

KENTUCKY GUIDE 7  
MAY 1998

**SUMMARY ADDENDUM**  
**TO**  
**PRELIMINARY ENGINEERING REPORT**

**DATED: AUGUST 2020**

**FOR**

**GRAYSON COUNTY WATER DISTRICT – EAST/WEST INTERCONNECT PROJECT PHASE 2 –  
CONTRACT NO. 4 – SALT RIVER PUMPING STATION**

**APPLICANT CONTACT PERSON – Kevin Shaw, Manager**

**APPLICANT PHONE NUMBER – 270-259-2917**

**APPLICANT TAX IDENTIFICATION NUMBER (TIN) - 61-1038814**

***ITEMS IN BOLD ITALIC PRINT ARE APPLICABLE TO SEWER SYSTEMS.***

In order to avoid unnecessary delays in application processing, the applicant and its consulting engineer should prepare a summary of the preliminary report in accordance with this Guide.

Please complete the applicable sections of the Summary Addendum. *Please note, if water and sewer revenue will both be taken as security for the loan, all user information and characteristics of both utility systems will be needed even though the project will benefit only one utility.*

Feasibility review and grant determinations may be processed more accurately and more rapidly if the Summary/Addendum is submitted simultaneously with the preliminary engineering report, or as soon thereafter as possible.

General

A. Proposed Project: Provide a brief description of the proposed project. In addition to this summary, the applicant/engineer should submit a project map of the service area.

This project consist of rehabilitation of the Salt River pump station and installation of VFD's, relocation of the entire facility to an above ground structure with larger motors, construction of a highway bore and approximately 60 LF of 12-inch water main, and upgrading the telemetry at the Salt River Pump Station.

***I. FACILITY CHARACTERISTICS OF EXISTING SEWER SYSTEM - This section is not applicable since Grayson County Water District does not provide sewer service.***

***A. Sewage Treatment:***

***1. Type:***

***2. Method of Sludge Disposal:***

***3. Cost per 1,000 gallons if sewage treatment is contracted:***

***4. Date Constructed:***

***B. Treatment Capacity of Sewage Treatment Plant:***

***C. Type of Sewage Collector System (Describe):***

***D. Number and Capacity of Sewage Lift Stations:***

***E. Sewage Collection System:***

***Lineal Feet of Collector Lines, by size: 6" \_\_\_\_\_ 8" \_\_\_\_\_  
10" \_\_\_\_\_ 12" \_\_\_\_\_ Larger***

***Date(s) Constructed:***

***Conditions of Existing System. Briefly describe the conditions and suitability for continued use of facilities now owned by the applicant. Include any major renovation that will be needed within five to ten years. NOT APPLICABLE***

II. FACILITY CHARACTERISTICS OF EXISTING WATER SYSTEM

- A. Water Source: Describe adequacy of source (quality and quantity). Include an explanation of raw water source, raw water intake structure, treatment plant capacity, and current level of production (WTP). Also describe the adequacy of Water Purchase Contract if applicable.

The GCWD system was originally designed to purchase all its water from the City of Leitchfield. Numerous water line extensions and infrastructure projects over the past 40 years have established the current GCWD customer base which is approximately 98% of the county. The District has its own water treatment plant with a capacity of 2.1 MGD. The District purchases an average of 550,000 to 900,000 gallons a day from Leitchfield Utilities. However, recent water quality issues with the purchased water have been unacceptable and has forced the District to investigate the option of providing all areas of its distribution system with water from its water treatment plant. The District is currently in construction on a project that will enable it to extend water from its WTP to existing customers that currently get the water that is purchased. The District has an additional project in conception phase to finish converting its entire distribution system to be served totally with water from its WTP.

If the applicant purchases water:

Seller(s):

1. Leitchfield Utilities

Price/1,000 gallons: \$2.374/1000 gallons

Present Estimated Market Value of Existing System: \$18.6m

- B. Water Storage:

Type:      Ground Storage Tank ✓      Elevated Tank ✓  
                 Standpipe                                  Other

Number of Storage Structures    Seven (7)

Total Storage Volume Capacity      2,050,000 gallons

Date Storage Tank(s) Constructed:    1982 through 2006

- C. Water Distribution System:

Pipe Material PVC

Lineal Feet of Pipe:	3" Diameter	6.8 miles	4"	350.3 miles
	6"	161.6 miles	8"	28.4 miles
	10"	5 miles	12"	7.8 miles
	16"	3.9 miles		

Date(s) Water Lines Constructed 1971 & after

Number and Capacity of Pump Station(s) – 7 stations ranging in size from 20 GPM to 300 GPM. 2 of the pump stations are out of service.

D. Condition of Existing Water System:

Briefly describe the condition and suitability for continued use of facility now owned by the applicant. Include any major renovation that will be needed within five to ten years.

The system is in excellent shape. This project will address most of the system weaknesses outside of normal maintenance. There is a part of the distribution system that was constructed in 1971 that will need to be evaluated for soundness within the next five to 10 years. At present there are no obvious issues with this area.

E. Percentage of Water Loss Existing System: 8.94 percent (2019 PSC Report)

III. EXISTING LONG-TERM INDEBTEDNESS

A. List of Bonds and Notes:

DATE OF ISSUE	BOND HOLDER	PRINCIPAL BALANCE	PAYMENT DATE	BOND TYPE <sup>1</sup> WATER/SEWER		AMOUNT ON DEPOSIT IN RESERVE ACCOUNT
2002	KIA	\$571,750	June/Dec	100%		\$2,021,295
2009	KRWFC	\$40,000	July/Jan	100%		
2012	KRWFC	\$2,600,000	July/Jan	100%		
2013A	RD	\$471,000	July/Jan	100%		
2013B	RD	\$799,000	July/Jan	100%		
2013	KRWFC	\$970,000	July/Jan	100%		
2017	RD	\$689,500	July/Jan	100%		
2019	KRWFC	\$1,040,000	July/Jan	100%		
2020	RD	\$795,000	July/Jan	100%		

\* If a combined issue, show attributable portion to each system.

B. Principal and Interest Payments: (Begin with Next Fiscal Year Payment)

DATE OF ISSUE	BOND HOLDER	PAYMENT YEAR: 2022		PAYMENT YEAR: 2023		PAYMENT YEAR: 2024	
		PRINCIPAL PAYMENT	INTEREST PAYMENT	PRINCIPAL PAYMENT	INTEREST PAYMENT	PRINCIPAL PAYMENT	INTEREST PAYMENT
2002	KIA	\$231,778	\$3,134	Paid off December 2022			
2009	KRW	Paid off July 2021					
2012	KRW	\$160,000	\$83,802	\$165,000	\$78,844	\$170,000	\$73,366
2013A	RD	\$10,000	\$9,690	\$10,500	\$9,472	\$10,500	\$9,249
2013B	RD	\$18,500	\$15,435	\$19,000	\$15,060	\$19,000	\$14,680
2013	KRW	\$140,000	\$22,622	\$140,000	\$18,702	\$145,000	\$14,621
2017	RD	\$12,000	\$16,800	\$12,000	\$16,500	\$12,500	\$16,194
2019	KRWFC	\$35,000	\$38,450	\$40,000	\$36,500	\$40,000	\$34,420
2020	RD	\$12,400	\$19,333	\$12,500	\$19,031	\$12,600	\$18,726

C. Existing Short-Term Indebtedness

List of All Short-Term Debts: (Do Not Show Any Debt Listed in Paragraph IV above)

Lendor or Lessor	Date of Issue (Month & Year)	Principal Balance	Purpose (Water and/ or Sewer)	Payment Date	Principal & Interest Payment (P&I)	Date to Be Paid in Full
—NONE—						

IV. LAND AND RIGHTS - EXISTING SYSTEM(S)

Number of Treatment Plant Sites:	Water - 1	<i>Sewer</i>
Number of Storage Tank Sites:	Water - 7	<i>Sewer</i>
Number of Pump Stations:	Water - 7	<i>Sewer</i>
Total Acreage:	Water -	<i>Sewer</i>
Purchase Price:	Water \$	<i>Sewer \$</i>

V. NUMBER OF EXISTING USERS

	Water	Sewer
Residential (In Town)	6,413	
Residential (Out of Town)	0	
Non-Residential (In Town)	380	
Non-Residential (Out of Town)	1 – wholesale	
Total	6,794	

\*Note: Residential Users: Classify by type of user regardless of quantity of water used. This classification should include those meters serving individual rural residence.

Number of Total Potential Users Living in the Service Area

99

VI. CURRENT WATER AND SEWER CONNECTION FEES FOR EACH SIZE WATER METER CONNECTION

<u>Meter Size</u>	<u>Water Connection Fee</u>	<u>Sewer Connection Fee</u>
5/8" x 3/4"	\$1,230.00	
1 - Inch	Actual Cost of Installation	

VII. **SEWER RATES (EXISTING SYSTEM) – NOT APPLICABLE**

*Percentage of water bill \_\_\_\_\_%. Minimum Charge \$ \_\_\_\_\_.*

*Other: (Sewer charge if not based on water bill)*

*Date this rate went into effect:*

VIII. WATER RATES EXISTING SYSTEM

Existing Rate Schedule: *See following pages*

Date This Rate Went into Effect: 7/17/2020 & 8/13/2020 for wholesale rate

If More Than One Rate Schedule, Please Include All Schedules.

IX. *Analysis of Actual Sewer Usage - Existing System – NA*

## Current Monthly Water Rates

### 5/8" x 3/4" Meter

First	1,500 gallons	\$19.35 minimum bill
Next	8,500 gallons	\$9.07 per 1,000 gallons
Next	40,000 gallons	\$8.15 per 1,000 gallons
Next	100,000 gallons	\$7.23 per 1,000 gallons
All Over	150,000 gallons	\$6.34 per 1,000 gallons

### 3/4" Meter

First	3,000 gallons	\$32.95 minimum bill
Next	7,000 gallons	\$9.07 per 1,000 gallons
Next	40,000 gallons	\$8.15 per 1,000 gallons
Next	100,000 gallons	\$7.23 per 1,000 gallons
All Over	150,000 gallons	\$6.34 per 1,000 gallons

### 1" Meter

First	5,000 gallons	\$51.10 minimum bill
Next	5,000 gallons	\$9.07 per 1,000 gallons
Next	40,000 gallons	\$8.15 per 1,000 gallons
Next	100,000 gallons	\$7.23 per 1,000 gallons
All Over	150,000 gallons	\$6.34 per 1,000 gallons

### 1 1/2" Meter

First	10,000 gallons	\$96.45 minimum bill
Next	40,000 gallons	\$8.15 per 1,000 gallons
Next	100,000 gallons	\$7.23 per 1,000 gallons
All Over	150,000 gallons	\$6.34 per 1,000 gallons

### 2" Meter

First	16,000 gallons	\$145.35 minimum bill
Next	34,000 gallons	\$8.15 per 1,000 gallons
Next	100,000 gallons	\$7.23 per 1,000 gallons
All Over	150,000 gallons	\$6.34 per 1,000 gallons

### 3" Meter

First	30,000 gallons	\$259.45 minimum bill
Next	20,000 gallons	\$8.15 per 1,000 gallons
Next	100,000 gallons	\$7.23 per 1,000 gallons
All Over	150,000 gallons	\$6.34 per 1,000 gallons

### 4" Meter

First	50,000 gallons	\$422.45 minimum bill
Next	100,000 gallons	\$7.23 per 1,000 gallons
All Over	150,000 gallons	\$6.34 per 1,000 gallons

6" Meter

First	100,000 gallons	\$783.95 minimum bill
Next	50,000 gallons	\$7.23 per 1,000 gallons
All Over	150,000 gallons	\$6.34 per 1,000 gallons

8" Meter

First	150,000 gallons	\$1,145.45 minimum bill
All Over	150,000 gallons	\$6.34 per 1,000 gallons

10" Meter

First	250,000 gallons	\$1,779.45 minimum bill
All Over	250,000 gallons	\$6.34 per 1,000 gallons

City of Caneyville

\$2.725 per 1,000 gallons



**XX. ANALYSIS OF ACTUAL WATER USAGE - EXISTING SYSTEM**

**MONTHLY WATER USAGE**

	Residential			Commercial		
	Average Usage	No. of Users	Total Usage	Average Usage	No. of Users	Total Usage
0 - 1,499 Gal.	516	2,139	1,103,466	371	194	72,098
1,500 - 2,499 Gal.	2,004	1,104	2,212,249	1,967	29	57,535
2,500 - 3,499 Gal.	2,975	1,030	3,064,250	2,966	18	54,377
3,500 - 4,499 Gal.	3,968	728	2,886,720	3,992	17	66,533
4,500 - 5,499 Gal.	4,960	502	2,491,573	4,977	14	70,508
5,500 - 6,499 Gal.	5,952	315	1,872,400	5,970	11	65,173
6,500 - 7,499 Gal.	6,949	185	1,284,986	7,001	8	55,425
7,500 - 8,499 Gal.	7,960	123	978,417	7,995	6	47,970
8,500 - 9,499 Gal.	8,969	82	734,711	8,973	4	32,901
9,500 - 10,499 Gal.	9,941	56	555,868	9,956	3	29,038
10,500 - 11,499 Gal.	10,972	40	439,794	11,039	3	34,037
11,500 - 12,499 Gal.	11,936	37	435,664	11,887	1	16,840
12,500 - 13,499 Gal.	12,940	23	299,777	13,060	2	19,590
13,500 - 14,499 Gal.	13,959	16	229,160	14,082	1	11,735
14,500 - 15,499 Gal.	14,973	13	190,906	14,919	1	21,135
15,500 - 16,499 Gal.	15,982	11	174,470	16,165	1	13,471
16,500 - 17,499 Gal.	16,965	9	158,340	-	-	-
17,500 - 18,499 Gal.	17,981	7	118,375	18,081	1	18,081
18,500 - 19,499 Gal.	19,031	6	115,772	18,957	1	15,798
19,500 - 20,499 Gal.	19,945	4	74,794	20,120	1	11,737
20,500 & Over	41,347	40	1,636,652	52,046	10	511,786
		<b>6,468</b>	<b>21,058,343</b>		<b>326</b>	<b>1,225,765</b>
Average Monthly Usage			<b>3,256</b>			<b>3,766</b>

<b>Totals</b>	<b>6,468</b>	<b>21,058,343</b>	<b>326</b>	<b>1,225,765</b>
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1 inch meters	0-5000	3,630	4	14,520	1,556	9	14,006
	5001-10000	7,460	2	14,920	7,004	4	28,015
	10001-50000	22,951	3	68,853	19,077	10	190,769
	50001-150000	76,926	-	-	82,327	3	246,980
	Over 150001	-	-	-	199,991	1	199,991
1.5 inch meters				71,730	5	334,740	
2 inch meters	0-16000				4,189	3	12,567
	16001-150000				46,931	5	234,655
	Over 150000				390,173	4	1,560,692
3 inch meters	0-30000				8,580	1	8,580
	30001-150000				99,880	1	99,880
	Over 150000				1,217,200	1	1,217,200
4 inch meters	0-50000				5,488	4	21,952
	Over 50001				139,390	2	278,780
Wholesale - Caneyville				3,819,190	1	3,819,190	
		<b>6,477</b>	<b>21,156,636</b>		<b>379</b>	<b>9,493,764</b>	

**XI. FACILITY CHARACTERISTICS OF PROPOSED SEWER SYSTEM – NOT APPLICABLE**

**A. Sewage Treatment:**

1. Type:

2. Method of Sludge Disposal:

3. Cost per 1,000 gallons if sewage treatment is contracted:

**B. Treatment Capacity of Sewage Treatment Plant:**

**C. Type of Sewage Collector System (Describe):**

**D. Number and Capacity of Sewage Lift Stations:**

**E. Sewage Collection System:**

Lineal Feet of Collector Lines, by size: 6" \_\_\_\_\_ 8" \_\_\_\_\_  
10" \_\_\_\_\_ 12" \_\_\_\_\_ Larger \_\_\_\_\_

**XII. LAND AND RIGHTS - PROPOSED SEWER SYSTEM NOT APPLICABLE**

*Number of Treatment Plant Sites*

*Number of Pump Stations*

*Number of Other Sites*

*Total Acreage*

*Purchase Price*

**XIII. FACILITY CHARACTERISTICS OF PROPOSED WATER SYSTEM**

A. Water Source: Describe adequacy of source (quality and quantity). Include an explanation of raw water source, raw water intake structure, treatment plant capacity, and current level of production (WTP). Also describe the adequacy of Water Purchase Contract if applicable.

No change to water source with this project.

**B. Water Storage:**

Type:      Ground Storage Tank      Elevated Tank  
             Standpipe                              Other

Number of Storage Structures:

Total Storage Volume Capacity:

C. Water Distribution System:

Pipe Material PVC

Lineal Feet of Pipe:	3" Diameter	4"
	6"	8"
	10"	12" – 60 LF

Number and Capacity of Pump Station(s) 0

XIV. LAND AND RIGHTS - PROPOSED WATER SYSTEM

Number of Treatment Plant Sites	0
Number of Pump Sites	1 – existing site,
Number of Other Sites	0
Total Acreage	Less than an acre
Purchase Price	\$0

XV. NUMBER OF NEW SEWER USERS – NOT APPLICABLE

*Residential (In Town) \**

*Residential (Out of Town) \**

*Non-Residential (In Town)*

*Non-Residential (Out of Town)*

*Total*

*Number of Total Potential Users Living in the Service Area*

**\* NOTE:** *Residential Users: Classify by type of user regardless of quantity of water used. This classification should include those meters serving individual rural residences.*

**XVI. PROPOSED SEWER CONNECTION FEES FOR EACH SIZE METER CONNECTION – NOT APPLICABLE**

***NOT APPLICABLE***

**XVII. NUMBER OF NEW WATER USERS**

Residential (In Town) *	0
Residential (Out of Town) *	0
Non-Residential (In Town)	0
Non-Residential (Out of Town)	0
Total	0

Number of Total Potential Users Living in the Service Area 99

\* Note: Residential Users: Classify by type of user regardless of quantity of water used. This classification should include those meters serving individual rural residences.

**XVIII. PROPOSED WATER CONNECTION FEES FOR EACH SIZE METER CONNECTION**

<u>Meter Size</u>	<u>Connection Fee</u>
5/8" x 3/4"	No Change
1 – Inch & Larger	No Change

**XIX. SEWER RATES – PROPOSED - NOT APPLICABLE**

**XX. WATER RATES – PROPOSED** NO CHANGE IN RATES ARE PROPOSED AS A RESULT OF THIS PROJECT

**NOTE:** These pages have not been included as they are not applicable as Grayson County Water District only provides water service:

- XXI. Forecast of Sewer Usage – Income – Existing System – Existing Users***
- XXII. Forecast of Sewer Usage – Income – New Users – Extension Only***
- XXIII. Current Operating Budget (Sewer System)***
- XXIV. Proposed Operating Budget (Sewer System) – Existing***
- XXV. Proposed Operating Budget (Sewer System) – New Users – Extension Only***
- XXXI. Estimated Project Cost – Sewer***
- XXXII. Proposed Project Funding - Sewer***

XXVI. FORECAST OF WATER - INCOME - EXISTING SYSTEM

MONTHLY WATER USAGE

	Residential					Commercial				
	Average Usage	Average Rate	No. of Users	Usage	Income	Average Usage	Average Rate	No. of Users	Usage	Income
0 - 1,499 Gal.	516	\$ 19.35	2,139	1,103,466	\$ 41,380	371	\$ 19.35	194	71,943	\$ 3,752
1,500 - 2,499 Gal.	2,004	\$ 23.92	1,104	2,212,249	\$ 26,407	1,967	\$ 23.59	31	60,485	\$ 725
2,500 - 3,499 Gal.	2,975	\$ 32.73	1,030	3,064,250	\$ 33,710	2,966	\$ 32.65	24	70,195	\$ 773
3,500 - 4,499 Gal.	3,968	\$ 41.73	742	2,886,720	\$ 30,964	3,992	\$ 41.95	16	63,872	\$ 671
4,500 - 5,499 Gal.	4,960	\$ 50.73	480	2,491,573	\$ 24,335	4,977	\$ 50.89	12	60,554	\$ 619
5,500 - 6,499 Gal.	5,952	\$ 59.73	292	1,872,400	\$ 17,461	5,970	\$ 59.89	10	59,700	\$ 599
6,500 - 7,499 Gal.	6,949	\$ 68.77	190	1,284,986	\$ 13,072	7,001	\$ 69.24	7	46,673	\$ 462
7,500 - 8,499 Gal.	7,960	\$ 77.94	114	978,417	\$ 8,872	7,995	\$ 78.26	5	40,641	\$ 398
8,500 - 9,499 Gal.	8,969	\$ 87.09	82	734,711	\$ 7,113	8,973	\$ 87.13	4	38,135	\$ 370
9,500 - 10,499 Gal.	9,941	\$ 95.91	49	555,868	\$ 4,716	9,956	\$ 96.05	3	25,720	\$ 248
10,500 - 11,499 Gal.	10,972	\$ 104.37	37	439,794	\$ 3,896	11,039	\$ 104.91	2	22,998	\$ 219
11,500 - 12,499 Gal.	11,936	\$ 112.22	28	435,664	\$ 3,086	11,887	\$ 111.82	2	23,774	\$ 224
12,500 - 13,499 Gal.	12,940	\$ 120.41	21	299,777	\$ 2,478	13,060	\$ 121.38	2	21,767	\$ 202
13,500 - 14,499 Gal.	13,959	\$ 128.71	16	229,160	\$ 2,038	14,082	\$ 129.71	2	24,644	\$ 227
14,500 - 15,499 Gal.	14,973	\$ 136.97	11	190,906	\$ 1,552	14,919	\$ 136.53	1	17,406	\$ 159
15,500 - 16,499 Gal.	15,982	\$ 145.20	9	174,470	\$ 1,319	16,165	\$ 146.69	1	13,471	\$ 122
16,500 - 17,499 Gal.	16,965	\$ 153.21	8	158,340	\$ 1,238	17,051	\$ 153.91	1	8,526	\$ 77
17,500 - 18,499 Gal.	17,981	\$ 161.49	7	118,375	\$ 1,104	18,081	\$ 162.31	1	15,068	\$ 135
18,500 - 19,499 Gal.	19,031	\$ 170.05	5	115,772	\$ 879	18,957	\$ 169.44	1	11,058	\$ 99
19,500 - 20,499 Gal.	19,945	\$ 177.50	5	74,794	\$ 858	20,120	\$ 178.92	1	25,150	\$ 224
20,500 & Over	41,347	\$ 351.92	40	1,636,652	\$ 13,930	43,706	\$ 371.15	11	480,766	\$ 4,083
	<i>Subtotal</i>		<i>6,407</i>	<i>21,058,343</i>	<i>\$240,408</i>			<i>329</i>	<i>1,202,544</i>	<i>\$14,388</i>
Average Monthly Rate	\$ 35.55					\$ 38.92				
Average Monthly Usage			<i>3,287</i>					<i>3,658</i>		
1 Inch meters	2,112	\$ 51.10	3	6,336	\$ 153	1,693	\$ 51.10	10	16,930	\$ 511
	7,172	\$ 70.80	1	7,172	\$ 71	7,400	\$ 72.86	6	44,400	\$ 437
	21,931	\$ 193.68	1	21,931	\$ 194	21,090	\$ 186.83	6	126,540	\$ 1,121
	76,926	\$ 617.12	1	76,926	\$ 617	83,768	\$ 666.59	2	167,536	\$ 1,333
						211,418	\$ 1,534.84	1	211,418	\$ 1,535

1.5 Inch meters	96,989	\$ 762.18	5	452,615	\$ 3,557	
2 Inch meters	2,946	\$ 145.35	4	11,784	\$ 581	
	46,931	\$ 397.43	5	234,655	\$ 1,987	
	390,173	\$ 2,668.14	4	1,560,692	\$ 10,673	
3 Inch meters	9,869	\$ 259.45	1	9,869	\$ 259	
	80,709	\$ 347.45	1	80,709	\$ 347	
	1,800,000	\$ 11,606.45	1	1,800,000	\$ 11,606	
4 Inch meters	5,488	\$ 422.45	4	21,952	\$ 1,690	
	139,390	\$ 1,078.18	2	278,780	\$ 2,156	
Wholesale - Caneyville	3,971,000	\$ 10,820.98	1	3,971,000	\$ 10,821	
<b>Monthly Totals:</b>	<b>6,413</b>	<b>21,170,708</b>	<b>\$ 241,443</b>	<b>381</b>	<b>10,191,425</b>	<b>\$ 63,003</b>
<b>Annual Total:</b>		<b>\$ 2,897,318</b>			<b>\$ 756,039</b>	

XXVII. FORECAST OF WATER - INCOME - NEW USERS - EXTENSION ONLY

MONTHLY WATER USAGE	Average	Residential			Commercial		
		Average	No. of Users	Usage 1,000	Income	No. of Users	Usage 1,000
<i>5/8 x 3/4 meter</i>							
0 - 1,499 Gal.		19.35					
1,500 - 2,499 Gal.	1,500	23.92	0	0	0	0	0
2,500 - 3,499 Gal.	2,500	32.73	0	0	0	0	0
3,500 - 4,499 Gal.	3,500	41.73	0	0	0	0	0
4,500 - 5,499 Gal.	4,500	50.73	0	0	0	0	0
5,500 - 6,499 Gal.	5,500	59.73	0	0	0	0	0
6,500 - 7,499 Gal.	6,500	68.77	0	0	0	0	0
7,500 - 8,499 Gal.	7,500	77.94	0	0	0	0	0
8,500 - 9,499 Gal.	8,500	87.09	0	0	0	0	0
9,500 - 10,499 Gal.	9,500	95.91	0	0	0	0	0
10,500 - 11,499 Gal.	10,500	104.37	0	0	0	0	0
11,500 - 12,499 Gal.	11,500	112.22	0	0	0	0	0
12,500 - 13,499 Gal.	12,500	120.41	0	0	0	0	0
13,500 - 14,499 Gal.	13,500	128.71	0	0	0	0	0
14,500 - 15,499 Gal.	14,500	136.97	0	0	0	0	0
15,500 - 16,499 Gal.	15,500	145.20	0	0	0	0	0
16,500 - 17,499 Gal.	16,500	153.21	0	0	0	0	0
17,500 - 18,499 Gal.	17,500	161.49	0	0	0	0	0
18,500 - 19,499 Gal.	18,500	170.05	0	0	0	0	0
19,500 - 20,499 Gal.	19,500	351.92	0	0	0	0	0
20,500 & Over	22,150	Subtotal	0		0		
		<i>Subtotal</i>	<i>0</i>	<i>0</i>	<i>\$0</i>	<i>0</i>	<i>\$0</i>
Average Monthly Rate	<hr/>						
Average Monthly Usage	<hr/>						

**XXVIII. CURRENT OPERATING BUDGET - (WATER SYSTEM)**

	Year Ending	2019
A.	Operating Income:	
	Water Sales	\$ 3,406,566
	Disconnect/Reconnect/Late Charge Fees	
	Other (Describe)      Forfeited Discounts & Misc Revenue	\$ 107,686
	Less Allowances and Deductions	
	Total Operating Income	<u>\$ 3,514,252</u>
B.	Operation and Maintenance Expenses: (Based on Uniform System of Accounts prescribed by National Association of Regulatory Utility Commissioners)	
	Source of Supply Expense	\$ 412,336
	Pumping Expense	\$ 142,287
	Water Treatment Expense	\$ 540,570
	Transmission and Distribution Expense	\$ 381,989
	Customer Accounts Expense	\$ 560,088
	Administrative and General Expense	<u>\$ 474,014</u>
	Total Operating Expenses	<u>\$ 2,511,284</u>
	Net Operating Income	\$ 1,002,968
C.	Non-Operating Income:	
	Interest on Deposits	\$ 32,567
	Other (Identify)	\$ 66,435
	Total Non-Operating Income	\$ 99,002
D.	Net Income	<u>\$ 1,101,970</u>
E.	Debt Repayment:	
	RD Interest	\$ 91,549
	RD Principal	\$ 61,000
	Reserve	\$ 49,000
	Non-RD Interest	\$ 150,184
	Non-RD Principal	<u>\$ 539,648</u>
	Total Debt Repayment	\$ 891,381
F.	Balance Available for Coverage and Depreciation	\$ 210,589
	Debt Coverage Ratio	1.24



**XXIX. PROPOSED OPERATING BUDGET - (WATER SYSTEM) - EXISTING USERS**

(1st Full Year of Operation)

Year Ending

2022

A. Operating Income:

Water Sales	\$	3,653,357
Disconnect/Reconnect/Late Charge Fees	\$	110,000
Other (Describe)		

Less Allowances and Deductions

Total Operating Income	\$	<u>3,763,357</u>
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B. Operation and Maintenance Expenses:

(Based on Uniform System of Accounts prescribed by National Association of Regulatory Utility Commissioners)

Source of Supply Expense	\$	435,000
Pumping Expense	\$	150,000
Water Treatment Expense	\$	600,000
Transmission and Distribution Expense	\$	400,000
Customer Accounts Expense	\$	600,000
Administrative and General Expense	\$	<u>500,000</u>

Total Operating Expenses	\$	<u>2,685,000</u>
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Net Operating Income	\$	1,078,357
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C. Non-Operating Income:

<del>Interest on Deposits</del> Cell Tower Rent	\$	64,000
Other (Identify) Interest	\$	33,000

Total Non-Operating Income	\$	97,000
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D. Net Income

\$	<u>1,175,357</u>
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E. Debt Repayment:

RD Interest	\$	61,258
RD Principal	\$	52,900
Reserve	\$	110,000
Non-RD Interest	\$	148,008
Non-RD Principal	\$	<u>566,778</u>

Total Debt Repayment	\$	<u>938,944</u>
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Short Lived Assets	\$	212,600
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F. Balance Available for Coverage and Depreciation

\$	23,813
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Debt Coverage Ratio <i>(net income divided by total debt repayment)</i>	1.25
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**XXX. PROPOSED OPERATING BUDGET - (WATER SYSTEM) - NEW USERS ONLY**

(1st Full Year of Operation)

Year Ending

A.	Operating Income:		
	Water Sales	\$	-
	Disconnect/Reconnect/Late Charge Fees	\$	-
	Other (Describe)		
	Less Allowances and Deductions		
	Total Operating Income	\$	-
B.	Operation and Maintenance Expenses: (Based on Uniform System of Accounts prescribed by National Association of Regulatory Utility Commissioners)		
	Source of Supply Expense	\$	-
	Pumping Expense	\$	-
	Water Treatment Expense	\$	-
	Transmission and Distribution Expense	\$	-
	Customer Accounts Expense	\$	-
	Administrative and General Expense	\$	-
	Total Operating Expenses	\$	-
	Net Operating Income	\$	-
C.	Non-Operating Income:		
	Interest on Deposits		
	Other (Identify)		
	Total Non-Operating Income	\$	-
D.	Net Income	\$	-
E.	Debt Repayment:		
	RD Interest	\$	-
	RD Principal	\$	-
	Reserve		
	Non-RD Interest		
	Non-RD Principal		
	Total Debt Repayment	\$	-
F.	Balance Available for Coverage and Depreciation	\$	-

XXXIII. ESTIMATED PROJECT COST - WATER

Development	\$	430,000
Land and Rights	\$	-
Legal	\$	5,000
Engineering	\$	89,090
Interest	\$	-
Contingencies	\$	43,000
Initial O & M	\$	-
Other	\$	-
TOTAL	\$	<u>567,090</u>

XXXIV. PROPOSED PROJECT FUNDING - WATER

Applicant - User Connection Fees		
Other Applicant Contribution		
RD Financial Assistance - Loan RD Grant	\$	567,090
Other -		
Other -		
Other -		
TOTAL	\$	<u>567,090</u>

Short Lived Assets

Type of Reserve	User Description	Replacement Cost	Reserve on Hand	Annual Reserve
1-5 Years	Add UV at Water Plant			\$ -
1-5 Years	Truck (WD13)	\$ 30,000		\$ 6,000
1-5 Years	Truck (WD 18)	\$ 30,000		\$ 6,000
1-5 Years	Truck (WD 17)	\$ 30,000		\$ 6,000
1-5 Years	Asset Management Software	\$ 45,000		\$ 9,000
1-5 Years	Repeater System for Truck Radios	\$ 20,000		\$ 4,000
1-5 Years	Paint Hwy. 185 Tank	\$ 150,000		\$ 15,000
Subtotal 1-5 Years				\$ 46,000
5-10 Years	Replace 1,000 Radio Read Meters	\$ 189,000		\$ 18,900
5-10 Years	Replace 3,000 Radio Read Meters	\$ 567,000		\$ 56,700
5-10 Years	Truck With Service Bed and Duals (WD15)	\$ 80,000		\$ 8,000
5-10 Years	Truck With Service Bed/1 Ton (WD16)	\$ 60,000		\$ 6,000
5-10 Years	Truck (WD 19)	\$ 30,000		\$ 3,000
5-10 Years	Truck (WD 20)	\$ 30,000		\$ 3,000
5-10 Years	Update SCADA System	\$ 100,000		\$ 10,000
Subtotal 5-10 Years				\$ 105,600
10-15 Years	Replace High Service Pumps	\$ 250,000		\$ 16,667
10-15 Years	Update SCADA System	\$ 200,000		\$ 13,333
10-15 Years	Truck (WD 07)	\$ 35,000		\$ 2,333
10-15 Years	Truck (WD13)	\$ 35,000		\$ 2,333
10-15 Years	Truck (WD 18)	\$ 35,000		\$ 2,333
10-15 Years	Truck (WD 17)	\$ 35,000		\$ 2,333
10-15 Years	Paint Lone Hill Tank	\$ 175,000		\$ 11,667
10-15 Years	Paint Big Clifty Tank	\$ 150,000		\$ 10,000
10-15 Years		\$ -		\$ -
Subtotal 10-15 Years				\$ 61,000
Replacement Reserve - Short Lived Assets				\$ 212,600
			Monthly Total:	\$ 17,717