideration certification was signed, sworn to and acknowledged before me on this 28 day of March, 2014, by Richard Games, as EHCIF Property Manager, of County of Hardin, Kentucky, as First Party/Seller herein, to be his free voluntary act and deed in his capacity as such.

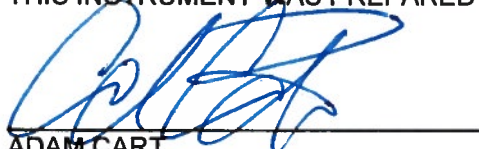
 #483241
NOTARY PUBLIC,
MY COMM. EXPIRES: 2/12/17

STATE OF KENTUCKY
COUNTY OF HARDIN

The foregoing Deed and consideration certification was signed, sworn to and acknowledged before me on this 3rd day of April, 2014, by James R. Jeffries, as General Manager of HARDIN COUNTY WATER DISTRICT NO. 2, as Second Party/Buyer herein, to be his free voluntary act and deed in his capacity as such.

 #483241
NOTARY PUBLIC,
MY COMM. EXPIRES: 2/12/17

THIS INSTRUMENT WAS PREPARED BY:



ADAM CART
102 W. DIXIE AVENUE
ELIZABETHTOWN, KY 42701
(270) 765-4106
WITHOUT A TITLE OPINION ON PROPERTY

I, Kenneth L. Tabb, County Clerk of Hardin County, Kentucky, hereby certify that the foregoing instrument has been duly recorded in my office.


By: DIANE J. NALL, dc

Doc ID: 009387340002 Type: DEE
Kind: EASEMENT - DEED
Recorded: 04/03/2014 at 11:31:12 AM
Receipt#: 2014-00003889
Page 1 of 2

Fees: \$13.00
Hardin County Clerk
Kenneth L. Tabb Clerk
BK 1393 PG 402-403

DEED

THIS DEED OF CONVEYANCE made and entered into this 3rd day of April,

2014, by and between COUNTY OF HARDIN, KENTUCKY, a political subdivision of the Commonwealth of Kentucky, 100 Public Square, Elizabethtown, KY 42701, party of the first part, and HARDIN COUNTY WATER DISTRICT NO. 2, P.O. Box 970, Elizabethtown, KY 42702, party of the second part. The in care of address for the current year Ad Valorem Property Tax Bill is c/o HARDIN COUNTY WATER DISTRICT NO. 2, P.O. Box 970, Elizabethtown, KY 42702.

WITNESSETH: That for and in consideration of the use of the following described real estate for purposes of a public utility, and for no consideration being exchanged between the parties, the receipt of which is hereby acknowledged, the party of the first part does hereby grant, bargain, transfer and convey unto the party of the second part, its successors and/or assigns, the following described real estate located in Hardin County, Kentucky, to-wit:

LEGAL DESCRIPTION

Being Lot #2, consisting of 3.729 acres, to Industrial Park of Glendale, Section 1 Subdivision, to Hardin County, Kentucky, per plat of said subdivision recorded in Plat Cabinet #1, Sheet 5534, in the Hardin County Court Clerk's Office.

BEING a portion of property which first party acquired title by deed dated January 15, 2003, recorded in Deed Book 1072, Page 458, in the Hardin County Court Clerk's Office.

This conveyance is made subject to any applicable restrictive covenants of record, all public roads and streets and any applicable provisions of the planning and zoning laws, restrictions and regulations of appropriate jurisdiction, as well as provisions of the Hardin County Kentucky Development Guidance System.

TO HAVE AND TO HOLD the above-described real estate, together with all the appurtenances and improvements thereunto belonging unto the party of the second part, in fee simple, its successors and assigns, forever, with covenant of GENERAL WARRANTY.

First and second parties, by the execution of this instrument, do hereby state that the full and actual consideration given for the real estate herein conveyed is \$0.00, same being conveyed by a political subdivision of the Commonwealth of Kentucky for purposes to be used by a public utility company for Hardin County, Kentucky. Second party enters into this conveyance for sole purpose of

satisfying the consideration certification requirement of KRS 382.135.

IN TESTIMONY WHEREOF, witness the hands of the parties on the day and year as indicated in their respective acknowledgments.

COUNTY OF HARDIN, KENTUCKY
By: *Richard Games*
Richard Games, EHCIF Property Manager
FIRST PARTY

HARDIN COUNTY WATER DISTRICT NO. 2
By: *James R. Jeffries*
James R. Jeffries, General Manager
SECOND PARTY

STATE OF KENTUCKY
COUNTY OF HARDIN

The foregoing Deed and consideration certification was signed, sworn to and acknowledged before me on this 28 day of March, 2014, by Richard Games, as EHCIF Property Manager, of County of Hardin, Kentucky, as First Party/Seller herein, to be his free voluntary act and deed in his capacity as such.

Cheri A. Spaldy # 483241
NOTARY PUBLIC,
MY COMM. EXPIRES: 2/12/17

STATE OF KENTUCKY
COUNTY OF HARDIN

The foregoing Deed and consideration certification was signed, sworn to and acknowledged before me on this 3rd day of April, 2014, by James R. Jeffries, as General Manager of HARDIN COUNTY WATER DISTRICT NO. 2, as Second Party/Buyer herein, to be his free voluntary act and deed in his capacity as such.

Cheri A. Spaldy # 483241
NOTARY PUBLIC,
MY COMM. EXPIRES: 2/12/17

THIS INSTRUMENT WAS PREPARED BY:

Adam Cart
ADAM CART
102 W. DIXIE AVENUE
ELIZABETHTOWN, KY 42701
(270) 765-4106
WITHOUT A TITLE OPINION ON PROPERTY

I, Kenneth L. Tabb, County Clerk of Hardin County, Kentucky, hereby certify that the foregoing instrument has been duly recorded in my office.

Kenneth L. Tabb
By: DIANE J NALL, dc



Doc ID: 009387320002 Type: DEE
Kind: EASEMENT - DEED
Recorded: 04/03/2014 at 11:30:20 AM
Receipt#: 2014-00003889
Page 1 of 2

Fees: \$13.00
Hardin County Clerk
Kenneth L. Tabb Clerk
BK 1393 PG 398-399

DEED

THIS DEED OF CONVEYANCE made and entered into this 3rd day of April, 2014, by and between COUNTY OF HARDIN, KENTUCKY, a political subdivision of the Commonwealth of Kentucky, 100 Public Square, Elizabethtown, KY 42701, party of the first part, and HARDIN COUNTY WATER DISTRICT NO. 2, P.O. Box 970, Elizabethtown, KY 42702, party of the second part. The in care of address for the current year Ad Valorem Property Tax Bill is c/o HARDIN COUNTY WATER DISTRICT NO. 2, P.O. Box 970, Elizabethtown, KY 42702.

WITNESSETH: That for and in consideration of the use of the following described real estate for purposes of a public utility, and for no consideration being exchanged between the parties, the receipt of which is hereby acknowledged, the party of the first part does hereby grant, bargain, transfer and convey unto the party of the second part, its successors and/or assigns, the following described real estate located in Hardin County, Kentucky, to-wit:

LEGAL DESCRIPTION

Being Lot #3, consisting of 1.046 acres, to Industrial Park of Glendale, Section 1 Subdivision, to Hardin County, Kentucky, per plat of said subdivision recorded in Plat Cabinet #1, Sheet 5534, in the Hardin County Court Clerk's Office.

BEING a portion of property which first party acquired title by deed dated January 15, 2003, recorded in Deed Book 1072, Page 458, in the Hardin County Court Clerk's Office.

This conveyance is made subject to any applicable restrictive covenants of record, all public roads and streets and any applicable provisions of the planning and zoning laws, restrictions and regulations of appropriate jurisdiction, as well as provisions of the Hardin County Kentucky Development Guidance System.

TO HAVE AND TO HOLD the above-described real estate, together with all the appurtenances and improvements thereunto belonging unto the party of the second part, in fee simple, its successors and assigns, forever, with covenant of GENERAL WARRANTY.

First and second parties, by the execution of this instrument, do hereby state that the full and actual consideration given for the real estate herein conveyed is \$0.00, same being conveyed by a political subdivision of the Commonwealth of Kentucky for purposes to be used by a public utility company for Hardin County, Kentucky. Second party enters into this conveyance for sole purpose of

satisfying the consideration certification requirement of KRS 382.135.

IN TESTIMONY WHEREOF, witness the hands of the parties on the day and year as indicated in their respective acknowledgments.

COUNTY OF HARDIN, KENTUCKY

By:

Richard Games
Richard Games, EHCIF Property Manager
FIRST PARTY

HARDIN COUNTY WATER DISTRICT NO. 2

By:

James R. Jeffries
James R. Jeffries, General Manager
SECOND PARTY

STATE OF KENTUCKY
COUNTY OF HARDIN

The foregoing Deed and consideration certification was signed, sworn to and acknowledged before me on this 28 day of March, 2014, by Richard Games, as EHCIF Property Manager, of County of Hardin, Kentucky, as First Party/Seller herein, to be his free voluntary act and deed in his capacity as such.

Cheri A. Spalding #483241
NOTARY PUBLIC,
MY COMM. EXPIRES: 2/12/17

STATE OF KENTUCKY
COUNTY OF HARDIN

The foregoing Deed and consideration certification was signed, sworn to and acknowledged before me on this 30 day of April, 2014, by James R. Jeffries, as General Manager of HARDIN COUNTY WATER DISTRICT NO. 2, as Second Party/Buyer herein, to be his free voluntary act and deed in his capacity as such.

Cheri A. Spalding #483241
NOTARY PUBLIC,
MY COMM. EXPIRES: 2/12/17

THIS INSTRUMENT WAS PREPARED BY:

Adam Cart
ADAM CART
102 W. DIXIE AVENUE
ELIZABETHTOWN, KY 42701
(270) 765-4106
WITHOUT A TITLE OPINION ON PROPERTY

I, Kenneth L. Tabb, County Clerk of Hardin County, Kentucky, hereby certify that the foregoing instrument has been duly recorded in my office.

Kenneth L. Tabb
By: DIANE J NALL, dc

Doc ID: 009233900003 Type: DEE
Kind: DEED
Recorded: 10/03/2013 at 11:56:35 AM
Receipt#: 2013-00014936
Page 1 of 3
Fees: \$13.00 Tax: \$50.00
Hardin County Clerk
Kenneth L. Tabb Clerk
BK **1385** PG **1268-1270**

DEED

THIS DEED OF CONVEYANCE made and entered into this 3rd day of October, 2013, by and between JAMES DAVID SEGO and wife, IDELL D. SEGO, whose address is P.O. Box 98, Glendale, KY 42740, parties of the first part, and HARDIN COUNTY WATER DISTRICT NO. 2, P.O. Box 970, Elizabethtown, KY 42702, party of the second part. The in care of address for the current year Ad Valorem Property Tax Bill is c/o HARDIN COUNTY WATER DISTRICT NO. 2, P.O. Box 970, Elizabethtown, KY 42702.

WITNESSETH: That for and in consideration of the sum of FIFTY THOUSAND AND NO/100 DOLLARS (\$50,000.00) paid, the receipt of which is hereby acknowledged, the parties of the first part do hereby grant, bargain, transfer and convey unto the party of the second part, its successors and/or assigns, the following described real estate located in Hardin County, Kentucky, to-wit:

LEGAL DESCRIPTION
PORTION OF PVA MAP #190-30-00-013

BEING Lot 3 of the record plat of Segomoore Subdivision, to Hardin County, Kentucky, per plat of said subdivision recorded in Plat Cabinet 1, Sheet 5485, in the Hardin County Court Clerk's Office.

BEING a portion of property which first parties acquired title by deed dated February 1, 1988, recorded in Deed Book 622, Page 035, in the Hardin County Court Clerk's Office.

This conveyance is made subject to any applicable restrictive covenants of record, all public roads and streets and any applicable provisions of the planning and zoning laws, restrictions and regulations of appropriate jurisdiction, as well as provisions of the Hardin County Kentucky Development Guidance System.

TO HAVE AND TO HOLD the above-described real estate, together with all the appurtenances and improvements thereunto belonging unto the party of the second part, in fee simple, its successors and assigns, forever, with covenant of GENERAL WARRANTY.

First and second parties, by the execution of this instrument, do hereby state that the full and actual consideration given for the real estate herein conveyed is \$50,000.00. Second party enters into this conveyance for sole purpose of satisfying the consideration certification requirement of KRS

382.135.

IN TESTIMONY WHEREOF, witness the hands of the parties on the day and year as indicated in their respective acknowledgments.

James D. Sego
 JAMES DAVID SEGO
 FIRST PARTY

Idell D. Sego
 IDELL D. SEGO
 FIRST PARTY

HARDIN COUNTY WATER DISTRICT NO. 2

By: James R. Jeffries
 James R. Jeffries, General Manager
 SECOND PARTY

STATE OF KENTUCKY
COUNTY OF HARDIN

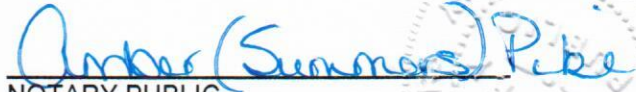
The foregoing Deed and consideration certification was signed, sworn to and acknowledged before me on this 3rd day of October, 2013, by JAMES DAVID SEGO and wife, IDELL D. SEGO, as First Parties/Sellers herein, to be their free voluntary act and deed.

Amber (Summers) Pike
 NOTARY PUBLIC,
 MY COMM. EXPIRES: 02-08-15

STATE OF KENTUCKY
COUNTY OF HARDIN

The foregoing Deed and consideration certification was signed, sworn to and acknowledged before me on this 3rd day of October, 2013, by James R. Jeffries, as General Manager of HARDIN COUNTY WATER DISTRICT NO. 2, as Second Party/Buyer herein, to be his free

voluntary act and deed in his capacity as such.


NOTARY PUBLIC,
MY COMM. EXPIRES: 02-08-15



THIS INSTRUMENT WAS PREPARED BY:



LEWIS & PRESTON
102 W. DIXIE AVENUE
ELIZABETHTOWN, KY 42701
(270) 765-4106
WITHOUT A TITLE OPINION

DWIGHT PRESTON

I, Kenneth L. Tabb, County Clerk of
Hardin County, Kentucky, hereby certify
that the foregoing instrument has been
duly recorded in my office.



By: ANITA G GOODIN, dc

EXHIBIT 17



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

October 20, 2015

Mr. James Jeffries
PO Box 970
Elizabethtown, KY 42702

Re: Nolin River Watershed Sewer Infrastructure
Hardin County, Kentucky
Project ID #: 15-0696
Elizabethtown Valley Creek WWTP
Activity ID #: 1661, APE20150008
Receiving Treatment Plant KPDES #: KY0022039

Dear Mr. Jeffries:

We have reviewed the plans and specifications for the above referenced project. The plans include the construction of approximately 20,513 LF of 8-inch PVC gravity sewer line, 8,747 LF of 10-inch PVC gravity sewer line, 2,327 LF of 12-inch PVC gravity sewer line, 1,530 LF of 24-inch PVC gravity sewer line, 8,620 LF of 4-inch PVC force main, 15,600 LF of 6-inch PVC force main, 16,102 LF of 8-inch PVC force main, 7,078 LF of 10-inch PVC force main, 7,078 LF of 12-inch PVC force main, 30,330 LF of 16-inch PVC force main, and 4 pump stations - pump Sta. No. 1 with approximate flow of 230 gpm @ 132 ft. TDH, Pump Sta. No. 3 with approximate flow of 80 gpm @ 51 ft. TDH, Rose Run pump station with approximate flow of 360 gpm @ 76 ft. TDH and the wet well only for Pump Sta. No. 2. 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 and the following two paragraphs.

At this point in time, only the 6-inch discharge force main will be in operation from Pump Station No. 1. The 10-inch and 12-inch discharge force mains from Pump Station No. 1 will be installed base on a pump accommodating a future flow of 1,350 GPM. Upon determination of the future tenants of the industrial park, a resubmission of plans for Pump Station No. 1 (for an upgrade) will be necessary to verify future flow conditions in the force main.

At this point in time, pumps will not be installed in Pump Station No. 2. The 16-inch discharge force main leaving Pump Station No. 2 is approved based on a pump accommodating a flow of 1,350 GPM. Upon determination of the future tenants of the industrial park, a resubmission of plans for the pump stations will be necessary to verify future flow conditions in the force main.

For Pump Stations No. 1 and No. 2 and their force main, other wastewater infrastructure work may be necessary if the flows are unable to obtain a velocity of 2 ft/sec, or cause additional line losses in the force main. This should be considered before beginning construction.

Nolin River Watershed Sewer Infrastructure
Hardin County, Kentucky
Project ID # - 15-0696
October 15, 2015
Page 2 of 2

Additionally, changes of the pump in Pump Station No. 3 or Rose Run Pump Station will require a new submission to Division of Water.

To verify the need of a water quality certification for crossing for this project, please contact Adam Jackson with the Water Quality Certification Section at 502-564-8158 extension at 4855.

If we can be of any further assistance or should you wish to discuss this correspondence, please do not hesitate to contact Mr. Mortaza Tabayeh at 502-564-3410 extension 4826 or Mr. Terry Humphries at 502-564-3410 extension 4881.

Sincerely,

A handwritten signature in black ink, appearing to read 'T. Humphries', written in a cursive style.

Terry Humphries, P.E.
Supervisor, Engineering Section
Water Infrastructure Branch
Division of Water

TH / MT

Enclosures

C: Hardin County Health Department
Mark Sneve, PE
Division of Plumbing
City of Elizabethtown

Sewer Line Construction
Elizabethtown Valley Creek WWTP
Facility Requirements

Activity ID No.: APE20150008

Submittal/Action Requirements:

| Condition No. | Item ID | Condition |
|---------------|---|---|
| S-1 | <p>GA CT35 (Nolin River Watershed-Sewer Infrastructure)</p> | <p>When this project is completed, the applicant shall: submit written certification: Due 30 calendar days after Completion of Construction to the Division of Water that the facilities have been constructed and tested in accordance with the approved plans and specifications and the approval conditions. Such certification shall be signed by a registered professional engineer. Failure to certify may result in penalty assessment and/or future approvals being withheld. [401 KAR 5:005 Section 24(2)]</p> |
| S-2 | <p>PORT96 (Force Main)</p> | <p>When this project is completed, the applicant shall: submit written certification: Due 30 calendar days after Completion of Construction to the Division of Water that the facilities have been constructed and tested in accordance with the approved plans and specifications and the approval conditions. Such certification shall be signed by a registered professional engineer. Failure to certify may result in penalty assessment and/or future approvals being withheld. [401 KAR 5:005 Section 24(2)]</p> |

Narrative Requirements:

| Condition No. | Item ID | Condition |
|---------------|---|--|
| T-1 | <p>GA CT35 (Nolin River Watershed-Sewer Infrastructure)</p> | <p>The plans and specifications submitted for the project are approved by the Department of Environmental Protection as to sanitary features, subject to the requirements contained within the permit. [401 KAR 5:005 Section 24(3)]</p> |
| T-2 | <p>GA CT35 (Nolin River Watershed-Sewer Infrastructure)</p> | <p>Authority to construct these sewers is hereby granted. This approval is issued under the provisions of KRS Chapter 224.10-100 (19) regulations promulgated pursuant thereto. Issuance of this permit does not relieve the permittee from the responsibility of obtaining any permits or licenses required by this cabinet and other state, federal, and local agencies. [401 KAR 5:005 Section 24(3)(c)2]</p> |
| T-3 | <p>GA CT35 (Nolin River Watershed-Sewer Infrastructure)</p> | <p>A permit to construct a facility shall be effective and valid for twenty-four (24) months upon issuance unless otherwise conditioned. If construction has not commenced within twenty-four (24) months following a permit's issuance, a new permit shall be obtained before construction may begin. [401 KAR 5:005 Section 24(1)]</p> |

Sewer Line Construction
Elizabethtown Valley Creek WWTP
Facility Requirements

Activity ID No.: APE20150008

Narrative Requirements:

| Condition No. | Item ID | Condition |
|---------------|---|---|
| T-4 | GACT35 (Nolin River Watershed-Sewer Infrastructure)\ | The permit is issued to the applicant, and the permittee shall remain the responsible party for compliance with all applicable statutes and administrative regulations until a notarized applicable change in ownership certification is submitted and the transfer of ownership is acknowledged by the cabinet. [401 KAR 5:005 Section 28(1)] |
| T-5 | GACT35 (Nolin River Watershed-Sewer Infrastructure)\ | The issuance of a permit by the cabinet does not convey any property rights of any kind or any exclusive privilege. [401 KAR 5:005 Section 24(5)] |
| T-6 | GACT35 (Nolin River Watershed-Sewer Infrastructure)\ | There shall be no deviations from the plans and specifications submitted with the application or the conditions specified, unless authorized in writing by the cabinet. [401 KAR 5:005 Section 24(3)(b)1] |
| T-7 | GACT35 (Nolin River Watershed-Sewer Infrastructure)\ | For subfluvial pipe crossings, a floodplain construction permit will not be required pursuant to KRS 151.250, if the following requirements of 401 KAR 4:050 Section 2 are met: <ol style="list-style-type: none"> 1) During the construction of the crossing, no material may be placed in the stream or in the flood plain of the stream to form construction pads, coffer dams, access roads, etc., unless prior approval has been obtained from the cabinet. 2) The trench shall be backfilled as closely as possible to the original contour. All excess material from construction of the trench shall be disposed of outside of the flood plain, unless the applicant has received prior approval from the cabinet to fill within the flood plain. 3) For subfluvial crossings of erodible channels, there shall be at least thirty (30) inches of clear cover above the top of the pipe or conduit at all points. 4) For subfluvial crossings of nonerodible channels, there shall be at least six (6) inches of clear cover above the top of the pipe or conduit at all points, and the pipe or conduit shall be encased on all sides by at least six (6) inches of concrete. 5) The weight of a pipe and its contents during normal operating conditions at all points must exceed that of an equal volume of water, or the applicant must provide the division with sufficient information to show that the pipe and joints have sufficient strength. Contact the Floodplain Management Section of the Surface Water Permits Branch at (502) 564-3410 with any question on these requirements. [KRS 151.250 & 401 KAR 4:060] |
| T-8 | GACT35 (Nolin River Watershed-Sewer Infrastructure)\ | If any portion of the sewer project will be constructed in or along a stream or wetland, contact the Water Quality Certification Section, located within the Water Quality Branch, at 502-564-3410, to determine if a 401 certification will be required. [KRS 224.16-050] |

Sewer Line Construction
Elizabethtown Valley Creek WWTP
Facility Requirements

Activity ID No.: APE20150008

Narrative Requirements:

| Condition No. | Item ID | Condition |
|---------------|--|---|
| T-9 | GACT35 (Nolin River Watershed-Sewer Infrastructure) | Facilities shall be designed and constructed in accordance with the "Recommended Standards for Wastewater Facilities" of the Great Lakes-Upper Mississippi River Board of State Public Health and Environmental Managers, commonly referred to as "Ten States' Standards", 2004 edition. [401 KAR 5:005 Section 7(1)(a)] |
| T-10 | GACT35 (Nolin River Watershed-Sewer Infrastructure) | Gravity sewer lines and force mains shall be designed and constructed to give mean velocities, when flowing full, of not less than two (2) feet per second. Velocity calculations shall incorporate roughness coefficients pursuant to 401 KAR 5:005 Section 8(8). [401 KAR 5:005 Section 8(8)] |
| T-11 | GACT35 (Nolin River Watershed-Sewer Infrastructure) | Sewer line pipe material, joints, fittings, and installation shall conform to the latest ASTM specifications. [Ten States (WW) 33.7-33.9] |
| T-12 | GACT35 (Nolin River Watershed-Sewer Infrastructure) | Gravity sewer lines and force mains shall have a minimum of thirty (30) inches of cover or provide comparable protection. [401 KAR 5:005 Section 8(9)] |
| T-13 | GACT35 (Nolin River Watershed-Sewer Infrastructure) | Sewer lines crossing water mains shall be laid to provide a vertical distance of eighteen (18) inches between the outside of the water main and the outside of the sewer line. This shall be the case where the water main is either above or below the sewer line. The crossing shall be arranged so that the sewer line joints are equidistant and as far as possible from the water main joints. Where a water main crosses under a sewer, adequate structural support shall be provided for the sewer line to prevent damage to the water main. [Ten States (WW) 38.32] |
| T-14 | GACT35 (Nolin River Watershed-Sewer Infrastructure) | Sewer lines shall be laid at least ten (10) feet horizontally from any existing or proposed water main. The distance shall be measured from edge to edge. [Ten States (WW) 38.31] |
| T-15 | GACT35 (Nolin River Watershed-Sewer Infrastructure) | If gravity sewer lines and force mains are to be constructed in fill areas, the fill areas shall be compacted to ninety-five (95) percent density as determined by the Standard Proctor Density test or to a minimum of ninety (90) percent density as determined by the Modified Proctor Density test prior to the installation of the sewer lines. [401 KAR 5:005 Section 8(10)] |

Sewer Line Construction
Elizabethtown Valley Creek WWTP
Facility Requirements

Activity ID No.: APE20150008

Narrative Requirements:

| Condition No. | Item ID | Condition |
|---------------|--|--|
| T-16 | GACT35 (Nolin River Watershed-Sewer Infrastructure) | An audible and visible alarm shall be provided at any proposed wastewater pump station. [Ten States (WW) 46] |
| T-17 | GACT35 (Nolin River Watershed-Sewer Infrastructure) | All proposed pump station wetwells shall be sized such that, based on the average flow, the time to fill the wetwell from the pump-off elevation to the pump-on elevation shall not exceed thirty (30) minutes. [401 KAR 5:005 Section 8(16)] |
| T-18 | GACT35 (Nolin River Watershed-Sewer Infrastructure) | All pump stations shall provide a minimum of two (2) hours of detention time, based on the average design flow, above the high level alarm elevation or provide an alternate source of power with wetwell storage providing sufficient time for the alternate power source to be activated. [401 KAR 5:005 Section 8(18)] |
| T-19 | GTSPI (Nolin River Watershed-Sewer Infrastructure) | Pumps and force mains handling raw wastewater shall be capable of passing spheres of at least three (3) inches in diameter. Pump suction and discharge openings, as well as sewer force main pipe, shall be a minimum of four (4) inches in diameter. The above requirements do not apply to grinder pump stations or force mains directly connected to grinder pump stations. [Ten States (WW) 42.33, 49.1] |
| T-20 | PORT92 (Gravity Sewer Lines) | The integrity of a new gravity sewer line shall be verified by either the infiltration-exfiltration or low pressure air testing method, and a deflection test shall be performed, if using flexible pipe. The deflection test shall be performed after the final backfill has been in place for at least thirty (30) days with no pipe exceeding a deflection of five (5) percent. Additionally, each new manhole shall be tested for water tightness. [401 KAR 5:005 Section 8(6)(a)] |
| T-21 | PORT92 (Gravity Sewer Lines) | The entrance of groundwater into or loss of waste from a new gravity sewer line shall be limited to two-hundred (200) gpd per inch of diameter per mile of the gravity sewer line. This limitation includes manholes, gravity sewer lines, and appurtenances. [401 KAR 5:005 Section 8(5)] |
| T-22 | PORT92 (Gravity Sewer Lines) | Concrete anchors shall be provided, with a spacing not over thirty-six (36) feet center to center, on all gravity sewer lines having a slope greater than twenty (20) percent and up to thirty-five (35) percent. [Ten States (WW) 33.46] |

Sewer Line Construction
Elizabethtown Valley Creek WWTP
Facility Requirements

Activity ID No.: APE20150008

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Narrative Requirements:

| Condition No. | Item ID | Condition |
|---------------|---------------------------------|---|
| T-23 | PORT92 (Gravity Sewer Lines) | Aerial sewer line crossings shall have support for all aerial joints. Precautions against freezing, such as insulation or increased slope, shall be provided. Additionally, expansion joining shall be provided between sewer line surface transitions. [Ten States (WW) 37] |
| T-24 | PORT92 (Gravity Sewer Lines) | A drop pipe shall be provided where the sewer enters the manhole at two (2) feet or more above the manhole invert. [Ten States (WW) 34.2] |
| T-25 | PORT96 (Force Main) | The plans and specifications submitted for the project are approved by the Department of Environmental Protection as to sanitary features, subject to the requirements contained within the permit. [401 KAR 5:005 Section 24(3)] |
| T-26 | PORT96 (Force Main) | Authority to construct these sewers is hereby granted. This approval is issued under the provisions of KRS Chapter 224.10-100 (19) regulations promulgated pursuant thereto. Issuance of this permit does not relieve the permittee from the responsibility of obtaining any permits or licenses required by this cabinet and other state, federal, and local agencies. [401 KAR 5:005 Section 24(3)(c)2] |
| T-27 | PORT96 (Force Main) | A permit to construct a facility shall be effective and valid for twenty-four (24) months upon issuance unless otherwise conditioned. If construction has not commenced within twenty-four (24) months following a permit's issuance, a new permit shall be obtained before construction may begin. [401 KAR 5:005 Section 24(1)] |
| T-28 | PORT96 (Force Main) | The permit is issued to the applicant, and the permittee shall remain the responsible party for compliance with all applicable statutes and administrative regulations until a notarized applicable change in ownership certification is submitted and the transfer of ownership is acknowledged by the cabinet. [401 KAR 5:005 Section 28(1)] |
| T-29 | PORT96 (Force Main) | The issuance of a permit by the cabinet does not convey any property rights of any kind or any exclusive privilege. [401 KAR 5:005 Section 24(5)] |

Sewer Line Construction
Elizabethtown Valley Creek WWTP
Facility Requirements

Activity ID No.: APE20150008

Page 6 of 8

Narrative Requirements:

| Condition No. | Item ID | Condition |
|---------------|------------------------|--|
| T-30 | PORT96 (Force Main) | There shall be no deviations from the plans and specifications submitted with the application or the conditions specified, unless authorized in writing by the cabinet. [401 KAR 5:005 Section 24(3)(b)1] |
| T-31 | PORT96 (Force Main) | For subfluvial pipe crossings, a floodplain construction permit will not be required pursuant to KRS 151.250, if the following requirements of 401 KAR 4:050 Section 2 are met: 1) During the construction of the crossing, no material may be placed in the stream or in the flood plain of the stream to form construction pads, coffer dams, access roads, etc., unless prior approval has been obtained from the cabinet. 2) The trench shall be backfilled as closely as possible to the original contour. All excess material from construction of the trench shall be disposed of outside of the flood plain, unless the applicant has received prior approval from the cabinet to fill within the flood plain. 3) For subfluvial crossings of erodible channels, there shall be at least thirty (30) inches of clear cover above the top of the pipe or conduit at all points. 4) For subfluvial crossings of nonerodible channels, there shall be at least six (6) inches of clear cover above the top of the pipe or conduit at all points, and the pipe or conduit shall be encased on all sides by at least six (6) inches of concrete. 5) The weight of a pipe and its contents during normal operating conditions at all points must exceed that of an equal volume of water, or the applicant must provide the division with sufficient information to show that the pipe and joints have sufficient strength. Contact the Floodplain Management Section of the Surface Water Permits Branch at (502) 564-3410 with any question on these requirements. [KRS 151.250 & 401 KAR 4:060] |
| T-32 | PORT96 (Force Main) | If any portion of the sewer project will be constructed in or along a stream or wetland, contact the Water Quality Certification Section, located within the Water Quality Branch, at 502-564-3410, to determine if a 401 certification will be required. [KRS 224.16-050] |
| T-33 | PORT96 (Force Main) | Facilities shall be designed and constructed in accordance with the "Recommended Standards for Wastewater Facilities" of the Great Lakes-Upper Mississippi River Board of State Public Health and Environmental Managers, commonly referred to as "Ten States' Standards", 2004 edition. [401 KAR 5:005 Section 7(1)(a)] |
| T-34 | PORT96 (Force Main) | Gravity sewer lines and force mains shall be designed and constructed to give mean velocities, when flowing full, of not less than two (2) feet per second. Velocity calculations shall incorporate roughness coefficients pursuant to 401 KAR 5:005 Section 8(8). [401 KAR 5:005 Section 8(8)] |

Sewer Line Construction
Elizabethtown Valley Creek WWTP
Facility Requirements

Activity ID No.: APE20150008

Narrative Requirements:

| Condition No. | Item ID | Condition |
|---------------|------------------------|---|
| T-35 | PORT96 (Force Main) | Sewer line pipe material, joints, fittings, and installation shall conform to the latest ASTM specifications. [Ten States (WW) 33.7-33.9] |
| T-36 | PORT96 (Force Main) | Gravity sewer lines and force mains shall have a minimum of thirty (30) inches of cover or provide comparable protection. [401 KAR 5:005 Section 8(9)] |
| T-37 | PORT96 (Force Main) | Sewer lines crossing water mains shall be laid to provide a vertical distance of eighteen (18) inches between the outside of the water main and the outside of the sewer line. This shall be the case where the water main is either above or below the sewer line. The crossing shall be arranged so that the sewer line joints are equidistant and as far as possible from the water main joints. Where a water main crosses under a sewer, adequate structural support shall be provided for the sewer line to prevent damage to the water main. [Ten States (WW) 38.32] |
| T-38 | PORT96 (Force Main) | Sewer lines shall be laid at least ten (10) feet horizontally from any existing or proposed water main. The distance shall be measured from edge to edge. [Ten States (WW) 38.31] |
| T-39 | PORT96 (Force Main) | If gravity sewer lines and force mains are to be constructed in fill areas, the fill areas shall be compacted to ninety-five (95) percent density as determined by the Standard Proctor Density test or to a minimum of ninety (90) percent density as determined by the Modified Proctor Density test prior to the installation of the sewer lines. [401 KAR 5:005 Section 8(10)] |
| T-40 | PORT96 (Force Main) | An audible and visible alarm shall be provided at any proposed wastewater pump station. [Ten States (WW) 46] |
| T-41 | PORT96 (Force Main) | All proposed pump station wetwells shall be sized such that, based on the average flow, the time to fill the wetwell from the pump-off elevation to the pump-on elevation shall not exceed thirty (30) minutes. [401 KAR 5:005 Section 8(16)] |

Sewer Line Construction
Elizabethtown Valley Creek WWTP
Facility Requirements

Activity ID No.: APE20150008

Narrative Requirements:

| Condition No. | Item ID | Condition |
|---------------|------------------------|---|
| T-42 | PORT96 (Force Main) | All pump stations shall provide a minimum of two (2) hours of detention time, based on the average design flow, above the high level alarm elevation or provide an alternate source of power with wetwell storage providing sufficient time for the alternate power source to be activated. [401 KAR 5:005 Section 8(18)] |

EXHIBIT 18



MATTHEW G. BEVIN
GOVERNOR

CHARLES G. SNAVELY
SECRETARY

ENERGY AND ENVIRONMENT CABINET
DEPARTMENT FOR ENVIRONMENTAL PROTECTION

AARON B. KEATLEY
COMMISSIONER

300 SOWER BOULEVARD
FRANKFORT, KENTUCKY 40601

August 24, 2016

Mr. James Jeffries
PO Box 970
Elizabethtown, KY 42702

Re: Nolin River Watershed Sewer Infrastructure Change Request
Hardin County, Kentucky
Project ID #: 15-0696
Elizabethtown Valley Creek WWTP
Activity ID #: 1661, APE20150008
Receiving Treatment Plant KPDES #: KY0022039

Dear Mr. Jeffries:

We have reviewed the changes proposed to the above referenced project. The changes include the installation of an additional 670 linear feet of 8-inch PVC gravity sewer main. This is to advise that the requested change is APPROVED with respect to sanitary features of design. All stipulations and requirements contained in the original approval letter dated October 20, 2015, remain in effect.

If we can be of any further assistance or should you wish to discuss this correspondence, please do not hesitate to contact Mr. Terry Humphries at 502-782-6983.

Sincerely,

Terry Humphries, P.E.
Supervisor, Engineering Section
Water Infrastructure Branch
Division of Water

TH / MT

Enclosures

c: Hardin County Health Department
Mark Sneve, P.E.
Division of Plumbing
City of Elizabethtown



EXHIBIT 19



MATTHEW G. BEVIN
GOVERNOR

CHARLES G. SNAVELY
SECRETARY

ENERGY AND ENVIRONMENT CABINET
DEPARTMENT FOR ENVIRONMENTAL PROTECTION

AARON B. KEATLEY
COMMISSIONER

300 SOWER BOULEVARD
FRANKFORT, KENTUCKY 40601

August 11, 2017

Hardin County Water District No. 2
360 Ring Rd
Elizabethtown, KY 427020970

RE: Stream Construction Permit #21761-Extension Hardin Co Water Dist No 2 - Hardin Co - Installation of gravity sewers and force main across stream and four pump stations in the floodplain of Nolin River, with coordinates 37.601667, -85.905556, in Hardin County. AI: 127202

Dear Hardin County Water District No. 2:

We have received your request for an extension of Stream Construction Permit #21761-Extension. Since there are no changes in the original plans or circumstances involved, we are extending the expiration date to August 11, 2018. Please note that all restrictions and requirements on the previous permit are still applicable.

If you have any questions, please call Kathy Allen at 502-782-6875.

Sincerely,

E-Signed by Kathy Allen
VERIFY authenticity with e-Sign

For: Ron Dutta, P.E.
Floodplain Section Supervisor
Division of Water

RD/KA/kla

pc: Louisville Regional Office
Vicki Meredith – Hardin County





STEVEN L. BESHEAR
GOVERNOR

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

LEONARD K. PETERS
SECRETARY

STREAM CONSTRUCTION PERMIT For Construction In Or Along A Stream

Issued to: **Hardin County Water District No. 2**
Address: **360 Ring Rd**
Elizabethtown, KY 42702-0970

Permit expires on
November 3, 2016

Permit No. **21761**

AI: **127202**

In accordance with KRS 151.250 and KRS 151.260, the Energy and Environment Cabinet approves the application dated **September 10, 2015** for **installation of gravity sewers and force main across stream and four pump stations in the floodplain of Nolin River, with coordinates 37.601667, -85.905556, in Hardin County.**

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

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

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

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

Issued November 3, 2015.

Ron Dutta, P.E., Supervisor
Floodplain Management Section
Surface Water Permit Branch

RD/S/kec

pc: Louisville Regional Office
Vicki Meredith – Hardin County Floodplain Coordinator
Mark A Sneve, PE (by email)
File

Stream Construction Permit
Hardin Co Water Dist No 2 - Hardin Co
Facility Requirements
Permit Number: 21761
Activity ID No.:APE20150001

STRC0000000001 (AI: 127202 - Sewer Infrastructure) Installation of gravity sewers and force main across stream and four pump stations:
Submittal/Action Requirements:

| Condition No. | Condition |
|---------------|--|
| S-1 | Hardin Co Water District #2 must submit final construction report: Due within 90 days after completion of construction Hardin Co Water District #2 must certify in writing that the project has been completed in accordance with the approved plans and specifications. A Final Construction Report Form is enclosed. [401 KAR 4:060 Section 6] |

Narrative Requirements:

| Condition No. | Condition |
|---------------|---|
| T-1 | The issuance of this permit by the cabinet does not convey any property rights of any kind or any exclusive privilege. [KRS 151.250 & 401 KAR 4:060] |
| T-2 | This permit is issued from the standpoint of stream obstruction only and does not constitute certification of any other aspect of the proposed construction. The applicant is liable for any damage resulting from the construction, operation, or maintenance of this project. This permit has been issued under the provisions of KRS Chapter 151.250 and regulations promulgated pursuant thereto. Issuance of this permit does not relieve the permittee from the responsibility of obtaining any other permits or licenses required by this Cabinet and other state, federal and local agencies. [KRS 151.250] |
| T-3 | A copy of this permit must be available at the construction site. [KRS 151.250] |
| T-4 | Any work performed by or for Hardin Co Water District #2 that does not fully conform to the submitted application or drawings and the limitations set forth in this permit, is subject to partial or total removal and enforcement actions pursuant to KRS 151.280 as directed by the Kentucky Department for Environmental Protection. [KRS 151.280] |
| T-5 | Any design changes or amendments to the approved plans must be submitted to the Division of Water and approved in writing prior to implementation. [KRS 151.250] |
| T-6 | Since Hardin County participates in the National Flood Insurance Program, a local floodplain permit must be obtained prior to beginning of construction. Upon completion of construction Hardin Co Water District #2 must contact the local permitting agency for final approval of the construction for compliance with the requirements of the local floodplain ordinance. [401 KAR 4:060 Section 9(c)] |

Stream Construction Permit
Hardin Co Water Dist No 2 - Hardin Co
Facility Requirements
Permit Number: 21761
Activity ID No.: APE20150001

STRC0000000001 (AI: 127202 - Sewer Infrastructure) Installation of gravity sewers and force main across stream and four pump stations:

Narrative Requirements:

| Condition No. | Condition |
|---------------|---|
| T-7 | The permittee may contact Water Quality Certification (or a determination that none is required) through the Division of Water, Water Quality Branch before beginning construction. Contact the Water Quality Certification Supervisor at (502) 564-3410. [KRS 224.16-050 & Clean Water Act Section 401] |
| T-8 | Erosion prevention measures, sediment control measures, and other site management practices shall be designed, installed, and maintained in an effective operating condition to prevent migration of sediment off site. [KRS 224.70-110] |
| T-9 | All debris and excess material shall be removed for disposal outside of the base floodplain. [401 KAR 4:060] |
| T-10 | Upon completion of construction all disturbed areas shall be seeded and mulched or otherwise stabilized to prevent erosion. [401 KAR 4:060] |
| T-11 | The entry of mobile equipment into the stream channel shall be limited as much as reasonably possible to minimize degradation of the waters of the Commonwealth. [401 KAR 4:060] |
| T-12 | Construction other than as authorized by this permit shall require written approval from the Division of Water. [401 KAR 4:060] |
| T-13 | The existing stream flow shall be maintained at all times during construction using standard flow diversion or pump around methods. Cofferdams or other structures placed in the stream shall be removed immediately if adverse flooding conditions result or if a flooding event is imminent. [401 KAR 4:060 Section 4] |
| T-14 | Pursuant to KRS 151.250, following criteria are applicable to subfluvial utility or pipeline crossings of streams : (1) During the construction of the crossing, no material may be placed in the stream or in the flood plain of the stream to form construction pads, coffer dams, access roads, etc., unless prior approval has been obtained from the cabinet. (2) The trench shall be backfilled as closely as possible to the original contour. All excess material from construction of the trench shall be disposed of outside of the flood plain unless the applicant has received prior approval from the cabinet to fill within the flood plain. (3) For subfluvial crossings of erodible channels, there shall be at least thirty (30) inches clear to the top of the pipe or conduit at all points. (4) For subfluvial crossings of nonerodible channels, there shall be at least six (6) inches of clear cover above the top of the pipe or conduit at all points, and the pipe or conduit shall be encased on all sides by at least six (6) inches of concrete. (5) The weight of a pipe and its contents during normal operating conditions at all points must exceed that of an equal volume of water, or the applicant must provide the division with sufficient information to show that the pipe and joints have sufficient strength. [401 KAR 4:050 Section 2] |

EXHIBIT 20



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

November 19, 2015

Hardin County Water District No. 2
Attention: James Jeffries
360 Ring Road
Elizabethtown, Kentucky 42701

Re: Water Quality Certification #2015-087-1
Nolin River Watershed Sewer Infrastructure
Project
USACE ID No.: LRL-2015-774-mck
AI No.: 127202; Activity ID: APE20150002
Unnamed Tributaries to Nolin River, Unnamed
Tributaries to Rose Run, Rose Run, East
Rhudes Creek, Unnamed Tributaries to Valley
Creek
Hardin County, Kentucky

Dear Mr. Jeffries:

Pursuant to Section 401 of the Clean Water Act (CWA), the Commonwealth of Kentucky certifies it has reasonable assurances that applicable water quality standards under Kentucky Administrative Regulations Title 401, Chapter 10, established pursuant to Sections 301, 302, 303, 304, 306, and 307 of the CWA, will not be violated by the above referenced project provided that the U.S. Army Corps of Engineers authorizes the activity under 33 CFR part 330, and the attached conditions are met.

All future correspondence on this project must reference **AI No. 127202**. **The attached document is your official Water Quality Certification; please read it carefully.** If you should have any questions concerning the conditions of this water quality certification, please contact Chloe Brantley of my staff at Chloe.Brantley@ky.gov or (502) 564-3410 Extension 4863.

Sincerely,

A handwritten signature in black ink that reads "Andrea Keatley".

Andrea Keatley, Acting Supervisor
401 Water Quality Certification Section
Kentucky Division of Water

CB

Attachments

cc: Meagan Knuckles, USACE: Louisville District (via email: Meagan.C.Knuckles@usace.army.mil)

Lee Andrews, USFWS: Frankfort (via email: teresa_hyatt@fws.gov)
Joanna Ashford, Green River Basin Coordinator (via email: Joanna.Ashford@ky.gov)
Jordan Bailey, KDOW: Louisville RO (via email: Jordan.Bailey@ky.gov)
James Jeffries, HCWD2 (via email: jjeffries@hardincountywater2.org)
Mark Sneve, Strand Associates, Inc. (via email: mark.sneve@strand.com)
Abbe Michalski, Strand Associates, Inc. (via email: Abbe.Michalski@strand.com)

Water Quality Certification
Hardin Co Water Dist No 2 - Hardin Co
Facility Requirements

Activity ID No.: APE20150002

ACTV0000000001 (Nolin River, Rose Run, East Rhudes Cr, Valley Cr) Hardin County Water District No. 2- Nolin River Watershed Sewer Infrastructure Project:

Submittal/Action Requirements:

| Condition No. | Condition |
|---------------|--|
| S-1 | Hardin County Water District No. 2 shall submit notification: Due prior to any construction activity to the Kentucky Division of Water, 401 Water Quality Certification Section Project Manager or Supervisor. [Clean Water Act] |
| S-2 | Hardin County Water District No. 2 shall submit notification: Due when construction is complete to the Kentucky Division of Water, 401 Water Quality Certification Section Project Manager or Supervisor. [Clean Water Act] |

Water Quality Certification
Hardin Co Water Dist No 2 - Hardin Co
Facility Requirements

Activity ID No.: APE20150002

ACTV0000000001 (continued):

Narrative Requirements:

| Condition No. | Condition |
|---------------|--|
| T-1 | <p>The work approved by this certification shall be limited to the proposed Hardin County Water District No. 2 Nolin River Watershed Sewer Infrastructure project to install a sewer infrastructure for the Nolin River watershed, including the Town of Glendale, the Glendale Industrial Tract, the Interstate 65 Glendale Interchange and the U.S. 31W corridor. The proposed infrastructure will consist of gravity sewers, force mains, and pump stations. There will be approximately 8,620 linear feet of 4-inch PVC pipe, 15,600 linear feet of 6-inch PVC pipe, 36,615 linear feet of 8-inch PVC pipe, 15,825 linear feet of 10-inch PVC pipe, 9,405 linear feet of 12-inch PVC pipe, 30,330 linear feet of 16-inch PVC pipe, and 1,530 linear feet of 24-inch PVC pipe. There will also be four pump stations. This project will consist of approximately twenty-three (23) jurisdictional stream crossings. The proposed project will result in impacts to a total of 690 linear feet of temporary impacts to the following jurisdictional waters: 21</p> <p>Nolin River: - 90 linear feet of four (4), unnamed, ephemeral tributaries to Nolin River - 80 linear feet of two (2), unnamed, intermittent tributaries to Nolin River - 80 linear feet of three (3), unnamed, perennial tributaries to Nolin River</p> <p>Rose Run: - 230 linear feet of seven (7), unnamed, ephemeral tributaries to Rose Run - 60 linear feet of two (2), unnamed, intermittent tributaries to Rose Run - 30 linear feet of perennial, Rose Run</p> <p>East Rhudes Creek: - 30 linear feet of perennial, East Rhudes Creek</p> <p>Valley Creek: - 60 linear feet of two (2), unnamed, intermittent tributaries to Valley Creek - 30 linear feet of one (1), unnamed, perennial tributary to Valley Creek. [Clean Water Act]</p> |
| T-2 | <p>All work performed under this certification shall adhere to the design and specifications set forth in the Application 401 Water Quality Certification, Nolin River Watershed- Sewer Infrastructure, Glendale, Hardin County, Kentucky and associated documentation and plans received September 08, 2015; copies of the USACE Application for Department of Army Permit, Preliminary Jurisdictional Determination Form, and Drawing Sets sent via electronic mail October 6, 2015. [Clean Water Act]</p> |

Water Quality Certification
Hardin Co Water Dist No 2 - Hardin Co
Facility Requirements

Activity ID No.: APE20150002

Page 3 of 4

ACTV0000000001 (continued):

Narrative Requirements:

| Condition No. | Condition |
|---------------|---|
| T-3 | Hardin County Water District No. 2 shall mitigate on-site for temporary impacts to streams through minimization of impacts and restoration to preconstruction grade, contours and conditions or better. [Clean Water Act] |
| T-4 | Hardin County Water District No. 2 should limit timing of construction to avoid periods of high rainfall and stream flow as schedules permit. [Clean Water Act] |
| T-5 | Hardin County Water District No. 2 should conduct blasting, trenching, pipe installation, backfilling, capping, and temporary stabilization or final restoration activities at each individual waterbody crossing in a manner which minimizes erosion and subsequent sedimentation into the waterbody. [Clean Water Act] |
| T-6 | Hardin County Water District No. 2 shall limit the removal of riparian vegetation within the utility line right-of-way to that necessary for equipment access and staging areas. Effective erosion and sedimentation control measures and best management practices shall be employed at all times during the project to prevent degradation of waters of the Commonwealth. Revegetation of exposed soil should be conducted immediately after site grading through seeding, hay or straw application and placement of erosion control matting. [Clean Water Act] |
| T-7 | Hardin County Water District No. 2 shall properly place and install sediment and erosion control measures and structures and enact best management practices along and within the project construction right-of-ways and at each surface water crossing location during the construction process to minimize silt entry into the waterbodies. All sediment and erosion control measures shall be removed after re-vegetation has become well-established. [Clean Water Act] |
| T-8 | All impacted areas shall be revegetated with a groundcover mix of species recommended by the Kentucky Division of Water at a density of 25 to 30 pounds per acre in addition to annual rye at a density of 15 to 20 pounds per acres. The seed mix shall be covered with hay or straw mulch or erosion control matting. Streambanks shall be restored to preconstruction grades and contours and revegetated with native herbaceous seeding, tree and shrub plantings, live staking, and erosion control matting. [Clean Water Act] |
| T-9 | The Division of Water reserves the right to modify or revoke this certification should it be determined that the activity is in noncompliance with any condition set forth in this certification. [Clean Water Act] |
| T-10 | If construction does not commence within one year of the date of this letter, this certification will become void. A letter requesting a renewal should be submitted. [Clean Water Act] |

Water Quality Certification
Hardin Co Water Dist No 2 - Hardin Co
Facility Requirements

Activity ID No.: APE20150002

ACTV0000000001 (continued):

Narrative Requirements:

| Condition No. | Condition |
|---------------|---|
| T-11 | Other permits from the Division of Water may be required for this activity. If this activity occurs within a floodplain, a Permit to Construct Across or Along a Stream may be required. Please contact the Floodplain Section Supervisor (502-564-3410) for more information. If the project will disturb one acre or more of land, or is part of a larger common plan of development or sale that will ultimately disturb one acre or more of land, a Kentucky Pollution Discharge Elimination System (KPDES) stormwater permit shall be required from the Surface Water Permits Branch. This permit requires the development of a Stormwater Pollution Prevention Plan (SWPPP). The SWPPP must include erosion prevention and sediment control measures. Contact: Surface Water Permits Branch (SWPB) Support (502-564-3410 or SWPBSupport@ky.gov) |
| T-12 | Dredging work shall not be conducted during the fish spawning season, April 15th through June 15th. [Clean Water Act] |
| T-13 | Mitigation for impacts shall begin prior to or concurrently with impacts. [Clean Water Act] |
| T-14 | Check dams are not allowed within the stream channel. [Clean Water Act] |
| T-15 | Remove all sediment and erosion control measures after re-vegetation has become well-established. [Clean Water Act] |



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

ATTENTION APPLICANT

If your project involves one or more of the following activities, you may need more than one permit from the Kentucky Division of Water.

- *building in a floodplain *road culvert in a stream**
- *streambank stabilization *stream cleanout**
- *utility line crossing a stream**
- *construction sites greater than 1 acre**

- **Construction sites greater than 1 acre will require the filing of a Notice of Intent to be covered under the KPDES General Stormwater Permit. This permit requires the creation of an erosion control plan.**
Contact: Surface Water Permits Branch (SWPB) Support at (502) 564-3410 or SWPBsupport@ky.gov
- **Projects that involve filling in the floodplain will require a floodplain construction permit from the Floodplain Management Section.**
Contact: Ron Dutta
- **Projects that involve work IN a stream, such as bank stabilization, road culverts, utility line crossings, and stream alteration will require a floodplain permit and a Water Quality Certification from the Division of Water.**
Contact: Andrea Keatley

All three contacts listed above can be reached at (502) 564-3410. A complete listing of environmental programs administered by the Kentucky Department for Environmental Protection is available from Pete Goodmann by calling (502) 564-3410.

GENERAL CONDITIONS FOR WATER QUALITY CERTIFICATION

1. Measures shall be taken to prevent or control spills of fuels, lubricants, or other toxic materials used in construction from entering the watercourse.
2. All dredged material shall be removed to an upland location and/or graded on adjacent areas (so long as such areas are not regulated wetlands), to obtain original streamside elevations, i.e. overbank flooding shall not be artificially obstructed.
3. In areas not riprapped or other wise stabilized, revegetation of stream banks and riparian zones shall occur concurrently with project progression. At a minimum, revegetation will approximate pre-disturbance conditions.
4. To the maximum extent practicable, all instream work under this certification shall be performed during low flow.
5. Heavy equipment, e.g. bulldozers, backhoes, draglines, etc., if required for this project, should not be used or operated within the stream channel. In those instances where such instream work is unavoidable, then it shall be performed in such a manner and duration as to minimize resuspension of sediments and disturbance to substrates and bank or riparian vegetation.
6. Any fill or riprap including refuse fill, shall be of such composition that it will not adversely affect the biological, chemical, or physical properties of the receiving waters and/or cause violations of water quality standards. If riprap is utilized, it is to be of such weight and size that bank stress or slump conditions will not be created because of its placement.
7. If there are water supply intakes located downstream that may be affected by increased turbidity and suspended solids, the permittee shall notify the operator when work will be done.
8. Removal of existing riparian vegetation should be restricted to the minimum necessary for project construction.
9. Should evidence of stream pollution or jurisdictional wetland impairment and/or violations of water quality standards occur as a result of this activity (either from a spill or other forms of water pollution), the Kentucky Division of Water shall be notified immediately by calling 800/564-2380.

EXHIBIT 21



Matthew G. Bevin
Governor

COMMONWEALTH OF KENTUCKY
TRANSPORTATION CABINET
Department of Highways, District 4 Office
634 East Dixie Highway
Elizabethtown, Kentucky 42701
(270) 766-5066
www.transportation.ky.gov/

Greg Thomas
Secretary

May 17, 2017

Hardin County Water District #2
James Jeffries
360 Ring Road
Elizabethtown, Kentucky 42701

Subject: Permit #: 04-2017-00058
Permit Type: Utilities - Sewer
Approval

Dear Applicant:

Attached is your permit approval and documentation for the subject permit.

Be advised that all work must be done in conformity with permit and application conditions. If you have any questions, please contact the Permits Section at this office.

Sincerely,

A handwritten signature in blue ink, appearing to read "K. Blain".

Kevin Blain
D4 Permits - Supervisor

Attachments



An Equal Opportunity Employer M/F/D



Kentucky Transportation Cabinet
 Department of Highways
 Division of Maintenance
 Permits Branch

ENCROACHMENT PERMIT

KEPT No.: 04-2017-00058

Permittee: Hardin County Water District #2

Permit Type / Subtype: Utilities / Sewer

Work Completion Date: 2/23/2018

| INDEMNITIES | | |
|---------------------|-----------------|-----------------|
| Type | Amount Required | Tracking Number |
| Performance Bond | \$0.00 | |
| Cash / Check | \$0.00 | |
| Self-Insured | \$0.00 | |
| Payment Bond | \$0.00 | |
| Liability Insurance | \$0.00 | |

This permit has been: **APPROVED** **DENIED**

| | | |
|------------------|-------------------------|-------------|
| Kevin Blain | D4 Permits - Supervisor | 2/24/2017 |
| SIGNATURE | TITLE | 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.

| LOCATION(S) | | | |
|-------------|------------------|-----------|------------|
| Description | County - Route | Latitude | Longitude |
| | Hardin - KY 1136 | 37.601283 | -85.908218 |

NOTICE OF COMPLETION OF ENCROACHMENT PERMIT WORK

PERMITEE

Name: Hardin County Water District #2
Contact Person: James Jeffries
Address: 360 Ring Road
City: Elizabethtown
State: Kentucky
Zip: 42701
Telephone: (270) 737-1056

PROJECT IDENTIFICATION

Permit Number: 04-2017-00058

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 this form to the address below when work is completed and ready for final inspection.

Please Return to: Permit Engineer
Department of Highways, District 4 Office
634 East Dixie Highway
Elizabethtown, Kentucky 42701
(270) 766-5066
www.transportation.ky.gov/

| LOCATION(S) | | | |
|-------------|------------------|-----------|------------|
| Description | County - Route | Latitude | Longitude |
| | Hardin - KY 1136 | 37.601283 | -85.908218 |



Kentucky Transportation Cabinet
Department of Highways
Permits Branch

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

APPLICATION FOR ENCROACHMENT PERMIT

| | | | |
|------------------------------|------------------------------------|---|---|
| Permittee Information | | KYTC No. 04-2017-00058 | |
| Name | Hardin County Water District No. 2 | Permit Information | |
| Address | 360 Ring Road | Address | Various Locations |
| City | Elizabethtown | City | Glendale |
| State | KY | State | KY |
| Zip | 42701 | Zip | 42740 |
| Phone# | 270-737-1056 | County | Hardin |
| Contact | James Jeffries | Route No. | See Attached |
| Phone | 270-737-1056 | Mile-Point | See Attached |
| Email | jjeffries@hardincountywater2.org | Longitude (X) | 85d54'20" W -85.908218 |
| Contact | | Latitude (Y) | 37d36'06" N 37.601283 |
| Phone | Cell | <i>Information below to be filled out by KYTC</i> | |
| Email | | <input type="checkbox"/> Air Right | <input type="checkbox"/> Entrance |
| | | <input checked="" type="checkbox"/> Utilities | <input type="checkbox"/> Other: _____ |
| | | | Sewer _____ |
| | | <input type="checkbox"/> Left | <input type="checkbox"/> Right |
| | | | <input checked="" type="checkbox"/> X-ing |
| | | Access: | <input type="checkbox"/> Full |
| | | | <input type="checkbox"/> Partial |
| | | | <input checked="" type="checkbox"/> by Permit |

General Description of Work:

See Attached

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).

James L. Jeffries

2/22/17

Signature

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.

**NOLIN RIVER WATERSHED - SEWER INFRASTRUCTURE
KYTC ROAD CROSSINGS
FEBRUARY 15, 2017**

Project Description: The objective of this project is to install a sewer infrastructure for the Nolin River watershed, including the Town of Glendale, the Glendale Industrial Tract, the Interstate 65 Glendale Interchange and the US 31W corridor.

The infrastructure will consist of gravity sewers, force mains, and pump stations. There will be approximately 8,620 linear feet of 4-inch PVC pipe, 15,600 linear feet of 6-inch PVC pipe, 36,615 linear feet of 8-inch PVC pipe, 15,825 linear feet of 10-inch PVC pipe, 9,405 linear feet of 12-inch PVC pipe, 30,330 linear feet of 16-inch PVC pipe, and 1,530 linear feet of 24-inch PVC pipe. There will also be four pump stations. This project will consist of approximately sixteen blue line stream crossings, two railroad crossings, and thirty road crossings, eighteen of which are State road crossings.

Gravity Sewers ~

KY 1136 Crossings:

Line A (MP 4.26):

165 LF of 12-inch PVC sewer main crossing with 165 LF of 20-inch minimum bore with steel casing pipe starting at Station 15+34 to Station 16+99. See Sheet 67.

Line A (MP 4.24):

125 LF of 10-inch PVC sewer main crossing with 125 LF of 18-inch minimum bore with steel casing pipe starting at Station 17+13 to Station 18+38. See Sheet 67.

Line C (MP 4.18):

145 LF of 8-inch PVC sewer main crossing with 145 LF of 16-inch minimum bore with steel casing pipe starting at Station 10+07 to Station 11+52. See Sheet 70.

Line D (MP 4.06):

40 LF of 8-inch PVC sewer main crossing with 40 LF of 16-inch minimum bore with steel casing pipe starting at Station 15+50 to Station 15+90. See Sheet 71.

Line K (MP 3.82):

60 LF of 8-inch PVC sewer main crossing with 60 LF of 16-inch minimum bore with steel casing pipe starting at Station 21+29 to Station 21+89. See Sheet 76.

KY 1136 Parallel:

Line U (MP 5.03 to 5.17):

700 LF of 10-inch PVC sewer main running parallel with KY 1136 starting at Station 47+00 (50-foot offset from centerline of road) to Station 54+00 (50-foot offset from centerline of road). See Sheets 99 and 100.

Line U (MP 4.75 to 4.81):

390 LF of 10-inch PVC sewer main running parallel with KY 1136 starting at Station 31+60 (55-foot offset from centerline of road) to Station 35+50 (55-foot offset from centerline of road). See Sheet 98.

Line U (MP 4.51 to 4.65):

731 LF of 12-inch PVC sewer main running parallel with KY 1136 starting at Station 19+31 (55-foot offset from centerline of road) to Station 26+62 (55-foot offset from centerline of road). See Sheets 97 and 98

Line A (MP 4.27 to 4.29):

115 LF of 12-inch PVC sewer main running parallel with KY 1136 starting at Station 14+48 (73-foot offset from centerline of road) to Station 15+41 (71-foot offset from centerline of road). See Sheet 67.

Line B (MP 4.17 to 4.25):

240 LF of 8-inch PVC sewer main running parallel with KY 1136 starting at Station 10+00 (37-foot offset from centerline of road) to Station 11+81 (35-foot offset from centerline of road). See Sheet 69.

KY 222 Crossings:

Line H (MP 4.37):

275 LF of 8-inch PVC sewer main crossing with 275 LF of 16-inch minimum bore with steel casing pipe starting at Station 13+60 to Station 16+35. See Sheet 72.

Line M (MP 4.60):

65 LF of 10-inch PVC sewer main crossing with 65 LF of 18-inch minimum bore with steel casing pipe starting at Station 28+89 to Station 29+54. See Sheet 79.

Line T (MP 6.10):

140 LF of 8-inch PVC sewer main crossing with 140 LF of 16-inch minimum bore with steel casing pipe starting at Station 22+01 to Station 23+41. See Sheet 94.

Line R (MP 6.66):

80 LF of 8-inch PVC sewer main crossing with 80 LF of 16-inch minimum bore with steel casing pipe starting at Station 113+80 to Station 114+60. See Sheet 92.

Line R1 (MP 6.76):

465 LF of 8-inch PVC sewer main crossing with 456 LF of 16-inch minimum bore with steel casing pipe starting at Station 10+05 to Station 14+70. See Sheet 93.

31 W Crossings:

Line R1 (MP 9.53):

150 LF of 8-inch PVC sewer main crossing with 150 LF of 16-inch minimum bore with steel casing pipe starting at Station 21+96 to Station 23+46. See Sheet 93.

Line R (MP 9.43):

205 LF of 8-inch PVC sewer main crossing with 205 LF of 16-inch minimum bore with steel casing pipe starting at Station 104+09 to Station 106+14. See Sheet 92.

Line R (MP 8.28):

330 LF of 10-inch PVC sewer main crossing with 330 LF of 18-inch minimum bore with steel casing pipe starting at Station 40+02 to Station 43+32. See Sheet 87.

I-65 Crossing:

Line R (MP 84.35):

315 LF of 10-inch PVC sewer main crossing with 315 LF of 18-inch minimum bore with steel casing pipe starting at Station 27+25 to Station 30+40. See Sheet 86.

Force Main ~

KY1136 Crossings:

(MP 4.27) 120 LF of 16-inch and 8-inch PVC force main crossing with 120 LF of 42-inch minimum bore with steel casing pipe starting at Station 223+50 to Station 224+70. See Sheets 46 and 47.

(MP 1.78) 60 LF of 6-inch, 10-inch, and 12-inch PVC force main crossing with 60 LF of 54-inch minimum bore with steel casing pipe starting at Station 77+56 to Station 78+16. See Sheet 34.

(MP 1.32) 80 LF of 6-inch, 10-inch, and 12-inch PVC force main crossing with 80 LF of 54-inch minimum bore with steel casing pipe starting at Station 51+50 to Station 52+30. See Sheet 32.

KY 1136 Parallel:

(MP 4.27 to 4.29) 145 LF of 16-inch and 8-inch PVC force main running parallel with KY 1136 starting at Station 222+71 (45-feet offset from centerline of road) to Station 223+50 (40-feet offset from centerline of road). See Sheet 46.

Access Roads:

(MP 0.58) Industrial Park PS No. 1. See Sheet 5.

(MP 1.77) Industrial Park PS No. 2. See Sheet 11.

(MP 4.37) Rose Run PS. See Sheet 17.

KY222 Crossing:

(MP 4.85) 65 LF of 16-inch PVC force main crossing with 65 LF of 26-inch minimum bore with steel casing pipe starting at Station 190+72 to Station 191+37. See Sheet 44.

Laterals ~

KY 1136 Crossings:

Line B (MP 4.23):

70 LF of 4-inch PVC sewer main crossing with 70 LF of 12-inch minimum bore with steel casing pipe near Station 10+65. See Sheet 69.

KY 222 Crossings:

Line O (MP 4.55):

60 LF of 6-inch PVC sewer main crossing with 60 LF of 14-inch minimum bore with steel casing pipe near Station 17+25. See Sheet 82.

Line O (MP 4.55):

60 LF of 6-inch PVC sewer main crossing with 60 LF of 14-inch minimum bore with steel casing pipe near Station 17+30. See Sheet 82.

31 W Crossings:

Line R (MP 8.75):

60 LF of 4-inch PVC sewer main crossing with 60 LF of 12-inch minimum bore with steel casing pipe near Station 68+06. See Sheet 89.

Line R (MP 8.81):

60 LF of 4-inch PVC sewer main crossing with 60 LF of 12-inch minimum bore with steel casing pipe near Station 71+21. See Sheet 89.

Line R (MP 8.86):

60 LF of 4-inch PVC sewer main crossing with 60 LF of 12-inch minimum bore with steel casing pipe near Station 73+69. See Sheet 89.

Line R (MP 8.95):

85 LF of 4-inch PVC sewer main crossing with 85 LF of 12-inch minimum bore with steel casing pipe near Station 78+17. See Sheet 90.

Line R (MP 8.98):

95 LF of 4-inch PVC sewer main crossing with 95 LF of 12-inch minimum bore with steel casing pipe near Station 80+29. See Sheet 90.

Line R (MP 9.12):

175 LF of 4-inch PVC sewer main crossing with 175 LF of 12-inch minimum bore with steel casing pipe near Station 86+67. See Sheet 90.

Line R (MP 9.16):

190 LF of 4-inch PVC sewer main crossing with 190 LF of 12-inch minimum bore with steel casing pipe near Station 88+63. See Sheet 90.

Line R (MP 9.38):

50 LF of 6-inch PVC sewer main crossing with 50 LF of 14-inch minimum bore with steel casing pipe near Station 101+84. See Sheet 91.

EXHIBIT 22

**HARDIN COUNTY ROAD DEPARTMENT
501 BACON CREEK ROAD
ELIZABETHTOWN, KY 42701
TELEPHONE #: 270-737-6046
FAX #: 270-737-6037**

ENCROACHMENT PERMIT

Revised 03/16/16

**FOR SEWER LINES
NOLIN RIVER WATERSHED - SEWER INFRASTRUCTURE**

The Hardin County Road Department grants Hardin County Water District No 2 permission to install sanitary sewer lines through or on county right-of-way for the **Nolin River Watershed - Sewer Infrastructure at Glendale** on the following county roads:

1. **SPORTSMAN LAKE RD**
2. **SHIPP LN**
3. **JAGGERS RD**
4. **HIGH ST**
5. **N. BELL AVE**
6. **S. BELL AVE**
7. **COLLEGE ST**
8. **E. RAILROAD ST**
9. **W. RAILROAD ST**
10. **S. RAILROAD ST**
11. **RAILROAD ALLEY**
12. **E. MAPLE RD**
13. **W. MAPLE RD**
14. **OXMOOR DR**

All work per construction plans as outlined below:

Line A ~

The 12-inch gravity sewer is located within easements. The first 400 linear feet of 10-inch gravity sewer is located within easements and the state right-of-way of New Glendale Road (KY 1136). The last 632 linear feet of 10-inch gravity sewer is located within the county right-of-way of West Railroad Avenue by a boring method to minimize disruption. It will start approximately 200 feet from the intersection of West Railroad Avenue and New Glendale Road (KY1136) and continue south to the end of Line A at the intersection of West Railroad Avenue and East Maple Road.

Three manholes will need to be installed by open cut on West Railroad Avenue.

- The first manhole is located near 245 West Railroad Avenue which is located approximately 215 feet from the intersection of West Railroad Avenue and New Glendale Road (KY1136)
- The second one is located near 225 West Railroad Avenue which is located approximately 510 feet from the intersection of West Railroad Avenue and New Glendale Road (KY1136)
- The third one is located at the intersection of West Railroad Avenue and East Maple Street

Three sewer laterals will need tie in at one of the manholes.

- The first lateral will be for 233 West Railroad Avenue which is located approximately 215 feet from the intersection of West Railroad Avenue and New Glendale Road (KY1136)
- The second lateral will be for 225 West Railroad Avenue which is located approximately 510 feet from the intersection of West Railroad Avenue and New Glendale Road (KY1136)
- The last lateral will be for 221 West Railroad Avenue which is located approximately 510 feet from the intersection of West Railroad Avenue and New Glendale Road (KY1136)

Line B~

The 8-inch gravity sewer is located within easements; outside of the state right-of-way of New Glendale Road (KY1136).

Line D~

The first 230 feet of 8-inch gravity sewer is located within easements; outside the county right-of-way of East Maple Street. The next 25 feet will be within county right-of-way. The 8-inch gravity sewer will cross North Bell Avenue approximately 20 feet from the intersection of North Bell Avenue and East Maple Street. The last 665 feet will be located within easements and also within the state right-of-way of New Glendale Road (KY 1136).

Five sewer laterals will need to cross East Maple Street in order to tie into the 8-inch gravity sewer.

- The first lateral will be for 140 East Maple Street which is located approximately 80 feet from the intersection of East Maple Street and West Railroad Avenue
- The second lateral will be for 130 East Maple Street which is located approximately 130 feet from the intersection of East Maple Street and West Railroad Avenue
- The third one will be for 122 East Maple Street which is located approximately 240 feet from the intersection of East Maple Street and West Railroad Avenue
- The fourth one will be for 114 East Maple Street which is located approximately 330 feet from the intersection of East Maple Street and West Railroad Avenue
- The last one will be for 6628 New Glendale Road (KY1136) which is located approximately 410 feet from the intersection of East Maple Street and West Railroad Avenue

Line H~

Line H will be installed as listed below:

- The 8-inch gravity sewer is located within the county right-of-way of North Bell Avenue by open cut and a boring method to minimize disruption. The bore will start approximately 90 feet from the intersection of North Bell Avenue and Railroad Alley and end approximately 40 feet from the intersection of South Bell Avenue and South Railroad Avenue.
- It will then be located within the county right-of-way of South Bell Avenue for approximately 130 feet by open cut.
- The 8-inch gravity sewer will be located within easements; outside the county right-of-way of South Railroad Avenue by open cut from the intersection of South Railroad Avenue and South Bell Avenue to where South Railroad Avenue turns north.
- It will then be located within easements along the backside of the houses located on South Bell Avenue.
- The 8-inch gravity sewer will then be located within the county right-of-way of South Bell Avenue from approximately 70 feet from the intersection of College Street and South Bell Avenue to the intersection of High Street and South Bell Avenue.
- It will then cross High Street approximately 25 feet from the intersection of South Bell Street and High Street.
- It will then continue within easements; outside the county right-of-way of High Street.

Four sewer laterals will need to cross North Bell Avenue in order to tie into the 8-inch gravity sewer.

- The first lateral will be for 129 North Bell Avenue which is located approximately 100 feet from the intersection of East Maple Street and North Bell Avenue
- The second one will be for 121 North Bell Avenue which is located approximately 110 feet from the intersection of East Maple Street and North Bell Avenue
- The third one will be for 129B North Bell Avenue which is located approximately 60 feet from the intersection of Railroad Alley and North Bell Avenue
- The fourth one will be for 150 KY 222 which is located approximately 150 feet from the intersection of KY 222 and North Bell Avenue

Four sewer laterals will need to cross South Bell Avenue in order to tie into the 8-inch gravity sewer.

- The first lateral will be for 203 KY 222 which is located approximately 130 feet from the intersection of KY 222 and South Bell Avenue
- The second one will be for 211 KY 222 which is located approximately 130 feet from the intersection of KY 222 and South Bell Avenue
- The third one will be for 151 KY 222 which is located approximately 150 feet from the intersection of KY 222 and South Bell Avenue
- The fourth one will be for 226 South Bell Avenue which is located approximately 20 feet from the intersection of High Street and South Bell Avenue

One sewer lateral will need to cross South Railroad Avenue in order to tie into the 8-inch gravity sewer.

- The lateral will be for 215 KY 222 which is located approximately 175 feet from the intersection of South Railroad Avenue and South Bell Avenue

Line I ~

The 8-inch gravity sewer is located within Railroad Alley by open cut.

Seven sewer laterals will need to cross Railroad Alley in order to tie into the 8-inch gravity sewer.

- The first lateral will be for 144 KY 222 which is located approximately 150 feet from the intersection of North Bell Avenue and Railroad Alley
- The second lateral will be for 138 KY 222 which is located approximately 215 feet from the intersection of North Bell Avenue and Railroad Alley
- The third lateral will be for 134 KY 222 which is located approximately 275 feet from the intersection of North Bell Avenue and Railroad Alley
- The fourth lateral will be for 128 KY 1136 which is located approximately 345 feet from the intersection of West Railroad Avenue and Railroad Alley
- The fifth lateral will be for 128 KY 222 which is located approximately 360 feet from the intersection of North Bell Avenue and Railroad Alley
- The sixth lateral will be for 120 KY 222 which is located approximately 420 feet from the intersection of North Bell Avenue and Railroad Alley
- The last lateral will be for 100 KY 222 which is located approximately 425 feet from the intersection of North Bell Avenue and Railroad Alley

Line J ~

The 8-inch gravity sewer is located within easements.

Line K ~

The first 20 linear feet of 8-inch gravity sewer is located within the county right-of-way of South Bell Avenue by open cut. The last 1,410 linear feet of 8-inch gravity sewer is located within easements and the state right-of-way of New Glendale Road (KY 1136).

Two sewer laterals will need to cross College Street in order to tie into the 8-inch gravity sewer.

- The first lateral will be for 136B KY 1136 which is located approximately 300 feet from the intersection of KY 222 and College Street
- The last lateral will be for 136A KY 1136 which is located approximately 210 feet from the intersection of KY 222 and College Street

Line L ~

The first 185 linear feet of 8-inch gravity sewer is located within easements; outside the county right-of-way of High Street. The next 25 feet will be within county right-of-way. The 8-inch gravity sewer will cross High Street approximately 555 feet from the intersection of South Bell Avenue and High Street. The last 180 feet will be located within easements; outside the county right-of-way of High Street.

One sewer lateral will need to cross High Street in order to tie into the 8-inch gravity sewer.

- The first lateral will be for 129 College Street which is located approximately 555 feet from the intersection of South Bell Avenue and High Street

Line M ~

The 10-inch gravity sewer is located within easements and the state right-of-way of Glendale/Hodgenville Road (KY222) for the first 2620 feet. The next 30 feet will be within county right-of-way. The 10-inch gravity sewer will cross Jagers Road approximately 595 feet from the intersection of Shipp Lane and Jagers Road. The last 560 feet will be located within easements; outside the county right-of-way of Jagers Road.

One sewer lateral will need to cross Jagers Road in order to tie into the 8-inch gravity sewer.

- The lateral will be for 244 Jagers Road which is located approximately 380 feet from the intersection of Shipp Lane and Jagers Road

Line N ~

The 8-inch gravity sewer is located within easements.

Line O ~

The 8-inch gravity sewer is located outside the state right-of-way of Glendale/Hodgenville Road (KY222).

Line P ~

The 8-inch gravity sewer is located within easements; outside the county right-of-way of Jagers Road. The next 40 feet will be within county right-of-way. The 8-inch gravity sewer will cross Shipp Lane approximately 25 feet from the intersection of Jagers Road and Shipp Lane. The last 10 feet will be located within easements; outside the county right-of-ways of Jagers Road and Shipp Lane.

One sewer lateral will need to cross Jagers Road in order to tie into the 8-inch gravity sewer.

- The lateral will be for 162 Jagers Road which is located approximately 90 feet from the intersection of Shipp Lane and Jagers Road

Line R ~

The 24-inch gravity sewer is located within easements. The 10-inch gravity sewer is located within easements the state right-of-way of 31 W and the federal right-of-way of I-65. The first 4,740 feet of 8-inch gravity sewer is located within easements. The next 60 feet will be within county right-of-way. The 8-inch gravity sewer will cross Sportsman Lake Road approximately 1,300 feet from the intersection of KY 222 and Sportsman Lake Road. The last 2,325 feet will be located within easements and the state right-of-ways for 31 W and Glendale/Hodgenville Road (KY 222).

Line R1 ~

The 8-inch gravity sewer is located within easements and the state right-of-ways of 31 W and Glendale/Hodgenville Road (KY 222).

Line T ~

The 8-inch gravity sewer is located within easements and the state right-of-way of Glendale/Hodgenville Road (KY222).

Line T1 ~

The 8-inch gravity sewer is located within easements.

Line U ~

The first 895 feet of 12-inch gravity sewer is located within easements; outside the state right-of-way of KY 1136. The next 30 feet will be within county right-of-way. The 12-inch gravity sewer will cross Oxmoor Drive approximately 60 feet from the intersection of KY 1136 and Oxmoor Drive. The last 3,475 feet will be located within easements and the state right-of-way of KY 1136.

6-inch Force Main ~

The 6-inch force main is located within easements and state right-of-way of KY 1136. The 6-inch force main will be located within easements; outside the county right-of-way of Shipp Lane.

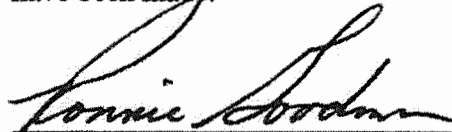
16-inch Force Main ~

The 16-inch force main is located within easements and the state right-of-ways of New Glendale Road (KY 1136) and Glendale/Hodgenville Road (KY222). The 16-inch force main will cross Jagers Road approximately 2,150 feet from the intersection of Shipp Lane and Jagers Road.

As part of this permit, Hardin County Water District No. 2 agrees to the following conditions:

1. All County roads and ditch lines impacted during construction will be restored to the preconstruction condition per the specifications including but not limited to line and grade, pavement section and stabilization.
2. Hardin County Water District No 2 or its designated representative will respond to all complaints in a timely manner.
3. Efforts will be made to minimize the impact to the businesses and traveling public in Glendale by limiting the area disturbed by construction at any one time to 1000 LF. Roadways in these areas shall be backfilled and paved per the project specifications prior to excavating a new section(s).
4. The contractor shall notify with the Road Supervisor prior to backfilling any trench within the County ROW.

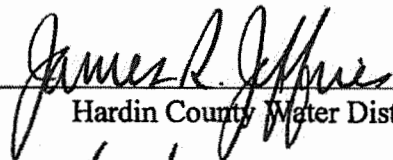
The Road Supervisor, County Engineer or their agent will inspect all the roads and after the repairs have been made.



Hardin County Road Supervisor

3/21/2016

Date



Hardin County Water District No. 2

3/22/16

Date

EXHIBIT 23



DEPARTMENT OF THE ARMY
U.S. ARMY ENGINEER DISTRICT, LOUISVILLE
CORPS OF ENGINEERS
P.O. BOX 59
LOUISVILLE KY 40201-0059
FAX: (502) 315-6677
<http://www.lrl.usace.army.mil/>

March 30, 2016

Operations Division
Regulatory Branch (South)
ID No. LRL-2015-00774-mck

Mr. James Jeffries
Hardin County Water District No. 2
360 Ring Road, P.O. Box 970
Elizabethtown, Kentucky 42701

Dear Mr. Jeffries:

This is in response to your request for authorization to construct 23 stream crossings (see enclosed Table 1), for the Nolin River Sewer Infrastructure project, located on unnamed tributaries (UTs) to Nolin River, Rose Run, UTs to Rose Run, East Rhudes Creek, and UTs to Valley Creek near Glendale and to the north and east of Glendale, Hardin County, Kentucky (Latitude: 37.60167°N and Longitude: 85.90556°W). The proposed stream crossings would be temporary and restored to preconstruction contours once construction is complete. The utility line crossing at station 113+50 would be constructed using a bore, and would not require the discharge of dredged or fill material into "waters of the United States (U.S.)." and therefore would not require an authorization. The information supplied by you was reviewed to determine whether a Department of the Army (DA) permit will be required under the provisions of Section 404 of the Clean Water Act.

This project is considered a discharge of backfill or bedding material for utility lines. The project is authorized under the provisions of Nationwide Permit (NWP) No. 12, Utility Line Activities, as published in the Federal Register February 21, 2012. Under the provisions of this authorization, you must comply with the enclosed Terms and General Conditions for NWP No. 12 and the following Special Condition:

The permittee must conduct all removal of trees associated with the project between the dates of October 15th to March 31st.

Hardin County Water District No. 2 must also comply with the enclosed Water Quality Certification (WQC) Conditions for Nationwide Permit No. 12 dated March 19, 2012, issued by the Kentucky Division of Water (KDOW). Once Hardin County Water District No. 2 obtains their certification, or if no application was required, they may proceed with the project without further contact or verification from us.

This verification is valid until the NWP is modified, reissued, or revoked. All of the existing NWPs are scheduled to be modified, reissued, or revoked prior to March 18, 2017. It is incumbent upon Hardin County Water District No. 2 to remain informed of changes to the NWPs. We will issue a public notice when the NWPs are reissued. Furthermore, if Hardin County Water District No. 2 commences or are under contract to commence this activity before the date that the relevant NWP is modified or revoked, they will have 12 months from the date of the modification or revocation of the NWP to complete the activity under the present terms and conditions of this nationwide permit. The enclosed Compliance Certification should be signed and returned when the project is completed. Please note that we also perform periodic inspections to ensure compliance with our permit conditions and applicable Federal laws. Copies of this letter are being sent to the appropriate coordinating agencies and to your agent, Strand Associates, Inc. (see enclosure for addresses).

Attached to this verification are a preliminary jurisdictional determination (JD), a Notification of Appeal Process (NAP) fact sheet, and Request for Appeal (RFA) form. However, a preliminary JD is not appealable and impacting "waters of the United States" identified in the preliminary JD will result in Hardin County Water District No. 2 waiving the right to request an approved JD at a later date. An approved JD may be requested (which may be appealed), by contacting the project manager for further instruction.

If you have any questions, please contact this office by writing to the above address, ATTN: CELRL-OPF-S, or by calling me at 502-315-6709. All correspondence pertaining to this matter should refer to our ID No. LRL-2015-00774-mck.

Sincerely,



Meagan Knuckles
Project Manager
Regulatory Branch

Enclosures

TABLE 1

| Waters Crossing (Station Number) | Stream Name | Latitude (°N) | Longitude (°W) | Cowardin Class | Impacts (Linear Feet) | Impact Type |
|----------------------------------|-------------------|---------------|----------------|--------------------------------|-----------------------|--------------------|
| 11+00 | UT Nolin River | 37.57583 | -85.8775 | R5-RIVERINE, UNKNOWN PERENNIAL | 50 | Open Cut-Temporary |
| 113+50 | UT Nolin River | 37.595 | -85.86556 | R4-RIVERINE, INTERMIT | 160 | Bore |
| 128+25 | UT Nolin River | 37.58972 | -85.90361 | R4-RIVERINE, INTERMIT | 50 | Open Cut-Temporary |
| 14+00 | UT Rose Run | 37.60722 | -85.90361 | R6-RIVERINE, EPHEMERAL | 70 | Open Cut-Temporary |
| 195+75 | UT Rose Run | 37.6025 | -85.89833 | R6-RIVERINE, EPHEMERAL | 40 | Open Cut-Temporary |
| 200+00 | UT Rose Run | 37.60361 | -85.89889 | R6-RIVERINE, EPHEMERAL | 40 | Open Cut-Temporary |
| 207+25 | UT Rose Run | 37.605 | -85.90056 | R4-RIVERINE, INTERMIT | 40 | Open Cut-Temporary |
| 215+25 | UT Rose Run | 37.60611 | -85.90278 | R6-RIVERINE, EPHEMERAL | 40 | Open Cut-Temporary |
| 240+00 | UT Rose Run | 37.60972 | -85.90528 | R6-RIVERINE, EPHEMERAL | 180 | Open Cut-Temporary |
| 241+25 | Rose Run | 37.60991 | -85.90532 | R5-RIVERINE, UNKNOWN PERENNIAL | 180 | Open Cut-Temporary |
| 26+50 | Rose Run | 37.61054 | -85.90246 | R6-RIVERINE, EPHEMERAL | 60 | Open Cut-Temporary |
| 264+50 | UT Rose Run | 37.61611 | -85.90556 | R6-RIVERINE, EPHEMERAL | 50 | Open Cut-Temporary |
| 300+00 | East Rhudes Creek | 37.62591 | -85.90614 | R5-RIVERINE, UNKNOWN PERENNIAL | 125 | Open Cut-Temporary |
| 31+50 | UT Nolin River | 37.59167 | -85.87111 | R6-RIVERINE, EPHEMERAL | 90 | Open Cut-Temporary |
| 336+50 | UT Valley Creek | 37.63583 | -85.90472 | R4-RIVERINE, INTERMIT | 50 | Open Cut-Temporary |
| 347+50 | UT Valley Creek | 37.63833 | -85.90528 | R5-RIVERINE, UNKNOWN PERENNIAL | 70 | Open Cut-Temporary |
| 352+00 | UT Valley Creek | 37.63889 | -85.90444 | R4-RIVERINE, INTERMIT | 20 | Open Cut-Temporary |
| 44+25 | UT Rose Run | 37.615 | -85.90056 | R4-RIVERINE, INTERMIT | 50 | Open Cut-Temporary |
| 67+50 | UT Nolin River | 37.58194 | -85.87222 | R6-RIVERINE, EPHEMERAL | 60 | Open Cut-Temporary |
| 76+50 | UT Nolin River | 37.57917 | -85.89861 | R6-RIVERINE, EPHEMERAL | 50 | Open Cut-Temporary |
| 80+00 | UT Nolin River | 37.57861 | -85.87306 | R5-RIVERINE, UNKNOWN PERENNIAL | 100 | Open Cut-Temporary |
| 81+50 | UT Nolin River | 37.57806 | -85.87306 | R5-RIVERINE, UNKNOWN PERENNIAL | 75 | Open Cut-Temporary |
| 83+00 | UT Nolin River | 37.5775 | -85.87306 | R6-RIVERINE, EPHEMERAL | 40 | Open Cut-Temporary |

Terms for Nationwide Permit No. 12 – Utility Line Activities

12. Utility Line Activities. Activities required for the construction, maintenance, repair, and removal of utility lines and associated facilities in waters of the United States, provided the activity does not result in the loss of greater than 1/2-acre of waters of the United States for each single and complete project.

Utility lines: This NWP authorizes the construction, maintenance, or repair of utility lines, including outfall and intake structures, and the associated excavation, backfill, or bedding for the utility lines, in all waters of the United States, provided there is no change in pre-construction contours. A “utility line” is defined as any pipe or pipeline for the transportation of any gaseous, liquid, liquescent, or slurry substance, for any purpose, and any cable, line, or wire for the transmission for any purpose of electrical energy, telephone, and telegraph messages, and radio and television communication. The term “utility line” does not include activities that drain a water of the United States, such as drainage tile or french drains, but it does apply to pipes conveying drainage from another area.

Material resulting from trench excavation may be temporarily sidecast into waters of the United States for no more than three months, provided the material is not placed in such a manner that it is dispersed by currents or other forces. The district engineer may extend the period of temporary side casting for no more than a total of 180 days, where appropriate. In wetlands, the top 6 to 12 inches of the trench should normally be backfilled with topsoil from the trench. The trench cannot be constructed or backfilled in such a manner as to drain waters of the United States (e.g., backfilling with extensive gravel layers, creating a french drain effect). Any exposed slopes and stream banks must be stabilized immediately upon completion of the utility line crossing of each waterbody.

Utility line substations: This NWP authorizes the construction, maintenance, or expansion of substation facilities associated with a power line or utility line in non-tidal waters of the United States, provided the activity, in combination with all other activities included in one single and complete project, does not result in the loss of greater than 1/2-acre of waters of the United States. This NWP does not authorize discharges into non-tidal wetlands adjacent to tidal waters of the United States to construct, maintain, or expand substation facilities.

Foundations for overhead utility line towers, poles, and anchors: This NWP authorizes the construction or maintenance of foundations for overhead utility line towers, poles, and anchors in all waters of the United States, provided the foundations are the minimum size necessary and separate footings for each tower leg (rather than a larger single pad) are used where feasible.

Access roads: This NWP authorizes the construction of access roads for the construction and maintenance of utility lines, including overhead power lines and utility line substations, in non-tidal waters of the United States, provided the activity, in combination with all other activities included in one single and complete project, does not cause the loss of greater than 1/2-acre of non-tidal waters of the United States. This NWP does not authorize discharges into non-tidal wetlands adjacent to tidal waters for access roads. Access roads must be the minimum width necessary (see Note 2, below). Access roads must be constructed so that the length of the road minimizes any adverse effects on waters of the United States and must be as near as possible to pre-construction contours and elevations (e.g., at grade corduroy roads or geotextile/gravel roads). Access roads constructed above pre-construction contours and elevations in waters of the United States must be properly bridged or culverted to maintain surface flows.

This NWP may authorize utility lines in or affecting navigable waters of the United States even if there is no associated discharge of dredged or fill material (See 33 CFR Part 322). Overhead utility lines constructed over section 10 waters and utility lines that are routed in or under section 10 waters without a discharge of dredged or fill material require a section 10 permit.

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

Notification: The permittee must submit a pre-construction notification to the district engineer prior to commencing the activity if any of the following criteria are met: (1) the activity involves mechanized land clearing in a forested wetland for the utility line right-of-way; (2) a section 10 permit is required; (3) the utility line in waters of the United States, excluding overhead lines, exceeds 500 feet; (4) the utility line is placed within a jurisdictional area (i.e., water of the United States), and it runs parallel to or along a stream bed that is within that jurisdictional area; (5) discharges that result in the loss of greater than 1/10-acre of waters of the United States; (6) permanent access roads are constructed above grade in waters of the United States for a distance of more than 500 feet; or (7) permanent access roads are constructed in waters of the United States with impervious materials. (See general condition 31.) (Sections 10 and 404)

Note 1: Where the proposed utility line is constructed or installed in navigable waters of the United States (i.e., section 10 waters) within the coastal United States, the Great Lakes, and United States territories, copies of the pre-construction notification and NWP verification will be sent by the Corps to the National Oceanic and Atmospheric Administration (NOAA), National Ocean Service (NOS), for charting the utility line to protect navigation.

Note 2: Access roads used for both construction and maintenance may be authorized, provided they meet the terms and conditions of this NWP. Access roads used solely for construction of the utility line must be removed upon completion of the work, in accordance with the requirements for temporary fills.

Note 3: Pipes or pipelines used to transport gaseous, liquid, liquescent, or slurry substances over navigable waters of the United States are considered to be bridges, not utility lines, and may require a permit from the U.S. Coast Guard pursuant to Section 9 of the Rivers and Harbors Act of 1899. However, any discharges of dredged or fill material into waters of the United States associated with such pipelines will require a section 404 permit (see NWP 15).

Note 4: For overhead utility lines authorized by this NWP, a copy of the PCN and NWP verification will be provided to the Department of Defense Siting Clearinghouse, which will evaluate potential effects on military activities.



**US Army Corps
of Engineers.**
Louisville District

Nationwide Permit Conditions

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

1. Navigation. (a) No activity may cause more than a minimal adverse effect on navigation.
- (b) Any safety lights and signals prescribed by the US Coast Guard, through regulations or otherwise, must be installed and maintained at the permittee's expense on authorized facilities in navigable waters of the US.
- (c) The permittee understands and agrees that, if future operations by the US require the removal, relocation, or other alteration, of the structure or work herein authorized, or if, in the opinion of the Secretary of the Army or his authorized representative, said structure or work shall cause unreasonable obstruction to the free navigation of the navigable waters, the permittee will be required, upon due notice from the Corps of Engineers, to remove, relocate, or alter the structural work or obstructions caused thereby, without expense to the US. No claim shall be made against the US on account of any such removal or alteration.
2. Aquatic Life Movements. No activity may substantially disrupt the necessary life cycle movements of those species of aquatic life indigenous to the waterbody, including those species that normally migrate through the area, unless the activity's primary purpose is to impound water. All permanent and temporary crossings of waterbodies shall be suitably culverted, bridged, or otherwise designed and constructed to maintain low flows to sustain the movement of those aquatic species.
3. Spawning Areas. Activities in spawning areas during spawning seasons must be avoided to the maximum extent practicable. Activities that result in the physical destruction (e.g., through excavation, fill, or downstream smothering by substantial turbidity) of an important spawning area are not authorized.
4. Migratory Bird Breeding Areas. Activities in waters of the US that serve as breeding areas for migratory birds must be avoided to the maximum extent practicable.
5. Shellfish Beds. No activity may occur in areas of concentrated shellfish populations, unless the activity is directly related to a shellfish harvesting activity authorized by NWPs 4 and 4B, or is a shellfish seeding or habitat restoration activity authorized by NWP 27.
6. Suitable Material. No activity may use unsuitable material (e.g., trash, debris, car bodies, asphalt, etc.). Material used for construction or discharged must be free from toxic pollutants in toxic amounts (see Section 307 of the Clean Water Act).
7. Water Supply Intakes. No activity may occur in the proximity of a public water supply intake, except where the activity is for the repair or improvement of public water supply intake structures or adjacent bank stabilization.
8. Adverse Effects From Impoundments. If the activity creates an impoundment of water, adverse effects to the aquatic system due to accelerating the passage of water, and/or restricting its flow must be minimized to the maximum extent practicable.
9. Management of Water Flows. To the maximum extent practicable, the pre-construction course, condition, capacity, and location of open waters must be maintained for each activity, including stream channelization and storm water management activities, except as provided below. The activity must be constructed to withstand expected high flows. The activity must not restrict or impede the passage of normal or high flows, unless the primary purpose of the activity is to impound water or manage high flows. The activity may alter the pre-construction course, condition, capacity, and location of open waters if it benefits the aquatic environment (e.g., stream restoration or relocation activities).
10. Fills Within 100-Year Floodplains. The activity must comply with applicable FEMA-approved state or local floodplain management requirements.
11. Equipment. Heavy equipment working in wetlands or mudflats must be placed on mats, or other measures must be taken to minimize soil disturbance.
12. Soil Erosion and Sediment Controls. Appropriate soil erosion and sediment controls must be used and maintained in effective operating condition during construction, and all exposed soil and other fills, as well as any work below the ordinary high water mark or high

- tide line, must be permanently stabilized at the earliest practicable date. Permittees are encouraged to perform work within waters of the US during periods of low-flow or no-flow.
13. Removal of Temporary Fills. Temporary fills must be removed in their entirety and the affected areas returned to pre-construction elevations. The affected areas must be revegetated, as appropriate.
14. Proper Maintenance. Any authorized structure or fill shall be properly maintained, including maintenance to ensure public safety and compliance with applicable NWP general conditions, as well as any activity-specific conditions added by the district engineer to an NWP authorization.
15. Single and Complete Project. The activity must be a single and complete project. The same NWP cannot be used more than once for the same single and complete project.
16. Wild and Scenic Rivers. No activity may occur in a component of the National Wild and Scenic River System, or in a river officially designated by Congress as a "study river" for possible inclusion in the system while the river is in an official study status, unless the appropriate Federal agency with direct management responsibility for such river, has determined in writing that the proposed activity will not adversely affect the Wild and Scenic River designation or study status. Information on Wild and Scenic Rivers may be obtained from the appropriate Federal land management agency responsible for the designated Wild and Scenic River or study river (e.g., National Park Service, US Forest Service, US Fish and Wildlife Service).
17. Tribal Rights. No activity or its operation may impair reserved tribal rights, including, but not limited to, reserved water rights and treaty fishing and hunting rights.
18. Endangered Species. (a) No activity is authorized under any NWP which is likely to directly or indirectly jeopardize the continued existence of a threatened or endangered species or a species proposed for such designation, as identified under the Federal Endangered Species Act (ESA), or which will directly or indirectly destroy or adversely modify the critical habitat of such species. No activity is authorized under any NWP which "may affect" a listed species or critical habitat, unless Section 7 consultation addressing the effects of the proposed activity has been completed.
- (b) Federal agencies should follow their own procedures for complying with the requirements of the ESA. Federal permittees must provide the district engineer with the appropriate documentation to demonstrate compliance with those requirements. The district engineer will review the documentation and determine whether it is sufficient to address ESA compliance for the NWP activity, or whether additional ESA consultation is necessary.
- (c) Non-federal permittees must submit a pre-construction notification (PCN) to the district engineer if any listed species or designated critical habitat might be affected or is in the vicinity of the project, or if the project is located in designated critical habitat, and shall not begin work on the activity until notified by the district engineer that the requirements of the ESA have been satisfied and that the activity is authorized. For activities that might affect Federally-listed endangered or threatened species or designated critical habitat, the PCN must include the name(s) of the endangered or threatened species that might be affected by the proposed work or that utilize the designated critical habitat that might be affected by the proposed work. The district engineer will determine whether the proposed activity "may affect" or will have "no effect" to listed species and designated critical habitat and will notify the non-Federal applicant of the Corps' determination within 45 days of receipt of a complete PCN. In cases where the non-Federal applicant has identified listed species or critical habitat that might be affected or is in the vicinity of the project, and has so notified the Corps, the applicant shall not begin work until the Corps has provided notification the proposed activities will have "no effect" on listed species or critical habitat, or until Section 7 consultation has been completed. If the non-Federal applicant has not heard back from the Corps within 45 days, the applicant must still wait for notification from Corps.
- (d) As a result of formal or informal consultation with the USFWS or NMFS the district engineer may add species-specific regional endangered species conditions to the NWPs.

(e) Authorization of an activity by a NWP does not authorize the "take" of a threatened or endangered species as defined under the ESA. In the absence of separate authorization (e.g., an ESA Section 10 Permit, a Biological Opinion with "incidental take" provisions, etc.) from the USFWS or the NMFS, The Endangered Species Act prohibits any person subject to the jurisdiction of the US to take a listed species, where "take" means to harass, harm, pursue, hunt, shoot, wound, kill, trap, capture, or collect, or to attempt to engage in any such conduct. The word "harm" in the definition of "take" means an act which actually kills or injures wildlife. Such an act may include significant habitat modification or degradation where it actually kills or injures wildlife by significantly impairing essential behavioral patterns, including breeding, feeding or sheltering.

(f) Information on the location of threatened and endangered species and their critical habitat can be obtained directly from the offices of the USFWS and NMFS at <http://www.fws.gov/> or <http://www.fws.gov/iadac> and <http://www.noaa.gov/fisheries.html>, respectively.

19. Migratory Birds and Bald and Golden Eagles. The permittee is responsible for obtaining any "take" permits required under the USFWS's regulations governing compliance with the Migratory Bird Treaty Act or the Bald and Golden Eagle Protection Act. The permittee should contact the appropriate local office of the USFWS to determine if such "take" permits are required for a particular activity.

20. Historic Properties. (a) In cases where the district engineer determines that the activity may affect properties listed, or eligible for listing, in the National Register of Historic Places, the activity is not authorized, until the requirements of Section 106 of the National Historic Preservation Act (NHPA) have been satisfied.

(b) Federal permittees should follow their own procedures for complying with the requirements of Section 106 of the National Historic Preservation Act. Federal permittees must provide the district engineer with the appropriate documentation to demonstrate compliance with those requirements. The district engineer will review the documentation and determine whether it is sufficient to address section 106 compliance for the NWP activity, or whether additional section 106 consultation is necessary.

(c) Non-federal permittees must submit a pre-construction notification to the district engineer if the authorized activity may have the potential to cause effects to any historic properties listed on, determined to be eligible for listing on, or potentially eligible for listing on the National Register of Historic Places, including previously unidentified properties. For such activities, the pre-construction notification must state which historic properties may be affected by the proposed work or include a vicinity map indicating the location of the historic properties or the potential for the presence of historic properties. Assistance regarding information on the location of or potential for the presence of historic resources can be sought from the State Historic Preservation Officer or Tribal Historic Preservation Officer, as appropriate, and the National Register of Historic Places (see 33 CFR 330.4(g)). When reviewing pre-construction notifications, district engineers will comply with the current procedures for addressing the requirements of Section 106 of the National Historic Preservation Act. The district engineer shall make a reasonable and good faith effort to carry out appropriate identification efforts, which may include background research, consultation, oral history interviews, sample field investigation, and field survey. Based on the information submitted and these efforts, the district engineer shall determine whether the proposed activity has the potential to cause an effect on the historic properties. Where the non-Federal applicant has identified historic properties on which the activity may have the potential to cause effects and notified the Corps, the non-Federal applicant shall not begin the activity until notified by the district engineer either that the activity has no potential to cause effects or that consultation under Section 106 of the NHPA is complete.

(d) The district engineer will notify the prospective permittee within 45 days of receipt of a complete pre-construction notification whether NHPA Section 106 consultation is required. Section 106 consultation is not required when the Corps determines that the activity does not have the potential to cause effects on historic properties (see 36 CFR §800.3(a)). If NHPA section 106 consultation is required and will occur, the district engineer will notify the non-Federal applicant that he or she cannot begin work until Section 106 consultation is completed. If the non-Federal applicant has not heard back from the Corps within 45 days, the applicant must still wait for notification from the Corps.

(e) Prospective permittees should be aware that section 110k of the NHPA (16 U.S.C. 470h-2(k)) prevents the Corps from granting a permit or other assistance to an applicant who,

with intent to avoid the requirements of Section 106 of the NHPA, has intentionally significantly adversely affected a historic property to which the permit would relate, or having legal power to prevent it, allowed such significant adverse effect to occur, unless the Corps, after consultation with the Advisory Council on Historic Preservation (ACHP), determines that circumstances justify granting such assistance despite the adverse effect created or permitted by the applicant. If circumstances justify granting the assistance, the Corps is required to notify the ACHP and provide documentation specifying the circumstances, the degree of damage to the integrity of any historic properties affected, and proposed mitigation. This documentation must include any views obtained from the applicant, SHPO/THPO, appropriate Indian tribes if the undertaking occurs on or affects historic properties on tribal lands or affects properties of interest to those tribes, and other parties known to have a legitimate interest in the impacts to the activity on historic properties.

21. Discovery of Previously Unknown Remains and Artifacts. If you discover any previously unknown historic, cultural or archaeological remains and artifacts while accomplishing the activity authorized by this permit, you must immediately notify the district engineer of what you have found, and to the maximum extent practicable, avoid construction activities that may affect the remains and artifacts until the required coordination has been completed. The district engineer will initiate the Federal, Tribal and state coordination required to determine if the items or remains warrant recovery effort or if the site is eligible for listing in the National Register of Historic Places.

22. Designated Critical Resource Waters. Critical resource waters include, NOAA-managed marine sanctuaries and marine monuments, and National Estuarine Research Reserves. The district engineer may designate, after notice and opportunity for public comment, additional waters officially designated by a state as having particular environmental or ecological significance, such as outstanding national resource waters or state natural heritage sites. The district engineer may also designate additional critical resource waters after notice and opportunity for public comment.

(a) Discharges of dredged or fill material into waters of the US are not authorized by NWPs 7, 12, 14, 16, 17, 21, 29, 31, 35, 39, 40, 42, 43, 44, 49, 50, 51, and 52 for any activity within, or directly affecting, critical resource waters, including wetlands adjacent to such waters.

(b) For NWPs 3, 8, 10, 13, 15, 18, 19, 22, 23, 25, 27, 28, 30, 33, 34, 36, 37, and 38, notification is required in accordance with general condition 31, for any activity proposed in the designated critical resource waters including wetlands adjacent to those waters. The district engineer may authorize activities under these NWPs only after it is determined that the impacts to the critical resource waters will be no more than minimal.

23. Mitigation. The district engineer will consider the following factors when determining appropriate and practicable mitigation necessary to ensure that adverse effects on the aquatic environment are minimal:

(a) The activity must be designed and constructed to avoid and minimize adverse effects, both temporary and permanent, to waters of the US to the maximum extent practicable at the project site (i.e., on site).

(b) Mitigation in all its forms (avoiding, minimizing, rectifying, reducing, or compensating for resource losses) will be required to the extent necessary to ensure that the adverse effects to the aquatic environment are minimal.

(c) Compensatory mitigation at a minimum one-for-one ratio will be required for all wetland losses that exceed 1/10-acre and require pre-construction notification, unless the district engineer determines in writing that either some other form of mitigation would be more environmentally appropriate or the adverse effects of the proposed activity are minimal, and provides a project-specific waiver of this requirement. For wetland losses of 1/10-acre or less that require pre-construction notification, the district engineer may determine on a case-by-case basis that compensatory mitigation is required to ensure that the activity results in minimal adverse effects on the aquatic environment. Compensatory mitigation projects provided to offset losses of aquatic resources must comply with the applicable provisions of 33 CFR part 332.

(1) The prospective permittee is responsible for proposing an appropriate compensatory mitigation option if compensatory mitigation is necessary to ensure that the activity results in minimal adverse effects on the aquatic environment.

(2) Since the likelihood of success is greater and the impacts to potentially valuable uplands are reduced, wetland restoration should be the first compensatory mitigation option considered.

(3) If permittee-responsible mitigation is the proposed option, the prospective permittee is responsible for submitting a mitigation plan. A conceptual or detailed mitigation plan may be used by the district engineer to make the decision on the NWP verification request, but a final mitigation plan that addresses the applicable requirements of 33 CFR 332.4(c)(2) - (14) must be approved by the district engineer before the permittee begins work in waters of the US, unless the district engineer determines that prior approval of the final mitigation plan is not practicable or not necessary to ensure timely completion of the required compensatory mitigation (see 33 CFR 332.3(k)(3)).

(4) If mitigation bank or in-lieu fee program credits are the proposed option, the mitigation plan only needs to address the baseline conditions at the impact site and the number of credits to be provided.

(5) Compensatory mitigation requirements (e.g., resource type and amount to be provided as compensatory mitigation, site protection, ecological performance standards, monitoring requirements) may be addressed through conditions added to the NWP authorization, instead of components of a compensatory mitigation plan.

(d) For losses of streams or other open waters that require pre-construction notification, the district engineer may require compensatory mitigation, such as stream rehabilitation, enhancement, or preservation, to ensure that the activity results in minimal adverse effects on the aquatic environment.

(e) Compensatory mitigation will not be used to increase the acreage losses allowed by the acreage limits of the NWPs. For example, if an NWP has an acreage limit of 1/2-acre, it cannot be used to authorize any project resulting in the loss of greater than 1/2-acre of waters of the US, even if compensatory mitigation is provided that replaces or restores some of the lost waters. However, compensatory mitigation can and should be used, as necessary, to ensure that a project already meeting the established acreage limits also satisfies the minimal impact requirement associated with the NWPs.

(f) Compensatory mitigation plans for projects in or near streams or other open waters will normally include a requirement for the restoration or establishment, maintenance, and legal protection (e.g., conservation easements) of riparian areas next to open waters. In some cases, riparian areas may be the only compensatory mitigation required. Riparian areas should consist of native species. The width of the required riparian area will address documented water quality or aquatic habitat loss concerns. Normally, the riparian area will be 25 to 50 feet wide on each side of the stream, but the district engineer may require slightly wider riparian areas to address documented water quality or habitat loss concerns. If it is not possible to establish a riparian area on both sides of a stream, or if the waterbody is a lake or coastal waters, then restoring or establishing a riparian area along a single bank or shoreline may be sufficient. Where both wetlands and open waters exist on the project site, the district engineer will determine the appropriate compensatory mitigation (e.g., riparian areas and/or wetlands compensation) based on what is best for the aquatic environment on a watershed basis. In cases where riparian areas are determined to be the most appropriate form of compensatory mitigation, the district engineer may waive or reduce the requirement to provide wetland compensatory mitigation for wetland losses.

(g) Permittees may propose the use of mitigation banks, in-lieu fee programs, or separate permittee-responsible mitigation. For activities resulting in the loss of marine or estuarine resources, permittee-responsible compensatory mitigation may be environmentally preferable if there are no mitigation banks or in-lieu fee programs in the area that have marine or estuarine credits available for sale or transfer to the permittee. For permittee-responsible mitigation, the special conditions of the NWP verification must clearly indicate the party or parties responsible for the implementation and performance of the compensatory mitigation project, and, if required, its long-term management.

(h) Where certain functions and services of waters of the US are permanently adversely affected, such as the conversion of a forested or scrub-shrub wetland to a herbaceous wetland in a permanently maintained utility line right-of-way, mitigation may be required to reduce the adverse effects of the project to the minimal level.

24. Safety of Impoundment Structures. To ensure that all impoundment structures are safely designed, the district engineer may require non-Federal applicants to demonstrate that the structures comply with established state dam safety criteria or have been designed by qualified persons. The district engineer may also require documentation that the design has

been independently reviewed by similarly qualified persons, and appropriate modifications made to ensure safety.

25. Water Quality. Where States and authorized Tribes, or EPA where applicable, have not previously certified compliance of an NWP with CWA Section 401, Individual 401 Water Quality Certification must be obtained or waived (see 33 CFR 330.4(c)). The district engineer or State or Tribe may require additional water quality degradation measures to ensure that the authorized activity does not result in more than minimal degradation of water quality.

26. Coastal Zone Management. In coastal states where an NWP has not previously received a state coastal zone management consistency concurrence, an individual state coastal zone management consistency concurrence must be obtained, or a presumption of concurrence must occur (see 33 CFR 330.4(d)). The district engineer or a State may require additional measures to ensure that the authorized activity is consistent with state coastal zone management requirements.

27. Regional and Case-By-Case Conditions. The activity must comply with any regional conditions that may have been added by the Division Engineer (see 33 CFR 330.4(e)) and with any case specific conditions added by the Corps or by the state, Indian Tribe, or USEPA in its section 401 Water Quality Certification, or by the state in its Coastal Zone Management Act consistency determination.

28. Use of Multiple Nationwide Permits. The use of more than one NWP for a single and complete project is prohibited, except when the acreage loss of waters of the US authorized by the NWPs does not exceed the acreage limit of the NWP with the highest specified acreage limit. For example, if a road crossing over tidal waters is constructed under NWP 14, with associated bank stabilization authorized by NWP 13, the maximum acreage loss of waters of the US for the total project cannot exceed 1/3-acre.

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

(Transferee) _____

(Date) _____

30. Compliance Certification. Each permittee who receives an NWP verification letter from the Corps must provide a signed certification documenting completion of the authorized activity and any required compensatory mitigation. The success of any required permittee-responsible mitigation, including the achievement of ecological performance standards, will be addressed separately by the district engineer. The Corps will provide the permittee the certification document with the NWP verification letter. The certification document will include:

- (a) A statement that the authorized work was done in accordance with the NWP authorization, including any general, regional, or activity-specific conditions;
- (b) A statement that the implementation of any required compensatory mitigation was completed in accordance with the permit conditions. If credits from a mitigation bank or in-lieu fee program are used to satisfy the compensatory mitigation requirements, the certification must include the documentation required by 33 CFR 332.3(l)(3) to confirm that the permittee secured the appropriate number and resource type of credits; and
- (c) The signature of the permittee certifying the completion of the work and mitigation.

31. Pre-Construction Notification (PCN). (a) Timing. Where required by the terms of the NWP, the prospective permittee must notify the district engineer by submitting a PCN as early as possible. The district engineer must determine if the PCN is complete within 30 calendar days of the date of receipt and, if the PCN is determined to be incomplete, notify the prospective permittee within that 30 day period to request the additional information necessary to make the PCN complete. As a general rule, district engineers will request additional information necessary to make the PCN complete only once. However, if the prospective permittee does not provide all of the requested information, then the district engineer will notify the prospective permittee that the PCN is still incomplete and the PCN review process will not commence until all of the requested information has been received by the district engineer. The prospective permittee shall not begin the activity until either:

- (1) He or she is notified in writing by the district engineer that the activity may proceed under the NWP with any special conditions imposed by the district or division engineer or
 - (2) 45 calendar days have passed from the district engineer's receipt of the complete PCN and the prospective permittee has not received written notice from the district or division engineer. However, if the permittee was required to notify the Corps pursuant to general condition 18 that listed species or critical habitat might be affected or in the vicinity of the project, or to notify the Corps pursuant to general condition 20 that the activity may have the potential to cause effects to historic properties, the permittee cannot begin the activity until receiving written notification from the Corps that there is "no effect" on listed species or "no potential to cause effects" on historic properties, or that any consultation required under Section 7 of the Endangered Species Act (see 33 CFR 330.4(f)) and/or Section 106 of the National Historic Preservation Act (see 33 CFR 330.4(g)) has been completed. Also, work cannot begin under NWMPs 21, 49, or 50 until the permittee has received written approval from the Corps. If the proposed activity requires a written waiver to exceed specified limits of an NWP, the permittee may not begin the activity until the district engineer issues the waiver. If the district or division engineer notifies the permittee in writing that an individual permit is required within 45 calendar days of receipt of a complete PCN, the permittee cannot begin the activity until an individual permit has been obtained. Subsequently, the permittee's right to proceed under the NWP may be modified, suspended, or revoked only in accordance with the procedure set forth in 33 CFR 330.5(d)(2).
- (b) Contents of Pre-Construction Notification: The PCN must be in writing and include the following information:

- (1) Name, address and telephone numbers of the prospective permittee;
- (2) Location of the proposed project;
- (3) A description of the proposed project, the project's purpose; direct and indirect adverse environmental effects the project would cause, including the anticipated amount of loss of water of the US expected to result from the NWP activity, in acres, linear feet, or other appropriate unit of measure; any other NMWP(s), regional general permit(s), or individual permit(s) used or intended to be used to authorize any part of the proposed project; or any related activity. The description should be sufficiently detailed to allow the district engineer to determine that the adverse effects of the project will be minimal and to determine the need for compensatory mitigation. Sketches should be provided when necessary to show that the activity complies with the terms of the NWP. (Sketches usually clarify the project and when provided results in a quicker decision. Sketches should contain sufficient detail to provide an illustrative description of the proposed activity (e.g., a conceptual plan), but do not need to be detailed engineering plans);
- (4) The PCN must include a delineation of wetlands, other special aquatic sites, and waters, such as lakes and ponds, and perennial, intermittent, and ephemeral streams, on the project site. Wetland delineations must be prepared in accordance with the current method required by the Corps. The permittee may ask the Corps to delineate the special aquatic sites and other waters on the project site, but there may be a delay if the Corps does the delineation, especially if the project site is large or contains many waters of the US. The 45 day period will not start until the delineation has been submitted to or completed by the Corps, as appropriate;
- (5) If the proposed activity will result in the loss of greater than 1/10-acre of wetlands and a PCN is required, the prospective permittee must submit a statement describing how the mitigation requirement will be satisfied, or explaining why the adverse effects are minimal and why compensatory mitigation should not be required. As an alternative, the prospective permittee may submit a conceptual or detailed mitigation plan.

(6) If any listed species or designated critical habitat might be affected or is in the vicinity of the project, or if the project is located in designated critical habitat, for non-Federal applicants the PCN must include the name(s) of those endangered or threatened species that might be affected by the proposed work or utilize the designated critical habitat that may be affected by the proposed work. Federal applicants must provide documentation demonstrating compliance with the Endangered Species Act; and

(7) For an activity that may affect a historic property listed on, determined to be eligible for listing on, or potentially eligible for listing on, the National Register of Historic Places, for non-Federal applicants the PCN must state which historic property may be affected by the proposed work or include a vicinity map indicating the location of the historic property. Federal applicants must provide documentation demonstrating compliance with Section 106 of the National Historic Preservation Act.

(c) Form of PCN Notification: The standard individual permit application form (Form ENG 4345) may be used, but the completed application form must clearly indicate that it is a PCN and must include all of the information required in paragraphs (b)(1) through (7) of this general condition. A letter containing the required information may also be used.

(d) Agency Coordination: (1) The district engineer will consider any comments from Federal and state agencies concerning the proposed activity's compliance with the terms and conditions of the NWMPs and the need for mitigation to reduce the project's adverse environmental effects to a minimal level.

(2) For all NWP activities that require PCN notification and result in the loss of greater than 1/2-acre of waters of the US, for NWP 21, 29, 39, 40, 42, 43, 44, 50, 51, and 52 activities that require PCN notification and will result in the loss of greater than 300 linear feet of intermittent and ephemeral stream bed, and for all NWP 48 activities that require PCN notification, the district engineer will immediately provide (e.g., via e-mail, facsimile transmission, overnight mail, or other expeditious manner) a copy of the complete PCN to the appropriate Federal or state offices (USFWS, state natural resource or water quality agency, EPA, State Historic Preservation Officer (SHPO) or Tribal Historic Preservation Office (THPO)), and, if appropriate, the NMFS). With the exception of NWP 37, these agencies will have 10 calendar days from the date the material is transmitted to telephone or fax the district engineer notice that they intend to provide substantive, site-specific comments. The comments must explain why the agency believes the adverse effects will be more than minimal. If so contacted by an agency, the district engineer will wait an additional 15 calendar days before making a decision on the PCN notification. The district engineer will fully consider agency comments received within the specified time frame concerning the proposed activity's compliance with the terms and conditions of the NWMPs, including the need for mitigation to ensure the net adverse environmental effects to the aquatic environment of the proposed activity are minimal. The district engineer will provide no response to the resource agency, except as provided below. The district engineer will indicate in the administrative record associated with each PCN notification that the resource agencies' concerns were considered. For NWP 37, the emergency watershed protection and rehabilitation activity may proceed immediately in cases where there is an unacceptable hazard to life or a significant loss of property or economic hardship will occur. The district engineer will consider any comments received to decide whether the NWP 37 authorization should be modified, suspended, or revoked in accordance with the procedures at 33 CFR 330.5.

(3) In cases of where the prospective permittee is not a Federal agency, the district engineer will provide a response to NMFS within 30 calendar days of receipt of any Essential Fish Habitat conservation recommendations, as required by Section 305(b)(4)(B) of the Magnuson-Stevens Fishery Conservation and Management Act.

(4) Applicants are encouraged to provide the Corps with either electronic files or multiple copies of PCN notifications to expedite agency coordination.

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



STEVEN L. BESHEAR
GOVERNOR

LEONARD K. PETERS
SECRETARY

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

General Certification--Nationwide Permit # 12 Utility Line Backfill and Bedding

This General Certification is issued March 19, 2012, in conformity with the requirements of Section 401 of the Clean Water Act of 1977, as amended (33 U.S.C. §1341), as well as Kentucky Statute KRS 224.16-050.

For this and all nationwide permits, the definition of surface water is as per 401 KAR 10:001 Chapter 10, Section 1(80): Surface Waters means those waters having well-defined banks and beds, either constantly or intermittently flowing; lakes and impounded waters; marshes and wetlands; and any subterranean waters flowing in well-defined channels and having a demonstrable hydrologic connection with the surface. Lagoons used for waste treatment and effluent ditches that are situated on property owned, leased, or under valid easement by a permitted discharger are not considered to be surface waters of the commonwealth.

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

For all other operations, the Commonwealth of Kentucky hereby certifies under Section 401 of the Clean Water Act (CWA) that it has reasonable assurances that applicable water quality standards under Kentucky Administrative Regulations Title 401, Chapter 10, established pursuant to Sections 301, 302, 304, 306 and 307 of the CWA, will not be violated for the activity covered under NATIONWIDE PERMIT 12, namely Utility Line Backfill and Bedding, provided that the following conditions are met:

1. The activity will not occur within surface waters of the Commonwealth identified by the Kentucky Division of Water as Outstanding State or National Resource Water, Cold Water Aquatic Habitat, or Exceptional Waters.
2. The activity will not occur within surface waters of the Commonwealth identified as perpetually-protected (e.g. deed restriction, conservation easement) mitigation sites.
3. This general water quality certification is limited to the crossing of surface waters by utility lines. This document does not authorize the installation of utility lines in a linear manner within the stream channel or below the top of the stream bank.

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Utility Line Backfill and Bedding
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4. For a single crossing, impacts from the construction and maintenance corridor in surface waters shall not exceed 50 feet of bank disturbance.
5. This general certification shall not apply to nationwide permits issued for individual crossings which are part of a larger utility line project where the total cumulative impacts from a single and complete linear project exceed ½ acre of wetlands or 300 linear feet of surface waters. Cumulative impacts include utility line crossings, permanent or temporary access roads, headwalls, associated bank stabilization areas, substations, pole or tower foundations, maintenance corridor, and staging areas.
6. Stream impacts under Conditions 4 and 5 of this certification are defined as the length of bank disturbed. For the utility line crossing and roads, only one bank length is used in calculation of the totals.
7. Stream impacts covered under this General Water Quality Certification and undertaken by those persons defined as an agricultural operation under the Agricultural Water Quality Act must be completed in compliance with the Kentucky Agricultural Water Quality Plan (KWQP).
8. The Kentucky Division of Water may require submission of a formal application for an individual certification for any project if the project has been determined to likely have a significant adverse effect upon water quality or degrade the waters of the Commonwealth so that existing uses of the water body or downstream waters are precluded.
9. Activities that do not meet the conditions of this General Water Quality Certification require an Individual Section 401 Water Quality Certification.
10. Blasting of stream channels, even under dry conditions, is not allowed under this general water quality certification.
11. Utility lines placed parallel to the stream shall be located at least 50 feet from an intermittent or perennial stream, measured from the top of the stream bank. The cabinet may allow construction within the 50 foot buffer if avoidance and minimization efforts are shown and adequate methods are utilized to prevent soil from entering the stream.
12. Utility line stream crossings shall be constructed by methods that maintain flow and allow for a dry excavation. Water pumped from the excavation shall be contained and allowed to settle prior to re-entering the stream. Excavation equipment and vehicles shall operate outside of the flowing portion of the stream. Spoil material from the excavation shall not be allowed to enter the flowing portion of the stream.

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13. The activities shall not result in any permanent changes in pre-construction elevation contours in surface waters or wetlands or stream dimension, pattern or profile.
14. Utility line activities which impact wetlands shall not result in conversion of the area to non-wetland status. Mechanized land clearing of forested wetlands for the installation or maintenance of utility lines is not authorized under this certification.
15. Activities qualifying for coverage under this General Water Quality Certification are subject to the following conditions:
 - Erosion and sedimentation pollution control plans and Best Management Practices must be designed, installed, and maintained in effective operating condition at all times during construction activities so that violations of state water quality standards do not occur.
 - Sediment and erosion control measures, such as check-dams constructed of any material, silt fencing, hay bales, etc., shall not be placed within surface waters of the Commonwealth, either temporarily or permanently, without prior approval by the Kentucky Division of Water's Water Quality Certification Section. If placement of sediment and erosion control measures in surface waters is unavoidable, design and placement of temporary erosion control measures shall not be conducted in such a manner that may result in instability of streams that are adjacent to, upstream, or downstream of the structures. All sediment and erosion control devices shall be removed and the natural grade restored within the completion timeline of the activities.
 - Measures shall be taken to prevent or control spills of fuels, lubricants, or other toxic materials used in construction from entering the watercourse.
 - Removal of riparian vegetation shall be limited to that necessary for equipment access.
 - To the maximum extent practicable, all in-stream work under this certification shall be performed under low-flow conditions.
 - Heavy equipment, e.g. bulldozers, backhoes, draglines, etc., if required for this project, should not be used or operated within the stream channel. In those instances in which such in-stream work is unavoidable, then it shall be performed in such a manner and duration as to minimize turbidity and disturbance to substrates and bank or riparian vegetation.

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- Any fill shall be of such composition that it will not adversely affect the biological, chemical, or physical properties of the receiving waters and/or cause violations of water quality standards. If rip-rap is utilized, it should be of such weight and size that bank stress or slump conditions will not be created because of its placement.
- If there are water supply intakes located downstream that may be affected by increased turbidity and suspended solids, the permittee shall notify the operator when such work will be done.
- Should evidence of stream pollution or jurisdictional wetland impairment and/or violations of water quality standards occur as a result of this activity (either from a spill or other forms of water pollution), the Kentucky Division of Water shall be notified immediately by calling (800) 928-2380.

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

WATER QUALITY GENERAL CERTIFICATION
OF UTILITY LINE ACTIVITIES ALONG STREAMS
IN EFFECT: NOVEMBER 15, 2012

Condition 11 of the March 19, 2012 Section 401 Water Quality Certification (WQC) of the U.S. Army Corps of Engineers' Nationwide Permit (NWP) # 12 Utility Line Backfill and Bedding states:

Utility lines placed parallel to the stream shall be located at least 50 feet from an intermittent or perennial stream, measured from the top of the stream bank. The cabinet may allow for construction within the 50-ft buffer if avoidance and minimization efforts are shown and adequate methods are utilized to prevent soil from entering the stream.

From March 19, 2012 through November 15, 2012, WQC required an individual water quality certification if the utility line was proposed to be placed closer than 50 feet from the top of the stream bank of an intermittent or perennial stream. After November 15, 2012, by order of the Director, we will now issue a general certification if all of the following criteria are met:

1. The project meets all the remaining certification conditions of the 2012 NWP 12;
2. The applicant cannot avoid placing the utility line within 50 feet of the stream bank; and
3. The applicant submits an adequate sediment and erosion control plan (see page 3 for requirements).

If a utility line project qualifies for a general certification of NWP 12 and is within 50 feet of the stream bank, a WQC application and a site-specific sediment and erosion control plan must be submitted for review by WQC before construction and construction-related activities can proceed. This is in addition to the Stormwater Pollution Prevention Plans for construction sites one (1) acre or more in size. Approval of the sediment and erosion control plan by the WQC Section is required before construction activities can begin.

WHY SEDIMENT AND EROSION CONTROL PLANS AND PRACTICES?

Construction activities near streams, rivers, and lakes have the potential to cause water pollution and stream degradation if erosion and sediment controls are not properly installed and maintained. In order to effectively reduce erosion and sedimentation impacts, plans and practices must be designed, located, installed, and maintained in effective operating condition at all times during land disturbing activities to prevent the discharge of sediment and other pollutants into waters of the Commonwealth. Sediment is a major contributor to the pollution of surface waters in Kentucky and construction activities are a major source of sediment and stream siltation. Disturbed soil, if not managed properly, can be washed off-site during storms and can cause major impairment in the receiving waters. Excessive silt causes adverse impacts such as disruption of aquatic organism life cycles, reduced passage, higher drinking water treatment costs for sediment removal, and the alteration of waters' physical/chemical properties, resulting in degradation of its quality. Therefore, erosion prevention and sediment control practices are the key parameter for successful water quality protection.

Applicants should design the site construction and development by selecting erosion prevention and sediment controls and practices to accommodate the unique hydrologic and geologic conditions of the site. Some of the factors to be considered include: local development requirements and/or codes, precipitation patterns for the area when the project will be underway, soil types, slopes, layout of structures for the site, sensitivity of nearby waters and natural areas, and safety concerns. A number of structural practices (e.g., mulching, vegetated buffer strips, grassed swales, retention/detention ponds, silt

fence and haybale barriers, stone check dams, inlet protection, infiltration practices) and non-structural practices (minimizing disturbance, good housekeeping) have shown to be efficient, cost effective, and versatile for construction site developers to implement.

EROSION PREVENTION AND SEDIMENT CONTROL STRATEGIES

Appropriate erosion prevention and sediment control measures and other stormwater management practices must be designed, installed, and maintained. Applicants are encouraged to perform work within surface waters during periods of low-flow or no-flow. To ensure that all sources of soil erosion and sediment on the construction site are adequately controlled, the following strategies should be employed:

- **Sediment and erosion control measures shall not be placed in surface waters.** The design and placement of temporary erosion control measures shall not be conducted in a manner that may result in disruption of flow in wetlands or streams.
- **Maximize the protection of existing vegetation.** Natural vegetation should be retained, protected or supplemented to the maximum extent practical, and vegetation not intended for removal should be adequately marked, fenced, or flagged as necessary.
- **Avoid disturbing critical areas.** Areas such as sinkholes, streams, wetlands, stream buffers, highly erodible soils, and steep slopes should be avoided to the greatest extent feasible. Mark, fence or flag areas in the field that should be protected from construction activities such as clearing, grubbing, grading, mowing, staging activities, material storage and/or other related activities.
- **Minimize size and duration of disturbed soil.** Limit site preparation of activities such as grading and clearing to where they are absolutely necessary and consistent with plan and daily schedules of construction activities.
- **Manage stormwater.** Prevent stormwater from entering areas and leaving areas of disturbed soil by using vegetated strips, diversion dikes and swales, filter berms, sediment traps and basins, check dams, stabilized construction entrances, and silt fences or filter tubes/wattles. Reduce the amount of sediment and water velocity produced from areas of disturbed soils by using vegetation, riprap, sod, seeding and mulching or blankets, as well as the use of structural measures including diversion, check dams, slope drains, and storm drain protection.
- **Stabilize soils.** Stabilize soil with seeding and mulch as soon as possible after disturbance. Soil disturbed by construction activities should be stabilized within 14 days of ceasing construction activities. Erosion prevention measures such as erosion control mats/blankets, mulch, hydro applications, tracking, or soil binders shall be implemented on disturbed areas within 24 hours or as soon as practical after completion of disturbance/grading or following the end of activities. Final stabilization practices shall be initiated on any site where construction activities have been suspended for more than 180 days.
- **Use low-impact/biological/recyclable materials.** To the extent possible, construction managers should utilize natural or recyclable materials as temporary measures than can remain on-site after the completion of construction. One example is using mulch berms as opposed to silt fences, which must be removed and disposed after the completion of construction activities has occurred and vegetation has become well-established. This also reduces waste and removal costs.

SEDIMENT AND EROSION CONTROL PLAN REQUIREMENTS

Erosion prevention and sediment control plans submitted to WQC must contain detailed drawings, a site description and supporting information (narrative), including the following:

1. Narrative discussion of why the utility line must be placed within 50 feet of the top of the stream bank;
2. Construction details with dimensions, cross-sectional views and plan views to scale, showing location of utility lines and all surface waters;
3. Site development plan with the proposed construction area and construction-related activities areas clearly outlined, estimated project start and end dates, project type and description of all construction activities at the site;
4. The location of all surface waters on a 7.5 Minute topographical map, including streams, wetlands, sinkholes, and stormwater discharges from the site;
5. The types, depth, slope, locations and limitations of the soils and geology, natural landscape features, drainage patterns, flooding potential, and other pertinent information that helps identify both beneficial conditions and potential problems of a site;
6. Locations of temporary and permanent erosion, sediment, and stormwater management structures; construction details with dimensions, cross-sectional views and/or plan views with enough information for the reviewer and contractor to understand how to install the practice;
7. Approximate slopes anticipated after major grading activities;
8. Areas of soil disturbance, including an outline of areas which are not to be disturbed;
9. Location and technical specifications of any bank stabilization;
10. Location and boundaries of buffer zones, if any, existing or established to protect waters of the Commonwealth located within the boundaries of the project;
11. Locations of stockpile and/or borrow areas;
12. Separate sheets for staged plans to show detail, including the clearing and grubbing phase, initial grading plan with perimeter control and the final grading plan with final erosion prevention and sediment control plans and stormwater management controls in place.

Approved plans and specifications for projects are incorporated by reference and are enforceable parts of a certification. Any changes to the approved plans or specifications require written approval by WQC. For questions or clarifications, contact the Water Quality Certification Section at (502) 564-3410.

REFERENCES

Kentucky Pollutant Discharge Elimination System (KPDES) General Permit for Stormwater Discharge Associated with Construction Activities (KYR10). Locate on line at:
<http://water.ky.gov/permitting/Pages/WastewaterDischarge.aspx>

Best Management Practices (BMPs) for Controlling Erosion, Sediment, and Pollutant Runoff from Construction Sites. Planning and Technical Specifications Manual for Stormwater Pollution Prevention Plans. Revised October 2009. Technology Transfer Program, Kentucky Transportation Center, University of Kentucky.

General Certification of Nationwide Permit #12, Utility Line Backfill and Bedding, 2012. Locate on line at: <http://water.ky.gov/permitting/Pages/CertificationNationwidePermits.aspx>

ADDRESSES FOR COORDINATING AGENCIES

Mr. Duncan Powell
USEPA, Region 4
Sam Nunn Atlanta Federal Center
61 Forsyth Street, SW
Atlanta, GA 30303-8960

Mr. Lee Andrews
U.S. Fish & Wildlife Service
JC Watts Federal Building
330 West Broadway, Room 265
Frankfort, KY 40601

Ms. Stephanie Hayes
Kentucky Energy & Environment Cabinet
Division of Water
200 Fair Oaks, 4th Floor
Frankfort, KY 40601

Mr. Gregory Johnson, Commissioner
KY Dept. of Fish and Wildlife Resources
#1 Sportsman's Lane
Frankfort, KY 40601

Mr. Craig Potts
Executive Director
State Historic Preservation Officer
Kentucky Heritage Council
300 Washington Street
Frankfort, KY 40601

ADDRESS FOR AUTHORIZED AGENT

Mr. Mark Sneve
Strand Associates, Inc.
325 West Main Street, Suite 710
Louisville, KY 40202

PRELIMINARY JURISDICTIONAL DETERMINATION FORM

BACKGROUND INFORMATION

A. REPORT COMPLETION DATE FOR PRELIMINARY JURISDICTIONAL DETERMINATION (JD):
February 12, 2016

B. NAME AND ADDRESS OF PERSON REQUESTING PRELIMINARY JD:

| | |
|------------------------------------|---------------------------------|
| APPLICANT: | AGENT: Strand Associates, Inc. |
| Hardin County Water District No. 2 | ATTN: Mr. Mark Sneve |
| ATTN: Mr. James Jeffries | 325 West Main Street, Suite 710 |
| 360 Ring Road, P.O. Box 970 | Louisville, Kentucky 40202 |
| Elizabethtown, Kentucky 42701 | |

C. DISTRICT OFFICE, FILE NAME, AND NUMBER: Louisville District, Nolin River-Sewer Infrastructure, LRL-2015-00774-mck

**D. PROJECT LOCATION(S) AND BACKGROUND INFORMATION:
(USE THE ATTACHED TABLE TO DOCUMENT MULTIPLE WATERBODIES AT DIFFERENT SITES)**

State: KY County/parish/borough: Hardin City: Glendale
Center coordinates of site (lat/long in degree decimal format): Lat. 37.601667° N, Long. 85.905556° W.
Universal Transverse Mercator:

Name of nearest waterbody: Nolin River, Rose Run, East Rhudes Creek, Valley Creek

Identify (estimate) amount of waters in the review area:

Non-wetland waters: 1,690 linear feet: width (ft) and/or acres.

Cowardin Class: Riverine

Stream Flow: Ephemeral , Intermittent and Perennial

Wetlands: N/A acres.

Cowardin Class:

Name of any water bodies on the site that have been identified as Section 10 waters: N/A

Tidal:

Non-Tidal:

E. REVIEW PERFORMED FOR SITE EVALUATION (CHECK ALL THAT APPLY):

Office (Desk) Determination. Date: February 12, 2016

Field Determination. Date(s):

1. The Corps of Engineers believes that there may be jurisdictional waters of the United States on the subject site, and the permit applicant or other affected party who requested this preliminary JD is hereby advised of his or her option to request and obtain an approved jurisdictional determination (JD) for that site. Nevertheless, the permit applicant or other person who requested this preliminary JD has declined to exercise the option to obtain an approved JD in this instance and at this time.

2. In any circumstance where a permit applicant obtains an individual permit, or a Nationwide General Permit (NWP) or other general permit verification requiring "pre-construction notification" (PCN), or requests verification for a non-reporting NWP or other general permit, and the permit applicant has not requested an approved JD for the activity, the permit applicant is hereby made aware of the following: (1) the permit applicant has elected to seek a permit authorization based on a preliminary JD, which does not make an official determination of jurisdictional waters; (2) that the applicant has the option to request an approved JD before accepting the terms and conditions of the permit authorization, and that basing a permit authorization on an approved JD could possibly result in less compensatory mitigation being required or different special conditions; (3) that the applicant has the right to request an individual permit rather than accepting the terms and conditions of the NWP or other general permit authorization; (4) that the applicant can accept a permit authorization and thereby agree to comply with all the terms and conditions of that permit, including whatever mitigation requirements the Corps has determined to be necessary; (5) that undertaking any activity in reliance upon the subject permit authorization without requesting an approved JD constitutes the applicant's acceptance of the use of the preliminary JD, but that either form of JD will be processed as soon as is practicable; (6) accepting a permit authorization (e.g., signing a proffered Individual permit) or undertaking any activity in reliance on any form of Corps permit authorization based on a preliminary JD constitutes agreement that all wetlands and other water bodies on the site affected in any way by that

activity are jurisdictional waters of the United States, and precludes any challenge to such jurisdiction in any administrative or judicial compliance or enforcement action, or in any administrative appeal or in any Federal court; and (7) whether the applicant elects to use either an approved JD or a preliminary JD, that JD will be processed as soon as is practicable. Further, an approved JD, a proffered individual permit (and all terms and conditions contained therein), or individual permit denial can be administratively appealed pursuant to 33 C.F.R. Part 331, and that in any administrative appeal, jurisdictional issues can be raised (see 33 C.F.R. 331.5(a)(2)). If, during that administrative appeal, it becomes necessary to make an official determination whether CWA jurisdiction exists over a site, or to provide an official delineation of jurisdictional waters on the site, the Corps will provide an approved JD to accomplish that result, as soon as is practicable. This preliminary JD finds that there "may be" waters of the United States on the subject project site, and identifies all aquatic features on the site that could be affected by the proposed activity, based on the following information:

SUPPORTING DATA. Data reviewed for preliminary JD (check all that apply - checked items should be included in case file and, where checked and requested, appropriately reference sources below):

- Maps, plans, plots or plat submitted by or on behalf of the applicant/consultant: Application package dated August 28, 2015 submitted by Strand Associates, Inc., on behalf of Hardin County Water District No. 2..
- Data sheets prepared/submitted by or on behalf of the applicant/consultant.
 - Office concurs with data sheets/delineation report.
 - Office does not concur with data sheets/delineation report.
- Data sheets prepared by the Corps:
- Corps navigable waters' study:
- U.S. Geological Survey Hydrologic Atlas:
 - USGS NHD data.
 - USGS 8 and 12 digit HUC maps.
- U.S. Geological Survey map(s). Cite scale & quad name: 7.5 minute/Sonora, Cecilia and Tonieville.
- USDA Natural Resources Conservation Service Soil Survey. Citation:
- National wetlands inventory map(s). Cite name:
- State/Local wetland inventory map(s):
- FEMA/FIRM maps: 21093C0293D, 21093C0294D, 21093C0435D.
- 100-year Floodplain Elevation is: (National Geodetic Vertical Datum of 1929)
- Photographs: Aerial (Name & Date):
or Other (Name & Date):
- Previous determination(s). File no. and date of response letter:
- Other information (please specify):

IMPORTANT NOTE: The information recorded on this form has not necessarily been verified by the Corps and should not be relied upon for later jurisdictional determinations.

Meghanuckles
Signature and date of
Regulatory Project Manager *2/12/2016*
(REQUIRED)

[Signature] *2/12/16*
Signature and date of
person requesting preliminary JD
(REQUIRED, unless obtaining the signature
is impracticable)

| Waters Name | Latitude (°N) | Longitude (°W) | Cowardin Class | Waters Size (Linear Feet) | Class of Aquatic Resources |
|-------------|---------------|----------------|--------------------------------|---------------------------|----------------------------|
| 11+00 | 37.57583 | -85.8775 | R5-RIVERINE, UNKNOWN PERENNIAL | 50 | non-section 10-non wetland |
| 113+50 | 37.595 | -85.86556 | R4-RIVERINE, INTERMIT | 160 | non-section 10-non wetland |
| 128+25 | 37.58972 | -85.90361 | R4-RIVERINE, INTERMIT | 50 | non-section 10-non wetland |
| 14+00 | 37.60722 | -85.90361 | R6-RIVERINE, EPHEMERAL | 70 | non-section 10-non wetland |
| 195+75 | 37.6025 | -85.89833 | R6-RIVERINE, EPHEMERAL | 40 | non-section 10-non wetland |
| 200+00 | 37.60361 | -85.89889 | R6-RIVERINE, EPHEMERAL | 40 | non-section 10-non wetland |
| 207+25 | 37.605 | -85.90056 | R4-RIVERINE, INTERMIT | 40 | non-section 10-non wetland |
| 215+25 | 37.60611 | -85.90278 | R6-RIVERINE, EPHEMERAL | 40 | non-section 10-non wetland |
| 240+00 | 37.60972 | -85.90528 | R6-RIVERINE, EPHEMERAL | 180 | non-section 10-non wetland |
| 241+25 | 37.60991 | -85.90532 | R5-RIVERINE, UNKNOWN PERENNIAL | 180 | non-section 10-non wetland |
| 26+50 | 37.61054 | -85.90246 | R6-RIVERINE, EPHEMERAL | 60 | non-section 10-non wetland |
| 264+50 | 37.61611 | -85.90556 | R6-RIVERINE, EPHEMERAL | 50 | non-section 10-non wetland |
| 300+00 | 37.62591 | -85.90614 | R5-RIVERINE, UNKNOWN PERENNIAL | 125 | non-section 10-non wetland |
| 31+50 | 37.59167 | -85.87111 | R6-RIVERINE, EPHEMERAL | 90 | non-section 10-non wetland |
| 336+50 | 37.63583 | -85.90472 | R4-RIVERINE, INTERMIT | 50 | non-section 10-non wetland |
| 347+50 | 37.63833 | -85.90528 | R5-RIVERINE, UNKNOWN PERENNIAL | 70 | non-section 10-non wetland |
| 352+00 | 37.63889 | -85.90444 | R4-RIVERINE, INTERMIT | 20 | non-section 10-non wetland |
| 44+25 | 37.615 | -85.90056 | R4-RIVERINE, INTERMIT | 50 | non-section 10-non wetland |
| 67+50 | 37.58194 | -85.87222 | R6-RIVERINE, EPHEMERAL | 60 | non-section 10-non wetland |
| 76+50 | 37.57917 | -85.89861 | R-RIVERINE | 50 | non-section 10-non wetland |
| 80+00 | 37.57861 | -85.87306 | R5-RIVERINE, UNKNOWN PERENNIAL | 100 | non-section 10-non wetland |
| 81+50 | 37.57806 | -85.87306 | R5-RIVERINE, UNKNOWN PERENNIAL | 75 | non-section 10-non wetland |
| 83+00 | 37.5775 | -85.87306 | R6-RIVERINE, EPHEMERAL | 40 | non-section 10-non wetland |

**NOTIFICATION OF ADMINISTRATIVE APPEAL OPTIONS AND PROCESS AND
REQUEST FOR APPEAL**

| | | | |
|---|--|-----------------------------|-------------------|
| Applicant: Hardin County Water District No. 2 | | File Number: LRL-2015-00774 | Date: 30 MAR 2016 |
| Attached is: | | | See Section below |
| | INITIAL PROFFERED PERMIT (Standard Permit or Letter of permission) | A | |
| | PROFFERED PERMIT (Standard Permit or Letter of permission) | B | |
| | PERMIT DENIAL | C | |
| | APPROVED JURISDICTIONAL DETERMINATION | D | |
| X | PRELIMINARY JURISDICTIONAL DETERMINATION | E | |

SECTION I - The following identifies your rights and options regarding an administrative appeal of the above decision. Additional information may be found at http://www.usace.army.mil/CECW/Pages/leg_materials.aspx or Corps regulations at 33 CFR Part 331.

A: INITIAL PROFFERED PERMIT: You may accept or object to the permit.

- **ACCEPT:** If you received a Standard Permit, you may sign the permit document and return it to the district engineer for final authorization. If you received a Letter of Permission (LOP), you may accept the LOP and your work is authorized. Your signature on the Standard Permit or acceptance of the LOP means that you accept the permit in its entirety, and waive all rights to appeal the permit, including its terms and conditions, and approved jurisdictional determinations associated with the permit.
- **OBJECT:** If you object to the permit (Standard or LOP) because of certain terms and conditions therein, you may request that the permit be modified accordingly. You must complete Section II of this form and return the form to the district engineer. Your objections must be received by the district engineer within 60 days of the date of this notice, or you will forfeit your right to appeal the permit in the future. Upon receipt of your letter, the district engineer will evaluate your objections and may: (a) modify the permit to address all of your concerns, (b) modify the permit to address some of your objections, or (c) not modify the permit having determined that the permit should be issued as previously written. After evaluating your objections, the district engineer will send you a proffered permit for your reconsideration, as indicated in Section B below.

B: PROFFERED PERMIT: You may accept or appeal the permit

- **ACCEPT:** If you received a Standard Permit, you may sign the permit document and return it to the district engineer for final authorization. If you received a Letter of Permission (LOP), you may accept the LOP and your work is authorized. Your signature on the Standard Permit or acceptance of the LOP means that you accept the permit in its entirety, and waive all rights to appeal the permit, including its terms and conditions, and approved jurisdictional determinations associated with the permit.
- **APPEAL:** If you choose to decline the proffered permit (Standard or LOP) because of certain terms and conditions therein, you may appeal the declined permit under the Corps of Engineers Administrative Appeal Process by completing Section II of this form and sending the form to the division engineer. This form must be received by the division engineer within 60 days of the date of this notice.

C: PERMIT DENIAL: You may appeal the denial of a permit under the Corps of Engineers Administrative Appeal Process by completing Section II of this form and sending the form to the division engineer. This form must be received by the division engineer within 60 days of the date of this notice.

D: APPROVED JURISDICTIONAL DETERMINATION: You may accept or appeal the approved JD or provide new information.

- **ACCEPT:** You do not need to notify the Corps to accept an approved JD. Failure to notify the Corps within 60 days of the date of this notice, means that you accept the approved JD in its entirety, and waive all rights to appeal the approved JD.
- **APPEAL:** If you disagree with the approved JD, you may appeal the approved JD under the Corps of Engineers Administrative Appeal Process by completing Section II of this form and sending the form to the division engineer. This form must be received by the division engineer within 60 days of the date of this notice.

E: PRELIMINARY JURISDICTIONAL DETERMINATION: You do not need to respond to the Corps regarding the preliminary JD. The Preliminary JD is not appealable. If you wish, you may request an approved JD (which may be appealed), by contacting the Corps district for further instruction. Also you may provide new information for further consideration by the Corps to reevaluate the JD.

SECTION II - REQUEST FOR APPEAL or OBJECTIONS TO AN INITIAL PROFFERED PERMIT

REASONS FOR APPEAL OR OBJECTIONS: (Describe your reasons for appealing the decision or your objections to an initial proffered permit in clear concise statements. You may attach additional information to this form to clarify where your reasons or objections are addressed in the administrative record.)

ADDITIONAL INFORMATION: The appeal is limited to a review of the administrative record, the Corps memorandum for the record of the appeal conference or meeting, and any supplemental information that the review officer has determined is needed to clarify the administrative record. Neither the appellant nor the Corps may add new information or analyses to the record. However, you may provide additional information to clarify the location of information that is already in the administrative record.

POINT OF CONTACT FOR QUESTIONS OR INFORMATION

| | |
|--|---|
| <p>If you have questions regarding this decision and/or the appeal process you may contact:</p> <p>Meagan Knuckles US Army Corps of Engineers – Louisville District PO Box 59, Rm 752 Attn: CELRL-OPF-S Louisville, KY 40201-0059 (502) 315-6709</p> | <p>If you only have questions regarding the appeal process you may also contact:</p> <p>U.S. Army Corps of Engineers ATTN: Jacob Siegrist Appeal Review Officer CELRD-PD-REG 550 Main Street, Room 10524 Cincinnati, OH 45202-3222 TEL (513) 684-2699; FAX (513) 684-2460</p> |
|--|---|

RIGHT OF ENTRY: Your signature below grants the right of entry to Corps of Engineers personnel, and any government consultants, to conduct investigations of the project site during the course of the appeal process. You will be provided a 15 day notice of any site investigation, and will have the opportunity to participate in all site investigations.

| | | |
|---|--------------|--------------------------|
| <p>_____ Signature of appellant or agent.</p> | <p>Date:</p> | <p>Telephone number:</p> |
|---|--------------|--------------------------|

EXHIBIT 24



MATTHEW G. BEVIN
GOVERNOR

TOURISM, ARTS AND HERITAGE CABINET
KENTUCKY HERITAGE COUNCIL
THE STATE HISTORIC PRESERVATION OFFICE

REGINA STIVERS
DEPUTY SECRETARY

DON PARKINSON
SECRETARY

300 WASHINGTON STREET
FRANKFORT, KENTUCKY 40601
PHONE (502) 564-7005
FAX (502) 564-5820
www.heritage.ky.gov

CRAIG A. POTTS
EXECUTIVE DIRECTOR
& STATE HISTORIC
PRESERVATION OFFICER

January 29, 2016

Mr. James Jefferies
Hardin County Water District No. 2
360 Ring Road
Elizabethtown, KY 42702

Re: Phase II Archaeological Investigations of 11 Sites, Hardin County, Kentucky (OSA Report Registration No. FY15-8495)

Dear Mr. Jefferies:

On December 14, 2015 we received the above referenced report from E. Nicole Mills of Brockington and Associates on your behalf. The report describes that 1x1 meter test units at 15HD843, 15HD964, 15HD965, 15HD967, 15HD974, 15HD979, 15HD980, 15HD981, 15HD987, 15HD990, and 15HD1049. None of these archaeological sites were determined to be eligible for the National Register under Criteria D and no further work was recommend.

We concurred with this assessment in our June 22, 2015 letter. This revised report attends to most of the revisions requested in our October letter. We accept this report with no further revisions. The condition of our concurrence issued in June 2015 has been completed.

Should you have any questions, feel free to contact Nick Laracuate of my staff at 502.564.7005, extension 122.

Sincerely,

Craig A. Potts,
Executive Director and
State Historic Preservation Officer

CP:nrl KHC # 45829

Cc: E. Nicole Mills (Brockington)



STEVEN L. BESHEAR
GOVERNOR

**TOURISM, ARTS AND HERITAGE CABINET
KENTUCKY HERITAGE COUNCIL**

BOB STEWART
SECRETARY

THE STATE HISTORIC PRESERVATION OFFICE
300 WASHINGTON STREET
FRANKFORT, KENTUCKY 40601
PHONE (502) 564-7005
FAX (502) 564-5820
www.heritage.ky.gov

CRAIG A. POTTS
EXECUTIVE DIRECTOR AND
STATE HISTORIC PRESERVATION OFFICER

June 22, 2015

Mr. James Jefferies
Hardin County Water District No. 2
360 Ring Road
Elizabethtown, KY 42702

Re: Phase II Investigation of 15HD843, 15HD964, 15HD965, 15HD967, 15HD979, 15HD980, 15HD981, 15HD987, 15HD990, and 15HD1049 for the Proposed Nolin River Sewer Infrastructure in Hardin County, Kentucky – Management Summary

Dear Mr. Jefferies:

We received the above referenced management summary on your behalf from Christy Pritchard of Brockington and Associates, Inc. The management summary describes that 1x1 meter test units at seven sites and trench excavation at four sites was completed and all cultural and natural features within each sites boundaries were mapped. Pritchard states that they did not encounter features that would have added to our understanding of daily life in Glendale in a way that archival materials and the buildings themselves do not. Therefore, she recommends that all of the sites tested during these Phase II investigations are not eligible for listing on the National Register of Historic Places (NRHP). Pritchard recommends that no further archaeological work is needed and Hardin County Water District #2 proceed with ground disturbing activities within the current proposed and studied alignment.

We *conditionally concur* with these findings and recommendations; our concurrence is conditional upon the review of a full report describing the Phase II archaeological investigations within 60 days. We will review and comment on the document within 30 days of receipt and may request revisions to finalize the report.

Should you have any questions, feel free to contact Nick Laracuate of my staff at 502.564.7005, extension 151.

Sincerely,

Craig A. Potts,
Executive Director and
State Historic Preservation Officer

CP:nrl KHC # 44378
Cc: Christy Pritchard (Brockington)





STEVEN L. BESHEAR
GOVERNOR

**TOURISM, ARTS AND HERITAGE CABINET
KENTUCKY HERITAGE COUNCIL**

BOB STEWART
SECRETARY

THE STATE HISTORIC PRESERVATION OFFICE
300 WASHINGTON STREET
FRANKFORT, KENTUCKY 40601
PHONE (502) 564-7005
FAX (502) 564-5820
www.heritage.ky.gov

CRAIG A. POTTS
EXECUTIVE DIRECTOR AND
STATE HISTORIC PRESERVATION OFFICER

August 20, 2014

Mr. Vincent A. Versluis
Great Rivers Archaeological Services
6038 Lakeview Drive
Burlington, Kentucky 41005

Re: Phase I Archaeological Survey for Additional Sewer Lines and Pump Station for the Proposed Nolin River Sewer Infrastructure in Hardin County, Kentucky

Dear Mr. Versluis:

Thank you for the copies of the above referenced archaeological report. Upon review we have several comments some of which will require report revisions. Since this is a complicated undertaking we have separated our comments into concerns regarding above ground resources and indirect impacts followed by comments on the above referenced report.

Comments Regarding the Above-Ground Resources

While we did make allowances for above-ground resources to be covered in the archaeology report as part of early coordination, the scope and potential impacts appear to be greater than we initially believed. The report addresses some items related to buildings, but the exact impacts were unclear, so we are unable to thoroughly assess and concur with the findings. Of particular concern is the way the ROW moves through some buildings and outbuildings. Even if the plan does not include removal of these buildings, the long-term implications of the ROW may have reasonably foreseeable, long-term effects.

To that end, and in consideration of other questions which arose from the information on buildings included in the archaeology report, we request the following additional information:

- Please provide clarification on the way the ROW is depicted in the reports. Typically, when a single line is utilized on a map for a long linear project like a sewer or water line, this indicates the center line of the project, with the ROW presumed to extend out an equal distance on either side. The narrative regarding impacts, however, makes it unclear as to whether the center line of the project is actually moving through the buildings in question, or it is just a portion of the ROW moving through. This is critical, because in our experience, the entire ROW is not always directly affected in the course of completing an undertaking.
- Along with the information requested above, for each building, outbuilding, structure and cultural locale that is within the ROW, please provide a detailed description of the impacts anticipated by this project. They may be direct impacts (removing the building, etc.) or indirect impacts (restrictions on building use associated with ROW easements, etc.)
- Please provide a photo of the primary building associated with cultural locale 6. If the barn and outbuilding at cultural locales 4 and 5 are also associated with other buildings, please include photos of these as well.
- An archaeology report is not well-suited to address certain types of effects typically associated with above-ground resources when sewer projects are undertaken, so not all resources over 50 years of age in the area of potential effect may be accounted for in the information provided. These include changes in viewshed by removal of trees, construction of above-ground appertenances like the pump station, odor associated with vents which may be needed, removal of historic materials in sidewalks, curbs, alleys, etc., and similar types of impacts which can affect more than one site at a time. More information is

needed to confirm what activities like this will be part of the project and the presence or absence of resources over 50 years of age in the vicinity of any of these types of activities.

Upon review of additional information provided for above ground resources, our office will provide comment on whether additional work is needed. Depending on the actual potential impacts and the quality of information received, cultural historic survey may be needed to assess the eligibility of certain resources, particularly those which may not have been covered in the report, or that have not been specifically assessed for their ability to contribute since the nomination of the district was originally done. In order to accurately review this undertaking we are requesting additional information. Please provide the location of any above ground components (i.e. Pump Stations) related to the proposed undertaking. If any of these above ground components are located within view of a structure that is 50 years of age or older, please submit photographs of the structure and maps showing their locations to our office.

Comments Specific to the Above-Referenced Archaeology Report

Upon review of the above-referenced report we encountered many issues that need clarification through report revision in order to accurately comment on the author's recommendations regarding each of the archaeological sites investigated during this survey. Many of these issues are systemic and may need revision beyond the pages cited as examples in the comments below.

- There are several points in the report where the author notes that proposed sewer lines are running "through some contributing and non-contributing buildings" (i.e. page ii and 1). If this is an accurate description, how were the areas beneath these structures surveyed for potentially preserved archaeological deposits?
- In Figure 1 there is a note that reads, "Paved school parking lot not archaeologically surveyed". Is there a chance of potentially preserved historic or prehistoric deposits that were capped by the parking lot or does the author believe that there is a sufficient level of disturbance to preclude survey in this area? Other parking areas such as the gravel lot at 15Hd977 that will be directly impacted by the proposed project will need to be addressed as well.
- There are significant issues with how the sites are defined. The site boundaries depicted in Figure 2 do not match the site boundaries depicted in Figures 5, 6, and 7. Furthermore, the structures depicted in these figures are not referenced in the individual site maps where the project APE overlaps with them (i.e. 15Hd984, 15Hd1039, 10Hd1044). Correlating these sets of data is necessary to speak to the possibility of subsurface features and the possibility that artifacts found during this survey represent activities associated with these structures.
- Some of the representative STP profiles may not be accurate. For example, many of the tests excavated at 15Hd1043 are in a historic gravel road. This seems to be the profile that is described in the text on page 117. But it conflicts with what is depicted in Figure 17. It would be helpful to label which of the shovel test profiles are being used as the representative profile. This will also help focus Phase II efforts in areas where there are intact deposits such as the STP depicted in Figure 4.

Many of these revisions are needed to make an accurate comment on the need for further work on many of the sites identified during this survey. Once we have reviewed the requested documentation and report revisions we will comment on the further work recommended by the author. If you have any questions, please contact Yvonne Sherrick of my staff (502)564.7005, ext. 113.

Sincerely,

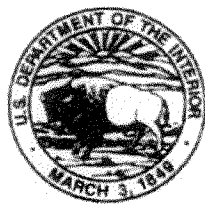


Craig A. Potts,
Executive Director and
State Historic Preservation Officer

CP: KHC # 42193-3

Cc: James Jeffries (Hardin Co. Water District)

EXHIBIT 25



United States Department of the Interior

FISH AND WILDLIFE SERVICE

Kentucky Ecological Services Field Office
330 West Broadway, Suite 265
Frankfort, Kentucky 40601
(502) 695-0468

February 8, 2016

Mr. Michael Bell
Hardin County Water District No. 2
360 Ring Road
Elizabethtown, Kentucky 42701

Re: FWS 2011-B-0478; Hardin County Water District No. 2; Glendale sewer project; located in Hardin County, Kentucky

Dear Mr. Bell:

We have received a February 1, 2016 copy of a receipt from Kentucky Natural Lands Trust acknowledging the contribution Hardin County Water District No. 2 made to Kentucky Natural Lands Trust for the Imperiled Bat Conservation Fund. The U.S. Fish and Wildlife Service (Service) has reviewed this contribution in relation to the proposed project and offers the following comments in accordance with the Endangered Species Act of 1973 (87 Stat. 884, as amended; 16 U.S.C. 1531 *et seq.*).

Indiana bat (*Myotis sodalis*)

Northern long-eared bat (*Myotis septentrionalis*)

Your project adheres to the conservation measures associated with the Kentucky Field Office's 2015 *Conservation Strategy for Forest-Dwelling Bats* (Conservation Strategy) and the 2015 Biological Opinion: *Kentucky Field Office's Participation in Conservation Memoranda of Agreement for the Indiana Bat and/or Northern Long-eared Bat* (BO). The contribution made is the appropriate amount, following the process in the Conservation Strategy, to mitigate for the removal of the "potential" Indiana bat and northern long-eared bat habitat for this project as described in the January 18, 2016 correspondence and attachments from Strand Associates, Inc. Specifically, 10.58 acres of forested habitat removal will occur between the dates on October 15 and March 31. Through the adherence to the Conservation Strategy, the Service has already analyzed the effects of your action under the BO and has concluded that the project is not likely to jeopardize the continued existence of the Indiana bat or northern long-eared bat or result in the destruction or adverse modification of designated critical habitat for either species. Any incidental take of Indiana and/or northern long-eared bats that will or could result from the forest habitat removal associated with your project are authorized under the BO. If tree clearing must occur during the occupied timeframe (April 1 – August 14), then Hardin County Water District

Mr. Michael Bell

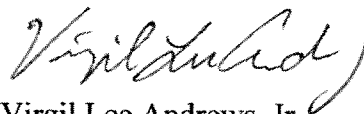
2

No. 2 should notify the Service in advance of tree clearing to account for the adverse effects to Indiana bats and northern long-eared bats that would occur as a result of tree clearing during the occupied timeframe. In addition, if additional forested areas not previously considered are to be removed, then Hardin County Water District No. 2 should coordinate with the Service to determine if additional compensation is necessary to be in ESA compliance.

In view of these findings we believe that the requirements of section 7 of the Endangered Species Act have been fulfilled for this project. Your obligations under section 7 must be reconsidered, however, if: (1) new information reveals that the proposed action may affect listed species in a manner or to an extent not previously considered, (2) the proposed action is subsequently modified to include activities which were not considered during this consultation, or (3) new species are listed or critical habitat designated.

Thank you again for your request. Your concern for the protection of endangered and threatened species is greatly appreciated. If you have any questions regarding the information that we have provided, please contact Jessica Blackwood Miller at (502) 695-0468 extension 104 or jessica_miller@fws.gov.

Sincerely,



Virgil Lee Andrews, Jr.
Field Supervisor

EXHIBIT 26



6737 Southpoint Drive South, Bldg 1
Jacksonville, FL 32216
904.279.3881
Jessica_Braig@csx.com

Jessica Braig
Contract Specialist

December 21, 2015

Mr. James Jeffries
Hardin County Water District No. 2
360 Ring Road
Elizabethtown, KY 42701

Agreement No.: CSX770614

Dated: August 28, 2014

Dear Mr. James Jeffries,

Attached is the fully-executed Agreement of the above reference file.

In accordance with this Agreement, Agreement Holder is responsible for paying the actual cost of CSXT flagging and/or support services, including all applicable surcharges (collectively "Fees").

No work is to be performed on CSXT property without Roadmaster's authorization.

It is your responsibility to schedule any work on CSXT property with CSXT Outside Services. To schedule the work, complete and follow the instructions on the attached Outside Party Number Request Form.

It was a pleasure assisting you with this project and we look forward to working with you in the future.

Should there be any questions, please feel free to give us a call at the above referenced number.

Sincerely,

A handwritten signature in black ink, appearing to read 'Jessica Braig', written over a light blue horizontal line.

Jessica Braig

Attachement



Instructions:

Please fill out sections 2-4 then submit to the Flagging Coordinator via email or fax.

Flagging Coordinator

E-Mail: op_request@csx.com

Fax: 904.245.3692

Telephone: 904.279.3805

Flagging/Inspection (Responsibility of Agreement Holder)

Estimated Average Cost

Flagging: \$1,000 per day (minimum 8 hours)

Inspection: \$1,500 per day

1. Important Information

The estimated flagging and inspection cost is based on average cost for 8 hours regular time on CSX work days. Overtime rates will apply for hours beyond 8 hours per day or beyond 40 hours per week for railroad personnel. Inspection costs will include inspector's project time, travel time, expenses, per diem, project management cost for scheduling, means and methods review, coordinating, and general account administration. Other railroad costs may include signal locates, material, rental equipment, burden and tax. The above references flagging and inspection costs are estimates only and will be billed after the project commencement.

In the event local flagging services are not available at the time of your request, flagging resources from outside the geographical area of your project may be assigned at extra cost to the Agreement Holder/Project Owner. The cost of flagging services vary based on factors including but not limited to, type of project, duration of project, utilization of local or out-of-town flagging personnel, etc.

2. Project Contact Information

Contact Name: _____
Company Name: _____
Address: _____
City_State_Zip: _____
Phone: _____
Email: _____

3. Billing Contact Information (Agreement Holder/Facility Owner)

Contact Name: _____
Company Name: HARDIN COUNTY WATER DISTRICT NO 2
Billing Address: _____
City_State_Zip: _____
Phone: _____
Email: _____

4. Project Information

Agreement Number: CSX770614 Agreement Date: 8/28/2014

City/County/ST/Mile: Glendale, Hardin, KY 000-49.47

Request Start Date: _____

Duration in Days: _____

Project Description: JACK AND BORE 20" STEEL CASING FOR 12" GRAVITY SEWER LINE AND JACK AND BORE 42" STEEL CASING FOR 8" AND 16" FORCE SEWER MAINS. LOCATED ALONG NEW GLENDALE RD, DOT 343576B, MP 000-49.47 VAL STA 2614+27.

5. CSX Use Only:

Road Master (RM): _____ Signal Manager: _____
RM Email: _____ Signal Mgr. Email: _____
RM Phone: _____ Signal Mgr. Phone: _____
Division: _____ Subdivision: _____

Additional Documents Needed _____

Special Billing Instructions _____

Contractor Must Provide CGL: YES CGL Expiration Date: TBD

RPL Insurance: PD Contractor Must Provide RPL: NO

Inspector Required? yes Proj. Cord. Fee Paid? No OP# _____ Valid Thru _____

FACILITY ENCROACHMENT AGREEMENT

THIS AGREEMENT, made and effective as of August 28, 2014, by and between CSX TRANSPORTATION, INC., a Virginia corporation, whose mailing address is 500 Water Street, Jacksonville, Florida 32202, hereinafter called "Licensor," and HARDIN COUNTY WATER DISTRICT NO. 2, a municipal corporation, political subdivision or state agency, under the laws of the Commonwealth of Kentucky, whose mailing address is P.O. Box 970, 360 Ring Road, Elizabethtown, Kentucky 42701, hereinafter called "Licensee," WITNESSETH:

WHEREAS, Licensee desires to construct (unless previously constructed and designated as existing herein), use and maintain the below described facility(ies), hereinafter called "Facilities," over, under or across property owned or controlled by Licensor, at the below described location(s):

1. One (1) twelve inch (12") diameter sub-grade pipeline crossing, solely for the conveyance of raw/treated sewage, located at or near Glendale, Hardin County, Kentucky, Louisville Division, Main Line Subdivision, Valuation Station ~~2614+27~~, Milepost 000-49.47, Latitude N37:36:18.74, Longitude W85:54:18.54; *2613+77*

2. One (1) sixteen inch (16") diameter sub-grade pipeline crossing, solely for the conveyance of raw/treated sewage, located at or near Glendale, Hardin County, Kentucky, Louisville Division, Main Line Subdivision, Valuation Station 2614+27, Milepost 000-49.47, Latitude ~~N37:36:18.74~~, Longitude ~~W85:54:18.54~~; *N37:36:19.25 W85:54:18.56*

3. One (1) eight inch (8") diameter sub-grade pipeline crossing, solely for the conveyance of raw/treated sewage, located at or near Glendale, Hardin County, Kentucky, Louisville Division, Main Line Subdivision, Valuation Station 2614+27, Milepost 000-49.47, Latitude ~~N37:36:18.74~~, Longitude ~~W85:54:18.54~~; *N37:36:19.25 W85:54:18.56*

hereinafter, collectively, called the "Encroachment," as shown on print(s) labeled Exhibit "A," attached hereto and made a part hereof;

NOW, THEREFORE, in consideration of the mutual covenants, conditions, terms and agreements herein contained, the parties hereto agree and covenant as follows:

1. LICENSE:

1.1 Subject to Article 17, Licensor, insofar as it has the legal right, power and authority to do so, and its present title permits, and subject to:

(A) Licensor's present and future right to occupy, possess and use its property within the area of the Encroachment for any and all purposes;

(B) All encumbrances, conditions, covenants, easements, and limitations applicable to Licensor's title to or rights in the subject property; and

(C) Compliance by Licensee with the terms and conditions herein contained;

does hereby license and permit Licensee to construct, maintain, repair, renew, operate, use, alter or change the Facilities at the Encroachment above for the term herein stated, and to remove same upon termination.

1.2 The term Facilities, as used herein, shall include only those structures and ancillary facilities devoted exclusively to the transmission usage above within the Encroachment, and as shown on attached plan(s).

1.3 No additional structures or other facilities shall be placed, allowed, or maintained by Licensee in, upon or on the Encroachment except upon prior separate written consent of Licensor.

2. ENCROACHMENT FEE; TERM:

2.1 Licensee shall pay Licensor a one-time nonrefundable Encroachment Fee of ONE THOUSAND FIVE HUNDRED AND 00/100 U.S. DOLLARS (\$1,500.00) upon execution of this Agreement. Licensee agrees that the Encroachment Fee applies only to the original Licensee under this Agreement. In the event of a successor (by merger, consolidation, reorganization and/or assignment) or if the original Licensee changes its name, then Licensee shall be subject to payment of Licensor's current administrative and document preparation fees for the cost incurred by Licensor in preparing and maintaining this Agreement on a current basis.

2.2 However, Licensee assumes sole responsibility for, and shall pay directly (or reimburse Licensor), any additional annual taxes and/or periodic assessments levied against Licensor or Licensor's property solely on account of said Facilities or Encroachment.

2.3 This Agreement shall terminate as herein provided, but shall also terminate upon: (a) Licensee's cessation of use of the Facilities or Encroachment for the purpose(s) above; (b) removal of the Facilities; (c) subsequent mutual consent; and/or (d) failure of Licensee to complete installation within five (5) years from the effective date of this Agreement.

2.4 In further consideration for the license or right hereby granted, Licensee hereby agrees that Licensor shall not be charged or assessed, directly or indirectly, with any part of the cost of the installation of said Facilities and appurtenances, and/or maintenance thereof, or for any public works project of which said Facilities is a part.

3. CONSTRUCTION, MAINTENANCE AND REPAIRS:

3.1 Licensee shall construct, maintain, relocate, repair, renew, alter, and/or remove the Facilities, in a prudent, workmanlike manner, using quality materials and complying with any applicable standard(s) or regulation(s) of Licensor (CSXT Specifications), or Licensee's particular industry, National Electrical Safety Code, or any governmental or regulatory body having jurisdiction over the Encroachment.

3.2 Location and construction of Facilities shall be made strictly in accordance with design(s) and specifications furnished to and approved by Licensor and of material(s) and size(s) appropriate for the purpose(s) above recited.

3.3 All of Licensee's work, and exercise of rights hereunder, shall be undertaken at time(s) satisfactory to Licensor, and so as to eliminate or minimize any impact on or interference with the safe use and operation of Licensor's property and appurtenances thereto.

3.4 In the installation, maintenance, repair and/or removal of said Facilities, Licensee shall not use explosives of any type or perform or cause any blasting without the separate express written consent of Licensor. As a condition to such consent, a representative will be assigned by Licensor to monitor blasting, and Licensee shall reimburse Licensor for the entire cost and/or expense of furnishing said monitor.

3.5 Any repairs or maintenance to the Facilities, whether resulting from acts of Licensee, or natural or weather events, which are necessary to protect or facilitate Licensor's use of its property, shall be made by Licensee promptly, but in no event later than thirty (30) days after Licensee has notice as to the need for such repairs or maintenance.

3.6 Licensor, in order to protect or safeguard its property, rail operations, equipment and/or employees from damage or injury, may request immediate repair or renewal of the Facilities, and if the same is not performed, may make or contract to make such repairs or renewals, at the sole risk, cost and expense of Licensee.

3.7 Neither the failure of Licensor to object to any work done, material used, or method of construction or maintenance of said Encroachment, nor any approval given or supervision exercised by Licensor, shall be construed as an admission of liability or responsibility by Licensor, or as a waiver by Licensor of any of the obligations, liability and/or responsibility of Licensee under this Agreement.

3.8 All work on the Encroachment shall be conducted in accordance with Licensor's safety rules and regulations.

3.9 Licensee hereby agrees to reimburse Licensor any loss, cost or expense (including losses resulting from train delays and/or inability to meet train schedules) arising from any failure of Licensee to make repairs or conduct maintenance as required by Section 3.5 above or from improper or incomplete repairs or maintenance to the Facilities or Encroachment.

4. PERMITS, LICENSES:

4.1 Before any work hereunder is performed, or before use of the Encroachment for the contracted purpose, Licensee, at its sole cost and expense, shall obtain all necessary permit(s) (including but not limited to zoning, building, construction, health, safety or environmental matters), letter(s) or certificate(s) of approval. Licensee expressly agrees and warrants that it shall conform and limit its activities to the terms of such permit(s), approval(s)

and authorization(s), and shall comply with all applicable ordinances, rules, regulations, requirements and laws of any governmental authority (State, Federal or Local) having jurisdiction over Licensee's activities, including the location, contact, excavation and protection regulations of the Occupational Safety and Health Act (OSHA) (29 CFR 1926.651(b)), et al., and State "One Call" - "Call Before You Dig" requirements.

4.2 Licensee assumes sole responsibility for failure to obtain such permit(s) or approval(s), for any violations thereof, or for costs or expenses of compliance or remedy.

5. MARKING AND SUPPORT:

5.1 With respect to any subsurface installation or maintenance upon Licensor's property, Licensee, at its sole cost and expense, shall:

(A) support track(s) and roadbed in a manner satisfactory to Licensor;

(B) backfill with satisfactory material and thoroughly tamp all trenches to prevent settling of surface of land and roadbed of Licensor; and

(C) either remove any surplus earth or material from Licensor's property or cause said surplus earth or material to be placed and distributed at location(s) and in such manner Licensor may approve.

5.2 After construction or maintenance of the Facilities, Licensee shall:

(A) Restore any track(s), roadbed and other disturbed property; and

(B) Erect, maintain and periodically verify the accuracy of aboveground markers, in a form approved by Licensor, indicating the location, depth and ownership of any underground Facilities or related facilities.

5.3 Licensee shall be solely responsible for any subsidence or failure of lateral or subjacent support in the Encroachment area for a period of three (3) years after completion of installation.

6. TRACK CHANGES:

6.1 In the event that rail operations and/or track maintenance result in changes in grade or alignment of, additions to, or relocation of track(s) or other facilities, or in the event future use of Licensor's rail corridor or property necessitate any change of location, height or depth in the Facilities or Encroachment, Licensee, at its sole cost and expense and within thirty (30) days after notice in writing from Licensor, shall make changes in the Facilities or Encroachment to accommodate such track(s) or operations.

6.2 If Licensee fails to do so, Licensor may make or contract to make such changes at Licensee's cost.

7. FACILITY CHANGES:

7.1 Licensee shall periodically monitor and verify the depth or height of the Facilities or Encroachment in relation to the existing tracks and facilities, and shall relocate the Facilities or change the Encroachment, at Licensee's expense, should such relocation or change be necessary to comply with the minimum clearance requirements of Licensor.

7.2 If Licensee undertakes to revise, renew, relocate or change in any manner whatsoever all or any part of the Facilities (including any change in voltage or gauge of wire or any change in circumference, diameter or radius of pipe or change in materials transmitted in and through said pipe), or is required by any public agency or court order to do so, plans therefor shall be submitted to Licensor for approval before such change. After approval, the terms and conditions of this Agreement shall apply thereto.

8. INTERFERENCE WITH RAIL FACILITIES:

8.1 Although the Facilities/Encroachment herein permitted may not presently interfere with Licensor's railroad or facilities, in the event that the operation, existence or maintenance of said Facilities, in the sole judgment of Licensor, causes: (a) interference (including, but not limited to, physical or interference from an electromagnetic induction, or interference from stray or other currents) with Licensor's power lines, communication, signal or other wires, train control system, or electrical or electronic apparatus; or (b) interference in any manner, with the operation, maintenance or use of the rail corridor, track(s), structures, pole line(s), devices, other property, or any appurtenances thereto; then and in either event, Licensee, upon receipt of written notice from Licensor of any such interference, and at Licensee's sole risk, cost and expense, shall promptly make such changes in its Facilities or installation, as may be required in the reasonable judgment of the Licensor to eliminate all such interference. Upon Licensee's failure to remedy or change, Licensor may do so or contract to do so at Licensee's sole cost.

8.2 Without assuming any duty hereunder to inspect the Facilities, Licensor hereby reserves the right to inspect same and to require Licensee to undertake repairs, maintenance or adjustments to the Facilities, which Licensee hereby agrees to make promptly, at Licensee's sole cost and expense.

9. RISK, LIABILITY, INDEMNITY:

With respect to the relative risk and liabilities of the parties, it is hereby agreed that:

9.1 To the fullest extent permitted by State law (constitutional or statutory, as amended), Licensee hereby agrees to, defend, indemnify, and hold Licensor harmless from and against any and all liability, loss, claim, suit, damage, charge or expense which Licensor may suffer, sustain, incur or in any way be subjected to, on account of death of or injury to any person whomsoever (including officers, agents, employees or invitees of Licensor), and for damage to or loss of or destruction of any property whatsoever, arising out of, resulting from, or in any way

connected with the construction, repair, maintenance, replacement, presence, existence, operations, use or removal of the Facilities or any structure in connection therewith, or restoration of premises of Licensor to good order or condition after removal, EXCEPT when proven to have been caused solely by the willful misconduct or gross negligence of Licensor. HOWEVER, to the fullest extent permitted by State law, during any period of actual construction, repair, maintenance, replacement or removal of the Facilities, wherein agents, equipment or personnel of Licensee are on the railroad rail corridor, Licensee's liability hereunder shall be absolute, irrespective of any joint, sole or contributory fault or negligence of Licensor.

9.2 Use of Licensor's rail corridor involves certain risks of loss or damage as a result of the rail operations. Notwithstanding Section 9.1, Licensee expressly assumes all risk of loss and damage to Licensee's Property or the Facilities in, on, over or under the Encroachment, including loss of or any interference with use or service thereof, regardless of cause, including electrical field creation, fire or derailment resulting from rail operations. For this Section, the term "Licensee's Property" shall include property of third parties situated or placed upon Licensor's rail corridor by Licensee or by such third parties at request of or for benefit of Licensee.

9.3 To the fullest extent permitted by State law, as above, Licensee assumes all responsibility for, and agrees to defend, indemnify and hold Licensor harmless from: (a) all claims, costs and expenses, including reasonable attorneys' fees, as a consequence of any sudden or nonsudden pollution of air, water, land and/or ground water on or off the Encroachment area, arising from or in connection with the use of this Encroachment or resulting from leaking, bursting, spilling, or any escape of the material transmitted in or through the Facilities; (b) any claim or liability arising under federal or state law dealing with either such sudden or nonsudden pollution of air, water, land and/or ground water arising therefrom or the remedy thereof; and (c) any subsidence or failure of lateral or subjacent support of the tracks arising from such Facilities leakage.

9.4 Notwithstanding Section 9.1, Licensee also expressly assumes all risk of loss which in any way may result from Licensee's failure to maintain either required clearances for any overhead Facilities or the required depth and encasement for any underground Facilities, whether or not such loss(es) result(s) in whole or part from Licensor's contributory negligence or joint fault.

9.5 Obligations of Licensee hereunder to release, indemnify and hold Licensor harmless shall also extend to companies and other legal entities that control, are controlled by, subsidiaries of, or are affiliated with Licensor, as well as any railroad that operates over the rail corridor on which the Encroachment is located, and the officers, employees and agents of each.

9.6 If a claim is made or action is brought against Licensor, and/or its operating lessee, for which Licensee may be responsible hereunder, in whole or in part, Licensee shall be notified to assume the handling or defense of such claim or action; but Licensor may participate in such handling or defense.

9.7 Notwithstanding anything contained in this Agreement, the limitation of liability contained in the state statutes, as amended from time to time, shall not limit Licensor's ability to collect under the insurance policies required to be maintained under this Agreement.

10. INSURANCE:

10.1 Prior to commencement of surveys, installation or occupation of premises pursuant to this Agreement, Licensee shall procure and shall maintain during the continuance of this Agreement, at its sole cost and expense, a policy of

(i) Statutory Worker's Compensation and Employers Liability Insurance with available limits of not less than ONE MILLION AND 00/100 U.S. DOLLARS (\$1,000,000.00), which must contain a waiver of subrogation against CSXT and its Affiliates;

(ii) Commercial General Liability coverage (inclusive of contractual liability) with available limits of not less than FIVE MILLION AND 00/100 U.S. DOLLARS (\$5,000,000.00), naming Licensor, and/or its designee, as additional insured and in combined single limits for bodily injury and property damage and covering the contractual liabilities assumed under this Agreement. The evidence of insurance coverage shall be endorsed to provide for thirty (30) days' notice to Licensor, or its designee, prior to cancellation or modification of any policy. Mail CGL certificate, along with agreement, to CSX Transportation, Inc., Speed Code J180, 500 Water Street, Jacksonville, FL 32202. On each successive year, send certificate to RenewalCOI@csx.com.

(iii) Business automobile liability insurance with available limits of not less than ONE MILLION AND 00/100 U.S. DOLLARS (\$1,000,000.00) combined single limit for bodily injury and/or property damage per occurrence;

(iv) Such other insurance as Licensor may reasonably require.

10.2 If Licensee's existing CGL policy(ies) do(es) not automatically cover Licensee's contractual liability during periods of survey, installation, maintenance and continued occupation, a specific endorsement adding such coverage shall be purchased by Licensee. If said CGL policy is written on a "claims made" basis instead of a "per occurrence" basis, Licensee shall arrange for adequate time for reporting losses. Failure to do so shall be at Licensee's sole risk.

10.3 Licensor, or its designee, may at any time request evidence of insurance purchased by Licensee to comply with this Agreement. Failure of Licensee to comply with Licensor's request shall be considered a default by Licensee.

10.4 Securing such insurance shall not limit Licensee's liability under this Agreement, but shall be security therefor.

10.5 (A) In the event Licensee finds it necessary to perform construction or demolition operations within fifty feet (50') of any operated railroad track(s) or affecting any

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railroad bridge, trestle, tunnel, track(s), roadbed, overpass or underpass, Licensee shall: (a) notify Licensor; and (b) require its contractor(s) performing such operations to procure and maintain during the period of construction or demolition operations, at no cost to Licensor, Railroad Protective Liability (RPL) Insurance, naming Licensor, and/or its designee, as Named Insured, written on the current ISO/RIMA Form (ISO Form No. CG 00 35 01 96) with limits of FIVE MILLION AND 00/100 U.S. DOLLARS (\$5,000,000.00) per occurrence for bodily injury and property damage, with at least TEN MILLION AND 00/100 U.S. DOLLARS (\$10,000,000.00) aggregate limit per annual policy period, with Pollution Exclusion Amendment (ISO CG 28 31 11 85) if an older ISO Form CG 00 35 is used. The original of such RPL policy shall be sent to and approved by Licensor prior to commencement of such construction or demolition. Licensor reserves the right to demand higher limits.

(B) At Licensor's option, in lieu of purchasing RPL insurance from an insurance company (but not CGL insurance), Licensee may pay Licensor, at Licensor's current rate at time of request, the cost of adding this Encroachment, or additional construction and/or demolition activities, to Licensor's Railroad Protective Liability (RPL) Policy for the period of actual construction. This coverage is offered at Licensor's discretion and may not be available under all circumstances.

10.6 Notwithstanding the provisions of Sections 10.1 and 10.2, Licensee, pursuant to State Statute(s), may self-insure or self-assume, in any amount(s), any contracted liability arising under this Agreement, under a funded program of self-insurance, which fund will respond to liability of Licensee imposed by and in accordance with the procedures established by law.

11. GRADE CROSSINGS; FLAGGING:

11.1 Nothing herein contained shall be construed to permit Licensee or Licensee's contractor to move any vehicles or equipment over the track(s), except at public road crossing(s), without separate prior written approval of Licensor (CSXT Form 7422).

11.2 If Licensor deems it advisable, during any construction, maintenance, repair, renewal, alteration, change or removal of said Facilities, to place watchmen, flagmen, inspectors or supervisors for protection of operations of Licensor or others on Licensor's rail corridor at the Encroachment, and to keep persons, equipment or materials away from the track(s), Licensor shall have the right to do so at the expense of Licensee, but Licensor shall not be liable for failure to do so.

11.3 Subject to Licensor's consent and to Licensor's Railroad Operating Rules and labor agreements, Licensee may provide flagmen, watchmen, inspectors or supervisors during all times of construction, repair, maintenance, replacement or removal, at Licensee's sole risk and expense; and in such event, Licensor shall not be liable for the failure or neglect of such watchmen, flagmen, inspectors or supervisors.

12. LICENSOR'S COSTS:

12.1 Any additional or alternative costs or expenses incurred by Licensor to accommodate Licensee's continued use of Licensor's property as a result of track changes or wire changes shall also be paid by Licensee.

12.2 Licensor's expense for wages ("force account" charges) and materials for any work performed at the expense of Licensee pursuant hereto shall be paid by Licensee within thirty (30) days after receipt of Licensor's bill therefor. Licensor may, at its discretion, request an advance deposit for estimated Licensor costs and expenses.

12.3 Such expense shall include, but not be limited to, cost of railroad labor and supervision under "force account" rules, plus current applicable overhead percentages, the actual cost of materials, and insurance, freight and handling charges on all material used. Equipment rentals shall be in accordance with Licensor's applicable fixed rate. Licensor may, at its discretion, require advance deposits for estimated costs of such expenses and costs.

13. DEFAULT, BREACH, WAIVER:

13.1 The proper and complete performance of each covenant of this Agreement shall be deemed of the essence thereof, and in the event Licensee fails or refuses to fully and completely perform any of said covenants or remedy any breach within thirty (30) days after receiving written notice from Licensor to do so (or within forty-eight (48) hours in the event of notice of a railroad emergency), Licensor shall have the option of immediately revoking this Agreement and the privileges and powers hereby conferred, regardless of encroachment fee(s) having been paid in advance for any annual or other period. Upon such revocation, Licensee shall make removal in accordance with Article 14.

13.2 No waiver by Licensor of its rights as to any breach of covenant or condition herein contained shall be construed as a permanent waiver of such covenant or condition, or any subsequent breach thereof, unless such covenant or condition is permanently waived in writing by Licensor.

13.3 Neither the failure of Licensor to object to any work done, material used, or method of construction or maintenance of said Encroachment, nor any approval given or supervision exercised by Licensor, shall be construed as an admission of liability or responsibility by Licensor, or as a waiver by Licensor of any of the obligations, liability and/or responsibility of Licensee under this Agreement.

14. TERMINATION, REMOVAL:

14.1 All rights which Licensee may have hereunder shall cease upon the date of (a) termination, (b) revocation, or (c) subsequent agreement, or (d) Licensee's removal of the Facility from the Encroachment. However, neither termination nor revocation of this Agreement shall affect any claims and liabilities which have arisen or accrued hereunder, and which at the

time of termination or revocation have not been satisfied; neither party, however, waiving any third party defenses or actions.

14.2 Within thirty (30) days after revocation or termination, Licensee, at its sole risk and expense, shall (a) remove the Facilities from the rail corridor of Licensor, unless the parties hereto agree otherwise, (b) restore the rail corridor of Licensor in a manner satisfactory to Licensor, and (c) reimburse Licensor any loss, cost or expense of Licensor resulting from such removal.

15. NOTICE:

15.1 Licensee shall give Licensor at least thirty (30) days written notice before doing any work on Licensor's rail corridor, except that in cases of emergency shorter notice may be given. Licensee shall provide proper notification as follows:

a. For non-emergencies, Licensee shall complete and submit Licensor's Outside Party Number Request Form (Form # OP) by facsimile, to facsimile numbers: (904) 245-3692. Licensee may also scan and email a completed form to email address: OP_Request@csx.com. A blank form, as well as additional instructions and information, can be obtained from Licensor's web site, via web link: http://www.csx.com/share/wwwcsx_mura/assets/File/Customers/Non-freight_Services/Property_Real_Estate/Outside_Party_Number_Request_Form.pdf.

b. For emergencies, Licensee shall complete all of the steps outlined in Section 15.1 a. above, and shall also include detailed information of the emergency. Licensee shall also call and report details of the emergency to Licensor's Rail Operations Emergency Telephone Number: 1-800-232-0144. In the event Licensor needs to contact Licensee concerning an emergency involving Licensee's Facility(ies), the emergency phone number for Licensee is: 270-737-1056.

15.2 All other notices and communications concerning this Agreement shall be addressed to Licensee at the address above, and to Licensor at the address shown on Page 1, c/o CSXT Contract Management, J180; or at such other address as either party may designate in writing to the other.

15.3 Unless otherwise expressly stated herein, all such notices shall be in writing and sent via Certified or Registered Mail, Return Receipt Requested, or by courier, and shall be considered delivered upon: (a) actual receipt, or (b) date of refusal of such delivery.

16. ASSIGNMENT:

16.1 The rights herein conferred are the privileges of Licensee only, and Licensee shall obtain Licensor's prior written consent to any assignment of Licensee's interest herein; said consent shall not be unreasonably withheld.

16.2 Subject to Sections 2 and 16.1, this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors or assigns.

16.3 Licensee shall give Licensor written notice of any legal succession (by merger, consolidation, reorganization, etc.) or other change of legal existence or status of Licensee, with a copy of all documents attesting to such change or legal succession, within thirty (30) days thereof.

16.4 Licensor expressly reserves the right to assign this Agreement, in whole or in part, to any grantee, lessee, or vendee of Licensor's underlying property interests in the Encroachment, upon written notice thereof to Licensee.

16.5 In the event of any unauthorized sale, transfer, assignment, sublicense or encumbrance of this Agreement, or any of the rights and privileges hereunder, Licensor, at its option, may revoke this Agreement by giving Licensee or any such assignee written notice of such revocation; and Licensee shall reimburse Licensor for any loss, cost or expense Licensor may incur as a result of Licensee's failure to obtain said consent.

17. TITLE:

17.1 Licensee understands that Licensor occupies, uses and possesses lands, rights-of-way and rail corridors under all forms and qualities of ownership rights or facts, from full fee simple absolute to bare occupation. Accordingly, nothing in this Agreement shall act as or be deemed to act as any warranty, guaranty or representation of the quality of Licensor's title for any particular Encroachment or segment of Rail Corridor occupied, used or enjoyed in any manner by Licensee under any rights created in this Agreement. It is expressly understood that Licensor does not warrant title to any Rail Corridor and Licensee will accept the grants and privileges contained herein, subject to all lawful outstanding existing liens, mortgages and superior rights in and to the Rail Corridor, and all leases, licenses and easements or other interests previously granted to others therein.

17.2 The term "license," as used herein, shall mean with regard to any portion of the Rail Corridor which is owned by Licensor in fee simple absolute, or where the applicable law of the State where the Encroachment is located otherwise permits Licensor to make such grants to Licensee, a "permission to use" the Rail Corridor, with dominion and control over such portion of the Rail Corridor remaining with Licensor, and no interest in or exclusive right to possess being otherwise granted to Licensee. With regard to any other portion of Rail Corridor occupied, used or controlled by Licensor under any other facts or rights, Licensor merely waives its exclusive right to occupy the Rail Corridor and grants no other rights whatsoever under this Agreement, such waiver continuing only so long as Licensor continues its own occupation, use or control. Licensor does not warrant or guarantee that the license granted hereunder provides Licensee with all of the rights necessary to occupy any portion of the Rail Corridor. Licensee further acknowledges that it does not have the right to occupy any portion of the Rail Corridor held by Licensor in less than fee simple absolute without also receiving the consent of the owner(s) of the fee simple absolute estate. Further, Licensee shall not obtain, exercise or claim any interest in the Rail Corridor that would impair Licensor's existing rights therein.

17.3 Licensee agrees it shall not have nor shall it make, and hereby completely and absolutely waives its right to, any claim against Licensor for damages on account of any deficiencies in title to the Rail Corridor in the event of failure or insufficiency of Licensor's title to any portion thereof arising from Licensee's use or occupancy thereof.

17.4 Licensee agrees to fully and completely indemnify and defend all claims or litigation for slander of title, overburden of easement, or similar claims arising out of or based upon the Facilities placement, or the presence of the Facilities in, on or along any Encroachment(s), including claims for punitive or special damages.

17.5 Licensee shall not at any time own or claim any right, title or interest in or to Licensor's property occupied by the Encroachments, nor shall the exercise of this Agreement for any length of time give rise to any right, title or interest in Licensee to said property other than the license herein created.

17.6 Nothing in this Agreement shall be deemed to give, and Licensor hereby expressly waives, any claim of ownership in and to any part of the Facilities.

17.7 Licensee shall not create or permit any mortgage, pledge, security, interest, lien or encumbrances, including without limitation, tax liens and liens or encumbrances with respect to work performed or equipment furnished in connection with the construction, installation, repair, maintenance or operation of the Facilities in or on any portion of the Encroachment (collectively, "Liens or Encumbrances"), to be established or remain against the Encroachment or any portion thereof or any other Licensor property.

17.8 In the event that any property of Licensor becomes subject to such Liens or Encumbrances, Licensee agrees to pay, discharge or remove the same promptly upon Licensee's receipt of notice that such Liens or Encumbrances have been filed or docketed against the Encroachment or any other property of Licensor; however, Licensee reserves the right to challenge, at its sole expense, the validity and/or enforceability of any such Liens or Encumbrances.

18. GENERAL PROVISIONS:

18.1 This Agreement, and the attached specifications, contains the entire understanding between the parties hereto.

18.2 Neither this Agreement, any provision hereof, nor any agreement or provision included herein by reference, shall operate or be construed as being for the benefit of any third person.

18.3 Except as otherwise provided herein, or in any Rider attached hereto, neither the form of this Agreement, nor any language herein, shall be interpreted or construed in favor of or against either party hereto as the sole drafter thereof.

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18.4 This Agreement is executed under current interpretation of applicable Federal, State, County, Municipal or other local statute, ordinance or law(s). However, each separate division (paragraph, clause, item, term, condition, covenant or agreement) herein shall have independent and severable status for the determination of legality, so that if any separate division is determined to be void or unenforceable for any reason, such determination shall have no effect upon the validity or enforceability of each other separate division, or any combination thereof.

18.5 This Agreement shall be construed and governed by the laws of the state in which the Facilities and Encroachment are located.

18.6 If any amount due pursuant to the terms of this Agreement is not paid by the due date, it will be subject to Licensor's standard late charge and will also accrue interest at eighteen percent (18%) per annum, unless limited by local law, and then at the highest rate so permitted.

18.7 Licensee agrees to reimburse Licensor for all reasonable costs (including attorney's fees) incurred by Licensor for collecting any amount due under the Agreement.

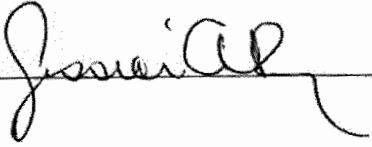
18.8 The provisions of this License are considered confidential and may not be disclosed to a third party without the consent of the other party(s), except: (a) as required by statute, regulation or court order, (b) to a parent, affiliate or subsidiary company, (c) to an auditing firm or legal counsel that are agreeable to the confidentiality provisions, or (d) to Lessees of Licensor's land and/or track who are affected by the terms and conditions of this Agreement and will maintain the confidentiality of this Agreement.

18.9 Licensor shall refund to Licensee any overpayments collected, plus any taxes paid in advance; PROVIDED, however, such refund shall not be made when the cumulative total involved is less than One Hundred Dollars (\$100.00).

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IN WITNESS WHEREOF, the parties hereto have executed this Agreement in duplicate (each of which shall constitute an original) as of the effective date of this Agreement.

Witness for Licensors:



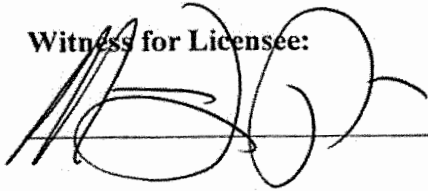
CSX TRANSPORTATION, INC.

By: 

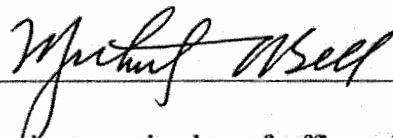
Print/Type Name: David E. Elder
Director

Print/Type Title: _____

Witness for Licensee:



HARDIN COUNTY WATER DISTRICT NO. 2

By: 

Who, by the execution hereof, affirms that he/she has the authority to do so and to bind the Licensee to the terms and conditions of this Agreement.

Print/Type Name: Michael L. Bell

Print/Type Title: Chairman

Tax ID No.: 61-0675437

Authority under Ordinance or

Resolution No. N/A

Dated 10-20-15

EXHIBIT 27

PROJECT COST SUMMARY

Nolin River Watershed Wastewater Project

PROJECT EXPENSES

| | | |
|----|--|---------------------|
| 1. | Construction | \$13,330,000 |
| 2. | Engineering | |
| | A. Preliminary Engineering Report | \$ 20,000 |
| | B. Design & Bidding | 867,200 |
| | C. Construction Administration | 188,400 |
| | D. Construction Observation | <u>462,300</u> |
| | Total Engineering Cost | \$1,537,900 |
| 3. | Geotechnical Investigation | 28,100 |
| 4. | Land, Easements, Surveying, Right-of-Way Permits & Clearing, and Mapping | 196,000 |
| 5. | Legal and Administrative | 275,000 |
| 6. | Archaeological, Cultural, Endangered Species, and other Studies and Consultants | 124,600 |
| 7. | Contingency | 1,108,400 |
| | | <hr/> <hr/> |
| | TOTAL PROJECT COST | \$16,600,000 |

PROJECT FUNDING

| | | |
|----|----------------------|---------------------|
| 1. | KEDFA Grant | \$16,000,000 |
| 2. | KIA Grant (HB 380) | 600,000 |
| | | <hr/> <hr/> |
| | TOTAL FUNDING | \$16,600,000 |

EXHIBIT 28

GRANT AGREEMENT

THIS GRANT AGREEMENT (the "Agreement") is made and entered into on this the 31st day of October, 2011 by and among (i) the **CABINET FOR ECONOMIC DEVELOPMENT**, a governmental agency of the Commonwealth of Kentucky, with address of Old Capitol Annex, 300 West Broadway, Frankfort, Kentucky 40601 (the "Cabinet"), (ii) the **STATE PROPERTY AND BUILDINGS COMMISSION**, a governmental agency of the Commonwealth of Kentucky, with address of Capitol Annex Building, Room 383, Frankfort, Kentucky 40601 (the "Commission"), (iii) the **HARDIN COUNTY FISCAL COURT**, a political subdivision of the Commonwealth of Kentucky, with address of P.O. Box 568, Elizabethtown, Kentucky 42702 (the "County"), and (iv) the **HARDIN COUNTY WATER DISTRICT NO. 2**, a water district of the Commonwealth of Kentucky, with address of 360 Ring Road, PO. Box 970, Elizabethtown, Kentucky 42702 (the "District").

WITNESSETH

WHEREAS, it is the public policy of the Commonwealth of Kentucky to encourage, promote and support economic development, new job formation, and the development and growth of industry and commerce, and to preserve existing jobs in Kentucky for the public purposes of providing employment opportunities for its citizens and residents, alleviating conditions of unemployment, stabilizing and promoting the economy of Kentucky, and creating new tax bases and sources of revenue for the Commonwealth;

WHEREAS, Section 154.12-100 of the Kentucky Revised Statutes authorizes and empowers the Commonwealth to promote economic development in Kentucky by undertaking and financing economic development bond projects, as more particularly described therein;

WHEREAS, the 2010 Extraordinary Session of the Kentucky General Assembly authorized Thirty-Eight Million Four Hundred Ninety-Five Thousand and No/100 Dollars (\$38,495,000.00) of Economic Development Bond (EDB) funds in House Bill 1 for Base Realignment and Closure (BRAC) Task Force efforts;

WHEREAS, on January 4, 2011, the BRAC Task Force recommended the use of Sixteen Million and No/100 Dollars (\$16,000,000) in EDB funds for a grant to the County for the benefit of the District to construct a wastewater collection system in the Nolin River area watershed to alleviate inadequate on-site treatment; to provide wastewater collection and transportation from residential areas and the industrial site in Glendale to an existing treatment facility around Elizabethtown; and to provide for the potential increase in water use in Hardin Counties related to BRAC activities;

WHEREAS, the District, through the County, has applied for, and the Kentucky Economic Development Finance Authority ("KEDFA") awarded Sixteen Million and No/100 Dollars (\$16,000,000.00) EDB Grant on January 27, 2011;

WHEREAS, it is appropriate and in the public interest that the Commonwealth make a commitment of financial resources in order to encourage and support economic development endeavors recommended by the BRAC Task Force and approved by KEDFA in consultation with the Cabinet and the Commission pursuant to KRS 154.12-100;

NOW THEREFORE, in order to induce KEDFA to approve a grant to the County for the benefit of the District in the amount set forth in Section 2.1 hereof, and in consideration of the mutual covenants and conditions contained herein, and for other good and valuable consideration, the receipt, mutuality, and sufficiency of all of which is hereby acknowledged by the parties hereto, the Cabinet, the Commission, the County, and the District hereby agree as follows:

SECTION 1 DEFINITIONS

Definitions. For the purposes hereof, the following words and phrases shall have the meanings ascribed thereto:

(1) "Agreement" shall mean this Grant Agreement by and among the Cabinet, the Commission the County, and the District;

(2) "Cabinet" shall mean the Cabinet for Economic Development, a governmental agency of the Commonwealth;

(3) "County" shall mean the Hardin County Fiscal Court, Hardin County, Kentucky, a political subdivision of the Commonwealth;

(4) "Commission" shall mean the State Property and Buildings Commission, a governmental agency of the Commonwealth;

(5) "Commonwealth" shall mean the Commonwealth of Kentucky and all governmental agencies, authorities, and political subdivisions thereof, including without limitation the State Property and Buildings Commission, a governmental agency of the Commonwealth of Kentucky, and the Cabinet for Economic Development, a governmental agency of the Commonwealth of Kentucky;

(6) "Disbursement" shall mean the distribution of proceeds of the Grant by the Cabinet to the County pursuant to Section 2 of this Agreement;

(7) "District" shall mean the Hardin County Water District No. 2, a Kentucky water district established pursuant to KRS Ch. 74;

(8) "Economic Development Project" shall mean the acquisition of any real estate and the construction, acquisition, expansion, improvement, and installation thereon and with respect thereto of improvements and facilities necessary and useful for

the improvement of the real estate related to the Project (as defined below), including without limitation (i) surveys; (ii) site tests and inspections; (iii) subsurface site work; (iv) excavation, removal of structures, roadways, cemeteries, and other surface obstructions; (v) filling, grading, and provision of drainage; (vi) storm water retention; (vii) installation of utilities, such as water, sewer, sewage treatment, gas, electricity, communication, and other similar facilities; (viii) off-site construction of utility extensions to the boundaries of the real estate; (ix) construction and installation of buildings, including buildings to be used for worker training and education; (x) rail facilities; (xi) roads, sidewalks, curbs, and other improvements; (xii) workforce training and education; and (xiii) any other use approved in writing by the Cabinet for Economic Development;

(9) "Event of Default" shall mean the happening of any one or more of the events or occurrences designated as "Events of Default" pursuant to Section 9 of this Agreement;

(10) "Grant" shall mean the economic development bond grant in the principal amount set forth in Section 2.1 hereof, issued to the County pursuant to KRS 154.12-100 and the terms and conditions of this Agreement;

(11) "Grant Documents" shall collectively refer to this Agreement and all other agreements, documents, and instruments referred to in this Agreement or otherwise evidencing or pertaining to or executed in connection with the Grant, together with any and all agreements, documents, or instruments made in modification, amendment, renewal, extension, substitution, or replacement thereof;

(12) "KEDFA" shall mean the Kentucky Economic Development Finance Authority, a governmental agency of the Commonwealth;

(13) "Laws" shall include all laws, statutes, court decisions, rules, orders, and regulations of the United States of America, the States thereof and of their respective counties, municipalities, and other subdivisions, and shall include without limitation the laws, statutes, court decisions, rules, orders, and regulations of any other applicable jurisdiction;

(14) "Person" shall include an individual, firm, trust, estate, association, unincorporated organization, corporation, partnership, joint venture, or government, or agency or political subdivision thereof;

(15) "Project" shall mean that certain Economic Development Project consisting of the District's construction of the "Nolin Sewer Collection Project", a wastewater collection system in the Nolin River area watershed to help alleviate inadequate on-site treatment and provide collection and transportation of wastewater from residential areas and the industrial site in Glendale, Kentucky to an existing treatment facility around Elizabethtown, Kentucky;

(16) "Request for Disbursement" shall mean a written request to the Cabinet for the making of a disbursement of the proceeds of the Grant, in form,

substance, and detail satisfactory to the Cabinet, substantially in the form attached hereto and made a part hereof as Exhibit A; and,

(17) "Unmatured Default" shall mean the happening of any event or occurrence which would, together with the delivery of any required notice or the passage of any required period of time, constitute an Event of Default under this Agreement or any of the other Grant Documents.

SECTION 2 THE GRANT

2.1 Agreement to Make Grant. Pursuant to KRS 154.12-100, the Cabinet hereby agrees to make, and the County hereby agrees to accept the Grant in the original principal amount of SIXTEEN MILLION AND NO/100 DOLLARS (\$16,000,000.00), subject to and in accordance with the terms, covenants, and conditions set forth in this Agreement. The County and the District expressly agree to comply with and to perform all of the terms, covenants, and conditions of this Agreement and the other Grant Documents, as the same apply to each of them.

2.2 Use of Proceeds. The proceeds of the Grant shall be disbursed to the County to finance the Project, in accordance with the terms and conditions of this Agreement and the other Grant Documents.

2.3 Disbursement. Disbursements of proceeds of the Grant shall be made by the Cabinet to the County in one or more draws upon (i) execution of this Agreement by each of the respective parties hereto, (ii) the full performance by all applicable parties of each of the conditions precedent to the Grant set forth in this Agreement and in each of the other Grant Documents, and (iii) upon the receipt by the Cabinet of a properly completed and executed Request for Disbursement, not less than ten (10) days prior to the date requested for the Disbursement, to which shall be attached any supporting documentation requested by the Cabinet. Requests for Grant Proceeds may be submitted to the Cabinet not more frequently than once a month.

2.4 Amount of Disbursements. The specific amount of any Disbursement shall not exceed the amount justified by the Request for Disbursement and by the documentation received by the Cabinet in support thereof. The County and the District agree to deliver to the Cabinet at any time and from time to time, upon request of the Cabinet, all receipts, vouchers, statements, bills of sale, or other evidence satisfactory to the Cabinet of actual payment of the costs associated with the Project ("Project Costs").

2.5 Right to Withhold Funds. The Cabinet may amend, reduce, or withhold funding of any Disbursement until such time as the Cabinet shall be satisfied in its sole discretion that the requirements set forth in this Agreement have been performed in full, and that the Request for Disbursement and the documentation received by the Cabinet support the amount of the Disbursement requested by the County. The Cabinet may

elect to amend, reduce, or withhold any Disbursement if the Cabinet determines at any time in its sole discretion that (i) the County or the District shall have failed to perform any condition precedent to the Disbursement under the terms and conditions of this Agreement or the other Grant Documents, or (ii) should any Event of Default or Unmatured Default have occurred and be continuing.

SECTION 3
ADDITIONAL FINANCING

The District hereby represents and warrants to the Cabinet that there is no additional financing for the Project as disclosed in the December 21, 2010, Application for EDB Program. The District further agrees to notify the Cabinet in the event of any change regarding additional financing.

SECTION 4
CONDITIONS PRECEDENT TO THE MAKING OF THE GRANT

The Cabinet's obligation to make the Grant and disburse funds shall be conditioned upon the prior fulfillment of the following conditions:

4.1 Representations, Warranties and Covenants. Each and every representation, warranty, and covenant made by or on behalf of the County and the District herein, in their application to the Cabinet, or relating to any of the Grant Documents, instruments, or transactions contemplated thereby, shall be true, complete, and correct on and as of the date of execution of this Agreement.

4.2 No Defaults. There shall exist no Event of Default or Unmatured Default under the Agreement or any of the other Grant Documents.

4.3 Compliance. The County and the District shall have observed or complied with all provisions of this Agreement.

4.4 Request for Disbursement. The County shall have provided to the Cabinet the Request for Disbursement along with all required supporting documentation.

4.5 Grant Documents. The County and the District shall execute and fully perform each of the conditions precedent to the Grant set forth in this Agreement and in each of the other Grant Documents.

4.6 Counsel Opinion. The County and the District shall have delivered to the Cabinet opinions of their counsel in form and substance satisfactory to the Cabinet and its counsel with respect to such matters as the Cabinet may reasonably require.

4.7 The County Approval. The County shall have supplied certified copies of any resolutions or ordinances authorizing the County's participation in the Grant and execution of Grant Documents.

4.8 The District Approval. The District shall have supplied attested copies of any resolutions authorizing the District's participation in the Grant and execution of Grant Documents.

SECTION 5 INSURANCE

5.1 Insurance. During the term of this Agreement, and during any extensions or renewals thereof, insurance shall be carried and maintained on the Project. Additionally, the District shall carry and maintain property and casualty insurance, general public liability insurance, worker's compensation insurance, and, if applicable, flood insurance (all of the foregoing shall hereinafter collectively be referred to as the "Insurance"), in such form and in such amounts as are customarily carried by prudent business operations similarly situated, and shall pay all premiums relating thereto, on or before the due date thereof, all in accordance with the terms and conditions of this Agreement.

5.2 Notice of Casualty. The County and the District shall promptly give written notice of any material damage to or destruction of the Project to the Cabinet.

SECTION 6 REPRESENTATIONS AND WARRANTIES

The County and the District hereby represent and warrant to the Cabinet as follows:

6.1 Existence.

(1) The County is a political subdivision organized and existing under the Constitution and laws of the Commonwealth of Kentucky.

(2) The District is a water district organized pursuant to KRS Ch. 74.

6.2 Authority to Act. The County and the District have the requisite powers, capacity, and authority to execute and deliver this Agreement and the other Grant Documents, to consummate the transactions contemplated by this Agreement and the other Grant Documents, and to observe and to perform this Agreement and the other Grant Documents in accordance with their respective terms and conditions. The officers of the County and the District executing and delivering this Agreement and the other Grant Documents on behalf of the County and of the District have been and are duly authorized to enter into this Agreement and the other Grant Documents on behalf of the County and of the District.

6.3 Validity of Grant Documents; Compliance with Law. The Grant Documents are in all respects the legal, valid, and binding obligations of the County and of the District according to their respective terms and conditions. The facts and matters expressed or implied in any opinions of the legal counsel retained by the County and by

the District are true and correct as of the date hereof. The execution and delivery of this Agreement and the other Grant Documents, and the performance or observance by the County and the District of the terms and conditions thereof, does not and will not violate any Laws applicable to the County or to the District.

6.4 Approvals. The County and the District have taken all actions necessary to approve the Grant Documents and their participation in the Grant with respect to the Project.

6.5 Government Requirements. The real property on which the Project is located is in conformity with all required zoning and other governmental requirements or has received variances allowing such lack of conformity. The Project has been approved by all necessary governmental authorities, including state and local authorities, and the District has obtained all necessary permits, licenses, certifications and authorizations necessary to the completion of the Project.

6.6 Litigation. No litigation or proceeding involving the County or the District is pending or, to the best of the knowledge of the County and of the District, is threatened in any court or administrative agency which, if determined adversely to the County or to the District, could have a materially adverse impact on its ability to perform any of its respective obligations under this Agreement or under any of the other Grant Documents.

6.7 No Defaults. Neither the County nor the District is in default under any material contract, agreement, lease, bank loan or credit agreement to which either is a party or by which it is bound, nor has any event occurred which after the giving of notice or the passage of time, or both, would constitute a default under any such contract, agreement, lease, bank loan or credit agreement, which could have a materially adverse impact on the ability of the County or of the District to perform any of their respective obligations under this Agreement or under any of the other Grant Documents. No Unmatured Default or Event of Default exists on the date hereof, nor shall any such Unmatured Default or Event of Default begin to exist immediately after the execution and delivery of this Agreement or the other Grant Documents.

6.8 Conflicting Transactions. The consummation of the transaction contemplated hereby and the performance of the obligations of the County and of the District under and by virtue of this Agreement and the other Grant Documents shall not result in any breach of, or constitute a default under, any material contract, agreement, lease, bank loan, or credit agreement to which the County or the District is a party or by which the County or the District is bound.

6.9 Disclosure. Neither this Agreement nor any of the other Grant Documents contain any false or misleading statement of or omission of any material fact. There is no fact known to the County or to the District that materially and adversely affects, or in the future could materially and adversely affect, the business,

operations, affairs, or condition, financial or otherwise, of the County or of the District that has not been disclosed to the Cabinet.

SECTION 7 COVENANTS

To induce the Cabinet to enter into this Agreement and to make the Grant, the County and the District hereby covenant and agree with the Cabinet as follows:

7.1 Mechanics' Lien. The County and the District have and shall hereafter comply with all Laws relating to mechanics' liens and other equitable liens with respect to the Project, including without limitation payment and notice provisions contained therein. The County and the District shall indemnify and hold the Cabinet harmless from the claims of mechanics' liens or other equitable liens affecting the Project, and shall pay promptly upon demand any loss or losses that the Cabinet may incur as a result of the filing of any such liens, including without limitation the reasonable cost of legal defense and the reasonable attorney's fees of the Cabinet arising in connection therewith. In addition, the County and the District shall cause, at their sole cost and expense, any mechanics' liens or other equitable liens that may be filed against the Project or against any undisbursed proceeds of the Grant to be released or bonded within thirty (30) days after the date of the filing thereof. The Cabinet shall have the option (but not the obligation), to cause to be released any lien existing against the Project more than thirty (30) days after the date of the filing thereof, and all payments made or costs incurred by the Cabinet in connection therewith shall be immediately due and payable upon the Cabinet's demand, by the County and the District. No exercise by the Cabinet of such option shall in any way affect the provisions of this Agreement, including without limitation the provision that failure by the County or by the District to cause mechanics' and other equitable liens to be released within thirty (30) days of the filing thereof shall constitute an Event of Default hereunder.

7.2 No Transfer of Project. Neither the County nor the District shall sell, lease, convey, mortgage, encumber, or dispose of all or any portion of the Project in any manner except as specifically permitted herein without the prior express written consent of the Cabinet.

7.3 Maintenance of Project. The District shall maintain the Project in good condition, order, and repair, and shall make all repairs thereto as are necessary or appropriate. The District shall not commit or suffer any waste to the Project, and shall not do or suffer anything to be done that may increase the risk of fire or other hazards thereto.

7.4 Dissolution or Disposition of Assets. During the term of this Agreement, neither the County nor the District shall, without first notifying the Cabinet in writing, (i) liquidate, dissolve, or otherwise dispose of all or substantially all of its assets, or (ii) liquidate, dissolve, or reorganize, or take any action leading toward liquidation, dissolution, or reorganization.

7.5 Compliance with Laws. The County and the District shall promptly comply with all Laws relating to the use and operation of the Project.

7.6 Taxes and Other Obligations. The District shall pay on or before the date due, as applicable, all taxes, assessments, charges, liens, encumbrances, levies, and claims of every character that have been levied or assessed or that may hereafter be levied or assessed upon or against the Project. The District shall pay on or before the date due all utility charges relating to the Project, whether public or private, and upon demand shall furnish the Cabinet receipts evidencing such payment.

7.7 Further Assurances. The County and the District shall, at any time upon request by the Cabinet, make, execute, and deliver or cause to be made, executed, and delivered to the Cabinet any and all other further instruments, certificates, and other documents as may, in the reasonable opinion of the Cabinet, be necessary or desirable in order to effect, complete, perfect, or otherwise to continue and preserve the obligations of the County and the District under this Agreement and the other Grant Documents (collectively the "Further Assurances").

7.8 Right to Inspect. The Cabinet shall, at any time upon reasonable notice, have the right to inspect any and all records relating to the Project, and to inspect the any premises relating to the Project in order to monitor progress of the Project.

7.9 Indemnification. The County and the District shall indemnify, defend, and save harmless the Cabinet, the Commission, and their directors, officers, agents, and employees (the "Indemnitees") from all loss, liability, or expense (including the fees and expenses of in-house or outside counsel) arising out of or in connection with the County's and with the District's execution and performance of this Agreement, except in the case of any Indemnatee to the extent that such loss, liability, or expense is due to the gross negligence or willful misconduct of such Indemnatee. The County and the District acknowledge that the foregoing Indemnities shall survive the termination of this Agreement.

SECTION 8 WAIVERS

8.1 Waivers by the County and the District. The County and the District, and each of them, hereby waive, to the extent permitted by applicable Laws, all presentments, demands for performance, notices of nonperformance, protests, notices of protest, and notices of dishonor in connection with the Agreement.

8.2 Waiver and Remedies. The rights, powers, and remedies granted to the Cabinet pursuant to this Agreement shall be in addition to all rights, powers, and remedies given to or now or hereafter existing in the Cabinet by virtue of the Grant Documents or pursuant to any Laws. Each and every right, power, and remedy, whether specifically granted herein or otherwise existing, may be exercised from time to

time and so often and in such order as may be deemed expedient by the Cabinet, and the exercise, or the beginning of the exercise, of any such right, power, or remedy shall not be deemed a waiver of the right to exercise, at the same time or thereafter, any other right, power, or remedy. Any forbearance or failure or delay by the Cabinet in exercising any right, power, or remedy hereunder shall not be deemed to be a waiver of such right, power, or remedy, and any single or partial exercise of any right, power, or remedy shall not preclude the further exercise thereof. Any consent by the Cabinet or any waiver of an Event of Default under this Agreement shall not constitute a consent to or waiver of any right, remedy, or power of the Cabinet upon a subsequent Event of Default.

SECTION 9 DEFAULT

9.1 Events of Default. Each of the following events or occurrences shall constitute an "Event of Default" of the County or of the District under this Agreement:

(1) Bankruptcy. If there is filed by or against the County or the District a petition in bankruptcy or a petition for the appointment of a receiver or trustee of any of the property of the County or the District, and any such petition is not dismissed within sixty (60) days after the date of filing, or if the County or the District files a petition for reorganization under any of the provisions of the Bankruptcy Code or any similar Law, or if the County or the District makes a general assignment for the benefit of creditors, or if the County or the District makes any insolvency assignment or is adjudicated insolvent by any court of competent jurisdiction; or

(2) Covenants, Warranties and Representations. If any warranty or representation made by the County or the District in this Agreement or in any of the other Grant Documents shall at any time be false or misleading in any material respect, or if the County or the District shall fail to keep, observe or perform any of the obligations, terms, covenants, representations, or warranties set forth in this Agreement or in any of the other Grant Documents within fifteen (15) days after written notice from the Cabinet or the Commission to the County or to the District of the occurrence of such failure (or such longer period of time as may be reasonably required); provided that the County or the District, as applicable, commences to cure the Event of Default within such fifteen (15) day period and diligently pursues such cure or is unable or unwilling to meet its obligations thereunder; or

(3) Obligations to the Cabinet. If the County or the District shall fail to observe, perform, or comply with the terms, obligations, covenants, agreements, conditions, or other provisions of this Agreement or any of the other Grant Documents, or of any other agreement, document, or instrument which the County and the District have entered into with the Cabinet.

9.2 Remedies of Cabinet Upon Events of Default. Notwithstanding anything to the contrary set forth herein, upon the occurrence of an Event of Default, the Cabinet and the Commission, or either of them, in their sole discretion and upon notice to the County or the District, may at any time exercise any one or more of the following rights and remedies:

(1) Terminate the Grant, after which the Cabinet shall be under no obligation to advance any undisbursed monies from the Grant to the County;

(2) Commence an appropriate legal or equitable action to enforce the County's or the District's performance of the terms, covenants, and conditions of this Agreement and the other Grant Documents;

(3) Commence appropriate legal or equitable action to enforce the rights and remedies of the Cabinet and/or the Commission, or either of them, pursuant to the terms, covenants, and conditions of this Agreement, the Financing Statement, and the other Grant Documents; and

(4) Exercise any other rights or remedies that may be available to the Cabinet or the Commission pursuant to this Agreement, the other Grant Documents, or under applicable Laws.

SECTION 10 MISCELLANEOUS

10.1 Expenses. The Cabinet shall be responsible for all costs associated with the preparation of the Grant Documents. After execution of the Grant Documents, at the Cabinet's request, the County shall promptly indemnify and/or reimburse the Cabinet for any and all expenses, costs, and charges of any kind incurred by or billed to the Cabinet in connection with (i) the preparation of any and all amendments, modifications, and supplements to the original Grant Documents which are necessitated by any action of the County or the District, or (ii) the preserving, perfection, and enforcement of the Cabinet's rights and remedies under this Agreement and/or the other Grant Documents.

10.2 Term of Agreement. The term of this Agreement shall commence as of the date hereof and shall continue until the County and the District shall have fully performed each of its respective obligations hereunder and under each of the Grant Documents. If the Grant proceeds have not been accessed or used for the intended purposes by December 31, 2014, the Cabinet has the right, but not the obligation to terminate this Grant Agreement.

10.3 Incorporation by Reference. All exhibits, schedules, annexes, or other attachments to this Agreement are hereby incorporated into and made a part of this Agreement as if set out at length herein.

10.4 Multiple Counterparts. This Agreement may be signed by each party upon a separate copy, and in such case one counterpart of this Agreement shall consist of a sufficient number of such copies to reflect the signature of each party hereto. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, and it shall not be necessary in making proof of this Agreement or the terms and conditions hereof to produce or account for more than one of such counterparts.

10.5 Headings. The section headings set forth in this Agreement are for convenience of reference only, and the words contained therein shall in no way be held to explain, modify, amplify, or aid in the interpretation, construction, or meaning of the provisions of this Agreement.

10.6 Partial Invalidity. If any term or provision of this Agreement or the application thereof to any Person or circumstances shall, to any extent, be determined to be invalid or unenforceable by a court of competent jurisdiction, the remainder of this Agreement shall not be affected thereby, and each of the remaining provisions of this Agreement shall be valid and enforceable to the fullest extent permitted by applicable law.

10.7 Successors and Assigns. Except as otherwise expressly provided herein, the terms and conditions of this Agreement shall be binding upon and shall inure to the benefit of the successors and assigns, respectively, of the parties hereto. This provision shall not be construed to permit assignment by the County or the District of any of its respective rights and duties under this Agreement or the other Grant Documents.

10.8 No Partnership - Status of Relationship. The Commission, the Cabinet, the County, and the District, and any party respectively associated therewith, shall in no event be construed or become in any way or for any purpose partners, associates, or joint venturers in the conduct of their respective businesses or otherwise. No contractor, licensee, agent, servant, employee, invitee, or customer of the County or of the District shall be, or shall be deemed to be, a contractor, licensee, agent, servant, employee, invitee, or customer of the Commission or the Cabinet.

10.9 Rights of Third Persons. In no event shall this Agreement be construed to make the Cabinet or any agent of the Cabinet liable to any general contractors, subcontractors, laborers, materialmen, craftsmen, or other Persons for labor, materials, or services delivered to the Project or goods specially fabricated for incorporation therein, or for debts or claims accruing or arising to any such Persons against the County or the District. The County and the District expressly agree that there is no relation of any type whatsoever, contractual or otherwise, either express or implied, between the Cabinet and any general contractor, materialman, subcontractor, craftsman, laborer, or any other person or entity supplying any labor, materials, or services to the Project or specially fabricating goods to be incorporated therein. No Persons are intended to be third party beneficiaries of the Grant Documents or to have

any claim or claims in or to any undisbursed proceeds of the Grant pursuant to the Grant Documents.

10.10 Modification. This Agreement sets forth the entire understanding of the parties with respect to the subject matter hereof, supersedes all existing agreements among them concerning the subject matter hereof, and may be modified only by a written instrument duly executed by each of the parties hereto.

10.11 Time of Essence. Time is of the essence in the performance of each of the terms and conditions of this Agreement.

10.12 No Assignment. Neither the County nor the District may assign their respective rights under this Agreement to any Person. This section shall not be deemed to prohibit an assignment by operation of law.

10.13 Notices. All notices, requests, demands, waivers, and other communications given as provided in this Agreement shall be in writing, and shall be addressed as follows:

If to the Cabinet
or the Commission: Cabinet for Economic Development
Old Capitol Annex
300 West Broadway
Frankfort, Kentucky 40601-1975
Attn: Commissioner
Department of Financial Incentives

If to the County: Hardin County Fiscal Court
P.O. Box 568
Elizabethtown, Kentucky 42701
Attn: Harry L. Berry, Hardin County Judge/Executive

If to the District: Hardin County Water District No. 2
360 Ring Road
P.O. Box 970
Elizabethtown, Kentucky 42702
Attn: James R. Jeffries, General Manager

Unless otherwise specifically provided in this Agreement, notice hereunder shall be deemed to have been given upon its being deposited in the U.S. Mail, postage prepaid, and addressed as provided above. The parties hereto may change their respective addresses as provided above by giving written notice of the change to the other parties hereto as provided in this paragraph.

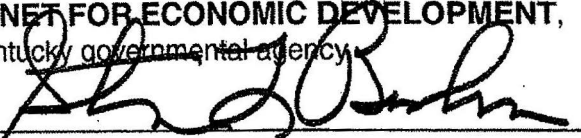
10.14 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the Commonwealth of Kentucky.

10.15 Jurisdiction and Venue. The parties hereto agree that any suit, action, or proceeding with respect to this Agreement may only be brought in or entered by, as the case may be, (a) the courts of the Commonwealth of Kentucky situated in Frankfort, Franklin County, Kentucky, or (b) the United States District Court for the Eastern District of Kentucky, Frankfort Division, and the parties hereby submit to the jurisdiction of such courts for the purpose of any such suit, action, proceeding, or judgment and waive any other preferential jurisdiction by reason of domicile. The parties hereby irrevocably waive any objection that they may now or hereafter have to the laying of venue of any suit, action, or proceeding arising out of or related to this Agreement brought in the courts of the Commonwealth of Kentucky situated in Frankfort, Franklin County, Kentucky, or the United States District Court for the Eastern District of Kentucky, Frankfort Division, and also hereby irrevocably waive any claim that any such suit, action, or proceeding brought in any one of the above-described courts has been brought in an inconvenient forum.

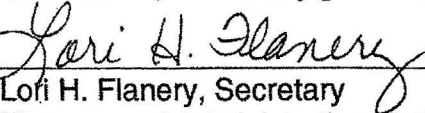
[SIGNATURE PAGE TO FOLLOW]

IN WITNESS WHEREOF, the Cabinet, Commission, the County and the District have executed this Agreement as of the day, month and year first above written.

CABINET FOR ECONOMIC DEVELOPMENT,
a Kentucky governmental agency

By: 
Steven L. Beshear, Governor of the
Commonwealth of Kentucky

**STATE PROPERTY AND BUILDINGS
COMMISSION,** a Kentucky governmental agency

By: 
Lori H. Flanery, Secretary
Finance and Administration Cabinet

HARDIN COUNTY FISCAL COURT, a
Kentucky political subdivision

By: 
Harry L. Berry, Judge/Executive

HARDIN COUNTY WATER DISTRICT NO. 2, a
Kentucky water district

By: 
James R. Jeffries, General Manger

EXHIBIT 29

KENTUCKY INFRASTRUCTURE AUTHORITY RECEIVED
KENTUCKY INFRASTRUCTURE
AUTHORITY

**2006 GENERAL ASSEMBLY
HOUSE BILL 380**

2010 FEB 19 10:10

GRANT ASSISTANCE AGREEMENT

| | |
|--------------------|-----------------------------------|
| WRIS NUMBER: | SX21093004 |
| GRANT ID #: | 330N-2007 |
| GRANT AMOUNT: | \$600,000.00 |
| GRANTEE: | Hardin County Water District No 2 |
| DATE OF AGREEMENT: | January 19, 2010 |

GRANT ASSISTANCE AGREEMENT

This Grant Assistance Agreement ("Agreement") is made and entered into this date, January 19, 2010, by and between the KENTUCKY INFRASTRUCTURE AUTHORITY ("Authority"), a body corporate and politic, constituting a public corporation and governmental agency and instrumentality of the Commonwealth of Kentucky, and the Hardin County Water District No 2 ("Grantee").

WITNESS

WHEREAS, the General Assembly of the Commonwealth of Kentucky, at its 1988 Regular Session, amended Chapter 224A of the Kentucky Revised Statutes (the "Act"), creating the "Kentucky Infrastructure Authority" to serve the public purposes identified in the Act; and

WHEREAS, the Authority, an agency of the Commonwealth attached to the Governor's Office, is charged pursuant to KRS 224A.300 with coordinating the implementation of infrastructure projects and to this end maintains within the Water Resource Information System, a comprehensive database of profiles of each community's water and wastewater projects; and

WHEREAS, the 2006 General Assembly included in the Commonwealth's 2006-2008 biennial Budget funding for the Grantee's infrastructure project, the subject of this Agreement; and

WHEREAS, the Grantee now seeks to implement the Project as identified in the 2006-2008 Budget of the Commonwealth and the Authority has determined that the Project is a Project within the meaning of the Act, and has been shown to be consistent with the Area Water Management Plan where applicable; and

WHEREAS, the Grantee and the Authority desire to enter into this Agreement which sets forth their respective duties, rights, covenants, and obligations with respect to the acquisition, construction and financing of the Project described in the Grantee's Project Profile.

NOW THEREFORE, in consideration of the mutual covenants and conditions contained herein and for the other good and valuable consideration, the receipt, mutuality and sufficiency of all of which is hereby acknowledged by the parties hereto, the Authority and the Grantee each agree as follows:

SECTION 1 – DEFINITIONS

All terms utilized herein shall have the same definitions and meaning as ascribed to them in the Act, which are hereby incorporated in this Agreement by reference, the same as if set forth hereby verbatim; provided, however, that those definitions utilized in the Act having general application are hereby modified in certain instances to apply specifically to the Grantee and its Project.

Act shall mean Chapter 224A of the Kentucky Revised Statutes, as amended.

Agreement shall mean this Agreement made and entered into by and between the Grantee and the Authority, as authorized by the Act, providing for a Grant to the governmental agency, unit of government, or private, investor-owned water system by the Authority.

Area Water Management Council shall mean the council designated as the planning body for the area, which shall prepare the Area Water Management Plan and approve all Project Profiles for water and wastewater projects.

Area Water Management Plan shall mean the plan that identifies current and future water supply, drinking water, and wastewater service needs of the area.

Authority shall mean the Kentucky Infrastructure Authority created by the Act as amended, a body corporate and politic, constituting a public corporation and a governmental agency and instrumentality of the Commonwealth of Kentucky, or such other designation as may be effected by future amendments to the Act.

Engineer(s) shall mean the professional engineer or firm of professional engineers properly procured by the Grantee in connection with the Project identified in the Project Profile Database.

Grantee shall mean the Hardin County Water District No 2 or the Hardin County Water District No 2's designee that is a governmental agency or unit of government or any private, investor owned utility within the Commonwealth eligible for funding under the Program in accordance with the Act, now having been or hereafter being granted the authority and power to finance, acquire, construct, or operate a Project, and for the purposes of this Agreement shall mean that Hardin County Water District No 2 identified in the Project Profile or the 2006 biennial Budget of the Commonwealth.

Grant shall mean the funds effected under this Agreement from the Authority to the Grantee in the principal amount set forth in the 2006-2008 Budget of the Commonwealth, for the purpose of defraying the costs incidental to the Project.

Kentucky Water Management Plan shall mean the guide and strategy that incorporates and analyzes each Area Water Management Plan and provides an assessment of future needs and allocation of funding for water and wastewater services throughout the Commonwealth.

Program shall mean the program authorized by KRS 224A.035 for the Authority to engage in a program of assistance to designated entities with respect to the construction and acquisition of water and wastewater infrastructure projects.

Project shall mean, when used generally, water, wastewater or other infrastructure project authorized pursuant to the Act, and when used in specific reference to the Grantee, the Project described in the Project Profile.

Project Administrator shall mean that individual designated in writing to the Authority by the Grantee, who has the responsibility of supervising the Project and coordinating the preparation of all documentation with respect to the Project.

Project Budget shall mean a list of Project expenses and funding sources, in the form set forth in **Exhibit 1**.

Project Profile shall mean those specific details of the Project, approved by the Area Water Management Council as being consistent with the Area Water Management Plan, as applicable.

Rates and Charges shall mean an approved schedule of charges, based on actual cost of service, to adequately provide for retirement of any related debt obligation and to provide for proper operation of the Project.

System shall mean the utility system owned and operated by the Grantee of which the Project shall become a part and from the earnings of which System shall be operated, maintained and insured.

SECTION 2 - OBLIGATIONS OF THE AUTHORITY

The Authority covenants and agrees, conditioned upon the timely performance by the other party of its respective obligations, to undertake the following obligations:

- A. The Authority shall pay to the Grantee an amount not to exceed \$600,000.00 subject to the availability of appropriate funding, to complete the Project in accordance with the Project Profile, attached hereto as **Exhibit 1**, which is hereby incorporated herein and made a part of this Agreement. No payments shall be made until after the Project has received Clearinghouse endorsement.
- B. The Authority may make periodic reviews of the Project progress and may make inspections of the Project and send inspection reports to the Grantee. Deficiencies identified in the inspection report shall be corrected by the Grantee and the correction reported in writing to the Authority within two weeks of receipt of the Authority's inspection report.
- C. The Authority shall cooperate with the Grantee in order to facilitate the obligations set out in this Agreement.

SECTION 3 - OBLIGATIONS OF THE GRANTEE

The Grantee covenants and agrees to undertake the following obligations:

- A. The Grantee shall, before any funds are released, sign and submit the Agreement, and complete and include the following Exhibits which are incorporated herein and made a part hereof:
1. **Before the Project is bid**, the Grantee shall complete and submit to the Authority the following:
 - a) Project profile and estimated project budget, as **Exhibit 1**, as an accurate description and cost estimate of the proposed project.
 - b) Original copy of the Grantee's resolution, as **Exhibit 2**, accepting the grant award, amending its budget to allow for receipt and expenditures of these funds, and authorizing a designated individual to execute the Agreement and all other documentation related to the Project.
 - c) A schedule of current rates and charges, as **Exhibit 3**. If there will be a change in the current rate structure as a result of this project, provide the proposed schedule of rates and charges.
 2. **After the Project is bid**, the Grantee shall complete and submit to the Authority a revised Project Profile and Project Budget based on Project bids, as **Exhibit 4**.

The Grantee may request Grant funds after completion of Exhibits 1-4 by executing a Request for Payment and Project Status Report, as provided by the Authority, and attaching appropriate documentation, including, but not limited to, invoices and receipts. The Authority may withhold release of funds until receipt of Administrative Fee pursuant to Section 7.

- B. The Grantee agrees to adopt and use the Kentucky Uniform System of Accounting and Cost-Based Rates (KUSoA) and assure that rates and charges for service are based upon the cost of providing such service, if applicable to the Project. These rates and charges shall be in place no later than within 12 months of the end of the Grantee's current fiscal year.
- C. The Grantee shall receive Project funds via Electronic Fund Transfer (EFT) with the EFT to be implemented by use of the form provided by the Authority.
- D. The Grantee shall perform and/or cause to be performed all necessary acts to plan, design and construct the Project including, but not limited to: the procurement of land, easements and rights of way; professional services; and equipment and/or materials.

- E. The Grantee shall obtain all necessary permits, licenses and approvals from the appropriate federal, state, and/or local governmental entities prior to construction of the Project. Further, the Grantee shall require all construction contractors to pay wages pursuant to applicable prevailing wage rates (federal or state) for all work relating to the subject Project.
- F. The Grantee shall utilize the 'Fees for Professional Engineering Services—Percentage of Construction Cost', in the engineer's contract for this project, as provided by the Authority.
- G. The Grantee shall comply with all applicable federal and state statutes, executive orders, regulatory requirements, and policies relating to the planning and construction of the Project.
- H. The Grantee shall provide to the Authority access to all records related to the Project for review in determining compliance with the Grant Agreement and all applicable laws and regulations. The Grantee shall retain all records, including all invoices, relating to the Project for three years after full execution of **Exhibit 5** - Certificate of Completion.
- I. The Grantee shall cooperate fully with the Authority and provide any documentation requested by the Authority in order to facilitate the obligations set out in this Agreement.
- J. Any unauthorized or improper expenditure of funds, or expenditure of funds other than in accordance with the terms of this Agreement, shall be deemed a default of this Agreement by the Grantee.
- K. The Grantee will proceed expeditiously with and complete the Project in accordance with the approved final design, plans and specifications or amendments thereto, prepared by the Project Engineer for the Grantee and as approved by the appropriate state and federal agencies.
- L. The Grantee agrees that throughout the reasonable life of the infrastructure facilities developed under this Project it will retain ownership of, operate, and maintain these facilities, and all appurtenances thereto, keeping them in good and sound repair and good operating condition at its own expense so that the completed Project will continue to provide the services for which it was designed. Change of ownership or disposal of the Project facilities may occur only with written approval of the Authority.
- M. The Grantee agrees that it will at all times impose, charge and collect sufficient customer Rates and Charges.
- N. The Grantee shall, within 3 months of initiation of construction of the Project, submit to the Authority, Final Design Plans in an AutoCAD Drawing File Format (DWG), referenced to the appropriate (North or South) Kentucky State Plane Coordinate System (NAD83-Survey Feet) on a Compact Disc (CD). If there is

a significant deviation from the Final Design Plan during construction, As-built plans shall also be provided to the Authority, within three months of construction completion, in the same format.

- O. No project shall be considered closed out until the Authority has received, and approved, the Grantee's Certificate of Completion, referenced above as Exhibit 5.

SECTION 4 - MUTUALITY OF OBLIGATIONS

- A. The parties agree that the funds granted by the Commonwealth to the Grantee are to be used solely for the purposes of implementing the Project. Further the parties agree that the obligations imposed upon them are for their respective benefit and the timely fulfillment of each and every obligation in accordance with this Agreement is necessary. The failure of either party to fulfill its obligations under this Agreement shall constitute a breach of same.
- B. In the event of default by the Grantee, including the failure to take actions directed herein and/or to comply with time deadlines set out in this Agreement, the Authority may declare this Agreement void from the beginning without further obligation to the Grantee and may commence appropriate legal action to enforce its rights under this Agreement including action for recovery of funds expended hereunder.
- C. Except as may otherwise be provided herein, the parties to this Agreement shall be solely responsible for any costs incurred in fulfilling their respective obligations under this Agreement and neither party shall have any claim against the other party for reimbursement of costs whether or not a party is in default.

SECTION 5 - TERMS OF AGREEMENT

- A. All funds made available under this Agreement are subject to reauthorization by subsequent General Assemblies of the Commonwealth of Kentucky. Should funding for the Project not be reauthorized, this agreement may be terminated.
- B. This Agreement may be terminated by either party at any time for cause and may be terminated by either party without cause upon 30 days written notice to the other party. Termination of this Agreement shall not diminish or in any other manner affect any other remedy that may be available to the parties for any breach of the Agreement that occurs prior to the termination.
- C. The Grantee acknowledges and understands that this Agreement is funded out of a tax exempt bond issuance. Pursuant to IRS Regulation, the Authority shall not reimburse the Recipient for any activity taken by the Recipient prior to May 18, 2006, with this date representing 60 days prior to the State Property and Buildings Commission enacting the required Reimbursement Resolution.

- D. Except for payments authorized through Section 6 of this Agreement, no payment shall be made under the terms of this Agreement until the Kentucky State Clearinghouse has issued Project Endorsement.
- E. If additional financial assistance for this project becomes available to the Grantee after execution of this agreement, the amount of the assistance from the Authority shall be recalculated with the inclusion of the additional assistance, and the Grantee shall pay to the Authority the amount, if any, by which the grant actually made, exceeds the grant as determined by the recalculation.

SECTION 6 - ADVANCE FUNDING FOR PROJECT PLANNING AND DESIGN

- A. The Grantee may request, in writing, that a portion of the grant funds be disbursed prior to Project bidding to pay a portion of the cost of Project planning and design directly related to submission of the Project plans and specifications for review by the Division of Water and the Public Service Commission, as may be required.
- B. It is specifically understood and agreed by the Grantee, in the event that the Project has not commenced construction by June 30, 2010, for whatever reason, all grant funds disbursed for Project planning and design are subject to full and immediate repayment to the Authority.
- C. Funds disbursed under this Section of the Agreement shall not exceed 50% of the Project planning and design amount.
- D. Funds received under provisions of this Section shall be used solely for planning and design costs of the Project.
- E. No funds shall be released under this Section until the requirements of Section 3. A. 1. of this Agreement have been met.

SECTION 7 - ADMINISTRATIVE FEE

Pursuant to 2006 General Assembly House Bill 380, Part 1 (Operating Budget), Section A (General Government), Budget Unit 7 (Kentucky Infrastructure Authority), Sub-Unit 3 (Administrative Fee on Infrastructure for Economic Development Fund Projects), the Grantee agrees to pay to the Authority an administrative fee equal to $\frac{1}{2}$ of 1% of the principal amount of the Grant. The administrative fee shall be due and payable on the date the Grantee's initial Request for Payment and Project Status Report is submitted to the Authority.

Section 7 shall only apply to those projects funded by the Infrastructure for Economic Development Fund.


SECTION 8 - MISCELLANEOUS PROVISIONS

- A. This Agreement may be signed by each party on a separate copy, and in such case one counterpart of this Agreement shall consist of a sufficient number of such copies to reflect the signature of each party hereto. This Agreement may be executed in two or more counterparts each of that shall be deemed an original, and it shall not be necessary in making proof of this Agreement or the terms and conditions hereof to produce or account for more than one of such counterparts.
- B. The headings set forth in this Agreement are only for convenience or reference and the words contained therein shall in no way be held to explain, modify, amplify or aid in the interpretation, construction or meaning of the provisions of this Agreement.
- C. The terms and conditions of this Agreement shall be binding upon and shall inure to the benefit of the successor and assigns, respectively, of the parties. This provision shall not be construed to permit an assignment by any party of any of its rights and duties under this Agreement which assignment shall be prohibited except with the prior written consent of the parties hereto.
- D. This Agreement sets forth the entire understanding of the parties with respect to the subject matter hereof, and may be modified only by a written instrument duly executed by each of the parties hereto.
- E. The parties agree that any suit, action or proceeding with respect to this Agreement may only be brought into or entered by, as the case may be, the courts of the Commonwealth of Kentucky situated in Frankfort, Franklin County, Kentucky or the United States District Court for the Eastern District of Kentucky, Frankfort Division.
- F. The Authority may audit or review all documentation and records of the Grantee relating to this Project pursuant to the provisions of KRS 45A.150.
- G. The Grantee agrees that the Authority, the Finance and Administration Cabinet, the Auditor of Public Accounts, and the Legislative Research Commission, or their duly authorized representatives, shall have access to any books, documents, papers, records, or other evidence, which are directly pertinent to this contract for the purpose of financial audit or program review. Furthermore, any books, documents, papers records, or other evidence provided to the Commonwealth, the Finance and Administration Cabinet, the Auditor of Public Accounts, or the Legislative Research Commission which are directly pertinent to the contract shall be subject to public disclosure regardless of the proprietary nature of the information, unless specific information is identified and exempted and agreed to by the Secretary of the Finance and Administration Cabinet as meeting the provisions of KRS 61.878(1)(c) prior to the execution of the contract. The Secretary of the Finance and Administration Cabinet shall not restrict the

public release of any information which would otherwise be subject to public release if a state government agency was providing the services.

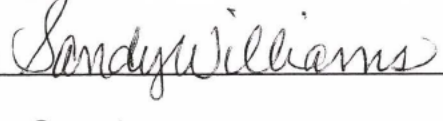
IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their respective duly authorized officers as of the day and year above written.

KENTUCKY INFRASTRUCTURE AUTHORITY

By:  _____

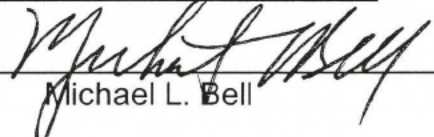
Title: Executive Director

ATTEST

By:  _____

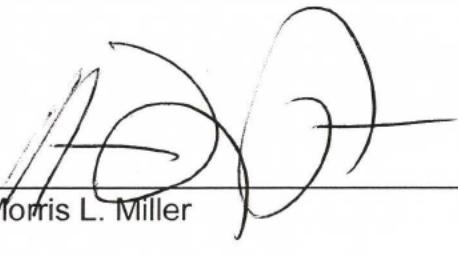
Title: Secretary

Hardin County Water District No 2

By:  _____
Michael L. Bell

Title: Chairman

ATTEST

By:  _____
Morris L. Miller

Title: Secretary

EXAMINED

LEGAL COUNSEL TO THE
KENTUCKY INFRASTRUCTURE AUTHORITY

By:  _____ 6.28.12

EXHIBIT 1

PROJECT PROFILE & PROJECT BUDGET

Please attach the SX/WX Project Profile and Project Budget

SX21093004

330N-2007

Hardin County Water District No 2

KENTUCKY WASTEWATER PROJECT PROFILE

Areas indicated with (*) are required fields.

1. * Project Title (use title which will be identifiable by local community):

HCWD #2 sewer collection system project

2. * Project Description:

Provide a brief narrative denoting if project relates to source, distribution, treatment, storage or other)

HCWD #2 has areas immediately adjacent to Elizabethtown, Rineyville, Glendale, Sonora, and Upton that are in dire need for a sewer system service. Many areas are plagued with failing septic systems and soil characteristics which are not conducive to on-site sewage system collection and treatment. Public sewer collection systems are needed in these areas.

* Project Descriptor: HCWD #2 sewage upgrades

* WRIS Project Number (PNUM): SX21093004

This number is assigned by an ADD through the respective Area Water Management Planning Council once the project profile is approved by the Council. This number ties each project to mapped/spatial information in the Water Resource Information System (WRIS). Project profiles without this number AND the required corresponding n-appid/spatial information will NOT be accepted.

* Project County: Hardin

Is it a multi-county project: Yes No

* Project Submitted By: Lincoln Trail

*** If wastewater project, KPDES#(s):**

Available:

- KY0002801
- KY0020001
- KY0020010
- KY0020036
- KY0020044
- KY0020061
- KY0020079
- KY0020087
- KY0020095
- KY0020117

Include >

< Remove

Selected:

KY0024988

OR (at least one required)

*** If wastewater collection project, KIMOP#(s)**

Available:

- KYP000015
- KYP000032
- KYP000034
- KYP000035
- KYP000036
- KYP000037
- KYP000038
- KYP000039
- KYP000040
- KYP000041

Include >

< Remove

Selected:

None Selected..

3. Legal Applicant

Legal Applicant: Hardin County Water District No 2

Wastewater Utility which will own proposed improvements:
(if different from Legal Applicant)

Organizational Structure: Water District

Authorized Official Information

* First Name: Berry * Last Name: Dewitt M.I.:

* Title: General Manager

* Street Address Line 1: 360 Ring Road

Street Address Line 2:

* P.O. Box: 970

* City: Elizabethtown * State: KY * Zip: 42702

* County: Hardin

* Telephone: (270) 737-1056 Ext: 303

Fax: 270-737-2301

Email: bdewitt@hardincountywater2.org

Contact Person Information

* First Name: Berry * Last Name: Dewitt M.I.:

* Title: General Manager

* Street Address Line 1: 360 Ring Road

Street Address Line 2:

* P.O. Box: 970

* City: Elizabethtown * State: KY * Zip: 42702

* County: Hardin

* Telephone: 270-737-1056 Ext: 303

Fax: 270-737-2301

Email: bdewitt@hardincountywater2.org

Project Administrator Information

* First Name: Berry * Last Name: Dewitt M.I.:

Title: General Manager

Street Address Line 1: 360 Ring Road

Street Address Line 2:

P.O. Box: 970

City: Elizabethtown State: KY Zip: 42702

County: Hardin

* Telephone: 270-737-1056 Ext: 303

Fax: 270-737-2301

Email: bdewitt@hardincountywater2.org

Consulting Engineer Information

* First Name: Mark * Last Name: Sneve M.I.:

Firm: Strand Associates

Street Address Line 1: Water Front Plaza Suit 710

Street Address Line 2: 325 West Main Street

P.O. Box:

City: Louisville State: KY Zip: 40202

County: Jefferson

* Telephone: 502-583-7020 Ext:

Fax: 502-583 7026

Email: mark.sneve@strand.com

| | | | | | | | | |
|-----------|---------------|---------|--------|--------|--------|-----------------|-----|-------|
| Treatment | Treatment I/I | Removal | Rehab | Sewers | Sewers | Sewer Overflows | NPS | Urban |
| 0 | 0 | 0 | 600000 | 0 | 0 | 0 | 0 | 0 |



Should be equal to Estimated Project Cost (q. 9)

Estimated Project Cost: \$ 600000

Allocated: \$ 600000

Remaining Funds: \$ 0

TABLE 2: NEEDS
Public Health Concerns
as a results of this Project

| Number of Raw Sewage Discharges Eliminated | Number of Failing Septic Systems Eliminated | Septic Systems to be Eliminated | Total No. of WWTPs to be Eliminated | Total Average Design Flow from Eliminated WWTPs (MGD) |
|--|---|---------------------------------|-------------------------------------|---|
| 0 | 0 | 0 | 0 | 0 |
| KPDES No. | Name of Plant Eliminated | | Average Design Flow (MGD) | |
| | | | 0 | |
| | | | 0 | |
| | | | 0 | |
| | | | 0 | |
| | | | 0 | |
| | | | 0 | |

Date Project was approved by the Area Water Management Planning Council: 12/10/2004

4. Project Type (at least one required/check all that apply):

- Facilities Planning
- Sewer System Evaluation Survey Report
- Design
- Construction
- Management

5. Project Alternatives: Please list a minimum of three:

a. Allow another system to provide service

b. Maintain a septic system

c. Do nothing

6. Special Impact(s) of Proposed Wastewater Project:

a. New service/Improve service to 3000 unserved 0 underserved households

b. Number of new jobs: 0 Number of retained jobs: 0

c. Other beneficial technical, managerial, fiscal impacts: (20 words or less)

d. Does proposed activity relate to public health protection emergency: Yes No

e. Does project involve regionalization: Yes No

f. Number of systems affected/involved: 1

7. Median Household Income of Service Area:

\$ 37744

8. Project Start Schedule:

Years 0-2 Years 3-10 Years 11-20

9. Estimated Funding Sources:

* Estimated Local Funding Amount \$ 100000

* Estimated Other Funding Amount (all sources) \$ 500000

Total Estimated Project Cost \$ 600000

10. Project Data - Wastewater (complete all items which apply to this discrete project)

a. Is project related to modifications to treatment plant? Yes No

b. Is project related to new collector sewer construction? Yes No

Total linear feet 0

c. Is project related to new interceptor sewer construction? Yes No

Total linear feet 0

d. Is project related to sewer rehab? Yes No

e. Number of lift stations required 0

f. Management (describe)

g. Does your agency currently provide sewer service Yes No

TABLE 1: COST

Category

| Secondary | Advanced | Sewer | Collector | Interceptor | Combined |
|-----------|----------|-------|-----------|-------------|----------|
|-----------|----------|-------|-----------|-------------|----------|

KENTUCKY INFRASTRUCTURE AUTHORITY

**Project Budget: HB 380
Hardin County Water District #2
SX21093004
Project ID# 330N-2007**

Estimated


Revised

| Cost Classification | | Amount |
|----------------------------|--|---------------------|
| 1 | Administrative Expenses (1) | 9,000.00 |
| 2 | Legal Expenses | 8,000.00 |
| 3 | Land, Appraisals, Easements, Right-of-Ways | 340,000.00 |
| 4 | Relocation Expense & Payments | 45,000.00 |
| 5 | Planning (2) | 53,000.00 |
| 6 | Engineering Fees - Design | 40,000.00 |
| 7 | Engineering Fees - Construction | 45,000.00 |
| 8 | Engineering Fees - Inspection | |
| 9 | Construction | |
| 10 | Equipment | |
| 11 | Contingency | 60,000.00 |
| 12 | Other | |
| Total | | \$600,000.00 |

| Funding Sources | | Amount | Date Committed |
|------------------------|----------------------------|---------------------|-----------------------|
| 1 | 2006 IEDF-HB 380-330N-2007 | \$600,000.00 | |
| 2 | | | |
| 3 | | | |
| 4 | | | |
| 5 | | | |
| 6 | | | |
| Total | | \$600,000.00 | |

(1) Include Interim Financing

(2) Include in this category, all negotiated fees not included in the RD fee scale calculation



Signature

CHAIRMAN

Title

1/19/10

Date

**EXHIBIT 2
RESOLUTION**

**SX21093004
PROJECT ID # 330N-2007**

**RESOLUTION OF THE HARDIN COUNTY WATER DISTRICT NO. 2
(GRANTEE) ACCEPTING THE GRANT, APPROVING THE GRANT
AGREEMENT, AUTHORIZING THE AMENDMENT OF LOCAL
BUDGET, AND AUTHORIZING A REPRESENTATIVE TO SIGN ALL
RELATED DOCUMENTS**

WHEREAS, the General Assembly has appropriated funds for infrastructure projects in the 2006-2008 Budget of the Commonwealth; and

WHEREAS, the Grantee has previously determined that it is in the public interest to acquire and construct certain facilities and improvements to the Grantee's utility system (the "Project"); and

WHEREAS, the Grantee desires funding from the Kentucky Infrastructure Authority (the "Authority") for the purpose of acquisition and construction of the Project.

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of the Hardin County Water District No. 2 as follows:

SECTION 1. That the Grantee hereby accepts the grant award and approves the Agreement between the Grantee and the Authority substantially in the form on file with the Grantee for the purpose of providing a portion of the necessary financing to the Grantee for the acquisition and construction of the Project.

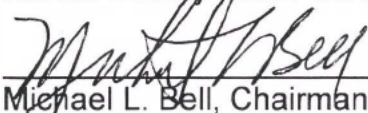
SECTION 2. That Michael L. Bell, Chairman is hereby authorized, directed and empowered by the Grantee to execute the Agreement and all other necessary documents or agreements, and to otherwise act on behalf of the Grantee to implement the Project.

SECTION 3. That the Grantee hereby includes in its annual budget the receipt and expenditures of funds subject to the Agreement with the Authority.

SECTION 4. This Agreement shall take effect immediately upon passage.

ADOPTED on January 19, 2010.

Hardin County Water District No. 2, (Grantee)


_____, (Representative)
Michael L. Bell, Chairman

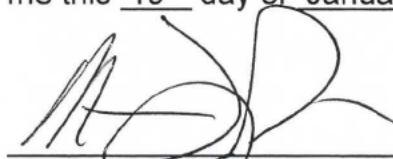
CERTIFICATE

SX21093004

Hardin County Water District No. 2

I, the undersigned, hereby certify that I am the duly qualified and acting Secretary of the Hardin County Water District No. 2; that the foregoing is a full, true and correct copy of a Resolution adopted by the governing authority of said Grantee at a meeting duly held on January 19, 2010; that said official action appears as a matter of public record in the official records or journal of the governing authority; that said meeting was held in accordance with all applicable requirements of Kentucky law, including KRS 61.810, 61.815, 61.820 and 61.825; that a quorum was present at said meeting; that said official action has not been modified, amended, revoked or repealed and is now in full force and effect.

IN TESTIMONY WHEREOF, witness by me this 19th day of January, 2010.



Morris L. Miller, Secretary

EXHIBIT 3

SCHEDULE OF CURRENT RATES & CHARGES
(AND PROPOSED RATES & CHARGES IF APPLICABLE)

Please attach the Schedule(s) of Rates and Charges

SX21093004

330N-2007

Hardin County Water District No 2

MAY 20 197 10:43AM KENWIRONS, INC.

Form for filing Rate Schedules

For Entire area served
Community, Town or City

P.S.C. NO. _____

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

Revised SHEET NO. 1

Hardin County Water District No. 2
Name of Issuing Corporation

CANCELLING P.S.C. NO. _____

MAY 21 1997

Cancelling SHEET NO. 1

PURSUANT TO 807 KAR 5011,

SECTION 9(1)
CLASSIFICATION OF SERVICE
BY: Jordan C. Hill
FOR THE PUBLIC SERVICE COMMISSION

| | | RATE PER UNIT |
|---------------------------------|--|------------------|
| Residential Service 5/8" x 3/4" | First 2,000 Gallons - Minimum Bill | \$16.80 |
| | Per 1,000 Gallons next 498,000 Gallons | 4.25 |
| | Per 1,000 Gallons over 500,000 Gallons | 2.00 |
| 1 Inch | First 5,000 Gallons - Minimum Bill | 29.55 |
| | Per 1,000 Gallons next 495,000 Gallons | 4.25 |
| | Per 1,000 Gallons over 500,000 Gallons | 2.00 |
| 1 1/2 Inch | First 10,000 Gallons - Minimum Bill | 50.80 |
| | Per 1,000 Gallons next 490,000 Gallons | 4.25 |
| | Per 1,000 Gallons over 500,000 Gallons | 2.00 |
| 2 Inch | First 20,000 Gallons - Minimum Bill | 93.30 |
| | Per 1,000 Gallons next 480,000 Gallons | 4.25 |
| | Per 1,000 Gallons over 500,000 Gallons | 2.00 |
| 3 Inch | First 30,000 Gallons - Minimum Bill | 135.80 |
| | Per 1,000 Gallons next 470,000 Gallons | 4.25 |
| | Per 1,000 Gallons over 500,000 Gallons | 2.00 |
| 4 Inch | First 50,000 Gallons - Minimum Bill | 120.80 |
| | Per 1,000 Gallons next 450,000 Gallons | 4.25 |
| | Per 1,000 Gallons over 500,000 Gallons | 2.00 |
| 6 Inch | First 100,000 Gallons - Minimum Bill | 433.30 |
| | Per 1,000 Gallons next 400,000 Gallons | 4.25 |
| | Per 1,000 Gallons over 500,000 Gallons | 2.00 |
| 8 Inch | First 150,000 Gallons - Minimum Bill | 645.80 |
| | Per 1,000 Gallons next 350,000 Gallons | 4.25 |
| | Per 1,000 Gallons over 500,000 Gallons | 2.00 |
| 10 Inch | First 250,000 Gallons - Minimum Bill | 1,070.80 |
| | Per 1,000 Gallons next 250,000 Gallons | 4.25 |
| | Per 1,000 Gallons over 500,000 Gallons | 2.00 |
| 12 Inch | First 400,000 Gallons - Minimum Bill | 1,708.30 |
| | Per 1,000 Gallons next 100,000 Gallons | 4.25 |
| | Per 1,000 Gallons over 500,000 Gallons | 2.00 |

DATE OF ISSUE April 21 1997
ISSUED BY Carl R. Goodman
Name of Officer

DATE EFFECTIVE May 21 1997
TITLE Chairman

Issued by authority of an Order of the Public Service Commission of Kentucky
in Case No. 93-267 dated August 23, 1993

ATTACHMENT C

**FEEES FOR PROFESSIONAL ENGINEERING SERVICES
PERCENTAGE OF CONSTRUCTION COST**

Tables I and II define the fees for Professional Engineering Services and Resident Project Representatives respectively. These tables are calculated as a percentage of project construction cost, as determined by project bids. The table is to be utilized in establishing applicable fees for professional engineering services for all water and wastewater projects in Kentucky which may involve federal and/or state funding. Note: Schedules are identical to those used by the Rural Utilities Service, Rural Development Administration, USDA. Note: Tables I and II do not pertain to fees involved in preparation of preliminary engineering reports or additional engineering services. Fees for preparation of preliminary engineering report(s) and additional professional services are subject to negotiation between the engineer, the owner, subject to approval by the funding agency(ies). Typical additional professional services are included after the tables below.

TABLE I – FEES FOR BASIC DESIGN SERVICES

These fees shall pertain to projects requiring complex or detailed engineering design. This will include sewage treatment plants, sewage collection systems, sewage lift stations, water treatment plants, water distribution mains and appurtenances, water pump stations, water storage facilities and renovations of water and sewer facilities.

| <u>NET CONSTRUCTION COST</u> | <u>PERCENTAGE FEE</u> |
|------------------------------|-----------------------|
| \$ | % |
| 100,000 | 14.00 |
| 200,000 | 12.20 |
| 300,000 | 11.25 |
| 400,000 | 10.70 |
| 500,000 | 10.30 |
| 600,000 | 9.73 |
| 700,000 | 9.45 |
| 800,000 | 9.20 |
| 900,000 | 9.00 |
| 1,000,000 | 8.85 |
| 2,000,000 | 7.65 |
| 3,000,000 | 7.22 |
| 4,000,000 | 6.90 |
| 5,000,000 | 6.75 |
| 6,000,000 | 6.65 |
| 7,000,000 | 6.55 |
| 8,000,000 | 6.45 |
| 9,000,000 | 6.40 |

Fees for less complex projects such as light industrial buildings, roads, streets, storm drains 24 inches and larger, and appurtenances related thereto shall be 85% of the above Table I percentages. Surveys for design such as topography, profiles, cross sections, and soundings (not to exceed six feet in depth) to estimate the amount of rock excavation are included in the basic service instead of being classified as additional services.


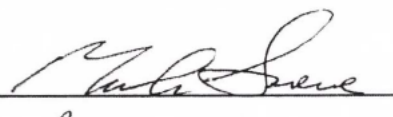
TABLE II – FEES FOR RESIDENT INSPECTION SERVICES

| <u>NET CONSTRUCTION COST</u> | <u>PERCENTAGE FEE</u> |
|------------------------------|-----------------------|
| \$ | % |
| 100,000 | 13.00 |
| 200,000 | 10.40 |
| 300,000 | 8.80 |
| 400,000 | 8.00 |
| 500,000 | 7.40 |
| 600,000 | 6.80 |
| 700,000 | 6.40 |
| 800,000 | 6.00 |
| 900,000 | 5.80 |
| 1,000,000 | 5.60 |
| 2,000,000 | 4.60 |
| 3,000,000 | 4.00 |
| 4,000,000 | 3.70 |
| 5,000,000 | 3.50 |
| 6,000,000 | 3.32 |
| 7,000,000 | 3.20 |
| 8,000,000 | 3.12 |
| 9,000,000 | 3.05 |

NOTE: Add two percent to the above Table II percentages for the first \$1,000,000 cost of treatment facilities. Add one percent to the above percentages for all over \$1,000,000 cost of treatment facilities.

GENERAL INFORMATION FOR BASIC AND RESIDENT PROJECT REPRESENTATIVE FEES

The Resident Project Representative will maintain a daily log in the identical manner as required by funding agency(ies). Compensation for construction costs between the values listed in the schedule should be determined by interpolation. If a project is divided into units and all units are authorized for design at the same time, the compensation will be determined by adding together the cost of the construction of the various units and applying the table to the sum of these costs. The initial construction award amount will set the fee percent for the project (change orders shall not adjust the fee percent). For construction inspection, the initial percent times the revised construction cost will create an up-set figure not to be exceeded. If remaining funds are used and additional construction is rebid, the project shall be treated as a new project with new fee percentages.

| | | | |
|-------|--|----------|---|
| OWNER | <u></u> | ENGINEER | <u></u> |
| TITLE | <u>CHAIRMAN</u> | TITLE | <u>Project Manager</u> |
| DATE | <u>1/19/10</u> | DATE | <u>2/11/10</u> |

ATTACHMENT B

**AUTHORIZATION FOR ELECTRONIC DEPOSIT
OF GRANTEE PAYMENT
KENTUCKY INFRASTRUCTURE AUTHORITY
HB 380**

WRIS #: SX21093004
GRANT ID#: 330N-2007
Hardin County Water District No 2

Grantee Information:

Water Utility:
Address: P.O. Box 970
City: Elizabethtown State: Ky Zip: 42702
Telephone: 270-737-1056 Contact: Lea Ona Sims
E-mail address: lea1ush@hardincountywater2.org
Federal I.D. #: [REDACTED]

Financial Institution Information:

Bank Name: The Cecilian Bank
Branch: Hillcrest Phone No: 270-737-3750
City: Cecilia State: Ky Zip: 42724
Transit / ABA No.: [REDACTED]
Account Name: County Per Project
Account Number: [REDACTED]

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

Signature: *Michael Bell* Date: 1/19/10
Name Printed: MICHAEL BELL Job Title: CHAIRMAN

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

EXHIBIT 30

Estimated Annual Cost of Operation

Nolin River Watershed Wastewater Project

| | Description | Amount |
|----|----------------------|-------------------|
| 1. | Treatment Cost | \$ 56,000 |
| 2. | Odor Control | 25,000 |
| 3. | Power | 8,200 |
| 4. | Contract Operator | 15,600 |
| 5. | Emergency Contractor | 5,000 |
| 6. | Equipment Rental | 5,000 |
| 7. | Contingency (10%) | 11,000 |
| | Grand Total | \$ 125,800 |
| | Rounded Up To | \$ 126,000 |

EXHIBIT 31

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

| | | |
|---|---|----------------------------|
| ELECTRONIC APPLICATION OF HARDIN |) | |
| COUNTY WATER DISTRICT NO. 2 TO |) | CASE NO. 2017-00264 |
| CONSTRUCT A WASTEWATER |) | |
| COLLECTION SYSTEM |) | |

DIRECT TESTIMONY OF
MARK SNEVE
STRAND ASSOCIATES, INC.

Filed: August 21, 2017

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

2 A. My name is Mark Sneve. I am Senior Associate of Strand Associates, Inc., a civil
3 engineering consulting firm. My business address is 325 W. Main Street, Suite 710,
4 Louisville, Kentucky 40202.

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

6 A. I am testifying in support of Hardin County Water District No. 2's ("Hardin District
7 No. 2") application for a Certificate of Public Convenience and Necessity to construct
8 the proposed Nolin River Watershed Wastewater Project ("Nolin Wastewater
9 Project"). In my testimony, I describe the Nolin Wastewater Project and discuss the
10 need for this project and its feasibility.

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

12 A. I was awarded from the University of Iowa a Bachelor of Science degree in Civil
13 Engineering in 1987 and a Master of Science degree in Civil Engineering in 1989. I
14 am licensed as a professional engineer in the following states: Kentucky, Indiana,
15 Ohio, Wisconsin, Alabama, and Mississippi. I am certified by the American
16 Academy of Environmental Engineers and Scientists as a Board Certified
17 Environmental Engineer.

18 My professional memberships include Water Environmental Association,
19 Kentucky-Tennessee Water Environment Association, American Society of Civil
20 Engineers, National Society of Professional Engineers, Kentucky Society of
21 Professional Engineers, the American Council of Engineering Companies, and the
22 Kentucky Water and Wastewater Operators Association.

1 I have been continuously employed with Strand Associates, Inc. (“Strand”)
2 since 1989. During my first seven years with Strand I was employed as a project
3 engineer in Strand’s Madison, Wisconsin office. In 1996 I began working as a
4 Project Manager and Wastewater Discipline Coordinator in the Louisville, Kentucky
5 office. I am responsible for overseeing a staff of seven engineers involved in
6 wastewater-related projects in Kentucky, Indiana, Ohio, Alabama, and Mississippi. I
7 also serve as a technical resource for younger wastewater staff in five other Strand
8 offices.

9 **Q. Is Hardin District No. 2 currently engaging Strand to provide engineering**
10 **services?**

11 A. Yes. Hardin District No. 2 has retained Strand Associates to provide engineering
12 services on several wastewater projects since 2004. I have served as the project
13 manager on each of these projects. These projects include:

- 14 - Preparation of Hardin County Regional Wastewater Facilities Plan
15 (“Facilities Plan”);
- 16 - Preparation of the Rural Wastewater Sewer Design Standards for
17 Hardin County Water District No. 2;
- 18 - Preparation of the Elizabethtown Sewer Perimeter Study;
- 19 - Preparation of the Rineyville (Otter Creek) sewer infrastructure
20 preliminary engineering report and preliminary design;
- 21 - Preparation of the Glendale (Nolin River) sewer infrastructure
22 preliminary engineering report and preliminary design and final design.

1 **Background**

2 **Q. Describe Hardin District No. 2.**

3 A. Hardin District No. 2 is a non-profit, water district organized under KRS Chapter 74.
4 It was created pursuant to an order of Hardin County Court on June 23, 1965. Hardin
5 District No. 2’s territory is approximately 425 square miles and includes all of Hardin
6 County, Kentucky, except for the City of Radcliff and the northern portion of Hardin
7 County, and portions of Larue and Hart Counties. On October 31, 2014, Hardin
8 District No. 2 acquired the City of Elizabethtown’s water distribution system.¹

9 Hardin District No. 2 is the second largest water district in Kentucky in terms
10 of annual revenues and assets and is the third largest in number of customers. As of
11 December 31, 2016, it had total assets of \$98.8 million, with current assets of \$18.5
12 million and non-current assets of \$80.3 million, and a total net utility plant of
13 \$71,638,515.² For the year ending December 31, 2016, it had water sales of
14 \$12,512,174. As of December 31, 2016, it provided water service to approximately
15 27,451 customers.³ It is one of few water districts whose bonds are rated by a
16 national ratings service. Moody’s gave Hardin District No. 2’s most recent bond

¹ While Commission approval of Hardin District No. 2’s acquisition of Elizabethtown’s water distribution facilities was not required, KRS 278.300 required Commission authorization for Hardin District’s issuance of a promissory note to Elizabethtown in the amount of \$8 million for the acquisition. Authorizing the issuance of the note, the Commission found the issuance was for a lawful object within Hardin District No. 2’s corporate purpose and consistent with its service to the public. *Application of Hardin County Water District No. 2 For Authority to Execute A Promissory Note In the Principal Amount of \$8,000,000 Pursuant to the Provisions of KRS 278.300 and 807 KAR 5:001*, Case No. 2014-00289 (Ky. PSC Oct. 23, 2014) at 4.

² Stiles, Carter, and Associates, Inc., *Hardin County Water District No. 2: Independent Auditor's Report on Financial Statements and Supplementary Information Years Ended December 31, 2016 and 2015* (May 23, 2017) (“2016 Auditor’s Report”) at 6 and 8.

³ *Report of Hardin County Water District No. 2 to the Public Service Commission of Kentucky for the Year Ending December 31, 2016* (“2016 Annual Report”) at 48 (Ref Page 27).

1 issuance a rating of Aa2, currently the highest rating of any Commission-regulated
2 water utility.⁴

3 Hardin District No. 2 presently provides only water service. It owns and
4 operates a 8.1 million gallon per day (“MGD”) rated water treatment plant in White
5 Mills, Kentucky, whose water source is the Nolin River and a 3.0 MGD rated plant in
6 Elizabethtown, whose water sources are ground water and Valley Creek. For the year
7 ending December 31, 2016, it sold over 2.1 billion gallons.⁵ Hardin District No. 2
8 recently completed a connection to Louisville Water Company (“LWC”) and has a
9 water purchase agreement with LWC that requires LWC to make 2.0 MGD of water
10 immediately available and to make 5.0 MGD of water available no later than January
11 1, 2021.⁶

12 Hardin District No. 2 owns and operates a water distribution system consisting
13 of approximately 1,000 miles of various sized water mains, fourteen (14) tanks, and
14 seven (7) booster pump stations. Its distribution and customer service operations are
15 based at its facility at 360 Ring Road, Elizabethtown, Kentucky. Hardin District No.
16 2 employs approximately 76 employees.

17 **Provision of Sewer Service**

18 **Q. Does Hardin District No. 2 currently provide wastewater service?**

19 A. No. However, KRS 74.407 authorizes Hardin District No. 2 to “acquire, develop,
20 maintain, and operate sewage disposal systems” within its territory. Since 2004

⁴ Moody’s Investors Service, “Moody's Upgrades to Aa2 Hardin County Water District 2, KY's Water System Revenue Bonds” (June 15, 2016), https://www.moodys.com/research/Moodys-Upgrades-to-Aa2-Hardin-County-Water-District-2-KYs--PR_903394411 (last visited July 20, 2017).

⁵ *2016 Annual Report* at 56 (Ref Page 30).

⁶ Water Purchase Agreement between Louisville Water Company and Hardin County Water District No. 2 (March 19, 2013) §1(I).

1 Hardin District No. 2 has studied the feasibility of providing service to portions of
2 Hardin County.

3 **Q. Does Hardin District No. 2 propose to provide wastewater service in Hardin**
4 **County?**

5 A. Yes. Hardin District believes that a need for wastewater service exists in the portions
6 of Hardin County that currently lack a wastewater service provider.

7 **Q. Who are the existing providers of municipal⁷ wastewater service in Hardin**
8 **County?**

9 A. The principal providers of municipal wastewater service in Hardin County are: the
10 City of Elizabethtown, Hardin County Water District No. 1 (“Hardin District No. 1”),
11 the City of Vine Grove, and the City of West Point. Hardin District No. 1 owns and
12 operates the wastewater facilities located on the Fort Knox Military Installation as
13 well as the wastewater facilities that serve the City of Radcliff. The other municipal
14 wastewater service providers are cities and generally limit their service to within their
15 corporate boundaries.

16 In addition to these facilities, Airview Utilities, Inc. operates a small package
17 treatment plant that provides wastewater service to the residents of the Airview
18 Estates Subdivision.⁸ Hardin County School District operates two package
19 wastewater facilities that serve an elementary school and a middle school. There are
20 also four privately owned package wastewater facilities serving a mobile home
21 community, a small shopping center, and two truck stops.

⁷ I use the phrase “municipal wastewater service” to describe wastewater services that are provided by public entities such as municipalities, water districts, and sanitation districts.

⁸ Airview Estates, LLC recently petitioned the Commission for authority to abandon its wastewater facilities. *See Airview Utilities, LLC’s Notice of Surrender and Abandonment of Utility Property*, Case No. 2016-00207 (Ky. PSC filed June 16, 2016).

1 Exhibit MS-1 to my testimony shows the wastewater treatment facilities
2 located in Hardin County.

3 **Q. How many residents of Hardin County are currently without access to municipal**
4 **wastewater service?**

5 A. There are an estimated 35,200 persons in Hardin County who presently lack access to
6 municipal wastewater service. These persons are generally served through septic
7 systems and lateral fields.

8 **Q. Describe Hardin District No. 2’s efforts to provide wastewater service?**

9 A. Hardin District No. 2’s efforts to provide wastewater service can be traced to 2004.
10 At that time many areas within Hardin County that were outside an existing
11 wastewater planning area had been experiencing strong population growth and were
12 expecting continued growth. On-site wastewater treatment systems, such as septic
13 tanks and lateral fields, served most of these areas. Many of these systems were
14 failing due to the karst topography, clayey soils, and shallow bedrock that are typical
15 throughout the county. Hardin County’s elected officials and county planners, as well
16 as others, were concerned about the potentially adverse effects on the environment
17 and public health from such population growth if adequate wastewater facilities were
18 unavailable.

19 As a water provider in Hardin County, Hardin District No. 2 recognized that
20 failing onsite wastewater systems presented a significant public health risk to the
21 source waters for its drinking water treatment plants⁹ and that a response was
22 required. In December 2004, Hardin District No. 2 retained Strand to prepare a
23 regional facilities plan (“RFP”) to evaluate the existing wastewater conveyance and

⁹ See Facilities Plan at § 3.02C.

1 treatment needs for a 20-year planning period for areas of Hardin County that were
2 not then included in a RFP. To assist in the RFP’s development, it formed an
3 advisory group to provide information on and discuss major issues the RFP was
4 required to address. Participants in the advisory group included representatives from
5 Hardin County Fiscal Court, Hardin County Planning and Development Commission,
6 Hardin County Health Department, Fort Knox Military Installation,¹⁰ Hardin District
7 No. 1, and the cities of Elizabethtown, Radcliff, and Vine Grove. This group held 12
8 public meetings over the course of the next two years.

9 A RFP is a comprehensive plan for the management of wastewater collection
10 and treatment facilities. It is intended to identify the most appropriate “local”
11 solution for the provision of wastewater collection and treatment service for a defined
12 planning area over a defined period of time. 401 KAR 5:006, Section 2, requires the
13 submission of a RFP to the Kentucky Energy and Environment Cabinet (“KEEC”) if
14 an applicant seeks designation as a new regional planning agency or if an existing
15 regional planning agency proposes to construct a new wastewater treatment facility or
16 to expand an existing wastewater treatment facility by more than 30 percent or if the
17 applicant proposes to expand the population served by an existing wastewater
18 treatment plant by more than 30 percent of the population served in the existing RFP.

19 At the time Hardin District No. 2 began work on a RFP, the Kentucky
20 Environment and Public Protection Cabinet, the KEEC’s predecessor, had designated
21 six entities in Hardin County as regional planning agencies. These were: the Cities of

¹⁰ In 2005, Hardin District No. 1 acquired from the Department of the Army the wastewater collection and treatment facilities that served the Fort Knox Military Installation. *See Application of Hardin County Water District No. 1 Requesting A Certificate of Public Convenience and Necessity to Own and Operate A Sewer Utility and For Approval of Initial Rates*, Case No. 2004-00422 (Ky. PSC Dec. 1, 2004).

1 West Point, Vine Grove, Radcliff, and Elizabethtown, the Fort Knox Military
2 Installation, and Caveland Environmental Authority. Exhibit MS-2 shows the areas
3 over which these agencies had planning authority.

4 **Q. When was the Facilities Plan completed?**

5 A. The Facilities Plan, a copy of which is attached to the Application as Exhibit 2, was
6 completed on October 10, 2007. In accordance with 401 KAR 5:006, Section 5,
7 Hardin District No. 2 published public notice of the Facilities Plan and accepted
8 written comments on it. On October 25, 2007, Hardin District No. 2 held a public
9 hearing for the purpose of receiving public comments on the Facilities Plan.
10 Following receipt of these comments, Hardin District No. 2's Board of
11 Commissioners approved the Facilities Plan. A copy of the minutes of the Board of
12 Commissioners' meeting of January 20, 2009 and a copy of the Joint Resolution
13 adopted at that meeting are attached to Hardin District No. 2's Application as Exhibit
14 3 and Exhibit 4. By resolution dated February 3, 2009, a copy of which is attached to
15 Hardin District No. 2's Application as Exhibit 5, Hardin County Fiscal Court
16 accepted the Facilities Plan as proposed and expressed its full support for it. On
17 October 29, 2009 the KEEC approved the Facilities Plan. A copy of the KEEC's
18 letter of approval is attached to Hardin District No. 2's Application as Exhibit 6.

19 **Q. What were the Facilities Plan's findings and recommendations?**

20 A. First, the Facilities Plan recommended revisions to the original planning area. It
21 proposed dividing the planning area between Hardin District No. 1 and Hardin

1 District No. 2 based upon the boundaries of their existing territories.¹¹ It also
2 proposed to remove from the originally proposed planning area several
3 subwatersheds¹² around the city of Elizabethtown and to place these subwatersheds
4 within Elizabethtown's planning area. A map of the originally proposed and revised
5 planning areas is show in Exhibit MS-2.

6 Second, the Facilities Plan recommended the construction of new collection
7 facilities to transport wastewater to existing municipal wastewater treatment plants
8 rather than the construction of new wastewater treatment plants in the northern and
9 southern portions of Hardin County to serve previously unserved areas.

10 This second recommendation resulted from a review of options for each of the
11 21 separate subwatersheds in Hardin County that were in the revised planning area.
12 Two types of wastewater treatment were evaluated for each subwatershed: collecting
13 and conveying wastewater to an existing municipal wastewater treatment plant or to a
14 new county wastewater treatment plant.

15 Five municipal wastewater treatment plants were considered for the municipal
16 treatment option: Vine Grove, Radcliff, and Elizabethtown, Fort Knox Military
17 Installation, and Caveland Environmental Authority.¹³ The cost of any upgrades and

¹¹ Each water district has defined territory limits in which it has an obligation to provide reasonable service. That territory is established at the time of the water district's creation. KRS 74.110 and KRS 74.115 permit the revision of these territorial boundaries. Within its territorial boundaries, a water district may provide water, sewage disposal service, and natural gas. See KRS 74.100; KRS 74.400; KRS 74.407. Please note that Hardin District No. 2's territory includes the City of Elizabethtown. Under the Facilities Plan, Elizabethtown remains the planning agency for the area within its corporate boundaries and certain unincorporated areas adjoining these boundaries.

¹² A watershed is an area of land that drains all the streams and rainfall to a common outlet such as the outflow of a reservoir, mouth of a bay, or any point along a stream channel. The word watershed is sometimes used interchangeably with drainage basin or catchment. Ridges and hills that separate two watersheds are called the drainage divide. The watershed consists of surface water--lakes, streams, reservoirs, and wetlands--and all the underlying ground water. Larger watersheds contain many smaller watersheds or subwatersheds.

¹³ Facilities Plan at § 1.07. West Point's wastewater treatment plant was not considered because its system was isolated from the rest of Hardin County by the Fort Knox Military Installation.

1 any other costs to enable these plants to accept additional flow from outside their
2 planning area were considered.

3 For the proposed county wastewater treatment plants, design criteria and costs
4 were developed for an extended aeration, activated sludge wastewater treatment plant.
5 The proposed county wastewater treatment plants were evaluated assuming that they
6 would be designed to meet 0- to 10-year flow projections and then upgraded to meet
7 10- to 20-year flow projections. The Facilities Plan also considered non-monetary
8 factors, such as public acceptance, ability to construct and expand facilities,
9 reliability, odor potential, and impact on receiving streams, in the evaluation of the
10 wastewater treatment alternatives.¹⁴

11 This evaluation demonstrated that the costs of new wastewater treatment
12 facilities would ultimately be \$4.00 per gallon of capacity for the Northern Division
13 (Hardin District No. 1) and \$3.00 per gallon for the Southern Division (Hardin
14 District No. 2). These costs were either higher than an existing municipal wastewater
15 plant in the division or the difference in the cost with that of an existing plant was not
16 great enough to justify the construction of a new wastewater treatment.

17 Third, the Facilities Plan recommended specific plans for 18 of the 21
18 subwatersheds in the revised planning areas. The Nolin Wastewater Project was one
19 of the recommended plans.¹⁵ The Facilities Plan further recommended the continued
20 use of on-site treatment/disposal systems for rural subwatersheds, but restricting
21 developers of future subdivisions in these areas to the construction of cluster-type

¹⁴ For a complete list and description of the non-monetary factors, see Facilities Plan, App. H.

¹⁵ Facilities Plan § 8.01; Table 8.01-2.

1 collection and treatment systems that Hardin District No. 1 or Hardin District No. 2
2 would ultimately manage, operate, and maintain.

3 **Q. What was the response to the Facilities Plan?**

4 A. The members of the advisory group, which included all municipal wastewater service
5 providers in Hardin County, adopted or endorsed the Facilities Plan's
6 recommendations. Hardin District No. 1 and Hardin District No. 2 each accepted the
7 proposed assignment of responsibility as the planning agency within its territory. In
8 conformance with the Facilities Plan's recommendations, Elizabethtown modified the
9 boundaries of its planning area to include some unincorporated areas outside of its
10 corporate boundaries that bordered the city. On February 3, 2009, Hardin County
11 Fiscal Court accepted the Facilities Plan as proposed and expressed its full support of
12 it. The Hardin County Planning and Development Commission subsequently
13 incorporated the Facilities Plan's recommendations into its Comprehensive
14 Development Guide.¹⁶

15 **Nolin Wastewater Project: Service Area**

16 **Q. Describe the area that will be served by the Nolin Wastewater Project.**

17 A. The Nolin Wastewater Project is designed to serve the North Upper Nolin River
18 subwatershed. A map of this area is shown in Exhibit MS-3. This map shows the
19 entire project area and the area that the proposed facilities will initially serve. This
20 initial service area, which is shown in green, is generally bordered on the north by
21 Kentucky Highway 222 (Glendale-Hodgenville Road), on the east by Interstate
22 Highway 65, on the west by Kentucky Highway 1136 (New Glendale Road), and on

¹⁶ See Hardin County Planning and Development Commission, *Planning for Growth: Comprehensive Development Guide 2014*, available at <http://www.hcpdc.com/pdf/2014%20comprehensive%20development%20guide.pdf>.

1 the south by Gilead Church Road. The initial service area also includes the
2 community of Glendale, Kentucky; the Interstate Highway 65 interchange service at
3 Exit 86, and the area adjacent to the portion of U.S. Highway 31W running from
4 Kentucky Highway 1136 to Kentucky Highway 222. Glendale Industrial Tract,
5 which is also known as the Glendale Megasite, is also located within the initial
6 service area.

7 The project area also includes residential areas to the immediate north of
8 Kentucky Highway 222 and to the immediate west of Kentucky Highway 1136.
9 Residences in these areas are currently served by septic systems but are expected to
10 connect to the proposed facilities as these septic systems are no longer functional.

11 **Q. Describe the existing wastewater facilities in the project service area.**

12 A. No municipal wastewater service provider currently serves the project service area.
13 Four small, package wastewater treatment plants provide limited wastewater service.
14 in the area. Three of these plants are located in areas designated on Exhibit MS-3 as
15 the “I-65 Interchange Service Area.” Two are located on the west side of the
16 Interstate Highway 65 and primarily serve a truck stop and a motel. They have a
17 maximum design capacity of 90,000 gallons per day (“GPD”) and 15,000 GPD
18 respectively. The third plant is located on the east side of Interstate Highway 65,
19 primarily serves a truck stop, and has a maximum design capacity of 21,200 GPD.
20 Other businesses in the general vicinity of these plants have connected to these plants.
21 The fourth plant is located in the Glendale area, is operated by the Hardin County
22 Board of Education, and serves the East Hardin County Middle School. It has a
23 maximum design capacity of 12,000 GPD. Individual septic tanks or lateral fields

1 serve those persons and businesses located in the project service area that are not
2 connected to these plants.

3 None of the existing wastewater facilities are able to support growth in the
4 project service area. Each is of an age at which its remaining useful life is
5 diminished. With each passing year, the risk increases that one or more of these
6 facilities will fail causing significant adverse public health and economic
7 consequences. The Kentucky Pollutant Discharge Elimination System Permit for
8 each facility requires its owners to connect to a regional sewer system as soon as one
9 becomes available.

10 **Q. How many persons or businesses are located in the Nolin Wastewater Project**
11 **and potentially may be served by the Proposed Facilities?**

12 A. I should distinguish persons and businesses that the Proposed Facilities will initially
13 serve from those who are likely to be served in the future. Hardin District No. 2
14 estimates that approximately 30 businesses will likely be served upon completion of
15 the Proposed Facilities. There are presently 10 businesses that are located in the I-65
16 Interchange Service Area that are served through the existing package wastewater
17 treatment plants. These businesses will connect to the Proposed Facilities as soon as
18 the Proposed Facilities are placed on-line. There are an additional 20 businesses in
19 the Town of Glendale that are expected to connect shortly after the Proposed
20 Facilities become operational. The Proposed Facilities will also serve the U.S. Post
21 Office located in Glendale and the East Hardin Middle School.

22 Hardin District No. 2 anticipates that approximately 100 residences will be
23 served upon completion of the Proposed Facilities. Most of these residences are

1 located in the Town of Glendale. Many of the septic systems that serve these
2 residences are failing. The Lincoln Trail Health Department has expressed significant
3 concerns over the ability of these private systems to continue to provide reliable and
4 sanitary disposal of wastewater and has identified the area as a high priority for
5 installing municipal sanitary sewer service.¹⁷

6 Hardin District expects an additional 500 residences will connect to the
7 proposed facilities at some point in the future. These residences are located in the
8 area surrounding the initial service area and are located in the area marked on Exhibit
9 MS-3 as “future service area.” The area marked as “residential service area” contains
10 several existing residential homes and is a prime area for further residential
11 development. As the septic systems for the existing homes fail or as new residences
12 are built, these residences will be connected to the Proposed Facilities.

13 Hardin District No. 2 also anticipates additional development in the area
14 labeled on Exhibit MS-3 as the “Commercial Service Area.” This area borders the
15 Glendale Industrial Tract and the areas between Interstate Highway 65 and U.S.
16 Highway 31W.

17 In December 2013, the Hardin County Fiscal Court adopted Ordinance No.
18 2013-293 that required any newly constructed residence or a residence with a failing
19 septic system that is within 300 feet of a “publically or government owned treatment
20 works collection asset” to connect to that asset. A copy of this Ordinance is attached
21 as Exhibit MS-4 to my testimony. As a result of this Ordinance, Hardin District
22 No. 2 anticipates additional connections to the Proposed Facilities in the future.

¹⁷ Facilities Plan, Table 3.07-1.

1 **Q. Please describe the Glendale Industrial Tract and Hardin District No. 2's**
2 **expectations regarding the need for wastewater service to that tract.**

3 A. The Glendale Industrial Tract is a 1,551 acre tract of land that has been designated for
4 use as a site for one large manufacturing, processing, or assembly plant. It is
5 Kentucky's largest megasite for industrial development. Hardin County Fiscal Court
6 owns the property. The site is considered a prime tract of land for industrial or
7 manufacturing facilities. It has direct access to Interstate Highway 65 and to CSX
8 railroad facilities and is in close proximity to major distribution and logistical centers.
9 It has been certified as a CSX Select Site. A Select Site is a property identified and
10 vetted as a capable location for future manufacturing facilities along the CSX
11 network. These sites can be developed quickly because standard land use issues and
12 comprehensive due diligence items have already been addressed. To receive CSX
13 Select Site designation, the location must meet a rigorous list of criteria.¹⁸

14 The Kentucky Cabinet for Economic Development and the Elizabethtown-
15 Hardin County Industrial Foundation have aggressively promoted the site for several
16 years. The site has been seriously considered for an automotive manufacturing
17 facility twice. In 2002, it was a finalist in Hyundai Motor Company's search for a
18 location for a new automotive plant.¹⁹ In 2005, KIA Motor Corporation similarly
19 considered the site for an automotive manufacturing facility.²⁰ In 2009, the National
20 Alliance for Advanced Transportation Batteries, a non-profit consortium of more than

¹⁸ Press Release, Gov. Steve Beshear's Communication Office, Governor Beshear Announces Megasite Certification of 1,551-Acre Industrial Site in Glendale, *available at* <http://migration.kentucky.gov/newsroom/governor/20100412megasite.htm> (last visited Aug. 16, 2017).

¹⁹ Press Release, Office of the Governor, Kentucky Finishes 2nd in Competition for New Hyundai Plant, *available at* http://governors.e-archives.ky.gov/_govpatton/search/pressreleases/2002/hyundai.htm (last visited Aug. 16, 2017).

²⁰ Robert Schoenberger, *Kia to consider Kentucky Plant*, Courier-Journal, Aug. 11, 2005, at D1.

1 50 corporations, associations, and research institutions, announced its intention to
2 construct a \$600 million factory to manufacture advanced lithium-ion batteries for
3 transportation applications.²¹ Funding problems prevented the construction of the
4 proposed factory. Recently, Kentucky Governor Matt Bevin announced a major
5 effort to encourage automotive manufacturers Toyota and Mazda to locate a \$1.6
6 billion automotive facility at the Glendale site.²²

7 Presently, the Glendale Industrial Tract has all required utility services but
8 wastewater service. Given the significant efforts of state and local officials to market
9 and promote the tract and the tract's advantages, Hardin District No. 2 is convinced
10 that the tract will eventually be developed and will require wastewater facilities to
11 support a major industrial or manufacturing facility. Construction of such facilities
12 now will increase the likelihood that such facility will be located upon the tract.

13 **Q. Will the Proposed Facilities result in the elimination of existing package**
14 **wastewater treatment plants?**

15 A. Yes. At least four plants will be decommissioned and taken out of service upon
16 completion of the Proposed Facilities. The construction of the Proposed Facilities is
17 consistent with the General Assembly's goals of regionalization, the elimination of
18 small package wastewater treatment facilities, and extension of wastewater service in
19 the Commonwealth as expressed in KRS 224A.300(1).

²¹ John W. McCurry, *Battery Powered*, Site Selection Magazine (May 2009), <http://siteselection.com/features/2009/may/Kentucky/>.

²² Grace Schneider, *Bevin: Ky. Will Pursue Mazda-Toyota Factory*, Courier Journal, Aug. 9, 2017, at A4.

Nolin Wastewater Project: Description

Q. Describe the Nolin Wastewater Project.

A. The Nolin Wastewater Project involves the construction of 15,415 linear feet of 8-inch polyvinyl chloride (“PVC”) gravity sewer line; 6,415 linear feet of 10-inch PVC gravity sewer line; 2,195 linear feet of 12-inch PVC gravity sewer line; 1,465 linear feet of 24-inch PVC gravity sewer line; 7,565 linear feet of 4-inch PVC force main; 15,140 linear feet of 6-inch PVC force main; 16,170 linear feet of 8-inch PVC force main; 8,480 linear feet of 10-inch PVC force main; 6,760 linear feet of 12-inch PVC force main; and 29,690 linear feet of 16-inch PVC force main.²³ It will also involve the construction of four pump stations.

The Proposed Facilities will be constructed as four contracts: Contract 1-2017: Pump Stations; Contract 2-2017: Force main from Industrial Park PS 1 to Elizabethtown WWTP; Contract 3-2017: Gravity Sewer Located In and Around the Town of Glendale; and Contract 4-2017: Gravity Sewer and Force Main Along and Near I-65.

Contract 1-2017 involves the construction of four pump stations: (1) Industrial Park Pump Station No. 1, which will have a maximum pumping capacity of 1.8 MGD of wastewater; (2) Industrial Park Pump Station No. 2, which will also have a maximum pumping capacity of 1.8 MGD; (3) Industrial Park Pump Station No. 3, which will have a maximum pumping capacity of 115,000 GPD and (4) Rose Run Pump Station, which will have a maximum pumping capacity of 400,000 GPD of wastewater. The location of each pump station is shown on Exhibit MS-5.

²³ All distances are approximate.

1 **Contract 2-2017** consists of the construction of 29,690 linear feet of 16-inch
2 PVC force main; 6,760 linear feet of 12-inch PVC force main; 6,760 linear feet of 10-
3 inch PVC force main; 16,170 linear feet of 8-inch PVC force main; and 15,140 linear
4 feet of 6-inch PVC force main, and appurtenances, automatic air, and vacuum release
5 assemblies; and stream, county, and state highway crossings. The location of the
6 force mains are shown as dark blue lines on Exhibit MS-6.

7 **Contract 3-2017** consists of the construction of 2,195 linear feet of 12-inch
8 PVC gravity sewer; 6,415 linear feet of 10-inch PVC gravity sewer; 4,255 linear feet
9 of 8-inch PVC gravity sewer; 1,631 linear feet of 6-inch PVC lateral pipe; 6,994
10 linear feet of 4-inch PVC lateral pipe; appurtenances, manholes, and railroad, stream,
11 county, and highway crossings. These facilities are shown as light green lines on the
12 left portion of Exhibit MS-6 and generally appear in the area labelled “Town of
13 Glendale.”

14 **Contract 4-2017** consists of the construction of 1,465 linear feet of 24-inch
15 PVC gravity sewer; 1,720 linear feet of 10-inch PVC gravity sewer; 11,160 linear feet
16 of 8-inch PVC gravity sewer; 7,565 linear feet of 4-inch PVC force main; 785 linear
17 feet of 6-inch PVC lateral pipe; 5,542 linear feet of 4-inch PVC lateral pipe
18 appurtenances; manholes, automatic air, and vacuum release assemblies; and stream,
19 county, state highway, and interstate crossings. These facilities are shown as light
20 green lines on the right portion of Exhibit MS-6 and are generally in the areas
21 labelled “I-65 Interchange Service Area” and “Commercial Service Area.”

22 Work on each of the contracts is expected to commence in December 2017.
23 Work on Contract 1-2017 is expected to be substantially completed within 300 days

1 of the starting date. Work on the remaining contracts is expected to be substantially
2 completed within 360 days of the stating date. Hardin District No. 2 expects work on
3 each contract to be fully completed within 60 days of its substantial completion date.
4 Hardin District currently projects that all construction will be completed by April
5 2019.

6 The Proposed Facilities will collect wastewater from the service area and
7 transport it to the Elizabethtown Wastewater Treatment Plant (“WWTP”). There are
8 four principal areas within the initial service area: the I-65 Interchange Service Area;
9 the Commercial Service Area; the Glendale Industrial Tract; and the Town of
10 Glendale. These areas are shown on Exhibit MS-3 and Exhibit MS-6.

11 **I-65 Interchange Service Area.** On the west side of the I-65 Interchange, the
12 wastewater will flow by gravity to the Industrial Park Pump Station No. 3. From
13 there it will be pumped through a force main to Industrial Park Pump Station No.
14 1. Wastewater from that portion of the I-65 Interchange Service Area which is
15 located on the east side of the Interstate will flow through gravity sewers to the wet
16 well of Industrial Park Pump Station No. 1.

17 **Commercial Service Area.** Wastewater from the Commercial Service Area
18 along U.S. Highway 31W, which is on the east side of the Interstate, will flow
19 through gravity sewers to the wet well of Industrial Park Pump Station No. 1.

20 **Glendale Industrial Tract.** The Glendale Industrial Tract will be served by
21 Industrial Park Pump Stations No. 1 and No. 2. As discussed below, no internal
22 wastewater collection facilities will be constructed within the Glendale Industrial
23 Tract as part of this Nolin Wastewater Project.

1 **Town of Glendale Service Area.** The Town of Glendale will be served by
2 gravity sewers. The wastewater will flow through gravity sewers to the Rose Run
3 Pump Station. From there, it will be pumped through a force main to the
4 Elizabethtown WWTP.

5 **Q. When designing the Proposed Facilities, what considerations were given to**
6 **current and future customer demand?**

7 A. The Proposed Facilities represent the backbone of the wastewater system for the
8 Nolin Watershed. They were designed to accommodate growth in the number of
9 customers and the volume of wastewater as follows:

10 (1) The wastewater facilities on the east side of I-65 Interchange
11 are designed to convey 122,000 GPD of wastewater even though
12 initial flows are expected to be about 20,000 GPD.

13 (2) Industrial Park Pump Station No. 3, which is located on the
14 west side of I-65 Interchange, has the capacity to pump up to 115,000
15 GPD. The pumps in that station can easily be replaced to increase the
16 station's pumping capacity to 280,000 GPD. It is expected to pump
17 about 100,000 GPD initially. This Station pumps to Industrial Park
18 Pump Station No. 1.

19 (3) Two pump stations (Industrial Park Pump Stations No. 1 and
20 No. 2) will serve the Interstate Highway 65 Interchange and the
21 Glendale Industrial Tract. Wastewater from the area east of the
22 Interstate and along U.S. Highway 31W on the east of the Interstate
23 will flow through gravity sewers to the wet well of Pump Station No.

1 1. Initially, Pump Station No. 1 will pump the wastewater through a 6-
2 inch force main to the Rose Run Pump Station for re-pumping to the
3 Elizabethtown WWTP. However, 10- and 12-inch force mains will
4 run parallel to this force main and can be used as wastewater volumes
5 increase with customer growth in the I-65 Interchange Area and the
6 development of the Glendale Industrial Tract.

7 Currently, the Glendale Industrial Tract has no internal
8 wastewater infrastructure. Once a manufacturing or industrial facility
9 is located on the Tract, however, the site developer will construct the
10 internal wastewater infrastructure to permit the facility's wastewater to
11 flow to Pump Stations No. 1 and No. 2. Approximately 40 percent of
12 the Tract's acreage drains to Pump Station No. 1.

13 Using the 6-inch force main, Pump Station No. 1 will initially
14 pump wastewater to the Rose Run Pump Station in Glendale for re-
15 pumping to the Elizabethtown WWTP. The 6-inch force main is
16 routed around Pump Station No. 2 and directly to the proposed sewer
17 facilities in Glendale. The 10-inch and 12-inch force mains can be
18 used individually or in combination to deliver wastewater flows from
19 Pump Station No. 1 to a 16-inch force main that Pump Station No. 1
20 shares with Pump Station No. 2 and runs directly from Pump Station
21 No. 2 to the Elizabethtown WWTP. The 10-inch and 12-inch force
22 mains can also be used to deliver wastewater to Pump Station No. 2's
23 wet well for re-pumping directly to the Elizabethtown WWTP. The

1 flow rate required as the Tract is developed will dictate which scenario
2 is the most efficient and feasible. A two foot per second flow rate in
3 the force mains must be maintained to keep solids in suspension. Thus
4 the pump station capacity, which is dictated by industrial demand, will
5 determine which pump station is used and where the flow is
6 discharged.

7 (4) The Industrial Park Pump Station No. 2 will be constructed as a
8 shell structure without any equipment. It is expected to serve flows
9 from approximately 60 percent of the Glendale Industrial Tract. Pump
10 Station No. 2 was designed to pump up to 1.8 MGD which would
11 accommodate an average daily flow between 600,000 GPD and
12 750,000 GPD. Pumping equipment will be installed as the Tract is
13 developed and wastewater flows from the industrial park begin.

14 (5) The sewers in the Glendale area are generally sized as 8-inch
15 or 10-inch diameter. An 8-inch sewer can accommodate up to 400
16 homes and a 10-inch sewer can accommodate up to 600 homes. The
17 backbone trunk sewer is 12-inch which can serve about 2,000 homes.
18 The initial house count in the Glendale is about 100.

19 (6) At the start of operations, the Rose Run Pump Station will
20 pump all wastewater flows to the Elizabethtown WWTP. The Station
21 will be equipped with 360 gallons per minute (GPM) pumps capable
22 of pumping an average daily flow of about 175,000 GPD through the
23 8-inch force main. The Station can accommodate pumps as large as

1 800 GPM to deliver an average daily flow of about 400,000 GPD to
2 the Elizabethtown WWTP.

3 **Q. Describe how Hardin District No. 2 evaluated the alternatives for providing**
4 **service to the Nolin Watershed and the results of that evaluation and the results**
5 **of those evaluations.**

6 A. The evaluation of alternatives was conducted as part of the RFP. Only two options
7 for wastewater service to the Nolin Watershed existed: (1) the construction of a
8 collection system and wastewater treatment plant to serve the watershed, or (2) the
9 construction of a collection system that would transport wastewater to the
10 Elizabethtown WWTP. A present worth analysis of the cost of the two alternatives
11 was conducted. This analysis showed that the present value of the cost to build and
12 operate over a 20-year period a wastewater treatment plant and collection system for
13 the Upper North Nolin River subwatershed was \$71,995,000. In contrast, the present
14 value of the cost to construct and operate a collection system to transport the
15 wastewater to an existing wastewater treatment facility and to pay for its treatment
16 services over a 20-year period was only \$66,193,000.²⁴ The RFP further found that
17 non-monetary factors also favored the collection system only alternative.²⁵

18 **Regulatory Approvals**

19 **Q. Did you prepare or supervise the preparation of the plans and specifications for**
20 **the Proposed Facilities?**

21 A. Yes. A copy of the plans and specifications for the Purposed Facilities is attached to
22 Hardin District No. 2's Application as Exhibit 13 and Exhibit 14 respectively.

²⁴ Facilities Plan, Table 7.03-4.

²⁵ Facilities Plan § 7.06.B.3.

1 **Q. Has the Kentucky Division of Water (“KDOW”) approved the plans and**
2 **specifications for the Proposed Facilities?**

3 A. Yes. The KDOW has reviewed the plans and specifications for the Proposed
4 Facilities and has approved them with respect to sanitary features of design. A copy
5 of the letters in which the KDOW stated its approval is set forth at Exhibit 17 and
6 Exhibit 18 of the Application.

7 **Q. Please list the other regulatory approvals and that Hardin District No. 2 has**
8 **obtained for the construction of the Proposed Facilities.**

9 A. Hardin District No. 2 has obtained the following permits and regulatory approvals:

10 (1) **Stream Construction Permit.** On November 3, 2015, the KDOW
11 issued a stream construction permit for the construction of the Proposed Facilities in
12 or along various streams. It subsequently extended the time period for this permit. A
13 copy of this permit and of the subsequent extension is found at Exhibit 19 of the
14 Application.

15 (2) **Water Quality Certification.** On November 19, 2015, the KDOW
16 certified that the construction of the Proposed Facilities would not violate applicable
17 water quality standards. A copy of this certification is found at Exhibit 20 of the
18 Application.

19 (3) **State Highway Encroachment Permit.** On July 29, 2013, Kentucky
20 Transportation Cabinet (“KYTC”) issued an encroachment permit authorizing Hardin
21 District No. 2 to perform work in rights-of-way or roads under KYTC jurisdiction.
22 This permit was revised on May 17, 2017. A copy of the Permit is found at Exhibit
23 21 of the Application.

1 (4) **Hardin County Encroachment Permit.** On July 11, 2013, the
2 Hardin County Road Department issued an encroachment permit authorizing Hardin
3 District No. 2 to install sanitary sewer facilities on or through Hardin County rights-
4 of-way. It reissued this permit on March 16, 2016. A copy of the Permit is found at
5 Exhibit 22 of the Application.

6 (5) **Nationwide Permit No. 12 - Utility Line Activities.** On March 16,
7 2016, the U.S. Army Corps of Engineers issued a permit authorizing Hardin District
8 No. 2 to construct stream crossings for the Proposed Facilities. A copy of this Permit
9 is found at Exhibit 23 of the Application.

10 (6) **CSX Facility Encroachment Agreement.** On December 21, 2015,
11 CSX agreed to permit Hardin District No. 2 to install certain of the Proposed
12 Facilities on CSX's rights-of-way. A copy of the Agreement is found at Exhibit 26 of
13 the Application.

14 (7) **Kentucky Heritage Council Concurrence.** The Kentucky Heritage
15 Council required archeological investigations of certain tracts of land on which the
16 Proposed Facilities are to be located. On January 29, 2016, the Kentucky Heritage
17 Council concurred with the findings of these investigations that none of these tracts
18 qualified for the National Register of Historic Places. A copy of the letter of
19 concurrence is found at Exhibit 24 of the Application.

20 (8) **U.S. Fish and Wildlife Service Concurrence.** The United States Fish
21 and Wildlife Service required an investigation of potential impact to endangered
22 species or their habitat as a result of the proposed construction. As a result of the
23 findings of this investigation, Hardin District No. 2 entered into a Conservation

1 Memoranda of Agreement for the Indiana Bat and Northern Long-Eared Bat and
2 agreed to make a payment to the Imperiled Bat Fund, which the Kentucky Natural
3 Lands Trust administers. On February 8, 2016, the Fish and Wildlife Service
4 acknowledged that Hardin District No. 2 had met the requirements of Section 7 of the
5 Endangered Species Act. A copy of the letter of concurrence is found at Exhibit 25
6 of the Application.

7 **Q. What approvals, if any, must Hardin District No. 2 still obtain for the**
8 **construction of the Proposed Facilities?**

9 A. Hardin District No. 2 must still obtain a Kentucky Inter-System Operational Permit
10 from the KDOW. This permit authorizes an entity to operate a collection system and
11 transport wastewater to another entity for treatment. Application for this permit is
12 generally made 180 days prior to the commencement of a collection system's
13 operations.

14 **Q. Has Hardin District No. 2 acquired all easements for the Proposed Facilities?**

15 A. Yes. Hardin District had to obtain 102 easements to proceed with construction of the
16 Proposed Facilities. All have been obtained.

17 **Project Costs and Financing**

18 **Q. What is your opinion of the probable cost of the construction of the Proposed**
19 **Facilities?**

20 A. In my opinion, based upon second quarter 2017 dollars and assuming a 15 percent
21 reduction due to the repeal of prevailing wage rate laws, the probable construction
22 cost is \$13,330,000. A breakdown of this cost by construction contract appears in
23 Table 1 below.

Table 1

| Contract | Probable Cost (Rounded) |
|--------------------------|----------------------------|
| 2017-1: Pump Stations | \$ 1,700,000 |
| 2017-2: Force Mains | \$ 4,720,000 |
| 2017-3: Glendale Area | \$ 3,760,000 |
| 2017-4: I-65 Interchange | \$ 3,120,000 |
| Total | \$13,330,000 |

1 **Q. What is the estimated total project cost?**

2 A. Hardin District No. 2 has projected the total project cost for the Proposed Facilities
3 will be \$16,600,000. A breakdown of this cost is set forth at Exhibit 27 of Hardin
4 District No. 2's Application.

5 **Q. How does Hardin District No. 2 plan to finance the cost of the Proposed**
6 **Facilities?**

7 A. Hardin District No. 2 has been awarded two grants in the total amount of \$16.6
8 million to finance the construction of the Proposed Facilities.

9 On January 19, 2010, the Kentucky Infrastructure Authority awarded Hardin
10 District No. 2 a grant of \$600,000 for the purpose of constructing the Proposed
11 Facilities. On October 31, 2011, the Kentucky Economic Development Finance
12 Authority awarded a grant of \$16 million of Economic Development Bond funds to
13 Hardin County Fiscal Court for the benefit of Hardin District No. 2 to construct the
14 Proposed Facilities. A copy of these Grant Agreements is attached as Exhibit 28 and
15 Exhibit 29 to the Application.

16 **Q. Has Hardin District No. 2 published a request for bids on the construction**
17 **contracts for the Proposed Facilities?**

1 A. Yes. Hardin District No. 2 published its request for bids on August 16, 2017. The
2 second publication of this request will occur on August 25, 2017. The deadline for
3 submission of bids is September 13, 2017. Bids will be opened on September 13,
4 2017. Hardin District No. 2 expects to conditionally award the construction contracts
5 on September 19, 2017. The award of the contracts will be subject to the issuance of
6 a Certificate of Public Convenience and Necessity for the Proposed Facilities from
7 the Public Service Commission. Bids will have a 60-day hold period. Hardin District
8 No. 2 intends to file with the Public Service Commission a copy of the bid tabulations
9 as soon as its Board of Commissioners has made a conditional award of the
10 construction contracts.

11 **Q. Did you also prepare a depreciation schedule for the various components of the**
12 **Proposed Facilities?**

13 A. Yes. This schedule is attached to Hardin District No. 2's Application as Exhibit 32
14 and reflects my professional judgment as to the expected service lives of the Proposed
15 Facilities' components.

16 **Operation of Proposed Facilities**

17 **Q. Did you determine the cost of operating the Proposed Facilities upon their**
18 **completion?**

19 A. Yes, I did. Based upon my calculations, the approximate annual cost of operation of
20 the Proposed Facilities is estimated to be \$126,000. A schedule of these costs is set
21 forth in Exhibit 30 of Hardin District No. 2's Application.

1 **Q. What contractual arrangement does Hardin District No. 2 have in place with the**
2 **City of Elizabethtown regarding the treatment of wastewater that the Proposed**
3 **Facilities collect and transport?**

4 A. Hardin District No. 2 recently reached an agreement in principle with Elizabethtown
5 regarding the treatment of the Proposed Facilities' wastewater. Under this agreement,
6 Elizabethtown will charge Hardin District No. 2 a volumetric rate of \$2.46 per 1,000
7 gallons of wastewater. Both entities expect that an executed contract will be
8 submitted to the Public Service Commission in October 2017. Under the agreement
9 in principle, Elizabethtown has no direct relationship with Hardin District No. 2's
10 customers. It will bill Hardin District No. 2 for treatment services. Hardin District
11 will be responsible for payment of those fees and will recover those fees from the
12 rates assessed to Hardin District No. 2 sewer customers. It will directly bill those
13 persons that receive wastewater service through the Proposed Facilities as part of its
14 monthly water billing.

15 **Q. Should the Public Service Commission have any concerns about Elizabethtown's**
16 **ability or capacity to treat the Proposed Facilities' wastewater?**

17 A. No. Elizabethtown WWTP has a maximum capacity of 13 MGD. It was recently
18 expanded and is in excellent operating condition. On an average day, it treats
19 approximately 6.4 million gallons. It currently has an available reserve capacity of
20 6.6 MGD.

21 **Q. How will Hardin District No. 2 initially operate the Proposed Facilities?**

1 A. Initially, Hardin District No. 2 will contract with a certified collection system
2 operator to operate the Proposed Facilities. Generally, employees from Hardin
3 District No. 2's water operations will not be involved in wastewater operations.

4 **Q. Has Hardin District No. 2 determined the rate for wastewater services that the
5 Proposed Facilities will provide?**

6 A. Not yet. It intends to develop its rates and conditions of service for its wastewater
7 operations while the Proposed Facilities are under construction and to present them to
8 the Public Service Commission in early 2018. At this time, Hardin District No. 2 is
9 reasonably confident that the monthly minimum bill for service, which would include
10 2,000 gallons of treated wastewater, will not exceed \$30.00 and the volumetric rate
11 for additional wastewater will not exceed \$10.00 per 1,000 gallons.

12 **Q. What effect will the wastewater operations have on Hardin District No. 2's water
13 operations?**

14 A. They should have no effect on its water operations. Hardin District No. 2 does not
15 intend to subsidize the cost of wastewater operations with water revenues. To the
16 extent that the two operations have joint or common costs, such as meter reading,
17 billing, and collections, Hardin District No. 2 intends to develop written policies to
18 ensure that costs are correctly allocated between the two operations.

19 **Conclusion**

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

21 A. The Proposed Facilities are to ensure and improve the public health and safety for
22 persons living in Hardin District No. 2's planning area and are essential for continued
23 economic growth and development of Hardin County. I recommend that the

1 Commission grant Hardin District No. 2 a certificate of public convenience and
2 necessity to construct the Proposed Facilities. I further recommend that the
3 Commission find that no surety bond or financial guarantee should be required of
4 Hardin District No. 2 as a condition to the construction and operation of the Proposed
5 Facilities.

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

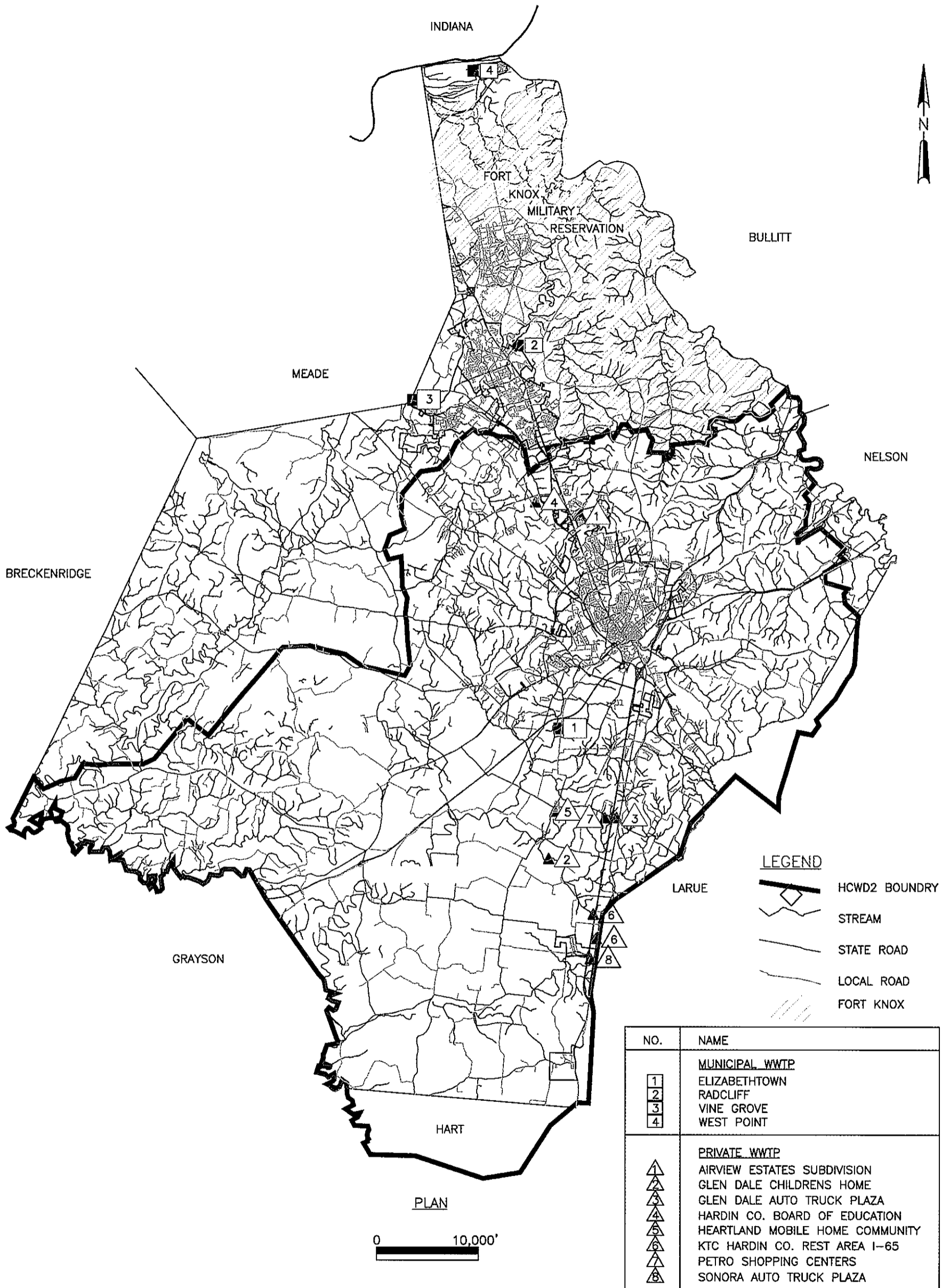
7 A. Yes.

EXHIBITS TO THE DIRECT TESTIMONY OF
MARK SNEVE

| <u>Exhibit</u> | <u>Document</u> |
|----------------|---|
| MS-1 | Map - Wastewater Facilities in Hardin County, Kentucky |
| MS-2 | Map - Existing and Proposed Planning Areas (October 2007) |
| MS-3 | Map – Nolin River Project Area and Service Area |
| MS-4 | Hardin County Ordinance No. 293, Series 2013 - An Ordinance Relating the Requirements to Provide Adequate and Acceptable Sewage Disposal and Treatment for All Properties In Unincorporated Hardin County, Kentucky |
| MS-5 | Map – Nolin River Pump Station Sites |
| MS-6 | Map – Nolin River Initial Infrastructure |

EXHIBIT MS-1

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| NO. | NAME |
|-----|--|
| 1 | MUNICIPAL WWTP ELIZABETHTOWN |
| 2 | RADCLIFF |
| 3 | VINE GROVE |
| 4 | WEST POINT |
| 5 | PRIVATE WWTP AIRVIEW ESTATES SUBDIVISION |
| 6 | GLEN DALE CHILDRENS HOME |
| 7 | GLEN DALE AUTO TRUCK PLAZA |
| 8 | HARDIN CO. BOARD OF EDUCATION |
| 9 | HEARTLAND MOBILE HOME COMMUNITY |
| 10 | KTC HARDIN CO. REST AREA I-65 |
| 11 | PETRO SHOPPING CENTERS |
| 12 | SONORA AUTO TRUCK PLAZA |

| <p style="writing-mode: vertical-rl; transform: rotate(180deg);">JOB No. 5-980.001</p> <p style="writing-mode: vertical-rl; transform: rotate(180deg);">00-G-01</p> <p style="writing-mode: vertical-rl; transform: rotate(180deg);">SHEET 2</p> | <p>HARDIN COUNTY WWTP'S</p> <p>HARDIN COUNTY WATER DISTRICT NO. 2</p> <p>REGIONAL WASTEWATER FACILITIES PLAN</p> <p>HARDIN COUNTY, KENTUCKY</p> | <p>DATE: 01/15/05</p> <p>DES BY: MK CHK BY: MAS</p> <p>RECORD DRAWING</p> <p>BY:</p> <p>DATE:</p> <p>CONTRACTOR:</p> | <table border="1" style="border-collapse: collapse;"> <thead> <tr> <th>NO.</th> <th>REVISIONS</th> <th>DATE:</th> </tr> </thead> <tbody> <tr><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td></tr> </tbody> </table> | NO. | REVISIONS | DATE: | | | | | | | | | | | | | | | | | | | |
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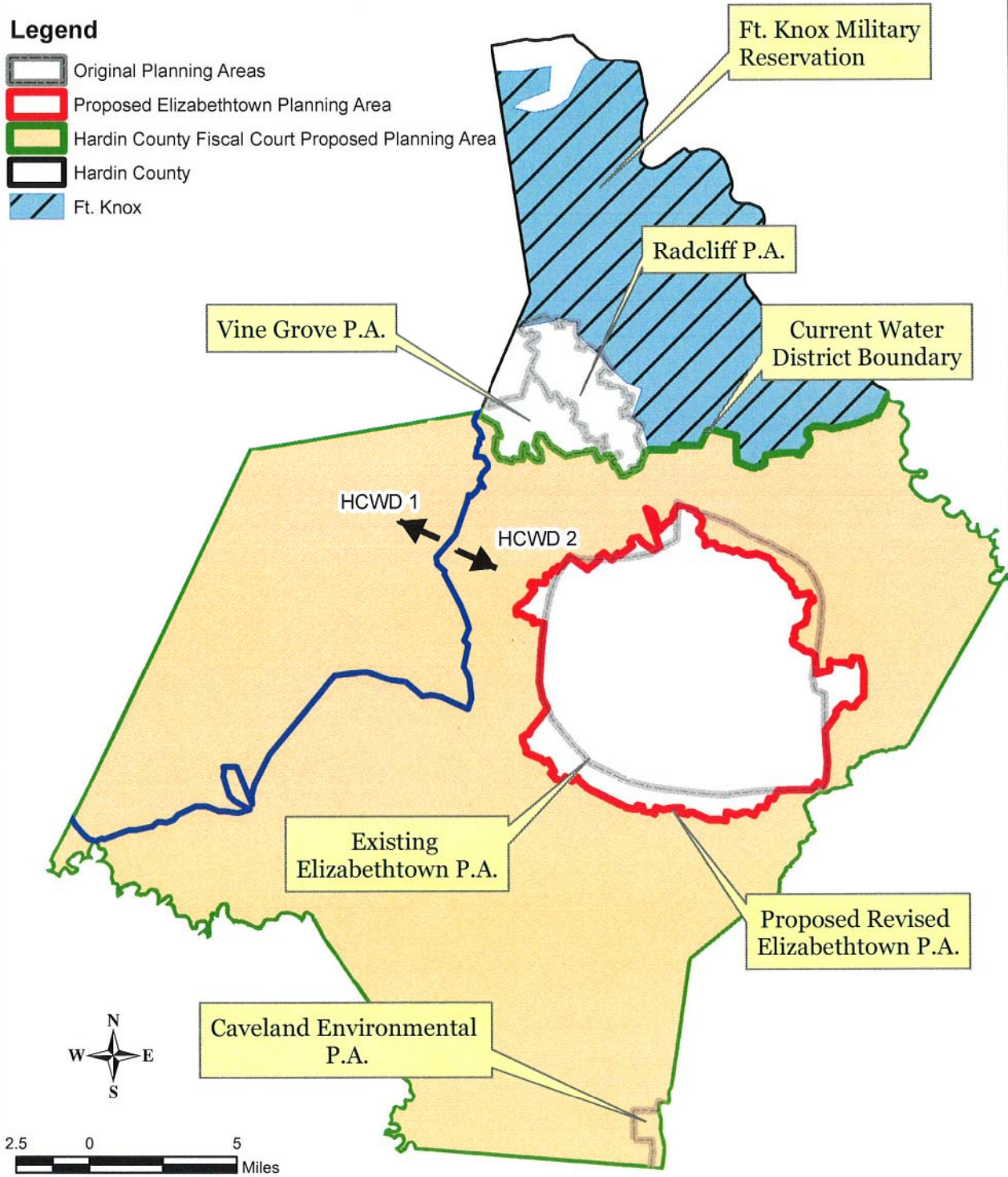


EXHIBIT MS-2

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Legend

-  Original Planning Areas
-  Proposed Elizabethtown Planning Area
-  Hardin County Fiscal Court Proposed Planning Area
-  Hardin County
-  Ft. Knox



**EXISTING AND PROPOSED
PLANNING AREAS**





**HARDIN COUNTY REGIONAL WASTEWATER FACILITIES PLAN
HARDIN COUNTY WATER DISTRICT NO. 2
HARDIN COUNTY, KY**

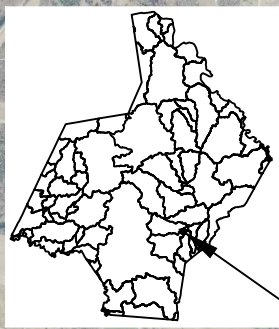


FIGURE 2.03-1
5-980-001

EXHIBIT MS-3

LEGEND

-  PROJECT AREA
-  SERVICE AREA
-  INITIAL SERVICE AREA
-  FUTURE SERVICE AREA



PROJECT LOCATION



RESIDENTIAL SERVICE AREA

TOWN OF GLENDALE

I-65 INTERCHANGE SERVICE AREA

COMMERCIAL SERVICE AREA

GLENDALE INDUSTRIAL TRACT

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NOLIN RIVER PROJECT AREA AND SERVICE AREA

**NOLIN RIVER SEWER INFRASTRUCTURE
HARDIN COUNTY WATER DISTRICT NO. 2
HARDIN COUNTY, KENTUCKY**



FIGURE 1
5980.020

EXHIBIT MS-4

HARDIN COUNTY, KENTUCKY

5 PG 365-370

ORDINANCE NO. 293, SERIES 2013

AN ORDINANCE RELATING THE REQUIREMENTS TO AMENDMENT NO. 2 OF ORDINANCE NO. 269, SERIES 2009

AN ORDINANCE RELATING THE REQUIREMENTS TO PROVIDE ADEQUATE AND ACCEPTABLE SEWAGE DISPOSAL AND TREATMENT FOR ALL PROPERTIES IN UNINCORPORATED HARDIN COUNTY, KENTUCKY.

WHEREAS the Hardin County Fiscal Court and the Hardin County Planning and Development Commission have adopted a Comprehensive Plan, Land Use Regulations, and Subdivision Regulations;

WHEREAS the above-mentioned regulations are designed to protect the public health, safety and welfare of the citizens of Hardin County;

WHEREAS on October 1 and October 3, 2013 the Hardin County Planning and Development Commission held a series of Public Open Houses to gain public input; and

WHEREAS on December 3, 2013 the Hardin County Planning and Development Commission held a Public Hearing on the proposed text amendment and adopted Resolution 01, Series 2013 recommending approval of the proposed text amendment to Fiscal Court; and

WHEREAS the proposed text amendment will add Section 18 that will set forth the requirements to provide adequate and acceptable sewage disposal and treatment for all properties in Unincorporated Hardin County, Kentucky:

BE IT ORDAINED BY THE FISCAL COURT OF COUNTY OF HARDIN, COMMONWEALTH OF KENTUCKY, AS FOLLOWS:

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| 18-3 | PROHIBITED FACILITIES | Page | 2 |
| 18-4 | ALLOWABLE DISPOSAL / TREATMENT METHODS | Page | 2 |
| 18-5 | FEES, RATES AND CHARGES | Page | 4 |
| 18-6 | PENALTIES | Page | 4 |

SECTION 18**SEWAGE DISPOSAL AND TREATMENT REQUIREMENTS****18-1 INTENT**

The purpose of this section is to set forth the requirements to provide adequate and acceptable sewage disposal and treatment for all properties in Unincorporated Hardin County, Kentucky.

18-2 APPLICABILITY

Connection to a centralized sewer system shall be required for the following activities or actions within 300 feet of a publically or government owned treatment works collection asset (gravity pipe, manhole, wetwell):

1. For new construction within commercial and industrial zones and for assembly land uses in all residential zones
2. For enlargements, additions, extensions within commercial and industrial zones and for assembly uses in all residential zones
3. For new construction of multifamily structures. This includes the conversion or alteration or addition to existing structures into multifamily units
4. For the conversion of a residential structure to a non-residential use
5. For a change in use of a commercial or industrial structure
6. For the development of new subdivisions with streets
7. For new subdivisions of land or re-subdivided property that creates five (5) or more new lots for development
8. For the development of a new mobile home park
9. For properties determined to have a "failing" on-site septic system by the Environmental Services Office of the Lincoln Trail Health Department. For the purposes of this Section, failing means that the on-site septic system is not functioning adequately or within applicable regulatory parameters and that the cost of repair or improvement exceeds the cost of connecting to sewer, or that the property has no means of repair or improvement due to soil conditions or available area. The determination of whether a system is failing, including projected costs of repair, improvement or connection to sewer, shall be determined by the Environmental Services Office of the Lincoln Trail Health Department.

The design and installation of the collection system, lift stations or other conveyance infrastructure needed to convey sewage into the system is the responsibility of the owner or developer. The 300 feet shall be measured from the closest existing entry point of the collection asset to the closest property line. The publically or government owned treatment works shall be responsible for notifying Hardin County

Planning & Development and the Hardin County Health Department when centralized sewer service becomes available to areas within the County.

18-3 PROHIBITED FACILITIES

The following facilities or methods of sewage disposal are prohibited and will not be allowed to be constructed or used in Unincorporated Hardin County;

1. Straight pipe installed direct to creek, stream, sinkhole, open ditch, cesspool (non-agricultural) or any other method that is banned or prohibited by any state or federal law or regulation.
2. Floor, basement, or crawl space drains which are lower than ground surfaces surrounding the building shall not be connected to any building sanitary sewer which flows to a centralized or public treatment system.
3. No customer shall make connection of roof down spouts, basement wall seepage or floor seepage, exterior foundation drains, areaway drains, or other surface runoff or groundwater to a building sewer or building drain, which flows to a centralized or public treatment system.

The owner of a building connected to such facilities and any person(s) that performs the work in making such a connection shall be subject to the penalties set out herein.

18-4 ALLOWABLE DISPOSAL / TREATMENT METHODS

The following four (4) methods are available for sewage disposal / treatment within the County where available. Only one of the methods may be used, and is required and described, in accordance with location or type of development as described in subsequent sections below:

1. PTW1 – Connection to a Publically Owned Treatment Works (“POTW”) where treatment occurs off-site from the development. The entities that may own these systems may be a County Water District (“WD”), authorized to operate sewage disposal systems by KRS 74.407. Certain fees and connection charges of the WD will be set forth in their tariff, which fees must be paid by the developer or property owner. Design, construction and specifications for the required infrastructure will be determined by the requirements of the District. Other than a private sewer lateral line conveying flows to the POTW, the infrastructure ownership, maintenance and replacement will be transferred to the POTW after a warranty period specified by the District. Any monthly charges to discharge to the POTW and receive future sewer service will be as set forth in the District’s latest approved tariff and will apply to subsequent property owners connected to and using the system.
2. PTW2 – This is the same type of system as PTW1, but the owner or entity providing the service could be a City government (“City”) organized under KRS 81. Only those cities having an agreement with Hardin County Water District 1 or Hardin County Water District 2 will be available to provide sewer service to properties or lots being developed in unincorporated areas of Hardin County. Certain fees and connection charges of the City will be set forth in that entities ordinance, which must be paid by the developer or property owner. Design,

construction and specifications for the required infrastructure will be determined by the requirements of the City. Other than a private sewer lateral line conveying flows to the POTW, the infrastructure ownership, maintenance and replacement will be transferred to the POTW after a period specified by the City. Any monthly charges to discharge to the POTW and receive future sewer service will be as set forth in the City's latest approved ordinance and will apply to subsequent property owners connected to and using the system.

3. OS1 – On-site, septic system. These systems are designed, inspected and permitted under authority of Kentucky Department for Public Health Protection and Safety and the Kentucky Division of Water. KRS 211.350 designates the cabinet as the regulatory entity for the construction, installation, or alteration of onsite sewage disposal systems. 902 KAR 10:085 outlines the site and system requirements. KRS 211.360 outlines the requirements of any person approving construction, installation, or alteration of an on-site sewage disposal system. The local authority which will issue a permit and provide an inspection is the Environmental Services office of the Lincoln Trail Health Department. Certain fees as published by that office must be paid by the development owner or applicant in order to have this type of system permitted and installed. All costs to install, maintain and repair the system shall be borne by the individual property owner once the system is installed.
4. OS2– Alternative or on-site, cluster or experimental systems. These systems typically will serve multiple lots or buildings, but do not connect to a POTW. An OS2 may be located on a separate tract of land, within a subdivision or development. These systems are designed, inspected and permitted under authority of Kentucky Department for Public Health Protection and Safety and the Kentucky Division of Water. In addition to regulations and statutes cited in above section, KRS 322.010 and 322.020 add additional requirements for the design and construction of these systems. The local authority which will issue a permit and provide an inspection is the Environmental Services office of Lincoln Trail Health Department. Certain fees as published by that office must be paid by the development owner or applicant in order to have this type of system permitted and installed. All costs to install, maintain and repair the system shall be borne by the individual property owner or, may be maintained by a Homeowners Association or similar responsible party.

18-5 FEES, RATES AND CHARGES

The Water Districts shall devise, review annually and publish its schedule of fees, rates, and charges, which shall be based on the actual costs of providing services as provided in KAR 807 5:011. The schedule may include service assessments, system development charges and other similar fees and charges.

18-6 PENALTIES

Any person, entity or corporation violating any of the provisions of this Ordinance or failing or refusing to comply with the rules and regulations of Hardin County Planning & Development, the Hardin County Health Department or Hardin County Water District #1 or #2 relating to this Ordinance shall be fined not less than fifty dollars (\$50.00) nor more than five hundred dollars (\$500.00) for each offense.

Each day such person, entity or corporation fails or refuses to comply with the specific provisions of this Ordinance shall constitute a separate offense.

Given First Reading on the 10th day of December 2013.

Given Second Reading of the 20th day of December, 2013.

Adopted by the Fiscal Court of Hardin County, Kentucky on this the 20th day of December, 2013.

HARDIN COUNTY FISCAL COURT

By: [Signature]
HARRY L. BERRY
HARDIN COUNTY JUDGE/EXECUTIVE

Attest:

[Signature]
KENNETH L. TABB
HARDIN COUNTY COURT CLERK

Approved as to form:

[Signature]
JENNIFER P. OLDHAM
HARDIN COUNTY ATTORNEY

Published
The News-Enterprise
December 11, 2013

PUBLIC NOTICE

Hardin County Fiscal Court, in its regular meeting on 10 December 2013, had the first reading of Ordinance No. 263, Series 2013 entitled:

AN ORDINANCE RELATING TO REQUIREMENTS IN AMENDMENT NO. 2 OF ORDINANCE NO. 269, SERIES 2009 RELATING TO REQUIREMENTS TO PROVIDE ADEQUATE AND ACCEPTABLE SEWAGE DISPOSAL AND TREATMENT FOR ALL PROPERTIES IN UNINCORPORATED HARDIN COUNTY, KY

A second reading of the proposed ordinance will be held on 20 December 2013 at a regular Fiscal Court meeting at 10:00 a.m. at the H.B. Fife Courthouse, 3rd floor courtroom, 100 Public Square, Elizabethtown, Kentucky.

A copy of the full text of the ordinance is available in the office of the Hardin County Planning & Development Commission, H.B. Fife Courthouse, 100 Public Square, Suite 200, Elizabethtown, Kentucky, Monday through Friday from 8:00 a.m. to 4:30 p.m.

*/s/*Harry L. Berry

Hardin County Judge/Executive

EXHIBIT MS-5

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NOLIN RIVER PUMP STATION SITE MAP

**NOLIN RIVER SEWER INFRASTRUCTURE
HARDIN COUNTY WATER DISTRICT NO. 2
HARDIN COUNTY, KENTUCKY**



FIGURE 3

5980.020





EXHIBIT MS-6

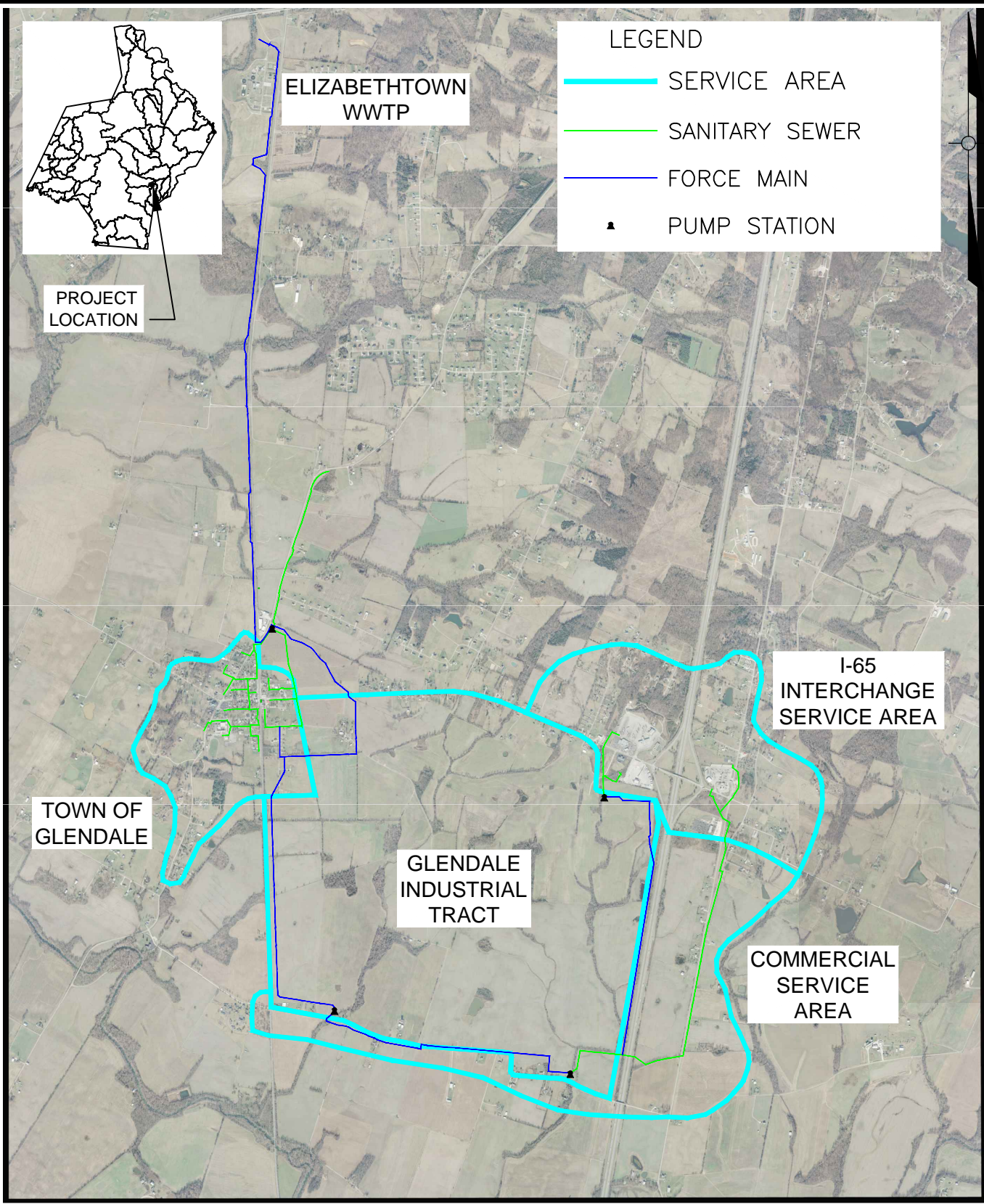


PROJECT LOCATION

ELIZABETHTOWN WWTP

LEGEND

-  SERVICE AREA
-  SANITARY SEWER
-  FORCE MAIN
-  PUMP STATION



TOWN OF GLENDALE

GLENDALE INDUSTRIAL TRACT

I-65 INTERCHANGE SERVICE AREA

COMMERCIAL SERVICE AREA

NOLIN RIVER INITIAL INFRASTRUCTURE

**NOLIN RIVER SEWER INFRASTRUCTURE
HARDIN COUNTY WATER DISTRICT NO. 2
HARDIN COUNTY, KENTUCKY**



FIGURE 2

5980.020

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EXHIBIT 32

Depreciation Schedule

| Item | General | | Constructed Value | Engineering Cost Multipleir | Installed Value | Asset Life | Annual Depreciation |
|---|------------------|-------------------------|-------------------|-----------------------------|------------------|------------|---------------------|
| | Unit Cost | Project Cost Multipleir | | | | | |
| Pump Station - Industrial Park No. 1 | | | | | | | |
| Pump | \$20,000 | 11% | \$22,000 | 12% | \$25,000 | 7 | \$3,570 |
| Pump | \$20,000 | 11% | \$22,000 | 12% | \$25,000 | 7 | \$3,570 |
| Wet Well | \$15,000 | 11% | \$17,000 | 12% | \$19,000 | 50 | \$380 |
| Wet Well | \$15,000 | 11% | \$17,000 | 12% | \$19,000 | 50 | \$380 |
| Valve Vault | \$7,000 | 11% | \$8,000 | 12% | \$9,000 | 50 | \$180 |
| Valve Vault | \$7,000 | 11% | \$8,000 | 12% | \$9,000 | 50 | \$180 |
| Valve Vault | \$7,000 | 11% | \$8,000 | 12% | \$9,000 | 50 | \$180 |
| Piping | \$20,000 | 11% | \$22,000 | 12% | \$25,000 | 40 | \$630 |
| Valves | \$20,000 | 11% | \$22,000 | 12% | \$25,000 | 25 | \$1,000 |
| Building | \$100,000 | 11% | \$111,000 | 12% | \$125,000 | 65 | \$1,920 |
| HVAC Equipment | \$20,000 | 11% | \$22,000 | 12% | \$25,000 | 20 | \$1,250 |
| Generator | \$60,000 | 11% | \$67,000 | 12% | \$75,000 | 25 | \$3,000 |
| Odor Control | \$60,000 | 11% | \$67,000 | 12% | \$75,000 | 20 | \$3,750 |
| Transformer | \$5,000 | 11% | \$6,000 | 12% | \$7,000 | 25 | \$280 |
| SCADA Equipment | \$50,000 | 11% | \$56,000 | 12% | \$63,000 | 20 | \$3,150 |
| Electrical Service | \$5,000 | 11% | \$6,000 | 12% | \$7,000 | 50 | \$140 |
| Electrical Startes, Drives and Conductors | \$50,000 | 11% | \$56,000 | 12% | \$63,000 | 25 | \$2,520 |
| Pavement | \$20,000 | 11% | \$22,000 | 12% | \$25,000 | 20 | \$1,250 |
| Fence and Gate | \$9,000 | 11% | \$10,000 | 12% | \$11,000 | 30 | \$370 |
| SUBTOTAL | \$510,000 | | \$569,000 | | \$641,000 | | \$27,700 |
| Pump Station - Industrial Park No. 2 | | | | | | | |
| Pump | \$0 | 11% | \$0 | 12% | \$0 | 50 | \$0 |
| Pump | \$0 | 11% | \$0 | 10% | \$0 | 50 | \$0 |
| Wet Well | \$15,000 | 11% | \$17,000 | 10% | \$19,000 | 40 | \$480 |
| Wet Well | \$15,000 | 11% | \$17,000 | 12% | \$19,000 | 50 | \$380 |
| Valve Vault | \$7,000 | 11% | \$8,000 | 12% | \$9,000 | 50 | \$180 |
| Valve Vault | \$7,000 | 11% | \$8,000 | 12% | \$9,000 | 50 | \$180 |
| Valve Vault | \$7,000 | 11% | \$8,000 | 12% | \$9,000 | 50 | \$180 |
| Piping | \$10,000 | 11% | \$11,000 | 12% | \$12,000 | 40 | \$300 |
| Valves | \$0 | 11% | \$0 | 12% | \$0 | 25 | \$0 |
| Building | \$100,000 | 11% | \$111,000 | 12% | \$125,000 | 65 | \$1,920 |
| HVAC Equipment | \$20,000 | 11% | \$22,000 | 12% | \$25,000 | 20 | \$1,250 |
| Transformer | \$5,000 | 11% | \$6,000 | 12% | \$7,000 | 25 | \$280 |
| SCADA Equipment | \$0 | 11% | \$0 | 12% | \$0 | 20 | \$0 |
| Electrical Service | \$5,000 | 11% | \$6,000 | 12% | \$7,000 | 50 | \$140 |
| Electrical Startes, Drives and Conductors | \$5,000 | 11% | \$6,000 | 12% | \$7,000 | 25 | \$280 |
| Pavement | \$30,000 | 11% | \$33,000 | 12% | \$37,000 | 20 | \$1,850 |
| Fence and Gate | \$10,000 | 11% | \$11,000 | 12% | \$12,000 | 40 | \$300 |
| SUBTOTAL | \$236,000 | | \$264,000 | | \$297,000 | | \$7,720 |
| Pump Station - Rose Run | | | | | | | |
| Pump | \$20,000 | 11% | \$22,000 | 12% | \$25,000 | 7 | \$3,570 |
| Pump | \$20,000 | 11% | \$22,000 | 12% | \$25,000 | 7 | \$3,570 |
| Wet Well | \$15,000 | 11% | \$17,000 | 12% | \$19,000 | 50 | \$380 |
| Valve Vault | \$7,000 | 11% | \$8,000 | 12% | \$9,000 | 50 | \$180 |
| Piping | \$20,000 | 11% | \$22,000 | 12% | \$25,000 | 40 | \$630 |
| Valves | \$20,000 | 11% | \$22,000 | 12% | \$25,000 | 25 | \$1,000 |
| Building | \$100,000 | 11% | \$111,000 | 12% | \$125,000 | 65 | \$1,920 |
| HVAC Equipment | \$20,000 | 11% | \$22,000 | 12% | \$25,000 | 20 | \$1,250 |
| Generator | \$50,000 | 11% | \$56,000 | 12% | \$63,000 | 25 | \$2,520 |
| Odor Control | \$50,000 | 11% | \$56,000 | 12% | \$63,000 | 20 | \$3,150 |
| Transformer | \$5,000 | 11% | \$6,000 | 12% | \$7,000 | 25 | \$280 |
| SCADA Equipment | \$50,000 | 11% | \$56,000 | 12% | \$63,000 | 20 | \$3,150 |
| Electrical Service | \$5,000 | 11% | \$6,000 | 12% | \$7,000 | 50 | \$140 |
| Electrical Startes, Drives and Conductors | \$50,000 | 11% | \$56,000 | 12% | \$63,000 | 25 | \$2,520 |
| Pavement | \$13,500 | 11% | \$15,000 | 12% | \$17,000 | 20 | \$850 |
| Fence and Gate | \$15,000 | 11% | \$17,000 | 12% | \$19,000 | 30 | \$630 |
| SUBTOTAL | \$460,500 | | \$514,000 | | \$580,000 | | \$25,740 |
| Pump Station - Industrial Park No. 3 | | | | | | | |
| Pump | \$10,000 | 11% | \$11,000 | 12% | \$12,000 | 7 | \$1,710 |
| Pump | \$10,000 | 11% | \$11,000 | 12% | \$12,000 | 7 | \$1,710 |
| Wet Well | \$10,000 | 11% | \$11,000 | 12% | \$12,000 | 50 | \$240 |
| Valve Vault | \$7,000 | 11% | \$8,000 | 12% | \$9,000 | 50 | \$180 |
| Piping | \$10,000 | 11% | \$11,000 | 12% | \$12,000 | 40 | \$300 |

Depreciation Schedule

| | | | | | | | |
|--|--------------------|-----|---------------------|-----|---------------------|----|------------------|
| Valves | \$15,000 | 11% | \$17,000 | 12% | \$19,000 | 25 | \$760 |
| Building | \$100,000 | 11% | \$111,000 | 12% | \$125,000 | 65 | \$1,920 |
| HVAC Equipment | \$20,000 | 11% | \$22,000 | 12% | \$25,000 | 20 | \$1,250 |
| Transformer | \$5,000 | 11% | \$6,000 | 12% | \$7,000 | 25 | \$280 |
| SCADA Equipment | \$40,000 | 11% | \$44,000 | 12% | \$49,000 | 20 | \$2,450 |
| Electrical Service | \$5,000 | 11% | \$6,000 | 12% | \$7,000 | 50 | \$140 |
| Electrical Starters, Drives and Conductors | \$20,000 | 11% | \$22,000 | 12% | \$25,000 | 25 | \$1,000 |
| Pavement | \$18,000 | 11% | \$20,000 | 12% | \$22,000 | 20 | \$1,100 |
| Fence and Gate | \$7,000 | 11% | \$8,000 | 12% | \$9,000 | 30 | \$300 |
| Box Culvert | \$5,000 | 11% | \$6,000 | 12% | \$7,000 | 65 | \$110 |
| SUBTOTAL | \$282,000 | | \$314,000 | | \$352,000 | | \$13,450 |
| Force Mains | | | | | | | |
| 4-In Force Main | \$305,000 | 11% | \$339,000 | 12% | \$381,000 | 45 | \$8,470 |
| 6-In Force Main | \$610,000 | 11% | \$677,000 | 12% | \$760,000 | 45 | \$16,890 |
| 8-In Force Main | \$730,000 | 11% | \$810,000 | 12% | \$910,000 | 45 | \$20,220 |
| 10-In Force Main | \$310,000 | 11% | \$344,000 | 12% | \$386,000 | 45 | \$8,580 |
| 12-In Force Main | \$340,000 | 11% | \$377,000 | 12% | \$423,000 | 45 | \$9,400 |
| 16-In Force Main | \$1,790,000 | 11% | \$1,987,000 | 12% | \$2,231,000 | 45 | \$49,580 |
| Air Release Vacuum Valve | \$76,000 | 11% | \$84,000 | 12% | \$94,000 | 20 | \$4,700 |
| Soil Filter Bed | \$51,000 | 11% | \$57,000 | 12% | \$64,000 | 40 | \$1,600 |
| Parshall Flume | \$30,000 | 11% | \$33,000 | 12% | \$37,000 | 40 | \$930 |
| SUBTOTAL | \$4,242,000 | | \$4,708,000 | | \$5,286,000 | | \$120,370 |
| Gravity Sewers | | | | | | | |
| 8-In PVC Pipe | \$1,580,000 | 11% | \$1,754,000 | 12% | \$1,970,000 | 75 | \$26,270 |
| 10-In PVC Pipe | \$930,000 | 11% | \$1,032,000 | 12% | \$1,159,000 | 75 | \$15,450 |
| 12-In PVC Pipe | \$265,000 | 11% | \$294,000 | 12% | \$330,000 | 75 | \$4,400 |
| 24-In PVC Pipe | \$240,000 | 11% | \$266,000 | 12% | \$299,000 | 75 | \$3,990 |
| 4-Ft Manholes | \$425,000 | 11% | \$472,000 | 12% | \$530,000 | 40 | \$13,250 |
| 5-Ft Manholes | \$20,000 | 11% | \$22,000 | 12% | \$25,000 | 40 | \$630 |
| 6-Ft Manholes | \$30,000 | 11% | \$33,000 | 12% | \$37,000 | 40 | \$930 |
| SUBTOTAL | \$3,490,000 | | \$3,873,000 | | \$4,350,000 | | \$64,920 |
| TOTAL | \$9,220,500 | | \$10,242,000 | | \$11,506,000 | | \$259,900 |