

COMMONWEALTH OF KENTUCKY

BEFORE THE KENTUCKY PUBLIC SERVICE COMMISSION

IN THE MATTER OF:

**ELECTRONIC APPLICATION OF WESTERN)
PULASKI COUNTY WATER DISTRICT FOR)
THE ISSUANCE OF A CERTIFICATE OF)
PUBLIC CONVENIENCE AND NECESSITY TO)
CONSTRUCT A WATER SYSTEM) Case No. 2020 - 00331
IMPROVEMENTS PROJECT AND AN ORDER)
AUTHORIZING THE ISSUANCE OF SECURITIES)
PURSUANT TO THE PROVISIONS OF)
KRS 278.020, KRS 278.300 AND 807 KAR 5:001)**

**** *** **** ***** **** *** ****

APPLICATION

The Applicant, Western Pulaski County Water District (the "District"), files this electronic Application pursuant to KRS 278.020(1), KRS 278.300 and 807 KAR 5:001, and all other applicable laws and regulations, and requests that the Kentucky Public Service Commission (the "Commission") grant the District a Certificate of Public Convenience and Necessity ("CPCN") to construct a water system improvements project (the "Project") and an order authorizing the issuance of securities to finance said Project. In support of this Application, and in compliance with the rules and regulations of the Commission, the District states as follows:

1. The District was established in accordance with the provisions of Chapter 74 of the Kentucky Revised Statutes pursuant to an Order of the Pulaski County Judge/Executive, which Order is on file in the County Court Order Books in the office of the Pulaski County Clerk. The

District is now, and has been since its inception, regulated by the Commission, and all records and proceedings of the Commission with reference to the District are incorporated in this Application by reference. The District does not have any Articles of Incorporation due to the fact that it is a statutory entity.

2. The governing body of the District is its Board of Commissioners, which is a public body corporate with power to make contracts in furtherance of its lawful and proper purpose as provided for in KRS 74.070 and all applicable law and regulations.

3. The mailing address of the District is as follows:

Western Pulaski County Water District
c/o Ms. Tammy Vaught, Office Manager
2128 West Highway 80
Somerset, Kentucky 42503
Telephone: (606) 679-1569
Fax: (606) 677-9449
Email: [tamora.vaught@gmail.com](mailto:tamura.vaught@gmail.com)

4. A general description of the District's system property, together with a statement of the original cost, is contained in the District's Annual Report for 2019, which is on file with the Commission. The Annual Report is incorporated herein by reference.

5. Pursuant to 807 KAR 5:001, Section 15 - Applications for Certificates of Public Convenience and Necessity, the District hereby responds as follows:

(i) Section 15(2)(a): Facts Relied Upon to Show Public Necessity: The proposed Project and the need for the Project is described in **Exhibit "A"** attached hereto.

(ii) Section 15(2)(b): Copies of Permits: Required permits are attached hereto as **Exhibit "B"**.

- (iii) Section 15(2)(c): Description of Proposed Location or Route. Construction of the Project is being performed within the boundaries of the District and is detailed in the location map referred to in paragraph 5(iv) below. The proposed Project will not compete with any other public utilities and will not result in any wasteful duplication.
- (iv) Section 15(2)(d)(1): Maps to Suitable Scale: Maps to suitable scale showing the location of the proposed Project, as well as the location of like facilities owned by others located anywhere within the map area are contained in the Preliminary Engineering Report being filed with this Application.
- (v) Section 15(2)(d)(2): Plans and Specifications: The signed, sealed and dated Plans and Specifications in .pdf format are being filed with this Application.
- (vi) Section 15(2)(e) Financing: The District is financing the Project with the proceeds of (i) a loan from the Kentucky Infrastructure Authority ("KIA") Infrastructure Revolving Loan Fund (B20-004) in the principal amount not to exceed \$1,146,000 (the "KIA Loan"); and (ii) USDA, Rural Development ("RD") grant funds in the amount of \$719,000, which funds are remaining after the construction of an RD project previously approved by the Commission in **Case No. 2018-00203**. A copy of the letter of the District requesting RD approval to use the remaining RD grant funds for the proposed Project and the letter of RD approving said use of grant funds is attached hereto as "**Exhibit "C"**". The KIA Loan will be evidenced by an Assistance Agreement between the District and KIA and the District has

received a conditional commitment letter dated September 28, 2020. A copy of the KIA conditional commitment letter is attached hereto as **Exhibit "D"**. The Final Project Budget is contained in the Final Engineering Report which is being filed with this Application.

- (vii) Section 15(2)(e) Statement of Estimated Annual Cost of Operation: a statement of the estimated annual cost of operation after the Project is placed in service is attached hereto as **Exhibit "E"**.

6. The detailed Statement of Net Position; Statements of Income; Statements of Changes in Net Position; and Statements of Cash Flows for the twelve month periods ending on December 31, 2019 and 2018 are attached hereto as **Exhibit "F"** respectively.

7. Pursuant to 807 KAR 5:001, Section 12 - Financial Exhibit; the District hereby responds as follows:

- (i) Section 12(1)(a): The District states that it had less than \$5,000,000 in gross annual revenue in the immediate past calendar year and that no material changes have occurred since December 31, 2019.
- (ii) Section 12(2)(a), (b) and (c) Stock: The District does not have any authorized, issued or outstanding stock as of the date hereof.
- (iii) Section 12(2)(d) Mortgages: The District does not have any outstanding mortgages as of the date hereof.
- (iv) Section 12(2)(e), (f) and (g) Indebtedness: The information concerning the outstanding indebtedness of the District is contained in financial statements and Note 3 to said financial statements, which have been filed with the

Commission and are incorporated herein by reference. The estimated amortization schedule of the proposed KIA Loan is attached hereto as **Exhibit "G."**

- (v) Section 12(2)(h) Dividends: The District has no outstanding stock and therefore pays no dividends.
 - (vi) Section 12(2)(i) Financial Statements: See **Exhibit "F"** attached hereto.
8. Pursuant to 807 KAR 5:001, Section 18, the District hereby responds as follows:
- (i) Section 18(1)(a): The District has complied with the requirements of 807 KAR 5:001, Section 14.
 - (ii) Section 18(1)(b): A general description of the District's property, its field of operation and a statement of original cost of said property and the cost to the District is contained in the District's 2019 Annual Report on file with this Commission.
 - (iii) Section 18(1)(c): The District is not issuing any stock as part of this financing. The information concerning the proposed KIA Loan is contained in this Application and the supporting exhibits. The KIA Loan will be secured by and payable from the gross revenues of the District's water system.
 - (iv) Section 18(1)(d): The District is not refunding any outstanding obligations in connection with this Project. The proceeds of the KIA Loan are being used for the construction of the Project described in **Exhibit "A"**.
 - (v) Section 18(1)(e): See paragraph 5(i) above and paragraph 8(x) below.

- (vi) Section 18(1)(f): The District is not refunding any outstanding obligations in connection with this Project.
- (vii) Section 18(1)(g): Written notification of the proposed issuance of the KIA Loan is being provided to the State Local Debt Officer (see **Exhibit “H”** attached hereto).
- (viii) Section 18(2)(a): See paragraph #7 above.
- (ix) Section 18(2)(b): The District does not have any outstanding trust deeds or mortgages.
- (x) Section 18(2)(c): A detailed estimate of the acquired property, arranged according to the Uniform System of Accounts for Class A/B Water Districts and Associations, is \$1,385,875 classified as USOA account #331 (Transmission and Distribution Mains).


9. Certified copies of the bid tabulations for the Project are included in the Final Engineering Report.

10. No rate adjustment is being requested in this Application.


WHEREFORE, the District respectfully requests that the Commission take the following actions:

- A. Grant the District a Certificate of Public Convenience and Necessity permitting the District to construct the Project;
- B. Authorize the issuance of securities pursuant to the KIA Assistance Agreement evidencing of the \$1,146,000 KIA Loan; and
- C. Grant the District any other relief to which said District is entitled.

Western Pulaski County Water District

By 
Don Calder, Chairman
2128 West Highway 80
Somerset, Kentucky 42503
Phone: (606) 679-1569
Fax: (606) 677-9449
tamora.vaught@gmail.com

Rubin & Hays

By 
W. Randall Jones
wrijones@rubinhays.com
Kentucky Home Trust Building
450 South Third Street
Louisville, Kentucky 40202
Phone: (502) 569-7525
Fax: (502) 569-7555
Counsel for Western Pulaski County Water District

STATE OF KENTUCKY)
) SS
COUNTY OF PULASKI)

The affiant, Don Calder, being first duly sworn, states: That he is the Chairman of the Western Pulaski County Water District, the Applicant in this case; that he has read the foregoing Application and has noted the contents thereof; that the same are true of his own knowledge and belief, except as to matters which are herein stated to be based on information or belief, and that these matters, believes to be true and correct.

IN TESTIMONY WHEREOF, witness the signature of the undersigned on the 22nd day of October, 2020.



Don Calder, Chairman

SUBSCRIBED, SWORN TO AND ACKNOWLEDGED before me by Don Calder, Chairman of the Western Pulaski County Water District on this the 22nd day of October, 2020.

My Commission expires: 12/27/2021.



Notary Public

Notary ID#: 592566

EXHIBIT A

Public Necessity and Project Description

PROJECT DESCRIPTION

The Big Clifty Creek Area – Phase 2 project consists of approximately 1,250 LF of 12-inch ductile iron flex-restraint joint water transmission main to replace an existing 10-inch water transmission main across the KY Highway 80/Fishing Creek Bridge; and 1,250 LF of ductile iron CL350 water transmission main to replace an existing 6-inch water transmission main along the east and west sides of the Fishing Creek Bridge along KY Highway 80. This project is a portion of the original Big Clifty Creek Area Water Transmission Main & Improvements Project as referenced in the Preliminary Engineering Report, dated March 2018. But due to shortage of funds, the Western Pulaski County Water District was not able to include this portion as part of that bidding process. Therefore, the District elected to wait and see what remaining funds were available after the completion of the Big Clifty Creek Area Water Transmission Main & Improvements project and then seek other funding in addition to funds remaining from a USDA Rural Development Grant to complete the project.

The need for the project is to eliminate a maintenance problem that the District has dealt with for years with an existing aged 10-inch PVC water line across the KY 80 Fishing Creek Bridge. Based on the location of the existing 10-inch water line across the Fishing Creek Bridge, the District has had limited access to maintain the water main. Therefore, the new 12-inch water line will be installed on the Bridge that will be feasible to maintain should there be leaks or breaks. In addition, by replacing the existing 10-inch waterline across the Fishing Creek Bridge and the existing 6-inch water line on each side of the bridge with a 12-inch ductile iron pipe, will eliminate a bottleneck in the system that restricts the flow from the Somerset side of Fishing Creek Bridge to the demand of the Nancy and the Faubush areas of the County.

The project cost has been estimated to be \$1,865,000 and it is to be financed by remaining grant funds from USDA Rural Development for approximately \$719,000 and a loan from the Kentucky Infrastructure Authority Fund B for \$1,146,000.00.

EXHIBIT B

Required Permits

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 4, 2017

Don Calder
Western Pulaski Co Water District
1059 W Hwy 80
Somerset, KY 42503

RE: Big Clifty Creek Area Water Tran. Main &
Improvements
Pulaski County, KY
Western Pulaski Co Water District
AI #: 34092, APE20170002
PWSID #: 1000363-17-002

Dear Mr. Calder:

We have reviewed the plans and specifications for the above referenced project. The plans include the construction of approximately 40,100 linear feet of 8 inch PVC, 5,100 linear feet of 8 inch DI, and 1,200 linear feet of 12 inch DI waterline, a pump station with 3 pumps at 400 gpm and 290 feet TDH, and a pump station with 3 pumps at 800 gpm and 172 feet TDH. 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.

If you have any questions concerning this project, please contact Mr. William Wright at 502-782-7140.

Sincerely,

A handwritten signature in black ink, appearing to read "T. Humphries".

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

TH:WW
Enclosures

c: Monarch Engineering Inc
Pulaski County Health Department
Division of Plumbing

the 1990s, the number of people who have been employed in the public sector has increased in all countries.

There are a number of reasons for the increase in public sector employment. One reason is that the public sector has become a more important part of the economy. In many countries, the public sector now provides a significant portion of the total output. This has led to an increase in the number of people who are employed in the public sector.

Another reason for the increase in public sector employment is that the public sector has become a more attractive place to work. This is due to a number of factors, including the fact that the public sector is often seen as a more stable and secure place to work. Additionally, the public sector often offers better benefits and pay than the private sector.

There are also a number of other reasons for the increase in public sector employment. For example, the public sector has become a more important part of the economy in many countries. This has led to an increase in the number of people who are employed in the public sector.

Finally, the public sector has become a more important part of the economy in many countries. This has led to an increase in the number of people who are employed in the public sector.

The increase in public sector employment has had a number of effects on the economy. One effect is that it has led to an increase in government spending. This has led to an increase in the size of the public sector and has contributed to the growth of the economy.

Another effect of the increase in public sector employment is that it has led to an increase in the number of people who are employed in the public sector. This has led to an increase in the size of the public sector and has contributed to the growth of the economy.

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COMMONWEALTH OF KENTUCKY
TRANSPORTATION CABINET

Andy Beshear
GOVERNOR

Department of Highways, District 8 Office
1660 S. Highway 27
Somerset, KY 42501
606-677-4017

Jim Gray
SECRETARY

Western Pulaski County Water District
2128 West HWY 80
Somerset, KY 42503

Subject: Pulaski County
KY 80
MP 100-0080-13.582
Permit 08-2019-00354


Dear Sir:

The attached is your copy of the approved encroachment permit application. One copy is to be submitted to your contractor. This permit is to remain on the project until the permitted work is complete.

You are to shape and seed any disturbed areas on the State's right of way. All work and materials are to comply with the Department's Standard Specification for Road and Bridge Construction- 2012 Edition. Signs, barricades, lights, etc. if required, are to be installed in accordance with the Manual on Uniform Traffic Control Devices.

Please notify this office when permitted work begins. When work has been completed, the Notice of Completion of Encroachment Permit Work must be completed and returned so an inspection can be made by personnel from this office. If all work has been completed satisfactorily, your indemnity will then be released.

Yours truly,


Conley Moren, P.E. 4/6/2020
TEBM, Engineering Support Date
District 8- Somerset

TW/cm



Kentucky Transportation Cabinet
 Department of Highways
 Division of Maintenance
 Permits Branch

TC 99-1 (B)
 07/2018
 Page 1 of 1

ENCROACHMENT PERMIT

KYTC KEPT #: 08-2019-00354
Permittee: Western Pulaski Co Water District
Permit Type / Subtype: Utilities / Water
Work Completion Date: 1/1/2021

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**

Conley Moren
 Conley Moren D8 Engineering Support - TEBM 4/6/2020
 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
Roadway Crossing	Pulaski - KY 80	37.049168	-84.681366
	Pulaski - KY 80	37.049253	-84.681274



To Submit a Locate Request
 24 Hours a Day, Seven Days a Week
 Call 811 or 800-752-6007

NOTICE OF COMPLETION OF ENCROACHMENT PERMIT WORK

PERMITTEE

Name: Western Pulaski Co Water District
Contact Person:
Address: 2128 West HWY 80
City: Somerset
State: Kentucky
Zip: 42503
Telephone: (606) 679-1569

PROJECT IDENTIFICATION

Permit Number: 08-2019-00354

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.

Permittee

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 8 Office
1660 South US 27
Somerset, Kentucky 42502
(606) 677-4017
www.transportation.ky.gov/

LOCATION(S)			
Description	County - Route	Latttude	Longitude
Roadway Crossing	Pulaski - KY 80	37.049168	-84.681366
	Pulaski - KY 80	37.049253	-84.681274



Kentucky Transportation Cabinet
Department of Highways
Permits Branch

TC 99-1 (A)
1/2015
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APPLICATION FOR ENCROACHMENT PERMIT

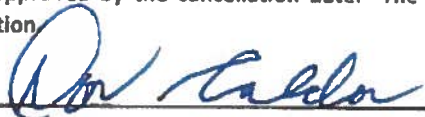
Permittee Information		KYTC No. 08-2019-00354	
Name	Western Pulaski County Water District	Permit Information	
Address	2128 West Highway 80	Address	Kentucky Highway 80
		City	Somerset
City	Somerset	State	KY
State	KY	Zip	42503
Phone#	(606) 679-1569	County	Pulaski
Contact	Joe McClendon	Route No.	KY 80
Phone	(606) 679-1569 Cell (606) 271-6256	Mile-Point	13.582 to 14.01
Email	joe-mcclendon@hotmail.com	Longitude (X)	37° 03' 17.88" N
Contact	Tammy Vaught	Latitude (Y)	84° 40' 34.90" W
Phone	(606) 679-1569 Cell	Information below to be filled out by KYTC	
Email	tamora.vaught@gmail.com	<input type="checkbox"/> Air Right	<input type="checkbox"/> Entrance
		<input checked="" type="checkbox"/> Utilities	<input type="checkbox"/> Other: _____
		<input checked="" 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:

- 1) M.P. 13.582, Install approximately 50 LF of Bore & Case for 12-inch water line under KY Highway 80. Casing pipe shall be 20-inch diameter steel.
- 2) M.P. 13.582 to M.P. 13.707, Install 12-Inch Ductile Iron water line on the left hand side of KY Highway 80 for approximately 740 LF. The new 12-inch water line to be installed approximately 6-feet from edge of pavement and as shown on Plan Sheet No. 1.
- 3) M.P. 13.707 to 13.934, Install 12-Inch TR Flex Restrained Joint Ductile Iron pipe water line on the left under side of the W. KY Highway 80 Fishing Creek Bridge (B00029) for approximately 1,200 LF as shown on Plan Sheet 1, 2, BC-1 & BC-2. New 12-inch will replace an existing 10-inch water.
- 4) M.P. 13.934 to M.P. 14.01, Install 12-Inch Ductile Iron water line on the left hand side of KY Highway 80 for approximately 420 LF. The new 12-inch water line to be installed approximately 6-feet from edge of pavement and as shown on Plan Sheet No. 2.

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).

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

Signature 

Date 12/6/2019

APPLICATION FOR ENCROACHMENT PERMIT

TERMS AND CONDITIONS

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



APPLICATION FOR ENCROACHMENT PERMIT

installation(s) shall be borne by the permittee, its successors and assigns and the Department in its reasonable discretion and only in accordance with the Department's current policy set forth in the Traffic Operations Manual and Permits Manual. Any modifications to the permittee's entrance necessary to accommodate signalization (including necessary easement(s) on private property) shall be the responsibility of the permittee, its successors and assigns, at no expense to the Department.

10. The requested encroachment shall not infringe on the frontage rights of an abutting owner without their written consent as hereinafter described. Each abutting owner shall express their consent, which shall be binding on their successors and assigns, by the submission of a notarized statement as follows, "I _____ (we),

_____, hereby consent to the granting of the permit requested by the applicant along Route _____, which permit does affect frontage rights along my (our) adjacent real property." By signature(s) _____ subscribed and sworn by _____, on this date _____.

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

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

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

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

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

16. Permittee, its successors and assigns, agree that if the Department determines it is necessary for the facilities or other encroachment authorized by the permit to be removed, relocated or reconstructed in connection with the reconstruction, relocation or improvement of a highway, the Department may revoke permission for the



APPLICATION FOR ENCROACHMENT PERMIT

encroachment to remain under the permit and may order its removal, relocation or reconstruction by the permittee, its successors and assigns, at the expense of the permittee, except where the Department is required by law to pay any or all of those costs.

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

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

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

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

KY Transportation Cabinet – District 8
Permit Number 08-2019-00354

Applicant to bore under KY 80 at mile point 13.575 with 20 inch steel encasement for 12 inch water line and parallel left of KY 80 from mile point 13.575 to 14.01 as per attached plans, Typical Highway Boring Crossing Detail, and encroachment terms.

Applicant to construct 12 inch ductile iron water line on bridge 100B00029N at mile point 13.707 on KY 80 in Pulaski County as per attached plans and encroachment terms. Water line to be placed under outside beam girder attached with beam clamps as per attached plans. Clamps and other hardware to be hot dipped galvanized as per ASTM A123. Water line to be encased in corrugated aluminum jacketed covering with 3 inches insulation.

Obsolete 10 inch and 6 inch water lines to be removed upon completion of the 12 inch water line.

No cutting, grinding, welding, or other destructive actions to the bridge structure is permitted.

Locations where utility line crosses paved or concrete driveways, the utility line shall be bored to prevent disturbance to the driving surface unless prior written approval is obtained from the property owners.

Underground utility crossing shall be constructed with 42 inches of cover from the top of the pipe to the low spot of the ditch or toe of slope as shown on the attached Typical Highway Boring Crossing Detail.

Parallel utility lines shall be constructed between back of slope of ditch line or toe of slope and the right of way line and shall have a minimum of 42 inches cover above the top of pipe or conduit.

Damage to roadway shall be restored to the satisfaction of the Permit Engineer up to or including milling the roadway and repaving.

Work area within the Kentucky Department of Highways right of way shall be signed and flagged in accordance to the Manual on Uniform Traffic Control Devices before any work is to begin on the Kentucky Department of Highways right of way. Failure to comply with correct traffic control shall result in the removal of all equipment and works from area until the traffic control is corrected to the satisfaction of the Department of Highways. Continued failure to place correct traffic control measures shall result in the cancelation of the permit.

Contractor's equipment or other vehicles shall not be permitted to park on the roadway shoulders during the construction of this project without compliant traffic control.

No changes shall be made contrary to this permit and the applicant's plans without first

notifying and being approved by the Permit engineer.

Construction of the utility shall not interfere with any construction or maintenance operations of the Transportation Cabinet on KY 80.

The permittee shall annually inspect utility installations on the structure to determine failures or needed maintenance. A report of the findings shall be submitted to the District 8 Bridge Engineer by March 1st at the following address;

Department of Highways
ATTN: District Bridge Engineer
PO Box 780
Somerset, KY 42502

Roadway drainage shall be maintained at all times, with silt checks placed in the roadway ditch where needed and near the inlet of all culvert and entrance pipe to control erosion and prevent silt from settling inside of pipe.

The applicant shall provide all necessary steps to contain all silting within the work area as specified in Section 212 and Section 213, Department's Standard Specifications for Road and Bridge Construction.

All disturbed portions of the right-of-way are to be restored to grass as per Kentucky Department of Highways Standard Specifications for Road and Bridge Construction, 2012 edition. A satisfactory turf, as determined by the Department, is to be established by the permittee prior to release of indemnity.

The minimum rate of application for seeding and protection method II per 1,000 square feet shall be applied as follows:

2 lbs. of seed mixture
23 lbs. of 10-20-20 fertilizer
150 lbs. of agricultural limestone

All work and materials shall meet or exceed the Kentucky Department of Highways Standard Specifications.

Applicant will be responsible to contact the Department of Highways D-8 Permits Office at 606-677-4017 a minimum of 2 working days prior to beginning of permitted work.

This permit will be terminated and work will stop immediately at any time the Department of Highways discovers or is notified of any unsafe or hazardous conditions until corrections have been made.



ENCROACHMENT PERMIT GENERAL NOTES & SPECIFICATIONS

Permit No. 08-2019-00354

I. SAFETY

A. General Provisions

- All signs and control of traffic shall be in accordance with the Manual on Uniform Traffic Control Devices for Streets and Highways, latest edition, Part VI, and safety requirements shall comply with the Permits Manual.
- All work necessary in shoulder or ditch line areas of a state highway shall be scheduled to be promptly completed so that hazards adjacent to the traveled way are kept to an absolute minimum.
- No more than one (1) traveled-lane shall be blocked or obstructed during normal working hours. All signs and flaggers during lane closure shall conform to the Manual on Uniform Traffic Control Devices.
- When necessary to block one (1) traveled-lane of a state highway, the normal working hours shall be as directed by the Department. No lanes shall be blocked or obstructed during adverse weather conditions (rain, snow, fog, etc.) without specific permission from the Department. Working hours shall be between 8:30 AM and 4:00 PM
- The traveled-way and shoulders shall be kept clear of mud and other construction debris at all times during construction of the permitted facility.
- No nonconstruction equipment or vehicles or office trailers shall be allowed on the right of way during working hours.
- The right of way shall be left free and clear of equipment, material, and vehicles during non-working hours.

B. Explosives

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

C. Other Safety Requirements

- All workers must wear OSHA conforming personal protection items at all times when work is performed on the KYTC right of way. All traffic control must conform to the latest edition of the Manual on Uniform Traffic Control Devices

II. UTILITIES * Applies to Fully Controlled Access Highways ONLY

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

II. UTILITIES (Continued)

- Encasement pipe shall conform to current standards for highway crossings in accordance with the Permits Manual.
- Parallel lines shall be constructed between back slope of ditch line and right-of-way line and shall have a minimum of 42-inch cover above top of pipe or conduit.
- All pavement cuts shall be restored per attached encroachment terms.
- Aerial crossing of this utility line shall have a minimum clearance of _____ feet from the high point of the roadway to the low point of the line (calculated at the coefficient for expansion of 120 degrees Fahrenheit).
- The 30-foot clear zone requirement shall be met to the extent possible in accordance with the Permits Manual.
- Special requirements:

No cutting, welding, drilling, or grinding shall be permitted to bridge structure without written permission from the D-08 Permit Engineer and Bridge Engineer

III. GENERAL**A. OSHA**

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

B. Archaeological

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

C. Utilities in the Work Areas

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

D. Environmental

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

Websites

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

Inspectors for KPDES KYR10 at www.KEPSC.org

VI. Paving

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

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

A. New Sidewalks

- Sidewalks shall be constructed of Class A concrete (3,500 p.s.i. test), shall be * _____ feet in width, 8 inches in thickness across the entrances, and 4 inches in thickness across the remaining sections.
- Sidewalks shall have tooled joints not less than 1 inch in depth at four foot intervals*, and 1/2 premolded expansion joints extending entirely through the sidewalk at intervals not to exceed 50 feet.
- All materials and methods of construction, including curing, shall be in accordance with the Kentucky Department of Highways Standard Specifications for Road and Bridge Construction (latest edition).

B. Existing Sidewalks

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

VIII. DENSE GRADED SHOULDERS

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

IX. CURBING

A. Bituminous Curbs

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

B. Concrete Curbs

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

X. RIGHT-OF-WAY FENCE REPLACEMENT

- The replacement fence shall be a height of at least 48 inches and shall be of sufficient density to contain all animals (if applicable).

- The replacement fence shall be a minimum of 1 foot outside the right-of-way line. The fence materials and
- design shall meet accepted industry standards and be treated as paintable.
- The permittee shall be required to maintain the fence in a high state of repair.
- The existing fence shall be removed by permittee and stored at the Department's maintenance storage yard for future reuse by the Department.
- The control of access shall not be diminished as a result of replacement of the fence.
- Miscellaneous:

NOTICE TO PERMITTEE

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

SECTION 3 - CREEK CROSSING & OVERHEAD (BRIDGE) CREEK CROSSING

3.0 Work Included. Under this item the Contractor shall provide all labor, tools, equipment, and materials to install creek crossings and overhead (bridge) creek crossings as shown on the drawings and as directed by the Engineer.

3.1 Creek Crossing Materials. The creek crossing shall be installed as per the detailed drawings or as described herein and the casing pipe shall be PVC pipe as shown. In the event where a casing pipe is not required the creek crossing shall be installed with ductile iron. All carrier pipe and casing pipe shall be that as described in other sections of these technical specifications or as shown on the plan sheets

3.1.1 Installation. The creek crossings shall be installed with plastic carrier pipe placed within a plastic casing pipe, or ductile iron carrier pipe without a casing pipe unless specified otherwise. Where a plastic casing pipe is used it shall be of the minimum size to accommodate the carrier pipe. The casing pipe or water line pipe without casing pipe shall be placed a minimum of 30 inches below the bed of the stream, creek, or river and a twelve-inch minimum layer of crushed stone shall be placed above the pipe where a casing pipe is not required. Class B concrete shall be placed between the crushed stone and the base of the stream, creek, or river, or between the casing pipe and the base of the waterway. Where concrete is placed, all water from the stream shall be diverted away from the area of concrete placement by means of diversion pipes or temporary embankments.

3.2 Overhead (Bridge) Creek Crossing Materials. The overhead (bridge) creek crossing shall be installed as per the drawings or as described herein and the pipe shall be TR flex restrained joint ductile iron pipe insulated with a pre-molded insulation and protected by an aluminum jacket. All carrier pipes shall be that as described in other sections of these technical specifications or as shown on the plan sheets.

3.2.1 Installation. The overhead creek crossings shall be installed with a flexible ball and socket type ductile iron carrier pipe placed within a rigid pre-molded cellular glass type insulation protected by an aluminum jacket. Where attached to the bridge, the carrier pipe shall be hung from the bridge with pipe rollers and hangers spaced at 9-foot intervals as shown on the drawings or as directed by the Engineer. The insulation thickness shall be 3-inch thick. The insulation shall be a cellular glass insulation type, complying with ASTM C552-00, and shall be FOAMGLAS[®] as manufactured by Pittsburgh Corning Corporation, Pittsburgh, PA., or approved equal. The aluminum jacket shall be made of plain aluminum alloy with a thickness of 0.016 in. and shall comply with ASTM B209 specifications. The aluminum jacket shall be SUREFIT as manufactured by PABCO Aluminum Products, Houston, TX, or approved equal. The pipe hangers shall be hot-dip galvanized and shall adjustable steel yoke pipe roll type as described herein or as shown on the drawings. The pipe rollers and supports shall be

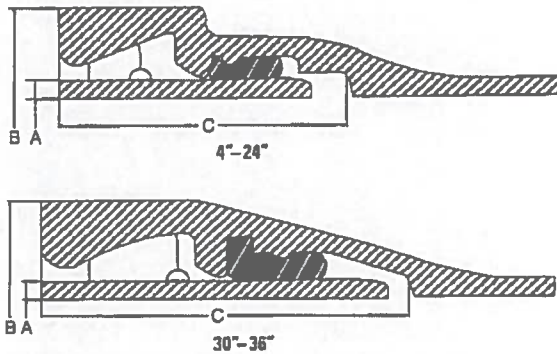
Model B3110-20 as manufactured by B-Line[®] Systems, Inc., Highland, IL, or approved equal. All hardware, banding, seals, and tie wire shall be 300 Series stainless steel.

3.3 Payment. The unit bid shall constitute full compensation for furnishing and installing the creek crossings and overhead creek crossings.



For Generations

TR FLEX® RESTRAINED JOINT PIPE



Pipe Size In.	*Pressure Rating psi	A	B	C	# of D.J. Locking Segments	# of Rubber Segments Retainers	Max Deflection Degrees	Pullout
		In.	PIPE In.	In.				
4	350	4.80	7.25	4.84	2	1	5	0.03
6	350	6.90	9.52	5.27	2	1	5	0.04
8	350	9.05	11.93	5.82	2	1	5	0.04
10	350	11.10	14.37	6.03	2	1	5	0.05
12	350	13.20	16.68	6.30	4	2	5	0.06
14	350	15.30	19.16	7.75	4	2	3-1/4	0.05
16	350	17.40	21.46	7.95	4	2	3-1/4	0.05
18	350	19.50	23.76	8.19	4	2	3	0.05
20	350	21.60	26.04	8.40	4	2	2-1/2	0.05
24	350	25.80	30.61	8.86	8	4	2-1/4	0.05
30	250	32.00	36.88	10.28	8	4	1-3/4	0.05
36	250	38.30	43.85	10.87	8	4	1-1/2	0.05

*The TR FLEX® Restrained Joint has a working pressure rating equivalent to the working pressure rating of the parent pipe with a maximum working pressure rating of 350 psi for 4 in. through 24 in. and 250 psi for 30 in. through 36 in.

NOTE: These deflections are based on joints with nominal dimensions.

ASSEMBLY INSTRUCTIONS

- Step 1.** (4"–10") Lay pipe such that one of the bell slots is accessible.
(12"–20") Lay pipe such that both of the bell slots are accessible, in the horizontal position if possible.
(24"–36") Lay pipe such that all four of the bell slots are accessible, in the diagonal position if possible.
- Step 2.** Clean the bell socket and insert gasket.
- Step 3.** Clean the spigot end to the assembly stripes.
- Step 4.** Lubricate the exposed surface of the gasket and pipe spigot end back to the weld bead.
- Step 5.** Make a normal push-on joint assembly, completely homing the pipe until the first assembly strip is in the bell socket. Keeping the joint in straight alignment during the assembly process.
- Step 6.** (4"–10") Insert the right-hand locking segment into a bell slot and slide the segment clockwise around the pipe.
(12"–36") Insert lower locking segment into a bell slot and slide the segment around the pipe.
- Step 7.** (4"–10") Insert left-hand locking segment into the bell slot and slide the segment counter-clockwise around the pipe.
(12"–36") Insert upper locking segment into the same bell slot and rotate around the pipe.
- Step 8.** (4"–10") Hold the segments apart and wedge the rubber retainer into the slot between the two locking segments.
(12"–36") Hold the upper segment in place and wedge the rubber retainer into the slot between the two locking segments.
- Step 9.** (4"–10") None.
(12"–20") Repeat steps 6–8 for other slot. Make sure that all 4 locking segments and 2 rubber retainers are securely in place.
(24"–36") Repeat steps 6–8 for other slot. Make sure that all 8 locking segments and 4 rubber retainers are securely in place.
- Step 10.** Extend the joint to remove the slack in the locking segment cavity. Joint extension is necessary to attain the marked laying length on the pipe and to minimize growth or extension of the line as it is pressurized.
- Step 11.** Set the joint deflection as required.



NEW JERSEY
183 Sitgreaves St.
Phillipsburg, NJ 08855
908-454-1161
mcwaneductile.com

OHIO
2266 S. 6th St.
Coshecton, OH 43812
740-622-6851
mcwaneductile.com

UTAH
1401 E 2000 S
Provo, UT 84603
801-373-6910
mcwaneductile.com



CANADA
1757 Burlington St. E
Hamilton, ON L8N 3R5
905-547-3251
canadapipe.com



Distribution-Major Construction

Western Pulaski Co Water District
Facility Requirements

Activity ID No.:APE20170002

Page 1 of 7

GACT000000098 (Big Clifty Creek Area Water Transmission Main & Im) 40,100 linear feet of 8 inch PVC, 5,100 linear feet of 8 inch DI, and 1,200 linear feet of 12 inch DI wle, a pump station with 3 pumps at 400 gpm and 290 feet tdh, a pump station with 3 pumps at 800 gpm and 172 feet tdh:

Narrative Requirements:

Condition No.	Condition
T-1	Construction of this project shall not result in the water system's inability to supply consistent water service in compliance with 401 KAR 8:010 through 8:600. [401 KAR 8:100 Section 5]
T-2	The public water system shall not implement a change to the approved plans without the prior written approval of the cabinet. [401 KAR 8:100 Section 4(3)]
T-3	A proposed change to the approved plans affecting sanitary features of design shall be submitted to the cabinet for approval in accordance with Section 2 of this administrative regulation. [401 KAR 8:100 Section 4(2)]
T-4	During construction, a set of approved plans and specifications shall be available at the job site. Construction shall be performed in accordance with the approved plans and specifications. [401 KAR 8:100 Section 3(1)]
T-5	Unless construction begins within two (2) years from the date of approval of the final plans and specifications, the approval shall expire. [401 KAR 8:100 Section 3(3)]
T-6	Upon completion of construction, a professional engineer shall certify in writing that the project has been completed in accordance with the approved plans and specifications. [401 KAR 8:100 Section 4(1)]
T-7	The system shall be designed to maintain a minimum pressure of 20 psi at ground level at all points in the distribution system under all conditions of flow. [Recommended Standards for Water Works 8.2.1, Drinking Water General Design Criteria IV.1.a]
T-8	Water lines should be hydraulically capable of a flow velocity of 2.5 ft/s while maintaining a pressure of at least 20 psi. [Drinking Water General Design Criteria IV.1.b]
T-9	The normal working pressure in the distribution system at the service connection shall not be less than 30 psi under peak demand flow conditions. Peak demand is defined as the maximum customer water usage rate, expressed in gallons per minute (gpm), in the pressure zone of interest during a 24 hour (diurnal) time period. [Drinking Water General Design Criteria IV.1.d]
T-10	When static pressure exceeds 150 psi, pressure reducing devices shall be provided on mains or as part of the meter setting on individual service lines in the distribution system. [Drinking Water General Design Criteria IV.1.c]
T-11	The minimum size of water main in the distribution system where fire protection is not to be provided should be a minimum of three (3) inch diameter. Any departure from minimum requirements shall be justified by hydraulic analysis and future water use, and can be considered only in special circumstances. [Recommended Standards for Water Works 8.2.2, Drinking Water General Design Criteria IV.2.b]

Distribution-Major Construction
Western Pulaski Co Water District
Facility Requirements

Activity ID No.:APE20170002

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GACT0000000098 (Big Clifty Creek Area Water Transmission Main & Im) 40,100 linear feet of 8 inch PVC, 5,100 linear feet of 8 inch DI, and 1,200 linear feet of 12 inch DI wle, a pump station with 3 pumps at 400 gpm and 290 feet tdh, a pump station with 3 pumps at 800 gpm and 172 feet tdh:

Narrative Requirements:

Condition No.	Condition
T-12	Water mains not designed to carry fire-flows shall not have fire hydrants connected to them. [Recommended Standards for Water Works 8.4.1.b]
T-13	Flushing devices should be sized to provide flows which will give a velocity of at least 2.5 feet per second in the water main being flushed. [Recommended Standards for Water Works 8.2.4.b, Recommended Standards for Water Works 8.4.1.b]
T-14	No flushing device shall be directly connected to any sewer. [Recommended Standards for Water Works 8.2.4.b, Recommended Standards for Water Works 8.4.1.b]
T-15	Pipe shall be constructed to a depth providing a minimum cover of 30 inches to top of pipe. [Drinking Water General Design Criteria IV.3.a]
T-16	Water mains shall be covered with sufficient earth or other insulation to prevent freezing. [Recommended Standards for Water Works 8.7]
T-17	A continuous and uniform bedding shall be provided in the trench for all buried pipe. Backfill material shall be tamped in layers around the pipe and to a sufficient height above the pipe to adequately support and protect the pipe. Stones found in the trench shall be removed for a depth of at least six inches below the bottom of the pipe. [Recommended Standards for Water Works 8.7]
T-18	Water line installation shall incorporate the provisions of the AWWA standards and/or manufacturer's recommended installation procedures. [Recommended Standards for Water Works 8.7]
T-19	All materials used for the rehabilitation of water mains shall meet ANSI/NSF standards. [Recommended Standards for Water Works 8.1]
T-20	Packing and jointing materials used in the joints of pipe shall meet the standards of AWWA and the reviewing authority. [Recommended Standards for Water Works 8.1]
T-21	All tees, bends, plugs and hydrants shall be provided with reaction blocking, tie rods or joints designed to prevent movement. [Recommended Standards for Water Works 8.7]
T-22	All materials including pipe, fittings, valves and fire hydrants shall conform to the latest standards issued by the ASTM, AWWA and ANSI/NSF, where such standards exist, and be acceptable to the Division of Water. [Recommended Standards for Water Works 8.1]
T-23	Water mains which have been used previously for conveying potable water may be reused provided they meet the above standards and have been restored practically to their original condition. [Recommended Standards for Water Works 8.1]

Distribution-Major Construction

Western Pulaski Co Water District
Facility Requirements

Activity ID No.:APE20170002

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GACT000000098 (Big Clifty Creek Area Water Transmission Main & Im) 40,100 linear feet of 8 inch PVC, 5,100 linear feet of 8 inch DI, and 1,200 linear feet of 12 inch DI wle, a pump station with 3 pumps at 400 gpm and 290 feet tdh, a pump station with 3 pumps at 800 gpm and 172 feet tdh:

Narrative Requirements:

Condition No.	Condition
T-24	Manufacturer approved transition joints shall be used between dissimilar piping materials. [Recommended Standards for Water Works 8.1]
T-25	Pipes and pipe fittings containing more than 8% lead shall not be used. All products shall comply with ANSI/NSF standards. [Recommended Standards for Water Works 8.1]
T-26	The minimum size of water main which provides for fire protection and serving fire hydrants shall be six?inch diameter. [Recommended Standards for Water Works 8.2, Drinking Water General Design Criteria IV.2.a]
T-27	Gaskets containing lead shall not be used. Repairs to lead?joint pipe shall be made using alternative methods. [Recommended Standards for Water Works 8.1]
T-28	Pipe materials shall be selected to protect against both internal and external pipe corrosion. [Recommended Standards for Water Works 8.1]
T-29	Dead end mains shall be equipped with a means to provide adequate flushing. [Recommended Standards for Water Works 8.2]
T-30	The hydrant lead shall be a minimum of six inches in diameter. Auxiliary valves shall be installed on all hydrant leads. [Recommended Standards for Water Works 8.4.3]
T-31	A sufficient number of valves shall be provided on water mains to minimize inconvenience and sanitary hazards during repairs. [Recommended Standards for Water Works 8.3]
T-32	Wherever possible, chambers, pits or manholes containing valves, blow?offs, meters, or other such appurtenances to a distribution system, shall not be located in areas subject to flooding or in areas of high groundwater. Such chambers or pits should drain to the ground surface, or to absorption pits underground. The chambers, pits and manholes shall not connect directly to any storm drain or sanitary sewer. Blow?offs shall not connect directly to any storm drain or sanitary sewer. [Recommended Standards for Water Works 8.6]
T-33	At high points in water mains where air can accumulate provisions shall be made to remove the air by means of air relief valves. [Recommended Standards for Water Works 8.5.1]
T-34	Automatic air relief valves shall not be used in situations where flooding of the manhole or chamber may occur. [Recommended Standards for Water Works 8.5.1]

Distribution-Major Construction

Western Pulaski Co Water District
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GACT0000000098 (Big Clifty Creek Area Water Transmission Main & Im) 40,100 linear feet of 8 inch PVC, 5,100 linear feet of 8 inch DI, and 1,200 linear feet of 12 inch DI wle, a pump station with 3 pumps at 400 gpm and 290 feet tdh, a pump station with 3 pumps at 800 gpm and 172 feet tdh:

Narrative Requirements:

Condition No.	Condition
T-35	The open end of an air relief pipe from automatic valves shall be extended to at least one foot above grade and provided with a screened, downward-facing elbow. [Recommended Standards for Water Works 8.5.2.c]
T-36	Discharge piping from air relief valves shall not connect directly to any storm drain, storm sewer, or sanitary sewer. [Recommended Standards for Water Works 8.5.2.d]
T-37	Water pipe shall be constructed with a lateral separation of 10 feet or more from any gravity sanitary or combined sewer measured edge to edge where practical. If not practical a variance may be requested to allow the water pipe to be installed closer to the gravity sanitary or combined sewer provided the water pipe is laid in a separate trench or undisturbed shelf located on one side of the sewer with the bottom of the pipe at least 18 inches above the top of the gravity sanitary or combined sewer pipe. [Drinking Water General Design Criteria IV.3.b]
T-38	Water lines crossing sanitary, combined or storm sewers shall be laid to provide a minimum vertical distance of 18 inches between the outside of the water main and the outside of the sanitary, combined or storm sewer with preference to the water main located above the sanitary, combined or storm sewer. [Drinking Water General Design Criteria IV.3.c]
T-39	At crossings, one full length of water pipe shall be located so both joints will be as far from the sewer as possible. [Recommended Standards for Water Works 8.8.3.b]
T-40	There shall be no connection between the distribution system and any pipes, pumps, hydrants, or tanks whereby unsafe water or other contaminating materials may be discharged or drawn into the system. [Recommended Standards for Water Works 8.10.1]
T-41	Water utilities shall have a cross connection program conforming to 401 KAR 8. [Recommended Standards for Water Works 8.10.1]
T-42	Installed pipe shall be pressure tested and leakage tested in accordance with the appropriate AWWA Standards. [Recommended Standards for Water Works 8.7.6]
T-43	New, cleaned and repaired water mains shall be disinfected in accordance with AWWA Standard C651. The specifications shall include detailed procedures for the adequate flushing, disinfection, and microbiological testing of all water mains. In an emergency or unusual situation, the disinfection procedure shall be discussed with the Division of Water. [Recommended Standards for Water Works 8.7.7]
T-44	A minimum cover of five feet shall be provided over pipe crossing underwater. [Recommended Standards for Water Works 8.9.2]

Distribution-Major Construction

Western Pulaski Co Water District
Facility Requirements

Activity ID No.:APE20170002

Page 5 of 7

GACT000000098 (Big Clifty Creek Area Water Transmission Main & Im) 40,100 linear feet of 8 inch PVC, 5,100 linear feet of 8 inch DI, and 1,200 linear feet of 12 inch DI wle, a pump station with 3 pumps at 400 gpm and 290 feet tdh, a pump station with 3 pumps at 800 gpm and 172 feet tdh:

Narrative Requirements:

Condition No.	Condition
T-45	Valves shall be provided at both ends of water crossings so that the section can be isolated for testing or repair; the valves shall be easily accessible, and not subject to flooding for pipes crossing underwater. [Recommended Standards for Water Works 8.9.2.b]
T-46	Permanent taps or other provisions to allow insertion of a small meter to determine leakage and obtain water samples on each side of the valve closest to the supply source for pipes crossing. [Recommended Standards for Water Works 8.9.2.c]
T-47	Pumping facilities shall be elevated to a minimum of three feet above the 100-year flood elevation, or three feet above the highest recorded flood elevation, whichever is higher, or protected to such elevations, [Recommended Standards for Water Works 6.1.1.a]
T-48	Pumping facilities shall be readily accessible at all times. [Recommended Standards for Water Works 6.1.1.b]
T-49	Pumping facilities shall be graded around the station so as to lead surface drainage away from the station. [Recommended Standards for Water Works 6.1.1.c]
T-50	Pumping facilities shall be protected to prevent vandalism and entrance by animals or unauthorized persons. [Recommended Standards for Water Works 6.1.1.d]
T-51	Raw and finished pump stations shall have adequate space for the installation of additional units if needed, and for the safe servicing of all equipment. [Recommended Standards for Water Works 6.2.a]
T-52	Raw and finished pump stations shall have floors that slope to a suitable drain. [Recommended Standards for Water Works 6.2.e]
T-53	Raw and finished pump stations shall provide a suitable outlet for drainage from pump glands without discharging onto the floor. [Recommended Standards for Water Works 6.2.f]
T-54	At least two pumping units shall be provided. With any pump out of service, the remaining pump or pumps shall be capable of providing the maximum pumping demand of the system. [Recommended Standards for Water Works 6.3]
T-55	Pumps shall have ample capacity to supply the peak demand against the required distribution system pressure without dangerous overloading, [Recommended Standards for Water Works 6.3.a]
T-56	Pumps shall be driven by prime movers able to meet the maximum horsepower condition of the pumps. [Recommended Standards for Water Works 6.3.b]

Distribution-Major Construction

Western Pulaski Co Water District
Facility Requirements

Activity ID No.:APE20170002

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GACT000000098 (Big Clifty Creek Area Water Transmission Main & Im) 40,100 linear feet of 8 inch PVC, 5,100 linear feet of 8 inch DI, and 1,200 linear feet of 12 inch DI wle, a pump station with 3 pumps at 400 gpm and 290 feet tdh, a pump station with 3 pumps at 800 gpm and 172 feet tdh:

Narrative Requirements:

Condition No.	Condition
T-57	Pumps shall be provided with readily available spare parts and tools. [Recommended Standards for Water Works 6.3.c]
T-58	Pump stations shall have indicating, totalizing, and recording metering of the total water pumped. [Recommended Standards for Water Works 6.6.3]
T-59	Each pump shall have a standard pressure gauge on its discharge line. [Recommended Standards for Water Works 6.6.3.a]
T-60	Each pump shall have a compound gauge on its suction line. [Recommended Standards for Water Works 6.6.3.b]
T-61	Where two or more pumps are installed, provision shall be made for alternation. [Recommended Standards for Water Works 6.6.5]
T-62	Provisions shall be made to prevent energizing the pump motor in the event of a backspin cycle. [Recommended Standards for Water Works 6.6.5]
T-63	Electrical controls shall be located above grade. [Recommended Standards for Water Works 6.6.5]
T-64	Equipment shall be provided or other arrangements made to prevent surge pressures from activating controls which switch on pumps or activate other equipment outside the normal design cycle of operation. [Recommended Standards for Water Works 6.6.5]
T-65	Pump stations shall have a power supply provided from at least two independent sources or a standby or an auxiliary source. [Recommended Standards for Water Works 6.6.6]
T-66	If standby power is provided by onsite generators or engines, the fuel storage and fuel line must be designed to protect the water supply from contamination. [Recommended Standards for Water Works 6.6.6]
T-67	All lubricants which come into contact with the potable water shall be certified for conformance to ANSI/NSF Standard 60. [Recommended Standards for Water Works 6.6.8]
T-68	Booster pumps stations shall have a bypass available. [Recommended Standards for Water Works 6.4.e]
T-69	Each booster pumping station shall contain not less than two pumps with capacities such that peak demand can be satisfied with the largest pump out of service. [Recommended Standards for Water Works 6.4.1]

Distribution-Major Construction

Western Pulaski Co Water District
Facility Requirements

Activity ID No.:APE20170002

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GACT000000098 (Big Clifty Creek Area Water Transmission Main & Im) 40,100 linear feet of 8 inch PVC, 5,100 linear feet of 8 inch DI, and 1,200 linear feet of 12 inch DI wle, a pump station with 3 pumps at 400 gpm and 290 feet tdh, a pump station with 3 pumps at 800 gpm and 172 feet tdh:

Narrative Requirements:

Condition No.	Condition
T-70	All booster pumping stations shall be fitted with a flow rate indicating and totalizer meter. [Recommended Standards for Water Works 6.4.2]
T-71	Inline booster pumps shall be accessible for servicing and repairs. [Recommended Standards for Water Works 6.4.3]
T-72	Each pump must have an isolation valve on the intake and discharge side of the pump to permit satisfactory operation, maintenance and repair of the equipment. [Recommended Standards for Water Works 6.6.1]
T-73	Each pump shall have a positive?acting check valve on the discharge side between the pump and the shut?off valve. [Recommended Standards for Water Works 6.6.1]
T-74	Pump station piping shall be designed so that the friction losses will be minimized, not be subject to contamination, have watertight joints, be protected against surge or water hammer with suitable restraints when necessary, and be such that each pump has an individual suction line or the lines shall be manifolded that they will insure similar hydraulic and operating conditions. [Recommended Standards for Water Works 6.6.2]
T-75	Booster pumps taking suction from storage tanks shall be provided adequate net positive suction head. [Recommended Standards for Water Works 6.4.b]
T-76	Booster pumps shall controlled so that automatic shutoff or low pressure controllers maintain at least 20 psi in the suction line under all operating conditions. [Recommended Standards for Water Works 6.4.c]
T-77	Booster pumps taking suction from ground storage tanks shall be equipped with automatic shutoffs or low pressure controllers. [Recommended Standards for Water Works 6.4.c]
T-78	All automatic pump stations should be provided with automatic signaling apparatus which will report when the station is out of service. [Recommended Standards for Water Works 6.5]
T-79	All remote controlled stations shall be electrically operated and controlled and shall have signaling apparatus of proven performance. [Recommended Standards for Water Works 6.5]
T-80	Raw and finished pump stations shall have a floor elevation of at least six inches above finished grade. [Recommended Standards for Water Works 6.2.c]

EXHIBIT C

Letter of District Requesting Approval to Use
Excess Grant Proceeds and Letter of RD Approving
Use.

Western Pulaski County Water District
1059 W. Hwy 80
Somerset, KY 42503
606-679-1569
Fax 606-677-9449

"This institution is an equal opportunity provider, and employer."

October 20, 2020

Mr. Kent A. Chandler, Acting Executive Director
Kentucky Public Service Commission
211 Sower Boulevard
P.O. Box 615
Frankfort, Kentucky 40602

RE: Western Pulaski County Water District *Case No. 2018-00203*
Big Clifty Creek Area Water System Improvements – Phase 2:
KY Highway 80/Fishing Creek Bridge Water Line Replacement

Dear Director Chandler:

The Western Pulaski County Water District hereby notifies the Kentucky Public Service Commission of the following additional construction regarding the Western Pulaski County Water District 's Big Clifty Creek Area Water System Improvements Project. The District plans to utilize the remaining USDA Rural Development Grant funds from the District 's Big Clifty Creek Area Water System Improvements-Phase 1 Project plus a Kentucky Infrastructure Authority Fund B Loan (B20-004) to construct the following additional work items:

- Big Clifty Creek Area Water System Improvements – Phase 2: KY Highway 80/Fishing Creek Bridge Water Line Replacement (Bid Value@ \$1,385,875, anticipated final cost of \$1,865,000)
 - 1,250 LF of 12-Inch Waterline Replacement along the Fishing Creek Bridge;
 - 1,250 LF of 12-Inch Waterline Replacement along KY Highway 80 on the east and west sides of the Fishing Creek Bridge

No change in rates will result from this additional construction.

A letter from the lending agency, USDA, Rural Development, authorizing the use of the surplus project contingency funds (Grant) for the above construction is attached hereto.

Should you have any questions or need additional information, please advise.

Sincerely,



Don Calder, Chairman
Western Pulaski County Water District



United States Department of Agriculture

October 12, 2020

Mr. Don Calder, Chairman
Western Pulaski County Water District
2128 W. Highway 80
Somerset, Kentucky 42503

RE: Western Pulaski County Water District – Remaining RD Loan Funds for the
Big Clifty Creek Area Water System Improvements Project

Dear Mr. Calder:

This letter is to advise that Rural Development is agreeable to your request to utilize left over Grant funds from the above-referenced project, so long as funds exist, to provide for the water line replacements along KY Highway 80 and the Fishing Creek Bridge.

Should you have any questions, please contact Clay McKnight at (606) 864-2172, ext. 2266.

Sincerely,

BT BARRY R. TURNER
Area Director

cc: Rubin & Hayes, W. Randall Jones, Esq. via Email

Rural Development • London Area Office
100 Fortress Properties Street, Suite 3, London, KY 40741
Voice (606) 864-2172, EXT 4 • Fax 1-855-454-4516

USDA is an equal opportunity provider and employer.

If you wish to file a Civil Rights program complaint of discrimination, complete the USDA Program Discrimination Complaint Form (PDF), found online at http://www.ascr.usda.gov/complaint_filing_cust.html, or at any USDA office, or call (866) 632-9992 to request the form. You may also write a letter containing all of the information requested in the form. Send your completed complaint form or letter to us by mail at U.S. Department of Agriculture, Director, Office of Adjudication, 1400 Independence Avenue, S.W., Washington, D.C. 20250-9410, by fax (202) 690-7442 or email at program.intake@usda.gov.

EXHIBIT D

KIA Conditional Commitment Letter



KENTUCKY INFRASTRUCTURE AUTHORITY

Andy Beshear
Governor

100 Airport Road
Frankfort, Kentucky 40601
(502) 573-0260
(502) 696-0676 (fax)
kia.ky.gov

Edith Halbleib
Executive Director

September 28, 2020

Honorable Don Calder, Chairman
Western Pulaski County Water District
2128 W Hwy 80
Somerset, KY 42503

KENTUCKY INFRASTRUCTURE AUTHORITY INFRASTRUCTURE REVOLVING LOAN FUND CONDITIONAL COMMITMENT LETTER(B20-004)

Dear Chairman:

The Kentucky Infrastructure Authority ("the Authority") commends your efforts to improve public service facilities in your community. On September 24, 2020, the Authority approved your loan for the Ky Hwy 80 WL Replacement & Fishing Creek Bridge WL Replacement project subject to the conditions stated in Attachment A to this letter. The total cost of the project shall not exceed \$1,865,000, without prior authorization, of which the Authority loan shall provide \$1,146,000 of the funding. Other anticipated funding for the project is reflected in Attachment B. The final loan amount will be equal to the Authority's portion of estimated project cost applied to the actual project cost. Attachment B incorporated herein by reference fully describes the project.

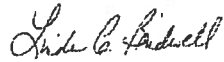
An Assistance Agreement will be executed between the Authority and the Western Pulaski County Water District upon satisfactory performance of the conditions set forth in Attachment A. You must meet the conditions set forth in Attachment A and enter into an Assistance Agreement by September 28, 2021 (twelve months from the date of this letter). A one-time extension of up to six months may be granted for applicants that experience extenuating circumstances. Funds will be available for disbursement only after execution

Chairman
September 28, 2020
Page 2

of the Assistance Agreement.

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

Sincerely,



Linda Bridwell, PE
Deputy Executive Director
Kentucky Infrastructure Authority

Attachments

cc: David M Bowles, Monarch Engineering, Inc.
Monarch Engineering, Inc., Deron S Byrne

Please sign and return a copy of this letter indicating your acceptance of this commitment and its terms. Complete the attached "Authorization for Electronic Deposit of Vendor Payment Form" and the "ACH Debit Authorization Form" and **return to the US Bank address at the bottom of each form**. Also included are the "Legal Counsel Certification Letter" sample and the "Statement of Approval of Projections of Revenue and Expenses" for you to complete at the appropriate time.



Accepted



Date

Chairman
September 28, 2020
Attachment A

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

1. The Authority project loan shall not exceed \$1,146,000.
2. The loan shall bear interest at the rate of 1.50% per annum commencing with the first draw of funds.
3. The loan shall be repaid over a period not to exceed 20 years from the date of the last draw of funds.
4. Interest shall be payable on the amount of actual funds received. The first payment shall be due on June 1, or December 1, immediately succeeding the date of the initial draw of funds, provided that if such June 1, or December 1, shall be less than three months since the date of the initial draw of funds, then the first interest payment date shall be the June 1, or December 1, which is at least six months from the date of the initial draw of funds. Interest payments will be due each six months thereafter until the loan is repaid. KIA requires the use of Automated Clearing House (ACH) debits for payment of all balances due on the loan. This will ensure that payments are credited timely to your account without the risk of incurring late payment fees. If the due date falls on a weekend or holiday your account will be debited on the next business day. Please complete and return the attached authorization to U.S. Bank for processing.
5. Full principal payments will commence on June 1, or December 1, immediately succeeding the date of the last draw of funds, provided that if such June 1, or December 1, shall be less than three months since the date of the last draw of funds, then the first principal payment date shall be the June 1, or December 1, which is at least six months from the date of the last draw of funds. Full payments will be due each six months thereafter until the loan is repaid.
6. A loan servicing fee of 0.20% of the outstanding loan balance shall be payable to the Authority as a part of each interest payment.
7. Loan funds will only be disbursed after execution of the Assistance Agreement as project costs are incurred.
8. The Authority loan funds must be expended within six months of the official date of initiation of operation.
9. The Authority requires that an annual financial audit be provided for the life of the loan.

10. The final Assistance Agreement must be approved by ordinance or resolution, as applicable, of the city council or appropriate governing board.
11. The borrower must maintain a 1.1 debt coverage ratio throughout the life of the KIA loan. All borrowers are subject to at least an annual financial review for compliance.

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

1. Upon completion of final design of the facilities in the attached project description, favorable approval shall be obtained of such design by all appropriate parties as required by Kentucky statute or administrative regulation.
2. The Borrower must provide certification from their legal counsel stating that the procurement procedures, including those for construction, land, equipment and professional services that are a part of the project, are in compliance with applicable state and local procurement laws.
3. Documentation of final funding commitments from all parties other than the Authority as reflected in the Attachment B description shall be provided prior to preparation of the Assistance Agreement and disbursement of the loan monies. Rejections of any anticipated project funding, or any new funding sources not reflected in Attachment B shall be immediately reported and may cause this loan to be subject to further consideration.
4. Upon receipt of construction bids a tabulation of such bids and engineer's recommendations on compliance with bid specifications and recommendation for award, shall be forwarded to the Authority for final approval and sizing of this loan and the project.
5. The loan must undergo review by the Capital Projects and Bond Oversight Committee of the Kentucky Legislature prior to the state's execution of the Assistance Agreement. The Committee meets monthly on the third Tuesday. Any special conditions listed in Attachment B must be satisfied before the project is presented before the Committee.
6. Any required adjustment in utility service rates shall be adopted by ordinance, municipal order or resolution by the appropriate governing body of the Borrower. Public hearings as required by law shall be held prior to the

adoption of the service rate ordinance, order, or resolution. Any required approvals by the Kentucky Public Service Commission shall be obtained.

7. Based on the final "as bid" project budget, the borrower must provide satisfactory proof, based on then existing conditions, that the revenue projections in the attached descriptions are still obtainable and that the projections of operating expenses have not materially changed. The "as bid" project budget shall be reviewed and approved by your consultant engineer.
8. All easements or purchases of land shall be completed prior to commencement of construction. Certification of all land or easement acquisitions shall be provided to the Authority.
9. The Borrower must provide documentation of Clearinghouse Endorsement and Clearinghouse Comments.
10. The Borrower must complete and return the attached "Authorization for Electronic Deposit of Vendor Payment" form to the Authority, and "ACH Debit Authorization" form to US Bank.
11. The Borrower will implement the Kentucky Uniform System of Accounting (KUSoA), or an alternative approved by the Authority and assure that rates and charges for services are based upon the cost of providing such service.
12. The Borrower will provide Final Design Plans in an AutoCAD Drawing File Format (DWG), referenced to the appropriate (North, South or Single) Kentucky State Plane Coordinate System (NAD83-Survey Feet) on a Compact Disc (CD). The recipient shall provide the Authority a digital copy (pdf) of the record drawings from the project within three months of construction completion.

Any special conditions listed in Attachment B must be resolved.

Fund B/C LOAN CONDITIONS CHECKLIST

Congratulations on receiving a conditional commitment of funding from KIA's Fund B/C Loan Program. Borrowers will now be assigned a Compliance Analyst to help guide them through the rest of the loan process based on which Area Development District (ADD) they are located. Please submit all documents to one of the following contacts:

- Julie Bickers (Julie.Bickers@ky.gov, 502-892-3455): Purchase, Pennyrile, Green River, Barren River, Lake Cumberland.
- Debbie Landrum (Debbie.Landrum@ky.gov, 502-892-3454): Lincoln Trail, KIPDA, Northern KY, Bluegrass.
- Sarah Parsley (Sarah.Parsley@ky.gov, 502-892-3177): Buffalo Trace, Gateway, FIVCO, Big Sandy, KY River, Cumberland Valley

After all of the conditions of the Conditional Commitment Letter have been fulfilled, KIA will initiate the Assistance Agreement with the borrower. The Assistance Agreement must be fully executed before any funds may be disbursed. The following is a list of items needed to process your loan (forms can be found here <https://kia.ky.gov/FinancialAssistance/Pages/Forms.aspx>):

Before bid opening, submit the following items to the designated agency.

Submit To:		
KIA	<input type="checkbox"/>	Conditional Commitment Letter (this letter is sent to the borrower via email shortly following KIA board approval and is to be signed by the authorizing official)
USBANK	<input type="checkbox"/>	Authorization for Electronic Deposit/Debit of Borrower Disbursements/ Payment (these forms are attached to the loan commitment letter sent after KIA board approval and are to be signed by the authorizing official and forwarded to US Bank)
KIA	<input type="checkbox"/>	Eclearinghouse Endorsement (if not already submitted with loan application)
DOW	<input type="checkbox"/>	Plans and specifications (Kentucky Division of Water will review and KIA will need copy of approval letter)
KIA	<input type="checkbox"/>	Proof of compliance with any special condition identified in the Conditional Commitment Letter (e.g. adopted ordinance).

After the project has opened bids, please submit the following items to the designated agency assigned below. It is imperative that the remaining standard conditions are fulfilled by the deadlines set forth in the Conditional Commitment Letter.

Submit To:		
KIA	<input type="checkbox"/>	Bid Advertisement
KIA	<input type="checkbox"/>	Bid Tabulation and Engineer's Recommendation
KIA	<input type="checkbox"/>	As-Bid Budget
KIA	<input type="checkbox"/>	Procurement Certification (KIA sends to borrower after bid opening for signature.)
KIA	<input type="checkbox"/>	Certification of obtainable revenue projections (KIA sends to borrower after bid opening for signature.)
KIA	<input type="checkbox"/>	Certification of clear site (KIA sends to borrower after bid opening for signature.)
KIA	<input type="checkbox"/>	Plans and specifications approval from the Kentucky Division of Water
KIA	<input type="checkbox"/>	Public Service Commission (PSC) approval , (CPCN and Authorization to Incur Debt) if applicable.

**AUTHORIZATION FOR ELECTRONIC DEPOSIT
OF BORROWER PAYMENT
KENTUCKY INFRASTRUCTURE AUTHORITY
LOAN NUMBER: B20-004**

Borrower Information:

Name: _____

Address: _____

City: _____ State: KY Zip: _____

Federal I.D. #: _____ Telephone: _____

Contact Name: _____

Email: _____

Financial Institution Information:

Bank Name: _____

Branch: _____ Telephone: _____

City: _____ State: KY Zip: _____

Transit / ABA No: _____

Account Name: _____

Account Number: _____

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

Signature: _____ Date: _____

Name Printed: _____ Job Title: _____

**Send to: U.S. Bank
Attention: Corporate Trust Administration
One Financial Square
Mail Code: CN-KY-0850
Louisville, KY 40202**

KIA Loan # B20-004

ACH DEBIT AUTHORIZATION FORM

**AUTHORIZATION AGREEMENT FOR PRE-ARRANGED PAYMENTS
(DEBITS)**

The undersigned hereby authorizes U.S. Bank National Association Corporate Trust Department ("U.S. Bank") to initiate debit entries to the Checking Savings (specify type) account indicated below at the bank named below:

BANK NAME _____ BRANCH _____
CITY _____ STATE _____ ZIP CODE _____
BANK TRANSIT/ABA NO. _____ ACCOUNT NO. _____

This authority is to remain in full force and effect until U.S. Bank has received written notification from the undersigned of its termination in such time and in such manner as to afford U.S. Bank a reasonable opportunity to act. The undersigned has the right to stop payment of a debit entry by reasonable prior written notification to U.S. Bank. After the above account has been charged, the undersigned has the right to have the amount of any erroneous debit immediately credited to its account by U.S. Bank up to 30 days following issuance of a statement.

NAME OF ENTITY: _____
ADDRESS _____
TAX IDENTIFICATION NUMBER: _____

By _____ Dated _____
Authorized Signer

Send to: U.S. Bank
Attention: Corporate Trust Administration
One Financial Square
Mail Code: CN-KY-0850
Louisville, KY 40202

SAMPLE LETTER

[Letterhead of Counsel for Water Utility]

[Date]

Kentucky Infrastructure Authority
100 Airport Road
Frankfort, Kentucky 40601

RE: Loan#
 City of xxxxx

Ladies and Gentlemen:

The undersigned is an attorney at law duly admitted to the practice of law in the Commonwealth of Kentucky and is legal counsel to the XXXXXXXXXXXX, hereinafter referred to as the "Water Utility ". I am familiar with the organization and existence of the Water Utility and the laws of the Commonwealth applicable thereto. Additionally I am familiar with the water project (the "Project") with respect to which the funding commitment by and between the Kentucky Infrastructure Authority ("Authority") and the Water Utility.

I have reviewed the commitment letter by and between the Authority and the Water Utility and the documentation regarding wage rates and procurement with respect to the Project.

Based upon my review I am of the opinion that:

The Water Utility has prepared construction specifications in accordance with all procurement procedures including those for construction, land, equipment and professional services that are a part of the project are in compliance with all applicable state and local procurement laws.

Respectfully,

COMPLETE AFTER BID OPENING

**STATEMENT OF APPROVAL
OF PROJECTIONS OF REVENUE AND EXPENSES**

Borrower Name: _____

Loan No.: _____

I hereby certify that the revenue projections in the attached descriptions are still obtainable and that projections of operating expenses have not materially changed based on the "as-bid" budget submitted for the Project.

Signed: _____

Borrower

Date

SITE CERTIFICATE

I certify that the loan recipient, the _____, of _____
County, KY, has acquired all real property including easements and rights-of-way that are or will
be required for the construction, (erection, extension, modification, addition) operation and
maintenance of the _____ project.

Date this ____ day of _____, 20____.

_____, _____
Borrower Title

ATTACHMENT B

**Western Pulaski County Water District
B20-004**

EXECUTIVE SUMMARY KENTUCKY INFRASTRUCTURE AUTHORITY FUND B, INFRASTRUCTURE REVOLVING LOAN FUND		Reviewer Date KIA Loan Number WRIS Number	Sarah Parsley September 24, 2020 B20-004 WX21199136	
BORROWER		WESTERN PULASKI COUNTY WATER DISTRICT PULASKI COUNTY		
BRIEF DESCRIPTION				
This project consists of replacing approximately 1250 linear feet of existing 10-inch, 8-inch, and 6-inch lines along Kentucky Highway 80 before and after the Fishing Creek Bridge as well as removing the existing 1250 linear feet of existing 10-inch water line attached to the bridge and replacing it with 1250 LF of 12-inch ductile iron pipe, support hangers, insulation, and accessories.				
PROJECT FINANCING		PROJECT BUDGET		
Fund B Loan	\$1,146,000	RD Fee %	Actual %	
USDA RD Grant	719,000	Eng - Design / Const	8.1%	7.5%
	-	Eng - Insp	5.0%	4.6%
	-	Eng - Other		
	-	Construction		1,496,200
	-	Contingency		149,800
TOTAL	\$1,865,000	TOTAL	\$1,865,000	
REPAYMENT	Rate Term	1.50% 20 Years	Est. Annual Payment 1st Payment	\$68,829 6 Mo. after first draw
PROFESSIONAL SERVICES	Engineer Bond Counsel	Monarch Engineering, Inc. Rubin & Hays		
PROJECT SCHEDULE	Bid Opening Construction Start Construction Stop	Sep-20 Nov-20 Jan-21		
DEBT PER CUSTOMER	Existing Proposed	\$942 \$1,022		
OTHER DEBT	See Attached			
OTHER STATE-FUNDED PROJECTS LAST 5 YRS	See Attached			
RESIDENTIAL RATES	Current Additional	<u>Users</u> 8,279 0	<u>Avg. Bill</u> \$30.20 (for 4,000 gallons) \$30.20 (for 4,000 gallons)	
REGIONAL COORDINATION	This project is consistent with regional planning recommendations.			
CASHFLOW	Cash Flow Before Debt Service	Debt Service	Cash Flow After Debt Service	Coverage Ratio
Audited 2017	805,074	342,035	463,039	2.4
Audited 2018	670,774	342,663	328,111	2.0
Audited 2019	1,018,107	363,514	654,593	2.8
Projected 2020	988,990	427,903	561,087	2.3
Projected 2021	964,857	468,974	495,884	2.1
Projected 2022	943,199	503,713	439,486	1.9
Projected 2023	921,108	499,763	421,345	1.8
Projected 2024	898,575	499,215	399,360	1.8

Reviewer: Sarah Parsley
Date: Sept 24, 2020
Loan Number: B20-004

**KENTUCKY INFRASTRUCTURE AUTHORITY
INFRASTRUCTURE REVOLVING LOAN FUND (FUND B)
WESTERN PULASKI COUNTY WATER DISTRICT, PULASKI COUNTY
PROJECT REVIEW
WX21199136**

I. PROJECT DESCRIPTION

The Western Pulaski County Water District is requesting a Fund B loan in the amount of \$1,146,000 for the Ky Hwy 80 Waterline Replacement & Fishing Creek Bridge Waterline Replacement project. This project consists of replacing approximately 1250 linear feet of existing 10-inch, 8-inch, and 6-inch lines along Kentucky Highway 80 before and after the Fishing Creek Bridge as well as removing the existing 1250 linear feet of existing 10-inch water line attached to the bridge and replacing it with 1250 LF of 12-inch ductile iron pipe, support hangers, insulation, and accessories.

The Western Pulaski County Water District serves approximately 8,300 customers.

II. PROJECT BUDGET

Engineering Fees - Design	\$ 123,000
Engineering Fees - Inspection	76,000
Engineering Fees - Other	20,000
Construction	1,496,200
Contingency	149,800
	<hr/>
Total	\$1,865,000

III. PROJECT FUNDING

	<u>Amount</u>	<u>%</u>
Fund B Loan	\$1,146,000	61%
USDA RD Grant	719,000	39%

IV. KIA DEBT SERVICE

Construction Loan	\$1,146,000
Less: Principal Forgiveness	<u>0</u>
Amortized Loan Amount	\$1,146,000
Interest Rate	1.50%
Loan Term (Years)	<u>20</u>
Estimated Annual Debt Service	\$ 66,537
Administrative Fee (0.20%)	<u>2,292</u>
Total Estimated Annual Debt Service	\$ 68,829

V. PROJECT SCHEDULE

Bid Opening	September 2020
Construction Start	November 2020
Construction Stop	January 2021

VI. RATE STRUCTURE

A. Customers

Customers	Current	Proposed	Total
Residential	8,252	0	8,252
Commercial	27	0	27
Industrial	0	0	0
Total	<u>8,279</u>	<u>0</u>	<u>8,279</u>

B. Rates

	Current	Prior
Date of Last Rate Increase	07/16/18	08/01/12
Minimum, First 2000 gallons	\$17.58	\$14.34
Next 1,000 Gallons	6.31	5.82
Cost for 4,000 gallons	\$30.20	\$25.98
Increase %	16.2%	
Affordability Index (Rate/MHI)	0.9%	

VII. DEMOGRAPHICS

Based on current Census data from the American Community Survey 5-Year Estimate 2014-2018, the Utility's service area population was 16,871 with a Median Household Income (MHI) of \$39,696. The median household income for the Commonwealth is \$46,535. The project will qualify for a 1.50% interest rate.

Year	Population		County		County Unemployment	
	City	% Change	County	% Change	Date	Rate
1980	10,649		45,803		June 2005	6.1%
1990	10,733	0.8%	49,489	8.0%	June 2010	9.8%
2000	11,352	5.8%	56,217	13.6%	June 2015	5.9%
2010	11,196	-1.4%	63,063	12.2%	June 2019	5.5%
Current	11,585	3.5%	64,979	3.0%		
Cumulative %		8.8%		41.9%		

VIII. FINANCIAL ANALYSIS

Financial information was obtained from the audited financial statements for the years ended June 30, 2017 through June 30, 2020). The non-cash impact of GASB 68, Accounting and Financial Reporting for Pensions, has been removed from fiscal 2017-2019 operating expenses and GASB 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions, has been removed from 2018 and 2019 operating expenses. Percentage references in the History section below are based on whole dollar amounts and not the rounded amounts presented.

HISTORY

Combined water and sewer revenues increased 15.8% from \$2,921,392 in 2017 to \$3,277,409 in 2019 while operating expenses increased 8.7% from \$957,733 to \$1,040,827 during the same period. The debt coverage ratio was 2.4 in 2017, 2.8 in 2019, and 2.1 in 2021 when debt service begins

The balance sheet reflects a current ratio of 7.2, debt to equity ratio of 1.0, 41.6 days sales in accounts receivable, and 12.1 months of operating expenses in unrestricted cash.

PROJECTIONS

Projections are based on the following assumptions:

- 1) Revenues will remain constant in the future.
- 2) Expenses will increase by a 2% inflationary increase.
- 3) Debt service coverage is 2.1 in 2021 when principal and interest repayments begin.
- 4) A Rural Development grant in the amount of \$719,000 will be awarded to help fund his project.

Based on the pro forma assumptions, the utility shows adequate cash flow to repay the KIA Fund B loan.

REPLACEMENT RESERVE

The replacement reserve will be 5% (\$58,000 total) of the final amount borrowed (prior to principal forgiveness, if any) to be funded annually (\$2,900 yearly) each December 1 for 20 years and maintained for the life of the loan.

IX. DEBT OBLIGATIONS

	<u>Outstanding</u>	<u>Maturity</u>
Series 2002A RD Bonds	\$ 706,000	2042
Series 2002B RD Bonds	429,000	2042
Series 2010 RD Bonds	788,000	2049
Series 2012E RW Bonds	1,305,000	2035
Series 2013 RD Bonds	1,302,000	2053
Series 2018 WD Bonds	2,225,000	2057
KIA F16-003	1,042,673	TBD
Total	\$ 7,797,673	

X. CONTACTS

Legal Applicant	
Entity Name	Western Pulaski County Water District
Authorized Official	Don Calder (Chairman)
County	Pulaski
Email	joe-mcclendon@hotmail.com
Phone	(606) 679-3793
Address	2128 W Hwy 80 Somerset, KY 42503

Applicant Contact

Name Don Calder
Organization Western Pulaski County Water District
Email tamora.vaught@gmail.com
Phone (606) 679-1569
Address 1059 W Hwy 80
Somerset, KY 42503

Project Administrator

Name David M Bowles
Organization Monarch Engineering, Inc.
Email dbowles@monarchengineering.net
Phone (502) 859-1310
Address 556 Carlton Dr
Lawrenceburg, KY 40342

Consulting Engineer

PE Name Deron S Byrne
Firm Name Monarch Engineering, Inc.
Email dbyrne@monarchengineering.net
Phone (502) 839-1310
Address 556 Carlton Dr
Lawrenceburg, KY 40342

XI. RECOMMENDATIONS

KIA staff recommends approval of the loan with the standard conditions and the following special conditions.

1. Western Pulaski County Water District shall apply to the Public Service Commission (PSC), pursuant to KRS 278.300, for debt authorization for KIA loan B20-004. This debt authorization application should include a forecast meeting debt service projected through 2025.
2. Prior to the assistance agreement being executed, Western Pulaski County Water District must receive a Certificate of Public Convenience and Necessity, pursuant to KRS 278.020, from the PSC for any portion of the project that may require it, or provide an opinion from legal counsel or the staff of the PSC, or a declaratory order from the PSC, that a CPCN is not required for any portion of the assets to be constructed as part of the loan agreement

**WESTERN PULASKI COUNTY WATER DISTRICT
FINANCIAL SUMMARY (DECEMBER YEAR END)**

	<u>Audited</u> <u>2017</u>	<u>Audited</u> <u>2018</u>	<u>Audited</u> <u>2019</u>	<u>Projected</u> <u>2020</u>	<u>Projected</u> <u>2021</u>	<u>Projected</u> <u>2022</u>	<u>Projected</u> <u>2023</u>	<u>Projected</u> <u>2024</u>
Balance Sheet								
Assets								
Current Assets	2,431,187	2,543,555	2,907,410	3,019,628	3,118,805	3,206,702	3,290,971	3,370,843
Other Assets	14,015,842	15,195,085	16,450,828	16,453,169	18,268,346	18,126,781	17,970,703	17,797,037
Total	16,447,029	17,738,640	19,358,238	19,472,797	21,387,152	21,333,484	21,261,675	21,167,881
Liabilities & Equity								
Current Liabilities	503,781	579,359	404,792	416,189	427,089	434,089	444,689	452,789
Long Term Liabilities	6,382,498	7,886,665	9,144,256	8,897,256	9,788,256	9,529,256	9,262,756	8,991,256
Total Liabilities	6,886,279	8,466,024	9,549,048	9,313,445	10,215,345	9,963,345	9,707,445	9,444,045
Net Assets	9,560,750	9,272,616	9,809,190	10,159,352	11,171,807	11,370,139	11,554,230	11,723,836
Cash Flow								
Revenues	2,921,392	2,999,184	3,385,440	3,385,440	3,385,440	3,385,440	3,385,440	3,385,440
Operating Expenses	2,160,007	2,359,458	2,397,341	2,426,458	2,450,591	2,472,249	2,494,340	2,516,873
Other Income	43,689	31,048	30,008	30,008	30,008	30,008	30,008	30,008
Cash Flow Before Debt Service	805,074	670,774	1,018,107	988,990	964,857	943,199	921,108	898,575
Debt Service								
Existing Debt Service	342,035	342,663	363,514	427,903	434,559	434,884	430,934	430,386
Proposed KIA Loan	0	0	0	0	34,415	68,829	68,829	68,829
Total Debt Service	342,035	342,663	363,514	427,903	468,974	503,713	499,763	499,215
Cash Flow After Debt Service	463,039	328,111	654,593	561,087	495,884	439,486	421,345	399,360
Ratios								
Current Ratio	4.8	4.4	7.2	7.3	7.3	7.4	7.4	7.4
Debt to Equity	0.7	0.9	1.0	0.9	0.9	0.9	0.8	0.8
Days Sales in Accounts Receivable	45.1	45.2	41.6	41.6	41.6	41.6	41.6	41.6
Months Operating Expenses in Unrestricted Cash	11.3	10.4	12.1	12.6	13.0	13.3	13.6	13.8
Debt Coverage Ratio	2.4	2.0	2.8	2.3	2.1	1.9	1.8	1.8

EXHIBIT E

Estimated Cost of Operation

ESTIMATED ANNUAL COST OF OPERATION (1st Full Year of Operation)
Year Ending 2022

A. Operating Income:	
Water Sales	\$3,267,240
Disconnect/Reconnect/Late Charge Fees	0
Other (Describe)	165,000
Less Allowances and Deductions	
Total Operating Income	\$3,385,440
B. Operation and Maintenance Expenses:	
(Based on Uniform System of Accounts prescribed by National Association of Regulatory Utility Commissioners)	
Source of Supply Expense	\$1,205,135
Pumping Expense	132,735
Water Treatment Expense	0
Transmission and Distribution Expense	137,434
Customer Accounts Expense	58,568
Administrative and General Expense	938,377
Total Operating Expenses	\$2,472,249
Net Operating Income	\$913,191
C. Non Operating Income:	
Interest on Deposits	\$30,008
Other (Identify)	0
Total Non-Operating Income	\$30,008
D. Net Income	\$943,199
E. Debt Repayment:	
RUS Debt Service	\$434,884
Non-RUS Debt Service (KIA Loan)	68,829
Total Debt Repayment	\$503,713
F. Balance Available for Coverage	\$439,486
G. Reserve Accounts	
Short Lived Assets Replacement Reserves	\$30,160
Debt Reserve	19,840
Total Reserve	\$50,000

EXHIBIT F

Financial Statements

WESTERN PULASKI COUNTY WATER DISTRICT
Statements of Net Position
December 31, 2019 and 2018

Assets	<u>2019</u>	<u>2018</u>
Current Assets		
Cash	\$ 2,422,066	\$ 2,037,289
Accounts receivable	385,699	371,347
Prepaid assets	9,309	7,648
Inventory	<u>90,336</u>	<u>127,271</u>
Total Current Assets	<u>2,907,410</u>	<u>2,543,555</u>
 Non-current Assets		
Restricted Assets		
Cash - Depreciation fund	427,211	402,044
Cash - Bond and interest	<u>275,357</u>	<u>229,176</u>
Total Restricted Assets	<u>702,568</u>	<u>631,220</u>
Capital Assets		
Construction in progress	-	806,005
Land and land rights	494,938	494,938
Utility plant in service	24,528,186	22,057,480
Equipment	732,178	702,544
Accumulated depreciation	<u>(10,242,011)</u>	<u>(9,824,082)</u>
Net Capital Assets	<u>15,513,291</u>	<u>14,236,885</u>
Total Non-current Assets	<u>16,215,859</u>	<u>14,868,105</u>
Total Assets	<u>19,123,269</u>	<u>17,411,660</u>
Deferred Outflows		
Outflows relating to net pension and OPEB liabilities	<u>234,969</u>	<u>326,980</u>

WESTERN PULASKI COUNTY WATER DISTRICT
Statements of Net Position, Concluded
December 31, 2019 and 2018

Liabilities	<u>2019</u>	<u>2018</u>
Current Liabilities		
Accounts payable	\$ 144,003	\$ 167,277
Construction accounts payable	-	196,457
Customer deposits	254,557	237,023
Accrued liabilities	22,289	19,125
Accrued interest	93,995	75,807
Current maturities of long-term debt	<u>238,500</u>	<u>196,500</u>
Total Current Liabilities	<u>753,344</u>	<u>892,189</u>
 Long-term Liabilities		
Accrued compensated absences	25,489	18,360
Long-term debt, less current maturities	7,559,173	6,326,729
Net OPEB liability	239,796	289,751
Net pension liability	<u>822,557</u>	<u>843,637</u>
Total Long-term Liabilities	<u>8,647,015</u>	<u>7,478,477</u>
 Total Liabilities	<u>9,400,359</u>	<u>8,370,666</u>
 Deferred Inflows		
Inflows relating to net pension and OPEB liabilities	<u>148,689</u>	<u>95,358</u>
 Net Position		
Net Position		
Invested in capital assets, net of related debt	7,715,618	7,517,199
Restricted for equipment replacement	427,211	402,044
Restricted for debt retirement	275,357	229,176
Unrestricted	<u>1,391,004</u>	<u>1,124,197</u>
 Total Net Position	<u>\$ 9,809,190</u>	<u>\$ 9,272,616</u>

WESTERN PULASKI COUNTY WATER DISTRICT
Statements of Revenues, Expenses, and Changes in Net Position
For the Years Ended December 31, 2019 and 2018

	<u>2019</u>	<u>2018</u>
Operating revenues:		
Residential water sales	\$ 3,080,651	\$ 2,721,381
Commercial water sales	196,758	162,404
Miscellaneous service revenues	<u>108,031</u>	<u>115,399</u>
Total operating revenues	<u>3,385,440</u>	<u>2,999,184</u>
Operating expenses:		
Water purchases	1,356,514	1,321,510
Utilities	77,642	88,972
Transmission and distribution expense	105,826	44,815
Meter readers	100,445	99,872
Office expense	61,819	66,108
Transportation expenses	26,282	27,675
Insurance	53,890	55,489
Directors' fees	12,000	12,400
Employees' salaries and wages	291,123	344,683
Employees' pensions and benefits	171,204	144,339
Actuarial pension and OPEB expense	74,307	226,436
Payroll taxes	33,423	30,764
Depreciation and amortization	446,529	409,689
PSC tax assessment	5,866	5,843
Professional fees	56,088	68,604
Bad debts	12,631	11,566
Miscellaneous	<u>32,588</u>	<u>36,818</u>
Total operating expenses	<u>2,918,177</u>	<u>2,995,583</u>
Operating income (loss)	<u>467,263</u>	<u>3,601</u>
Non-operating revenue (expenses):		
Rents from water property	15,480	23,470
Interest income	14,528	7,578
Interest expense on long-term debt	<u>(185,202)</u>	<u>(147,434)</u>
Total non-operating revenue (expenses)	<u>(155,194)</u>	<u>(116,386)</u>
Income/(loss) before capital contributions	<u>312,069</u>	<u>(112,785)</u>
Capital contributions		
Grant revenue	109,770	-
Tap fees	<u>114,735</u>	<u>51,923</u>
Total capital contributions	<u>224,505</u>	<u>51,923</u>
Increase (decrease) in net position	536,574	(60,862)
Net position:		
Beginning of year 2018, restated	<u>9,272,616</u>	<u>9,333,478</u>
End of year	<u>\$ 9,809,190</u>	<u>\$ 9,272,616</u>

WESTERN PULASKI COUNTY WATER DISTRICT
Statement of Cash Flows
December 31, 2019 and 2018

	<u>2019</u>	<u>2018</u>
Cash flows from operating activities:		
Cash receipts from customers	\$ 3,388,622	\$ 3,009,441
Cash payments to suppliers for goods and services	(1,907,850)	(1,921,635)
Cash payments to employees for services	(467,198)	(503,525)
Net cash provided by (used) in operating activities	<u>1,013,574</u>	<u>584,281</u>
Cash flows from capital and related financing activities:		
Principal paid on long-term debt	(2,292,031)	(192,500)
Proceeds interim financing and RD bond	3,566,475	1,090,731
Interest paid on long-term debt	(167,014)	(150,163)
Additions to capital assets	(1,722,935)	(1,413,383)
Increase (decrease) in construction payable	(196,457)	32,488
Grant revenue	109,770	-
Tap fees	114,735	51,923
Net cash provided by (used) in financing activities	<u>(587,457)</u>	<u>(580,904)</u>
Cash flows from investing activities:		
Rental income	15,480	23,470
Interest income	14,528	7,578
Net cash provided by (used) in investing activities	<u>30,008</u>	<u>31,048</u>
Net increase (decrease) in cash and cash equivalents	<u>456,125</u>	<u>34,425</u>
Cash and cash equivalents, beginning of year	2,668,509	2,634,084
Cash and cash equivalents, end of year	<u>\$ 3,124,634</u>	<u>\$ 2,668,509</u>
Reconciliation of operating income to net cash provided by operating activities:		
Operating income (loss)	\$ 467,263	\$ 3,601
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation and amortization	446,529	409,689
Changes in assets and liabilities:		
(Increase) decrease in accounts receivable	(14,352)	(10,574)
(Increase) decrease in prepaid assets	(1,661)	582
(Increase) decrease in inventory	36,935	(103,271)
Increase (decrease) in actuarial pension/OPEB	74,307	226,436
Increase (decrease) in accounts payable	(23,274)	35,597
Increase (decrease) in customer deposits	17,534	20,831
Increase (decrease) in accrued liabilities	10,293	1,390
Net cash provided (used) by operating activities	<u>\$ 1,013,574</u>	<u>\$ 584,281</u>

EXHIBIT G

Estimated KIA Loan Amortization Schedule

KENTUCKY INFRASTRUCTURE AUTHORITY
 REPAYMENT SCHEDULE
 FUND B LOAN
 WESTERN PULASKI COUNTY WATETR DISTRICT
 KY HIGHWAY 80 & FISHING CREEK BRIDGE WL REPLACEMENT

Loan Amount	\$1,146,000
Interest Rate	1.50%
Term	20
Payment	\$33,268.56

\$68,804.44

Payment Date	Principal Due	Interest Due	Interest Rate	Principal & Interest	Servicing Fee	Total Payment	Principal Balance	R&M Reserve	Total Reserve
							\$1,146,000.00		
12/01/21	\$24,673.56	\$8,595.00	1.50%	\$33,268.56	\$1,146.00	\$34,414.56	\$1,121,326.44	\$2,865.00	\$2,865.00
06/01/22	\$24,858.61	\$8,409.95	1.50%	\$33,268.56	\$1,121.33	\$34,389.89	\$1,096,467.83	\$0.00	\$2,865.00
12/01/22	\$25,045.05	\$8,223.51	1.50%	\$33,268.56	\$1,096.47	\$34,365.03	\$1,071,422.78	\$2,865.00	\$5,730.00
06/01/23	\$25,232.89	\$8,035.67	1.50%	\$33,268.56	\$1,071.42	\$34,339.98	\$1,046,189.89	\$0.00	\$5,730.00
12/01/23	\$25,422.13	\$7,846.42	1.50%	\$33,268.56	\$1,046.19	\$34,314.75	\$1,020,767.76	\$2,865.00	\$8,595.00
06/01/24	\$25,612.80	\$7,655.76	1.50%	\$33,268.56	\$1,020.77	\$34,289.33	\$995,154.96	\$0.00	\$8,595.00
12/01/24	\$25,804.90	\$7,463.66	1.50%	\$33,268.56	\$995.15	\$34,263.71	\$969,350.06	\$2,865.00	\$11,460.00
06/01/25	\$25,998.43	\$7,270.13	1.50%	\$33,268.56	\$969.35	\$34,237.91	\$943,351.63	\$0.00	\$11,460.00
12/01/25	\$26,193.42	\$7,075.14	1.50%	\$33,268.56	\$943.35	\$34,211.91	\$917,158.21	\$2,865.00	\$14,325.00
06/01/26	\$26,389.87	\$6,878.69	1.50%	\$33,268.56	\$917.16	\$34,185.72	\$890,768.33	\$0.00	\$14,325.00
12/01/26	\$26,587.80	\$6,680.76	1.50%	\$33,268.56	\$890.77	\$34,159.33	\$864,180.54	\$2,865.00	\$17,190.00
06/01/27	\$26,787.20	\$6,481.35	1.50%	\$33,268.56	\$864.18	\$34,132.74	\$837,393.33	\$0.00	\$17,190.00
12/01/27	\$26,988.11	\$6,280.45	1.50%	\$33,268.56	\$837.39	\$34,105.95	\$810,405.22	\$2,865.00	\$20,055.00
06/01/28	\$27,190.52	\$6,078.04	1.50%	\$33,268.56	\$810.41	\$34,078.96	\$783,214.70	\$0.00	\$20,055.00
12/01/28	\$27,394.45	\$5,874.11	1.50%	\$33,268.56	\$783.21	\$34,051.77	\$755,820.25	\$2,865.00	\$22,920.00
06/01/29	\$27,599.91	\$5,668.65	1.50%	\$33,268.56	\$755.82	\$34,024.38	\$728,220.35	\$0.00	\$22,920.00
12/01/29	\$27,806.91	\$5,461.65	1.50%	\$33,268.56	\$728.22	\$33,996.78	\$700,413.44	\$2,865.00	\$25,785.00
06/01/30	\$28,015.46	\$5,253.10	1.50%	\$33,268.56	\$700.41	\$33,968.97	\$672,397.98	\$0.00	\$25,785.00
12/01/30	\$28,225.57	\$5,042.98	1.50%	\$33,268.56	\$672.40	\$33,940.96	\$644,172.41	\$2,865.00	\$28,650.00
06/01/31	\$28,437.27	\$4,831.29	1.50%	\$33,268.56	\$644.17	\$33,912.73	\$615,735.14	\$0.00	\$28,650.00
12/01/31	\$28,650.55	\$4,618.01	1.50%	\$33,268.56	\$615.74	\$33,884.29	\$587,084.60	\$2,865.00	\$31,515.00
06/01/32	\$28,865.42	\$4,403.13	1.50%	\$33,268.56	\$587.08	\$33,855.64	\$558,219.17	\$0.00	\$31,515.00
12/01/32	\$29,081.92	\$4,186.64	1.50%	\$33,268.56	\$558.22	\$33,826.78	\$529,137.26	\$2,865.00	\$34,380.00
06/01/33	\$29,300.03	\$3,968.53	1.50%	\$33,268.56	\$529.14	\$33,797.70	\$499,837.23	\$0.00	\$34,380.00
12/01/33	\$29,519.78	\$3,748.78	1.50%	\$33,268.56	\$499.84	\$33,768.40	\$470,317.45	\$2,865.00	\$37,245.00
06/01/34	\$29,741.18	\$3,527.38	1.50%	\$33,268.56	\$470.32	\$33,738.88	\$440,576.27	\$0.00	\$37,245.00
12/01/34	\$29,964.24	\$3,304.32	1.50%	\$33,268.56	\$440.58	\$33,709.14	\$410,612.03	\$2,865.00	\$40,110.00
06/01/35	\$30,188.97	\$3,079.59	1.50%	\$33,268.56	\$410.61	\$33,679.17	\$380,423.07	\$0.00	\$40,110.00
12/01/35	\$30,415.39	\$2,853.17	1.50%	\$33,268.56	\$380.42	\$33,648.98	\$350,007.68	\$2,865.00	\$42,975.00
06/01/36	\$30,643.50	\$2,625.06	1.50%	\$33,268.56	\$350.01	\$33,618.57	\$319,364.18	\$0.00	\$42,975.00
12/01/36	\$30,873.33	\$2,395.23	1.50%	\$33,268.56	\$319.36	\$33,587.92	\$288,490.85	\$2,865.00	\$45,840.00
06/01/37	\$31,104.88	\$2,163.68	1.50%	\$33,268.56	\$288.49	\$33,557.05	\$257,385.97	\$0.00	\$45,840.00
12/01/37	\$31,338.16	\$1,930.39	1.50%	\$33,268.56	\$257.39	\$33,525.94	\$226,047.81	\$2,865.00	\$48,705.00
06/01/38	\$31,573.20	\$1,695.36	1.50%	\$33,268.56	\$226.05	\$33,494.61	\$194,474.61	\$0.00	\$48,705.00
12/01/38	\$31,810.00	\$1,458.56	1.50%	\$33,268.56	\$194.47	\$33,463.03	\$162,664.61	\$2,865.00	\$51,570.00
06/01/39	\$32,048.57	\$1,219.98	1.50%	\$33,268.56	\$162.66	\$33,431.22	\$130,616.04	\$0.00	\$51,570.00
12/01/39	\$32,288.94	\$979.62	1.50%	\$33,268.56	\$130.62	\$33,399.17	\$98,327.10	\$2,865.00	\$54,435.00
06/01/40	\$32,531.11	\$737.45	1.50%	\$33,268.56	\$98.33	\$33,366.89	\$65,795.99	\$0.00	\$54,435.00
12/01/40	\$32,775.09	\$493.47	1.50%	\$33,268.56	\$65.80	\$33,334.35	\$33,020.90	\$2,865.00	\$57,300.00
06/01/41	\$33,020.90	\$247.66	1.50%	\$33,268.56	\$33.02	\$33,301.58	\$0.00	\$0.00	\$57,300.00
Totals	\$1,146,000.00	\$184,742.36		\$1,330,742.36	\$24,632.31	\$1,355,374.67		\$57,300.00	

EXHIBIT H

Notification to State Local Debt Officer

Kentucky Home Trust Building, 450 South Third Street, Louisville, Kentucky 40202-1410
Telephone (502) 569-7525 Telefax (502) 569-7555 www.rubinhays.com

CHARLES S. MUSSON
W. RANDALL JONES
CHRISTIAN L. JUCKETT
NICHOLAS J. LOCOCO

October 22, 2020

Honorable Dennis Keene
Commissioner and State Local Debt Officer
100 Airport Road, Third Floor
Frankfort, Kentucky 40601

Re: Western Pulaski County Water District
Notice of Intent to Issue Securities

Dear Commissioner Keene:

Pursuant to the regulations of the Kentucky Public Service Commission, specifically 807 KAR 5:001: Section 18(1)(g), please be advised that the Western Pulaski County Water District (the "District") hereby notifies the State Local Debt Officer that the District intends on issuing securities in the form of a loan from the Kentucky Infrastructure Authority for the purpose of financing certain improvements to the water system of the District.

We will file the appropriate documents with your office in accordance with the requirements of KRS 65.117, once the securities are issued.

Very truly yours,

Rubin & Hays

By



W. Randall Jones

WRJ:jl
Enclosures